

BUSINESS PROGRAMME for the Russian Investment Forum

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[Investing in the Regions: Goals, Objectives, Tools](#)

Regional Development: the Future of Russia

The Russian Federation is very diverse in terms of its regional composition. On the one hand, this diversity is a source of development, given that different regions have their own unique resources. On the other, asymmetrical regional development threatens to 'fracture' the unified socio-economic space. Analysis of regional budgets shows that the level of expenditure on the national economy is starting to diminish, which therefore limits the opportunities for future economic growth in constituent entities of the Russian Federation. Regional budgets must have real sources of financing to create new mechanisms for modernising production and building infrastructure with a view to increasing investment attractiveness. That's why one of the key tasks for the year ahead is to ensure the solid growth of regional investment activity. What mechanisms will encourage regional authorities to use their budgets to invest in infrastructure? What measures can be implemented to increase the share of expenditure on investment in the budgets of constituent entities of the Russian Federation?

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Regional Industrial Policy: Improving Supply Chain Efficiency and Supporting Production Localization

Investment activity in a region grows thanks to both new industrial models that improve the quality of offerings for potential investors and to goal-oriented approach to projects that takes into account technological priorities and cooperative connections in that region. Russian industry is to become more competitive on both internal and external markets through improving localization of technology, equipment and components. In order to achieve the latter, entire ecosystems consisting of industrial enterprises, research and development facilities, education institutions, finance and credit organizations, and industrial infrastructure elements (e.g. technoparks) are created to support an industry or its particular branch. Extraterritorial approach is growing more and more relevant: it is based on interregional cooperative connections as well as on using digital services and platforms during both design and implementation stages. Which local industrial policies are required to improve regional industrial attractiveness? Which state support mechanisms are most efficient when it comes to component localization? How relevant is the extraterritorial approach in joint localization projects? Do regional industrial support programmes need a reload? Which support mechanisms are in demand by both management companies and technopark residents?

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Comprehensive Sustainable Development of the Territories: Creating Investment Demand in Regional Economies

The main goal of instituting comprehensive and sustainable development in the territories is to involve 'depressed' municipalities in urban planning by way of implementing targeted measures, to be carried out in designated areas, in particular involving renovation, modernization, and repair works. These areas often include unused or underutilized territories, a significant number of which have been subject to unauthorized construction, among other things. These areas are, in most cases, located in the central districts of municipalities, and are attractive to investors looking to develop commercial and residential real estate. In fact, municipalities have been given opportunities to increase land use efficiency and promote comprehensive development, as well as balancing infrastructure and creating new jobs. What are the new approaches to developing Russia's territories at the municipal level? How can instances of chaotic construction with a lack of infrastructure be avoided? How can unused and underutilized industrial areas be developed? How can the conditions for investor activity be created in order to promote the comprehensive sustainable development of the territories?

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Russian Jurisdiction as a Guarantor of Investor Security

Improving national jurisdiction is essential for attracting investment in the Russian economy. In a world where legal systems are competing with one another, it is vital to raise the quality of Russian jurisdiction, which should provide the best guarantee of the rights of businesspeople. What has already been accomplished as a result of the measures put in place to improve the business climate in the Russian Federation? What shortcomings in Russian jurisdiction are contributing to a flow of capital out of the country, and what measures for protecting the rights of investors have proven to be effective? What legal tools could be employed to help return capital which has left the country, and to entice back entrepreneurs who have changed their tax residency?

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The Acceleration of SMEs: Initial Results of the Creation of Industrial and Technology Parks

A number of initiatives have been set out in order to promote the accelerated growth of industrial SMEs at the federal level. They include the provision of preferential access for SMEs to manufacturing clusters and facilities, as well as comprehensive service, information and export support. How effective are these initiatives? What problems do SMEs in the manufacturing sector face in terms of the provision of vital infrastructure? What additional measures are available to support them at the federal level? What are the best regional practices for the creation and development of industrial and technology parks? How can we spur the development of manufacturing clusters and their residents?

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The Circular Economy: Fashion or Necessity?

In a closed-cycle economy (circular economy), manufactured goods do not become waste after use. After processing, they are reused, which allows resources to be provided to the growing population of the Earth. But the circular economy requires the restructuring of industrial processes with the introduction of new technologies, including artificial intelligence and big data. Is it possible to sustain economic growth without depleting the planet's resources? Is it possible to provide for human needs without harming the environment? Are circular economy business models in demand from Russian companies? Will Russia take a leading position in a closed-cycle economy?

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The State's Role in Developing the Project Financing Market: Promotion or Deterrence?

In partnership with Gazprombank

The state has set the task of significant growth in the country's main spheres of life and economy through the implementation of large national capital-intensive projects. The share of fixed capital investment in Russia's GDP is expected to grow to 25%. A significant proportion of projects require the attraction of bank project financing and the application of a variety of financial and non-financial support measures through public-private partnership mechanisms. Are the current regulations and proposed changes in line with the objectives and conditions under which banks can finance national projects? Will the banking sector be able to provide these volumes? Are the state-supported measures that have been initiated (subsidies, Project Finance Factory, Special Investment Contracts (SPIK), North-Western Industrial Company (SZPK), among others) sufficient?

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Business breakfast

Breakfast in VEB City

In partnership with the State Development Corporation "VEB.RF"

What makes a city a comfortable place to live, and what factors make for a healthy and happy urban environment? A well-organized waste collection and processing system helps to maintain the cleanliness of residential courtyards and city streets. Utilities services provide homes with clean water, heating, and energy. An integrated urban transport infrastructure running like clockwork allows residents to get from one place to another quickly and conveniently. Digital services make it possible to order fresh produce and other products in a single click, study and learn new things, undergo medical examinations, and access a whole range of different services. Sporting facilities allow people to spend their leisure time on activities that promote physical health, while cultural institutes and centres stimulate the mind. Ultimately, the comfort and well-being of a city's residents is secured by the efficient and coordinated operation of urban systems. At its core, this means streamlined business processes: rational planning, economically sound decision-making, the competent use of resources, and management control. A city is a business that works in the interests of its beneficiaries – that is to say, its residents. How can the efficiency of urban systems be improved? Which business solutions can have the greatest socio-economic impact? How can expenditure on the funding of urban services be turned into investments in their development? How can business help to make Russian cities more dynamic, environmentally friendly, comfortable, sustainable and, ultimately, turn them into the kinds of places their residents would want to live in?

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Access to Housing: The Past or the Future?

The government has made it a priority to improve access to housing as part of the development of the construction industry. It has also laid out plans to improve housing conditions for a minimum of 5 million Russian families per year. However, access to housing is still a cause of concern. Prices continue to grow, particularly in large cities, leaving people unable to save for their own home. What's more, mortgage interest rates have long been on the increase, and despite their recent fall, the forecast rate of 8.9% for 2019 did not come to pass. Indeed, interest rates continue to remain at substantially higher levels. This is compounded by the fact that there will clearly be insufficient construction over the coming years, due in part to a transition to a new funding model. This will lead to prices continuing to grow. And these are just a few of the problems currently being experienced. What can be done today to improve access to housing? Can the rental sector, individual housing construction projects, and the cooperative movement play a role in improving the situation?

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Methane-Powered Vehicles: New Investment Opportunities in a Growing Market

In order to improve the environment and spur the development of the gas engine fuel market, the Russian government has adopted a set of measures. These encompass state support and a strategy for the accelerated development of methane-based infrastructure. In 2019, the filling station network for gas engine vehicles grew by 20%, with the same number of new stations also expected to open in 2020. At the same time, the price of methane as an engine fuel remains unchanged, at a maximum of 40% of the price of diesel fuel. In addition, public funds have been allotted to make it cheaper to reconfigure vehicles to run on methane. Support is also provided to customers purchasing new gas engine vehicles under programmes developed by the Ministry of Energy, the Ministry of Industry and Trade, and the Ministry of Transport of the Russian Federation. As it continues to grow with government support, what potential and opportunities are opening up on the gas engine fuel market? When will the methane-powered vehicle sector not only start growing at the same rate, but faster than the filling station infrastructure in the regions? At what rate will the filling station network need to grow at that point? What measures could be implemented at the regional level to help promote methane-powered vehicles?

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An Economic Multiplier: The Growth of Tourism in Russia

Domestic and inbound tourism helps secure sustainable socioeconomic development. It also plays an important role in helping small businesses to grow, as well as in job creation. Russia is able to leverage enormous potential in this sector. The country boasts unique natural resources and a plethora of world class cultural and historical sites. Nevertheless, a range of issues on the agenda remain, and require additional discussion. What stereotypes exist when investing in tourism projects, and how can they be overcome? Is a strategy for the interregional development of amalgamated tourist regions (global destinations) required? What are the main factors hindering the growth of domestic and inbound tourism in Russia? What can be done to raise investors' interest in the tourism industry? Do small and medium sized enterprises have a stake in tourism? What forms of government support will be put in place to help develop tourist zones?

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High-Quality Investments in Infrastructure: Opportunities to Adapt and Problems of Implementation in Russia

In order to facilitate faster infrastructure growth and to increase investment attractiveness, the G20 nations put forward an action plan to categorize infrastructure as a separate class of assets. This plan was drawn up with the participation of international financial organizations and multinational development banks. In order to achieve this aim, a specific approach was developed. This was based on a range of factors and criteria which were identified as being able to contribute to the quality of infrastructure projects, and also to ensure their dependability and attractiveness to investors. In June 2019, the principles of quality infrastructure investment (QII) were approved in the G20 Osaka Leaders' Declaration. It was agreed that these principles were applicable to any infrastructure project and set out to ensure that they were economically viable. Some of the key criteria included security and resilience against natural disasters, social considerations, job creation, the use of innovative approaches and advanced technology, and approaches to infrastructure management. In Russia, the Ministry of Finance tasked VEB.RF with adapting QII principles in cooperation with the PPP Development Center. Input was also provided by participants in the infrastructure investment market. How might compliance with QII principles help attract funding, including from abroad? What does it mean to structure projects according to QII principles? How will compliance be assessed? What transformations need to be enacted in the infrastructure market to ensure that QII-compliant projects become the norm, rather than just one-offs? And how can this be achieved without damaging the current successful practice of implementing infrastructure projects?

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Electric Power: Challenges and Potential

Increasing the effectiveness and functional reliability of the electric power sector is the basis for sustainable economic growth in a country, guaranteeing that businesses can continue their activity without interruption. Key areas for the development of this sector include implementing digitalization, refining statutory regulation on tariff setting and industry activity, and using best international practice and technology. How can we match the interests of energy consumers to those of energy producers? How can we respond to the challenges which have emerged due to a rapidly changing energy balance and the growth in the proportion of renewable energy sources? What will digitalization of the sector entail?

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Driving the Growth of Services Exports: The Rules of the Game in International Markets

In partnership with the Russian Export Center

Services exports remain a priority export development area, where Russian companies can successfully compete in the markets of both developing and developed countries. The systematic measures and institutional support instruments being implemented should help Russian exporters by increasing the competitiveness of Russian services in global markets and increasing the attractiveness of the Russian jurisdiction. What are services exports target growth rates for Russian regions and government-sponsored companies? How effective are the methodological recommendations and their implementation for regions of the Russian Federation and government-sponsored companies? Do state measures supporting services exports need expansion?

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Tax Trends 2020: The Business and Investment Climate

The tax climate is a major element of the investment climate. There is no single approach to investment-stimulating tax benefits that would work in all sectors and all regions, in all countries, and at all points in history. Russia has its own unique set of conditions stemming from its industrial and regional diversity. Not only does there need to be support for investments, but state and business tax policies must also be constantly updated. What changes must be made to tax administration instruments in order to assuage foreign investors' fears of investing in the Russian economy? What rules of the game are beneficial to governments and societies while also being profitable for Russian businesses? Freezing tax rates, altering approaches to tax oversight, reducing tax burdens, a moratorium on increasing the tax burden on certain business categories, tax preferences for industrial companies and other priority sectors.

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Achieving high economic growth: tailored solutions for Russia

The objectives of entering a sustainable growth trajectory and earning a spot among the world's five leading economies remain relevant social and political goals. However, cutting-edge, innovative solutions and economic development mechanisms must be implemented in order to achieve these goals. How can the trend of stable but modest economic indicators be improved? What barriers are in the way of an accelerated 5% annual growth rate? How can the latest, most successful experiences of developed and developing countries be integrated into current economic policy and national projects? What are the priority sectors for development?

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Developing and Stimulating Investment: New Prospects for the Financial Market

Only a stable inflow of private investment can fulfil the Russian need to develop infrastructure. However, most private investment companies and foundations focus on short-term profits, while the payback period for infrastructure projects may stretch to several decades. Transition from the policy of savings to that of investment, effective conversion of savings to fixed asset investments, and medium-sized businesses entering the corporate bonds market are the mechanisms that will allow attracting a new round of investors for these projects. In addition, re-financing state development institutions will not only allow directly increasing the volume of investments and the number of projects but, most importantly, creating a cumulative effect for their growth. Thus, one rouble invested by a state development institution brings up to five-six roubles to the GNP by involving the funds of lending institutions in the project and from subsequent revenues from the project for the local, regional and federal budgets in the form of taxes. Is there investment demand on the financial market? What are strategic objectives of the Russian financial market growth? What is wrong with project financing in Russia? What are the expectations of institutional investors? What are the sources of financing for infrastructure projects: PPP mechanisms or collective investment? How can you make the Conversion Mechanism for turning savings into investments work?

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Foreign Investment in Russian Regions

Russian federal subjects are the primary players responsible for implementing national projects and achieving national development goals. Regions carry a significant portion of the burden of implementing national projects, as they must search for additional financing, manage a significant number of investment projects, and leverage modern technologies. International business representatives could make a significant contribution to meeting these objectives. What are Russian regions' prospects on the international level? What are the latest trends and consumer behaviour models in the global market? Are international businesses ready to invest in national projects and share their best practices with regions? What kind of projects might interest investors?

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Risks and Investment Opportunities under New Public Infrastructure Regulations

The depreciation of public utilities infrastructure is a significant issue in Russia. The costs of updating utilities networks cannot be passed on to consumers in their entirety, as that would lead to additional tariff increases. The current situation is such that tariffs are sometimes unable to cover operational expenses, let alone provide return on investment. Related ministries and agencies are forming two parallel approaches to calculating tariffs. The existing method averages tariffs by group, without taking into account real spending on operating procedures. Meanwhile, the second model is concerned with technological standards, aiming to provide high quality, reliable utilities, taking into account real depreciation and operating procedures. What do businesses think about the advantages, shortcomings, and investment potential of these two approaches? Can they be united? Can these new approaches be used to launch a real programme for updating utilities networks, strengthening government support, and attracting private capital to the industry?

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Small Business: On the Path to Strategic Growth

The National Project for the Development of Small and Medium-Sized Enterprises has been running since 2018. Since then, business loans have become more accessible, but data indicates that entrepreneurs' perception of business conditions remains pessimistic. What support measures are small and medium-sized enterprises (SMEs) currently lacking? Why are some regions seeing more SME business activity than others? How can the appeal of and demand for civil products from subsidiary small and medium-sized military-industrial enterprises be increased to further their development? How effective are existing financial and nonfinancial support mechanisms and which of them do businesses ask for most?

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The Unrealized Potential of Public-Private Partnerships

Russia needs an investment model for its economic development in order to realize its goal of becoming one of the five largest economies in the world. Public-private partnerships (PPP) are the most popular method of attracting private investment and skills in the long-term, increasing the efficacy with which public infrastructure is managed, and improving the quality of services. There are currently approximately 3 thousand PPP agreements (concessionary and otherwise) in effect, representing an investment volume of approximately RUB 1.7 trillion, including RUB 1.1 trillion that stems from nonbudgetary sources. PPP mechanisms are hampered by budgetary limitations and a backlog of court cases related to antimonopoly legislation. What is the role of PPPs in meeting the objectives set by the President of the Russian Federation in his 'May Orders'? How can existing barriers be overcome? What are the current development prospects for the Russian PPP market? What do regions and private investors need to be able to implement the majority of investment projects using PPP mechanisms?

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Entrepreneurial Risk and Managerial Liability. Government Approaches and Business Practices

Managing risk is the essence of an entrepreneur and a standard business practice, however, in an ever-changing environment, the work of entrepreneurs is often assessed in an 'unorthodox' manner. On the one hand, business people are protected – the law stipulates that a director cannot be held liable for company losses providing their actions do not fall outside the realm of normal business risk. But on the other hand, this does not exclude the possibility of a director being prosecuted, as law enforcement agencies do not recognize the concept of entrepreneurial risk. The situation is further aggravated by the practice of the Law on Bankruptcy, when a poor business decision increasingly entails consequences for the director. How can we do business in the 'green zone'? What transactions are 'essentially unprofitable'? How can we use the 'business judgment rule' and what is the likelihood of the regulator taking a softer approach?

Human Capital: A Foundation for Future Leadership

Social Investment for the Real Economy: Partnership Between State and Business

Investments that do not take into account the impact of new projects on the social ecosystem are a thing of the past. Socially oriented investments are becoming more and more widespread, with investors prioritizing positive social impacts on the municipality, Russian federal subject, or country as a whole. With growing demands on staff training levels in the labour market, the education sector is becoming more economically efficient, and investments in the sector have some of the highest yields in the medium and long term. What are the most appropriate investment tools for modernizing education infrastructure? What options are available to investors in terms of participating in the creation of curricula and the training and advanced training of teaching staff? How can innovative tools and best practices be implemented in the management of educational organizations?

Human Capital: A Foundation for Future Leadership

The Convergence of Education and Technologies: How to Create a School of the Future

A future set to be defined by high technologies and new professions will place new demands on educational outcomes. The high-tech convergence of education and technology is an inevitable step on the path to top-quality education that responds to the challenges of a highly uncertain world and gives everybody the opportunity to master the skills they require for their successful self-development. The most effective mutual integration of technologies and education is achieved with the active involvement of the real economy in staff training. The synergy of taught skills, a deep understanding of both sector-specific development potential and the demands of the economy of the future, and fundamentally new opportunities for infrastructure-led upgrades to the education sector all have a role to play in the pursuit of top results. This kind of interaction helps to bring about modernized curricula, better and better qualified teaching and managerial staff in educational organizations, and new innovations in the learning process. How does partnership between the state and the real economy operate in the education sector today? What are the barriers to development and to implementing joint projects at all stages in the preparation of this future workforce?

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Social Entrepreneurship: A New Stage of Development in Russia

Social entrepreneurship is founded on innovative approaches to tackling social issues. Over the past five years, it has proven the impact it can have, both socially and economically. The adoption of a law on social entrepreneurship has allowed this economic sector to be separately categorized. Consequently, a range of specific support measures can be drawn up. What needs to be done to build a cohesive system for the socioeconomic development of the regions and the country as a whole? How effective are current means of support for social entrepreneurship? Do they meet modern standards and requirements? What should the regions do to create an ecosystem which can help unlock their socioeconomic potential?

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Demographic Disparities: Keeping Young People in the Regions

As students leave their towns in search of a better life, a demographic disparity becomes increasingly apparent. This is due to resources being largely concentrated in Moscow and St. Petersburg. In order for there to be development across the country, people need to be able to study, acquire a profession, and realize their potential in their home regions. The creation of social, professional, and political elevators is key to stemming the flow of young people away from the regions. Support from local government and commercial organizations is also crucial. What can be done to encourage young people to join projects in the regions and help tackle pressing issues affecting the socioeconomic development of the country? What factors might affect efforts to counter the outward migration of young people? What could local government and businesses do to help and support young activists? Do universal approaches and requirements pertaining to youth policy need to be developed?

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Creative Industries in the Regions: The Path to Development

The Russian government has made it a priority to make the country more attractive to investors – a priority which depends on the development of individual regions. A key role in making the regions more attractive can be played by the creative industries, as can the promotion of unique cultures. The creative industries are becoming a key sector of the innovation economy, and are helping to drive economic growth and social development in cities and districts. They help create jobs, support the development of infrastructure, and bring in tourists. How does the development and promotion of a region's culture and cultural sites affect its attractiveness to investors? Is the development of the creative sector linked to urbanization and the phenomenon of smart cities? What role can business play in helping to implement cultural projects in the regions? How do culture and the creative industries support the development of a region's export potential and the establishment of international partnerships?

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Women's Entrepreneurship and Regional Development

Research suggests that the global GDP growth rate would have gone up from 3% to 6% had women played as active a role in the entrepreneurial activity as men. Women's entrepreneurship today is one of the global trends that improves national economic growth and increases the share of small business within that growth. Russia too started to pay a great deal of attention to women's entrepreneurial activities since business driven by women is an important point of growth in the country's regions. What role do women entrepreneurs play in regional development? Which regions lead the way in terms of women's business activity and why? What are the main obstacles? Which support mechanisms and tools are there? What role do associations and business communities play in supporting women entrepreneurs?

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Investment in Ethnocultural Projects

Ethno-tourism is a global trend, and is becoming increasingly widespread in Russia. The creation of new ethno-centred tourist offerings can play an important role in the development of domestic tourism in the Russian regions. These offerings can not only help support the development of the industry as a whole, but also facilitate dialogue within Russia's multi-ethnic culture. The sector can significantly boost social development in areas on the tourist trail, and that is even before considering the cultural benefits it brings. What can new ethnoparks achieve? How can the industry be made profitable? What can be done to make a project attractive to investors? Who might be potentially interested in investing in such initiatives?

Human Capital: A Foundation for Future Leadership

Who Benefits by Investing in Culture?

In today's world, entrepreneurial activity is one of the main sources of funding for culture and the arts. Both education and business are becoming ever more engaged with art. Is cultural investment a business or a charity? How do company strategies to support culture and the arts affect their brand and image? Can investments in culture and the arts be profitable for business in the short term? Why does business need culture and why does it invest in it? How can culture attract business?

Digital Economic Transformation: Practical Results

Digital Solutions for Business

Sberbank Panel Session

Digital solutions using cloud services and artificial intelligence can significantly expand business activities and accelerate labour productivity. Despite this, Russia has been far slower to introduce modern technologies than the leading countries in this field. This session is devoted to a discussion of the digital solutions that exist for businesses, why Russia has been slow to implement them and how the gap can be overcome. In particular, we will attempt to answer the question: How can we improve communication channels between developers of new digital solutions and the business community?

Digital Economic Transformation: Practical Results

Urban Infrastructure of the Future: Innovations and Investments

A new demand is now being heard in the field of urban development, a consequence of limited investment sources: use the most effective innovative solutions possible. As things stand, the country's urban infrastructure requires a mass-scale project to implement modern technological solutions that will produce results while remaining affordable. At the same time, a wide range of technologies have already proven their effectiveness and a number of new products that could be successfully used in projects in the sector have already been presented on the Russian market. The shared task of the federal and regional authorities, manufacturers and investors is to jointly determine the direction of travel for state support and the conditions for attracting investments into the urban infrastructure of the future. How can we advance from traditional infrastructure solutions to innovative technologies with limited resources? What does the effective use of state support mean? How can the tools and conditions for motivating investors to fund urban infrastructure projects be created? What is the profit ceiling for investments in urban development projects?

Digital Economic Transformation: Practical Results

Experimental Legal Regimes in the Digital Economy

As the digital economy takes shape, so changes inevitably need to be made to the legal and regulatory framework. However, new technology frequently appears much more quickly than corresponding legal stipulations can be enacted. In order to get around this issue, a number of so-called regulatory sandboxes have been developed. These are special legal regimes which allow for experimentation when delineating the legal principles governing new technology. Regulatory sandboxes aim to reduce the regulatory burden on companies encountering difficulties in introducing innovative digital products and services in Russia. Which areas are applicable for testing in regulatory sandboxes? What are the socioeconomic effects of using them?

Digital Economic Transformation: Practical Results

Digital Transformation: Initial Results, Expectations and Opportunities

The speed of technological development and the transition to the digital economy is becoming a defining factor for a nation's standing on the international market. That is true both of the IT sector, and classical sectors of the economy. Russia's technological independence is a vital issue in this regard, as is the commercialization of the country's R&D output. Other key topics include accelerating the technological development of Russian companies and ensuring the competitiveness of the goods and services they offer on the global market. What are the provisional outcomes of implementing support measures for projects in the development of cross-cutting digital technologies? What is the role of state corporations in digital transformation processes? What are the best ways to bring business on board with the development of digital technologies as an investor?

Digital Economic Transformation: Practical Results

From Cyberhygiene to Cybersecurity: How Can We Protect Ourselves in a Digital World?

According to the Russian National Coordination Centre for Computer Incidents, in 2018 there were more than 4.3 billion IT attacks on Russia's critical information infrastructure, with banks and authorities most often exposed to cyberattacks. However, the cybersecurity of the large and small business segments cannot be considered separately. According to research, over the past year about 40% of Russian small and medium-sized companies have faced targeted cyberattacks. Often, large corporations are attacked through their less secure contractors. At the same time, the rapid development of technology and the imminent emergence of 5G networks make these threats all the more urgent. Today, along with the cybersecurity system that has been built, the compliance of every employee with the rules of cyberhygiene is becoming critically important. What role does cyberhygiene play in the cybersecurity system of the organization and the state as a whole? What else can improve the efficiency of the company's defences?

Digital Economic Transformation: Practical Results

Will AI Be Granted Russian Citizenship?

Digital technologies are directly changing human lives and forcing us to seek out new solutions in all spheres. One of the most promising areas today is the development of artificial intelligence. Solutions designed using AI are being actively implemented by states and leading corporations. In 2018, experts estimated the volume of the technology market based on AI at 21.5 billion dollars and forecast that it will grow to 140 billion by 2024. As expected, this area will contribute more and more to the growth of the world economy every year. Russia has also adopted a national strategy for the development of artificial intelligence for 2030. Will Russia be able to take the lead in this technological race? Which industries are already using AI technology today? How should the state and business interact in this regard?

Digital Economic Transformation: Practical Results

Data Processing and Storage in Russia: Investment Potential

The development of a competitive global infrastructure for processing and storing data in Russia is a key national objective. In order to achieve this, there needs to be support for investment in the construction of commercial data processing and storage centres. The IT infrastructure must satisfy the needs of the digital environment, while being able to respond to the challenges of time and rapid technological change across the globe. What specific aspects characterize investment in infrastructure? How can the Russian data storage and processing market be made more attractive to investors in infrastructure? What forms of government support for investors are needed to secure growth in the construction of commercial data storage and processing centres?

Digital Economic Transformation: Practical Results

Workforce Productivity as a Growth Area for the Russian Economy

Workforce productivity is a key indicator of economic development, and raising it through increasing added value per worker has become a key objective. The opportunity has arisen to increase salaries, create more jobs, and unlock working capital for companies to invest in modernization, renovation, and improved production. In turn, this will significantly help accelerate technological development in the country and increase the number of organizations working on tech innovations. Achieving all this will go a long way towards creating a highly productive export-centred sector across the main non-commodity industries. It will be a sector staffed by highly qualified professions, and one which will develop on the basis of modern technology. What is the effect of labour productivity on economic growth in the Russian Federation? How can measures aimed at increasing labour productivity at the regional level have an economic impact? How can an effective culture of productivity be fostered in the workplace?

Digital Economic Transformation: Practical Results

Competitive and Effective Russian IT Solutions for Small Business

The economy of the future is taking shape today. Small businesses are constantly growing and diversifying. The widespread implementation of IT solutions in small businesses is one of the most effective ways by which to achieve employment growth targets, and to increase the contribution made by small businesses to the economy. The advantages of adopting such an approach are clear, leading as it would to a substantial improvement in the way business is done in Russia. It would help optimize back office processes and provide an additional boost to the country's IT industry. What's more, it would facilitate the development of breakthrough tech projects focusing on economic growth as a whole, or on individual segments. To what extent are IT solutions for small businesses effective, affordable, and of interest to entrepreneurs? What tools and options are IT companies prepared to offer small businesses irrespective of their area of focus? Is the government in a position to move away from classical SME support models in favour of service models (achieving business objectives, remote access to development and support tools, assistance in creating an IT model for a small business operating in any industrial niche, etc.)?

Digital Economic Transformation: Practical Results

Digital Regions

In partnership with Rostelecom

The regions have a key role to play in the implementation of the Digital Economy of the Russian Federation national programme. The current mechanisms in place are somewhat specific and fragmented in nature. They do not make up a comprehensive approach to achieving digital development in the Russian regions. They also fail to factor in the various process involved in taking state governance decisions at the federal, regional, and municipal levels. It is therefore crucial to bring together the fragmented initiatives set forth in national and regional projects, and to fund the corresponding measures. What is a digital region? What issues affecting the regions are the most pressing? How will funding for the Digital Region project look?

Digital Economic Transformation: Practical Results

Establishing Regulations for Digital Ethics in Russia

Digital transformation, the rapid technological development of artificial intelligence, virtual reality and facial recognition technology require a new approach to regulation and a specific set of digital ethics. The average person spends 30% of their time online, and an increasing proportion of significant events in a person's life take place in the virtual world. In the same vein, though, there is also misuse of technology, which comes with an increasing risk of harm to individuals as well as businesses, the state and society as a whole. In this context, the usual regulations and bans are practically obsolete, and new technological limits will emerge along with ways of getting round them. In this way, creating voluntary limitations for those engaged in potentially harmful activities may be the only way of creating a safe environment in the digital sphere – in other words, creating a code of digital ethics. Russian developments in this sphere are well-known. For example, Russian specialists created a new format called screenlife, which helps run educational courses on Internet safety and ethics. In addition, digital content is becoming one of the most technological and rapidly developing markets. Today, it is already one of the major sectors of the global economy. What position will Russian companies occupy in this market? Are Russian companies capable of being competitive and will this branch become a new driver of economic development? Can Russia's 'Code of Digital Ethics' go global? Will Russia open up a new era of Internet safety or will the virtual milieu remain a space devoid of limitations or moral principles? Will further development of artificial intelligence lead to limits being imposed on personal freedoms? What role do Russian companies have in the global context of technical progress?

Digital Economic Transformation: Practical Results

Digital Technologies in Agriculture

The world is currently bearing witness to a unique event: across the globe, agriculture is steadily transitioning from a semi-intuitive art to a high-tech industry, based on brand new, innovative solutions and technologies. The digitalization of the agrarian sector gives the world a chance to feed its growing population and provide food to 10 billion people by 2050. The digitalization of the agrarian sector reduces agricultural producers' risks and production costs, helps adapt to climate change and resulting strict environmental standards, and facilitates the most efficient use of dwindling resources. Providing agricultural producers with necessary information via cutting-edge technology will help reduce spending on the acquisition of technology, agrochemicals, and seed and breeding stock, solve the pressing need for trained workers, and increase access to investment and global sales markets. New technologies can help track the movement of a product from the field to consumers, thereby guaranteeing its quality. Modern agricultural enterprises must have access to a number of digital technologies: satellite and unmanned aircraft imagery and the software to interpret it, including through the use of artificial intelligence; field sensors and detectors; mobile applications; and geolocation systems. As a result, digitalization will facilitate the production of more food products while using fewer resources, increase

market competitiveness, and result in a more efficient agricultural enterprise, capable of responding to changing demands and consumer preferences. What digital products should be developed first? Remote monitoring and crop forecasts? Digital field modelling? Digital assistants for agronomists and livestock raisers? What has the best chances for a quick launch and what will face a number of barriers and challenges? What tools can already be found in Russia and which are being actively developed abroad? What global experiences are applicable and relevant to Russian latitudes and conditions, and which are not?

Digital Economic Transformation: Practical Results

Investing in Human Capital: A Key Element of the DNA of the Economy of the Future

Governments, with their complex structures, are often compared to living organisms. Humans lie at the heart of these systems. This is why one of the things that the economy currently needs most is qualified personnel. Much like any other living system, human capital has its own sort of DNA – a spiral consisting of three strands: the state, educational institutions, and business. Only simultaneous investments in all three areas can leverage the country's human potential and serve as a launchpad for economic growth. The country is currently in the process of major efforts to prepare professionals across all industries. This was made possible through widespread partnerships and the creation of an entire system for the development and support of talented individuals: starting from school and ending at enterprises, at both the federal and regional levels. Investing in human potential on such a scale will help accelerate future economic growth, lay the foundation for sustainable development, and strengthen the country's competitiveness as a global leader. What do partnerships between the government, educational institutions, and businesses aiming to develop human capital currently look like? What best practices and solutions currently exist in Russia with regards to developing human capital? What are the ways to increase the conversion rate of investment in human capital to GDP growth? Challenges of the economy of the future: how to train professionals when change happens so quickly.

Digital Economic Transformation: Practical Results

The Sharing Economy: From Renting Cars to Smart, Sharing Cities

It has been said that the sharing economy concept has the potential to change the world. The sharing economy is founded on online platforms that allow people to rent, exchange, and share goods and services. Today, Russia is a leader in many sharing sectors. The Russian carpooling community is the largest in Europe. Moscow has the largest car sharing park in the world and is one of the top 10 capitals with the highest number of co-working spaces. The Russian sharing economy has been growing rapidly: by the end of 2019, the volume of transactions grew by 50% and exceeded RUB 769 billion. What is behind this sharing boom: a desire to save money or citizens striving to transition to responsible consumption? When will Russia see smart, sharing cities, capable of addressing social issues using online sharing services? What are the challenges that come with the development of a sharing economy?

Digital Economic Transformation: Practical Results

Managing Digital Platforms: How to Secure the First 1,000 Transactions and Achieve Scalability

Statistics show that in 2018, over 200 platforms were launched around the world. Most of these were marketplaces, but growth rates speak to the fact more and more companies are opting for open and closed competitive environments as their core business, taking a profit from transaction volumes rather than the sale of goods. The immediate task after launching a platform business is reaching a critical mass of users. Critical mass is the point at which the value of the network exceeds the cost of joining for the majority of users. As soon as the network reaches the requisite size, its network effects begin to attract new users, and it begins to scale organically. In other words, the main problem when launching a platform business model is to secure the first 1,000 transactions in the system to set the organic effect of the system's scalability in motion. How can this be achieved? Which tactics should be adopted? How can a platform become successful in today's competitive market conditions?