



Association
of European
Businesses

OPEN INNOVATIONS FORUM 2019

SESSION: BUSINESS DIALOGUE "TECHNOLOGICAL DRIVERS FOR EXPORTS DEVELOPMENT"

EVENT PARTNER: ASSOCIATION OF EUROPEAN BUSINESSES

DATE AND VENUE: 23 October 2019 (time tbc), Skolkovo Innovation Centre, Moscow

SESSION DESCRIPTION: European digital technologies for sustainable development of Russian exports

CONCEPT:

Integration into global value chains (GVCs) is often considered as an important tool for expanding exports. The nature of the economy integration into GVCs (primarily, in terms of the volume of added value in exported goods) reflects the level of development of any industry within the national economy.

We currently observe a decrease in Russian exports complexity index. However, the rate of exports of services, including in traditional sectors, remains generally high. At the same time, the trend towards advanced growth of exports of services in ICT sector is evident. Loss of positions in GVCs and reduction of domestic added value may be due to the traditional orientation of enterprises on resource intensive goods, limited demand for high-value-added goods on the domestic market (including due to obsolescence of the standards for products with high processing levels), obsolescence of technologies and low level of innovative activity in order to achieve higher processing levels and upper stages of GVCs.

According to estimates by the Higher School of Economics, imports of goods and/or services are crucially important for exports, especially complex. In terms of the share of processed products in the exports structure and its growth in 2000-2017, Russian economy is somewhat similar to the economies of such resource producing countries as Norway, Chile, Australia and Argentina. Prior to 2009 Russia implemented the strategy of dropping out of GVCs, localisation, exporting simpler goods and reduction of domestic added value in final foreign consumption. Since 2009 Russia has demonstrated the tendency towards fostering the assembly processes from domestic and imported components and the exports of more complex goods. In general, by 2014, in comparison with 2000, foreign added value in Russian exports decreased by 13 %, and domestic added value – by 22 %.

The technological and especially digital gap may enhance risks of the global market fragmentation and may lead to discrimination on technological development and economic opportunities in general. It is related to the prospects for shaping the groups of economies based on the most advanced technological platforms. In this regard, it is crucially important to create an up to date competitive product by means of applying the best global technologies and components.

Topics for discussion:

- What technologies are the most decisive for the competitiveness of Russian products and solutions?
- What technological innovations are required to establish Russian enterprises able to compete with the best global ones, in particular those originated from Asia?
- What changes are required for developing integration of imported solutions and components to contribute to Russian exports growth/ integration into GVCs?
- What industrial sectors are the most promising in terms of Russian exports development?

SESSION STRUCTURE

1. INTRODUCTION

Michael Akim, Chairman of the AEB Working Group on Modernisation and Innovations, Vice-President, ABB Russia (moderator)

2. DISCUSSION PANEL

Topic:

"THE TERRITORY OF HIGH-TECH COOPERATION: PROSPECTS FOR COOPERATION WITH EUROPEAN COMPANIES IN THE FIELD OF EXPORTS DEVELOPMENT"

Q & A session

3. WRAP-UP