RUSSIA IS THE GATE TO THE EURASIAN ECONOMIC UNION

Population, mn
Russia: 146,544
Eurasian Economic Union: 182,732

GDP, bln $
Russia: 1332
Eurasian Economic Union: 1587

Turnover with third countries, bln $
Russia: 483.9
Eurasian Economic Union: 579.5

Industrial output, bln $
Russia: 790,794
Eurasian Economic Union: 907,141

GDP by PPP, bln $
Russia: 3580
Eurasian Economic Union: 4265

4 reasons for doing business in Russia:
- Domestic demand is still growing
- Export potential
- Natural resources
- Short-term growth drives

Over 20 mn people
Over 182,7 mn sq km
15% of the world land
GDP by PPP (purchasing-power parity) – 3,58 trln.$
(6th in the world in 2015)
Projected growth for 2020 – 4 trln.$

18,09
China
17,35
India
7,41
USA
4,77
Japan
3,75
Germany
3,58
Russia
3,3
Brazil

Natural resources
- Oil: 1 place in the world 534 million tons
- Gas: 2 place in the world 633.4 billion cubic meters
- Steel: 5 place in the world 71.1 million tons
- Aluminium: 2 place in the world 3.601 million tons
- Wood: 25% of world reserves

Average cost of construction
- 550 $ per m²

Cost of energy
- Grid connection (for 1 MW) 262,725 $
- Energy consumption (for 1 kWh) 0.04 $
- Gas consumption (for 1 m³) 0.06 $
- Water consumption (for 1 m³) 0.46 $

Export potential
- Export growth of 28% from 2013 to 2016, 498 billion US dollars, 19.4 $ bln of them - agricultural production.

Domestic Demand
- 7th biggest consumer market in the world. The volume of public procurement in Russia in 2015 is estimated at 25 trln RUR (only for localised production). Automotive market in Russia - 1.6 million vehicles in 2015 (7th place in the world).

Export turnover
- 907.141 bln $ Industrial output
- 1587 bln $ Usd EAEU gross domestic product in 2015

579 bln $ foreign trade turnover
HOW YOU TRADE IN RUSSIA

IMPORT & SALES

Through branches

Through Russian legal entity

Through distributors

OR

LOCALIZATION OF MANUFACTURING
HOW YOU MAKE IN RUSSIA

LOCALIZATION FORMATS

JOINT VENTURE
creation of a co-venture involving Russian and foreign companies and further organization of production within SPV

OWN PLANT CONSTRUCTION
creation of own productive capacities, operated by a subsidiary of an international company

CONTRACT MANUFACTURING
an output of customized products using capacity of an independent manufacturer, who ensure full compliance with technological cycle and quality control of ready products in accordance with the customer requirements
NEW INDUSTRIAL POLICY

**Government**
- Special investment contract
- Network of funds for industrial development
- «Russian-made product»
- Development of production infrastructure
- State industry information system

**Private investor**
- Establishment or modernization of industrial production
- High-performance workplaces
- Production of innovative products

The Federal law on industrial policy in Russia № 488-FZ
MADE IN RUSSIA

- Different stages of industry development
- Features of technical and technological processes of production
- Other factors

It is counterproductive to apply unified rules of determining the country of origin of goods to impose bans and limitations in the sphere of public procurement.

Framework Decree № 719
- Criteria of Russian-made product definition;
- Gradual increase of requirements for Russian components in value added (the number of mandatory technological operations);
- Flexible approaches to the means of validation of origin of goods;
- «Special soft localization» (special investment contract allows to achieve the required level of local content later);
- Extension of industrial perimeter

Existing industries:
- Machine-tool industry; car manufacturing;
- Special machine industry; heavy engineering;
- Photonics and lighting engineering;
- Power engineering, electrical and cable engineering

Involvement of other industries:
- Medical and pharmaceutical industries;
- Consumer goods industry;
- Shipbuilding industry, etc.
ABOUT THE ASSOCIATION OF INDUSTRIAL PARKS

NON-COMMERCIAL ORGANISATION SINCE 2010
• 132 legal entities
• 89 industrial parks in 45 Russian region

FOCUS ON
• Lobby
• Investment support
• Special consulting

OUR TOOLS
• 20 events per year
• Guidance materials and analytics
• Geoinformational system of industrial parks
• Certification of industrial parks

FOR FOREIGN COMPANIES IN RUSSIA
• Entry point
• Reliable partner

OUR PARTNERS

MINPROMTORG RUSSIA

Industrial Development Fund

MINISTRY OF ECONOMIC DEVELOPMENT OF THE RUSSIAN FEDERATION

MINISTRY FOR THE DEVELOPMENT OF THE RUSSIAN FAR EAST