<u>Industrial Site No. 2 – Part of Production Facility</u> <u>for Agricultural Machinery Assembly (Brownfield)</u>

Republic of Mordovia, Kadoshkino





Vacant industrial property, sq.m.: 1074.0

SITE BRIEF:

General Information; Location; Contacts Transport accessibility

Infrastructure

Preferences

General Information; Location; Contacts

	Site characteristics	Description
1.	Name	Part of Production Facility for Agricultural Machinery
		Assembly
2.	Type (industrial site, industrial park,	Industrial site
	technological park, tourist and recreation	
	area benefiting from favourable social	
	and economic policies)	
3.	Type of ownership (private, public,	Municipal
	public-private)	
4.	Location and web-site (e-mail)	Republic of Mordovia, Kadoshkino, ul. Oktiabrskaya, 23
''	Location and web site (e man)	web-site of Kadoshkino Municipal District Administration
		www.kadoshkino.tweb.ru

5.	Management company or similar (MC)	Kadoshkino Municipal District Administration
6.	MC Address (postal, electronic, website)	431900, Kadoshkino, ul. Zavodskaya www.kadoshkino.tweb.ru
7.	MC contact responsible for relations with potential residents (full name, title, phone number and e-mail)	Yury N. Bulychev First Deputy Head of Kadoshkino Municipal District (83448) 2-31-36 eckad@mail.ru
8.	Site business lines (major projects, SME projects, mixed-type projects)	Industry
9.	Industry specialization	Industry, machine building, warehouses, etc.

Transport accessibility

	Characteristics	Current status	Projections
1.	Distance to the nearest town	Ruzaevka, 40 km	
2.	Distance to the regional centre	Saransk, 70 km	_
3.	Distance to Moscow	500 km	_
4.	Distance to the nearest highway	Federal highway, 7 km	
5.	Any road connecting the Site with the nearest highway, distance and road condition	Asphalt coating, 7 km	
6.	Any motor roads across the Site (yes/no)	Yes	
7.	Any connections to railways (yes/no)	Yes	
8.	Any offloading rail terminal facilities (yes/no)	Yes	
9.	Distance to the nearest international airport	313.4 km to Ulianovsk	
10.	Distance to the nearest river port	325 km to Nizhny Novgorod	
11.	Distance to the nearest sea port	1300 km to Kronshtadt	

Infrastructure

	Characteristics	Current status	Projections
Plots	cof land	Status	
1.	Total area of the Site (ha)	1107,2	
2.	Vacant plots of industrial land within the Site limits (ha)	-	
Indu	strial property		
3.	Existing production and storage premises (sq. m)	1074	
4.	Vacant industrial property (sq. m)	1074.0	
5.	Maximum height of vacant premises (to the girder, m)	=	
Offic	re property	1	1
6.	Total area of the office property (sq. m)	-	
7.	Vacant area of the office property (sq. m)	-	
Utili	ties		1
8.	Electric mains (yes/no); available load (MW)	No, 0.7 km 1.0 MW	-
9.	Heat supply system (yes/no); contracted capacity (Gcal/h)	No, 0.7 km 2.5 Gcal/h	
10.	Water supply network (yes/no);	No, 0.7 km	
10.	maximum switched load (cu. m/h)	1.5 cu.m/h	
11.	Sewerage system (sanitation, storm wastewater treatment facilities	No, 0.7 km	
	(yes/no);	1.2 cu.m/h	

	facilities capacity (cu. m/h)	
12.	Gas supply system (yes/no); contracted capacity (cu. m p.a.)	No, 0.2 km 200.0 cu. m p.a.
13.	Other utility networks (yes/no) (if yes, specify)	
	Note: electric, heat supply, water supply and sewerage networks (0.7 km) and gas supply network (0.2. km) are to be constructed. Project documentation has not been developed. Construction may be performed for account of the investor backed by state support from Republic of Mordovia	
Wor	kforce	
14.	Nearest settlements, distance	Within Kadoshkino boundaries (population – 4589 people)
15.	Transport service between the Site and the settlements	Yes
16.	Total workforce estimates within a 50-km radius of the Site (people, thousand)	4
17.	Approximate number of unoccupied able-bodied population (people, thousand)	7.5
18.	Average monthly pay of technical staff (RUB, thousand)	7
19.	Average monthly pay of managerial staff (RUB, thousand)	12
Soci	al infrastructure in 30-minute proximity to the Site	
20.	Any construction of canteens or cafes at the Site underway or planned (yes/no)	No
21.	Hospitals (yes/no, proximity to the nearest one)	Yes, 1 km
22.	Shops (yes/no, proximity)	Yes
23.	Housing for the Site staff (yes/no, proximity)	No
24.	Hotels for the Site staff (yes/no, proximity)	No
25.	Conference hall, business area (yes/no)	No
26.	Sport facilities (yes/no)	Yes
27.	Recreation areas at the Site (yes/no)	No
	Preferences to Residents	

Preferences to Residents

In terms of initial costs

	Preferences	Statutory document and approving authority	Statutory document validity
1.	Subsidies on lease payments to acquire fixed assets	Resolution by the Government of Republic of Mordovia No. 498 dd. 20.12.2010 (as revised 17.07.2012) "On Integrated Program of Development and State Support of SMEs in Republic of Mordovia for 2011-2015"	2011-2015
2.	Guarantees on SME loans to acquire fixed assets	Resolution by the Government of Republic of Mordovia No. 498 dd. 20.12.2010 (as revised 17.07.2012) "On Integrated Program of Development and State Support of SMEs in Republic of Mordovia for 2011-2015"	2011-2015
3.	Other preferences (specify)		

Partial subsidizing on interest	Resolution by the Government of Republic of	2011-2015
payments by SMEs under loans	Mordovia No. 498 dd. 20.12.2010 (as revised	
raised from Russian credit	17.07.2012) "On Integrated Program of	
institutions	Development and State Support of SMEs in	
	Republic of Mordovia for 2011-2015"	
Support for SMEs engaged in	Resolution by the Government of Republic of	2011-2015
developing and introducing	Mordovia No. 498 dd. 20.12.2010 (as revised	
innovative products	17.07.2012) "On Integrated Program of	
	Development and State Support of SMEs in	
	Republic of Mordovia for 2011-2015"	

In terms of operating costs

	In terms of operating costs		
	Preferences	Statutory document and approving authority	Statutory
			document
			validity
4.	Subsidies on export support	Resolution by the Government of Republic of Mordovia	2011-2015
	(partial subsidizing of	No. 498 dd. 20.12.2010 (as revised 17.07.2012) "On	
	exhibitions, interest rate	Integrated Program of Development and State Support of	
	subsidies on loans)	SMEs in Republic of Mordovia for 2011-2015"	
5.	Other tax preferences (tax	Law of Republic of Mordovia No. 5-Z dd. 04.02.2009	
	rate – 5%)	"On Tax Rates in Simplified Taxation System"	
	Partial subsidizing out of the	Resolution by the Government of Republic of Mordovia	
	Republic of Mordovia	No. 498 dd. 20.12.2010 (as revised 17.07.2012) "On	
	budget of commercial banks	Integrated Program of Development and State Support of	
	interest (100% of the Central	SMEs in Republic of Mordovia for 2011-2015"	
	Bank of Russia refinancing		
	rate) on loans raised from		
	Russian credit institutions		

Preferences to investment project initiators In terms of initial costs

	Preferences	Statutory document and approving authority	Statutory document validity
6.	Subsidies on lease payments to acquire fixed assets Investors are granted subsidies to partially reimburse lease payments on agreements at the rate of 2/3 of the amount of reimbursing by the lessee of costs borne by the leasing company and associated with payment of interest on loans raised to acquire machinery and equipment, and revenues of the leasing company, being parts of the lease payment. The subsidy amount cannot exceed the amount calculated as the product of 2/3 of the Central Bank of Russia refinancing rate as of the date of payment by the lessee of the last lease payment, the number of days between the last 2 lease payments and the book value of machinery and equipment, divided by the number of days in the year multiplied by 100%.	Resolution by the Government of Republic of Mordovia No. 89 dd. 18.03.2013 "On Approval of Procedures for Granting Subsidies to Legal Entities to Partially Reimburse Lease Payments under Lease Agreements Concluded with Russian Lease Companies to Acquire Machinery and Equipment Used for Implementation of Investment Projects Included in the Republican Targeted Program of Developing Republic of Mordovia for 2013-2018"	2013-2018
7.	Guarantees on SME loans to acquire fixed assets SMEs are granted sureties on bank loans of the Guarantee Fund for Credit Granting in Republic of Mordovia amounting to at least 50% of the amount of the Borrower's obligation under the loan agreement. Guarantee cost 2(two) percent of the Surety amount	Approved by M. S. Sezganov, Chairman of the Board of Trustees of the Guarantee Fund for Credit Granting in Republic of Mordovia, on 07.11.2007	2007 – indefinite term
8.	Other preferences (specify) Pursuant to Law of Republic of Mordovia No. 5-Z dd. 21.02.2008 investors receive state guarantees of Republic of Mordovia	Law of Republic of Mordovia No. 5-Z dd. 21.02.2008	2008 – indefinite term
	Granting loans and/or sureties by the Public Enterprise of Republic of Mordovia – Directorate for Implementing the Republican Targeted Program of Developing Republic of Mordovia – subject to investment project inclusion in the Republican Targeted Program of Developing Republic of Mordovia	Resolution by the Government of Republic of Mordovia No. 40 dd. 18.02.2013 "On Approval of Tender Procedure for Providing by the Public Enterprise of Republic of Mordovia – Directorate for Implementing the Republican Targeted Program of Developing Republic of Mordovia – of Sureties and/or Loans to Legal Entities to Finance Projects of the Republican Targeted Program of Developing Republic of Mordovia for 2013-2018"	2013-2018 2010 – indefinite term
	Pledging of property or property rights of the facilities of Republic of Mordovia pledge fund (competitive bidding)	Law of Republic of Mordovia No. 106-Z dd. 24.12.2010 "On Pledge	

Fund of Republic of Mordovia"	
Resolution by the Government of Republic of Mordovia No. 181 dd.	
23.04.2007 "On Approval of Resolution on Interagency Commission	
on Pledging the State Property as Collateral"	

In terms of operating costs

	Preferences	Statutory document and approving authority	Statutory document validity
9.	Sectoral subsidies – support for producers from specific industries (subsidies to residents on lease payments) Republic of Mordovia grants subsidies on: financial support for scientific-technical and innovation projects	Resolution by the Government of Republic of Mordovia No.324 dd.	2010 –
		09.08.2010;	indefinite term
	to SMEs on reimbursement of the first installment under financial lease agreements Subsidies are granted in a lump sum amounting to 100% of the first installment under financial lease agreement. The maximum amount of a subsidy cannot exceed 30% of the leased item cost under financial lease agreement, in absolute	Resolution by the Government of Republic of Mordovia No. 237 dd. 04.07.2011	2011 – indefinite term
	terms – no more than RUB 1000.0 thousand; to SMEs engaged in the development and introduction of innovative products	Resolution by the Government of Republic of Mordovia No. 236 dd. 04.07.2011	2011 – indefinite term
	providing to legal entities and farm households of subsidies to boost the development of agriculture and train/retrain agricultural specialists	Law of Republic of Mordovia No. 41-Z dd. 26.05.2009 "On State Support for Agriculture in Republic of Mordovia" Resolution by the Government of Republic of Mordovia No. 86 dd. 10.03.2009 "On Approval of Procedure for Granting out of the Budget of Republic of Mordovia of Subsidies to Reimburse Interest Payments under Loans Raised from Russian Credit Institutions and Agricultural Credit Consumer Cooperatives"	2009 – indefinite term
10.	Subsidies on export support (partial subsidizing of exhibitions, interest rate subsidies on loans) Financial support for exhibition, congress and presentation activities 50% of expenses for participation in exhibition and congress events in Republic of Mordovia; 75% of expenses – in the Russian Federation, but no more than RUB 100 thousand; 100% of expenses abroad, but no more than RUB 300 thousand; for organizing an integrated exposition of Republic of Mordovia, but	Resolution by the Government of Republic of Mordovia No. 214 dd. 25.06.2012	2012 – indefinite term

	no more than RUB 300 thousand in the Russian Federation and no more than		
	RUB 500 thousand for a single event abroad; for organizing a presentation, but		
	no more than RUB 100 thousand for a single event in the Russian Federation		
	and no more than RUB 150 thousand for a single event abroad		
11.	Interest rate subsidies on loans to the Site residents	Resolution by the Government of Republic of Mordovia No. 88 dd.	2013-2018
	Subsidies on partial reimbursement of interest payments for loans granted by	18.03.2013 "On Certain Issues of Implementing the Republican	
	Russian credit institutions	Targeted Program of Developing Republic of Mordovia for 2013-	
	2/3 of refinancing rate of the RF Central Bank effective as of the date of interest	2018"	
	payment under the loan, but no more than 2/3 of the interest amount actually		
	paid		
12.	Profit tax relief	Law of Republic of Mordovia No. 77-Z dd. 25.11.2004 "On	2004 –
	Decreasing corporate profit tax rate to 13.5% to the extent credited to the budget	Decrease of Corporate Profit Tax Rate"	indefinite term
	of Republic of Mordovia, for the payback period of a priority investment		
	project, but no more than 5 years from the date of including the company in the		
	List of Priority Investment Projects of Republic of Mordovia (subject to		
	inclusion of an investment project in in the List of Priority Investment Projects		
	of Republic of Mordovia (major criterion – project value no less than RUB 100 million)		
13.	Property tax relief	Law of Republic of Mordovia No. 54-Z dd. 27.11.2003 "On	2003 –
15.	Corporate property tax relief for the payback period of a priority investment	Corporate Property Tax"	indefinite term
	project, but no more than 5 years from the date of including the company in the	Corporate Property Tax	indefinite term
	List of Priority Investment Projects of Republic of Mordovia (subject to		
	inclusion of an investment project in in the List of Priority Investment Projects		
	of Republic of Mordovia (major criterion – project value no less than RUB 100		
	million)		
14.	Other tax reliefs	Law of Republic of Mordovia No. 46-Z dd. 17.10.2002 "On	2002 –
	Transport tax relief	Transport Tax"	indefinite term
15.	Other tax reliefs	Law of Republic of Mordovia No. 5-Z dd. 04.02.2009 "On Tax	2009 –
	Tax reliefs in the simplified taxation system	Rates in Simplified Taxation System"	indefinite term
		, , , , , , , , , , , , , , , , , , ,	