



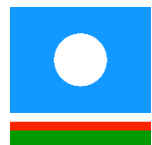
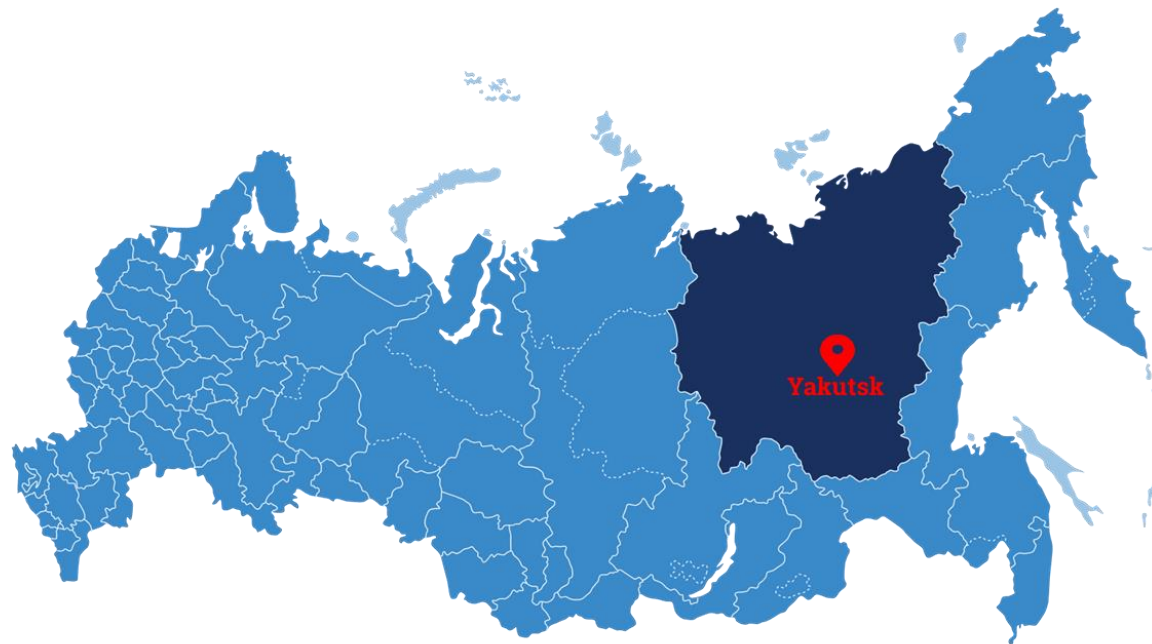
InvestYakutia

INVESTMENT POTENTIAL OF SAKHA REPUBLIC (YAKUTIA)

**YAKUTIA
INVESTMENT DEVELOPMENT AGENCY**

AUGUST 2018

YAKUTIA – TERRITORY OF OPPORTUNITIES



YAKUTIA IS HOME TO MORE THAN
120 NATIONALITIES



POPULATION – **962.8** THOUSAND
Number 1 by natural population
growth in the FEFD



AREA – **3.1** MILLION SQ. KM



CAPITAL – YAKUTSK CITY
324.6 THOUSAND PEOPLE

YAKUTIA – TERRITORY OF OPPORTUNITIES

High Yakutia's Rating among 85 regions in Russia

BB/ruAA

Standard&Poor's

21st

Social and economic
development

5th

GRP per Capita

15th

Exports

BBB-/AA+(rus)

FitchRatings

6th

Capital Investments
per capita

1st

Natural
Reserves



**Sustainable economic
growth**



High potential

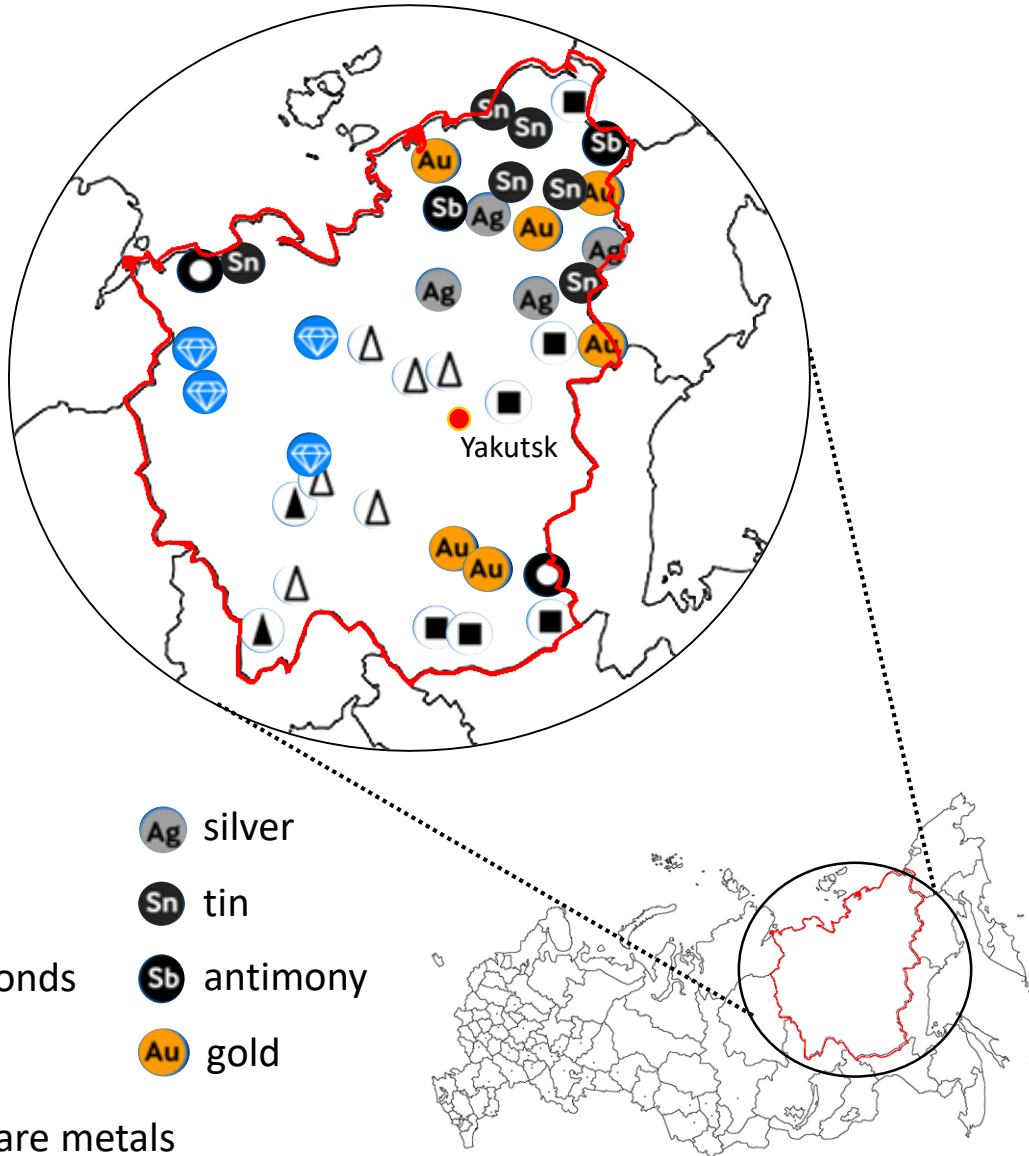


**Wealth of natural
resources**



**Proximity to USD 10+ trln
Asia Pacific Market**

MINERAL RESERVES BASE



 **930.7** mln carat
DIAMONDS

 **1 783.4** tons
GOLD

 **18 814** tons
SILVER

 **162 720** tons
ANTIMONY

 **14.3** billion tons
COAL

 **770 436** tons
TIN

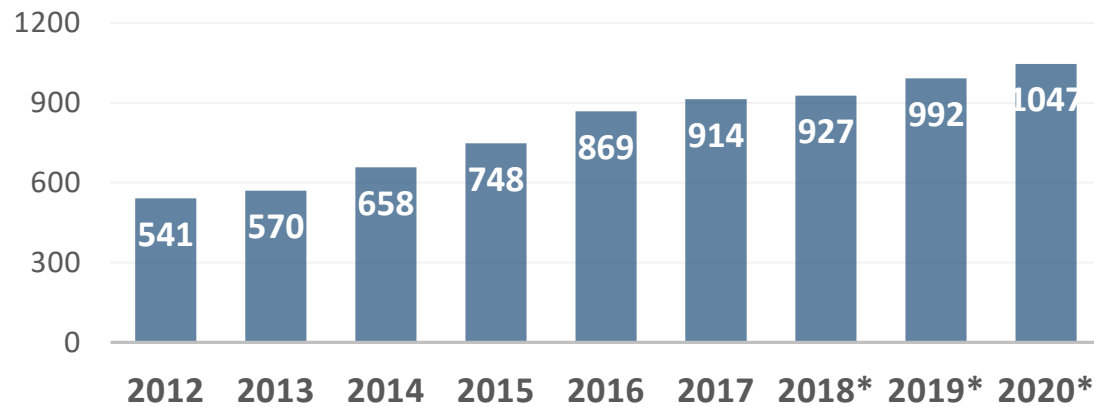
 **671.9** mln tons
OIL

 **3.15** TCF
GAS

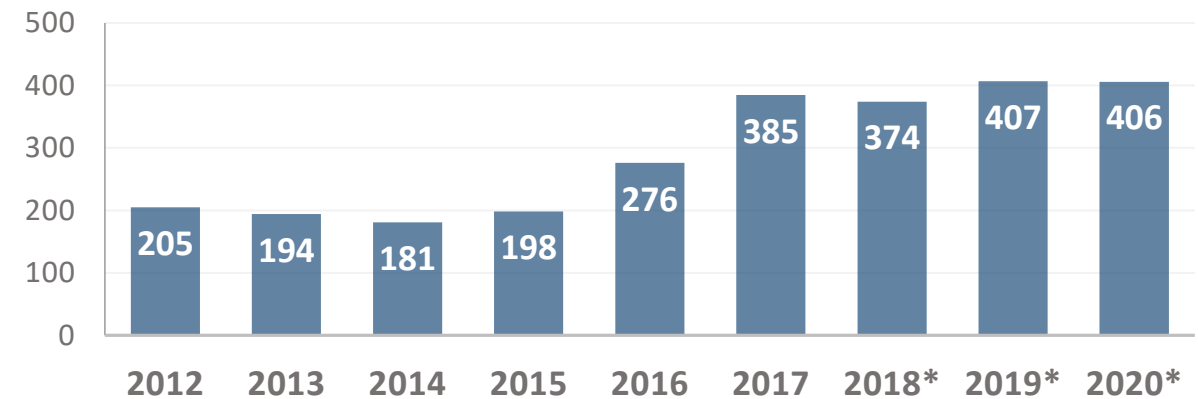
Yakutia's share in Russian mineral reserves	
Diamonds	78,4%
Uranium	53,1%
Antimony	51,0%
Tin	35,6%
Silver	15,8%
Gold	12,9%
Coal	5,2%
Gas	4,5%
Oil	2,3%

MAIN MACROECONOMIC INDICATORS

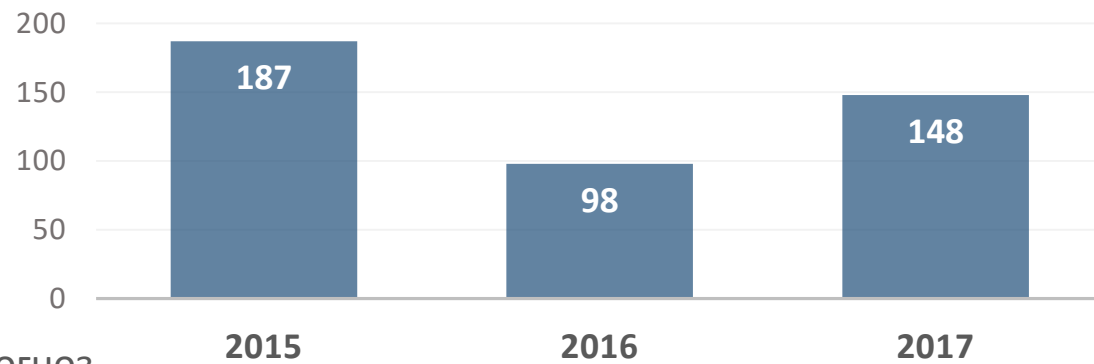
GROSS REGIONAL PRODUCT,
RUB BILLION



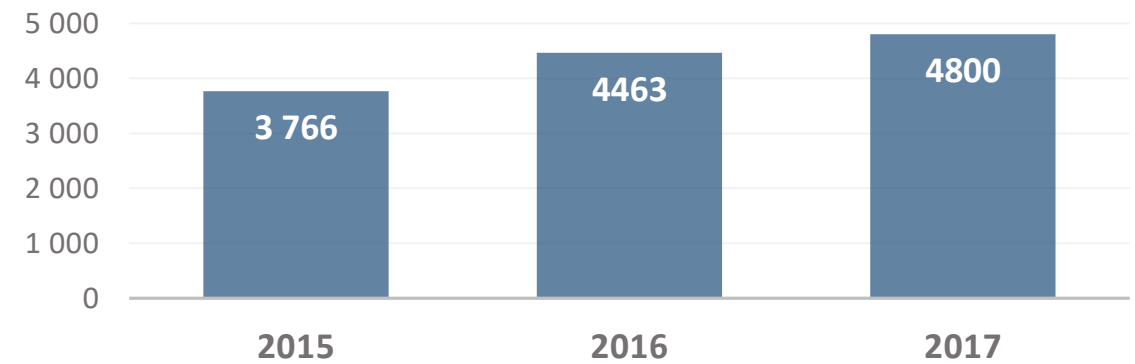
INVESTMENT IN FIXED CAPITAL,
RUB BILLION



IMPORT,
USD MILLION



EXPORT,
USD MILLION



* прогноз

STATE SUPPORT MEASURES

IN RUSSIA



36 SEZ territories that provide infrastructure funded by the Government / tax advantages/ free custom zones



Low cost debt financing (5%) via
- Industrial Development Fund
- Far East Development Fund



Government subsidies for infrastructure construction and large investment projects



Industry measures of government support



Partial reimbursement of costs associated with export-oriented high-tech/innovative products and services

IN YAKUTIA



SEZs: **Industrial Park KANGALASSY** and **South Yakutia**



One Stop Shop assistance in obtaining permits and licensing approvals



Connectivity to basic infrastructure such as water, electricity and broadband



Regional financial and banking institution ensuring seamless capital movement



Local content in goods, services and human resources



Project financing



Tax advantages for international investors via Regional Investments Projects scheme

TAX AND ADMINISTRATIVE ADVANTAGES FOR ASEZ RESIDENTS

TAX ADVANTAGES:

Type of tax		Tax rate	Tax rate for ASEZ residents	advantage – «+»; disadvantage – «-».
Profit tax	Federal budget	2%	0% (first 5 years)	+2% (first 5 years)
	Regional budget	18%	0% (first 5 years), 10% (next 5 years)	+18% (first 5 years), +8% (next 5 years)
VAT (period of recovery)	Federal budget	3 month	10 days	+80 days
Property tax	Regional budget	2,2%	0% (first 5 years)	+2,2% (first 5 years)
Land tax	Local budget	0,3% - 1,5%	0% (first 5 years)	+(0,3%-1,5%) (first 5 years)
Pension Fund of Russia	Extra-budgetary funding	22%	6% (first 10 years)	+16% (first 10 years)
Social Insurance Fund	Extra-budgetary funding	2,9%	1,5% (first 10 years)	+1,4% (first 10 years)
Statutory health insurance fund	Extra-budgetary funding	5,1%	0,1% (first 10 years)	+5% (first 10 years)

TAX AND ADMINISTRATIVE ADVANTAGES FOR ASEZ RESIDENTS

ADMINISTRATIVE PREFERENCES:

Support measures	Standard procedure	Preferences for ASEZ residents
Provision of a land plot located in state or municipal ownership	the contract of lease of the land plot is concluded at auctions held in the form of an auction	the lease of land located in municipal ownership is concluded without participation of tenders and for the term of implementation of the agreement
Visa regime for foreign citizens	foreign citizens can enter the Russian Federation and leave the Russian Federation if they have a visa for valid documents proving their identity and recognized by the Russian Federation	foreign citizens arriving in Russia through the checkpoints through the state border of the Russian Federation located on the territory of Free Port of Vladivostok, a simplified visa procedure for entry into the Russian Federation
Permission for foreign labor without quotas	<ul style="list-style-type: none">- it is necessary to have a permit to hire and use foreign workers;- to determine the size of the quota, employers must submit relevant applications, which are considered by the regional interdepartmental commission;- there is no need to obtain quotas in the event that a work permit is issued for a highly qualified specialist and a non-quota specialty.	<ul style="list-style-type: none">- does not require obtaining permits to attract and use foreign workers;- quotas are determined by a decision of the supervisory board
Additionally		<ul style="list-style-type: none">- unscheduled inspections only after the approval of the Ministry of Regional Development of the Russian Federation- issuance of building permits within 40 days- state financing of infrastructure- preferential connection to the infrastructure- duty-free zone regime

Main Foreign Partners of Sakha Republic (Yakutia)



中国能源
SINOMEC



中国电建
POWERCHINA



中国水电
SINOHYDRO



AOG
ASIAN OIL & GAS



KAWASAKI
HEAVY INDUSTRIES, LTD.



北海道銀行



JFE



SILVER BEAR
RESOURCES
A Forbes & Manhattan Company



北海道総合商事株式会社
HOKKAIDO CORPORATION

Marubeni



株式会社 駒井ハルテック



sojitz



EY



SINO STEEL



pwc



LG

HDGC

INTERNATIONAL PROJECT SUCCESS STORIES



LG Sakha Center
construction project



Investments total
USD 7.5M*



Silver mining project



Investments total
USD 66M



Oil production project



Investments total
USD 31M*



InvestYakutia

Welcome to Yakutia!

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