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**STRATEGY FOR INTERNATIONAL ECONOMIC COOPERATION
OF RUSSIA WITH STATES NORTH-EAST ASIA**

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Abstract. The development of economic cooperation between the Far Eastern region and the states of Northeast Asia and the entire Asia-Pacific region is important for Russian policy, especially in the post-pandemic era. The strategic goal of state policy is to create globally competitive conditions for investment and business in the Far East, thanks to which the region will receive the necessary private investments for its accelerated economic development, followed by new jobs and a new quality of the social sphere that will create attractive living conditions for people, and increasing the number of economic ties within the region. In our article, we examined what innovative mechanisms have been developed and launched to implement the national program - the free port of Vladivostok, infrastructure support for investment projects, a mechanism for free provision of land plots to citizens of the Russian Federation, a reduction in electricity tariffs for industrial consumers in the Far East, prioritization of state programs of the Russian Federation, and programs of state-owned companies for the development of the Far East, etc.

Keywords. Strategy, cooperation, the Far East, competitive advantages, investment attractiveness.

The 2019-2020 pandemic is already occupying the saddest page of the first quarter of the 21st century in terms of its scale and socio-economic consequences. Much remains to be done by the world scientific community to obtain an objective assessment of the causes of the emergence and rapid spread of the coronavirus process with a huge number of deaths on almost all continents and in all countries. Moreover, the solution of this problem at all levels and, above all, at the level of the World Health Organization, is becoming not only extremely important, but also objectively necessary for determining the strategic directions for further development.

Moreover, the parameters of the negative impact of the pandemic on the level of national economies, already achieved to date, determine the high importance of developing strategies for international economic cooperation that ensure its high synergistic effect for the safety and the required quality of life of the population based on the principle of complementarity of national economies within the framework of existing regional associations.

Russia's cooperation with the countries of the Eastern Sea coast has had good dynamics over the past 5 years, in fact, before the onset of the modern pandemic. We are confident that this result was largely ensured by the purposeful work of the Association for Interregional Cooperation and the Government of Pohang.

However, real life has made its own adjustments to the outlined prospects and investment projects, which were discussed with the participation of the heads of many regions of Russia, first of all, the Russian Far East, Japan, the Republic of Korea and a number of other countries. Of course, the strategy of interregional interaction was defined, which retains and will retain its value for a long time, although the conditions for its successful implementation have changed significantly. The negative consequences of the pandemic will be determined at the end of 2020.

But already now we can talk about a significant decrease in macroeconomic indicators compared to 2019 in the countries of the Eastern Sea coast, which can

reach 10-15%. Significant damage was inflicted on interregional transport links, including air and sea transport. For this reason, in the Russian Far East, for this reason, the inbound tourist flows from the PRC, the Republic of Korea, Japan, Vietnam and outbound tourist flows from the Far Eastern cities to these and other countries of northeast and southeast Asia have decreased many times. At the same time, tourism enterprises and transport companies suffered huge economic losses.

The volume of export-import operations of the Russian Far East with the countries of the Eastern Sea coast also decreased, the scale of our friendly scientific, educational and cultural exchanges decreased.

All this speaks of the necessary adjustment of the existing strategy of interregional cooperation, which should take into account the changes taking place in connection with the pandemic in the strategic intentions and opportunities for realizing the interests of each side, as well as the result of our joint work on the mistakes made in the process of overcoming the pandemic.

As for Russia, its strategic choice to shift the vector of development of the Asia-Pacific region, announced several years ago by the Russian president, remains unshakable.

But at the same time, it is important to take into account the ongoing economic stagnation in the Russian national economy since 2014, with virtually zero growth rates.

During the same period, it was not possible to significantly improve the investment attractiveness of the Russian Far East, despite the system of institutional reforms being implemented here. The population of this region, its purchasing power and, as a result, the market capacity, continue to decline, which negatively affects the scale of attracting foreign investment in the modernization of the regional economic complex.

In contrast to these processes of development of the Russian economy in the countries of the East Sea coast, especially in the Republic of Korea and Japan, relatively high rates of economic growth have been achieved in the past 5 years, which forms their foreign investment strategy without prioritization, business

partnership and large-scale economic cooperation with neighboring countries. Far Eastern Russian regions while maintaining certain business interests only in their natural resources.

Realistically assessing the current situation, the President of the Russian Federation declared the development of the Far East in 2013 a national priority for the entire 21st century. By order of the government of the Russian Federation on September 24, 2020, the national program for the socio-economic development of the Far East for the period up to 2024 and for the future until 2035 was approved.

The strategic targets of the new program determine, among other things, the main provisions of the strategy of cooperation between Russia and the countries of the Eastern Sea coast.

At the same time, the following are identified as key competitive advantages for effective international cooperation:

1. economic and geographical location in close proximity to the world's largest and fastest growing market in the Asia-Pacific region, which accounted for 60% of the world's gross domestic product in 2018, 64.6% of world trade in goods and services, 26.3 % of the total volume of incoming foreign direct investment and 51.4% of the total volume of outgoing foreign direct investment;

2. the presence of the world's largest reserves of natural resources that can become the basis for new large-scale industries, including 81% of diamond reserves, 51% of forests, 37% of fresh water, 33% of aquatic biological resources, 44% of gold, 27% of gas and 17 % oil;

3. key location in the natural transport corridor between Asia and Europe. The world's largest railways - the Baikal-Amur and Trans-Siberian - with a total carrying capacity of more than 100 million tons and with long-term plans to increase up to 210 million tons in the next 10 years pass through the territory of the Far Eastern Federal District. There are 29 seaports here, which account for a quarter of the cargo turnover of Russian ports. The shortest sea route from Asia to Europe runs through the Far East - the Northern Sea Route, which has competitive

advantages in the transport of goods from Northeast Asia to Europe and promising plans to increase the carrying capacity by 2024 to 80 million tons of cargo;

4. the presence of a unique set of recreational resources attractive to Russian and foreign tourists. The natural resource potential of the region with the vast adjacent sea area is a significant part (in many respects unique) of the national wealth of the Russian Federation;

5. the presence of scientific and educational potential represented by the scientific centers of the Far Eastern Branch of the Russian Academy of Sciences and the Yakutsk Scientific Center of the Siberian Branch of the Russian Academy of Sciences, as well as 2 federal universities - the Far Eastern and North-Eastern.

The development of export-oriented sectors of the economy was announced as the strategic goal of the program.

In the Far East, in order to accelerate economic growth, export-oriented sectors of the economy will develop, which can, among other things, provide an inflow of investments, petrochemicals, aviation and shipbuilding, agriculture, timber processing industry, fishing and aquaculture, logistics, tourism and mining.

Let us consider in more detail the directions of increasing investment attractiveness in the key sectors of the Far East economy.

1. To increase the investment attractiveness of the oil and gas chemistry sector, it is assumed: the introduction of a mechanism for the preferential provision for use of unallocated oil and gas fields under investment obligations for the construction of processing facilities or capacities for the production of liquefied natural gas; lifting restrictions on the export of liquefied natural gas with the simultaneous establishment of universal requirements for exporters of liquefied natural gas.

2. To ensure the investment attractiveness of the mining industry, it is envisaged: to increase the level of geological exploration of the territory in order to involve in the development of the resource potential of the subsoil; granting the right to use subsoil for gold mining by citizens of the Russian Federation registered as an individual entrepreneur ("free bringing"); creation of a legal basis for the

development of venture capital instruments for financing geological exploration works; creation of a legal basis for the involvement in the development of minerals and useful components accumulated in subsoil waste.

3. To increase the investment attractiveness of the timber industry, it is planned to: increase from January 1, 2021 to 80% the size of the customs duty on the export of untreated timber from the Far Eastern species outside the tariff quota in the amount of 4 million cubic meters. meters established by the Rules for the distribution of tariff quotas among participants in foreign economic activity in relation to Ayan spruce, white fir and Daurian larch exported outside the territory of the Russian Federation to third countries, approved by the Government of the Russian Federation dated December 12, 2017 No. 1520 "On tariff quotas for certain types of timber exported outside the territory of the Russian Federation to third countries "; creation of a digital service "Lesvostok", which provides public access to information about forest resources, the sale of forest products through the exchange and the conduct of electronic auctions 12 for the right to lease forest plots, as well as automating the economically sound selection and assessment of forest plots, preparation of project documentation providing up-to-date information on the state of forests obtained from the analysis of Earth remote sensing data; introduction of a mechanism to stimulate private investment in the construction of forest roads.

4. To increase the investment attractiveness of agriculture, it is envisaged: collection and generalization of information on the targeted use of agricultural land in the Far Eastern Federal District in order to subsequently involve unused land in circulation for the implementation of investment projects; creation of a unified database that allows the formation of clusters from lands of different legal regimes for the implementation of large agricultural projects; implementation of a comprehensive measure aimed at providing the constituent entities of the Russian Federation that are part of the Far Eastern Federal District with vegetable products, which provides for appropriate measures of state support, including the creation and (or) modernization of greenhouses and capacities for storing vegetable

products; within the framework of the State Program for the Development of Agriculture and Regulation of Markets for Agricultural Products, Raw Materials and Food - support for agricultural production in certain subsectors of crop and livestock production, stimulation of the development of priority subsectors of the agro-industrial complex and the development of small businesses, support for investment lending in the agricultural sector.

5. To increase the investment attractiveness of fishing and aquaculture, it is planned to: introduce requirements for export sales of certain types of fish products produced in the Far East through an electronic exchange; simplification of the procedure and reduction of the terms for conducting state ecological expertise in relation to projects in the field of aquaculture development.

6. To increase the investment attractiveness of the transport and logistics sector, it is planned to: expand the capacity of the Baikal-Amur and Trans-Siberian railways to 210 million tons, as well as implement measures to ensure the power supply of traction substations; introduction of zoning of seaports in the Far East and a mechanism for transferring inefficiently used port infrastructure to new investors; introduction of a mechanism for subsidizing the interest rate on loans attracted for the implementation of projects to localize the production of containers and the construction of dry ports in the Far East; ensuring the competitive cost of icebreaker escort of ships along the Northern Sea Route; expanding the use of motor fuel, the quality of which has been brought to the level of European and the best world standards.

7. To increase the investment attractiveness of aircraft and shipbuilding, it is envisaged: creation of conditions for the implementation of the extraction (catch) of aquatic biological resources in the regions under the jurisdiction of the Russian Federation from 2034 using fishing vessels built in the territory of the Russian Federation; creation of competitive conditions for the implementation of ship repair works in the Far East, including the establishment of a zero rate of value added tax on all types of ship repair; the introduction of a mechanism for providing subsidies from the federal budget to Russian organizations to reimburse part of the

costs of building fishing vessels at the shipyards of the Far Eastern Federal District, provided for by an agreement on securing and providing a quota for the production (catch) of crabs for investment purposes; within the framework of the state program of the Russian Federation "Development of shipbuilding and technology for the development of shelf deposits" - the provision of subsidies to Russian organizations for financial support of part of the costs associated with the construction of large-capacity vessels, the provision of subsidies to Russian organizations to reimburse part of the cost of interest on loans raised for the implementation of projects on the creation of shipbuilding complexes.

8. To increase the investment attractiveness of the tourism sector, it is planned to: introduce a mechanism to subsidize the interest rate on loans raised for the implementation of projects for the construction of new hotels in the Far East; the introduction at all international airports of the Far East services for compensation to individuals - citizens of foreign countries the amount of value added tax when exporting goods outside the customs territory of the Eurasian Economic Union (tax free); priority provision of large investment projects in the field of tourism; creation of conditions for regular cruise traffic in the Far East on ships flying the Russian flag.

9. To increase the investment attractiveness of the manufacturing industry, it is planned to introduce: a mechanism for a special tax deduction for investments in the modernization of processing enterprises in the Far East; targeted tax incentives in the volume of investments in infrastructure for new industries; subsidizing the interest rate on loans for processing industries and projects in the field of localization located in the regions of the Far Eastern Federal District.

The solution of the listed strategic tasks forms the basis of the Russian policy of strengthening the role of its Far Eastern region in the development of economic cooperation with the states of Northeast Asia and the entire Asia-Pacific region.

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