Assessment of factors affecting the development and implementation of investment projects in the Russian Federation Arctic Zone

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Abstract. The article gives reasons for dividing strategic goals of Arctic Zone socioeconomic development into levels. The first level includes major mid-term goals until 2035, the second one strategic vectors of development or condition goals, and the third one programme goals, including the government programme “Socioeconomic Development of the Russian Federation Arctic Zone”. This hierarchy of goals is based upon a systemic, comprehensive, and programme-goal methodological approach and an analysis of regulatory documents applicable to socioeconomic development of and investment activities in the Russian Federation Arctic Zone. Therefore, any government programme, including the Socioeconomic Development of the Russian Federation Arctic Zone is aimed at achieving major strategic development goals and based on successful implementation of investment projects. The authors have therefore developed and tested a method to assess the importance of factors affecting implementation opportunities and threats (risks) of an investment project. The article contains an assessment of opportunities and threats (risks) caused by small-scale and large-scale external factors and internal factors affecting successful implementation of a company project in the Russian Federation Arctic Zone.

1. Introduction
The need for socioeconomic development of the Arctic Zone is due to the need to raise the living standards, ensure sustainable development of the land areas, and strengthen the national security of the Russian Federation in the zone.

In March 2020, the Decree of the President of the Russian Federation “On state policy principles of the Russian Federation in the Arctic until 2035” [1] was adopted to determine the principles of Russian government policies in the Russian Arctic Zone until 2035, i.e. for a mid-term strategic development period of 15 years. According to the Decree, the principles include major strategic development goals in the Russian Federation Arctic Zone, strategic objectives to achieve those goals, and tasks and tools for implementation of the Russian government policies in its Arctic Zone, which includes the land areas of two Oblasts (Murmansk and Arkhangelsk), three Autonomous Okrugs (Nenets, Yamalo-Nenets, And Chukotka), three Republics (Karelia, Komi, and Sakha (Yakutia)), and Krasnoyarsk Krai. Later, in July 2020, the Russian Federation Council passed the law “On
government support to business activities in the Russian Federation Arctic Zone” [2], establishing a regulatory mechanism and procedure for business activities, measures (economic tools) of the government support, and the management bodies.

The regulatory framework would therefore include the following documents: Constitution of the Russian Federation (adopted in 1993, with the amendments of 14 March 2020) [3]; Federal Law “On strategic planning in the Russian Federation” [4]; Russian President Decrees “National security strategy of the Russian Federation” [5], “Foreign policy concept of the Russian Federation” [6], “State policy principles of regional development in the Russian Federation” [7], “On land areas in the Russian Federation Arctic Zone” [8], “On national goals and strategic objectives of development in the Russian Federation until 2024” [9], “On state policy principles of the Russian Federation in the Arctic until 2035” [10].

The authors studying the issues of developing methodological approaches towards studies of regional economies, in particular, Arctic areas, include V. Babenkov, M. Kutepova [11], N. Babkin [12], L. Babkina [13], I. Zaychenko, O. Kalinina, S. Gutman [14]; M. Kozin, V. Plotnikov [15], N. Milaev, A. Kaznin, O. Sushko [16], Y. Nikitin [17], G. Romashkina, N. Didenko, D. Skripnuk [18], and others.

The goal of the study is to assess the influence of various factors on development and implementation of investment projects in the Russian Federation Arctic Zone.

2. Method
The study is based on a systemic, comprehensive, and programme-goal methodological approach, methods of modelling a goal orientation of a management system, a PEST analysis, and expert assessment.

The study method unfolds as the following succession of stages:
- the study goal was set at the first stage;
- an information base was formed at the second stage to include regulatory acts governing the socioeconomic development and investment activities in the Russian Federation Arctic Zone;
- the regulatory documents were analysed at the third stage;
- at the fourth stage, we suggested a distribution of the strategic goals by levels of the goal orientation model of a state process management system for the Russian Arctic Zone, aimed at the strategic goals of raising the living standards, ensuring sustainable development of the land areas in the Arctic zone, and strengthening the national security;
- at the fifth stage, we suggested a method of using expert assessment to identify the opportunities and threats (risks) influenced by small-scale and large-scale external factors and internal factors affecting successful implementation of an investment project;
- at the sixth stage, we formulated conclusions that included recommendations on a sequence to follow when setting and achieving goals and performing specific actions to use the opportunities and address the threats (risks) influenced by factors varying in the degree of influence on the success of an investment project.

3. Results and discussion
The regulatory documents under consideration – Russian President’s Decree No 164 of 5 March 2020 “On state policy principles of the Russian Federation in the Arctic until 2035” and Law No 193-FZ of 13 July 2020 “On government support to business activities in the Russian Federation Arctic Zone” – clearly define the following:
- the composition of the Russian Federation Arctic Zone;
- a list of residents of the Russian Federation Arctic Zone;
- a multi-level goal orientation model of the state management system for economic, social, demographic, cultural, scientific, technical, and environmental processes in the Russian Federation Arctic Zone (RFAZ);
implementation criteria for the strategic goals included in the goal orientation model of the state management system, presented as performance indicators;

– a regulatory framework for authorities and businesses or a legal mechanism to implement the model;

– an economic mechanism to implement the model in order to determine, among other things, the economic conditions and government economic support measures to business activities in the RFAZ;

– a management mechanism to implement the goal orientation model in order to determine, among other things, the procedure for business activities in the RFAZ;

– the authorities managing the economic, social, demographic, cultural, scientific, technical, and environmental processes in the RFAZ and their hierarchy, functions, and tasks.

The list makes it possible to conclude that there is a systemic approach to development and management of all processes in the area in question.

The goal orientation model is based on national interests that include the following:

– ensuring a high living standard and well-being for the people in the Russian Federation Arctic Zone;

– acceleration of the overall economic growth in Russia by development and reasonable use of the RFAZ as a strategic resource base;

– development of the Northern Sea Route as a national transport system that is competitive on the global market;

– protection of the environment and protection of the original areas and traditional lifestyle of the indigenous minorities living in the RFAZ.

According to the documents studied, the Russian Arctic Zone has opportunities available for implementation of large economic projects and a greater presence of special nature-use and environmental regulations.

However, there still are threats to intensive development of the RFAZ land area, such as:

– shrinking population;

– underdeveloped social, transport, information, and communication infrastructure, including the areas with indigenous minorities;

– slow rate of geological survey in prospective areas for mineral and raw materials extraction;

– insufficient development rate of Russian technologies required for the RFAZ;

– lack of efficient government support system for resident businesses aimed at reduction of costs and economic risks in project implementation, both for large companies and for medium and small businesses;

– unpreparedness of the environmental monitoring system in the Russian Federation Arctic Zone to so-called environmental challenges, which can include the accident at the fuel storage tanks belonging to Nornickel, a large mining and metallurgical company, in June 2020. It is absolutely obvious that there are more threats to economic, social, demographic, cultural, scientific, technical, and environmental activities in the RFAZ than there are available opportunities.

Thus, to make use of those opportunities and eliminate the threats, four main mid-term government policy goals for the RFAZ have been set:

– raise the living standard of the people in the Russian Federation Arctic Zone, including the indigenous minorities;

– accelerate the economic growth in the RFAZ and increase its contribution to the growth of the Russian economy;

– protect the Arctic environment and original areas and traditional lifestyle of the indigenous minorities;

– protect the national interests of the Russian Federation in the Arctic, including its economic interests.

In accordance with the four goals, four strategic vectors for achieving the main strategic government policy goals have been identified:

– ensure social and economic development of the RFAZ and its infrastructure;
– develop science and technologies for further exploration of the RFAZ;
– ensure environment protection and safety;
– protect the people and land in the RFAZ from natural disasters and man-made emergencies.

In our view on the rules of a goal orientation model for managing processes in any area, including the Russian Arctic Zone, there should be one main strategic goal, for example, ensuring sustainable development of the land areas in the Arctic Zone.

In this case, to implement the main strategic goal of the government management system, three main strategic activity vectors should become condition goals: raise the living standard of the people in the Russian Federation Arctic Zone at a rate that exceeds the national average rate of living standard and income growth (the social vector); accelerate the economic growth and increase its contribution to the overall growth of the Russian economy (the economic vector); ensure environment protection and safety (the conservation or environmental vector).

The lower level of the goal orientation model will contain programme goals aimed at achieving the condition goals or strategic activity vectors of the government territorial process management system. Those programme goals may include the following: develop the infrastructure, including transport, information, and communication (the economic vector), develop new technologies for exploration of and production in the RFAZ (the economic vector); protect the people and land from natural disasters and man-made emergencies (the conservation or environmental vector). There currently exists a Russian government programme called “Socioeconomic development of the Russian Federation Arctic Zone” developed and adopted in 2014 [19].

Taking a closer look at the goals in the economic strategic vector of RFAZ development, we can find only two of them. In our opinion, they can be viewed as programme goals or targeted programmes:

– create an environment to attract private investment and ensure its economic feasibility (based on government support for business activities);
– increase the share of private investment in implementation of investment projects on the Arctic shelf while retaining the government management system control over their implementation.

The suggested clarification – “based on government support to business activities” – shows a goal on the next level of the goal orientation model for state governance. It is a plan goal aimed at achieving the programme goal of creating a suitable environment or, put otherwise, opportunities for private investment and ensuring their economic feasibility. According to the documents studied, we assume that the following will be the achievement criteria for the goals: the unemployment level in the RFAZ, calculated in accordance with World Trade Organisation methods; the number of jobs at new enterprises in the RFAZ; the share of capital investment for residents operating in the RFAZ in the overall capital investment in Russia.

In July 2020, the State Duma of the Russian Federation passed a package of laws on benefits for investors in the Arctic. The bills had been prepared by the Ministry for Development of the Far East and Arctic Zone of the Russian Federation, a state governance body. In our view, it is possible to consider the package to be part of the regulatory framework for the economic mechanism for creating investment opportunities and implementation of the strategic government policy goals in the Russian Arctic Zone.

For instance, the main law from the package defines what qualifies as a new investment project, which includes: a capital investment amount of at least 1m RUB, which makes it possible to get the tax resident status and a list of tax benefits and non-tax preferences; the capital investment done during the project implementation upon the application date shall not exceed 25% of the total investment provided in the project business plan. Apart from that, the law gives a definition of costs for new construction, retrofitting and upgrading of capital assets, building restoration, and purchase of machinery and equipment.

RFAZ investment processes are managed by authorities, such as: the State Commission for Development of the Arctic, the Ministry for the Development of the Russian Far East and Arctic – the authorised government body, and the operator: Far East Development Corporation.
The objectives of the State Commission for Development of the Arctic include development and implementation of specific activities for improving the investment and business climate in the Russian Arctic Zone, i.e. creating investment conditions and opportunities.

For example, executive authorities of Murmansk Oblast backed the amendments in the new law on investment benefits in the Arctic. For instance, the capital investment amount to get the resident status has been reduced from 10m to 1m RUB, which will help attract medium and small businesses to the area. Apart from that, the package of bills included benefits only for petroleum-producing residents, but now it provides for benefits for two types of mineral-extracting businesses included in conventional industrial sectors. The social security tax rate will be reduced from 30% to 7%, which will help increase the salaries and attract workforce to the RFAZ.

The financial and economic background of the main law of the package points out that those conditions are projected to attract at least 6.7 trillion RUB of investment in the RFAZ until 2030 and create 28,000 new jobs over the said period.

The package also includes a law on benefits regarding the corporate income tax and value-added tax (VAT) and a natural resource tax (NRT) credit for implementation of new projects in the Russian Federation Arctic Zone [20].

In accordance with the law, the corporate income tax rate for 10 years from receipt of the first income will be zero for the part payable to the federal budget subject to the investment agreement conditions: the regions shall reduce their part of the corporate income tax rate payable to the regional budget; the business shall have a system for separate income (expense) accounting for those and other activities; the income for the activities under the investment agreement shall be 90% of the annual total or total for three years, which will provide for the reduced corporate income tax rates to be applied to the whole taxable income. A zero value-added tax (VAT) rate is set for icebreaker fleet services to ships exporting goods and for sea transport services for transporting goods outside the Russian Federation.

The natural resource tax (NRT) credit, effective from 1 January 2021, only applies to certain resource types: oil shale, peat, processed ores, non-metallic raw materials, and diamonds from new extraction sites in the RFAZ. Another mandatory condition is that the credit shall not exceed 50% of the tax amount for the respective tax period. The credit does not apply to coal and hydrocarbon production.

Besides, the RFAZ resident support measures creating additional opportunities for doing business include partial reimbursement of insurance payments to non-budget funds, subsidies for loan interest payments applying to investment under relevant agreements, subsidies for coupon payments on bonds issued in order to implement investment projects subject to investment agreements for activities in the RFAZ, shorter customs procedures, and establishment of a free customs area for duty-free imports of equipment and duty-free exports of finished goods.

In terms of investment project opportunities and threats, we can consider the case of the Kola Mining and Metallurgical Company, a corporation where five investment projects are either completed or ongoing: replacement of retired capacities to maintain the ore production scope, rebuilding of the water treatment station to reduce the discharge of pollutants into the surface water bodies and the water consumption in production, technical retrofitting of the nitrogen and oxygen plant to replace the retired capacities and save energy during air separation and compression, and using the existing capacity to produce more expensive and higher-quality cobalt products.

Besides, there are planned mid-term investment projects: opening and open-pit mining of ore reserves and mining of open pit reserves to increase ore production capacity.

The company’s investment strategy is orientated at development and integration of modern production technologies, renewal and technical upgrades of its capital assets to reduce the operation costs in production of two concentrates, with their quality to be compliant with the competitive standards identified by market research.

Those investment projects are located in Zapolyarny, a company town of the Kola MMC. Thus, the development and implementation of the investment projects will require additional personnel and
workforce, which will help create new jobs in and attract people to Zapolyarny. However, at final stages of certain investment projects upon achievement of the planned results, the project will require fewer employees, and the new state-of-the-art upgraded production process will need a reduced workforce. Therefore, apart from internal effects – industrial and economic efficiency – an investment project has to account for external ones: socioeconomic effects for the people in the town.

The opportunities and threats of development and implementation of an investment project in the Russian Federation Arctic Zone can be best shown in the case of construction of a concentrate shipping station at the existing ore-processing plant. The investment project and operation period of the industrial facility is ten years. The investment project only uses own funds with no loans. The capital investment amount is over 5.5b RUB. The discount rate is 15%. The investment spending period is four years.

The operational cash flow will be generated during production at the operational stage of the facility, with the inflow generated as a result of selling the goods and the outflow comprising the cost of production and sales.

At the initial stage of investment project development, an investment risk (threat) analysis is required to identify and measure the influence of external factors capable of causing a deviation of actual indicators from the strategic project implementation criteria. Prediction and assessment of those deviations enable timely modification in the internal structure of the investment project to minimise or compensate for the said deviation using other goals and activities. Investment decisions therefore have to be based on a risk analysis calculated in accordance with the risk analysis method used in the company. The economic efficiency level of company’s activities depends on how efficient the company’s management is at risk management and prevention of loss and opportunity costs caused by negative external factors.

Investment project risks are normally defined as a predicted (projected) decline in final performance indicators, including economic performance, affected by uncertainty of external factors. In a quantitative sense, economic risk is defined as a deviation or a difference between the actual economic indicators of a business and the planned indicators in an investment project, such as net income, internal rate of return, project budget, or payback period.

Besides, there are other risks, such as:
– marketing risk or the risk of getting inaccurate market research data in estimating target customer market segment needs for an ideal product by its price, quality, and properties;
– risk of project participants’ unreliability expressed in failure to deliver proper-quality products and meet the design and implementation deadlines, and, consequently,
– risk of breach of the development and implementation schedule of the investment project;
– production and technological risk during technological upgrade and retrofitting of equipment and production lines that appears when the facilities to be retrofitted keep operating;
– risk of failure to deliver material and technical resources on time or of proper quality.

Those are the risks that threaten the development and implementation of an investment project.

The company-based method to identify and assess external factors affecting the activities of and risks to a business resembles PEST analysis and SWOT analysis to a certain extent.

For example, the goal of a PEST analysis is to identify a projected background for activities of a business, which includes large-scale external factors: regulatory, economic, social and demographic, cultural, technological, and those related to federal and regional governance. These factors have the most significant (considerable and strong) impact on achieving the quantitative values of the goal achievement indicators provided in the investment project. The key word here is “projected”, which means that the projected background factors have to be monitored to collect the necessary data to identify the dynamics (trends) of the indicator changes over an observation period, followed by a projection. The goal of the projection is to provide a better ground for investment management decisions by reducing the uncertainty of the projected large-scale external factors.

We therefore recommend using data from annual government statistics reports to make a list of large-scale external factors (indicators) [21]. In the method in question, the external factors include
both small-scale and large-scale indicators. It also contains ambiguously defined factors for which it is impossible to collect reporting data and therefore make reliable projections. For example, the annual statistic reports do not contain indicators, such as lending, inflation, and decline in returns.

The following indicators are used in Russian statistics reports instead of “inflation”: consumer goods price indices, food price indices, non-food price indices, and service price (fee) indices. Instead of the “decline in returns” indicator, it is possible to use the indicator of cumulative corporate income by economic activity and choose, for example, minerals extraction [21].

Similar to PEST analysis, to assess risks affecting investment project implementation, we can use the methods of expert assessment and select expert assessment scales or the so-called semantic differentials [22].

The expert team included eight highly-qualified experts and experienced employees included in the project team.

To assess the importance degree of the risks, we used three expert assessment scales. The first five-point scale contains an assessment of the degree (strength) to which a large-scale external factor influenced the success of an investment project.

By “success” we mean absence of deviation in actual quantitative project implementation indicators from the planned ones or located within the previously defined over-fulfilment interval from 0% to 10% [23].

On the first expert assessment scale, one point means a very small degree (very low strength) of influence of a factor, two points correspond to a small degree (low strength) of influence of a factor, three points mean a medium degree (strength) of influence of a factor, four points show a high degree (strength) of influence of a factor, and five points mean a very high degree (strength) of influence of a factor. A similar scale is widely used in a regular PEST analysis. The difference is that for risk assessment in that investment project, all of the factors were reasonably divided into two groups: positive and negative. The factors having a positive effect, according to the experts, are marked with a plus (+) and negative with a minus (−). We can therefore suggest that the first, positively-marked group of factors provides development opportunities for a business, and the second group of factors contributes to threats or risks.

The second scale of expert assessment also has five points and means the probability degree (level) of positive or negative influence of factors on successful implementation of an investment project. One point means a very low probability of an event (influence of the factor), two points mean a low probability, three points a medium probability, four points a high probability, and five points a very high probability. This probability scale for external factors corresponds to the probability degree of an event and is shown in Table 1.

| Probability degree | Assessment, pts | Probability, % | Frequency, times | Note |
|--------------------|-----------------|----------------|-----------------|------|
| Very high          | 5               | over 60        | Over 5 times during project implementation or several times a year | Event expected under normal circumstances |
| High               | 4               | from 45 to 60  | 3–4 times during project implementation or every year | Event may happen under normal circumstances |
| Medium             | 3               | from 15 to 45  | 1–2 times during project implementation or once in several years | Event may happen under certain circumstances |
| Low                | 2               | from 5 to 15   | No more than once during project implementation | Event may happen under specific circumstances |
| Very low           | 1               | under 5        | No more than once during project implementation, but not in every project | Event may happen under exceptional circumstances |

Other variants of PEST analysis use an expert-defined weight of a factor, for example, to identify key success factors of a competitive position of a business.
Those two expert assessment scales – the degree (strength) of influence and the probability degree of a factor – make it possible to create a third assessment scale: a matrix presenting the probability of influence of a factor from very low (1 point) to very high (5 points) in the columns and the degree (strength) of influence of a factor from very low (weak) at one point to very high (very strong) at five point in the rows (Table 2).

Table 2. Assessment matrix for influence of a factor on an investment project

| Degree (strength) of influence of a factor | Probability of influence of a factor, pts |
|------------------------------------------|----------------------------------------|
| Very high (very strong), 5               | 5 10 15 20 25                          |
| High (strong), 4                         | 4 8 12 16 20                          |
| Medium (medium), 3                       | 3 6 9 12 15                          |
| Low (weak), 2                            | 2 4 6 8 10                          |
| Very low (very weak), 1                  | 1 2 3 4 5                           |

The importance of influence of a factor (IIF) is calculated in points as the product of the two assessments: the degree (strength) of influence of a factor (DIF) and the probability of influence of a factor (PIF) using the formula:

\[ IIF = DIF \times PIF \] (1)

As shown in Table 2, the importance of a factor varies from 1 to 25.

The resulting assessment of the importance of a factor can be divided into three levels of importance: low level of importance of a factor from 1 to 5 points, medium level from 6 to 12 points, and high level from 15 to 25 points, which is shown in Table 3.

Table 3. Levels of importance of a factor influencing an investment project

| Score interval, pts | Level of importance of a factor | Colour in the assessment matrix for influence of a factor |
|---------------------|---------------------------------|--------------------------------------------------------|
| 25–15               | High                            | Red                                                    |
| 12–6                | Medium                          | Yellow                                                 |
| 5–1                 | Low                             | Green                                                  |

In our view, the three levels of importance of a factor for an investment project shown in Table 3 can be applied to various factors, not only large-scale external factors but also small-scale external factors and the internal environment of a company. Dividing the level of importance this way helps assess both the level of threat (level of risk) resulting from negative influence of a particular factor and the level of development opportunities provided by positive influence of the same factor.

Results of that analysis should serve as a basis for investment project goals, achievement criteria, plans of specific activities, and their results with regard to using the opportunities of the positive factors and preventing the threats (risks) of the negative factors of the projected background.

Factors describing the state of external components and internal components of a business and influencing development and implementation of an investment project can also be assessed using expert assessment and the aforementioned three scales of expert assessment by means of a SWOT analysis. The external components include suppliers of five resource types (labour, material, finance, information, and capital assets or real estate), competitors, intermediaries (in trade, finance, and goods
distribution), customer markets (consumers, producers or sectoral markets, state and municipal institutions, and the international market), and public audiences (media, executive authorities, financial circles, civil society, wider public, local public audiences, and internal audiences). The position of a business in relation to the competition and on resource, intermediary, and customer markets is a factor of those components [22].

The internal factors include processes in three systems: managing (management system), managed (management objects), and information. The influence of those components on occurrence of opportunities for and threats to the success of an investment project is also determined by factors of strengths and weaknesses.

It should be noted that a lot of studies consider the strength factors to create opportunities and the weakness factors to create threats for the same component. In our view, each factor of a strength or a weakness creates both opportunities and risks. Therefore, after an expert assessment of the importance, in relation to either strengths or weaknesses, of each factor for the opportunities for and threats to an investment project, goals and specific activities are to be set and implemented in four stages depending on the sum of the points received, with the goals and specific activities for using the opportunities comprising two stages and relating to the strength and weaknesses, the threat (risk) prevention goals and specific activities for both the strength and weaknesses to be set and implemented in two stages as well. The succession is to be determined by rating. The highest score is assigned the first rating, the goals and specific activities for using the opportunities or preventing the threats (risks) to be assigned to the first stage. A lower score is assigned the second rating, with the goals and specific activities to be at the second stage, respectively. The same applies to the third and fourth ratings that enable to set and implement the goals and specific activities for the third and fourth stage.

Consequently, the plans and specific operational activities are determined for four years. Following the first stage, the goals and plans are adjusted, new specific activity goals are set, and the second stage follows, with the third and the fourth stages implemented later on.

Thus, six major weakness factors were identified for an investment project under development. An expert assessment was carried out for the degree (strength) of influence of a factor (DIF) and the probability of influence of a factor (PIF), with an assessment of the importance of influence of a factor (IIF) calculated using formula 1. In line with the three-level distribution of factor importance, the results shown in Table 4 were obtained.

As shown in Table 4, two factors out of seven have a high importance level of negative influence on the success of an investment project, with three having a medium level and two having a low level. We can therefore make a conclusion on a succession of setting and implementation of goals and specific activities to use the opportunities and prevent the risks caused by those factors. First of all, respective goals and specific activities are to be set and implemented for the high-level factors, then for the medium-level factors, and finally for the low-level factors.
Table 4. Assessment of importance levels for the major factors affecting an investment project

| Factor                                                                 | Degree (strength) of influence of a factor (current assessment), pts [1;5] | Probability of influence of a factor (current assessment), pts [1;5] | Importance of a factor (in accordance with the current assessment), pts [1;25] | Level of importance of a factor |
|------------------------------------------------------------------------|--------------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------------|--------------------------------|
| Increased scope of work during development of detailed documentation    | - 5                                                                           | 3                                                                  | -15                                                                             | high                           |
| Long contracting and logistics                                          | - 5                                                                           | 3                                                                  | -15                                                                             | high                           |
| Unreliable price evaluation of equipment and scope of technical procurement | - 4                                                                           | 3                                                                  | -12                                                                             | medium                         |
| Lack of experience or underqualified employees of the contractor         | - 3                                                                           | 2                                                                  | - 6                                                                             | medium                         |
| Insufficient resources of the contractor during construction and installation | - 3                                                                           | 2                                                                  | - 6                                                                             | medium                         |
| Insufficient resources of the design contractor for detailed documentation | - 2                                                                           | 2                                                                  | - 4                                                                             | medium                         |
| Non-compliance of the documentation submitted for expert review          | - 1                                                                           | 3                                                                  | - 3                                                                             | low                            |

4. Conclusions

The findings have made it possible to conclude:

– that development and implementation of any investment project in the Russian Federation Arctic Zone should be one of the ways to implement the government programme “Socioeconomic Development of the Russian Federation Arctic Zone” aimed at higher living standards, a more sustainable development of the area, and improved national security;

– the existing regulatory framework and information base on the federal and regional governance level help regulate the socioeconomic activities and stimulate investment in the land area of the Arctic Zone;

– using the systemic, comprehensive, and programme-goal methodological approach helps identify a hierarchy of dependence and interdependence of the strategic goals of socioeconomic development of the Russian Federation Arctic Zone, including investment activities;

– the success of development and implementation of any investment project is influenced, both positively and negatively, by large-scale and small-scale external factors and company-based internal factors that create opportunities and threats (risks);

– we recommend calculating the indicator of the “importance of a factor” by multiplying the “degree (strength) of influence of a factor” by the “probability of influence of a factor”, both indicators being obtained by means of expert assessment;

– dividing the resulting indicator of the “importance of a factor” into three levels is aimed at identifying three stages of setting and implementing goals and specific activities for using positive-
influence opportunities and preventing negative-influence threats (risks) in the process of creation and implementation of an investment project.

The suggested method of assessing the level of importance of a factor is aimed at increased efficiency of investment projects and more substantial socioeconomic results of their implementation, and eventual improvement of the living standards, a more sustainable development of the land area, and improved national security in the Russian Arctic Zone.

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