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Financing the Implementation of National and Regional Projects: Problems and Sustainable Development Directions

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ABSTRACT

Regional projects and programs are intended to become the main mechanism for achieving national development goals in territorial entities. The **aim** of the article is to analyze the problems of project implementation and program approaches at the level of the constituent entities of the Russian Federation, as well as to develop proposals for their development. The **methodological basis** of the study is the regulatory legal acts of the federal and regional levels, scientific (foreign and domestic) literature in the field of economics and public finance, official statistical information, empirical data regarding the results and progress of the implementation of regional projects and state programs of the constituent entities of the Russian Federation. The author uses the method of system analysis. The article analyzes the conceptual foundations of project management in the public sector, foreign and domestic research on this issue, examples of program implementation abroad, establishes the role of regional projects and state programs in the budget system of the Russian Federation, their relationship, identifies the main problems of their financing, considers examples of direct implementation of projects and programs, and suggests directions for their development. In the course of the study, the distortion of the initially inherent meanings of the implementation of the project approach is proved, first of all, in determining the goal setting, providing sufficient mechanisms for its achievement and financing. It is established that the state programs at present actually represent documents of planning of budget appropriations in implicit interrelation with the main directions of activity of authorities. It is **concluded** that it is necessary to clarify the current project and program methodology, which will allow the regions not only to engage in the implementation of federal projects but also to initiate them according to the priorities of socio-economic policy and the characteristics of the region. The author also proposes to develop regional projects as financial institutions. For this, it is necessary to clarify the budget legislation to ensure the possibility of actual planning of expenditure obligations within the framework of the design of projects. The prospects for further research are to develop a model for evaluating the effectiveness of the design and implementation of regional projects and state programs, and its further testing on specific programs of the constituent entities of the Russian Federation.

Keywords: national projects; regional projects; state programs; finance; financing

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INTRODUCTION

At present, national projects occupy a central position among the priorities of the state's social and economic policy. As part of an expanded meeting of the Presidium of the State Council on September 28, 2020, Russian President V.V. Putin noted,¹ that the successful achievement of national goals, improving the quality of life of people is a key benchmark for

assessing the effectiveness of both the Russian government and regional management teams. The national development goals for the period up to 2030 are defined by Decree No. 474,² according to which, annually, when drafting the federal budget, allocations are made on a priority basis for the implementation of national projects. At the same time, the main instrument of financial and budgetary

¹ Expanded meeting of the Presidium of the State Council of the Russian Federation on September 28, 2020. URL: <http://kremlin.ru> (accessed on 23.03.2021).

² Decree of the President of the Russian Federation of July 21, 2020, No. 474 "On the national development goals of the Russian Federation for the period up to 2030."

policy is the state programs of the Russian Federation and the constituent entities of the Russian Federation, designed to ensure the relationship between the priority goals of social and economic development and budgetary funds expenditures.

Currently, federal projects are being finalized in accordance with the national goals, updated in 2020, after which regional projects will be clarified that ensure the achievement of national goals in the constituent entities of the Russian Federation. It is at the regional level that the activities of national projects are directly implemented, tangible for citizens and the business community.

Studies on this topic are not widely represented in the scientific literature: some studies either do not fully cover the financial aspect, or do not take into account regional experience, or were prepared long before the start of the implementation of national projects in their modern form, or focused on the sectoral aspect of the implementation of a particular program (project) without considering the methodology of the program and project management as a whole.

In this regard, the analysis of the experience of implementing and financing regional projects and national programs accumulated in Russia in 2018–2020 is a relevant and timely area of scientific research. The purpose of this article is to analyze the problems of applying the project approach to the implementation and financing of priority areas of social and economic development at the level of the constituent entities of the Russian Federation, as well as to develop proposals for its development. Research objectives on the way to achieving this goal are:

- 1) considering the conceptual framework of the project approach in public administration, considering specific features of the latter;
- 2) defining the role of regional projects and programs in the modern system of strategic planning and the financial system of the Russian Federation;

- 3) establishing the relationship between regional projects and state programs of the constituent entities of the Russian Federation, which are similar in nature and goals to financial organizations;

- 4) analyzing the main problems of financing regional projects and state programs;

- 5) developing proposals for the development of design and program approaches in the socio-economic and budgetary policy of the regions.

The target of research is regional projects and programs. The subject of the research is methodological approaches to financing projects and programs at the regional level. The sources of the research data were regulatory legal acts of the federal and regional levels, scientific (foreign and domestic) literature in the field of economics and public finance on the research topic, official statistical information, empirical data on the results and progress of the implementation of regional projects and state programs of the constituent entities of the Russian Federation.

CONCEPTUAL FRAMEWORK FOR PUBLIC GOVERNANCE PROJECTS

The design approach, consistently developing as a scientific method, in the twentieth century was already widely used in construction, the military-industrial complex, space exploration, and other fields and, finally, attracted the attention of economists. Gerd Diethelm [1, p. 18] defines the following features of projects: they are new, have a complex structure, are specifically result-oriented, limited in time, depending on the availability of resources, action-oriented, characterized by responsibility for the quality, for the most part, are free of hierarchical structures, have creative and innovative features. The author defines a project as a task that has a specific implementation start and end date and requires the use of resources in each separate but interdependent activity that must be performed to achieve the goal

(for which the project was initiated). We note here that a project cannot be defined as a task, since it itself can often provide for the solution of a number of tasks aimed at achieving the ultimate goal for which it was formed and implemented.

Clifford F. Gray and Eric W. Larson [2, p. 17] highlight the characteristics of a project: the goal, participants diversity, the implementation of something new, special requirements in terms of time, cost, and quality. According to the named authors, a project is defined as a non-routine, one-time effort limited in time, budget, resources, and performance specification designed to meet customer needs. The above definition of a project as an effort seems to us also rather narrow since projects, as a rule, include a set of activities.

According to V.M. An'shin, A. Aleshin and K.A. Bagrationi [3, p. 49], when evaluating the success of project management, the concept of "project management triangle" is used, i.e. triple constraint "quality (the content of the project work) — terms — costs". Accordingly, the project is considered successful if the requirements for time, cost, and quality are met. These authors define a project as a purposeful, pre-developed, and planned set of actions (creation or modernization of physical objects, technological processes, technical and organizational documentation for them, material, financial, labor, and other resources), as well as management decisions and measures for their implementation. It seems to us that the goals of the project may be the creation (modernization) of a much more diverse list of objects (processes) than those listed by the above authors in the definition, which, at the same time, does not fully disclose other structural elements of the project and the nature of their interaction.

D.V. Makhnev [4, p. 9] believes that the application of the concept of project management, regardless of whether it is a profit-oriented corporation, a non-profit organization, or a government agency. The

author understands project management as a way of organizing, planning, managing, coordinating labor, financial and material, and technical resources, in which the set goals of the administration are achieved mainly through the implementation of projects.

It is difficult to agree with such a general position. A team of authors consisting of S. Abramkina, L. Vladykin, and A. Lukin [5, p. 40] rightly note the specific features of project management in public (as opposed to private) structures: the strict legal regulation of activities; strict reporting lines, involving systematic reporting; spending mainly budgetary funds; openness of activities and public control; focus on achieving priority goals for society; preference for social impact over profitability. According to the authors, a project is a time-limited set of activities implemented by a special team, the ultimate goal of which is to obtain a unique result.

There are two fundamentally different types of activity in government bodies: the process (clearly prevails) and the project one. The above features and definitions of the project of research economists clarify the fundamental difference between the project type of activity and the process one. Process activities are cyclical: authorities, as a rule, are created specifically for the implementation of certain processes. In this case, the process can be called a regularly repeated sequence of actions in which resources are spent and a certain result is achieved.

In this regard, within the framework of this study, we will define a regional project as a set of activities implemented by the authorities (or development institutions) of the constituent entity of the Russian Federation, aimed at achieving a unique result by a certain point in time that is significant from the point of view of the priorities of the social and economic development of the region, due to a complex of measures sufficient to achieve the project goal, formed taking into account weighed up risks and provided with the necessary budgetary funds. The definition of

the “perfect” project, based on the results of the analysis of the theoretical and conceptual framework of project management, will help us in the subsequent stages of this study in considering the actual state of ongoing regional projects by comparing them with a certain standard.

FOREIGN EXPERIENCE IN IMPLEMENTING REGIONAL PROJECTS AND PROGRAMS

The implementation of state-targeted programs and projects is widespread in foreign countries, primarily in developed ones. The study of the results and effectiveness of project and program documents are also widely represented by studies of foreign research economists, including, the aspect of the implementation of programs and projects at the regional and local levels. This method of budget management is used by such leading countries as Australia, Canada, the Netherlands, New Zealand, the USA, and Sweden.

I.H. Kantsur, L. Ye. Hats, T.B. Kharchenko, O.V. Smahlo, and L.V. Prokopets [6] highlight the features of the program-target method of budget management, which, in their opinion, provides: a high level of control over results in the context of the use of budget funds; public availability of information on budget expenditures; transparency of the process of spending funds; the ability to identify duplicate budget projects.

A team of authors, consisting of M. Brachert, E. Dettmann, M. Titze, analyze the implementation in the regions of Germany of a program for providing investment grants to commercial organizations in municipalities, aimed at stimulating their development and reducing spatial inequality [7, p. 12]. The authors conclude that the goal of the program — to create jobs in economically weak regions — has not been achieved, and investment grants are faced with the problem of a trade-off between productivity and employment growth.

A. Frenda, E. Sepe, S. Scippacercola in their scientific study [8, p. 12] analyze the effectiveness of public spending in the framework of regional programs and projects for the development of social protection of the population. The paper examines institutional factors that are not considered in budget planning, but gradually push decision-makers to pay more attention to the effectiveness and efficiency of programs.

M. Callanan [9, p. 210] notes that programs and projects implemented by the Irish government over the past several decades reflect a strong desire to transfer government authority to regions and municipalities. However, the actual trend, on the contrary, is a steady drift of service responsibilities away from local government to the national bodies. The cumulative effect of this functional drift is to reduce the involvement of local governments in their traditional role of infrastructure provision and towards a greater emphasis on the role of local authorities in supporting the social and economic development of their area.

G. Gallo, analyzing the results of the implementation of poverty reduction programs in Italy, believes that regional programs expand the circle of potential beneficiaries and the level of coverage of national programs, while somewhat reducing poverty at the national level [10, p. 149]. This indicates the importance and complementarity of programs, as well as multi-level (considering regional) participation of the authorities in national politics.

An article by E. Einio and H.G. Overman [11] assesses the consequences of the implementation of state programs of large-scale zonal intervention aimed at improving employment and entrepreneurial activity in the most disadvantaged regions of the UK by providing targeted support to enterprises in the local commercial sector.

A.G. Eldar [12] notes that analysis of Azerbaijan's experience in financial and investment support for the social and

economic development of the region shows that each state program, along with budgetary funds, provides for the use of extrabudgetary sources as financial resources: foreign investment, resources of foreign enterprises, international organizations, and foreign states. emphasizes that, unfortunately, the existing real measures are at a very low level. It is not enough yet to actively attract foreign investments to the regions and organize joint activities of foreign investors. In this regard, measures to increase the interest of the region's subjects in active participation in international financial and investment cooperation should be organized purposefully, comprehensively, and systematically.

Economists T. Morin and M. Partridge [13, p. 37] analyze the experience of implementing regional programs to increase the employment and incomes of the population in poor areas of the United States. The authors ask the question: Do small, locally-oriented programs have any measurable results, or do they represent a semblance of program activity? This study concludes that a small local program can bring all relevant federal and local state governments and stakeholders together to collaborate. At the same time, such a program benefits one of the poorest regions in the country at a very low cost.

M. Wagner, S. Schaltegger, E. G. Hansen, K. Fichter [14] investigate how university support programs in Germany contribute to the development of entrepreneurial ecosystems and what impact these programs have on sustainable regional development. The authors conclude that these programs have a positive impact on knowledge dissemination. The University facilitates the transfer of knowledge to the entrepreneurial ecosystem through systemic functions of search, learning, resource mobilization, and networking.

NATIONAL PROJECT AS A FINANCIAL CATEGORY

Modern national projects in 2006–2010 were preceded by the implementation of four national projects in Russia:

- “Health”;
- “Affordable and Comfortable Housing – for Russian Citizens”;
- “Education”;
- “Development of the agro-industrial complex (AIC)”.

Having analyzed the implementation of one of them, O.I. Barkova [15, p. 13] notes that national projects represent a financial category, since they are implemented in the field of monetary distribution and redistribution of funds.

It is difficult to disagree with this position: from an institutional point of view, a national project is a financial institution. National projects do not have their own income, financial resources come in the order of redistribution of incomes of other subjects of the economic system. Financing of national projects is a two-way movement of cash flows in the formation of sources and their use in the framework of the implementation of project activities.

Along with the institutional approach, when studying the financing of national projects, it is advisable to use the system analysis methodology, highlighting the structural elements, internal and external relations (affecting the results), the goals of each of the elements, based on the general purpose of the object. In this regard, the financing of regional projects should also be considered systematically: on the one hand, as a set of interrelated elements, on the other hand, as a process of movement of financial resources: the receipt – the direction of expenditures, the processing – the implementation of activities, the output – the achievement of target values and expected results.

V.V. Kovalev [16, p. 412] in the analysis of the project approach uses the concept of “financial plan”, which he defines as a way to achieve financial goals and link income and expenses, which is based on strategic and production plans. At the same time, the strategic plan implies the setting of goals,

objectives, scale, and scope of activities. Production plans are drawn up based on a strategic plan and provide for the definition of production, marketing, research, and investment policies. Applying this approach to regional projects of the public sphere, we note that they also provide for a strategic plan (goals, objectives, results of a federal project established for a constituent entity of the Russian Federation), a production plan (a set of measures to achieve the goals of the strategic plan) and a financial plan. Unlike the commercial sphere, a feature of the financial plans of public sector projects is the presence of only the expenditure side. The revenue part in this case replaces the public good created by the project.

FEATURES OF STATE PROJECTS AT THE REGIONAL LEVEL

M.H. Yakimova [17, p. 19] notes the inconsistency of a number of project management elements with the traditional elements of management of a bureaucratic organization, which deforms the essence of the project in the public sphere, the factors of which, according to the named author, are: an inflexible organizational structure; lack of professional competencies; lack of objective indicators of project efficiency; lack of sufficient funding and other.

These factors do exist. At the same time, in the above list, certain factors influence the success of project management to various degrees. Thus, the following should be recognized as “pivotal” and system-wide: a rigid organizational structure, formalization of “current” activities in the form of projects, insufficient financial support, and complex compatibility with the “management on-demand” model. Other factors clearly have a less pronounced degree of influence or are the result of other factors.

A team of authors S. Abramkina, L. Vladykina, and A. Lukin [5, p. 42] also notes that in public administration there is a contradiction between project and functional

management mechanisms, since, on the one hand, a transition to project management is proclaimed, and on the other, these projects are implemented using a conservative set of approaches and mechanisms. These authors analyze the ratio of projects at different levels. In their opinion, the successful immersion of regional priority projects in national and federal ones presupposes the fulfillment of a number of conditions:

- increasing personal responsibility;
- prioritizing real results;
- monitoring of project implementation;
- objective target indicators, their monitoring;
- the possibility of flexible redistribution of funding;
- identification of possible risks during the project formation.

The named authors also identify the challenges faced by the authorities in project management. It is especially noted that projects often do not involve linking targets and the selected mechanisms for achieving them. Indeed, these issues are often the result of a lack of understanding of project management in the field. At the same time, it seems to us that the failure of the project approach is not limited to the low level of qualifications of regional project teams. The problem is more complex and multifaceted: in the modern project methodology, regional teams have practically no opportunity to form a set of mechanisms corresponding to the scale of goal-setting determined from the outside (at the federal level). This conclusion will be confirmed and illustrated by a specific example of the implementation of regional projects in one of the sections of this article.

REGIONAL PROJECTS IN THE STRATEGIC AND FINANCIAL SYSTEMS OF RUSSIA

Decree No. 474 establishes indicators of national goals for the country as a whole, decomposes their target values both for the responsible federal authorities (sectoral profile) and for the constituent entities of

the Russian Federation (territorial profile). Specific indicators of achievement in the regions are established within the framework of agreements between the heads of federal projects with the constituent entities of the Russian Federation.

According to the Government Resolution of the Russian Federation No. 1288³ the regional project ensures the achievement of the goals, indicators, and results of the federal project, the activities of which are related to the legally established powers of the constituent entity of Russia. The preparation of federal projects is carried out taking into account the principle of substantiating the effectiveness, sufficiency, and necessity of results, as well as their contribution to the achievement of goals and indicators, the implementation of the tasks set. At the same time, federal and regional projects are reflected in the classification of budget expenditures established by the Ministry of Finance of Russia.

The head of the federal project and the authorized person of the constituent entity of the Russian Federation agree on the implementation of a regional project on its territory. The conclusion of this agreement is carried out in accordance with the Methodological instructions in the standard form.⁴ In accordance with the agreement, the head of the federal project provides monitoring (achievement of the values of indicators, the performance of tasks, achievement of the results of the federal project in the constituent entity of the Russian Federation, as well as the implementation of the action plan); conclusion of an agreement on the provision of an inter-budgetary transfer from the federal budget to

the budget of the subject (only if available). The regional project manager ensures: approval of the state program of the constituent entity of the Russian Federation, in which the project is singled out as a separate structural element; formation of a project passport; achievement of values of indicators, fulfillment of tasks, results of a federal project for a constituent entity of the Russian Federation, as well as the implementation of an action plan; reporting and compliance with performance discipline.

According to the established methodology⁵ the preparation of a regional project is carried out as per a standard structure, considering the following principles:

- setting goals and indicators of the regional project aimed at achieving the goals and indicators of the federal project;
- inclusion in the passport of the regional project of the indicators of the federal project for the constituent entity of the Russian Federation, approved in the passport of the federal project;
- substantiation of the effectiveness, sufficiency, and necessity of measures, their contribution to the achievement of the results of the regional project.

In the current methodology for the formation of regional projects under study, attention is drawn to the requirement for its goal — it is assigned to the constituent entity of the Russian Federation at the federal level, i.e. from the outside. In this regard, specific goals for a particular region, determined by the characteristics of priorities and factors of social and economic development, cannot be set and achieved within the framework of regional projects.

REGIONAL PROJECTS AND STATE PROGRAMS

State programs, based on materials by M. A. Ekaterinovskaya, O. V. Orusova, N. V. Tshadadze, K. V. Haustova [20, p. 1602],

⁵ Methodical recommendations for the preparation of regional projects. URL: <https://www.mintrans.ru> (accessed on 23.03.2021).

³ Resolution of the Government of the Russian Federation of October 31, 2018, No. 1288 “On the organization of project activities in the Government of the Russian Federation”.

⁴ Methodological instructions on the procedure and standard form for concluding an agreement between the head of the federal project and the head of the regional project on the implementation of the regional project on the territory of the constituent entity of the Russian Federation (approved by the minutes of the meeting of the Presidium of the Council under the President of the Russian Federation on strategic development and national projects No. 15 of December 17, 2018).

become, on the one hand, a tool (designer) to achieve a strategic goal, and on the other hand, in the monitoring process, they can assess the level of approach to the goal, identifying the reasons for deviation due to various risks. This approach allows not only to record the achieved results and the level of costs but also to demonstrate a structural analysis of the processes and proportions of the economy, to become the basis for improving the quality of state social and economic policy by compiling a toolkit of one program loop is more complicated.

A separate modern research problem is the ratio of national (federal and regional) projects and state programs at the level of the Russian Federation and the constituent entity of the Russian Federation. According to Russian legislation, regional state programs are developed in accordance with the priorities of social and economic development. The first source of these priorities is the national development goals, which are binding on the territory of all constituent entities of the Russian Federation.

According to the Concept for increasing the efficiency of spending budget funds for 2019–2024,⁶ one of the main directions of public finance reform is the formation of the budgetary policy considering the target indicators of state programs of the Russian Federation, and when improving the system of state programs, the integration of national projects should be considered.

In accordance with clause 4.4. The main directions of budgetary, tax, and customs-tariff policy for 2021 and the planning period of 2022 and 2023,⁷ not only national projects are aimed at achieving national development goals, but also mechanisms of state programs. At the same time, a full-scale inventory of the

activities of state programs is being carried out on their contribution to achieving national development goals within the framework of the Unified Plan for Achieving the National Development Goals for the period up to 2024 and planning for the period up to 2030, which is currently being developed.

Some researchers, including O.V. Veremeeva [18, p. 26], confirm the need to integrate projects and programs. After all, it is within the framework of state programs that the main share of the expenditures of the federal budget and the budgets of the constituent entities of the Russian Federation is planned. Project management principles, O. Safonova, E.A. Anchikhrov [19, p. 60], do not contradict the target budget planning, but only strengthen it. Project management methods can be effective in the implementation of government programs since they allow for an accentuated allocation of funds.

At the same time, the Budget Code⁸ does not contain provisions on the financing of national and regional projects, and Federal Law No. 172-FZ⁹ does not classify projects like strategic planning documents. Activities of federal and regional projects are implemented and financed within the framework of state programs of the Russian Federation and the constituent entities of the Russian Federation. The inclusion of federal projects in state programs is provided for by Resolution No. 588,¹⁰ according to which federal projects and their individual activities are classified as structural elements of state programs of the Russian Federation. Similar to the program methodology of the federal level, the procedure for the formation and implementation of state programs of the constituent entities of the Russian Federation determines the place and

⁶ Order of the Government of the Russian Federation of January 31, 2019, No. 117-1 “On approval of the Concept for increasing the efficiency of spending budget funds for 2019–2024”.

⁷ The main directions of budgetary, tax, and customs-tariff policy for 2021 and the planning period of 2022 and 2023 (approved by the Ministry of Finance of Russia).

⁸ Budget Code of the Russian Federation of July 31, 1998, No. 145-FZ (as amended on December 22, 2020).

⁹ Federal Law of June 28, 2014, No. 172-FZ “On Strategic Planning in the Russian Federation”.

¹⁰ Resolution of the Government of the Russian Federation dated 02.08.2010 No. 588 “On approval of the Procedure for the development, implementation, and evaluation of the effectiveness of state programs of the Russian Federation”.

financial support of regional projects (regional parts of federal projects) in the state budget system of the region as a structural element of state programs.

Thus, the expenditure obligations of the budgets are planned within the framework of state programs of the constituent entities of Russia, and within the framework of regional projects, they are “reflected” in a certain sample, or rather from the analytical point of view. In this regard, the goal-setting of projects at present cannot be completely sovereign, since decisions on financing and, accordingly, the formation of a set of measures sufficient to achieve the set goals, projects are not adopted at meetings of design institutes (project committees), but within the framework of the established conservative program methodology in strict accordance with budgetary legislation.

State programs are now in fact documents of planning budgetary allocations in an implicit and partly formal connection with the main activity of the authorities. The implementation of the main role of the state program as a financial institution necessary to meet the requirements of budgetary legislation. At the same time, the high level of quality of the program as a financial mechanism that ensures the relationship of budget funds and the expected results of their use has not been reached.

The scale of the problem is massive due to the fact that, as a rule, state programs (sectoral, service, program for the development of the social sphere) are implemented by a regional executive authority endowed with appropriate powers. Accordingly, the set of regional programs is an exhaustive long-term plan for the activities of regional authorities, and the amount of funding for state programs actually represents the entire budget of a constituent entity of the Russian Federation. This also indicates an incomplete transition to program financing of public expenditures from a conservative budgeting model, in the format of which individual state programs are implemented.

It is necessary to focus on the following: within the framework of this study, the quality of the activities of the authorities and its results are not evaluated. Current activities and “manual” management have always been and will take place in public administration, they are often effective. At the same time, program activities by their nature are aimed at creating a new quality and a unique result, the achievement of which is ensured by the necessary set of mechanisms, sufficient funding and is a chronologically coordinated action plan. The substitution of concepts, when the actual traditional budgeting of current activities is called a program, is dangerous in its consequences.

The most balanced solution in the context of the identified problems is the division of state programs of the constituent entities of the Russian Federation into departmental and targeted. Departmental programs were previously used at the regional level, and it is often their characteristics that are inherent in modern state programs. Within the framework of targeted state programs, it is advisable to implement the program-targeted approach in the strictest sense.

PROBLEMS OF IMPLEMENTATION AND FINANCING OF REGIONAL PROJECTS

At the stage of their formation and discussion, a number of problems in the implementation and financing of regional projects were identified. In the materials of the round table held in the Federation Council of the Russian Federation on December 24, 2018, on the issue of financial support for national projects,¹¹ a number of the following problems were noted.

The first of them is the low share of national project activities related to the powers of the constituent entities of the Russian Federation (no more than 60%). In practice, the discrepancy between the approach to the formation of regional projects and federal projects is revealed.

¹¹ Round table on the topic “Financial support for the implementation of national projects.” URL: <http://council.gov.ru/activity/activities/roundtables/100340/> (accessed on 23.03.2021).

This contradiction is caused by a fundamental reason: the powers of the federal and regional levels at the legislative level are different, and the “blind” transfer of the goals and objectives of federal projects to the regional level could not initially be justified, since this is not provided for by the powers of the constituent entities of Russia.

The second problem within the framework of the round table was that the interaction between the responsible federal authorities and the constituent entities of the Russian Federation was supposed to be carried out by concluding agreements with the establishment of targets for the regions and financial assistance from the federal budget. In practice, these agreements often included only the obligations of the regions to achieve target indicators, and the set of target values of all regions constituted the goal of the federal project. Co-financing from the federal budget to achieve general federal and regional project goals was not envisaged for a significant part of the projects. Obviously, this approach “erodes” the responsibility of federal curators and widens the gap between the stated goals and the actual mechanisms for achieving them within the framework of regional projects, primarily due to the apparent lack of funding for the latter.

The third main problem of the implementation of national projects in the constituent entities of the Russian Federation, the roundtable participants identified the methodology for the decomposition of indicators of federal projects by region. This was often done by a simple calculation: 1) the contribution of each of the regions to the value of a particular general indicator in the “base” year was calculated, and 2) this value for the region was multiplied by the growth corresponding to the target annual dynamics of the national indicator. Accordingly, this approach did not consider either regional specifics or the impossibility of multiple increases in the baseline indicators in regions with a “high base”. At the same time, the constituent entities of the Russian Federation practically did not have the opportunity

to challenge the target values of regional projects proposed under the agreements.

The existing system of financial support for the implementation of regional projects drew criticism from representatives of the constituent entities of the Russian Federation. On the issue of the implementation of national projects at the regional level on April 2, 2019,¹² a seminar meeting was held in the Federation Council of the Russian Federation, during which the lack of federal co-financing for the regions to achieve the targets of the federal project “Industrial Export” of the national project “International Cooperation and Export” was noted. The participants noted that the constituent entities of the Russian Federation do not have significant levers of influence on this indicator, therefore it is very problematic to achieve the target indicators in this area. To overcome this problem, it was proposed to refine the target indicators of the regional level, taking into account the capabilities of the constituent entities of the Russian Federation: economic, financial, climate, and others.

PRACTICE OF IMPLEMENTATION AND DIRECTIONS OF DEVELOPMENT OF REGIONAL PROJECTS

It is advisable to illustrate the problems discussed above and the conclusions drawn with a specific example. Thus, the Federal Project “Export of Services”¹³ (implemented in 2018–2019) envisaged the achievement of a volume of export of services in the amount of USD 100 billion by 2024. This task is in accordance with the passport of the federal project, was solved by achieving the following results:

- 1) a plan for the visa liberalization was approved;
- 2) a set of measures to minimize currency control requirements;

¹² Analytical Bulletin of the Analytical Department of the Office of the Federation Council of the Federal Assembly of the Russian Federation No. 14 (728) edited by V.D. Krivova, 2019.

¹³ Federal project “Export of services” (approved by the minutes of the meeting of the project commission of the national project “International Cooperation and Export” dated November 26, 2018 No. 4).

3) a set of measures for certification and adaptation of services;

4) the “Strategy for the development of export of services for the period up to 2025” was approved;

5) monitoring of barriers to the export of services was carried out;

6) acts on simplification of the visa requirements were adopted;

7) the entry of foreign nationals with electronic visas was simplified;

8) visa service processing time was reduced to 3 working days for various types of visas;

9) a set of measures was developed to increase the export of services by category.

The indicated areas of implementation of measures are within the exclusive competence of federal executive bodies and do not relate to the established powers of a constituent entity of the Russian Federation. At the same time, the agreements on the implementation of relevant regional projects directed to the regions for signing contained the obligations of the constituent entities of the Russian Federation to increase the volume of export of services in certain areas without including mechanisms for solving the assigned tasks. In agreements. In addition, the draft agreements were formed without the participation of the regions, the target values in the regional context were calculated by the method of a simple extrapolation of the preliminary results of 2018, based on the contribution of each region to the volume of certain types of export of services to the Russian Federation.

According to the methodology of the Central Bank of the Russian Federation, the export of services is understood as a transaction between residents (receiving funds) and non-residents of the country (spending funds) in the following categories: transport services; business trips; informational; construction industry; associated with the use of industrial goods; financial and insurance; services in the field of culture and recreation. For example, the share of export of transport services in the

total export of regional services averages 85%. At the same time, it is obvious that the constituent entities of the Russian Federation do not have real levers to increase the demand for the services of airlines, carriers by rail, and road, especially among non-residents.

The example of the formation and implementation of a regional project in 2018–2019 contradicting the essence of project management and the initial meanings of its implementation, confirms the problems of the project approach in the public sector discussed above and the quality of interaction between the heads of federal projects with the constituent entities of the Russian Federation. Note that in 2020, the Ministry of Economic Development of the Russian Federation decided to terminate the implementation of the federal project “Export of Services”: its activities were transferred to other federal projects in this area, and the indicators for the regions in terms of the export of services were canceled. At the same time, lessons from this past practice should be drawn in the future when developing project management at the regional level.

Regional projects should begin to play a more prominent role in the implementation of social and economic policy. Currently, funding for projects in most regions does not exceed 10% of the budgets of the constituent entities of the Russian Federation, while more than 95% of the budgets are directed to the implementation of regional state programs. A significant part of the tasks of implementing the project approach was solved in the established methodology. In this respect, the actual application of the methodological guidelines is of decisive importance, rather than their formal presence. The solution can be a reference model of the structure of regional projects with highlighted mandatory requirements for its elements and their interconnections.

Mandatory requirements for the structure of a regional project should emphasize the required level of quality of the relationship of its structural elements: the goal set by tasks; indicators that accurately reflect the progress

of problem-solving; a set of measures (subject to the necessary funding), sufficient to solve problems and achieve the ultimate goal of the project. Regional projects that do not meet the requirements of this model are doomed to be declarative.

CONCLUSIONS

Regional projects and state programs are designed to become a conduit for achieving national development goals “on the ground”. At the same time, projects and programs, as theoretically substantiated and recognized by the world scientific community as effective technologies, contain enormous potential in achieving the priority goals of the social and economic development of the regions. The experience of implementing projects and programs is widespread abroad.

At the same time, a number of factors affect the management of projects in the public sector, such as a rigid organizational structure, the formalization of “day-to-day” activities of departments in the form of projects, insufficient funding, and inconsistency of the project approach with a conservative order management model. The article discusses the problems of the actual implementation of national projects at the regional level in 2018–2019, which indicate a significant distortion of the originally laid down meanings of the implementation of the project approach and contradictions in the established practice of interaction between the heads of federal projects and the constituent entities of the Russian Federation in achieving national goals,

appropriate goal-setting, as well as providing it with sufficient mechanisms and funding.

State programs are now in fact documents of planning budgetary allocations in an implicit connection with the main activity of the authorities. This is the implementation of the main role of state programs as a financial institution, which is necessary to meet the requirements of budgetary legislation.

In this regard, it is necessary to clarify the current design and program methodology in terms of granting the regions the right to form and implement projects not only according to the results and goals of federal projects but also according to the goals and objectives initiated by the constituent entity of the Russian Federation, corresponding to the priorities of social and economic policy and the characteristics of the region. Blind copying of the provisions of federal projects at the regional level, leading to the declarative nature of project management, should become a thing of the past, and a new quality should be given to the relations between the heads of federal projects with the constituent entities of Russia. It is also advisable to develop a regional project as a financial institution. To do this, it is necessary to clarify the budgetary legislation to ensure the possibility of actual planning of expenditure obligations as part of the formation of projects. Prospects for further research should focus on the development of a model for assessing the effectiveness of the formation and implementation of regional projects and state programs, its further testing on specific programs of the constituent entities of the Russian Federation.

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