

KEY TOPICS

- In the first month after EEF, the Far East attracted RUB 100 billion in investment
- A Chinese business support centre will be created in the Far East
- The 14th ASEZ will be established in Sakha Republic (Yakutia)



EASTERN ECONOMIC FORUM NEWS DIGEST

14 October 2016, Izvestia

Alexander Galushka: Russian Far East attracted RUB 100 billion in investment in first month after Eastern Economic Forum

A number of initiatives were drafted as a result of the second Eastern Economic Forum (EEF), setting out long-term concessions for capital-intensive projects and tax incentives for companies that contribute to the region's infrastructure. Investment in the macroregion totalled RUB 1.232 trillion. According to Mr Galushka, the results of EEF 2016 confirm that the Forum has achieved international recognition and established itself as an efficient tool for the development of the Russian Far East. <http://izvestia.ru/news/637736>

11 October 2016, Kommersant.ru

Alexander Krutikov to be responsible for attracting investment to Russian Far East and preparing for EEF

Alexander Krutikov has been named Deputy Minister for the Development of the Russian Far East. In his new role, Mr Krutikov will be responsible for attracting investment, international cooperation, preparing for the Eastern Economic Forum, and supervising the work of the Far East Agency for Investment Promotion and Export Support and the Far East Development Fund. <http://www.kommersant.ru/doc/3112977>

STATE POLICY IN THE RUSSIAN FAR EAST

27 October 2016, minvostokrazvitia.ru

Singapore seeking to develop economic partnerships in Russia's Far East

Singapore is ready to invest in priority areas for the development of the Russian Far East. These include the development of infrastructure, especially railways, ports, and airports, and projects in the fields of shipbuilding and aircraft construction.

At a meeting between Deputy Ministers for the Development of the Russian Far East Alexander Osipov and Alexander Krutikov and Singaporean Minister of State for National Development and for Trade and Industry Koh Poh Koon, Singapore's experience of the oil and gas processing industry was also discussed, along with the development of a modern urban environment and the quality and accessibility of health care. "A contract is now being prepared to involve Changi Airports International in the renovation of Vladivostok international airport", said Mr Krutikov. http://minvr.ru/press-center/news_minvostok/?ELEMENT_ID=4724

24 October 2016, TASS

Chinese business support centre to be opened in Russian Far East

A joint Russian–Chinese platform is critical to promoting investment projects and attracting new residents to the advanced special economic zones and Vladivostok Free Port. It will help to substantially raise the quantity and quality of Chinese investment. In Russia, the platform may be operated by the Far East Agency for Investment Promotion and Export Support and the Far East Development Fund.

According to Mr Galushka, 21 projects are already being implemented in the Russian Far East with the involvement of Chinese business, representing a total investment of more than RUB 180 billion. http://minvostokrazvitia.ru/press-center/news_minvostok/?ELEMENT_ID=4703

18 October 2016, TASS

Population of Russian Far East to hit 8.5 million by 2030

As reported by the Ministry for the Development of the Russian Far East, emigration out of the region has dropped 4.2 times in the last few years. The region's population is expected to reach 8.5 million people by 2030. This demographic projection was made in the Far East demographic policy framework. <http://tass.ru/ekonomika/3712168>

13 October 2016, rcsme.ru

Small businesses in Russian Far East to be offered concessional loans

Concessional loans at 12.5–13.5% APR will be funded by the Far East and Baikal Region Development Fund. The pilot project will be carried out in conjunction with Sberbank, in line with an agreement signed at the Eastern Economic Forum. The Far East and Baikal Region Development Fund will provide Sberbank with target financing at an interest rate of 5% per annum.

The involvement of the Fund will reduce the interest rate offered to small and medium-sized businesses through the joint programme by 4–5% compared with average market rates and extend the loan period up to 10 years. <http://rcsme.ru/ru/news/show/82064/Малому-бизнесу-на-Дальнем-Востоке-предложат-кредиты-под-135/1105/13-10-2016>

4 October 2016, vestiregion.ru

Russian Government approves border checkpoint mechanism for Vladivostok Free Port

Dmitry Medvedev has already signed the relevant order, which provides for 24-hour checkpoint operations, a 'one-stop shop' for goods crossing Russia's national border, and the introduction of electronic submission of documents for customs control.

The 'one-stop shop' mechanism will provide efficient and smooth customs and other types of control when crossing the Russian border. <http://vestiregion.ru/2016/10/04/pravitelstvo-rf-utverdilo-mexanizm-raboty-punktov-propuska-svobodnogo-porta-vladivostok/>

THE ECONOMY OF THE RUSSIAN FAR EAST

28 October 2016, minvostokrazvita.ru

Vladivostok Free Port Supervisory Board approves 35 new investment projects

Private investment will total approximately RUB 94 billion, and there are plans to create more than 3,700 new jobs. Alexander Galushka stated that applications have already been received from new regions to which the free port regime has now been extended.

For example, a new terminal for liquefied hydrocarbon gas transshipment is to be built at Vanino Sea Port. A new coal transshipment terminal will be constructed in the region of Burny Cape (Khabarovsk Territory). Yuzhny Terminal plans to complete the construction of a new fish processing and logistics centre, Korsakovsky, by 2020. http://minvr.ru/press-center/news_minvostok/?ELEMENT_ID=4729

26 October 2016, VladNews

China willing to invest more than RUB 750 billion in Russian Far East

China has presented Russian officials with a list of 13 projects to be implemented in the Far Eastern Federal District by nine Chinese companies, representing investment of more than RUB 750 billion. These include projects in the fields of extraction and processing of natural resources, agriculture, and the development of port and logistics infrastructure.

The proposals were handed to Deputy Minister for the Development of the Russian Far East Alexander Krutikov in Beijing during negotiations with Ning Jizhe, Deputy Director of the China Development and Reform Commission.

The parties also reached agreement on the Primorye-1 and Primorye-2 international transport corridors, and development of Bolshoi Ussuriysky Island. <http://vladnews.ru/2016/10/26/114915/knr-zainteresovana-v-investirovanii-v-dfo-bolee-750-mlrd-rublej.html>

NEW DEVELOPMENT TOOLS FOR THE RUSSIAN FAR EAST: SUCCESS STORIES

26 October 2016, Dalnevostochny Kapital

Resident of Khabarovsk ASEZ launches exports of stone wool to Canada

The first batch of basalt insulation produced by the Khabarovsk-based plant TekhnoNIKOL DV has been delivered to Canada to fulfil an order from a global manufacturer of sandwich panels. In future, the company plans to expand its market in Canada and set up regular deliveries of its insulation products to the country.

The stone wool plant was commissioned in late August 2016. Its annual output is 750,000 cubic metres. The volume of materials exported by the plant located in the Khabarovsk ASEZ will increase by 20% by 2019. http://dykapital.ru/regionnow/khabarovskij-kraj_26.10.2016_8968_postavki-kamennoj-vaty-v-kanadu-nachal-rezident-tor-khabarovsk-zavod-tekhnonikol--dalnij-vostok.html

14 October 2016, TASS

14th ASEZ to be created in Sakha Republic (Yakutia)

The Government Subcommittee on the Implementation of Investment Projects in the Russian Far East and the Baikal Region, chaired by Yury Trutnev, has approved the creation of a new advanced special economic zone (ASEZ).

The South Yakutia ASEZ will form the basis of a major industrial centre. Seven mining and transport/logistics projects will be implemented at two sites, with a total of RUB 24.7 billion in private investment. <http://tass.ru/ekonomika/3704103>

11 October 2016, forumvostok.ru

Gorny Vozdukh ASEZ in Sakhalin expanded

Two additional plots of land in South Sakhalin have been included in the Gorny Vozdukh advanced special economic zone (ASEZ). A proposal to this effect was submitted to the Ministry for the Development of the Russian Far East. The potential resident of these two plots at the Gorny Vozdukh ASEZ, Yuzhno-Sakhalinsk Air Terminal, plans to implement an investment project to construct a new air terminal complex at Yuzhno-Sakhalinsk Airport.

Alexander Galushka believes that the project will help to increase the number of tourists visiting the region, expand the geographical area served by flights, and add additional flights. <https://forumvostok.ru/en/gorny-vozdukh-asez-in-sakhalin-expanded/>

5 October 2016, DV-ROSS

ASEZ resident to build dry port near Khabarovsk for RUB 6 billion

Samarga Holding plans to create the Rakitnoye terminal and logistics centre. The project will bring 220 jobs to the region. Construction of the centre will be the first step in creating the Samarga international transport corridor in the Far East Federal District. The main goal of the new centre is to orchestrate seamless cooperation among transport companies, reduce freight processing and delivery times, and minimize risks for freight owners. <http://trud-ost.ru/?p=465391>