

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

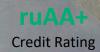
SCOPE OF INVESTMENTS
419,3 billion rubles







IC3
High Investment
Attractiveness





TRANSPORT & LOGISTICS

Federal highways

— Motorways

China-Western Europe
International Transport Corridor

--- Railways

X Airport

SEZ "Alga"





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

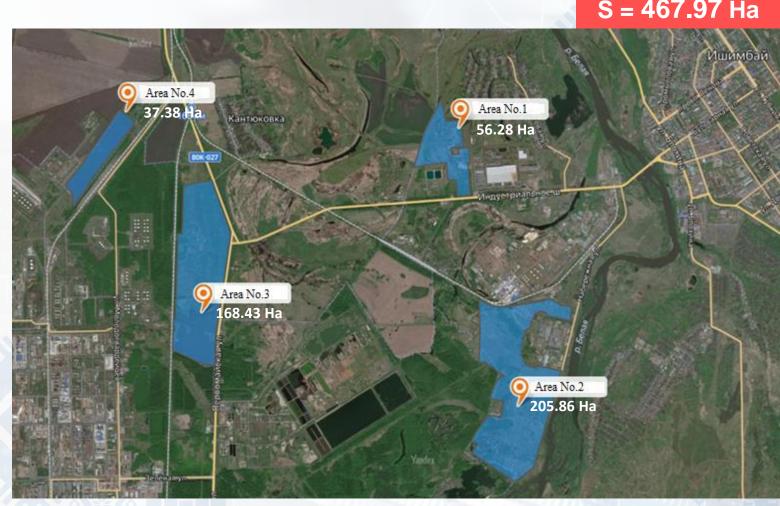
330.33 Ha (71%) – leasable area of the SEZ

137.64 Ha (29%) – area for SEZ infrastructure

144.28 Ha (43,68%) – leased to residents

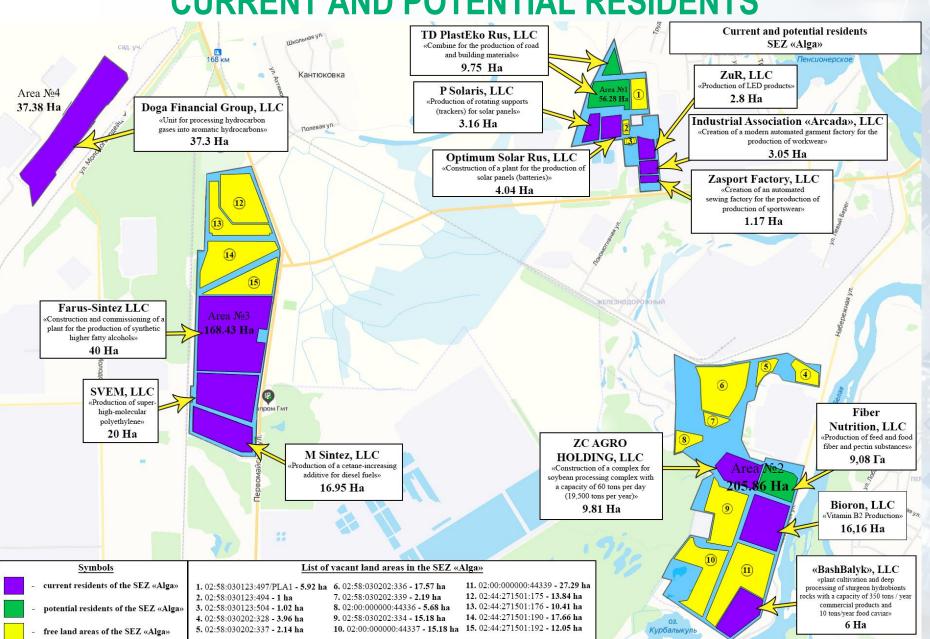
34.99 Ha (10,59%) – total area requested by current and potential residents

151.07 Ha (45,73%) - free (non-reserved) areas of the SEZ

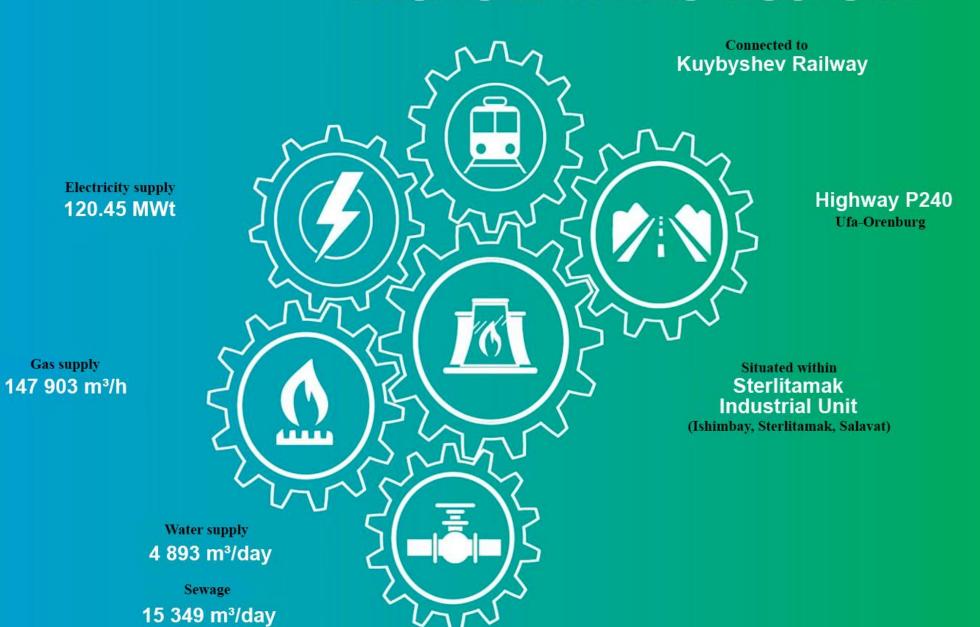


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LAYOUT OF SEZ ALGA CURRENT AND POTENTIAL RESIDENTS



ALGA SEZ INFRASTRUCTURE





ENGINEERING INFRASTRUCTURE OF SEZ ALGA



GSU

.....

gas networks



electrical substation



power grids



motorways



railway tracks



railroad tracks to be built



constructed roundabout

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water supply networks

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wastewater networks

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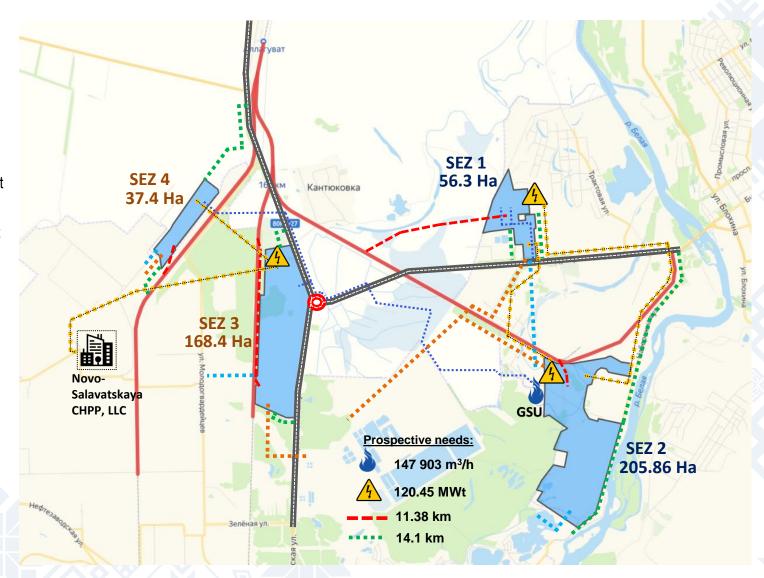
planned for the creation and reconstruction of the highway

SEZ

sites on the territory of Sterlitamaksky district

SEZ

sites on the territory of the Ishimbaysky district





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*— 0 % the next 7 years — 5 % after 12 years — 13.5 %
Company's property tax	Local budget	2.2 %	0 % 10 years since registered
VAT	Federal budget	20 %	20 % (0 %)**
Land tax	Local budget	1.5 %	0 % 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

^{*} since the year when the first income was gained

^{**} 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



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;

CUSTOMS

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

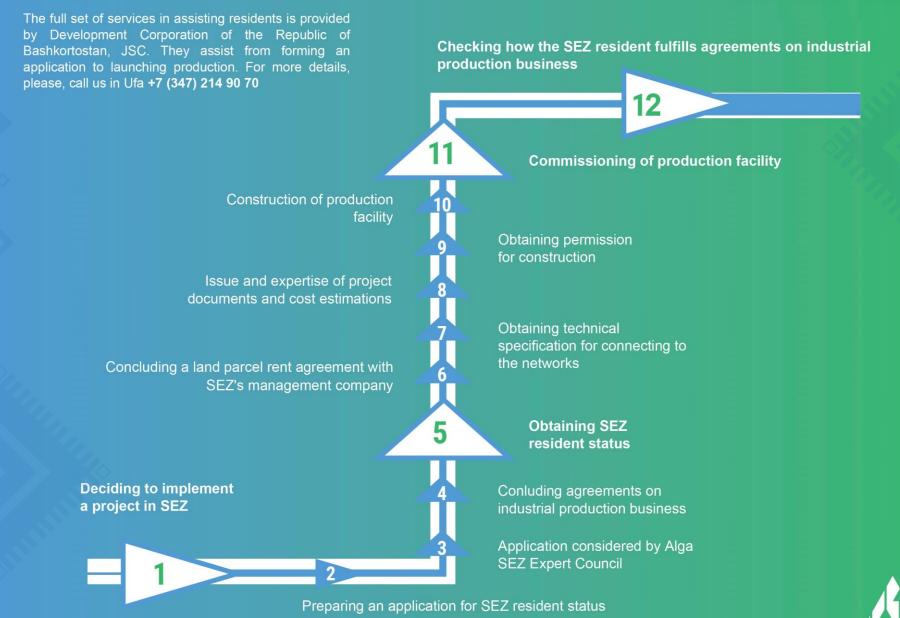
industrial production business (production and (or) processing of goods (items), selling them)

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 –

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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