

Invest Priority Project to Use Forest: How to Replace Administration by Competitions

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The article deals with the problems of implementation of priority investment projects in the field of forest development, introduced by article 22 of the Forest code of the Russian Federation. It is proposed to replace the existing administrative approach with a new institutional organization of competitive selection of private businesses with the criteria of maximizing rental income.

Thus, the indicators characterizing the effectiveness of investment projects clearly demonstrate that existing system of forest management is not able to create innovative institutional forms of production organization based on the integration of the forest industry and forestry. Existing approach to select investment projects does not provide the conditions for effective use and location of forest industries.

The article present the rental instruments to estimate the investment projects efficient. It will replace administrative decisions by competitive selection of investors in order to grant the rights to use forest. Forest management plan is considered as base of competitive selection.

Forest management plan in the status of the subject for the competitive selection of investors should consist of three blocks:

- 1 – Data about the applicant (investor);
- 2 – The forest plot inventory data;
- 3 – Applicant's plans in the field of use, reproduction and protection of forests, allowing establishing an integrated estimate of the activities effectiveness at the site, presented for competition.

Priority investment projects remind the concession agreement, with their successful effective implementation, should become the main trend in the strategy of the forest sector development.