## **INVESTORS GET PARTICULAR ATTENTION**

THE INVESTMENT PORTFOLIO OF THE SAMARA REGION INCLUDES MORE THAN 180 PROJECTS WITH A TOTAL VALUE OF ABOUT 1.2 TRILLION RUBLES. IN RECENT YEARS REGIONAL AUTHORITIES HAVE CHANGED THEIR ATTITUDE TO BUSINESS, AND ALSO HAVE COMPLETELY RELOADED THE WORK OF RE-GIONAL STRUCTURES THAT HELP INVESTORS TO IMPLEMENT THEIR PROJECTS. IN THE SAMARA REGION ACTIVE WORK IS CARRIED OUT TO DEVELOP INVESTMENT INFRASTRUCTURE, INDUSTRIAL PARKS OPE-RATE AND ARE BEING CREATED. IN GENERAL, ACCORDING TO EXPERTS, IN FUTURE THE SAMARA REGION CAN ENTER THE TOP FIVE REGIONS IN TERMS OF INVESTMENT ATTRACTIVENESS. MARINA SERGEYEVA



ONE OF THE LARGEST INVESTMENT PROJECTS IMPLEMENTED IN THE SAMARA REGION IS CONSTRUCTION OF A SOLAR POWER STATION WORTH 9.4 BILLION RUBLES

**IN TERMS OF FIGURES** According to the Ministry of economic development and investments of the Samara Region, last year investments in fixed assets in the region amounted to 259.2 billion rubles, which is 97.1% of the level of January-December, 2017, in comparable prices. According to the results of 2018, the volume of extra-budgetary investments in the economy of the Samara Region increased by 9.3% compared to the previous year. 13 new industrial enterprises were opened, 12 thousand jobs were created in 2018 in the region.

"Such high dynamics was achieved for the first time in the last five years. This suggests that investors see quite a comfortable climate in our region, that their investments have prospects. They see that the region is prepared not only to assist in implementation of investment plans and to provide state support, but also to protect the investment, making them safer for investors", said the first vice-governor, chairman of Samara region government Viktor Kudryashov.

**BIG INVESTMENTS** Today the investment portfolio of the Samara region includes more than 180 projects with a total value of about 1.2 trillion rubles. Investors have recently implemeted several large projects in the region. So, last autumn a large agro - logistics complex was opened in Samara. It is equipped with trading places, storage, pre-sale preparation, and packaging areas, which allow even small batches of farm products to fit the requirements of large retail chains. The agro - park will be able to provide up to 12 thousand tons of simultaneous storage, the expected turnover is more than 300 thousand tons of products per year. It is planned that until 2030 revenues to the consolidated budget of the Samara region from the managing company of the agricultural park will amount to 500 million rubles, and the expected income from residents will be about 5 billion rubles. The agro-park management company has created 49 jobs, and about 1 thousand more places will be provided by residents when the facility reaches its design capacity. Today there are about 200 residents of the agricultural complex.

One of the largest investment projects implemented in the Samara region is construction of a 75 MW solar power plant. It was opened in May of this year and became the largest in the Volga Federal District and one of the two largest solar power plants in Russia. The Solar Systems company invested 9.4 billion rubles in implementation of this project, the investor also attracted financing of Sberbank in the amount of 7.4 billion rubles for its construction.

According to the Solar Systems board of directors chairman Mikhail Lisyansky, the Samara region was chosen not by chance to implement the project. "A special investment climate has been created in the region. In order to begin construction you need support of the authorities, of network companies, land, highly professional workers", Mikhail Lisyansky explained at the station opening.

The estimated payback period of the project is 10-15 years. The peculiarity of the solar power plant is a large total area of 220 hectares and an extended perimeter of 8.7 km. At the same time, only 16 employees work at the station, 12 of them are operational personnel. Moreover, 400 jobs were created during construction of the facility. In addition, the appearance of a solar power station in the immediate vicinity of Novokuybyshevsk and Chapaevsk, cities of the Samara region, will allow lesser loading of existing thermal power plants and will positively affect the environmental situation. According to the investor, the work of the three releases of the station will reduce emissions of harmful substances by 1.4 thousand tons per year, and of greenhouse gases - by 45 thousand tons per year. Another successful example of cooperation between government and business, implemented in the Samara region, is creation of Sberbank corporate solutions center in Togliatti, the second phase of which was opened in August this year. In total, the center has provided 1.3 thousand jobs in Togliatti, investment in the project amounted to almost 600 million rubles. The center is located in the former premises of Russia's largest automaker AvtoVAZ, and Sberbank has made a commitment to recruit redundant employees of the auto giant in the first place.

Investors working in the field of agriculture also began to come to the Samara region. So, in August this year the region authorities and the Russian largest agricultural holding company EkoNiva agreed on construction of livestock farms in the Samara region. The investor plans to spend about 12 billion rubles on the project. All in all the company intends to build at least 3 large livestock complexes in the region with a total number of at least 10 thousand animals. Klyavlinsky district of the Samara region is being considered among the priority sites for implementation of the project, here the investor plans to begin construction already next spring.

Until the end of 2020 an investment project with a total investment of more than 4 billion rubles will be implemented on the Samara site of Danon Russia company, the Samaralakto dairy plant. Modernization of the Samara plant, which began six years ago, will be the largest investment program of Danone in Russia. According to Danone Russia general director Charlie Kapetti, at the end of the project implementation the number of produced types of products will increase almost twice, up to 110 items, milk purchases will rise by half, 36 high-tech jobs will be created. As Mr. Capetti explained, the decisive arguments in favor of investments in Samara production were the successful geographical location of the region and high qualification of the staff. **DIALOGUE WITH BUSINESS** Experts recognize that the region authorities have come a long way in order to create comfortable conditions for private investors in the Samara region. "The achievements of the region in the national rating of investment climate in the RF constituent entities, which is carried out (by the Agency for strategic initiatives, ASI) since 2014, is significant. According to the results of 2019, the region position rose by 24 steps and entered the top ten of regions with the best dynamics. The most important results were achieved in the "Institutions for Business" category. In particular, they began to pay more attention to business protection measures, as well as to organization of entrepreneurship support mechanisms", said Anna Shlapakova, Director of the evaluation department of Euroexpert Company.

Two years ago the Samara region occupied only the 65 line of the national rating. The head of the region, Dmitry Azarov, has repeatedly noted that such a position did not suit the Samara region. According to him, emphasis was placed on building a direct dialogue with business to rectify the situation. "Each meeting with business ends with execution of protocol orders, which are then firmly controlled", Dmitry Azarov has repeatedly stated.

The Samara region Council on improving the investment climate was renewed with representatives of entrepreneurs by more than 60%. In addition, this spring the powers and the range of tasks of council members were extended. In particular, they now participate in elaboration and implementation of state policy in the field of development and support of small and medium enterprises (SMEs), and also assist in improving the legal framework on SMEs, including in the field of finances and credit, tax and property policies, control and licensing practice. Another new mandate for board members is to assist in elimination of barriers for new small and medium-sized enterprises to enter the market.

The authorities of the region note that in order to make the Samara region more attractive for business they also had to restart the work of Agency for attracting investments. "It is important to note that in order to make businesses feel more comfortable in the region, a " single window "has been created here to address the largest number of issues that businesses may have. We are talking about the non-profit organization, the Samara region Agency for attracting investments (AAI). "With the help of this structure 41 projects with a total investment of 171 billion rubles are being implemented in the region", says Anna Shlapakova. AAI work enables to implement the national project "Small and medium enter-

ACCORDING TO THE RESULTS OF 2018, THE VOLUME OF EXTRA—BUDGET INVESTMENTS IN THE ECONOMY OF THE SAMARA REGION INCREASED BY 9.3% COMPARED TO THE PREVIOUS YEAR. THE REGION'S INVESTMENT PORTFOLIO INCLUDES MORE THAN 180 PROJECTS WITH A TOTAL VALUE OF ABOUT 1.2 TRILLION RUBLES.

## **BUSINESS CLIMATE**