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CONTEMPORARY STUDIES IN ECONOMIC AND  
FINANCIAL ANALYSIS VOLUME 100

# CONTEMPORARY ISSUES IN BUSINESS AND FINANCIAL MANAGEMENT IN EASTERN EUROPE

EDITED BY

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# CONTENTS

<i>List of Contributors</i>	vii
<i>About the Editors</i>	xi
<i>About the Authors</i>	xiii
<i>Series Editors' Introduction</i>	xxix
<b>Chapter 1 Green Economy: A Phenomenon of Progress and a Concept of Environmental Security</b>	
<i>A. U. Albekov, T. V. Parkhomenko and A. A. Polubotko</i>	1
<b>Chapter 2 Green Finance: Trends and Financial Regulation Prospects</b>	
<i>O. V. Andreeva, N. G. Vovchenko, O. B. Ivanova and E. D. Kostoglodova</i>	9
<b>Chapter 3 Information and Financial Technologies in a System of Russian Banks' Digitalization: A Competency-Based Approach</b>	
<i>N. G. Vovchenko, L. Yu. Andreeva, V. S. Kokhanova and O. T. Dzhemaev</i>	19
<b>Chapter 4 Problems of Fund raising for Projects on Accumulated Damage Repair: Experience from Russian Regions</b>	
<i>N. G. Kuznetsov, N. D. Rodionova and M. A. Ponomareva</i>	31
<b>Chapter 5 Justifying Companies' Marketing Models for a Winning Business Strategy</b>	
<i>V. A. Bondarenko and E. V. Pisareva</i>	41
<b>Chapter 6 Competency-Based Management in a System of Sustainable Development of Banks, Financial and Technology Companies</b>	
<i>L. Yu. Andreeva, T. V. Epifanova, O. V. Andreeva and A. S. Orobinsky</i>	49

<b>Chapter 7 Economic Coenosis Stability: Methodology and Findings</b> <i>A. N. Kuzminov, N. G. Korostieva, V. M. Dzhukha and O. A. Ternovsky</i>	61
<b>Chapter 8 Development of Treasury Technologies: Russian and Foreign Experience</b> <i>T. F. Romanova, L. V. Bogoslavtseva and V. V. Terentjeva</i>	71
<b>Chapter 9 Analysis of Individual Entrepreneurship Activity Strategies</b> <i>Yu. G. Chernysheva and G. I. Shepelenko</i>	83
<b>Chapter 10 The Fiscal Mechanism in Russia: Development and Trends</b> <i>M. S. Basnukaev, Z. A. Klukovich, A. A. Mambetova and T. M. Dodokhyan</i>	93
<b>Chapter 11 The Global Nature of Interaction in the World Economy</b> <i>I. N. Efremenko, T. V. Panasenkova and V. A. Larionov</i>	101
<b>Chapter 12 The Economic Capital Model in Bank's Capital Assessment</b> <i>E. A. Posnaya, E. V. Dobrolezha, I. G. Vorobyova and G. P. Chubarova</i>	111
<b>Chapter 13 Corporate Reporting Formation at Commercial Organizations</b> <i>N. T. Labyntsev, I. V. Alekseeva, E. M. Evstafjeva and R. G. Osipova</i>	121
<b>Chapter 14 Scientific Projections of K. Marx's "Concept of Alienation"</b> <i>S. S. Galazova</i>	131
<i>Index</i>	141

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She has considerable practical experience and has worked in the banking sector for more than 14 years. She took up the post of Deputy Head of the branches of the largest state-owned bank; in addition, for 11 years, she was a Civil Servant and an independent consultant. Currently, she works as Deputy Head of financial issues in the field of health management in the city of Rostov-on-Don.

Her professional experience includes quantitative analysis and financial analysis, banking, project evaluation, anti-crisis management of the enterprise at

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She has participated in international scientific and practical conferences.

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He has an extensive record of lecturing in several universities of Russia, participating in international conferences as a keynote speaker, coaching PhD students, and being the Speaker of MBA courses. He also has experience as the Head of the Department of Scientific Research of the Southern Federal University.

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Honored Worker of Education of the Republic of North Ossetia – Alania, and Honorary Doctor of the Armenian State University of Economics (Yerevan).

Nikolai masters the scientific school and undertakes studies on the trends in the development of Russia's economic policy, publishes series of scientific papers, and is involved in the teaching and research application of the formation and development of continuing financial education and cross-border spread of financial literacy. He was awarded the Order of Friendship (2002) and is the recipient of a number of government awards, including the Honorable Ministry of Education and Science and the Ministry of Economic Development Diploma of the Governor of the Rostov Region and the Order "For Merit to the Rostov Region".

Nikolai has supervised more than 25 state and contractual grants on intergovernmental fiscal relations, tax administration, quality of education, issues of new models of management of educational institutions based on the introduction of the process approach. Nikolai fully participates in system studies of the economic processes in the Rostov Region. He successfully combines administrative activities with scientific and pedagogical ones. He has published more than 170 scientific papers which includes more than 20 international publications.

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Nikolay is a highly qualified specialist in accounting, auditing, and control, conducts classes with students, constantly manages projects of advanced training and retraining of practicing economic workers in the field of accounting, economic analysis, control of joint-stock companies, budgetary institutions, and heads state examination boards on the issue of specialists in other universities.

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He has organized specific workshops promoting scientific research and writing tips to young researchers and academics.

He has publications in many journals, collective volumes, and chapter books.

He was called to act as Accommodation Services Coordinator to manage a hotel that consists of 46 rooms and located in Sochi. The core goal of this position was to upgrade existing services at the hotel, conducting staff trainings, improving rooms' amenities, and preparing the hotel for foreign guests during Winter Olympic Games 2014. The hotel was hosting the Worldwide Partner of the Olympics, Procter & Gamble.

**Alexandra A. Mambetova**, DSc in Economics, is a Professor of the Department of Taxation in the Rostov State University of Economics and is the author of dozens of scientific works on the problems of finance and taxation. She masters the department's tax and taxation educational programme. She has been providing consultations on taxation of economic entities – taxpayers for the last three years.

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The author, in practice and in his scientific articles, considers that financial instruments provide support to neo-industrialization policy and prominently would have an impact on labor productivity increase, development of agro-industrial production due to automation and import substitution, and growth of the Russian economy in general.

Andrey Orobinsky provides his point of view on the problem regarding the importance of management of financial solvency of agro-industrial enterprises. In particular, the author in the example of agro-industrial production underlines that additional resources and new investment financial instruments based on the implementation of the latest technologies to the sphere of corporate financial management and risk management are necessary for domestic economic system for transition to the implementation of the concept of the new industrial growth.

**Roksanna G. Osipova** is a Postgraduate from the Department of Accounting of the Rostov State University of Economics, Rostov-on-Don, Russian Federation. Her field of scientific interest includes research of corporate reporting in the conditions of sustainable development of the economy, its problems, and methods of development for the formation of corporate reporting. She holds certificates and diplomas awarded for participation in various conferences and competitions.

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Tatiana's scientific interest is concentrated in the field of logistics systems in the power complex is supported by her practical experience in this branch of the national economy. Tatiana has dozens of publications on the problems of implementing environmentally friendly technological solutions in logistics, design and operation of green logistics systems at micro-, meso-, and macrolevels, adaptation of technologies and logistic activities to environmental protection requirements from the harmful impact of socioeconomic activities of society, the development of a cross-functional methodology and organizational logistic coordination, development of theoretical aspects of logistics infrastructure management, modeling of network structure of supply chains and configuration of logistics networks, and optimization of general parameters of logistics business processes.

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His sphere of scientific interest includes the problems of retaining the leading positions in the consumer market using modern marketing tools.

At the turn of the century, Pisareva explores marketing activities in various industries and spheres of Russian business. In his writings, he describes the issues of positioning and client orientation of companies and products on the market.

Ekaterina V. Pisareva has a large number of very significant publications in peer-reviewed scientific journals, monographs, and manuals.

The scientific works reflect issues of management, that is, development of integrated marketing models for companies. Much attention in his scientific publications is paid to the development of integrated and holistic marketing management in the face of increasing competition from both foreign and Russian companies.

Ekaterina V. Pisareva has participated in international scientific and practical conferences and is consulted on reports related to the problems of modern marketing.

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Anna's field of interest includes theoretical, methodological, and applied development of supply chain management tools in the region's electric power complex, development of institutional foundations for improving the quality, environmental, and economic security of the state and citizens, reliability of electricity supply, and substantiation of organizational and economic trends in the formation of a strategy for managing energy business processes on the principles of green logistics. Anna has published dozens of articles and monographs both in Russia and abroad.

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She is the author of more than 70 scientific works on issues of sustainable development of the regional economy and the economy of nature management. Her scientific ideas were implemented in the practical activities of the Ministry of Economic Development of the Rostov Region when developing proposals for regional strategic development. She also co-developed the anti-crisis program for small innovative enterprises in the region, considering the specifications of the Rostov Region. Her most significant publications include studies on eliminating the damage to the system of socioeconomic development of the region, assessing the level of integration between subjects of innovative systems, and sustainable regional development. She is a co-author of the highly appraised monograph *Green Economy. Modernization of the Socio-economic System of the South of Russia*.

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Natalia is a co-author of the highly appraised monograph *Green Economy. Modernization of the Socio-economic System of the South of Russia*. In 2016, she was awarded the honorary title “Honored Worker of Higher Professional Education of the Russian Federation.”

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Tatyana conducts training for high school personnel, being the scientific leader of research work on treasury services of budgets of all levels.

She has earned the honorary title “Honored Worker of Higher Professional Education of the Russian Federation.” She participates as an independent expert in the activities of the Federal Treasury Department for the Rostov Region.

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**Vera V. Terentjeva**, PhD in Economics, is Associate Professor of the Department of Finance of the Rostov State University of Economics, Rostov-on-Don, Russian Federation. Her key research studies are connected with treasury technology as a tool for budget execution at the levels of the budget system of the Russian Federation. Thus, her scientific interests cover a wide range of problems in the management of public (municipal) finances and the integration of treasury technology into an updated budget process. Vera has published more than 20 scientific papers. The most significant are “Directions for improving the system of budget payments,” “Features of providing cash in cash organizations in the context of reforming the system of budget payments,” and “Development of an automated system of the federal treasury.” She is an author of the highly acclaimed monograph *Treasury System for Budget Execution in Russia*.

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Natalia has published numbers of monographs in Russia and abroad by sharing her research findings with international community. Natalia has successfully upgraded her skills both in local and foreign research centers. Natalia is an Editorial Board Member of Scopus-indexed journals in Greece and Indonesia.

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# SERIES EDITORS' INTRODUCTION

The Emerald book series, *Contemporary Studies in Economic and Financial Analysis* special edition CSEF100, includes studies on Contemporary Issues in Business and Financial Management in Eastern Europe by authors invited mainly from the Rostov State University of Economics. As the title suggests, the chapters are a mix of studies on business economics and financial management in Eastern Europe.

Contributors have been invited to cover subjects related to their academic and professional expertise, providing innovative ideas and new initiatives for further development in business and finance fields in Eastern Europe. Initial submissions have been evaluated by the editors on a double-blind evaluation procedure before approval. After the approval, and in close cooperation with the authors, the approved chapters have been revised accordingly before their inclusion in this volume.

The Editors, Professor Grima and Professor Thalassinos, are thankful to the contributors for their cooperation during the preparation stage of the volume. The general intention of this volume is to see that it is being used by colleagues, academics, researchers, professionals, politicians, and graduate students interested in contemporary issues in business and financial management in Eastern Europe.

For a better understanding of the content of the volume, a short description of all chapters is presented here:

Chapter 1 is related to the Green Economy. Herein, the authors present prospects of the development of environmentally safe standards in the Russian Federation. They provide the characteristics of the imbalance in the development of natural, socioeconomic, and scientific substantiation of the green economy development. The chapter highlights the necessity of technological modernization, which would facilitate environmentally unfriendly pollution reduction, natural resources depletion, and economy competitiveness increase by reducing dependence on carbon stocks. The authors provide effective solutions of the green economy aimed at realization, implementation, and successful exploitation of innovative achievements in the sphere of alternative generation.

In Chapter 2, the authors highlight the need to support new theoretical and methodological approaches for the development of a green economy's financial framework. The authors consider the modern growing risks in the ecological, economic, social, and geopolitical environment. They note that the increase in environmental expenditures of both national economies and international financial institutions is determined by the global state of the economy. The climate has been caused by escalating the energy supply struggle, the nature exhaustion, and the need for providing balance for the market stating green economy regulators.

Herein, they highlight the results of a study on the trends and the key state green finance regulation points.

The development of the digital economy in the context of modern financial globalization is the study laid out in Chapter 3. The authors note that this is becoming an issue of national security and independence of a country. They note the openness and vulnerability of digital technologies. Thus, they conclude that these can result in reduction of employees' number in financial institutions, primarily, inadequately qualified specialists.

The authors devote Chapter 4 to the problem of forming effective tools for attracting extra-budgetary sources and increasing the interest of contemporary Russian enterprises in implementing projects to repair past (accumulated) environmental damage. The chapter deals with the investigation of the basic concepts of the problems of accumulated damage, the identification of the main problems and contradictions in the solution of the problem of attracting financing for the implementation of damage repair projects in the Russian law enforcement field, the analysis of indicators characterizing the dynamics of financing of such projects in the Russian regions, and the methodology for selecting priority objects of accumulated damage for their financing at the federal level.

In Chapter 5, the authors shed light on the issues of the current state of marketing business orientation in Russia. In doing this, they define the demand for marketing models for increasing the consumer orientation of business. Their research reveals the current approaches to organizing effective marketing models including national business specific features, highlighting in the process the role and place of the marketing framework on emerging markets.

A discussion of the features, factors, and conditions for competence-based management development highlighting its role in the system of banks and financial technology companies' management system of sustainable development is laid down in Chapter 6.

Chapter 7 demonstrates the use of the Coenosis Theory to design and analyze cost systems of an ordinary industrial enterprise, including the use of numerically reliable statistical computations.

The study in Chapter 8 looks at the prospects of treasury technologies considering the current financial environment in Russia. The purpose of the chapter is to justify the promising treasury technologies improving the quality of budget flows' management. Herein, the authors highlight the mission, role, and values of the treasury institute. They carry out a comparative analysis of treasury technology for the implementation of foreign budgets with domestic practice and justify the need for development of treasury technologies providing the liquidity of single treasury account. Finally, they suggest expanding the positive experience of the Federal Treasury using treasury technologies ensuring the efficient use of budgetary funds on both regional and local levels.

In Chapter 9, the authors investigate the essence of an individual strategy for entrepreneurship activities. In addition, they provide characteristics of survival, growth, and product strategies. They also prove the reasons for the overwhelming use of survival strategy compared to growth strategy, to ensure individual

entrepreneurship activities. Moreover, the importance of forming a proper product strategy to survive in the severe competition is also revealed. They suggest estimating the compliance of the chosen strategy with the potential and opportunities of an entrepreneur to assess risks built in the strategy, monitor the growth goals, and control their compliance with the chosen strategy.

Chapter 10 is devoted to the problems of an optimal and economically grounded approach of the tax revenue distribution among the Russian Federation subjects. They note that the large territory of Russia and inhomogeneity of the tax space make this problem more complex. The object of this research is to identify a fiscal mechanism aimed at improving the country's fiscal tools.

The authors in Chapter 11 look at the post-industrial information society, the role of mass communication, public information, information space, social and political discourse, as well as how Internet as a new communication environment has become exceptional. They note that according to the widespread view, the social system and history as a whole change not only the development of material production, but also improve the information resources. They continue to note that information technologies are now widely used both in the activities of commercial organizations and public authorities. Moreover, they lay down the key aspects of economic interaction of the world information economy and the features of the development of Russian society in this process.

Within Chapter 12, the authors reveal the concept of economic capital, explore approaches to its evaluation, assess the implementation of the concept of economic capital in the national banking system, and identify problems and possible directions for development and convergence of the Russian approach with international requirements.

In Chapter 13, the authors present and discuss corporate reporting presented by the companies themselves as one of the major sources of information for the successful business of investors and other stakeholders. They suggest that such report significantly facilitates a dialogue between western stakeholders and companies that plan to enter the world markets. They note that a corporate report reveals information on the priorities and values of the company in the sphere of sustainable development and provides data on the results of its impact on the economic, social, and ecological sphere.

In Chapter 14, the authors examine various scientific projections of Marx's central concept of labor alienation (ontological, epistemological, praxeological, and perceptual). They carry out a comparative analysis of the essential characteristics of the category of "alienation" by Karl Marx, which allows one to systematize new features and ways of realizing the alienation phenomenon. This phenomenon is analyzed from the perspective of the modern context of reality, distinct from new forms of social and economic transformations and modernization of productive forces, considering different spheres and levels of interaction between economic actors.

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# CHAPTER 1

## GREEN ECONOMY: A PHENOMENON OF PROGRESS AND A CONCEPT OF ENVIRONMENTAL SECURITY

A. U. Albekov, T. V. Parkhomenko and  
A. A. Polubotko

### ABSTRACT

*This chapter presents the development prospects of environmentally safe standards in the Russian Federation. It also addresses the imbalance between the natural, socio-economic, and scientific substantiation of green economy development.*

*The main idea of this chapter is based on the necessity of technological modernization, which would facilitate the reduction of environmentally unfriendly production methods, the decrease in natural resources depletion, and the increase in economy competitiveness by reducing the dependence on carbon energy.*

*The authors substantiate reasons and effective solutions for a green economy aimed at realization, implementation, and successful exploitation of innovation in the alternative energy production space.*

**Keywords:** Green economy; logistics; concept of environmental security of the society; advanced solutions; energy; sustainable development

**JEL classification:** F01; O10; O40

## INTRODUCTION

While understanding the scientific and methodological prospects of economic development, scientists assess new trends regarding the introduction of environmentally friendly logistics standards and organizational and functional mechanisms in their attempt to develop the social-economic system of Russia. They use the most effective domestic and world practices, determining the role of marketing and management in the development of green standards. They take into account the opportunities of environmental auditing, which allows adjusting energy dependence in the future, activating the processes of physical waste recycling by maintaining a balance between the infrastructure supply development and the availability of affordable environmental and hi-tech technologies. In this regard, they open up new horizons for the development of strategic industries, rational consumption of finite resources, and enhancing the role and significance of green logistics as a fundamental driver of eco-progress.

The development of global economic systems in Russia and the world is determined by the aggravation of the struggle for energy resources in the inter-country arena and the accessibility to new technologies. Changes in the standards of environmental legislation impose the need to apply the achievements and innovations of the “green” economy to the organizational and managerial structure of the domestic economic complex in the format of a scientifically applied doctrine (Albekov, 2016).

Every year, the problem of energy saving, which is directly related to general environmental issues, is becoming exacerbated, as consumption growth inevitably leads to environmental pollution, which portrays the problems of economic and environmental security. All these require theoretical substantiation and expansion of the methodological base used for the study of green economy and the development of methods and tools for its regulation by the state.

The area where humanity is involved in certain economic activities is limited on a global scale and it is the basis of the common system. This means that every action at a system level has specific boundaries and defined opportunities and risks. All borders, opportunities, and risks form and define the individual and collective ability to develop the green economy. The institutions of each subsystem are linked to the management systems that form them, which determines the priority of state regulation for the development of the “green” economy.

## THEORETICAL, INFORMATIONAL, EMPIRICAL, AND METHODOLOGICAL RESEARCH GROUNDS

The shift of the international community’s interests in the field of green technologies development assumes the improvement of global formats of communication access to the consumer and corrects the specifics of supplies. It also forms environmentally friendly channels and chains, and progresses the format of the most effective integrator of scientific solutions to strengthening social, economic, and environmental security of state interests (Shekhovtsov et al., 2017; Kosinova et al., 2016).

The current size of world production and consumption led to the catastrophic imbalance in the development of natural and socioeconomic systems, deteriorating the critical imbalance of their interaction. The concept of long-term sustainable development, based on the green economy, has acquired significance, which is aimed at the formation of new mechanisms of state regulation. This regulation is favorable to the development of environmentally friendly industries and technologies and helps in the creation of green infrastructure and the transformation of key institutions of a society based on environmentally safe standards. However, the foregoing Concept requires detailed theoretical grounds and methodological basis of the green economy study as well as its methods and tools of sustainable development and public management.

Prospects for the development of environmentally safe standards open new horizons for the socioeconomic stability of the society such as:

- equality and justice both within one generation and among generations;
- compliance with the principles of sustainable development;
- application of precautionary measures with respect to potential impacts on the society and environment;
- adequate consideration of natural and social capital and rationality of costs throughout the production life cycle;
- improvement and integration of management systems with the participation of all stakeholders;
- sustainable and efficient use of resources, efficient reproduction, and balanced consumption;
- contribution to the achievement of existing macroeconomic goals through the creation of “green” jobs;
- poverty elimination; and
- increase of competitiveness and guaranteed growth for the key sectors of the economy.

Restrictions in the application of the green economy imperatives can be identified in the inertia of the institutional and technological base, differences in the level of development of green economy standards among different countries, country differences in the scale and effectiveness of state support to the green economy and clean energy, and limited influence of the state to green investments and manufacturing subsidies. For the regulation of the green economy, financial centers have been established, green bonds have been issued, green insurance institutions have been introduced, green banks are being established, etc. (Albekov et al., 2017).

It is important for Russia to implement a system of state regulation that relies on the following key priority areas such as:

- green taxation (fees);
- green government purchases (drivers of environmental innovation);
- environmental expertise of financial support for exports (for convergence of green standards);

- transition to green technologies and energy saving (from affordable to efficient);
- green small- and medium-sized enterprises; and
- green logistics.

The process of the innovative transformation of logistic technologies into ecologistics presupposes the implementation of green standards. This allows doing end-to-end monitoring of the scale changes in the negative impact on the production processes, transportation, and warehousing of products along the perimeter of the supply chain, confirming its effectiveness at a new turn of innovative scientifically sound economic growth and avoiding the risk – the loss of eco-parameters and damage to the environment. Today, logistics unwittingly attract a consumer into production processes.

Modern logistics are able to translate the dominant doctrine of optimization, with respect to environmentally friendly technologies, into production and distribution systems both at national and global scales. Modern logistics are minimizing and redistributing the high burden on the environment, which is attributed to the existing methods of production and distribution. Problems of environmental audit of logistical processes in the context of post-crisis growth come to a new significant level. They suggest a wide range of prospects and opportunities for environmentally sustainable development of socioeconomic systems, investment increase in programs for leveling environmental pressure on nature, and reconfiguration of the opportunity of multi-channel logistics.

It is necessary to modernize the technology that contributes to the reduction of environmental pollution and the depletion of natural resources, increase the competitiveness of the economy by reducing dependence on carbon stocks and its role in the cost of the final product, actively introduce green innovations that promote the technological renewal of a number of basic industries that have a large multiplier effect, and make a transition to a low-carbon economy and reduce carbon dependence, which will reduce greenhouse gas emissions and help to fight climate changes more effectively.

## RESULTS

Thus, the green economy is a field in economic science and practice, which justifies the dependence of economic development on the components of the natural environment. In terms of the scientific direction, it is the development of new technologies and clean industries and the adaptation of regulatory public frameworks regarding environmental management. In practical terms, these are activities that create and increase the natural capital of the earth and reduce environmental threats and risks (Albekov, 2016).

At the same time, the monitoring of the transition process to the “green” economy, by means of financial and economic indicators, will be aimed at creating institutional conditions for the operation of the “green” economy by stimulating investments in raising natural capital with innovative methods of state regulation.

The roadmap for the development of the “green” economy and the use of natural resources at a national level are relevant nowadays. The roadmap should envisage both the reduction of environmentally harmful emissions, as well as measures for land conservation, earth fertility, conservation of freshwater, and measures for financial and economic regulation (Parkhomenko et al., 2014).

The development of formal institutions in the context of the transition to the “green” economy requires an improved management system, by creating a specialized Council under the President of the Russian Federation that ensures coordination and control over the process of transition to the “green” economy in Russia by considering national interests.

The high school undoubtedly serves as the main link in environmental education, where the fundamental foundations of green culture are established, contributing to the radical modernization of specialists’ training.

Relying on the most promising researches in the field of logistics in Europe, it is interesting to mention the concept of “green” transport corridors (Green Transport Corridors Concept) and the transport corridor East–West (East–West Transport Corridor) (Medvedeva et al., 2016).

In Russia, there is no a regulatory framework for the creation of an open institution which would issue comprehensive environmental rules involving public and private interests as well as a system of state environmental supervision. The best practices and principles of regulatory policy are not implemented with the definition of costs for business and the overall effect from the introduction of eco-innovations. In addition, the fundamentals of “green” taxation and the system of “green” state orders have not been elaborated. Similarly, the financial support for exports at the initial stage of development of energy-efficient projects aiming to promote high ecological and inclusive growth is not formed yet.

The world community has moved from the division of territories to the clear sharing of resources. Historically, territorial wars have been replaced by clashes of interests relative to the resource base, sometimes concealed in other political and economic conflicts. The decisive factor for the protection of the environment is green logistics, integrated planning in supply chains, and interconnection of system elements in the energy complex. This development could significantly activate possible scenarios for the development of alternative energy generation.

There are a lot of successful examples in this respect, as evidenced by the wide scientific and applied practice of effective solutions in innovative electricity industry which uses resources that are practically non-material. Theoretical and methodological developments in the relevant research concentrate on the efficient use of wind, solar, and hydropower. Solar, wind, and wave power are practically not tangible, not material; however, at the same time, they are capable of generating energy on an inexhaustible basis, causing no harm to the environment.

The main reason for the introduction, implementation, and successful operation of innovative alternative energy generation solutions is the clear soundness and effectiveness of the application of new technologies. The main reasons for the development of alternative energy can be determined as follows:

1. Minimization of harm to the environment as a basis for the safety of future generations and, at the same time, guaranteeing stable energy supply in the long term (depending on the technologies used and the service life of alternative energy generation facilities is from 50 to 100 or more years).
2. High resource intensity for domestic production and a steadily growing level of industrial consumption. The problem that exists for many years, and from the logistics point of view, cannot be solved in the short term because of its scale in terms of a huge country. Certain advances have taken place already, but coordination is difficult because large capital investments are required.

Significant capital has been invested for the development of energy in Russia during the last century, which allows uninterrupted consumption. With respect to the new capacities, it is necessary to make a choice with regard to alternative generation facilities, because the need for their construction and commissioning is being exacerbated every year. This is due to the deterioration of the mining and the generating equipment.

The construction of a powerful wind farm in the Southern Federal District, on the territory of the former gaming zone of the Azov City can be rightfully considered as one of these solutions. This rational, clearly verified solution carries a number of benefits (protection of the environment, creation of additional jobs, adjustment of active energy balances, etc.).

3. The exhaustion of reserves dictates strict conditions, according to which only a few generations can exist without fear of a deficit of energy produced in the traditional way. Further, the situation cannot be clearly predicted, because it is impossible to ensure stable development prospects without alternative generation, as well as social, economic, and environmental safety of future generations.
4. The improvement of the transmission and/or the distribution infrastructure is growing in theoretical and applied aspects, because the issue of minimizing losses is very crucial. It can be solved by using alternative energy facilities or a significant elimination of the distribution networks; whereas, at the same time, it is required to protect the channel to transfer the surplus of energy produced.
5. Rapidly increasing energy consumption is threatening to reduce the limits of uninterrupted stable supply forces and to look for new ways to minimize resource dependence.
6. It must be feasible to talk about the climate changes with certain substantiation, their consequences being able to tighten and substantially correct the environmental safety throughout the world.
7. There is a stable opinion about the need to strengthen the stability of energy supply, the parameters of its reliability and keep its functioning uninterrupted. It is also relevant to remote areas, which, for example, are deprived of the connection to the grid. In this respect, without complicating the understanding of the previous problems, let us note that the situation in the energy market is also becoming more complicated year after year because of the increasing price of oil, gas, coal, and other potential energy resources.
8. The increasing energy cost per year makes many economic entities to consider the option of self-energy sufficiency. In addition, the supply of technological support to wind and solar energy generation in Russia is growing, which is in line with the state's interests of substituting imports within the domestic productions.

The problem of the development of high-tech solutions in certain sectors of the economy assumes a significant adjustment in the study of environmental problems. The analysis of the research practice of environmentally friendly technologies in the field of electricity production indicates the aggravation of the problem of generation, distribution, and energy consumption, which is reflected in the format of weakening socioeconomic and environmental security. To be fair, let us note that this problem has not yet become acute for our country, because Russia fully supplies its territory with electricity.

Main significance is given to scientific and applied developments in logistics for the sighting of power systems development. This development can provide opportunities to optimize and maintain the proportions of sustainable development of social, economic, and environmental security with respect to further production and consumption of energy due to its rich instrumental component. Let us provide some facts about the history of development of renewable energy sources in the rest of the world. The Renewable Energy Sources (RES)-energy has been developed abroad after the introduction of a preferential “green tariff” (feed-in tariff), which facilitated the profitability of both generating and micro-generating companies based on renewable energy sources. Such tariff first appeared in the United States in the late 1970s with the goal of developing low-carbon energy sources in response to the energy crisis that began after the oil embargo. Since then, the “green tariff” is used not only in the United States, but also is actively used in countries of Western Europe (Germany, Italy, and Denmark) and some countries of the Asia-Pacific region.

The concept of the “green tariff” is based on the following conditions fundamental for all countries that contribute to the development of RES:

- guaranteed connection to distribution networks and compulsory purchase of electricity by sales companies;
- signing long-term contracts for the purchase of electricity (from 15 to 25 years);
- a tariff for electricity generated by RES is calculated on the basis of a “cost plus”; and
- approach and subsidized by the state.

This concept is most successfully applied in Germany, which has achieved high results in the development of renewable energy sources for 30 years of the program’s existence. According to the International Renewable Energy Agency, the capacity (including micro-generation) of Germany’s wind power generation installed in 2016 was 45 GW (31% in the European Union [EU]) and solar 40 GW (40% in the EU). According to the Institute of Solar Energy Systems, the share of RES in the total electricity supply in Germany in 2016 was 33.9%.

## CONCLUSIONS AND RECOMMENDATIONS

On summarizing, the situation may significantly change in favor of the development of alternative generation and the protection of the environment as a dominant privilege of using renewable energy sources with legislative support for the ability to transfer part of the energy to the power grid.

The economic effect of the developments presented previously can be expressed in the mechanisms of the influence of the principles of the green economy through the increase of gross domestic product. This is facilitated by the following four factors: input effect, efficiency growth, stimulation effect, and innovation effect. The efficiency factor is connected to productivity improvement by correcting market failures and influencing models of production intensification using material and financial resources efficiently. It develops the wind power generation potential, thereby providing energy and environmental safety. In practice, this is an effective response of Russian society to global challenges, taking into account the interaction of the “man–technology–environment” system in creating favorable conditions for the oxygen–carbon balance, enhancing the social significance of forest areas and on the concept of import substitution.

The social effect can be realized by increasing the amount of natural resources, human labor, and physical capital and more specifically:

- increasing capital through more efficient management of scarce resources;
- improving the quality of work by improving health (more effective environmental policy reduces the level of atmospheric pollution in cities, reduces severity and the number of respiratory diseases, improves labor efficiency, and reduces the number of days lost due to illness);
- increasing the efficiency of agricultural land used;
- increasing the productivity and stability of food security indicators; and
- increasing the physical capital by more efficient management of natural risks, which, in turn, leads to the reduction in capital losses from natural disasters.

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