Investment and Industrial Capacities of the Yaroslavl region
General Information about the Region

Area: 36,200 km²
Population: 1.2 million people
Экономически активное население: 50.1%

Main cities: Yaroslavl, Rybinsk, Tutaev, Pereslavl-Zalessky, Uglich, Rostov

Our region is neighboring these regions of Russia: Tver, Vologda, Kostroma, Ivanovo, Vladimir, Moscow

Automobile transport connection: 272 km (4 hrs) to Moscow - federal highway M-8 ‘Kholmogory’
Rail: 3.2 hours to Moscow
Air connection: ‘Yaroslavl’ international airport of federal significance
Water connection: 560 km to Moscow River Ports:
In Yaroslavl and Rybinsk Passenger and freight transportation

The territory of advanced socio-economic development: TASED

The Government of the Yaroslavl region

50 million people
are residing within 300 km from Yaroslavl

25 million people
are residing within 650 km from Yaroslavl; there are 25 regional centers in this area
Manufacturing is one of the key industries for sustainable regional growth

- **3286 enterprises**
  - Of these, 259 are large and medium-sized companies.

- **157 700 people**
  - Average annual number of workers engaged in industrial production.

- Industrial production is **at the 1 place** in the regional value added structure.

- **7,58 billion $**
  - Gross regional product (2016)

- **30% of GRP**

- **more 40%**
  - Tax revenues in the consolidated regional budget

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**Industrial production index in 2018 г. – 106,4%**

- **106,4% Yaroslavl region**
- **102,9% Russian Federation**

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**Volume of shipped goods of industrial enterprises**

- **388 billion rubles**
  - (January - November 2018)

**Growth of 9%**

- (in comparison with the same period of 2017)
Priority areas for the regional economic development

Percent of industrial sectors in the total volume of products shipped (2017)

- 56.2% Manufacturing productions
- 6.8% Electricity, gas and steam; air conditioning
- 1.4% Water supply; wastewater disposal, waste collection and disposal, pollution control activities
- 0.2% Extraction of mineral resources
- 35.4% Other

Structure of the volume of products shipped by manufacturing industries (2017)

- 24.3% Manufacture of motor vehicles, vehicles and equipment
- 11.0% Production of food, beverages and tobacco
- 8.4% Production of petroleum products
- 9.4% Computers, electronic and optical devices
- 8.8% Machinery and equipment not elsewhere classified
- 9.6% Chemical production
- 8.8% Manufacture of rubber and plastic products
- 19.7% Other
Educational institutions

Joint projects

**Higher professional education**
59 universities, including:
Demidov State University, Yaroslavl State Technical University, Yaroslavl State Medical Academy, Rybinsk State Aviation University

**Secondary vocational education**
50 colleges and technical schools, including: Yaroslavl College for Industry and Economy, Yaroslavl College for Automobile Industry, Rybinsk College for Industry and Economy

- Joint research activities
- Joint educational programs on company standards
- Dual education
- Programs made to meet companies’ standards
- Practice while studying
- Mentorship

1 place in Russia: universities and colleges per 1,000 local residents
2 place in Russia: R&D companies per 1,000 local residents
3 place in Russia: scientists with various degrees per 1,000 local residents

Economically active population - 637,000 people
The largest Yaroslavl manufacturing companies

**MANUFACTURE OF VEHICLES, MACHINERIES AND EQUIPMENT**

- Avtodiesel (YaMZ) PJSC
- Komatsu Manufacturing Rus LLC Yaroslavl Diesel Equipment Plant JSC

**SHIPBUILDING**

- Yaroslavl Shipyard PJSC
- Paritet Group of Companies

**PRODUCTION OF PHARMACEUTICAL PRODUCTS**

- Yaroslavl branch of R-Pharm JSC
- Besiens Manufacturing Rus LLC Teva LLC
- Takeda Pharmaceuticals LLC

**CHEMICAL AND PETROCHEMICAL INDUSTRIES, PRODUCTION OF PLASTIC AND RUBBER PRODUCTS**

- Yaroslavl Technical Carbon JSC
- Slavneft-Yaroslavnefteorgsintez, JSC Branch of Cordiant JSC in Yaroslavl - (Yaroslavl Tire Plant)
- Yaroslavl - Rezinotehnika JSC Russian Coatings JSC
- NPK YARLI CJSC

**PRODUCTION OF ELECTRICAL, ELECTRONIC AND OPTICAL EQUIPMENT**

- Yaroslavl Radio Plant PJSC
- Yaroslavl Electric Machine Building Plant (ELDIN) JSC
- Factory PSM Ltd. (Industrial Power Units)
- Diesel Company LLC
<table>
<thead>
<tr>
<th>Sectors with the best potential for growth</th>
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<tbody>
<tr>
<td><strong>MECHANICAL ENGINEERING, MACHINE BUILDING</strong></td>
</tr>
<tr>
<td><strong>AND FOOD PROCESSING EQUIPMENT</strong></td>
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<tr>
<td>Volume of product shipment (2017):</td>
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<tr>
<td>more than 150 billion rubles</td>
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<tr>
<td>Strong expertise in the production of automotive components</td>
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<tr>
<td>including engines, aircraft engines, gas turbines, road equipment, electrical equipment</td>
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</tbody>
</table>

| **PHARMACEUTICALS, INNOVATIVE MEDICINE AND MEDICAL PRODUCTS** |
| The only full-cycle pharmaceutical cluster in the Russian Federation |
| (including the system of professional training for the industry: production of medications APIs, development of production technologies, clinical and pre-clinical drug trials). |
| Operating Dorogov Center for Transfer of Pharmaceutical Technologies. Federal Laboratory for Medication Quality Control (ROSZDRAVNADZOR facility) is expected to start operations in 2018 |

| **CHEMICAL INDUSTRY, PRODUCTION OF PRODUCTS AND CHEMICAL RAW MATERIALS** |
| Объем отгрузки продукции (2017): 90 млрд руб. |
| Наличие крупного НПЗ, крупных газо и нефтепроводов; производство шин и красок создаёт спрос на сырьё |

| **SHIPBUILDING** |
| 6 operating shipbuilding enterprises, produce a wide range of civil and military boats; there are prerequisites for development of shipbuilding cluster, potentially, the strongest in Russia. Expansion of production lines of the regional shipbuilding companies, start of new products manufacturing, including products for export. |
Industrial parks and sites for industrial facilities

8 state-run sites

Available sites:
- Industrial buildings: more than 46,300 m²
- Plots: more than 900 ha

Greenfield
- Novoselki industrial park
- Tutaev industrial park
- Rostov agro-industrial park

Brownfield
- Master industrial park
- Gavrilov-Yam industrial park
- Severniy industrial park

Investment sites
- Kopaevo (Rybinsk)
- Chebakovo (Tutaev)
Foreign companies in the region

**the Rybinsk district**
- Prysmian Group
- GE
- Safran

**the Uglich district**
- Nexans
- Lamifil

**the Tutaev district**
- Saargummi
- Weichai Power

**the Yaroslavl district**
- TEVA
- Besins Healthcare
- Takeda
- Mercedes Benz
- Fuchs
- Axalta
- Komatsu
- Lindab
- Arvato Bertelsmann
- Bertelsmann
- The Huadian-Teninskaya gas-steam combined heat and power plant
- Groupe Auchan
- Globus
- Metro
- Leroy Merlin

**industries**
- Energy
- Pharmaceuticals
- Mechanical engineering and automotive components
- Building constructions
- Logistics and distribution
- Printing industry
- Retail
- Production of pulp and paper products.
Benefits of investing in the region

- Advantageous economic - geographical location
- Advanced transport infrastructure
- Unique professional training system
- High living standards and comfortable environment
- Developed industrial sectors (mechanical engineering, shipbuilding, pharmaceuticals, oil refining, aircraft industry, etc.)
- High innovation potential
- Greenfield and Brownfield sites with engineering and transport infrastructure
- System of personal support for investors
- Advanced legal and regulatory framework for investing

Incentives and benefits

**TASED**
**Territory of Advanced Social and Economic Development (TASED)**

- 0% profit tax for the first 5 years;
- 12% in the next 5 years;
- 0% land tax for the first 3 years;
- 0% property tax for the first 5 years,
- 1.1% in the next 5 years;
- 7.6% of the total social insurance payments for 10 years;

**PIP**
**Priority investment project (PIP)**

- 15.5% income tax
- 0% property tax in the project
- 0% transport tax

**SPIC**
**Special investment contract (SPIC)**

- 0% income tax in the contract term;
- Accelerated depreciation of fixed assets;
- A SPIC party has the right to lease the state land without prior bidding;
- A SPIC party may be the only supplier of goods for government procurement;
- Guarantee against worsening of fiscal treatment
## Comparison of investment incentives

<table>
<thead>
<tr>
<th></th>
<th>Profit tax (federal rate)</th>
<th>Profit tax (reg. rate)</th>
<th>Property tax</th>
<th>Transport tax</th>
<th>Land tax</th>
<th>Social insurance payments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No support</strong></td>
<td>2 (3) %</td>
<td>18 (17) %</td>
<td>2,2 %</td>
<td>-</td>
<td>0,3 - 1,5 %</td>
<td>2,2 %</td>
</tr>
<tr>
<td><strong>Regional priority investment project</strong> (for the duration of support)</td>
<td>2 (3) %</td>
<td>13,5 (12,5) %</td>
<td>0 %</td>
<td>+</td>
<td>0,3 - 1,5 %</td>
<td>0 %</td>
</tr>
<tr>
<td><strong>TASED</strong> (for 10 years)</td>
<td>0 % - 5 years</td>
<td>0 % - 5 years</td>
<td>0 % - 5 years</td>
<td>-</td>
<td>0 % - 3 years</td>
<td>0 % - 5 years</td>
</tr>
<tr>
<td></td>
<td>2 (3) % &gt; 5 years</td>
<td>10 % &gt; 5 years</td>
<td>1,1 % &gt; 5 years</td>
<td>-</td>
<td>1,1 % &gt; 5 years</td>
<td>0 % &gt; 5 years</td>
</tr>
<tr>
<td><strong>SPIC</strong> (with the participation of the Russian Federation for 10 years)</td>
<td>0 %</td>
<td>0 %</td>
<td>0 %</td>
<td>-</td>
<td>+</td>
<td>0 %</td>
</tr>
</tbody>
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**PIP** - a priority investment project

**TASED** - a Territory of Advanced Social and Economic Development

**SPIC** - a special investment contract that guarantees sales from the state
Yaroslavl Regional Leasing Company

4 REGIONAL LEASING COMPANIES IN THE RUSSIAN FEDERATION

1. Tatarstan
2. Bashkortostan
3. the Yaroslavl region
4. Yakutia

TARGET LESSEES:

Suppliers to major national customers

- average number of employees – up to 100 people
- annual profit – no higher than 800 million rubles

6% annual fee - for Russian-made equipment
8% annual fee - for foreign-made equipment

AUTHORIZED CAPITAL OF THE REGIONAL LEASING COMPANY

2 billion rubles

0,5 billion rubles - regional share
1,5 billion rubles - federal share

5 - 200 million rub. for a period of up to 5 years
Contacts

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