



Irkutsk Region
Investment passport
of **2014–2015**

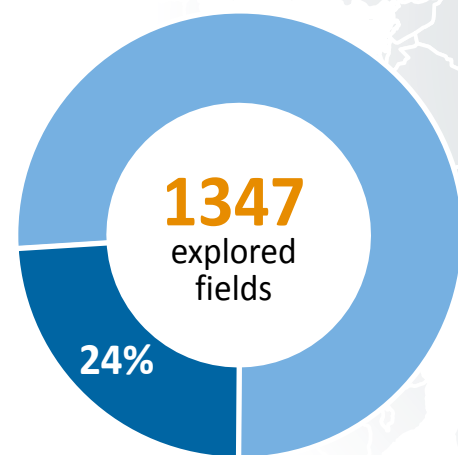


COMPETITIVE ADVANTAGES OF THE REGION

1. CONVENIENT GEOGRAPHICAL POSITION

The Irkutsk region is located almost in the center of Asia continent, at the intersection of major transport routes, connecting Europe with the Far Eastern regions of Russia and the Asia-Pacific region, thanks to it the region is an attractive investment center for companies that are actively collaborating with the Asia-Pacific countries.

2. HIGH NATURE AND RESOURCE POTENTIAL



- The prospected deposits of and independent sites of minerals
- At the moment in the industrial development mining

3. LOW – COST ELECTRICITY

The power system of the Irkutsk region is a part of the United energy system of Siberia and it includes:

4 hydroelectric power plants (HPP)

15 thermal power plants in operation (TPP)

The cost of electricity is one of the lowest in the country:

\$0.02 per kW/hour
household use

\$0.04-0.06 per kW/hour
industrial use

4. UNIQUE CONDITIONS FOR DEVELOPMENT OF TOURISM AND RECREATION

Unique beauty, numerous mineral springs, pure mountain-taiga air, historical and cultural features traditionally define high tourist interest to the region. A part of the Irkutsk region is the waters of lake Baikal – the largest freshwater lake on the planet included in the World Heritage list of UNESCO.

5. POWERFUL INDUSTRIAL COMPLEX

The Irkutsk region has a significant share in all-Russian production output.

6. DEVELOPED RESEARCH AND INNOVATION INFRASTRUCTURE

9 institutions of the Irkutsk scientific center of the Siberian Branch of the Russian Academy of Science

5 institutions of the East-Siberian center of the Siberian Branch of the Russian Academy of Medical Science

20 applied research and design institutes, business incubators, the Cluster development center, a techno park of the State Technical University of Irkutsk

7. AVAILABLE INDUSTRIAL SITES TO ACCOMMODATE PRODUCTION

The Irkutsk Region Investment portal www.invest.irkobl.ru represents the registry of available industrial sites (Greenfield and Brownfield), industrial parks.

8. TAX INCENTIVES AND STATE SUPPORT FOR INVESTORS

Property tax and income tax incentives on economic activities, “zeroing” of profit tax in case of creating new enterprises, state-backed loan guarantees “one-window” support on investment projects.



GENERAL INFORMATION



ADMINISTRATIVE INFORMATION

The Irkutsk region belongs to the East-Siberian economic region and a part of the Siberian Federal district.

Automobile regional code – 38

Area phone code – 3952

Time zone – MSK +5

Administrative city – Irkutsk

Main towns – Angarsk, Bratsk, Shelekhov, Ust-Ilimsk, Usolie-Sibirskoe.

S total area
774.8
thousand km²
or 4.6% of the
territory of Russia

Population
2.4 million
residents

A part of the Irkutsk Region is the waters of Lake Baikal – the largest freshwater lake on the planet included in the World Heritage list of UNESCO.


CLIMATE

The number of sunny days in the Irkutsk region is comparable to the Crimea or the North Caucasus. The climate is of severe continental character with a difference in annual temperatures from +33° to – 35°C due to large distance from seas and the location in the center of Asia continent.

 **2 100**
sunny hours

 **180** days
of winter time

 up to **80°C**
annual temperature
difference

 **0.5°C**
average annual
temperature



TRANSPORTATION INFRASTRUCTURE

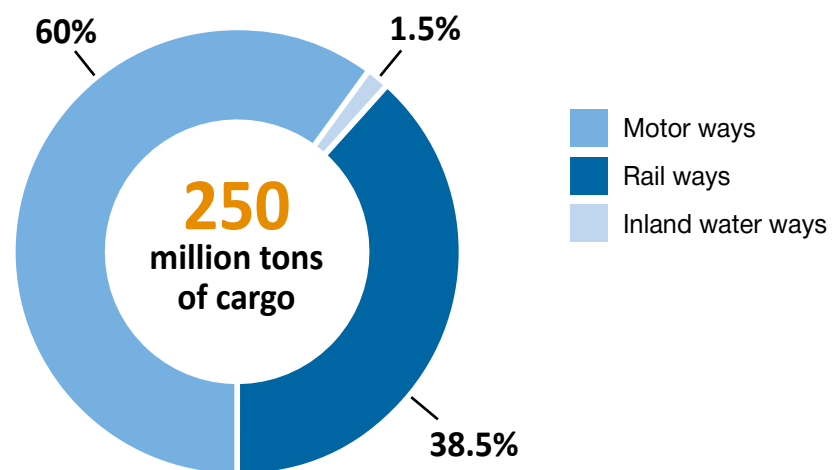
AIRPORTS
1.9 million passengers
 (including international airports
 in Irkutsk and Bratsk)

INLAND WATERWAYS
8 000 km
 (8% of all-Russian waterways)
 52 berthing facilities

RAILWAYS
2 500 km
 of common use
 (3% of all-Russian railways)

MOTOR WAYS
35 000 km
 length of paved
 roads – 28 500 km

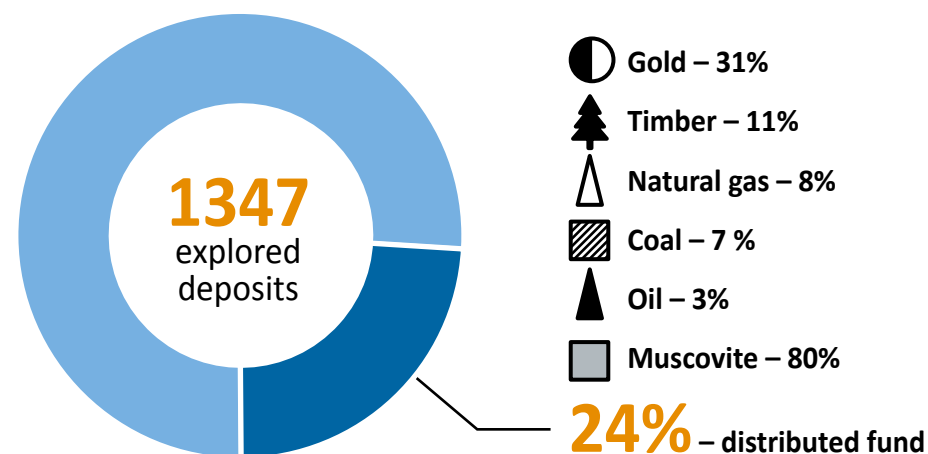
THE REGIONAL TRANSPORT CARRIES:



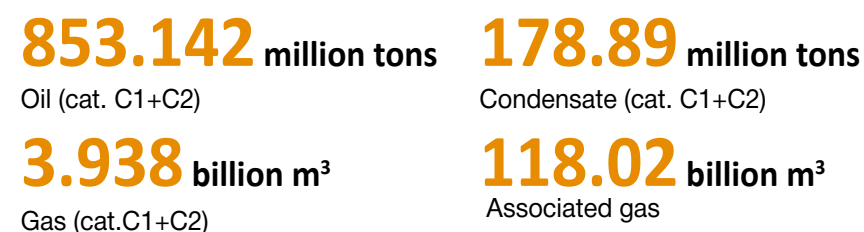
NATURAL RESOURCE POTENTIAL

THE COUNTRY'S LARGEST RESERVES

The State balance has approved on the territory of the Irkutsk region:



Forests cover **64.4 million hectares**, that is 83.1% of the total territory of the region. In Irkutsk region Recoverable **reserves of hydrocarbons** in the Irkutsk region accounted in the State balance on 01.01.2013 are:



The Irkutsk region occupies the following places in the Russian Federation:



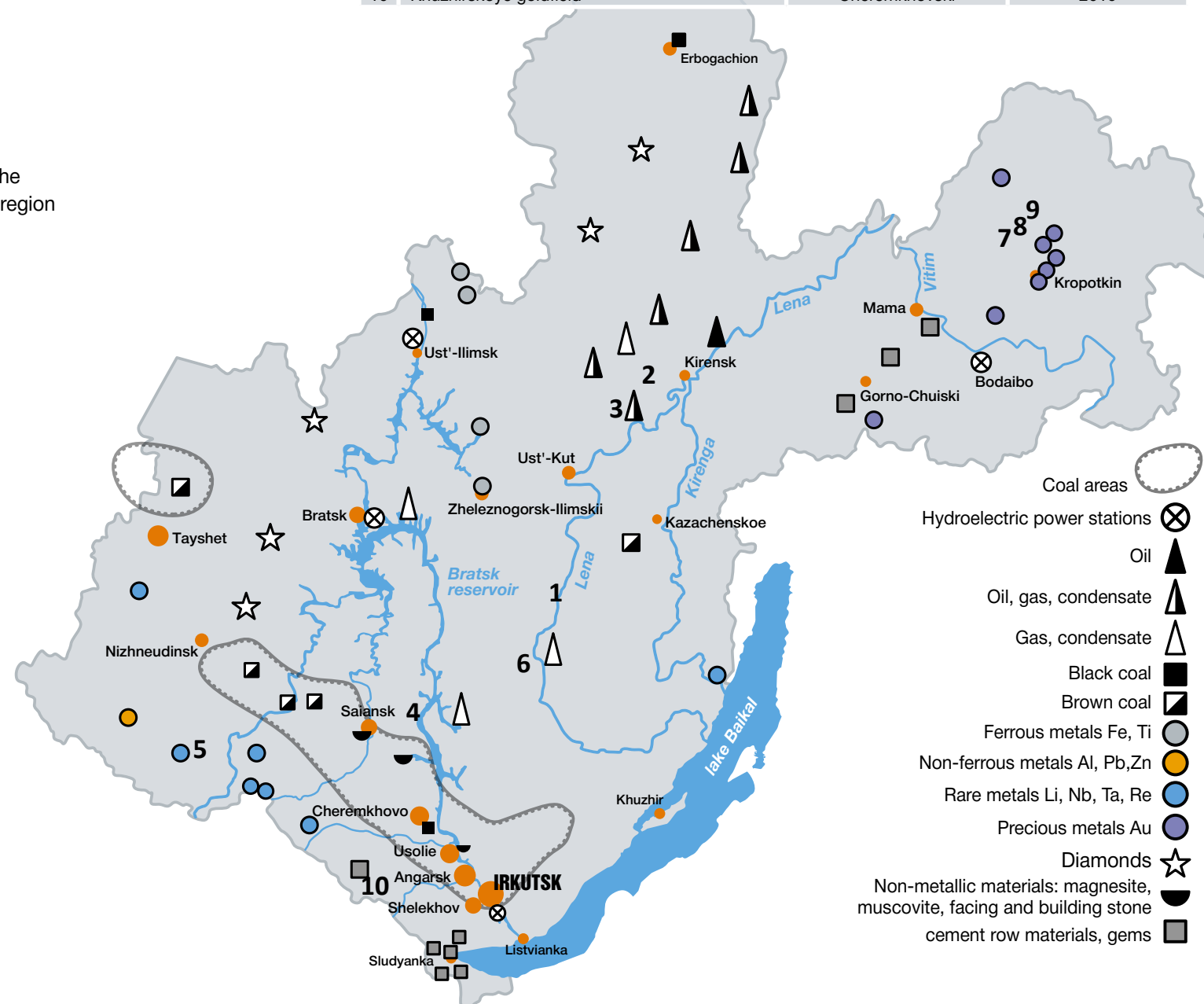
The State balance of mineral reserves has accounted for 369 alluvial and 22 ore objects in the region. Coal reserves are 43.6 billions of tons, of which 8.1 billions of tons are reserves of categories A+B+C1, category C2 deposits – 6.6 billion tons.

Currently only 24% of proven reserves are in the distributed fund. Also, the region has significant salt rock and potash reserves, iron ore, rare metals (niobium, tantalum, lithium, cesium, rubidium and other rare items) reserves.




MINERAL-RAW MATERIAL BASE

The list of the major mineral deposits in the Irkutsk region, which are in the distributed fund and being prepared to industrial use

No	Fields	Municipal body	Planned date to exploit
1	Kovyktinskoye gas and condensate field	Zhigalovski	2018
2	Yaraktinskoye oil and gas-condensate field (expand for gas projects)	Ust-Kutski, Katangski	In use
3	Markovskoye oil and gas-condensate field (expand for gas projects)	Ust-Kutski, Kirenski	In use
4	Zaslavskoye gas and condensate field	Balaganski	2015
5	Zashikhinskoye rare metals field	Nizhneudinski	2020
6	Znamenskoye industrial water field	Bodaibinski	2020
7	Ore goldfield "Devil's tub"	Bodaibinski	2017
8	Ore goldfield "Upper Ugakhan"	Bodaibinski	2015
9	Ore goldfield "Necklace"	Bodaibinski	2015
10	Khuzhirkoye goldfield	Cheremkhovski	2016



THE LIST OF THE UNDISTRIBUTED FUND MAJOR MINERAL DEPOSITS OF THE IRKUTSK REGION

No n/n	Field	Municipal body	Resource	Volume
Coal				
1	Karantsaiskoe, spare	Kuitunski	 coal	6112.5 million t
2	Novometelkinskoe, spare	Zalarinski		676.4 million t
3	Keulskaya square, spare	Ust-Ilimski		1567.6 million t
4	Ishideiskoe, spare	Tulunski		849.3 million t
5	Voznesenskoe, spare	Cheremkhovski		528.3 million t
6	Ishinskoe, spare	Ikhirit-Bulagatski		650.7 million t
7	Katarbeiskoe, spare	Nizheudinski		363.6 million t
Metals				
8	Beloziminskoe, spare	Tulunski	 prare metals (Nb, Ta, TR)	secret
9	Sukhoi log, spare	Bodaibinski	 gold ore	2571.7 t
10	Kapaevskoe	Ust-Ilimski	 ferrous ore	603 million t
11	Polivskoe	Ust-Ilimski		86 million t
12	Nerundinskoe	Ust-Ilimski		710 million t
13	Moldavanskoe	Ust-Ilimski		600 million t
Mining raw materials				
14	Savinskoe, spare	Cheremkhovski	magnesite	1.945 billion t
15	Onotskoe, spare	Cheremkhovski	magnesite and talc	210 million t
16	Mamski	Mamsko-Chuiski	mica	668 million t
Горнохимическое сырьё				
17	Nepskoe, spare	Katangski	 rock and potassium salt	2.3 billion t

INDUSTRY

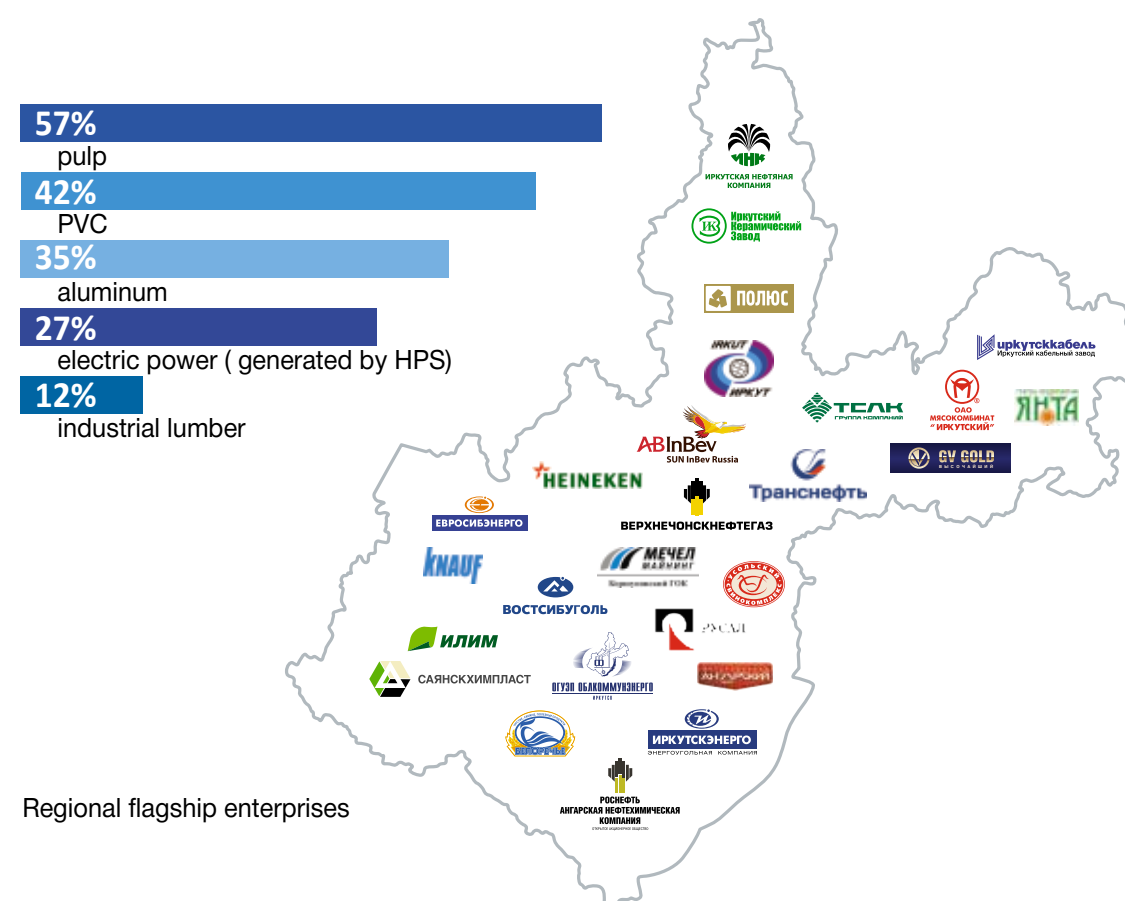
The Irkutsk region is one of the most industrialized areas in the Siberian Federal district (SFD) on key industrial indicators.

1st place
in Russian
timber cutting

2nd place
in Siberian
oil refining

2nd place
in Siberian
minerals mining

Irkutsk regional share in all-Russian production:



THE VOLUME OF SHIPPED GOODS OF OWN PRODUCTION, OWN FORCES WORKS AND SERVICES (according to Irkutskstatistics)

Economic activity	January- December 2013	
	million of rubles	in % to same period in the previous year
Mining (C)	268 072.6	109.7
Processing (D)	332 569.9	102.8
Electricity, gas, water production and distribution (E)	81 167.3	87.5

ENERGY SECTOR

The energy sector of the Irkutsk region is a part of the United power system of Siberia and includes:

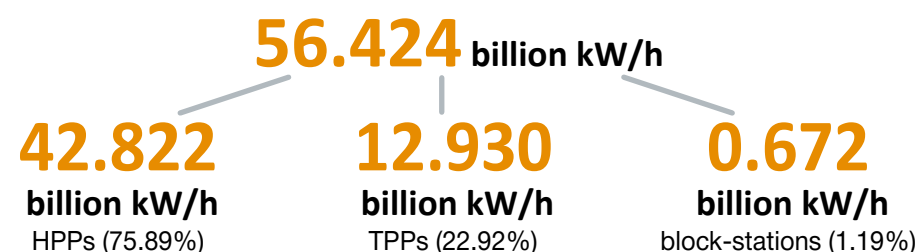
15 thermal power plants
(TPPs)

4 hydroelectric power plants
(HPPs)

connected for parallel operation of electric networks with voltage of 500, 220 and 110 kV. The total capacity of Irkutsk power plants is 13 133 MWatt, of which 9 088 MWatt – HPPs (69%) and 4 045 MW – TPPs (31%).

The share of the Irkutsk region in the production of electric energy is 30% in the Siberian Federal district. The Irkutsk region generates **3.4 times more electricity per capita than the national average in the RF**.

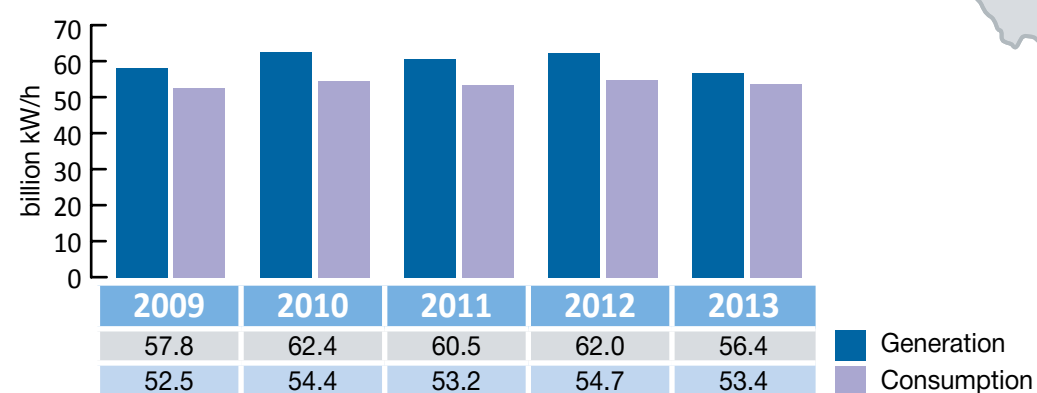
In 2013, the power plants generated:



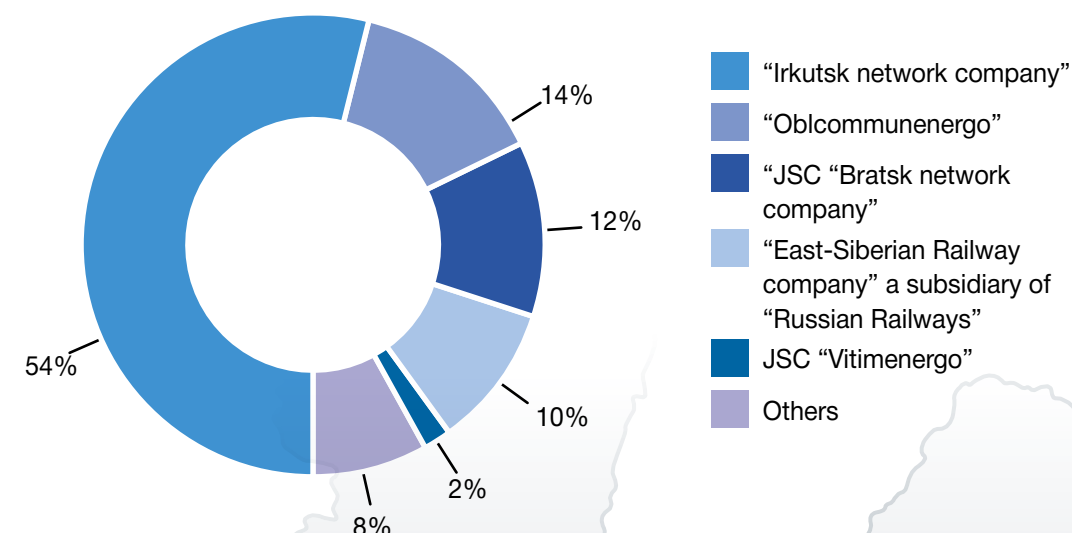
25.175 thousand kW/h of electric energy per capita was produced in the Irkutsk region in 2013.

Distribution of electricity in the region in 2013 was carried out by **45 territorial power organizations**, in the economic management of those 66 946 km of air and cable power lines, 16 208 transforming substations from 0.4 kV to 500 kV (a total of 368 958 conditional units of machinery) were registered.

Dynamics of consumption and electricity generating in the Irkutsk power system



A share of network companies in the structure of network economy



ECONOMY

Irkutsk region key economic and industrial indicators in 2013:

102.5%

the index of industrial production
28th place among RF subjects

1 072.1 billion rubles

Shipped goods of own production, produced own works and services
15th place in RF, 3 place in SFD

74.4%

the share of profitable enterprises and organizations (small business excluded)
20th place in RF, 4 place in SFD

163.3 billion rubles

profit of enterprises and organizations (small business excluded)
11th place in RF, 2 place in SFD

Average nominal wages for the full range of enterprises in the Irkutsk region for 2013 – **29 229 rubles** (Russia 2014 – 29 792 rubles)

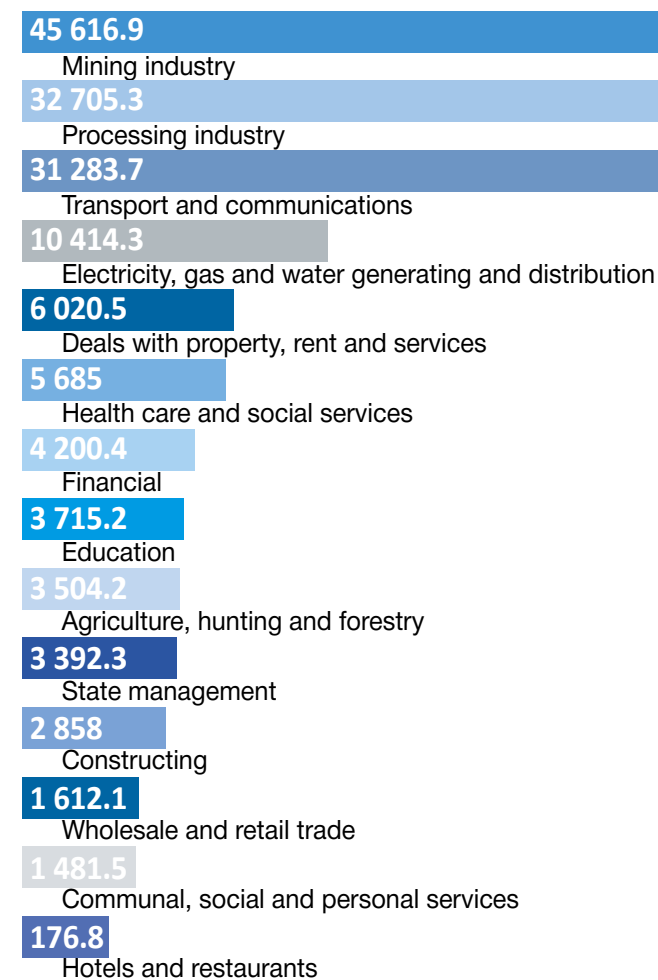
As a result of 2013, the Irkutsk region occupies the **1st place** among the regions of the Siberian Federal district **on the dynamics of housing construction** compared with 2012 (973.3 thousand m² against 871.1 thousand m²)

As a result of stabilization of the price situation on the consumer market the Irkutsk region in 2013, food prices increase (5.9 per cent) is lower than in Russia on average (7.3 per cent), and the lowest among 12 regions of the SFD. By the end of 2013, the Irkutsk region entered ten Russian regions with the lowest rates of food price growth.

In December 2013 the Irkutsk region established **two consumer baskets** for the first time: for the Far North of the Irkutsk region and equated localities and other areas of the region.

The volume of investments in fixed capital

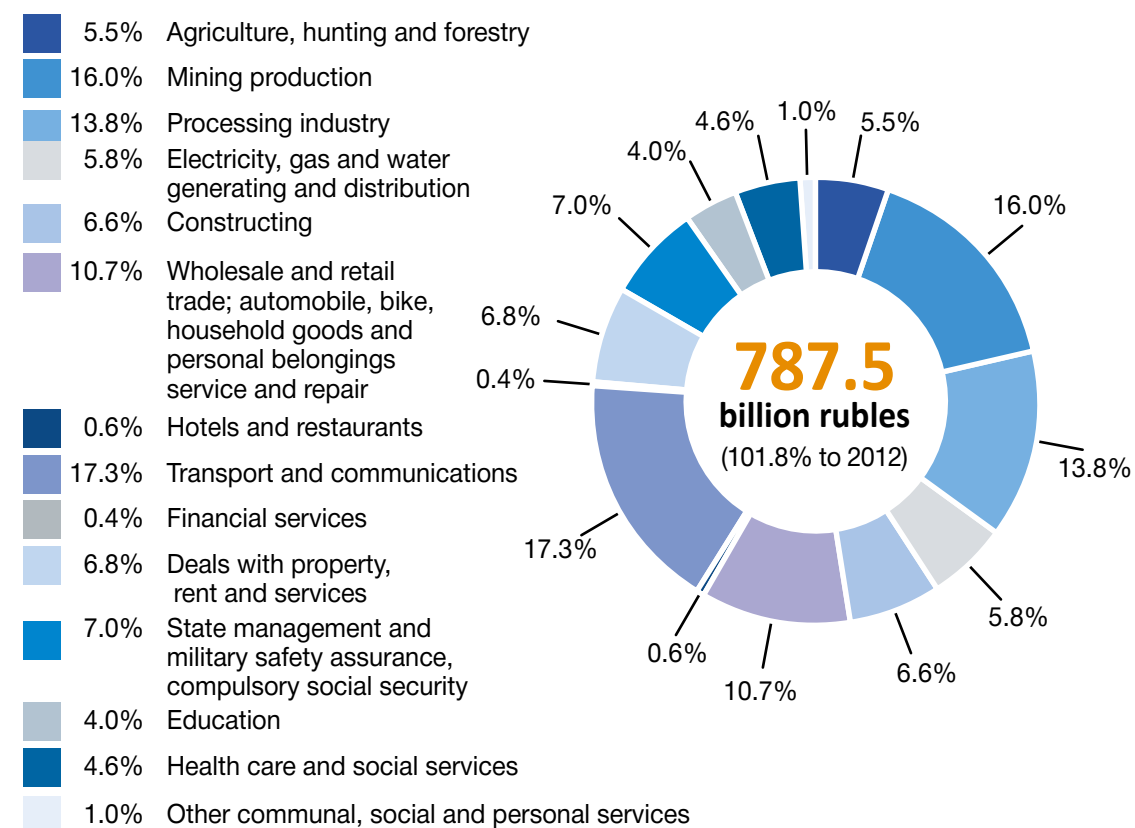
(millions of rubles, 2013, estimation)



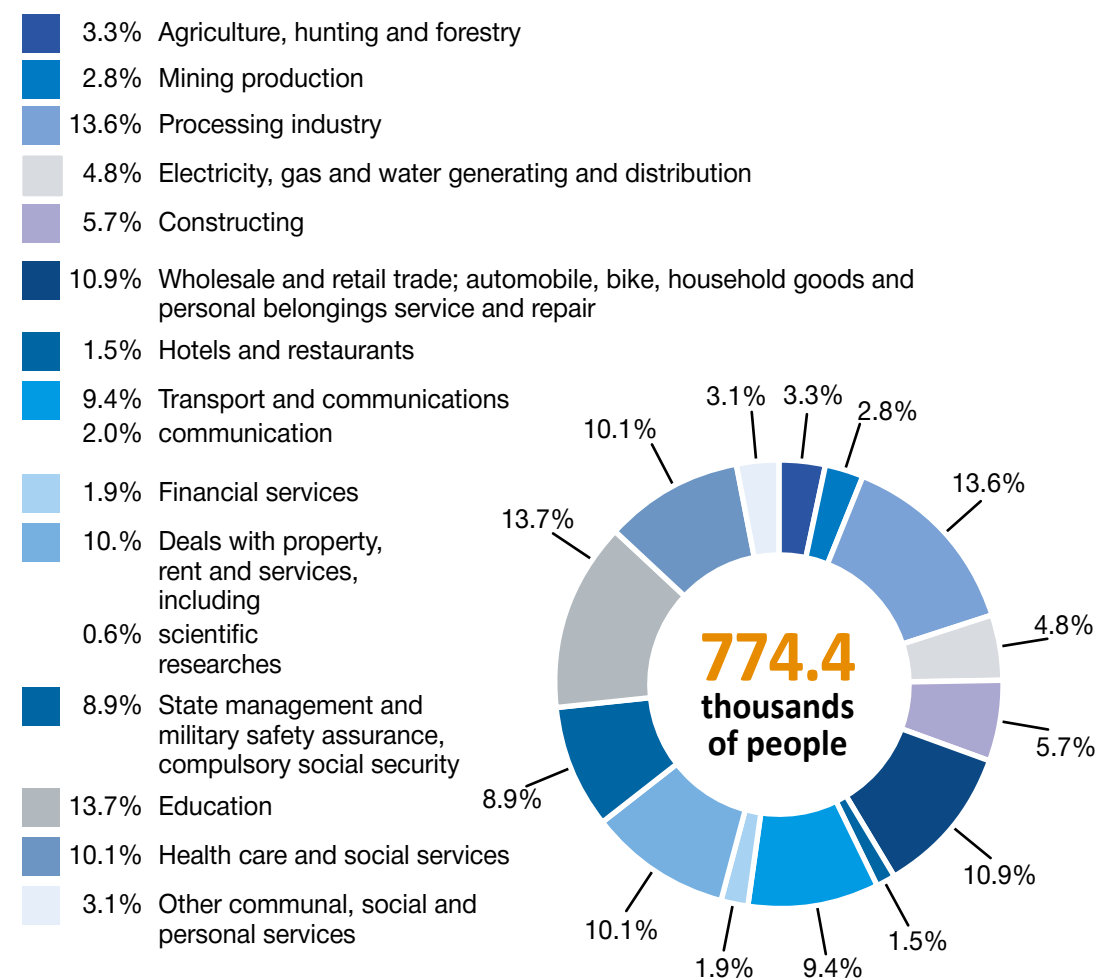
170.8 billion rubles
3 place in SFD



Structure of gross regional product (2013 estimation)



Employment by economic activities in January 2014



FOREIGN TRADE

Foreign trade turnover

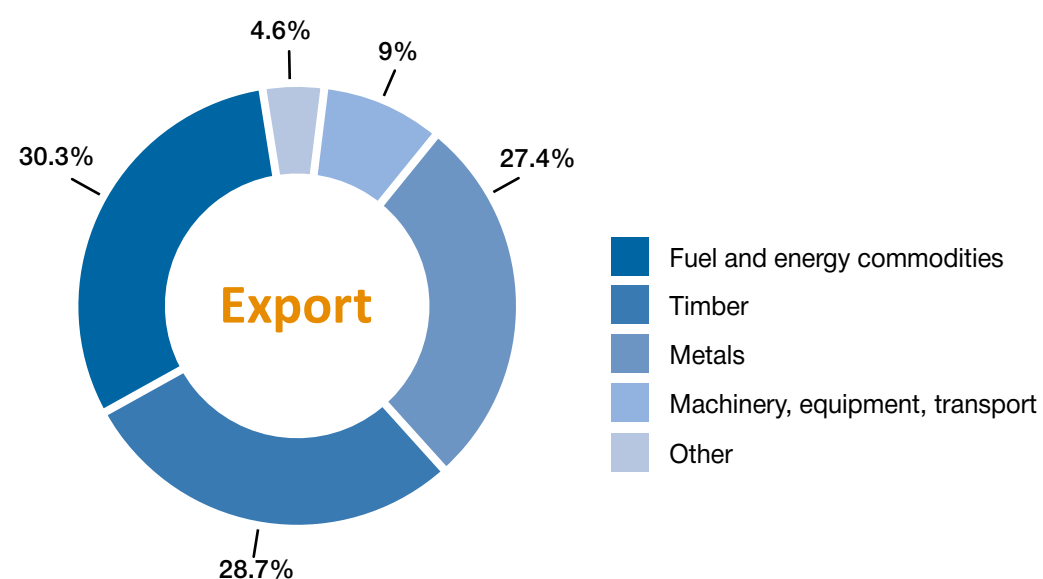
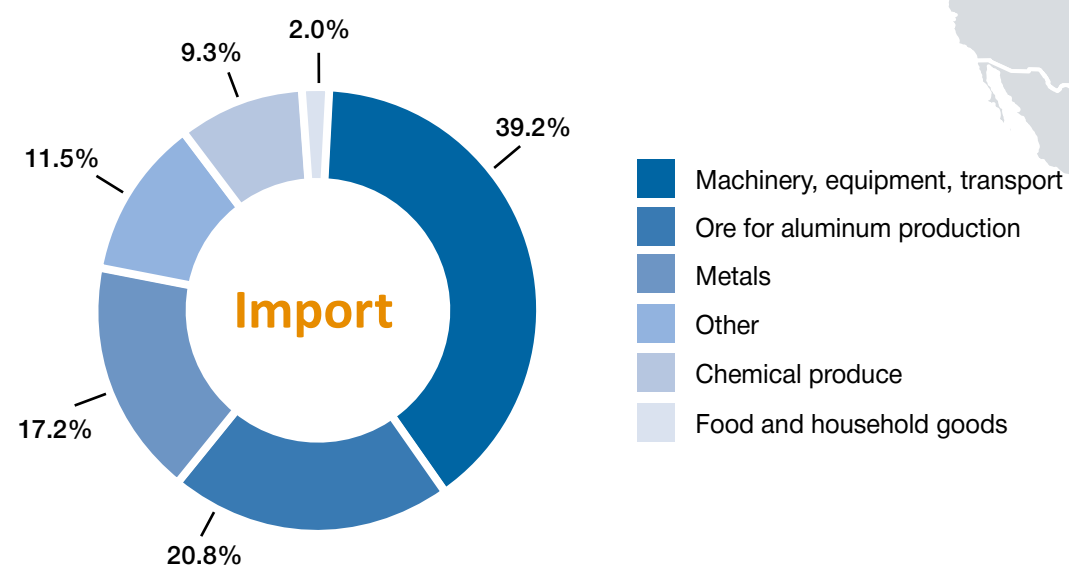
of the Irkutsk region in 2013 – **\$10 485 million**
(10.9% growth in comparison with 2012)

Regional export

from the Irkutsk region amounted **\$9 328 million**
(113,6% to 2012)

Regional import

to the Irkutsk region amounted **\$1 158 million**
(77% to 2012)



Export 2013



Leading trade partners

China, Japan, the USA, the Republic of Korea, India, Switzerland, Thailand, Australia, Germany, the Netherlands, Mongolia. First three country-partners share **60% of the regional foreign trade turnover**.

5 consulates in the Irkutsk region:

- General consulate of Mongolia
- General consulate of the Republic of Poland
- General consulate of the People's Republic of China
- General consulate of the Republic of Korea
- Honorary consulate of the Republic of Lithuania

SMALL AND MEDIUM BUSINESS

The number of small (including micro enterprises) and medium business enterprises (excluding private entrepreneurs) grew by 16.5% in 2013 in comparison with 2012 and amounted 29 211 enterprises. The basic enterprises are:

Micro enterprises

87%

(SFD – 90%)

Small enterprises

12%

(SFD – 9%)

Medium enterprises

1%

(SFD – 1%)

Small and medium business employees comprise **24.6%** of the total number of regional employees of all enterprises and organizations in 2013, that is 0.6% higher than in 2012.

Small and medium business

turnover in 2013

450 228

million rubles

Small and medium business

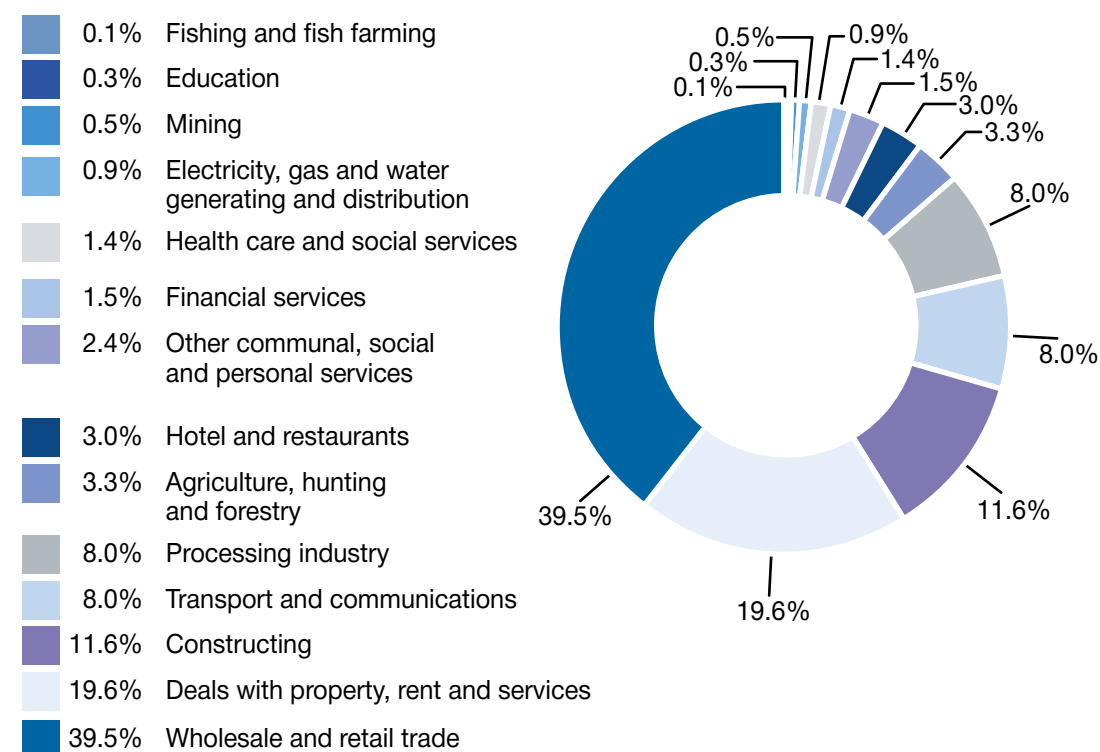
average wages

14 789

rubles



Structure of small enterprises by types of economic activity



Small and medium business support

2014

- Grants for beginners
- Support for "The Irkutsk regional guarantee fund"
- Reimbursement of the cost of production equipment acquisition
- Reimbursement of costs associated with development of children's activities centers
- Reimbursement of expenses to pay as advance payments on leasing contracts
- Creation of a cluster for small and medium business development
- Support for "The Center for small business support in the Irkutsk region"

2015

- Promoting youth entrepreneurship
- Support for development industrial parks projects
- Creating engineering centers
- Reimbursement of costs associated with development of children's activities centers
- Grants for beginners
- Support activities for "The Center for small business support in the Irkutsk region"
- Support for "The Irkutsk regional guarantee fund"

TOURISM

The Irkutsk region has unique conditions for development of tourism and recreation. Distinctive beauty, numerous mineral springs, pure mountain-taiga air, historical and cultural features define traditionally high tourist interest in the region.

The main attraction of the area, well known all over the world, lake Baikal is the largest fresh water reservoir on the planet, the deepest lake on Earth included in the UNESCO world heritage list.

Regional structure of foreign tourists in 2013

42.3%

China

19.2%

Germany

11.9%

Mongolia

6.6%

South Korea

5.3%

Japan

5.1%

France

4.4%

USA

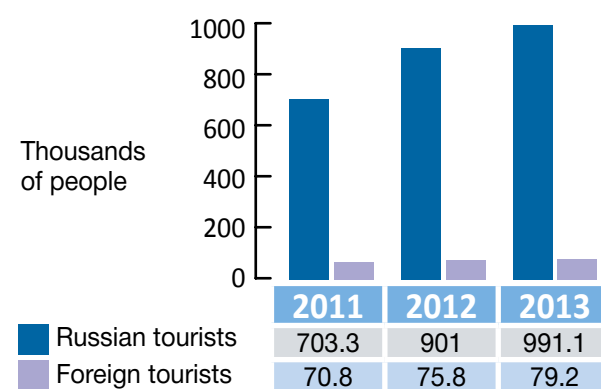
2.7%

Great Britain

2.5%

Poland

Incoming tourism



In 2013:

Volume of tourist services

1.39 billion rubles

(1.5% more than in 2012)

Tour operators – **86**

Hotels – **255**

(Irkutsk – 80)

Income from hotel services

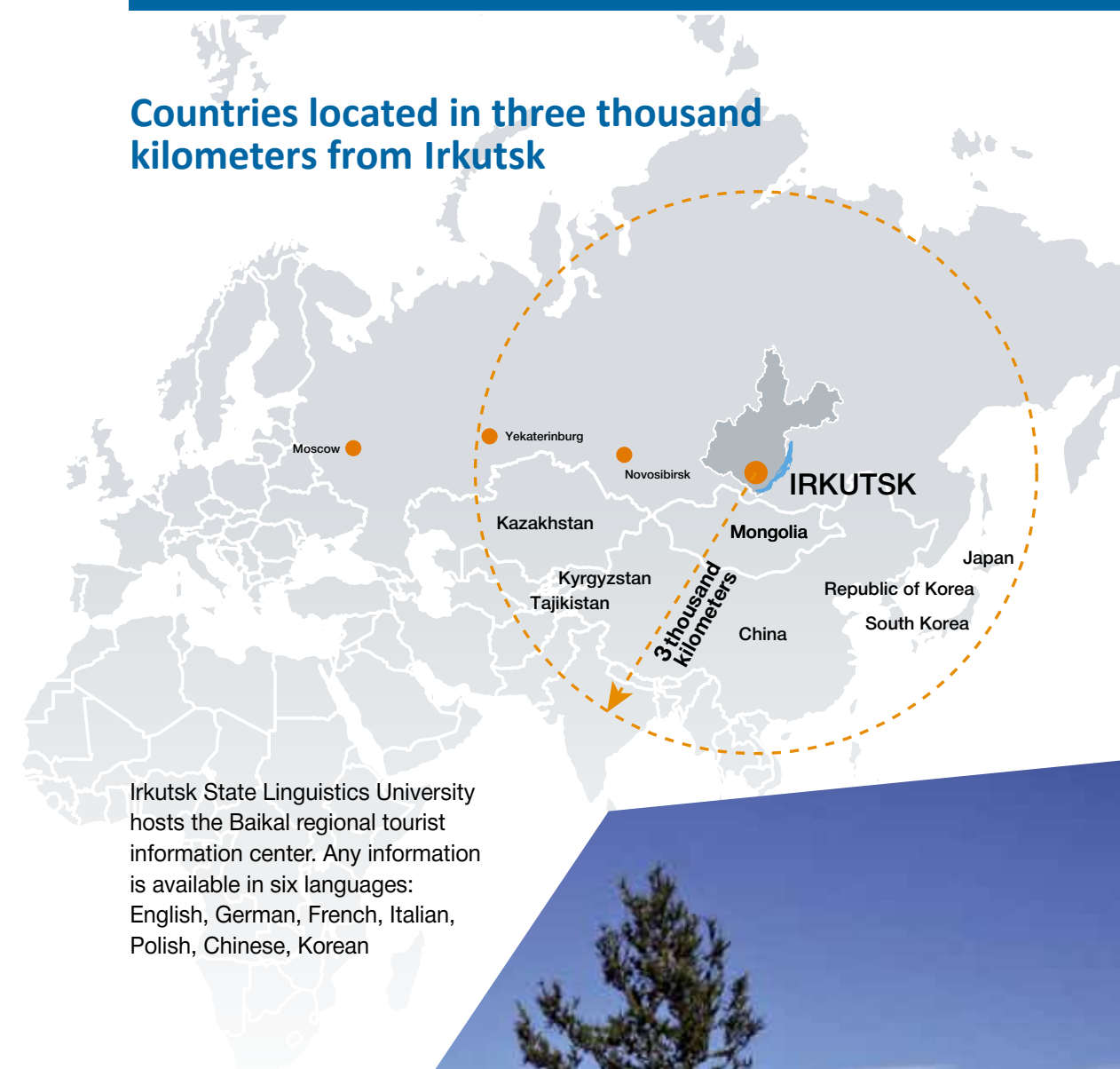
3.36 billion rubles

(8.7% more than in 2012)

Health care centers – **32**

Holiday centers – **171**

Countries located in three thousand kilometers from Irkutsk



BUDGET

In 2013, the consolidated budget of the Irkutsk region included:

Income	Expenses	budget gap
120.3	134.4	14.1
billion rubles	billion rubles	billion rubles

The region **kept the second position** after the Krasnoyarsk region in the Siberian Federal district for provision of tax and non-tax revenues (42 053 rubles per person).

Tax and fees arrears **decreased in 539 million rubles**, or by 5.1%.

For 1 ruble received from the Federal budget through **interbudget transfers in 2013 2.3 rubles were mobilized** to the Federal budget that is ranked 28 in terms of tax return among Russian regions and testifies to the effectiveness of the regional economy.

14% of all expenses or 18.6 billion rubles was used **as a governmental support of the regional economy**, and it has been the highest in four years.

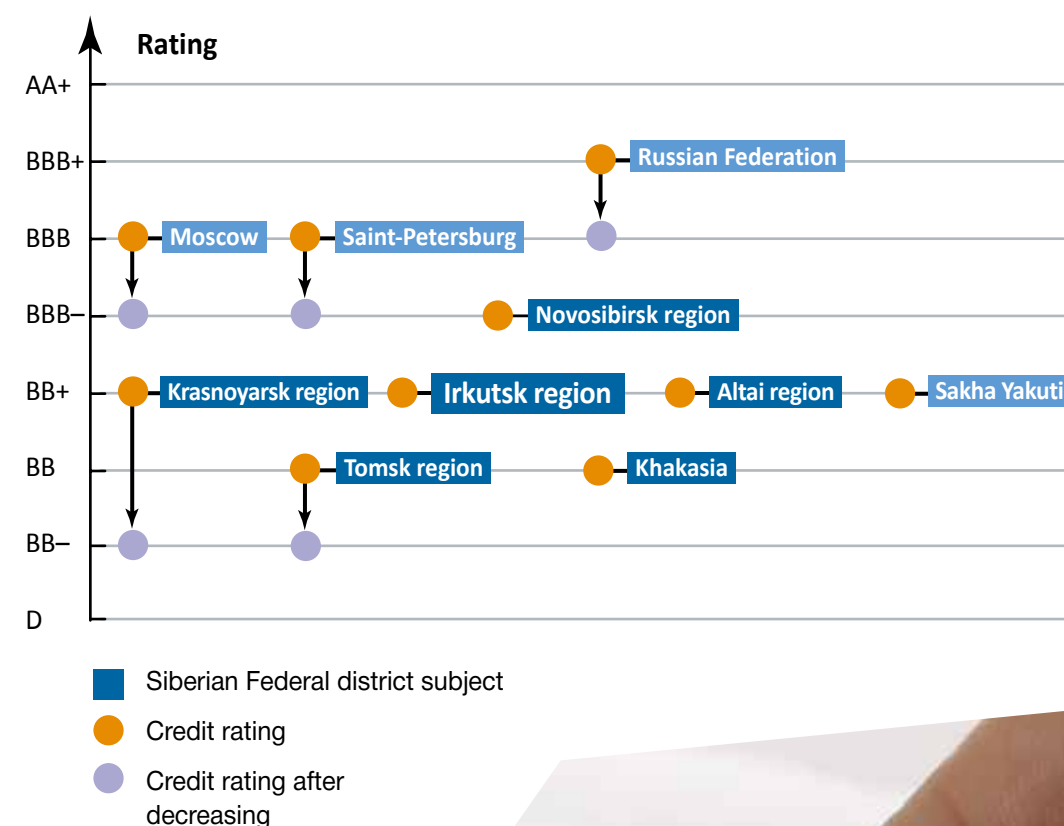
The Irkutsk region is one of the first that has formed a “programmed budget” (99% of budget expenses).

Special attention in the region is given to the balance of municipal budget and to provision of enough resources for proper functioning of municipalities. Support of municipal revenues is achieved through distribution of some of the regional budget revenues:

- 2011-2013 – **50% of the tax** in connection with the use of the simplified system of taxation;
- in 2014 – preserving **2.5% deduction** from individual income tax in local budgets above the minimum level established by the budget legislation, it is able to provide additional revenues of about 1.2 billion rubles.

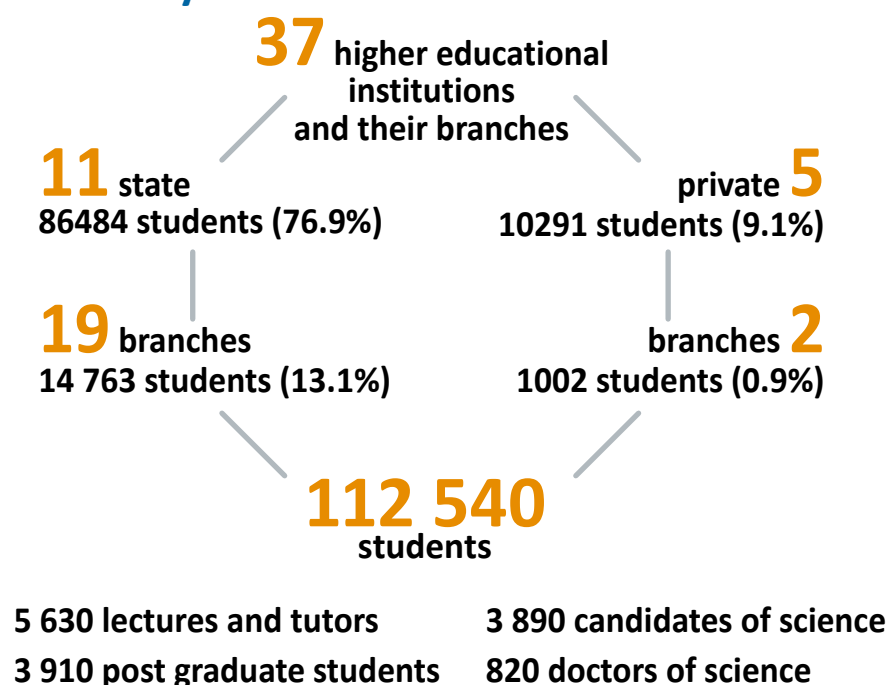
In June 2014 “Standard & Poor’s” carried out the annual credit rating review of the Irkutsk region, which confirmed the “BB+” rating. The long-term national rating – “ruAA+”. The low public debt and “positive” liquidity indicators contributed great by to the rating.

The dynamics of credit ratings according to the international “standard & poor’s” and “fitch rating” scale (October 2013 – June 2014)



SCIENTIFIC, INNOVATION AND HUMAN RESOURCES POTENTIAL

Specialists with higher professional education are trained by:



Scientific research is conducted by:



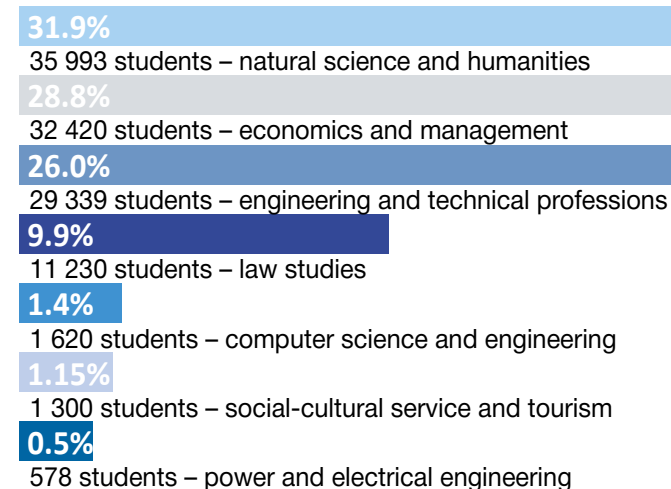
The scientific institutions employ 7 academicians and 6 members of RAS, 2 academicians and 4 members of RAMS, tens of members of public academies.

Innovative activities

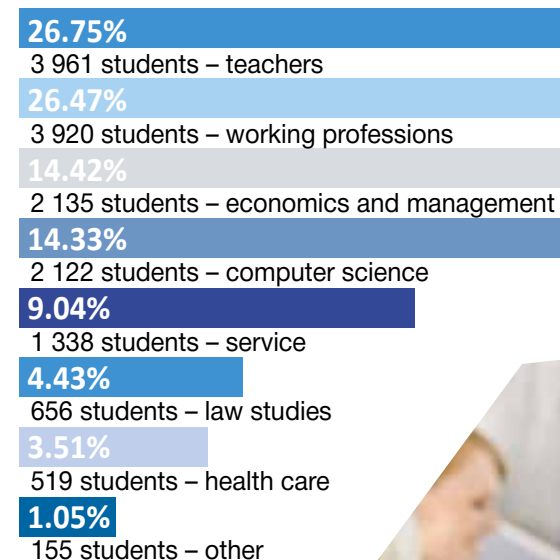
The infrastructure includes techno-parks, business-incubators, cluster development centers, scientific research equipment co-working centers, funds to support small and medium business.

The region on a parity basis with the "Russian fund of fundamental researches" sponsors RFFR-Siberia" scientific projects.

Students of higher education institutions



Students of secondary professional education



INSTITUTIONAL ENVIRONMENT

Banking

The powerful banking system of the Irkutsk region, which includes more than 30 banking organizations operating successfully in Eastern Siberia, creates prerequisites for increased economic growth and implementation of large-scale investment programs.

9 of the 10 largest banks in Russia work throughout the region, including:

- SBERBANK
- VTB
- VTB24
- GAZPROMBANK
- ROSSELKHOZBANK
- ALFA-BANK

Territorial divisions of the Federal bodies of Executive power

Among the governmental bodies in the region the following can be distinguished:

- Regional office of the Federal migration service;
- Regional office of the Federal service of state registration, cadastre and cartography;
- Regional office of the Federal tax service
- Regional mineral resources office

Insurance services

80 insurance companies operate in the Irkutsk region.

The list of companies includes:

- ROSGOSSTRAKH
- INGOSSTRAKH
- SOGAS
- SOGLASIE
- MSK
- ROSNO

All types of insurance activities permitted by the license are presented in the Irkutsk region.

6 regional insurance companies:

- EVEREST
- ANGARA
- MASKI
- PODDERZHKA. IRKUTSK
- DIANA
- VOSTSIBZHASO

Communications

65 operators work in the Irkutsk region

2 072 thousand residents and **611** settlements are provided with mobile telephony, also both federal M-53 and M- 55 highways

40% – the spread of Internet Broadband internet access are provided **20** companies

The basis for the regional geoinformation system was founded to support and promote the Russian space GLONASS system

112 – single emergency phone number in the Irkutsk region



SPECIAL ECONOMIC ZONE OF TOURIST-RECREATIONAL TYPE “GATES OF BAIKAL”

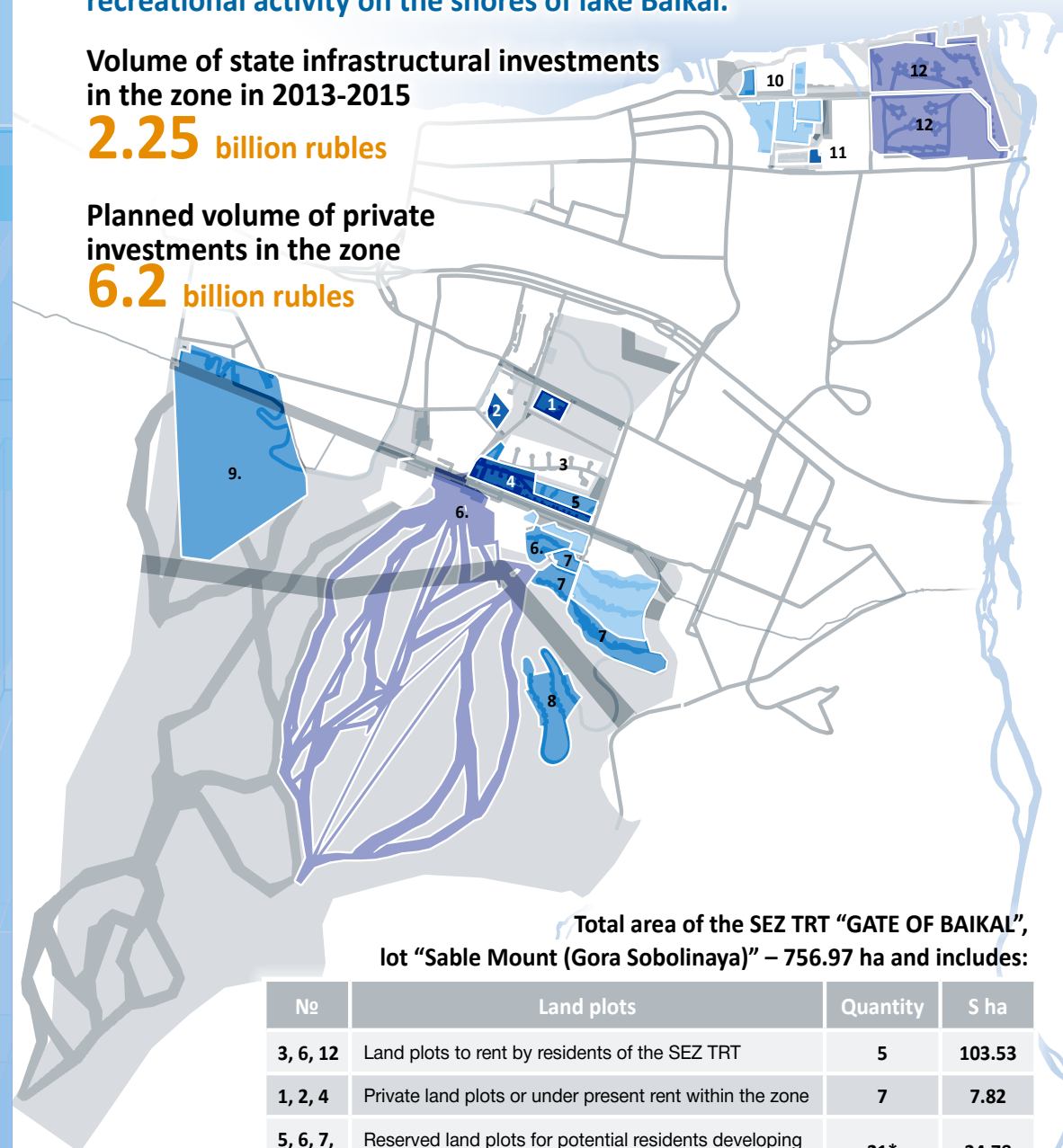
A resident status of the special economic zone gives a unique opportunity to construct recreational facilities and conduct tourist-recreational activity on the shores of lake Baikal.

Volume of state infrastructural investments
in the zone in 2013-2015

2.25 billion rubles

Planned volume of private
investments in the zone

6.2 billion rubles



Total area of the SEZ TRT “GATE OF BAIKAL”,
lot “Sable Mount (Gora Sobolinaya)” – 756.97 ha and includes:

No	Land plots	Quantity	S ha
3, 6, 12	Land plots to rent by residents of the SEZ TRT	5	103.53
1, 2, 4	Private land plots or under present rent within the zone	7	7.82
5, 6, 7, 8, 9	Reserved land plots for potential residents developing business-plan (S approximate)	21*	24.78
	Land plots available for residents	22*	24.27

* Land plots number is according to the General scheme of the territory

State support for SEZ TRT residents

- **Profit tax reduced rate** (13.5%) for enterprises within the period of the agreement on conducting tourist-recreational activities as a SEZ TRT resident (Article 2 of the Irkutsk region law № 60-OZ “About the reducing of tax rates on corporate profit, subject enrollment in the regional budget, for certain categories of taxpayers”);
- **Exemption from property tax of enterprises for a period of 10 years**, starting from the month following the month of registration of the said property (c.17 Art. 381 of the Tax code of the Russian Federation), after expiry of the grace period taxation rate on property of the organization will amount to 2.2% (from 25% up to 50% depending on the value of the property).
- **Exemption from land tax for a period of 5 years** from the month following the month of registration of the property (c. 9 Atr. 395 of the Tax code of the Russian Federation);
- **Protection from adverse changes in tax legislation** (article 38 of the Federal law № 116-FZ “On special economic zones in the Russian Federation”).

In order to improve the efficiency of the SEZ TRT the Government of the Irkutsk region is working to expand the boundaries of the zone through coastal territories that have developed tourist infrastructure and a steady tourist flow. The development of tourism on lake Baikal is impossible without the formation of water cluster, involving the organization of water tourist routes, the creation of an appropriate infrastructure.

On the basis of the existing SEZ TRT expansion, development of water transport
on lake Baikal the interregional travel cluster “Baikal ring” will be formed: Irkutsk (airport) – Listvyanka – Port Baikal – CBRW – Baikalsk – Buriat Republic.



INVESTMENT CLIMATE

In 2013 the Irkutsk region entered the top 20 attractive regions for investments.

2B

Investment rating

average potential
moderate risk

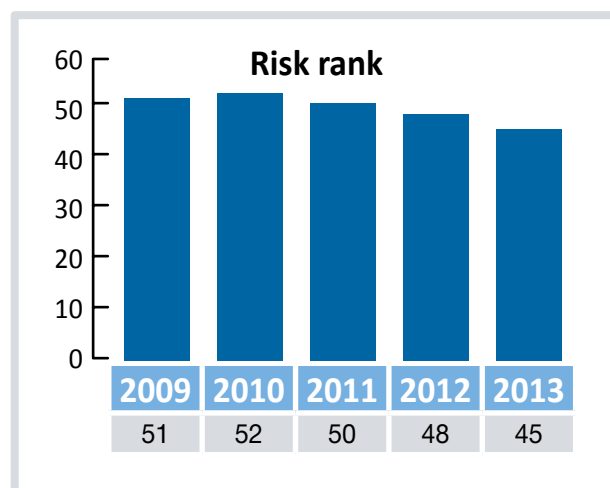
29th place

Risk rank

47 in 2011-2012

17th place

Investment potential



Key indicators of the Irkutsk region Investment strategy till 2025.

(approved by the Order of the Irkutsk Region Government from 28.08.2014 №701 – og)

Indicator	Measurement	2013	2018	2025
Goal: investments increase in volume and quality in the Irkutsk region				
Investments volume	Thousand rubles/per capita	71	110	200
Investment share in fixed capital of GRP	%	22	30	45
Investments growth tempo (to 2013)		100	131.3	197
Non-mining industry share in GRP		44	54	55
Foreign investments in total investments to fixed capital		1	2.5	6

Structural regional points of growth

Main group:

- metallurgy
- gas and petrochemical industry
- machine-building complex
- pharmaceuticals
- agro-industrial cluster
- timber industry
- production of construction materials
- tourism and recreation

The center of cluster development was founded in the region in 2014

Supporting group:

- transport and logistics complex
- power generation
- information and communication technology



Irkutsk region ranks **13th** among the regions with high socio-economic development

in the ranking of the subjects of the Russian Federation on development of the investment environment.

(Rating of the Russian Federation subject's heads on creation of favorable conditions for doing business at the end of 2013)



TERRITORIES OF ADVANCED DEVELOPMENT (TADs)

Sayansk-Irkutsk district

The TAD includes: Irkutsk, Sayansk, Angarsk, Slyudianka, Olkhon districts.

Specialization – the high-tech production (aircraft), gas processing and gas chemistry, pharmaceuticals, building materials production, transport and logistics sector, tourism.

Key areas – Irkutsk, Sayansk, Angarsk, Usole-Sibirskoe.

The other territories situated within the TAD perform supporting activities.

A necessary condition for rapid development of this area will be the exploration of Kovykta gas and condensate field and the construction of a gas pipeline to the cities of Sayansk and Angarsk.

Ust-Kut–Lenski district

The TAD includes: Ust-Kut, Zhigalovo, Kazachinsko-Lenski districts

Specialization – gas processing, gas power engineering, timber processing and wood chemistry.

Key areas – Ust-Kut, as the basic transport and logistics center, timber processing and wood chemistry area.

Kovykta gas -condensate field is located on the territory of Zhigalovo district, exploration of which will become a locomotive of the area's development. Ust-Kutsky district will develop oil and gas condensate fields. Kazachinsko-Lensky district will specialize in the field of timber processing.

Ust-Ilimsk–Katangski district

The TAD includes: Ust-Ilimsk and Katangski districts

Specialization – mining of potash salt, mining and enrichment of iron ore, coal mining, and logging.

Key areas – Ust-Ilimsk, as an important transport and industrial hub.

Nepskoe potash field, largest in the world, is located in Katanga district. The Angaro-Katskaya group of iron ore fields is situated in Ust-Ilimsk area. Tunguska coal field is also situated there, so as significant forest resources.

Investment
attractiveness
of municipal bodies

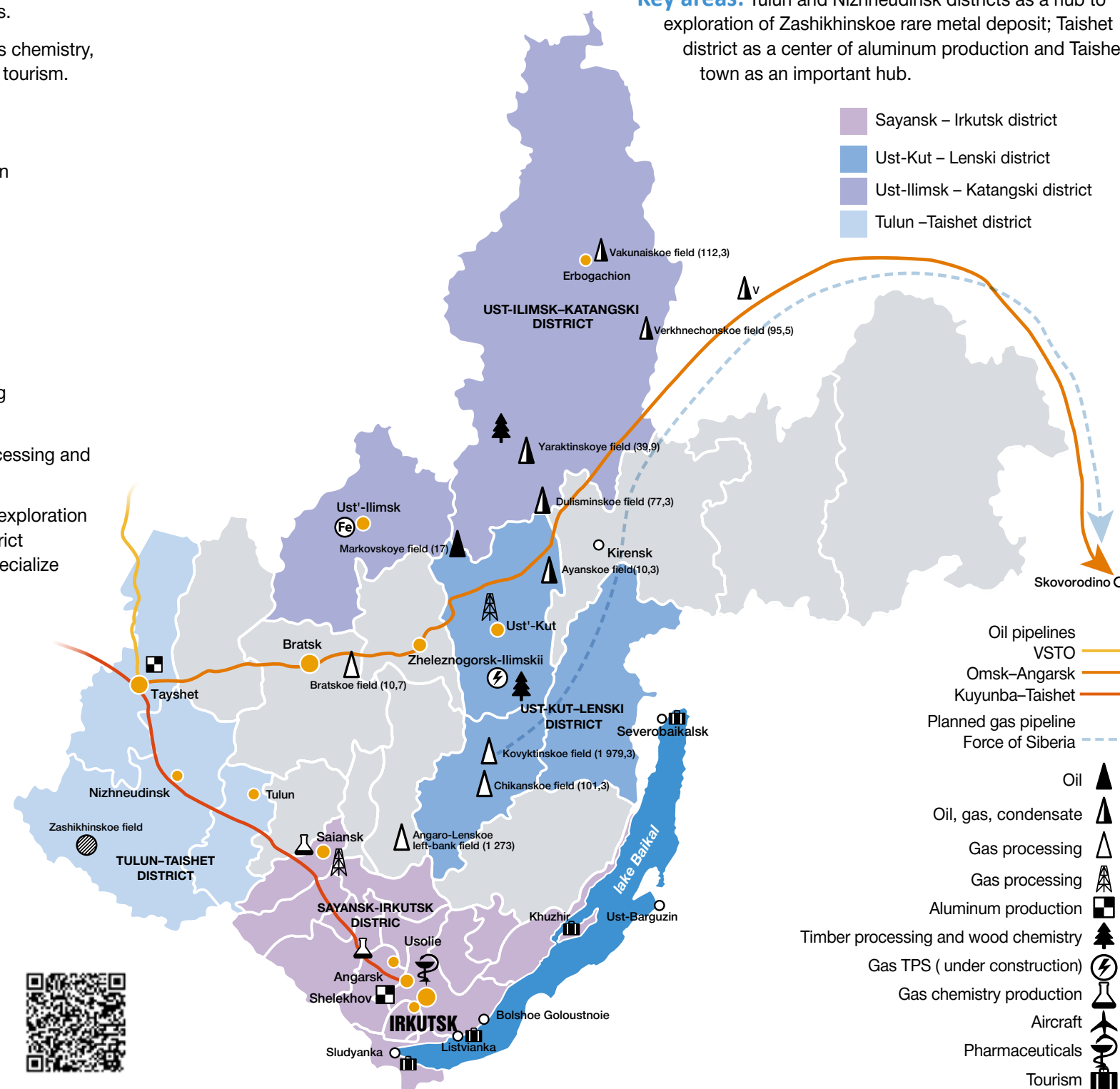


Tulun–Taishet district

The TAD includes: Taishet, Tulun, Nizhneudinsk districts, towns of Taishet and Tulun.

Specialization – mining and rare metal processing (Zashikhinskoe rare metal deposit), aluminum production, timber processing.

Key areas: Tulun and Nizhneudinsk districts as a hub to exploration of Zashikhinskoe rare metal deposit; Taishet district as a center of aluminum production and Taishet town as an important hub.



STATE SUPPORT OF THE IRKUTSK REGION INVESTMENTS

Tax preferences

- **Differentiated tax rates** for tax on property of organizations for certain categories of taxpayers.
- **Differentiated tax rates on profit tax** from 17% to 13.5% depending on cost of the property and type of economic activities.
- **Differentiated tax** rates when applying the simplified system of taxation.
- **0% tax rate on profit, payable to the Irkutsk region for the first five tax periods and the next five periods** – 10% for projects having the status of regional investment projects in accordance with the Federal law dated 30.09.2013, No. 267-FZ from 1 January 2014.
- **Reduction in the rate** of tax on gas extraction;
- **Zero tax rate** on oil extraction at the beginning of exploring a new field.
- **The provision of investment tax credit** for a tax on profit of organizations subject to enrollment in the regional budget, and regional taxes.

Financial support measures

- **The state guarantees** for bank loans.
- **Investment Fund** of the Irkutsk region.
- **Subsidies for reimbursement** of interest on loans (lease payments) obtained in the Russian credit (leasing) institutions for the implementation of investment projects in industrial sector in single-industry towns and industrial parks of the Irkutsk region.
- **Subsidies from the regional budget** to investment activity entities implementing investment projects in the field of development, construction, agriculture, transport, housing and communal services.

Support of scientific, technical and innovative activities

- **Subsidies for reimbursement of costs** in connection with the production of goods

Small and medium business support

- **Subsidies for the support and development** of small and medium entrepreneurship.
- **Guarantees provision for credit agreements**, leasing contracts to small and medium enterprise development by the “Irkutsk the regional guarantee Fund”.
- **Microfinancing**.

Support investments in timber processing

- **Reduction factor to the rates of payment** per unit of volume of timber resources for priority investment projects in the field of timber processing.
- **Organization of a timber products commodity exchange** on the territory of the Irkutsk region.

Support of SEZ TRT “Gate of the Baikal” residents

- According to the federal and local law.

Non-financial support measures

- **Activities of the Investment Council** under the Government of the Irkutsk region.
- **Support for investment projects** on the principle of “one window” by the specialized organization to attract investment to the Irkutsk region – OJSC “Corporation of development of the Irkutsk region”.
- **Implementation of the standard of operational** activities for executive power bodies to ensure a favorable investment climate (in 2014 all provisions of the standard were introduced).
- **Maintaining a register** of vacant industrial sites in the region.
- **Inclusion of investment projects** in the regional target programs in accordance with the budget legislation of the Russian Federation.
- **Development a forecast for a labor force needs** for economy of the Irkutsk region based on the needs of investors and forecast of the socio-economic development of the region.

Investment portal
of the Irkutsk region
www.invest.irkobl.ru



CORPORATION OF DEVELOPMENT OF THE IRKUTSK REGION

Corporation of Development of the Irkutsk region is a specialized body to attract investments for the region.

Main tasks:

- Create and develop an available infrastructure to accommodate production and other investment objects on the territory of the Irkutsk region.
- Protect the rights of investors implementing investment projects on the territory of the Irkutsk region.
- Represent the Irkutsk region in SPP (state-private partnership) projects.

Main activities:

- Management of industrial parks.
- Examination of investment projects concerning an efficiency of implementation.
- Promoting project teams to support and implement specific investment “turn-key” projects.
- Ensuring the implementation of social projects on SPP basis.
- Promotion of investment opportunities and regional projects in Russia and abroad.
- Cooperation with development institutions with the aim to use their potential and opportunities for funding and supporting investments in the territory of the Irkutsk region.
- Financing of investment projects.

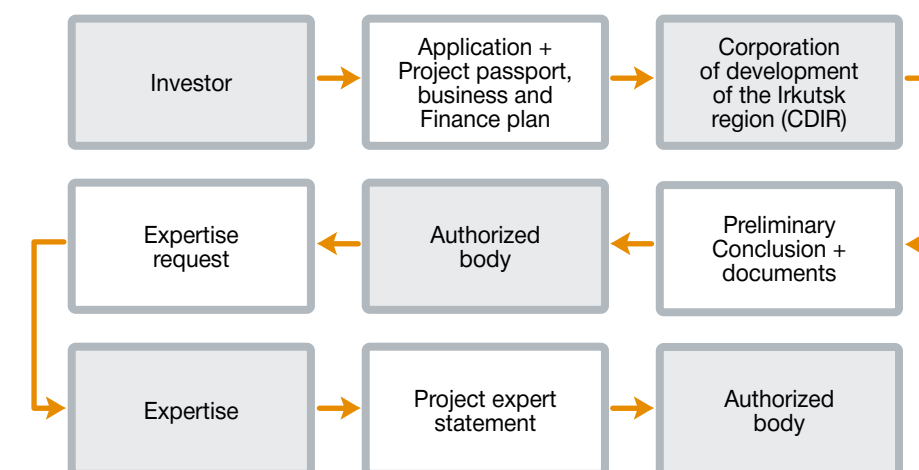
Official site
www.cpiio.ru



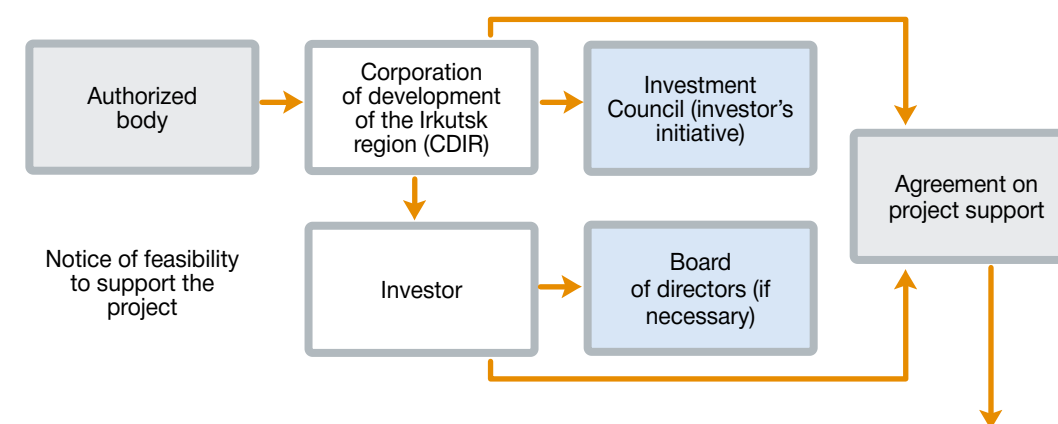
Corporation of Development of the Irkutsk Region provides full administrative project support based on “one window” standard.

SCHEME OF SUPPORT

1. An investor's application consideration







2. Support of an investment project (10 days excluding The board of directors)



Forms of support

- creation of project teams;
- assistance in preparation of documents for state support receiving;
- organization of negotiations, meetings, conferences;
- financial or investment property
- support based on the share capital of the corporation
- assistance in obtaining approvals and permits;
- selection of investment areas;
- cooperation with governmental bodies, venture capital and investment funds, financial institutions;
- projects promotion on specialized exhibition

INVESTMENT DEVELOPMENT

					
1996	2005	2005	2006	2007	2008
 ИРКУТСКАЯ НЕФТЯНАЯ КОМПАНИЯ	 HEINEKEN	 ВЕРХНЕЧОНСКИЕ НЕФТЕГАЗ	 AB InBev	 Транснефть	 ГАЗПРОМ ОТКРЫТОЕ АКЦИОНЕРНОЕ ОБЩЕСТВО
Irkutsk Oil Company LLC	Heineken Brewery LLC	OJSC VCNG	SanInBev OJSC	Transneft	OJSC Gazprom OJSC Iterra
Investments 130 billion rubles	—	Investments 152 billion rubles	Investments 7 billion rubles	Investments 16 billion rubles	Investments 5.5 billion rubles
Beginning of the development and arrangement of Yarakhtinskoe, Markovo and Danilovsky oil fields, Ust-Kut and Katangsky districts, Irkutsk region	Creation of production of "Heineken Brewery Baikal" (branch, Irkutsk)	Beginning of full-scale development of the Verkhnechonskoye oil field, Katanga district, Irkutsk region	Start of construction of brewery plant, Angarsk	Start of construction of objects of the oil pipeline system "Eastern Siberia Pacific ocean" (VSTO)	Start of construction of a gas distribution station and the main pipeline from Bratsk gas condensate field.

INVESTMENT DEVELOPMENT



2008



JSC Igirma LDK

Investments
3 billion rubles

Start of construction of sawmill-timber processing complex in Novaya Igirma, Nizhneilimsk district



2008



OJSC Ilim Group

Investments
34.3 billion rubles

The beginning of the implementation of the investment project in the field of forest development (Bratsk and Ust-Ilimsk)



2008

Trans-Siberian timber
company LLCInvestments
7 billion rublesStart of construction of
timber complex, Ust-Kut,
Irkutsk region

2008

JSC Angarsk
petrochemical companyInvestments
7 billion rublesThe start of modernization
of petrochemical
production JSC "АНХК"

2009



Rusforest Magistralny LLC

Investments
1.3 billion rublesStart of construction of timber
plant for the production of dry
timber

2010

Chemical metallurgical
company LLCInvestments
8.9 billion rublesStart of construction of
metallurgical plant to produce
high quality iron nuggets,
Cheremkhovo

INVESTMENT DEVELOPMENT



2010



Irkutsk oil company LLC

Investments
120 billion rubles

Project start effective use of gas from Yarakhtinskoe, Markovo and Danilov oil and gas condensate fields, Ust-Kut Irkutsk region.



2010

Irkutsk regional
governmentInvestments
2.25 billion rubles

Start of the project to create a special economic zone of tourist-recreational type "Gate Of the Baikal" (lot "Gora Sobolinaya")



2011



Pharmasintez OJSC

Investments
1 billion rubles

Start of construction of third production site of the pharmaceutical factory on the territory of OJSC "Pharmasintez, Irkutsk



2011



Eurasia-lespromgrupp LLC

Investments
2 billion rubles

Start of construction of woodworking complex in Magistralni, Kazachinskoye-Lensky district, Irkutsk region



2011

Irkutsk aircraft
plant – branch of Irkut
corporation OJSCInvestments
17 billion rubles

The beginning of implementation of investment programs. Irkutsk aircraft plant – branch of Irkut corporation OJSC



2011



Rusal

Investments
48.6 billion rubles

Start of construction of anode factory, Taishet

INVESTMENT DEVELOPMENT



2012

Knauf Gypsum LLC

Investments
5 billion rublesThe beginning of production
high quality building materials

2012

Транснефть

Vostoknefteproduct LLC

Investments
0.823 billion rublesStart of the project
establishment of the East
Siberian branch
of OJSC Technical
diagnostics «Diaskan»

2012



Tekhnoinvestalians JSC

Investments
12.6 billion dollarsThe beginning of the industrial
development of Zashikhinski
rare metal field,
Nizhneudinsk district

2012

Сибирский Лес

Siberian forest LLC

Investments
67.9 billion rublesStart of construction of timber-
chemical complex, Ust-Kut

2012

Гора
Соболиная
Горнолыжный курорт
Baikalski mount-skiing
resort "Gora Sobolinaya"
(Sable Mount) LLCInvestments
1.39 billion rublesStart of construction of tourist
center "Gora Sobolinaya"
within the SEZ TRT (Baikalsk,
Slyudyanka district)

2013

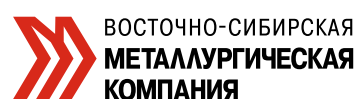
Bratskhhimsintez LLC

Investments
565 million rublesStart of construction of plant
of active pharmaceutical
substances

INVESTMENT DEVELOPMENT



2013



East-Siberian metallurgical
company

Investments
7.4 million rubles

Start of construction of Bratsk
steel plant for the production of
light rolled sections



2013



ACE Mayak LLC

Investments
399 million rubles

Start of construction of
pig-breeding complex with
a full cycle of production and
meat processing, Taishet district



2014



Vysochayshi OJSC

Investments
0.6 million dollars

The beginning of the expansion
refining capacity of Marakanski
project for the expense of
commissioning field "Ozherlie"
(Necklace), Bodaibo district



2014



Vysochayshi OJSC

Investments
4.8 million dollars

Start of construction of mining
and processing mill field of
ore gold "Verkhni Ugokhan"
Bodaibo district



2014



Irkutsk regional
government

Investments
20 billion dollars

Beginning of the project
construction of the new airport
complex ("Air City",
"Baikal Smart City")



2014



Gold Pole OJSC

Investments
53.7 billion rubles

Introduction of gold deposits
exploration in Bodaibo area
Irkutsk region

INDUSTRIAL SITES

The register of available industrial sites
on the territory of the municipalities
of the Irkutsk region (over 200 sites)



Angarsk techno park

Angarsk techno park was created in 2009 at the production site of the Angarsk electromechanical plant. Currently the site has over 50 residents who occupy about 27% of the area.

For five years Angarsk Park has created around 1.500 jobs, production volume in 2013 amounted to 14.5 billion rubles, budget effect – 5.8 billion rubles

Clusters of Angarsk Technopark include the industrial Park “MAXiMAX”, logistics park “Green channel”, raw-industrial park “Key”, agro-industrial park “Monastery duct”. There is also a great platform for future development.

Ownership: private

Type: Greenfield/Brownfield

The existing engineering infrastructure:

- electricity – 49.64 MWt;
- thermal energy – 10 Gcal/h;
- water supply – 150 m³/h;
- sewage – 100 m³/h

The operator of the site: “MAXiMAX” LLC, www.tp38.ru

Industrial Park “Baikalskiy”

The functions– food industry, processing industry, other types of activities permitted on the territory of the Central ecological zone of the Baikal natural territory.

Primary competitive advantages of the industrial park:

- the lowest cost of energy resources in Russia (electricity and heat) with no connection fees;
- the region’ s provision of labor and intellectual resources at the reasonable cost;
- transport accessibility and favorable geographical position;
- available raw materials for various industrial segments.

External infrastructure:

- the TRANS-Siberian railway
- the Federal highway M-53, connecting, Irkutsk, Ulan-Ude, and also giving exit to the Far East
- the road leading to Tunka valley of the Republic of Buryatia and Mongolia
- the international airport, located in Irkutsk (100 km)
- as part of the development of water transport a connection with SEZ TRT facilities between The Irkutsk region and the Republic of Buryatia will be provided.

Planned financial-economic characteristics:

Private investment of \$ 7.3 billion rubles, including the agrotechnopark investments of 1.49 billion rubles.

The amount of public investments in infrastructure construction – 1.1 billion rubles, including the agrotechnopark investments – 0.76 billion rubles.

The number of residents – 20.

The efficiency of public investments (per 1 ruble of public investments) 6 rubles of private investments.

The Park is located on 2 sites: Kultuk and Baikalsk.

Site No. 1 (Kultuk)

The plots are located in the central ecological zone of the Baikal natural territory, 500 meters from the shores of lake Baikal. The distance to Irkutsk (airport) – 100 km, Baikalsk – 50 km

The total area of the site is 155 ha (existing boundaries of the park – 19.3 ha prospecting boundaries – 128 ha).

Category: settlement land.

Type of use: for the construction of industrial enterprises.

Site No. 2 in Baikalsk

A part of the territory of JSC “Baikal pulp and paper mill” is planned for inclusion in the industrial park “Baikalskiy”. Companies representing engineering, chemical production, metallurgy, timber processing, shipbuilding and light industry will be able to expand production here with minimal cost and in the shortest possible time.

Total area area: 150 Ha.

Category: settlement land.

The project of creation of an agrotechnopark (69 ha) within the frames of the industrial park is planned to implement, which involves existing enterprises of fresh water production, pasta and bakery products, with a subsequent increase in capacity, as well as the construction of the greenhouse complex and accommodation of new processing businesses.

The operator of the site: Corporation of development of the Irkutsk region, www.cpiio.ru

Industrial Park “Chistye kluchi”

Industrial Park was created on the site of a former military camp in Chistye kluchi and hosts about 50 properties. Distance from the international airport “Irkutsk” – 28 km, from the nearest freight railway station “Goncharovo” – 7 km. Adjacent to the road P-258 Irkutsk-Ulan-Ude -Chita.

Area: 173.3 ha

Industry specialization: logistics, terminal complex

Form of ownership: state

Type: Brownfield

Infrastructure:

- boiler plant – 4.5 Gcal/h;
- electricity – three lines 500 kV;
- transformer substation – PS 110/35/10/6 kV;
- the area of warehouse buildings – 380 000 m²;
- office space in the warehouse.

Planned financial-economic characteristics:

Private investments of 5.2 billion rubles

The volume of state investments for infrastructure construction – 620 million rubles

The number of residents – 18-20

The efficiency of state investments (per 1 ruble of state investments) – 12 rubles of private investments.

The operator of the site: Corporation of development of the Irkutsk region, www.cpiio.ru

Industrial Park “Pravoberezhni”

The initiator of the project: administration of Bratsk.

Project type: Greenfield

Specialization: construction materials industry

Investments in infrastructure: 1 113.5 million rubles

Automobile access road to the site: an unpaved road.

Transport infrastructure:

- distance to the point of connection to the federal highway (Vilui) – 1.6 km
- distance to the point of connection to the railway line (BAM) – 2.5 km;
- distance to the nearest railway station (station “Luzhki”) – 3.5 km;
- distance to the international federal airport (“Bratsk”) – 26 km

Engineering infrastructure:

- maximum available electric capacity to ensure the activities of the industrial park – 80 MVA
- distance from the points of connection to electric networks, providing the capacity – 1.4 km;
- maximum free capacity of networks of gas supply available to ensure the activities of the industrial park – 30 000 m³/h;
- distance from the points of connection to the gas supply network, providing the capacity – 4.3 km;
- remoteness of the connection point to the sewerage networks, provided the capacity – 7.9 km

Target indicators of the project on creation of the industrial park

The number of residents of the industrial park – 11

The residents ‘ investments – 3 629.9 million rubles

Investment in infrastructure – 1 113.5 million rubles

Specific annual earnings of residents of the industrial park (after reaching the target indicators) 118.2 million rubles/ha

The number of planned job – 1 865 people.

Agricultural industrial park, Irkutsk

The initiator of the project: Administration of Irkutsk

Location: Pravoberezhni district of the city of Irkutsk, in the immediate vicinity of the intersection of two major regional roads- Yakutski and Alexandrovski roads. The land previously housed fruit and vegetable market, now is not in operation. The total area of premises located on the land plot is about 18 thousand square meters.

Size: 8.5 ha (with future expansion to 28 ha).

Category of land: agricultural purpose. The land plot has two transformer substation of 10/0.4 kV, the site passes the power transmission line of 1.044 MW.

Priority activities of the residents of agropark:

- processing of milk (pasteurization, sterilization, packaging);
- packing, washing and packing of potatoes/vegetables;
- processing and manufacturing of semi-finished products from potato/vegetables;
- cultivation and processing of mushrooms;
- production of juices (vegetable, berries, fruit);
- production and processing of products from wild plants.

Target indicators for the project on creation the agro-industrial park in Irkutsk

The number of residents of the industrial park – 11

Investments of residents – 724.33 million rubles

Investments in infrastructure (including the construction of production areas for residents on the site of the park, as well as logistics complex) – 539.14 million rubles

The total annual revenue of the residents of the industrial park (after reaching target indicators) 1 345.84 million rubles

The number of planned jobs – 357

The average monthly wages – 20 833.33 rubles/person

Industrial Park “Khomutovo”

Location: Irkutsk region, 19 km of Kachug road, in the immediate vicinity of Khomutovo. The site is owned by “Gosstroy” LLC and adjacent to the current production area of the company.

Area: 60 ha

Industry specialization: production of construction materials. The project envisages the construction of plants for the production of bricks, metal structures, prefabricated houses, as well as modernization of existing production of glued laminated timber.

The operator of the site: “Gosstroy” LLC

Technopark “Irkut”

On the initiative of the United aircraft Corporation, based in Irkutsk Aircraft Plant, a branch of OJSC Scientific production Corporation “IRKUT” a technopark for the production of components low redistribution for the production of aircraft is planned to launch.

The industrial park is planned for the placement of production workshops of small and medium businesses, capable of producing certified products in the production chain of the aircraft. In order to implement the project plan the Engineering center, on the basis of JSC “Irkutsk research Institute of aviation technology and organization of production”, aimed to ensure aircraft factories with advanced technologies, the Center of certification and testing, the Center of subcontracting are planned to establish.

The planned area of the industrial park – 100 hectares.

SUPPORT OF INVESTMENT AND ENTREPRENEURIAL ACTIVITIES

OJSC “Corporation of development of the Irkutsk region”

Assistance in implementation of investment projects, including creating and development of industrial parks on the territory of the Irkutsk region

10, Sverdlov street,
Irkutsk, 664025, Russia
+7 3952 985 995
Representative office in
Moscow:
+7 903 240 67 22
www.cpiio.ru

OJSC “Special economic zones”

Creation of infrastructure and other facilities designed to ensure the functioning of the special economic zone of tourist-recreational type on the territory of the Irkutsk region; the management of objects within the special economic zone

3, Litvinov street,
Irkutsk, 664003, Russia
+7 3952 20 03 20
e-mail: oez-irkutsk@mail.ru

“Irkutsk regional multipurpose center providing state and municipal services”

Organization and provision of public municipal services on the principle of “one window”

2 A, Mukhina street,
Irkutsk, 664056, Russia
+7 3952 70 78 11

The Fund of support of small and medium entrepreneurship “Irkutsk regional guarantee Fund”

Organization and provision of public municipal services on the principle of “one window”

2 A/ 4, Rabochaya street,
Office 328, Irkutsk,
664056, Russia
+7 3952 25 85 20
e-mail: info@fondirk.ru
www.fondirk.ru

The Fund “Center for support of small and medium entrepreneurship in the Irkutsk region”

Ensuring the implementation of the regional programs, projects and activities aimed to support and develop small and medium entrepreneurship in the Irkutsk region and attraction of investments into economy of the region

2 A, Mukhina street,
Irkutsk,
664056, Russia
+7 3952 42 38 38

“Cluster development center for small and medium enterprises”

Creating conditions for effective interaction among members of the territorial clusters, institutions of education and science, non-profit and public organizations, bodies of the state power, bodies of the local government and investors in the development of regional clusters, ensuring the implementation of joint cluster projects.

2 A, Mukhina street,
Irkutsk,
664056, Russia
+7 3952 42 38 38

The investment Council under the Government of the Irkutsk region

Intensification of investment and entrepreneurial activity, detection and elimination of administrative barriers when making investment and entrepreneurship

31, Gorki street, Irkutsk,
664027, Russia
+7 3952 25 65 44

The Council for development of small and medium enterprises under the Government of the Irkutsk region

- Development of complex measures aimed creation of favorable conditions for the development of small and medium enterprises on the territory of the Irkutsk region
- Development of recommendations for protection of rights and legal interests of subjects of small and medium-sized businesses
- Review of projects eligible for obtaining measures of state support

31, Gorki street, Irkutsk,
664027, Russia
+7 3952 25 65 44

Coordination banking Council under the Governor of the Irkutsk region

Development of measures stimulating the direction of financial resources of commercial banks, operating on the territory of the Irkutsk region, in the real sector of the regional economy; promoting development of regional credit and stock markets, improvement of quality and expand the list of banking services

31, Gorki street, Irkutsk,
664027, Russia
+7 3952 25 65 44

Ombudsman for protection the rights of entrepreneurs in the Irkutsk region

- Protection of rights and legitimate interests of business entities
- Promote the restoration of violated rights of business entities
- Promote the development of public institutions, aimed at protecting the rights and legitimate interests of business entities activity
- Legal education for subjects of entrepreneurship
- Assistance to improve the business and the investment climate in the Irkutsk region

74, Gagarin Blvd,
4th floor, Irkutsk,
Russia
+7 3952 488 535,
+7 3952 600 411
e-mail:
ombudsmanbiz.irkutsk@mail.ru

Investment Ombudsman in the Irkutsk region

- Review of application from the entities involved in investment activity associated with the implementation of investment projects
- Consideration of issues to destroy existing administrative barriers preventing investment activity

1A, Lenin street,
Irkutsk, 664027
Russia
+7 3952 25 65 75
e-mail: invest@irkobl.ru

All-Russian public organization “Business Russia”

Protection of business interests from illegal actions by competitors, governmental and law enforcement bodies, the organization of works to eliminate excessive administrative and other barriers.

6, Surikov street,
Irkutsk, 664025
Russia
+7 3952 20 37 51
e-mail: deloros_irk@mail.ru
www.deloros.ru

East-Siberian Chamber of Commerce

Representation and protection of business interests of, promote the resolution of disputes between economic entities, assistance in development of the system of education and training personnel for entrepreneurial activity, infrastructure development information to ensure the enterprise. Independent valuation and assessment of property, services on foreign economic and commercial activities, official translations, certification of products, product promotion of the Irkutsk region, legal services

16, Sukhe-Bator street,
Irkutsk, 664003
Russia
+7 3952 33 50 60
e-mail: info@tppvs.ru
www.tppvs.ru

All-Russian public organization of small and medium entrepreneurship "OPORA Russia"

Promoting consolidation of entrepreneurs and other citizens to participate in the formation of favorable political, economic, legal and other conditions for the development of entrepreneurial activity in the Russian Federation, providing effective economic development

43 A, Lapin street,
Irkutsk,
Russia
+7 3952 29 07 96
e-mail: 52-11@inbox.ru
www.opora.ru

Irkutsk regional Association of employers "Partnership of producers and entrepreneurs"

- Development of a unified producers position in the solution of socio-economic issues
- Protection of the interests of the regional producers
- Expression of the interests of producers before the authorities
- Building business relationships with the state
- Elaboration and generalization of experience in social partnership in the areas and cities of the region

59, Karl Marx street,
Office 207
Irkutsk, Russia
+7 3952 200 054/ 643 452
e-mail: npt@irmail.ru

INFORMATION FOR INVESTORS AND ENTREPRENEURS

- Reference of available industrial sites in the Irkutsk region;
- List of credit organizations of the Irkutsk oblast;
- List of regional insurance organizations, insurance brokers, branches of insurance organizations in the Irkutsk region
- Directory of construction companies in the Irkutsk region;
- List of applicable design organizations of the Irkutsk region;
- Organization of the Irkutsk region, carrying out survey works;
- Information on the connection to the engineering networks;
- Plan for the creation of investment projects and infrastructure on the territory of the Irkutsk region for the period up to 2018;
- The register of public services provided by the executive bodies of the government of the Irkutsk region, the applicants in which are legal entities and individual entrepreneurs and public organizations;
- List of hotels in the Irkutsk region.

Contacts

The Ministry of economic development of the Irkutsk region
1 A, Lenin street, Irkutsk, 664027,
Phone: +7 (3952) 25 62 44,
e-mail: econom@govirk.ru
Official website: **www.economy.irkobl.ru**

**Department of investment development**

31, Gorki street, office 217
Phone +7 (3952) 24 14 87, +7 (3952) 24 17 37
Investment portal of the Irkutsk region: **www.invest.irkobl.ru**

OJSC "Corporation of development of the Irkutsk region"**Irkutsk office**

10, Sverdlov street, office 5.9
+7 (3952) 255 811, 985 995
e-mail: irkutsk@cpiio.ru
Official web-site: **www.cpiio.ru**

Moscow representative office

23, Bolshaya Novodmitrovskaya, bld 2
Office 21a-22
Metro "Dmitrovskaya", "Savelovskaya"
+7 (495) 647 09 68
e-mail: info@cpiio.ru

