



Russian Federation

SMOLENSK REGION

www.smolinvest.com



Dear Ladies and Gentlemen!
Let me heartily greet You in our ancient and heroic land. I invite You to get a closer acquaintance with our region.

The present business pages for investors will definitely provide You with the bright illustrations of various resources of our Smolensk Region.

I feel sure that the up-to-date overview of the regional potential will be of great interest for top managers, representatives of business elite, entrepreneurs, other specialists interested in the Smolensk Region.

Being the Western gate of Russia, Smolensk has a unique geographical location which creates the prerequisites necessary for increasing and implementing the investment potential of the region. Smolensk is an important transportation and communication hub with the shortest highways and railways running from Central Russia to Europe.

The vast territory and rich mineral resources, significant technological and intellectual potential make the region attractive for investors, Russian and international companies and financial organisations.

The Smolensk Region can boast its congenial conditions for stable economic development.

The Administration of the Smolensk Region has worked out a clear investment policy aimed at the improvement of the regional investment climate and provision of investment safety. We provide assistance for those partners who strive to establish mutual relations in various business fields.

Our region is open to those partners who pursue serious and positive interests. We express our readiness for widening cooperation in industrial, technological, investment and scientific spheres.

I believe that the Smolensk Region will always be a hospitable home for investors. I wish all business community prosperity and successful implementation of investment projects.

Governor
of the Smolensk Region

A.V. Ostrovskiy

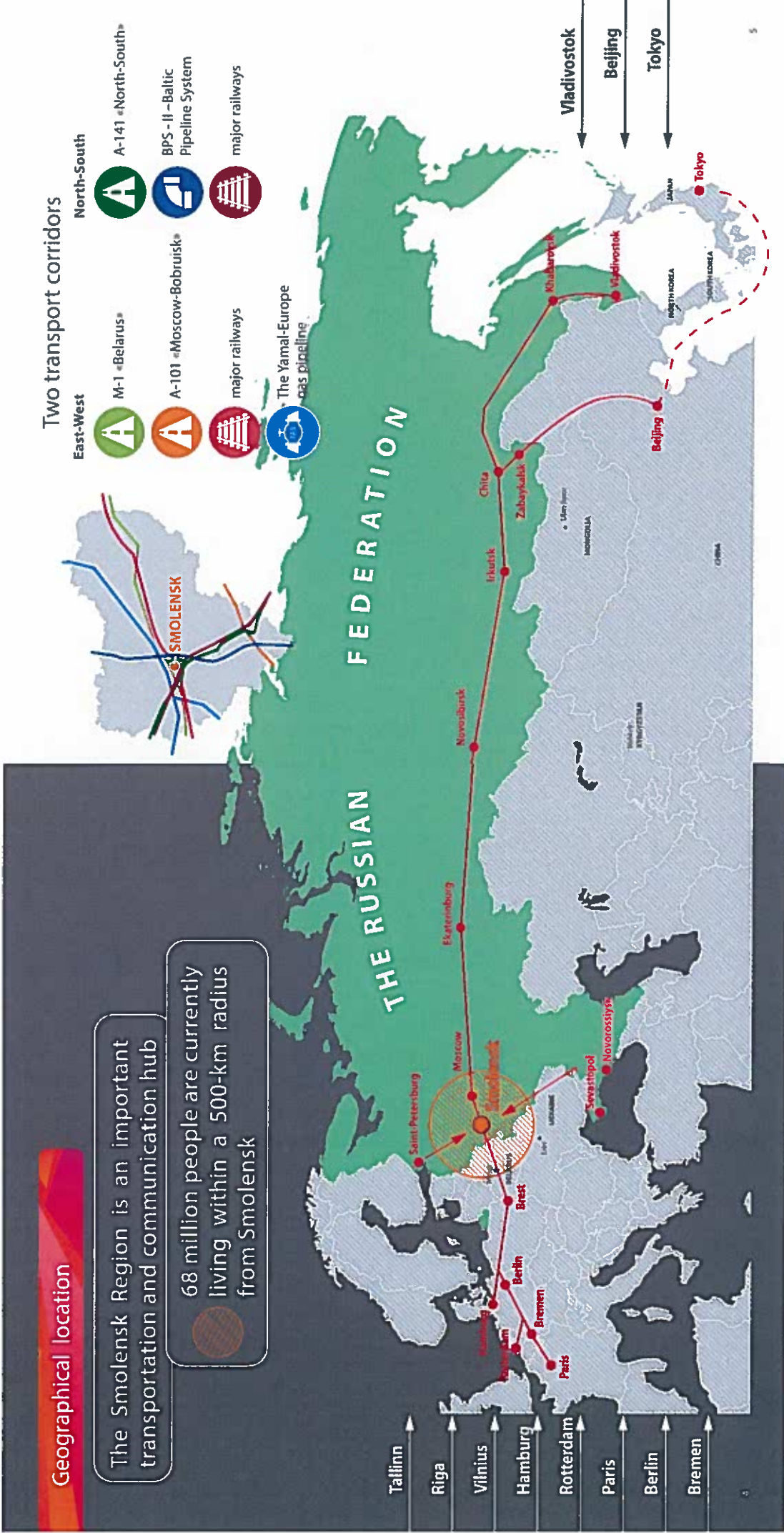
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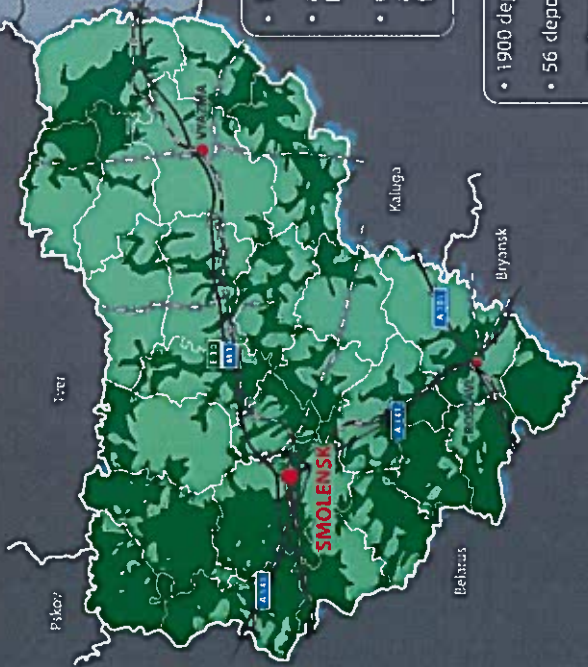
Geographical location

The Smolensk Region is an important transportation and communication hub

68 million people are currently living within a 500-km radius from Smolensk



Smolensk Region today



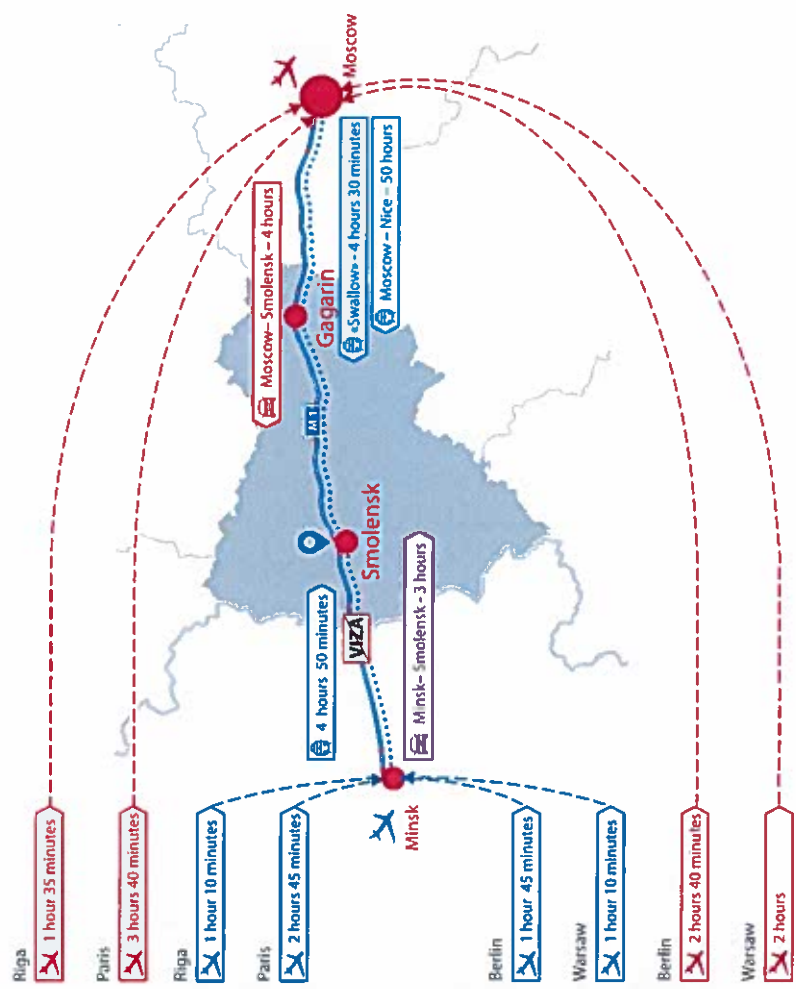
35% Russian and 75% international goods from Western Europe are transported through the territory of the Smolensk Region

- total area: 49,600 km²
- population: 1,000,000 people
- 25 municipal districts
- 2 towns
- 10,700 km of highways
- 1,250 km of railways
- transportation hubs: Smolensk, Vyazma, Rostov

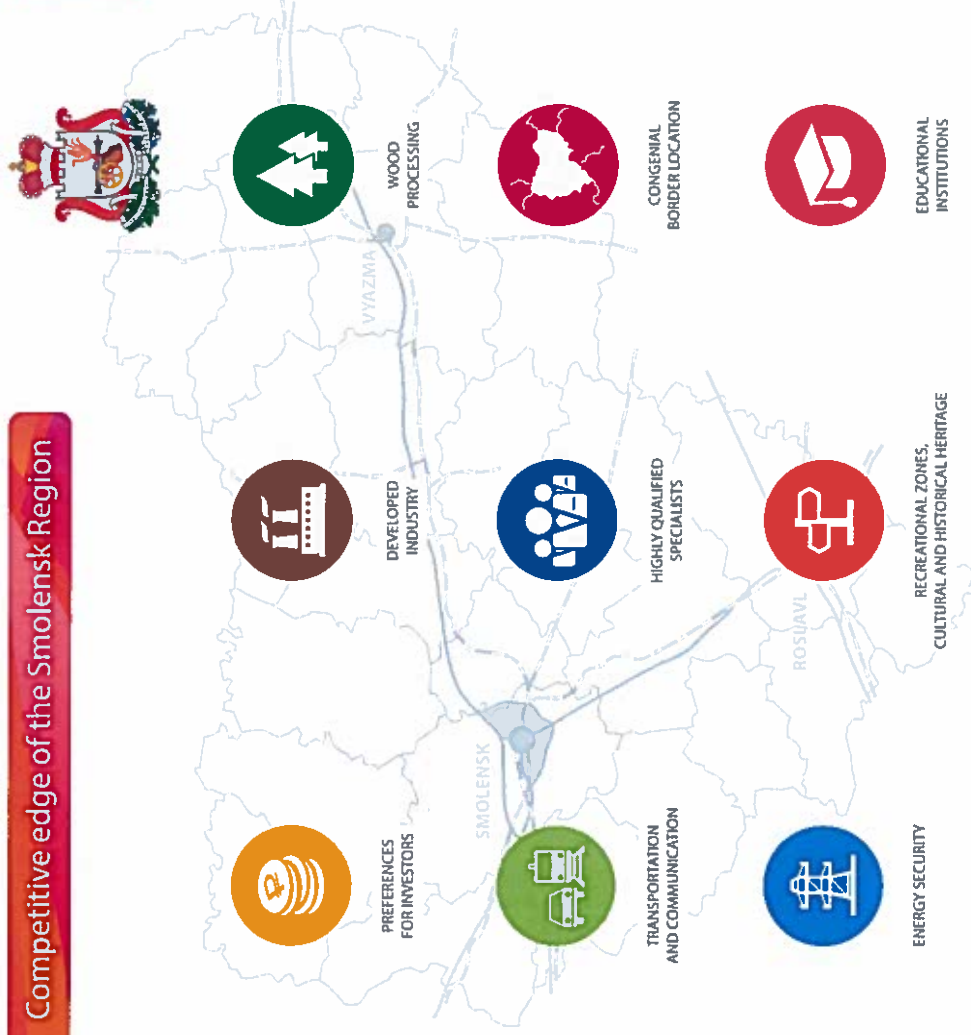
- 180 km from Moscow
- a number of highways connecting Russia with European countries
- unique geographical location and congenial conditions for logistics and terminals
- 1900 deposits of mineral resources
- 56 deposits of fresh underground water
- 12 deposits of mineral underground water

Transportation

HIGHWAY M-1 "BELARUS"
 SMOLENSK - MINSK - 348 km
 SMOLENSK - MOSCOW - 395 km
 GAGARIN - MOSCOW - 180 km



Competitive edge of the Smolensk Region



Provision of state support for small and medium sized enterprises

SMOLENSK REGIONAL FUND FOR SUPPORT OF ENTREPRENEURSHIP
www.sofmp.ru
 Microfinance, consulting services on business development.

GUARANTEE FUND
 Provision of securities for small and medium sized enterprises.



INVESTMENT PORTAL OF THE SMOLENSK REGION
www.smolinvest.com

INVESTMENT DEVELOPMENT CORPORATION
 Congenial investment climate.
 Attraction of investment.
 Launch of investment projects.
 Creation of investment sites.
 Investment management.

REGIONAL INTEGRATED CENTRE (RIC) IN THE SMOLENSK REGION
www.ricc-smolensk.ru
 Information support and consulting services for the regional enterprises on the establishment of business contacts with partners from other Russian regions and abroad.

AGENCY OF LOAN SECURITY
www.acgrf.ru
 Initiation, management and development of the national guarantee system ensuring the dynamic development of the entrepreneurship.

INDUSTRY DEVELOPMENT FUND
www.iftr.ru
 The Fund stimulates modernization of Russian industry and encourages the production of competitive products which provide import substitution.

FUND FOR SCIENTIFIC AND TECHNOLOGICAL SUPPORT OF SMALL ENTERPRISES
www.faste.ru
 The fund implements the programmes of innovative development designed to set up new and improve existing high-tech companies, increase their profits, attract investment, and create new work places.

State support for small and medium sized enterprises



Microfinance

Loans for entrepreneurs and companies:
 - 10 000 - 1 000 000 roubles;
 - 1 - 3 years depending on the type of economic activity.



for companies working in agriculture, industrial production and service.



for companies working in other spheres including trade.



MICRO-LOANS



DEPENDENT ON THE KIND OF ECONOMIC ACTIVITY

To receive a bank loan

- the borrower submits a limited number of documents
- the loan is provided within 3-5 day

Guarantee fund

Guarantees upto 20 mln roubles for bank loans and letters of credit no longer than for 5 years.

- the commission for guarantee provision does not exceed 1/3 of the key interest rate defined by the Central Bank of Russia
- covers upto 50% of the loan or the letter of credit
- decisions are made within 7 days

To be eligible for the Fund loan/guarantee the applicant should:

- be qualified as a small or medium sized enterprise (Federal law 209-FZ issued on July 24th, 2007)
- be registered as a tax payer and function in the territory of the Smolensk Region
- not have any debts into the regional budget

GUARANTEES FOR SMALL AND MEDIUM SIZED ENTERPRISES

Smolensk Regional Fund for Support of Entrepreneurship is accredited by the OJSC «Non-bank depository and credit company «Agency of credit guarantees»



Smolensk Engels st. bld. 23



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www.sofmp.ru

State support for investment activity of big business



State support for investment activities of the small and medium enterprises



TAX RELIEF FOR INVESTORS

0% CORPORATE PROPERTY TAX
4,5% CORPORATE INCOME TAX



TAX RELIEF FOR INVESTORS

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4,5% CORPORATE INCOME TAX



SUBSIDIES

Subsidies in the amount of corporate income tax are annually given for reimbursement of expenses incurred while implementing PRIORITY investment projects

7 years

≥ 3 bln roubles

≥ 200 employees

Priority economic activities:

- food production
- machinery and technical equipment manufacturing
- electrical facilities, electronic and optical equipment manufacturing
- vehicles and transport facilities manufacturing
- pharmaceutical goods production

SUBSIDIES

Reimbursement up to 75% of the expenses on technological connection to power grid facilities less than 1,5 MW

Reimbursement up to 50% of incurred expenses for purchasing equipment for setting up and (or) developing and (or) upgrading production process

Reimbursement up to 3/4 Bank of Russia key interest rate which does not exceed 70% of all actually incurred expenses for interest payments under leasing agreements with Russian leasing companies

Reimbursement up to 90% of expenses for the first installment (advance) payment to those subjects who signed a leasing agreement with Russian leasing companies

OTHER KINDS OF SUPPORT:



Investment project management



Project design and business counselling



Information and administrative support

OTHER KINDS OF SUPPORT:



Investment project management



Project design and business counselling



Information and administrative support

Logistics centres and terminals

 **CLT «KRASNINSKY» LLC «RHENUS-TERMINAL»**
LOCATION: M-1 motorway, 3 km from the Belarus border, Smolensk region, Krasninsky district, Krasnaya Gor'ka village, Zarechnaya Str., Bld. 2.
3 KM FROM THE BELARUS BORDER
400 PARKING PLACES
WAREHOUSE FOR TEMPORARY STORAGE – 2500 M²
ONE OF THE LARGEST TERMINALS IN RUSSIA
The 1st WAREHOUSE BUILT BY AN INTERNATIONAL FORWARDING AGENT IN THE SMOLENSK REGION
www.rhenus.com

 **CLT «KRASNOYE» LLC «ALFA-TRANS»**
LOCATION: Smolensk region, 454 km on the M-1 motorway, 2 km from the Belarus border.
www.alfa-trans.ru

 **CLT «STABINSKIY» LLC «ALFA TRANS TERMINAL»**
LOCATION: Smolensk region, Stabna village, 6 km from M-1 motorway.

700 CARGO VEHICLES PER DAY
GENERAL COMPETENCE TERMINAL
TERMINAL OF EXCISE DUTY
ONE OF THE LARGEST TERMINALS IN RUSSIA
PARTICIPANT OF THE FOLLOWING PROJECTS:
 -SIMPLIFIED CUSTOMS CORRIDOR-
 RUSSIA – TURKEY, RUSSIA – ITALY
www.alfa-trans.ru

 **CLT «SMOLENSKY» LLC «TRANSIT-C»**
LOCATION: Smolensk, Lavochkina Str. 105.

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Logistics complexes and terminals

 **CLT «RUDNYANSKIY» LLC «EUROTRANSSEVIS»**
LOCATION: Smolensk region, Rudnya, 14 Let Oktyabrya Str. Warehouse: 3000,00 m²
 - convenient road from the Baltic and North European countries and from Ukraine and Belarus thanks to its location on the Bryansk – Smolensk – Vitebsk motorway (A-141)
 - outdoor area of the warehouse for temporary storage - 75 000m²

 **CLT «ROSLAVLSKIY» LLC «ROSLAVL-TERMINAL»**
LOCATION: Smolensk region, Roslavlskiy district, Roslav, Karl Marks Str. 166.
 - warehouse: approximately 2,5 ha
 - parking for 140 large cargo vehicles

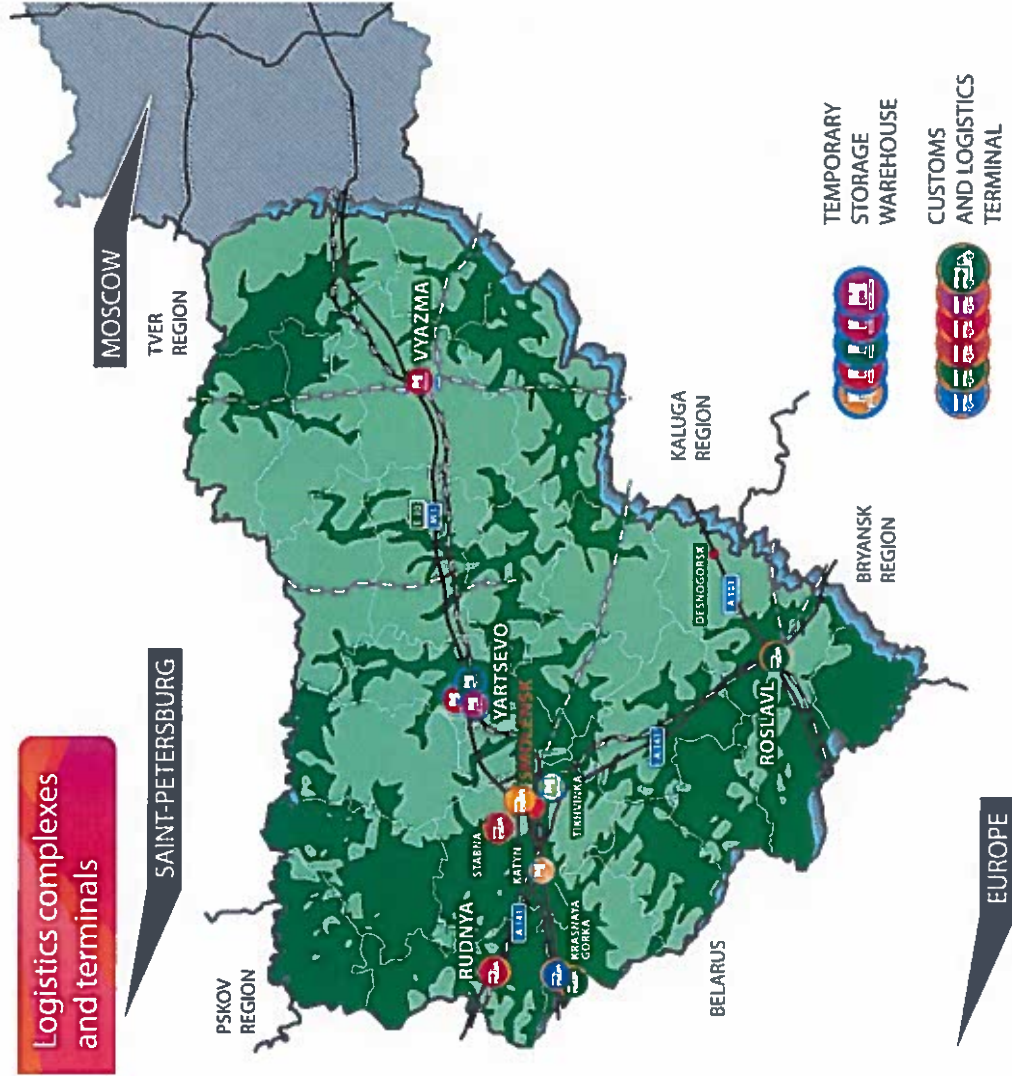
 **WAREHOUSE FOR TEMPORARY STORAGE «KATYNSKIY TERMINAL»**
LOCATION: Smolensk region, Smolenskiy district, Nikolskaya village Dorozhnaya Str. 3.

 **WAREHOUSE FOR TEMPORARY STORAGE «ALFA-LOGISTIK»**
LOCATION: Smolensk region, Yartsevo (329 km on M-1 motorway)

 **WAREHOUSE FOR TEMPORARY STORAGE ZAO «INVEST MULTIMODAL»**
LOCATION: Smolensk region, Yartsevo (329 km on M-1 motorway)

 **WAREHOUSE FOR TEMPORARY STORAGE LLC «VYAZEMSKY TERMINAL»**
LOCATION: Smolensk region, Vyazma, Elevatornaya Str. 12

 **WAREHOUSE FOR TEMPORARY STORAGE LLC «ELTRANS+»**
LOCATION: Smolensk region, Yartsevo, 2 Mashinostroitel'naya Str., Bld. 5/3



EUROPE

15

Priority investment sites

--- Reserve Land*

--- Agricultural Land*

* Possible land rezoning

- 1 «Arkhipovka» 20,87 ha investment site
- 2 «Tishino» 43,8 ha investment site
- 3 «Rudnya»** 1005 ha investment site
- 4 «Berezhnyany» 4 ha investment site
- 5 «Velyuzhino» 22 ha investment site
- 6 «Kamenka» 64 ha investment site
- 7 «Gagarin» 106,28 ha investment site
- 8 «Lonnitsa» 8,24 ha investment site

--- Industrial Land

--- Settlement Land

** Possible technological connection to power grid facilities less than 50 MW

- 9 «Resurs»** 52,5 ha investment site
- 10 «Astapkovichi»** 110,3 ha investment site
- 11 «Kardymovo» 6 ha investment site
- 12 «Buda» 25 ha investment site
- 13 «Krasnaya Gorka» 4,57 ha investment site
- 14 «Smolenskaya» 7,1 ha investment site
- 15 «Kovalyovka» 135 ha investment site
- 16 «Belkino» 400 ha investment site

Priority investment sites

--- SAINT-PETERSBURG

--- MOSCOW

--- TVER REGION

--- PSKOV REGION

--- RUDNYA

--- DUKHOVSHCHINA

--- KHOLM-ZHIRKOVSKY

--- SAFONOVO

--- YARTSEVO

--- KARDYMOVO

--- POCHINOK

--- MONASTYRSHCHINA

--- SMOLENSK

--- ROSLAVL

--- BELARUS

--- KALUGA REGION

--- BRYANSK REGION

--- EUROPE

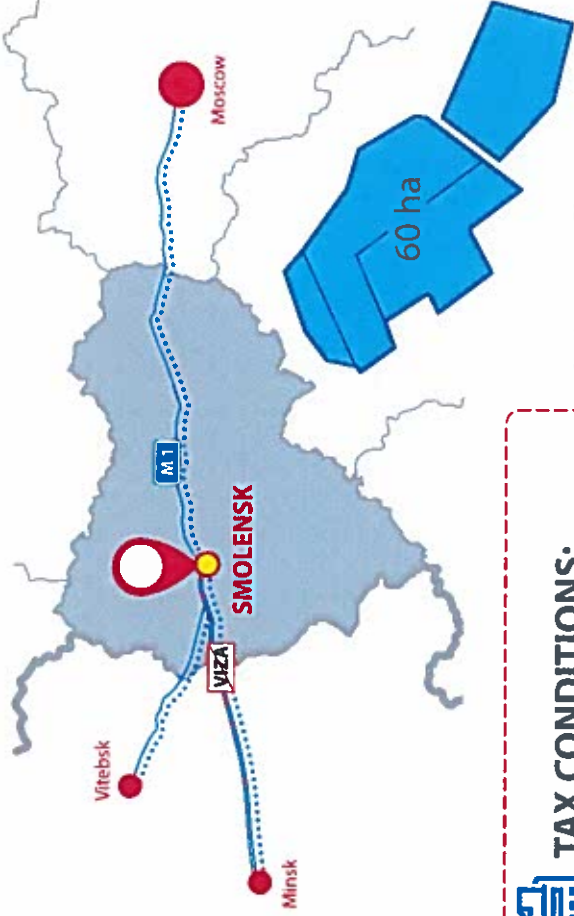
Reserve land fund for agricultural usage of more than 716 thousand ha

Including:

- Dukhovshchinsky district - 44 thousand ha
- Elinsky district - 42 thousand ha
- Krasninsky district - 36 thousand ha
- Monastyrshchinsky district - 54 thousand ha
- Pochinok district - 35 thousand ha
- Roslavlsky district - 53 thousand ha
- Rudnyansky district - 70 thousand ha
- Safonovsky district - 36 thousand ha
- Smolensky district - 37 thousand ha
- Sychyovskiy district - 30 thousand ha
- Kholm-Zhirkovsky district - 32 thousand ha
- Shumyachsky district - 30 thousand ha

**«PHOENIX»
State industrial
park**

- highly qualified specialists
- complex engineering infrastructure (land plots sized 0,5 - 10 ha)
- congenial conditions for transportation and logistics
- attractive prices



- Modern production facilities (4-5th hazard class):
- metal processing
 - machine manufacturing
 - production of metal and plastic goods
 - consumer goods industry
 - food industry

TAX CONDITIONS:

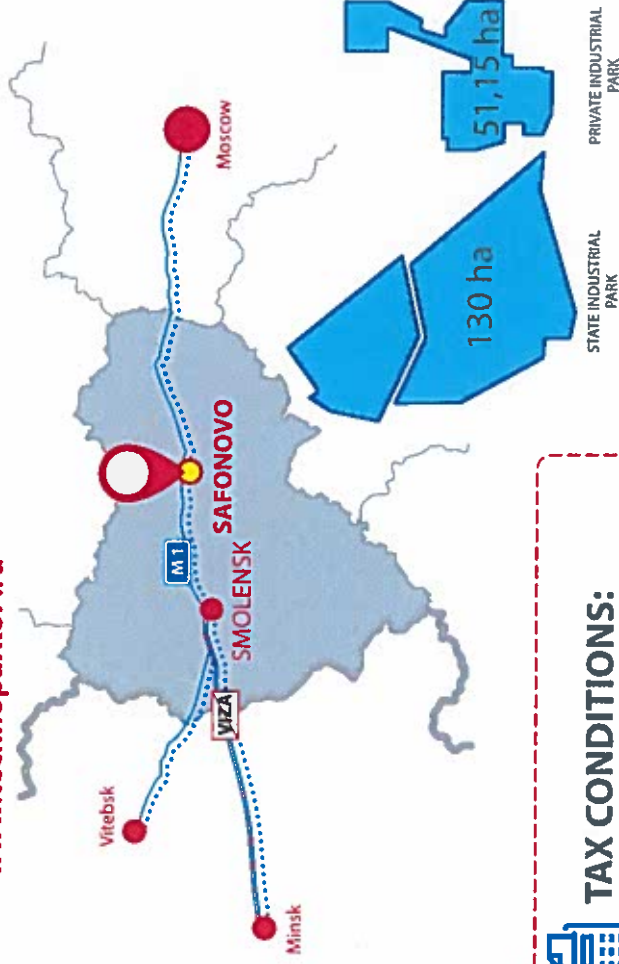
PROFITS TAX	15,5%
LAND TAX	0%
PROPERTY TAX	
TRANSPORT TAX	



**«Safonovo»
Industrial park**

www.technopark67.ru

SMOLENSK COMPOSITE CLUSTER



Modern production facilities (2-5th hazard class):

- production of composites
- chemical production
- educational centre
- experimental station for growing hemp and flax

TAX CONDITIONS:

PROFITS TAX	15,5%
LAND TAX	0%
PROPERTY TAX	
TRANSPORT TAX	

STABNA
Transportation
and logistics complex

www.stabna.ru

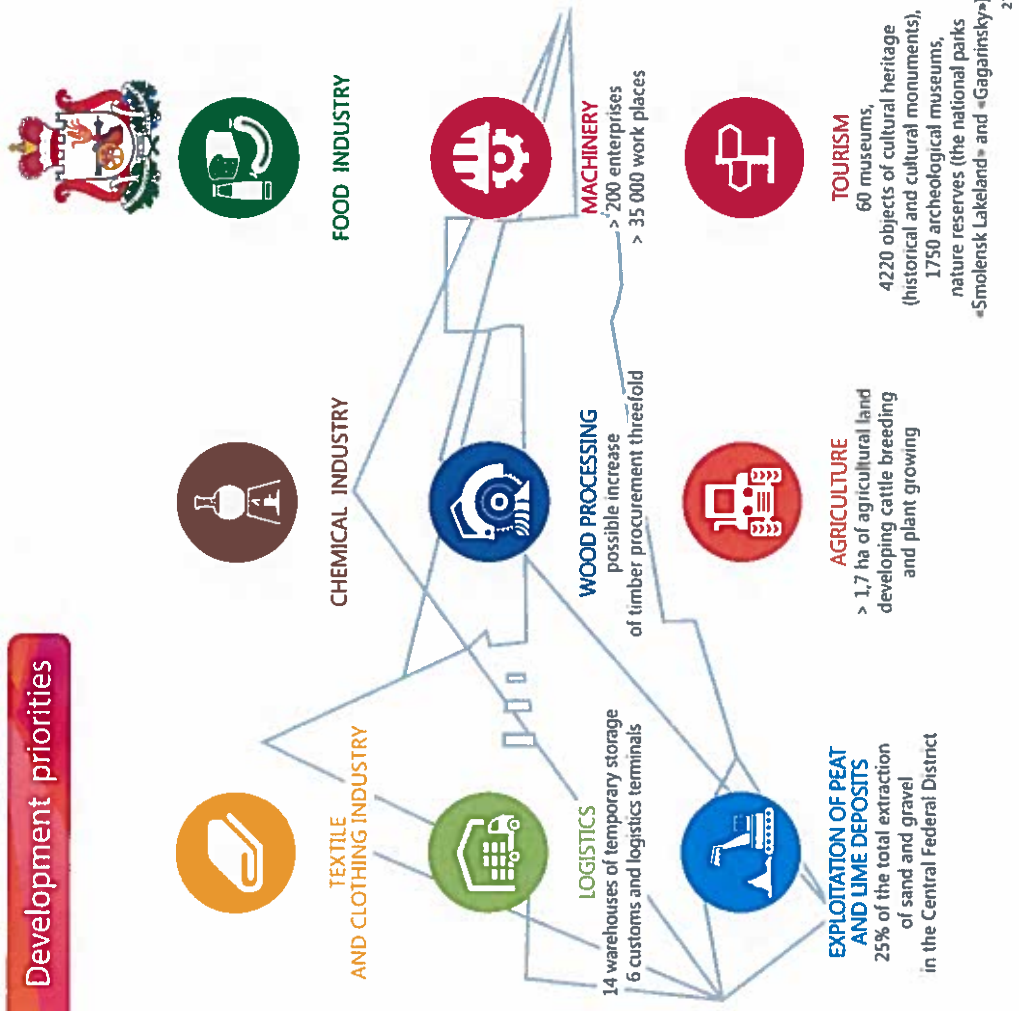


TAX CONDITIONS:

PROFITS TAX	15,5%
LAND TAX	0%
PROPERTY TAX	
TRANSPORT TAX	

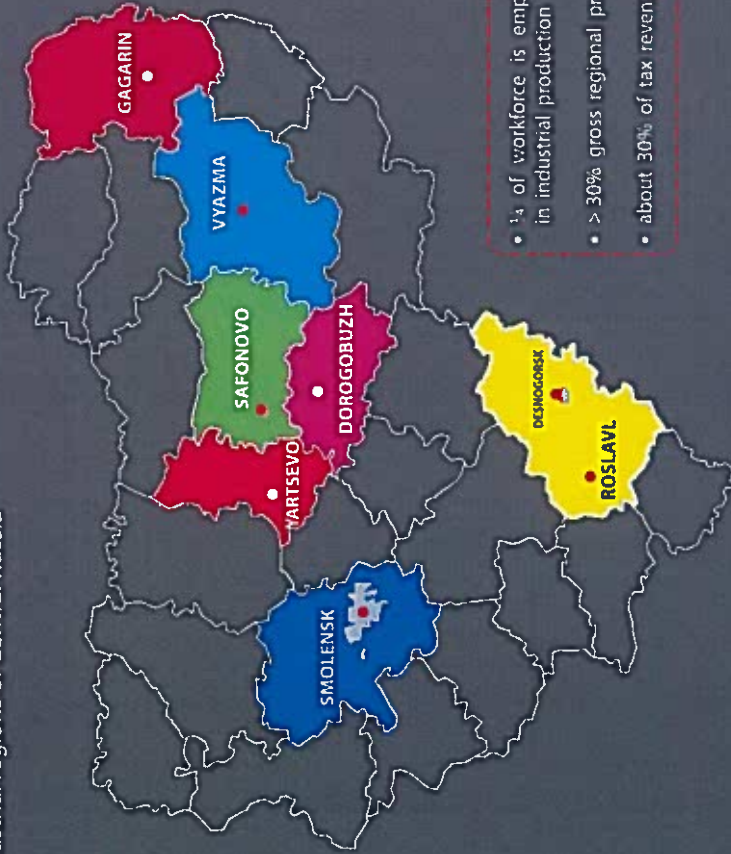
- Excise Customs Terminal
- Customs Terminal of General Competence
- Phyto-control
- Veterinarian Control
- Customs Clearance of Goods, Materials and Accessories
- "Green customs corridor" for Russia – Turkey, Russia – Italy.

Development priorities



Industry

The Smolensk Region is one of the industrial regions of Central Russia

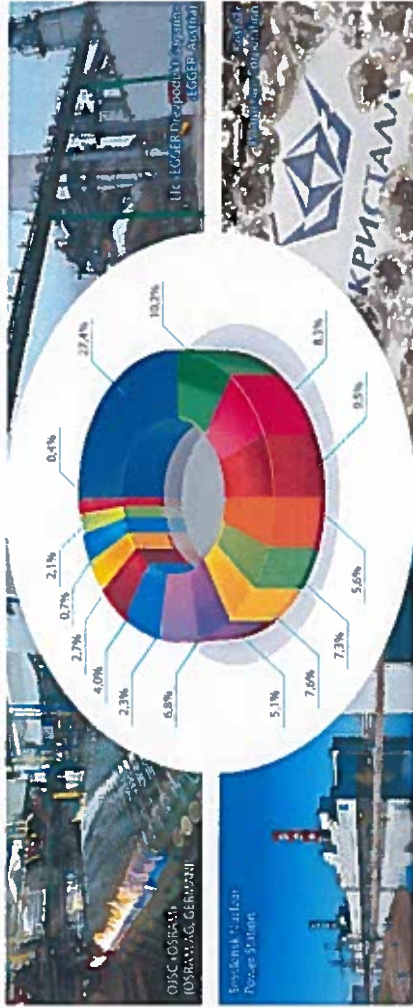


- 1/4 of workforce is employed in industrial production
- > 30% gross regional product
- about 30% of tax revenues

Industrial centres, manufacturing over 90% of the total volume of industrial products



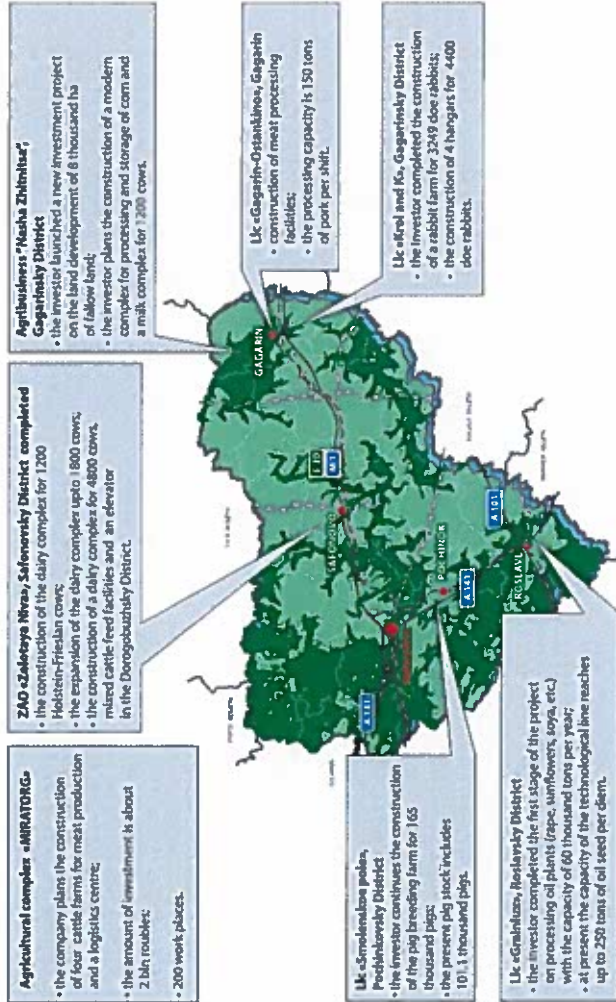
Sectoral structure of GNP



- Production of electric power, gas and water
- Chemical industry
- Food industry including production of alcohol and tobacco
- Electrical equipment manufacturing
- Jewellery production
- Transportation and communication
- Metallurgical production and metalwork
- Production of non-metal mineral commodities
- Production of rubber and plastic goods
- Machinery manufacturing
- Wood processing
- Textile and clothing
- Extraction of mineral resources
- Cellulose and paper manufacturing
- Leather production and shoe making

Agriculture

INVESTMENT PROJECTS IN AGRICULTURE



> 1,7 mln ha of agricultural lands

- 280 agricultural businesses
- 200 farmers and individual entrepreneurs
- 178 thousand people with private homesteads

PRIORITIES OF AGRICULTURAL POLICY:

- production increase
- competitiveness and congenial conditions for agricultural goods on the market
- financial sustainability of agricultural producers
- complex development of rural territories

State support of agribusiness

PLANT GROWING

Partial reimbursement of the credit interest paid to the Russian credit organisations and loans received from agricultural consumers cooperative organisations

Partial reimbursement of the expenses on the purchase of top-quality seeds

Target support for plant growing producers

Production of fiber flax (stock and straw)

Partial reimbursement of technical and technological modernization of flax production, and primary flax processing

Partial reimbursement of the insurance payment under the agreement of the agricultural insurance

Partial reimbursement of direct expenses on construction and modernization of potatoes and other vegetables storage facilities

Partial reimbursement of direct expenses on construction and modernization of greenhouses

Target support of potatoes and open land vegetables growing

CATTLE BREEDING

Partial reimbursement of the interest paid to the Russian credit organisations and loans received from agricultural consumers cooperative organisations

Partial reimbursement of the insurance payment under the agreement of the agricultural insurance

Reimbursement of the expenses on breeding livestock except beef farming

Keeping breeding bulls for dairy and beef farming

Compensation per 1 litre of the solid milk

Partial reimbursement of the direct expenses on construction and modernization of milk farms

SPECIALISTS

Social assistants for construction (purchasing) of housing in rural areas

Regional support of the specialists working in the agricultural sector of the Smolensk Region:

- a state lump-sum provided for young specialists
- monthly payments for young specialists working in agricultural companies

TAX EXEMPTIONS

0 % for transport (tractors, self-propelled headers, agricultural vehicles registered by the agricultural companies and used in agribusiness)



Education

PRE-SCHOOLING



279 educational institutions
35,3 thousand people

66 centres
53 thousand people

SCHOOL EDUCATION



+03 schools
80.8 thousand people

vocational: 32 schools
128 professions

higher education:
33 institutions
80 majors

ADDITIONAL EDUCATIONAL PROGRAMMES



PROFESSIONAL EDUCATION



Healthcare

73  **73 REGIONAL STATE HEALTHCARE INSTITUTIONS**

- Regional Clinical Hospital
- Regional Children's Clinical Hospital
- Veterans' Hospital
- Emergency Care Hospital
- Perinatal Centre
- Centre for Prevention and Treatment of AIDS and Infectious Diseases
- Blood Centre
- Institute for Pathology

FEDERAL CENTRE FOR TRAUMATOLOGY, ORTHOPEDICS AND PROSTHETICS
15 EQUIPPED ACCORDING TO THE WORLD MEDICAL STANDARDS



Culture

CULTURAL LIFE

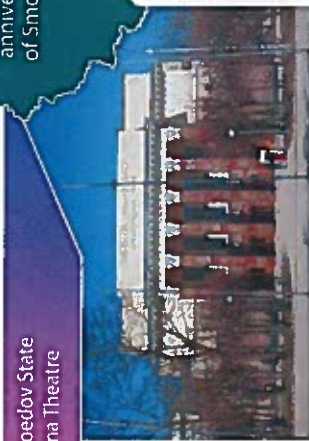


Tvardovsky Regional Library is among the best regional libraries in the country



Smolensk Regional Philharmonia

2013 – 1150th anniversary of Smolensk



Griboedov State Drama Theatre



Tenishevskiy Cultural and Exhibition Centre

535 LIBRARIES

60 MUSEUMS

4 PARKS

3 THEATRES

CULTURAL AND EXHIBITION CENTRE

PHILHARMONIA

Sport

RECREATIONAL AND SPORTS FACILITIES

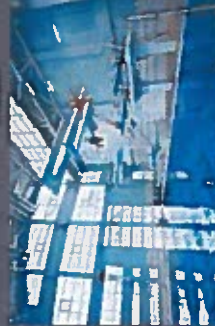
2417 sports facilities are visited by over 56 thousand people:

25 STADIUMS

4 ICE PALACES

41 SWIMMING POOLS

20 SKIING COMPLEXES



SPORTS AND PHYSICAL EDUCATION INSTITUTIONS:

- Smolensk State Academy of Physical Culture, Sport and Tourism
- Smolensk State School of the Olympic Reserve
- Smolensk College of Technology and Sport
- Gagarinsky Teaching School
- Training Centre of the Smolensk Region Teams
- 10 specialised sports schools of the Olympic reserve for children,
- 31 sports schools for children, 21 sports clubs

The Smolensk Region annually holds special winter and summer olympiads, regional competitions in track and fields, skiing, etc. for disabled children. Being members of regional teams, they also take part in Russian national and international competitions.

The «Smolensk Ring» motor-racing track in Verkhnedneprovskiy, Dorogobuzh meets the international standards of circuit races. The track is 3357 m long and 12-15 m wide. www.smolenskring.ru

Regional Tourism

114 tourist agencies

60 museums

4220 cultural sites

1750 architectural sites



Yuri Gagarin (1934-1968) born in the Smolensk region, is the first man in space.

PRIORITY GUIDELINES



educational and event tourism



recreational tourism



religious and pilgrimage tourism



agricultural and ecological tourism



wellness tourism

EDUCATIONAL TOURISM



THE OLDEST KIND OF TOURISM DYNAMICALLY DEVELOPING THANKS TO A RICH AND DIVERSE CULTURAL AND HISTORICAL HERITAGE

EVENT TOURISM

FASCINATING SPECTACULAR SHOWS



The Russian Touring Car Championship and «Dacia» Cups at the «AR» (Arkhymovskiy district)



International Historical Reenactment and Slavic Culture Festival «Gnezdovo» - 2014» (Smolensk)



International Touristic Festival «Sokolozh Crossings» (Arkhymovskiy district)



Military and Historical Festival «Reenactment of the Smolensk Battle at Lubino in 1812» (Arkhymovskiy district)

Regional tourism

RELIGIOUS TOURISM AND PILGRIMAGE

The main centers: Smolensk, Vyazma, Boldino.



Patriarch Kirill of Moscow and All Russia, from 26 December 1994 - Archbishop of Smolensk and Vyazma. Prior to the patriarch enthronement - Metropolitan of Smolensk and Kaliningrad.



Assumption Cathedral, Smolensk, 1677



Church of Archangel Michael (Svirskaya), Smolensk, 1180-1197



Holy Trinity Boldino Monastery of St. Gerasim, 1530



Church of Odigitria (1638), Monastery of John the Precursor, Vyazma



ECO-TOURISM IN THE SMOLENSK REGION



NATIONAL PARK "SMOLENSKOYE POOZER'YE" ("SMOLENSK LARELAND")

- 35 unique glacial lakes
- extensive network of hiking, water and cycling tourist routes and ecological paths
- dozens of sites for camping and recreation
- recreational facilities and accommodation



NATIONAL PARK "GAGARINSKIY"

- close proximity to the Moscow region
- the construction of the "Vauza & Vauza" touristic cluster



UGRA POROCHYE

- The Ugra river is one of the most popular areas for water and recreation tourism in Central Russia.

INVEST IN YOUR FUTURE!

Governor of the Smolensk Region, Reception:

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e-mail: region@admin.smolensk.ru
www.admin-smolensk.ru

Department of investment development of the Smolensk Region

tel./fax: +7 (4812) 20-55-39, тел: +7 (4812) 20-55-32,
e-mail: dirmsol@gmail.com,
e-mail: invest@admin-smolensk.ru

Corporation of investment development of the Smolensk Region

tel: +7 (4812) 77-00-22, e-mail: smolregion67@yandex.ru

Smolensk Fund for support of entrepreneurship

tel: +7 (4812) 77-70-77, 61-05-09, e-mail: sofpmp@rambler.ru
www.sofpmp.ru

Smolensk Chamber of Commerce

tel: +7 (4812) 38-74-50, 38-29-57,
e-mail: info@smolenskcci.ru,
www.smolenskcci.ru

Regional Integrated Centre (RIC) - Smolensk Region

tel./fax: +7 (4812) 38-29-57, 32-83-14, 38-74-32,
e-mail: expo1@smolenskcci.ru, expo2@smolenskcci.ru
www.eicc-smolensk.ru

Investment portal of the Smolensk Region

www.smolinvest.com

