GENERAL INFORMATION

4,5 MLN PEOPLE
economically active population

30 MLN PEOPLE
live in the Moscow agglomeration, which accounts for 20% of the population of Russia

1/3 CONSUMER expenses in Russia

>600 BLN USD consumer basket

44 340 km² total area

7,42 MLN PEOPLE population

3rd place after Moscow City and Tyumen region in terms of gross regional product = 54 billion euros (5% of Russia's GDP)
The gross regional product of the subjects of the Russian Federation billion euros

- 2nd place on turnover of retail trade
- 3rd place in terms of living standards
TRANSPORT INFRASTRUCTURE

Regular transit worldwide

77 mln passengers per year

97,1 mln tons
ANNUAL TRUCKING BY ROAD TRANSPORT

10,9 mln tons
ANNUAL CARGO TRANSPORTATION BY RAIL

4 international airports
77 MLN PEOPLE
ANNUAL PASSENGER TRAFFIC

11 directions
FEDERAL HIGHWAYS

Development of transport infrastructure in Moscow Region

CENTRAL RING ROAD
25 BLN. USD
320 KM
70 000 VEHICLES PER DAY

ANNUAL TRUCKING BY ROAD TRANSPORT
97,1 mln tons

ANNUAL CARGO TRANSPORTATION BY RAIL
10,9 mln tons

ANNUAL PASSENGER TRAFFIC
77 MLN PEOPLE

FEDERAL HIGHWAYS
11 directions

ANNUAL TRANSPORT BY ROAD
97,1 mln tons

ANNUAL CARGO TRANSPORTATION
10,9 mln tons

ANNUAL PASSENGER TRAVEL
77 MLN PEOPLE
8/13 Russian science cities located in Moscow Region

No2 by the number of specialists
Involved in research and development (after Moscow and St. Petersburg)

No3 by education level

1/5 Russian scientific researches are carried out in the Moscow Region

3 special economic zones
Dubna, Istok, Stupino Quadrat

≈90 thousand specialists
Involved in innovative developments

50 thousand people annually receive higher education
WORKERS FOR INDUSTRIAL ENTERPRISES

6 universities, 2 of them are technical specialization.
49 professional educational institutions, 16 of them are technical specialization.

Graduate in 2017:
INTERMEDIATE VOCATIONAL EDUCATION — 18032 PPL
HIGH EDUCATION — 6011 PPL

DUAL EDUCATION

12 educational organizations with participation of
23 enterprises in 27 fields of study
2800 places, 56 mentors, qualified specialists of enterprises

• Main fields: defense industrial complex, machinery-production, instrumentation
• Alternation of the theory and practice
• Additional incentives for students from employers
HOUSING CONSTRUCTION

1ST PLACE IN RUSSIA BY THE VOLUME OF HOUSING CONSTRUCTION

<table>
<thead>
<tr>
<th>Region</th>
<th>Volume (mln m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moscow Region</td>
<td>9,6</td>
</tr>
<tr>
<td>Krasnodar Region</td>
<td>4,6</td>
</tr>
<tr>
<td>Moscow</td>
<td>3,9</td>
</tr>
<tr>
<td>Tyumen Region</td>
<td>3,3</td>
</tr>
</tbody>
</table>

Manufacturers and enterprises operate in Moscow Region in the construction materials industry.
KEY INDUSTRIES

- **Pharmaceuticals and Biotechnology**
- **Chemical Industry**
- **Logistics**
- **Light Industry**
- **Agriculture and Food Industry**
- **Production of Construction Materials**
- **Production of Furniture**
- **Trade**
- **Automotive Industry, Mechanical Engineering, Production of Auto Component**
- **Production of Electronics and Electronic Engineering**
- **Aeronautic Production and Astronautics**
Moscow Region 2016
21 PLACE

Moscow Region 2017, 2018
9 PLACE
<table>
<thead>
<tr>
<th>Industry</th>
<th>Enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food industry</td>
<td>MARS, Bongrain, Auchan, Valio, Ehrmann, Damone, PepsiCo, Barilla</td>
</tr>
<tr>
<td>Construction materials</td>
<td>KNAUF, Kerama Marazzi, TeGoLa, Ursa, FIPAR, MAPEI, VEKA</td>
</tr>
<tr>
<td>Mechanical engineering, automotive components, electrical engineering</td>
<td>Danfoss, John Deere, Bosch, Eurolux, Liebherr, Mercedes-Benz, LG</td>
</tr>
<tr>
<td>Pharmaceuticals, biotechnology Medical products</td>
<td>Kimberly-Clark, Bella, Gedeon Richter, Aqua Nova, Bayer, KRKA, ArkRay, GE</td>
</tr>
<tr>
<td>Chemical industry</td>
<td>Linde, BASF, Michelin, Henkel, Sika, Covestro, AGC</td>
</tr>
<tr>
<td>Retail</td>
<td>Castorama, Leroy Merlin, OBI, K-Rauta, Globus, Metro, IKEA</td>
</tr>
<tr>
<td>Manufacture of furniture and packing</td>
<td>Schattdecor, Huhtamaki, Tetra Pak, Stora Enso, INTERPRINT</td>
</tr>
</tbody>
</table>
Key German Companies in Moscow Region

over the past 2 years > 1 bln EURO investment > 3 000 working places
INVESTOR SUPPORT

Investor Support Institutes:
- Ministry of Investments and Innovations of the Moscow Region;
- The Moscow Region Development Corporation;
- The Center for Support of Construction Activity

Support Areas:
- Selection of a land plot;
- Possibility of providing a land plot without tendering;
- Connection to the infrastructure, possibility of laying on utility networks to the border of the site;
- Tax benefits and subsidies;
- Assistance in obtaining approvals and permits;
- Information support (inclusion in the register of industrial enterprises)
ACQUISITION OF LAND PLOT

**State property**

- **Assistance in selection of land plot**
  1 week — 1 month depending on requirements of investor

- **Assistance in preparation of land plot lease agreement**
  About 3 months

**Private property**

- **Requirements:**
  it is necessary to become a resident of an industrial park / special economic zone

- **Selection of land plot**
  in industrial park / special economic zone

- **Assistance in registration of the land plot**

- **Conclusion of land lease / purchase agreement**
  with the management company of the industrial park / special economic zone

**Upon completion of construction:**

- Purchase of land plot under major construction projects for 15% of the cadastral value of the land plot
- Lease of the remaining part of the land plot for 49 years
INFRASTRUCTURE

Over 1000 residents

Over 15 bln EUR in investments

Total number

73 INDUSTRIAL sites on the territory of Moscow Region

58 Industrial parks
INDUSTRIAL PARK

Esipovo

General information

Area/District
Solnechnogorsky

Type
Greenfield

Managing company
MRDC

Residents
1 company

284 ha
Operating/Under const.

Occupied space

Available space

Infrastructure

Power supply (MW)
16

Gas supply (cbm/h)
9,000*

Water supply (cbm per day)
4,000

Anchoring resident

«Mercedes-Benz Manufacturing RUS», LLC

Residents
1 company

Power supply (MW)
16

Gas supply (cbm/h)
9,000*

Water supply (cbm per day)
4,000
DUBNA

**General information**

- Area/District: Dubna
- Type: SEZ
- Managing company: “Dubna” JSC
- Residents: 137 companies

**Infrastructure**

- Power supply (MW): 111
- Gas supply (cbm/h): Yes
- Water supply (cbm per day): 17,500

- 218 ha

- Operating/Under const.

- Occupied space
- Available
PARTIAL REIMBURSEMENT OF UTILITY NETWORK INVESTMENT COSTS

Reimbursement up to **1,1 mln EUR**

**REQUIREMENTS:**

- Company registration on the territory of Moscow Region;
- Investments minimum **1,6 mln EUR**;
- Creating minimum **30 new workplaces**;
- Subsidy not exceeding **10%** of the cost of the whole project.

Ministry of Investments and Innovations of Moscow Region (MII MR)
TAX BENEFITS FOR RESIDENTS OF MOSCOW REGION

Modernization and new construction agreement with MII MR is required

- **Income tax:** decrease by 4.5%, for up to 7 years
- **Property tax:** decrease to 0%, for up to 8 years

New construction No agreement with MII MR

- **Income tax:** decrease by 4.5%, for 4 years
- **Property tax:** decrease to 0%, for 4 years

Requirements:
- 835 thousand EUR
NEW MECHANISMS FOR SUPPORTING INVESTORS

MANUFACTURING INDUSTRIES

Conclusion of an agreement with Ministry of Investments and Innovations of Moscow Region

Special Investment Contract (SPIC)

Investments from €12.5 mln

- **Federal Norms Income Tax:**
  - 10 years 0% until 2025,
  - 10% from 2026 until 2028

- **Additionally in Moscow Region**
  - Income Tax: 13.5% from 2029.
  - Property Tax: 0% for 10 years.

Regional Investment Project (RIP)

Investments from €835 thousand

- **Federal Benefit**
  - Income Tax: 10%.

- **Additionally in Moscow Region**
  - Property tax: 0% for 4 years

Investments from €8.3 mln

- **Federal Benefit**
  - Income Tax: 10%.

- **Additionally in Moscow Region**
  - Property Tax:
    - 0% for 4 years,
    - 1.1% from 5th to 7th year.
Center for Support of Construction Activity is a one-stop service which provides support for investment projects assists in obtaining permits and approvals, selection of contractor

- A single platform staffed by professionals of 11 organizations of different executive authorities and 10 organizations of Moscow Region
- All decisions are made in one place
- Personal manager is an assistant to the investor on behalf of the authorities

**Personal manager provides manual support of the project at all stages:**

- land and property registration
- handing over specifications
- granting a construction permit
- granting a permit for commissioning
- registerating ownership of the object

The Center has a list of contractors for organizing and conducting of construction works.
OPEN GOVERNMENT

Adhering to an effective and open policy for information support purposes:
— a register of industrial cooperation of the Moscow Region
— a register of innovative products of the Moscow Region
— regular meetings with representatives of the investment block and line ministries
— annual meeting of the Governor with Foreign Ambassadors and business.

Mr. Andrey Vorobiev, Governor of Moscow Region, regularly meets with Ambassador of foreign countries and representatives of foreign business:
— discussing companies development plans in the region
— consideration of problematic issues
— negotiations about improving investment climate.

Meeting of Governor of Moscow Region A. Vorobiev with Extraordinary and Plenipotentiary Ambassador of German to Russia Mr. Rudiger von Fritsch and German business
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