

## **INVESTMENT POTENTAL** OF THE OMSK REGION



GOVERNMENT OF THE OMSK REGION





#### Dear partners and investors!

The Omsk region is open to business partnerships and is ready to fortify you in implementing your business initiatives.

Our region occupies a favorable geographical position: at the intersection of railway lines, federal highways and a major waterway. The economy of the Omsk region reposes on the strong agriculture, the developed industry and the serious scientific potential.

We are ready to offer investors a wide range of government support measures: from tax relief and subsidies to the land granting with no tendering process.

We are ready to help anyone who is interested in developing business in the Omsk region with the finding of sites, solving legal and financial issues, and entering new markets. We understand that the development of the region largely depends on the successful implementation of your investment projects

I am looking forward to our cooperation!

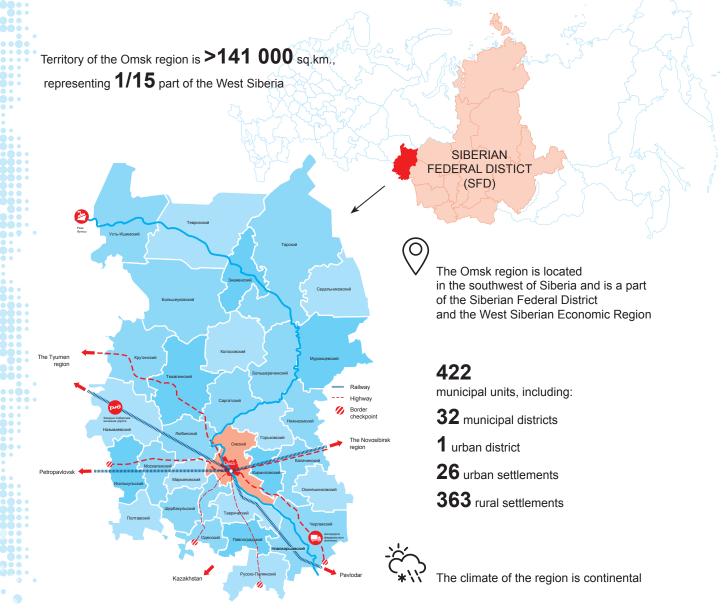
Governor of the Omsk region V.P. Khotsenko

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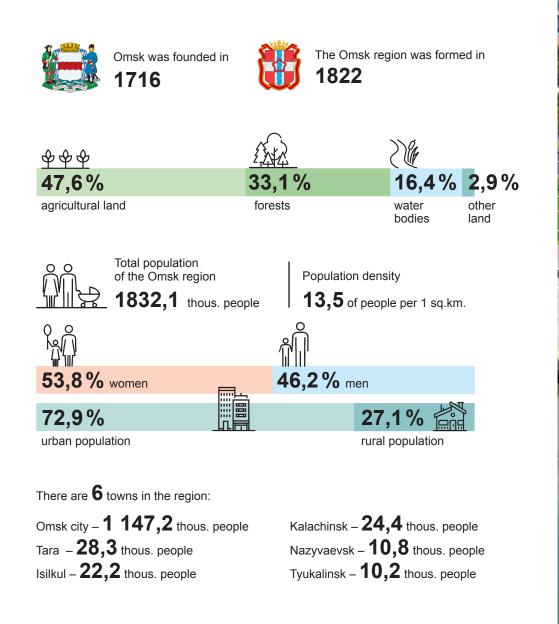
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## FROM THE BOUNDLESS TAIGA TO THE STEPPE VASTNESS



4







## **PRODUCTION POTENTIAL**



Petroleum chemistry the leader of the region's industry



 $\ensuremath{\textbf{OJSC Omsk Kauchuk}}$  is one of the Russian leaders in synthetic rubber production

- LLC "Poliom"
- LLC "Omsk Polypropylene Plant"
- OJSC "Omskshina"
- LLC "Omsk Carbon Black Plant"



## Enterprises' products:

- ~50 types of petroleum products
- >30 grades of carbon black
- **100** Ogrades of polypropylene
- ~40 models of tires
- >10 types of polymer film and flexible packaging



Oil refining efficiency

**99,0 %** – the Omsk region **83,9 %** – Russia



## Large industrial center of Siberia

50 large 180 billion rubles 26 agricultural and medium-sized thousand engineering enterprises organizations employed

## Omsk mechanical engineering is represented in all key industries of Russia

of annual output



- PA "Polet" (Branch of JSC "Khrunichev State Research and Production Space Center") ► is one of the largest industrial enterprises in Russia России
- SPA "Mir" ►
- JSC "Omsk Research Institute of Instrument Engineering" b
- JSC "Omsk Transport Engineering Plant"



## **Enterprises' products:**

- Large-scale production of rocket modules for the Angara launch vehicles»
- Production of mobile radio facilities
- Design and production of prototypes and small series of military engineering equipment
- Cryogenic and cryovacuum equipment





## AGRICULTURAL AND INDUSTRIAL POTENTIAL

The Omsk region is one of the leading regions in the production of agricultural products in the Siberian Federal District and the Russian Federation as a whole

**1,6%** of the total volume of gross agricultural output of the Russian Federation of the Siberian Federal District

## 116,4 BILLION RUBLES

465,9 MILLION US DOLLARS

Agricultural production volume in 2023

Export volume of agricultural products of the Omsk region in current prices as of 2023

**4** PLACE in the SFD

23 PLACE in the RF

## **Agricultural area**

6,4 million ha or 45 % of the Omsk region territory, arable land area – 4,05 million ha, of them 83,1 % (3,34 million ha)is farmed, 2<sup>nd</sup> place in the SFD

## Share in the total agricultural production

52% crop production

48% cattle breeding

## Gross collection



2,5 million t. of cereal crops and grain legume crops, including 208,4 thousand t.

peas



46 thousand t.sunflower

126,5 thousand t. rape

**98,5** thousand t. crown flax (oil flax)



**489,1** thousand t. of vegetable crops, including

335,0 thousand t. potatoes

154,1 thousand t. vegetables

Gross collection and production in the farms:



Omsk enterprises are among the leading regions of the Russian Federation in the production of cheese and cheese products, sausages, canned condensed milk, alcoholic beverages, beer and beer drinks

## Production share of the all-Russian volume



14,4% condensed milk products



ed be ducts ar



4,5% beer and beer drinks



3,4% 3% butter cheese and cheese products, cottage cheese



1,7% sausage products







## TIMBER INDUSTRY POTENTIAL

**1/3** of the Omsk region territory is occupied by forests

2/3 area of all forests is concentrated in the north of the region

**6** million ha is the total forest area



**>63%** forests of the Omsk region are represented by birch. The sharply continental climate of the Omsk region creates conditions for birch growth, which has small annual rings and high strength



In terms of strength, Omsk birch is superior to beech and is close to oak, therefore it can be in demand in the production of furniture and construction materials



Birch forests are the main raw material resource for providing the capacity of large enterprises for added-value wood processing



## 2,7% share of artificially planted trees and bushes



Every year the forest area increases on average

In 2021, reforestation works were carried out on the area

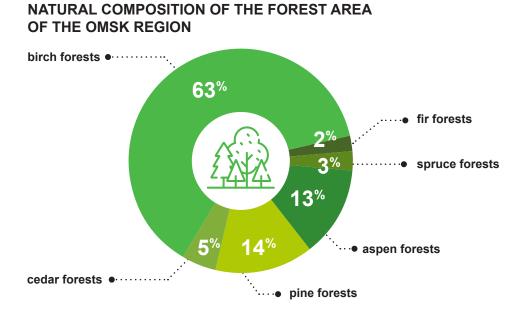
for **1000** ha

carried out on the area



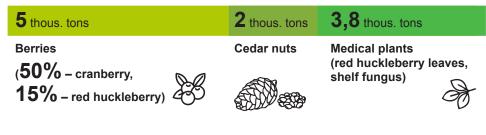
 $\mathbf{327}$  cu.m. of woodland falls on every resident of the region, which is

4 times higher than the same figure around the world



## POSSIBLE VOLUME OF EDIBLE FOREST RESOURCES AND MEDICINAL PLANTS

## **11** thous. tons of products, including:





## **TOURISM POTENTIAL**



The land of 5 lakes - the mysterious lakes of the Omsk region and the energy center of Russia - the village of Okunevo, where the annual ethno festival takes place "Solstic". The water and mud in the five lakes are therapeutic. (Muromtsevskiy district)

The only open-air museum of living history in the Omsk region "Siberian Old Times" (Bolsherechenskiy district)



The Omsk region is an integral part of the interregional educational route the Golden Ring of Siberia Deposits of mineral salts and therapeitic mud, mineral underground waters (nature reserve Lake Ebeity, Lake Ulzhay) The only rural zoo in Russia -Bolsherechenskiy Zoo (Bolsherechenskiy district)



Cruise tourism on the Irtysh River in the direction Omsk-Bolsherechie Achairskiy Holy Cross Monastery with a holy spring (Omsk district)

Chernoluchie-Krasnoyarka resort area with thermal chloride-sodium iodine-bromine waters (Omsk district)

#### **Preconditions**

- Active development and state support of domestic tourism in the Russian Federation
- Growing demand among the various population groups for quality medical services and medical tourism services
- Variety of tourism resources:

**26** protected natural areas of regional and local significance, therapeutic lakes, archaeological sites, urban planning and architectural monuments, cultural heritage sites of regional and federal significance

- The unique geographical location of the region in several eco systems: full taiga, small-leaved forests, northern and southern forest-steppes and steppes with their characteristic landscape features, flora and fauna
- Availability of human resources and scientific and technical base

## **Potentials**

- Creation of a tourism cluster
- Improving the quality of health and medical services
- Development of 3R medicine: recreation, rehabilitation and relaxation
- Creation of a multi-format country complex: sports, education, recreation, congress and exhibition activities
- Development of cultural and educational tourism





## HUMAN RESOURCE AND SCIENTIFIC POTENTIAL

## Scientific research



Scientific research and development involve

>7 thous. people, representing



and **71** small enterprise in the scientific and technological field



Annually, enterprises and organizations of Omsk region patent

~350 inventions, utility models and pre-production prototypes

## University science:

23 higher education bodies (2 academies, 2 institutes, 9 universities, 10 branches of higher education organizations)

## Sectoral science:

- **17** scientific research organizations
- 12 design engineering departments

### Academic science:



- **8** organizations (research centers, laboratories, institutes)
- **3** large institutions in selection and seed breeding of crops



The labor force size in the Omsk region

is 1003,1 thousand people

#### The region's universities train specialists:

- in the branch of industry and construction
  - highly qualified specialists for industrial, engineering, oil and gas enterprises
  - for enterprises in the road construction and transport sectors of the economy
  - design engineer and constructor of water supply and water discharge systems
  - surveying engineer and geodetic engineer
- in agricultural and industrial complex
  - · biotechnologists of food production
  - agronomists and agrochemists
  - · commodity experts

- in IT-branch
  - · system administrators
  - programmers, developers
- in physical culture and sports
- in the field of physical culture and sports
  - tourism specialists
  - · advertising and PR specialists
- academic personnel
- in medicine
  - qualified doctors and veterinary physicians
  - pharmacists

- in military sector
  - tank engineers and specialists in the field of operation and repair of the present-day armored vehicles
  - junior commanders and specialists of the Russian Airborne Forces
  - · cadets
- in the field of jurisprudence
  - lawyers
  - · criminalists
  - · forensic experts



## TRANSPORT AND LOGISTICS POTENTIAL

The region is located at the intersection of major transport routes:

## Highways of the Omsk region:

- Total length 729,9 km
- Major federal highways:

R-402 Tyumen – Yalutorovsk – Ishim – Omsk

R-254 Chelyabinsk – Kurgan – Omsk – Novosibirsk (part of European route E30 and Asian route AH6)

A-320 Omsk – Cherlak – border with the Republic of Kazakhstan (part of European route E127 and Asian route AH60)

- The volume of the transported cargo by road transport of is more than 18 million tons, of which, intercity transportation is more than 4 million tons, international transportation is more than 9 thous. tons
- A Public Private Partnership agreement was concluded on the construction of the "Northern Bypass of Omsk" highway, which may become part of the extension of the M-12 highway (Moscow-Kazan-Mongolia)

## Trans-Siberian Railway:

- Total length across the territory of the Omsk region 1209 km
- 7 freight yards with storage areas and warehouses, 25 railway stations
- International traffic: in the east the highway provides access to the railway network of North Korea, China and Mongolia, in the west through Russian ports and border crossings to European countries



## **Dmitry Karbyshev International Airport:**

- Among the top thirty Russian airports for the transportation of passengers, cargo and mail
- 1 cargo terminal with warehouses and open overpasses
- Annual passenger traffic > 1,4 mil. people, cargo volume > 3 thous. tons

### Water transport:

- The Ob-Irtysh basin has connections with Kazakhstan and China
- Provides access for the Omsk region to the Northern Sea Route and the Asia-Pacific region
- Developed property base of the river port over 100 fleet units, mechanized cargo berths, storage areas and premises

## The unique border location of the region, facilitating the passage of cargo traffic in all directions



- Borders with the Ural Federal District (38% of the region's borders), with Kazakhstan (34% of the region's borders)
- Developed economic links with the Ural Federal District
- The majority of cargo passes through the region in the direction of Europe-Kazakhstan-Central Asia
- The presence of road and rail connections with Nur-Sultan promotes effective interaction of Omsk and Kazakhstan transport hubs
- Availability of multilateral and bilateral border road checkpoints



## THE REGION'S RAW MATERIAL POTENTIAL

#### **Green energy**



High potential for solar energy use

**300** sunny days a year with duration of sunshine

## > 2200 hours.

## Omsk takes **3**<sup>rd</sup> place in Russia

among cities with a million-plus population on sunny days a year.

## 2 large solar electric plant,

were put into operation in the region with total energy capacity of

## 60 Mwatt

## **Development prospects**



#### Wind power sector:

The Omsk region is located on a plain, open from the north and south, wind speed is 4-5 m/s



### Biofuel engineering:

availability of natural renewable minerals: peat and forest.

## **Treasures of the soil**



#### **Construction sands:**

**52** deposits – reserves 190598 cu m, corresponds to GOST 8736-2014, Sanitary Regulations 449-72

#### Use in the construction sector:

- filling heavy, light, fine-grained, cellular and silicate concrete, construction and plaster mortars, dry building mixes
- production of roofing and ceramic materials
- production of sand-lime bricks
- leaners for fat clay in the production of ceramic bricks

## Peat::

**68** deposits – reserves 5824449 thous.t. Use: agriculture:

- Fertilizers ("Gumostim")
- Compost for champignons
- · Products for goldfish
- · Peat pots and tablets for gardeners
- Feed additives ("Gumiton", feeding yeast)

#### Use: Industry:

- Fuel briquettes and pellets
- Filler for composting toilets
- Peat sorbent

#### Deep peat processing:

• coking (production of coke and resin)



Loams:

77 deposits -

reserves 58312 cu m, corresponds to GOST 530-2012, Sanitary Rules and Regulations 2 .06 .05-84

#### Use:

- as a raw material for the production of "100"brand bricks and higher
- use for the construction of dams and barrages



Sapropel:

152 deposits – 156112 thous.t.

#### Use: agriculture:

- Granulated organic-mineral fertilizers
- Sapropel substrate for growing green fodder in winter
- Feed additive "Saprosorb", "Sibsorbent-1"
- Sapropel tar



### Titanium-zirconium ore:

2 deposits – reserves: 48 973 thous.cu.m

#### Confirmed reserves:

4,97 mil.t

**0,2** mil.t

**0,72** mil.t Zircon

#### Use:

• **ILMENITE:** Welding electrodes, Paints and coatings, Plastics, Paper, Cosmetics, Aircraft manufacturing, Chemical plants, Medical implants

• **ZIRCON:** Foundry production, Nuclear industry, Chemical plants, Catalysts, Electrolytes, Gem stones, Cosmetics, Refractory materials, Ceramics

• **RUTILE:** Welding electrodes, Paints and coatings, Plastics, Paper, Cosmetics, Aircraft manufacturing, Chemical plants, Medical implants

• QUARTZ SAND (GOST 51641-2000): Purification of drinking and waste water



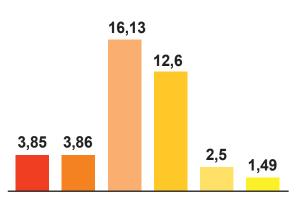
## THE REGION'S RAW MATERIAL POTENTIAL

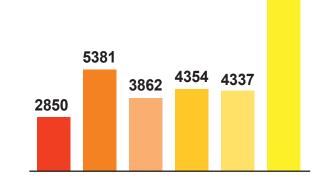
Low cadastral value of land:

Agricultural use, rub./sq.m.

Entrepreneurship, rub./sq.m.

9362







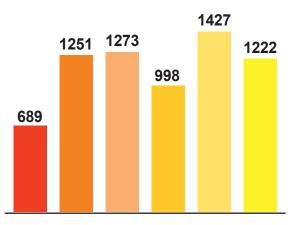
Agricultural area **6,4** mil. ha or **45 %** of the Omsk region territory



Arable area – 4 mil.ha, farm land 83,1 % (3,34 mil.ha)

20

Production activities, rub./sq.m.



The Omsk region (Omsk)
The Irkutsk region (Irkutsk)
The Novosibirsk region (Novosibirsk)
The Krasnoyarsk territory (Krasnoyarsk)
The Altai territory (Barnaul)
The Tomsk region (Tomsk)



## THE REGION'S ECONOMY

As a result of improving the business climate and creating a favorable business environment, a significant increase in the investment activity of organizations was ensured

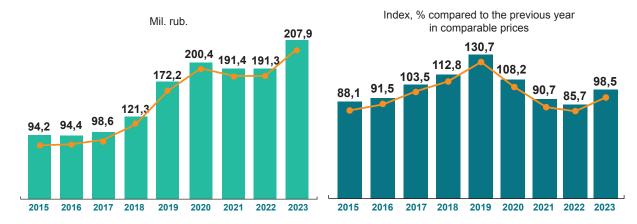
# $5_{\text{in SFD}}^{\text{place}} \left| \begin{array}{c} 34 \\ \text{in the RF} \end{array} \right|$

by volume of tax and non-tax revenues of the consolidated budget of the Omsk region

# $5^{\,\text{place}}_{\,\text{in SFD}} \, \big/ \, 36^{\,\text{place}}_{\,\text{in the RF}}$

by volume of investments in the fixed capital

## Dynamics of investments in the fixed capital of the Omsk region:



22

## **Gross Regional Product structure:**

28,5 % manufacturing



11,7 % real estate activities



10,3 % wholesale and retail trade



488 9,5 % agriculture



**7%** transportation and storage



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**6%** public administration and defense, social security

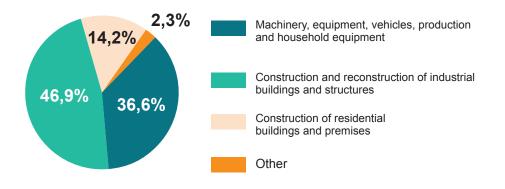
5% human health and social work activities

4,9% construction

# $5^{\,\text{place}}_{\,\text{in SFD}} \; / \; 34^{\,\text{place}}_{\,\text{in the RF}}$

by volume of Gross Regional Product

## investments in the fixed capital (structure):





## THE REGION'S CONSTRUCTION INDUSTRY



Amount of construction work

according to the results of in the Omsk region:
 110,5 billion rubles, which corresponds to
 22 place in the Russian Federation

and **4** place in the SFD



as per number of the buildings:

3192 buildings, including 2977 of resedential (93% of total volume)

as per total area of the buildings:

>1 mil. m2, including >805 thous. m2 of residential (74% of total volume)

as per total structural volume of the buildings:

4,9 mil. cu. m, including 3 mil. cu. m of residential (60,5% of total volume)

## Over the past year, the region has planned to implement 4 large-scale investment projects

to create high-quality and comfortable housing that meets international standards in the city of Omsk



~2 mil. sq.m of housing will be built as a result of the implementation of projects

(43 thous. flats)

~2100 flats

will be transferred to the ownership of the region to give them to people displaced from emergency housing and orphans 19 kindergartens

6 schools



Project investments make to about 150 billion rubles

## Construction of large-scale projects is actively implemented in the city of Omsk



In 2022, a new hockey Arena - Omsk, a 6-story building with an area of more than 60 thousand sq.m. and 12 thousand seats was built and put into operation.

The arena bowl was built according to NHL standards: perfect visibility, powerful acoustics



In 2021, the new Omsk Cadet Military Corps was built and put into service the oldest military educational institution in Siberia. 25 objects appeared on an area of almost 15 hectares. The capacity of the educational institution is 560 places.



Construction of the hotel complex "Cosmos Hotel Omsk" category 4\*

9-storey building with a capacity of 204 rooms and a congress center



Construction of an administrative and hotel complex "CURIO collection by Hilton"

7-storey building with a capacity of 120 rooms

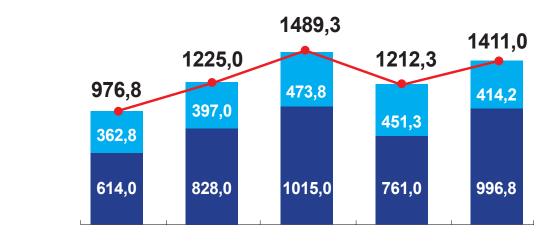


**Construction of the "Solnechny" logistics park** for large retail chains and logistics operators. The area of the land plot is 81 hectares.

## FOREIGN COMMERCE OF THE OMSK REGION

Dynamics of the foreign commerce in the Omsk region

2017-2021 (mil. dollars)



Export commodity structure





43,7% Chemical products

Export Import

Turnover



11.3% Engineering products



14.7%

Other

products



2021

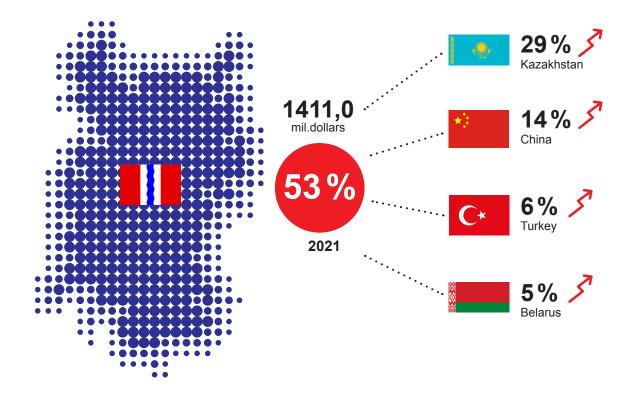
35,4% Engineering products

Import commodity structure









## Interregional cooperation





> 80 cooperation agreements with regions of all federal districts in trade, economic, scientific, technical, cultural, social and other fields



The trade turnover of the Omsk region with the regions of Russia tends to increase, which indicates the strengthening of interregional links and improvement of foreign trade infrastructure, as well as the annual growth of production capacity of large enterprises in the Omsk region

## THE OMSK REGION EXPERIENCE IN HOSTING MAJOR INTERNATIONAL EVENTS



XVI Forum of Interregional Cooperation of Kazakhstan and Russia "Current issues in the development of crossborder cooperation"



Annual international forum of social entrepreneurs and investors «INNOSIB»



**Annual Siberian International Marathon** 



International Rally «Silk Way» The world's largest competition in rally raids across the territories of three countries - Russia, Mongolia and China

#### International events allow the Omsk region to:



Make a name for the potential investors



Accelerate the adoption of important large-scale socially oriented projects

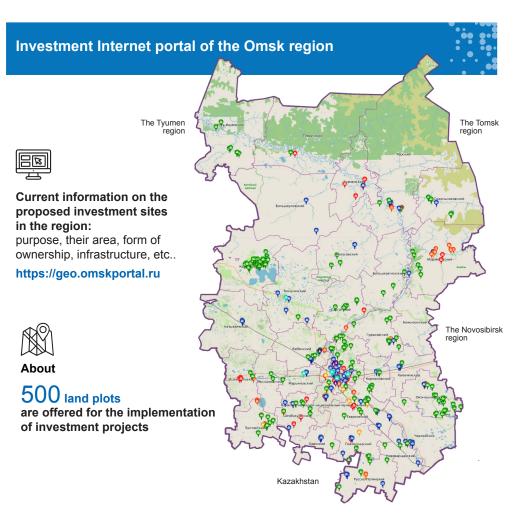


Prove itself on the international stage as a reliable partner for doing business



Develop the business attractiveness of the region, demonstrate its trade, economic and investment opportunities to Russian and foreign partners

## DEVELOPMENT TERRITORIES IN THE OMSK REGION





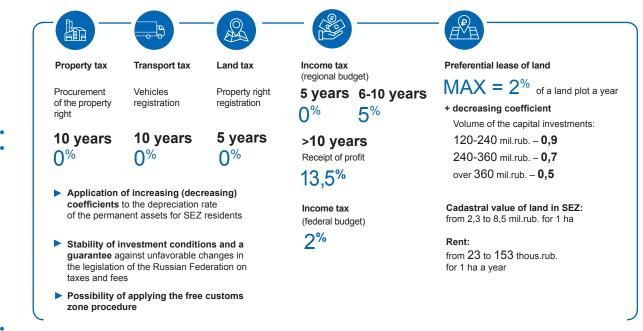
## **DEVELOPMENT TERRITORIES IN THE OMSK REGION**

## Special economic zone «Avangard»

#### **Project relevance:**

- availability of raw materials: an oil pipeline and an oil refinery are capable of supplying a sufficient volume of raw materials for the development of petrochemicals
- developed base of production capacities in oil refining

   (oil refinery) and petrochemicals (plants for the production of synthetic rubbers, carbon black, polypropylene)
- · availability of educational institutions, providing training in specialized areas



Preferences of the SEZ



#### ELECTRIC SUPPLY

Available power 19,5 Mwatt



GAS SUPPLY Connection within the SEZ



WATER SUPPLY There are connection points for water consumption and wastewater networks

## AUTOMOBILE

**RIVER TRANSPORT** 6 km to the navigable river Irtysh

**TRANSPORT** Access to the Krasnoyarsk highway; construction of the Northern Bypass is planned, connecting the territory with a federal road Chelyabinsk-Kurgan-Omsk-Novosibirsk



#### RAILWAY

a railway connection on the territory with access to the Trans-Siberian railway, 2 km to the nearest railway station "Kombinatskaya"



#### PRIORITIES

- logistics
- warehouses and storage areas
- petrochemical industry
- industrial production



On the territory of the SEZ «Avangarad» in the coming years it is planned to built 4 large-scale production facilities:

- Graphitized electrode plant
- Industrial waste processing plant
- Bisphenol A production plant
- Plant for the production of metal structures for oil and gas enterprises



## **CONTACTS:**

SEZ IPT "Avangard" Address: Omsk, Komarov Prospekt St., bldg.21 b.1, office 113 Tel.: +7(3812)95-15-92 E-mail: info@avangard-oez.ru Site: https://avangard-oez.ru/

## **DEVELOPMENT TERRITORIES IN THE OMSK REGION**

## Private agro-industrial park «Makosh»\*

## AVAILABLE RESOURCE BASE



111 land plots with a total area of 221 hectares (190 hectares to accommodate residents)



water supply reaches the borders of the agricultural park (TC 208 thousand cubic meters/year)



2 junctions in the right of way of the federal highway R-254 to the territory of the agricultural park



12 km of internal motorways



- 10 kVA line of 5 Mwatt
- 10 and 0.4 kVA networks are separated throughout the agricultural park
- 10/0.4 kVA substations installed

## **ADVANTAGES**

- Advantageous geographical position: located on the border with the city of Omsk along the Southern Bypass
- Developed logistics system:

Federal highway R-254 Irtysh, regional highway R-393, river cargo port 2 km, railway station "Karbyshevo-2" 4 km; Karbyshevo-1 railway station (freight yard) of the Trans-Siberian Railway, 13 km

- Developed communal infrastructure with sufficient resource limits for investors
- Flexible conditions for renting and purchasing land plots
- Use of completed engineering surveys
- Construction according to customer specifications
- Administrative support from the management company and regional authorities

## SPECIALIZATION

- Production of agricultural machinery
- Processing of agricultural products
- Logistics complexes
- Railway terminals

## **CONTACTS**:

LLC «Management Company» «Industrial Park «Makosh» Site: agropark55.ru E-mail: agropark55@mail.ru Director: Tsygankov Vadim Igorevich Tel.: +7-903-927-51-45

\* on the stage of creation and development

## State support:





## corporate property tax for residents of industrial parks

(subject to availability of information on the organization in the register of industrial parks)



## **DEVELOPMENT TERRITORIES IN THE OMSK REGION**

## Private industrial technology park «Irtysh»\*



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The total volume of electricity capacity is 2.5 Mwatt /hour



The total volume of heat power capacity is 13.5 Gcal/hour



The total volume of water supply capacity is 1.6 m<sup>3</sup>/hour



Total volume of water disposal capacity 1.1 m<sup>3</sup>/hour

A
(())

The possible total volume of gas supply capacity about 2,000 cubic meters



The length of roads on the territory of the industrial technology park is 2100m

## **REQUIREMENTS FOR RESIDENTS:**

- legal entity or individual entrepreneur
- is not in a liquidation procedure or a procedure applied in an insolvency (bankruptcy) case, has no arrears in paying taxes, fees and other obligatory payments to the budget system of the Russian Federation at the location of the applicant
- has no debt to the budget system of the Russian Federation
- the applicant's investment project corresponds to the goal of developing an industrial technology park and is aimed at developing a production facility (facilities) on the territory of the industrial technology park and carrying out economic activities on the territory of the industrial technology park related to the production of products (goods, works, services) or innovative (technological, service) activities

## **SPECIALIZATION**

Production of construction materials and related products, processing, disposal of ash waste

## **CONTACTS**:

LLC «MC «TechnoPark» E-mail: lekarevich\_ss@osnovaholding.ru Telephone: + 7 (3812) 91-35-60 Site: omstp.ru

\* on the stage of creation and development

## State support:

0%

**corporate property tax for residents of industrial parks** (subject to availability of information on the organization in the register of industrial parks)



35

## DEVELOPMENT TERRITORIES IN THE OMSK REGION

## **Monotown Krany Yar**

- West Siberian Railway
  - Federal highway R-402 (Omsk-Ishim-Tyumen)
  - Road communication with the Republic of Kazakhstan
  - Proximity to the regional center (Omsk) 32 km



Investment sites: 63 ha



45 km to the river shipping cargo complex

## State support:

PURPOSE OF THE LOAN: Making capital investments

LOAN TERM: up to 15 years – for investment projects

#### LOAN AMOUNT:

80 % of the project cost max -5 mil. rub. min and 1 billion rub.max

#### LOAN INTEREST:

0 % – for loans up to 250 mil.rub. 5% – for loans > 250 mil.rub.

**CO-FINANCING BY THE APPLICANT:** 

20 % of the project cost min

#### **DEFERRED PAYMENT:**

3 years max - when financing capital investments

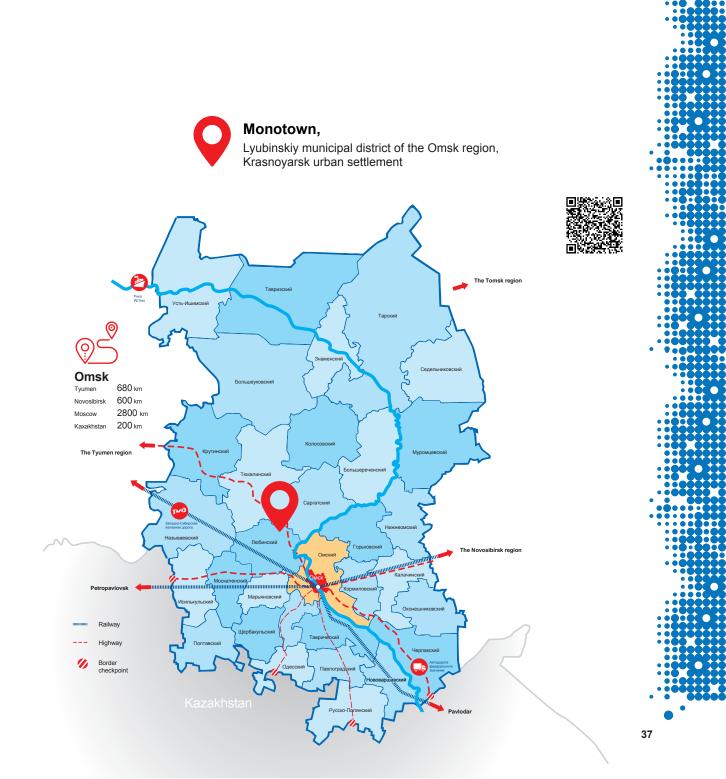
## **Operator:**





Non-profit organization «Monotowns Development Fund» Website: http://monotowns.rf Krasnoyarsk urban settlement Phone: +7 (38175) 2-81-01





# **REGIONAL TAX INCENTIVES**



## Reduced tax rate on the profit of organizations

- Production of oil refining catalysts, revenue from their sale is  $\geq 70\%$
- Upon conclusion of the Investment Tax Credit (ITC) contract
- 10.0%

0,0%

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- When listed in the Regional Investment Projects (RIP) register
- Upon conclusion of the Special investment Contract (SIC)
- Russian IT organizations
- Agricultural producers

## 

0,0%

## **Reduced transport tax rate**

- Organizations of public automobile and electric transport
- Residents of the special economic zone
- Taxpayers transporting passengers on municipal routes using vehicles equipped for the use of natural gas as motor fuel
- Taxpayers who have registered cars equipped exclusively with electric motors

# **Property tax exemption**

FOR

100%

- Regarding civil airfields, airports •
- **Preschool educational** organizations,
- Sports facilities and facilities with artificial ice rinks
- Organizations carrying out activities according to OKVED class 01 and 02 sections A «Agriculture, forestry, hunting, fishing and fish farming» section C «Manufacturing activities"
- Hostal services
- Production of oil refining • catalysts
- Pig breeding, feed production, cattle breeding

FOR **50**%

- Upon conclusion of the Investment Tax Credit (ITC) contract
- When listed in the Regional Investment Projects (RIP) register
- Upon conclusion of the Special • investment Contract (SIC)

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## **Reduced land tax rate**

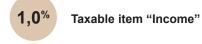


• Residents of special economic zone,

• Organizations of folk arts and crafts

Organizations and individuals registered as individual entrepreneurs who were most affected by the worsening situation following the new coronavirus infection are exempted by  $25^{\%}$ 





Taxable item "Income-Expenses" Organizations and individual entrepreneurs for certain foreign trade activities, residents of industrial parks, agro-industrial parks, industrial technology parks, parks management companies

## TAX BREAK



5,0%

For individual entrepreneurs using simplified and patent taxation systems. Valid until 01.01.2025



# **REGIONAL SUPPORTIVE MEASURES**

# **Subsidies**



- > 30 agricultural subsidies to support crop and livestock production
- 9 subsidies to support industry
- 6 subsidies to support transport activities
- 5 subsidies to support employment
- 5 subsidies to support culture and tourism
- 10 subsidies to support small and medium-sized business entities

Annually



receivers of subsidies and grants in the region

# **Regional loans**

**2** Preferential Investment Loan Programs: up to 20 million rubles, up to 6% per annum, up to 7 years

**5** Microfinance programs: up to 5 million rubles, up to 8% per annum, up to 3 years



## Grants



6 grants to support crop and livestock production

1 grant to support small and medium-sized business entities





## 2 support programmes:

- Guarantee of the Regional Guarantee Center of Omsk region (up to 25 mil.rub.)
- Joint guarantee of the Regional Guarantee Center and JSC "Corporation "MSP"

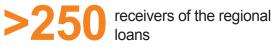
Annually >100 issued guarantees and warranties

## Preferential loans in industry up to 50 mil.rub., **1-3%**, up to 5 years



Preferential loans of the joint financing of PDF RF and PDF OR in industry, 1-3%, up to 5 years, 200 mil.rub.

Annually





# **BUSINESS SUPPORT INFRASTRUCTURE**





JSC Development and Investment Agency of the Omsk Region - "single window" for investors. Functions: information, consulting, organizational and methodological support of investment projects at all stages of its implementation для инвестора.

Annually **> 500** consultations and business meetings on the implementation of investment projects in the region.

Portfolio > 50 investment projects with a total investment volume > 210 billion rubles.

- · Support of investment projects in the "single window" mode
- Assistance in the implementation of projects and representation of interests in the authorities of the Omsk region and local governments
- · Selection of sites for the implementation of investment projects
- Development, revision, examination of business plans, feasibility studies and financial models of investment projects
- Information and consulting, legal, consulting assistance on issues of obtaining government support measures and implementing an investment project in the region

**Group "B"** as per the results of assessing the state of the investment climate in 2023 according to indicator "B3.3" – "Efficiency of organizational mechanisms for business support" of the National rating.

## Industrial Development Fund of the Omsk Region

"Single window" for industrial enterprises of the region.

**Functions:** financing of investment projects in the industrial sector, information, consulting and organizational and methodological support in obtaining loans from the Production Development Fund of the Russian Federation, concluding Special investment Contract (SIC).





 Omsk Regional Microfinance Fund for small and medium-sized business entities – preferential financial and credit support for businesses in the Omsk region.

Annually >250 receivers of financial business support.

• Omsk Center for Innovation in the Social Sphere information, consulting, organizational and methodological support for social entrepreneurship in the region.

Annually **>700** receivers of support measures for social entrepreneurs.

• Omsk regional business incubator - information, consulting, organizational and methodological support for start-up companies, organization of assistance in finding investors and mediation in contacts with potential business partners, property support for beginning entrepreneurs.

Annually **>1500** consultations for beginning businessmen.

# Omsk Regional Fund for the small business support and development:

• Entrepreneurship Support Center – information, consulting, organizational and methodological support for the activities of small and medium-sized business entities, educational support.

- Omsk Regional Information Technology Park property support for regional projects in the area of information technology.
- Export Support Center facilitating the export of products from small and medium-sized business entities in the Omsk region to foreign markets.
- **Regional Guarantee Center** support in the form of a guarantee when receiving financing by business entities in the Omsk region.
- Center for Providing Support to Participants in Foreign Economic Activity – information, consulting and organizational and methodological support for import contracts and negotiations with counterparties, contract insurance, organization of certification and delivery of products, assistance in the selection of counterparties for the supply of analogue goods.
- Competence Center in Agriculture information, consulting, organizational and methodological support when business entities receive support measures in the field of agriculture, consulting on issues of conducting business activities in agriculture.
- Center for Legal Support of small and medium-sized business entities activities – legal consultations in various areas.



# FEDERAL SUPPORTIVE MEASURES EXTENSIVELY USED IN THE REGION

# Providing land plots for rent without bidding for the implementation of investment projects



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For the implementation of large-scale investment projects (LSIP)

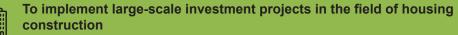


The volume of capital investments must be no less than:

- 100 mil. rubles for investment projects planned for implementation in the city of Omsk or the Omsk municipal district of the Omsk region
- 50 mil. rubles for investment projects planned for implementation in other municipal districts of the Omsk region Confirmation of the availability of own or borrowed funds in the amount of 30 % min (if the project implementation period is less than 3 years) or 20 % (if the project implementation period is more than 3 years) of the total cost of the investment project



25 investment projects in the region are included in the LSIP



Construction of an apartment building (apartment buildings) with a total residential area of at least 5 thous.sq. m.

Mandatory: implementation of one of the following activities:

- Transfer of ownership to citizens defrauded homebuyers- of at least 10% of the total area of constructed residential premises
- Completion of construction of an apartment building located on a different land plot
- Construction and commissioning of a total of at least 50 thous. sq. m. of residential premise. Mandatory: transfer to the ownership of the Omsk region 5% of the total area of constructed residential premises.

4 projects are recognized as large-scale in the field of housing construction



To implement investment projects to create social and cultural facilities



The facility relates to education, culture, healthcare, physical culture and sports, and social services for the population.

The total amount of funds required for the construction (reconstruction) of a social and cultural facility is 20 mil. rub. min.

The amount of own funds  $50\,\%$  min of total funds



1 project meets the criteria

行 To implement investment projects to create public utility 如 facilities



The facility relates to the industrial and consumer waste management or to electric power, gas supply, heat supply, water supply, and sanitation

The total amount of funds required for the construction (reconstruction) of a public utility facility is **100 mil. rub. min** 

The amount of own funds is **70% min** of total funds



To implement investment projects to create an industrial (industrial) park





# SPECIAL INVESTMENT CONTRACT (SIC)

This is an agreement between the investor and the state, which fixes obligations:



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The investor undertakes to implement an investment project with the aim of developing and introducing advanced technology to manufacture globally competitive industrial products in Russia.



#### Two variants are available: SIC 1.0 and SIC 2.0

## SIC 1.0



#### Focus:

creation or modernization and (or) development of industrial production

**Conclusion procedure:** 750 mil.rub.

**Механизм заключения:** Filing order

Initiator of the competitive selection: Investor

#### Parties to the contract:

- Fedral SIC: RF+RF entity+MU+investor
- Regional SIC: RF entity+MU+investor

#### SIC term:

Up to 12 years



## SIC 2.0



**Focus:** development of serial production of industrial products based on the advanced technology

Conclusion procedure: Competitive

#### Initiator of the competitive selection:

- RF
- RF + RF entity + MU
- Investor

Parties to the contract: RF + RF entity + MU+ Investor

#### Limitation on the scope of government support measures:

should not exceed 50% of the volume of capital investments

#### SIC term:

- up to 15 years (investments less than 50 billion rubles)
- up to 20 years (investments more than 50 billion rubles)

#### No investment threshold



List of advanced technologies for concluding SIC 2.0 approved by Order of the Government of the Russian Federation d.d. November 28, 2020 No. 3143-r. The List includes 630 advanced technologies of 15 industry branches. The state undertakes to implement measures to stimulate activity in the industrial sector provided for by federal and regional legislation.



## **ADVANTAGES:**

- Possibility of faster and simplified acquisition of the "Made in Russia" status
- Possibility of obtaining the "Sole Supplier" status for government procurement
- Possibility of issuing certificates to buyers to apply accelerated rate of depreciation
- Lease of land without bidding
- Reduced corporate income tax rate 0%
- Exemption from corporate property tax by 50 %



SIC can be combined with any support measures. Combination/summation of tax benefits is not allowed.

Federal Law No. 488 "Concerning industrial policy in the Russian Federation"



1 SIC was concluded in the region for implementation of a large-scale investment project



## FINANCING THE CREATION OF INFRASTRUCTURE FACILITIES FOR THE IMPLEMENTATION OF NEW INVESTMENT PROJECTS (NIP) AT THE ACCOUNT OF THE ENTITY'S BUDGET

Financing is aimed at reimbursing the costs actually incurred by investors to create infrastructure facilities necessary for the implementation of the research and development project

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**NEW INVESTMENT PROJECT** - a set of measures limited in time and resources aimed at the creation and subsequent operation of new fixed assets or the reconstruction of existing facilities that are put into operation after January 1, 2021.

NIP cost must be **50** mil.rub. min.

Financing for the creation of NIP infrastructure facilities is carried out from the budget of the constituent entity of the Russian Federation, formed as a result of a decrease in the volume of repayment of the debt of the constituent entity of the Russian Federation to the Russian Federation on budget loans



**INFRASTRUCTURE FACILITIES -** transport, engineering, energy facilities

and communal infrastructure, infrastructure facilities of industrial (industrial) parks, industrial technology parks, special economic zones, territories of rapid socio-economic development, innovative scientific and technological centers.

## FINANCING IS AIMED AT

- carrying out engineering surveys, design, examination of design documentation and (or) engineering survey results
- cconstruction, reconstruction and commissioning of infrastructure facilities
- connection (technological connection) of capital construction projects to engineering and technical support networks

## About 30 areas to implement NIP



The released funds are directed by the constituent entities of the Russian Federation to finance infrastructure facilities, financial support for the implementation of which began not earlier than January 1, 2021

Decree of the Government of the Russian Federation d.d. October 19, 2020 No. 1704, d.d. October 12, 2021 No. 1740

Decree of the Government of the Omsk Region d.d. December 30, 2020 No. 604-p-n



**2** projects in the field of industrial production and hospitality activities received financial support



# INVESTMENT TAX CREDIT IN THE OMSK REGION (ITC)



**ITC is a change in the tax payment deadline,** where an organization is given the opportunity, within a certain period and within certain limits, to reduce its tax payments followed by stage-by-stage payment of the loan amount and accrued interests.

**ITC can be provided for one federal tax** (organizational profit tax) **and all regional taxes** (organizational property tax, gambling tax, transport tax) **and local taxes** (land tax). It's possible to receive several ITCs at a time.

(Article 66 of the Tax Code of the Russian Federation, Law of the Omsk Region No. 1505-OZ, subparagraph 1, paragraph 2, Article 4 of the Law of the Omsk Region

No. 2514-OZ, paragraph 5 Article 1 of the Law of the Omsk Region No. 1106-OZ)

## FEDERAL TAX





## 3 An organization can receive an ITC if it:

- carries out Research and Advanced Development or technical re-equipment of its own production,
- carries out implementation or innovation activities
- carries out a particularly significant order for the socio-economic development of the region or provides particularly significant services to the population
- carries out state defense orders
- invests in the creation of facilities and technologies with high energy efficiency
- is a resident of a territorial development zone



#### ITC term from 1 to 5 years

(An exception is a loan for residents of a territorial development zone; it can be provided for a period of up to 10 years)



## ITC rate

between **1/2 and 3/4** Bank of Russia refinancing rates. Interest is not charged on loans for residents of the territorial development zone

## **REGIONAL AND LOCAL TAX**



## An organization can receive an ITC if:

- The volume of capital investments in the project is **50 mil.rub.min.** in the creation and acquisition of property for production purposes
- Small and medium-size enterprises with the volume of capital investments in the project **10 mil.rub.min.** in the creation of facilities in the field of electricity supply, gas supply, heat supply, water supply, sanitation, intended for the provision of public services



### ITC term

for the payback period provided for by the investment project, but not more than10 years



## ITC rate 0,01% per annum

Exemption from property tax by 50% for organizations in relation to property for industrial purposes which after January 1, 2013, but not earlier than the provision of an investment tax credit, was created, acquired for a fee and (or) put into operation

Preferential corporate income tax rate 13,5% (valid till 2025)



**5** companies have used ITC



# **REGIONAL INVESTMENT PROJECT (RIP)**



**RIP** is an investment project aimed at production of goods in a certain region of the Russian Federation

## REQIUIREMENTS FOR RIP AND THEIR PARTICIPANTS:



The organization receives the RIP participant status from the day it is included in the register of RIP participants



- Minimum amounts of capital investments in accordance with the investment declaration:
- **50** mil.rub. subject to capital investments made within a period not exceeding 3 years from the date the organization is included in the register of RIP participants
- **500** mil.rub. subject to capital investments being made within a period not exceeding 5 years from the date the organization is included in the register of RIP participants



- Only Russian organizations can be RIP participants
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- The organization must be registered in the territory of the RF region where the RIP is implemented
- The organization must not have separate divisions outside the RF region where the RIP is implemented.
- The organization does not apply special regimes, is not a resident of a SEZ or a priority social and economic development area, and is not a member of a consolidated group of taxpayers



The organization has not previously been a participant in the RIP and is not a participant (successor of the participant) of another current RIP



The result of the project is the production of goods

## TAX BENEFITS FOR RIP PARTICIPANTS:





## **INCOME TAX**

**0 %** rate to the federal budget,

10,0% rate to the regional budget

Tax benefit period: before the reporting period, where the savings on income tax on an accrual basis will be equal to the volume of capital investments in RIP, but not later than:

• January 1, 2027 for RIP with minimal volume of capital investments

50 mil.rub.

 January 1, 2029 for RIP with minimal volume of capital investments 500 mil.rub.



## EXEMPTION FROM PROPERTY TAX FOR 50%

## Tax benefit period:

**During first 5 years** starting from the first day of the tax period in which the commissioning of the created property is ensured or in which the property was acquired, but not later than December 31, 2028

Tax Code of the Russian Federation, Laws of the Omsk Region No. 1497-OZ, No. 2514-OZ, 1106-OZ



2 large-scale projects in the region got RIP status



## **REGIONAL INVESTOR RELATIONS TEAM**



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**GOVERNMENT SITE:** 

https://omskportal.ru



## DIRECT CONTACT LINE FOR INVESTORS

Investment portal of the Omsk region: http://investomsk.ru



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