

Experience in the creation and operation of the Region Development Corporation in Western Siberia in 1994-2008

The Khanty-Mansiysk Region Development Corporation “Fond Pokoleniy” (hereinafter referred to as the Region Development Corporation or RDC) was established as a State enterprise on the basis of the Khanty-Mansiysk Autonomous Region Law dated 15.12.1994 No. 9 to "Provide the material basis for the socio-economic development of the region and create guarantees for the standard of living and employment of the region’s population."

The authorized capital of the RDC was formed from dead assets of state property of the region, bankrupt enterprises, ruins of production facilities, equipment under the snow, bills of bankrupt enterprises, etc.

Everywhere behind these "assets" stood people, their fates, their future. And from this “assets” we began to create real assets - for 14 years, we built up 170 businesses, created the Region Development Corporation with 12.5 thousand employees and a profit of almost a billion dollars, which allowed us to implement many social projects and programs outside the region state budget.

RDC worked in the Tyumen, Chelyabinsk, Sverdlovsk regions, in Moscow and St. Petersburg.

The technology for establishing successful businesses was:

- modernization of industrial enterprises, i.e. selection of RDCs of the most modern world technologies and ensuring RDCs with the full range of means of production (often RDCs purchased and kept them on their balance sheet, only providing them for use), as well as working capital;
- the creation of vertically integrated chains, when for each business with broken and inefficient economic ties, RDC “completed” the whole chain and redistributed profits among its participants.

When forming vertically integrated chains, RDC unwittingly became an integrator of the creation of territorial-economic complexes, which are qualitatively different participants in financial relations: such complexes, balanced by the interindustrial balance of the main product groups, are absolutely resistant to market fluctuations, and therefore are borrowers of high reliability, i.e. able to attract not only expensive credit resources, but also funding resources.

In addition, as the structure of the RDC was developing, the Khanty-Mansiysk Bank appeared and gained in its size, performing the role of not only its own cash settlement center and participant in the financial assets market, but also a center of credit emission through a bank multiplier.

In fact, the GRP of several territorial economic complexes (regions) began to pass through the Bank, with the possibility of promptly placing temporarily free funds on the stock market, and the Bank's stability in its reliance on territorial economic complexes allowed the Bank to build its work on the stock market with a high value of "leverage. "

However, all these opportunities were strictly limited by control over the work of the RDC and the Khanty-Mansiysk Bank by the executive and representative branches of the region’s authorities through mechanisms to limit legal capacity and coordinate a number of types of transactions, continuous monitoring of the execution of approved region development programs and tools for their implementation.

RDC 4 basic functions when creating territorial-economic complexes:

1. Developer - Targeted completion of the missing links in a single business chain in order to obtain a valuable final product with high added value.
2. Entrepreneur- removes non-core functions from the business: ensuring sustainability in raw materials supply, ensuring sustainability in sales, financing development, scientific and technical re-equipment, etc.
3. Conductor- Coordination of various businesses when they are included and work in unified technological chains.
4. Landlord - building partnerships when RDC does not alienate the asset provided to the business from itself, but keeps it on its balance sheet and shares responsibility for the result with the business!

In 2008, the RDC had next profitable assets:

- 2 timber holdings:
 - “OJSC“ Koda-Les ”with logging and 8 plants in the Nefteyugansk, Sovetsky, Nizhnevartovsk and Khanty-Mansiysk regions of the Khanty-Mansi Autonomous Okrug;
 - MDF OJSC with logging and 4 plants in the Kondinsky district of the Khanty-Mansi Autonomous Okrug;
- 2 agricultural holdings:
 - on the basis of Borovskaya Poultry Factory OJSC (1st place in the world by herd), the largest Yalutorovskiy elevator in Siberia, the Bikor feed mill in the Zavodoukovskiy district of the Tyumen Region and about 15 grain collective farms;
 - on the basis of Chelyabinsk Poultry Factory OJSC (5th place in the Russian Federation by herd), Emanzhelinskiy elevator complex (8 elevators and plants) and about 12 collective farms;
- wholesale and retail trade holding on the basis of Borovsky Trade House OJSC (1st place in terms of wholesale volume beyond the Urals), Yugratorg OJSC (with storage bases and dozens of shops and catering outlets, Gostiny Dvor OJSC, PTK OJSC Ugra ”, factories for the baking of bread, the production of confectionery, mayonnaise, alcoholic beverages, etc.
- hotel and sports business holding on the basis of Intersport OJSC (operator of the Biathlon Center, ski resort), Hotel on the Seven Hills OJSC, fitness center, sports business center, suite hotels (apartments), etc. ,
- holding of profitable real estate in St. Petersburg on the basis of the Ugra, Colchis business centers, elite apartments, participation in housing construction in Moscow (together with Mosfundament-6 and Miel);
- A fish breeding and fish processing holding started to form on the basis of 3 fish processing plants (in Surgut, Oktyabrskiy, Khanty-Mansiysk) and a sturgeon hatchery with a capacity of 15 tons of black caviar per year in Khanty-Mansiysk;
- OJSC Khanty-Mansiysk Bank KB;

Also, in certain periods of time, in the authorized capital or in the management of the RDC were assets: 34% of UTair Airlines (the largest package), shares of the Krasny Oktyabr wood processing plant, shares of Pyshminskaya Poultry Factory, etc.

By 2008, RDC financed the construction of facilities of socially significant infrastructure:

- The Picture Gallery and the District Library with a cafe and a cinema hall of intellectual cinema in the style of modern classicism - with the worldwide purchase of a collection of more than 300 paintings of the Russian classical school of painting, collections of icons, carved bone, etc.
- A world-class biathlon complex in Khanty-Mansiysk with a ski complex, a hotel, a press center, etc
- Public and business center "Gostiny Dvor" in Khanty-Mansiysk;
- Construction of a sport club and a 50-meter pool in the village Borovsky, Tyumen region;
- Housing construction for employees of the RDC in the town Un-Yugan, Nefteyugansk, Mortka, Borovsky, Khanty-Mansiysk.

Until 2008, RDC funded the following social programs:

- Educational grants for academic success following the results of district olympiads (up to the paying the cost of studying at prestigious universities in the world);
- Annual payments to labor veterans;
- Opening of registered contributions to all newborns of Khanty-Mansi Autonomous Okrug since 01.01.2000