

Russia Resets Ambitious National Development Plan

The \$360 billion National Projects plan was already running behind schedule.

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Russia's National Projects plan was supposed to be the foundation of President Vladimir Putin's fourth term. **Aleksey Nikolskyi / Kremlin Pool / Planet Pix via ZUMA / TASS**

The Russian government will lay out a new national development plan in the wake of the coronavirus pandemic, President Vladimir Putin said in a televised meeting of top government officials Monday.

The new plan will set key targets for where Russia should be on a number of economic and social indicators by 2030, ranging from life expectancy and healthcare outcomes to economic investment and living standards.

It is a major shakeup to Russia's previous National Projects agenda — a vast spending project worth 25.6 trillion rubles (\$360 billion) intended to form the backrock of Putin's domestic

agenda until 2024, when his fourth term ends.

That initiative was already [running behind schedule](#), and widely seen by independent analysts as too ambitious to be achieved by the original deadline. Eight of the 13 focus areas had a less than 50% chance of hitting their targets, Oxford Economics found last year, adding that the huge price tag meant tax rises could [wipe out](#) any potential economic gains.

Related article: [How I Learned to Stop Worrying and Love the National Projects](#)

The coronavirus pandemic and lengthy economic crisis which Russia now faces has prompted the government into an official reset — a tacit acknowledgement that it will be impossible to reach many of the goals, such as boosting incomes, accelerating economic growth, and attracting significant foreign investment by 2024.

“I consider it necessary to look beyond the current planning horizon of the National Projects — that is 2024 — and to now ... determine national goals for the coming decade,” Putin said Monday, insisting that the new plan be “based on reality.”

He specifically highlighted that improving Russia’s healthcare system and increasing life expectancy should be two of the main targets of the new plan, alongside making Russia a world leader in education, research and development. He also focused on fighting poverty and improving houses and roads in rural Russia.

The six-year delay will also give Russia’s new domestic policy team, headed up by prime minister Mikhail Mishustin and Putin’s key economic adviser Andrei Belousov, a chance to have their say on the plan. Mishustin replaced Dmitry Medvedev in January in a government reshuffle which was seen as a bid to push forward the National Projects agenda after a sluggish first 18 months under the Medvedev administration.

Putin said Monday the government had three months to draw up a new set of goals.

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