

DAILY INFORMATION DIGEST

DEVELOPING THE ECONOMY OF THE FAR EAST NOR

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EASTERN ECONOMIC FORUM NEWS DIGEST

29 July 2016, www.forumvostok.ru

Project for high-speed rail route from China to Port of Zarubino to be presented at Eastern Economic Forum

Russian Transport Minister Maxim Sokolov noted: "Our partners have promised to work out the framework for the project so that it can be presented at the Eastern Economic Forum. But before investing funds in a project, we have to see how it works. Only then can we make decisions. This is a huge investment, and no investor would invest such large amounts without first understanding how the pilot project will operate."

Earlier, Vladimir Putin held a brief meeting with co-founder of Hyperloop One Shervin Pishevar at SPIEF 2016, during which the President promised to support the high-speed freight transport project. The Ministry of Transport of the Russian Federation has proposed that China build a pilot section of the high-speed line from China to the Port of Zarubino in Primorsky Territory. https://forumvostok.ru/en/high-speed-railway-route-from-china-to-port-zarubino-to-be-presented-at-the-eastern-economic-forum/

28 July 2016, www.primorsky.ru

Yury Trutnev evaluates preparedness of FEFU campus to host Eastern Economic Forum

The Presidential Envoy and Deputy Prime Minister visited the business programme venues located on the campus, including the conference rooms and exhibition areas. During his inspection, Mr Trutnev paid particular attention to security issues.

On the waterfront along Ajax Bay, representatives of the regions of the Russian Far East

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and federal authorities presented draft proposals for the future pavilions of the 'Streets of the Russian Far East' festival. Between 1 and 4 September, around 20 exhibits will be presented on the Russky Island waterfront. The pavilions of the nine Far Eastern regions will occupy key positions at the festival. Mr Trutnev stressed that each region should present itself in such a way as to encourage festival guests to visit it. http://primorsky.ru/news/115103/ (Russian only)

28 July 2016, www.Vladnews.ru

Authorities begin to check readiness of hotels in Primorye for Eastern Economic Forum

An ad hoc working group inspected the Hyundai five-star hotel and the Astoria four-star hotel and rendered their verdict: both are ready to welcome VIP guests.

The hotels were advised to pay special attention to improving their quality of service. In particular, information leaflets should be left in each room to help Eastern Economic Forum (EEF) participants familiarize themselves with the event and find their way around more easily. According to Konstantin Shestakov, the director of the regional tourism department, a list of recommended hotels for EEF participants has now been drafted. It includes about 30 hotels with a total of 5,500 rooms ready to receive guests. http://vladnews.ru/3975/novosti/otelyam-rekomendovano-ozabotitsya-bukletami-vef.html (Russian only)

28 July 2016, RIA Novosti

Kamchatka to present investment projects worth approximately RUB 30 billion at Eastern Economic Forum

The major projects include an airport complex and initiatives in the fish processing and fishing sectors. Those behind tourism industry projects – there are plans to construct several hotels on Kamchatka – have also announced their participation in the Forum. A wide-reaching, comprehensive project for an advanced special economic zone (ASEZ) on Kamchatka will be presented separately at the Forum. It includes a new airport terminal for the region's main airport, an airport for small aircraft, and the construction of greenhouses. http://ria.ru/economy/20160728/1473020766.html#ixzz4Fho6rDbM (Russian only)

27 July 2016, Interfax

Eastern Economic Forum 2016 Ice Hockey Cup to be held in Vladivostok

A full sports programme has been scheduled for the Eastern Economic Forum. On 2 September, at the Fetisov Arena Ice Palace, hockey legends will compete in a match against the Night Hockey League and Eastern Economic Forum participants. There will also be a race on the same day to promote the protection of the Siberian tiger and Amur leopard. Forum participants will also be able to participate in scheduled fitness exercises, martial arts lessons, and the Far Eastern Corporate Games.

In addition, there will be a Platu25 class sailing regatta on 1 and 2 September. An online video broadcast of the regatta will be made available for the convenience of Forum guests, and will be shown on special screens installed at the campus of the Far Eastern Federal University. http://www.interfax-russia.ru/FarEast/news.asp?id=748369&sec=1671 (Russian only)

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26 July 2016, www.forumvostok.ru

Eastern Economic Forum 2016 presented to ambassadors and representatives of diplomatic missions from Asia-Pacific countries

Alexander Krutikov, Director of the Department for the Delivery of Investment Projects at the Ministry for the Development of the Russian Far East, and Igor Pavlov, Deputy CEO of the Roscongress Foundation and Director of the Eastern Economic Forum (EEF), unveiled a series of promising Russian and foreign investment projects that will be presented at EEF 2016. The meeting also saw the announcement of the key events on the EEF 2016 cultural and business programmes.

The presentation was attended by the ambassadors from Brunei, Malaysia, and New Zealand, and representatives of diplomatic missions from Australia, Bangladesh, Cambodia, China, India, Indonesia, Japan, Laos, Mongolia, Myanmar, Nepal, the Philippines, Singapore, Sri Lanka, South Korea, Thailand, and Vietnam. https://forumvostok.ru/en/eef-2016-presentation-given-to-ambassadors-and-representatives-of-diplomatic-missions-from-asia-pacific-countries-in-moscow/

26 July 2016, www.minvostokrazvitia.ru

Eastern Economic Forum participants to discuss implementation of new economic policy in Russian Far East

Deputy Minister for the Development of the Russian Far East Alexander Osipov announced that the main issues on the agenda for the Eastern Economic Forum 2016 will include discussions of the new economic policy that is being pursued in the Russian Far East.

"Over the past year, we have done a lot of work with domestic and foreign investors", Mr Osipov noted. "A total of 12 advanced special economic zones have been created. One hundred and fifty nine investors have expressed a desire to invest a total of more than RUB 507 billion in projects in these zones. All of the necessary documents have been signed for 65 projects. The Free Port of Vladivostok has started operations. The Free Port's management company has received 102 formal requests from investors for a total investment of more than RUB 167 billion. Fifty two agreements have already been signed."

New investment projects have been made possible thanks to the co-financing provided by the Far East Development Fund. Ten investment projects have been granted priority, amounting to a total value of RUB 171.9 billion. The fund has invested RUB 15.8 billion. http://minvostokrazvitia.ru/press-centre/news_minvostok/?ELEMENT_ID=4473_(Russian only)

25 July 2016, Interfax

Foreign participants at Eastern Economic Forum granted week-long visa-free entry to Russia

The relevant government resolution has already been prepared by the Ministry for the Development of the Russian Far East, which explained: "The draft resolution proposes to establish periods of stay in Russia for foreign citizens and stateless persons who are participating in the Forum from 30 August to 5 September 2016." http://www.interfax-russia.ru/FarEast/news.asp?id=747582&sec=1671 (Russian only)

STATE POLICY IN THE FAR EAST

1 August 2016, www.minvostokrazvitia.ru

Yury Trutnev: legal framework for Far Eastern Hectare to be updated

In particular, there are plans to accelerate the process of approving Far Eastern Hectare applications by introducing the appropriate amendments to the federal law.

It currently takes 30 days to process applications for land plots. By reducing the application processing time, citizens will have an opportunity to submit a new application in the case of initial failure due to technical reasons. Yury Trutnev emphasized: "When the law comes into full force, the number of people submitting applications will increase substantially. We will need to use all of the resources at our disposal to encourage citizens to apply. We already have programmes in place to support initiatives in agriculture and entrepreneurship. Reduced rates on mortgages for housing and opportunities to build infrastructure for housing by submitting collective applications have been proposed." http://minvostokrazvitia.ru/press-centre/news_minvostok/?ELEMENT_ID=4485 (Russian only)

29 July 2016, Interfax

Trutnev attributes delay in introduction of simplified visa regime for Free Port of Vladivostok to migration risks

Yury Trutnev explained that the introduction of a simplified visa regime for foreigners, which was supposed to go into effect for the territory of the Free Port of Vladivostok on 1 July, has been postponed due to recent international developments. "The simplified entry procedure is an agenda item for which we have exceeded the previous deadline", he said. The reason is simple: the international situation is changing, as have the migration flows we are now seeing, including in the Far East."

To prevent certain migration risks, the design of the simplified visa regime has been adjusted. It will take effect only after the upgrade of the MIR information system, improvements to border crossings, and system testing. http://www.interfax-russia.ru/FarEast/news.asp?id=749148&sec=1671 (Russian only)

29 July 2016, Interfax

Owners of Far Eastern hectares to benefit from advantageous mortgage rates for housing

Following a meeting on the implementation of the pilot project relating to the Far Eastern Hectare law, Yury Trutnev noted: "We have already reached an agreement with the Agency for Mortgage Lending that we will offer the most preferential rates." He added that additional assistance will be made available to owners of Far Eastern hectares wishing to build housing as part of collective applications. http://www.interfax-russia.ru/FarEast/news.asp?id=749111&sec=1671 (Russian only)

27 July 2016, Interfax

Ministry for Development of Russian Far East expects region's population to reach 8 million by 2030

According to Deputy Minister for the Development of the Russian Far East Sergey Kachaev, the strategic goal for demographic growth in the Russian Far East is to stabilize the population at

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between 6.2 and 6.3 million by the year 2020, and then to promote an increase to 8 million people by the year 2030, through the sustainable economic and social development of the regions.

An analysis of the employment market carried out by the Ministry showed that by stimulating economic growth in the macro-region, the Far Eastern Federal District plans to create around 80,000 jobs, including 27,200 in advanced special economic and more than 20,000 in the Free Port of Vladivostok, by 2021. http://www.interfax-russia.ru/FarEast/news.asp?id=748316&sec=1671 (Russian only)

27 July 2016, www.minvostokrazvitia.ru

Russian Far East to receive additional RUB 600 million for development of agriculture

Priority funding ratios will be applied to the allocation of interbudgetary transfers to regions in the Russian Far East. During the second quarter of 2016, they were included in the state programme for the development of agriculture and regulation of markets for agricultural products, raw materials, and food for 2013–2020.

"The use of weighted factors in the allocation of grants under government programmes is a stimulating factor for the development of regions in the Russian Far East", said Deputy Minister for the Development of the Russian Far East Artur Niyazmetov. "However, we are advocating for the creation of 'Far Eastern Subprogrammes' within existing state programmes." The Deputy Prime Minister clarified that the application of a weighted factor (1.3) and 5% co-financing for the Far Eastern regions when allocating subsidies under the Accessible Environment 2011–2020 state programme made it possible to attract an additional RUB 52 million to the macroregion in 2016. http://minvostokrazvitia.ru/press-centre/news_minvostok/?ELEMENT_ID=4475 (Russian only)

THE ECONOMY OF THE RUSSIAN FAR EAST

27 July 2016, www.fishnews.ru

About 130,000 tonnes of salmon caught in Russian Far East

Since the start of the salmon season, 128,000 tonnes of Pacific salmon have been caught in the Far Eastern basin. This is a 36% improvement over 2014. Kamchatka Territory achieved the best figures. The health of the salmon fishery was discussed at a regular meeting of the fishing season head office, which was conducted via videoconference by Deputy Head of the Russian Federal Agency for Fisheries Vasily Sokolov. He noted that 84,000 tonnes of salmon have been caught in Kamchatka Territory, which is 27.4% more than the level recorded in 2014. In Sakhalin Region, 9,800 tonnes were caught, and in Khabarovsk Territory, the figure was 34,400 tonnes. The total catch of salmon in Primorsky Territory, Magadan Region, and Chukotka Autonomous District was 4,196 tonnes. http://fishnews.ru/news/29168 (Russian only)

27 July 2016, Gudok

Investments in reconstruction of Komsomolsk-on-Amur-Sovetskaya Gavan section of Baikal-Amur Mainline will amount to RUB 3.9 billion in 2016

Work on the Komsomolsk-on-Amur-Sovetskaya Gavan railway section continues as part of a project to develop infrastructure in the 'Eastern Polygon'. Under the project, over the

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next two years facilities worth RUB 10 billion will be put into operation in the region, including eight stations, three passing loops, and double track along two sections.

Once the project is completed, the carrying capacity in the direction of the Vanino Transport Hub will double in comparison with 2013, and in the direction of the maritime ports and border crossings it will increase by 50%. The total cost of the project for the reconstruction of the Komsomolsk-on-Amur-Sovetskaya Gavan section is estimated at RUB 59.8 billion. Of this, RUB 23.5 billion has been spent on the construction of the new Kuznetsovsky Tunnel.

In addition to the commissioning of the new tunnel, between 2008 and 2015 existing lines were lengthened and new ones laid at 15 stations and one passing loop. In addition, during the same period, 12 new sidings, one station, and three double-track expansions along six sections were all built. http://www.gudok.ru/news/infrastructure/?ID=1345064 (Russian only)

NEW DEVELOPMENT TOOLS FOR THE RUSSIAN FAR EAST: **SUCCESS STORIES**

29 July 2016, Interfax

Nadezhdinskaya ASEZ resident in Primorye to build wholesale distribution centre

The Primorye Wholesale Distribution Centre company plans to establish an interregional wholesale distribution centre that will be able to store 52,000 tonnes of food products at any one time. Investment in the project will amount to RUB 1.013 billion.

"Our wholesale distribution centre will form part of a single national network of such centres, in which it will be considered to be a priority facility", noted company CEO Evgeny Koldin. "Construction will be carried out in three phases. The total investment across all stages will amount to more than RUB 4.3 billion and create 420 jobs. The first stage of the project has now been announced in the advanced special economic zone." http://www.interfax-russia.ru/FarEast/news.asp?id=749109&sec=1671 (Russian only)

26 July 2016, Amurskaya Pravda

Metal factory to become resident of Belogorsk ASEZ

The company is planning to produce the following steel structures through the use of innovative technologies: columns, beams, trusses, prefabricated items, and reservoir tanks. "The investment, which amounts to RUB 716 million, will create 220 jobs. The project is expected to be completed over the course of 18 months. Construction of the facility is expected to take place at the Belogorsk advanced special economic zone 'reserve' site using investor funds and loans", said the Head of the ASEZ Development and Investment Section of the Belogorsk Administration.

The plant will provide the materials required for large investment projects under way in Amur Region, the press service of Belogorsk City Hall reports. http://www.ampravda.ru/2016/07/27/068517. http://www.ampravda.ru/2016/07/27/068517.