

March 2015



**MOSCOW
REGION
DEVELOPMENT
CORPORATION**

**MOSCOW REGION
INVESTMENT POTENTIAL**

2 | Moscow Region: Overview



Total area– **44 340** sq.km

North to South length: **310** km

West to East length: **340** km

Population– **7,24** mln. people
as of the beginning of 2015
(**80%** urban population)

10,5% population growth
(from 2005 till 2012)

Main cities:

Balashikha (272 084 people)

Khimki (232 612 people)

Podolsk (224 069 people)

Korolev (188 345 people)

Krasnogorsk (116 896 people)

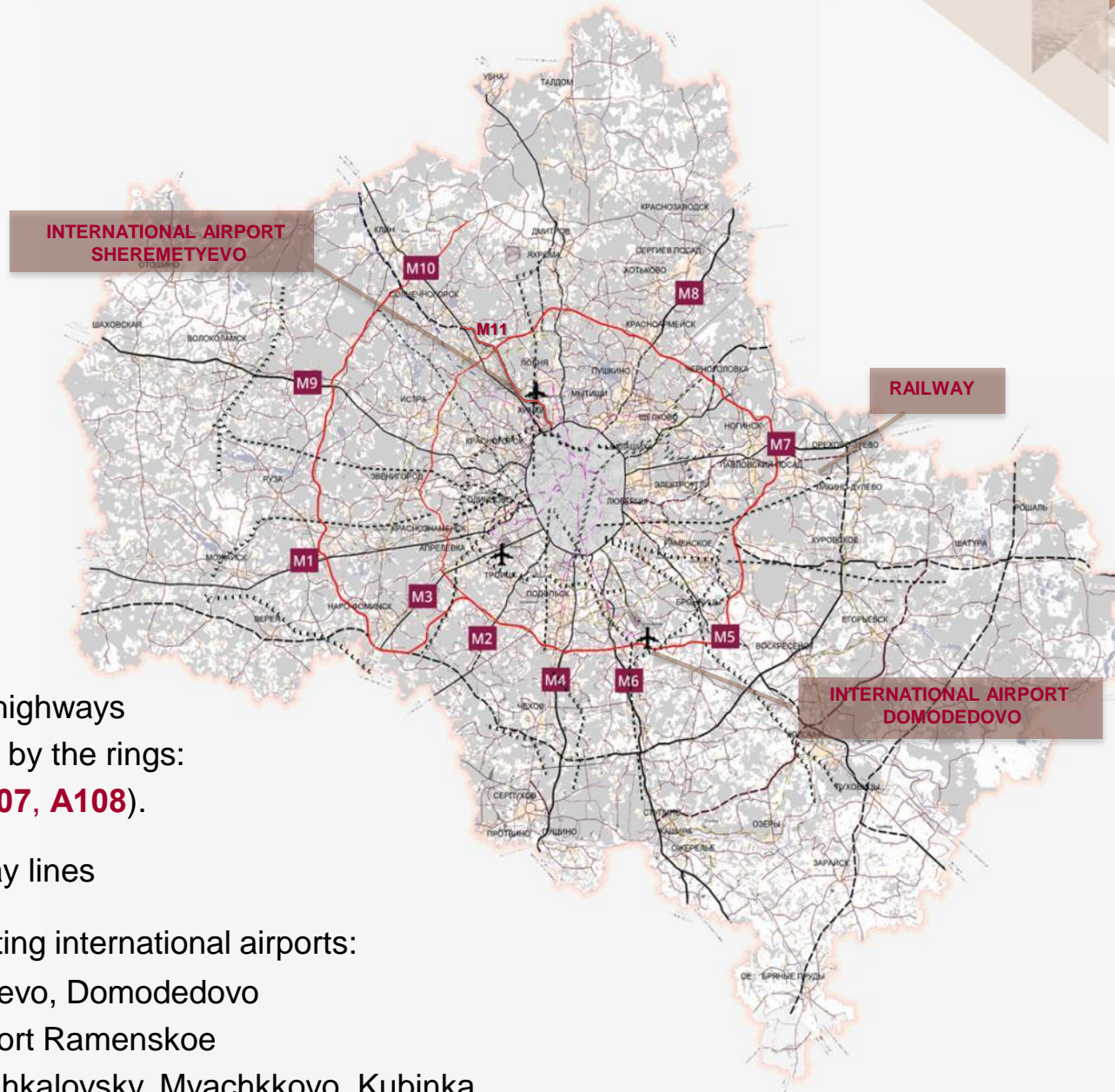
Economically active population – **4** mln. people

High level of purchasing power (11th place in Russia)

More than **25** mln. people within radius of **150** km.



3 | Moscow Region: Logistics



- 11 federal highways (connected by the rings: **MKAD, A107, A108**).
- Main railway lines
- Two operating international airports: Sheremetyevo, Domodedovo
- Cargo** airport Ramenskoe
- Airfields** Chkalovsky, Myachkovo, Kubinka

4 | Moscow Region: Human Resources



Basic facts:

- **4 mln.** people of **economically active population**
- **71%** have the higher or professional education
- Salaries are **30%** lower, than in Moscow

In Moscow Region there are:

- **7** Universities; **4** Academies; **12** Institutes; Universities of the Ministry of Defense, Ministry of Internal Affairs, the Russian Emergencies Ministry and Federal Security Service of Russia; **97** Branches of Moscow Universities, **1** Higher religious educational institution
- **157** educational institutions of primary and secondary professional education
Annually letting out from **40 000** to **50 000** specialists.

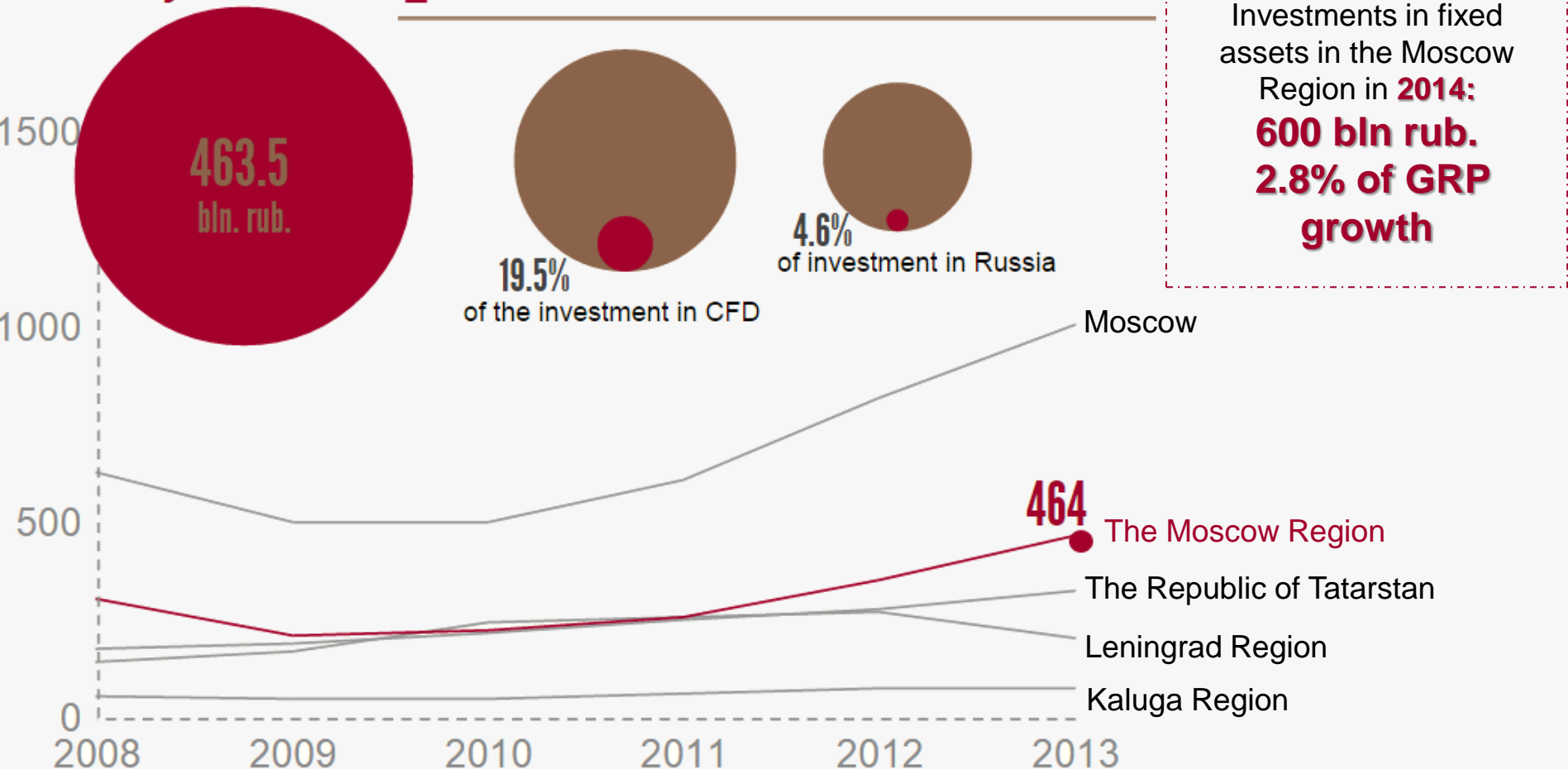


5 | Current State of the Investment Activities in the Moscow Region



2013 year

2nd place among all the subjects of the Russian Federation (after Moscow) in terms of attracted investment in the fixed assets



6 | Investment Attractiveness Rating



IN THE INVESTMENT ATTRACTIVENESS RATING OF RUSSIAN REGIONS – 2014
MOSCOW REGION OBTAINED:



1st place 'Region with the highest potential and minimal risks'



2nd place (after Moscow)

In **2014** Moscow Region **won three nominations**
According to the **Rating** of Russia's largest international rating agency
RAEX

"Financial stability"

(**2nd** place in the nomination)

"Best social climate"

(**3rd** place in the nomination)

"Minimal investment risk"

(**6th** place in the nomination)

7 | Priority Sectors of Economy of the Moscow Region



Construction materials and technologies



Food industry and agriculture



Data-centers



Light industry



Production of autocomponents and light mechanical engineering



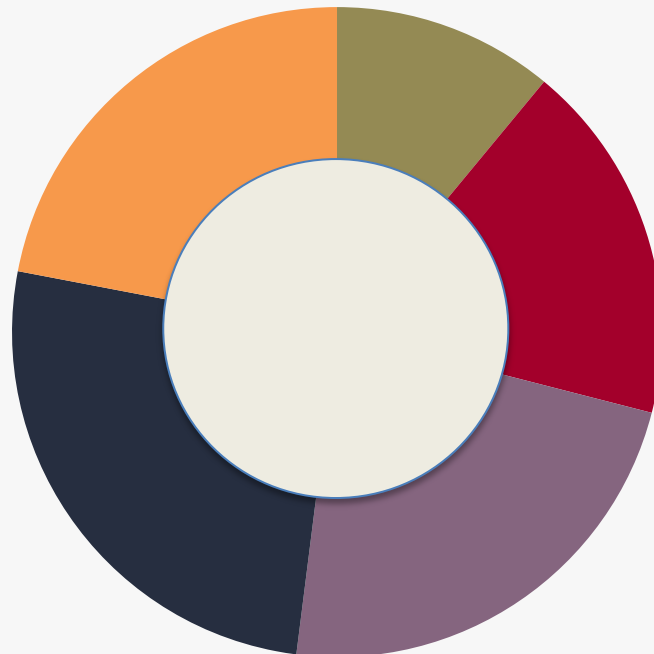
Electronics

8 | The Distribution of Investment in the Moscow Region



In 2013 Investment Flows in the Moscow Region distributed by industries:

- Electricity, gas and water production and distribution (11%)
- Manufacturing industry (18%)
- Real estate transactions, rentals and services (23%)
- Transport and communications (26%)
- Other industries (22%)



9 Tax Incentives in the Amended Law from 08.05.2014 № 50/2014



Manufacturing, production and distribution of electricity and gas, transport and communications

Investment Amount: from 3 bl. RUB	Reduced rates for income tax by 4.5% for 7 years							
	Discounted rate on business property tax for 8 years							
	0%	0,5%	0,5%	0,5%	0,5%	1,5%	1,5%	1,5%
Investment Amount: from 1 bl. RUB to 3 bl. RUB	Reduced rates for income tax by 4.5% for 5 years							
	Discounted rate on business property tax for 5 years							
	0%	0,5%	0,5%	1,5%	1,5%			
Investment Amount: from 200 mln. RUB to 1 bl. RUB	Reduced rates for income tax by 4.5% for 3 years							
	Discounted rate on business property tax for 3 years							
	0%	1,1%	1,1%					

Research and development, high-tech sector, infrastructure, industrial parks, utilities

Investment Amount: from 500 mln. RUB	Reduced rates for income tax by 4.5% for 7 years							
	Discounted rate on business property tax for 8 years							
	0%	0,5%	0,5%	0,5%	0,5%	1,5%	1,5%	1,5%
Investment Amount: from 50 mln. RUB to 500 mln. RUB	Reduced rates for income tax by 4.5% for 5 years							
	Discounted rate on business property tax for 5 years							
	0%	0,5%	0,5%	1,5%	1,5%			



10 | The Moscow Region Development Corporation

The Moscow Region investment potential is many times higher than the investment potential in the most successful regions in Russia

Difficulties faced by investor



- Bureaucratic difficulties
- Limited choice of free land plots, that meets the investors criteria

SOLUTION

Creation of a special institute merging the commercial interest with the authorities
JSC "MOSCOW REGION DEVELOPMENT CORPORATION"



- Creation of a special system of investment promotion
- Government incentives to create and update production sector
- Building a clear system of privileges and preferences
- Transparent rules for privileges and preferences implementation

REFORM: BUILDING THE INVESTORS CONFIDENCE



11 | Moscow Region Development Corporation

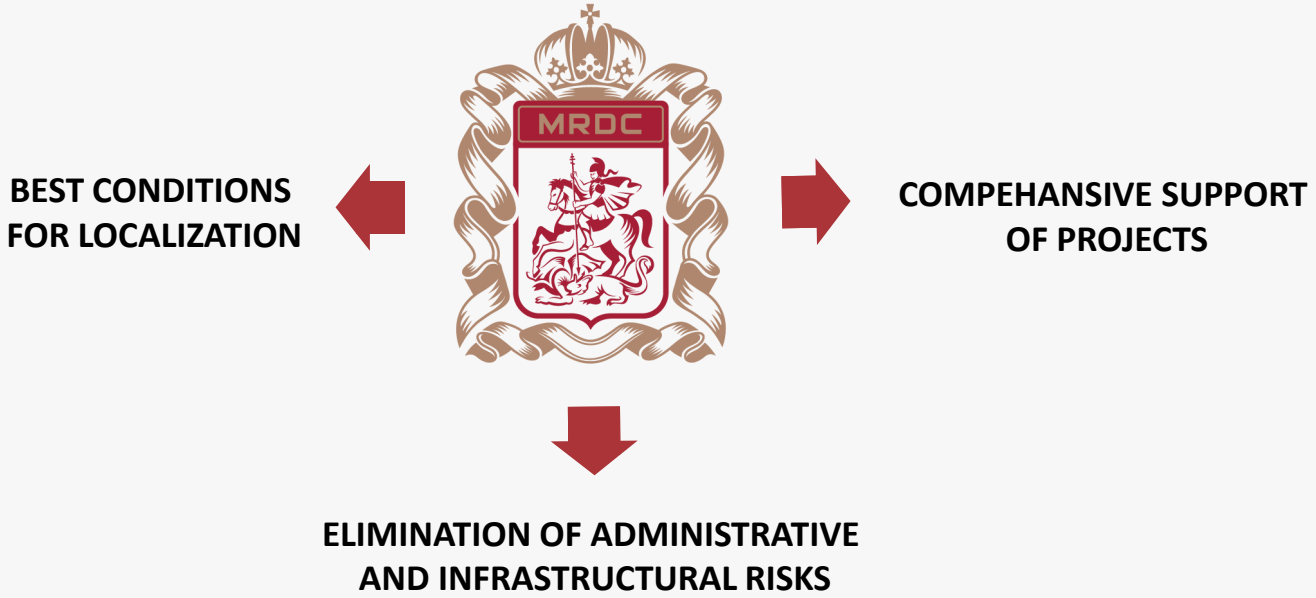


State Institute for the development of infrastructure of industrial parks of the Moscow Region



Agent for investment attraction into the industrial sector of the region's economy

WE OFFER :





12 Advantages of Localization in the Industrial Parks of the Moscow Region

Advantageous location near the largest distribution area

High qualified personnel

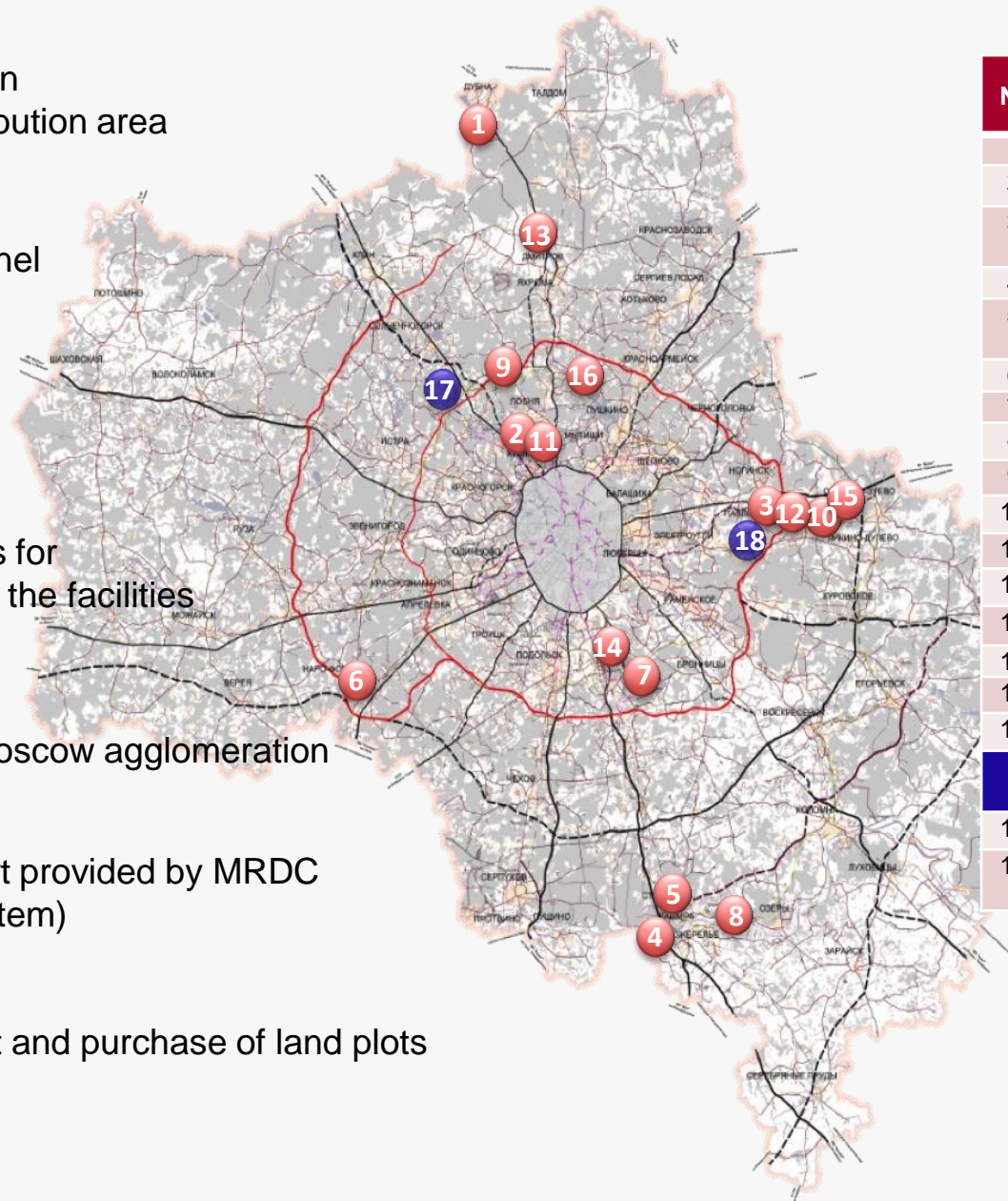
Tax incentives

Predictable conditions for localization and using the facilities

In the center of the Moscow agglomeration

Administrative support provided by MRDC («single-window» system)

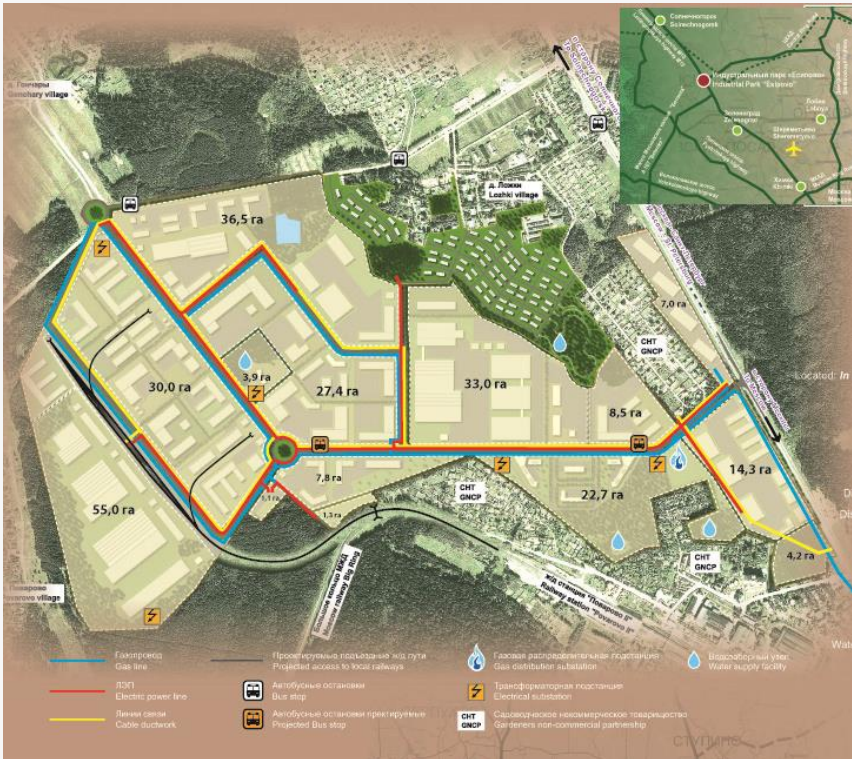
Special prices for rent and purchase of land plots



No	Existing industrial parks
1	SEZ «Dubna»
2	«Sherrizone»
3	«Dega Cluster Noginsk»
4	«Stupino - 1»
5	«Stupino Quadrat» GDP Quadrat
6	«Kotovo»
7	«South Gate»
8	«Ozery»
9	«Beliy Rast»
10	«Vostochniy»
11	«Sheremetyevo»
12	«Prominvest»
13	«Orudievo»
14	«M-4»
15	«Carbolit»
16	«Podosinki»
17	«Esipovo»
18	«Victoria Industrial Park»



13 Industrial Park "Esipovo" in the Solnechnogorsk Municipal District



SOLNECHNOGORSK MUNICIPAL DISTRICT

Industrial park ESIPOVO – 284 ha

Moscow Ring Road – 32 km
Central Ring Road – 7,5 km

MUNICIPAL DISTRICT OVERVIEW

Located in the North-West of the Moscow Region

Total area - 1085 km²

Population - 135 thousand people

The district includes 5 urban and 6 rural settlements

Attractive investment climate

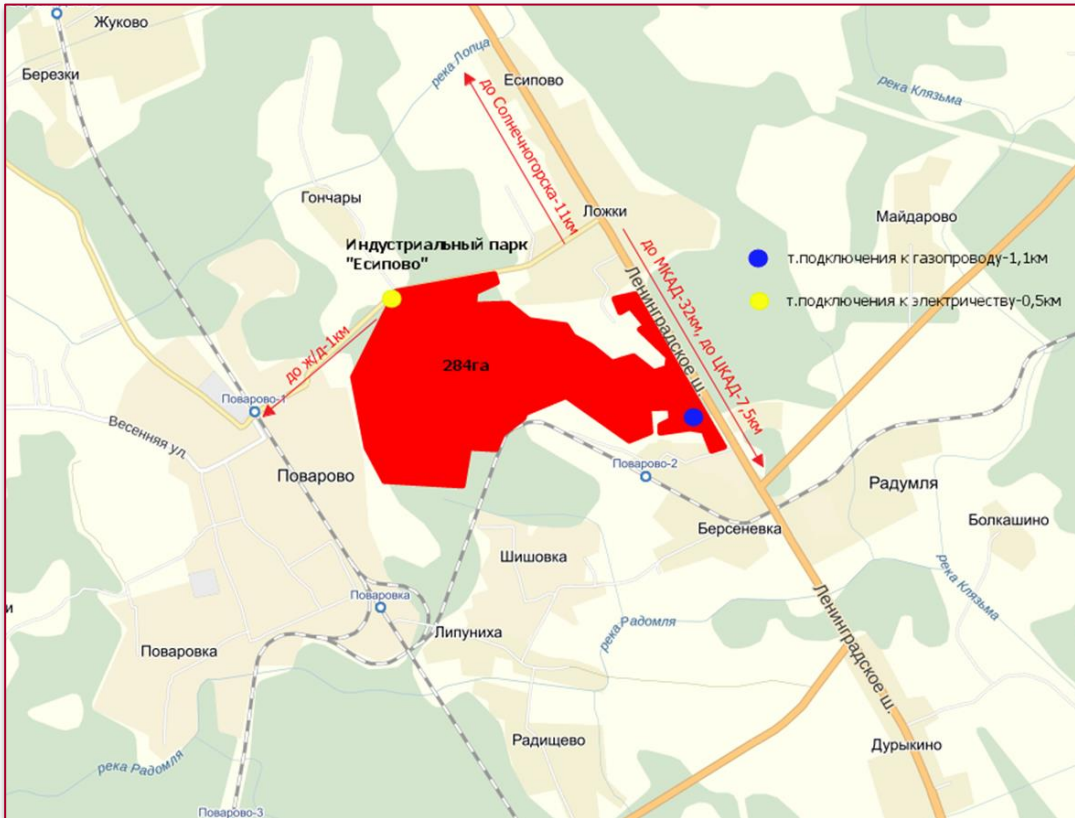
There are 5 institutes and 2 technical colleges

Region's developed manufacturing sector:

	2015	2016
ELECTRICITY SUPPLY	10 MWt	50 MWt
GAS SUPPLY	High pressure pipe	20 000 m ³ /hour 175,2 million m ³ /year
WATER SUPPLY	Water supply facility on site	4000-6000 m ³ /day
WASTEWATER DISPOSAL	Wastewater disposal facility on site	4000-6000 m ³ /day
INNER ROADS	Start of construction of inner roads IV category	5 km of inner roads IV category



14 Industrial Park "Esipovo" in the Solnechnogorsk Municipal District



LOCATION

Total area	284 ha
Distance to Moscow Ring Road	32 km
Distance to high speed road «Moscow-Saint Petersburg»	7 km
Located along the federal highway M10 (Moscow-Tver-S.Petersburg)	
Solnechnogorsk city	11 km
Zelenograd city	9 km

PUBLIC TRANSPORT

Passanger railway station «Povarovo-1» (1 hour to Leningradskiy railway station)	1 km
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HUMAN RESOURCES

Population of Solnechnogorsk city	58 617 people
Population of Zelenograd city	223 300 people

PROJECT REALIZATION TERMS





Start of the construction of engineering infrastructure	The second quarter of 2015
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15 | Human Resources of the Solnechnogorsk Municipal District





5 INSTITUTES

-  Moscow State Industrial University (MSIU)
-  Moscow State University of Technologies and Management (MSUTM)
-  The Moscow Juridical Open Institute
-  Institute of Art and Information Technology
-  Modern Humanitarian Academy



2 TECHNICAL COLLEGES

-  Vocational School №73
-  Vocational School №39

Specialties: mechanic, master of processing digital information, electrical power grids and electrical equipment, etc.



16 | Promoting of the Special Economic Zone in Dubna

Dubna — the science city in the north of the Moscow Region (**100** km from Moscow Ring Road), the largest center in Russia for research in nuclear physics. The population — **73 840** people (2013)



1. Land plot №1 – **135,7** ha

2. The town of programmers - **330** ha,
595 km² of housing

3. Land plot №2 – **52** ha - as part of the site of nuclear physics and nanotechnology

Tax incentives for residents:

13,5% - profit tax

14% - insurance contributions

0 to 10 years – property tax and land tax.

Free connection to engineering infrastructure

Special rates for land plots lease and buy out

Free customs zone in the SEZ territory
(import equipment without VAT)



17 | Comprehensive State Support



- ▶ creation and infrastructural development of the industrial parks and areas
- ▶ support on every stage of investment projects' realization
- ▶ conclusion of investment agreements on investment projects' realization

- ▶ investment attraction to the region's economy
- ▶ investment projects support
- ▶ conclusion of investment agreements on granting tax incentives

- ▶ personal manager on investment project support
- ▶ build-2-suite projects for industrial investors

- ▶ interaction with municipal authorities on issues related to infrastructural maintenance of selected land plots

**MAXIMUM COMFORT CONDITIONS
FOR INVESTMENT PROJECTS REALIZATION AND MOSCOW MARKET ENTRY**



18 | How to Start a New Production in the Moscow Region?

Please, fill in the production placement application:

www.mosregco.ru



10
days

Commercial Offer

Or Contact Directly:

Ministry of Investments and Innovations of the
Moscow Region

Tel. +7 (498) 602-06-04

www.mii.mosreg.ru

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