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VOLOGDA REGION

**FUTURE STARTS
FROM THE RUSSIAN
NORTH**



**NAVIGATOR
FOR INVESTORS**



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INVESTMENT OBLIGATIONS of the Vologda Region

The investment declaration of Vologda Region for the period up to 2027 was approved by the order of the Governor of the Vologda Region dated August 4, 2022 No. 4625-r (as amended on December 21, 2023)

The general principles of state support for investment activities in the Vologda Region are:

- balancing public and private interests
- uniformity of public procedures
- efficiency and economy of using regional budget funds
- economic feasibility of capital investment
- legality, objectivity, and immutability of decisions made
- openness and accessibility of information regarding state support for investment activities to all participants in the investment process
- equality of applicants for state support in investment activity.

GUARANTEES TO INVESTORS:

-  the non-deterioration of conditions for the successful implementation of investment projects throughout the entire period of project execution
-  publicly available information regarding measures of state support for investment activities within the region
-  strict adherence to the conditions for providing investor support measures in the Vologda region
-  compliance by authorities and organizations with deadlines for approving and issuing permits necessary for investment activities, as well as guidelines for investor actions in priority areas under the Investment Rules of the Vologda Region
-  Prompt consideration of disputes that may arise during the implementation of investment projects within the Vologda Region

«ONE-STOP-SHOP» for investment project support

Vologda Region Development Corporation JSC is a specialized organization that is engaged in attracting investments, working with investors and supporting investment projects in the region on a «one-stop-shop» basis.

VOLOGDA REGION DEVELOPMENT CORPORATION SERVICES:



information consulting



selection of investment sites



formation of proposals for investors



assistance in making changes to territorial planning documents



organization of visits of potential investors



working out the connection to the infrastructure



assistance in cooperation with state and municipal authorities, resource supply organizations



selection of support measures



development business plans and financial models

The support of an investment project based on the «one-stop-shop» principle includes a range of free services aimed at providing informational, legal, administrative, and organizational assistance for the successful implementation of the investment project. If you are considering investing in the development of your business within Vologda Region, you can count on the support of the Development Corporation throughout all stages of your project. The Corporation will provide comprehensive assistance in matters related to information, legal compliance, administrative procedures, and project organization.



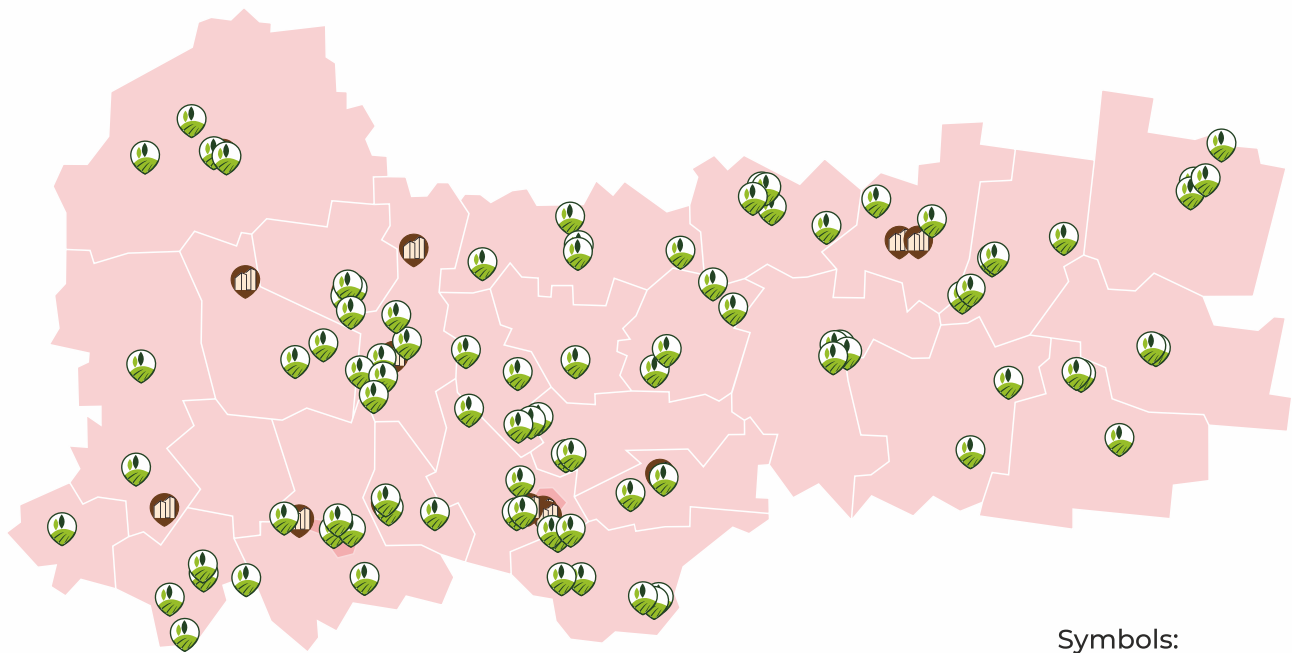
КОРПОРАЦИЯ РАЗВИТИЯ
ВОЛОГОДСКОЙ ОБЛАСТИ

**Vologda Region
Development Corporation JSC**



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INVESTMENT MAP of the Vologda Region



Symbols:

-  Brownfield
-  Greenfield

In January 2023, the Automated System for Spatial Management of Investment Development Facilities in Vologda Region, known as the «Investment Map of the Vologda Region» (hereafter referred to as the «InvestMap»), was launched in the Vologda Region.

The InvestMap is an effective tool that enhances the investment attractiveness of regional territories. It is presented as a publicly accessible online resource available at <https://invest.geo.gov35.ru/> and provides potential investors with a range of benefits.

By utilizing the InvestMap, potential investors can save time and effort in selecting a promising investment project and exploring the region, as it allows them to analyze a number of critical factors prior to making a decision. The InvestMap provides a comprehensive overview of the resources available in the region, organized into information layers. It displays data on gas, water, and heat supply, electricity, telecommunications, current tariff rates in the area, transport infrastructure, mineral resources, solid waste management, information on government support measures for businesses, and information on available land plots for investment projects to construct new facilities across the region.

KEY FEATURES OF THE VOLOGDA REGION



ADVANTAGES OF LOCALIZATION OF PRODUCTION in the Vologda region



TRANSPORT AND LOGISTICS

- the region's advantageous location at the intersection of various modes of transportation, including federal and regional highways, the air corridor connecting Europe and Asia, and the Volga-Baltic waterway, provides numerous opportunities for economic development
- the geographical location of the region is in close proximity to Russia's two largest cities, Moscow and St. Petersburg, as well as the foreign markets in Northern Europe



POTENTIAL SALES MARKET

- population of the Vologda region as of January 1, 2024 – **1,121.34** thousand people
- within a radius of 700 km from the city of Vologda, the population is more than 50 million people



HIGHLY EFFECTIVE INVESTMENT TEAM

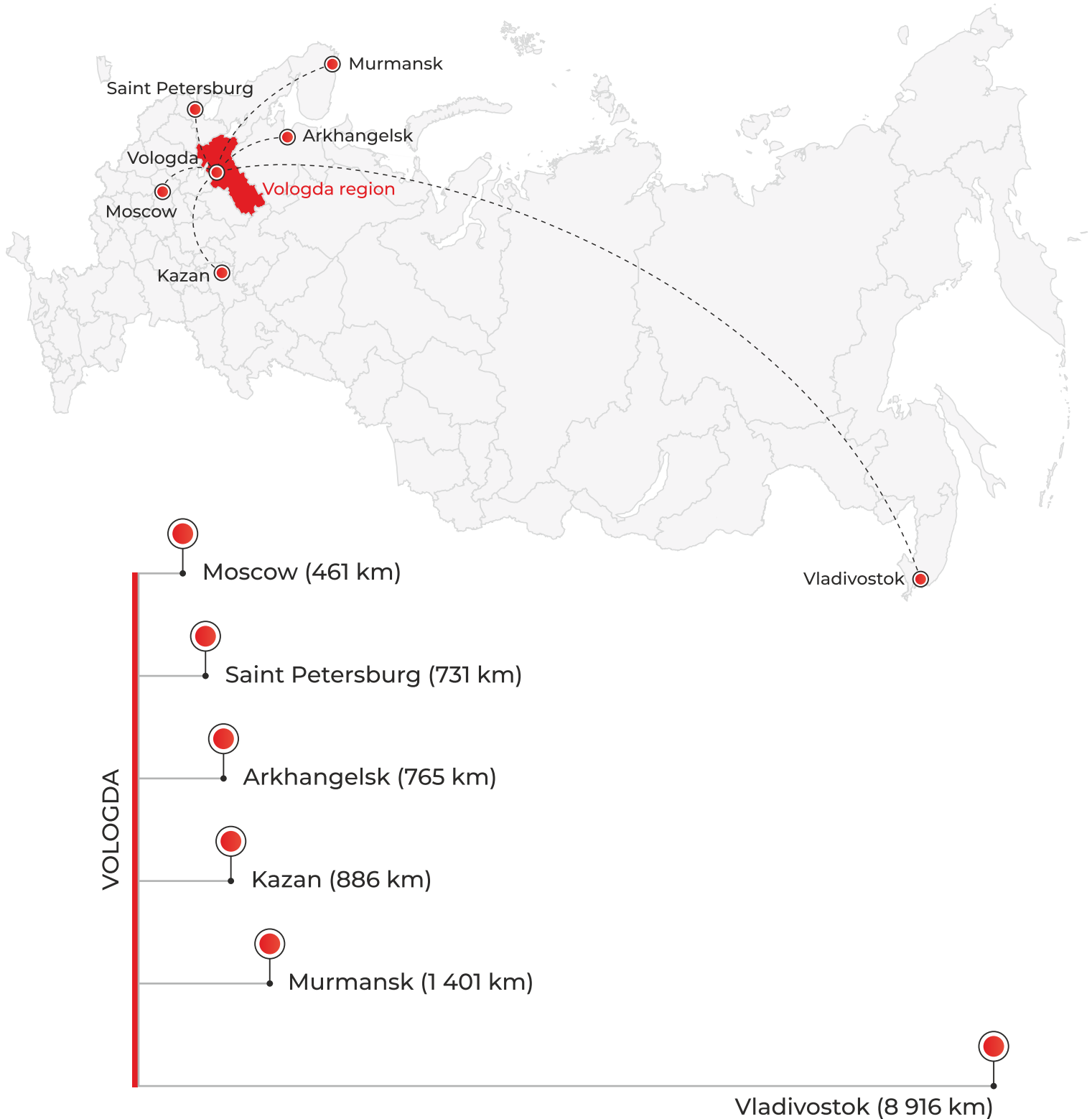
- a stable economic environment in the region
- transparent working conditions for investors
- extensive experience in engaging with investors
- a wide range of supportive measures, including tax incentives



RESOURCES

- the availability of qualified workers and management personnel
- forest resources cover an area of 11.5 million hectares. The volume of wood that can be harvested without damage to reserves (estimated logging area) is 29.1 million cubic meters
- over 700 deposits of more than 25 types of mineral raw materials have been identified and explored to varying degrees in the region
- mineral waters are widely available, with 119 being fresh drinking waters, 5 being technical waters, and 17 being mineral healing springs

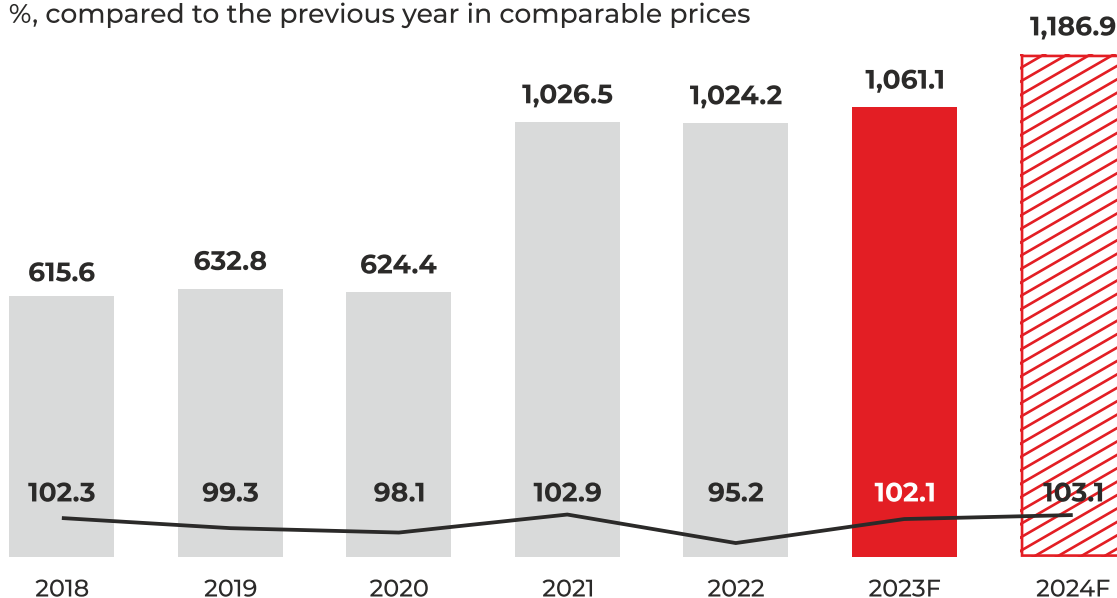
GEOGRAPHICAL LOCATION



ECONOMIC DEVELOPMENT OF THE REGION

Gross regional product

billion rubles
%, compared to the previous year in comparable prices

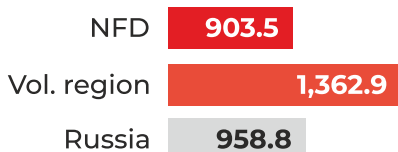


Index of output of goods and services by basic types of economic activity

%, compared to the previous year in comparable prices



2022
GRP per 1 resident,
thousand rubles

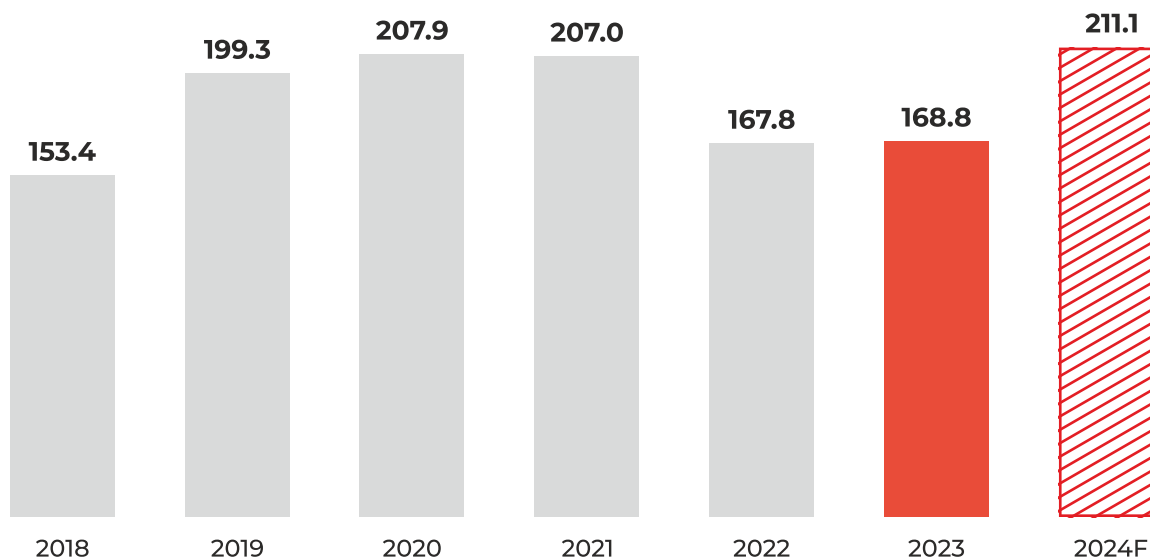


2023
Index of output of goods and services
by basic types of economic activity



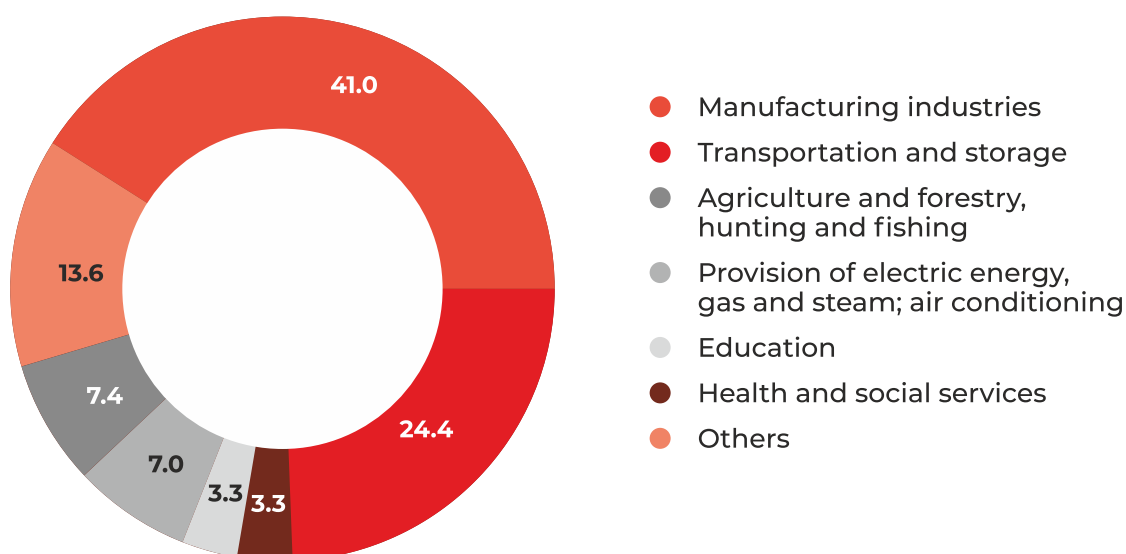
INVESTMENTS

Investments dynamics, billion rubles, billion rubles



Data source:
Vologdastat, departmental data

Structure of investments by type of economic activity, %

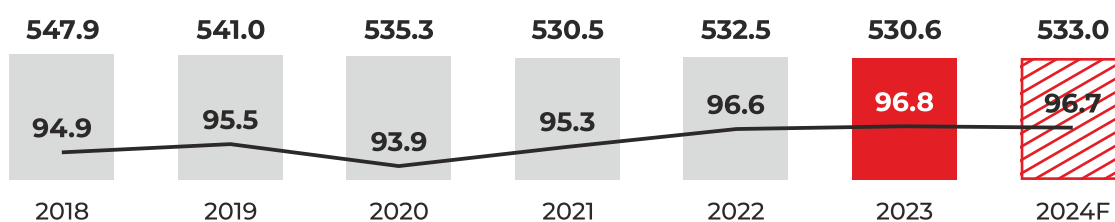


Data source:
Vologdastat, departmental data

THE LABOR MARKET

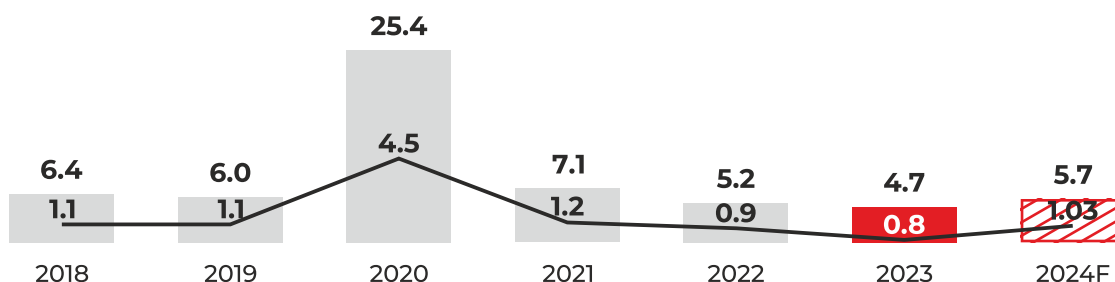
Number of people employed in the economy (at the end of the year)

thousand people
%, employment rate of the workforce



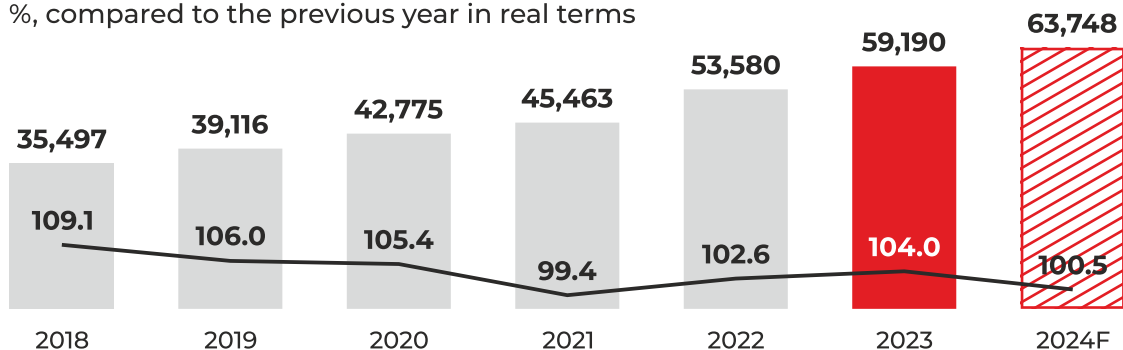
Number of unemployed registered in state institutions of the employment service (at the end of the year)

thousand people
%, registered unemployment rate

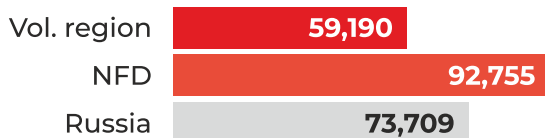


Average monthly accrued salary

rubles
%, compared to the previous year in real terms



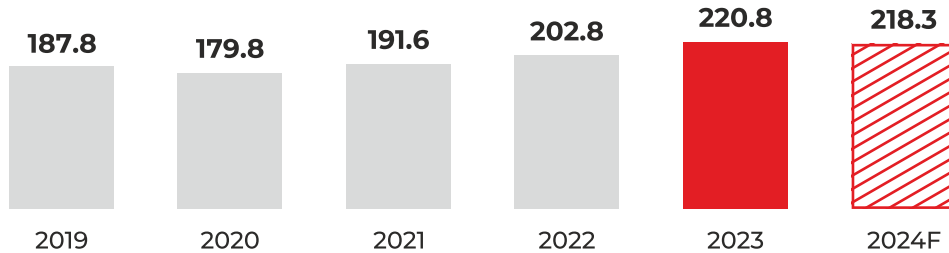
2023 year
Average monthly salary per 1 employee, rubles



THE LABOR MARKET

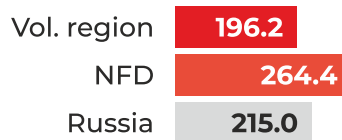
Number of people employed in the field of small and medium-sized enterprises, including sole proprietors and the self-employed

thousand people



2023

The number of people employed in the field of small and medium-sized enterprises, including sole proprietors and the self-employed, per 1000 residents

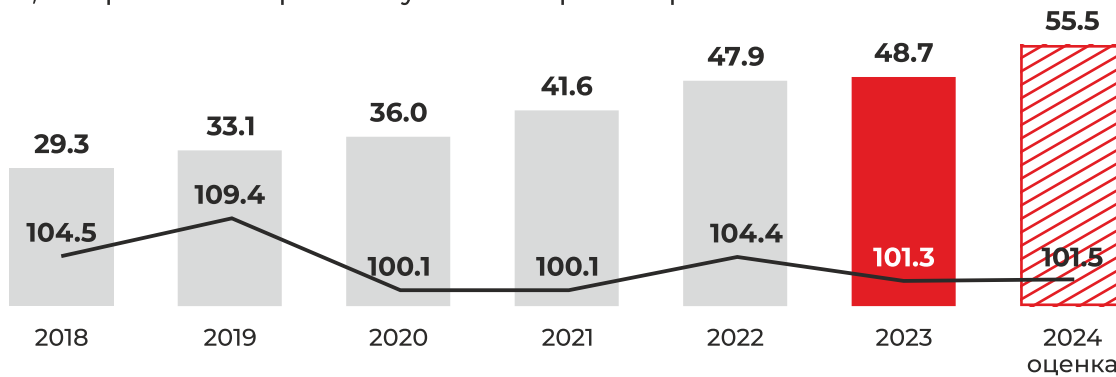


AGRICULTURAL INDUSTRY

Production of agricultural products

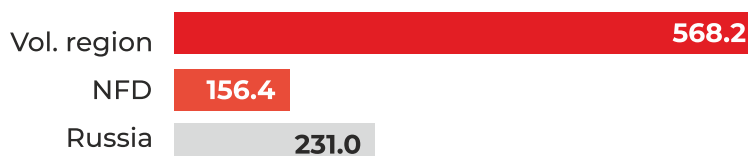
billion rubles

%, compared to the previous year in comparable prices



2023

Milk production per resident, kg



639,400 tons

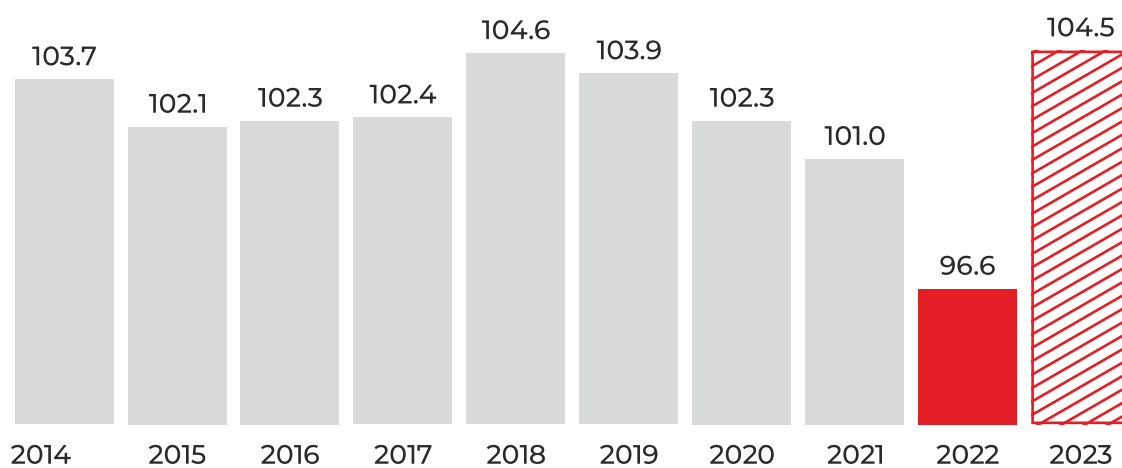
of gross milk yield in 2023
A record for 32 years

8,843 kg

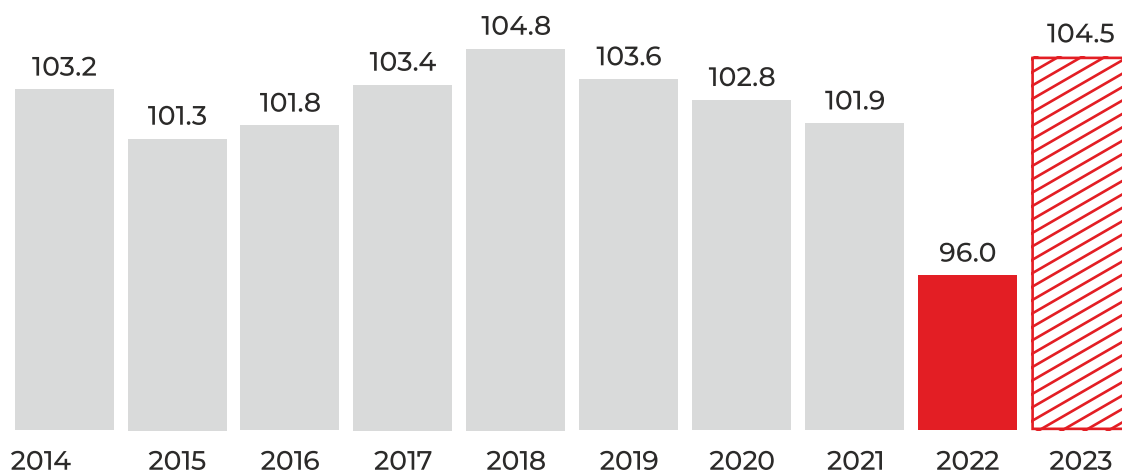
of milk yield per cow in 2023
The historical maximum

INDUSTRY

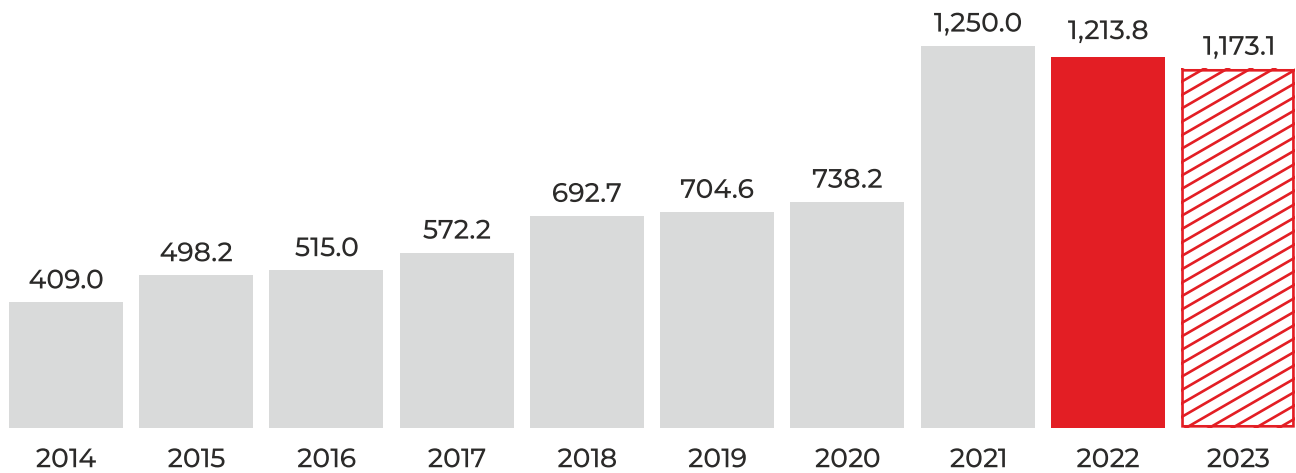
Dynamics of the industrial production index, %



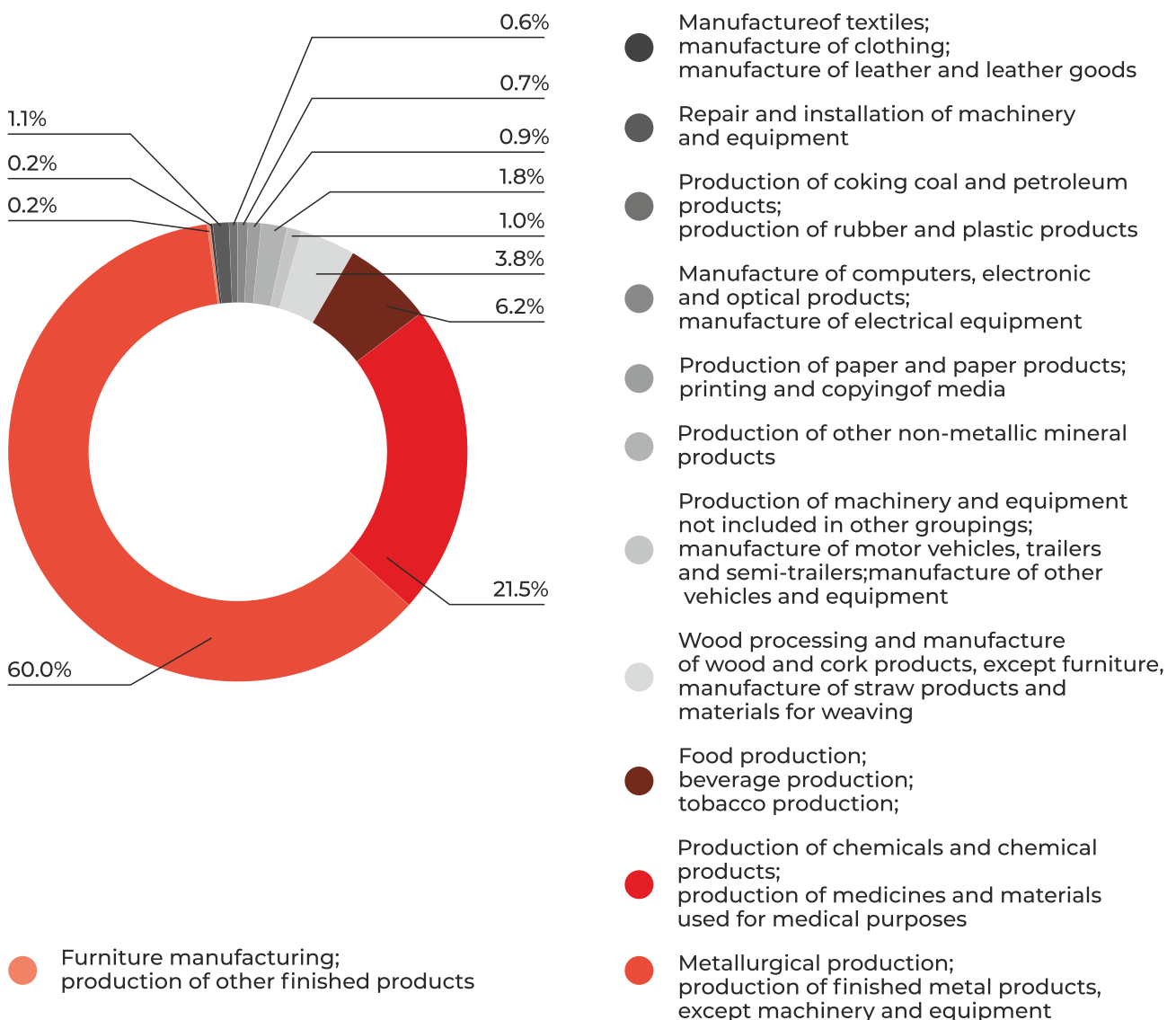
Dynamics of the index of manufacturing industrial production, %



Volume of shipped industrial products of own production, completed works and services in the Vologda Region (manufacturing industries), million rubles

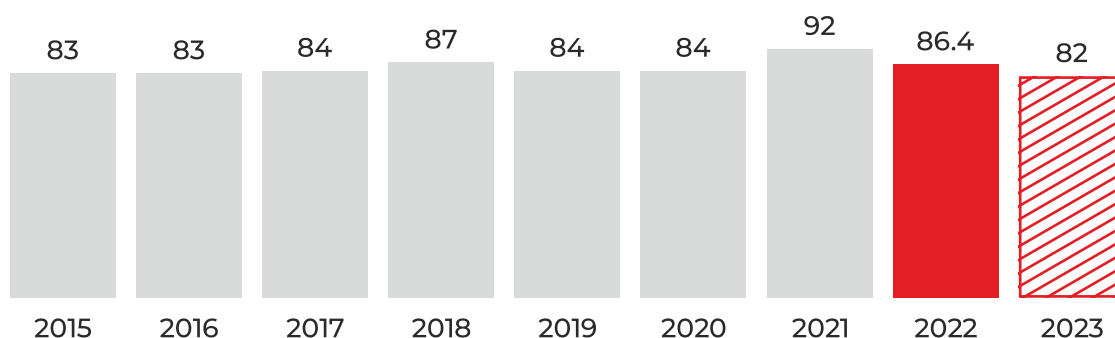


Structure of industrial production in manufacturing industries in 2023, %



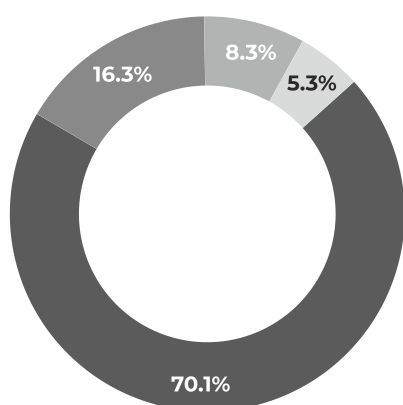
EXPORT

Share of exports in foreign trade turnover, %



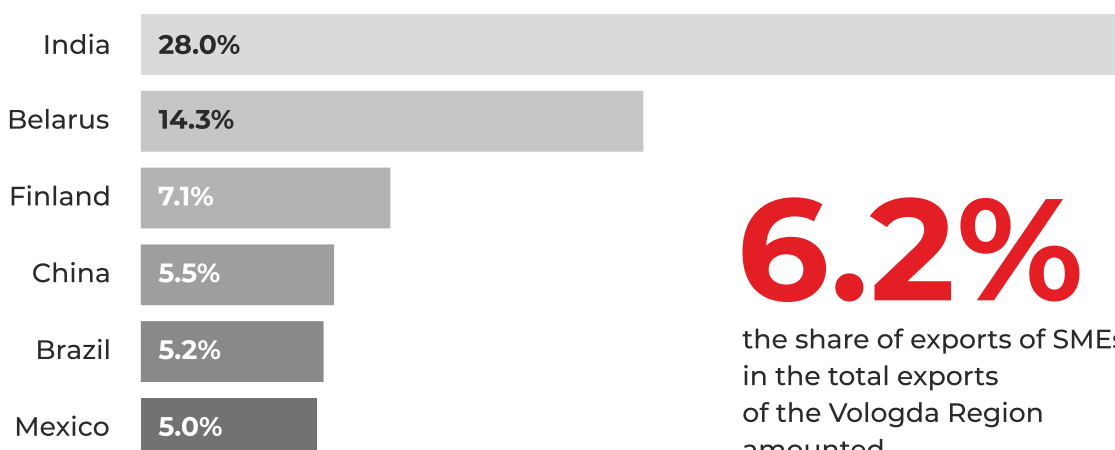
3,164,407.9 \$
thousand

The foreign trade turnover of the Vologda Region in January-December 2023 amounted



- **2,219,147.2 thousand US dollars**
chemical industry products
- **515,547.1 thousand US dollars**
metals and products thereof
- **262,668.1 thousand US dollars**
wood, paper and products thereof
- **167,045.5 thousand US dollars**
other categories of goods

Main markets:



6.2%

the share of exports of SMEs in the total exports of the Vologda Region amounted

KEY SECTORS OF THE REGION'S ECONOMY



FLAGSHIPS OF THE REGION'S DEVELOPMENT

Metal industry



It is one of the most efficient mining and metallurgical companies in the world
it produces **every 6th** ton of Russian rolled metal

Chemical industry



It is one of the world's leading producers of phosphorus-containing fertilizers
It ranks **1st in the world** in the production of high-grade apatite concentrate

Forest industry complex



3rd place in terms of wood harvesting
it produces **every 4th wooden house** of factory design

Agricultural complex



4th place in milk production
1st place in the production of legal black caviar

Mechanical engineering



It produces **every 5th** Russian bearing
40 large and medium-sized enterprises in the industry

Tourism



3,500 historical and cultural monuments
3.3 million tourists and visitors in 2022

PLANS FOR THE DEVELOPMENT OF PRIORITY AREAS AND SECTORS OF THE ECONOMY

Identifying new potential market opportunities due to supply chain disruptions

List of items that are in demand as substitutes for imports



Filters (oil, air, fuel) for Caterpillar, Komatsu, Deutz machinery



Spare parts and accessories for Warman slurry pumps (seals, bearings, impellers, etc.)



Spare parts and accessories for Metso pumps (seals, linings, working bodies, etc.)



Plate heat exchangers and their accessories (Alfa Laval, Wespel, Luvata)



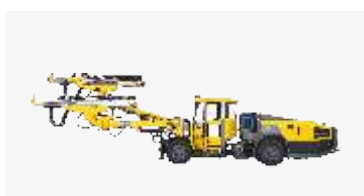
Encoders Leine, Hubner, Heidenhain



Refractory materials for metallurgy – analogues of Almatiss, Greemagn Tun, Tasori, Theramer Brick, Almatiss



Flame-burning equipment and spare parts analogues of Hypertherm



Spare parts and accessories for Epiroc, Sandvik, Atlas Copco mining and drilling equipment



Cable-conducting products: HELUKABEL, OLFLEX, Chainflex



Electrical devices: Finder, Wago, Conductix

STRATEGIC GOALS FOR THE DEVELOPMENT OF THE REGION BY 2030



The region for investment:

One of the most attractive regions for investors is the Russian Federation, which has a unique investment environment.

Goal - Top 10 regions in terms of investment climate



The region for tourism:

The largest innovative tourism cluster combining traditional, modern, industrial and rural (agricultural) tourism, production of unique products of artisans and folk arts and crafts on its territory.

Goal - 3-times increase in tourist flow



The region for industry:

The leader in the North-West region in metalworking with a well-developed and competitive machine-building industry which produces in-demand products that substitute for imports.

Goal - GRP growth dynamics higher than in the Russian Federation



The region for living:

Russian citizens enjoy comfortable living conditions in environmentally friendly recreational areas in both urban and rural settings. They benefit from high wages, access to high-quality, locally produced food, a well-developed social infrastructure, and a unique natural environment. The region, which is considered the most «Russian» in the country, provides stability in the social and economic spheres, maintaining a distinctive «Russian identity».






Goal - positive migration balance

DEVELOPMENT DRIVERS

	NEW REALITIES	THE POTENTIAL OF THE REGION	DEVELOPMENT DRIVERS
1	Sanctions and withdrawal of foreign suppliers of equipment and spare parts from the Russian Federation	Purchases of large companies (Severstal, Phosagro), a well-developed machine-building base and scientific and technical potential of the Vologda region and enterprises	01 Mechanical engineering and industrial cooperation
2	Closure of foreign markets, redistribution of cargo flows to domestic destinations	Convenient multimodal (auto/railway/water) logistics via the Vologda Region with access to the northern and eastern regions / North European crossroads	02 Logistics
3	Shortage of environmentally friendly food in megalopolises	Reputable Russian brands «Vologda butter», «Real Vologda product»; a unique raw material base and competencies for the dairy industry	03 Food industry
4	Unsecured growing demand for new housing in the region and low-rise eco-friendly houses in the Russian Federation, a request to move from megalopolises, a shortage of building materials	Developed construction complex and competencies, wood processing complex and any products/raw materials, supplier of metals and metal products, minerals for building materials	04 Construction and production of building and finishing materials, complex low-rise buildings / development
5	«Closure» of borders and traveling abroad	Nature, recreational areas, cultural and historical heritage / pilgrimage destinations, Volga-Balt and river cruises, request for marinas and berths, reservoirs and hunting, Russian fairy tale brand «Ded Moroz»	05 Tourism, hotel and roadside services

TRANSPORT INFRASTRUCTURE

Symbols:

-  Auto road
-  Railways
-  Waterways
-  Airport
-  River port



S Area:
144,500 $\frac{\text{sq}}{\text{km}}$

Population:
1.2 $\frac{\text{million}}{\text{people}}$

The sales market :
50 $\frac{\text{million}}{\text{people}}$ within a radius
of 700 km

Industrial production:
1.3 $\frac{\text{trillion}}{\text{rubles}}$ annual volume

Annual export of products:
>7 $\frac{\text{billion}}{\$}$ **>100** $\frac{\text{countries}}{\text{of the world}}$

Per year- estimated logging area:
29 $\frac{\text{million}}{\text{m}^3}$

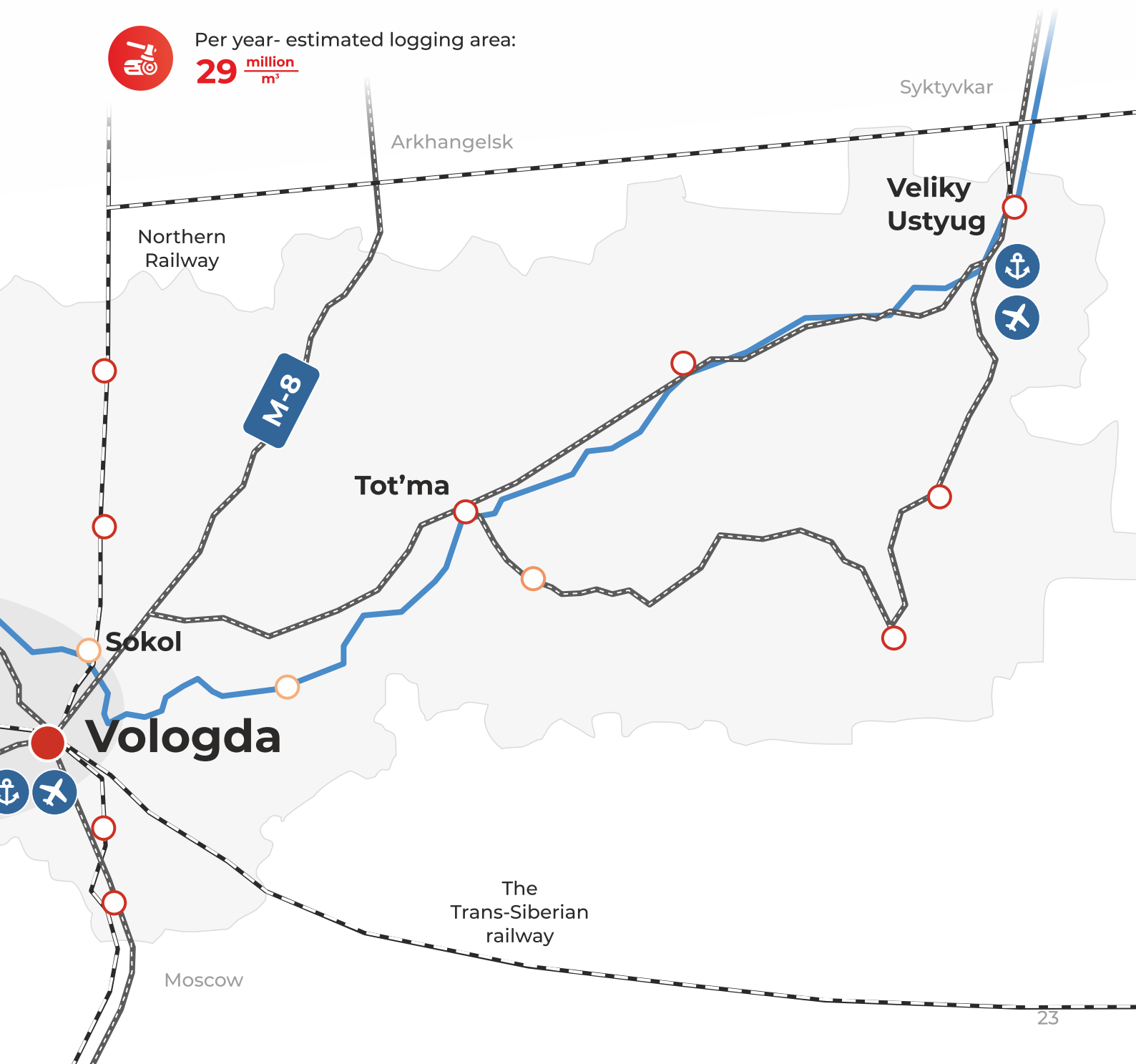
8 universities
34 professional
educational institutions

Road network
28,800 km

Waterways
1,577 km

Railways
769 km

3 airport
1 international
2 domestic



KEY INVESTMENT PROJECTS IN THE VOLOGDA REGION



INVESTMENT PROJECTS IN INDUSTRY

Technical re-equipment of optical and mechanical production

Investor: VOMZ, JSC
Location: Vologda city, Maltseva street
Implementation period: 2022-2026



2,984 million rubles
investment volume



229
number of new jobs

Modernization of production of plastic pipes

Investor: IMMID, LLC
Location: Vologda city, Promyshlennaya Street
Implementation period: 2022-2025



500 million rubles
investment volume



20
number of new jobs

Expansion and modernization of trolleybus and electric bus production

Investor: TRANS-ALFA, LLC
Location: Vologda city, Belozerskoe highway
Implementation period: 2023-2028



970 million rubles
investment volume



150
number of new jobs

Construction of a pipe production plant

Investor: Northern Pipe Company, LLC
Location: Cherepovets city, Severnoye highway
Implementation period: 2023-2026



450 million rubles
investment volume



50
number of new jobs

Construction of production facilities for the production of products made of high-strength steel grades, parts, mechanisms, and protective elements for machines

Investor: Plant of Special Steels 17, LLC
Location: Cherepovets city, Severnoye highway
Implementation period: 2023-2025



200 million rubles
investment volume



20
number of new jobs

INVESTMENT PROJECTS IN THE FORESTRY SECTOR

Creation of a timber processing plant

Investor: Babaevsky Forestry Enterprise, JSC
Location: Babaevsky municipal district, Babaevo
Implementation period: 2021-2026



5,074.3 million rubles
investment volume



224
number of new jobs

Creation of timber processing facilities at Vologda Forest, LLC

Investor: Vologda Forest, LLC
Location: Vologda city, Okruzhnoye highway
Implementation period: 2020-2028



5,058 million rubles
investment volume



401
number of new jobs

Modernization of plywood production and creation of a sawmill

Investor: SVEZA Innovator, NJSC
Location: Velikoustyugsky municipal district, Novator village
Implementation period: 2019-2025



8,748.8 million rubles
investment volume



200
number of new jobs

Construction of a complex wood processing plant

Investor: Bereznik, JSC
Location: Sokolsky municipal district, Sokol
Implementation period: 2019-2026



3,020 million rubles
investment volume



300
number of new jobs

INVESTMENT PROJECTS IN AGRICULTURE

Construction of a cattle breeding facility for the maintenance of livestock

Investor: Breeding farm Aurora, JSC
Location: Mezhdurechensk municipal district, village of Spas Yamschiki
Implementation period: 2022-2024



1,936.1 million rubles

investment volume



45

number of new jobs

Construction of a cattle breeding facility for the maintenance of livestock

Investor: Order of the Red Banner of Labor breeding farm named after the 50th anniversary of the USSR
Location: Mezhdurechensk municipal district, Butovo village
Implementation period: 2023-2026



2,072.3 million rubles

investment volume



45

number of new jobs

Construction of a livestock complex to house Yubileyny cows for a total of 3,230 animals

Investor: Breeding Plant Zarya, JSC
Location: Gryazovetsky municipal district, Verkhneye Vasilyevskoye village
Implementation period: 2021-2026



3,100 million rubles

investment volume



86

number of new jobs

Creation of an industrial-type fish farming enterprise for salmon cultivation in closed water supply installations with a capacity of up to 2500 tons per year

Investor: Aquaproduct, LLC
Location: Vologda municipal district, a settlement Gribkovo
Implementation period: 2019-2024



4,451 million rubles

investment volume



33

number of new jobs

INVESTMENT PROJECTS IN TOURISM

Development of the Y.E.S. Recreation Center - construction of an entertainment center, an outdoor area of the Water Park, Ski complex 2, amusement park

Investor: individual entrepreneur A. Sivkov
Location: Vologda municipal district, a settlement Striznevo
Implementation period: 2023-2029



5,110 million rubles
investment volume



606
number of new jobs

Construction of a hotel with a SPA complex

Investor: TVS-M, LLC
Location: Cherepovets city, Rybinskaya street
Implementation period: 2021-2029



600 million rubles
investment volume



60
number of new jobs

Creation of a cottage settlement of a rental type as part of the Mount Tsympina ski complex

Investor: Tsympina Gora, LLC
Location: Kirillovsky municipal district, Yerdenevo village, Magichnaya str., 2
Implementation period: 2024-2026



150 million rubles
investment volume



15
number of new jobs

PROCESS OF IMPLEMENTING INVESTMENT PROJECTS





BUSINESS SUPPORT INFRASTRUCTURE

INVESTMENT TEAM

Composition of the investment team:

- Chairman of the Regional Government
- First Deputy Governor of the region - Head of the Administration of the Governor of the region
- Deputy Governors of the region, members of the regional Government
- Head of the Department of Economic Development of the region
- Representatives from the city districts of Vologda and Cherepovets
- Representative from the Vologda Region Development Corporation, JSC
- Representative from the autonomous non-profit organization Urban Development Agency
- Ombudsman for the Protection of Entrepreneurs' Rights in the Vologda Region
- Representatives of the Vologda Region Chamber of Commerce and Industry, all-Russian public organizations Russian Union of Industrialists and Entrepreneurs, Opora Russia, Business Russia, other public organizations representing the interests of the business community in the region
- Representative of the Vologda Region Branch of the North-Western Main Directorate of the Central Bank of the Russian Federation
- Representatives of infrastructure organizations of the region

Tasks of the investment team:

- implementation of the Regional Investment Standard in the region
- monitoring the performance of key performance indicators of the investment sector
- defining the main directions of investment development in the region
- determination of the main indicators of the effectiveness of the investment sector
- creating a favorable investment climate
- interaction with the business community
- making decisions on the development of preferential territories and investment infrastructure

Investment Council under the Governor of the Vologda Region was created in order to enhance the efficiency of the formation of the investment policy for the region, promote public-private partnerships, and ensure the protection of the rights and legitimate interests of participants in investment activities.

The Investment Council under the Governor of Vologda Region is responsible for the following tasks:

- Stimulating investment activity in the region
- Improving the effectiveness of the regional executive authorities in implementing a unified state investment policy
- Identification of priority areas for investment development in the region
- Support and development of innovative activities
- Development of public-private partnership in the Vologda Region
- Implementation of forms of state regulation of investment activity in the territory of the region
- Promotion of competition in the commodity markets of the region

The objectives of the Working Committee are:

- Improving the efficiency of the organization of cooperation between the executive authorities of the region, investment entities of the region, and public and other regional organizations in order to enhance the investment climate in the Vologda Region
- Formation of favorable conditions for investment and entrepreneurship in the Vologda Region, as well as the improvement of the region's performance in the National Investment Climate Rating for the Subjects of the Russian Federation
- Assistance in resolving disputes and conflicts between investors and the executive authorities, local governments, and other organizations in the Vologda Region regarding the implementation of investment projects within the region

Within the framework of the Investment Council under the Governor of the region, a working committee has been established with the aim of improving the investment climate in the Vologda Region.

The Working Committee solves the following tasks:

- Improving the investment climate in the region
- Reducing barriers hindering the development of the region's economy
- Fulfillment of obligations of the region and the investor
- Collection and generalization of licensing practices

REGIONAL INVESTMENT SUPPORT MEASURES

Decree of the Regional Government No. 1114 dated 10/28/2013

dsp



PRIORITY INVESTMENT PROJECTS

WHO IS APPLYING?

- «New» investors who are under construction or acquiring fixed assets totaling more than 50 million rubles
- Existing investors who create or upgrade fixed assets with a value equal to or exceeding a predetermined threshold (which varies depending on the type of activity)

WHAT DOES THE INVESTOR RECEIVE?



Reduction of the income tax rate
reduction to 13.5% for 3-5 years



Exemption from payment of property tax
100% for 3 years, 4th and 5th year – 50%



Exemption from payment of transport tax
for 3-5 years



Property tax benefits for organizations engaged in construction and modernization

0% for 3-6 years
(for projects up to 100 million rubles)

0-1.5% for 5-8 years
(more than 100 million rubles)



SCALE INVESTMENT PROJECTS

WHO IS APPLYING?

Investors who carry out activities that are strategically important for the region and meet the following criteria:

- **volume of capital investments**
 - ≥ **100 million rubles** – for Vologda and Cherepovets
 - ≥ **30 million rubles** – for municipal districts
- Creation of **permanent jobs** ≥ **100**

WHAT DOES THE INVESTOR RECEIVE?



Provision of land plots
for rent without bidding



NEW INVESTMENT PROJECT

WHO IS APPLYING?

Investors can implement an investment project that meets the following conditions:

- Financial support for the implementation of the new investment project should be launched no earlier than January 1, 2021
- The cost of the project is at least **50 million rubles**
- The date of entry of fixed assets is not earlier than **January 1, 2021**

WHAT DOES THE INVESTOR RECEIVE?



Cost recovery or creation of engineering, transport, utility,
and energy infrastructure facilities

**TERRITORY TO ADVANCED DEVELOPMENT (TAD)**

it was created on the territory of Cherepovets city

WHO IS APPLYING?**Key project requirements:**

- Volume of capital investments of the resident:
5 million rubles during the first year
≥ 20 million rubles for the entire period of the project
- Creation of permanent jobs
≥ 20 during the first year
- Attracting foreign labor
Less than 25% of the total number of employees
- Compliance with types of economic activity Specified in the Decree of the Government of the Russian Federation No. 939 dated 08/07/2017

WHAT DOES THE INVESTOR RECEIVE?

Type of tax	The standard rate	The rate for residents of the TAD	
Income tax	20%	0%	1–5 years
		10%	6–10 years
Property tax (regional budget)	2.2%	0%	1–10 years
Land tax (local budget)	1.5%	0%	1–10 years
Contributions to extra-budgetary funds	30%	7.6%*	1–10 years

* conclusion of an agreement within 3 years from the date of creation of the territory of advanced development

SYNERGY OF GROWTH 2.0

Since 2014, the region has been implementing the strategic project Synergy of Growth 2.0, aimed at developing intraregional cooperation, increasing the volume of purchases of goods and services between enterprises of large, medium, and small businesses. The first participants of the project were Severstal PJSC and Apatit JSC (formerly PhosAgro-Cherepovets JSC) and three small and medium-sized enterprises of the region. Today, the strategic partners of the Synergy of Growth 2.0 project are 15 large companies in the region and 1,663 small and medium-sized businesses.

The project was implemented with the direct participation of business support organizations ANO My Business Vologda and ANO Urban Development Agency Cherepovets, on the sites of which Industrial cooperation Centers were established, as well as the Union of Industrialists and Entrepreneurs of the Vologda region.

THE PROJECT IN NUMBERS:

2014 – the start of the project

2020 – the project was given the status of a strategic regional project

2024 – it is planned to reformat the project and include new partners

Strategic partners of the Synergy of Growth 2.0 project:

15 large companies
in the region

1,663 small and medium-sized
businesses in the region

The total volume of purchases of inventory and services of large companies participating in the project from small and medium-sized businesses in the region (from 2014 to 2023):

186.3 billion rubles

The total volume of purchases from all enterprises of the region (from 2019 to 2023):

347.7 billion rubles

Digital platform Electronic Business Cooperation (DP EBC)
is one of the main tools of the project:

bk.agr-city.ru

1,836 companies registered
in DP EBC

116,276 orders placed
in DP EBC

13,986 government orders
available in DP EBC

47.40 billion rubles
the total amount
of purchases in DP EBC

17,626
items
of import-substituting
products are placed
in the section Import
substitution Exchange
of the DP EBC

SPECIAL INVESTMENT CONTRACT (THE SPIC 1.0 AND THE SPIC 2.0)

Law of the Vologda Region No. 968-OZ «On property tax of organizations» dated 11/21/2003.

Law of the Vologda Region No. 781-OZ «On corporate income tax to be credited to the budget of the Vologda Region» dated 30.04.2002.

Support in the implementation of industrial projects in the Vologda Region, which include:

- creation or modernization and (or) development of industrial production (The SPIC 1.0)
- introduction of modern technologies that allow the production of globally competitive products (The SPIC 1.0)

Tax reduction:

up to 14.5%
reduction on profit

up to 0%
reduction on property

Terms of service:

The SPIC 1.0

750 million rubles
the minimum investment amount

≤ 10 years

The SPIC 2.0

≤ 15 years
if the volume of investments is
≤ 50 billion rubles

≤ 20 years
if the volume of investments is
> 50 billion rubles

There are no minimum investment requirements

The development of modern technology included in the list of the Ministry of Industry and Trade of Russia is supported.

PREFERENTIAL LOANS



ФОНД РАЗВИТИЯ
ПРОМЫШЛЕННОСТИ
Вологодской области

The Industry Support Fund offers of the Vologda Region preferential financing conditions for projects aimed at improving labor productivity, supporting import substitution, exports, food industry projects, and the production of automotive components. Preferential loans from the Industrial Development Fund from 2024 are also available for tourism enterprises.

Support for improving labor productivity

6-30 million rubles

loan amount

≤ 5 years

loan term

> 20 million rubles

the total budget of the project

3%

the interest rate

Support for Import substitution/export development projects

14-50 million rubles

loan amount

≤ 5 years

loan term

> 20 million rubles

the total budget of the project

5%

the interest rate

Support for the food industry

14-30 million rubles

loan amount

≤ 5 years

loan term

> 20 million rubles

the total budget of the project

5%

the interest rate

OKVED* 10

food production

Support for the production of automotive components

14-100 million rubles

loan amount

≤ 5 years

loan term

> 20 million rubles

the total budget of the project

5%

the interest rate

Co-financing by the applicant, private investors or banks - at least 30% of the project budget

*Russian Classification of Economic Activities

INVESTMENT PROTECTION AND PROMOTION AGREEMENT (IPPA)

Federal Law No. 69-FZ of April 1, 2020

The investor and the state shall conclude an agreement on the conditions for the implementation of the investment project: the investor undertakes to invest in the project, and the region guarantees the stabilization of tax and other regulatory conditions.

Investor preferences:



a mechanism for compensating the costs of supporting and related infrastructure



ensuring stable conditions for the duration of the agreement

Duration of investment protection and promotion agreement:

6 years

for projects from 200 million to 1.5 billion rubles

15 years

for projects from 5 to 20 billion rubles

20 years

for projects starting from 20 billion rubles

BIOTECH CLUSTER

In 2024, the Vologda Region created the first industrial cluster in the region that meets federal requirements, **the Industrial Cluster of Energy Engineering in the field of woodworking waste disposal by cogeneration.**

Information about the cluster is included in the unified register of clusters of the Ministry of Industry and Trade of the Russian Federation, as evidenced by the order of the Ministry of Industry and Trade of the Russian Federation dated February 14, 2024 No. 601.

The industrial cluster of biofuel cogeneration includes the following participants

- Teplotronika LLC INN 3525237213 (Vologda)
- Niva systems LLC INN 3525336944 (Vologda)
- Laboratory of measuring systems LLC INN 3528334840 (Cherepovets)
- JSC NPO Akonit INN 3525116280 (Vologda)
- LLC Thermoisol INN 3525077231 (Vologda)
- StroyTEK LLC INN 3525282872 (Vologda) is a manufacturer of end products of an industrial cluster

TERRITORIES FOR THE IMPLEMENTATION OF INVESTMENT PROJECTS



LESKOVO

INDUSTRIAL AREA

VOLOGDA MUNICIPAL DISTRICT

Location:

Sosnovskoye rural settlement of the Vologda municipal district of the Vologda Region

Area of the territory:

75.9 ha

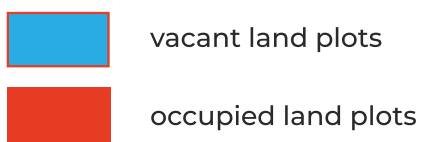
Planned infrastructure:

Power supply – 23 MW (2 stages)

Water supply – 961.1 cu.m./day

Water disposal – 915.09 cu.m./day

Gas supply – 17,800 cu.m./h



YASNAYA POLYANA INDUSTRIAL AREA CHEREPOVETS MUNICIPAL DISTRICT

Location:

Tonshalovskoye rural settlement of Cherepovets district, Vologda region

Area of the territory:

71.2 ha

Planned infrastructure:

Power supply – 26 MW

Heat supply – 20 Gcal/hour

Water supply – 1,800 cu.m./h

Water disposal – 1,800 cu.m./h

Gas supply – 3,500 cu.m./h



vacant land plots



Exit from the Northern
Bypass Road



Northern Bypass Road

SOKOL

INDUSTRIAL AREA

SOKOLSKY MUNICIPAL DISTRICT

Location:

Sokol city of the Sokolsky municipal district of Vologda region

Area of the territory:

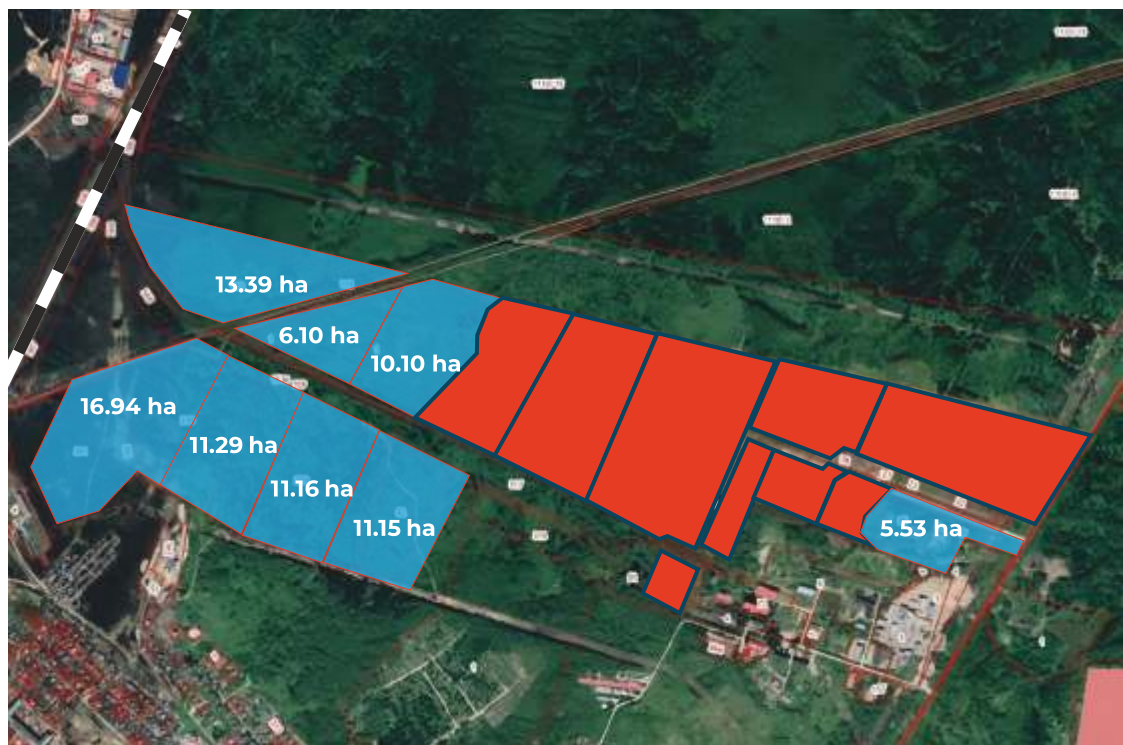
191.66 ha




Planned infrastructure:

Gas supply – 5,000 cu.m./h
Water supply – 839.55 cu.m./day
Water disposal – 799.8 cu.m./day

Existing infrastructure:

Power supply – 38.8 MW



-  rail road
-  vacant land plots
-  occupied land plots

SHEKSNA INDUSTRIAL AREA SHEKSNINSKY MUNICIPAL DISTRICT

Location:

Sheksna city of the Sheksninsky municipal district, Vologda region

Area of the territory:

915.64 ha

Planned infrastructure:

Gas supply – from 550 to 600 cu.m./h

Water supply – water intake with artesian wells

Water disposal – 2,000 cu.m./day
(completion of reconstruction in 2026)


Existing infrastructure:

Power supply – 20 MW
(commissioning of the facility is required)



 vacant land plots

 occupied land plots

 South entrance to the industrial site

 the highway

 rail road

 Engineering communications of the Sheksna Industrial Area in the Sheksna district. Eastern inter-site engineering network

TERRITORY OF TOURISM DEVELOPMENT
VELIKY USTYUG –
THE BIRTHPLACE OF DED MOROZ
VELIKOUSTYUGSKY MUNICIPAL DISTRICT

Location:

Vologda region, Velikoustyugsky district, Mardengskoye rural settlement

Area of the territory:

87.19 ha

Existing infrastructure:

Power supply – 4 MW



vacant land plots

PROPOSED PROJECTS IN THE TOURISM SECTOR



The Russian North National Park –

Park is a federally significant, specially protected natural area located within the Kirillovsky municipal district.



The establishment of the National Park in this area is due to its unique flora, fauna, and several distinctive attractions, including Mount Maura, Mount Sandyreva, Mount Tshipina, Sokolsky Forest, and others.

This Park accounts for approximately 10-15 percent of the total tourist traffic in the district.

Total area

168,000 ha

77,500 ha

federal lands assigned to the institution on the right of permanent indefinite use

90,500 ha

lands included in the boundaries of the park without withdrawal from economic exploitation

247

settlements within the borders of the national park

Attendance of protected area

2020 **130,000**

2021 **327,968**

620 km

from Moscow

130 km

from Vologda

590 km

from St. Petersburg

90 km

from Cherepovets

Points of tourist interest:

- MOUNT MAURA
- MOUNT TSHIPINA
- MOUNT SANDYREVA
- SOKOLSKY FOREST
- VOLGA-BALTIC WATERWAY
- DUKE'S CHANNELS OF WÜRTTEMBERG
- KIRILLO - BELOZERSKY MONASTERY
- GORITSKY RESURRECTION MAIDEN MONASTERY
- FERAPONTOV MONASTERY (DIONYSIUS FRESCOES MUSEUM - UNESCO WORLD HERITAGE SITE)
- NILO-SORSKY MONASTERY

FEATURES OF THE NATIONAL PARK

5

natural heritage assets

106

lakes

7

landscape areas formed
by Global glacial processes

79

architectural monuments

51

archaeological monuments

1

UNESCO World Heritage Site

220

species of birds

the Red Book of the Russian Federation includes:
black-throated loon, osprey, great and small spotted
eagle, white-tailed eagle, peregrine falcon, golden
eagle, sandpiper

25

species of orchids

the Red Book of the Russian Federation includes:
realvenus slipper, insect-bearing ophris, leafless broom,
calypso tuberous, Baltic palmroot and Traunsteiner

260

species of vertebrates



PRIORITY DEVELOPMENT POINTS ON THE TERRITORY OF THE NATIONAL PARK

1. Kirillov

Creation of a new administrative building of the National Park, combined with a visitor center

2. Goritsy village

Creation of the national visitor center (Collapsible frame-modular building) – the design and estimate documentation of the project has been developed, an application has been submitted for participation in the National Ecology Project in 2022 in the amount of 30 million rubles

3. Mount Maura

Development of an ecological trail and creation of a circular route on Mount Maura with a total length of 2.5 km (subject to the provision of two land plots for indefinite use)

4. Mount Sandyreva

Development and arrangement of 1 km circular ecological trail «Mount Sandyreva». Construction of an observation deck (observation tower, small architectural forms, decking, stairs, benches, toilets, etc.)

5. Mount Tsykina

Creation of the ecological trail «Mount Tsykina» with one-way length of 2.5 km (5 km round trip). Creation of an observation deck

6. Ferapontovo village

Creation of a parking area for motorhomes (the Park has a 2 ha land plot in permanent perpetual use) for visiting the ecotrope planned on Mount Tsykina

7. Topornya (Sokolsky forest)

Creation of modular non-capital accommodation facilities with equipped parking for transport. Creation of the «Osprey Museum» with an information point at the entrance to the ecotrope. Development of the second stage of the 3 km ecotrope

8. Yumpash Lake

Installation of a number of towers at a distance of 300-500 m from each other to observe wildlife object

9. Pereshna river

Creation of a water route (24.9 km long) for tourist rafting on the Pereshna River. Tourist parking facilities, including toilets, places for overnight stays and cooking

THE ISLAND OF RUS

Location	Vologda Region, Trekhgorka Island
Status	The Island of Rus is a complex that combines culture, sports and recreation, designed for events of regional and federal importance
All-season operation mode	Hotel, public education, entertainment and sports complexes, the versatility of thematic zones, architectural and engineering preparation of facilities allow for year-round use of the territory

The main project is «The Island of Rus».

Trekhgorka Island serves as the central hub of the Rus Island project, which integrates cultural, sports, and recreational activities. It is designed to host events of regional and national significance. All-year-round operations are supported by a range of hotel, educational, entertainment, and sports facilities. The versatility of its thematic zones and architectural and engineering features ensure year-round utilization of the space.

The architectural structure of the building, which takes the form of a sundial, is the central feature of the scientific and educational complex. The modern design, spacious interior, and natural lighting make it possible for scientific, cultural, and educational activities to take place all year round, with the participation of the finest teachers and experts from across the country.

Libraries, auditoriums, classrooms, and meeting rooms provide a welcoming environment for children of all ages from various regions of Russia and friendly nations to pursue their studies. The center's curriculum offers unique programs that allow students to complete the full school curriculum in both technical and humanities subjects within one month, thanks to our «deep-dive» approach.

This allows us to achieve our goal. Symposia, conferences, and lectures, featuring speakers from around the world, will help establish the center as a hub for Russian scientific research. Due to the increasing number of member states in the BRICS intergovernmental association, there is a pressing need for ongoing educational and research activities by delegates from the member countries based at the Lomonosov Center.

The linguistic diversity among the BRICS members inspired us to establish a permanent faculty for foreign languages, led by Doctor of Philology and Honored Professor at Moscow State University, Svetlana Ter-Minasova.



HOTEL INFRASTRUCTURE FACILITIES

Hotel ★ ★ ★

Student Village

Youth Camp

Hotel ★ ★ ★ ★

Guest houses

The hotel of the scientific and educational center

Yacht Club Boutique Hotel

The Rybatsky Khutor Hotel ★ ★ ★

Hotel ★ ★ ★ ★ ★

Hotel ★ ★ ★



HOTEL INFRASTRUCTURE FACILITIES IN THE AREA OF HISTORICAL RECONSTRUCTION

Guest houses

Slavic settlement

Guest houses

Pomorskaya Ves

Medvezhy ugol

Craft Village

Posad



The Northern Thebaid –

refers to the vast area surrounding the Kirillo-Belozersky Monastery. This name was given in comparison to the ancient Egyptian Thebais, a region known for its early Christian monastic settlements.



This area is home to four significant monastic complexes: Kirillo-Belozersky, Ferapontov Belozersky, Voskresensky Goritsky, and Nilo-Sor Desert monasteries.

These monastic sites have had a significant impact on Russian history and account for approximately 70-80% of visitors to the area in terms of tourist traffic.



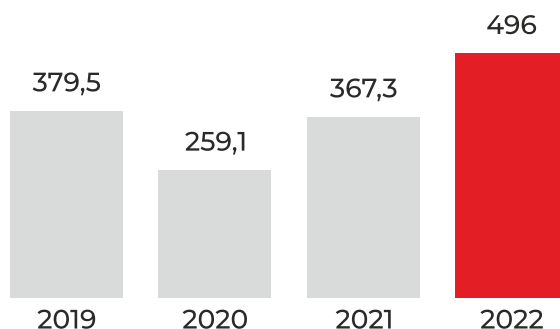
PROJECT VELIKY USTYUG – THE BIRTHPLACE OF DED MOROZ

The project was founded in 1998



Tourist flow

thousand visitors



Average daily average purchase size

2,703 rubles

accommodation in a 3* hotel, ticket to the museum, lunch at the restaurant

Total number of visitors

~ 4.5 million

over 25 years

TOP-3

most desirable cities of the Silver Necklace project

TOP-5

small towns in popularity of New Year holidays

TOP-10

most popular cities for inexpensive trips for a couple of days during the New Year holidays

Results of the project implementation

7.1 billion rubles

2.8 billion rubles

private investments

1.8 billion rubles

federal budget

2.5 billion rubles

the region and the local budget

Total created

156

tourist infrastructure facilities

6,000

jobs

43

accommodation facilities

By 2030:



650 thousand

tourists
annual tourist flow



625

jobs



3 billion rubles

private investments

2023 2025 2030

Number of visitors, thousand people

496 **525** **650**

Number of tourists, thousand people

59 **110** **180**

Planned volume of investments by 2030:

5.1 billion rubles

3 billion rubles private investments

2.1 billion rubles federal, regional and local budgets



Master plan of the tourist cluster VELIKY USTYUG – THE FAIRY-TALE CAPITAL OF RUSSIA Cluster «Homeland of Ded Moroz»



- Entrance Area
- Transformation of the Homeland existing territory
- Ded Moroz Honey Farm and Garden
- Park Hotel 4*
- Ded Moroz assistants' village
- Zoological Gardens of Ded Moroz Homeland



**THANKS
FROM INVESTORS**





Thanks to federal and regional industrial support programs, the IMMID Group of companies was able to invest more intensively and rapidly in the development of its production facilities: the company was provided with subsidies to reimburse the cost of purchasing equipment as part of investment loans to compensate interest rates on loans from commercial banks.

Konstantin Shepel

General director
IMMID, Group of companies





“

We chose the Mezhdurechensk district for the construction of a livestock complex due to the presence of unused agricultural land there in order to involve them in circulation, as well as due to favorable transport links, the availability of engineering and road infrastructure.

Vladimir Zhiltsov

Chairman of the Board
of the breeding farm Aurora



Thanks to the federal, regional program and the support of the Vologda Municipal district, 3 facilities of supporting infrastructure (sanitation, gas supply, electricity) were built, 5 kilometers of road from the federal highway to the entrance to the Center were repaired. This support allows the development of territories and sports and tourism facilities. In the place where the Center is now located, there was an amateur slope, completely unequipped, where enthusiasts went skiing and snowboarding. And the idea came up to make a real entertainment Center for the whole family here. Today, the YES Center is the only entertainment center in the Northwest with an aquapark, a zoo, a dinopark, a rope park, a country hotel, a ski complex and a real restaurant – museum. Every year, the YES Center receives hundreds of thousands of residents of the region and other regions of Russia.

Alexey Sivkov

Investor
of Y.E.S. Center





As part of the expansion of the Mount Tsyypina ski resort, we intend to establish a modern tourist complex, a type of eco-friendly hotel. Plans are in place to construct a large guesthouse with an integrated wellness area, hammam and sauna facilities, two plunge pools with cold and warm water, a small gym, 8 individual guest cottages, as well as a helipad and balloon landing site, a pavilion with a fireplace and kitchenette, winter garden, canopy for parking snowmobile and quad bikes, and other amenities.

We are also implementing the Belaya Gavan Park tourism project in the Vashkinsky District. This is a destination for true relaxation on the shores of the White Lake, offering a nordic-marine experience. It combines the romance of the vast northern waters with quality service in the finest Russian tradition. Due to high demand for the area, we have decided to increase the number of lodging facilities to 35 and add swimming pools, a summer patio, a volleyball court, and parking. Investments in the project total 250 million rubles and will create 60 new jobs.

Konstantin Teterin

Director
Mount Tsyypina, LLC

