



KUZBASS



#investinkuzbass

5 reasons to invest in Kuzbass



1

HUMAN RESOURCES

Kuzbass is the 3rd most populated region in the Siberian Federal District and the most urbanized one, with 84% of the population in urban areas and 16% in rural areas.

One-third of the economically active population have university degrees.

2

HIGHLY INVESTOR-ORIENTED REGIONAL LAWS AND REGULATIONS

tax privileges and benefits, working support infrastructure, and competition support

3

PSEDAs

PSEDAs including Anzhero-Sudzhensk, Novokuznetsk, Prokopyevsk, and Yurga.

4

EXTENSIVE TRANSPORT AND LOGISTIC INFRASTRUCTURE

Outstanding railway length and density (176 km per 10,000 sq. km as compared to 51 km per 10,000 sq. km in Russia and 29 km per 10,000 sq. km in the Siberian Federal District).
Two international airports: Kemerovo Alexei Leonov International Airport and Novokuznetsk/Spichenkovo Boris Volynov International Airport

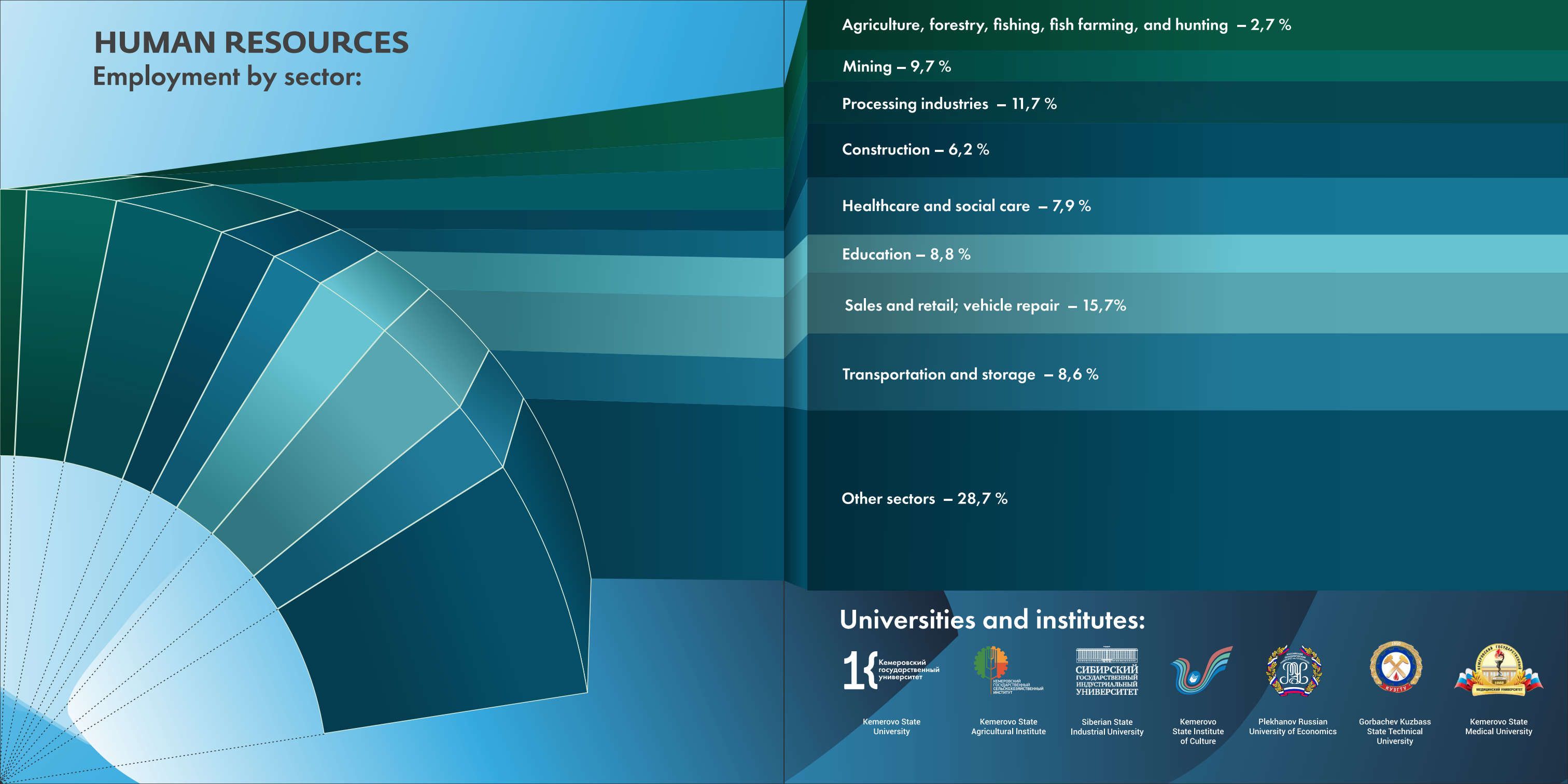
5

HIGH ECONOMIC POTENTIAL

The MOST diverse and developed energy and mineral deposits
The THIRD largest electric network in the Siberian Federal District
Russia's LARGEST metallurgical and chemical enterprises

HUMAN RESOURCES

Employment by sector:



Agriculture, forestry, fishing, fish farming, and hunting – 2,7 %

Mining – 9,7 %

Processing industries – 11,7 %

Construction – 6,2 %

Healthcare and social care – 7,9 %

Education – 8,8 %

Sales and retail; vehicle repair – 15,7 %

Transportation and storage – 8,6 %

Other sectors – 28,7 %

Universities and institutes:



Кемеровский
государственный
университет

Kemerovo State
University



КЕМЕРОВСКИЙ
ГОСУДАРСТВЕННЫЙ
СЕЛЬСКОХОЗЯЙСТВЕННЫЙ
ИНСТИТУТ

Kemerovo State
Agricultural Institute



СИБИРСКИЙ
ГОСУДАРСТВЕННЫЙ
ИНДУСТРИАЛЬНЫЙ
УНИВЕРСИТЕТ

Siberian State
Industrial University



Kemerovo
State Institute of
Culture



Plekhanov Russian
University of Economics



Gorbachev Kuzbass
State Technical
University



Kemerovo State
Medical University



PRIORITY SOCIAL AND ECONOMIC DEVELOPMENT AREAS

Support for PSEDA residents:

0% federal company tax for the first 5 years and 3% later (standard rate 3%)

5% regional company tax for the first 5 years and 10% later (standard rate 17%)

Reduced obligatory insurance contributions to the public non-budgetary funds (7.6% rather than 30% of the salary budget):

6% retirement insurance premium (standard rate 22%)

1,5% social insurance premium (standard rate 2.9%)

0,1% medical insurance premium (standard rate 5.1%)

0% regional capital tax for the first 5 years and 1.1 % later (standard rate 2.2 %)

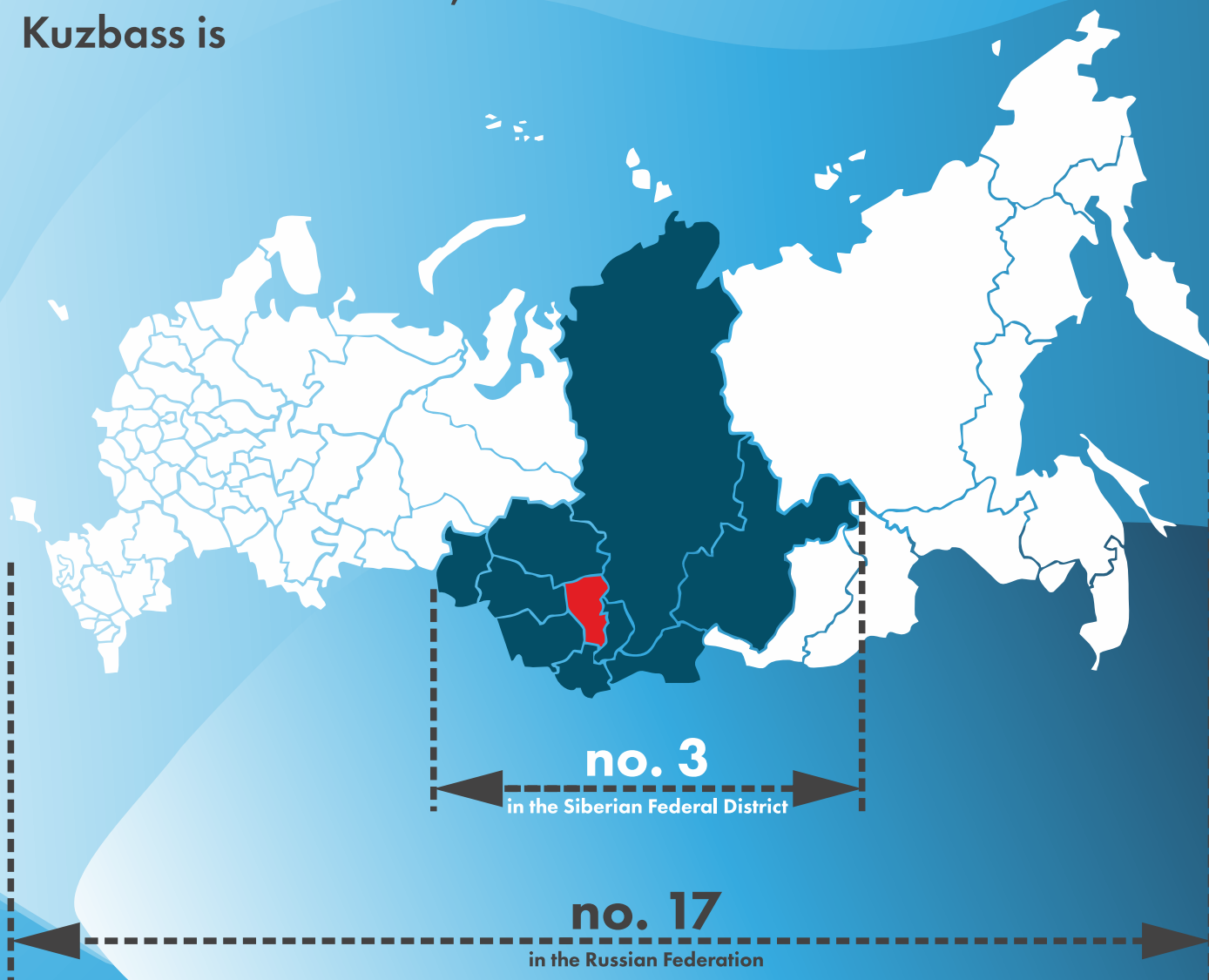
0% municipal land value tax



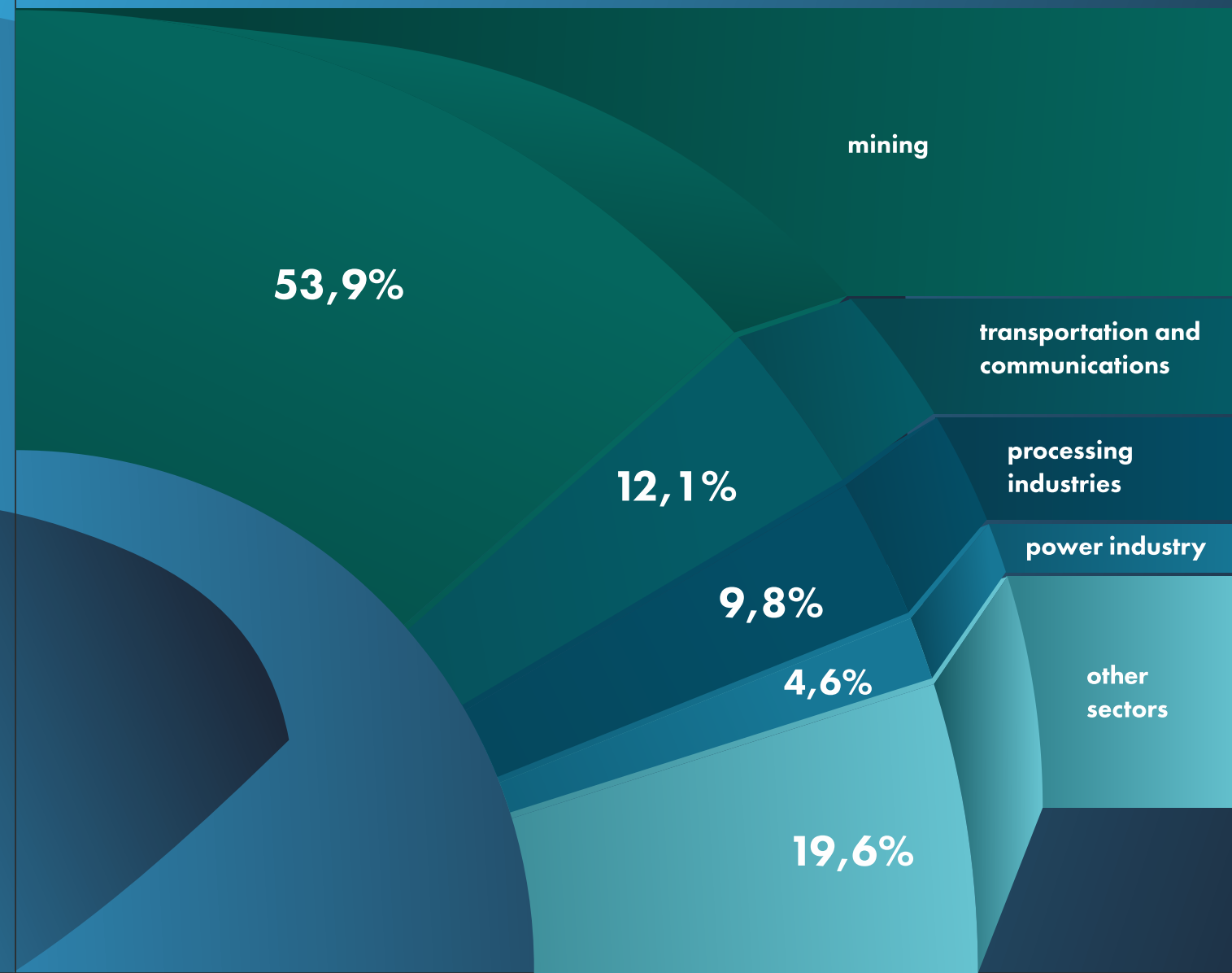


HIGH ECONOMIC POTENTIAL

In terms of investment,
Kuzbass is



Investment
by sector:



8 development priorities for the Kemerovo Region



21%

– reduction of total air pollutant release in Novokuznetsk

Goal:

More active environmental protection. Growth points: environmental activities.

Goal:

Better transport accessibility of the region, cities, and districts. Growth points: transport infrastructure upgrade.

50%

– increase in percentage of the regional highways that meet with regulations.

85%

– percentage of the highways that meet with regulations in the largest conurbations.

40%

SME percentage in the great regional product.

Goal:

More people in small and medium-sized enterprises. Growth points: consulting.

Goal:

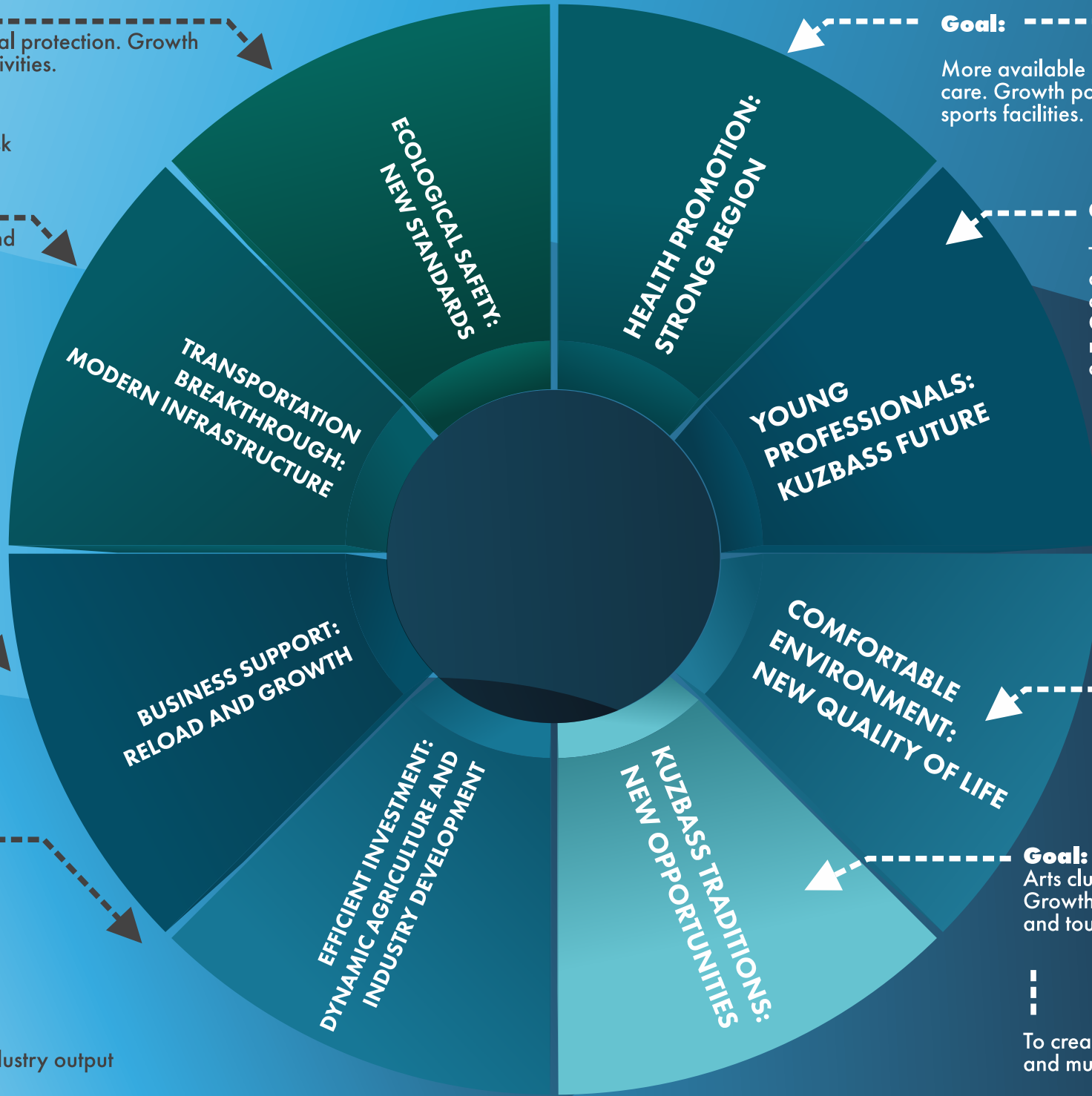
Developed coal production, processing industries, and agriculture. Growth points: investment attraction.

21%

economic growth.

1,5 times

– increase in processing industry output



Goal:

More available state-of-the-art medical care. Growth points: new clinical and sports facilities.

79 years

life expectancy.

56%

of the people do sports.

Goal:

Talent search, support, and development system for children and youth. Growth points: school renovation, kindergarten construction.

100%

preschool availability for toddlers.

100%

high-schoolers are provided career guidance.

Goal:

More comfortable urban environment. Growth points: amenity development, gas network construction, and utility upgrade.

30%

urban environment quality index increase.

Goal:

Arts cluster foundation in Kuzbass. Growth points: cultural facility creation and tourism development.

30%

percentage of the citizens who make decisions on urban environment development.

|||

To create a cluster of cultural, educational, and museum facilities.

**Kuzbass
is a reliable
partner
for business**





PUBLIC SUPPORT

The Kemerovo Region developed and uses a comprehensive system of laws and regulations to ensure public support for investors, innovators, and manufacturers.

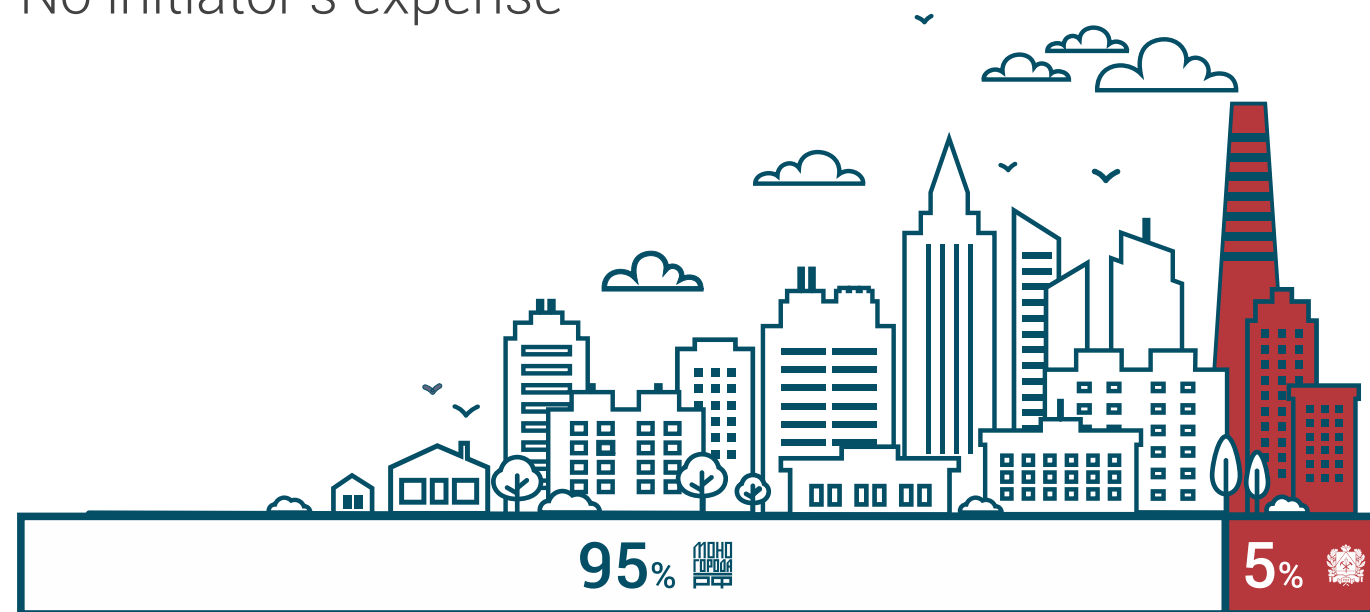
13,5% regional company tax

0% capital tax

5% decreased simplified income tax

INFRASTRUCTURE CONSTRUCTION AND/OR RECONSTRUCTION

No initiator's expense



INVESTMENT PROJECT FUNDING PARAMETERS

PARTICIPATION

Advancing funds (loan)

Investing in the project initiator (NMT 49% of the capital)
(for loans over 250 mln rubles)

FUND SUPPORT TERMS



from **10** mln rubles
to **1,000** mln rubles



0% per annum (for loans NMT 250 mln rubles)
5% per annum (for loans NMT 250 mln rubles)



TERM
UP

to **15** years



PROJECT
INITIATOR'S
FUNDS

NLT **20%**



LOAN
REDEMPTION
DELAY

NMT **3** лет

The Department of Investment and
strategic Development
of the Kemerovo Region



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Email: dep_invest@ako.ru



DEVELOPMENT INSTITUTIONS

The Agency for Investment Attraction and Protection

Kemerovo, Sosnovy bulvar 1, of. 204, Russia
Phone/fax: +7 3842 900 181
www.keminvest.ru
www.agency.keminvest.ru
Email: info@investkuzbass.ru

The Tourism Agency of the Kemerovo Region

Kemerovo, Krasnaya 4, Russia;
phone +7 3842 657 667
www.kuzbass-tourism.ru

Microcredit company: State Business Support Fund of the Kemerovo Region

Kemerovo, Krasnaya 4, Russia;
Phone: +7 3842 900 360

The Social Innovation Center. Municipal nonprofit fund of small business support

Kemerovo, Sovetsky 59, Russia
Phone: +7 3842 751 709

The Industry Fund of the Kemerovo Region

Kemerovo, Sovetsky 56, of. 222, Russia;
Phone: +7 3842 90 17 1

Kuzbass Technopark

Kemerovo, Sosnovy bulvar 1, Russia
Phone: +7 3842 77 88 99
www.technopark42.ru
Email: technopark@technopark42.ru

The Cluster Development Center

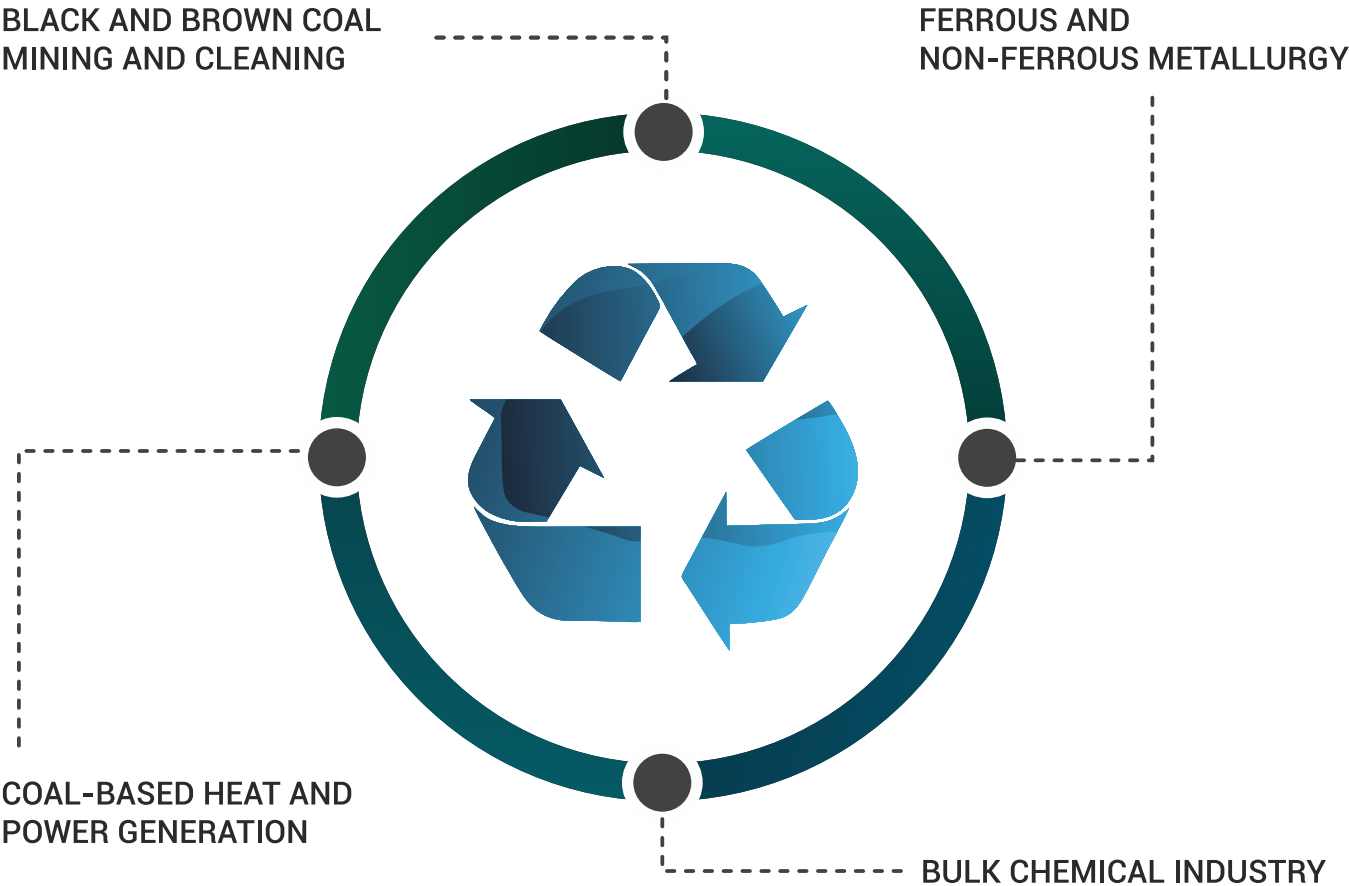
Kemerovo, Sosnovy bulvar 1, of. 312, Russia
Phone: +7 3842 77 88 90,
+7 923 487 41 97
www.innotech42.ru
Email: n.chursina@innotech42.ru

The Regional Engineering Center

Kemerovo, Sosnovy bulvar 1, of. 312, Russia
Phone: +7 3842 77 88 60, +7 951 608 06 42
www.innotech42.ru
Email: a.gumenniy@innotech42.ru

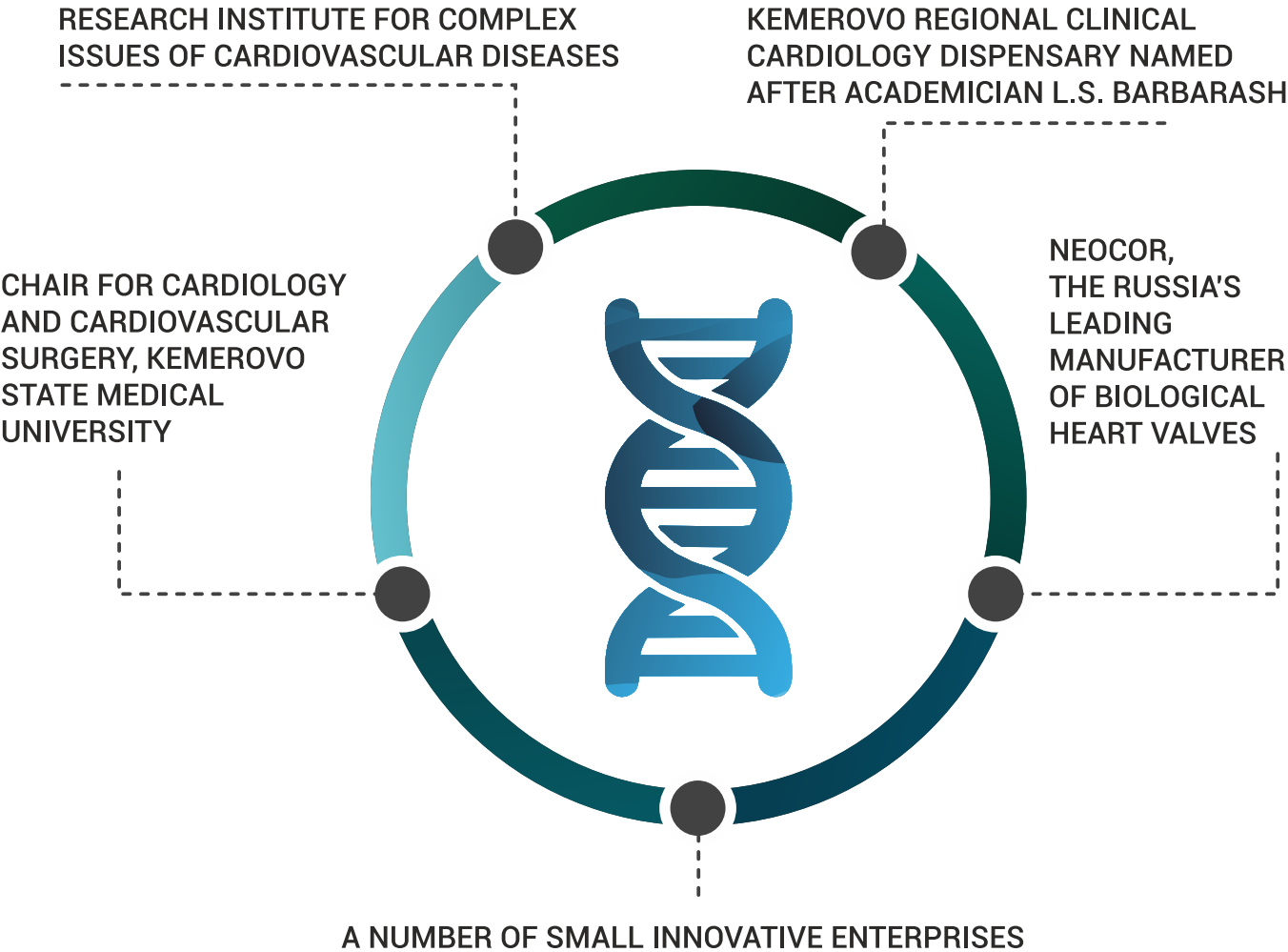
Complex Coal Conversion and Technological Waste Recycling: Innovative regional cluster

Complex Coal Conversion and Technological Waste Recycling (coal chemistry cluster) is an innovative regional cluster. The cluster is profoundly integrated in the regional economy, with a technological platform of interacting industries, such as:



Biomedical cluster

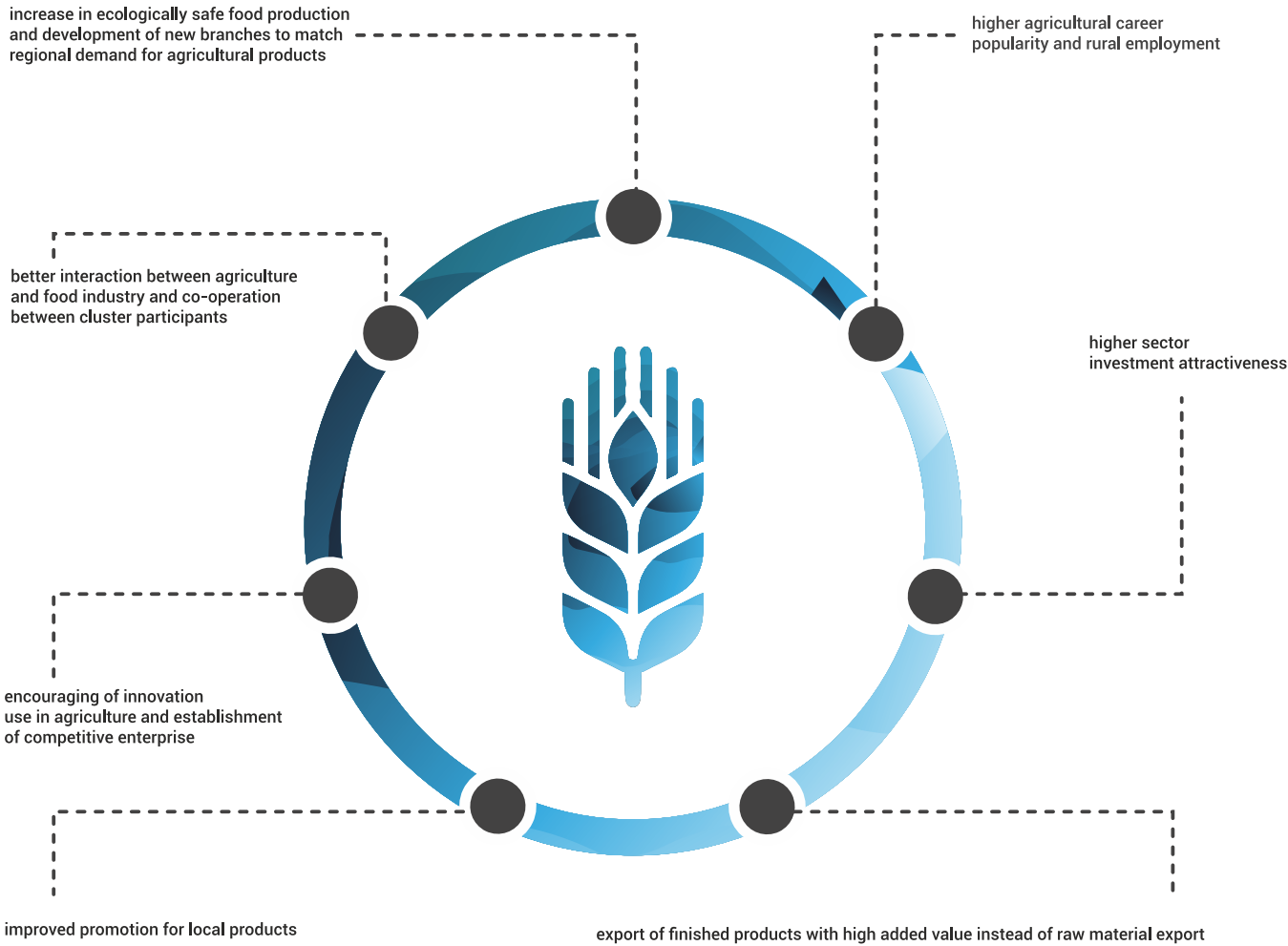
The cluster aims at higher competitiveness and better quality of medical services due to more intensive research, establishment of small innovative enterprises, and a large-scale use of market biotechnological products. A key cluster resident is Kemerovo Cardiology Center, a group of research and clinical institutions focused on improving quality and effectiveness of high technology medical services in cardiovascular surgery:



Agricultural cluster

Agricultural cluster strategically aims at better competitiveness of Kuzbass agriculture and food industry to provide food security, develop small and medium-sized agricultural business, and improve living standards at the countryside.

Goals:



Tourism and recreation cluster

In long term, the tourism and recreation cluster aims at improving competitiveness of relevant businesses, promoting regional tourism product, and diversifying tourism services range in the region.

Goals:





LEADER COMPANIES

Coal mining

PJSC Rasporskaya
(Mezhdurechensk)

Three quarters of the total
coking coal production
in Russia

JSC SUEK-Kuzbass
(Leninsk-Kuznetsky)

One of 10 world's
largest coal
producers

UK Kuzbassrazrezugol
(Kemerovo)

Coal deposits of 2.5 bln tons



LEADER COMPANIES

Metallurgy

JSC EVRAZ ZSMK
(Novokuznetsk)

The Siberia's largest steel
manufacturer.
One of 5 Russia's
and 30 world's
largest
steelworks.

JSC Kuznetskie Ferrosplavy
(Novokuznetsk)

59% of Russia's ferrosilicon
production

RUSAL Novokuznetsk JSC
(Novokuznetsk)

Veteran plant: in 1943-1945 half of Russia's airplanes were made
from aluminum produced by the facility.





LEADER COMPANIES

Chemical industry

JSC SBU Azot (Kemerovo)

Main supplier of industrial ammonium nitrate to mining companies of Siberia and the Far East of Russia (ca. 85% of the market). 1/3 of Russia's caprolactam production and ca. 50% of Russia's caprolactam export.



**TOKEM
Production
Association LLC**
(Kemerovo)
The Russia's only
large-capacity ion
exchange resin
manufacturer

JSC Organica (Novokuznetsk)

A leading API and drug product manufacturer throughout Siberia and the Far East of Russia. Products manufactured in solid and liquid dosage forms belong to 17 therapeutic groups; half of them are included into the List of Vital and Essential Drug Products.



LEADER COMPANIES

Machine industry

OOO GOREX-Svetotekhnika (Prokopyevsk)

The Russia's leading manufacturer of explosion-proof mining equipment, mining automation, explosion-proof electronics, and electrical shock protection equipment.



**OOO
ASI Engineering
Center**
(Kemerovo)

A Russia's leading
designer and
manufacturer
of digital industrial
weighing scales
and related information
systems

OAO Kemerovo Pilot Repair and Mechanical Plant (Kemerovo)

Production program targeted at utility providers and highway engineering enterprises. Over 20 machines for highway maintenance designed and launched into batch production.



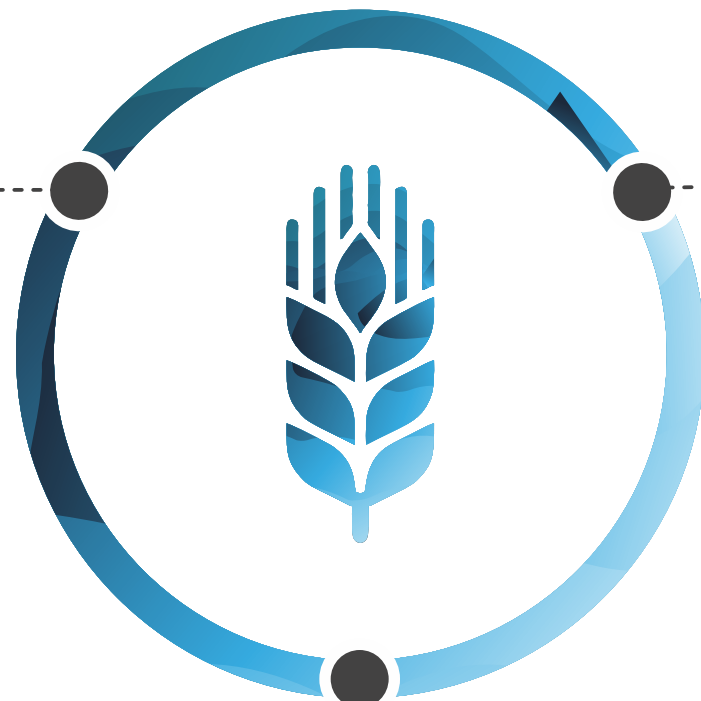
LEADER COMPANIES

Agriculture and food industry

KDV Yashkino

(Yashkino District)

The Kuzbass largest confectionery factory (1.6 thousand employees) and largest exporter (15.5% of the Russia's confectionery export)



SPK Beregovoy (Kemerovo)

A long-standing leader in terms of vegetable output and yield.

OOO SPK Chistogorsky (Novokuznetsk District)

The region's largest farm to produce animal raw materials and process meat.
The Western Siberia's leading high-yield breed farm



LEADER COMPANIES

Coalbed methane production

OOO Gazprom Dobycha Kuznetsk

(Novokuznetsk)

The Russia's first and only commercial coalbed methane producer..





GEOGRAPHY

Divided from the Novosibirsk Region during the Second World War, the Kemerovo Region is geographically similar to the Kuznetsk coal basin (Kuzbass).

Berg College, or Mining Ministry, established during 1718–1720 Peter the Great's reform profoundly studied Russia's resources. As a result, Kuzbass coal reserves were discovered and their industrial development was started.

'According to any available documents, that date was 6 July 1721. So, we will celebrate the 300th Kuzbass anniversary on 6 July 2021'. — Sergey Tsivilev, Governor of the Kemerovo Region

Federal District: Siberian

Capital: Kemerovo

Distance to Moscow: 2,990 km (by air),
4,000 km (by rail)

Time zone: UTC+7 / MSK +4

28.3/km², the highest population density eastwards from the Urals

The Siberia's most urbanized region:

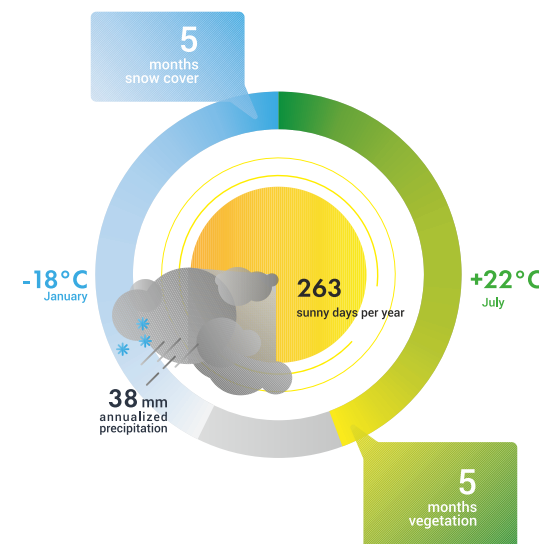
85% of the population live in urban areas

Natives: Shors, Teleuts, Siberian Tatars.

Total area: 95,700 sq. km

Extension: 510 km North to South and
300 km East to West

Climate: continental



Tomsk Region

Krasnoyarsk Territory

Novosibirsk Region

Altai Territory

Altai Republic

Khakassia Republic

Notes



KUZBASS