



Moscow City
Government

MOSCOW INVESTMENT DIGEST

April 2016



Dear colleagues!

The Department of Economic Policy and Development of Moscow, jointly with the Moscow City Investment Agency, present the Moscow Investment Digest, an informational and analytical project, focused on investment climate improvement and business activity support in the Capital of Russia.

The digest will keep you informed on a regular basis about the key events and changes in the city investment environment, of new opportunities, legislative initiatives, mechanisms for supporting new investment projects and existing enterprises (tax benefits, special contracts, grants and subsidies etc.) and also of the actual results of the Moscow City Government's work to improve investment climate in the city.

Current investment dynamics

The Moscow City Government pours significant efforts into diversifying the city's economy and improving the business environment. Against the background of decreasing investment activity in the Russian regions, Moscow demonstrated positive investment dynamics in 2015. The amount of investments in the fixed capital [grew by 1.6%](#) and totaled RUB 1611.5 bn (11% of investments in Russia as a whole). Therefore, investments in the Moscow's fixed capital over five years (2011–2015) grew by 61.3% in comparable prices against 2010.

Moscow leads in the ranking of public-private partnership (PPP) development in Russia

In 2015, Moscow became [number 1 in the Russian regions' ranking](#) of public-private partnership development (the Ministry for Economic Development of the Russian Federation, Public-Private Partnership Development Centre). Public-private partnership contracts concluded in Moscow in 2013-2015 are amounted to over RUB 510 bn.

New mechanisms for supporting the economy's real sector

Developing the economy's real sector is an unquestionable priority for the Moscow City Government.

At the end of 2015, the city passed a series of laws to provide active support to investing industrial ventures and new investment projects (On the investment policy of Moscow and on State support for investors, On the industrial policy of Moscow and tax laws).

In February, the Moscow City Government adopted Decision 38-PP from 11th of February 2016 on measures for implementing the industrial and investment policies in Moscow. The Decision established the procedures for providing State support to existing industrial complexes and technoparks in Moscow. This [mechanism](#) will provide overall tax cuts of 10% - 25%.

Based on estimation, over 25% of the total number of industrial companies registered in Moscow will be able to take advantage of these benefits. The information concerning application requirements can be found on [Moscow investment portal](#).

The first ten organisations have already applied for this new status and to be included to the registry of investment priority projects (IPP) in Moscow. The paperwork submitted is currently being analysed and the dates for conferring IPP status are being coordinated. You can apply for IPP status [here](#).

In the first half of 2016, the Moscow City Government plans to adopt a Decision on supporting investment projects for large-scale modernisation of existing production facilities and for creating new ones. Tax cuts for such projects will be about 25%. Investors will enjoy profit tax exemption, land tax exemption, as well as the right to preferential land leasing conditions.

Infrastructure for innovative business

Moscow is building the most developed infrastructure in Russia for innovative businesses and research.

The city has [20 technoparks and technopolises](#) (in 2014, there were only 5) of different

economic sectors, and also Zelenograd Special Economic Zone, where one can operate a production facility or a research center and get favorable conditions (tax benefits, preferential lease rates, etc.).

You can find more information about technoparks, their specialisations and space availability as well as you can also apply for rent of a technopark space by choosing a vacant lot in a technopark.

Moscow's investment strategy priorities

In February, the Expert Group of the Agency for Strategic Initiatives (ASI) revised and discussed Moscow's Investment Strategy 2014–2025, which was adopted in late 2014.

The Strategy's priorities remain the same. They are: providing State support and creating conditions for competitive investments in modern production facilities and innovative projects; supporting and developing projects focused on import substitution, and expanding Moscow's export potential.

Developing public-private partnership, attracting private capital into the city projects aimed at developing the transport and social infrastructure (education and health care institutions, cultural heritage sites) are also among the Moscow City Government's priorities.

You can find the current [Strategy](#) on Moscow Investment Portal.

New on the Investment Portal

The Moscow Investment Portal www.investmoscow.info is a unified information platform that brings together the most important information and convenient online-services for doing business and investments in Moscow.



The Portal contains [information](#) on the key socio-economic indicators, rankings, comparison between Moscow and other leading metropolises worldwide. You can also find an investor's guide with the basic legislation and tax conditions outlook, key investment projects and business facilities of Moscow (investment map) and other information required.

In addition to the existing online-services and investment content, during the last 3 month the Portal has been updated and new business services are available:

- To [apply for industrial complex and technopark support](#);
- To obtain access to Moscow city's State property [auction](#);
- To use [online services](#) for investment facility tours registration, privatization file inspection (access) and other services.

The [Analytics](#) section contains the new monthly survey of Russia's financial market. The survey is prepared by the State Budgetary Organisation "Analytical Centre" (as of 3rd of March 2016).

If you have any questions or wish to propose an investment project for implementation in Moscow, please:

- use the **Direct Line** on the investmoscow.info portal
- call the **Moscow City Investment Agency** at: **+7 (495) 630-00-00**.

Sincerely yours, looking forward to successful cooperation,



Department of Economic Policy
and Development of Moscow
www.depr.mos.ru



Moscow City Investment Agency
www.investmoscow.ru/agency