Social-and-economic mechanism of formation of favorable investment attractiveness of the region

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Abstract. The article is devoted to the matters of investment attractiveness of regions. The factors making the regional investments possible. The authors argue, that social-and-economic development of regions is connected with the formation of the financial mechanism, representing the set of forms and methods of the organization, planning and stimulation of financial-and-economic activity in the certain social-and-economic space. The proper mechanism of formation of favorable investment attractiveness are offered. Besides, the ways of elimination of limiting factors in formation of favorable investment attractiveness are offered.

1. Introduction

Some respected theorists have works devoted to the research of methodological aspects of problems of investment, certain aspects of realization of investment policy by local governments are considered in scientific publications. A.P. Abramov, A. Alekseev, V.V. Suvorova, E.F. Kochevatkina, L.P. Yemelyanov, A.V. Sayapin, T.Yu. Sorokina, T.V. Komleva, etc. So, V.V. Suvorova, E.F. Kochevatkina consider the impact of investment attractiveness of municipal unit on formation of quality of human resources, allocate the main indicators characterizing degree of appeal of investment attractiveness of the local territory. At the same time the main attention is paid to the analysis of influence of specifics of investment attractiveness on formation of qualitative characteristics of the population which is constantly living in his territory. L.P. Yemelyanov considers organizational procedures, and methodical calculations of the investment status of municipal unit as independent participant of investment processes, offers iterative calculation of investment attractiveness. A.V. Sayapin in his work investigates the technique of the analysis and assessment of investment attractiveness and also financial and organizational aspects of management of investment process at the level of municipal units, offers model of the financial mechanism of management of investments and reveals major factors of increase in its efficiency. T.Yu. Sorokina, T.V. Komleva consider questions of formation and maintenance of parameters of favorable investment attractiveness which become the priority of regions, consider and analyze indicators of investment attractiveness of municipal unit on the basis of assessment of efficiency of activity of regional authorities.

Social-and-economic development of regions is connected with the formation of the financial mechanism, representing the set of forms and methods of the organization, planning and stimulation of
financial-and-economic activity in the certain social-and-economic space. In the conditions of decentralization of financial functions before regional and municipal authorities there is a difficult task of the organization of economic activity in the non-productive sphere taking into account the social interests of the population and requirements of the market. It assumes the development of effective schemes of attraction of financial resources in the regional investment projects having pronounced social focus. The investment attractiveness is an expected ratio of profitability and risk of investments in this country in comparison with other states. The rating of investment attractiveness of regions includes the following concepts: ·
  - Investment attractiveness;
  - Investment potential;
  - Investment risks.

Another direction of management of social-and-economic development of regions is the regulation of investment activities in the commercial sector of regional economy. The importance of this direction is caused by the budgetary-and-social effect which is created by commercial investment projects [1]. In the conditions of financial and investment deficiency regional and the authorities are limited in opportunities of management of capital expenses of the budgets and forced to focus on the solution of the current problems. In these conditions to the forefront there is a task of attraction in the territory of regions of resources of private investors. On regulation of investment process the scientifically based tipologization of regions as subjects to investments (investment territories) has to be the cornerstone of the differentiated approach [2]. Such tipologization has to be based on multicriteria approach, and at the same time monitoring of investment activities will be not full without integrated indicator. Thy degree of usefulness of investment attractiveness or degree of investment attractiveness of the region can act as such indicator [3].

2. Principles and Regulations
Factors which make the investments into this or that region possible include (Figure 1):

Factors

- high level of economic activity
- developed innovative-and-educational potential
- investment focused legislation
- the comfortable environment and the developed social infrastructure
- developed civil society

Figure 1. Factors making the regional investments possible

The principles of any regional investment policy are:
- providing the favorable information and institutional environment for attraction of investments;
- decrease in barriers to the entrance on the market;
- ensuring effective support of business at the level of the legislation;
- effective public-private partnership [4].

That should be mentioned, that accurate legislative regulation of investment activities exists approximately in 70 regions of the Russian Federation.

According to regional legislation and regulation the most typical instruments of stimulation of attraction of domestic and foreign investments are:
- temporary full or partial remission of taxes in budgets of territorial subjects of the federation;
• delay or payment by installments of payment of taxes in regional budgets;
• granting the investment tax credits;
• granting to investors guarantees and guarantees of regional administrations;
• a preferential rate of the rent for use of the land plots and the property which is in state ownership of the territorial subject of the Russian Federation;
• assistance on creation of infrastructure of business, receiving for rent and acquisitions in the property of the land plots and objects of uninhabited fund carried to state ownership of the territorial subject of the federation;
• investment at the expense of budgets of development of territorial subjects of the federation. It is expedient to use the formation of such budgets most widely by analogy with the Federal legislation.

3. Results
According to authors, the main mechanisms of increase in investment attractiveness of the region can include the following [5].

1. Development and realization of strategy of social and economic development of the region: one of decisive factors of increase in investment attractiveness of region is the adoption of long-term development plans by regional authorities which are the reference point for the investment, concerning development of various branches, fields of activity and infrastructure in the territory.

2. Creation and development of investment infrastructure in the territory of the region.

3. Use for development of investment infrastructure of non-financial mechanisms of support of investment activities: formation of technological parks, industrial parks, creation of special economic zones of regional level.

4. Decrease in administrative barriers, simplification of administrative procedures, for example: reduction of number of bodies and the power and organizations whose coordination needs to be received for start of the investment project; rendering of services to the organizations for the principle of “one window” on the basis of the multipurpose centers; development of system of interdepartmental electronic interaction; formation of administrative regulations of support of investment projects; simplification of allowing procedures; creation of institute of investment representatives and representatives for protection of the rights of businessmen; formation of coordinating bodies with participation of territorial authorities of federal executive authorities, representatives of the infrastructure organizations; creation (activity improvement) of the agencies on attraction of investments.

5. Realization of marketing policy, creation of regional brands [6].

The important mechanism of increase in investment attractiveness is the mechanism of active “advance” of investment opportunities of the region, broad informing on the investment climate created in the region: preparation and distribution of the investment memorandum of the city; preparation, carrying out and participation in the exhibitions, forums and other actions directed to advance of the region; preparation of analytical materials about a condition of investment attractiveness in the region; preparation of the presentations, business plans of the strategic investment projects initiated by the region; maintaining information Internet resource about investment opportunities of the city; formation of information campaigns in the mass media devoted to investment opportunities of the city, implementation of strategic investment projects.

6. Development of labour forces of the regions of the Russian Federation. In scientific literature it is noted that the existing system of professional education does not meet the requirements of employers. Personnel problems lead to serious expenses in work of the enterprises already. And in the next years at the enterprises less opportunities will count on the guaranteed inflow of labor from the open market [7].

7. Rendering measures of support to small and medium business (for example, regional programs of development of small business (providing financial support to regions, including mono-profile settlements, on support and development of small business) and so on [8, 9].
4. Discussion
At the same time it is important to consider the opinions of a number of experts who proves, that the introduction of any stimulating mechanisms is not enough, and the realization of the actions directed to elimination of limiting factors is necessary (Table 1).

**Table 1. Actions directed to elimination of limiting factors of the investment attractiveness of a region**

| Problems | Actions |
|----------|---------|
| Insufficient demand in the field of innovations and science for production of innovative branches | 1) creation of conditions for increase in demand for innovative production by the existing large companies in the territory of the district; 2) implementation of measures for interaction with federal programs of support of innovative activity; 3) implementation of measures for stimulation of the new enterprises in the territory of the district or in the immediate environment to show demand for local innovative production. |
| Adverse financial situation in the field of innovations and science (for inflow of external investments) | 1) creation of conditions for continuation of financing of innovations and science in the city district; creation of favorable financial conditions for formation of "innovative belts" of educational and scientific institutions; 2) the analysis of efficiency of the developed system of support small and average of the innovative enterprises of the region for the purpose of increase in their investment attractiveness and the city district in general. |
| Overcoming insufficiency of experience of implementation of support of innovations and science can carry out in some directions | 1) development of innovative infrastructure of higher education institutions; 2) implementation of measures for loan of the best foreign and domestic experience in the sphere of municipal support of innovative activity; 3) realization of actions for loan of the best foreign and domestic experience in the sphere of incubation of the small innovative enterprises. |
| Adverse conditions for implementation of social projects can be overcome | 1) providing financial support to projects, the engaged critical directions in the social sphere; 2) support of projects on decrease in level of drug addiction and youth alcoholism. |
| Adverse conditions for development of transport logistics | 1) development of transport infrastructure of the region; 2) creation of conditions for development of the transport and logistic companies. |
| Migration of qualified personnel from the region | 1) increase in appeal of the region to life; 2) creation of new jobs for youth in the region |
| Low competitiveness of labor potential with the so-called Third World countries | 1) development of unique competences of the labour forces; 2) lighting unique competence and technologies which are created in the region. |
| Existence of high risk of poor control in the sphere of production of goods of import substitution | 1) professional development of management of the top management; 2) introduction to contracts with management of the top management for the municipal enterprises and the recommendation about introduction for the private companies of point on responsibility for efficiency of the realized projects; involvement of experts from other regions. |
| Risk of pollution environments in the sphere of production | 1) preliminary environmental assessment of projects; |
2) toughening of control of respect for environmental standards;
3) implementation of measures for ecological education of the population.

1) increase in openness of work of managing directors and the operating organizations;
2) actions for fight against corruption in the sphere of connection to power infrastructure.

1) toughening of control over the operating organizations;
2) professional development of workers of housing and communal services and the operating organizations.

1) increase in openness of calculations of tariffs of housing-and-communal services;
2) use of information technologies at the notification, calculation and payment of utility payments;
3) development of show business.

1) toughening of control of respect for technical norms in the field of transport logistics; toughening of control of expenditure of budgetary funds for development of transport logistics

1) improvement of conditions for training of experts in the field of tourism; creation of special conditions for development of the companies in the sphere of entrance and internal tourism

The listed actions proceed from the principle of the greatest importance of elimination of problems with limiting factors for achievement of long-term positive effect for creation of positive investment image of the region.

5. Conclusions
Thus, it is possible to conclude the following. Among the main mechanisms of increase in investment attractiveness of the region there can be following: development and realization of strategy of social-and-economic development of the region; the creation and development of investment infrastructure in the territory of the region; the use of non-financial mechanisms of support of investment activities for the development of investment infrastructure; the decrease in administrative barriers; realization of marketing policy, creation of regional brands; development of a manpower of territorial subjects of the Russian Federation; rendering measures of support to small and medium business.

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