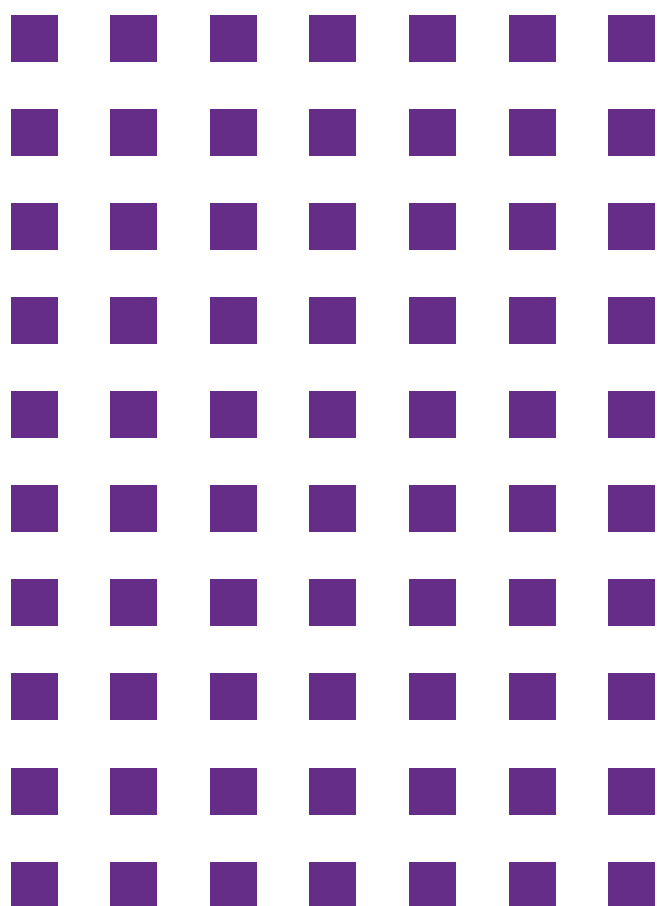
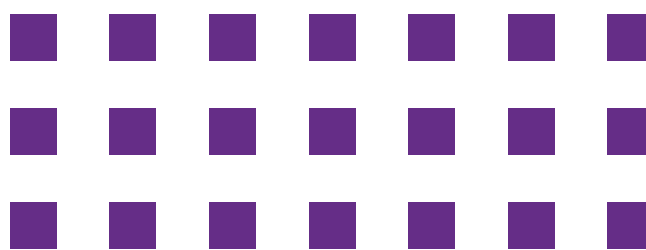


I INVEST IN
I INVEST IN SAINT PETERSBURG



INVESTOR GUIDE



SPBINVESTMENT.RU



WE ARE GLAD TO WELCOME INVESTMENT INITIATIVES
TO ST. PETERSBURG THAT STIMULATE THE
DEVELOPMENT OF VARIOUS ECONOMIC SECTORS.
I WISH INVESTORS EVERY SUCCESS IN THEIR WORK
FOR THE GOOD OF RUSSIA AND ST. PETERSBURG!

DEAR COLLEAGUES!

St. Petersburg is one of the largest centres for business in Russia. All the necessary conditions have been created here for running a successful business and making profitable investments.

The northern capital is one of the top five regions, which accumulate 40% of all investments in the country. Every year, more than 3,000 companies carry out projects here. In 2018, Russian and foreign investors contributed more than 747 billion roubles to the city's economy.

Located on the border with Europe, on the shores of the Baltic Sea, St. Petersburg boasts a large amount of infrastructure and logistics and human resources. The city government provides comprehensive support to investors and offers them a wide range of incentives and benefits in key sectors.

Thanks to joint efforts on the part of the authorities and the business community, administrative procedures have been simplified and new measures of state support are being developed. Open dialogue and maximum access to comprehensive information on investment opportunities help to create a comfortable business climate.

I wish investors every success in St. Petersburg!

A. Beglov

Provisional Governor of St. Petersburg

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ST. PETERSBURG

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12 REASONS FOR INVESTING IN ST. PETERSBURG

ADVANTAGES OF A METROPOLIS

Largest population in Northern Europe



5.4 MILLION PEOPLE
Population of

According to Petrostat

Average annual GRP growth rate over the last five years



9.6% Exceeds the average annual GRP growth rate in Russia, which is 5.5%

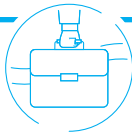
Applicant activity



8 CVs
applicant for every vacancy in 2018

According to HeadHunter

Economically active population



15% of the population works and studies in the field of vocational training: >470,000 people

FAVOURABLE BUSINESS ENVIRONMENT

A wide range of state support measures



International business events



Second-largest centre for international events after Moscow

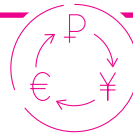
ACTIVE EXTERNAL RELATIONS

Close borders with the European Union



200 KM
Distance from St. Petersburg to EU territory
The city is at the intersection of international transport corridors

Foreign trade turnover



4.7% From Russia's foreign trade turnover
According to Rosstat and Petrostat

International tourist centre



8.5 MLN PEOPLE
The tourist flow in 2018 exceeds the city's population

According to the Committee of Tourism Development of St. Petersburg

Transport diversification



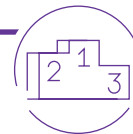
5 RAILWAY STATIONS
With overall passenger traffic > 57 million people (2018)
Large port St. Petersburg — 3rd place
In terms of container traffic among Northern European ports
Pulkovo Airport — 2nd place
In the category «Best Airport 2018 (Local and internal airlines) with Over 15 Million Passengers Per Year»

Positive dynamics in world rankings



St. Petersburg is often high up on rankings such as Doing Business*, Moody's Investors Service Limited, Fitch Ratings, etc.

Ranked in the top 3 largest innovation centres





COMPETITIVE ADVANTAGES OF ST. PETERSBURG

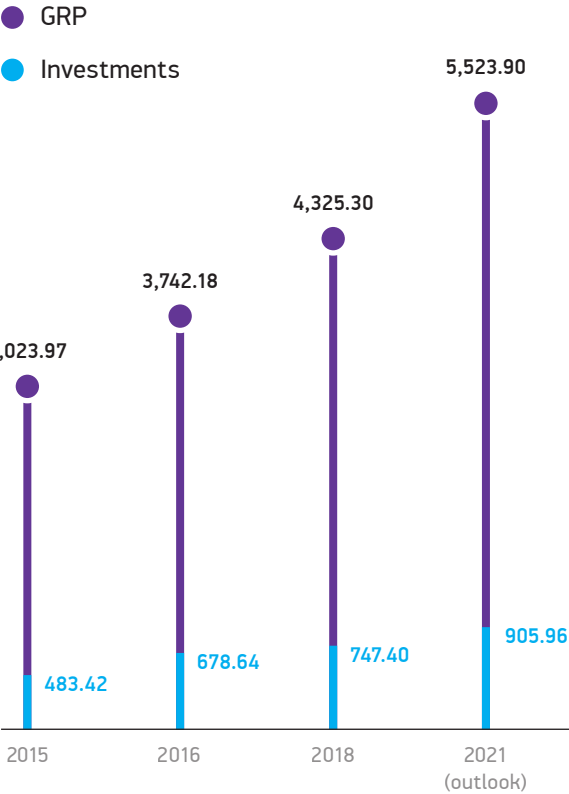
LARGE ADMINISTRATIVE CENTRE



ST. PETERSBURG IS THE NORTHERNMOST OF THE MAJOR EUROPEAN CITIES. THE METROPOLITAN AREA OF ST. PETERSBURG COVERS **11,600 KM²**, AND INCLUDES **35 URBAN SETTLEMENTS**

SHARE OF INVESTMENTS IN GRP

(billion roubles, according to Petrostat)



People population as of 1 December 2018

5.36 MLN PEOPLE

Total territory

1,439 KM²

Investment Development Index

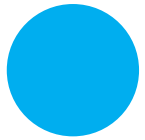
200

RF **8.2** Leningrad Region **28.9**



Wholesale and retail trade

GRP STRUCTURE



17.5%

INVESTMENT DISTRIBUTION



5.3%



Manufacturing



16.6%



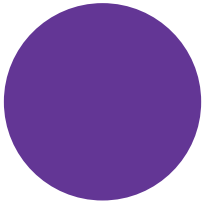
13.1%



Real estate, rent, and services operations



11.2%



26.1%



Transportation and storage



10.5%



13.5%



Professional, scientific and technical activities



8.5%



4.1%



Healthcare



6%



1.3%



Information and communications



5.4%



3.8%



Construction



4.5%



7.9%



Education



3.9%



2%



Provision of electricity, gas, and steam



2.6%



9.7%



Water supply, water discharge, waste management, pollution elimination



1%



2%



Other activities



12.3%



11.2%

ACTIVE EXTERNAL RELATIONS

CONVENIENT TRANSPORT AND LOGISTICS HUB

Includes all types of transportation and serves as a sorting centre for foreign cargo flows and companies from other regions directed towards Finland, the Baltic States, and the Baltic Sea ports

Transportation of railway, air and water transport

According to the St. Petersburg Committee on Transport

110.5 MLN TONNES
Cargo turnover in 2018

+6.4% to 2017

75.1 MLN PEOPLE
Total passenger traffic in 2018

+0.5% to 2017



WATER CONNECTION

7.2% of Russia's overall cargo turnover at seaports in Russia in 2018

According to the Association of Commercial Seaports



RAILWAY HUB

10 directions



ROAD NETWORK

Eurasian transport corridors: North-South and Trans-Siberian

Pan-European Corridor IX

The European route E18 connecting Scandinavia with Central Russia



AIR TRAFFIC

4th in terms of the number of airport passengers in Russia

According to the press service of Air Gates of the Northern Capital LLC

BIG PORT ST. PETERSBURG

Oil products, metals, timber cargoes, containers, coals, ores, chemical cargoes and scrap metals are transhipped here.

164.6 km²
Area of water

200
berths, length — 31 km

59.3 mln tonnes
Cargo turnover in 2018

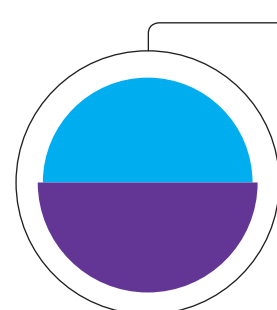
According to the Federal State Budgetary Institution Administration of the Baltic Sea ports

ST. PETERSBURG RING ROAD

FOREIGN TRADE RELATIONS

According to Petrostat for 2018, considering the countries of the Customs Union

Exports and imports billion US dollars



Foreign trade turnover

44.59

Export

26.5

Import

22.7

Active participants in foreign trade turnover with St. Petersburg

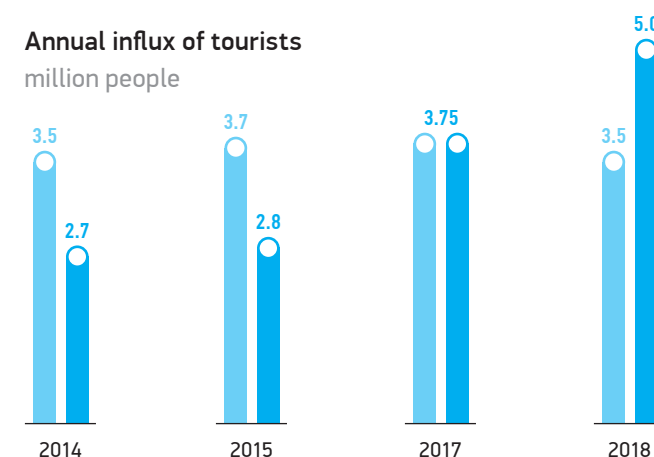
43%

China
Netherlands
Germany
USA
Belarus



LEADING TOURIST CENTRE OF EUROPE

Annual influx of tourists million people



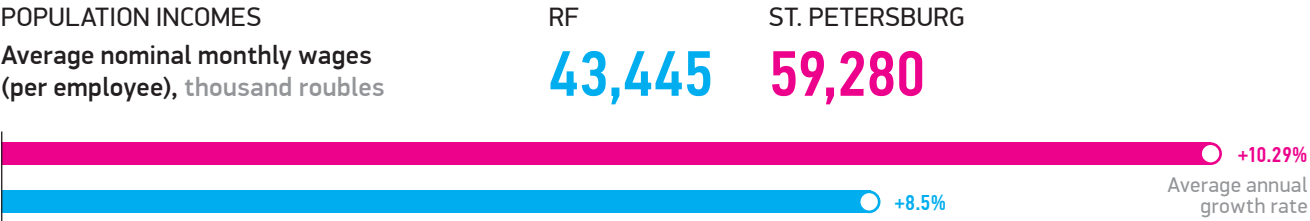
According to the Committee of Tourism Development of St. Petersburg

THE ANNUAL NUMBER OF TOURISTS
IN ST. PETERSBURG EXCEEDS THE
NUMBER OF INHABITANTS

● Russian tourists
● Foreign tourists

INVESTMENT POTENTIAL OF THE CITY

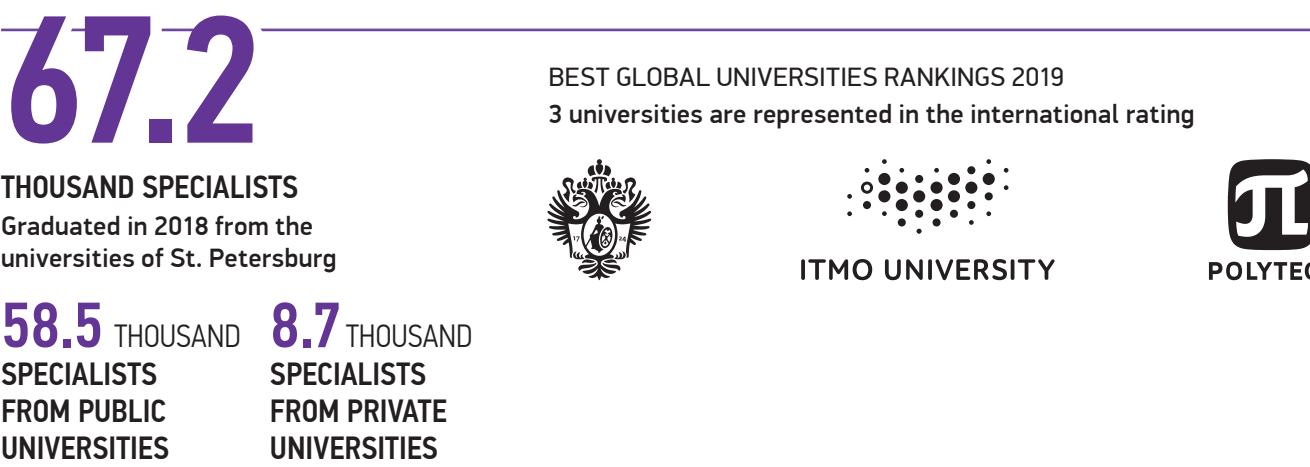
ECONOMIC POTENTIAL



BANKING SECTOR



STAFF CAPACITY



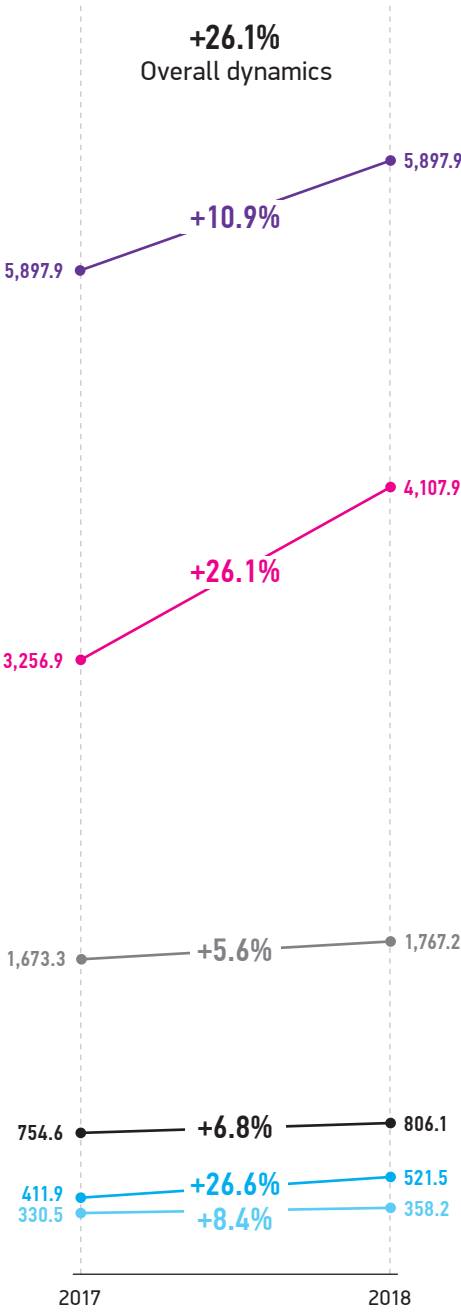
DEVELOPED BUSINESS ENVIRONMENT

NUMBER OF ORGANISATIONS
In thousands

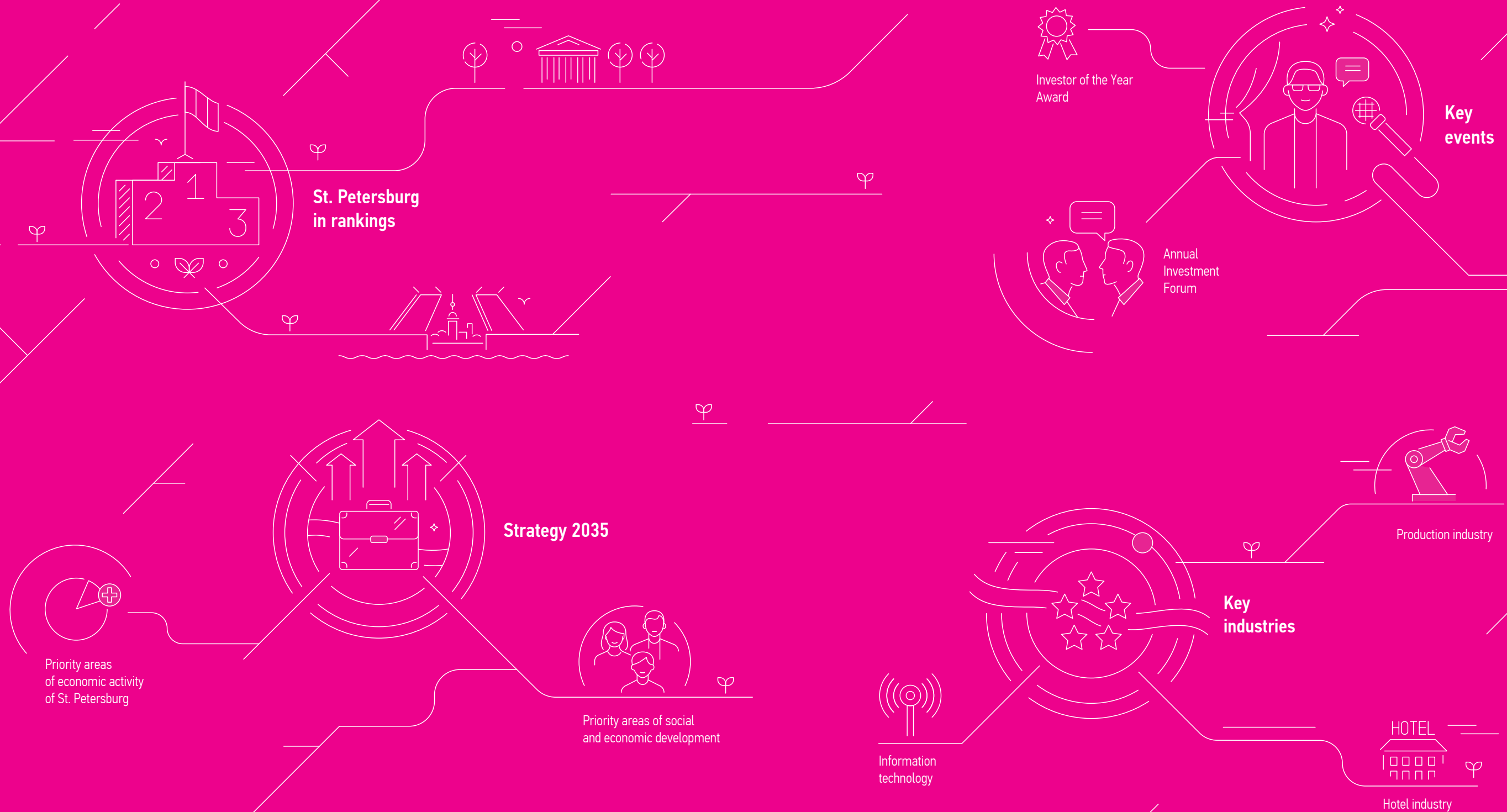


- WHOLESALE AND RETAIL TRADE
- OTHER ACTIVITIES
- CONSTRUCTION
- MANUFACTURING
- REAL ESTATE TRANSACTIONS
- TRANSPORTATION AND STORAGE

TURNOVER OF ORGANISATIONS
By the type of activity, in billion roubles



INVESTMENT CLIMATE



ST. PETERSBURG IN RANKINGS



THE FAVOURABLE INVESTMENT
CLIMATE IS SHOWN BY
THE INTERNATIONAL RANKINGS

LONG-TERM CREDIT RATING

As of 14 March 2019

ACCORDING TO **MOODY'S INVESTORS SERVICE LIMITED LIMITED**

BAA3

Stable

Investment grade
rating

BA1

Positive

Speculative grade
rating

BA1

Stable

Speculative grade
rating

BA1

Negative

Speculative grade
rating

BBB-

Positive

Investment grade
rating

BBB-

Positive

Investment grade
rating

BBB-

Stable

Investment grade
rating

ACCORDING TO **FITCH RATINGS**

POSITIONS IN RATINGS

Positions
in total

Doing Business Rating

(indicators of Moscow and St. Petersburg are summed up in this rating)

190

31

2018
2017

1

National ranking of investment climates in the
constituent entities of the Russian Federation
according to the Agency of Strategic Initiatives

85

22

17

2016 2017

4

1

Ranking of innovative regions in Russia
according to the Association of Innovative
Regions of Russia

85

2

2016 2018
2017

1

Ranking of investment appeal of Russian
regions according to Expert Ra Rating
Agency

85

Group 1A

2

2018

1

Ranking of Russian regions based on the PPP
development level according to PPP Development Center

85

5

2016—2017 2017—2018

1

Top Travel Destination Ranking by
World Travel Awards Europe

11

World's Leading Cultural City Destination
Europe's Leading Cruise Destination
Europe's Leading Heritage Destination

1

2018

FDI's European Cities and Regions of
the Future Ranking

27

In terms of profitability, ranked among the
largest European cities

8

2018—2019

1

STRATEGY 2035

THE STRATEGY DEFINES THE PRIORITIES, GOALS AND OBJECTIVES OF SOCIAL AND ECONOMIC DEVELOPMENT IN ST. PETERSBURG UNTIL 2035

The overall goal of the Strategy 2035 is the steady improvement of quality of life through sustained economic growth based on the city's innovative and technological activities and global competitiveness

PRIORITIES

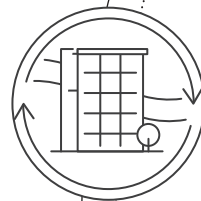
City of innovation
Developing innovative and technological activities in St. Petersburg

Comfortable city
Improving the comfort level of living in St. Petersburg

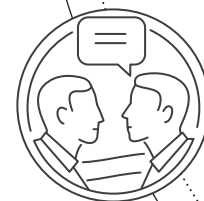
Open city
Developing an effective system of external and internal communications for St. Petersburg



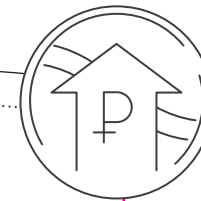
Developing human capital



Improving the quality of the urban environment



Ensuring good governance and development of civil society



Achieving sustained economic growth

INCREASING THE CITY'S INVESTMENT ATTRACTIVENESS

TASK

To develop segments of the economy with high added value and create conditions for sustainable economic growth

- 1** Positive investment climate
Direct communication and feedback with investors
- 2** Increased investment activity
State support (financial and non-financial)
- 3** Developing mechanisms for attracting investments
Reducing administrative barriers and improving the regulatory framework
- 4** Implementing investment projects
Preparing territories, carrying out inventory and determining the boundaries of territories for production and business purposes
- 5** Developing investment and innovation infrastructure
Creating technology parks and business incubators

Goal

25%

SHARE OF FIXED CAPITAL INVESTMENTS IN GRP IN 2035

KEY INDUSTRIES



ST. PETERSBURG IS THE CITY WITH
A DIVERSIFIED ECONOMY REPRESENTED
BY VARIOUS INDUSTRY CLUSTERS

P. 54

Executive bodies

Localisation of large industrial production facilities on the territory of St. Petersburg confirms the high level of investor confidence in the Investment Policy performed by the City Government



Support for St. Petersburg cluster participants provided by **the Centre for Cluster Development**

JSC St. Petersburg Technopark
3-5 Prospect Medikov, Bld. A,
St. Petersburg, Russian Federation
+7 (812) 670 10 85
spbcluster@ingria-park.ru

LEADING INDUSTRIES

KEY INDICATORS	PRODUCTION INDUSTRY				
	Automotive industry	Pharmaceutical	Food	Information technology	Hotel industry
	<div>22—24%</div> <div>Share in the Russian production of passenger cars</div> <div>>400 THOUSAND passenger cars per year — the combined capacity of all enterprises</div> <div>According to the Committee for Industrial Policy and Innovations of St. Petersburg, 2017</div>	<div>~6%</div> <div>Share in terms of the volume of goods sold and services provided in Russia</div> <div>RUB 54.3 BLN Market volume in 2018</div>	<div>3.3%</div> <div>Share in terms of food products sold in Russia</div>	<div>12.2%</div> <div>IT companies accredited by the Ministry of Digital Development, Communications and Mass Media of the Russian Federation</div> <div>According to the Rosstat data for 2017</div> <div>12—15%</div> <div>All Russian software companies</div> <div>According to the RUSSOFT data for 2018</div> <div>16%</div> <div>Open vacancies in 2018</div> <div>According to HeadHunter</div>	<div>10.4%</div> <div>Growth of average income per room in 2018 to the level of 2017</div> <div>According to Colliers International</div> <div>8.5 MLN PEOPLE</div> <div>Influx of tourists in 2018</div> <div>According to the Committee of Tourism Development of St. Petersburg</div> <div>10 MAJOR HOTELS</div> <div>Opened in 2018</div> <div>According to Colliers International</div>
NUMBER OF PEOPLE EMPLOYED IN ENTERPRISES	11.7	8.8	29.4	55.0	26.7
Thousands of people					
According to the Committee for Industrial Policy and Innovations of St. Petersburg					
INDUSTRIAL PRODUCTION INDEX	110.3%	110.4%	103.9%	107.1%	111.1%
By 2017					
DYNAMICS OF TURNOVER OF ORGANISATIONS, by 2017					

KEY EVENTS

ANNUAL INVESTMENT FORUM

Format

**TWO-DAY
FORUM**

Initiator

**INVESTMENT COMMITTEE
OF ST. PETERSBURG**

PLATFORM FOR ESTABLISHING EFFECTIVE DIALOGUE
BETWEEN THE REPRESENTATIVES OF THE GOVERNMENT
AND THE BUSINESS COMMUNITY ON INVESTMENT
ACTIVITIES IN ST. PETERSBURG

KEY AREAS OF DISCUSSION



Presentation of the
investment potential
of the city



Investment potential
and city policies



Key issues of investment
activities in St. Petersburg



Implementation of initiatives
of the business community to
support investment activities



Development of effective
mechanisms to attract
investment in different sectors of
the urban economy



Practice of implementation
and prospects of developing
PPP projects

2018
2 DAYS 16 SESSIONS 140 SPEAKERS

More than 800 representatives of the federal and regional authorities, international and Russian financial institutions, top managers of investment companies, heads of business communities, consultants and experts from 17 regions of the Russian Federation and 13 foreign countries

INVESTOR OF THE YEAR AWARD

Format

CEREMONY

Initiator

**INVESTMENT COMMITTEE
OF ST. PETERSBURG**

BEST INVESTMENT PROJECT 2018

IN SOCIAL SPHERE



House for assisted living for people
with intellectual and physical
disabilities

IN DEVELOPMENT OF TERRITORIES



Deployment of LoRaWAN wireless
network in St. Petersburg

IN TRANSPORT INFRASTRUCTURE


MaximaTelecom

Creation of free Wi-Fi network in rolling
stock and at the stations of St. Petersburg
Metro

IN CONSERVATION OF HISTORIC AND CULTURAL HERITAGE SITES

ART-TECHNOLOGIES

Planetarium No. 1

IN PRODUCTION INDUSTRY

Up to RUB 3 billion


Unilever

Aurora. Construction of production and
warehouse building

RUB 3 billion and more


ГЕРОФАРМ

Development of capital construction projects related to the
pharmaceutical industry in St. Petersburg

IN CULTURE AND TOURISM

Up to RUB 3 billion

TANDEM-ESTATE

First stage of constructing Artplay Design Center,
St. Petersburg

RUB 3 billion and more


Lotte Hotel



INVESTMENT INFRASTRUCTURE

INVESTMENT PORTAL OF ST. PETERSBURG



INFORMATIONAL AND METHODOLOGICAL SUPPORT

Subscribe to news with the option to choose topics of interest and how often you receive emails and updates

Browse content on mobile devices

Integration with social networks



SUPPORT OF INVESTMENT PROJECTS

View completed and planned projects, as well as energy facilities and social/other infrastructure on the city's Investment Map

View available land plots on the Investment Map



SIMPLIFICATION OF THE INTERACTION PROCESS BETWEEN INVESTORS AND AUTHORITIES

Make use of the functions of the "One-stop-shop service" in the Personal Account online for selecting land, visiting the land plot and ordering a call back

Calculate tax payments including tax exemptions with the Tax Calculator

Filing documents

- Applications for the implementation of the investment project
- Documents for receiving measures of state support
- Direct access via the feedback form or online service of the Governor of St. Petersburg



ONLINE COMMUNICATION BETWEEN PARTICIPANTS OF THE INVESTMENT PROCESS



COVERAGE OF INITIATIVES AND MEASURES IN THE FIELD OF INVESTMENT ACTIVITY

FRONT OFFICE "ONE-STOP-SHOP SERVICE"



SUBMISSION OF APPLICATIONS

TO PARTICIPATE IN PROJECTS ELECTRONICALLY, TRACKING THEIR STATUS



SELECTION OF REAL ESTATE

IN ACCORDANCE WITH THE REQUIREMENTS OF THE POTENTIAL INVESTOR



ORGANISATIONAL ASSISTANCE

IN IMPLEMENTING INVESTMENT PROJECTS



INFORMATION AND CONSULTING

ASSISTANCE FOR INVESTORS



RESOLVING ISSUES ONLINE



ADDITIONAL BACKGROUND INFORMATION

ON PROJECTS AND SERVICES

Consulting services provided on a paid basis

- Ensuring cadastral works are performed with respect to the land plot
- Ensuring preparation of the land plot layout on the cadastral plan of the territory
- Ensuring land plots are registered in the state cadastre in accordance with the approved land layout
- Expert assistance in preparing land planning documentation
- Expert assistance in preparing the necessary documentation for the application to the St. Petersburg Investment Committee on the preparation of the draft resolution of the Government of St. Petersburg on amendments to legal acts on the provision of real estate



Address
Letter A, 60/129 Moskovsky Prospekt

Telephone
+7(812)3322232

SPECIAL ECONOMIC ZONE OF TECHNICAL AND INNOVATIVE TYPE “ST. PETERSBURG”



WAS CREATED IN THE ST. PETERSBURG TERRITORY **IN 2006**.
IS LOCATED ON TWO SITES “NEUDORF” AND “NOVOORLOVSKAYA”.
THE TERM IS **UP TO 2054**

0% ordinary rate is 2.2%
property tax is
For 10 years from the moment of registration

0% 1.55%
land tax is
Since the registration of property

0% 10–150 RUB
transportation tax
for 1 hp.

28% 30%
Contributions to social
insurance funds

14%
For IT companies
Until 2023

15.5% 20%
Income tax
Until the SEZ expires

PRIORITY GUIDELINES



Microelectronics



Professional
equipment



Pharmaceuticals
and biotechnologies



Information technology and
telecommunications

“NOVOORLOVSKAYA”

There are vacancies for new
residents receiving



Land
163.33 HA

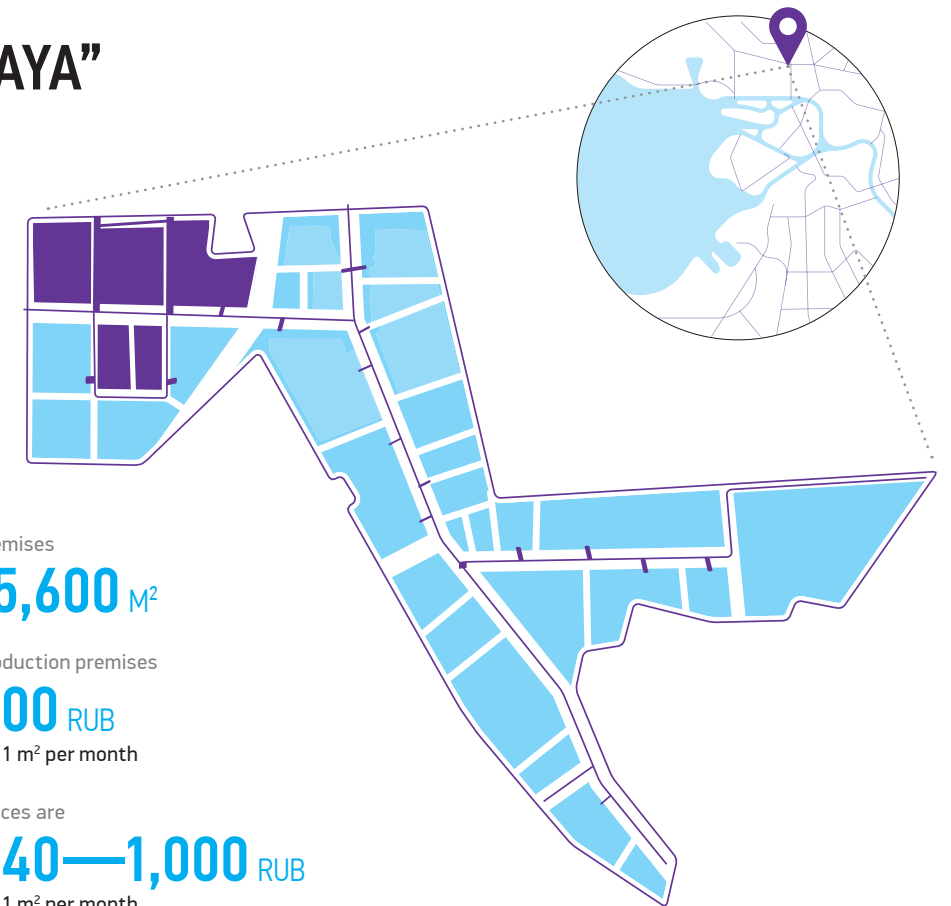
Average rent value
From RUB **239** THOUSAND
for 1 ha per year

Average purchase value
RUB **7.5** MILLION
per 1 ha

Premises
15,600 M²

Production premises
600 RUB
for 1 m² per month

Offices are
840—1,000 RUB
for 1 m² per month



“NEUDORF”



Land
18.99 HA

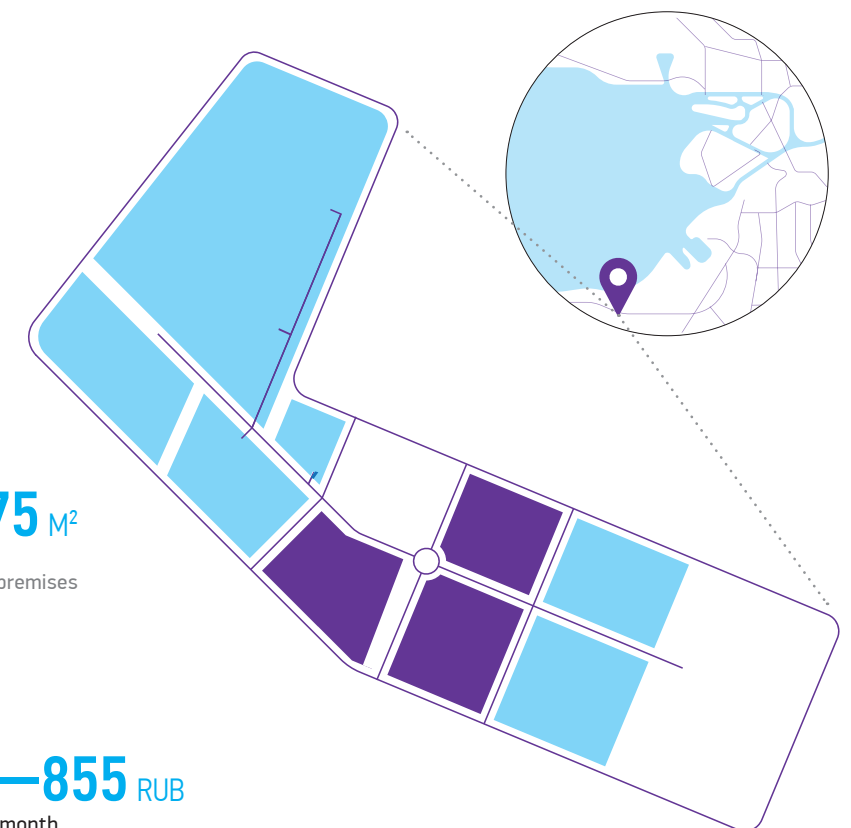
Average rent value
From RUB **133** THOUSAND
for 1 ha per year

Average purchase value
RUB **5.5** MILLION
per 1 ha

Premises
14,975 M²

Production premises

Offices are
760—855 RUB
for 1 m² per month



FREE CUSTOMS ZONE

ADVANTAGES



Deferral of customs duties



Duty free of foreign goods accommodation



No costs for a warehouse for temporary storage



Flexible system of customs payments



Own customs station

		CUSTOMS DUTIES	VAT	EXCISE TAX
CVS operates	Foreign goods Non-tariff regulatory measures are not applied	Is not a subject to a tax	Is not a subject to a tax	Paid
	EAEU goods Prohibitions and restrictions do not apply	Is not a subject to a tax	Refundable	Is not a subject to a tax
Termination of CVS	Import Foreign goods move from SEZ to the rest of the EAEU territory	Paid	Paid	Paid
	Export The EAEU goods are exported outside the territory of the EAEU	Paid Export duty is low or zero	Is not a subject to a tax	Is not a subject to a tax
	Reexport Foreign goods are exported outside the territory of the EAEU	Is not a subject to a tax	Is not a subject to a tax	Is not a subject to a tax

Residents are required to keep records of imported, exported, stored, manufactured, processed, purchased and sold goods on the territory of the SEZ and to submit reports to the customs authorities regarding these goods

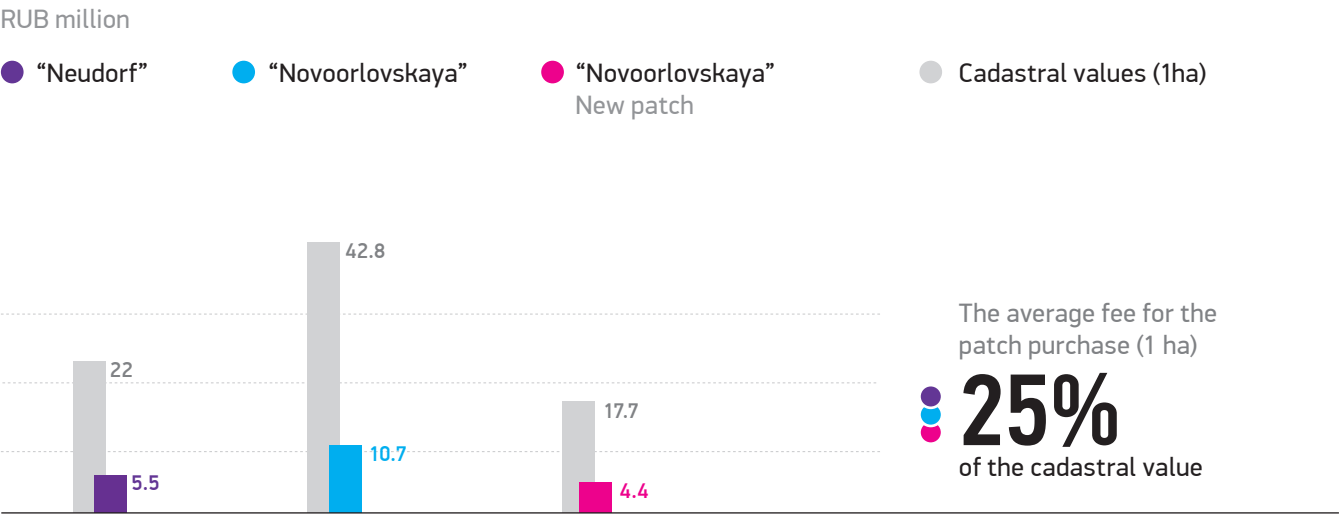
Any changes that occur with the goods placed under the customs procedure of the free customs zone should be reflected in the accounting documents



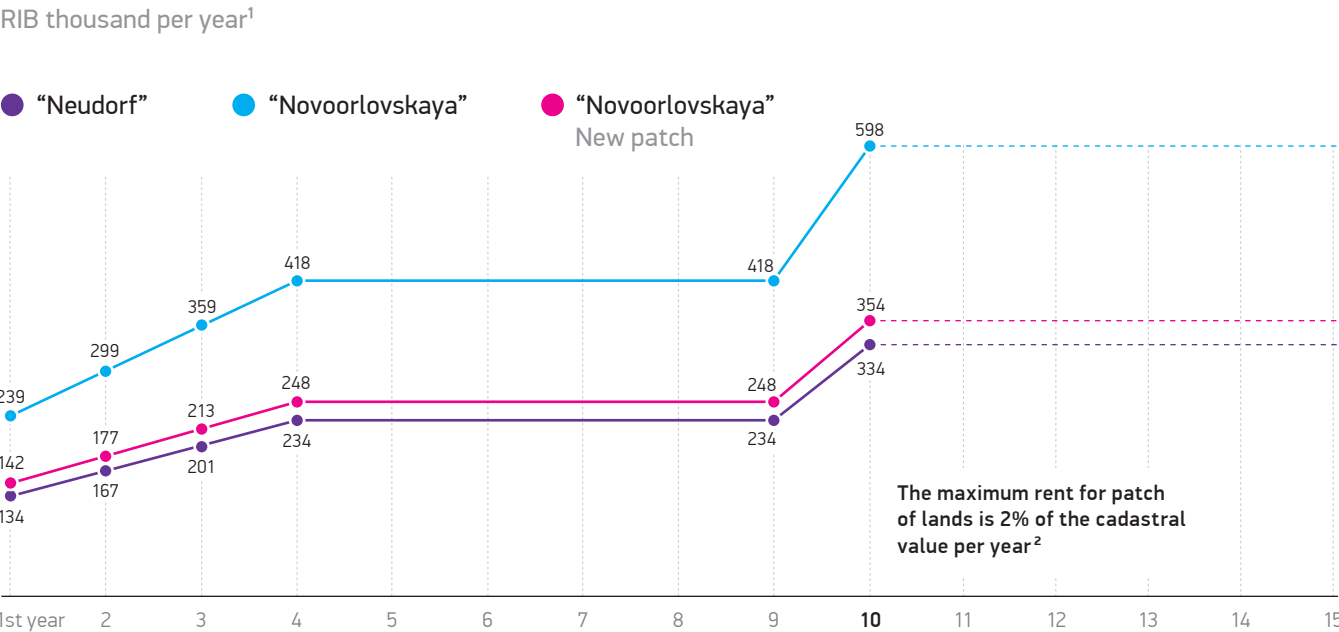
Contacts
spbsez.ru
invest@spbsez.ru
+7 (812) 380 49 29

PATCH OF LAND

REDUCED PAYMENT FOR PURCHASE



AVERAGE RENT VALUE



PROCEDURE FOR RESIDENT STATUS GRANTING

1 SUBMISSION OF APPLICATION AND SET OF DOCUMENTS

The application is sent along with:

-  Business plan
-  Copy of the certificate of state registration
-  Copy of the certificate of registration in the tax authority
-  Copy of constituent documents

The application must contain:

1. Description of the proposed activity
2. Area (size) of the required land
3. State and/or municipal property needed for implementation
4. Volume of investments and capital investments during the applicant's period of activity in the SEZ within three years from the date of concluding the agreement on implementation of activity
5. Technical parameters of the leased property

2 REVIEW OF THE APPLICATION

If the organisation's investment volume is **< 30 million roubles**, it is possible to obtain resident status according to a simplified procedure, without the Expert Council

3 DECISION OF THE EXPERT COUNCIL

No later than 40 days after notification of receipt of the application, the authorised body sends the applicant its decision on whether the application will be sent for conclusion of an agreement to the Expert Council of Special Economic Zones (technical innovation type) or on its refusal to consider the application, indicating the reason for said refusal

49
RESIDENTS

 NOVARTIS

 **WERTEKS**
Pharmaceutical Company

 **BIOCAD**
Biotechnology Company

INNOVATIVE INDUSTRIAL AND TECHNOLOGICAL PARKS

GOAL

To support large, rapidly developing and efficient enterprises that plan to establish cooperative associations or enterprises on their territories that carry out scientific, innovative, and production activity from among small and medium-sized businesses

PROCEDURE FOR OBTAINING STATUS



	TECHNOLOGICAL PARK	INNOVATIVE-INDUSTRIAL PARK	
Economic requirements	Payroll budget For the year on 1 ha of declared patches of land	\geq RUB 65 million	\geq RUB 50 million
	Investments For 5 years on 1 ha of declared patches of land	\geq RUB 100 million	\geq RUB 120 million
	Total revenue From the activity for the year to 1 ha of declared patches of land	\geq RUB 130 million	\geq RUB 150 million
	Average monthly earnings of Employees in the year preceding the year of application for status	Not less than the average salary in St. Petersburg	
Recovery claims	Total area of capital construction projects	\geq 10,000 m ²	\geq 20,000 m ²
	Number of non-core objects	\leq 20 % from the total area of the declared immovable property	\leq 20 % from the total area of the declared immovable property
	Number of profile objects	\leq 20 % from the total area of the declared immovable property	
	Real estate Provided for rent to residents	\leq 30 % from the total area of the declared immovable property	\leq 50 % from the total area of the declared immovable property

RELIEF FROM PAYMENT OF TAX



In relation to buildings of the property complex, which is granted the status of an IPP or TP, for a period limited by the payback period of investments in the specified buildings



In respect of the patches of land of the property complex, provided that the area of buildings located on the specified patches of land is at least 50% of their total area

ST. PETERSBURG INDUSTRY DEVELOPMENT FUND

OBJECTIVES



Projects aimed at the development of new high-tech products



Buying equipment



Technical re-equipment



Payment of the down payment under leasing projects on favourable terms



Overcoming dependence of Russian industry on foreign technology

TERMS

Rate
IS FROM 3 TO 5%

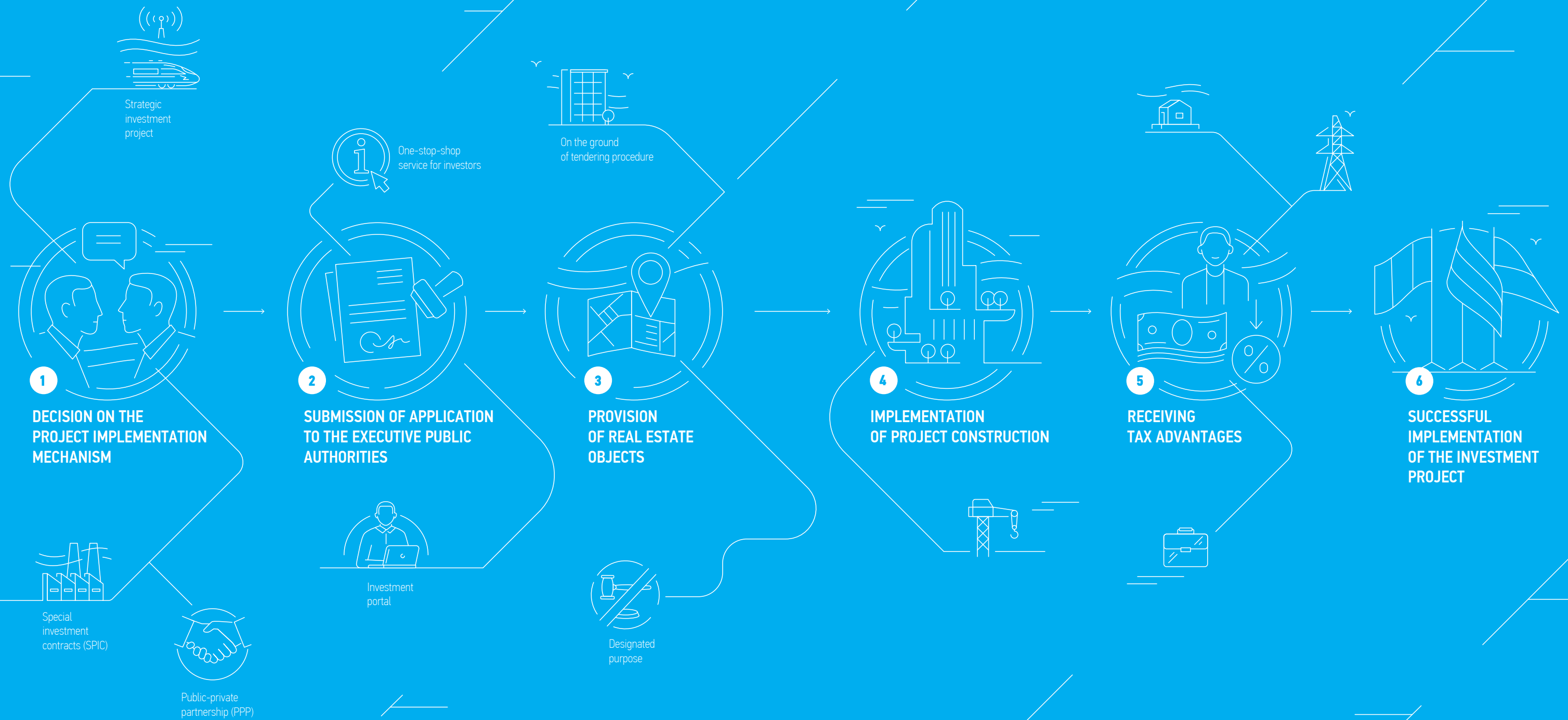
UP TO 5 YEARS
The term



P. 54
Detailed information

From RUB 5 million

UP TO RUB 150 MILLION



STATE SUPPORT FOR INVESTMENT ACTIVITIES

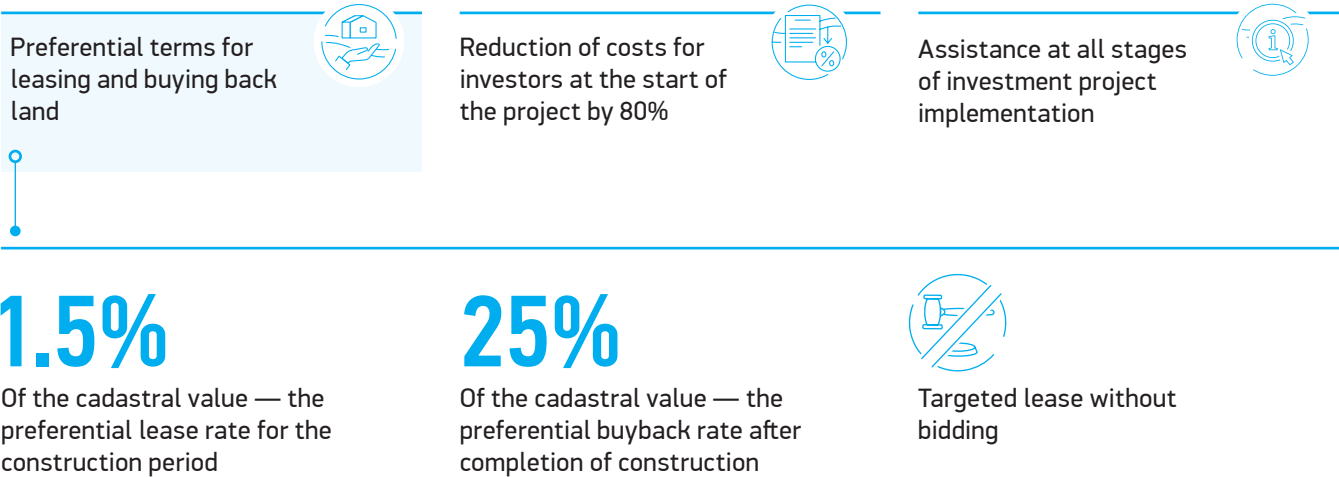
STRATEGIC INVESTMENT PROJECT



INVESTORS PARTICIPATING IN THE IMPLEMENTATION OF INVESTMENT PROJECTS WILL RECEIVE THE STATUS OF **STRATEGIC INVESTOR**. AN AGREEMENT IS SIGNED BETWEEN THE INVESTOR AND ST. PETERSBURG ON THE IMPLEMENTATION OF A STRATEGIC INVESTMENT PROJECT

SUPPORT MEASURES

The validity period for support measures is the period of project implementation, with maximum validity of 10 years as of the date on which status is approved



CONDITIONS FOR A STRATEGIC INVESTMENT PROJECT

1 ENSURING A MINIMUM TOTAL INVESTMENT VOLUME¹

RUB 1 BILLION	RUB 2 BILLION
Healthcare	Transport and logistics
Culture	Engineering infrastructure
Physical culture and sports	Industry
Science	Conversion for the purposes of freeing up territory and building capital construction facilities
Innovation	
Tourism (including hotels)	
Education	

2 EFFECTIVE IMPLEMENTATION OF INVESTMENT PROJECTS FOR INVESTORS AND FOR ST. PETERSBURG (PAYBACK PERIOD, PROFITABILITY, TAX REVENUES)

3 IMPLEMENTATION OF IMPORT SUBSTITUTION MEASURES

4 EXPERIENCE IN IMPLEMENTING INVESTMENT PROJECTS OF SIMILAR INDUSTRY AFFILIATION²

5 IMPROVEMENT OF SOCIO-ECONOMIC AND/OR CULTURAL LIVING CONDITIONS FOR CITIZENS

¹ To make investments for no more than three years before applying for status

² Within a maximum period of 10 years before applying for status, with a value equal to or less than the amount specified in point 5

HOW TO GET THE STATUS OF A STRATEGIC PROJECT

PREPARATION CONDITIONS

- 1 Significant socio-economic efficiency
- 2 Positive result of the organisation's activities in St. Petersburg
- 3 Favorable effect on the city image

INVESTOR

Submission and registration of the appeal in the Investments Committee of St. Petersburg

1 working day

INVESTMENTS COMMITTEE

Consideration of the appeal

5 working days

Approval or refusal for revision, 2 days

Expert investigation,
preparation of the
conclusion

1 calendar month¹

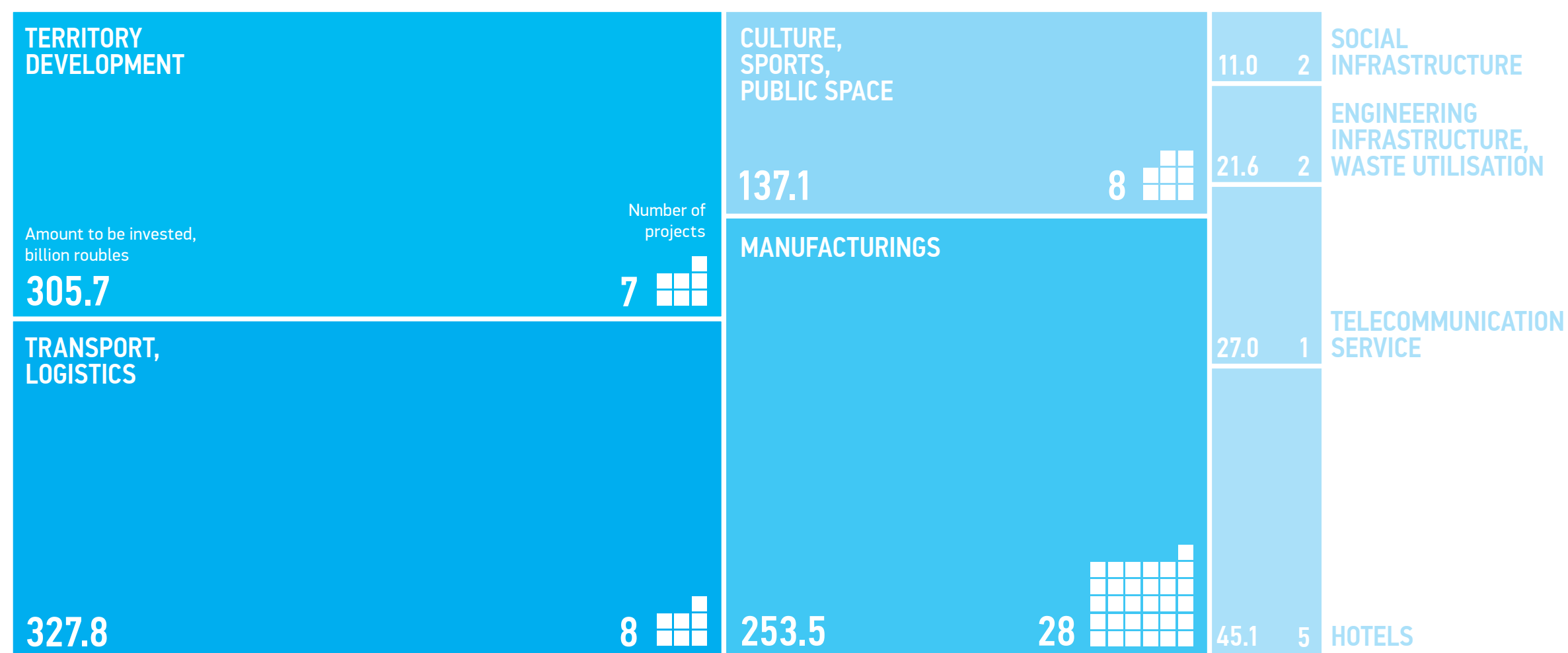
Notification of expert investigation conclusion, 5 days

- Development of a draft legal act on a strategic investment project/partner

7 calendar days

Draft resolution publication,
Individual time frames

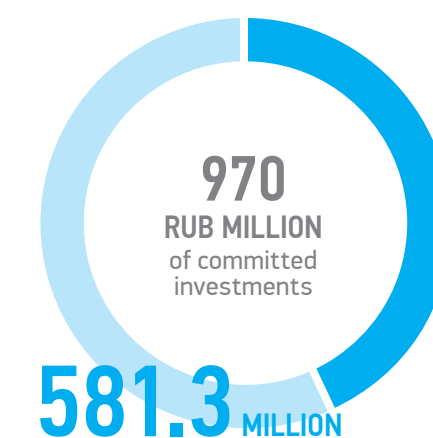
RESULTS OF 2004–2018



61

INVESTMENT PROJECT

10 ARE COMPLETED



The amount of actually investments

PUBLIC-PRIVATE PARTNERSHIP (PPP)

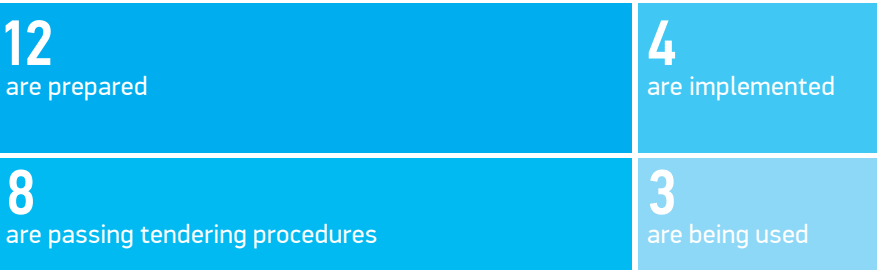


LONG-TERM INTERACTION BETWEEN GOVERNMENT AND BUSINESS, WHERE THE COMPANY PARTICIPATES NOT ONLY IN THE DESIGN, FINANCING, CONSTRUCTION OR RECONSTRUCTION OF THE INFRASTRUCTURE FACILITY, BUT ALSO THE SUBSEQUENT OPERATION AND (OR) MAINTENANCE

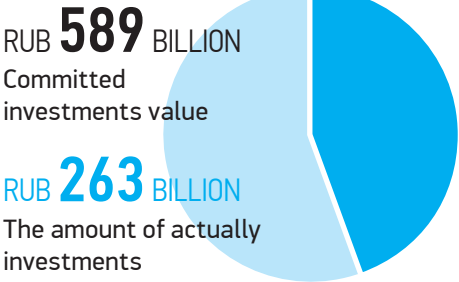
TYPES OF AGREEMENTS

	CONCESSIONARY AGREEMENT (CA)	AGREEMENT ON PUBLIC-PRIVATE PARTNERSHIP (PPPA)
Creation or reconstruction of property	Investor	Investor
Financing	Investor	Investor / The city
Operation	Investor	Investor / The city
Proprietary right	The city	Investor / The city

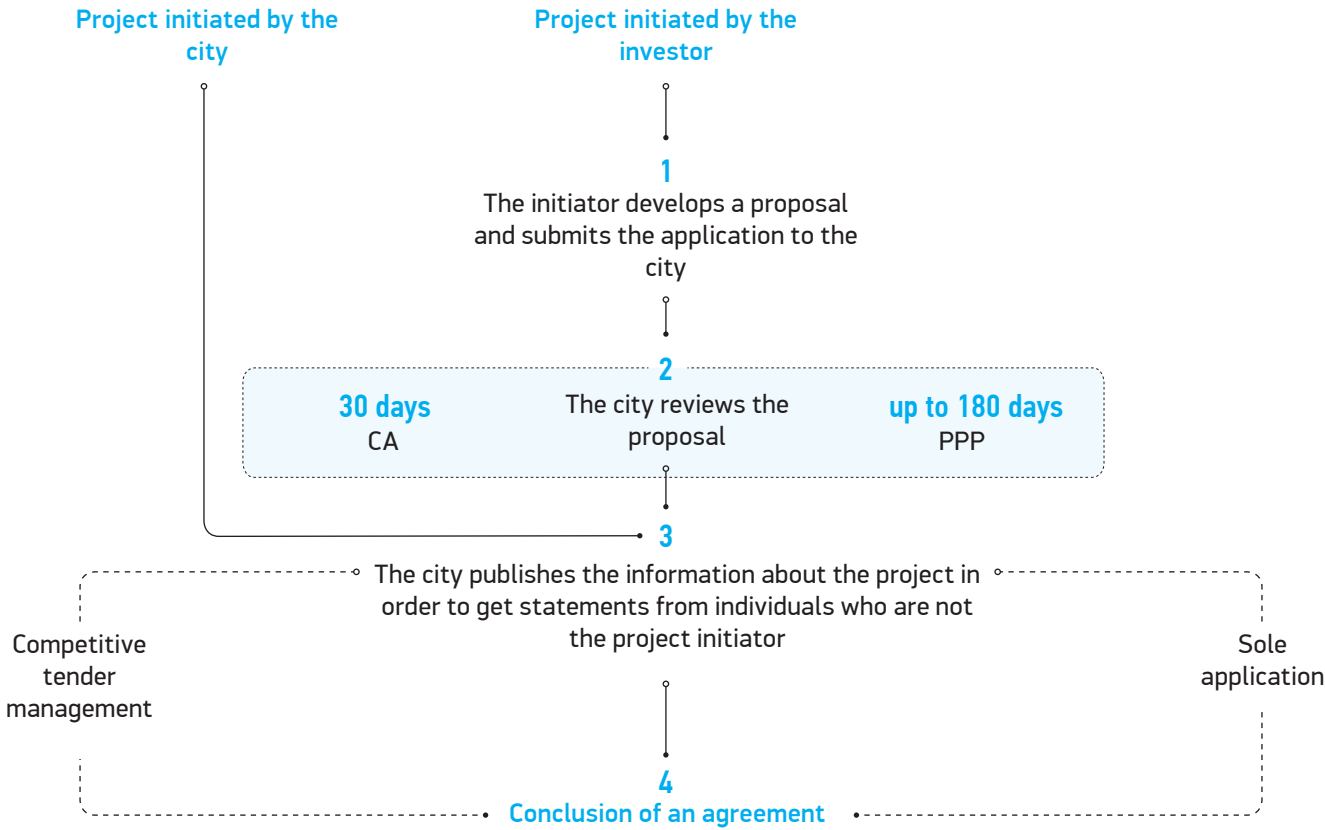
27 PROJECTS



INVESTMENTS



THE PROCEDURE FOR CONCLUDING AN AGREEMENT FOR THE IMPLEMENTATION OF THE PROJECT



SPECIAL INVESTMENT CONTRACTS (SPIC)

A TRIPARTITE AGREEMENT BETWEEN THE INVESTOR, ST. PETERSBURG AND RUSSIA, WHERE THE INVESTOR IS OBLIGED TO CREATE, UPGRADE OR DEVELOP THE PRODUCTION OF INDUSTRIAL PRODUCTS ON THE TERRITORY OF THE CITY, AS ST. PETERSBURG UNDERTAKES TO STIMULATE THE ACTIVITY IN THE INDUSTRY DURING THE TERM OF SPIC

Effective term of SPIC

10 YEARS

The deadline for the project operating profit +5 years

The minimum investment in the framework of SPIC

RUB **750** MILLION

For obtaining preferential rates on corporate tax

SPIC AGREEMENTS IN ST. PETERSBURG

IN 2017

BIOCAD
Biotechnology Company

gPh
ГЕРОФАРМ

IN 2018

HYUNDAI



Implementation of the project with the involvement of Nissan Manufacturing Rus LLC

FAVORABLE CONDITIONS

EXEMPTION FROM CHARGES ON THE ORGANISATIONS PROFIT



Implementation of priority activities in the field of processing industries



Revenues from sales of goods produced as a result of SPIC:
> 90% of the income of the organisation

Tax exemption **UNTIL THE END OF THE SPIC**, but no later than 2025

REDUCED RATE FOR INCOME TAX OF THE ORGANISATIONS UP TO 13.5% (in 2019–2020 is up to 12.5%)



Revenues from sales of goods produced as a result of SPIC:
>70% of the income of the organization

The validity period ends when the savings from this benefit are equal to the investment volume, but no later than the term of the contract.

EXEMPTION FROM THE CHARGE ON INVESTMENT PROPERTY



Amount of investments:
RUB 300 MLN

Exemption from the charge for **5 YEARS**

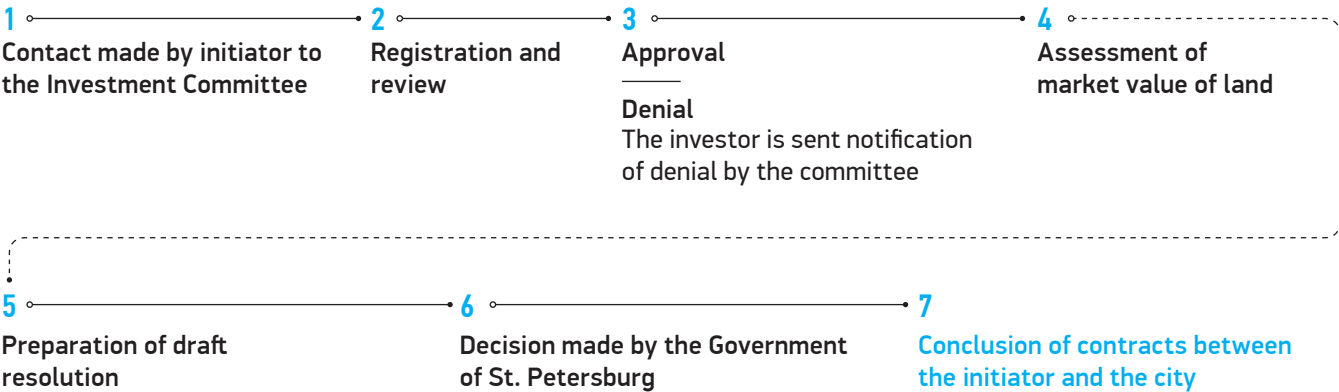
PROVISION OF REAL ESTATE

PATCH OF LAND

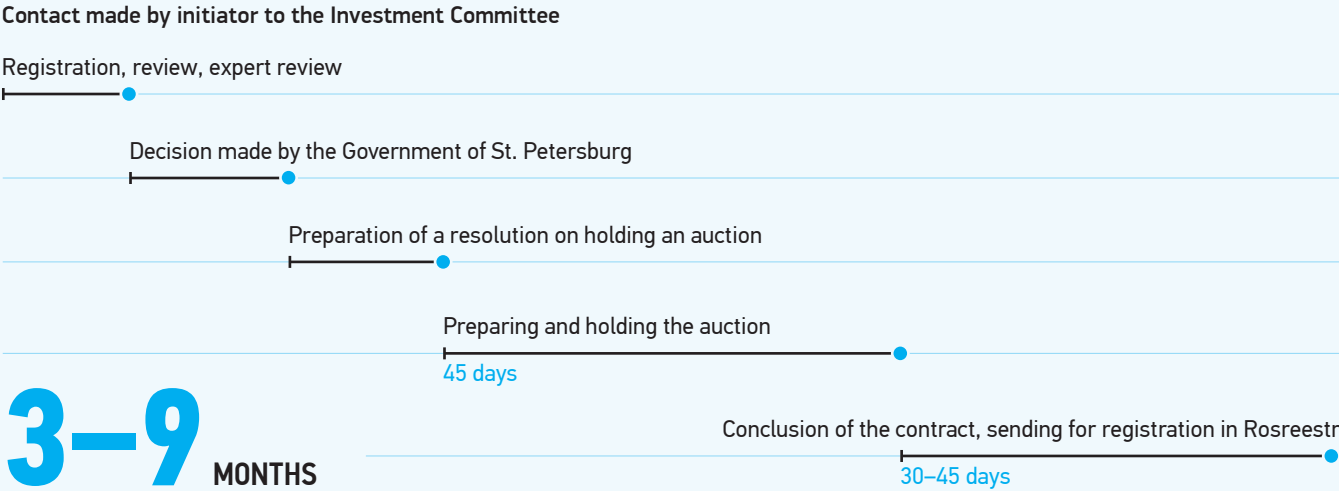
CONDITIONS FOR DESIGNATED PURPOSE

Before an application is submitted, the land plot must be registered in the cadastre. The borders should not need to be clarified.

- 1 Implementation of the strategic investment project
- 2 Accommodation of facilities for social/cultural purposes
- 3 Accommodation of facilities for public/residential purposes



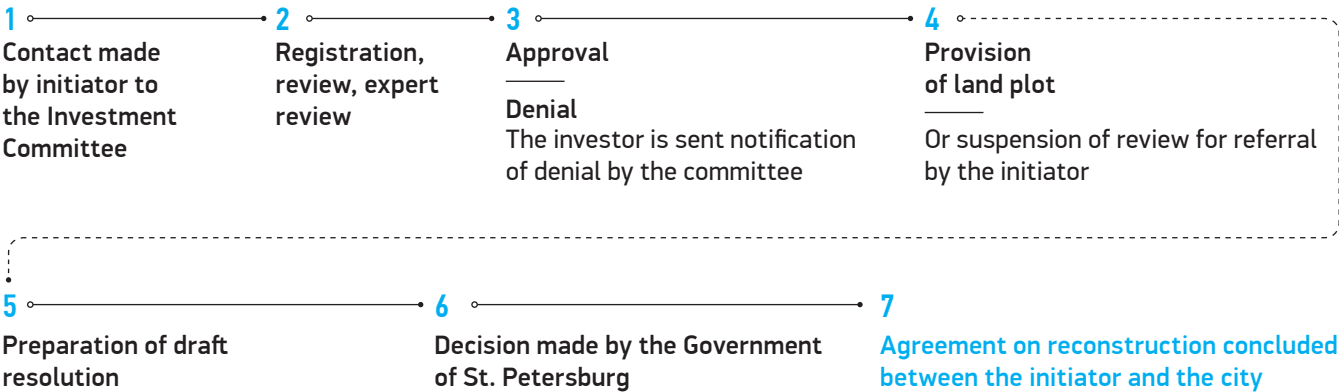
AT THE AUCTION



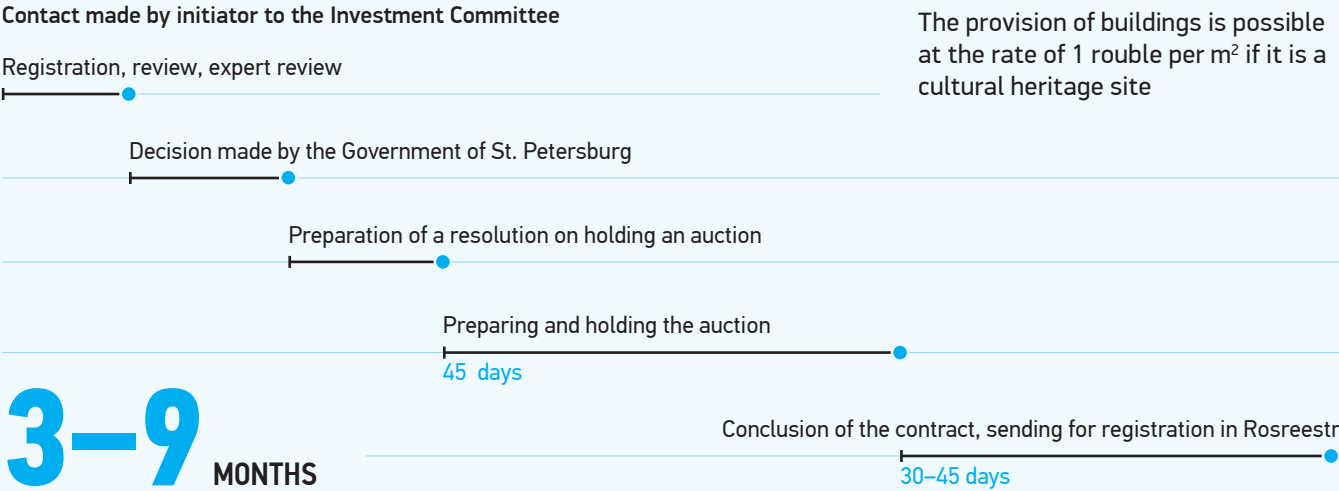
BUILDINGS AND STRUCTURES

CONDITIONS FOR DESIGNATED PURPOSE

- 1 Reconstruction of production facilities, engineering and transport infrastructure
- 2 Single participant of failed bid
- 3 Other grounds as specified in St. Petersburg Law No. 282-43 dated 17 June 2004



AT THE AUCTION



TAX BENEFITS FOR INVESTORS

GENERAL REQUIREMENTS FOR ORGANISATION



Organisation means tax resident of St. Petersburg



Average monthly salary of employees is at least 3 times higher than minimum wage

EXEMPTION FROM PAYMENT OF LAND TAX

100

RUB MILLION

investments for no more than 3 years in the period from 1 January 2015



With regard to the patch within the boundaries of St. Petersburg, within which the boundaries of real estate are located



At least 30% of the patch of land is occupied by real estate objects in which funds have been invested

Exemption from the charge for 2 years

PREFERENTIAL TAX RATE ON IMMOVABLE ESTATE

OBJECTS

BUSINESS AND RESIDENTIAL REAL ESTATE



For newly created objects

1%

of object cadastral values

2019

1.25%

2020

1.5%

2021

1.75%

2022

2%

2023

EXEMPTION FROM PROPERTY TAX PAYMENTS

300

RUB MLN

Amount to be invested for any 3 years within the period from 1 January 2015



Immovable estate (except patches of land)

Exemption from the charge for 2 years

500

RUB MLN

Amount to be invested for any 3 years within the period from 1 January 2016



Cultural items in St. Petersburg

Exemption from the charge for 3 years

800

RUB MLN

Amount to be invested no more than for any 3 years within the period from 1 January 2010 up to 31 December 2016



Manufacturings



Transport and communications



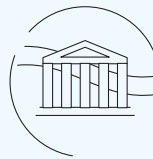
Production and distribution of electricity, gas and water

Exemption from the charge for 5 years

1

RUB BILLION

Amount to be invested for any 3 years within the period from 1 January 2016



Cultural items in St. Petersburg

Exemption from the charge for 5 years

ADDITIONAL BENEFITS

P. 28, 34, 44

Exemption from property tax for SEZ, SPIC and industrial parks

P. 28, 44

Reduced rate for income tax for SEZ and SPIC

P. 34

Exemption from land tax for industrial parks

HOTEL INFRASTRUCTURE DEVELOPMENT PROGRAMME FOR 2017–2021

METHODS OF PROVIDING REAL ESTATE OBJECTS OWNED BY ST. PETERSBURG



Public-private partnership



Strategic project of St. Petersburg



Cultural heritage sites (the rent is 1 ruble)



Tender

PROVISION OF CULTURAL HERITAGE SITES IN UNSATISFACTORY CONDITION

----- Appeal for the lease of non-residential building

Preparation required documents of MMD, SIPM: protection obligation, act of unsatisfactory condition of the object

30 days

Issuing a tender order (MMD)

14 days

Formation of a set of documents for tendering (Property Fund)

Up to 5 month

The exhibition on the Property Fund website

30 days

Tendering, conclusion of a lease agreement for 49 years

30 days

UP TO **9** MONTH

Duration of the entire process

The tenant restores the object and pays the rent -----

BUILDINGS

Nab. river Moika, 26, lit. A, B, G

2,424 M²
Patch area

6,000 M²
Building area

The proximity of the subway

740 M

Admiralteyskaya

750 M

Griboedov Canal

Bolshoy Kazachy per., 10

1,185 M²
Patch area

~5,000 M²
Building area

The proximity of the subway

300 M

Pushkinskaya

Voznesensky pr., 36A

2,929 M²
Patch area

7,352,5 M²
Building area

The proximity of the subway

800 M

Sadovaya

PATCHES OF LAND

Maly prospekt Vasilyevskogo ostrova, patch 1

1,744 M²
Patch area

4,000 M²
Area of improvements to be built

The patch between Borovaya, Prilukskaya, Voronezhskaya and Rasstannaya streets

1,108 M²
Patch area

5,000 M²
Area of improvements to be built

The proximity of the subway

950 M

Obvodny kanal

Prospekt Pyatiletok, 17, korp. 2, lit. A (north)

4,100 M²
Patch area

7,000 M²
Area of improvements to be built

The proximity of the subway

800 M

Ladozhskaya

900 M

Prospect Bolshevikov

INVESTMENT PROJECT IMPLEMENTATION STAGES

IMPLEMENTING INVESTMENT PROJECTS RELATED TO
CONSTRUCTION OF REAL ESTATE REQUIRES VARIOUS STAGES
OF COORDINATION WITH CITY ADMINISTRATION



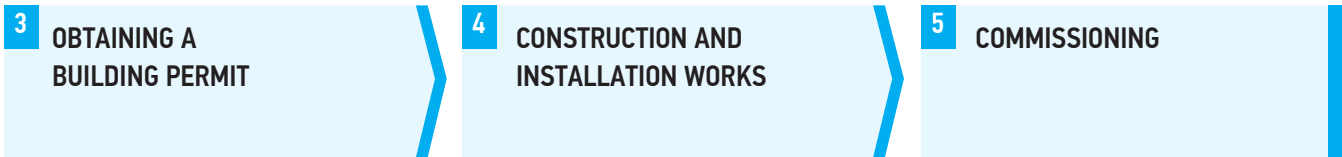
- REFERENCE**
- Located outside of specially protected natural areas
 - Not connected with substances of hazard classes I–V
 - Height — **up to 50 m**
 - If roof is non-accessible: from the fire access route to the windowsill of the last floor
 - If roof is accessible: from the fire access route to the upper line of fencing



43 days

- **Obtaining urban development plan of land plot**
25 days (Unified Complex Building System of St. Petersburg, Committee on Urban Planning and Architecture of St. Petersburg, Multifunctional Centre)
- **Conclusion of connection agreements 18 days**
 - To the electric power grid, 10 days (Unified Complex Building System of St. Petersburg, United Power Company)
 - To the sewerage/water supply system 18 days (Unified Complex Building System of St. Petersburg, United Power Company)

DETERMINED BY THE DEVELOPER



9 days

- **Granting of building permit**
(Unified Complex Building System of St. Petersburg)

DETERMINED BY THE DEVELOPER

18 days

- **Obtaining technical plans for the building and external utility lines**
The term is defined by the contract
- **Obtaining a permit to commission the facility**
9 days (Unified Complex Building System of St. Petersburg)
- **State registration of property rights**
9 days (The Federal Service for State Registration, Cadastre and Cartography in St. Petersburg)



- SPECIFIC**
- Requires approval with respect to architectural aspects and urban planning features
 - Is subject to state construction supervision

55 days

- **Obtaining urban development plan of land plot**
25 days (Unified Complex Building System of St. Petersburg, Committee on Urban Planning and Architecture of St. Petersburg, Multifunctional Centre)
- **Conclusion of connection agreements, 30 days**
 - To power grids (United Power Company)
 - To the heat supply system (United Power Company)
 - To the sewerage/water supply system (Unified Complex Building System of St. Petersburg, United Power Company)
 - To the gas distribution network (United Power Company)

20 days

- **Coordination/approval of the urban planning and architectural aspects of the facility** (Committee on Urban Planning and Architecture of St. Petersburg)

44 days

- **Obtaining a positive conclusion from the expert review of project documentation**
35 days (Unified Complex Building System of St. Petersburg)
- **Granting of building permit**
9 days (Unified Complex Building System of St. Petersburg)

DETERMINED BY THE DEVELOPER

48 days

- **Obtaining technical plans for the building and external utility lines**
30 days
- **Obtaining a permit to commission the facility**
9 days (Unified Complex Building System of St. Petersburg)
- **State registration of property rights**
9 days (The Federal Service for State Registration, Cadastre and Cartography in St. Petersburg)

EXECUTIVE AUTHORITIES AND OWNERS OF UTILITY NETWORKS

1

**State Construction Supervision and Examination Service of St. Petersburg**

Zodchego Rossi, 1—3, 2 entrance

+7 (812) 576 15 12

www.expertiza.spb.ru

2

**JSC Property Fund of St. Petersburg**

Grivtsova per., 5


+7 (812) 426 11 11


фондимущества.рф
pochta@property-fund.ru


**Unified system of the building complex**


www.info.essk.gov.spb.ru

3


**State unitary enterprise "Fuel and energy complex of SPB"**


M. Morskaya, 12, lit. A


+7 (812) 601 93 93

www.gptek.spb.ru


4


**Front Office "One-stop-shop service"**


Moskovskiy pr., 60/129, lit. A


+7 (812) 332 22 32

5

**PJSC Lenenergo**

Krasnogo tekstilshchika ul., 10-12, lit. O

+7 (812) 595 86 62

www.lenenergo.ru

6

**Committee for Urban Development and Architecture**

Lomonosova pl., 2

+7 (812) 576 16 00

www.kgainfo.spb.ru

7


**Technology and innovation SEZ "St. Petersburg"**


road to Kamenka, 74, lit. A


+7 (812) 380 49 29


www.spbsez.ru
invest@spbsez.ru

8

**State Unitary Enterprise Vodokanal of St. Petersburg**

Kavalergardskaya ul., 42

+7 (812) 305 09 09

www.vodokanal.spb.ru

9


**Non-profit organisation St. Petersburg Industrial Development Fund**


Borovaya ul., 26-28, lit. A, pr. 3H


+7 (812) 380 49 29


www.frp.spb.ru
info@frp.spb.ru

10


**PeterburgGaz LLC**


Gorokhovaya ul., 63/2


+7 (812) 335 59 44


www.peterburggaz.ru

11

**FSBI "FSP Rosreestr" St. Petersburg branch**

Suvorovsky pr., 62

+7 (800) 100 34 34

www.kadastr.ru

12

**Committee of Property Relations**

Novgorodskaya ul., 20A

+7 (812) 576 75 57

www.commim.spb.ru

**St. Petersburg Industrial Policy and Innovation Committee**

Novgorodskaya ul., 20A

+7(812) 576 00 19

www.cpqi.gov.spb.ru

**Investment Committee oa St. Petersburg**

Novgorodskaya ul., 20A

+7 (812) 576 60 41

www.spbinvestment.ru

Kirovsky District

Frunze District

City centre

Vasilevsky Island

WHSD

WHSD

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