Investment potential of Mordovia
Economic and geographical position

Mordovia is located in the centre of the European part of Russia and is located in the Volga Federal District. It borders with Ulyanovsk, Penza, Ryazan, Nizhny Novgorod regions as well as the Chuvash Republic. The capital of Mordovia is Saransk.

Within 500 km from the city of Saransk - 4 cities with populations over one million
The region is located very well. There are more than 10,000 km of roads and over 550 km of railway lines that is very convenient domestic and inter-regional transportation. There is a federal highway M5 that is part of an important transcontinental route.

The republic has one of the largest railway stations “Ruzaevka” which links Central Russia with the southeastern part of European territory, the Urals and Siberia.
Several times the capital of Mordovia was recognized as the most comfortably settled city of Russia.

Hotels
1. Mercure
2. Sheraton
3. Admiral
4. Meridian
5. Olimpia
6. Park Hotel
7. Mordovia
8. Saransk
9. Studencheskaya
10. Sura
11. Mirta

Catering network in Saransk and Mordovia includes restaurants, cafes and fast food outlets. There are food courts in all shopping and entertainment centers. Restaurants offer the dishes of European, Pan-Asian and Mordovian cuisine.
There are city parks, theaters, museums, concert halls as well as shopping and entertainment centres and nightclubs in the city.

The real pride of the city is the S. Erzya Museum of Fine Arts that has the exhibition of works by world-renowned sculptor S. Erzya.

I. M. Yaushev State Music Theatre has been opened in a new building recently. It attracts visitors and residents with interesting repertoire, unusual architecture and luxurious interior.
Comfortable living conditions

Sports infrastructure in the republic is systematically renovated. There are stadiums and sports facilities designed to hold world-class championships in the republic. There is the sports centre “Mordovia”, “Ice Palace,” “Palace of Water Sports” and many others.

The indoor football and athletics arena and “Universal Hall” is currently under construction. It is, a sports complex designed to hold the competition in almost all kinds of sports.
There has been active modernization of health care in Mordovia recently. The republic is in one of the top positions in the country in terms of federal investments in the health sector.

There are more than 70 health care facilities in Mordovia. They include Federal Perinatal Center, the Modern Republican Medical Center “Mordovia Republican Clinical Hospital” as well as unique Dialysis Center opened in cooperation with the German company “Fresenius-Hefro”.

Technical equipment of these medical facilities meet modern international standards and can provide a full range of medical services and carry out surveys and operations of high complexity.
There is a well-developed network of information and communication technologies in Saransk and Mordovia. It includes the broadband Internet and digital TV broadcasting. 4G mobile communication of LTE standard had been introduced in Mordovia.

Mordovia is one of the most politically and socially stable regions with the low level of criminality and drug addiction. The stability of the operational situation in the region is the result of coordinated work of the law enforcement system of Mordovia.

New technologies help to provide safety in the republic. The situation in the streets of Saransk is controlled by the automated intelligent system called the “Safe City”.

Comfortable living conditions
Saransk is one of 11 host cities of the FIFA World Cup 2018 in Russia. Social infrastructure of the city had been significantly renovated for the event.
Mordovia Arena is located in the central part of Saransk, in a picturesque place in the floodplain of the Insar River.

45,000 seats
including 15,000 temporary seats;
1,200 seats for the media; 60 seats for VVIP-Tribune;
1,800 seats for VIP-Tribune.
During the World Cup the complex was used as hotels but after the event it was transformed into the residential complex.
Saransk International Airport

Saransk International Airport is located at the most comfortable distance from the stadium, hotels and apartment complexes.

By 2018 it had been significantly reconstructed.

Overall capacity of the airport is up to 300 people per hour.
Economic potential of Mordovia

The initial element of the regional economy is the Republican Lyceum Centre for Gifted Children. Its activity is aimed at development of human resources potential in the field of high technologies.

Research capacity of Mordovia is formed by 11 higher education institutions. More than 1,000 university students are the citizens of over 43 foreign countries.

Mordovia State University is one of the leading universities in Russia. It is a recognized centre, where personnel for all the country is trained. Over 20,000 people study here in 18 departments and institutes.
Innovations

Innovations are one of the main priorities of Mordovia modern economic development. In 2012 the Federal Technopark in the sphere of high technologies was established in the region. Its main goal is to organize the full innovative cycle in the economy of the region.

Technopark provides comfortable business environment: modern workplaces, spacious offices, laboratories, production premises, convenient meeting rooms, conference hall and meeting zones.

It works in cooperation with the leading enterprises of Mordovia, provides support for development and promotion of innovative products and technologies.

Technopark collaborates with venture funds, companies, banks and private investors to attract financing for innovative projects at different stages from idea to access to mass market.

Electronic instrument-making
- Fiber optics and optoelectronics
- Energy efficient lighting engineering
- Information technologies
- Nanotechnologies and nanomaterials

Economic potential of Mordovia
Mordovia industry has a cluster structure. Enterprises of the republic are among the best in the Volga Federal District and Russia. They work in close cooperation with foreign partners.
The Federal innovation cluster of the republic “Efficient lighting and intelligent lighting control systems”

- The widest range of manufactured products in Russia
- Long history of the cluster’s companies – over 50 years
- Large distribution network in Russia and CIS countries.
- A high level of coordination between the cluster members (within the “Russian Light” association)
- Stable relations with the leading research centers of Russia
- High educational, technical and scientific personnel potential.

- 21 organizations
- 10,000 professionals
- 30% of all manufactured lighting products in Russia
Innovative territorial rail cars-building cluster

is represented by a leading industrial holding of transport engineering "RM Rail"

“RM Rail Ruzkhimmash” is one of five best manufacturers of rolling stock in Russia. It is a core asset of “RM Rail” Group.

- 3,000 people
- > 4,000 railcars per year
- > 80 models
Cluster production of cable products

is well developed in Mordovia due to the large and highly specialized factories whose products are in demand in the export market.

Total volume of products produced by a cluster is up to 10% of all the products in the Russian market. And approximately 2,000 professionals are responsible for it.

2 000 professionals

About 10% of the market in Russia
Economic potential of Mordovia

Regional clusters of power electronics

Regional clusters of power electronics produce one-tenth of all the products of the industry in Russia and are presented in Mordovia in some more enterprises.

“Electrovypryamitel” has a long-standing partnership with the company «SIEMENS». It produces high and GTO thyristors. At “Electrovypryamitel” there is equipment of such companies as “Kliengelnberg”, “KASTO”, “HERMLE” and “Demag”.

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[Image of power electronics components]
Cluster of fiber optics and optoelectronics

The cluster was established in March 2016. It includes 15 enterprises. Among others there are:

- “Optic Fiber Systems”
- “Saranskkabel Optika”
- “Technopark Mordovia”
- Ogarev Mordovia State University
- “Mordovia Radio-Electronic company”
- “Electrovipryamitel”
- “Orbita”

“Optic Fiber Systems” is the first plant in Russia for production of telecommunication optic fiber. Its production capacity is 2.4-4.5 million kilometers of optic fiber per year.
Building materials cluster in Mordovia is presented by one of the most advanced companies in Russia “Mordovcement”. The company is a part of international industrial holding “EUROCEMENT Group”.

Besides the production of cement mixes the cluster involves the production of brick, gypsum partition blocks and gypsum boards.

The volume of products manufactured by the cluster is more than 8% of Russian market.
“Saranski zavod Rezinotechnica“ (“SZRT”) is one of the biggest companies producing rubber goods in Russia. Over 15 thousand different items produced here are highly applicable in many spheres. The number of consuming enterprises is over 4 thousand. “SZRT” products meet the requirements of Russian and foreign standards. Quality management system is ISO 9001:2008 certified, environmental management system is ISO 14001:2004 certified. Preparation for certification under the ISO TS 16949-2002 standard is conducted.
“Biokhimik” established in 1959 is one of the leaders in Russia in production of medicines and pharmaceutical substitutes. It is the only enterprise in Russia producing dextran-based blood substitutes in cyclical turn-around, starting with producer strain culture and biosynthesis process.

Its product range includes over 100 medicines in injection, tablet, ampule, capsular and other forms. 90% of produced items are included in the Essential Medicines List.
Food industry cluster

Food processing cluster in Mordovia is presented by enterprises manufacturing confectionery, beverages, sugar and cheese. Meat processing and dairy production play significant role in the regional economy.

There is one of the modern breweries in Saransk that belongs to “SUN InBev”, which is a Russian unit of the world’s largest brewing company “Anheuser-Busch InBev”. The malt house in Saransk is recognized as the most effective branch among all "AB InBev" malting companies.
Agricultural sector

Favorable temperate climate of central region contributes to successful development of many agricultural sectors. Mordovia has always been an agrarian region and it is increasing its pace of development now. Agricultural sector is a strong sphere in the economy of Mordovia.

The region is one of the leaders in Russia in agricultural production per capita. It is ranked:

- 1\textsuperscript{st} in egg production;
- 2\textsuperscript{nd} in milk production;
- 6\textsuperscript{th} in meat production.
REASONS TO INVEST IN MORDOVIA

✓ **POLITICAL STABILITY**
The Republic of Mordovia is the most politically stable region of Russia according to political stability rating by Information Agency «Regnum».

✓ **FAVORABLE INVESTMENT CLIMATE**
Support for investors and mutually beneficial comfortable partnership are the basic principles of investment policy of the region.

✓ **STATE SUPPORT**
Laws and regulations of the Republic of Mordovia are favorable for investment activity and attracting investments to the regional economy. There are different forms of support provided to investors.

✓ **FOCUS ON INNOVATIONS**
Share of innovative products in industrial complex of Mordovia is 27.4 per cent. Considering this indicator, Mordovia is the second in Russia and the leader among the regions of Volga Federal District. For seven years Mordovia improved its position in the rating of innovative development from 70 to 4.

✓ **CONVINIENT GEOGRAPHIC LOCATION**
Mordovia is a region in the center of European part of Russia. 40 million people live within 500 kilometers from Saransk.

✓ **SAFETY**
Automatic intellectual video surveillance system “Safe city” provides safety in Saransk.

✓ **ENVIRONMENTAL FRIENDLINESS**
According to Rosstat, Saransk is one of the most environmentally friendly cities of Russia. For 6 years Saransk has been a prize-winner of “The most comfortably settled city of Russia” contest.
MEASURES OF STATE SUPPORT FOR INVESTORS

- Selection of an investment site according to provided information and technical characteristics, assistance in development of necessary transportation, engineering and energy infrastructure.
- Assistance in cooperation between public authorities and investors on the “one contact” principle.
- Tax privileges for priority investment projects for payback period but no more than 10 years:
  • Profit tax rate reduction to 13.5% (in part of the tax paid to the regional budget)
  • Property tax rate reduction to 0%
- Subsidies to compensate a part of interest for bank loans and leasing payments.
- Guarantees and loans for legal entities to finance projects.
- Subsidies and grants for certain economic activities and different categories of business.
- Ability to provide the newly established enterprises with energy up to 500 MW of electric power and up to 3 billion cubic meters of gas per year.
### Advantages of Ruzaevka Priority Development Area for investors

- Tax incentives until 2027 with the possibility of further extension.
- Provision of a land plot without bidding.
- Opportunity to get a loan from the Fund for development of single-industry towns.
- Lease of a land plot without bidding at preferential rate.
- Construction of utility infrastructure at the expense of Fund for development of single-industry towns.
- Opportunity to buy a land plot at preferential price.
- 25 possible economic activities.

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There was signed Order of the Government of the Russian Federation No. 1165 of September 27, 2017 “On establishment of “Ruzaevka” priority social and economic development area”
Welcome to Mordovia!
We look forward to cooperating with you!