

# Special Economic Zones: New Investment Opportunities for Japanese Businesses in Russia

Mikhail V. Mishustin – Chief, Federal Agency for Management of  
Special Economic Zones

**International Business Conference  
Innovation as the Basis for Economic Diversification**

**Russia-Japan Business Dialog**

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# SEZ: Strategy for Economic Diversification



# SEZ: Supported by Solid Legal Structure

**Federal Law “On Special Economic Zones in the Russian Federation”**

**Formation of 2 types of SEZ is planned (Technical innovative and industry manufacturing zones)**

**Decree of the Russian Federation president from 22 of July 2005 №855**

**Creation of Federal Agency for Management of Special Economic Zones**

**6 resolutions of Russian Government devoted to formation of 2 Technical innovative and 4 industry manufacturing zones**

**2 Technical innovative and 4 industry manufacturing zones are created**

**Federal law from the 3 of June of 2006 “About making changes in federal law “On Special Economic Zones in the Russian Federation”**

**Creation of a new type of SEZ – Tourism and recreation**

**7 resolutions of Russian government devoted to formation of Tourism and recreation SEZ**

**7 Tourism and recreation SEZ have been created**

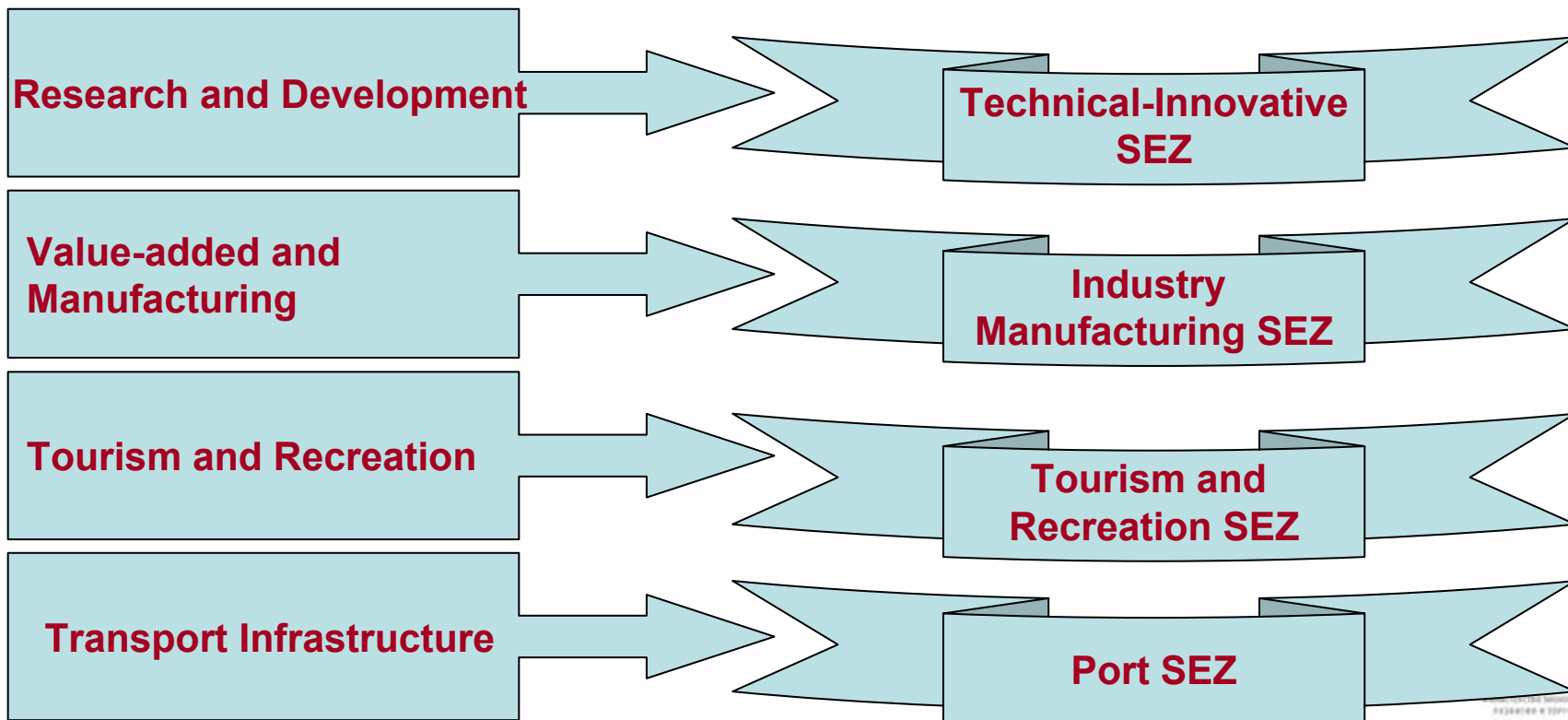
**The Federal Law on Port SEZ has passed through Parliament**

**Creation of a new type of SEZ (Port SEZ)**

# SEZ: Focusing on Infrastructure Development for Key Sectors of Economy

## Key Sectors of the Economy

## Types of Special Economic Zones



# Special Economic Zones Geography



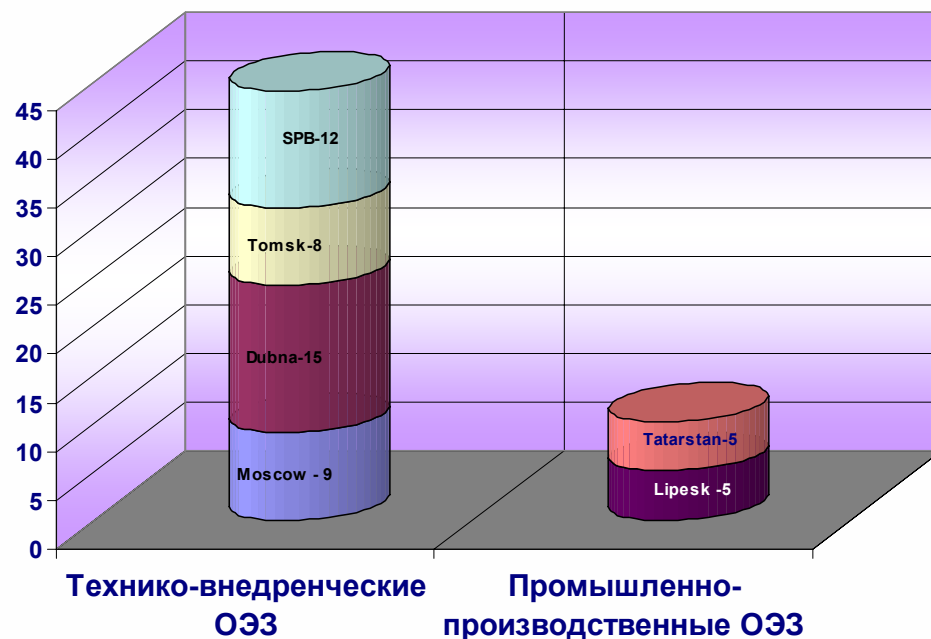
# Private Businesses Come to SEZ's

The first Japanese Company to come to the SEZ:

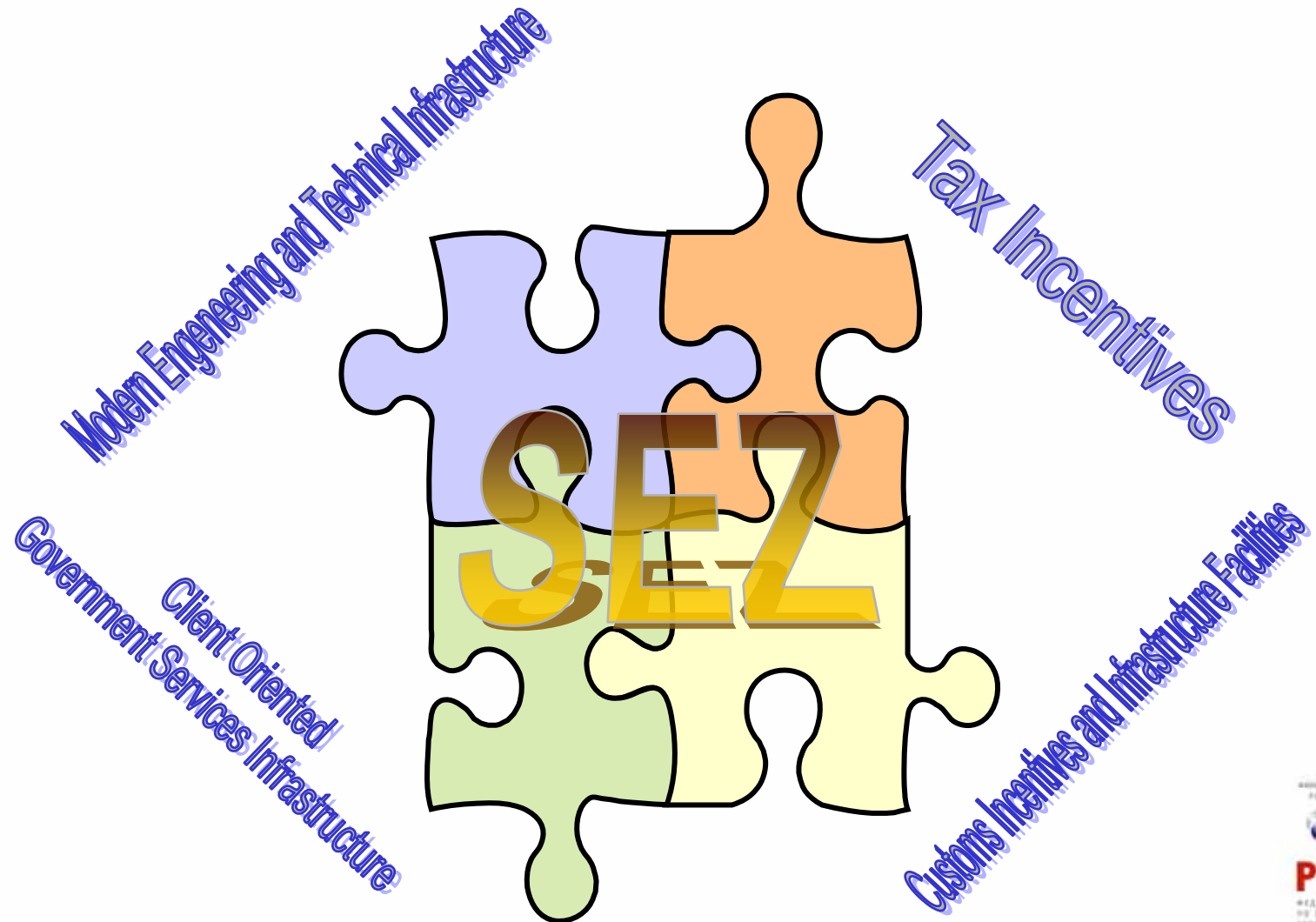
**Trucks for life**

**ISUZU**

## Companies with SEZ Resident Status (expected in Dec 2007)



# Development of Vibrant Business Environment



# Tax incentives in SEZ

	Profit tax in Lipetsk and Tatarstan (%)	Company property tax (%)	Land tax (%)	Unified social tax In Technical Innovative SEZ (%)
Outside SEZ	24	2,2	1,5	26
Inside SEZ	20	0	0	14



# Customs Incentives in SEZ\*

- No Custom Duties on all goods, supplies or machinery shipped to the SEZ
- Full VAT refund on all Russian goods, supplies or machinery shipped to the SEZ
- Customs Duties and VAT applicable when goods produced inside SEZ are delivered outside the SEZ inside Russia



Implementation of Free Customs Zone is supported by most modern customs infrastructure facilities

\* Not applicable to Tourist and Recreational SEZ's

# SEZ: Vibrant Business Environment: Improvement of Government Services Infrastructure



Помещение служб "одного окна"



## Single Window Service for SEZ Residents

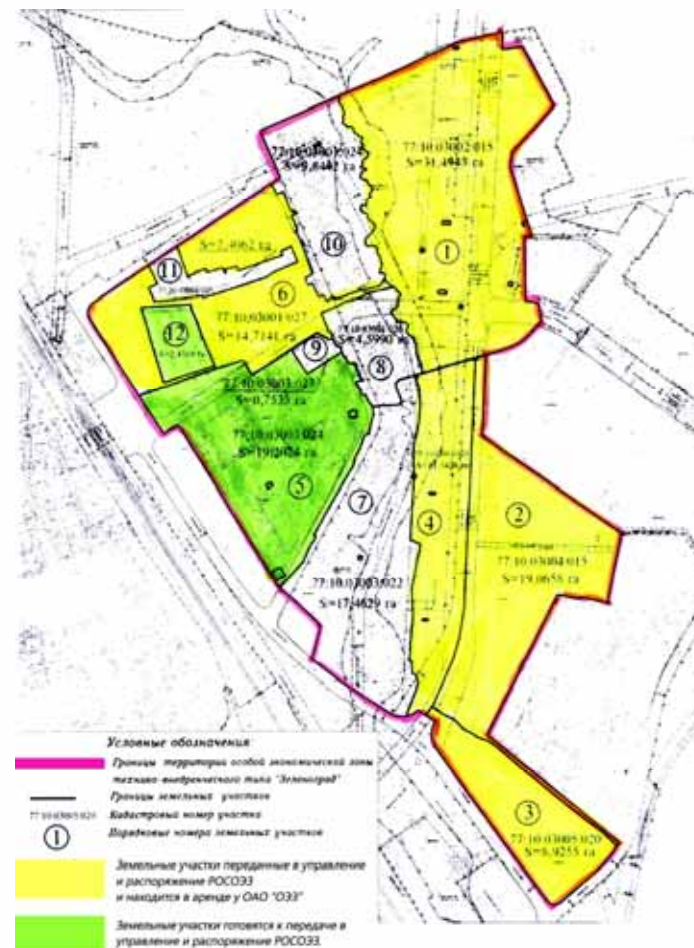
- Ministry of Environment and Natural Resources
- Ministry of Labor, Employment and Social Security
- Environmental Technological and Nuclear Control Service
- Federal Immovable Property Cadastre Agency
- Social Security Fund
- Medical Security Fund
- State Architectural and Construction Control
- Land Cadastre Chamber
- Rights Registration Service
- Chamber of Commerce and Industry
- Tax and Revenue Service
- Customs Service
- Migration Service
- Pension Service
- Russian Test
- State Vehicle Inspection
- Bureau of Technical Inventor

# Full Federal Support of Public Utilities Infrastructure Development



- Power supply
- Water supply
- Gas supply
- Sewer and water treatment
- IT infrastructure

- Land parcels are provided at the request of companies that seek the SEZ Resident Status
- Original Lease Agreement with Government with Lease Amount not exceeding 2% of taxable value
- Following construction of its facilities an SEZ Resident Company has the right to purchase the land parcel it occupies





# Tourist and Recreational SEZ Development



# Anapa Nova



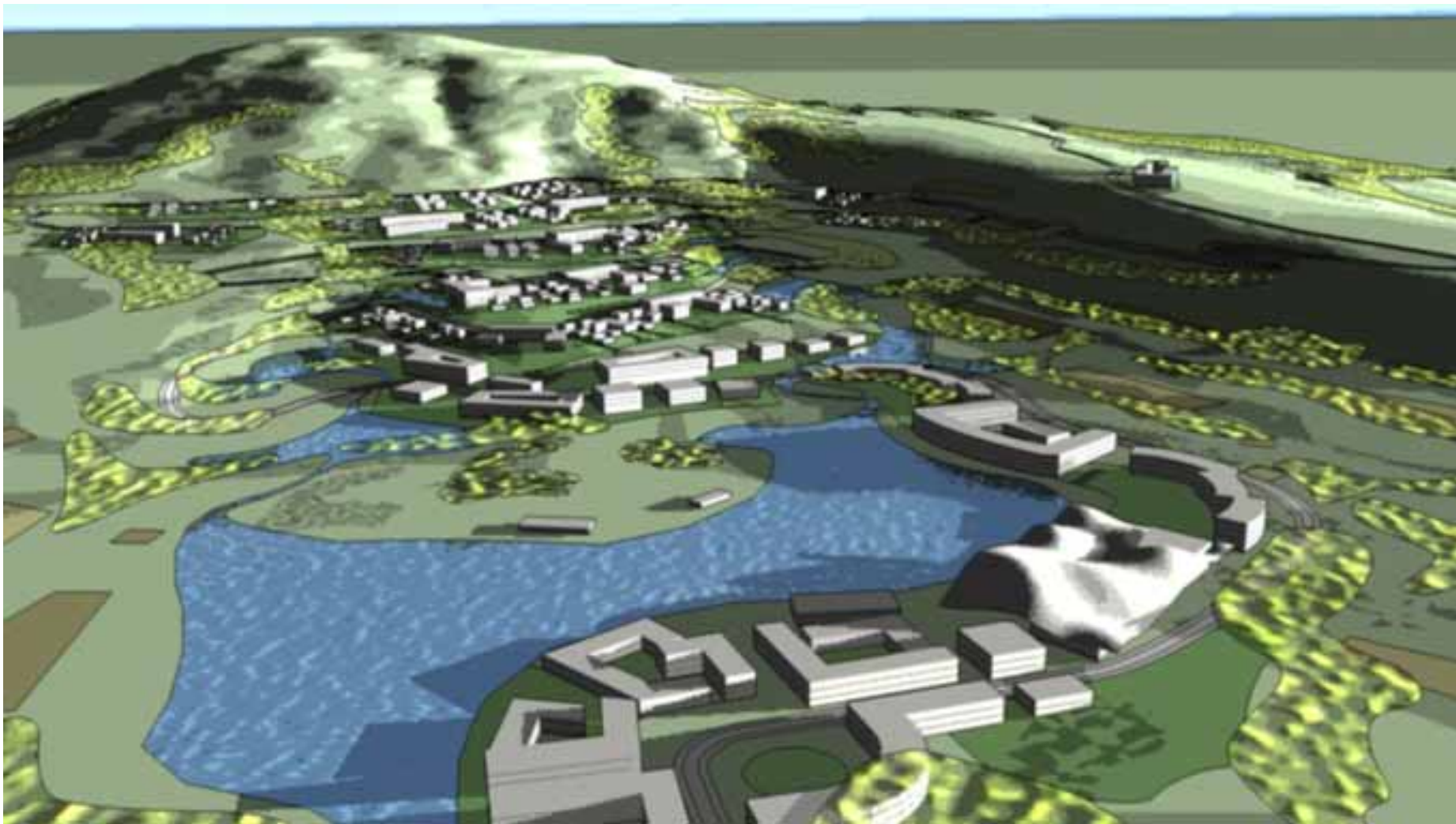


# Curonian Spit: Perspective





# Grand Spa Yutsa: Perspective





# Sky Blue Katun: Perspective



# Altai Valley: Perspective





# Port SEZ: Taking Hold of Location Advantages



МИНИСТЕРСТВО ТРАНСПОРТА  
РОССИЙСКОЙ ФЕДЕРАЦИИ



**РосОЗ**

ФЕДЕРАЛЬНОЕ АГЕНТСТВО  
ПО УПРАВЛЕНИЮ ВОЗДУШНЫМ  
ТРАНСПОРТОМ

# Conclusion

1. We encourage business community to keep an eye on development of Special Economic Zones in Russia and take advantage of the opportunities they provide
2. Federal Agency for Management of Special Economic Zones is committed to its' Mission and looking forward to collaboration with international business partners

# Contact:

Mikhail V. Mishustin,  
Chief

Federal Agency for Management of  
Special Economic Zones

Please visit our English Language Web Site at:

[www.rosoez.ru](http://www.rosoez.ru)