



ECONOMIC AND INVESTMENT POTENTIAL OF PERM KRAI



1. HISTORY



XVII-XVIII

PERM THE GREAT

- Beginning of The Urals industrial development (The 'Stroganovs' salt mills)
- Development of heavy industry (The iron factory of Fedor the Young)
- Development of metallurgy (The Egoshitinsky copper smelting plant)

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THE PERM PROVINCE

- Over 110 mining plants (smelting of cast iron, copper, iron)
- Main supplier of copper
- Development of salt industry
- Railway construction

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THE SOVIET UNION PERIOD

- In 1929 oil deposits were discovered within Perm krai territory
- Development of aircraft engines
- Development of ordnance, small arms, and the famous 'Katyusha' during the Great Patriotic War (World War II)

NOWADAYS

PERM KRAI

- Chemical industry
- Mining
- Petrochemicals and oil refineries
- Machine building
- Production and distribution of energy, gas and water
- Metallurgy
- Wood processing and pulp and paper production

2. PERM REGION IN THE WORLD



3. GEOGRAPHICAL LOCATION

Area
160 236 km²

23rd largest region
in Russia

GRP
1,1 trillion
rubles

15th largest
in Russia

Population
2,65 million
people



AIR TRANSPORT

more than 1 million
people

The total passenger traffic of the International airport "Perm" increases by 20% annually. Landing of aircraft of any class, including Boeing 747-400ER, is possible.



RAILWAY TRANSPORT

traffic volume

over 40 million
tons

An important railway junction of the Trans-Siberian Railway. Member of the "Belkormur" project and the construction of high-speed railway "Moscow-Ekaterinburg".



WATER TRANSPORT

direct access

to 5 seas

the Baltic Sea, the White Sea, the Black Sea, the Sea of Azov and the Caspian Sea.

Both cargo navigation and passenger routes are developed on the Kama River.



HIGHWAY TRANSPORT

33,5 thousand
km

the length of public roads.

The main federal highways pass through the region.

4. THE ECONOMIC STRUCTURE OF PERM KRAI

GROSS REGIONAL PRODUCT (GRP) BY ECONOMIC ACTIVITIES

in 2016

Chemicals and petrochemicals	8,33	billion dollars
Machine building	4,41	billion dollars
Food industry	1,07	billion dollars
Timber industry	950	million dollars
Light industry	127	million dollars

INVESTMENTS

in 2017

Chemical production	808,76	million dollars
Construction	757,69	million dollars
Timber industry	81,28	million dollars

PERM KRAI HOLDS LEADING POSITIONS



Production of Mineral fertilizers

10,1 million tons in 2017



Production of optical cables

50 thousand km in 2017



Aviation and power engineering

1 558 aircraft engines were produced during last 23 years



Telecommunication service

The headquarters of the Russian largest Internet provider (is situated in Perm Krai)

PERM KRAI IS ENERGY SELF-SUFFICIENT AND LEADS IN ELECTRIC POWER PRODUCTION



Electric power consumption is

15 billion kW/h

of electric power is exported

26%

5. LEADING ENTERPRISES OF PERM KRAI



6. EXPORT POTENTIAL



Fertilizers
10.752 thousand tons



Wires and cables
12,8 thousand tons



Timber
447,5 thousand m³



Electric motors and generators
1.921 pieces



Pump components
3,62 thousand tons



Uncoated paper and cardboard
27,8 thousand tons



Plywood
139,7 thousand m³



Paper
287 thousand tons



Mineral fuel, oil and derivative products
2.625 thousand tons

4 980 million dollars

million dollars

The 16th place by export volume in Russia

3 435 million dollars

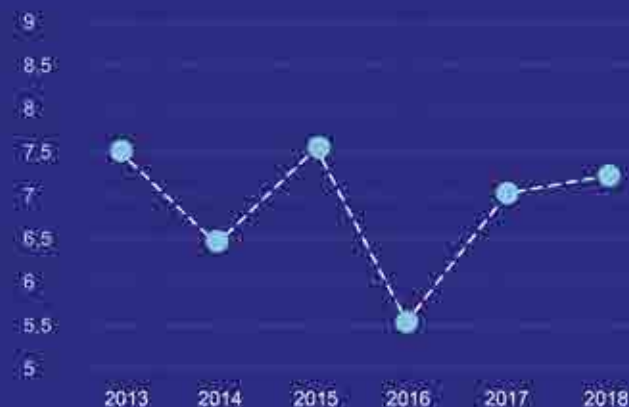
million dollars

non-primary non-energy export volume

EXPORT DYNAMICS OF PERM KRAI, million dollars.



MEDIUM-HIGH TECHNOLOGY MANUFACTURES IN NON-PRIMARY NON-ENERGY EXPORT, share of total export, %



7. PERM KRAI DEVELOPMENT PROSPECTS, 2018-2021



Removal of the railway



Highway infrastructure



New theater, berth and Art gallery



Transport interchange hub



International airport

New terminal was opened in 2017

8. PRIORITY AREAS FOR INVESTMENTS



Over
2 mln. m²
of land plots
for industrial parks



Aquapark

The total area of the construction site is 55 thous. m²



5 000 km²
of agricultural land, ready
for cultivation



5
construction
sites

for hotel business
and congress-centers



Over
500 thous. m²
of land plots for retail parks



Over
19,7 million m³
calculated cut



Perm krai is in
TOP 10
of innovative regions
in Russia



Over
1 million m²
of house construction
a year

SUPPORT AND ASSISTANCE FOR INVESTORS

Provision of land parcels
without bidding

from **1** rub. per
10 thous. m²

Property tax
benefits

reduction
up to **0 %**

"One Stop" project assistance for investors

Advanced development zone

9. FAVOURABLE BUSINESS ENVIRONMENT



INVESTMENT DEVELOPMENT AGENCY



The governmental body performing "One Stop" functions for the investors in Perm krai

INVESTMENT IDEA

Brief description of a project



ADMINISTRATION ON THE PREINVESTMENT STAGE



ADMINISTRATION ON THE INVESTMENT STAGE



ADMINISTRATION ON THE PROJECT LAUNCH STAGE

- ASSISTANCE IN REGISTRATION OF A LEGAL ENTITY
- SELECTION AND EXAMINATION OF INVESTMENT SITES
- ASSISTANCE IN THE PREPARATION OF THE DOCUMENTS

- PROVISION OF A LAND PARCEL
- COOPERATION WITH THE ORGANIZATIONS FOR WATER AND ENERGY SUPPLY, WATER DISPOSAL ETC
- COOPERATION WITH REGIONAL AND LOCAL AUTHORITIES

- PROVISION OF TAX PREFERENCES
- SUPPORT IN HIRING PERSONNEL
- CUSTOMS REGULATION

10. AGENCY FUNCTIONS



11. INVESTMENT PORTAL






It contains Interactive services for business activities

- CONSULTATION
- SITE INSPECTION
- INVESTMENT SITES PROMOTION
- > — PARTICIPATION IN EVENTS
- ANALYTICAL SUPPORT
- PERSONAL ACCOUNT
- ORGANIZATION OF MEETINGS



12. TAX REGIME FOR INVESTORS IN RUSSIA AND PERM KRAI

	PROFIT TAX	PROPERTY TAX	VAT	PERSONAL INCOME TAX	INSURANCE PAYMENTS
 BASIC TERMS OF TAXATION IN THE RUSSIAN FEDERATION					
BASIC RATES	20%	2,2%	18%	13%	30% Applied to total salary
 TAX INCENTIVES IN PERM KRAI					
TAX INCENTIVES	Reduction down to 16,5% depends on the amount of capital investment; 16,5% - for those involved in special investment contracts with the Perm krai Government; 0% - for those involved in special investment contracts with the Federal Government	For mining, manufacturing, construction companies etc.: 0,6% - 1 year of fixed assets operation; 1,1% - 2-3 years of operation; 0% - for those involved in special investment contracts, applied to fixed assets, set in operation after 01.01.2015. For those involved in priority investment projects: 0,01% - first five years; 1,1% - next five years	0% - for export operations		
 ADDITIONAL TAX INCENTIVES WITHIN ADVANCED DEVELOPMENT ZONE «CHUSOVVOY»					
TAX INCENTIVES	5% - first five years; 10% - next five years	0%			7,6% - first three years

13. EDUCATION AND SCIENCE



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**HIGHER EDUCATION
ESTABLISHMENTS**



3

**NATIONAL RESEARCH
UNIVERSITIES**

PSU, PNRPU, HSE



3 158

FOREIGN STUDENTS

studying in Perm krai



6

**6 SCIENTIFIC CENTERS
(UBRAS)**

Over **600** scientists conduct surveys in the following areas:

- chemistry
- agriculture
- intelligent monitoring
- motor engineering
- mining
- ecology and genetics



16 000

STUDENTS

specializing in **250** different areas graduate each year

SPECIALIZED FACULTIES

There are 6 specialized faculties in the universities of Perm krai. They are orientated for the needs of major high-technological enterprises in the following branches:

- AERO-ENGINE INDUSTRY
- ROCKET ENGINEERING
- POWER ENGINEERING
- POLYMERS AND GUNPOWDERS
- OIL AND GAS ENGINEERING
- PHOTONICS



DUAL EDUCATION SYSTEM

Unique dual education system is established in the region. Future engineers' education combines theory and practice at the same time.

14. SPLENDID CULTURAL AND TOURISTIC POTENTIAL



Perm Opera and Ballet Theatre

Winner of the Golden Mask
National Theatre Award



Balloonist Festival “Sky Fair”

The festival is held annually
since 2002



Ski resorts

The highest mountain
is 471 m high



Kungur ice cave

Historical and natural centre
of regional significance



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