

## **BASHKORTOSTAN**

ALGA
INDUSTRIAL PRODUCTION
SPECIAL ECONOMIC ZONE





## THE REPUBLIC OF BASHKORTOSTAN

Bashkortostan is one of the leading industrial and agricultural regions of the Russian Federation, one of the main oil producing regions of the country, a center for chemical industry and mechanical engineering.

According to the results of 2022, Bashkortostan took 5th place in the Investment Climate State Rating (by the Agency for Strategic Initiatives, ANPO).

For the second year in a row, the SEZ "Alga" is becoming the most dynamically developing according to the results of the VI National Rating of investment attractiveness of special economic zones of Russia.

POPULATION
4.05 million people

TOTAL AREA 143 000 sq. km

SCOPE OF INVESTMENTS
419,3 billion rubles







IC3
High Investment
Attractiveness







### **LOCATION OF SEZ ALGA**

This special economic zone is situated in the territory of two districts: Ishimbaisky District and Sterlitamaksky District

It is close to 3 towns:

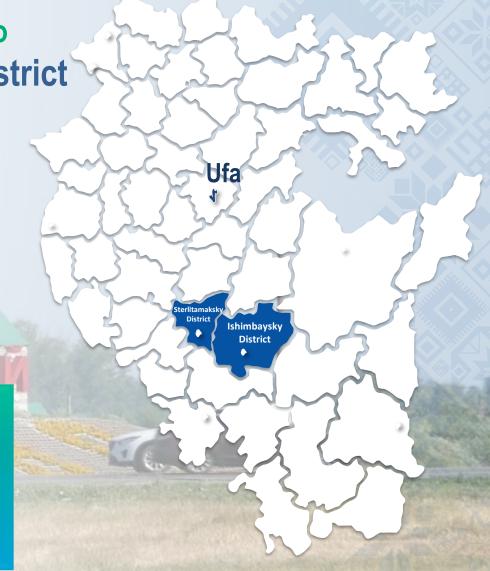
Ishimbay, Salavat and Sterlitamak

### **LARGE COMPANIES**

- Gazprom Neftekhim Salavat
- Bashkir Soda Company
- Sintez-Kauchuk
- Salavatneftemash
- Salavat Catalyst Plant
- Inman
- HeidelbergCement Rus
- Salavatsteklo
- Avangard
- Krasny Proletariy
- Shikhan (Heineken)

### **DISTANCE TO UFA**

150 km down the federal highway P-240 Ufa-Orenburg





## LAYOUT OF LAND PARCELS

S = 467.97 Ha

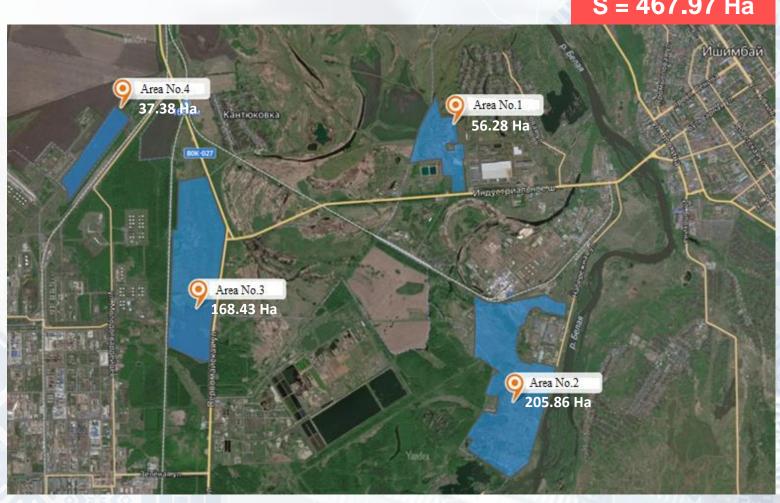
**333.15** Ha (71%) – leasable area of the SEZ

134.82 Ha (29%) – area for SEZ infrastructure

78.28 Ha (23,5%) – leased to residents

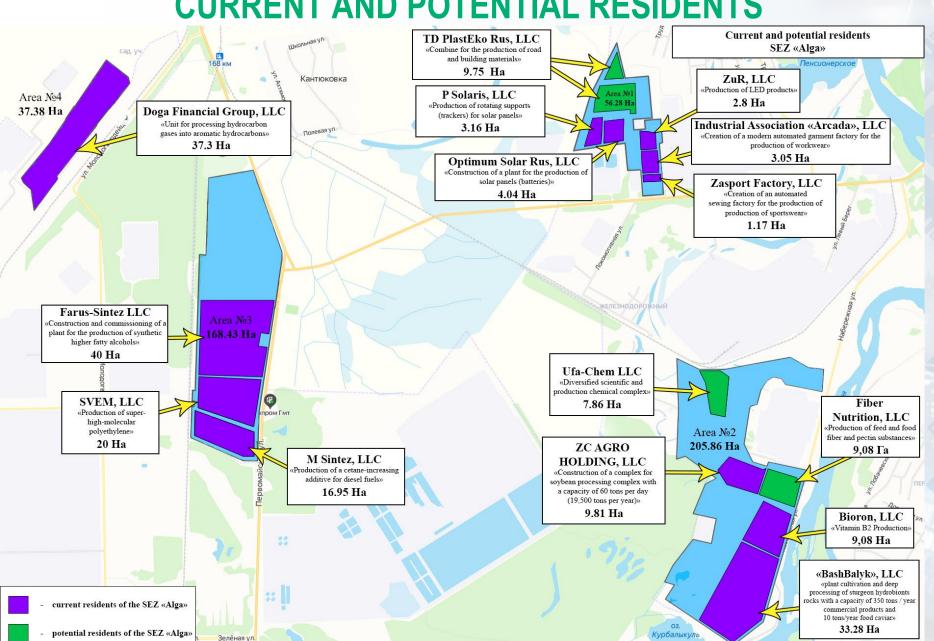
136.13 Ha (40,9%) – total area requested by current and potential residents

118.74 Ha (35,6%) – free (non-reserved) areas of the SEZ



# A

## LAYOUT OF SEZ ALGA CURRENT AND POTENTIAL RESIDENTS





### **ENGINEERING INFRASTRUCTURE OF SEZ ALGA**



GSU

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gas networks



electrical substation



power grids



motorways



railway tracks



railroad tracks to be built



constructed roundabout



water supply networks



wastewater networks

....

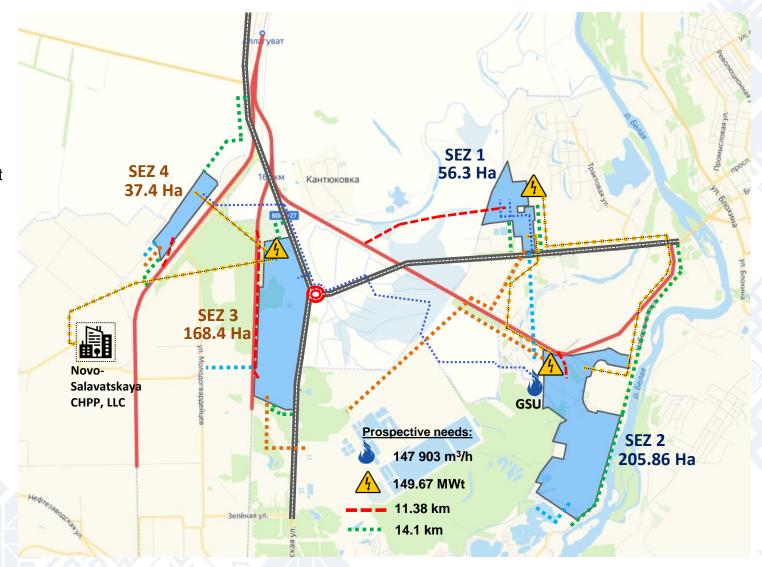
planned for the creation and reconstruction of the highway

093

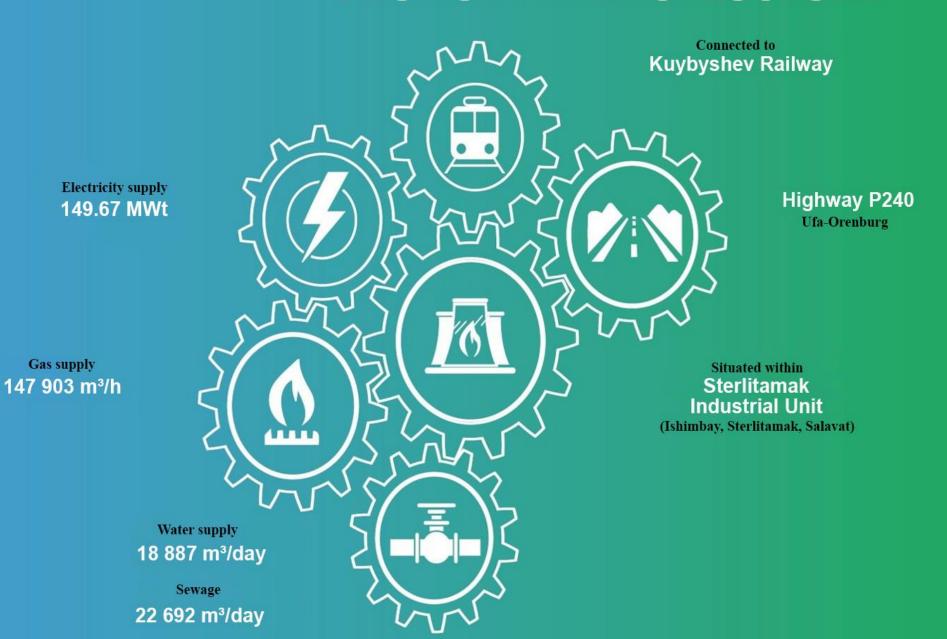
sites on the territory of Sterlitamaksky district

ОЭ3

sites on the territory of the Ishimbaysky district



## **ALGA SEZ INFRASTRUCTURE**



Gas supply



## **TAX PRIVILEGES OF SEZ ALGA**

Type of privelege	Budget level	Basic conditions	Amount and term
Company's income tax	Federal budget	3 %	2 %
	Local budget	17 %	first 5 years*– <b>0 %</b> after 5 years – <b>5 %</b> after 12 years – <b>13.5 %</b>
Company's property tax	Local budget	2.2 %	<b>0</b> % 10 years since registered
VAT	Federal budget	20 %	20 % (0 %)**
Land tax	Local budget	1.5 %	<b>0</b> % 5 years since the property right registered
Transport tax	Local budget	10-250 RUB/h.p.	O RUB/ h.p.  within 10 years since the taxation period when the vehicle was registered, but nor earlier than when the company gained the status of an industrial production SEZ resident; the privilege applies to trucks, buses, other self-propelled vehicles, machines and mechanisms driven by pneumatic means or caterpillars

<sup>\*</sup> since the year when the first income was gained

<sup>\*\*</sup> if products are delivered within the free customs zone or among SEZ residents; the residents are relieved from import customs duties and taxes for foreign equipment as long as this equipment stays within SEZ



## OPERATION OF FREE CUSTOMS ZONE

TAMO CUSTOMS CONTE

relief from VAT and import duties on imported materials and crudes processed within SEZ; relief from import taxes and duties on foreign equipment as long as this equipment stays within SEZ; relief from VAT, import and export duties on goods imported and sold within the Customs Union (the Russia Federation, Belarus, Kazakhstan, Kyrgyzstan, Armenia); relief from customs duties and VAT, if products are produced out of foreign-origin components and sold to the Customs Union states;

export duty payable alone, if the company exports produced goods outside the Customs Union, provided these goods are admitted as Customs Union ones:

no duties or VAT, if foreign-origin goods are re-sold outside the Customs Union;

export duty payable alone, if Customs Union goods are re-sold outside it. relief from
customs duties
and VAT, if goods
admitted as
foreign are re-sold
outside the
Customs Union.



## SUPPORT OF SEZ RESIDENTS

### **ACCELERATED DEPRECIATION IN SEZ**

RENT OF LAND





### **REQUIREMENTS TO SEZ RESIDENTS**

commercial company (except for unitary enterprises)

registration in the municipal unit where SEZ lays

no branch or office outside SEZ

agreement signed between the SEZ management, the resident, the Government of the Republic of Bashkortostan and Development Corporation of the Republic of Bashkortostan on industrial production business or on logistics business arranged inside the industrial production SEZ

capital contributions amounting to at least 120 million rubles, provided 40 million of them are invested within first 3 years

## **RESIDENCY IN SEZ**

#### **DON'TS IN SEZ**

develop fossil deposits (except for obtaining mineral water or other natural healing resources).

produce or process excisable goods (except for motor cars or motorbikes, production and processing of ethane, liquefied petroleum gases and liquid steel).

### TYPES OF BUSINESS IN SEZ

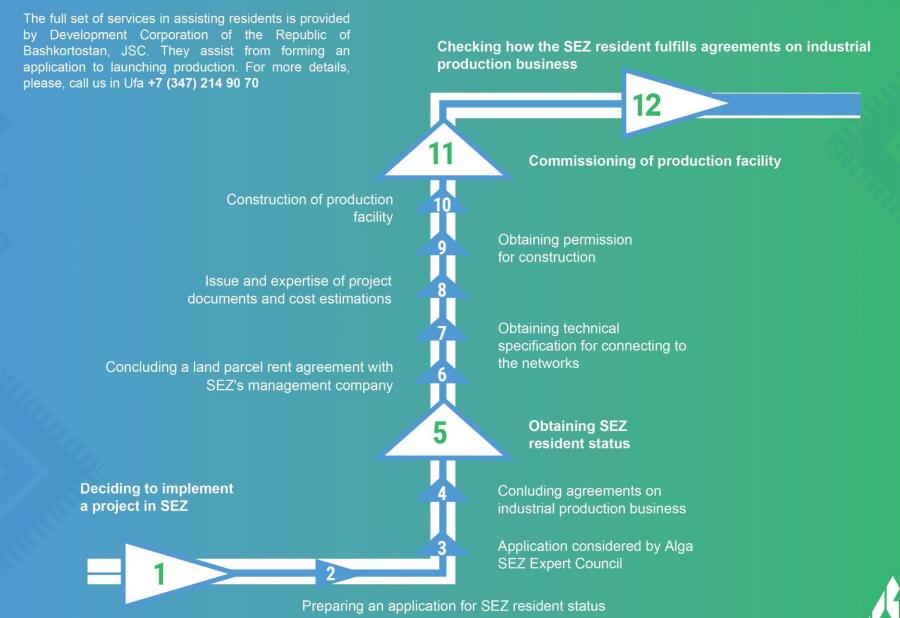
industrial production business (production and (or) processing of goods (items), selling them)

A SEZ resident in Ishimbaisky or Sterlitamaksky Districts of the Republic of Bashkortostan can: logistics business (providing shipments or warehousing of goods)



### **How to Gain SEZ Resident Status**

DEVELOPMENT CORPORATION
OF THE REPUBLIC OF BASHKORTOSTAN











## DEVELOPMENT CORPORATION OF THE REPUBLIC OF BASHKORTOSTAN –

Management Company of Alga Special Economic Zone

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### Personal manager for your project



Consulation on any issue of your investment project



Platforms for your business's specific needs



Business plan for your project, assistance in drawing documents



Complex assistance services for your investment project