



Department for External Economic and International Relations of Moscow

A light gray world map with white outlines of continents and countries, serving as a background for the title text.

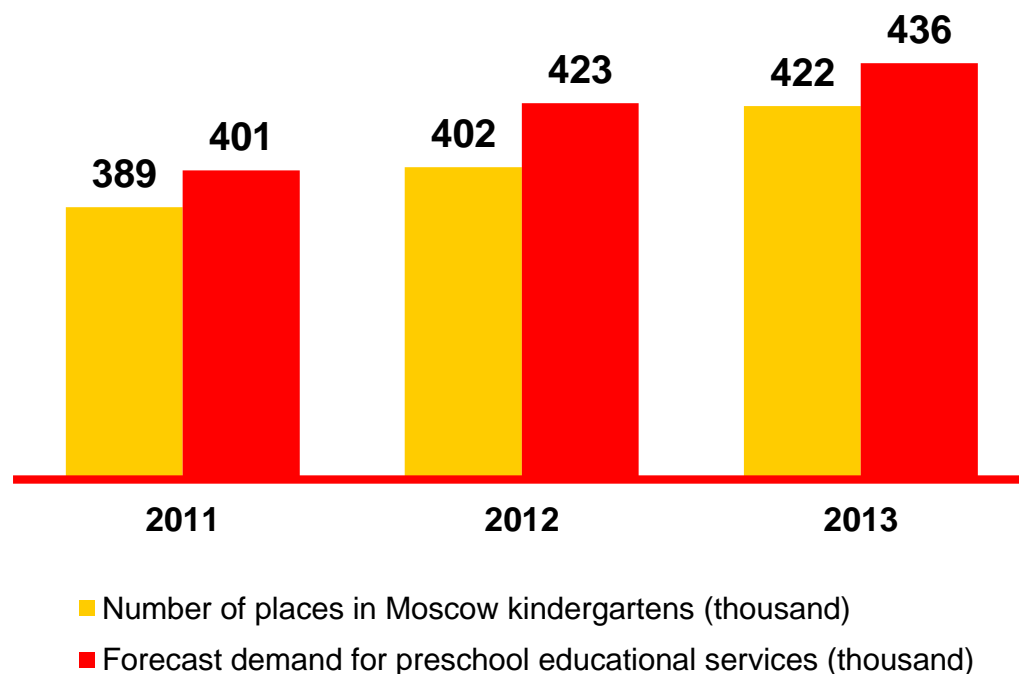
Investment project: Private Kindergartens



2043 state kindergartens and 278 schools with preschool children are located in Moscow. More than 390 thousand preschoolers attend them.

Moscow City Government Goals:

- Provide comfortable and accessible kindergartens for all children;
- Provide succession between preschool and school education;
- Increase the quality of preschool education;
- Provide full transparency for the procedure of acceptance in kindergartens.





- 1. Reduce the shortage of educational services**
- 2. Develop the non-state sector of the education system**
- 3. Raise competition in the industry**
- 4. Raise the quality of and demand for education**
- 5. Introduce international standards for education**
- 6. Introduce further modern standards of educational quality**
- 7. Create full-cycle educational institutions**
- 8. Expand public-private partnerships in the development of educational institutions**
- 9. Form an optimal educational network and infrastructure**
- 10. Consolidation of pre-school and school education**



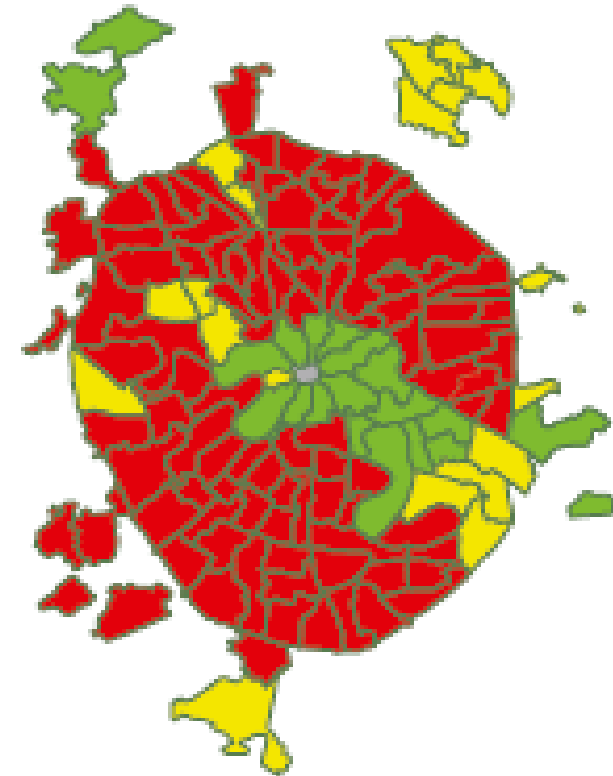
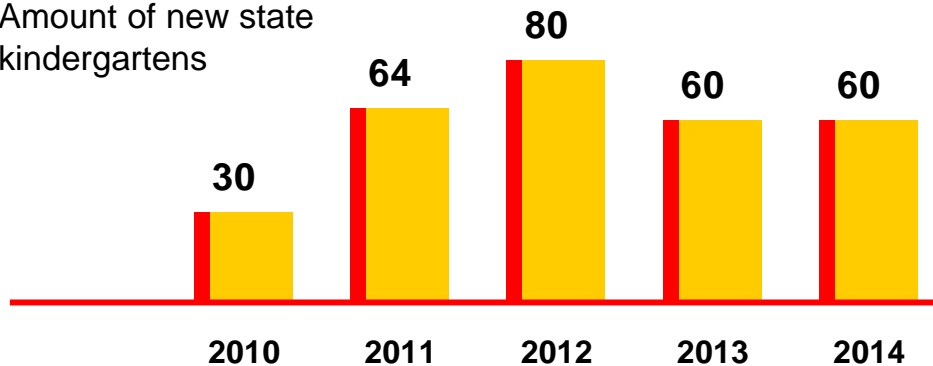
Total budget for program of construction, development and renovation of kindergartens in 2012-2016 – **13.5 bln USD**

Required development and renovation:

- 60-100% buildings
- 30-60% buildings
- 0-30% buildings

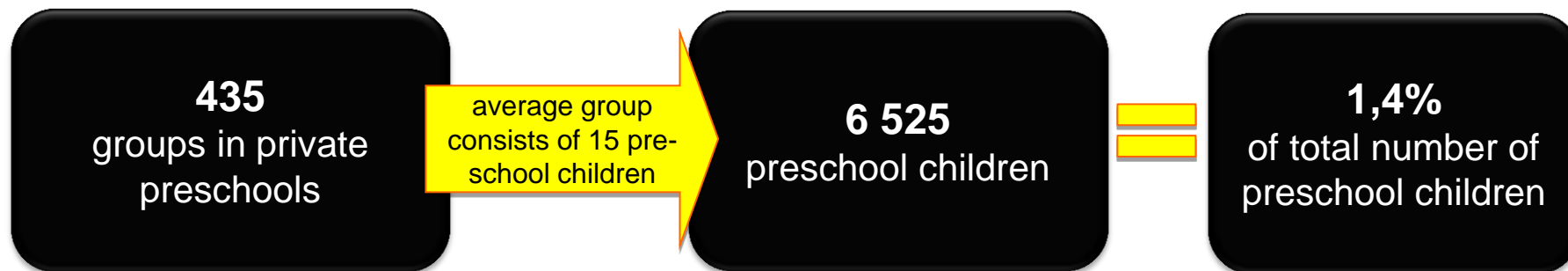
Construction rates

Amount of new state kindergartens





Private preschools		Total
Number of private preschools	Share in total number of preschools in the city	
87	4,3%	2043



The potential of the private sector and private business in the development of the city preschool education is underutilized



Rental of premises for 49 years.

Annual rent rate: 1 ruble per sq m.

Opportunities:

- Enrollment of children on a commercial basis
- \$1.3k in budget financing per child (*5-7 year*) annually
- Receipt of secured loan under lease contract at MIA bank

Terms:

- Reconstruction in no more than 6 months
- Capital repair in no more than 3 years



Lease of a land plot to construct an educational facility.

Opportunities:

- Enrollment of children on a commercial basis
- Preparation of urban land development plan at time of auction
- \$1.3k in budget financing per child (5-7 year) annually
- Annual rent rate: 0.05% of cadastral value

Terms:

- Completion of construction within 5 years



City:

- Provides land plot
- Licenses investor
- Buys service for people on waiting list

Investor:

- Constructs building
- Renders pre-school services, including for people on waiting list
- Transfers building to the city

\$5.2k in public financing per child sent by the city from the waiting list

\$1.3k in public financing per child enrolling on a commercial basis

1.5 years of construction

15 years of operation

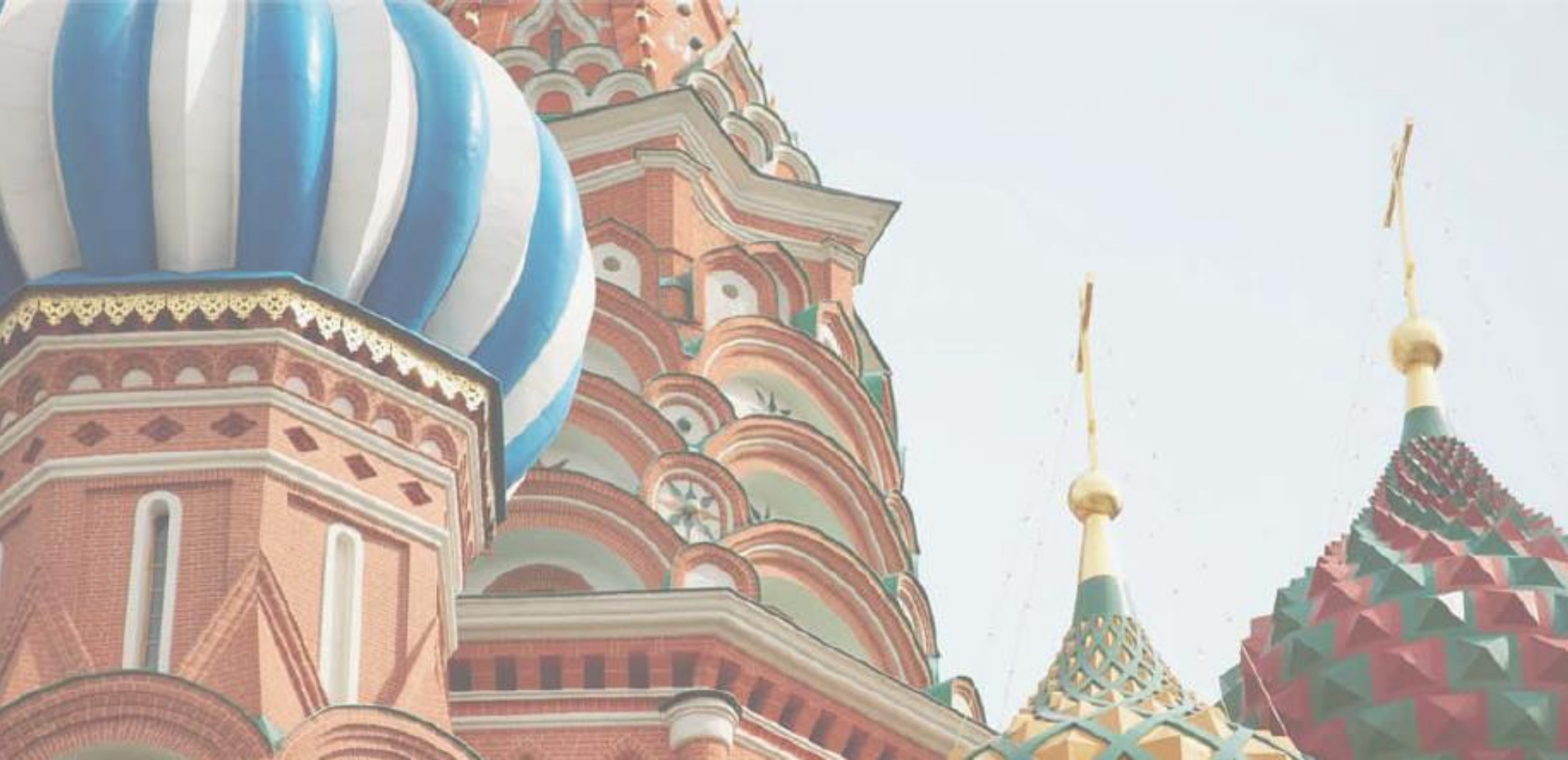
>25% of children sent by the city



Address	Tallinskaya str., 15, Moscow
Total area	5 551 sq. m.
Construction area	1 728 sq. m.
Number of floors	3 + 1 underground
Design capacity of the facility	325 children
Land plot	0,68 ha
Moscow residents	Up to 80%
Term of concession	16,5 years
– Investment phase	1,5 years
– Lifetime	15 years



Construction cost 1 sq. m	\$1 665
Investment	\$ 11 054 490
– Site preparation	\$ 77 680
– construction including design	\$ 9 243 870
– external engineering networks	\$ 765 100
– accomplishment	\$ 967 840
Annual fee for a child at commercial rate	\$ 12 900
Annual compensation for a child from budget category	\$ 5 250
Annual compensation for a child from commercial category	\$ 1 285
Profitability	8%



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