The Young People of the Far East

KEY CONCLUSIONS

Grants and implementation of federal programmes contribute to the involvement of young people of the Far East in social initiatives and entrepreneurshi

“In 2018, we had an unprecedented case — the State entrusted the Federal Agency to allocate 2.5 billion roubles for various youth initiatives. This is an enormous amount of money. <...> The young people have already brought 73.5 million roubles to the Far East from various forums in grants. Programmes using this money will be implemented soon,” Yekaterina Dragunova, Deputy Head, Federal Agency for Youth Affairs (Rosmolodezh)

“5 out of 9 regions in the Far East are working with ‘You are an entrepreneur’ programme. <...> In 2018, the programme budget for the regions of the Far East is already 23.3 million roubles. 7.735 young people are already involved, 242 small and medium-sized businesses have been started,” Yekaterina Dragunova, Deputy Head, Federal Agency for Youth Affairs (Rosmolodezh).

“If you look at the statistics of ‘You are an entrepreneur’ programme, you’ll see that about 10% of young people who participate in the programme open their own business within the first year. Over the next 6 years, 6 million new companies should appear, about 10% of these companies should be founded by young people. Consequently, the coverage of the programme and all youth-related activities for this period should be about 6 million people”, Ivan Komarov, Director of Education Projects, Delovaya Sreda JSC.

Far Eastern companies successfully develop IT projects

“I have been to Yakutia. <...> There is a company there <...> that is entering the American market, making video games. One of the largest video game companies in the world. <...> They created a whole school there, i.e. this is already a cluster. They simply learned how to sell it over there, but to make it here,” Alexander Kalinin, President, All-Russian Non-Governmental Organization of Small and Medium-Sized Businesses OPORA RUSSIA.

“The guys’ names are Alexei and Afanasiy Ushnitsky. <...> Their 5th game was a success <...> MyTona company entered the App Store with this game. Now they have multi-billion-dollar turnover. <...> For the Yakutians they are an example of the fact that anyone can achieve the same success. Combined with the availability of the Internet, this has led
to a real explosion of the IT sector in Yakutsk,” Vladimir Solodov, Acting Chairman of the Government of the Republic of Sakha (Yakutia).

“We only had 9 thousand roubles when we started. <...> In 2017, we made nearly USD 24 million in revenue. What is the secret? Mainly, the online store gave us this opportunity. <...> What is the secret of Gafel’s success, which is a family company? First, it’s publicity. In this world, you do not exist unless you are public. <...> Secondly – and importantly – it is the people. The more we give to people, the more we get,” Alim Galimullin, Co-Founder, Gafel.

**The Far East should become a new centre of attraction for young entrepreneurs and career development**

“The Far East is becoming a place where we should create a new big centre of growth, a region of attraction, so that it would be trendy to go to, especially for young people. But most importantly, so that you could get rich quickly there. <...> Big money is invested in infrastructure, in the quality of life here,” Alexander Kalinin, President, All-Russian Non-Governmental Organization of Small and Medium-Sized Businesses OPORA RUSSIA.

“We need to make the Far East a perfect place for becoming a billionaire,” Vladimir Solodov, Acting Chairman of the Government of the Republic of Sakha (Yakutia).

**PROBLEMS**

**Entrepreneurs from the Far East find it difficult to offer competitive prices**

“Even in cases of public procurements, we often struggle to offer prices that could compete with the central regions. <...> During the starting day entrepreneurs complained that, unfortunately, the governors do not properly oversee to the digitalization of their regions, possibly due to the fact that this may not be a factor for assessing their work by the President. That's why we proposed to introduce such a rating and suggested that the Agency for Strategic Initiatives take this into account for its ratings and evaluations,” Aleksey Mostovshchikov, Co-chairman of Magadan Regional Division, Delovaya Rossiya (Business Russia).

**Low level of engagement between entrepreneurs and scientists**

“It is very difficult for scientists to find and start a dialogue with the business. There is no platform where scientists can interact with entrepreneurs and introduce their projects. In other words, we need to create a platform, where both investors and entrepreneurs will be present.
Perhaps it will be a digital platform, perhaps it will be based on a blockchain,” Aleksey Mostovshchikov, Co-chairman of Magadan Regional Division, Delovaya Rossiya (Business Russia).

SOLUTIONS

Implementation of projects for supporting entrepreneurs in the Russian Federation

“Next year we’re launching the ‘Self-employed’ project. This can be a very easy way to start your business. <...> This project, however, will be launched in just four regions — Moscow city, Moscow region, Republic of Tatarstan, and Kaluga. But if it takes off quickly, it will spread through the whole country by 2020,” Alexander Kalinin, President, All-Russian Non-Governmental Organization of Small and Medium-Sized Businesses OPORA RUSSIA.

“We took top 10 Yandex searches on how to open something. With the help from small companies and their owners we made a detailed manual for opening, for example, a beauty salon, or a bar,” Ivan Komarov, Director of Education Projects, Delovaya Sreda JSC.

Implementation of educational entrepreneurship programmes for the youth

“Educational platforms for children and youth in administrative centres, I think, will be created in every capital, including each capital of the Far Eastern Federal District. <...> Educational institutions are a matter of utmost importance. The key question is the mandatory course for Foundations of Entrepreneurship in Russian secondary schools,” Alexander Kalinin, President, All-Russian Non-Governmental Organization of Small and Medium-Sized Businesses OPORA RUSSIA.

“I wish someone made a Russian business simulator. This would be a very good immersion. Seriously, in the game you go to the tax authorities, you have to do certain things, you engage, get used to things, learn about life, albeit online. <...> I assure you, the officials responsible for these issues, will also play. <...> Through education, through such ways, of course, you learn a lot, especially nowadays, when you spend much more time and energy on education than ever before,” Alexey Bobrovsky, Head of Economic Programme, Russia 24 Channel.

“Education as it exists now is inefficient. We need to minimize the theoretical part and develop the accelerator system. <...> We propose to create a joint educational programme with the APR. We have quite a lot of organizations here, including the SCO, which we can use as the basis. We plan to create a business accelerator in Moscow at the Financial University
under the Government of the Russian Federation and, possibly, we will interact with the APR, and exchange practices. Of course, first federal state educational standards need to be changed,” Aleksey Mostovshchikov, Co-chairman of Magadan Regional Division, Delovaya Rossiya (Business Russia).

“Education is a priority for us. Every school should offer business lessons. I am ready to introduce this in Yakutia as a regional standard starting next school year,” Vladimir Solodov, Acting Chairman of the Government of the Republic of Sakha (Yakutia).