INVESTMENT ATTRACTIVENESS OF THE RUSSIAN REGIONS

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The Russian leading business and public organization, the National Network of technological and industrial infrastructure, created to boost social and economic prosperity and put into practice the Russian scientific and industrial potential

ASSOCIATION IS THE COMMON POINT OF ENTRY FOR INTERNATIONAL INVESTORS PLANNING TO LOCALIZE INDUSTRIAL PRODUCTION IN RUSSIA

ASSOCIATION PROVIDES THE FOLLOWING SERVICES:

Search for promising investment projects (investment niches) in the Russian regions taking into account industrial specificity

Site selection and support for localization investment projects

Search for Russian partners to implement joint investment projects

Assistance in attracting investment and government support for acceleration of investment project implementation

Support for investors in establishing infrastructure for high-tech production and developing cooperation networks

ASSOCIATION TODAY

WE REPRESENT AND PROTECT THE INTERESTS OF:

2630 companies
180 thousand employees
9.5 billion €
0.8% Russia’s GDP

FOUNDATION 2011
OUR MEMBERS 83
RUSSIAN REGIONS 42

Including the residents of Technology Parks, Special Economic Zones, and members of Clusters in the Association’s Network

Our members’ revenue

Our members’ revenue

Search for Russian partners to implement joint investment projects
ANALYSIS OF INDUSTRIAL CLUSTERS AIMED AT INITIATION OF NEW INVESTMENT PROJECTS

Reasons why members of Industrial Clusters need the products:

- High import share, > 70%
- High production value
  - Outdated production technologies
  - High transport leg etc.
- Lack of products on the market with required technical specifications

Uniqueness of Industrial Clusters

Clusters help to determine their members’ needs for a specific product range in monetary and physical terms at every technological conversion as well as to predict the existing and potential demand for it.
INVESTMENT NICHES OF THE CROSS-REGIONAL INDUSTRIAL CLUSTER “COMPOSITES WITHOUT BORDERS”

1st
CONVERSION
Republic of Tatarstan

PAN precursor with increased strength both 4.9 and 5.5 GPa

ESTIMATED INVESTMENT:
92,1 million €

EXISTING DEMAND:
400 tons per year

KEY CONSUMER IN THE CLUSTER:
Argon Ltd

2nd
CONVERSION
Republic of Tatarstan

Fiberglass

ESTIMATED INVESTMENT:
17,3 million €

EXISTING DEMAND:
150 tons per year

KEY CONSUMERS IN THE CLUSTER:
Zaryad LLC
Tatneft-Presscomposit LLC

3rd
CONVERSION
Saratov Region

Fabrics and prepregs

ESTIMATED INVESTMENT:
29,3 million €

EXISTING DEMAND:
100-150 tons per year

KEY CONSUMERS IN THE CLUSTER:
SPA “Simonov Design Bureau” JSC
KAMATEK LLC

4th
CONVERSION
Republic of Tatarstan

Ultra-lightweight composite high-pressure vessels

ESTIMATED INVESTMENT:
13,9 million €

EXISTING DEMAND:
20 thousand units per year

KEY CONSUMERS IN THE CLUSTER:
RMZ RarTEK LLC
RarTEK Engineering LLC

EXISTING DEMAND:
150 tons per year

KEY CONSUMERS IN THE CLUSTER:
Zaryad LLC
Tatneft-Presscomposit LLC

EXISTING DEMAND:
204 tons per year

KEY CONSUMERS IN THE CLUSTER:
Argon Ltd
RAW MATERIALS
PROCESSING

PARTS AND
COMPONENTS

MECHANICAL COMPONENTS

CLUSTER’S FINAL
PRODUCT

INVESTMENT NICHES OF HIGH-TECH MACHINE BUILDING CLUSTER OF THE REPUBLIC OF BURYATIA

1st
CONVERSION

Polymer composite parts

REQUIRED INVESTMENT:

6,7 million €

EXISTING DEMAND:

13,3 million € per year

KEY CONSUMER IN THE CLUSTER:

Ulan-Ude Aviation Plant JSC

2nd
CONVERSION

Main rotor blades

REQUIRED INVESTMENT:

1,6 million €

ANNUAL EXISTING DEMAND:

50 sets

3rd
CONVERSION

Aircraft avionic equipment

REQUIRED INVESTMENT:

9,3 million €

EXISTING DEMAND:

100 sets

4th
CONVERSION

Light multi-purpose single-engine helicopter VRT500

Light multi-purpose aircraft TVS-2DTS «Baikal»
INVESTMENT NICHES OF THE CLUSTER OF ELECTRONIC APPLIANCES, MATERIALS AND COMPONENTS

1st Conversion: Production of Components and Materials

- Polymer raw materials

2nd Conversion: Production of Equipment for Cultivation

- Synthetic Sapphire, Machine-Tool Attachments, Preparation of Raw Materials

- Diamond wire

- Aluminium Oxide

3rd Conversion: Cultivating and Processing of Synthetic Sapphire, Assembly of the Counting Electricity Devices

- Aluminium Oxide: 50,000 tons, 2.5 million €

- Diamond Wire: 1,8 million €

- Monocrystal JSC

EXISTING DEMAND PER YEAR:

- Polymer raw materials: 600 tons, 1.8 million €

- Diamond wire: 50,000 tons, 2.5 million €

- Aluminium Oxide: 1,000 tons, 5.7 million €

INVESTMENT NICHES ARE DUE TO BE IDENTIFIED

KEY CONSUMER IN THE CLUSTER:
EXISTING SUPPORT MEASURES

RESOLUTION OF THE GOVERNMENT OF THE RUSSIAN FEDERATION No. 41

AVERAGE VOLUME OF SUPPORT OF AN INVESTMENT PROJECT

7 million €

COMPENSATION OF THE FOLLOWING COSTS

- Purchase of machine-tool attachments
- Purchase of computer programs
- Interest on the credit on both construction (or reconstruction) of factory buildings and purchase of equipment (up to 70% of the interest rate in a credit contract)
- Reparation of leasing payments for equipment (no more than 15% of the cost of equipment without VAT)
- Production and test of prototypes and pre-production lots of goods
- Preparation of engineering documents as well as creation of technologies, technological processes

PERSPECTIVE SUPPORT MEASURES

RESOLUTION OF THE GOVERNMENT OF THE RUSSIAN FEDERATION No. 1119

AVERAGE VOLUME OF SUPPORT OF AN INVESTMENT PROJECT

13,5 million €

COMPENSATION OF THE FOLLOWING COSTS

- Construction or reconstruction of industrial buildings
- Construction or reconstruction of engineering infrastructure
- Construction or reconstruction of transport infrastructure
- Purchase of machinery and equipment
The Russian Special Economic Zone is a part of the territory of the Russian Federation, which is determined by the Russian government, and in which business and trade laws (including free customs zone regime) are different from the rest of the country.

**Advantage of the SEZ** refers to the SEZ resident’s savings up to 30% on initial capital investment in a project provided by a wide range ensured by tax exemptions, customs and social preferences as well as construction of engineering and transport infrastructure, financed from the federal and regional budgets.

### CORE COMPETITIVE ADVANTAGES OF SEZS FOR THEIR RESIDENTS

- Federal and regional tax exemptions
- Preferential lease and purchase of land
- State guarantees
- Advanced infrastructure
- Free customs zone regime

### TYPES OF THE RUSSIAN SEZ IN FIGURES

- **10** Industrial Production SEZs
- **6** Technology Innovative SEZs
- **1** Port SEZ
- **9** Tourism And Recreational SEZs
Industrial Technology Park - industrial and technological infrastructure, provided development of industrial production as well as conducting research and development, manufacturing production*

Location benefits for small and medium-sized companies:

- Lower rental price for premises than compared to the market
- Offices, laboratories and industrial premises are provided with industrial and technological infrastructure
- Reducing capital costs for the placement of production facilities
- Access to competencies and cooperation with the main enterprise of the Industrial Technology Park
- A wide range of services for residents provided
- Tax exemptions and other preferences

*The definition of "Industrial Technology Park" have been established in the framework of the Federal Law No. 488 of December 31, 2014 "On Industrial Policy in the Russian Federation"