















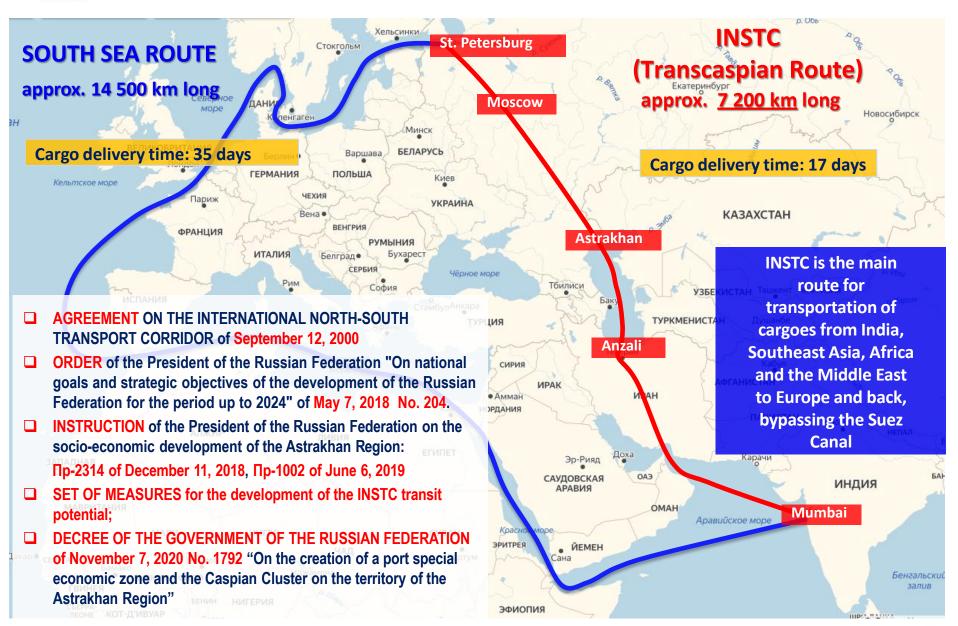
# A Port SEZ on the INSTC in the Astrakhan Region





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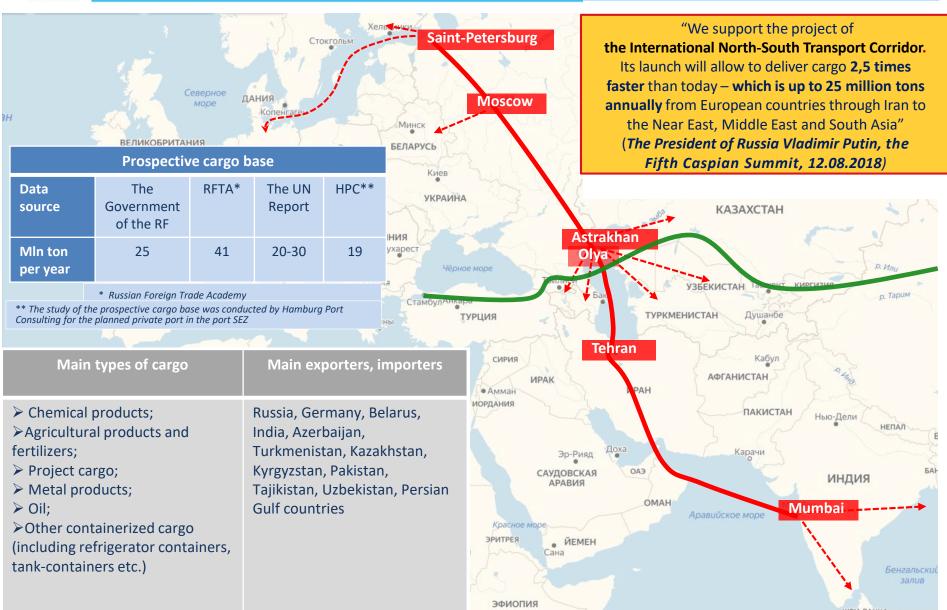
International North-South Transport Corridor (INSTC)





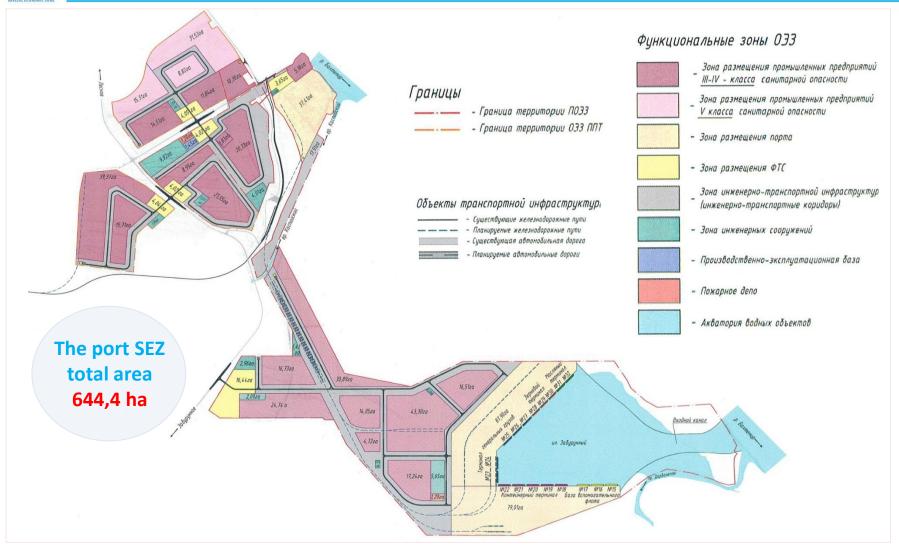
k শিষ্ণনি pests if prs/be/2022/e44073043) է 726.03.030 է 199 nsportation on the International North-South

Transport Corridor. Intersection of the INSTC and the route from China to southern Europe.





Olya (the Liman District)



DECREE OF THE GOVERNMENT OF THE RUSSIAN FEDERATION of November 7, 2020 No. 1792 "On the creation of a port special economic zone and the Caspian Cluster on the territory of the Astrakhan Region"











# A PORT SPECIAL ECONOMIC ZONE TENANT HAS THE RIGHT TO CARRY OUT **PORT**ACTIVITIES AND (OR) CONSTRUCTION, RECONSTRUCTION AND OPERATION OF PORT INFRASTRUCTURE FACILITIES

### The port activity is the following activity performed in a port:

- goods warehousing, storage and other service typically rendered in a sea port, river port, airport according to the international contracts of the Russian Federation and the Russian Federation legislation;
- provision (including with marine stores, board supplies) and equipment of vessels, aircraft;
- production, repair, maintenance, modernization of sea-going, river and aircraft, aerotechnics, including aviation engines and other components;
- water biological resources processing;
- preparation operations of goods for sale and transportation (packing, sorting, repacking, lot dividing, marking and similar operations);
- simple assembly and other operations, execution of which does not considerably change goods condition according to the list approved by the Russian Federation Government;
- exchange trade in goods;
- wholesale trade in goods;
- provision of port special economic zone infrastructure facilities functioning;
- production activity according to the port special economic zone activity agreement.

### TAX CONCESSIONS

### VAT

works (services) in the port special economic zone are not subject to taxation

### INCOME TAX\*

for 10 years starting from the moment of profit-making. After this period the income tax is 10%

### PROPERTY TAX\*

for 12 years starting from the date of registration of the property rights

### LAND TAX\*

for 5 years starting from the date of registration of the land plot property rights

### TRANSPORT TAX\*

UP TO 2.5 EURO FOR 1

for 12 years starting from the date of vehicle registration





\* the taxation conditions are taken from the laws applicable to the existing industrial production SEZ Lotus and will be defined for the port SEZ in the nearest future

### **CUSTOMS CONCESSIONS**

#### IMPORT CHARGE

ACCORDING 0%
TO LAWS

foreign goods (raw materials, equipment, spare parts)

### **VAT FOR IMPORT**

foreign goods (raw materials, equipment, spare parts)

### **EXPORT CHARGE**

outside the territory of the **Customs Union (Russia,** Kazakhstan, Belarus)

### **VAT FOR EXPORT**

outside the territory of the Customs Union (Russia, Kazakhstan, Belarus. Armenia, Kyrgyzstan)

### **DURATION OF CUSTOMS REGISTRATION**

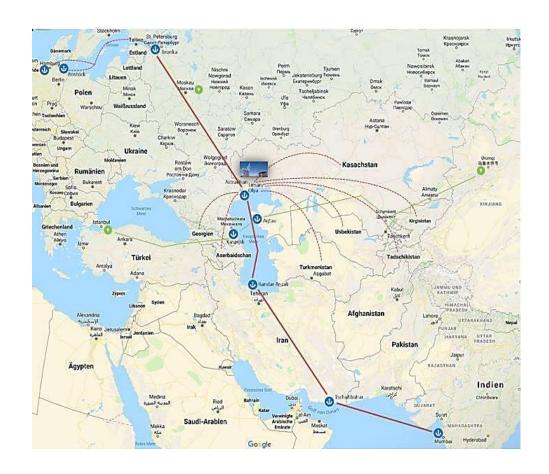
**72 HOURS** 

3 HOURS

GOODS IMPORTED ON THE TERRITORY OF THE PORT SEZ ARE CONSIDERED TO BE PLACED UNDER THE FREE CUSTOMS ZONE PROCEDURE FROM THE DATE OF THEIR IMPORT

SEZ "LOTUS" RESIDENTS ARE SUPPLIED WITH TECHNICAL CONDITIONS ON ENGINEERING INFRASTRUCTURE ON THE BORDER OF THEIR LAND PLOTS





A cooperation agreement is signed between LLC "PLC "Caspy" and LLC "Phoenix" (operator of the Bronka Port in the Leningrad Region).

The port of Hamburg, the port of Rostock and the German Carrier Association representative BVL Russia confirmed their willing to support the development of container cargo delivery along these corridors.





The Iranian FEZs "Anzali" and "Chabahar" and JSC "SEZ "Lotus" signed a cooperation agreement for developing the INSTC

Новосибирск

On July 10, 2019 a meeting supported by governmental authorities with the business representatives from Russia, India and Iran was held in New Delhi (India)

The MINUTES of the meeting confirm:

- the cargo base in India and intention of Indian carriers to deliver goods along the INSTC, including through Iran
- the readiness of all members to start first test containers deliveries along the North-South and West-East ITCs through the Astrakhan Region

#### Соглащение о сотрудничестве

С целью развития регионального сотрудничества, укрепления и углубления экономических и торговых связей, а также международного транспортного коридора «Север-Юг», данное соглашение заключено Масруром, Председателем Совета директоров, директором Свободной Торгово-Промышленной Зоны «Энзели» (Исламская Республика Иран), именуемым в дальнейшем «первой стороной», г-ном Абдольрахимом Корди, Председателем Совета директоров, Генеральным директором Свободной Торгово-Промышленной Зоны «Чабахар» (Исламская Республика Иран), именуемым дальнейшем «второй стороной», и г-ном Генеральным директором акционерного общества экономическая зона «Лотос» (г. Астрахань Российская Федерация), именуемым дальнейшем «третьей стороной»,

#### تفاهم نامه همكارى

در راستای گسترش همکاری های منطقه ای و کمکیم و تعمیق مناسبات اقتصادی و بازرگانی و همچنین همکاری در توسعه کریدور بین المللی حمل و نقل شمال جنوب این تفاهم نامه فی ما بین سازمان منطقه آزاد تجاری صنعتی انزلی (جمهوری اسلامی ایران) با نمایندگی اقای رضا مسرور به عنوان طرف اول نامیده می شود، منطقه آزاد تجاری طرف اول نامیده می شود، منطقه آزاد تجاری نمایندگی آقای عبدالرحیم کردی به عنوان رئیس هیئت مدیره و مدیر عامل که از این پس طرف دوم هیئت مدیره و مدیر عامل که از این پس طرف دوم نامیده می شود و منطقه ویژه اقتصادی لوتوس (آستر اخان، فدر اسیون روسیه) به نمایندگی آقای سرگی میلوشکین به عنوان مدیر عامل که از این سرطی میلوشکین به عنوان مدیر عامل که از این سرطرف نوس سرگی میلوشکین به عنوان مدیر عامل که از این سرط صدوم یس طرف نوم سرگی میلوشکین به عنوان مدیر عامل که از این سرط سوم نامیده می شود؛ منعقد گردید

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РОССИЯ

Актау

Энзели

индия

Мумбаи

МЬЯНМ

НИГЕР

СУДАН

Красное море

равийское море

М

### The Establishment of the International Work Group for the INSTC Development

incorporating representatives of special economic zones, ports and logistics companies for working out proposals for the INSTC development



#### **Work Group members:**

Special Economic Zone LOTUS, JSC
Port & Logistics Company Caspiy LLC
Chabahar Free Economic Zone
Anzali Free Economic Zone
MSCC Bronka (Fenix LLC)
Port of Hamburg Marketing e.V.
Port Rostock GmbH
Port of Kuryk
SEMURG INVEST
Ust Luga PTK LLC
BVL Chapter Russia
Star Overseas Ltd.
Turkmen Milli Logistic, etc.

### **Creation of a Test Container Line**



Work is underway to form a regular container line between the ports of the Astrakhan Region and the Islamic Republic of Iran as part of order to organize test container shipments from the Set of Measures for the development of the INSTC Transit Potential.



### Welcome!

**Special Economic Zone LOTUS, JSC** 

**Director General: Sergey Milushkin** 

Address: Russia, the Astrakhan Region, Astrakhan

Phone: +7 (8512) 51-32-66

www.sezlotos.ru

E-mail: Lotos@sezlotos.ru

# Special economic zone of industrial production type Lotus (SEZ Lotus) and a port special economic zone (port SEZ)

SEZ Lotus and a port SEZ are located in the Astrakhan region at the intersection of the International North-South Transport Corridor (the INSTC) and the north part of the Great Silk Way. The Astrakhan region has borders with the countries of the Caspian Sea. There are 8 states within a radius of 1000 km from the Astrakhan region with a total population of more than 300 million people.

Such advantageous geopolitical location of SEZ Lotus and a port SEZ makes them the only special economic zones in Russia that have access to the markets of the countries of the Caspian Sea, India, the countries of Southeast Asia and the Middle East. Under the conditions of an active development of the International North-South Transport Corridor, implementation of a project on the territory of special economic zone in the Astrakhan region is the best solution for a company, planning to enter this market.

The INSTC that runs through the Caspian Sea and the Astrakhan region, is the shortest and the most cost-effective route for cargo deliveries from India, Southeast Asia, Africa and Middle Eastern countries to Europe and back. The main advantages of the INSTC compared to other routes, in particular over the route running through the Suez Canal, are distance reduction by more than half, time saving for container cargos transportation from 37 to 15-17 days, and 30% reduction of transportation costs.

Industrial production special economic zone Lotus (SEZ Lotus) was established in the Astrakhan region according to the Decree of the Government of the Russian Federation №1214 of November 18, 2014. Currently, in SEZ Lotus there are 16 tenants with more than 30 billion rubles of the declared investments, including companies from Russia, Italy, Azerbaijan and Iran. Tenants are provided with engineering infrastructure, the roads are being built, development of the territory continues.

According to the set of measures for the development of the INSTC transit potential on November 7, 2020 the Decree of the Government of the Russian Federation on the creation of a port special economic zone in the Astrakhan region, which will be united with the industrial-production SEZ Lotus into the Caspian Cluster, was launched. Construction of a new port and logistics complex with a modern container terminal will be the anchor project.

SEZ Lotus tenants can carry out various types of industrial and production activities. It is possible to establish enterprises of five hazard classes. An additional advantage is the proximity to the markets of shipbuilding and the oil and gas industry - oil and gas companies are implementing their long-term projects in the Astrakhan region and on the shelf of the Caspian Sea; large and medium-sized shipbuilding

enterprises (including divisions of the United Shipbuilding Corporation) operate in the region.

Considering the political and economic situations, the most promising industries for arranging production on the territory of SEZ Lotus are shipbuilding, production of equipment and components for oil and gas industry, chemical industry, food processing industry, pharmaceutical and other high-technology industries. The industries are determined on the basis of considerable level of recourses in the Astrakhan region and in the Southern Federal District. JSC SEZ Lotus provides the tenants with the needed amount of such resources as water, gas, electricity.

A tenant of a port SEZ may carry out the following port activities:

- goods warehousing, storage and other service typically rendered in a port;
- provision and equipment of vessels;
- production, repair, maintenance, modernization of sea-going, river vessels and other components;
- water biological resources processing;
- preparation operations of goods for sale and transportation (packing, sorting, repacking, lot dividing, marking and similar operations);
- simple assembly and other operations, execution of which does not considerably change goods condition according to the list approved by the Russian Federation Government;
- exchange trade in goods;
- wholesale trade in goods;
- provision of port special economic zone infrastructure object functioning;
- production activity according to the port special economic zone activity agreement.

Tenants of special economic zones would have the following preferences:

- tax and customs concessions (according to the laws of the Russian Federation);
  - free connection to utility infrastructure;
- a "one-stop shop" system breaking administrative barriers in business operations;
  - powerful logistic capabilities (rail, road and ship transport);
- preferential land lease terms, possibility to buy a land plot upon completing the construction of the real estate item on the land plot.

The project of an industrial production special economic zone tenant should provide at least 120 million rubles investment in his own production and this amount contains such expenses as construction of industrial facilities, equipment costs and other operating expenses necessary for commencement of works. The project of a port special economic zone tenant should provide at least 400 million rubles investment for the construction of the port infrastructure and at least 120 million rubles for the reconstruction of the port infrastructure.

To obtain a tenant status, a business plan must be developed. After a successful presentation of the business plan the company concludes an agreement on industrial production activity with the Government of the Astrakhan region and JSC SEZ Lotus. Within three years of the date of conclusion of the agreement on carrying out activity a tenant is obliged to make capital investments in the amount not less than of forty million rubles. The tenant status is valid until the year 2063 for SEZ Lotus tenants (until the year 2069 for the port SEZ tenants).

More information about the advantages of establishing an investment project on the territory of SEZ Lotus and the port SEZ you can get by visiting the official website www.sezlotos.ru

Taking into account the governmental support from the Russian Federation and the Astrakhan Region for creating SEZ Lotus and the port SEZ, active development of the INSTC, broad economic relationships with neighboring states, as well as a lot of preferences for business, we would like to invite you to become a tenant of our special economic zones and implement your project.





















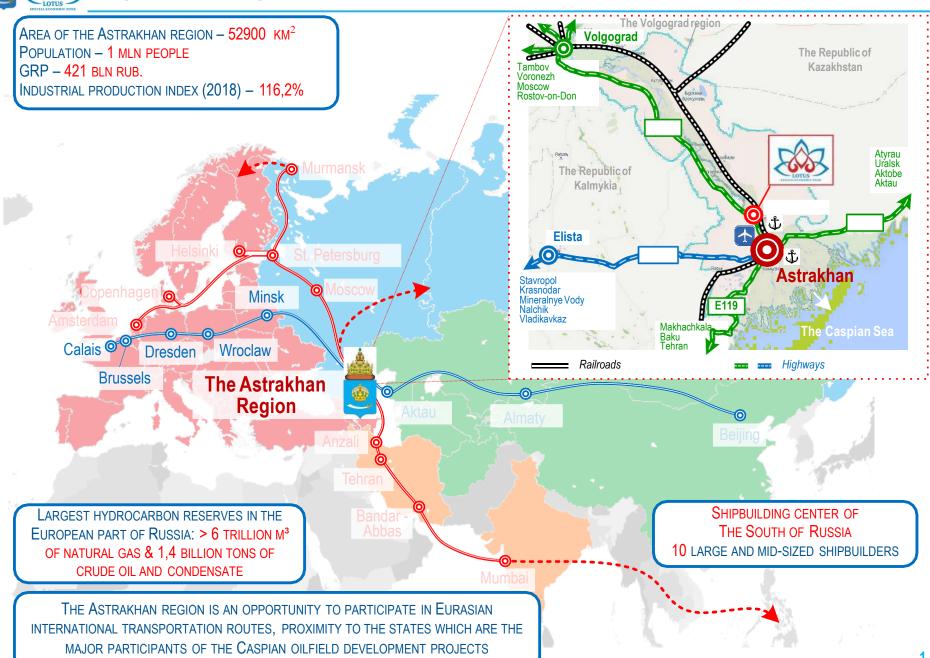




The Astrakhan Region Special Economic Zone "Lotus"



### Tarih ve Sayısı: 18/01/2022 - 44073043 2720.05.01 - 399 Logistic Advantages for SEZ «Lotus» Tenants



# Leading Companies of the Astrakhan Region

### **Shipbuilding & Shiprepairing**

Extraction and processing of natural resources (salt, gypsum)



Extraction and processing of oil and gas, services, raw materials transportation















Schlumberger









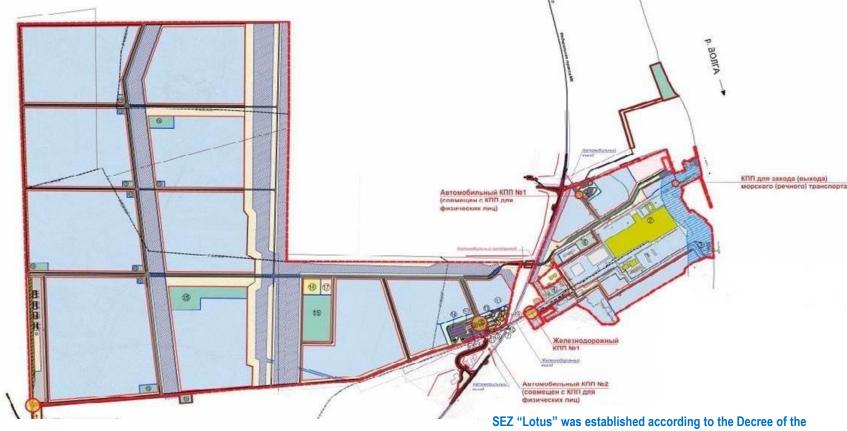
Engineering and metallurgy

**Light industry** 



# Tarih ve Sayısı: 18/01/2022 - 44073043 - 720.05.01 - 399 | Economic Zone "LOTUS"





The Resolution of the Astrakhan Region Government of 06.04.2015

№123-P "On Establishment of PJSC "SEZ "LOTUS"

Functions of the administration company



- Infrastructure construction and its functioning;
- Attracting tenants and other investors to SEZ;
- SEZ area design;
- Other functions.

SEZ "Lotus" was established according to the Decree of the Russian Federation Government N 1214 of November 18, 2014

9,9 mln m<sup>2</sup> SEZ total area

6,3 mln m<sup>2</sup> Area of the land plots for tenants

Above 11 bln rub. Planned infrastructure investments until 2024

16 companies Number of operating member-

companies

1 412 Declared amount of workplaces

30,61 bln rub. Declared investments

(80% of Russia's

shipbuilding)



the Caspian-bordering countries)

and ITC "North-South"

participating countries

# k Tarih ye Sayısı: 18/01/2022 - 44073043 - 720.05.01 - 399 Additional government support measures and benefits for tenants













- Strategy of the development of shipbuilding industry of the Russian Federation (Decree of the Russian Federation Ministry of Industry and Trade № 354 from 06.09.07).
- Participation in Import Substitution programs For shipbuilding industry (Decree of the Russian Federation Ministry of Industry and Trade № 661 from 31.03.2015).
- Support under the plans of assistance to import substitution.
- Conclusion of special investment contracts providing purchase of 30 % of manufactured goods.
- Target loans at reduced rates of Industry Development Fund
- The Export Center of Russia support
- Participation in shipbuilding cluster projects of the Astrakhan region (Reimbursement of up to 50% of expenses for joint intra-cluster projects).
- Participation in oilfields exploration of the Caspian shelf (Russia, Azerbaijan, Iran, Kazakhstan, Turkmenistan).



### Tarih ve Sayışı: 18/01/2022 - 44073043 - 720.05.01 - 399 Participation of SEZ "LOTUS" in Establishing Shipbuilding and Oil&Gas Industry Markets



Forming a list of equipment and components for shipbuilding industry to be localized

**Agreement** between JSC "USC" and PJSC "SEZ "Lotus" dated 03.12.15

SEZ "Lotus" is Russian main production area of equipment and components for shipbuilding industry





Ministry of Industry and Trade of the Russian Federation



Ministry of Economic Development of the Russian Federation



Ministry of Transport of the **Russian Federation** 



Ministry of Energy of the Russian Federation

JSC "USC" (80% of Russia's shipbuilding) - main executor of the government program "Development of shipbuilding and offshore equipment 2013-2030"





Chamber of Commerce and Industry of Russia



Russian Union of Industrialists and Entrepreneurs



ndustrial parks association



National association of oil&gas service



"Business Russia"



Strategic Initiative Agency



"Opora Rossii"



"RosNano"







Technopark "Skolkovo"



Italian-Russian Chamber of trade



Japanese association ROTOBO



Korean agency KOTRA



Italian association Assolombarda



UNIDO

### TAX CONCESSIONS

#### **INCOME TAX**

for 10 years from the moment of profit-making. After 10 years the tax is 10%

### **PROPERTY TAX**

for 12 years starting from the date of registration of the land plot property rights

#### LAND TAX

for 5 years starting from the date of registration of the land plot property rights

### **TRANSPORT TAX**

**UP TO 2.5** 

for 12 years starting from the date of vehicle registration

### **LEGISLATION**

Acts of the RF legislation on taxes and charges, having bad influence on the SEZ Tenants are not applied





### **CUSTOMS CONCESSIONS**

#### IMPORT CHARGE

ACCORDING 0% foreign goods (raw materials, equipment, spare parts)

### **VAT FOR IMPORT**

foreign goods (raw materials, equipment, spare parts)

### **EXPORT CHARGE**

outside the territory of the **Customs Union (Russia,** Kazakhstan, Belarus)

#### **VAT FOR EXPORT**

outside the territory of the Customs Union (Russia, Kazakhstan, Belarus)

**DURATION OF CUSTOMS REGISTRATION** 

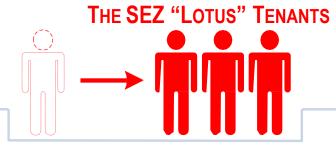
72 HOURS 3 HOURS

SEZ "LOTUS" TENANTS HAVE SUFFICIENT TAX AND CUSTOMS CONCESSIONS

SEZ "LOTUS" RESIDENTS ARE SUPPLIED WITH TECHNICAL CONDITIONS ON ENGINEERING INFRASTRUCTURE ON THE BORDER OF THEIR LAND PLOTS



# Process of Obtaining the SEZ "LOTUS" Tenant Status



### READINESS TO INVEST AT LEAST 120 MILLION RUB IN A PROJECT.\*

— STEP 1 — APPLICATION FOR OBTAINING A TENANT STATUS

— STEP 2 — PREPARATION OF INVESTMENT PROJECT BUSINESS PLAN AND ALL NECESSARY DOCUMENTS

— STEP 3 — THE BUSINESS PLAN IS CONSIDERED BY THE EXPERT COUNCIL

— STEP 4 — CONCLUSION OF AGREEMENT ON PURSUIT OF INDUSTRIAL PRODUCTION ACTIVITY

— STEP 5 — OBTAINING SEZ MEMBER COMPANY (TENANT) CERTIFICATE

STATUS OF SEZ «LOTUS» TENANT IS VALID UNTIL 2063

<sup>\*</sup> INCLUDING 40 MLN RUB. IN THE FIRST 3 YEARS OF IMPLEMENTATION OF THE PROJECT (FEDERAL LAW №116 FROM 22.07.2005)





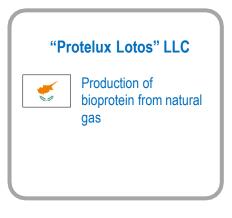


















### "Stroyliderplus Lotos" LLC

Production of ballast water purification systems for different types of vessels

### "Gelios Systems" LLC



Production of photovoltaic solar panels from poly- and single crystalline silicon

### "AZKA Composite" LLC



Production of fiberglass pipes

## "Naval Design Mezhdunarodniy" LLC



Production of ship panels

### "ROSA" LLC



Production of household chemicals of Iranian trademarks

## "Technologies – XXI century" JSC



Production of hulling brushes and abrasive materials

### "Astrakhan plant of medical goods" LLC



Production of nitrile exam gloves

Industrial activity

F

Preparation for production launch



Construction of the plant



Design works





# Conditions for Business in the Astrakhan Region



**GOVERNMENTAL SUPPORT OF BUSINESS** 



"ONE-STOP SHOP" PRINCIPLE



PREPARATION OF ENGINEERING PERSONNEL



**CULTURE AND TOURISM** 

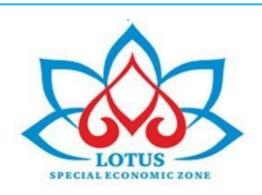


**ATHLETICS** 



**HEALTHCARE SYSTEM** 





### Welcome to SEZ «Lotus»!

Joint-Stock Company

**Special Economic Zone «LOTUS»** 

**Director General: Sergey Milushkin** 

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**Astrakhan** 

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