



Research Journal of Pharmaceutical, Biological and Chemical Sciences

Creating A Mechanism for The Effective Import Substitution of the Chemical Industry in The Region.

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ABSTRACT

The article deals with the effective import substitution products of the chemical complex in the Stavropol region. Proposed strategy for the development of the chemical industry, focused on growth and diversification in favor of highly-processed products.

Keywords: foreign trade activities, the chemical industry, strategy, export, import substitution.

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INTRODUCTION

The chemical industry, being considered one of the youngest sectors of the global economy, second only to metallurgy and mechanical engineering. In Russia, this sector contributes significantly to the formation of the country's gross domestic product and is a significant part of the revenue of the state budget, despite the significant amount of production with low added value.

The ongoing structural changes in the chemical and petrochemical products the world market, and the emergence of new strong players complicate the position of Russian companies in the struggle for markets. So, the main competitors of Russian exporters of nitrogen and phosphate fertilizers, plastics, ammonia, methanol, monoethylene glycol in the near future will be the suppliers of the Persian Gulf and North Africa (Saudi Arabia, Qatar, Oman, Egypt), where natural gas prices are lower than in the Russian Federation [1, 5, 6].

According to the theories of division of labor in the resource provision of separate territories and possibilities of processing industry the largest complexes of the chemical industry have many economic regions of the Russian Federation: Center, Ural, North-West, Volga region, North Caucasus, Siberia [2].

In the North Caucasus Federal District 1st place among the subjects took the Stavropol region. Its production and export capacities of the chemical industry are characterized by high rates of economic development. Companies of this sector specialize in the production of fertilizers (mineral and chemical), plastics, organic chemistry products (PVC, plastics, synthetic resin) and drug-industrial raw materials. For a more effective development of the Stavropol Territory chemical complex needs to develop production, providing high value-added, taking into account their own resource potential and the presence of its own manufacturing infrastructure, as well as transport and logistics capabilities for the distribution organizations in the North Caucasus Federal District [3].

The specific weight of the chemical production complex in the total GRP stood at 15% in 2014, and in overall structure manufacturing shipment varies in the range 33-40% [4]. In addition, the financial result (profit) amounted to almost half of all business organizations in the region of income (45%). Companies in this sector of the economy endowed with vast potential for extensive growth in the foreign economic sphere. Thus, the share of the chemical industry of Stavropol Territory in the overall structure of exports exceeded the permissible limits, amounted in 2014 to 58%. The value of this parameter can lead to dependence and danger, for economic security in general, and for the foreign trade activities of the region.

In this regard, the study of the current state of the chemical complex and the development of strategic directions in the field of high value added production with the aim of import substitution in the medium term it is one of the important theoretical and practical problems.

MATERIALS AND METHODS

The use of modern economic and mathematical methods, comparison methods, statistical analysis and forecasting possible to investigate the problem of chemical industry.

Due to the raw material orientation of export of chemical products supply businesses are losing revenue, that adversely affects the efficiency of foreign trade activities. Many chemicals, exported in region, are processed abroad and returned to the Russian market as a high value-added products (plastics, fibers, etc.).

In this context, it should be positive about the prospects of the Russian economy, relying on the support and meaningful participation of the state in the functioning and development of the sector. A significant area of support for sustainability considered to be the creation of prerequisites for innovative development of the industry, stimulating the demand for products of the chemical and petrochemical industry, to optimize the tax, tariff and technical regulation.

RESULTS AND DISCUSSION

The proposed mechanism of effective import substitution products of the chemical industry of Stavropol region should be implemented by means of a strategy aimed at growth and diversification in favor of highly-processed products. The main landmark strategy should be directed to the development of the chemical complex in the area of foreign trade, that is, to form an effective competitive chemical industry, providing a steady increase in production of chemical products for the domestic, inter-regional and international markets and stimulating the development of related industries; go to innovative development of the pharmaceutical industry and further import substitution; ensure a steady rise in the level and quality of life of the population of the Stavropol Territory.

The primary goals of a strategy, ensuring the fulfillment of the objectives, include: creating an enabling institutional environment of the sector; formation of conditions for the development of the business environment, including the development of related industries, promote competition; implementation of a comprehensive modernization and increased efficiency of the industry; the formation of effective incentives sector development of deep processing of natural raw materials, which is much closer its share in the industrial production of the relevant index for the European part of the country; reduce to the necessary minimum export to other regions of the Russian Federation and export to other countries of unprocessed natural resources, etc.; develop the range of products, stimulate the development of new, innovative, import-substituting products, etc.

The priorities of the state policy of Russia in the chemical industry due to balance import / production of chemicals and determining problem chemical independence of the country should be considered:

- 1) provision of population with quality products of the chemical industry;
- 2) the development of export-oriented industries and new developments;
- 3) replace the imported products for domestic, with located production in the Stavropol Territory and other regions of the Russian Federation;
- 4) expand the range of chemical products;
- 5) promote the development of new markets in the chemical industry;
- 6) export promotion for certain types of deep processing of raw materials.

Realization of the measures consists of two stages:

The first stage envisages the activation in the formation of the initial conditions for the further sustainable economic growth of the sector through the development of existing industries and the creation of new businesses; increase the volume of targeted investments in the technological modernization of existing and creation of new industries by attracting a group of core investors, create favorable economic conditions for the development of the chemical complex in the Stavropol region.

At the second stage it is planned to strengthen the development of the industry, as well as to get a result on investment capital. This stage is associated with the following tasks:

- Develop and implement the "export" a model for the development of sectors of the economy: arrange the export of the products of deep processing of the subjects of the Russian Federation, as well as export to external markets (export);
- Create and develop in the Stavropol Territory competitive production focused on the production of export and import goods;
- Correction the level of investment and direction based on the replacement of a new model of development of the industry: maintain the level of investment for planned and projected extent of produce with an increase in the volume of investments in the commercial promotion of the products.

CONCLUSION

Creating a mechanism for the effective import of the chemical industry in the region, based on the strategy of development of the chemical industry, and aimed at the growth and diversification in favor of

highly-processed products, will allow to increase in Stavropol region the volume of shipped goods of own production of highly processed in 2025 compared to the year 2014 by 33%; to bring the share of the chemical industry and the production of rubber and plastic products in the total volume of shipped goods of own production, works and services by own forces in the whole manufacturing industry and 40 percent in 2025; increase the size of exports due to the production of products with a high degree of recycling in 2020 and 1.5 times in 2025 to 3.5 times in comparison with the year 2014; implement effective import substitution and reduce the dependence of the domestic market from the impact of foreign companies, providing reliable level of economic security (the share of imported products in 2025 compared to the year 2014 should be reduced); increase the share of high-tech and high value-added products, to make a qualitative change in the industry and the specific structure of the chemical industry in the direction of reducing the proportion of raw material production.

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