

KEY TOPICS

- A Foundation for Developing and Introducing High Technologies to be established in the Far East
- The Government of Russia approves the Russky Island Development Concept
- RUB 50 billion to be allocated for creating advanced special economic zones



## EASTERN ECONOMIC FORUM NEWS

5 June 2017, News.Mail.ru

### India to participate in the Third Eastern Economic Forum

At the St. Petersburg International Economic Forum, Alexander Galushka held a meeting with Smt. Nirmala Sitharaman, India's Minister of State for Commerce and Industry. The head of the Ministry for the Development of the Russian Far East presented projects in various economic areas: diamonds, oil and gas chemistry, the mining industry and energy. In turn, India confirmed its intention to send a delegation to EEF 2017.

<https://news.mail.ru/politics/29976737>

2 June 2017, Forumvostok.ru

### Development of the Far East border territories to be discussed at EEF 2017

According to Sergei Kachayev, Deputy Minister for the Development of the Russian Far East, the Government of Russia has instituted a special mechanism for meeting the needs of the people living in the border regions for social, utility and transport infrastructure.

The plan for developing border territories prioritizes social policy measures, meeting the population's needs with respect to the social, utility and transport infrastructure, preserving current social infrastructure facilities and building new ones.

<https://forumvostok.ru/na-vef-2017-obsudyat-prigranichnoe-sotrudnichestvo-razvitie-prigranichnyh-territorij-dalnego-vostoka>

30 May 2017, Dalnevostochny Kapital

### **Improving the demographic situation to be discussed at EEF 2017**

One strategic session of the Thirds Eastern Economic Forum will be dedicated to improving the demographic situation in the Far East. According to Sergei Kachayev, Deputy Minister for the Development of Russian Far East, the EEF will discuss three blocks: specific measures to be adopted in the regions for implementing the Far East demographic development concept up to 2025; best demographic practices; projects selected at the presidential grant competition for developing civil society and at the “Good deeds in a good land!” programme.

[http://dvkapital.ru/regionnow/primorskij-kraj\\_30.05.2017\\_9960\\_vo-vladivostoke-na-vef-2017-regiony-rasskazhut-o-svoikh-luchshikh-praktikakh-v-sfere-demografii.html](http://dvkapital.ru/regionnow/primorskij-kraj_30.05.2017_9960_vo-vladivostoke-na-vef-2017-regiony-rasskazhut-o-svoikh-luchshikh-praktikakh-v-sfere-demografii.html)

23 May 2017, PrimaMedia

### **Volunteers for the Third Eastern Economic Forum complete their training**

Approximately 500 volunteers from Primorye and other regions of the Far Eastern Federal District will be selected to work at the Third Eastern Economic Forum. Prior to 15 June, the candidates will be allocated to functional areas: Accreditation, Information Service Points, Transport Services, Congress Services.

<http://primamedia.ru/news/592299>

18 May 2017, Ministry for the Development of the Russian Far East

### **Yuri Trutnev: Specific results of the development of the Far East must be demonstrable by the Third Eastern Economic Forum**

Yuri Trutnev, Deputy Prime Minister of the Russian Federation – Presidential Plenipotentiary Envoy to the Far Eastern Federal District, summed up the work done on socioeconomic development of the Far East in 2016. Yuri Trutnev said that last year set a record in preparing the regulatory and legal framework for the macroregion’s advanced socioeconomic development. Seven laws and 15 acts of the Government of the Russian Federation were adopted. 18 more laws are currently under approval.

According to Yuri Trutnev, in 2016, four advanced special economic zones were established and 72 new agreements signed with residents; Free Port Vladivostok gained 142 new residents. Overall, the Far East received RUB 176 billion in investments.

<https://minvr.ru/press-center/news/5102>

15 May 2017, TASS

### **Media registration for EEF 2017 opens**

Online registration for the Third Eastern Economic Forum for media personnel has opened at [forumvostok.ru](http://forumvostok.ru) in the “Media” section. Applications may be submitted by Russian and foreign media. The final day for submitting applications via the EEF official website is 1 August 2017.

<http://tass.ru/novosti-partnerov/4251833>

## STATE POLICIES IN THE FAR EAST

2 June 2017, Interfax

### **Chinese Investor Support Centre to be established in the Far East**

The Chinese Investor Support Centre in the Far Eastern Federal District will open in July this year. The Centre is to be founded by the Far East Investment and the Export Agency on the Russian side and by China's International Enterprises Association on the Chinese side. Alexander Galushka says the Centre will be a one-stop-shop for services relating to working with Chinese business.

<http://www.interfax-russia.ru/FarEast/main.asp?id=837552&p=1>

June 1, 2017, News.Rambler.ru

### **Development of international transport corridors in the Far East discussed at SPIEF**

Alexander Galushka and Lu Hao, Governor of Heilongjiang Province (China), held bilateral talks at the St. Petersburg International Economic Forum. The parties announced establishment of a Russia-China management company to coordinate operation of international transport corridors in the Far East. The parties to the talks stressed that the managing company should have the resources for resolving pressing issues, including ones pertaining to the customs agencies of the two countries.

<https://news.rambler.ru/economics/37038156-na-pmef-obsudili-razvitie-mezhdunarodnyh-transportnyh-koridorov-na-dalnem-vostoke>

22 May 2017, Rossiyskaya Gazeta

### **A Fund for application of high-tech in development and manufacturing to be established in the Far East**

The new development institution will offer loans to Far Eastern companies that develop promising technologies; it will also finance projects related to technology transfers from abroad and to expanding and modernizing technological products.

The Fund is intended to speed up development of innovations and expand manufacturing application of cutting-edge technologies in the Far East. The Far East Development Fund, Rosnano and the Russian Venture Company will take part in establishing the Fund, which will have an initial volume of RUB 5 billion.

<https://rg.ru/2017/05/22/reg-dfo/na-dalnem-vostoke-poiavitsia-fond-razvitiia-i-vnedreniia-tehnologij.html>

22 May 2017, Regions.ru

### **Partially state-owned Chinese companies to be involved in investment projects in the Far East**

A relevant agreement between the Ministry for the Development of the Russian Far East and the State-owned Assets Supervision and Administration Commission of the State

Council of the People's Republic of China is slated for signing in July, during Chairman Xi Jinping's visit to Moscow. Russia has confirmed that Chinese state-owned companies will be offered support through creation of a favourable investment regime in the Far East. Participation in the Primorye-1 and Primorye-2 international transport corridors project is expected to hold the greatest promise for China's state-owned companies.

<http://regions.ru/news/2604750>

19 May 2017, Vesti

### **Subsidized mortgages to be introduced in the Far East in 2017**

To anchor the population of the Far East, to attract new residents to the macroregion and to increase the birth rate, new subsidized mortgages are to be introduced. Under the programme, the mortgages will carry a 7% interest rate for buying housing on the new homes market. Other support measures are also under consideration, such as payments to young families to reduce the interest rate on the birth of their first and second children and complete mortgage pay-off on the birth of their third child.

<http://vestiprim.ru/news/ptrnews/50137-dlya-dalnevostochnikov-poyavitsya-lgotnaya-ipoteka.html>

16 May 2017, Eastrussia

### **A unified automated Far Eastern investment project support system becomes operational in Russia**

The system covers 600 investment projects currently implemented in the Far East. The program involves setting up a personal account for each investor.

The system allows investors to resolve problems online, and to interact remotely with the Ministry for the Development of the Russian Far East and with the Far East development institutions: the Far East Development Corporation, Agency for Development of Human Capital in Far East, Far East Investment and Export Agency.

<https://www.eastrussia.ru/news/v-rf-vvedena-avtomatizirovannaya-sistema-podderzhkiinvestproektov-dalnego-vostoka/>

5 May 2017, TASS

### **RUB 50 billion to be allocated for creating advanced special economic zones**

Over the next few years, the Government of the Russian Federation plans to allocate RUB 30 billion out of the budget to establish and develop advanced special economic zones (ASEZs); another RUB 20 billion will be allocated from other funding sources; this announcement was made by Dmitry Medvedev at a meeting dedicated to the preliminary results of establishing Far Eastern ASEZs in 2015–2017. The Prime Minister noted that this money would be used to build roads, power grids and the utility infrastructure.

<http://tass.ru/ekonomika/4234611>

# THE ECONOMY OF THE FAR EAST

1 June 2017, RussiaToday

## **An “Injecting Dynamism in the Russian Far East Economy” session was held at SPIEF**

Private investors from Russia and Asia Pacific and public officials discussed shaping new economic conditions in the Far East. The Session participants discussed the work of advanced special economic zones, new investor support mechanisms and the prospect of developing the infrastructure to increase the region’s investment appeal.

<https://russian.rt.com/business/news/395704-pmef-ekonomika-dalniy-vostok>

16 May 2017, Regnum

## **Chinese state-owned corporation intends to invest over USD 1 billion in building a cellulose and paper plant in the Far East**

ChinaChengtong is to build a cellulose and paper plant in Amursk, Khabarovsk Area. The investment will total USD 1 billion and the project will create 1,500 new jobs. The company will produce several types of cellulose for manufacturing paper and cardboard. The company plans to receive assistance in obtaining raw materials and in calculating logistics and transport capacities. The company’s products are slated to be exported to China. The company will work in an advanced special economic zone.

<https://regnum.ru/news/economy/2275242.html>

12 May 2017, News.mail.ru

## **A Korean investor to invest USD 1 m in fish processing in Primorye**

TyoKen Trade Company is interested in obtaining the status of a resident of Free Port Vladivostok. The fish processing plant will use Kamchatka raw materials and export its products to South Korea. The first stage calls for 128 new jobs. The plant will process 8–10 thousand tonnes of Alaska Pollock a year.

<https://www.kp.ru/daily/26674/3696847>

3 May 2017, Komsomolskaya Pravda

## **A Japanese investor to build a domestic airport terminal in Khabarovsk**

Construction of the new passenger terminal will start in 2017. A consortium of Japanese investors headed by SojitzCorporation is slated to take part in the project. The airport will have a capacity of up to 3 million passengers a year. The project’s total cost is RUB 4.2 billion.

<https://www.kp.ru/daily/26674/3696847>



# NEW FAR EAST DEVELOPMENT MECHANISMS: SUCCESS STORIES

2 June 2017, RIA NOVOSTI

## **The Government of Russia approves the new Russky Island development concept**

On the sidelines of SPIEF 2017, Alexander Galushka stated that eight investors had already confirmed their intention to implement investment projects in the Russky Island advanced special economic zone slated to be launched by 2018. The private investments in these projects will total RUB 50 billion.

The development concept envisages developing the Far Eastern Federal University and building an International Cooperation Centre with a congress and exhibition centre for holding, among other events, the annual Eastern Economic Forum. Under the plan, Russky Island is to become a site for developing high-tech projects.

<https://ria.ru/economy/20170602/1495631530.html>

5 May 2017, EastRussia

## **The world's biggest helium logistics centre to be established in the Nadezhdinskaya ASEZ**

An Agreement on establishing a logistics centre for servicing helium containers has been signed by Gazprom Gazenergoset Gely, resident of the advanced special economic zone, and the Far East Development Corporation. The project will provide for helium exports to Asia Pacific.

Investments will total RUB 5.153 billion. Construction of the enterprise will create 300 new jobs. The logistics centre is to be launched in 2021.

<https://www.eastrussia.ru/news/struktura-gazprom-gazenergoseti-planiruet-sozdat-khab-geliya-v-tor-nadezhdinskaya>

Reference:

EEF 2017 organizer, the Roscongress Foundation, is the largest organizer of congresses and exhibitions.

The Roscongress Foundation was established in 2007 to promote the development of Russia's economic potential and buttress its image by organizing and holding congresses, exhibitions, and public events. The Foundation determines their contents, provides consulting, information, and expert aid to companies and organizations; it also carries out comprehensive studies, analysis, and coverage of the Russian and global economic agenda.

Today, the Foundation's annual program includes events held globally from Montevideo to Vladivostok, which allows the Foundation to bring together global business leaders, experts, the media, members of the authorities; it allows the Foundation to create the most favorable conditions for discussing and promoting new ideas and projects, and to provide assistance in shaping social entrepreneurship and charity projects.