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NOVOSIBIRSK REGION



ECONOMIC POTENTIAL OF NOVOSIBIRSK REGION

Novosibirsk region was established on the 28th of September in 1937. The region is a part of Siberian Federal District and is located almost in the geographical center of Russia. The territory of Novosibirsk region is 178.2 thousand square kilometers. It borders on Omsk, Tomsk and Kemerovo Regions and the Altai krai. It also abuts on Kazakhstan, the country which is conterminous with Russia. The administrative center of the region is the city of Novosibirsk. It is located 3.191 km away from Moscow. The city is built on the river Ob.

The largest cities of Novosibirsk region are Novosibirsk, Berdsk, Iskitim, and Kuybyshev. The population of Novosibirsk region is approximately 2 746 thousand people, including 2 156 thousand urban dwellers.

The climate in Novosibirsk region is continental. Summer is sunny and mild, winter is frosty and snowy. The average temperature in July is 22°C above zero, in January —24°C below zero.

Time zone: Moscow +3, GMT +7.

Political authority in Novosibirsk region is based on the division of legislative, executive and judicial power. The highest position in the Region is the Governor of Novosibirsk region; it is occupied by Vladimir Gorodetsky since 2014.

Legislative body of Novosibirsk region is the Legislative Assembly of Novosibirsk region. The highest executive body of Novosibirsk region is the Government of Novosibirsk region, which comprises 14 Ministries and 7 Departments, 10 directorates and 3 inspections.

The governmental divisions responsible for business development and innovations are the Ministry of industry, trade and entrepreneurship of Novosibirsk Region, the Ministry of economic development of Novosibirsk region and the Ministry of education, science and innovation policy of Novosibirsk region.



COAT OF ARMS OF NOVOSIBIRSK REGION



FLAG OF NOVOSIBIRSK REGION





ECONOMY

- Novosibirsk region is one of the largest transportation junctions; it is also one of the biggest transit and logistics center in Russia and Siberia. Because of its location on the Trans-Siberian railway and on the Ob River, the region benefits from a favorable position suitable for different ways of transportation and shipments. The "Novosibirsk-Glavny" railway station is the largest beyond the Ural mountains. The capital of the region is connected by direct flights with European and Asian countries. Due to such geographical position and developed logistics, Novosibirsk region provides excellent conditions for economic and business boost.
- Novosibirsk region is one of the most industrially developed regions in Russia. It produces roughly 10% of the total industrial output in Russia. The basic industrial sectors of Novosibirsk region include electric and optics industry, metallurgy (ferrous and nonferrous), production of machinery and equipment, food processing industry, biotechnological industry and others.
- Novosibirsk region is the largest scientific and research center in Siberia with high innovative potential. More than 40 research centers and research institutes of the Siberian branch of Russian academy of science, Academy of medical science and Academy of agricultural science, and some federal research institutions are located here. The capital of the region, Novosibirsk, has 38 higher education establishments (13 universities, 9 academies, 16 institutions) and 30 specialized schools, 22 colleges, 12 colleges; they provide education and training in a wide variety of areas.
- In terms of gross agricultural output Novosibirsk region is situated among the top ten regions of the Russian Federation, producing grains, potatoes, vegetables, meat and milk.

MAIN STATISTIC DATA

In the year 2014 the gross regional product of Novosibirsk region amounted to USD 14.145 billion. In the year 2013 total foreign investments comprised USD 859.5 million.

In the year 2014 foreign trade turnover reached the figure of USD 4.46 billion, where export numbered USD 2.36 billion, and import – USD 2.1 billion.

The leading position in export is taken by machine-building products -48.1% of exports; mineral raw materials -26.6%, chemical industry products, rubber -7%. Machine-building products and vehicles accounted for 41.3% of import, textiles, footwear -13.9%, metals and other metal products -13.2%.

The main foreign trading partners of the region in the first half of 2015 were the Netherlands, China and Japan for export and China, the USA and Ukraine for import. In the total structure of commodity turnover dominate goods (85.5%), by a big margin they are followed by transport services (12.1%), then international services except transport (2.4%).



NOVOSIBIRSK REGION

INDUSTRIES

Industrial sectors of Novosibirsk region include electric and optics industry, metallurgical industry (ferrous and nonferrous), production of machinery and equipment, metalwork, building industry, fuel industry, chemical industry, biotechnological and medical industry, forestry and woodwork industries, pulp and paper industry, food industry. Ferrous industry is represented by a big steel plant.

Nonferrous industry includes the unique steel foundry plant, the only one in the country, gold refinery and rare metals manufacturing plants. The main products in the machine-building sector are: electrical machinery (generators and turbines, large electric steel furnace), instruments and machine tools, agricultural machinery.

In the year 2014 the index of industrial production in Novosibirsk region amounted to 100.2% in comparison with the year 2013, the index of manufacturing industry comprised 100.5%.

The chart below represents the most advanced\developed industries of the Novosibirsk Region.

Main industries of the Novosibirsk region in 2014



- Others: 25.1%
- Food industry: 24.9%
- Machine-building and metall processing: 21.7%
- Nonferrous metallurgy: 10%
- Energetics: 18.3%



BIOTECHNOLOGICAL AND MEDICAL INDUSTRY

Biotechnological and medical industry is developed in close cooperation with research organizations and institutes. In 2012 under the provision of the Chairman of the Government of Russian Federation innovative territorial cluster of informative and biopharmaceutical technologies of Novosibirsk region was selected as one of innovative clusters of Russia.

The cluster companies are united in non-profit partnership, such as NP "BIOPHARM". It unites more than 50 regional companies and research organizations specialized in biotechnologies. The Science town Koltsovo is the primary location of biotechnology companies.

Research and production complex in biotechnology is a very important competitive advantage of the region.

The main production of local companies includes:

- O rare vaccines;
- O innovative pharmaceuticals and medical technologies;
- o equipment for medical industry and biotechnologies;
- O new preparations, medical forms and types of delivery of active substances;
- omathematical methods of prediction and modeling, databases for bioinformatics.

The key figures of biotechnological and medical industry achievements in Novosibirsk region are the following:

- 75 % of the gross output of medical diagnostic test-systems in Russia is produced here (the biggest Russian producer of reagent kits for laboratory diagnostics is located here);
- O60 % of the gross output of medical X-ray machines in Russia is manufactured here.





REGIONAL SUPPORT OF SMES AND INNOVATION

Since 2009 Novosibirsk region implements special-purpose program designed to support small and medium enterprises (SMEs), establish favorable conditions for innovations and stimulate entrepreneurship. According to the program, SMEs can get the following expenses reimbursed:

- O expenses on trade-fairs and exhibitions;
- O interest payment for credits received in Russian credit organizations;
- O lease payments;
- orental payments;
- O expenses for modernization or upgrade of fixed asset;
- O expenses of innovative companies on production, services provision;
- O expenses of SMEs in the sphere of domestic services.

Starting entrepreneurs can receive grants.

On the regional level the enterprises' expenses for business planning are subsidized by Fund for Development of Small and Medium Enterprises created in 2009. In the year 2010 the Fund of Microfinancing of the SMEs was founded. In order to support start-up innovative companies, a number of business incubators were built, as well as Technopark in Akademgorodok, Biotechnopark in Koltsovo.

Currently there are more than 140 thousand SMEs registered and functioning in the region, which is the biggest number in the whole Siberian district (Siberian district includes 12 regions).





SCIENCE TOWN KOLTSOVO

Koltsovo was founded in 1978 like workers settlement for State research center of Virology and Biotechnology "Vector", a federal research institute. In 2003 Koltsovo obtained the federal status of the science town of the Russian Federation. Koltsovo was the first science town in Russia with biotechnological specialization.

Today Koltsovo is one of the primary growing points of regional and federal competences in the fields of biotechnology, pharmacology, medicine and veterinary science. Industrial biotechnologies and bioinformatics develop here.

In 2012 the science town Koltsovo with its industrial complex and innovative infrastructure became the core of the territorial biopharmaceutical cluster of Novosibirsk region. Koltsovo is home to more than 50 biotechnological companies; hard and soft support infrastructure: Innovation center Koltsovo, business incubator, Biotechnopark.

The institute "Vector" is a federal research institute of virology and biotechnology. Its fundamental mission is safeguarding against global infectious diseases.

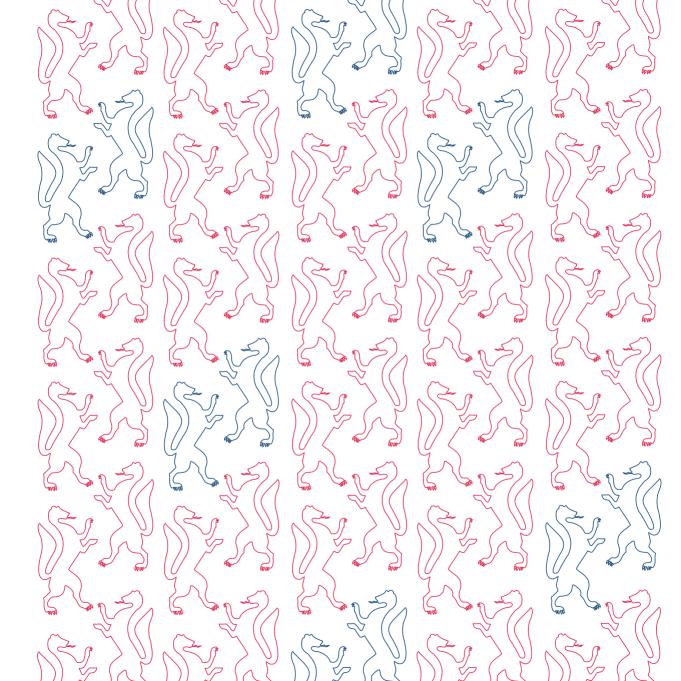
Koltsovo is the first Russian biotechnological science town with a full cycle of scientific and production works: starting from training of specialists till production of new preparations.

Koltsovo production output: USD 123 million/year, 60% of it – biotechnological products. 3000 people are occupied in biotech (60% with higher education).

In Koltsovo were developed and are produced:

- oworld top-20 diagnosticums for more than 50 human diseases;
- the only in Russia vaccine against hepatitis A and rubella vaccine;
- reagent kits for devices for biochemical blood assay;
- antiviral immunobiological preparations based on recombinant interferon alpha-2b (world top position in production of interferon in liposomal form);
- o top-notch medical and preventive products.







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