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**PROSPECTS OF ECONOMIC DEVELOPMENT OF REPUBLIC
TYVA PROJECT "YENISEI SIBERIA"**

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Abstract

Currently, interregional socio-economic integration of subjects of the Russian Federation is actual and timely, as one of the significant investment projects "Yenisei Siberia" has been developed and is being implemented, participants of which are three Siberian regions of the Russian Federation: the Krasnoyarsk Territory, the Republic of Khakassia and the Republic of Tyva. This project is not considered as integration of territories, but as a single complex for the development of investment resources, with internal reserves of the subject of the Russian Federation application. The article provides an overview of the main socio-economic differences of the participants of integration. A possible model of interregional integration of three regions of Siberia is proposed, taking into consideration realization of "Yenisei Siberia" integrated investment project. Natural resource potential of the Republic of Tyva is considered, and the problem of insufficient involvement of the territory's potential in interregional and integration relations with other subjects of the Federation is also regarded.

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1. Introduction

According to opinion of scientists, Russia needs an impulse in modernization of regions' economy, based on their participation in interregional integration projects, providing formation and development of the subjects of the Russian Federation as powerful, civilizational, ideological, as well as socially oriented centers (Law Krasnoyarsk region No. 5-1595, 2018). An example of such integration is «Yenisei Siberia» complex investment project (CIP), which includes three regions of the Siberian Federal district of Russia: the Krasnoyarsk territory, the Republic of Khakassia, and the Republic of Tyva. The uniqueness of this complex investment project “Yenisei Siberia” is in the interaction of developed, developing and underdeveloped subjects of the Siberian Federal district (Avramchikova et al., 2019). Cooperation lies not in administrative-territorial integration with establishing of a single managed new Federal subject, but in integration of economically and administratively separate and independent partners.

2. Problem Statement

Integration of subjects and their joint efforts in implementation of the joint investment project will help to accelerate socio-economic development of the territories, since this global project contains key innovation and modernization directions of development of the constituent subjects of the Russian Federation (Hagerstrand, 1966).

3. Research Questions

For subjects, united by integration, the following main vectors of development have been determined:

- joint cooperation in realization of investment projects;
- searching of potential investors for involvement in projects and interaction of all parties concerned;
- interaction of the subjects included in the integration, both as customers and as developers of the investment projects, which are being worked out;
- coverage in all media stages of realization of implemented integration investment projects for their positioning at different levels, as well as in international events;
- engaging of local business structures, scientific and educational complexes on the territories, where investment projects are being implemented, as a result of mobility of population when providing personnel for projects and improving infrastructure of interacting subjects.

4. Purpose of the Study

“Yenisei Siberia” project was developed on the initiative of the three Siberian regions and will contribute to infusion of investments, activation of economic, infrastructural and social projects (Mensch, 1979). The President of the Russian Federation also notes the importance of the region's social development in his Address to the Federal Assembly. The priority should be given to pay off projects which remove

infrastructure restrictions for the territories. Such projects will contribute to development of small business, tourism, and social activity in regions and in localities (Perru, 1969).

It is known that economically developed regions have a stimulating effect on the economy of the underdeveloped region (Quigley, 2001). The main goal of the created complex project is to apprise all existing potentials of the interacting regions to an active state in order to increase efficiency of their socio-economic development, using Federal mechanisms which activate spatial aspect of the development of the “Yenisei Siberia” investment project participants.

5. Research Methods

Participants of the corporate investment project have different socio-economic status of their starting positions: economically well-developed Krasnoyarsk territory, developing region of the Republic of Khakassia, and underdeveloped region of the Republic of Tyva (Roberts & Murray, 2012). Their joint cooperation reveals the priorities of interregional integration among the Siberian regions and, if the experience is positive, it is possible to forecast, that the underdeveloped Tyva region will become a full-fledged raw material subject with a developed economy and with a full-fledged social infrastructure (Table 01). In the table KR – the Krasnoyarsk Region, RKH – the Republic of Khakassia, RT - the Republic of Tyva (Regions of Russia, 2018).

Table 01. Indicators of socio-economic development of the trio of KIP “Yenisei Siberia”

	KR	RKH	PT	Absolute deviation		
				KR		RKH
				RKH	PT	PT
Territory area, thousand km ²	2366.8	61.6	168.6	2305.2	2198.2	-107
Population, thousand people	2876	538	322	2338	2554	216
population, younger than the working age	19,8	22	34.6	-2.2	-14.8	-12.6
population of working age	57.2	54.6	54	2.6	32	0.6
population older than working age	23	23.4	11.4	-0.4	11.6	12
Migration growth rate per 10,000 population	3	-1	-33	4	36	32
Workforce at the age of 15-72 years, thousands of people	1494	259	126	1235	1368	133
Number of unemployed people aged 15-72 years, thousand people	85	13	23	72	62	-10
Unemployment rate, %	5.7	4.9	18.3	0.8	-12.6	-13.4
Gross regional product, billion rubles	1767.9	182.4	52.2	1585.5	1715.7	130.2
GRP per capita, thousand rubles	615.8	339.6	164.7	276.2	451.1	174.9
Investments in fixed assets, billion rubles	424.7	22.1	9.3	402.6	415.4	12.8
The place, occupied by the subject, for investments in fixed capital per capita in the Russian Federation	14	75	82	-61	-68	-7
Depreciation of fixed assets, %	41.4	40.6	42.5	0.8	-1.1	-1.9
The degree of depreciation of fixed assets for mineral resources, %	47.2	47.2	31	0	16.2	16.2
Number of mining companies and organizations	430	122	19	308	411	103

Turnover of organizations and enterprises engaged in mining, billion rubles	600.7	53.7	24.1	547	576.6	29.6
Volume of shipped goods of own production, performed works, services in-house for mining, billion rubles.	552.4	52.5	23.3	499.9	529.1	29.2
Industrial production index, %	107.3	99	110.5	8.3	-3.2	-11.5
Index of industrial production on mining, %	108.3	103.9	109.9	4.4	-1.6	-6
The return on assets of mining organizations, %	13.2	17.3	14.4	-4.1	-1.2	2.9
Profitability of sold goods, products (works, services) of mining organizations, %	27.8	17.8	67.2	10	-39.4	-49.4
Developed advanced production technologies	31	7	0	24	31	7
Advanced manufacturing technologies used	3787	606	60	3181	3727	546
Innovative activity of organizations, %	6.1	3.3	1.8	2.8	4.3	1.5
Expenditures for technological innovations, mln. rub.	1.8	0.7	0.1	1.1	1.7	0.6

The presence of such depressing regional economies, ensuring stability of the country's economy as a whole is problematic, so recently the Federal Government has been developing and implementing various investment projects with direct injection of investments into depressed regions to improve and stabilize their socio-economic situation (Bergenholtz & Waldstrøm, 2016).

6. Findings

Differences in socio-economic potential do not prevent integration of three regions, but rather contribute to the disclosure of the internal potential of territories to use their resources.

Participation of the Republic of Tyva in this global complex investment project of the united regions of Siberia may help to reduce socio-economic backwardness of the economy of this underdeveloped subject of Russia (Dhanaraj & Parkhe, 2006). After dissolution of the Soviet Union, many regions began to develop separately, that is, there was no unified system of control, management and establishing necessary contacts. Adaptive mechanisms worked not in all the territories, but only in those where there were favorable internal and external factors, producing stabilizing effects on the economy. The regions, which have strategically important production facilities on their territories and receive financial assistance in the form of state orders have become bankrupt, and the subjects have moved to category of underdeveloped and problematic (Herstad et al., 2014).

Attracting investment to an underdeveloped region is complicated by the lack of appropriate production and transport infrastructure, so projects with energy and transport development directions should become primary (Kohl et al., 2015; Leven et al., 2016). For the underdeveloped region of Tyva such a project as “Construction of the railway Elegest-Kyzyl-Kuragino and development of mineral resources of the Republic of Tyva” (“Tyva energy industrial Corporation”), will give to the economy of the region necessary infusion of investment funds in all spheres of activities in the region. Length of the railway for

export of coal from the deposits of the Republic, mainly from the Elegestsky, is 410 km. In parallel with the construction, transport infrastructure will be developed with an investment Fund of 192 billion rubles. As a result of the infrastructure improving, a mining and processing plant with the capital capacity of 110 billion rubles will be built at the field. A 30-year concession agreement will be concluded on the basis of the project. Development of natural resources will give an impetus to growth, with the greatest economic effect, to the underdeveloped region.

Undiscovered potential of the underdeveloped region of the Republic of Tyva is its mineral resources, which are characterized by a variety of minerals, including the presence of deposits of copper-lead-zinc, tantalum-niobium, gold-silver-copper-molybdenum-porphyry, silver-bismuth-gold-Nickel-cobalt-arsenic, barite-fluorite-rare earth carbonatite, lithium, mercury, uranium-phosphate, yttrium, chrysotile-asbestos, phosphorite and zeolite ores, as well as deposits of coking and energy coals. Total value of reserves of all types of mineral raw materials, explored in Tyva, exceeds 90 trillion rubles (Lebedev, 2014). So, the main wealth of the region is coal from the Ulugh-Khem basin of more than 20 billion tons (in the fields of Elegestinsky, Erbek, Mezhegeysky, Chadan and Kaakhem by open methods). Comparative quantitative indicators of coal reserves of industrial categories (A+B+C1) are given in Table 02 (Regions of Russia, 2018).

Table 02. Reserves of industrial categories of coal

	RF	SFD	The Republic of Tyva	RT reserves as % of Russian reserves	RT reserves % of reserves of the CFD
Coal, billion tons	41.3	33.2	1.1	2.7	3.3

Three coal mining companies are working on the development of these fields in Tyva: PC «Kaa-Khemsy», YPC «Yenisei industrial company», PC «Mezhegeyugol» (Table 03).

Table 03. Cost estimation of coal deposits in the Republic of Tyva

Name of the fields	Increase in GVA million rubles
Elegestskoye field	315966
Mezhegeyskoye field	66059.7
Kaakhemskoye field, sections no. 1,2,3	76699
Eastern part of the UlugKhem basin	150268.6
Western part of the UlugKhem basin	626017
Erbek field	23503

These coal mining enterprises of the Republic of Tyva do not work at full capacity, since sale of coal takes place mainly on the local market; there is also a supply of coal to some metallurgical plants in Russia, meanwhile coal reserves are considered to be a potential resource, and not as a real value (Avramchikova, 2018). The reason of this lies in transport inaccessibility, since transportation is possible only by road. Therefore, construction of the Elegest-Kyzyl-Kuragino railway within the framework of «Yenisei Siberia» investment project and its commissioning will reveal the commodity potential of the Republic's coking and energy coals (Rozhnov et al., 2018).

7. Conclusion

One of the main factors of the development of the Republic of Tyva is natural resources, which serve as a guarantor of the independence of the economy and promote interregional relations by expanding export of raw materials. The main problem of the Republic is low degree of integration of its economy into foreign economic activity, because of the lack of development of transport and institutional infrastructure of the region. The key problem is absence of qualified specialists, who have competence in the field of foreign economic integration with other regions of the Federation, as well as lack of investment component. Thus, disclosure of the potential of natural resource opportunities of the underdeveloped region is possible within the framework of implementation of complex investment project “Yenisei Siberia” and lies in the establishment of inter-regional interaction with other project participants. This drive of development of the problem region, which provides an injection of investment resources into the economic system of the subject, will serve as a real opportunity for the Republic to get out of the long crisis. In order CIP “Yenisei Siberia” be effective, it is necessary to create a project management model which allows using strong positions of an economically developed region to strengthen weak positions of an underdeveloped region, taking into account its industry specialization. At the same time, it is necessary to establish regulations and statuses of project participants, based on integration relationships in those branches, where they are already established. According to the authors, in order to overcome the differentiation between the regions, participants of the project, it is necessary to develop branches of economic specialization based on the introduction of high technologies, as well as creation and completion of the necessary industrial and social infrastructure.

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