

State support of JSC "Russian railways"

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Abstract. The main sources of funds for railway investment projects in Russia are still state and regional budgets, funds from the National Welfare Fund, the net profit of Russian Railways, and pension savings from the Pension Fund of Russia. The reform of the system of the Ministry of Railways and the creation of JSC "Russian Railways", which began in 2016, has not yet released the state budget from financing its needs, and there has been no active use of private investment. Moreover, the monopoly began to seek to shift the financing of not only the modernization and construction of tracks, but even the maintenance of existing infra-structure on the shoulders of the state and shippers. From year to year, there is an increase in the total amount of state support for Russian Railways. Part of the received state support funds in the period under review is spent inefficiently by JSC "Russian Railways". The remaining budget funds that are not used by JSC "Russian Railways" additionally burden the economy, increasing inflation by various surcharges to tariffs, but the available budget funds are not selected in full, and billions of fines are paid for this. There are low rates of implementation of individual investment projects, overestimation of expenses for the purchase of equipment, an increase in the cost of construction, the cost of contracts for a number of objects exceeds the cost determined by state expertise, etc.

Keywords: state support, federal budget, regional budgets and off-budget funds

1 Introduction

The reform of the system of the Ministry of Railways and the creation of JSC "Russian Railways" were almost primarily justified by the prospects of attracting investment resources. It was assumed that the Corporation, unlike the Ministry, would actively use private investment and free the state budget from financing its needs. In December 2016, the government of the Russian Federation for this purpose increased the authorized capital of Russian Railways by 24.98 billion rubles; as recently as in April 2017 – by another 29.78 billion rubles.

However, it turned out somewhat differently: having taken a course to become an infrastructure company, the monopoly began to seek to shift the financing of not only the modernization and construction of tracks, but even the maintenance of existing infrastructure to the shoulders of the state and shippers.

In modern conditions, one of the factors hindering the country's economic development is the insufficient level of development of infrastructure sectors, including transport infrastructure.

Transport as a system-forming branch of the Russian economy cannot develop without modern infrastructure. It, in turn, is the most important condition for the effective use of the resource potential of both a particular region and the country as a whole. Modern infrastructure and effective management of the infrastructure complex

contribute not only to increasing the productivity of the transport process and increasing the availability of transport services in accordance with social standards, but also to the growth of gross domestic product and the creation of new jobs, preserving the common economic space and transport mobility of the population. In a global economy, building and improving supply chains improves the competitiveness of the transport system on the world market and promotes the growth of exports of transport services.

The development of transport infrastructure is determined by the influence of a number of factors that are usually considered as infrastructure-forming [5]. At the same time, the creation and smooth operation of infrastructure facilities requires significant capital investments, taking into account the significant capital intensity and inertia of the industry, while most infrastructure projects are often unique and practically unprofitable.

According to the spatial development strategy, the implementation of infrastructure projects is de-signed to stimulate economic growth, primarily by removing structural restrictions, which will create a transport framework for economic development [9].

2 Problem Statement

According to various estimates, the additional need for infrastructure investment in the Russian Federation is at

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least 3.5 billion rubles per year, and for accelerated economic development – more than 7 trillion rubles per year. However, such funds are unlikely to be attracted in the coming years [3].

Today, the share of budget financing in the field of infrastructure construction in our country is more than 50 percent (Federal and Regional budgets). The share of private investment in the infrastructure project market remains low (from 3 to 5 percent). For comparison, it is from 30 to 50 percent abroad [2].

When determining the priorities of the investment strategy of JSC "Russian Railways", one of the goals is

to implement a set of measures aimed at increasing the capacity of the infrastructure.

The new version of the Federal target program "development of the transport system" provides for financing activities from 2018 to 2021 in the amount of 7.75 trillion rubles [4].

The fact that the state has to invest significant funds in the Corporation to implement its investment projects for infrastructure development, we suggest analyzing the volumes and directions of state support for the period 2017–2019 (table 1, figures 1, 2, 3).

Table 1. State support from the Federal budget, regional budgets and extra-budgetary funds for the period of 2017–2019, billion rubles (compiled by the authors based on Social responsibility of Russian Railways, 2017, 2018, 2019).

Directions of state support	Period, year		
	2017	2018	2019
	Amount, RUB bln		
Direct support	37.8	43.2	42.8
Subsidies to compensate for losses in revenue resulting from state regulation of tariffs for services for the use of public railway transport infrastructure provided during the transportation of passengers in suburban traffic	35.4	36.8	37.1
Subsidies to finance part of the costs associated with the registration of intellectual property objects on foreign markets	0.001	0.004	-
Subsidy for reimbursement of expenses related to the maintenance of infrastructure for transportation on the Small ring of the Moscow railway	1.3	5.9	4.9 ¹
Subsidies for the purpose of compensation of the lost income arising as a result of state regulation of tariffs for transportation of passengers by rail in suburban traffic in the territory of Krasnodar territory	0.7	0.07	0.07
Funding received from the social insurance Fund for planned preventive measures for injuries	0.3	0.3	0.4
Subsidies provided in connection with the regulation of electricity and heat tariffs	0.1	0.1	0.2
Subsidies for reimbursement of expenses for work on the liberation of territories that fall within the zone of reconstruction and construction of objects of the Small ring of the Moscow railway	0.05	0.02	-
Subsidies received for the maintenance of low-intensity sections of the railway	0.02	0.02	0.02
Cost recovery for reconstruction of public railway transport infrastructure	-	0.04	0.04
Subsidy for reimbursement of costs for carrying out design and survey work to assess the economic efficiency of transport infrastructure development in the Samara region for the organization of high-speed rail services	-	-	0.03
State support for shippers (consignees) through the company's budget	-	1.7	0.004
Subsidies for compensation of losses in income resulting from the establishment of preferential tariffs for grain transportation	-	1.7	0.004
Implementation of state projects through the budget of JSC "Russian Railways"	60.6	57.9	59.2 ²
Development of the Moscow transport hub (development of the MTU railway infrastructure):	26.8	23.1	47.3
• including from the Federal budget	17.4	12.1	7.02
• including from the Moscow budget (in 2019, including from the Federal budget through an inter-budget transfer from the Moscow budget)	9.4	11.0	40.2
Construction of the railway line Prokhorovka-zhuravka-Chertkovo-Bataysk	16.2	-	-
Speed and high-speed traffic	0.09	0.09	-
Comprehensive reconstruction of the Gorky-Kotelnikovo-Tikhoretskaya-Krymskaya Metro section with a bypass of the Krasnodar junction	17.6	31.9	-
Development of railway infrastructure on the Mezhdurechensk-Taishet section (Construction of the railway section and strengthening of power supply devices)	-	2.8	11.98
Compensation for losses related to the need to reconstruct the existing intersection of the Perm-Yekaterinburg highway with railway tracks on the 1446th kilometer of the Baharevka-Ferma stage	0.01	-	-
Compensation for losses related to the construction of pedestrian crossings over railway tracks in the Saransk city district	0.01	-	-
Implementation of state projects at the expense of the National Welfare Fund	-	20.0	19.5
Financing of the program of modernization of the railway infrastructure of the Baikal-Amur and Trans-Siberian railway lines with the development of throughput and transportation capacities from the NWF (Development of throughput and carrying capacity)	-	20.0	19.5
Transfer of real estate from state ownership to the authorized capital of JSC "Russian Railways"	-	0.8	0.3
Total government support	98.4	123.6	121.8
• including the Federal budget	96.0	97.2	96.64
• National Welfare Fund (NWF)	-	20	19.5
• regional budgets and extra-budgetary funds	2.4	6.4	5.66

¹ Refund of the unused balance of the subsidy (grant) in the amount of 0.3 billion rubles was made in 2020

² the Agreement is a long-term one with a deadline for commissioning facilities in 2022, and the remaining budget investments in accordance with the agreement are planned for 2020–2021.

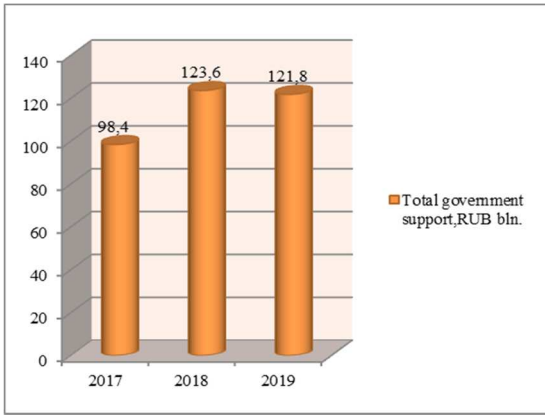


Figure 1. Dynamics of the volume of state support for JSC "Russian Railways" for the period of 2017–2019, billion rubles

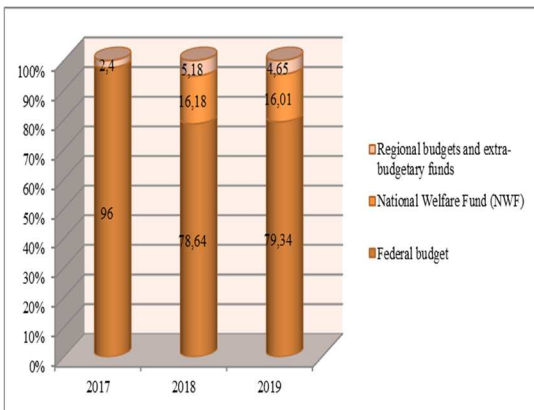


Figure 2. Dynamics of the structure of the volume of state support of JSC "Russian Railways" for the period of 2017–2019, %

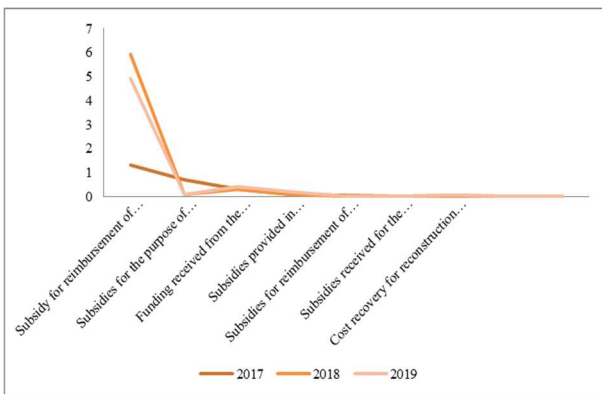


Figure 3. Dynamics of the volume of state support to JSC "Russian Railways" from regional budgets and extra-budgetary funds for the period of 2017–2019, billion rubles.

3 Research Questions

Data from table 1, figures 1 and 2 show that over the three-year period under review, the total amount of state support for Russian Railways increased by 23.4 billion rubles, or 23.8 %. From year to year, there are changes in the structure of state support. Since 2018, it has been implemented using funds from the National Welfare Fund (NWF). In 2019, compared to 2017, state support from regional budgets and extra-budgetary funds almost doubled, and state support from the Federal budget decreased by 2.21 %, respectively.

The government of the Russian Federation, on a long-term basis until 2030, is implementing state regulation of tariffs for the services of JSC "Russian Railways" for the use of public railway transport infrastructure in suburban passenger transport. Compensation for losses in the income of the infrastructure owner is carried out in the form of subsidies from the Federal budget. From year to year, there is an increase in the number of subsidies. Thus, in 2019, compared to 2017, its volume increased by 1.7 billion rubles, or 4.8 %.

In 2019, the implementation of state projects for the development of railway transport infrastructure continued, the financing mechanism of which was carried out through the budget of JSC "Russian Railways" through a contribution to the authorized capital. In addition, in 2018 and 2019, the National Welfare Fund of Russian Railways received 20 and 19.5 billion rubles, respectively, as a contribution to the authorized capital due to the issue of preferred shares, to finance the program of modernization of the railway infrastructure of the Baikal-Amur and Trans-Siberian railway lines with the development of throughput and transportation capacities. Real estate was transferred from state ownership in the form of a contribution to the company's authorized capital in the amount of 0.8 and 0.3 billion rubles, respectively, over the years.

4 Purpose of the Study

Direct financing of projects puts a significant burden on the state budget and does not provide an acceptable ratio of cost and quality of project execution [10].

The growth of state support for Russian Railways from regional budgets and extra-budgetary funds creates an additional burden on these budgets.

5 Research Methods

The accounts chamber of the Russian Federation, in accordance with the legislation, considers the results of the audit of budget execution and budget reporting on the execution of the Federal budget by the chief managers of budget funds. The main results are published on the website of the control body as the Board approves the relevant conclusions.

The Board of the accounting chamber approves the conclusion on the execution of the Federal budget in the Federal Agency for railway transport.

The objects of monitoring and control were the Federal Agency for railway transport (Roszheldor), JSC "Russian Railways".

6 Findings

In 2017, to continue the implementation of investment projects, JSC "Russian Railways" was provided with budget investments in the form of a contribution to the authorized capital in the total amount of 60.6 billion rubles. Projects are implemented within the framework

of the investment program approved by the company's Board of Directors [1].

The analysis of the accounts chamber showed that the processes of planning budget allocations for making contributions to the authorized capital of Russian Railways and forming an investment program are not interrelated. The amount of contributions to the authorized capital in 2017 and the resulting balances at the beginning of the year exceeded the amount of Federal budget funding provided for in the investment program by 46.6 billion rubles.

When planning budget allocations for making contributions to the authorized capital, Roszheldor does not conduct a proper analysis of the possibility of using budget funds, as well as the pace of their actual development. This led to the formation of significant balances at the year end. Thus, when making changes to the Budget for 2017, Roszheldor's proposals for additional financing of the project "Complex reconstruction of the Gorky-Kotelnikovo-Tikhoretskaya-Krymskaya section with a bypass of the Krasnodar railway junction" for 7 billion rubles were taken into account. As a justification for the need for additional project financing in 2017 Roszheldor indicated the need to maintain the pace of work in order to complete its implementation on time. At the same time, at the end of 2017, the undeveloped balance of Federal budget funds allocated for the project implementation amounted to 9.8 billion rubles.

Roszheldor does not take into account the parameters provided for in the investment project passports when setting the terms of commissioning of a number of objects in contracts with Russian Railways. Thus, in accordance with the agreement of April 27, 2017, the deadline for commissioning individual objects within the framework of the project for the development of the Moscow transport hub is set for 2025. At the same time, according to the passport, the project implementation period and reaching its design capacity is 2020.

A low level of planning Roszheldora of volumes of the budgetary appropriations directed on financing of investment program of JSC "Russian Railways" annually, entails the failure of JSC "RZD" of the obligations accepted under contracts of transfer of shares in the expense of budget investments and, as a consequence, the non-implementation rates before the end of 2017, provided public investment.

According to the results of 2017, budget allocations in the amount of 3.7 billion rubles provided under the share transfer agreement dated April 27, 2017 were not disbursed. As a result, under the terms of the share transfer agreement dated April 27, 2017, the estimated amount of the fine is 5 % of the amount of the transferred contributions to the authorized capital of JSC "Russian Railways" (29.8 billion rubles) or 1.5 billion rubles.

One of the reasons for the formation of budget balances is the slow pace of implementation of individual investment projects. Thus, the project "Integrated development of the Mezhdurechensk-Taishet section" should be completed in 2019 to develop a promising cargo flow towards the ports of the Far East.

The project has been funded from the Federal budget since 2013. Due to non-fulfillment of project implementation obligations, at the beginning of 2017, the remaining unused budget funds in the amount of 20.5 billion rubles were formed. These funds were transferred back in 2013, 2014 and 2015. In 2017 JSC "Russian Railways" accepted works on this investment project only for 3.3 billion rubles.

In accordance with the decisions taken by the Government, Russian Railways has been granted the right to use in 2017 the funds of unused contribution balances in the amount of 15 billion rubles for the implementation of the project for the construction of the Prokhorovka-Zhuravka-Chertkovo-Bataysk railway line and other projects. According to the explanation of Russian Railways, non-use of budget funds is due to non-fulfillment of its obligations by the contractor [1].

In general, Federal budget funds in the amount of 80.5 billion rubles were used to finance investment projects of JSC "Russian Railways" in 2017, which is 69 % of the total amount of contributions to the authorized capital and the balances of previous years at the beginning of the year. The amount of completed works is 68.9 billion rubles.

The analysis of the accounts chamber showed that the expenses of JSC "Russian Railways" for the purchase of equipment for a number of construction and reconstruction projects as part of the investment program projects in 2017, financed from the Federal budget, exceeded the estimated cost of equipment approved by the state expertise (taking into account the corresponding deflator set by the forecast of socio-economic development of the Russian Federation).

In particular, JSC "Russian Railways" signed contracts for the supply of equipment in 2017 for the object Complex reconstruction of the Kotelnikovo-Tikhoretskaya-Korenovsk-Timashevskaya-Krymskaya section with a bypass of the Krasnodar junction of the North Caucasus railway. Construction of the second track on the Forgotten-Polivnyansky section for a total amount of 233.6 million rubles, which is 27 million rubles higher than the cost of equipment approved by the positive conclusion of the state expert examination of October 10, 2016, taking into account the deflator for 2017 (206.6 million rubles).

Based on the results of the audit of the use of NWF funds for the modernization of the railway infrastructure of the BAM and Trans-Siberian railway, in 2017 the parameters of the passport of the specified infrastructure project were adjusted. The start of the operation phase has been postponed from 2018 to 2020.

In the framework of adjusting the parameters of the passport of the project of JSC "Russian Railways" was a proposal of the accounting chamber about the direction of the project's financing income in the amount of 7.9 billion rubles received as interest on balances of funds of the NWF. In the new version of the project passport, Federal budget funding has been reduced by the specified amount.

In July 2017 JSC "Russian Railways" made additional advances to contractors at the expense of the National Welfare Fund in the amount of 3.7 billion

rubles, which significantly exceeded their needs for 2017. As a result, the unused balance of NWF funds from contractors amounted to 3.2 billion rubles (86 % of the amount of additional advance payments). At the same time, in accordance with the procedure for settlements under contracts with contractors approved by the company's order, advance payments under contracts for construction and installation work are set off in full annually no later than December 31.

When calculating the initial (maximum) prices of construction and installation contracts in 2017, Russian Railways used deflators that did not correspond to the forecast of socio-economic development of the Russian Federation. This led to an increase in the cost of construction in the amount of 45.7 million rubles and, accordingly, expenses at the expense of the National Welfare Fund. In particular, according to the results of the state examination, the estimated cost of work on the object "Reconstruction of the locomotive maintenance point at the Ussuriysk station" in the prices of the 1st quarter of 2016 amounted to 405 million rubles. As a result of applying the deflator index that does not correspond to the forecast when calculating the initial (maximum) price of the contract, the price of the contract for work on the specified object amounted to 521.1 million rubles or exceeded the initial (maximum) price calculated taking into account the deflator set by the forecast by 17 million rubles.

Vadim Mikhailov, first Deputy General Director of Russian Railways, noted that in some cases, Russian Railways, without waiting for contributions from the Federal budget, finances investment projects at its own expense, so as not to interrupt the construction process, with subsequent reimbursement from the Federal budget. This allows for a number of investment projects to receive advanced execution.

The Board took the following action: on the results of monitoring of the investment program of JSC "Russian Railways" to send newsletters Roszheldora and JSC "Russian Railways"; the results of inspection of usage of funds of the NWF on the modernization of BAM and Transsib to send representation to the JSC "Russian Railways". They send reports on the results of events to the chambers of the Federal Assembly.

Long-term development program of JSC "Russian Railways" until 2025 envisages the development of public-private partnership in railway transport (including concessions) for the construction of new lines, involving public resources, investment infrastructure owner interested cargo owners and other "working arrangements" and an additional four trillion private investment [6].

Public-private partnership is a promising and long-term form of cooperation between the state and private business. It allows attracting technologies and management experience accumulated by businesses, stimulating investment activity of private capital, as well as improving the efficiency of public investment, including in infrastructure projects on railway transport. The variety of PPP forms and models used allows mutually beneficial distribution of risks between project participants. The use of public-private partnership

mechanisms helps to increase the competitiveness of infrastructure projects in the investment resources market. Therefore, new legislative initiatives are needed to encourage private investment in infrastructure construction, including in railway transport.

Given the importance and role of transport infrastructure, discussions continue today about which mechanisms to attract private investment are most effective. The creation and modernization of transport infrastructure is, on the one hand, the task and responsibility of the state, since it has all the characteristics of a public good. On the other hand, its development is impossible without the participation of business, especially since there is a gap between the actual and necessary amounts of budget financing for infrastructure development.

Many European countries faced the "infrastructure gap" in the 1990s. In the context of budget constraints, this required more active involvement of private capital in the infrastructure sector, which was done and significantly accelerated the creation of new and modernization of existing infrastructure facilities.

Public-private partnership (PPP) can act as a mechanism for supporting infrastructure investments by the state, being a special scheme for implementing an investment project on mutually beneficial terms for both business and the state, it allows attracting "long money" from private investors to solve certain tasks that have, among other things, a social effect. In world practice, the most flexible and effective form of attracting infrastructure investment is a concession. The first concessions in Russia appeared in 2006, and today they account for almost 80 % of all projects that have passed the stage of commercial closure. Under concession agreements, infrastructure bonds are issued, which, in comparison with corporate bonds, have a number of advantages, including state guarantees and risk insurance. Concession and public-private partnership are the main forms of implementation of infrastructure projects. Their main difference is in the approach to the transfer of ownership of the object and the possibility of pledge of such rights.

This format can provide a multiplier effect in the economy as a whole and more actively accumulate investment resources for infrastructure construction.

7 Conclusion

1. JSC "Russian Railways", implementing its investment program, inefficiently spends the allocated funds of the Federal budget.

2. Undeveloped budget balances of JSC "Russian Railways" additionally burden the economy, increasing inflation by various surcharges to tariffs, but the available budget funds are not selected in full.

3. Having Achieved the next state support, the monopoly, it turns out, is not able to manage this money in a businesslike way and is obliged to pay billions in fines. Thus, at the end of 2017, 3.7 billion rubles were not spent. As a result, under the terms of the share

transfer agreement dated April 27, 2017, the estimated amount of the fine is 5 %, or 1.5 billion rubles.

4. The processes of planning budget allocations for making contributions to the authorized capital of JSC "Russian Railways" and forming the investment program are not interrelated. When planning budget allocations for making contributions to the authorized capital, Roszheldor does not analyze the possibilities of their use and the pace of their actual development. As a result, the remaining funds are accumulated. As a result, the amount of contributions to the authorized capital in 2017 and the generated balances at the beginning of the year exceeded the amount of funding from the Federal budget provided for in the investment program by 46.6 billion rubles. However, this approach applies not only to contributions to the authorized capital. When agreeing on the terms of implementation of Russian Railways projects, the regulator does not check the passports of these projects, increasing them, as happened with a number of objects of the investment program of the Moscow transport hub. As a result, their implementation period increased by five years.

5. One of the reasons for underutilization of budget funds is the low pace of implementation of individual investment projects. For example, the project "Integrated development of the Mezhdurechensk-Taishet section", which is necessary for developing a promising cargo flow towards the ports of the Far East, should be completed in 2019. The state budget has been funding it since 2013. At the same time, the plans were not implemented in the proper amount, and by the beginning of 2017, the balance of unused budget funds reached 20.5 billion rubles.

6. Overstatement of expenses for the purchase of equipment financed from the Federal budget, and an increase in the cost of construction and, accordingly, expenses at the expense of the National Welfare Fund were identified.

7. In general, Federal budget funds in the amount of 80.5 billion rubles were used to finance the monopoly's investment projects in 2017, which is 69 % of the total amount of contributions to the authorized capital and the balances of previous years by the beginning of last year. At the same time, the monopoly accepted completed works for only 68.9 billion rubles. In other words, 31 % of the funds were not used, and the budget spent 11.6 billion rubles more than the amount of work accepted.

8. The Monopoly did not give a clear confirmation of what and how the 20–26 billion rubles received from this additional 2 % of the tariff were spent.

9. JSC "Russian Railways", implementing the project "Development of public railway infrastructure on the Mezhdurechensk-Taishet section in 2016–2017 and the expired period of 2018", allowed inefficient use of budget funds and organized work at a low level. The project is designed to increase the capacity of the highway – this is necessary for the economic development of Khakassia, Kuzbass, the South of the Krasnoyarsk territory and the development of the Tyva coal deposits. It has been implemented since 2010, but the state-owned company cannot complete it in any way.

According to the accounts chamber, it has received interest on funds allocated from the budget, finances work carried out without permission and at an inflated cost and makes unjustified advances to contractors. The total cost of the project is 45.6 billion rubles, of which 35.7 billion rubles are from the Federal budget, and 9.9 billion rubles are from Russian Railways. The state represented by the Federal Agency for railway transport even in 2015, fully met all their financial obligations. However, due to the low level of work organization, including the lack of project documentation that has passed state expertise in accordance with the established procedure, the goals of the project Integrated development of the Mezhdurechensk-Taishet section may not be achieved within the established time frame [7]. Construction deadlines are not being met for 13 of the 22 projects, they were extended from 2016 to 2020. In December 2018, the technical readiness of 8 objects was less than 50 %, and work on three objects did not even begin. The audit also revealed the risks of inefficient use of budget investments. Thus, the cost of contracts for a number of objects exceeds the cost determined by the state expertise. In addition, when forming the initial contract price, the company used deflator indices that do not correspond to the indicators of the socio-economic development forecast. As a result, the cost of contracts for the construction of a number of objects is overstated by 89.8 million rubles. This, according to the accounts chamber, entails risks of inefficient use of Federal budget funds for the specified amount.

Meanwhile, Russian Railways received income from placing budget investments in the accounts of credit organizations. So, on May 30, 2014, the state-owned company placed a Deposit in one of the banks in the amount of 12.5 billion rubles. Interest income – 2.4 billion rubles JSC "Russian Railways" spent on its business activities.

The passport of the infrastructure project was repeatedly re-approved: the values of quality indicators were reduced, one investment object worth 110 million rubles was excluded, but the total cost of the project was not reduced.

Moreover, the company financed construction on a number of sites that was carried out without permission. The audit showed that the financing of construction and reconstruction works in the period under review in the absence of design and estimate documents that have passed state expertise in accordance with the established procedure, entails risks of additional Federal budget expenditures. The cost of contracts for the construction of a number of objects exceeded the estimate made by the state expertise, for a total of 478.2 million rubles. A similar excess of hundreds of millions of rubles was allowed for the supply of equipment. In addition, JSC "Russian Railways" allowed the expenditure of funds for the author's supervision of a number of objects, while these costs were excluded from the estimates during the state examination, which again led to inefficient use of Federal budget funds.

Unjustified advance payments to contractors under contract agreements, which were practically not carried

out in 2018, resulted in an increase in accounts receivable by 1.1 billion rubles, or 2.3 times. As of the date of completion of the audit, the volume of accounts receivable amounted to 1.9 billion rubles, 84 % of which are budget investments (1.6 billion rubles).

11. The Volume of unfinished investments of JSC "Russian Railways" in 2017 increased by 13 billion rubles and amounted to 43.7 billion rubles. The amount of income of JSC "RZD" in the form of percent from placing of means FNB on the account in VTB Bank for 2015–2017 amounted to 7.9 billion rubles.

As of January 1, 2018, total expenditures (since 2013) for the implementation of the Infrastructure project "Modernization of the BAM and Trans-Siberian railway infrastructure" amounted to 140.6 billion rubles, or 25 % of the total cost. In total, in 2017, construction of 16 planned facilities worth 4.9 billion rubles was completed. At the same time, permits for commissioning of the specified objects are not issued, and the objects have not been put into operation. In addition, work has not been completed on 6 objects, the construction of which should have been completed in 2017. The construction readiness of these objects ranges from 60 to 90 % [8].

Thus, all of the above indicates that JSC "Russian Railways" in terms of using state support funds needs increased control, it is necessary to carefully monitor the determination of the cost of work and equipment and the effectiveness of the organization of work, as well as to stop the practice of making capital investments without positive conclusions of the state expertise.

12. Infrastructure investment is considered one of the most effective tools for stimulating economic growth. Of course, the real dynamics of infrastructure investment will be determined primarily by the activity of the state. There is no doubt that the participation of the state is extremely important here, because it acts primarily as a subject of financial and legal guarantees, which will help maintain the necessary level of confidence in long-term investments, which are investments in the creation and modernization of infrastructure.

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