

CHEMICAL INDUSTRY: INVESTMENT POTENTIAL OF THE SVERDLOVSK REGION



THE GOVERNMENT
OF THE SVERDLOVSK
REGION



INVESTMENT
PROMOTION
AGENCY
of the Sverdlovsk region



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**CHEMICAL INDUSTRY ENTERPRISES
OF THE REGION ALLOW TO JOIN
THE EXISTING RAW MATERIALS
AND TECHNOLOGICAL CHAINS**



The city center of Ekaterinburg, the capital of the Sverdlovsk region

KEY
INVESTMENT
AREAS

01

THE SVERDLOVSK REGION IS A
STRATEGIC PLACE FOR LOCALIZATION
OF CHEMICAL PRODUCTION

KEY AREAS FOR DEVELOPMENT

PAINTS AND COATINGS PRODUCTION



PRODUCTION OF TEMPERED GLASS AND QUARTZ GLASS IN GRANULES



PRODUCTION OF LOW-TONNAGE CHEMICALS (SORBENTS, POLYMERIC MATERIAL ADDITIVES)



MANUFACTURE OF HIGH TENACITY TEXTILE, POLYAMIDE FIBRES AND THREADS



Chemical
industry

ADVANTAGES OF PRODUCTION PLACEMENT IN THE SVERDLOVSK REGION

BASIC FACTS

- 1 High labor and scientific potential of the region
- 2 Investments sites, territories of advanced social and economic development, a special economic zone
- 3 Economic incentives
- 4 Possibility of cooperation with enterprises in related industries
- 5 Sales market

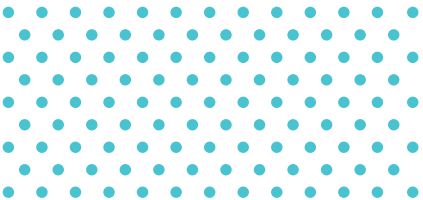
ADVANTAGES FOR INVESTORS

- 1 Competent specialists for your production process
- 2 Cost optimization for launch of production
- 3 Acceleration of project investment phase
- 4 Reduction of production costs, integration into existing technological chains
- 5 Availability of potential consumers within a region





THE SVERDLOVSK REGION IS ONE OF
THE RUSSIAN TOP TEN REGIONS
EXPORTING CHEMICAL PRODUCTS
ABROAD



\$1.1 billion

export volume
of chemical products

more than 1000

chemical industry enterprises

34

companies producing medicines

377

companies producing chemicals

596

manufacturers of rubber
goods and plastics



Sales
market

SALES MARKET

03

EXISTING ENTERPRISES

IN THE SVERDLOVSK REGION THERE ARE DOZENS OF COMPANIES THAT MANUFACTURE PRODUCTS FOR THE NEEDS OF RELATED INDUSTRIES. FOR NEW ENTERPRISES THIS IS AN ADDITIONAL SALES MARKET, AS WELL AS AN AMPLE SOURCE OF OPPORTUNITIES FOR COOPERATION

POLYETHYLENE AND
POLYPROPYLENE



INDUSTRIAL
GASES



MEDICATIONS



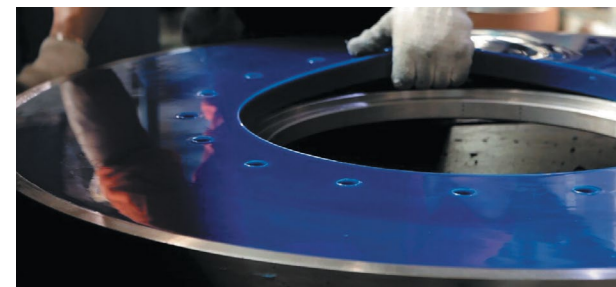
PAINTS AND
INDUSTRIAL COATINGS



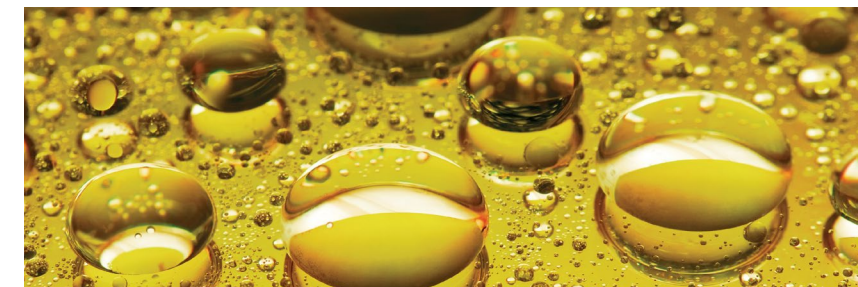
RUBBER
PRODUCTS



Уральский завод РТИ

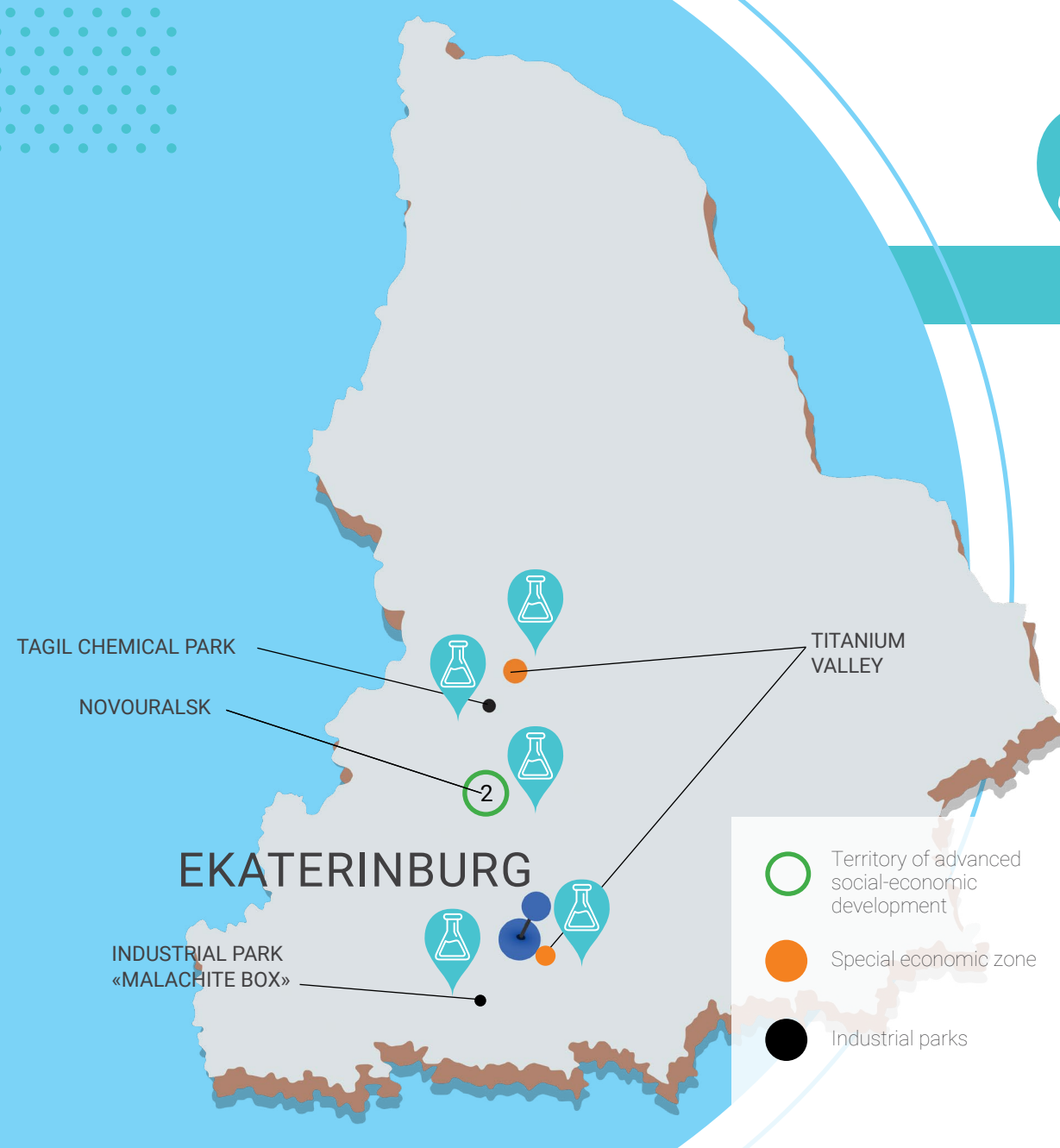


SYNTHETIC
RESINS



PROPPANTS





CHEMICAL INDUSTRY

TITANIUM VALLEY

1 VERKHNYAYA SALDA SITE

available area
295.4 ha

location
Verkhnyaya Salda
180 km from Ekaterinburg

2 UKTUS SITE

available area
over 35 ha

location
15 km from Ekaterinburg

HIMPARK TAGIL

available area
25 ha

location
Nizhny Tagil, 140 km from Ekaterinburg

NOVOURALSK

1 Territory of advanced social-economic development «NOVOURALSK»

available area
256.5 ha

location
Novouralsk,
85 km from Ekaterinburg

2 «AMK-UEIP» SITE

available area
23.7 thousand sq m

location
Novouralsk,
50 km from Ekaterinburg

INDUSTRIAL PARK «MALAKHITOVAYA SHKATULKA»

available area
36.7 ha

location
Polevskoy,
50 km from Ekaterinburg

INDUSTRIAL PARKS AND SPECIAL TERRITORIES OF THE SVERDLOVSK REGION ARE THE TOP CHOICE FOR LOCALIZATION OF INDUSTRIAL CAPACITIES OF CHEMICAL INDUSTRY ENTERPRISES

ALLOCATION OF CHEMICAL ENTERPRISES IN THE SVERDLOVSK REGION

04

TITANIUM VALLEY

1 VERKHNYAYA SALDA SITE

available area over 85 ha	location Verkhnyaya Salda, 180 km from Ekaterinburg
site type Greenfield	production localization hazard class 2
infrastructure and energy resources	
power supply 40 mW	heating supply 90 Gcal per hour
gas supply 175.2 million m³ per year	water supply 383.25 thousand m³ per year



2 UKTUS SITE

available area over 85 ha	location location 15 km from Ekaterinburg
site type Greenfield	production localization production localization, hazard class 3
infrastructure and energy resources	
power supply 25 mW	water supply 131.4 thousand m³ per year
gas supply 43.8 million m³/year	railroad tracks in the park

TAGIL CHEMICAL PARK

available area 25 ha	location Nizhny Tagil, 140 km from Ekaterinburg
site type Brownfield	production localization production localization hazard class sanitary zone - 1000 m
infrastructure and energy resources	
power supply 60 mW	water supply 560 m³ per hour
gas supply 13 thousand m³ per hour	heating supply 90 Gcal per hour
railroad tracks in the park	high and low pressure steam
private biological treatment plants	

«AMK-UEIP» SITE

available area 23.7 thousand m² of available space	location Novouralsk, 50 km from Ekaterinburg
site type Brownfield	production localization hazard class 2
tax-exempted activities	
manufacture of chemicals and chemical products	manufacture of rubber and plastic goods
infrastructure and energy resources	
power supply 8 mW	water supply 1008 m³ per day



INDUSTRIAL PARK
«MALAKHITOVAYA SHKATULKA»

available area 36.7 ha	location Polevskoy, 50 km from Ekaterinburg
site type Greenfield Brownfield	production localization hazard class 2
infrastructure and energy resources	
power supply 20 mW	water supply 645 m³ per day
gas supply 2.3 thousand m³ per hour	railway station «Cryolite» on the territo- ry of the park

ALLOCATION
OF CHEMICAL
ENTERPRISES IN THE
SVERDLOVSK REGION

04



2 145 200
WORKING POPULATION
PEOPLE

EKATERINBURG ABOUT 1 MILLION PEOPLE

NIZHNY TAGIL – 196.7 THOUSAND PEOPLE

VERKHNYAYA SALDA – 31 THOUSAND PEOPLE

POLEVSKOY – 35 THOUSAND PEOPLE

05

THE SVERDLOVSK REGION –
IS A HOMELAND OF THE «URAL ENGINEERING SCHOOL»

1st
PLACE

IN RUSSIA BY
THE NUMBER OF
PROFESSIONAL
EDUCATIONAL
ORGANIZATIONS

5st
PLACE

BY THE NUMBER
OF UNIVERSITIES

The region offers investors both
experienced personnel and special training
programs in collaboration with the main
universities of the Urals

2

UNIVERSITIES
PREPARE GRADUATES
ON SPECIALTY
«CHEMICAL
TECHNOLOGY»
WITH BASIC PROFILES:

1. Vegetable raw materials processing technology
2. Nanomaterials technology
3. Technology of electronics and nanoelectronics products
4. Technology of mineral substances
5. Technology of organic substance
6. Technology of natural energy carriers and energy-saturated materials
7. Technology of medicines and cosmetics



5TH PLACE AMONG RUSSIAN REGIONS BY THE NUMBER OF CREATED ADVANCED MANUFACTURING

The innovative development by Ural Federal University scientists in the field of chemistry was in **TOP-100** inventions

In 2018, according to Rospatent, the **«VOIR 2019»** Prize, the All-Russian Society of Inventors and Innovators in Chemistry, was awarded to a Ural scientist

VMP Holding

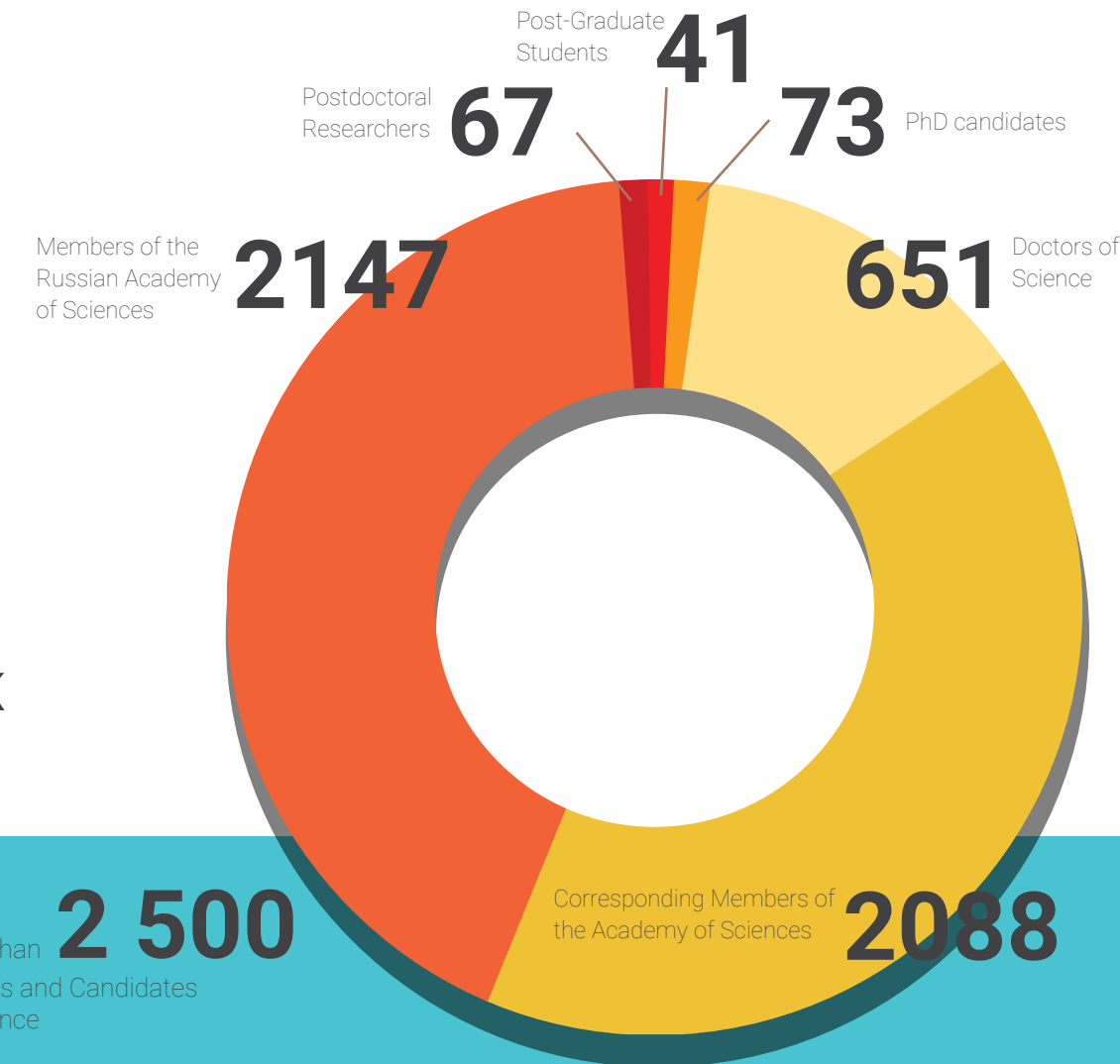


R&D OF THE SVERDLOVSK REGION

109
institutions

35
including
industrial
enterprises

2 500
more than
Doctors and Candidates
of science





SUCCESSFUL AND REQUIRED R&D OF THE REGION:

1

A TITANIUM IMPLANT WITH A MODIFIED COMPOSITION OF CHEMICAL ALLOY – THE DEVELOPMENT BY URFU REGIONAL ENGINEERING CENTRE SCIENTISTS. IT IS A TECHNOLOGY OF MANUFACTURING USING A 3D PRINTER MADE OF TITANIUM POWDER BY SELECTIVE LASER FUSION METHOD (ADDITIVE TECHNOLOGIES)

2

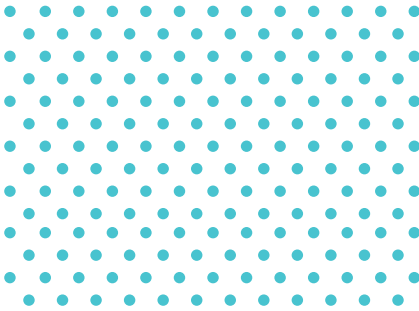
A UNIQUE METHOD OF PROCESSING POLLUTIONS FROM OIL OR OIL PRODUCTS WITH POLYSACCHARIDE MICROGELS

3

THE TECHNOLOGY FOR PRODUCTION OF NANOCRYSTALLINE SILVER SULPHIDE POWDER. THE COMPOUND CAN BE USED IN OPTOELECTRONICS AND MEDICINE

The Sverdlovsk region can solve global problems of the chemical complex:

1. Creation and production of new materials in the chemical industry as a binder for industries: mechanical engineering, construction, and transport industry including aviation
2. Maintaining environmental balance and improving production processes
3. Creation of new energy-efficient power supply elements

TYPES OF TAXES, INSURANCE CONTRIBUTIONS	GENERAL RATE	TAX INCENTIVES				
		Priority Social and Economic Development Area Resident	Special Economic Zone Titanium Valley Resident	Priority investment project	Special investment contract - federal	Special investment contract - regional
INCOME TAX:	20%	5% for 5 years 13% over the next 5 years	2% for 10 years 7% for 5 years 15.5% from 16th year of a project	16.5% for 5 years (for new construction) 19% (for modernization)	13.5% according to the contract, but not later than 2025, inclusive	13.5% according to the contract, but not later than 2025, inclusive
FEDERAL BUDGET	3%	0% for 5 years	2%	3%	0% according to the contract	3%
REGIONAL BUDGET	17%	5% for 5 years 10% over the next 5 years	0% for 10 years 5% for 5 years 13.5% from 16 year of a project	13.5% (for new construction) 16% (for modernization)	13.5% according to the contract, but not later than 2025, inclusive	13.5% according to the contract, but not later than 2025, inclusive
PROPERTY TAX	2.2%	0% for 5 years	0% for 10 years	0% for 5 years 1.1% (only for SPIC in tourism)	0% for 5 years	0% for 5 years
LAND TAX	1.5%	0% for 10 years	0% for 10 years	0% after the decision of local authorities	0% according to the contract	0% according to the contract
TRANSPORT TAX	1.5%		0% for 11 years	 THE SVERDLOVSK REGION OFFERS FLEXIBLE SUPPORT MEASURES FOR INVESTMENT PROJECTS, INCLUDING STATE SUPPORT FOR CHEMICAL INDUSTRIES		
INSURANCE CONTRIBUTIONS	30%	7.6% for 10 years				
PENSION FUND OF THE RUSSIAN FEDERATION	22%	6% for 10 years				
SOCIAL INSURANCE FUND	2.9%	1.5% for 10 years				
FEDERAL COMPULSORY MEDICAL INSURANCE FUND	5.1%	0.1% for 10 years				



STATE SUPPORT
FOR CHEMICAL
INDUSTRIES

06



ONE-STOP-SHOP
SERVICES FOR
INVESTORS AT EACH
STAGE OF
AN INVESTMENT
PROJECT

1

PLANNING

- Provision of information about the market and business environment
- Presentation of investment sites of the Sverdlovsk region
- Informing about investment project support measures
- Preparation of investment offers

2

PREPARATION

- Selection of an investment site according to investor criteria
- Preparation of offers for structuring the project's financial model
- Preparation of offers for optimization of the project's implementation schedule

3

IMPLEMENTATION

- Assistance with obtaining support measures and addressing project finance issues
- Provision of information, advice and organizational support for administrative procedures
- Assistance with personnel matters

4

PROMOTION

- Establishing communication with local business communities
- Promoting projects in Russia and abroad
- Assistance with establishing multinational operations



- We will prepare answers to questions about competition, capacity, trends and forecasts of market development in production, infrastructure and raw material base, manufacturers and service providers, workforce, sales channels structure, demand and product compliance with the requirements of the target consumers, etc.
- We will tell about the sites (land plots, major construction objects), suitable for implementation of investment projects, the procedure for acquisition thereof and the terms of their use.
- We will go through existing financial support measures (tax incentives, subsidies and grants, co-financing, subsidized and other loans and microloans, guarantees) and non-financial measures (property, consulting and informational support, educational programs) at the federal, regional and local levels.
- We will consider the idea, form and offer the most promising projects for investment.



- We will select and present several sites, arrange visits to sites, assist with site acquisition procedures.
- We will select appropriate financial measures to support the project, including establishment and/or reconstruction of infrastructure facilities. We will prepare offers on cooperation with credit institutions and (or) leasing companies.
- We will suggest options to reduce the time required to obtain the necessary approvals, permits and opinions on the project.



- We will help to fill out applications for support measures, arrange interaction with credit institutions and (or) leasing companies.
- We will provide support when interacting with authorities at all levels and resource suppliers in order to obtain the necessary approvals, permits and opinions on the project.
- We will arrange cooperation with educational organizations, HR agencies, employment services and other organizations on the issues of training, retraining and search for personnel.



- We will help to establish ties with regional organizations and integrate the project in the business environment.
- We will tell about the planned international, national and regional exhibitions, trade fairs and business missions in due time. We will present opportunities to participate in the events within the framework of international cooperation of Sverdlovsk region. We will help to establish contacts with trade missions of the Russian Federation and foreign partners of Sverdlovsk region.
- We will provide assistance in raising the level of professional training, participation in exhibitions and fairs held in Sverdlovsk region and abroad, help to establish direct economic ties with business entities of other countries and joint ventures in Sverdlovsk region, arrange interaction between investment entities and foreign authorities.



INFORMATION
FOR DECISION MAKING

IMPLEMENTATION-
READY PROJECT

LAUNCH
OF PRODUCTION

MARKET ENTRY
AND FILLING
THE NICHE



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