

Diagnostic Assessment of the Development Potential of Regional Economies Using the Example of the Southern Federal District

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Abstract--- *The present study gives a diagnostic assessment of the development potential of the patterns, specifics and trends of regional economies in terms of their socio-economic status and development. The per capita income of the population, which are traditionally used in economic studies, do not properly reflect the true situation. The median income seems to be more appropriate to determine the per capita income of the population, since it reveals how much money a person receives in the middle of the lowest-to-highest income range for this or that section of the population. The ratio between the average per capita income and the minimum subsistence level is usually used to determine the population's standard of living. In order to compare the population's interregional purchasing power, statistics uses the value of a fixed set of consumer goods and services, determined on the basis of common consumption levels with average prices throughout the members of the Russian Federation. This study detected corresponding differences in the ratio between the median income and the fixed set of goods and services. It is this income which best reflects the minimum standard of living, and it is to be used as the subsistence minimum. The diagnostic assessment of the development potential of regional economies comprised the following key indicators: consumer investment portfolio of the regions' potential development; organizational and technological processing in which raw products or goods-in-process are processed the second time and so on; living labor productivity in regions and in small businesses; potential in natural resources and regional taxes.*

Keywords--- *Development Potential, Regional Economy, Specialization, Inter-sectoral Processing, Gross Regional Product.*

I. INTRODUCTION

What is meant by the economic development of regional economics is an integrated set of the following objectively available production opportunities: human capital and the population's entrepreneurial talents; logistics base and innovation; consumer investment, natural and power capacity; specialization of business activities; tax revenues as well as information and communications. These opportunities are aimed at increased reproduction of factors and results, the indispensable conditions of which are not only economic growth but also qualitative and structural changes, timely elimination of bottlenecks and implementation of dominants and priorities. The federal subjects of Russia show vast differences in socio-economic aspects, including their potential development of economic reproduction and results of economic activities which include, above all and in addition to revenues and balanced financial results, the gross regional product. A comparative analysis of the development potential's key features and of the gross regional product (GRP) reveals their close connection, which is one of the developmental

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specifications of the regions of Russia's Southern Federal District. Therefore, regions having better objective possibilities produce large volumes of products and services whereas GRP volumes are lower in the federal subjects having worse development potential.

II. MATERIALS AND METHODS

Analysis helps determine patterns, specifics and trends of the regions of Russia's Southern Federal District in terms of their socio-economic status and development. First of all, divergent trends in population dynamics are to be noted here (including active population and that employed in the economic sector) [4, p. 40].

For instance, in Krasnodar Krai and the Republic of Adygeya, the population grew from 5,127,000 and 441,000 in 2005 to 5,603,000 and 454,000 in 2017 respectively. In the Republic of Kalmykia, it went down from 294,000 to 275,000, and a slight decrease was also recorded in Volgograd and Rostov Oblasts, going down from 2,640,000 to 2,521,000 and from 4,332,000 to 4,221,000 respectively. The population has been increasing in the Republic of Crimea and the city of Sevastopol after the Crimea joined the Russian Federation.

Another aspect peculiar to regional economies, such as the Southern Federal District and other districts, is the present and continuing concentration of economic assets in major regional centers and adjoining territories.

Thus, statistical data for 2018 [4, p. 29] shows that, Krasnodar Krai which takes 0.04% of Russia's territory, accounts for 3.8% of the total number of people living in Russia, 2.9% of the gross product, 3% of investment, 6% of housing construction, 7.1% of agricultural products, including 10% of crops.

An important benchmark indicative of the quality of human capital is the relevant index, calculated by the Analytical Center for the Government of the Russian Federation [10, pp. 168-170]. This index represents the average integral specification of private indexes of the population's longevity, education and income as compared to maximum, expected and minimum values.

As is evident in Table 1, the regions of Russia's Southern Federal District show substantial disparities in terms of the quality of human capital [10, pp. 168-169], ranging between 0.868-0.869 in Krasnodar Krai and Astrakhan Oblast to 0.817 in the Republic of Kalmykia and 0.820 in the federal city of Sevastopol – 0.896. Another specific feature of the regional economies in the Southern Federal District is a manifest correlation between values of the gross regional product [2, pp. 108-110] and the corresponding income of the population.

Traditionally, the population's average per capita income is used in economics. The median income [7] seems to be more appropriate to determine the per capita income of the population, since it reveals how much money a person receives in the middle of the lowest-to-highest income range for this or that section of the population.

Table 1 shows that the difference between the traditional average per capita income and the median income ranges between 20% and 30%: from 397 600 and 332 100 RUB/person to 300 800 and 255 000 RUB/person in Krasnodar Krai and Rostov Oblast respectively; and from 241 500 and 176 800 RUB/person to 198 800 and 148 500 RUB/person in the Republics of Crimea and Kalmykia respectively.

Table 1: Social Features of the Regions of the Southern Federal District, 2017

Regions	Number of employed, in thousand pers.	Human capital index	Per capita income, in thousand rubles/person	Median income, in thousand rubles/person	Assets ratio, times	Fixed set, in thousand rubles/person	Median income to fixed set, %
Republic of Adygeya	152.1	0.832	296.1	231.8	12.4	163.8	141.5
Republic of Kalmykia	111.1	0.845	176.8	148.5	8.5	162.4	91.4
Republic of Crimea	840.4	0.817	241.5	198.8	9.5	163.6	121.5
Krasnodar Krai	2 599.1	0.868	397.6	300.8	14.7	184.0	163.5
Astrakhan Oblast	487.6	0.869	270.2	217.0	10.9	162.4	133.6
Volgograd Oblast	1 124.6	0.859	256.3	211.2	9.5	161.0	131.2
Rostov Oblast	1 958.1	0.859	332.1	255.0	13.7	174.6	146.0
City of Sevastopol	182.1	0.820	296.6	242.1	10.0	167.5	144.5

Synthesis by the author and calculations according to data provided by Rosstat (Russian Statistics Office), [4, pp.19-21, 190-191, 220-221]

Table 1 shows that, taking into consideration price dispersion in the regions of the Southern Federal District, the cost of the fixed set of products and services ranges from 161 000-163 800 RUB/person per year in Volgograd Oblast, the Republic of Kalmykia, the Crimea and Adygeya. It goes up to 184 000 RUB/person in Krasnodar Krai and 174 600 RUB/person in Rostov Oblast.

Another social feature peculiar to the Southern Federal District is the inverse correlation, on one hand, between the average per capita volume of the gross regional product and the population's income and, on the other, between indicators of standard-of-living disparities.

As can be seen from Table 2, the cumulative consumer investment portfolio for the development potential of regional economics varies greatly from one region of the Southern Federal District to another.

Table 2: Consumer Investment Portfolio for the Development Potential of Regional Economics in Southern Federal District, 2017

Regions	Consumer investment portfolio, in million rubles	Portfolio structure, %					Local income to the regional budget, %
		Total consumer spending	Spending per region	Investment	Balanced financial result	Fixed investment	
Republic of Adygeya	146305	71.6	2.7	9.8	0.3	15.6	62.20
Republic of Kalmykia	47825	55.1	6.0	15.5	1.6	21.8	51.75
Republic of Crimea	652137	50.2	12.4	-	7.5	30.0	36.90
Krasnodar Krai	3072342	61.9	1.9	10.7	9.7	15.8	90.39
Astrakhan Oblast	478943	45.8	1.7	10.2	12.3	30.1	87.93
Volgograd Oblast	880748	59.3	3.1	5.4	0.5	21.7	75.33
Rostov Oblast	1807417	64.1	2.4	12.7	3.1	17.7	82.14
City of Sevastopol	153460	69.9	9.9	-	0.4	19.8	37.12

Synthesis by the author and calculations according to data provided by Rosstat [4]

Estimates suggest that the main component of the consumer investment portfolio for the development potential of regional economics is total consumer spending which is largely a short-term vehicle for economic progress. This is another feature representative of the functioning of regional economies in the Southern Federal District.

Investment and bank deposits account for a large share of the consumer investment portfolio for the development potential of regional economics, despite important differences in the federal subjects under investigation. Deposits by legal and natural persons prevail in Volgograd Oblast and the Republic of Kalmykia (15.4-15.5%) whereas fixed investment represent a higher share in the Republic of Crimea and Astrakhan Oblast (30.1%), with some 20% in the federal city of Sevastopol, Volgograd Oblast and the Republic of Kalmykia.

The first inter-sectoral processing of regional economics includes economics activities based on the use of natural resources, i.e. agriculture, hunting and forestry, fishing and fish farming, mining works as well as generation and distribution of electricity, gas and water.

According to Table 3 showing the sectoral structure of GRP, the first inter-sectoral processing is mostly seen in the following regions: Astrakhan Oblast (due to mining works) and the Republic of Kalmykia (as part of agricultural activities) as well as in the Republic of Crimea, Volgograd and Rostov Oblasts with a prevailing share of agriculture.

The second inter-sectoral processing makes an extensive use of raw products and products obtained from the first inter-sectoral processing. Thus, the food industry, which is one of the major manufacturing industries, uses raw agricultural products along with electricity, gas and water whereas products obtained from mining activities are used in many other processing industries.

Table 3: Sectoral Structure of the Gross Regional Product in the Regions of the Southern Federal District, 2017

Regions	1 st inter-sectoral processing, %		2 nd inter-sectoral processing, %		3 rd inter-sectoral processing, %	4 th inter-sectoral processing, %	Agriculture, mining, product processing	Integral indicator, points
	total	Mining	total	Product processing				
Republic of Adygeya	18.6	1.0	25.2	18.2	34.5	21.7	35.1	87.8
Republic of Kalmykia	34.5	1.1	5.6	1.1	35.6	24.3	34.3	98.7
Republic of Crimea	22.2	2.2	12.1	9.1	39.0	26.7	24.7	70.4
Krasnodar Krai	17.1	0.7	17.9	11.4	50.0	15.0	25.5	74.4
Astrakhan Oblast	39.1	28.2	13.7	4.2	31.2	16.0	40.0	105.1
Volgograd Oblast	21.4	4.8	32.5	24.8	31.0	15.1	44.0	104.1
Rostov Oblast	20.2	0.9	27.5	20.3	38.5	13.8	35.5	92.5
City of Sevastopol	9.8	0.7	11.4	9.5	46.1	32.7	14.0	55.3

Synthesis by the author and calculations according to data provided by Rosstat [4, pp. 464-479]

As a combination of infrastructural and intermediary economic sectors, the third inter-sectoral processing includes wholesale and retail trade, repair of vehicles, motorcycles, household items and articles of personal use as well as hotels and restaurants, transportation and communication, financial and real estate activities, rentals and provision of appropriate services.

The fourth specific inter-sectoral processing comprises social sectors of the economy: public administration and military security, compulsory social security along with education, health care, social, municipal and personal services.

One of the basic factors for economic development are the population's entrepreneurial talents which manifest themselves mostly in the operation of small businesses and among self-employed entrepreneurs. Table 4 shows comparative specifications based on available statistics related to small business activities as compared to regional economics in general.

Table 4: Living Labor Productivity in Regions and Small Businesses (SM) of the Southern Federal District, 2017

Regions	Number of employed in regions, in thous. of people	SM employees, in thous. people	Turnover of regional organizations, in bln. rubles	Turnover of SM, in bln. rubles	Labor productivity in regions	Labor productivity in SM thous. RUB/person	Labor productivity in SM against the region, times
Republic of Adygeya	152.1	20.2	178	57	1174	2842	2.42
Republic of Kalmykia	111.1	7.6	42	12	378	1566	4.14
Republic of Crimea	840.4	78.4	737	193	877	2459	2.80
Krasnodar Krai	2 599.1	352.3	6923	1790	2663	5082	1.91
Astrakhan Oblast	487.6	42.7	636	109	1305	2543	1.95
Volgograd Oblast	1 124.6	136.0	1974	514	1756	3776	2.15
Rostov Oblast	1 958.1	292.6	3991	1058	2038	3614	1.77
City of Sevastopol	182.1	25.6	236	68	1296	2668	2.06

Synthesis by the author and calculations according to data provided by Rosstat [3, p. 234; 4, pp. 19-21,572]

According to statistics, the number small business employees (352 300 people) is the highest in Krasnodar Krai, Rostov and Volgograd Oblasts. In other regions of the Southern Federal District, it varies from 78 400 employees in the Republic of Crimea to 25 600-20 200 employees in the federal city of Sevastopol and the Republic of Adygeya. The Republic of Kalmykia shows the lowest rate, with its 7 600 small business employees.

Analysis of the data in Table 5 reveals that the natural resource potential is of great importance in the regions of the Southern Federal District, although the regions under investigation show substantial differences.

Table 5: Natural Resource Potential and Regional Taxes in the Southern Federal District, 2017

Regions	Ranking	Export, in mln. \$					Natural resource exports in total national exports, %	Regions' taxes and payments in Russia's budget system, %
		Fuel and energy products	Chemical products	Wood and woodworking	Metals and metalworking	Natural resources, total		
Republic of Adygeya	4	-	6	7	1	14	0.00	0.1
Republic of Kalmykia	37	-	-	-	-	-	0.00	0.0
Republic of Crimea	51	0	9	0	1	11	0.00	0.4
Krasnodar Krai	56	4 035	214	56	477	4 782	1.68	1.9
Astrakhan Oblast	58	0	5	66	2	73	0.03	0.7
Volgograd Oblast	52	518	339	6	441	1 304	0.46	0.9
Rostov Oblast	53	1 516	284	28	365	2 193	0.77	1.2
City of Sevastopol	20	0	0	-	0	1	0.00	0.1

Synthesis by the author and calculations according to data provided by Rosstat [4, pp. 29-30, 1142-1143]

According to Russian Regions' Investment Attractiveness Rating [5], the rankings of the natural resource potential in the worst-to-best rank vary from 58 in Astrakhan Oblast, 56 in Krasnodar Krai and 53-51 in Rostov and Volgograd Oblasts and the Republic of Crimea to 20 in Sevastopol and 4 in the Republic of Adygeya.

Analysis reveals another feature peculiar to the development of the regions of the Southern Federal District: the deterioration level of the logistics base in most regions goes up instead of going down.

Table 6 shows the cumulative system of key specifications of the development potential of the regional economies in the Southern Federal District.

Table 6: Key Aspects of the Development Potential of the Regional Economies in the Southern Federal District, 2017

Regions	Number of employed, in thous. persons	Fixed assets, in bln. rub	Consumer investment portfolio, in bln. rub	Turnover of SM, in bln. rub	Standard fuel, in thous. tons	Innovative products, in mln. rub	Natural resource exports, in mln \$	Integrated indicators, points	ICT spending, in mln. rub	Regions' taxes and payments to Russia, %
Republic of Adygeya	152,1	202111	146305	57	1368	3387	87.8	593	4.0	0.1
Republic of Kalmykia	111,1	203657	47825	12	615	41	98.7	360	37.0	0.0
Republic of Crimea	840,4	2212391	652137	193	3380	1405	70.4	8963	51.0	0.4
Krasnodar Krai	2599,1	5937791	3072342	1790	20251	168606	74.4	23227	56.0	1.9
Astrakhan Oblast	487,6	1498692	478943	109	4609	696	105,1	3347	58.0	0.7
Volgograd Oblast	1124,6	2180917	880748	514	11630	25054	104,1	8963	52.0	0.9
Rostov Oblast	1958,1	2786870	1807417	1058	15590	104539	92.5	10921	53.0	1.2
City of Sevastopol	182,1	304437	153460	68	709	726	55.3	1041	20.0	0.1

Synthesis by the author and calculations according to data provided by Rosstat.

At the same time, the share of completely worn out fixed assets is also increasing in most regions.

III. RESULTS

Investment, which is traditionally perceived as the main component of the economic development potential, is generally regarded among the major vehicles for economic progress.

In reality, however, other significant vehicles for economic progress and important components of the economic development potential include spending on the economics of national and regional funds, cash deposits of legal and natural persons in the bank system, the balanced financial result by market participants and, notably, the volume of consumer spending. Importantly, consumer spending through the translator of regional economics' consumer sub-system uses its purchasing power to finance and activate these or those economic sectors and corresponding economic activities.

The combined volume of consumer expenditures of the population, regional expenditures for the economy and public utilities, market participants' profits and bank deposits (which the bank system can and should use to invest in the virtual and, above, all real economics) shapes the financial potential of regional economic development. With additional investment into the fixed capital, it also shapes the consumer investment portfolio for development potential.

The vast majority of the regions of the Southern Federal District are recipients of substantial public funding in terms of their budget structure. Thus, the share of their own revenues in the regional budget is as low as 36.9% in the Republic of Crimea, 37.1% in the federal city of Sevastopol, 51.8% in the Republic of Kalmykia and 62.2% in the Republic of Adygeya.

In other regions, the share of their own revenues in the regional budget is 87.9% (in the ordered series for Volgograd, Rostov and Astrakhan Oblasts). Only Krasnodar Krai, with the share of its own revenues exceeding 90%, has better opportunities for self-financing.

Analysis of a number of other indicators can be indicative of the specialization level of regional economies. One of them is the share of income-generating industries of the real economy, i.e. agriculture, fishing and fish farming and processing industries, in the gross regional product. Secondly, it is evidenced by the calculation of the aggregate structural index in which the sectoral composition of each region is compared to the average structure in the Russian Federation when using as indicators the cost-efficiency of trade sales throughout the Russian Federation [9].

As regards the first indicator, the share of the most income-generating industries of the real economy are 44% and 40% in Volgograd and Astrakhan Oblasts respectively and some 35% in Rostov Oblast and the Republics of Adygeya and Kalmykia. The federal city of Sevastopol (14%) shows the lowest rating in this category.

An analysis of the regions of the Southern Federal revealed that the most marked specifications of the second indicator, i.e. the aggregate structural index, are found in Astrakhan Oblast (1.653), Volgograd Oblast (0.954), the

autonomous republics (0.844-0.882), in Rostov Oblast and Krasnodar Krai. The lowest rate (0.756) was recorded in the federal city of Sevastopol.

The third important indicator is that of concentration of production, defined as the average percentage of major economic activities in a region totaling over 50% of the gross regional product. In this light, the lead goes to the Republic of Kalmykia, with its 27.5% of regional economic industries. Concentration of production at 17% is typical of Rostov and Volgograd Oblasts and the federal city of Sevastopol. The Republic of Crimea (12.8%) has the lowest level of concentration of production.

An integral assessment of various indicators revealing the multidimensional nature of regional specialization takes into consideration their correlation relevance in shaping the gross regional product, calculated on the basis of gross coefficients of determination.

The calculation of indicators of living labor productivity, i.e. small businesses and regions, reveals the eighth specificity and, basically, a pattern. It points to a significantly higher living labor productivity in small businesses, exceeding the corresponding specifications for regional organizations 4.14 times in the Republic of Kalmykia, 2.8 times in the Republic of Crimea, 2.42 in the Republic of Adygeya and 1.95-1 in Astrakhan Oblast and Krasnodar Krai.

IV. DISCUSSION

Given the importance of the above three specifications in the formation of the regional gross product of the regions under investigation, an integral indicator of specialization was calculated. In terms of rated specifications (as compared to the national average), it varies from 105.1-104.1 points for Astrakhan and Volgograd Oblasts, 98.7 and 92.5 for the Republic of Kalmykia and Rostov Oblast to 74.4-70.4 points for Krasnodar Krai and the Republic of Kalmykia. The federal city of Sevastopol shows the lowest rate (55.3 points). Therefore, as compared to the well-marked specialization in two regions of the Southern Federal District, regional specialization cannot be seen in a number of other federal subjects, which is the seventh specificity of the functioning of regional economies in the Southern Federal District. Both currently and in the foreseeable future [8], each of the regions has a specific regional specialization. Most of the federal subjects under investigation focus on developing the following economic activities: agriculture, processing industries and tourism (Krasnodar Krai, Volgograd and Rostov Oblasts, the Republic of Adygeya). Economic development is also starting in the Crimea.

One of the major developing industries in Astrakhan Oblast is mining, along with agriculture and processing industries. Construction is a significant economic activity in Astrakhan, Volgograd and Rostov Oblasts, Krasnodar Krai and the Republic of Adygeya. It is also widespread in the Republic of Crimea and the federal city of Sevastopol.

The quantitative specifications in terms of using the natural resource potential in regional economies are export indicators of the following primary industries: fuel and energy sector, chemical and timber industries, metal mining and metalworking). With the exception of the Republic of Kalmykia, which neither extracts nor sells natural

resources, their exports in other regions of the Southern Federal District accounts varies from \$ 4.8 billion in Krasnodar Krai, \$2.2 and \$1.3 billion in Rostov and Volgograd Oblasts to \$73.1 million in other regions.

Taxes, duties and other compulsory payments coming from regions into the budget system of Russia correlate with natural resource exports and other aspects of development potential [4, 9]. A significant share of financial flows into all levels of the budget system of Russia, including the federal one, comes from major regions of the Southern Federal District, Krasnodar Krai (RUB 338.2 billion) as well as Rostov and Volgograd Oblasts (RUB 205.8 and 160.2 billion respectively), as opposed to RUB 14.4 and RUB 16.8 billion for the federal city of Sevastopol and the Republic of Adygeya respectively. With RUB 8.1 billion, the Republic of Kalmykia makes the smallest contribution to the Russian budget system.

Another major specification is the share of natural resources in the region's total exports, which varies from 84% in Volgograd Oblast and 68.3% in Krasnodar Krai to 14.5% in Sevastopol and 10.1% in Astrakhan Oblast; the Republic of Kalmykia has no exports. In terms of the structure of natural resource exports, sales of fuel and energy products dominate in Krasnodar Krai and Rostov Oblast (84.44% and 69.1% respectively). In Sevastopol, metals and metal working account for 50% of natural resource exports, and the share of fuel and energy products is 37.5%.

Volgograd Oblast shows a more equal structure of natural resource exports, with 39.8% of respective sales being represented by fuel and energy products, 33.8% by metals and metal working and 26% by chemical products.

V. CONCLUSION

Table 6 shows the cumulative system of key specifications of the development potential of the regional economies in the Southern Federal District. These specifications include the following indicators: the number of employed in the economic sector, fixed assets, small business, energy consumptions (standard fuel, in thousands of tons), innovations (relevant products, in millions of rubles), spending on IT, natural resource potential, regional specializations and financial flows into the budget system of Russia. Additionally, they include the consumer investment portfolio comprising consumer expenditures, regional expenditure on economics, investment in financial institutions and balanced performance by market participants.

Estimates suggest that, along with absolute specifications, the regions show significant discrepancies in terms of consumption of fixed capital ranging from 37.2% in Krasnodar Krai, 43-46.4% in Rostov Oblast and Sevastopol to 68.5% in the Republic of Crimea.

Standard specifications of key indicators reveal major relative differences between the regions of the Southern Federal District. With the exception of Krasnodar Krai, where the vast majority of indicators under investigation are dominating (from 361.5 points for consumed standard fuel to 745.7 points for the volume of innovative products), the number of employed in the economic sector varies from 260 points for Rostov Oblast to 14.8 points for the Republic of Kalmykia. The volume of the logistics base varies from 207.5 points for Rostov Oblast to 15.1 points for the Republic of Adygeya and the consumer investment portfolio from 262.3 points for Rostov Oblast to 6.9 points for the Republic of Kalmykia. The small business turnover varies from 329.3 points for Rostov Oblast to 3.7 points for the Republic of Kalmykia; the turnover of consumed standard fuel ranges from 278.3 for Rostov Oblast to

11 points for the Republic of Kalmykia and that of innovative products, from 462.3 points for Rostov Oblast to 0.2 points for the Republic of Kalmykia. The natural resource potential varies from 104.7 points for the Republic of Dagestan and 95.3 points for Stavropol Krai to 20.9 points for the Republic of North Ossetia-Alania and 7 points for the Republic of Ingushetia. The integral indicators of regional specification vary from 104.1-105.1 points for Rostov and Volgograd Oblasts, 98.7 points for the Republic of Kalmykia to 70.4 points for the Republic of Crimea and 55.3 points for Sevastopol. Rates for information technologies vary from 132.7 points for Krasnodar Krai and 62.3 points for Rostov Oblast to 3.4 points for the Republic of Adygey and 2.1 points for the Republic of Kalmykia. Rates for financial flows into the budget system of Russia vary from 161.2 points for Krasnodar Krai and 101.8 points for Rostov Oblast to 8.5 points for the Republic of Adygeya and Sevastopol, with no financial flows from the Republic of Kalmykia.

The above numbers testify to the economic return of each of the development potential elements included into the multivariable model. Sorting the key indicators of the federal entities under investigation by assessing the use of development potential reveals what can explain the existing differences in the functioning of regional economies.

The calculations showed that most key indicators have the best average specifications for regions showing the best potential for development: in terms of employment in the economic sector, the volume of the logistics base, the turnover of small businesses, spending on innovative information technologies, the consumer investment portfolio and tax revenues, the natural resource potential and the volume of standard fuel.

In this context, the main factors for an improved performance of regions are, first of all, a greater concentration of various assets for development potential and, secondly, the availability of extensive financial resources and, consequently, more intensive economic activities in regions.

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