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Financial and Legal Instruments for Ensuring the Technological Sovereignty of Priority Sectors of the Economy of the Russian Federation

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ABSTRACT

The urgency of ensuring technological sovereignty is determined by the transformation of the global geopolitical and economic order, where technological superiority has become an integral factor in the stability, well-being and development of all sectors of the economy of the Russian Federation. **The purpose** of the study is to identify and systematize financial and legal instruments that contribute to ensuring the technological sovereignty of the priority sectors of the Russian economy in the context of sanctions pressure and global technological competition. To achieve the goal, the following tasks are **set:** to reveal the essence of the concept of "technological sovereignty" as a legal category, to identify and analyze obstacles to ensuring technological sovereignty. The research is based on a comprehensive methodological approach that combines general scientific and private scientific **methods** of cognition: analysis and synthesis, induction and deduction, theoretical modeling, a systematic method, formal law, comparative law and the method of legal forecasting. This paper identifies shortcomings and suggests ways to improve existing financial and legal instruments. It is **concluded** that financial and legal instruments are the basis for building a system of technical sovereignty in Russia. The proposed changes in the legislative framework of the Russian Federation are aimed at improving the legal mechanisms ensuring technological sovereignty. The comprehensive use of financial and legal instruments such as subsidies, tax incentives, public-private partnerships and support through development institutions creates the conditions for technological independence of the country. Optimization of their application requires further systematization of legal regulation and strategic planning, which will effectively respond to the challenges of global competition. The legal work on the implementation of the proposed changes should be comprehensive and systematic.

Keywords: sovereignty; technological sovereignty; legal instruments; economic instruments; economic sectors; PPP; SPIC; tax incentives; import substitution; public policy

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INTRODUCTION

In the current conditions of rapid scientific and technological progress [1, p. 48–51], technological sovereignty requires a comprehensive legal understanding that encompasses norms of international law, constitutional provisions, and sectoral legislation. For the Russian Federation, faced with unprecedented sanctions pressure, the formation of a new model of technological independence has become a strategic necessity, implying not only economic and industrial transformations but also significant modernization of legal regulation. The implemented measures, including the adoption of the Science and Technology Development Strategy, the developing import substitution initiatives in the IT sector, the creation of a national payment system, and data protection mechanisms within the framework of the "digital sovereignty" concept, demonstrate an active search for new legal and organizational solutions aimed at ensuring the country's technological autonomy. These initiatives reflect the understanding that in the context of global technological competition, legal tools are becoming a key factor in protecting national interests and creating conditions for sustainable scientific and technological development.

Modern reality is characterized by the rapid increase in the influence of science and new technologies on socio-economic development, which has been particularly evident in the last two to three decades. The innovative type of development implies a fundamental shift in focus toward the application of breakthrough technologies, the production of high-tech products, the implementation of progressive organizational and managerial solutions, as well as the comprehensive intellectualization of production activities. These technological transformations have fundamentally changed the structure of the global economy, demonstrating that the inability of the state to carry out a structural reorganization of the economy in accordance with the new technological order (or delays in such transformations) not only hinders development but also leads to socio-economic degradation, excluding full participation in global economic processes.

Ensuring technological sovereignty is being highlighted by the fact that European countries have been seriously studying this issue at the level of European Union legislation for several years. In the political agenda, proposals for the development of "sovereignty" programs, implemented in the defense, technological, and digital sectors, are increasingly being voiced. In particular, Belgian researchers are concerned that "there is a dependence of European finances on American major tech platforms… the current EU financial system is a means of combating the dominance of major tech companies on platforms outside the EU" [2, p. 395, 396]. At the same time, the following is noted: "Recently, issues of technological autonomy and sovereignty have shifted from the national level to a supranational context within the European Union, concerning the European defense, technological, and industrial base, dual-use research and innovations, "breakthrough" developments, as well as achievements in digital technologies" [3, p. 102648].

The experience of many countries shows that their economic advantages are due to the effectiveness of implementing innovation policies, which are characterized by dynamic state stimulation of progressive structural transformations, proper financial and legal support, reforming the education and science system [4], as well as the development of innovative activities taking into account global trends in scientific and technological development. At the same time, the success of such a policy directly depends on the ability to fully realize the existing scientific and technical potential.

For Russia, issues related to ensuring technological sovereignty in priority sectors of the economy are becoming particularly significant, requiring the development of comprehensive legal mechanisms capable of ensuring both technological breakthroughs

and the protection of national interests in the context of global competition.

The purpose of this study is to identify and systematize financial and legal instruments that contribute to ensuring the technological sovereignty of priority sectors of the economy of the Russian Federation under conditions of sanctions pressure and global technological competition. To achieve this, the following tasks have been set: to reveal the essence of the concept of "technological sovereignty" as a legal category and its significance for the sustainable development of the Russian economy; to identify and analyze the obstacles to ensuring technological sovereignty, taking into account foreign experience; to investigate the existing financial and legal mechanisms in Russia for stimulating technological development and means of ensuring technological sovereignty (state financing, subsidies, tax incentives, etc.).

The article is based on a comprehensive methodological approach that combines general scientific and specialized scientific methods. This allows for a comprehensive study of the financial and legal instruments ensuring technological sovereignty. Analysis and synthesis were used to decompose the system of financial and legal instruments into structural elements and subsequently generalize their role in ensuring sovereignty. Induction and deduction are applied in transitioning from the study of specific mechanisms to identifying general patterns of legal regulation in technological development. The systemic method allowed for the consideration of financial and legal instruments as an interconnected system functioning within the framework of national strategy and international challenges. Theoretical modeling was used to develop proposals for improving legal mechanisms. The formal-legal method was applied when examining the norms of current legislation. The comparative-legal method was used to compare Russian instruments with the practices of foreign countries in the field of technological sovereignty. The method of legal forecasting is employed in assessing the effectiveness of the proposed legislative changes.

RESULTS AND DISCUSSION

Conceptualization of the Notion of "Technological Sovereignty"

In the Russian legal field, there is still no established and unified interpretation of the term "technological sovereignty". The lack of interpretation complicates the understanding of important substantive components of modern development, leads to misunderstandings of systemic relationships with related terms, and does not allow for systematic classification. At the same time, its conceptual understanding can be illustrated thru the analysis of a number of key regulatory legal acts governing the field of technology and information. It is worth noting that the provisions of the National Security Strategy of the Russian Federation, approved by the Decree of the President of the Russian Federation from 2 July 2021, No. 400 (hereinafter — Strategy), occupy a central place, where the necessity of ensuring the independence of technological infrastructure as a critically important component of national security is established.[1]

In this document, technological sovereignty is revealed thru the necessity of ensuring the sovereignty of the state as a whole, which allows it to be viewed as part of a broader system for protecting national interests in the field of technology. This provision is reflected in paragraph 56 of the Strategy, which states that "the goal of ensuring information security is to strengthen the sovereignty of the Russian Federation in the information space", and in paragraph 17 "Strengthening the financial system of the Russian Federation and its sovereignty, developing the national infrastructure of financial markets, including payment infrastructure, overcoming dependence in this area on third countries…".

[1] Decree of the President of the Russian Federation from 2 July 2021, No. 400 "On the National Security Strategy of the Russian Federation". Collection of Legislation of the Russian Federation from 5 July 2021, No. 27 (Part II), Art. 535.

The Strategy places special emphasis on information technology, where the priority remains on ensuring cybersecurity and developing proprietary software solutions. This is due to the necessity of protecting critical information infrastructure from external threats. Similarly, the development of microelectronics to reduce dependence on imported components is a necessary step in strengthening technical sovereignty.

The Strategy for Scientific and Technological Development of the Russian Federation contain a definition of technological sovereignty.[2] This document emphasizes the significance of the energy sector, focusing on innovations in renewable energy sources, which will ensure the long-term sustainability of the energy sector. Finally, one of the most important directions is the development of biotechnology and high-tech medicine, where the autonomous production of critically important medical drugs and equipment becomes a guaranty of national security and the resilience of the country's healthcare system.

Based on the content of current regulatory legal acts, the technological sovereignty of a state can be interpreted as the ability of the state to ensure the independence, security, and sustainable development of its own information and telecommunications technologies, the system of creation, use, and protection of information technologies without critical dependence on foreign states, organizations, or elements of global infrastructure.

The given definition includes two interconnected elements. The first is the structural-institutional component, which involves the creation of internally competitive technologies, including software, a system of scientific research, and the provision of production capacities that allow for the manufacturing of domestic equipment on a national scale and, in the long term, for export. The second is the regulatory aspect, related to the normative maintenance of this system thru the introduction of mechanisms of state support, accounting, and control. Only the interconnection of these elements can create the necessary conditions for the formation of technological sovereignty.

It should be noted that an important condition for ensuring technological sovereignty is ensuring the competitiveness of the state in the context of global technological confrontation (within the framework of the so-called "technology race"). Sovereignty in this case is interpreted not only as a state of independence but also as the ability to set goals and engage in independent innovative development. As A. L. Vainshtok notes: "Without a developed improvement mechanism based on the innovative development of enterprises, it is impossible to solve this problem" [5, p. 444]. Accordingly, only by creating and ensuring its own vector for the development of innovation, education, and science can the state expect to compete equally with other countries in the fields of technology, science, and engineering in the long term. In this regard, as noted by researchers from the Institute of National Economic Forecasting of the Russian Academy of Sciences, it is important to consider China's experience in creating an innovative environment that allows the state to maintain leading positions on the international stage [6, p. 704, 705].

In the context of global interdependence, complete isolation of the technological sphere is an extremely negative phenomenon and represents a regression. As foreign researchers rightly note, "the role of international cooperation and trade in strengthening technological sovereignty is extremely important" [7]. Therefore, modern legal norms should be aimed at creating conditions for "open sovereignty", where hybrid forms of interaction, primarily with friendly states, play a key role.

Thus, Russia's technological sovereignty is a complex, dynamic category situated at the

[2] Decree of the President of the Russian Federation from 28 February 2024, No. 145 "On the Strategy for Scientific and Technological Development of the Russian Federation". SPS "Garan"». URL: https://www.garaN№ t.ru/products/ipo/prime/doc/408518353/?ysclid=m9705i9ga3328408772 (accessed on 07.04.2025).

intersection of law, economics, technology, and political philosophy. Its full provision is only possible thru the consolidation of efforts of normative, social, and economic mechanisms, where each element must be organically integrated into the overall vector of the national interests of the Russian Federation.

Obstacles to Ensuring Technological Sovereignty

In the Russian Federation, a whole range of measures aimed at solving this problem has already been adopted. However, many of them are not used to their full extent or are not sufficiently effective. This necessitates the analysis of the existing system and the development of recommendations to facilitate its optimization.

Among the existing tools for ensuring technological sovereignty are mechanisms such as public-private partnerships (PPP), special investment contracts (SPIC), grant support for innovative projects, development institutions (for example, RVK, Skolkovo Foundation, and others), as well as import substitution programs. Despite the existence of projects implemented using these tools, the effectiveness of their use is often limited by a number of systemic shortcomings.

The existing system can be characterized by two main groups of problems: institutional and procedural.

Institutional problems:

- low coordination between various government bodies and their structural divisions responsible for implementing technological policy, which complicates a comprehensive approach to solving technological development tasks;
- insufficient integration of existing tools into a unified system: many support measures operate in isolation, making it difficult for companies, especially small and medium-sized ones, to navigate the existing array of opportunities. Many experts today emphasize the need to actively integrate small businesses into the processes of ensuring technological sovereignty [8, p. 1189].

Procedural problems:

- often excessively complex bureaucratic procedures for accessing existing support programs;
- transparency of decision-making mechanisms related to financing or project selection;
- limited legal and financial protection for parties involved in mechanisms such as PPP and SPIC.

All these aspects reduce the motivation of technology market participants to actively work in strategically important sectors of the economy.

Financial and Legal Instruments as a Means of Ensuring Technological Sovereignty

The prospects, timelines, and specific pathways for transitioning the national economy to an innovative development model are largely determined by the effectiveness of forming innovative potential, which includes three key elements: a developed network of scientific organizations, a sufficient number of qualified scientific personnel, and the level of education of the workforce, as well as the volumes of funding for scientific and scientific-technical activities. Currently, a significant obstacle to scientific and technological progress thru the implementation of technological innovations is the orientation of state policy toward preserving an outdated model of social development, based on low technological structures and weak dynamics in the spread of market institutions. Such a situation leads to the stagnation of the development of the high-tech public sector, chronic underfunding of the scientific sphere, which, in turn, reduces the efficiency of innovative developments and complicates their practical implementation in various sectors of the domestic economy. Particular concern is raised by the reduction in the number of scientists capable of providing modern technological equipment for key areas of public production, including scientific and technical activities. In these conditions, various financial and legal instruments for the

development of high technologies perform a crucial coordinating function, based on ensuring state funding and support for fundamental and conceptual technological developments. It is precisely state support that creates the necessary conditions for successful competition in the markets of high-tech products and ensures an adequate level of technological security for the country. This approach becomes particularly relevant in the context of ensuring Russia's technological sovereignty, where financial and legal instruments become a key mechanism for stimulating innovative development and protecting national interests in the face of global technological competition.

Overall, the financial and legal instruments for ensuring technological sovereignty can be defined as a system of legally established mechanisms aimed at stimulating innovative development, reducing technological dependence on external suppliers, and strengthening the competitiveness of domestic sectors of the economy. Let's focus on examining the essence and application of key financial and legal instruments that can contribute to the systematic development of domestic technologies.

State Funding and Subsidies

State subsidies and grants remain traditional means of supporting domestic enterprises in the high-tech sector. However, their distribution is often accompanied by bureaucratic costs and other risks.

One of the most significant tools is the provision of government subsidies for the development and implementation of critically important technologies. State subsidies are regulated by the Budget Code of the Russian Federation (Article 78, Articles 78.1–78.5)[3] and subordinate regulatory legal acts.[4] The essence of this financial and legal instrument lies in the allocation of budgetary funds on a competitive basis to enterprises (legal entities) and individual entrepreneurs (subject to certain restrictions) engaged in research and development in priority sectors such as microelectronics, software, and others. The mechanism of operation is based on the principles of targeted financing: companies are obligated to use the funds exclusively for the purposes specified in the subsidy agreement. The application of subsidies is especially effective in the early stages of technology implementation, when project costs and risks are high. We agree with T.V. Kolesnikova's position that "the increase in the volume of state financial support for Russian entrepreneurship and exports should be accompanied by enhanced control over the assistance provided by the state" [9, p. 26].

Let's note that the distribution of subsidies requires significant administrative resources,[5] which often leads to delays in decision-making and uneven allocation of funds, and in some cases, to untimely financing. This is a very important point, as leading domestic economists note, "attention should be paid to the need for a more thorough elaboration of issues related to the organization and investment of innovative processes at all levels of management. Not all innovation and investment projects are effective, which is reflected in the negative value of the correlation coefficient between the share of innovation expenditures in GDP and Russia's share in the world GDP" [10, p. 12].

[3] Budget Code of the Russian Federation from 31 July 1998, No. 145-FZ (as amended on 28 February 2025, No. 17). Collection of Legislation of the Russian Federation from 3 August 1998, No. 31, Art. 3823.

[4] Resolution of the Government of the Russian Federation from 31 December 2021, No. 2609 "On the Approval of the Rules for Providing Grants from the Federal Budget in the Form of Subsidies to Legal Entities and Individual Entrepreneurs within the Framework of the Implementation of the National Project "Education", the Federal Project "Professionalism", and the National Program "Digital Economy of the Russian Federation" (as amended on 2 December 2022, No. 2213). Collection of Legislation of the Russian Federation. January 17, 2022, No. 3, Article 581.

[5] Note: A competition, the work of the competition commission, and other actions provided for by the Resolution of the Government of the Russian Federation from 30 September 2014, No. 999 "On the Formation, Provision, and Distribution of Subsidies from the Federal Budget to the Budgets of the Subjects of the Russian Federation" (as amended on 7 February 2025, No. 120) are required. Collection of Legislation of the Russian Federation from 13 October 2014, No. 41, Article 5536.

The lack of transparent criteria for assessing the effectiveness of the use of government subsidies at the federal and regional levels also appears to be a clear risk regarding their actual contribution to the development of technological sovereignty.

Tax Benefits

The system of tax benefits and preferences is a key financial and legal tool for supporting domestic producers in strategic sectors of the economy. Within the framework of the Tax Code of the Russian Federation, the exemption of innovative companies from a number of expenses is provided thru the reduction of the tax burden. Thus, "enterprises in the information technology sector have been provided with additional measures of state support in the form of tax benefits and exemption from inspections by supervisory authorities" [11, p. 166].

For example, Article 25.12–1 of the Tax Code of the Russian Federation provides benefits on profit tax for companies participating in regional investment projects, for which inclusion in the registry is not required. Taxpayers can include R&D expenses according to the list approved by the Government of the Russian Federation as part of other expenses for the reporting (tax) period in which such research or development (individual stages of work) is completed, or in the initial cost of depreciable intangible assets in the amount of actual costs with the application of a coefficient of 1.5 (clause 7, article 262 of the Tax Code of the Russian Federation).[6] The confirmation rules have been approved by the Government of the Russian Federation.[7]

The essence of the tool lies in creating a favorable tax regime for the development of companies' innovative potential, which allows for the release of funds for reinvestment in technological development. The mechanism is applied in practice when forming techno parks, where residents receive a comprehensive set of support measures, including tax incentives.

Nevertheless, the establishment of uniform preferential conditions may not take into account the specifics of the operations of individual companies, as well as various technological sectors. For example, we believe it would be appropriate to establish the possibility of receiving 100% compensation for R&D costs for small innovative enterprises and entrepreneurs in the case of conducting developments and successful testing in the field of cross-cutting technologies.

Public-Private Partnership Tools

Public-private partnership (PPP) is a legal mechanism thru which the state and private business join forces to implement projects of strategic importance. One of the key regulatory acts governing this area is Federal Law No. 224 "On Public-Private Partnerships".[8] Within the framework of PPP, there is an opportunity to attract private investments in high-tech projects in exchange for government guaranties and preferences.

The mechanism of operation involves the conclusion of agreements between PPP entities, within which the obligations of the state (for example, the provision of land or tax benefits) and the private partner (financing, construction, and commissioning of the facility) are stipulated. The application of PPP is effective in projects with high capital intensity, such as the development of communication infrastructure or the creation of new production capacities.

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[6] Part Two of the Tax Code of the Russian Federation from 5 August 2000, No. 117 (as amended on 28 December 2024, No. 530). Collection of Legislation of the Russian Federation. 2000. No. 32. p. 3340.

[7] Resolution of the Government of the Russian Federation from 21 December 2023 No. 2235 "On the Rules for Confirming the Compliance of Conducted Scientific Research and (or) Experimental Design Developments with the List of Scientific Research and (or) Experimental Design Developments Approved by the Government of the Russian Federation in Accordance with Paragraph 7 of Article 262 of the Tax Code of the Russian Federation, and the Placement of Such Information in the State Information System" (as amended on 29 December 2024). Collection of Legislation of the Russian Federation. 2023. No. 52. p. 9663.

[8] Federal Law No. 224-ФЗ of July 13, 2015 "On Public-private partnerships, municipal-private partnerships in the Russian Federation and amendments to certain legislative acts of the Russian federation" (as amended by federal law No. 444 -ФЗ of November 30th, 2020). Collection of legislation of the Russian FEDERATION, No.29 (part I), July, 21st, 2005, article 4360.

In the scientific literature, it is noted that public-private partnerships, despite their potential to mobilize private investments, face challenges due to insufficient protection of private investors' interests [12, p. 190]. For example, the delineation of responsibilities[9] between both parties is not always clear, which can lead to delays in the implementation of national projects, contracts, and increased costs. Limited legal framework also hinders the successful implementation of large infrastructure and technological projects. There are opinions that greater freedom of action should be granted to PPP participants. For example, O.S. Trotsenko, in his paper, describes this approach by revealing the essence of the interaction between the state and the private partner in the "market" model: "...emphasizes autonomy in terms of personal interests, freedom, and equality of PPP subjects". The competition of personal interests determines the common good. In the spirit of "adaptability", the freedom of action of public organizations is regulated by mixed methods of regulation [13, p. 263]. We consider that a similar approach can be applied in regulating PPPs in the field of innovations and modern information and telecommunications technologies.

Public-private partnership aims to attract private investments into projects necessary for long-term technological development. Nevertheless, it should be noted that the practice of implementing PPPs in Russia faces a number of problems. Often, difficulties are noted in the distribution of risks among PPP participants.[10] The provisions of the PPP agreement do not always allow for a clear delineation of the responsibilities of public and private partners, which exacerbates the situation. Public authorities are exempt from liability for non-fulfillment or improper fulfillment of obligations if they prove the absence of fault, while a private partner engaged in entrepreneurial activities is liable even in the absence of fault. Often, even large private companies with a good reputation become involved in legal disputes with government bodies.[11] It is possible that legal disputes could have been avoided if concession agreements had taken into account a greater number of potential risks.

Accordingly, to improve the functioning of the PPP mechanism, it is necessary to develop clearer legislative frameworks regulating the partnership relations between public authorities and entrepreneurs. This should include a clear definition of the duties and responsibilities of the parties, as well as mechanisms for dispute resolution. An important step could be the creation of specialized structures that provide methodological support and project management at all stages. In some regions, this role is taken on by regional ministries of economic development, as, for example, in the Samara region [14, p. 306].

Unfortunately, small and medium-sized enterprises often do not have the opportunity to participate in public-private partnerships due to the rather strict selection criteria of the competition.

Considering the above and evaluating the existing shortcomings, we propose to supplement Article 29 of the Federal Law from 13 July 2015 No. 224 "On Public-Private Partnership, Municipal-Private Partnership in the Russian Federation and Amending Certain Legislative Acts of the Russian Federation" with the following provision:

[9] Note: Projects that seem profitable at first glance may turn out to be unprofitable and have low user demand. This happens if the planning and selection process of projects is outside the shared responsibility of the PPP parties. Most often, government agencies involve business partners only after this stage.

[10] Note: Currently, there are virtually no universally accepted and effective tools or methodologies for comprehensive risk assessment in the field of PPP. This does not allow for a full assessment of the effectiveness of PPP projects. Partly, this is due to the fact that the risks for public authorities are one thing, while for private investors they are another.

[11] Ruling of the Supreme Court of the Russian Federation from 13.12.2019 No. 302-ES19-22428 in case No. A33-27680/2018. "LigalAct.ru". URL: https://legalacts.ru/sud/opredelenie-verkhovnogo-suda-rf-ot-13122019-n-302-es19–22428-po-delu-n-a33-276802018/?ysclid=m98qqc57iz16696204 (accessed on 30.03.2025); Resolution of the Fifteenth Arbitration Court of Appeal No. 15AP-18921/2019 from 27.12.2019 in case No. A53–6101/2018. Judicial and regulatory acts of the Russian Federation. URL: https://sudact.ru/arbitral/doc/OGt5h1WIc3Zl/?ysclid=m98qtsy33u460870786 (accessed on 30.03.2025).

"4.1 In the event of winning the competition, small and medium-sized enterprises in technological projects may be granted tax benefits and/or government assistance in the registration of intellectual property".

In addition, we consider it appropriate to introduce Chapter 6.2 "Features of regulating relations arising in connection with the preparation, conclusion, execution, and termination of public-private partnership agreements, municipal-private partnership agreements, the objects of which are high-tech information projects:

33.2.1. Features of implementing projects aimed at the development of high-tech industries.

1. In relation to projects involving critical technologies (artificial intelligence, microelectronics, green technologies), a separate mandatory approval procedure is established. In relation to projects involving critical technologies (artificial intelligence, microelectronics, green technologies), a separate mandatory approval procedure is established.

2. For the purposes of this Federal Law, the creation of facilities may involve a mechanism for state subsidization of such projects, taking into account the division of risks between the state and the private partner. For the purposes of this Federal Law, the creation of facilities may involve a mechanism for state subsidies for such projects, taking into account the division of risks between the state and the private partner.

3. For the purposes of this Federal Law, tax incentives may be introduced for participants in pilot partnership programs in the field of high technologies for the creation of technical means to ensure the functioning of high-tech information project facilities".

Implementation of Special Investment Contracts

A Special Investment Contract (SPIC) is a relatively new financial and legal mechanism for stimulating the localization of production and the implementation of advanced technologies in the territory of the Russian Federation. Special investment contracts are aimed at attracting investments and developing domestic production. The instrument is regulated by Federal Law No. 488 "On Industrial Policy" (Articles 16, Articles 18.1–18.6),[12] Federal Law No. 39 "On Investment Activities in the Russian Federation in the Form of Capital Investments"[13] and provides preferences to investors, including protection against potential deterioration of business conditions.

The essence of SPIC lies in the fact that investors commit to creating or modernizing the production of new products that meet global technological standards in exchange for tax benefits, subsidies, or other financial guaranties from the state. The mechanism is widely used in industries such as the production of equipment for energy and transportation.

Special investment contracts (SICs) are supposed to stimulate localization and technological development; however, they have a narrow focus and high administrative barriers at the stage of their conclusion. Y.L. Evstafieva notes the following: "Not all conducted competitions result in the conclusion of a special investment contract. Thus, 8 out of 26 competitive selections opened in 2021 did not result in the conclusion of contracts and the establishment of industrial production of goods based on the proposed technologies. As of 15 July 2023, no contracts had been signed" [15, p. 53]. According to experts, a factor hindering the popularization of SPIC in Russia is that companies do not always have the resources to meet strict requirements, which deters potential investors. There is a high threshold for "entry" into the process of concluding a PPP agreement. Long periods between the competitive selection and the actual signing of

[12] Federal Law No. 488 of 31 December 2014, "On Industrial Policy in the Russian Federation" (as amended on 30 November 2024 No. 443). Collection of Legislation of the Russian Federation from 5 January 2015 No. 1 (Part I), Art. 41.

[13] Federal Law No. 39 from 25 February 1999 "On Investment Activities in the Russian Federation, Carried Out in the Form of Capital Investments" (as amended on 25 December 2023 No. 628). Collection of Legislation of the Russian Federation from 1 March 1999 No. 9, Article 1096.

the contract, as well as the lack of a regulatory framework guaranteeing support at the regional and local levels, also have a negative impact. The program predominantly focuses on major market players, often overlooking the needs of small and medium-sized enterprises, which can also make a significant contribution to the development of technological sovereignty. The limited guaranties and tax preferences provided under the contract reduce the incentives for foreign and Russian companies to participate in these projects. Moreover, SPICs are often focused on quick results and do not always take into account the long-term prospects of infrastructural technological development for entire industries.

To increase the efficiency of SPICs, it is necessary to simplify the procedures for concluding these contracts and make them more accessible to companies regardless of their production scale and capitalization. It would be appropriate to develop standard, more flexible contract terms that are adapted to the needs of specific industries in all subjects of the Russian Federation. This seems relevant to us, especially in light of the fact that "as of 16 January 2023, the monitoring of regulatory legal acts revealed that twelve federal subjects did not provide any measures of state financial support for SPIC participants in their legislation, including tax measures… the issue of the lack of tax incentives for investor activities is more widespread" [16, p. 87].

Moreover, the government should increase the transparency of the procedures and criteria for selecting projects to participate in SPICs to strengthen the trust of potential investors.

In this regard, we propose to supplement Article 18.2 of Federal Law No. 488 "On Industrial Policy in the Russian Federation" with the following provisions:

"18.2. Content of the special investment contract

3.1) A special investment contract for small business entities is concluded for a period of no more than ten years for the implementation of projects with an investment volume not exceeding five billion rubles (excluding value-added tax)".

We also propose to supplement Article 18.1 of Federal Law No. 488 "On Industrial Policy in the Russian Federation" with the following provisions:

"1.1. Under a special investment contract, one party — the investor — who is a *small or medium-sized enterprise*, undertakes to implement an investment project for the introduction or development and implementation of the technology specified in parts 2 and 3 of this article within the timeframe stipulated by this contract, with the aim of establishing serial production of industrial products based on the specified technology in the territory of the Russian Federation, and/or on the continental shelf of the Russian Federation, and/or in the exclusive economic zone of the Russian Federation (hereinafter referred to as the project), investing their own and/or attracted funds into the project, while the other party — the Russian Federation, and the subject of the Russian Federation, and the municipal formation — within their authority during the term of the special investment contract, undertake *to provide investor protection for the entire duration of the special investment contract against changes in the tax regime*".

Simultaneously with these changes, we consider it necessary to ensure the flexibility and transparency of the SPIC mechanisms, namely — adherence to uniform contract approval mechanisms across all regions of the Russian Federation, mandatory digitalization of the application submission, approval, and execution processes.

Expansion of tax benefits within the framework of SPIC. We propose amendments to Chapter 25 of the Tax Code of the Russian Federation. Currently, the reduced corporate profit tax rates established for SPIC participants can be applied exclusively to the profits obtained from the sale of new or additionally produced goods within the framework of the investment project for which the SPIC agreement has been concluded. For SPIC participants, it is possible to introduce individual tax regimes on profit, property, and

land. For example, the possibility of exemption from profit tax for the first 5 years, provided that investment obligations are fulfilled on time. Also, provide additional mechanisms for compensating the incurred expenses if the project contributes to the development of critically important technologies.

To implement the proposals we have outlined, it would be advisable to carry out the introduction of new norms in test mode as part of a pilot project based in 2–3 regions of Russia. In this regard, it will be necessary to enhance the qualifications of state and municipal officials involved in the development and implementation of new legal mechanisms. In the process of implementing pilot projects, it will be necessary to organize permanently functioning working groups where lawyers, economists, entrepreneurs, and representatives of public organizations can monitor the progress of the implementation of the SPIC, identify shortcomings, and propose ideas for improving legislation.

Funding Through Reserve Funds

The use of fund resources (such as the National Wealth Fund of the Russian Federation) allows for the allocation of significant financial resources toward technical modernization goals. In this context, the tool lies in the possibility of targeted use of state capital to achieve strategic objectives, for example, in industries such as nuclear energy and robotics.

The mechanism includes the provision of preferential loans to enterprises participating in strategically significant projects to ensure technological sovereignty. The application of this tool is relevant in conditions of insufficient interest from private investors due to the high risk of investments.

R.A. Varkhameev points out: "The general legal regulation of reserve funds that can be created at the regional level is reflected in Article 81 (reserve funds of executive bodies of state power) and Article 81.1 (reserve fund of a subject of the Russian Federation) of the Budget Code of the Russian Federation. The presence of a reserve fund as a source for stabilizing the economy of a Russian Federation entity contributes to ensuring the stability of the regional financial system" [17, p. 96]. Nevertheless, some researchers conclude that "the regional reserve funds in their current form are ineffective in smoothing regional expenditures and maintaining overall budgetary stability" [18, p. 61].

Import Substitution Programs

Among financial and legal instruments, import substitution policy holds a special place, regulated by the Government Decree of the Russian Federation No. 719 dated 17.07.2015[14] and other regulatory legal acts. It provides preferential conditions for domestic companies, such as advantages in public procurement thru the mechanism of defining criteria for "Russian industrial products".

The essence of this tool lies in establishing a legal regime that restricts access for foreign products and companies to enter into government contracts based on the availability of Russian analogs. The mechanism of operation includes procedures for assessing the origin of products and their compliance with localization requirements. The effectiveness of this tool is evident in sectors such as machine engineering and pharmaceuticals.

The import substitution strategy is often interpreted as a necessary measure to reduce dependency; however, it can lead to the creation of artificial barriers to integration into the global economy. This becomes particularly relevant in the context of deepening cooperation with friendly states. Establishing strict barriers for foreign technologies without supporting competitive domestic production creates the risk of isolating the domestic internal market from the world's leading achievements in science and technology. This may limit the competitiveness of Russian enterprises and hinder their entry into new foreign markets.

[14] Resolution of the Government of the Russian Federation from 17 July 2015 No. 719 "On the Confirmation of the Production of Russian Industrial Products" (as amended on 26 February 2025 No. 230). Collection of Legislation of the Russian Federation from 27 July 2015 No. 30, Art. 4597.

Stimulation Through Development Financial Institutions

The activities of development institutions, such as VEB.RF and the Russian Direct Investment Fund (RDIF), play a significant role. The main mechanism of their work is based on providing long-term financing or facilitating the attraction of investors to high-tech projects.

Thus, the RDIF is actively involved in financing startups in the fields of artificial intelligence and nanotechnology, providing funds in exchange for a stake in the project. The feature of this instrument lies in the combination of state support with private investments, which reduces risks for investors.

Development institutions, such as VEB.RF and RDIF, play an important role in attracting investments and supporting projects in the field of high technologies and the production of high-tech products. However, their activities are subject to the risks of inefficient management and insufficient coordination with other state structures. The focus on certain large projects may create a barrier to attracting attention to promising initiatives developed by small companies and their startups.

Legal Regulation of Venture Financing

The field of venture financing is regulated by the Government Decree of the Russian Federation No. 2204 from 22 December 2020, which creates regulatory conditions for the development of startup support ecosystems.[15] Today, in the world, venture funds and business angels provide funding for high-risk projects, supporting innovations in areas such as quantum technologies and blockchain.

The application of this tool is possible when creating legislative conditions to protect the interests of investors and obtain tax benefits, which makes venture financing an important element in ensuring technological sovereignty. "Venture capital in America typically starts funding joint ventures at the corporation creation stage and exits the joint venture when it goes public" [19, p. 43].

Despite the significant potential of venture financing for the rapid development of innovations, it remains relatively unpopular in Russia. Legal and bureaucratic obstacles complicate the attraction of venture capital. Limited protection of intellectual property results (especially know-how) and the absence of a culture of venture investments hinder the attraction of funds to projects with a high degree of uncertainty. Moreover, the absence of a specific legal status for venture funds[16] creates legal uncertainty in their registration and operation.

To address these issues, it is necessary to create more favorable legal conditions for venture business. This is possible, in our opinion, by establishing a specialized legal status for venture funds that would provide guaranteed tax benefits and simplify the registration process.

We propose to introduce a new article on specialized forms of venture funds into the Federal Law from 29 November 2001 No. 156 "On Investment Funds" with the following content:

"Article 2.1. Venture capital funds

1. A venture fund is a specialized organization whose purpose is to provide financial support for high-risk innovative projects focused on technological development.

A venture capital fund is not entitled to engage in other types of entrepreneurial activities.

[15] Resolution of the Government of the Russian Federation from 22 December 2020 No. 2204 "On certain issues of implementing state support for innovative activities, including thru venture and/or direct financing of innovative projects, and on the recognition as invalid of an act of the Government of the Russian Federation and a separate provision of an act of the Government of the Russian Federation" (as amended on 15 October 2024 No. 1377) // Collection of Legislation of the Russian Federation from 4 January 2021 No. 1 (Part I), Article 98.

[16] Note: Currently, there is a possibility for a venture fund to recognize a mutual investment fund, an investment partnership, a foreign structure without the formation of a legal entity, a fund in another organizational and legal form in accordance with applicable law, and other forms of collective investments.

2. For venture funds, a minimal tax regime may be established — exemption from profit tax for the first five years of the fund's operation."

The corresponding provisions should be reflected in the Tax Code of the Russian Federation.

Moreover, we believe that state support for the activities of such funds should be ensured thru co-financing from national technology development funds (for example, the Russian Direct Investment Fund, the Skolkovo Foundation). An important factor is the strengthening of intellectual property protection for venture projects.

CONCLUSION

Based on the conducted research, general recommendations can be formulated for optimizing existing financial and legal instruments.

A necessary step is the creation of a unified coordination center (possibly temporarily operating and consisting of representatives from various ministries and other executive authorities), directly accountable to the Government of the Russian Federation, which will manage and optimize all existing technological development tools. In our opinion, its main functions should include: monitoring all current technological projects related to national megaprojects; establishing priority directions for each level of the economy — federal, regional, and local; integrating all support measures into a single structure (based on one website), which will ensure transparent access for businesses to financial opportunities.

The application and project approval process for enterprises seeking support thru mechanisms such as SPIC or import substitution programs should be reformed. An important role here could be played by the implementation of digital platforms, where: all categories of participants (including small and medium-sized businesses) can submit applications in an online format; the application approval process is displayed in real-time, which eliminates the possibility of unjustified rejections or delays.

Moreover, it is necessary to establish transparency standards for the activities of expert groups involved in evaluating applications. The publication of selection criteria and project evaluations will increase business trust in government support.

It is necessary to redirect financial support taking into account the specifics of the business. One of the key recommendations is to implement a more flexible support system that takes into account the needs of businesses of various sizes and levels. At the moment, small companies engaged in high-risk innovations often fall outside the scope of existing programs. It is recommended to: introduce a separate line of grants for startups in areas related to digital technologies, artificial intelligence, and microelectronics; develop regional subsidy programs that will compensate part of the expenses of small and medium-sized enterprises on the condition of their participation in projects related to technological import substitution.

All proposed measures are aimed at creating favorable conditions for the long-term development of high-tech sectors of the economy, which in the long run will ensure national security and sustainable development of the country.

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A.V. Ostroushko — analysis of identified problems, selection and analysis of legislation, correction, addition interim and final conclusions of the study.

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