

## Standardization of Interregional Economic Relationships As a Tool for Fostering Integration Processes In the Russian Economy

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### Abstract

This paper focuses on issues of using standardization methods with the aim of enhancing the management of and further developing interregional economic cooperation among the constituent regions of the Russian Federation. It is suggested that one of the key conditions for Russia to be able to achieve a technological breakthrough is its ability to galvanize interregional and intermunicipal cooperation. The authors stress that, in today's climate of technical progress, there is a need to further deepen and expand the nation's interregional relationships, which are increasingly encompassing new areas, like innovation, tourism, social infrastructure, and finance. The paper proposes and provides a rationale for developing special statutory documents – standards for interregional economic relationships and for the activity of regional administrations with regard to ensuring them. The authors note that regional standards may help facilitate boosts in control over the implementation of interregional projects. The paper also provides a general scheme for and a tentative structure of the Standard for Interregional Economic Relationships.

**Keywords:** Region; Interregional relationships; Integration; Standardization; Planning.



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### 1. Introduction

Interregional economic relationships play an important role in social/economic development in Russia's regions and the development of its entire economic complex. The regions' interaction is grounded in division of labor and specialization of production, which are implemented in the form of interregional supplies of finished goods, parts and semi-finished products, raw and consumable materials, and transportation among regions. Technical progress is facilitating the deepening and expansion of interregional relationships, which have come to increasingly encompass new areas, like innovation, tourism, social infrastructure, finance, etc.

Interregional and intermunicipal relationships help ensure the nation's economic and political integrity and preserve the unity of its economic space.

Processes of integration among regions can intensify or fade depending on the impact of both internal and external factors. In the view of a number of Russian scholars, over the past several decades there has been a trend of internal relationships within the nation's economy weakening, its economic space disintegrating to a certain extent, and the inhomogeneity of its economic space augmenting (Shvetsov, 2009); (Gagarina, 2012); (Grishin and Gagarina, 2013). For instance, Russian economist E.M. Buchwald is of the view that "... today's Russian conditions are characterized by an extremely inhomogeneous economic and innovation-related national space, with economic and institutional potential varying significantly from one federation subject to another" (Buchwald, 2015).

Based on estimates by academician A.G. Granberg, in the early 21<sup>st</sup> century the share of interregional turnover relative to the nation's GDP was about 12–14%, a drop of nearly twice compared to the 1990s figures (Granberg, 2004). Following the introduction of economic sanctions against Russia in 2014 by the EU and US and its shift to a policy of import substitution, the nation has seen an increase in the supply of domestically manufactured goods provided to the domestic market. As a result, as per the authors' estimates, the share of interregional turnover relative to the nation's GDP may have risen in 2016 to total 15-16%. However, this indicator is still twice below the figure from the Soviet period of Russian history.

Today, Russia has yet to fully exploit the social/economic potential of its regions and the potential for harnessing it through the development of interregional economic relationships.

Based on calculations by a group of researchers from Plekhanov Russian University of Economics which involved 30 different indicators, in the period 2011–2015 the degree of realization of social/economic potential exceeded 40% in only 9 constituent regions of the Russian Federation (out of 80). These are Moscow and Saint Petersburg, Belgorod Oblast, Moscow Oblast, Tyumen Oblast, Tomsk Oblast, Magadan Oblast, Sakhalin Oblast, and the Republic of Tatarstan. The other pole features 16 regions, including 9 national republics – the figure here is 23–30%. The study also has found that the nation’s significant differentiation in social/economic development among its regions was behind a growing wealth divide among them in the period 2011–2015, with the trend projected to persist through the period 2016–2018 (Gagarina *et al.*, 2017).

One of the key indicators of the intensity of interregional interaction is the number of contracts and agreements entered into at the level of the regions’ bodies of authority. At the moment, each Russian constituent region is a party to several dozen contracts of this kind. For instance, in 2016 the Legislative Assembly of Leningrad Oblast was a party to 26 contracts focused on cooperation with other regional parliaments, the Moscow City Duma – to 30 contracts, the Legislative Assembly of Saint Petersburg – to 21 contracts, the Legislative Assembly of Rostov Oblast – to 5 agreements, etc. Contracts and agreements are also entered into between parliamentary associations. Even greater activity in terms of entering into contracts has been exhibited by the regional administrations. For instance, Kostroma Oblast is a party to 62 agreements on commercial/economic, scientific/technical, and cultural cooperation with other Russian regions, while Rostov Oblast has agreements on interregional cooperation with 57 constituent regions of the Russian Federation, and Sverdlovsk Oblast has cooperation agreements with as many as 73 constituent regions (Ministry of Industry and Science of Sverdlovsk Oblast, 2013).

The Sakha (Yakutia) Republic currently has 42 agreements with other regions and 26 protocols and plans for activities on implementing them. The top ten regions, which account for nearly 60% of the republic’s total interregional turnover, include Moscow, Saint Petersburg, Irkutsk Oblast, Novosibirsk Oblast, Krasnoyarsk Krai, the Republic of Buryatia, and the Republic of Tatarstan. There has been a positive response from the region’s public authorities regarding the role and significance of interregional contracts and agreements. For instance, according to Permanent Representative of Yakutia to the President of the Russian Federation Yu.S. Kupriyanov, who was taking part in the ‘Interregional Cooperation as a Tool for Implementing Strategic Priorities’ round table held at the Analytical Center under the Government of Russia on September 18, 2017, “the competent alignment of interregional relations is the formula for making Russia a stronger state. When regions enter into cooperation agreements, it always looks like they want to pay each other a compliment, confirm good relations between each other, and call for greater economic activity between each other” (Chemashkina, 2017).

At the same time, an analysis of the regions’ practical experience indicates that Russia’s constituent regions differ from each other significantly in terms of the scale and effectiveness of interregional economic relationships. The question arises then, as to why some regions manage to successfully develop interregional cooperation and derive social/economic gains from it, while others fail to make proper use of their potential. According to A.S. Nikitin, former CEO of the Agency for Strategic Initiatives, “the reason why some regions make it while others fail is not what they do but how they do it. It all depends on what kind of approaches and tools they employ” (Nikitin, n.d.).

An analysis of interregional contractual practices indicates that many of the regions limit interaction to exchange of experience and commercial/economic relationships, while there is insufficient focus on cooperation in the scientific/technical and investment spheres and the area of implementation of new technology. It is also worth keeping in mind that most interregional contracts were entered into in the 1990s, when the regions were actively searching for mechanisms that would help them get over the economic aftermath of the break-up of the Soviet Union. Subsequently, there were declines in contractual activities among the region. For instance, in Sverdlovsk Oblast 60% of all existing agreements were entered into before 2000, while in Rostov Oblast only 20% of all agreements were entered into in the period 2010–2015. It stands to reason today that there is a need to upgrade the array of contracts and agreements entered into among Russia’s constituent regions in alignment with the nation’s latest economic realities, like the focus on fostering import substitution and dealing with the foreign sanctions.

Today, when the Russian Federation is faced with the objective of modernizing its economy and achieving a technological breakthrough, there is a need for new incentives and tools for galvanizing interregional cooperation. There is a need to boost the coordination of efforts by all participants in the process of regional integration and work out proper mechanisms that would help make full use of the regions’ true potential with a view to expanding economic cooperation among them.

## 2. Methods

One of the possible tools to use in implementing the policy of deepening integration among Russia’s regions is standardization. Standardization of processes of goal setting and strategic decision making in the area of economics, managerial procedures, the composition and structure of policy documents, and indicators for assessing the level of economic development appears today to be a relevant focus area in the development of the theory and practice of economic science in Russia and elsewhere around the world.

Specifically, at the international level and in Russia there has been a growing focus on developing a set of standardization mechanisms to facilitate sustainable development in regions and municipal units. Within the International Organization for Standardization (ISO) there is the TC 268 committee, which is concerned with standardization in the area of sustainable development in territorial-and-administrative units. To help synchronize policies related to standardization in the area of sustainable development in territorial-and-administrative units, the Russian government has in place a similar technical committee for standardization – Sustainable Development in

Territorial-and-Administrative Units (TC 115). This committee has already put in place one of the fundamental standards in the area of statutory regulation of sustainable development – GOST R ISO 37120-2015 ('Sustainable Development of Communities. Indicators for City Services and Quality of Life'). The standard went into effect on February 1, 2016.

Issues related to standardization of objectives, indicators, and mechanisms for economic development in regions and municipal units have been explored by a number of Russian scholars and specialists, including P.I. Burak, T.I. Zvorykina, V.L. Okrepilov, G.N. Ivanova, E.K. Ovanesov, etc. (Burak *et al.*, 2015); (Burak and Zvorykina, 2014); (Burak *et al.*, 2017).

With reliance on this methodological and theoretical basis, it may be worth employing standardization methods in the area of interregional economic cooperation and working out a set of relevant documents. The key focus should be on the Standard for the Activity of the Executive Authorities in a Constituent Region of the Russian Federation on Ensuring Favorable Conditions for Fostering Interregional Economic Cooperation (hereinafter 'IEC Standard'). The IEC Standard must include a set of proper measures aimed at galvanizing interaction among the regions in the economic, scientific/technical, financial, social/cultural, labor, and other spheres of activity. Implementing these measures will help boost the volumes of two-way trade, facilitate the successful implementation of joint investment projects, and ensure the rational mobility of manpower.

In developing the IEC Standard, it may help to draw upon some of the best practices accumulated in preparing and implementing similar standards in other spheres of economic activity, like the Standard for the Activity of the Executive Authorities in a Constituent Region of the Russian Federation on Ensuring a Favorable Investment Climate within the Region (hereinafter 'Investment Standard') and the Standard for the Activity of the Executive Authorities in a Constituent Region of the Russian Federation on Ensuring Favorable Conditions for the Development of Export Activity ('Regional Export Standard').

### 3. Results

The Standard on Ensuring a Favorable Investment Climate in a Region was developed in 2011 by the Agency for Strategic Initiatives (ASI), a federal agency, in partnership with Business Russia, a nongovernmental organization. The Standard is comprised of three major sections: 1) The Strategy of a Constituent Region of the Russian Federation in the Area of Ensuring a Proper Investment Climate; 2) Creation of Proper Conditions for the Conduct of Entrepreneurial and Investment Activity in the Constituent Region of the Russian Federation; 3) Guarantees for Investors. The first version of the Standard was tested in the period 2011-2012 in six constituent regions – the Republic of Tatarstan, Perm Krai, Kaluga Oblast, Lipetsk Oblast, Sverdlovsk Oblast, and Ulyanovsk Oblast. The findings showed that implementing the Standard is no guarantee of major boosts in investment in a region. At the same time, fulfilling the requirements set under the Standard may help foster a favorable entrepreneurial climate, boost business activity, and enhance the coordination of efforts by participants in investment projects.

The Standard's distinct characteristic is the use of a three-tier system for evaluating its implementation, which helps ensure comprehensive control over the fulfillment of its requirements. The evaluation system incorporates: a public analysis by an expert group comprised of representatives of the entrepreneurial community in the constituent region of the Russian Federation; an agency-level assessment by the Ministry of Economic Development of the Russian Federation (known as the Ministry of Regional Development until December 2014); a summary status from the Agency for Strategic Initiatives.

Conducting this type of integrated evaluation of the implementation of the above Standard may help assess not only the actual fulfillment of each of its provisions and the effectiveness of the action of a relevant institution (regulation, tool, etc.) but, where possible, the degree of satisfaction of the region's business community as well. With that said, when preparing information on the implementation of the Standard, priority is given to the views of members of the expert group.

It did not take long for the systemic work on implementing the Standard in the regions to produce a result. As of April 2018, the Standard for the Activity of the Executive Authorities in a Constituent Region of the Russian Federation on Ensuring a Favorable Investment Climate within the Region has been recognized as fully implemented in 81 regions. The remaining four constituent regions – Sakhalin Oblast, Nenets Autonomous Okrug, the Republic of Crimea, and the City of Sevastopol – are actively implementing the Standard at the moment.

According to expert opinion, despite some difficulties with implementing the Standard, there have been some changes for the better. For instance, there is an increase in the number of regions which have provided for analysis relevant information on the creation of rankings of municipal units based on the degree to which proper conditions are created in them for a favorable investment climate. The regions have become more active in terms of disclosing information on the activity of entities within natural monopolies, as well as conducting monitoring of their activity (Books closed, 2017).

The Standard for the Activity of the Executive Authorities in a Constituent Region of the Russian Federation on Ensuring Favorable Conditions for the Development of Export Activity was developed by the Russian Export Center to help achieve more effective use of the export potential of Russian regions and boost the engagement in export activity of small and medium-sized enterprises (SMEs). According to the Federal Customs Service of Russia, out of 6 million SMEs registered in the Russian Federation, only 14,000 are exporters (just 0.23%). Overall, the development of the Regional Export Standard is aimed at enhancing the institutional export environment in the regions.

The structure of the Regional Export Standard is quite similar to that of the Standard for Ensuring a Favorable Investment Climate in a Region, although there are certain differences between the two (Table 1). Above all, there are differences in conditions and tools specific to the conduct of investment and export activity in regions, although even here the two have certain features in common, e.g. in terms of information support, personnel training, etc. The Regional Export Standard has a specific section – ‘The Major Strategic Targets for a Constituent Region of the Russian Federation for 2020, with a Focus on Optimizing the Conditions for the Conduct of Export Activity in the Region’.

Conversely, Section 1 of the Standard for Ensuring a Favorable Investment Climate in a Region contains a clause on the annual message from a principal officer in the constituent region of the Russian Federation on the investment climate in the region.

**Table-1.** Structure of the Standard for Ensuring a Favorable Investment Climate in a Region and the Regional Export Standard\*

<b>Standard for Ensuring a Favorable Investment Climate in a Region</b>	<b>Regional Export Standard</b>
<p>Introduction</p> <p>1. The Strategy of a Constituent Region of the Russian Federation in the Area of Ensuring a Favorable Investment Climate.</p> <p>1.1. Ratification of the region’s Investment Strategy by the top public authorities in the constituent region of the Russian Federation.</p> <p>1.2. Creating, and subsequently making yearly upgrades to, the Plan for the Creation of Capital Facilities and Infrastructure Facilities in the Region.</p> <p>1.3. The annual message from a principal officer in the constituent region of the Russian Federation – ‘The Investment Climate and Investment Policy of the Constituent Region of the Russian Federation’.</p> <p>2. Creation of proper conditions for the conduct of entrepreneurial and investment activity in the constituent region of the Russian Federation.</p> <p>2.1. Adopting a statute on protecting investors’ rights and one on mechanisms for supporting investment activity.</p> <p>2.2. Having in place a council on enhancing the investment climate.</p> <p>2.3. Having in place a specialized organization concerned with attracting investment and working with investors.</p> <p>2.4. Having in place an accessible infrastructure that would house production, and other, facilities run by investors (industrial technology parks).</p> <p>2.5. Having in place proper mechanisms for occupational training and retraining in specialties that are aligned with the region’s investment strategy and investors’ needs.</p> <p>2.6. Creating a specialized bi-lingual Internet portal on investment activity in the constituent region of the Russian Federation.</p> <p>2.7. Having in place in the constituent region of the Russian Federation uniform regulations on support for investment projects based on the “single window” principle.</p> <p>3. Guarantees for investors</p> <p>3.1. Adoption of the region’s investment declaration by a principal officer in the constituent region of the Russian Federation.</p> <p>3.2. Adopting a statute regulating the</p>	<p>Introduction</p> <p>1. The Strategy of a Constituent Region of the Russian Federation in the Area of Ensuring Favorable Conditions for the Conduct of Export Activity.</p> <p>1.1. Ratification of the Strategy in the Area of Ensuring Favorable Conditions for the Conduct of Export Activity by the top public authorities in the constituent region of the Russian Federation.</p> <p>1.2. Creating, and subsequently making yearly upgrades to, the Plan for the Development of the Export Potential of the Constituent Region of the Russian Federation and Facilitating Entry into External Markets for Regional Companies.</p> <p>2. Creation of favorable conditions for the conduct of export activity in the constituent region of the Russian Federation.</p> <p>2.1. Having in place an advisory board that will assist a principal officer in the constituent region of the Russian Federation.</p> <p>2.2. Setting up a unit concerned with the development of nonresource exports.</p> <p>2.3. Setting up and providing support for a center for the support of export activity by business entities.</p> <p>2.4. Having in place consulting infrastructure facilities for the support of exports.</p> <p>2.5. Enabling exporters being part of official delegations to overseas destinations.</p> <p>2.6. Arranging ‘Days of International Business’ events in the constituent region of the Russian Federation.</p> <p>2.7. Creating and promoting a regional brand in external markets.</p> <p>2.8. Ensuring the presence of the constituent region of the Russian Federation in external markets.</p> <p>2.9. Putting in place a public registry for exporters in the constituent region of the Russian Federation.</p> <p>2.10. Creating an information resource dealing with export activity in the constituent region of the Russian Federation.</p> <p>2.11. Providing training to beginner exporters.</p> <p>2.12. Encouraging the creation of unions and associations for exporters and trading houses in the territory of the constituent region of the Russian Federation.</p> <p>3. Resource support for the export support system.</p> <p>3.1. Having in place a designated budget for the support of exporters or export-oriented companies.</p> <p>3.2. Ensuring the accessibility of financial support for</p>

<p>procedure for assessing the regulating effect of statutes in the area of entrepreneurship.</p> <p>3.3. Having in place a proper system of training, and boosting and assessing the competence levels of, staff employed by the core public authorities in the constituent region of the Russian Federation and specialized organizations concerned with attracting investment.</p> <p>3.4. Including representatives of consumers of energy resources in the lineup of an executive agency in the constituent region of the Russian Federation concerned with government regulation of tariffs (the Regional Energy Commission (REC)) and creating an advisory agency at the REC that would include representatives of the business community.</p> <p>3.5. Enabling investors to communicate directly with the Administration of the constituent region of the Russian Federation to ensure resolving in a prompt manner any issues that may arise.</p> <p>Conclusion</p>	<p>export activity.</p> <p>4. The major strategic targets for the constituent region of the Russian Federation for 2020, with a focus on optimizing the conditions for the conduct of export activity in the region.</p> <p>Conclusion</p>
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\* Sources used: (Agency for Strategic Initiatives, n.d.) and (Standart deyatel'nosti organov ispolnitel'noi vlasti sub"ekta Rossiiskoi Federatsii po obespecheniyu blagopriyatnykh uslovii dlya razvitiya eksportnoi deyatel'nosti (Regional'nyi eksportnyi standart, (n.d.))

## 4. Discussion

Based on the authors' analysis, it may be possible to adopt the following structure for the document intended to systematize and regulate interregional economic relationships among Russia's constituent regions – The Standard for the Activity of the Executive Authorities in a Constituent Region of the Russian Federation on Ensuring Favorable Conditions for Fostering the Region's Interregional Economic Cooperation:

- 1) Section 1: The Strategy of the Constituent Region of the Russian Federation in the Area of Creating Favorable Conditions for Fostering Interregional Economic Relationships.
- 2) Section 2: Creating Proper Conditions for the Conduct of Activity on Fostering Interregional Economic Cooperation.
- 3) Section 3: Providing Support to Participants in Interregional Economic Cooperation.

The IEC Standard is grounded in a strategy by a constituent region of the Russian Federation that reflects the priorities for fostering interregional economic cooperation. This strategy ought to be tied in with the goals and objectives set by policy documents on social/ economic development in the Russian Federation and federal special-purpose programs that are of an interregional nature. The Concept on Long-Term Social/Economic Development in the Russian Federation through to 2020 formulates a tenet on a shift to a new model for the spatial development of the Russian economy based on the creation of new development centers in the Volga region, Ural, Russia's South, Siberia, and the Far East; equalization of the conditions for social/economic development in the nation's regions; remediation of excessive economic differentiation among the regions; strengthening of the system of strategic management of regional development to make the nation's regional development and placement of production forces more integrated and balanced.

The Federal Law 'On Strategic Planning in the Russian Federation' (Federal'nyi zakon ot 28 iyunya 2014g. № 172-FZ "O strategicheskoy planirovaniy v Rossiiskoy Federatsii, 2014) implies preparing a document that is totally new to Russia – 'The Strategy for Spatial Development in the Russian Federation'. The Strategy must include the following tenets of spatial development, which are crucial to deepening and expanding the processes of integration among the regions and interregional cooperation:

- areas for altering the structure of the Russian economy in the regional context;
- the long-range competitive advantage and economic specialization of Russia's constituent regions within the national system of division of labor based on their typological affiliation, with a focus on principles of ensuring the coordination of priorities for sectoral and regional development;
- forecasting (assessing) the need to put in place and develop federal engineering, transportation, and social infrastructure factoring in the long-range economic specialization of relevant territories;
- a roster of potential territories of advanced social/economic development, based on integrated assessments and analyses of the conditions and potential for spatial development in the Russian Federation;
- variants of territorial deployment of national technological platforms;
- the composition of macroregions in the territory of the Russian Federation.

The above key tenets of the Strategy for Spatial Development in the Russian Federation (to be developed in 2018), which are set out in materials from Russia's Ministry of Economic Development, are expected to be among those that need to be factored in in preparing the IEC Strategy (Ministry of Economic Development of the Russian Federation, n.d.).

With that said, it may help to agree with scholar E.M. Buchwald on the advisability of adding to the Federal Law on Strategic Planning a special block – 'institutional strategizing'. This block "must incorporate a plan for reforming existing institutions and creating new ones, which should help the nation to not just survive in these new realities but also achieve a major economic breakthrough through reliance on methods of social/economic strategizing specifically" (Buchwald, 2016). In the authors' view, these new institutions and tools should incorporate the development and implementation of the regional IEC Standard as well.

The IEC Strategy must describe special purpose programs, projects, and activities that are interrelated in terms of goals, objectives, and deadlines and are aimed at fostering interregional economic relationships. It must contain information on the following:

- the current state of a region's interregional economic cooperation within the economic, scientific/technical, financial, social/cultural, and other spheres;
- analyses of assessments of the prospects for pushing products into markets in other regions and countries;
- analyses of key internal and external barriers impeding the development of economic relationships;
- analyses of the condition of the existing infrastructure of interregional economic cooperation and of the prospects for its future development;
- general principles underlying interaction between the executive authorities in a constituent region of the Russian Federation and national, interregional, regional, and intermunicipal establishments and associations;
- appraisals of the resources required in order to carry out relevant activities on the development of interregional relationships.

The IEC Strategy is expected to be developed and adjusted publicly with the engagement of experts, scholars, executive authorities, and mass media.

To implement the IEC Strategy, one has to put together (and afterwards make yearly upgrades to) the Plan for Fostering the Interregional Economic Cooperation of the Constituent Region of the Russian Federation (hereinafter 'Plan'). The Plan must be aligned with the IEC Strategy and imply its stage-by-stage implementation. It will specify the region's interim objectives aimed at the attainment of relevant targets established by the Standard, timeframes for achieving those objectives, responsible officers, and key performance indicators for each of the Plan's activities. Tentatively speaking, the Plan is expected to include the following activities:

- trips for delegations and representatives of the business community to other regions with a view to exploring the potential for pushing products into external markets and conducting negotiations and consultations on the supply of products;
- training seminars on various issues of interregional cooperation, exchange of best practices, and legal assistance;
- rounds tables, conferences, forums, and other activities aimed at the wide dissemination of best practices in the area of interregional cooperation;
- away exhibitions and fairs in constituent regions;
- activities on the development of a regional brand;
- other activities on the support of participants in a region's interregional economic relationships.

Section 2 of the IEC Standard characterizes a roster of conditions required to conduct activity on the development of interregional economic cooperation. This, above all, includes the creation of relevant economic mechanisms for interregional cooperation, such as:

- mechanisms for attracting resources from the financial market to help fund interregional and intermunicipal projects and programs;
- stock market mechanisms intended to help get into the stock market the shares, bonds, and enterprises of participants in interregional cooperation;
- mechanisms for insuring and guaranteeing borrowing transactions, deals, and investment projects, including through the concerted effort of regional administrations;
- mechanisms for machinery and equipment leasing enabled as part of interregional and intermunicipal cooperation;
- mechanisms for the equity funding of investment projects;
- concessionary mechanisms for the implementation of projects carried out as part of interregional and intermunicipal cooperation;
- mechanisms for collateralizing the financial and business obligations of regional administrations and enterprises;
- commercializing and making active use of intellectual property.

Evidence from practice indicates that certain tools for interregional cooperation are used successfully for fostering intermunicipal interaction as well, including mechanisms for attracting resources from the financial market to fund joint regional projects, machinery and equipment leasing, equity funding of investment projects, and concessionary mechanisms.

Section 3 of the IEC Standard includes measures for the support of participants in interregional economic cooperation.

Above all, these include having and putting in place in the region special establishments that would ensure proper interaction between and help coordinate the work of regional and municipal authorities (e.g., Krasnodar Krai's Association for Interaction between State Representative Agencies and Local Representative Agencies (in operation since 1998), Ulyanovsk Oblast's Legislature Interparliamentary Assembly (in operation since 2014), Tyumen Oblast's Council for Representative Agencies within Municipal Units (in operation since 2008), Irkutsk Oblast's Regional Council (in operation since 2009), and various coordination boards for the development of agglomerations).

Similar interregional and intermunicipal establishments ought to be created in each constituent region of the Russian Federation and in the nation's macroregions, as well as urban agglomerations.

Interregional and intermunicipal economic ties cannot develop successfully without there being in place a state-of-the-art infrastructure that would help fulfill them. Therefore, a key requirement set under the IEC Standard is having in place and developing an infrastructure of interregional and intermunicipal economic relationships (commercial/industrial centers, fairs, trading houses, real estate agencies, exhibition centers, marketing and advertising agencies, centers for gathering, processing, and disseminating commercial information, electronic exchanges and trading platforms, online trading systems, interregional banks, credit cooperatives, consulting-and-law firms, consulting firms, etc.). Many regions already have certain links of this type of infrastructure in place, but there still a lot of work to do in the area.

Each constituent region of the Russian Federation ought to have in place an educational platform that would help boost the competence levels of participants in interregional interaction by helping them acquire basic knowledge on issues of trade, assessing the potential of regional markets, assessing the investment climate, marketing, law, logistics, state support for interregional cooperation, etc.

The IEC Standard ought to feature a set of quantitative indicators that would reflect the actual and prospective development of the infrastructure of interregional relationships in the region, like the number of showrooms, fairs, trading houses, electronic exchanges, trading platforms, etc.

The development and implementation of the IEC Standard will make it possible to not only exchange best practices but will also help arm Russia's constituent regions with a set of cutting-edge methods and tools that will help enhance the efficiency of interaction among the nation's territorial/administrative units within the economic, scientific/technical, and social/cultural sectors.

Regional standards will help attain sound control over the implementation of interregional projects, remediate the fuzziness of target indicators, and boost the quality of assessments of the end efficiency of contracts.

## 5. Conclusions

This paper provides just a general scheme for and just a tentative structure of the IEC Standard, with further in-depth work needed in this direction as one registers and summarizes additional best practices in interregional cooperation encountered across Russia and overseas.

The authors are convinced that one of the key conditions for Russia to be able to achieve a technological breakthrough is its ability to galvanize interregional and intermunicipal cooperation by taking economic relationships among the regions to a whole new level. Not of least importance in this process should be mechanisms of standardization – in particular, the development and implementation of the Standard for the Activity of the Executive Authorities in a Constituent Region of the Russian Federation on Ensuring Favorable Conditions for Fostering the Region's Interregional Economic Cooperation.

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