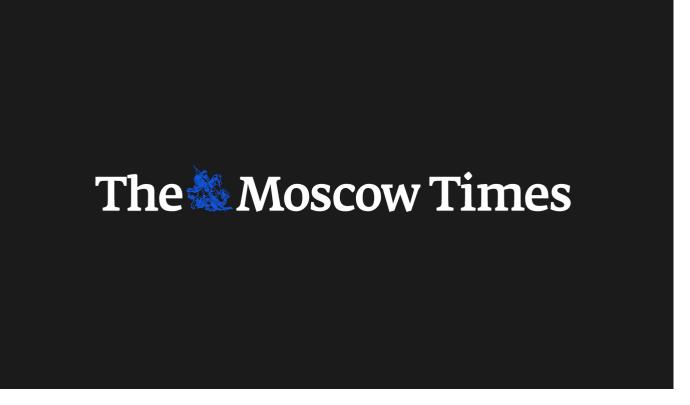


Scorecard for Regional Investment

By Khristina Narizhnaya

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Russia's regions are in a heated competition to see which can attract more investment dollars, from both local and foreign businesses.

Region	FDI in 2010, \$mln	Approach to Investors	Foreign Investors	Web Site
Kaluga region	1,055	Special economic zones give investors privileges like tax concessions and reduced operating costs. Governor Anatoly Artamonov gives out his mobile phone number and personally helps investors set up their business.	Volkswagen, Samsung, General Electric, PSA Peugeot Citroen	
Arkhangelsk region / Nenets district	425 / 385	Government offers concessions on property and profit taxes.	Conoco Statoil, Holz Dammers, DLH Nordisk, Ilim Timber Industry	

Nizhny Novgorod region	396	The region created an investment council to help investors with projects, and provides tax privileges, gives back part of the interest on a loan that was used to set up the investment project.	BPB Investments, Air Liquide, Onduline Group
Komi republic	326	Government provides subsidies, tax concessions on profit and property taxes.	Mondi, Safwood, Centrozap
Krasnodar region	209	Exemptions from corporate property tax for three years, rebate of profits tax for five years, and relief from transport tax are provided by the local government, as well as guarantees of support for approved investment projects.	
Sverdlovsk region	204	Businesses located in the special economic zone — Titanium Valley — are allowed subsidies on and exemptions from revenue, property, transport and customs taxes on imported goods. Residents are also protected against any changes in the tax law of the Russian Federation.	Boeing, Coca-Cola, Pepsi, USWest
Tomsk	193	The special economic zone status provides for privileges on import, land and property tax, discounted profit tax and significantly reduced social taxes. The region's special economic zone	
Lipetsk region	178	provides investors in the region with tax benefits and affordable sites for production facilities. Investors can count on tax concessions on property and profit tax. Proinvestment policy includes the right of repatriation of funds after payment of taxes and the right to intellectual property.	Yokohama, Mondial Group, Sest-Luve, Alu Pro
Novgorod region	165	Investors can count on tax concessions on property and profit tax. Pro-investment policy includes the right of repatriation of funds after payment of taxes and the right to intellectual property.	Amcor Tobacco Packaging, Uralita Group, Dirol Cadbury, Chudovo-RWS, Stora Enso
Tatarstan republic	146	Investors should expect to get manufacturing facilities in industrial zones with utilities access provided, the special economic zone, business incubators, technoparks; Islamic nointerest bonds, called sukuk, should soon be launched in the republic. Investors also receive reduced profit taxes and exemption from import taxes.	AmanahRaya Capital Group, Foras International Investment Company, Sollers, Rockwool, Isuzu, Air Liquide

Krasnoyarsk region	142	A technopark is under construction as well as a business incubator. An investment council was created to assist investors with projects. The region also provides government subsidies on interest on loans for investment projects, tax benefits on profit and property taxes.	Glen Worldwide Ltd Co., Coca-Cola, IKEA, Sodra Group, TNK-BP
Orenburg region	138	The local government provides tax concessions for foreign investors including lowered profit taxes and exemption from property taxes, lower rent payments for investors and government credit guarantees.	TNK-BP, Matra, Deere & Company
Tyumen region (incl. autonomous districts)	136	Preferential tax treatment for investors including budgetary credits, concessions on taxes; sites for industrial activity with utilities access provided.	Haliburton, Schlumberger, Bentec Drilling and Oilfield Systems, TNK-BP, Auchan
Kaliningrad region	76	Investors receive tax concessions on property taxes, but the region's special economic zone status runs out in 2016, without plans for renewal.	GM, BMW, HiPP
Novosibirsk region	74	Property tax exemption for investors, reduced profits tax, subsidized loans, government advice.	Mars, River Park Hotel, Data East
Samara region	71	Investors can count on government support and concessions on property taxes. Planned special economic zone and a technopark will give investors added privileges.	GM/Opel, Henkel, IKEA, Danone
Perm region	68	Investors can count on tax concessions on property and profit tax. Starting from 2012 investors are	Pratt and Whitney, Nestle, Degusa, Knauf
Bashkortostan republic	62	automatically exempt from regional land and revenue taxes on their projects. The republic is also building infrastructure, including roads and utilities, for future investment projects. A development corporation helps investors organize their project from start to finish.	IKEA, Auchan
Yaroslavl region	32	Investors receive tax concessions on property, revenue and transport.	Komatsu Manufacturing Rus, Dow, Nycomed
Voronezh region	30	Property tax exemption for investors, reduced profits tax, subsidized loans, government advice in setting up projects.	Lesaffre

The Getting Started Office for foreign investors offers free consulting services, translation services, and use of an office and office equipment; the One Window support system, which helps investors expedite the process of obtaining all necessary approvals and permits from federal, regional and local authorities. Free land plots with transfer of ownership for carrying out investment projects; infrastructure built on region budget funds, tax concessions.

Chelyabinsk

region

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Fortum, Rexam, Rockwool, Metro Cash & Carry, CARBO Ceramics

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