NOVGOROD REGION:
A COMFORTABLE TERRITORY FOR EFFECTIVE BUSINESS
VELIKY NOVGOROD - BIRTHPLACE OF RUSSIAN STATEHOOD
Before the First World War, Belgium was one of the leading investors in the Russian Empire. There were created about 200 companies with Belgian capital in Russia. In the Novgorod province successfully carried out the activity «Russian-Belgian joint stock company of ceramic products »Nov». 

The partnership between Novgorod and Belgium has a long history. The beginning of Russian-Belgian relations was laid in the 13th century. Through Novgorod, Russia entered into trade relations with Western Europe and directly with Belgian cities. In the Middle Ages in Novgorod and Bruges there were some of the largest offices of the Hansa. Nowadays, Veliky Novgorod and Belgium are also part of the Hanseatic League of the Modern Time.
There were the largest trade representations of the Hanseatic League in Veliky Novgorod the Gothic and the German.

Veliky Novgorod - the first Russian city in the Hanseatic League of the Modern Time.

In 1993 Veliky Novgorod has officially joined the Hanseatic League of Modern Time.

VELIKY NOVGOROD AND HANSEATIC LEAGUE OF MODERN TIME
XXIX HANSEATIC DAYS IN VELIKY NOVGOROD

18 - 21 of July 2009

2712 accredited participants
84 cities
15 countries
GEOGRAPHIC LOCATION IS THE KEY COMPETITION ADVANTAGE OF NOVGOROD REGION

Within 500 km there are:
• >30 million people
• 50 thousand enterprises
• The largest markets in Russia: St. Petersburg and Moscow
• Two large seaports St. Petersburg and Luga
• International airport Pulkovo

Location on the federal highways **M10** and **M11**

Railroad: **1 hour** to St. Petersburg

Railroad: **4 hours** from the Moscow city center
PRIORITY DIRECTIONS FOR INVESTMENT IN THE REGION

**TOURISM**
Hotels, resorts and spa holidays, theme parks

**LOGISTICS CENTERS**
Vegetable storages, distribution centers

**CONSTRUCTION OF DATA CENTERS**

**ESTABLISHMENT OF HIGH TECHNOLOGY ENTERPRISES**

**AGRICULTURE**
Livestock raising, industrial harvesting and processing of berries

**PROCESSING OF AGRICULTURAL PRODUCTS**

**PEAT**
Extraction and processing of peat

**WOODWORKING**
INVESTMENT SITES
OF NOVGOROD REGION

MORE THAN 100 sites with a total area of 10,000 hectares

For accommodation of recreational objects

For placing industrial objects

For private housing and construction of apartment buildings

For placing agricultural enterprises

For placing distribution centers
Over 100 INVESTMENT SITES whose aggregate area exceeds 10000 ha

4 priority state greenfield investment sites in Novgorod Region, namely:
- Veliky Novgorod
- Novgorod district
- Chudovo district
- Staraya Russa district
HIGH AVAILABILITY OF FREE NATURAL AND ENERGY RESOURCES IN THE REGION

MAP OF ENERGY SUPPLY OF THE NOVGOROD REGION

- Substations with free power > 1 MW
- Substations with free power ≤1 MW
- Substation 330 kV «Federal Grid Company of Unified Energy System»

510 million tons of PEAT
high availability of natural resources

210 thousand hectares of land
for agricultural purposes

4 million m³ of logging area
high availability of natural resources

1.6 bcm/year of gas available on the GDS
capacity reserve of gas pipeline and electric transmission lines

50% of free capacities of substations

Availability of main fiber-optic communication lines

Electricity supply scheme of Veliky Novgorod
Novgorod Region was the first to enter the market of foreign investments. Since 1996, more than 800 billion rubles of foreign investments have been directed to the region’s economy. We attract investments since the 9th century!

- Manufacture of particleboard and cabinet furniture.
- Production of planed materials.
- Manufacture of chewing gum and sugar candies.
- Manufacture of car covers.
- Lumber and plywood.
- Flexible packaging.
- Household chemicals.
PJSC «ACRON» is one of the leading vertically integrated producers of mineral fertilizers in Russia and in the world. Enterprise contains foreign capital of the Grand Duchy of Luxembourg.
WOODWORKING INDUSTRY

OOO «IKEA INDUSTRY NOVGOROD»

PRODUCTION OF:
• CHIPBOARD
• FURNITURE
PLYWOOD FACTORY UPM CHUDOVO

HIGH-QUALITY SANDED AND LAMINATED PLYWOOD MANUFACTURED AT UPM CHUDOVO FACTORY (NOVGOROD REGION) IS WIDELY APPLIED IN CONSTRUCTIONS, FURNITURE, MANUFACTURE, SHIP-BUILDING AND TRANSPORT ENGINEERING.

UPM CHUDOVO FACTORY
IS A PART OF PLYWOOD BUSINESS OF UPM PLYWOOD

Production facility was launched in 1990. The choice of the new factory construction site in the city of Chudovo (Novgorod Region) was determined by its proximity to the raw material source and accessibility of motorcar and railway arteries, international airport Pulkovo and seaports of Russia and Finland.
The company offers a wide range of thermal and acoustic insulation materials for construction of new buildings and structures and reconstruction of the old ones. The key products are glass fiber-based mineral insulation and thermal insulation made of extruded polystyrene foam. In 1995, the production center in Chudovo became Russia’s first plant to manufacture new-generation thermal insulation materials.

It was constructed on the basis of Chudovo glass factory. Back in the 1990-s, the factory was completely retrofitted according to the international standards and became the first platform for manufacture of thermal insulation materials that had been opened in Russia by a European company.

URSA EURASIA, CHUDOVO BRANCH
URSA IS A MANUFACTURER OF BUILDING INSULATING MATERIALS FOR ACOUSTIC AND THERMAL INSULATION. IT IS ONE OF THE LEADING COMPANIES IN THE EUROPEAN CONSTRUCTIONS MARKET AND ONE OF THE BEST-KNOWN BRANDS OF BUILDING MATERIALS
Stora Enso Wood Products Oy Ltd is a leading manufacturer in the sector of renewable resource solutions and a supplier of innovative timber. Setnovosaw-mill in Nebolchi settlement (Lyubytino district, Novgorod Region) is the group’s subsidiary that manufactures:

- Bio composite materials
- Classical sawn timber
- CLT (laminated timber boards)
- Industrial components
- Pellets
- Construction-purpose laminated beams
- LVL (laminated veneer lumber)

The mill’s headcount amounts to 176 employees.

-- Novgorod Region has an advantageous geographic position between St. Petersburg and Moscow and an extensive supply of raw materials. These two factors became determinants when a plant construction site was being selected. In the future, we are planning a further enhancement of the plant’s competitive capacities through the personnel’s professional development, forestry scope increase, investing into the production modernization and employment of advanced management models.

MIKHAIL POLIN

director general of Setnovosaw-mill:
S.C. Johnson is an American manufacturer of detergents and other household chemicals under the brands GLADE, RAID, MrMuscle and Off, focused on the use of innovation, producing high quality products. The company operates in 72 countries, the goods are sold in more than 110 countries. The company plans to launch the production of household chemical goods in late spring of 2018. The plant will have a full production cycle, which includes not only the packaging of products vials / cans, but also the production of mixtures and semi-finished products on its own equipment.
SPECIAL CONDITIONS FOR INVESTMENT PROJECTS ARE APPROVED IN THE REGION

MONETARY METHODS OF STIMULATION

TERM DEPENDING ON THE STATUS

- **Strategic projects** (more than 1.5 billion rubles) for agricultural strategic project (more than 0.25 billion rubles)
  - 7 years
- **Priority projects** (0.9-1.5 billion rubles)
  - 5 years
- **Other projects**
  - 3 years

NON-MONETARY METHODS OF STIMULATION

- Support of petitions and appeals of investors to federal authorities and credit organizations
- Information support
- Project support

- **13.5% TAX ON PROFITS**
- **50% ALLOWANCE FOR TRANSPORT TAX**
- **0% PROPERTY TAX**
Managing companies and residents of regional industrial locations, managing companies, back-up organizations and residents of technological parks, managing companies (managing organizations) of business incubators

0% for 10 years starting the date of the status designation (agreement execution)

0% for 5 years starting the date of the status designation (agreement execution)

13.5% for 10 years, starting the tax period during which the profit was received

13.5% for 5 years, starting the tax period during which the profit was received

0% for the period of holding the resident status starting the agreement execution date

13.5% for the period of holding the resident status
CREATION OF PRIORITY SOCIAL AND ECONOMIC DEVELOPMENT AREAS (PSEDA)

VELIKY NOVGOROD
sett. Krasnoforfori
sett. Uglovka
sett. Parfino

TAXES AND FEES

FIRST 5 YEARS
Profit tax, paid into the federal budget
0% (instead of 3%)
Profit tax paid into the regional budget
5% (instead of 17%)
Property tax paid into the regional budget
0% (instead of 2,2%)
Land tax
Social contributions

THE NEXT 5 YEARS

3%
10% (instead of 17%)
1,1% (instead of 2,2%)

Can be exempt from tax
7,6% (instead of 30% the next 10 years)

Notation keys
A positive decision to create
Submitted an application for creation
Creation planned
Creation is not planned
Administrative center of a single-industry city
We invite the company to become a resident of an industrial park.
Novgorod region is one of the foremost manufacturers of potatoes, vegetables, eggs and meat in the North-West of Russia.
In 2011, Novgorod Region focused on the seed farming of potatoes and grains and on pedigree livestock breeding.

Five seed farming enterprises and ten pedigree livestock raisers have been formed in Novgorod region. A regional information and breeding center was founded in 2015.

Breeding animal herds for needs of agricultural producers

- Commodity farms in the Novgorod region
- Tribal reproducers of the Novgorod region
- Breeding factories

5 seed farms have been created

Annually farms produce more than 3 thousand tons of elite potato seeds.
FISHERY INDUSTRY 
OF THE NOVGOROD REGION

Industrial fishing 
on the Ilmen lake
• 69 fishing grounds
• 26 economic entities
• 2200–2700 tons of annual fish catch

Commercial fishing
• 18 fishing grounds
• 840 ra hectares of ponds
• 12 economic entities
• 580–600 tons of commercial fish

Industrial fishing 
in small reservoirs of the region:
• 31 fishing plots
• 24 economic entities
• 60–90 tons of annual fish catch
NOVGOROD REGION
IS A PILOT PROJECT FOR
THE DIGITAL ECONOMY AND NTI

NTI PROJECTS: A DIGITAL MODEL OF THE AREA OF NOVGOROD REGION
PROJECT OUTCOMES: CREATION OF A DIGITAL BASIS FOR THE MANAGEMENT OF LANDS OF NOVGOROD REGION

NOVGOROD REGION
IS A PILOT TERRITORY
FOR IMPLEMENTATION
OF THE BLOCKCHAIN
TECHNOLOGY
IN THE GOVERNMENT SERVICES
**GOVERNMENT CONTROL:**
Shifting the operations of the government agencies to the digital platform:
Enhancement of the quality of governmental and municipal services, cost reduction, involvement of the community.

**STAFF TRAINING AT ALL LEVELS OF EDUCATION**

**SMART SCHOOL – PROFESSIONS OF THE FUTURE:**

- **AERONET, GEOMATICS, ROBOTICS.**
  - Championship of blue-collar jobs “Young professionals”
  - 2018 – emergence of a new program for the training of conservation specialists* in Novgorod Region

*Applicability: there are 37 sites in the region listed by UNESCO as historical monuments*
Region has qualified specialists and high personnel potential

An integrated system of higher and secondary vocational education exists in the region.

- 75% of the population have higher or secondary vocational education
- 23 professional educational organizations (colleges, technical schools)
- 4 different higher education institutions and branches
- 72 majors
- 72 professions
- Flexible system of training for the needs of investors
ATTRACTION OF FOREIGN INVESTMENTS

- EMBASSIES AND CONSULATES
- FOREIGN CHAMBERS OF COMMERCE
- TRADE REPRESENTATIVE OFFICES
- NOVGOROD REGION DEVELOPMENT AGENCY
- FOREIGN COMPANIES
- FOREIGN DEVELOPMENT INSTITUTIONS
- FOREIGN BUSINESS ASSOCIATIONS

RESULT:
ATTRACTING INVESTORS TO THE NOVGOROD REGION
SIGNING OF A MEMORANDUM OF COOPERATION BETWEEN THE NOVGOROD REGION AND THE BELGIAN-LUXEMBOURG CHAMBER OF COMMERCE
MAJOR TOURIST CENTERS AND BRANDS

37 MONUMENTS AND ENSEMBLES OF UNESCO

the Novgorod Kremlin (Detinets)
Yaroslav Dvorishche (Courtyard)
Rurik Gorodishche (ancient fortified settlement)
the national park «Valdai»
THE NATIONAL PARK
«VALDAI»

OASIS OF WILDLIFE
BETWEEN TWO MEGACITIES

The tourist infrastructure of the national park gives an opportunity to relax both for tourists with minimum requirements for comfort, with accommodation in tents at tourist stands, and for more demanding guests from different parts of Russia and abroad with accommodation in a guest house and a park hotel.

Since 1994 – Member of the Federation of Natural National Parks in Europe; In 2004, the status of the international biosphere reserve of UNESCO’s «Man and the Biosphere» program was assigned.

- Hotels for 50 persons (billiards, tennis, bicycle rental, cozy gazebo, BBQ)
- The largest specially protected natural area of Russia: 159 000 hectares
- 19 000 tourists and excursionists annually
- 86 tourist camps for temporary accommodation
In the north-east of the Novgorod region between the Malovishersky and Khvoyninsky districts there is Lyubytinsky district, the territory of which is most suitable for the development of active tourism.

On the territory of Borovichi and Lyubytinsky districts there is a reserve «Karstovye Lakes». It includes a large group of karst and glacial lakes and adjoining forest tracts. Especially beautiful is Lake Gorodno, which has a lot of deep bays, picturesque patches on the banks of which pine forests are spread out. In the north of the district, a large number of picturesque lakes are connected by ducts.

**PROJECT**

**ACTIVE OUTDOOR TOURISM**

**WINTER ATTRACTIONS**

**ALL-SEASONS ATTRACTIONS**

**SUMMER ATTRACTIONS**
RAFTING ALONG THE MSTA RIVER

JEEPING

FISHING

HUNTING
MEDICAL AND REHABILITATION RESORTS
WELCOME TO THE NOVGOROD REGION!

TRAVELLING FOR HISTORY

RECREATIONAL AND THEME PARKS