

Nizhny Novgorod region — the area of investment



NIZHNY NOVGOROD REGION
GOVERNMENT

Small Country

≈ $\frac{1}{5}$  of Germany

≈ $\frac{1}{5}$  of the Netherlands

1  Czech Republic

1  Lithuania

$2\frac{1}{2}$  of Belgium

$2\frac{1}{2}$  of Estonia

Area

76,600 km²

Population

3,323,600

4 hours from Moscow to Nizhny

From Saint-Petersburg – 8 hours.

"Sapsan" is a high-speed train,
which can reach speeds
of up to 250 km/h.

It was developed specially
for Russia by Siemens.



8 megapolises within a radius of 1,000 km

● Saint-Petersburg

43/84

mln people
live within a radius
of 500/1,000 km



Transportation corridors

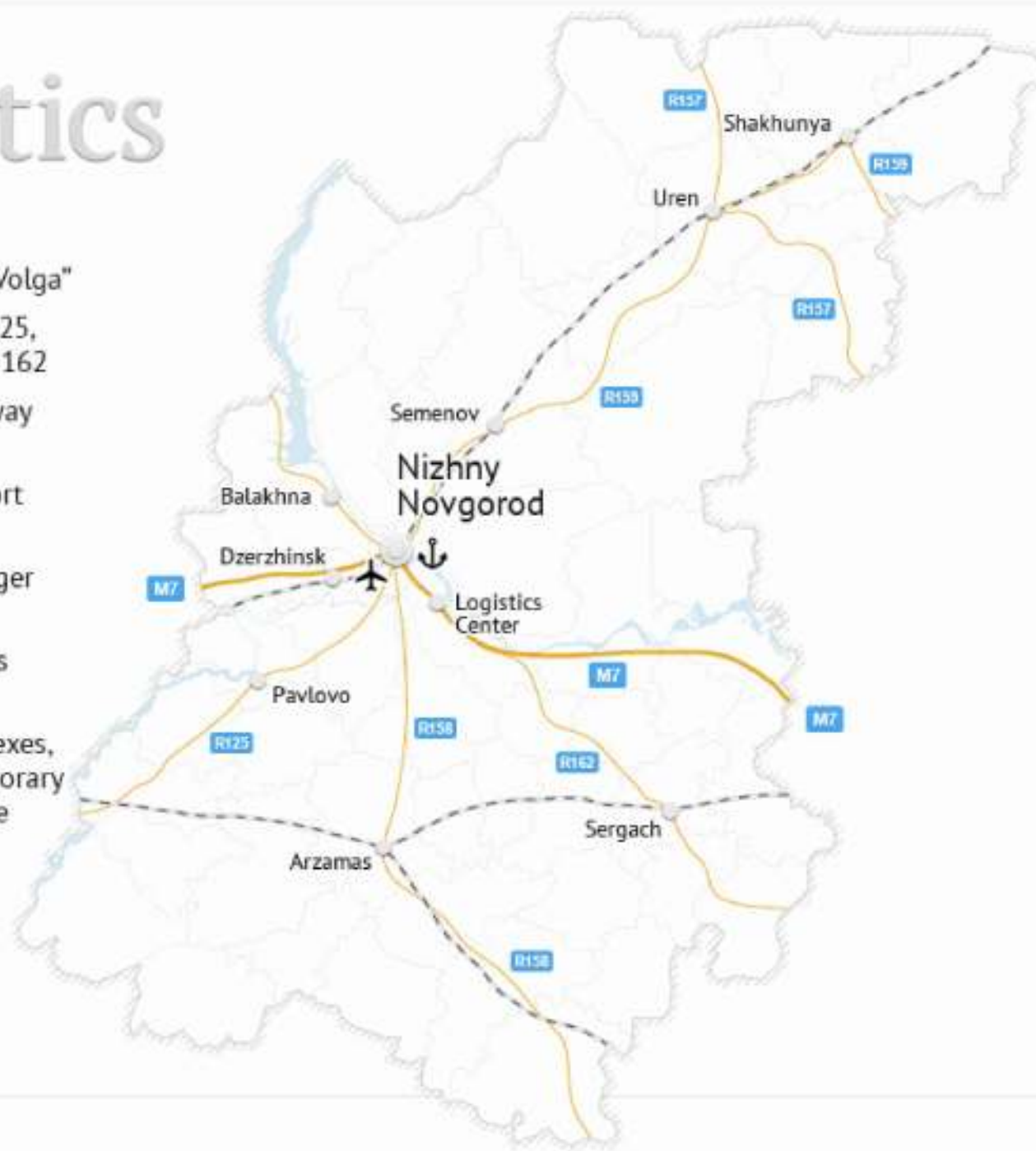


The West–East international transportation corridor goes through the region.

The North–South ITC passes nearby.

Logistics

- Federal road M7 "Volga"
- Regional roads R125, 157, 158, 159 and 162
- Gorkovskaya Railway (RZhD)
- International airport "Strigino"
- Cargo and passenger river ports
- 5 customs stations
- More than 300 warehouse complexes, including 15 temporary storage warehouse
- Leading logistics operators



Nizhny Novgorod region – the area of investment

Highways

Over 16,000 km of highways.
Road density is 2 times higher
than Russian average.



Gorkovskaya railway (RZhD)

11,873.2 km of railroads,
7,959.4 km of main running
lines.

Railroad density is 3 times
higher than Russian average.

Covers 5 regional centres:
Murom, Gorky, Kirov, Kazan,
Izhevsk.

Main directions: Moscow,
Saint-Petersburg, Kirov, Kazan,
Ekaterinburg.



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International airport “Strigino”

5 domestic flights to Moscow
and 7 international flights.

The airport is a partner to such
major carriers as Lufthansa, S7,
UTair, Austrian Airlines, Aeroflot
Russian Airlines, Continent,
Region-avia, Rusline, Tatarstan,
KavMinVodyAvia.



Volga water area



Over 3,530 km of waterways is a Volga water area. This area occupies 1/3 of European part of Russia.

Main directions: Moscow, Saint-Petersburg, Kirov, Kazan.

River transport provides access to the Baltic, the White, the Azov, the Black, the Caspian, and the Mediterranean Sea.

Class A logistics centre

Volga industrial park (VIP)
is situated along the federal
highway M7, 7 km from Nizhny
Novgorod.

Total area: 120,000 km²

Stage 1A (30,000 m²)
Completed, title certificate

Stage 1B (30,000 m²)
III quarter, 2011 – II quarter, 2012

Stage 2 (60,000 m²)
Commissioning – IV quarter, 2013

Nizhny
Novgorod

Logistics
centre

Kstovo

M7

M7

World Trade Centre

Nizhny Novgorod World Trade Centre net in with World Trade Centres, which are united in the World Trade Centers Association (WTCA).

Is situated in historical part of the city in 300 m from the Nizhny Novgorod Kremlin

Association was founded in 1969 representing about 320 members in 110 countries and operating with more than 750,000 companies and millions of private persons.



Priorities

Petrol-chemical
industry

Automotive
industry

FMCG
production
and distribution

IT

Science and education



Education and Science

56

state and private
universities, institutes
and their branches

106

enterprises
and organizations
are involved in R&D

3

place in Russia –
number of R&D
employees

4

place in Russia –
export of software



In 2009 Lobachevsky State University of Nizhni Novgorod has become one of 12 Russian higher education establishments with the prestigious status of a National Research University according to the Russian Government Executive Order.

Economics

1,7%

of the Russian
total gross regional
product (GRP)

38,9

bln roubles
was produced
in agricultural sector

350,7

bln roubles –
trading income

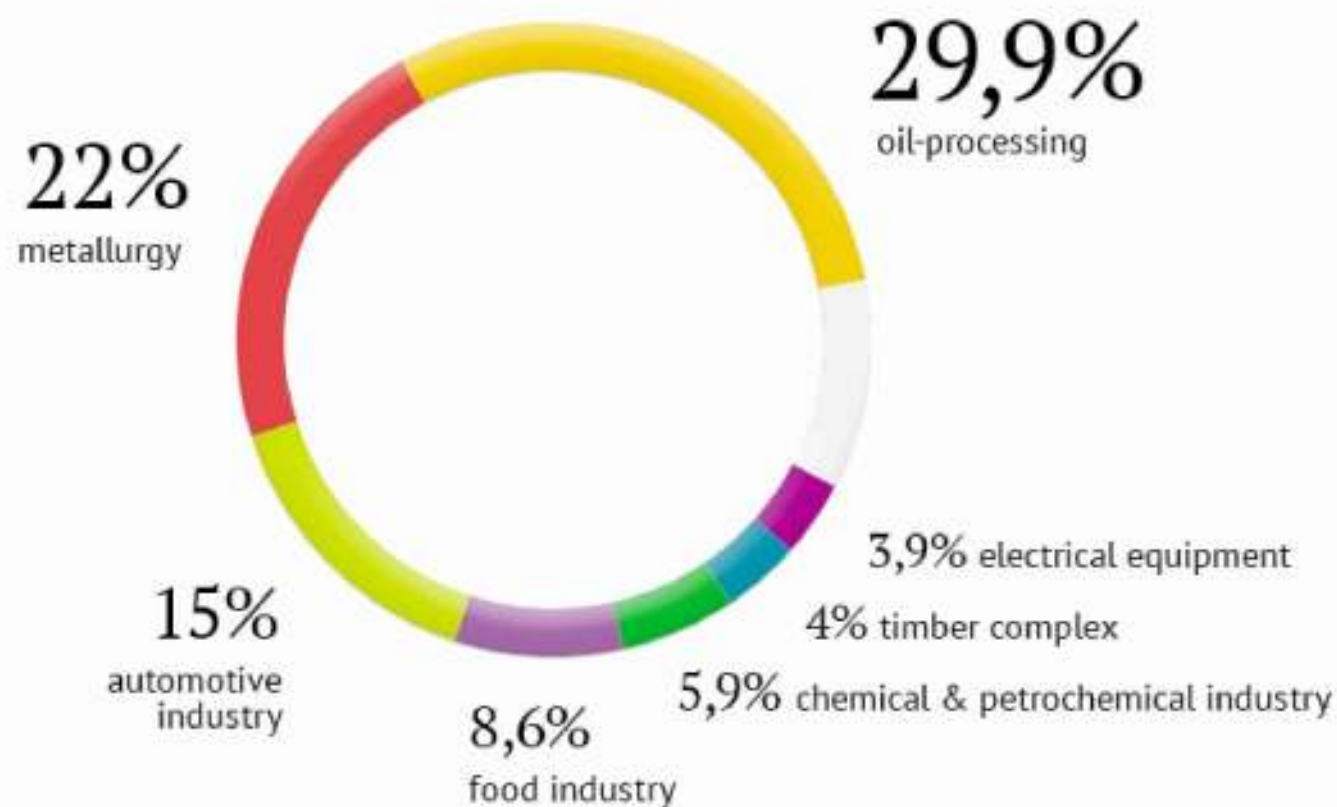
25%

of population
is engaged in small-
scale business

1,45

mln m²
housing commissioned

Production structure



Investment climate

1,53

trln roubles –
total volume
of investments

- “One-window” principle (minimization of red-tape burden)
- Progressive legislation
- Non-financial state support (organizational, consulting, informational)
- Financial state support (tax incentives, partial loan interest refund for loans, exemption from rent, etc.)

Financial state support

68

priority investment
projects

- Tax incentives
- Tax deferral
- Deliverance from rent payment
- Partial loan interest refund for loans
- Innovative activity financing from the regional budget
- R&d grants
- Kulibin Prize of the Nizhny Novgorod region is instituted for the objects of intellectual property

Tax incentives

Property tax

Land tax

Profit tax

2,2%

1,5%

20,0%

Current rate
incentives
included

0

0

15,5%

Budget
levels

Regional (4/5)
and municipal (1/5)
budgets

Municipal budget

Regional budget

Non-financial state support

- Backing/forwarding petitions and applications to federal authorities
- Taking part in regional contest of fundamental investigations
- Taking part in regional contest of development and exploitation of new kinds of science intensive products and technologies



6 place in “Best regions for business” rating

Comfort
for doing business

4

5

6

7

8

9

10

11

12

Infrastructure

Region's
wealth

Business climate

Social characteristics

Forbes

Best regions for business, 2011

Foreign investors in the region



Thank
you



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