DIRECTIONS OF REORIENTING EXPORTS AND IMPROVING EXPORT’S STATE SUPPORT DUE TO AN UNFRIENDLY NATURE ACTIONS BY A NUMBER OF FOREIGN STATES

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This article analyzes the existing mechanism of state support to exports by the authorities in Russia. A comprehensive analysis of the proposed measures of state support to exports during the period of sanctions pressure has been carried out, and trends of its prospective development in the future have been revealed. The use of various mechanisms and instruments for supporting exports will make it possible at each stage of foreign economic policy to eliminate many financial and non-financial problems, which create difficulties for bringing goods and services to the foreign market in the Russian Federation. A list of measures, which will make it possible to improve the system of state support to exports in the future, is also proposed.

Keywords: exports; state support for exports; technologies and tools of state regulation; financial measures; sanctions

Introduction

The Russian economy, including its foreign economic sector, is forced to develop under unprecedented sanctions imposed by several unfriendly countries. Back in March
2022, Russia surpassed all the other countries against which the U.S. and European states-imposed sanctions on it (Margoev, 2022), including Iran and North Korea, by the number of sanctions imposed on it. One of the goals pursued by unfriendly countries by imposing sanctions on Russian supplies and creating logistical problems is to eliminate national suppliers from the most profitable and promising segments of the global market. Therefore, the search for directions for reorientation of export supplies of Russian goods and measures for state support of exports act as a necessary set of measures that are designed to prevent Russia from being forced out of the world market, which can lead not only to negative economic, but also political consequences.

One of the most important directions of the organization of the state policy of the Russian Federation in foreign economic activity is a complex support for the process of increasing the export of goods and services abroad in alternative directions. Introduction of necessary and qualitative tools in support of export operations and reorientation of commodity flows to alternative foreign markets of friendly countries should ensure preservation of the scale of Russia's presence in the world market and in general improvement of economic development parameters. It is this thesis that determines the relevance of this research topic in the work.

The system of measures in the field of the state support to exports has a proportional dependence on the organization of foreign economic activity (Karachev, 2021). In many countries, the necessity of state regulation of foreign economic activity is confirmed. When there is a highly developed economy, there is no state monopoly on carrying out foreign trade operations, but the authorities of legislative and executive levels establish the foreign economic policy, by means of issuing legislative acts and other provisions.

### Literature review

In this study, the main modern scientific literature concerning state support for exports of the Russian Federation has been studied.

Basilashvili T. P. and Razletaev A. V. present a brief analysis of Russia's export dynamics from 2000 to 2018, analyzing the relationship between export growth rates and Russia's GDP growth rates. The paper considers the sanctions' policy against Russia and its impact on exports. The necessity of state financial support for exports due to the presence of sanctions is substantiated. The information on state support to exports based on «VEB» and «EXIAR» activities is given and analyzed (Basilashvili & Razletaev, 2020).

Zolotarev N. A. cites the problems and prospects of state support for exports in modern conditions. In the author's opinion, the geopolitical situation and violation of exporters' rights due to trade wars have a great influence on exports. Zolotarev N. A. systematizes the set of problems of the existing export support system, the solution of which will determine the prospects of its development. It is established that the solution of the problems listed in the article relates to insufficient support infrastructure for enterprises of various branches (Zolotarev N. A., 2020).

Naryshkin's work considers foreign and domestic experience of applying financial and non-financial instruments of export support, including information and consulting and organizational support measures, methods of export popularization inside the country, as well as various credit and financial and insurance instruments designed to protect the exporter from political risks in the importing country. The author concludes that the acceleration of
economic growth, the intensification of world trade and even more so of export activities can ensure not only the growth of the country's economy, but also the growth of the well-being of all citizens, including through the mechanisms of redistribution of funds. Naryshkin A. A. analyses the legal and regulatory frameworks of key support measures, as well as possible ways to improve efficiency by eliminating the duplication of functions of various institutions and creating synergies in their activities (Naryshkin, 2021).

Sleptsova E. V. and Krichevsky D. A. analyze the problems of development of export activity of Russian enterprises under the conditions of economic sanctions and pandemic, consider the main financial instruments of state support of enterprises in the sphere of foreign economic activity, and suggest ways of increasing the efficiency of financial support of subjects of foreign economic activity (Sleptsova & Krichevsky, 2021).

Yukhimenko discusses export support measures taken by Russian exporters, as well as issues related to the export potential of the country's economy and opportunities for business development in the Russian Federation (Yukhimenko, 2021).

Results and discussion

One of the most significant moments, which slows down the development of state support for the Russian exports, is the regime of sanctions from the Western countries. The first major sanctions were imposed on the Russian Federation back in 2014 and concerned a ban on the import of certain American and European goods into the country. The list of sanctioned goods is constantly expanding. Subsequently, these sanctions were imposed on a regular basis, and this practice continues up to this day. The new sanctions list of the European Union and the United States of America has appeared since the end of February 2022. As a result, imports of several different goods from the European countries, the United States of America and a few other states are completely banned or severely restricted.

The European Union has also been affected by retaliatory sanctions from the Russian Federation. These sanctions have affected the financial and industrial sectors, resulting in a sharp deterioration of these economies. The European Commission has significantly worsened the Eurozone's inflation forecast to a record 7.6% in 2022 and 4% in 2023, compared to 6.1% in 2022 and 2.7% in 2023 expected in the spring. Experts predicted that the annual losses of European institutions amount to $8-10 billion.

Many companies terminated their contracts and stopped the export flow of goods and services abroad to European countries. According to experts, inflation in the Russian Federation is expected to be 18-23% by the end of the year. At the same time, Russia's GDP in 2022 will decrease by 8-10%, and in 2023 the economic decline will slow to -3-0%. In May industrial production fell by 1.7% compared to May 2021. In manufacturing, the decline accelerated to 2.1%.

According to the forecast of CMASF, in 2022-2023, there will be a large-scale reduction in exports relative to the scenario without sanctions: the export of machinery and equipment to unfriendly countries will decrease in physical terms by 50-80% and by 10-20% in other markets, the export of coal will decrease by 10-40%, oil and oil products by 5-20%, and gas by 5-10% (CMASF, 2022).

Similar effects are expected in the markets of ferrous and non-ferrous metals, as well as fertilizers. As a result, the sanctions had a negative impact on the agro-industrial complex, industry, logistics, the financial sector, and several other sectors of the economy.
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The main categories of sanctions:
- Access to the primary and secondary capital markets of the European Union is restricted for some Russian companies and commercial banks.
- There are restrictions on trade and investment that apply to certain economic sectors.
- There is a complete ban on the import of goods from Sevastopol and the Crimea.
- The export of certain goods and technologies from the Russian Federation is banned.

Also, a significant restriction is associated with a ban on the supply of various goods and components for the industrial complex, defense, and energy sectors. Due to such bans, a few large global companies, which had concluded agreements with the Russian Federation for the implementation of major projects, voluntarily or involuntarily left the Russian market and terminated all contracts. The ban also applied to various luxury goods, which are now also prohibited from entering the Russian Federation.

It should be noted that the sanctions are constantly expanding, and they mainly concern the ban on the import of many goods into the Russian Federation. In response, the Russian Federation has also introduced additional restrictions on the export of goods to so-called unfriendly countries. During this period, Russian producers were able to effectively establish their own food industry and ensure a high level of food security.

Also, during this period, some countries imposed restrictions on the volume of supplies of dual-use goods to Russia.

There were restrictions on several organizational activities with Russian companies, as they fell under foreign sanctions from the United States of America and the European Union.

In the context of a significant impact of sanctions and restrictions on the export of Russian goods abroad, the Government of the Russian Federation has introduced a number of specialized measures aimed at supporting exporters.

The government of the Russian Federation has introduced additional subsidies for exporters, as well as attracted specialized organizations, which can carry out the transportation of goods and use up to 80% of the cost of this movement of goods to the border of the Russian Federation at their own expense.

The presented measures are also important because they allow Russian exporters to reorient themselves to other markets where they can send their own products for further business activities.

All the problems that exist in the system of the state support for exports can subsequently change and transform into other difficulties. In this context, it is important not to worsen the economic situation inside the Russian Federation, because it is the authorities and relevant profile organizations that will be able to provide financial and non-material assistance to exporters. Accordingly, it is important to provide a comprehensive analysis and apply the necessary measures for the future improvement of the set of export relations in the country (Krichevsky, 2022).

Some programs that exist today have a positive impact on the development of export relations in the Russian Federation.

In this aspect, the authorities should encourage small and medium-sized enterprises to engage in deep processing of raw materials and organize appropriate exports of finished products.
Recommendations

An essential role in the process of organizing support to national exports is played by information and consulting assistance. This assistance to export makes it possible to create a bank of information data on foreign trade operations, which are accessible with the help of the Internet. At the same time, it is possible to provide information services and to assist in the search for new business partners. To organize information support for the further promotion of domestic services and goods to international markets, it is necessary to collect and analyze all export proposals, tenders, and applications, and to reduce additional costs of Russian exporters before concluding contracts (Vologda, 2022).

Several key activities should be implemented to support small and medium-sized businesses within the framework of state support for exports:

Expand the flexibility of criteria for selecting companies. Not every company today can have 200 or more employees in its staff and invest at least 50 million rubles in projects.

The recommendation is to increase the time and quality of analytical activities in the application review and additional support process for all projects. The body that provides comprehensive support should be engaged in accompanying the project to organize the sample analytical processes on a regular basis. This will exclude the misuse of funds, as well as any deviations from the established business plan.

Prospective consolidation and monopolization of economic sectors should be necessarily excluded. The complete absence of a competitive environment in this case slows down the process of business development, and barriers are created for the new small and medium-sized businesses to enter the market.

Regarding non-resource goods, it should be noted that the authorities need to organize a comprehensive work to redistribute the flows of categories of goods and consider new schemes for export procedures. There is no doubt that the Russian Federation has a fairly huge number of natural resources, but we need to implement projects for the processing of raw materials into finished goods (Sudakov, 2022).

This will reduce the flow of sending cheap raw materials abroad, because the homemade finished products are cheaper, and the profit will be higher. Such programs will lead to a dramatic change in the situation in Russia for the better, and the budget will be replenished with additional funds. It is extremely important to keep in mind other industries as well, rather than focusing on the development of fuel and energy resources.

To improve international market support for these industries, several incentives should be organized:

- Simplify and accelerate the export VAT refund process.
- Conduct rate subsidies and simplify the export factoring procedure, because in modern conditions it is a rather expensive and complex product. Export factoring is gradually moving to the non-bank sector.
- Should introduce income tax benefits on the property, which is in correlation with the volume of processing of products.

The organization of incentives for the export of finished products will lead to the creation of high quality goods. They will fully comply with all world standards, which will lead to the development and implementation of the latest science-intensive technologies. The authorities and entrepreneurs will be able to develop new production complexes and saturate the export market.
During the period of sanctions pressure, the state should look for new technologies to support exporters. To ensure the stable development of export relations, a reserve budget should be formed. According to the author of the work, they can be disclosed in the following provisions:
- Search for new channels for the sale of goods in new markets;
- Establishing new logistics supply chains;
- Search for key positions of export deliveries in new directions;
- Transition to trading entirely in the national currency.

Conclusions

Summing up, it is necessary to conclude that in modern conditions the unified state support for export operations in the Russian Federation is gradually being transformed into a set of measures aimed at assisting those enterprises that are maximally focused on carrying out export operations. Participants in foreign economic activity receive a set of financial and non-financial measures as part of the provision of comprehensive support to improve the efficiency of their activities.

The recommendations proposed above, contributing to the improvement of exports to the Russian Federation, will lead to an increase in the efficiency of Russian business. Enterprises that receive support from the state and related companies will be able to develop more efficiently, receive the necessary assistance and be able to enter new markets.

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