Ulyanovsk
region of opportunities
General information about the region

Ulyanovsk region is situated in the south-east of the European part of Russia, in the center of Privolzhsky Federal District.

Territory of the region

**37.2** ths. sq. km

Population

**1.3** mln. people

**DISTANCE:**

- Moscow - 875 km
- St. Petersburg - 1575 km
- Nizhny Novgorod - 440 km
- Kazan – 210 km
- Samara – 260 km
- Perm – 868 km
- Togliatti – 188 km

**TRANSPORT INFRASTRUCTURE:**

Unique transit location at the crossing of international transport corridors “North-South” and “West-East” connecting Siberia and the Far East as well as the countries of Eastern Asia with European part of Russia and countries in Europe.
Economy of the region in 2013

GRP of Ulyanovsk region within the period from 2005 to 2012 increased 3-fold (bln. euro)

Clusterization of the regional industrial complex

Aviation cluster  Nuclear-innovative cluster  Automotive cluster

Cluster of the construction materials production  Agro-industrial cluster  Transport-logistical cluster

Powerful industrial complex and scientific innovative structure

1st place in Russia for production of civil aircrafts.

2nd place in Russia for the part of machinery construction in total amount.

5th place in Russia for production of automobiles.

Industrial production index in 2012 made 99.3 %

Consumer price index in 2013 made 106.4 %

Registered unemployment rate in 2013 made 0.53 %

Unemployment rate in 2013 according ILO made 5.1 %
Aviation cluster of Ulyanovsk region

ULYANOVS - AVIATION CAPITAL OF RUSSIA

Aviation capital of Russia

«Ulyanovsk aviation cluster» Ltd.
40 participants of the cluster representing 7 areas of specialization, 32 cooperating enterprises. Cooperation with global companies and companies from other regions of the RF, having competence in aircraft construction.

Full-cycle production of various types of aircrafts:
- cargo: II-76МД-90A
  - Tu-204C
  - Tu-204-120C
  - Tu-204-120CE
  - Tu-204CE
- passenger: Tu-204-100
  - Tu-204-300
  - Tu-204-120
  - Tu-204-100E

Restoration of airworthiness and modernization of the aircraft An-124-100 «Ruslan»

LEADING COMPANIES OF THE INDUSTRY

- «Volga-Dnepr» Group of companies
  53% of market of air transportation of superheavy and bulky cargo
- CJSC «Aviastar-SP»
  a part of OJSC «UAC» since 2007
- JSC «Utyos»
- OJSC «Ulyanovsk design bureau of instrumentation»
- Onboard aviation equipment
- JSC «Aerocomposite»
  development, testing, production and realization of parts, units and components of civil aircraft made of polymeric and composite materials

4 airlines
2 airports, one of which - «Ulyanovsk-Vostochny» - is international
Nuclear-Innovation cluster of Ulyanovsk region

MAIN DIRECTIONS

- Establishment of the branch of the National research nuclear university «MIFI»
- Construction of multifunctional fast research reactor MFRR
- Production of radiopharmaceuticals
- Federal high-technology Center of medical radiology FMBA of Russia
- International center of collective use «Radiation - materials – research center»
- Construction of the prototype of lead-bismuth fast neutron reactor
- Production of cartridge elements and fuel assembly for fast neutron reactors
- Construction of polyfunctional radiochemical complex PRC

NUCLEAR SCIENCE

+ INNOVATIVE MEDICINE
  - SRI of nuclear reactors
  - Center of personnel training and retraining

+ INNOVATIVE HUMAN RESOURCES
  - Center of applied nuclear research
  - Branch of National research nuclear university "MEPhI"

+ INTRODUCTION OF R&D
  - Production of radiopharmaceuticals
  - International center of collective use
  - Center of medicine radiology
  - Specialized technopark
Automotive cluster in PFD and Ulyanovsk region

**Automotive cluster in PFD**

- Ulyanovsk region is ranked 5th region in Russia for automobile production

1st place in Russia on automobile production
- 1.5 mln pcs. – annual automobile production
- 10 automobile assembly plants

1st place in Russia on automotive components production
- 460 manufacturing enterprises

1st place in Russia on the quantity of specialist educational establishments
- 24 higher educational institutions
- 51 secondary specialized institutions

Ulyanovsk region is ranked 5th region in Russia for automobile production
### Ulyanovsk region automotive cluster

#### Enterprises that started formation of the automotive cluster

- **UAZ**
- **ГРУППА АВТОЗИЛЯНСКИЙ КОМПЛЕКС УМЗ**
- **sollers**
- **АВТОПРОИЗВОДСТВО АВТОМОБИЛЕЙ УАЗ**
- **АЛЬФА РОМЕОС**
- **VTEC**
- **УмАССТТ**
- **Офисная Деталь Сервис**

#### New enterprises of the automotive cluster

- **SCHAEFFLER**
- **LUK**
- **INA**
- **FAG**
- **BRIDGESTONE**
- **nemak**
- **TAKATA**
- **BAW**
- **ISUZU**

### Ulyanovsk region competencies in producing automotive components

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interior parts</td>
<td>26</td>
</tr>
<tr>
<td>Brake system</td>
<td>13</td>
</tr>
<tr>
<td>Suspension system</td>
<td>10</td>
</tr>
<tr>
<td>Plastic parts</td>
<td>10</td>
</tr>
<tr>
<td>Electric components</td>
<td>7</td>
</tr>
<tr>
<td>Fuel supply system</td>
<td>6</td>
</tr>
<tr>
<td>Cardan shafts</td>
<td>3</td>
</tr>
<tr>
<td>Rubber parts</td>
<td>3</td>
</tr>
<tr>
<td>Climate system</td>
<td>3</td>
</tr>
<tr>
<td>Radiators</td>
<td>3</td>
</tr>
<tr>
<td>Engines</td>
<td>3</td>
</tr>
<tr>
<td>Compressors</td>
<td>3</td>
</tr>
<tr>
<td>Bearings</td>
<td>3</td>
</tr>
<tr>
<td>Lightening</td>
<td>3</td>
</tr>
<tr>
<td>Cylinder-piston and gas distribution parts</td>
<td>3</td>
</tr>
</tbody>
</table>
Agroindustrial cluster

LAND RESOURCES

- 2.3 mln ha Land of agricultural use
- 2.08 mln ha Total area of arable land
- 300 thsd ha Arable land offered to investors

2083 thsd ha total area of agricultural lands (more than a half of the territory of the region)
More than 250 thsd ha of unoccupied area for placement of production of gross regional product

PRODUCED AND CULTIVATED WITHIN THE REGION

- wheat
- sunflower
- beet
- soy
- corn
- beef
- lamb
- pork
- poultry
- milk and eggs

VOLUMES OF ANNUALLY CULTIVATED CROPS

- more than 500 thsd tons beet
- 1.2 mln tons grain
- 150 thsd tons sunflower

LEADING ENTERPRISES OF FOOD INDUSTRY

- MARS
- EFES RUS
- ДИКОМ
- КладИнтар
- ГЛОБУС
- УЛЬЯНОВСКИЙ
- Сладко
- ТАЛИНА
- ТРЕХСОСЕНСКИЙ
- ВОЛЖАНКА
Cluster of construction materials production

PRODUCTION OF DRY CONSTRUCTION MIXTURES

PRODUCTION OF CEMENT
11 explored deposits of cement raw materials

PRODUCTION OF PAINTS

PRODUCTION OF ROOF MATERIALS

PRODUCTION OF REINFORCED CONCRETE PRODUCTS / WALL MATERIALS / CONCRETE MIXTURES

MINERAL RESOURCES

- 250 mn tons Quartz glass and molding sands
- 68 mn tons Oil
- 380 mn tons Cement raw materials
- 78 mn tons Carbonate raw materials
- 67.4 mn m³ Siliceous raw materials (diatomite)
- 89 mn m³ Construction sands
- 120 mn tons Zeolite-containing rocks

Companies and logos:

- Адатепро
- НС
- Henkel
- Мордовцемент
- EuroCement
- Технофримолит
- Ульяновскшифер
- КПД
- УКСМ
- ЖБИ-1
- ЗАО ЖБИ-4
- Завод ЖБИ-3
Results of investment attraction

Volume of investment into fixed assets (bln. rub.)

- **2nd place** on the state of investment climate
  *First National Rating on investment climate in Russian regions - 2014*

- **2nd place** on investment attractiveness for German companies
  *Study of Russian-German Chamber of Commerce - 2012*

- **1 of 3 regions** named the most attractive for foreign investors
  *Study of KPMG and RSPP-2013*

- **1 of 3 regions** named the most attractive for doing business
  *National rating «Business pulse»-2013*

**Doing Business in Russia-2012**
National rating of the conditions of doing business in Russia is prepared by The World Bank and IFC

1st place among 30 participating cities
Conditions for implementing investment projects in the region. Administrative support.

Priority task for Ulyanovsk region Team – Implementation of investment projects within minimum terms and at minimum expense

For supporting implementation of an investment project on the territory of the region a Project Team is created. This group assists in managing issues during pre-project preparation, construction and putting the plant into operation.

Project implementation schedule of «Schaeffler Group»:

Signing of Investment Agreement

4.06.2013
Start of construction

Today

1st place among Russian regions on the openness of regional Government

* Rating of Information Society Development Institute
Residents of Ulyanovsk region
Conditions for implementing investment projects in the region. Investment sites.

**Industrial zone “Karlinskaya”**
Area: 350 Ha

**Industrial zone “Novoulyanovsk”**
Area: 150 Ha

**Industrial zone “Novospasskoye”**
Area: 300 Ha

**Special Economic Port Zone**
Area: 120 Ha

Construction of the industrial parks is conducted with the financial support of Sberbank of Russia.
Conditions for implementing investment projects in the region. Investment sites.

Industrial zone «Zavolzhye»

Machine-tool plant. Investments: **20 mln. euro**

Plant for production of automotive components. Investments: **62,5 mln. euro**

Plant for production of automobile tires. Investments: **300 mln. euro**

Nanotechnological center. Investments: **32,5 mln. euro**

Plant for production of cylinder heads and engine blocks. Investments: **55 mln. euro**

Plant for production of plastic containers. Investments: **20 mln. euro**

Plant for production of plastic containers. Investments: **20 mln. euro**
Joint project with Dega AG (Switzerland) on construction of an industrial park

Project concept:
- Construction of the industrial park with prepared Greenfield land plots and buildings of Built-to-Suit type for placement of industrial enterprises
- Construction of the gas-generating station producing electricity, heat and cold.

For the residents of the industrial park all the resources will be provided at a significantly lower tariffs than approved in Ulyanovsk.

Additional projects: retail park, residential real estate, hotel.
Project start: summer 2014
Conditions for implementing investment projects in the region. Investment sites.

- More than 350 000 square meters of industrial property for sale or on lease
- Supply of required infrastructure. Flexible transaction terms.
- On-the-spot land plot matching according to the project specifications
- Favorable logistic position of all the platforms
- Offices and storage facilities are available

- Industrial park at the premises of OJSC «UAZ»
- Industrial park at the premises of OJSC «DAAZ»

+ More than 25 prepared land plots are available by lease or by sale for localization of industrial facilities
Conditions for implementing investment projects in the region. Tax incentives.

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Tax Type</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 years</td>
<td>Transport tax</td>
<td>0%</td>
</tr>
<tr>
<td>10 years</td>
<td>Corporate property tax</td>
<td>1.1%</td>
</tr>
<tr>
<td>8 years</td>
<td>Land tax</td>
<td></td>
</tr>
<tr>
<td>15 years</td>
<td>Corporate profit tax</td>
<td>15.5%</td>
</tr>
<tr>
<td></td>
<td>reduced by 4.5%</td>
<td></td>
</tr>
</tbody>
</table>

The period of the validity of tax incentives starts from the moment of emergence of the taxable base and is not limited by the payback period.

The cumulative effect for the investor makes 30-40% of economy of investment expenses.
Conditions for implementing investment projects in the region. Investment sites.

Special Economic Port Zone

Land plot area **205 hectares**

First start-up complex: 120 hectares

ENGINEERING AND TRANSPORT INFRASTRUCTURE FINANCED FROM THE BUDGET

**COST OF GRID CONNECTION— 0 ROUBLES.**

**LAND PLOTS AT A FRACTION OF THE COST**

At the first stage the land is offered for lease at the rate of 3306 roubles per year

After the enterprise is set into operation the resident can buy out the land plot at the cost of 3000 roubles per hectare.
## TAX BENEFITS IN SPECIAL ECONOMIC PORT ZONE

<table>
<thead>
<tr>
<th>Taxes</th>
<th>Russia, Ulyanovsk region</th>
<th>SEZ</th>
<th>Duration, since the moment of tax base incurrence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax</td>
<td>20%</td>
<td>2%</td>
<td>10 years</td>
</tr>
<tr>
<td>Property tax</td>
<td>2,2%</td>
<td>0%</td>
<td>15 years</td>
</tr>
<tr>
<td>Land tax</td>
<td>1,5%</td>
<td>0%</td>
<td>10 years</td>
</tr>
<tr>
<td>Transport tax</td>
<td>Differentiated</td>
<td>0%</td>
<td>10 years</td>
</tr>
<tr>
<td>VAT</td>
<td>18%</td>
<td>0%</td>
<td>For the time of SEZ existence (not less than 45 years)</td>
</tr>
</tbody>
</table>

On VAT created in SEZ during provision of services
FREE CUSTOMS ZONE REGIME

EXPORT/IMPORT OPERATIONS

SEPZ

REGIME OF THE SPECIAL ECONOMIC PORT ZONE IS A SPECIAL CUSTOMS REGIME VALID ON THE WHOLE TERRITORY OF THE SPECIAL ECONOMIC PORT ZONE

ABSENCE OF DECLARING FOR IMPORTED GOODS

ABSENCE OF CUSTOMS DUTIES AND VAT FOR IMPORTED EQUIPMENT OF DISTRIBUTION CENTRE AND OTHER GOODS

QUICK CUSTOMS REGISTRATION

PERIOD OF STORAGE OF GOODS WHICH ARE NOT IN FREE CIRCULATION ON THE TERRITORY OF RUSSIA IS NOT LIMITED

GOODS

CUSTOMS DUTIES

VAT

EXCISES

GOODS

VAT

CAN BE APPLIED IN IMPORT/EXPORT OF CONSTRUCTION MATERIALS, EQUIPMENT, TRANSPORT VEHICLES ETC.

SEPARATE CUSTOMS POST WORKING ONLY WITH THE RESIDENTS OF THE SPECIAL ECONOMIC PORT ZONE
Conditions for implementing investment projects in the region. Workforce and innovative potential.

**ULYANOVSK REGION IS AMONG:**

- **FIVE** leaders of Russian regions on the share of R&D in GRP
- **TEN** most innovative regions of Russia-2012

**807.2 thsd. people**
Labor resources

**385 euro**
Average salary

- 35 secondary specialized institutions
- 20.9 thsd students
- 17 higher educational institutions including 5 State universities
- 53.7 thsd students

Ulyanovsk region has preserved a system of staff preparation for enterprises of military industrial complex, automobile construction, aviation construction and other sectors. Centers for preparation and retraining of specialist for newly opened productions, opening in the region, cooperate with scientific, educational institutions and the Government of the Ulyanovsk region.
Contacts

We invite you to establish long-term and mutually profitable cooperation!

The Government of Ulyanovsk region
First Deputy Chairman of the Government of Ulyanovsk region

Alexander Smekalin

tel. +7 (8422) 41-20-78, 41-29-43
fax. +7 (8422) 41-70-20
e-mail: mail@ulgov.ru
http://ulgov.ru

OJSC Ulyanovsk region Development Corporation
General director

Sergey Vasin

tel. +7 (8422) 44-45-73, 44-48-34
fax. +7 (8422) 44-45-73
e-mail: info@ulregion.com
http://ulregion.com

OJSC Ulyanovsk Special Economic Port Zone
General Director

Denis Baryshnikov

tel. +7 (8422) 24-94-17,
fax. +7 (8422) 50-24-68
e-mail: ulyanovsk@russez.ru
Ульяновск
К взлете готов