

The list of investment projects in the Smolensk Region

1. Llc “Sychevsky electrode plant” plans the implementation of the investment project on the production of electrodes for general and special purposes. The plant produces over 50 kinds of different electrodes including the ones used in oil and gas industries. The electrodes are consumed by Russian regions, CIS and foreign countries.

Most electrodes are produced under the brand MTG which was specially worked out by the specialists from All Russia Scientific Research Institute of Natural Gases and Gas technologies together with the Russian State University of Oil and Gas named after I.M. Gubkin for welding oil pipelines, transportation of oil and gas containing a high level of sulphur;

2. ZAO “Smolensk Auto-aggregate Plant” (ZAO “SAAZ AMO ZIL”) specializes in the production of special vehicles and utilities equipment, gear units for various vehicles models. The products are in great demand on the Russian automotive market.

At present over 50 modifications of the gear unit for heavy goods vehicles, automatic loaders and special vehicles of AMO ZIL, buses of Pavlovsky and Lyvovsky plants are produced on the platform of 4 basic models;

3. ZAO “Roslavlsky Auto-aggregate Plant AMO ZIL” ZAO “RAAZ AMO ZIL”

At the moment the bankruptcy procedure of supervision is being applied to the plant.

The bankruptcy trustee, Gabidulin Aleksey Vitalyevich, address: 109029 Moscow, Nizhegorodskaya st., 32/15 office 602E.

The economic activity type: production of transport vehicles and equipment.

The products: brake equipment, fuel-oil pumps of high pressure, metalware.

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4. Llc “RFK Group” plans the implementation of the investment project “Modernisation of the brick plant in Elnya”. The project duration: 2014-2017. The total volume of the investment amounts to 2000 mln rubles including 800.0 mln rubles of private funds, 1200 mln rubles of credits. The social effect: the project will result in the creation of 200 working places. The project is aimed at the construction of modern automated brick production with the technological function of changing the range of products which may vary from ordinary bricks to lining bricks and ceramic blocks of different forms and sizes. At the present stage of the project implementation, the project documentation has been prepared, the land plot of 5 ha has been purchased by the investor, the quarry has been registered, the facilities have been connected to the gas and electricity engineering networks. The project will be launched at the end of 2014. The investment expenses covered by private funds will reach 40%. The investment into the production equipment, its assembly and commissioning is the preferable form of co-investment.

5. OJSC “Dorogobuzhkotlomash” - is going to implement the investment project “The construction of a car racing track “Smolensk Ring”. The project duration: 2007-2017. The total amount of investment: 1068 mln rubles including 632 mln rubles of private funds and 436 mln rubles of credits. The social effect: the project will result in the creation of 51 workplaces. The “Smolensk Ring” is a Russian car racing track for ring racing which meets the international requirements. The car racing track has already been in operation, the length of the track is 3357m, its width – 12-15 m. The track configuration was designed by German Tilke, the German architect of racing tracks for Formule-1.

The construction of the complex “Smolensk Ring” is a long-term social project which is aimed at the increase of business activity in the Dorogobuzhsky District, and the popularisation of racing sport in Russia.

The economic activity: track rent, additional services: boxes rent for participants of competitions, car park, food service. At present the construction works have been ceased due to the lack of finances, the car racing track has the status of the incomplete construction. The share of the investment covered by private funds is 9,6. Money investment of 460 mln rubles is considered to the preferable form of investment.

OJSC “Dorogobuzhkotlomash” is going to implement the investment project on construction of the hotel “Smolensk Ring” in 2016. Project duration: 2015-2016. The total volume of investment: 110 mln rubles. The social effect: the creation of 38 workplaces.

The hotel will be organised in the reconstructed part of the OJSC “Dorogobuzhkotlomash” complex, the viewing platform will provide a panoramic view on the car racing track “Smolensk Ring”. The main reconstruction works have been completed, room partitions have been built up, engineering systems have been prepared (electricity, ventilation and sewerage). Having the area of 3762 m² the hotel will have, 81 rooms of two categories: 68 “Standard” rooms and 13 “deluxe” rooms, a restaurant and a bar 381m²), the adjacent area (1195 m²). The hotel has a favourable location: 1) it is situated in the vicinity of the racing track “Smolensk Ring”; 2) it has good transportation access and a car park. The hotel will be providing accommodation for competition participants and visitors of the “Smolensk Ring”, pilgrims to the Boldinsky Monastery, guests and visitors of OJSC “Dorogobuzhkotlomash” and the Dorogobuzhsky District. At present the construction works have been ceased. The money investment of 55.9 mln rubles is the preferable form of co-investment.

6. OJSC “Iceberg” is going to implement the modernisation of the existing facilities. At present the bankruptcy procedure of supervision is being applied to the plant. The plant is open to any cooperation with potential investors;

7. Llc “VirmontFood” is going to implement the investment project “Construction of a broilers growing complex in the Smolensk Region”. The project duration: 2014-2015. The total volume of investment: 6609,5 mln rubles including 989,5 mln of private funds and 5 620 mln rubles of credits. Social effect – the creation of 542 workplaces. The project includes the construction of production facilities with a closed cycle for boilers’ meat production, the estimated capacity for 2015 is 50 000 tons of carcass meat. The production complex will include a hatchery for 42 mln eggs per year, 120 birdhouses for broilers, mixed feed production facilities with the capacity of 20 tons of pellet feed per hour, a technological line for broiler meat processing (9000 broilers per

year including slaughter, dressing, refrigeration and package). The Llc “VirmonFood” has already purchased or rented 6 land plots in the Tyomkinsky District, with their management plans being confirmed by the authorities.

8. ZAO “Glass works Vorga” — the implementation of the project “Construction of the industrial and technological park “Vorga”. Project duration: 2013-2020. The total volume of investment – 12 740,0 mln rubles. The social effect: the Industrial and technological park “Vorga” will become a complex of interconnected innovative projects based on common technologies and infrastructure. The company is also going to produce construction glass, wire reinforced glass, apparatus and aviation glass, thin display glass.

The production site is being prepared for the implementation of all projects. The preparation stage includes the construction of buildings and production facilities, the reconstruction of infrastructure, tenders and offers for equipment supplies. At present the 1st stage of the project “Commissioning of massive production of composite glass wire” has been successfully completed;

9. Llc “Gagarinsky Cannery” (Gagarinsky District, Smolensk Region) - is going to implement the investment project “Production of vegetable cans”. The investment is necessary for the project implementation. In February 2014 Llc “Gagarinsky Cannery” was adjudged bankrupt by the Decision of the Commercial Court of the Smolensk Region, at present the company is under bankruptcy administration.

10. Llc “Gagarinsky Milk” (Gagarinsky District, Smolensk Region) - is going to implement an investment project on vegetable and milk canning. The company has been producing vegetable cans for such companies as Cosaga, “Merry vegetables”, “DiS”, “Green pearl” and milk cans for “Mashutka”, chocolate glazed curd bars “Mashutka” and “Milk dwarf”. The company needs investment for the project implementation.

11. Llc “Rosremstroy”, the investor (owner and developer) of Llc “Centre of Engineering Surveys”. The project is aimed at the construction of the “Yuzhnaya village” in the Vyazemsky District, Kaidakovsky settlement.

The project is aimed at the construction of townhouses (three-storeyed and private townhouses). The estimation of the population number (996 people) was made on the basis of the demographic potential (the average family size is 2.3 people), and the principle “one house – one family”. The population growth will rise up to 1,3 thousand people. The population falls into the following age groups: children (0-17), -242 (25% of them are school students, 10% - children), employable citizens (18-60/55) – 551 people (57%), 173 people are older 60/55 (not more than 18%).

12. Construction of rubbish recycling plants in the Smolensk Region. The Region needs modern, technologically advanced rubbish recycling facilities of a closed cycle.

13. Construction of facilities for furniture production in the Smolensk Region. The furniture production can use the laminated chip board made in the Smolensk Region. The Smolensk Region has 2 large facilities for chip board production:

- Llc “Igorevsky wood processing plant” (the Kholm-Zhirkovsky District). At present the plant is implementing the investment project “Reconstruction and expansion of Llc Igorevsky wood processing plant”. Construction of MDF production plant. Development of infrastructure in the municipal entity “Kholm-Zhirkovsky District”;

- Llc “Egger Drevprodukt Gagarin” (the Gagarinsky District). The company, supported by the Egger group (Austria), is implementing the projects “Production of facing chip board (KT 4)”, “Launch of the impregnation line for decorative paper”;

14. Dobrominskoe cement deposit- the investment project “Construction of a cement works”.

15. Slobodskoe deposit of building stone – the investment project “Production of construction materials in the Ugransky District, the Smolensk Region”. The facilities will specialise in lime dust production of the 2nd class, chip stone, lime of A and B classes, stone and silicate bricks.

16. Krasnopolskoe chalk deposit - the investment project “Production of Portland cement “500” in the Shumyachevsky District, the Smolensk Region.

17. Vorginskoe deposit of quartz sand – the investment project of the construction of green bottle glass works in the Ershichisky District, the Smolensk Region.

18. The construction of 10 mega-farms for milk production. The livestock of milk cows on each farm will be lower than 1200 cows, the total volume of milk – 100 thousand tons per year which will help to satisfy the regional demands and deliver milk to Moscow. At present the investment sites are being prepared for the construction of mega-farms.

19. New technologies of flax growing in the Smolensk Region. The favourable agro-climatic conditions, scientific selection and seed production of flax make the Smolensk Region a promising region for flax growing. The agricultural producers dealing with growing or processing of fiber flax in the Smolensk Region receive state support.

20. Growing of vegetables in greenhouses with the total area of 50 ha in the Safonovsky District, the Smolensk Region. At present the regional greenhouses cannot satisfy the demand of the population in vegetables. The agricultural producers growing vegetables in greenhouses receive state support.

21. Growing of vegetables and greenery in the Ugransky District, the Smolensk Region. The project implementation needs investment (for instance, investment in the equipment for growing and collecting vegetables).

22. Processing and recycling of solid rubbish in the Smolensk Region. The project implementation needs investment.

23. Construction of low-income housing (multi-storey apartment houses) in the Smolensk Region. The average price for 1 square metre on the new homes market in the Smolensk Region in the 2nd quarter of 2014 was 41262 rubles. The total volume of housing in the Smolensk Region in 2013 was 410,5 thousand square metres. The investment project on construction of low-income housing the Smolensk Region (multi-storey apartment houses) will provide citizens with apartments, 1 square metre in which will not exceed 30 000 rubles.

24. Modernisation of utilities in settlements of the Smolensk Region for a switch to alternative fuels (peat and wood).

OJSC “BIOENERGO” is upgrading boiler houses for their future switch to ecologically friendly fuels (peat, wood), available in the area so the heat can be used for the adjacent infrastructure.

The functioning of the company improves the indices of energy efficiency, energy saving providing new job opportunities and additional income into the regional budget.

The out-of-date equipment in boiler houses will be substituted for new module boiler houses working on peat bricks and pellets. The projects are based on the use of the Russian equipment produced by the domestic leading companies. All the boiler houses are connected with each other through the computerised monitoring system managing the processes of heat generation for a high level of heat supply.

25. “Multi-functional touristic and recreational complex “Vazuza&Yauza Park” ZAO “Uniparks Gagarin” (the Gagarinsky District). *Project duration:* 2013-2020. *The total volume of investment:* 14 277 mln. rubles. *The social effect:* creation of 600 workplaces.

The implementation of the project will result in the construction of a multifunctional touristic and recreational complex for active and passive rest with accommodation facilities. The total area: 2500 ha. The ecological resort in the Gagarinsky District of the Smolensk Region will make use of the available natural resources, it will also popularise cultural and historical potential of the region, providing the citizens of the Smolensk Region and neighbouring regions with new job and rest opportunities., the total area – 20 thousand square metres. The first stage of the project “Vazuza&Yauza Park” was completed and its infrastructure was put into operation. The complex includes a hotel, 12 guest houses, a restaurant for 200 guests, manor houses, a SPA complex, children's play grounds and sports grounds, a beach; a wharf for yachts, tennis courts. Further project implementation needs investment.

26. Municipal autonomous institution “Centre of active rest “CAR-dymovo” (The Kardymovsky District) is going to implement the following projects:

✓ **“Construction of active rest centre «CAR-дымово».** *Project duration:* 3 years. *The total volume of investment:* 180,2 mln. rubles. The project also includes the creation of a large regional centre for sports tourism which will contain apart from the existing car racing, motor-freestyle tracks, accommodation facilities for tourists with all necessary infrastructure for doing extreme sports (rock climbing, paintball, street gymnastics, etc.). The project is

also aimed at the construction of a track for motor cross, carting, speed racing, rally cross, a car park and a runway for light aviation. The autodrome will be used all year round for holding a great number of official competitions in technical sports, festivals and amateur events. It should become the main site for development of children's technical sport in the region;

✓ **“Construction of the memorial complex “Solovyeva pereprava”**. *The project duration*: 3 years. *The total volume of investment*: 54,6 mln. rubles. The main goal of the project is to unite all Russian regions on the historical basis. The Road of Memory will connect all the existing monuments, a sacred spring, a cold plunge pool and a museum into a large memorial complex with the Alley of Glory, an open air museum of military weapons, a viewing point on the Dnieper bank. Each Russian region will have a monument with a capsule for the ground from the region inside;

✓ **“The construction of a military and historical memorial devoted to the Great Patriotic war of 1812 in the village of Lubnino”**. The project implies the construction of a military and historical memorial “Lubninskoe battlefield of Russia” between the village of Lubnino and the Zabolotye settlement. It will be devoted to the Battle of Lubnino, one of the most important battles during the Great Patriotic War of 1812. The memorial will consist of two zones – the zone for historical reconstructions and the memorial zone of reburial. The memorial will consist of a museum, a chapel, memorial signs, a zone for reconstructions, a memorial zone and the Old Smolensk Road with mile stones, an open air reconstruction of an old village;

✓ **“The construction of a sports and touristic complex “Solovyeva Pereprava”**. The project includes the construction of a multifunctional complex with recreation and sports camps, cultural, educational complexes, hunting and fishing facilities.

Due to the lack of financial resources the “Centre for active rest CAR-dymovo” is not implementing the investment projects mentioned above.

Further information on the investment projects mentioned above is available from the Department for Investment Development of Smolensk region.

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