

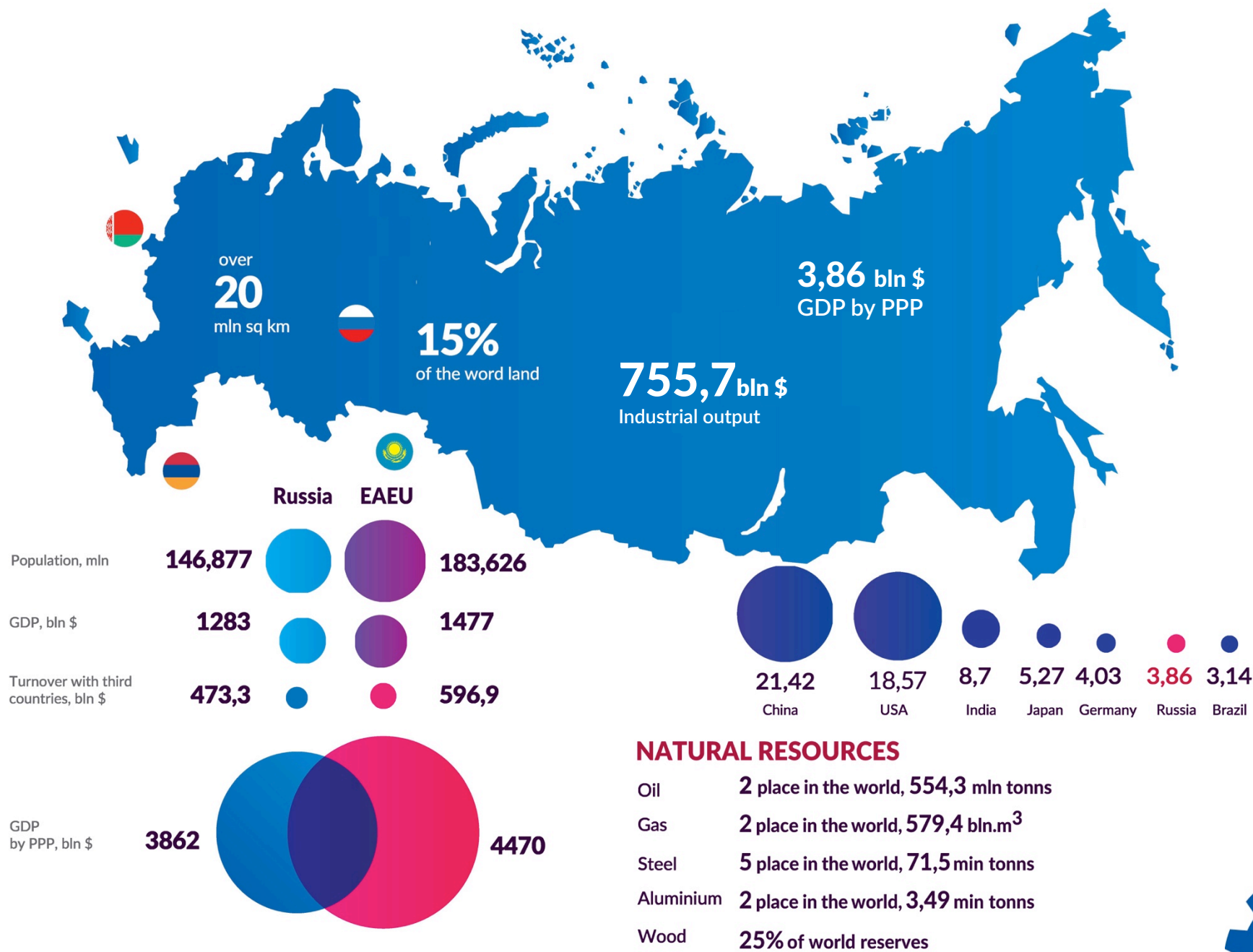


# INDUSTRIAL POLICY & TOOLS FOR LOCALIZATION OF MANUFACTURING IN RUSSIA

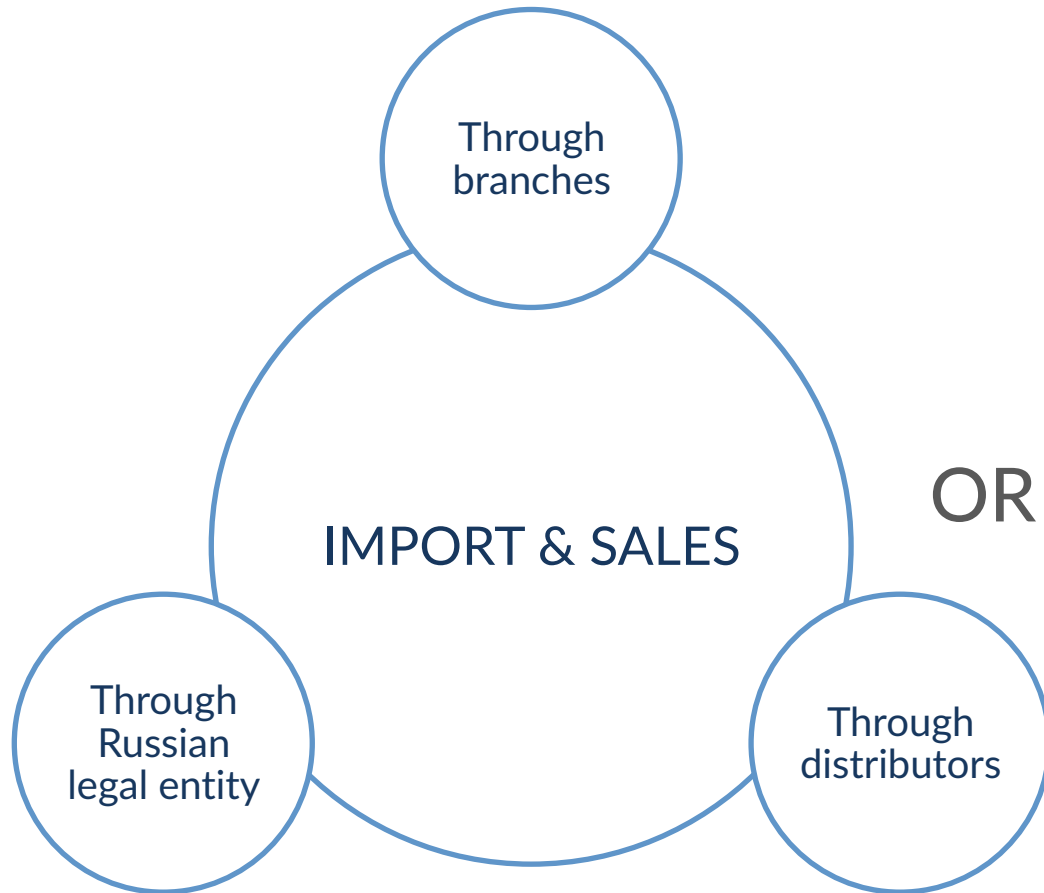


**AIP** ASSOCIATION  
OF INDUSTRIAL  
PARKS OF RUSSIA

# RUSSIA OPENS THE EURASIAN MARKET



# HOW YOU TRADE IN RUSSIA



# HOW YOU MAKE IN RUSSIA

## **JOINT VENTURE**

creation of a co-venture involving Russian and foreign companies and further organization of production within SPV



## **LOCALIZATION FORMATS**

## **OWN PLANT CONSTRUCTION**

creation of own productive capacities, operated by a subsidiary of an international company

## **CONTRACT MANUFACTURING**

an output of customized products using capacity of an independent manufacturer, who ensure full compliance with technological cycle and quality control of ready products in accordance with the customer requirements



# NEW INDUSTRIAL POLICY

## Government

**The Federal law on industrial policy in Russia № 488-FZ**



**Special investment contract**



**Network of funds for industrial development**



**«Russian-made product»**



**Development of production infrastructure**



**State industry information system**



## **Private investor**



**Establishment or modernization of industrial production**



**High-performance workplaces**



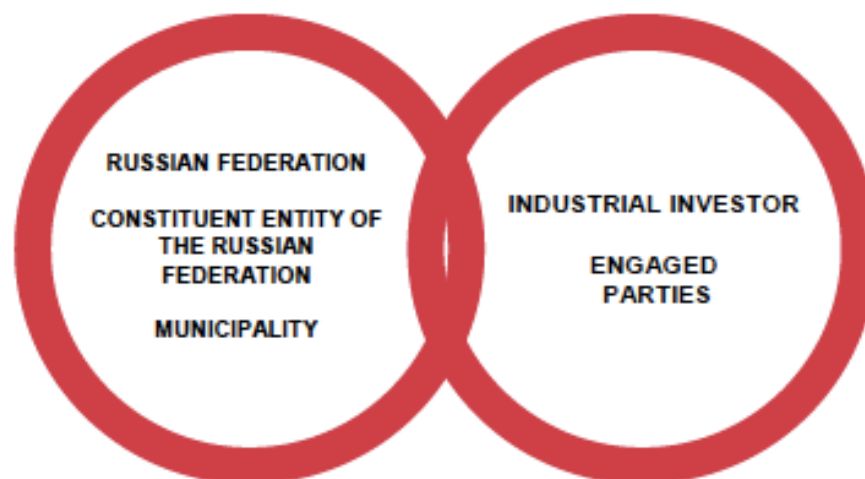
**Production of innovative products**



# SPIC: A MUTUALLY BENEFICIAL FORMAT OF STATE-BUSINESS COOPERATION

## STATE OBLIGATIONS

- stable tax and regulatory business conditions
- special federal and regional incentives for the SPIC parties



## INVESTOR'S OBLIGATIONS

- creation/modernization of and mastering industrial production
- investments in the amount of not less than 11 mln €



### RUSSIAN MADE PRODUCT

expedited and simplified procedure of obtaining the status of a Russian manufacturer\*



### FACILITATED ACCESS TO GOVERNMENT CONTRACTS

opportunity to receive the single product supplier status for products manufactured under the SPIC (participation in state purchase contracts on a non-competitive basis)\*\*



### TAX BENEFITS

non-deterioration of tax conditions

possible reduction of the profit tax rate to 0%

opportunity to reduce the rates of regional and municipal taxes (property tax, land tax, etc. depending on the regional or municipal legislation)



### ACCELERATED DEPRECIATION OF FIXED ASSETS

provision of certificates to product purchasers confirming the opportunity to apply accelerated depreciation\*\*\*



### OTHER INCENTIVES (with respect to industry regulations and legislation of a constituent entity of the RF)

a lease contract for a land plot being the state-owned or municipal property without bidding for parties to a SPIC (for the project implementation under a SPIC)\*\*  
infrastructural obligations

simplified procedures to participate in subsidies (for example, Resolutions of the RF Government No. 416, No. 417, No. 418, No. 419, No. 420, No. 421 dated 16.05.2016, No. 1432 dated 27.12.2012, No. 496 dated 26.04.2017 and №. 1401 dated 27.12.2012)



# ACTIVITY STATUS FOR FEDERAL SPIC CONCLUSION



## SIGNED

- MAZDA SOLLERS Manufacturing Rus – Primorye Territory**  
Manufacturing of motor vehicle engines for export
- CLAAS – Krasnodar Territory**  
Modernization of agricultural machinery plant
- DMG MORI AG Group – Ulyanovsk Region`**  
Modernization of the Ulyanovsk machine-tool plant
- HMS Livgidromash – Orel Region**  
Localization of manufacturing of pumps for oil refining
- Tomskie Technologii Mashinostroeniya – Tomsk Region**  
Manufacturing of domestic blowoff and control valves, electric drives and electric devices
- EuroChem-VolgaKaliy – Volgograd Region**  
Mining processing and concentration plant from the Gremyachinskoe field
- EuroChem UKK – Perm Territory**  
Establishment of industrial production: Usolskiy Potash Plant

- Mercedes-Benz RUS – Moscow Region**  
Manufacturing of "Mercedes Benz" vehicles
- Transneft – Siberia – Tyumen Region**  
Manufacturing of equipment for the operation of trunk oil pipeline facilities
- Vilo Rus – Moscow Region**  
Localization of manufacturing of pumping equipment
- AstraZeneka Industries – Kaluga Region**  
Manufacturing of pharmaceuticals, which have no analogues in the RF
- Sanofi Russia – Orel Region**  
Manufacturing of pharmaceuticals, which have no analogues in the RF
- GEROPHARM – Saint Petersburg**  
Manufacturing of insulin and organotherapeutic pharmaceuticals, which have no analogues in the RF



## APPROVED

- Hamilton Standart-Nauka – Tver Region**  
Manufacturing of heat-exchange units for environmental and thermocontrol system of Boeing aircraft
- VESTAS MANUFACTURING RUS – Ulyanovsk Region**  
Manufacturing of Windmill blades, which have no analogues in the RF
- NovaMedica – Kaluga Region**  
Manufacturing of sterile pharmaceutical products, including those which have no analogues in the RF
- BIOCAD – Saint-Petersburg**  
Manufacturing of biological substances and FDFs





# SPECIAL INVESTMENT CONTRACT

## Mazda-Sollers Case



Leading Russian automotive company

**MAZDA SOLLERS Manufacturing Rus**  
*is a 50/50 joint venture of the Mazda Motor Corporation & Sollers Group*

- 1<sup>st</sup> SPIC in Russia
- Investment over 30 mln USD
- 50,000 engines per year
- 609 new jobs
- Vladivostok / Primorskiy region
- Resident of the Nadezhdinskaya Advanced Special Economic Zone (TOR)



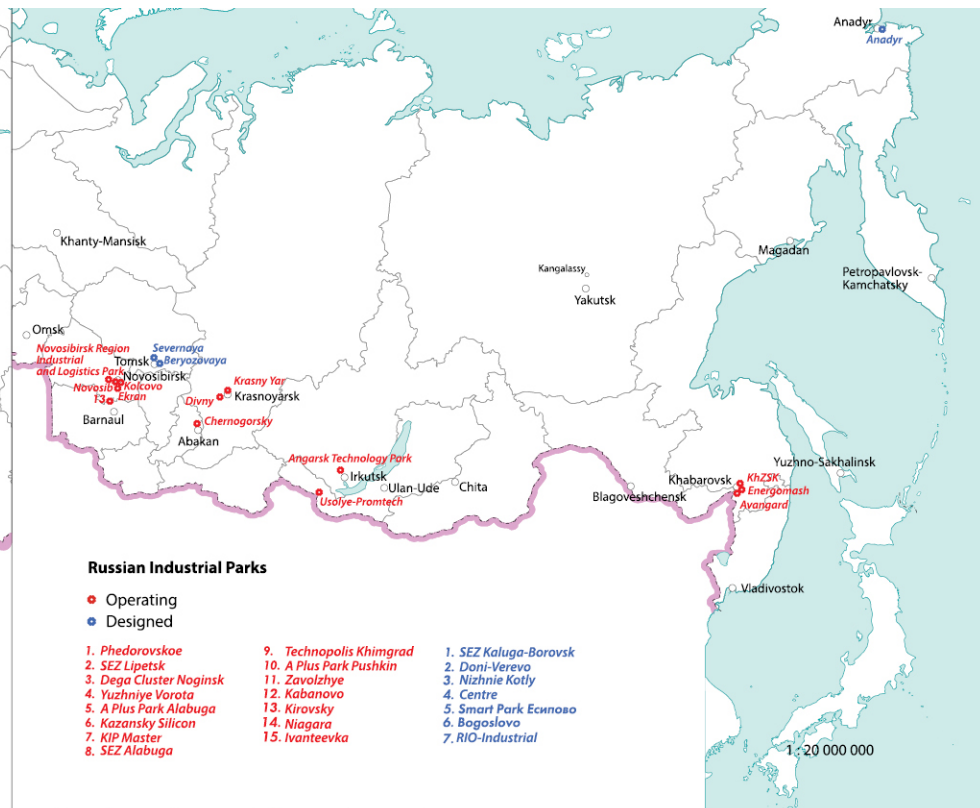


# WELCOME TO RUSSIA

## Industrial Parks of Russia, 2017



1 : 12 000 000



### Russian Industrial Parks

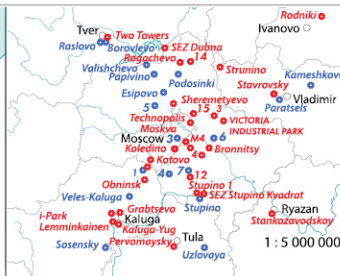
- Operating
- Designed

1. Phedorovskoe
2. SEZ Lipetsk
3. Dega Cluster Noginsk
4. Yuzhniye Vorota
5. A Plus Park Alabuga
6. Kazansky Silicon
7. KIP Master
8. SEZ Alabuga
9. Technopolis Khimgrad
10. A Plus Park Pushkin
11. Zavolzhye
12. Kabanovo
13. Kirovsky
14. Niagora
15. Ivanteevka
1. SEZ Kaluga-Borovsk
2. Doni-Verevo
3. Nizhnie Kotly
4. Centre
5. Smart Park Есиново
6. Bogoslovo
7. RIO-Industrial

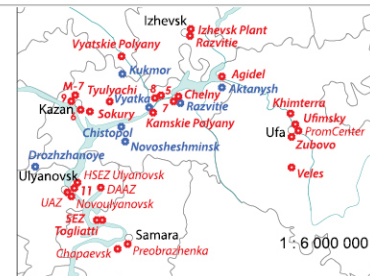
1 : 20 000 000



1 : 6 000 000



1 : 5 000 000



1 : 6 000 000

# SETTING UP OF A PLANT

## INDUSTRIAL PARKS

### GREENFIELD

- engineering updated site for new construction
- easy to customize infrastructure
- most appropriate for big and medium size of business
- a large number of industrial parks in the territory of the Russian Federation
- tax benefits

### BROWNFIELD

- already existing energy facilities, buildings and infrastructure
- fast solution for placing machineries and production lines
- most appropriate for medium and small size of business
- a large number of industrial parks in the territory of the Russian Federation
- tax benefit

## SPECIAL ECONOMIC ZONES

- established in accordance with Federal law sites
- tax and customs benefits
- special entering process
- reduced rates for real estate, and also rental rates

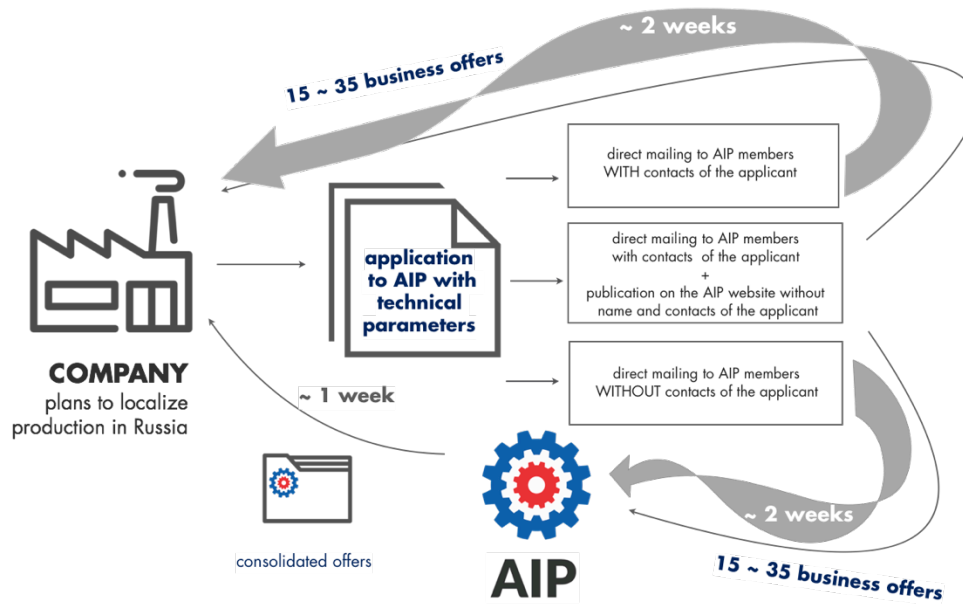
## INVESTMENT SITES

all the rest  
(not defined option with wide variety of opportunities)



# SITE SELECTION SERVICES

Service is free of charge for all industrial companies



We provide the service for the preliminary selection of the site:

- **free of charge** for manufacturing companies from Russia and foreign countries
- **objectively** (you make your choice on the basis of maximum coverage)
- **transparently** (you are involved in the process)

YOU ARE WELCOME!

PLEASE SEND YOUR REQUEST TO [GR@INDPARKS.RU](mailto:GR@INDPARKS.RU)

## HOW IT WORKS

- 1 You provide us with technical and other parameters for the site
  - more details you submit, the more qualitative offers you will get;
  - we are happy to advise you on the description of the parameters and provide a form to fill
- 2 we send the request directly to all sites
- 3 industrial parks return with commercial offers

At your choice, we can refer the flow of offers directly to you from the designated geography (for example, the whole of Russia or only the South regions or only Moscow and Moscow region). Also we are ready to consolidate neutrally all proposals and send them to you, so that you can unilaterally contact them at your choice.

**In order to start the process you need to answer the following questions:**

- 1) Are you agree to send a request with your technical parameters to industrial parks?
- 2) Do you wish to indicate your contacts in the request? And if so, please indicate the contact person, email and phone number.
- 3) Should we mention the name of your company in the request or make it anonymous?
- 4) What kind of audience would you like to cover:
  - only AIP members (130 companies from 46 regions)
  - AIP members + partners, AIP website visitors and recipients of AIP mailings (~ 4 000 organizations)



# SERVICES OF THE ASSOCIATION OF INDUSTRIAL PARKS

## SITE SELECTION FOR LOCALIZATION OF PRODUCTION

- Comparative analysis of the regions, based on the objectives of the project
- Comparative analysis of the regions, based on the objectives of the project
- Comparative analysis of the regions, based on the objectives of the project

## GR

- Ensuring cooperation with the authorities in accordance with the law
- Assistance in providing state support for investment projects
- Preliminary study of investment agreements
- Providing support to projects in the implementation phase

## SPECIAL SECTOR CONSULTING

- Procedures for connecting to the utilities networks in Russia
- Land and land management regulation
- Issues of industrial construction (permits, approvals, involvement of partners)
- Exchange of experience, best practices
- Attracting international partners to implement projects in Russia













# JAPANESE COMPANIES IN RUSSIA

In total for the last 20 years in Russia there were established  
**69 manufacturing enterprises with full or partial Japanese participation.**

20 Japanese enterprises localized their production in industrial parks

AMONG THEM: `

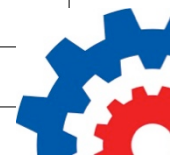
			
	SMC Pneumatic	Industrial-warehouse complex for vacuum technology	Industrial parks Greenstate in the Leningrad region
	Yokohama	Factory for the production of automobile tires	SEZ of Lipetsk region
	YKK	Manufacture of zippers	Industrial park Degas Cluster Noginsk, Moscow region
	FUSO TRUCKS		
	HITACHI Hitachi Construction Machinery Eurasia	Industrial machinery	Industrial park Raslovo, Tver region
	DMG MORI		
	Bridgestone	Automobile tyres	Industrial park Zavolzhye, Ulyanovsk region
	KOMATSU		

THE ENTIRE LIST



# JAPANESE COMPANIES IN RUSSIAN INDUSTRIAL PARKS

COMPANY NAME	PRODUCT PROFILE	LOCALIZATION (INDUSTRIAL PARK)
OFS Rus VOKK	Fiber optic cable production	IP Maslovskiy, Voronezh region
PSMA Peugeot Citroen Mitsubishi	Automobile manufacturing	IP Raslovo, Kaluga region
SMC Pneumatic	Manufacturing-logistic center for vacuum equipment	IP Greenstate, Leningrad region
Yokohama	Automobile tyres	SEZ Lipezk
YKK	Zipper production	IP Dega Noginsk, Moscow region
Arkray	Glucometers and test strips	SEZ Dubna, Moscow region
Daido MetalRus	Mechanical engineering (sliding bearings)	IP ZMZ - Zavolzhskiy, Nizhny Novgorod region
MAZDA Sollers manufacturing Rus	Automobileы and automotive engines	TAD (Territory of advanced development) Nadezhdinskaya
FUSO Trucks Rus	Manufacture of lorries	Kama industrial park "Master", Republic of Tatarstan
SANO Volga	Automotive components for fuel and brake systems	SEZ Togliatti, Samara region
ATSUMITEC Toyota Tsushi Rus	Gear selection mechanisms for manual transmission and automatic transmission for the automotive industry	SEZ Togliatti, Samara region
HI-LEX RUS	Cables for control system and power window cables	SEZ Togliatti, Samara region
HITACHI Construction Machinery	Industrial equipment	IP Raslovo, Kaluga region
SOLLERS ISUZU	Automotive production - Isuzu	IP UAZ, Ulyanovsk region
Takata-Petri	Automotive Safety Systems	IP Zavolzhie, Ulyanovsk region
Bridgestone	Automotive tyres	IP Zavolzhie, Ulyanovsk region
DMG MORI	Machine tool equipment	IP Zavolzhie, Ulyanovsk region
JGC Evergreen	Construction of hydroponic greenhouses with a total area of 10 hectares (1st stage - 2.5 hectares)	IP Avangard, TAD Khabarovsk
KOMATSU MANUFACTURING Rus	excavators and forklifts	IP Novosyolki, Yaroslavl region
TAKEDA FARMACEUTICALS	Pharmaceuticals	IP Novosyolki, Yaroslavl region



# THE RUSSIAN DELEGATION TODAY



**Denis Zhuravskiy**

Executive Director



**Maxim Pazdnikov**

Cochairman of the Board



**Yana Leles**

International Affairs Director



**Iwao Ohashi**

Advisor on Japan and APAC countries



**Calin Anton**

Chairman of the Industrial construction Committee





# THE RUSSIAN DELEGATION TODAY



Industrial park  
Stupino-1



**Shatalin Valeriy**

Commercial Director



MLP



**Belavin Gleb**

Deputy General Director



Noerr



**Stefan Weber**

Partner, Head of Moscow Office



Corporation for  
Development of the  
Stavropol Territory

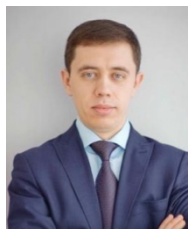


**Abdurakhimov Zaur**

CEO



Technopolis Khimgrad



**Ayrat Gizzatullin**

CEO



# THE RUSSIAN DELEGATION TODAY



Ulyanovsk region  
Development  
Corporation



**Ksenia Nikitina**

Manager of the Promotion  
Department

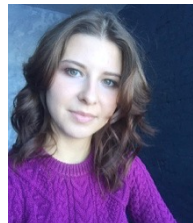


Samara  
Industrial Parks



**Sergey Evseev**

CEO



**Inchina Anna**

Director for development



**Olga Belova**

Head of Consultancy BU



Tebodin Bilfinger



**Tatiana Efimova**

Business Development manager

