



ECONOMIC DEVELOPMENT AGENCY
of Leningrad Region

“One-stop-shop” for investment projects support

General information about the region



Borders with the European Union
(Finland and Estonia)



Pulkovo International
Airport (in Saint Petersburg)



Close proximity
to Saint Petersburg



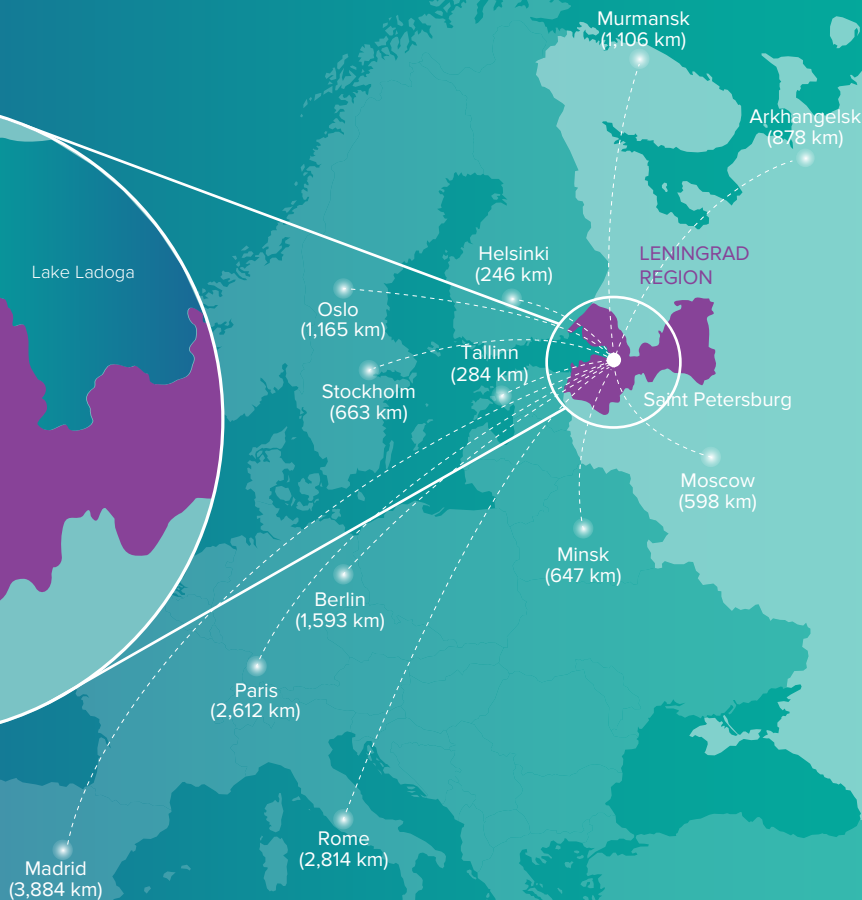
Largest seaport – Ust-Luga: 103.8
million tonnes of cargo in 2019 –
1st place among all ports of the
Baltic Sea Basin



Access to the Baltic Sea
(through the Gulf of Finland)



4 seaports



83.9
thousand km²
total area

1.9
million people
population

969.4
thousand people
human resources

Advantages of localization in Leningrad region



**Favourable geographical
location**



**Access to skilled
labour force**



**Large transport and
logistics hub**



**Second largest consumer
market in Russia**



**Available
infrastructure**



**Efficient measures of
support for investors**

Priority development areas



Food industry



Shipbuilding



Mechanical engineering



Oil, gas and chemical
complex



Timber industry



Construction industry



Automotive industry



Energy complex



Metallurgical industry

Regional investment projects


Law of Leningrad region
of 25.11.2019 No. 89-oz


Reduction of


 income tax
up to 10%


 property tax
up to 0%

Conditions and validity

 capital investments over the period
50–500 million ₱* → not > 4 years
>500 million ₱** → not > 6 years

 duration of validity

 economic activity: manufacturing industries

 revenues from sales of goods not less than 90%
or if income (expenses) is recorded separately

*up to 01.01.2027; **up to 01.01.2029


Procedure


1. Provision of an investment declaration
2. Inclusion in the list of regional projects
3. Making investments
4. Achievement of indices and receiving benefits

Investment tax deduction

Law of Leningrad region
of 06.04.2020 No. 36-oz (valid until 01.01.2028)

Basic parameters

 amount of ITD from expenses on acquisition of fixed assets included in chapter “Machinery and equipment”, 3–10 amortization groups
60%

 tax rate for defining maximum amount of ITD
10%
ITD which exceeds maximum amount of ITD is paid within subsequent four tax periods

Provided to

1. Enterprises operating in economic activities defined in the law No. 36-oz (not less than 70% of revenues received from these activities)
2. Enterprises operating in manufacturing industries:
 - a participant of the regional project "Targeted support for improvement of labour productivity at enterprises" (annual revenue – from 400 million rubles)
 - activity is carried out only in Boksitogorsky, Lodeynopolsky, Podporozhsky districts of Leningrad region
 - activity is carried out only in a single-industry municipal unit of Leningrad region

Soft loans

Enterprises of Leningrad region can receive microloans, sureties (guarantees) and subsidies from the regional Fund for Support of Entrepreneurship and Industry. The Fund is a microcredit company which cooperates with 18 banks.

 loan
from 0.5 million ₱
to 1,000 million ₱

 interest rate
from 1% to 8.5%

Territory of advanced social and economic development Pikalevo



- Corporate income tax
 - regional part:
 - 5% first 5 years
 - 10% next 5 years
 - federal part:
 - 0% first 5 years
- Corporate property tax
 - 0% first 5 years
 - 1.1% next 5 years
- Payments to extrabudgetary funds
 - reduction to 7.6% for 10 years
- Land value tax
 - 0% for 10 years

- Specialization:**
- Crop husbandry and animal breeding
 - Extraction of sand, clay and stone
 - Production of food products, beverages
 - Production of textile, leather goods, clothing
 - Wood processing, production of paper, furniture
 - Printing industry, chemical industry
 - Production of metal, rubber, plastic and other finished products

Provision of a land plot for rent without bidding procedures*

Law of Leningrad region of 27.01.2016 No. 1-oz

*only for municipal and regional land plots

Procedure:

1. Conclusion of the Interdepartmental Commission of Leningrad Region
2. Decree of the Governor of Leningrad Region
3. Lease contract

General criteria:

economic activity according to the law No. 1-oz

from 200 million ₪ volume of investments

creation of not less than 30 jobs

Criteria for Lodeynopolsky, Podporozhsky and Boksitogorsky districts:

from 30 million ₪ volume of investments

creation of not less than 10 jobs

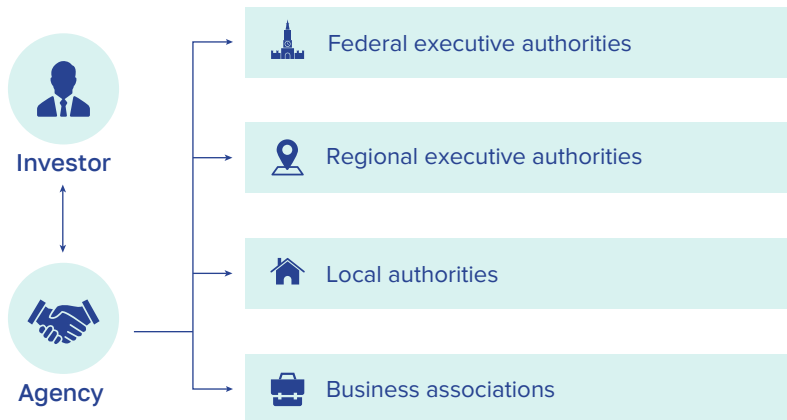


Anastasia Mikhachenko
Director
avm@aerlo.ru

Over 7 years of its work as “one-stop-shop” for investment projects support the Agency has gained positive experience in dealing with issues which arise during implementation of investment projects.

We provide support to investors at any phase of project implementation: selection of an investment site, obtaining building permits, approval of engineering connections and alterations to urban planning documentation, commissioning, selection of tax benefits.

We provide comfortable interaction between business and authorities, contribute to reduction of project implementation time. All services for investors are free of charge.



324 projects
receive support



47 projects
with foreign capital



>1,650 billion ₺
total volume
of investments

THE AGENCY PROVIDES THE FOLLOWING SERVICES:

- ✓ Consultations concerning implementation of investment projects and measures of support
- ✓ Provision of information about the region and potential local partners
- ✓ Search and provision of information about investment sites according to the requirements of the project
- ✓ Participation in solving issues concerning development of infrastructure and provision of communications



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DEVELOPMENT
AGENCY
of Leningrad Region



64 B Malookhtinsky avenue,
office 402, Saint Petersburg, Russia



+7 (812) 644-01-23



invest@aerlo.ru



lenobinvest.ru



lenobinvest