



# **Primorsky Krai— Russia's center in Asia- Pacific Region**

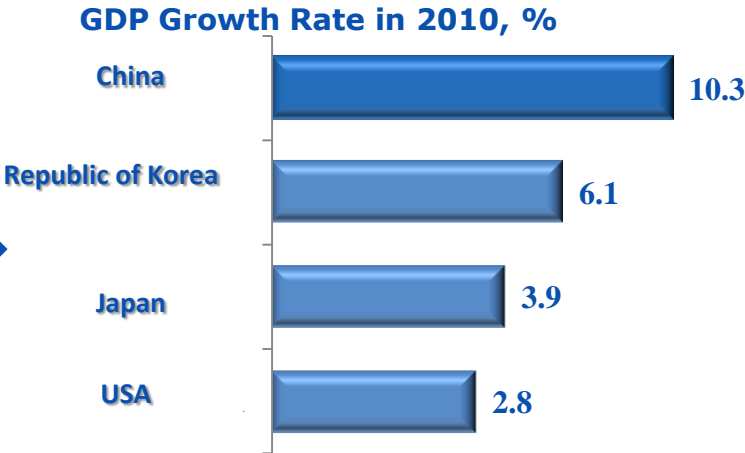


# Development of Primorsky Krai



**Primorsky Krai** – is one of the key economic centers of the Russian Far East and a leader in economic growth

- Total area  
164,700 km2
- Population  
1,956,497
- Gainfully occupied population  
1,378,400
- Major cities
  - Vladivostok (616,100 people )
  - Artem (112,000 )
  - Nakhodka (160,500)
  - Ussuriisk (183,900 )



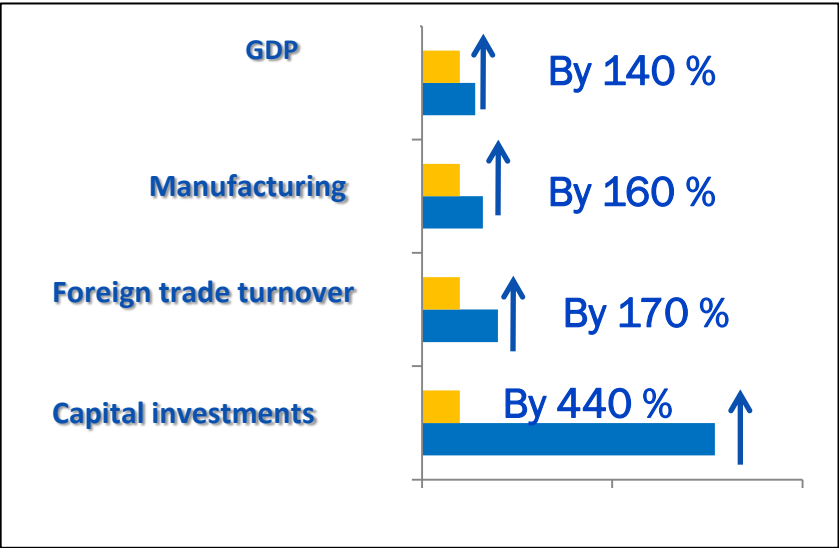
The growth rates of Primorsky Krai's economy match the indicators of the key players in the Asia-Pacific Region

In 2010 GDP growth rate accounted for 11%  
In 2011 – 7%





2006 – 2011



According to the experts, for the next 10 years the growth rates in developing economies will be 2.5 times greater than the growth rates in developed countries. It is crucial to comply with this tendency

By year 2025



Share of innovations



GDP



+ 74 000  
Jobs





**Primorsky Krai** – a so called “gateway to Asia” - is a strategic federal district of the Russian Federation that borders with countries of the Asia-Pacific Region.

**Within a radius of 1000 km from Vladivostok:**

Population—  
More than 414 million people.

Annual GDP – USD 6.6 trillion  
9.5% of the world's gross product



**Primorsky Krai – is one of the most dynamically developing regions in Russia and has substantial investment potential**

**According to the rating agency Expert RA, Primorsky Krai ranks **22<sup>nd</sup>** among the 83 federal subjects of the Russian Federation**

**As for socio-economic indicators, Primorie ranks **17<sup>th</sup>** among Russian regions (*according to the data provided by the Center for Economic Research*)**

**Forbes magazine nominated Primorie's capital, Vladivostok, as one of the **best cities** in Russia for business development**







Primorie is highly attractive for major Russian investors and more than 2,000 foreign companies and businesses with foreign ownership

JSC Rosneft  
JSC Transneft



JSC Gazprom



Yantai Raffles



mazda

KOMATSU CORPORATION



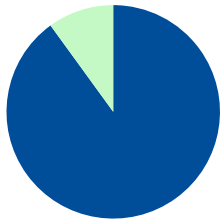
# International Cooperation



Foreign trade turnover in 2011 - USD 8b,  
a growth rate of 120%

Foreign economic relations  
with 84 countries

19 consulates

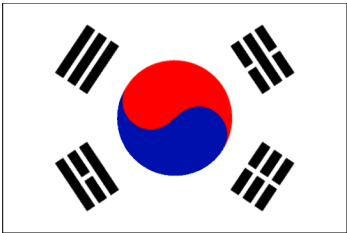


90% - Asia-Pacific  
Region countries

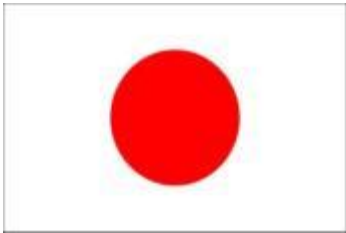
The four major economies of the region – the People's Republic of China, the Republic of Korea, Japan and the USA make up nearly 87% of the foreign trade turnover



58,5%



16,3%



10,0%



2,2%

The region's economy attracted around USD 700 billion in foreign investments  
**The major investor countries:** the People's Republic of China, the Republic of Korea, Japan





# Joint projects

Sumitomo Corporation  
JSC Terneyles



CJSC Technowood and CJSC  
Hardwood finishing and glued  
timber facilities

SOLLERS  
Ssang Yong  
Mazda



Car manufacturing



ISHIKAWAJIMA-  
HARIMA  
ITOCHU

Bridges



YANTAI RAFFLES

DSME



Shipbuilding yards



JSC FSK EES  
HYUNDAI Heavy  
Industries Co., Ltd

Electrical facilities







### 2025 Development Strategy determines six priority directions of Primorsky Krai's development

Transportation and deeper  
conversion of hydrocarbon  
materials

Modernization in industries of  
traditional specialization

Development of  
transportation system

Expansion of Vladivostok  
agglomeration

Shipbuilding, manufacturing  
engineering, small aviation

Development and  
implementation of innovative  
programs  
Global education





**The construction of a petrochemical complex,  
USD 5.8 billion**



95% of deeper conversion, capacity - 10 million tonnes per annum

**Long-term projects:**

Liquefied natural gas plant (LNG) and mineral fertilizers plant

Establishment of gas-chemical production

Gas supply for domestic usage in 502 cities and 31 municipalities

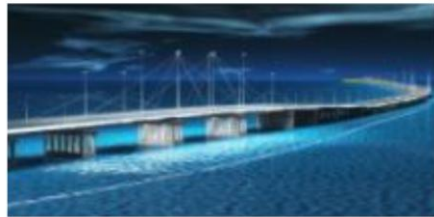


# Development of a transportation system with competitive logistic capabilities



Creation of a transportation system with the purpose of supporting and developing foreign trade, freight turnover and international cargo, and passenger transit

**Modernization of Vladivostok airport, construction of an international terminal**



**Construction of highways and bridge crossings**



**Development of rapid railway  
Vladivostok – Airport - Ussuriisk**



**Construction of transshipment complexes and modernization of container terminals**



## Shipbuilding, manufacturing engineering, small aviation



Construction of new shipyards will meet the need in the Russian economy for new ships and facilitate the modernization of the navy



The set-up of new joint automobile assembly plants will boost the formation of an automotive cluster within five years, with output of up to 200,000 units per year



JSC “AAC Progress”, based in Arseniev, launched production of small jets, with occupancy up to 50 passengers, for interregional air transportation







### Agriculture

- Construction of a plant for deep processing of rice husk
- Establishment of agricultural companies with foreign owned capital
- Involvement in fallow land transfer issues
- Construction of livestock facilities, including but not limited to, innovation ones
- Assembly of agricultural machinery from units supplied by China to OAO "Askold"



### Forestry

- Construction of sawmills and release of medium density fiberboard (MDF), SIP-panels, laminated veneer lumber
- Production of wooden buildings and other constructions
- Development of a technical zone based at the plant producing a three-layer parquet in Dalnerechensk, organization of veneer production



### Fishing

- Development of sea culture

### Energy

- Construction of Ussuriisk heat power plant (coal)
- Construction of Nakhodka heat power plant (gas)





ПОЛЕЗНЫЕ СВЯЗИ  
СЕРГЕЯ ПОЛОНСКОГО

**ТАМОЖНЯ:**  
КОРРУПЦИЯ НЕПОБЕДИМА?

**КАК**  
ВЫБРАТЬ  
ИНТЕРНЕТ-  
БРОКЕРА

ИНСТРУМЕНТ КАПИТАЛИСТА | ИЮНЬ, 2008

# Forbes



**ЛУЧШИЕ ГОРОДА  
ДЛЯ БИЗНЕСА**

ИНФРАСТРУКТУРА, ДЕЛОВОЙ КЛИМАТ, КОМФОРТ,  
СОЦИАЛЬНЫЕ ХАРАКТЕРИСТИКИ



Krasnodar      Sochi      Vladivostok

Vladivostok is an international executive, transport and logistics, innovation, education and tourist center.

Extension of cooperation with the cities of Harbin, Changchun, Dalian (China), Rajin (Democratic People's Republic of Korea), Busan (Republic of Korea), Niigata, Sapporo (Japan)

Formation of Primorsky Territory as a center of international communications in Russia and the Asia-Pacific Region



## Development and implementation of innovative programs

### Global education



#### *Innovative programs:*

"High Technology" Technopark

Production of LED-lamps

Production of polymer composites based on basalt rock

Construction of a plant for complex processing of perlite accumulated in Chaschevaty and Bogopolsky



**Far Eastern Federal University** is a new type of higher education institution.

Fifty thousand students attend the university annually.





## **Creation of favorable conditions for business and investment climate is a key task for Primorsky Krai**

Preparation for the APEC summit. In a relatively short period of time modern infrastructure facilities were developed in the following industries:

energy

transportation

public services

A multimodal transport and logistics unit, HUB, was established on the grounds of the Vladivostok airport

The first phase of the Sakhalin-Khabarovsk-Vladivostok pipeline was launched

The second phase of the Eastern Siberia-Pacific Ocean (ESPO) pipeline is currently under construction







Time for obtaining construction permits was reduced.  
The figure is lower than half the average rate for Russia

A legal framework is being formed in the field of public-private partnership

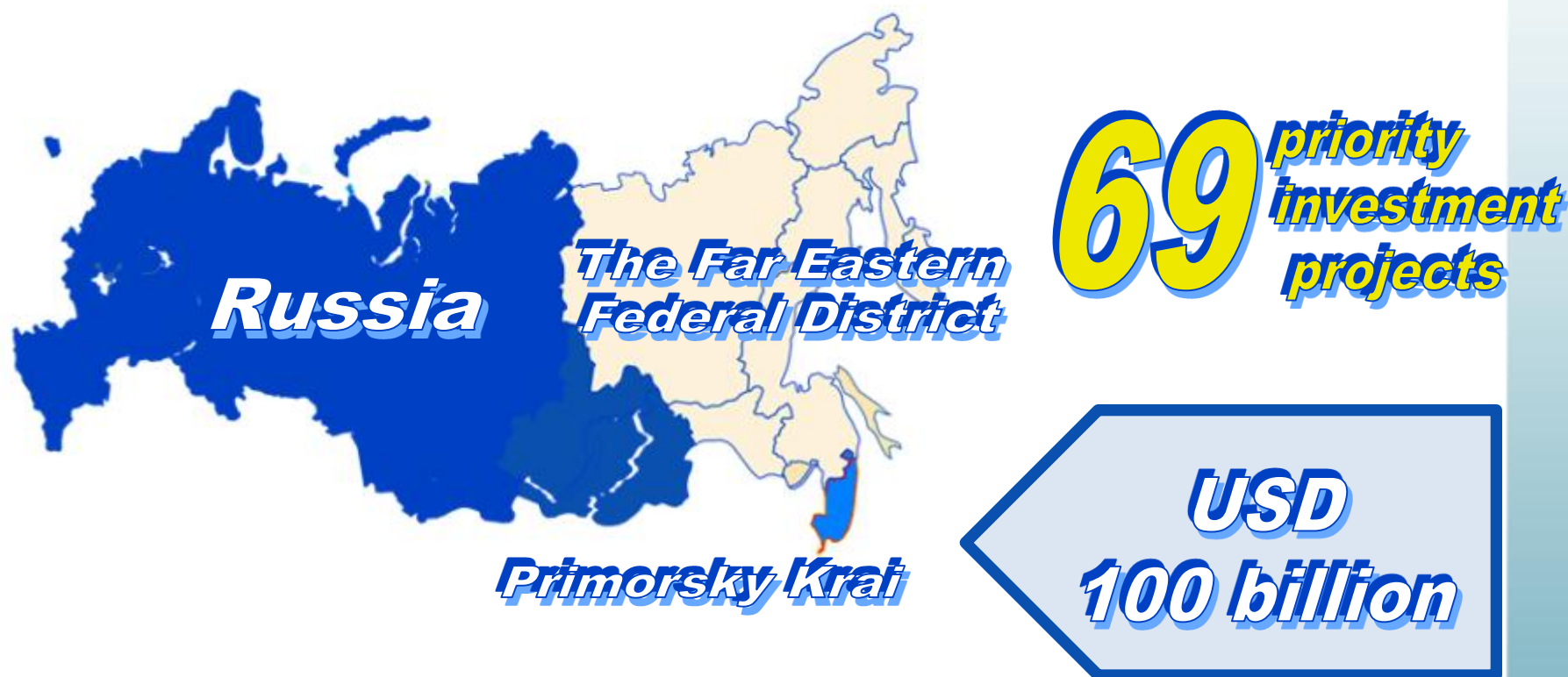
Such guarantees as transparent rules for business, equal access to transportation, energy and land are suitable for investors

A targeted area of work to support the project is defined for each investor





## The development strategy of the Far East and the Baikal region up to 2025





**Liquefied Petroleum Gas (LPG)  
plant, USD 10 billion**



**Mineral Fertilizer plant, USD 1.5 billion**



**Gas Chemical plant, USD 6 billion**





**Construction of Nakhodka heat power  
plant (gas), USD 0.5 billion**



**Construction of Ussuriisk heat  
power plant (coal), USD 0.8 billion**







**Gambling zone**  
**“Primorye”,**  
**USD 1.8 billion**





## Russky Island Tourism & Recreation Zone "High Technology" Technopark





Primorsky Krai is a key subject of Russia's integration in the Asia-Pacific region. It is an open platform to establish mutually beneficial cooperation and to implement joint initiatives.

