Evaluation of industrial production policy in Russia

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Abstract. The work analyzed the structure of fixed assets, investment volumes and investment objectives for industrial production of Russia. Because of the analysis, it was concluded that the volumes of attracted investments do not allow updating production capacities in full, and the heads of organizations, among the investment goals, chose to replace production capacities, switch to automated and mechanized processes, and reduce production costs. In the study, it was proposed to create an investment fund in which the accumulation of financial resources will be carried out, and the distribution of funds should be subject to certain criteria for the need for funds and the fulfillment of the set indicators.

In conclusion, the study presents the main findings and results of the work.

1. Introduction

The industrial production of Russia has long formed its potential, which has been used for several decades to extract minerals, produce goods and services, and provide the population with electric and thermal energy, water and other services [1-3]. This potential was formed back in the last century and was formed in such a way as to reduce the additional costs of transporting semi-finished products, goods and services to the final consumer, reduce fixed and variable production costs, reduce the amount of raw materials and materials used, and ensure continuous environmental and natural conservation potential [4].

Today, the industrial production of Russia is one of the largest in the world, which during its creation was the most efficient [5]. The introduction of new production processes in the Soviet years was calculated in the corresponding scientific institutes, research was carried out in experimental design laboratories, and only after that, decisions were made to introduce them into the production process or mass production of specific types of products or services [6]. Today, such experience has been preserved in developed countries, in which the level of innovation activity reaches 50-60%, and transnational corporations are engaged in research work. In Russia, this practice has persisted, but not in all types of economic activity. As a result of which, currently in Russia problems have been uncovered associated not only with the use of obsolete and technologically backward capacities, but
also with equipment wear, increased production costs, a high share of the use of natural resources and others [7-9].

Thus, the industrial production of Russia is currently at the stage of reducing economic efficiency, which can only be resolved through the modernization, updating and implementation of innovative technologies in the production process. In this regard, we consider it necessary to analyze the investment policy of industrial production and formulate recommendations on the efficient allocation of investment resources.

2. Materials and methods

The aim of the work is to assess the investment policy of industrial production of Russia. To achieve this goal, the following tasks:

- analyze the structure of fixed assets by type of economic activity;
- explore the trends and objectives of investing in fixed assets;
- formulate recommendations on the efficient distribution of investments.

In the framework of the study, methods of logical, factor, comparative, statistical, logical, economic-mathematical and system analysis, the method of expert assessments, which allowed the authors to reveal the goal of the study, were used.

3. Results

In the Soviet years, all industrial enterprises belonged to the state, and management was carried out through the relevant ministries. Such a management structure was effective and fulfilled the tasks set by the state to produce products, search for and develop new production technologies, expand and update fixed assets. During the transition of Russia to market relations, not only the form of ownership of enterprises changed, but the very conditions of management and functioning of industrial enterprises. Today, industrial enterprises are mainly privately owned, and management is carried out with the goal of making a profit and cutting costs, the last of which is through saving resources, optimizing personnel, introducing innovative technologies and reducing the use of inefficient capacities. Consider the structure of fixed assets by type of economic activity in order to further determine the age structure of fixed assets (figure 1) [10].

![Figure 1. The species structure of fixed assets of commercial organizations by type of economic activity, as a percentage.](image-url)
the average age of structures is 17.5 years, the average age of machinery and equipment is 10.2 years, the average age of information and communication technologies is 5.2 years, the average age of vehicles is 8.5 years. Thus, in general, the age structure of the equipment is within the established standards, but at the state level the task of switching to innovative and digital technologies has been set, which requires enterprises to find new sources of investment [11-13].

Next, we consider investments in fixed assets by type of economic activity (figure 2) [10].

![Figure 2. Investments in fixed assets by type of economic activity, billion rubles.](image)

The figure shows that in general, investment volumes are increasing, however, in 2016 compared to 2015, their decline was observed. We see that, despite the increase in investment every year, their number is not enough to conduct a complete modernization of the type of economic activity, therefore, today the issues of attracting investments remain relevant.

Consider the opinion of managers on the goals of investing in fixed assets (figure 3) [10].

![Figure 3. The distribution of the organization on the assessment of investment goals in fixed assets, in percent.](image)

The graph shows that the managers of enterprises pursue the goal of maintaining the sustainable functioning of their own production, as a result of which they plan to direct investments to replace worn-out machinery and equipment, automate and mechanize the production process, and reduce production costs. Such a survey of managers indicates that two-thirds of enterprises are concerned about the use of worn-out and obsolete equipment, which, in fact, form the remaining problems - this is resource use, increased production costs, high emissions of pollutants and others [14]. Half of the
managers are pursuing the current trend and modern production needs - this is the transition to digital, automated and mechanized production processes, which, of course, will solve the problem of increasing the economic efficiency of production and reducing unregulated downtime [15-17].

Thus, the issues of attracting investment in industrial production are currently being updated at the state and corporate levels, the purpose of which is to update, modernize, and switch to innovative and digital technologies, which requires the government to develop appropriate policies [18].

4. Discussion
Issues of attracting investments at the state level and corporate levels require the formation of a unified national policy and search for mechanisms for attracting and distributing investments, which in our opinion is advisable to implement through the creation of an investment fund. In our opinion, the creation of such a fund is required to solve specific local problems, since it is impossible to solve the problems in the field of industrial production in the Russian Federation with the available investment volume [19]. Of course, the main goal of the investment fund should be not only the attraction of investments, but also the search for the most profitable capacities that require updating and modernization. Among the indicators that can be used to assess the level of profitability, you must use the following indicators:

- the degree of depreciation of fixed assets;
- level of capacity utilization;
- production volumes;
- necessary funding for modernization and renewal of capacities;
- level of innovative development of existing industrial production [20-22].

Attracting investments in the fund must be carried out at the state level, and it is advisable to form them with not only the participation of government agencies, but also large scientific communities, various institutes and professional communities [23]. Of course, the allocation of funds should meet the criteria for the need and rationality of investment, and all decisions should be framed as legal documents that would set out the goals of investing from the fund, criteria that confirm the need for allocation of funds and indicators that must be achieved.

The structure of the accumulation of investment resources is used in many large national and transnational corporations, the result of which is not only the updating of production capacities, but also the development of innovative solutions and their implementation at the enterprises of this company.

Thus, the proposed mechanisms for creating an investment fund will ensure the accumulation, systematization and distribution of investment resources.

5. Conclusion
This study is devoted to the issues of investment policy of Russia, within the framework of which fixed assets, investment volumes and investment objectives were analyzed. It was established in the work that the entire industrial potential of Russia was formed in the last century, when there was state ownership, the relevant ministries and departments managed enterprises, and innovative development was carried out with the help of state scientific institutions. The study revealed that the structure of production facilities consists of structures, machinery and equipment, the service life of which, in general, does not exceed 20 years. At the same time, the volume of investments in various industrial productions is insignificant, but increasing. At the same time, the majority of managers choose replacement of worn-out capacities, automation and mechanization of the production process and reduction of production costs as investment goals. The work found that the attracted investment would not allow for the modernization and updating of industrial production. Because of the study, it was proposed to create an investment fund that will accumulate investments and direct them to the point updating and modernization of production facilities.
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