



Business reference book



Smolensk region 2014



Ladies and gentlemen!

I'd like to welcome all those who show interest to Smolensk, our historic and heroic land, who plan to use their talent and ideas here.

Smolensk region is the Western gate of the Great Russia. The biography of Smolensk has been a bright page in the nation's history engraved in fire and blood of the defenders of our Motherland, the bold spirit, bright mind and able hands of the city people.

For ages, it has been a source of power and wisdom for the Russian people, a stream feeding the Slavic culture and state. It's a home to the brave and the hard-working, a land of the resilient and kind hearted people who contribute to the glory of their land, keep its traditions alive and don't lose the memory of their fellow countrymen.

Our land has produced a constellation of scientists, writers and poets, artists and musicians, military leaders and public figures. The names of Grigory Potemkin and Pavel Nakhimov, Alexander Tvardovsky and Mikhail Isakovsky, Nikolay Przhevalsky and Mikhail Glinka and the first man in space Yuri Gagarin are forever added into the history of Russia.

The region's advantageous geographical location creates all the conditions for growing and implementing its investment potential. Smolensk region is in active collaboration with its out-of-state partners in trade, science and culture.

Due its considerable territorial and energy resources, as well as its noticeable technical and intellectual potential, Smolensk region is one of the most favorable areas for building logistics and terminal centers.

Smolensk region is an important transportation and communications node. The shortest motor roads and railways that connect the Western Europe with Central Russia go through the area.

Big investment opportunities lie in the machine-building industry of the region; agriculture is also a promising field.

The development of the tourist infrastructure of Smolensk region is also of great importance for those who live both in Russia and abroad. Smolensk area, with its scenic landscapes, rich historic heritage, ancient cities, museums and monuments of architecture welcomes both tourists and investors.

Hospitable and welcoming nature of the people of Smolensk, rich history and modern attractions make a visit to our region enjoyable as well as practical.

I welcome the investors to find out more about Smolensk region and wish all the business people success in their investment projects and hope that their business will be prosperous.

Welcome to Smolensk region!

Governor of Smolensk region

A.V. Ostrovskiy

TABLE OF CONTENTS

	page
Competitive advantages of Smolensk region.....	4
Geographic location and mineral resources.....	5
Social and economic development of Smolensk region.....	8
Investment climate.....	9
Investment sites in Smolensk region.....	11
Legal regulation of investment activities in Smolensk region.....	23
Government support of investment activities.....	23
Development of logistics.....	26
Opportunities for state and private business partnership in Smolensk region.....	27
Small and medium businesses.....	27
Living standards of the population.....	32
Regional budget.....	33
Financial market.....	34
Foreign trade.....	36
Industry.....	36
Agriculture.....	39
Transport and public road system.....	43
Communication and information technologies.....	43
Construction.....	47
Labour market.....	48
Social sphere.....	49
Reference and contact information.....	58
Executive authorities of Smolensk region.....	59
Smolensk chamber of commerce and industry.....	60
Smolensk regional fund of entrepreneurship support.....	62
Large enterprises with foreign funds working in Smolensk region.....	63
Organizations.....	65
Hotels.....	66

COMPETITIVE ADVANTAGES OF SMOLENSK REGION:

- **key transport and communication hub;**
- **border location;**
- **adjacent to the largest megapolis of the country;**
- **developed industry infrastructure;**
- **availability of qualified resources;**
- **vast network of institutions of vocational education and training;**
- **developed transport infrastructure and modern means of communication;**
- **high power supply;**
- **possibilities for tourism development: recreational areas, rich historical and cultural heritage;**
- **legislative basis ensuring safe investment;**
- **willingness of the regional authorities to create favourable conditions for investors.**

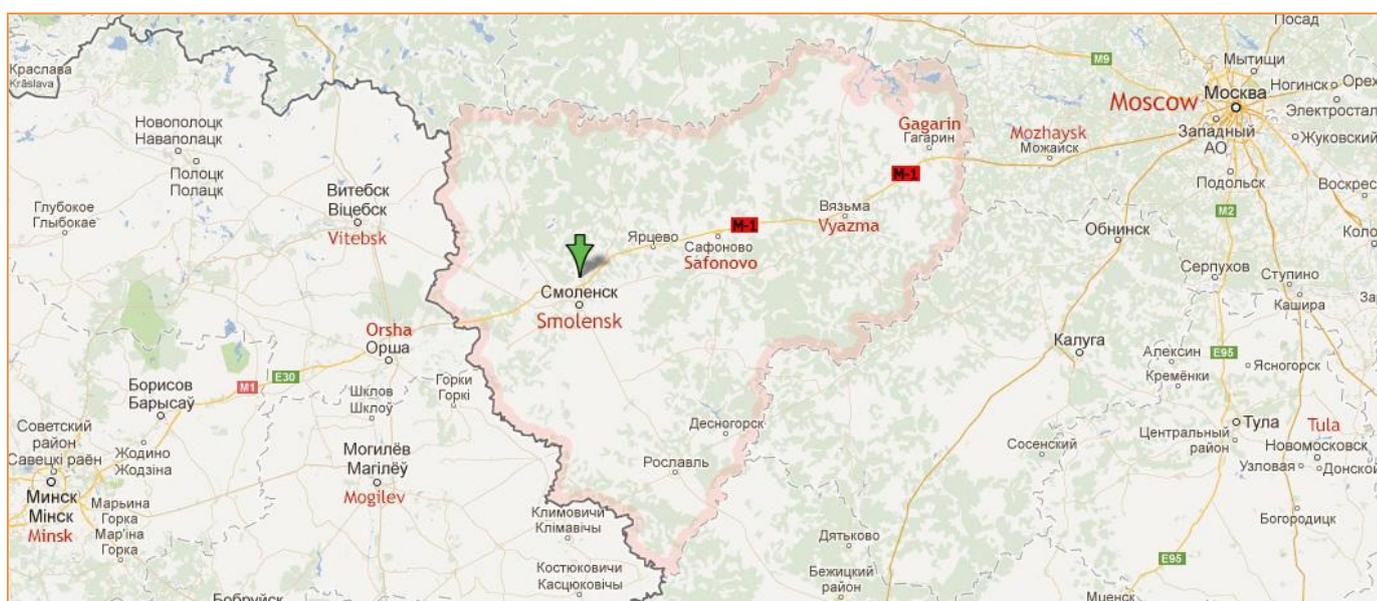


GEOGRAPHICAL LOCATION AND MINERAL RESERVE BASE

Smolensk region is situated in the centre of the East European Plain, in the west of the Russian Federation. The region is the part of the Central federal district of the Russian Federation and according to the economic zoning grid belongs to the Central economic area.

The area of Smolensk region in its modern borders is 49.8 thousand square kilometres, which is about 0.3% of the total area of Russia. The territory extension from west to east is 280 km, from north to south it is 250 km. Its administrative-territorial units include: 25 municipal areas, 2 urban districts, 25 urban settlements, 298 rural settlements.

Population of Smolensk region is 975,2 thousand people, including the population of Smolensk– 330.9 thousand people. Located in temperate latitudes, in the area of substantial influence of the Atlantic air masses, its territory becomes awatershed of three major river systems of the European part of the country– the Volga, the Dnieper and the Western Dvina. These physiographic peculiarities denote the main features of the region’s nature – moderately continental climate, prevalence of highlands and small rivers; widely spread combined coniferous-foliose forests and sod-podzolic soils.



Summer is warm (the average July temperature is 17-18 degrees Celsius), winter is moderately cold (the average January temperature is 8.5 degrees below zero). Yearly precipitation varies from 530 to 650 mm.

Smolensk region borders on five Russian regions: in the North – Pskov and Tver regions, in the East and South-East – Moscow and Kaluga regions, in the South – Bryansk region, and two regions of the Republic of Belarus – Vitebsk region in the North-West and Mogilev region in the South-West.

The uniqueness of the geographical location of Smolensk region consists in its being a border region joining all the communications connecting Russia and European countries. On the other hand, it is adjacent to the largest megapolis of our country and the main

centre of nationwide distribution – Moscow (the distance from Smolensk to Moscow is 378 km, from Gagarin to Moscow – 186 km).

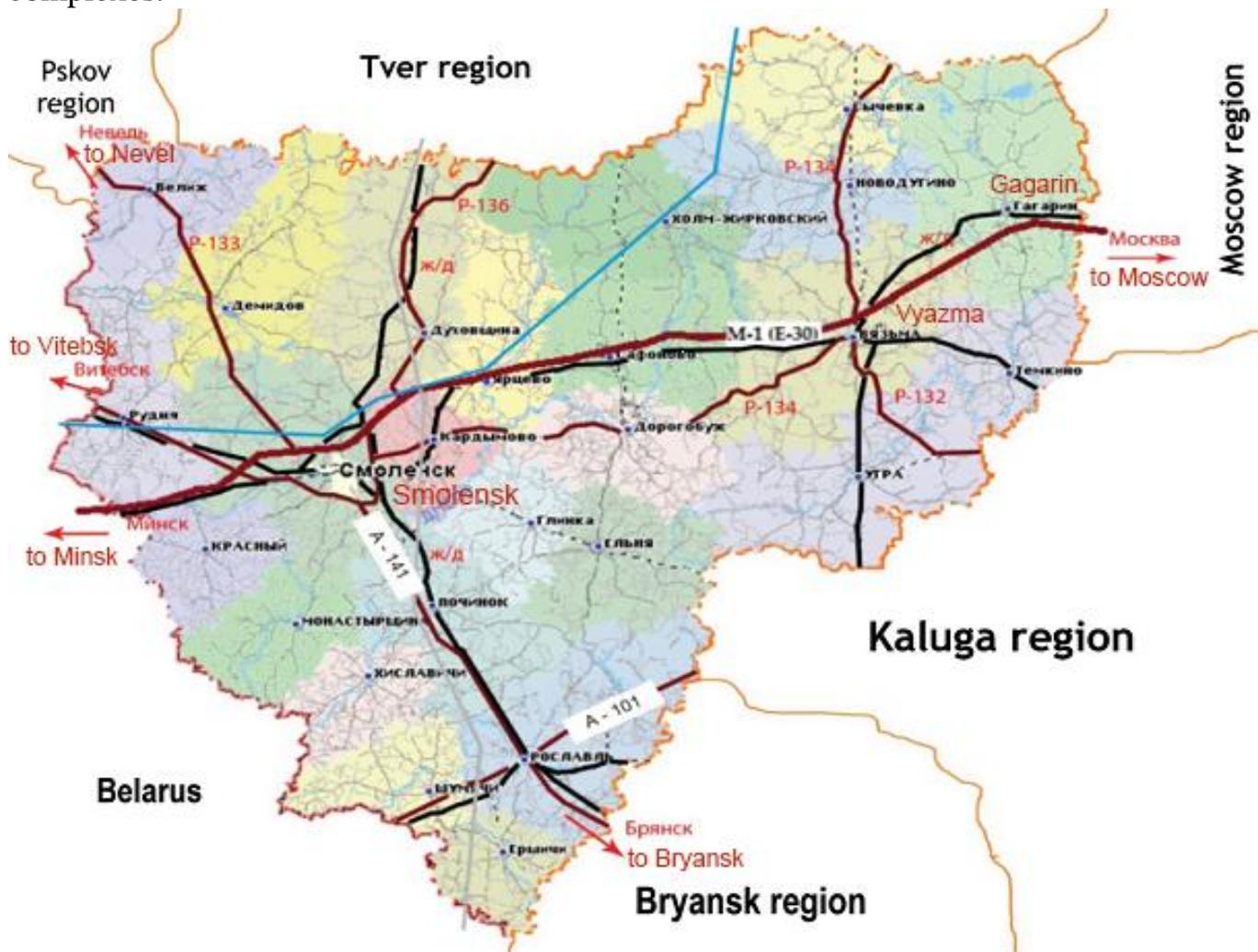
Smolensk region is a key transportation and communication hub. The following routes go through it:

- East-West transportation corridor (the shortest way from Russia to Europe) that includes M-1 highway “Belarus”, A-101 “Moscow-Bobruysk”, mainline railway and Russian gas export trunk line “Yamal Europe”;

- North - South transportation corridor along the European border of Russia which includes A-141 highway “Oryol-Rudnya”, the Baltic pipeline system (BPS-II) and other mainline railways and highways. Smolensk region is characterized by a developed network of highways and railroads. The stretch of public-access roads within the region is 10.7 thousand km. The length of public access railroads amounts to 1 259 km.

The main transport hubs – Smolensk, Vyazma, Roslavl – are situated at the intersection of federal and regional roads, including railways.

Due to its exclusive geopolitical location and all the necessary territorial and raw material resources, as well as considerable technical and intellectual potential and a developed transportation and communication system, Smolensk region is one of the most promising and attractive regions for development of industrial, logistics and terminal complexes.



MINERAL RESERVE BASE OF SMOLENSK REGION



In the territory of Smolensk region there were discovered, estimated and explored approximately 1,9 thousand mineral deposits and shows, 56 fresh groundwater deposits and areas and 12 deposits of mineral underground waters and salt brines. Potential value of extractable resources and predicted resources of subsoil assets in the territory of Smolensk region is estimated as 321.9 billion rubles including discovered resources – 231.8 billion rubles.

Among mineral deposits there are coal formations (bovey coal, coal clay, ragstone and carbonate rocks), to chalk deposits (rough materials and phosphorite ores) and to ledges of quaternary complex (sod, sapropel, sand and gravel material, sand, low-melting argil sand ground and clays, calc-tufa).

Mineral base of construction materials is represented by low-melt clay loams and clays for production of ceramic bricks, keramzite gravel and drain-pipes (ceramic and keramzite raw stuff), silicate and mortar sand, sand-and gravel material, rocks for the production of lime, road metal, building stone and gypsum.

In production mix (apart from hydro-mineral raw stuff) the main share is taken by sand-gravel material (92.3%). Smolensk region is one of the Central Federal District leaders for volume of sand-gravel material production (25% of the total production volume in the territory of the Central Federal District).

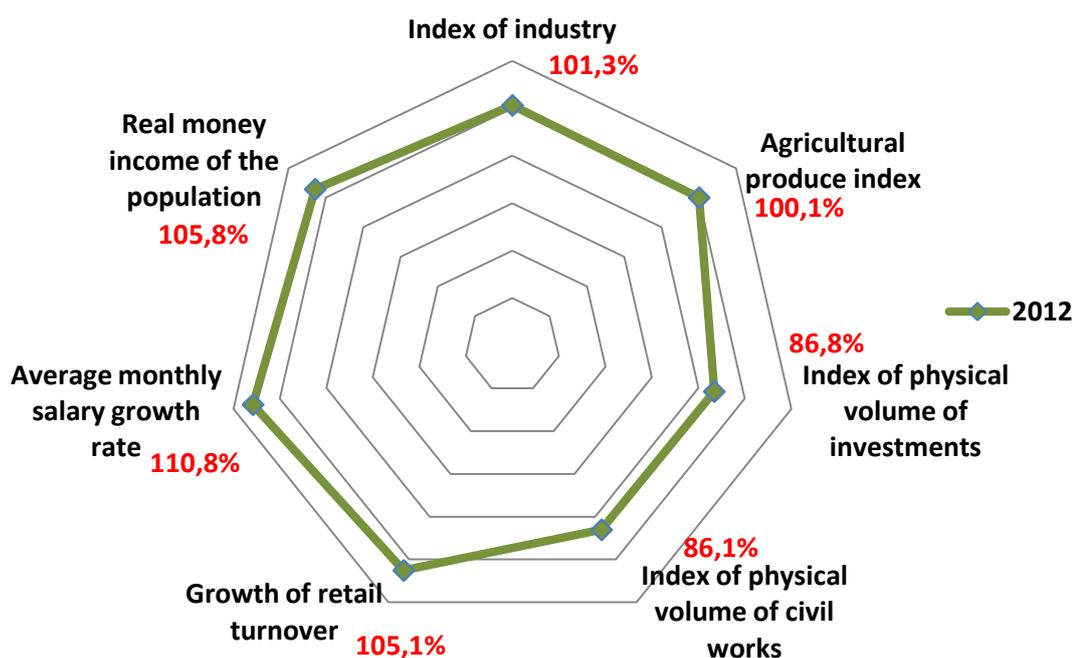


Fresh groundwaters are widely used and are the only source of utility and drinking water supply for the population. Besides, groundwaters are used for process water supply of industrial and agricultural facilities. Besides, mineral undergroundwaters are produced for industrial bottling purposes and sapropelic dirt are produced for balneological purposes. In 2011 subsoils were exploited by 478 licensed subsoil users including production of commonly occurring minerals, which was implemented by 78 subsoil users.

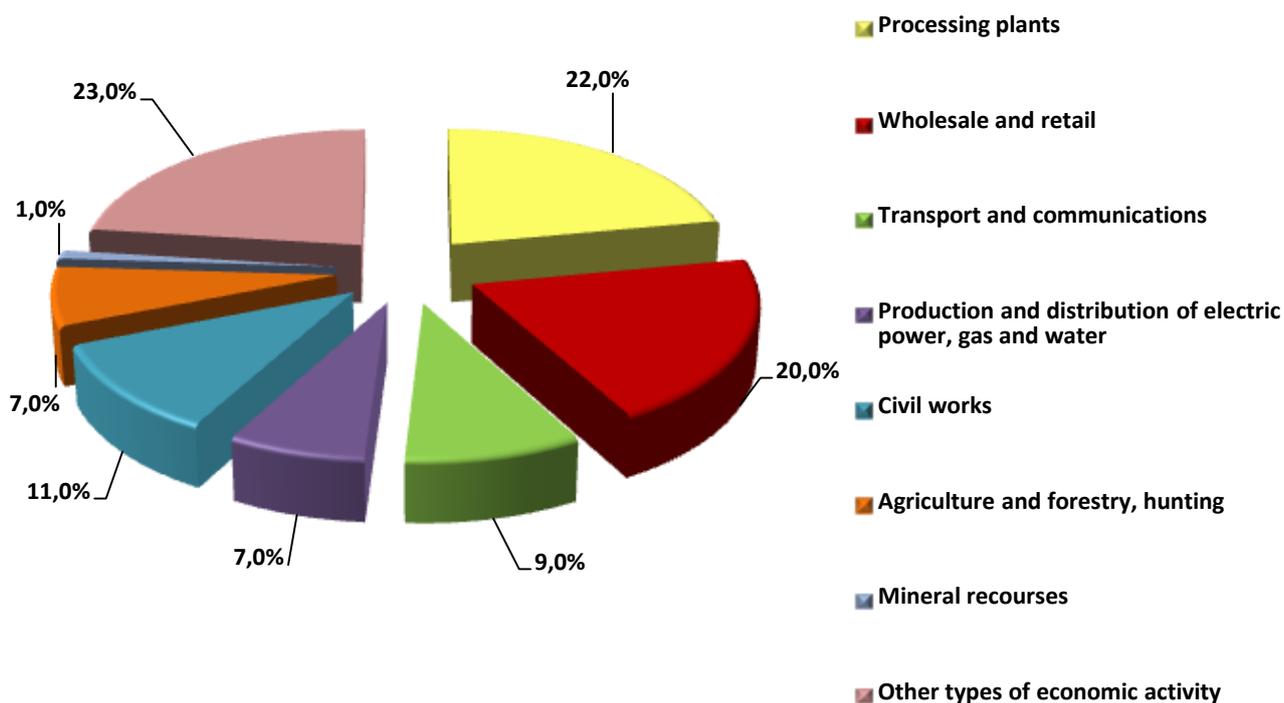
SOCIAL AND ECONOMIC DEVELOPMENT OF SMOLENSK REGION

The region's economic development is the same as the general trend in the country. The year of 2012 was marked by growth in industry, agriculture, construction, in consumer market and investments. The employment situation has also improved. The life standards of the region's population have grown.

Main figures of the social and economic development of Smolensk region in 2012 (%)



Sectoral structure of gross regional product (2011)



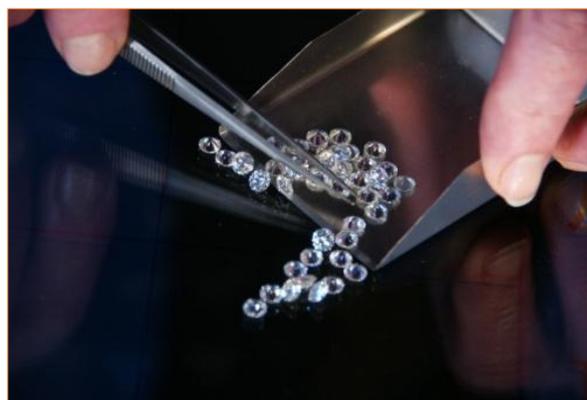
Most of the region's gross product lies in industry, where the share is more than 30%. This includes processing (22%), production and distribution of electrical power, gas and water (7%). Largest share of the manufacture enterprises is taken by vehicle-making, instrument making and jewelry making.

Civil works makes up 11%, trade – 20%, transport and communications – 9%, agriculture and forestry is 7% of gross regional product.

INVESTMENT CLIMATE

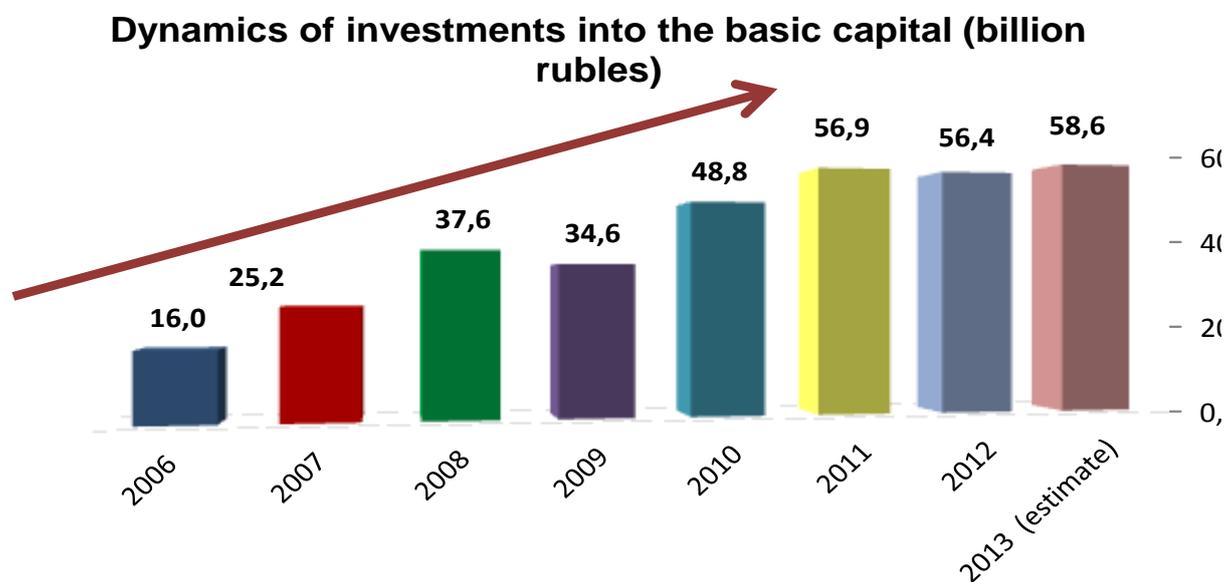
Forming a positive investment climate in Smolensk region is an active work in progress.

The legal framework that regulates the investment processes in the region is being constantly developed. This regulatory framework guarantees that all the parties of an investment process, regardless of their form of ownership, have equal rights in the investment activity, that they are provided with same forms of government support when implementing their investment projects, ensures that the invested capitals are secure and creates conditions for efficient



functioning of the investments.

In 2012, 56.4 billion rubles were assigned for the development of the region's economy and social sphere. The estimate of funds obtained into the economy of Smolensk region in 2013 is 58.6 billion rubles.



The following enterprises are implementing successful investment projects in the region: OAO "Concern Rosenergoatom" "Smolensk nuclear power plant", OAO "Igorevsky wood processing plant", OOO "Agris", branch of OAO "MRSK Centra" – "Smolenskenergo", OAO "Dorogobuzh", OOO "EGGER DREVPRODUCT GAGARIN", separate subdivision ZAO "Troparevo", OOO "Gagarin-Ostankino", OOO "Varnitsa", OAO PO "Kristall", OOO "Smolenskoye pole", OOO "Galaktika-S", OOO "Bekon", OOO "YurAl", etc. Large funds are also invested into activities and events related to the 1150th anniversary of Smolensk.



A significant indicator of the growth of the region's investment attraction for both domestic and foreign investors is the inflow of foreign investments into the economy of Smolensk region. The volume of foreign investments into the economy of Smolensk region in 2012 was 334.4 million US dollars. The estimated volume of foreign investments for 2013 is around 300 million US dollars.

To make some quality improvement of the investment climate and create favorable conditions for investments into Smolensk economy, a regional target-oriented program called "Improving the investment potential of Smolensk region" was developed for 2012-2015 and is now implemented.

The Program's main objectives are:

- creating a management environment in Smolensk region that would be favorable for investments;
- preparing an infrastructure for investments;
- forming financial mechanisms for attracting and supporting investments;
- carrying out presentations, exhibitions and fairs.

One of the most efficient ways to attract investors is developing investment areas infrastructure in Smolensk region by building industrial and logistics parks ahead of time.

Currently, these areas have already been created in Gagarin, Smolensk, Roslavl and Kholm-Zhyrkovskiy districts of Smolensk region.



The most important indicator of the general economic situation and development prospects of the region - the state of the investment climate, the basic components of which are the investments potential and investment risk. In December 2012 the rating agency "Expert RA" has confirmed the investment rating of Smolensk region as 3B1 (low potential and moderate risk), referring to the largest mass rating group, which includes another 32 regions of the Russian Federation. Among all Russian regions ranks Smolensk the 45-th in the investment risk (in 2011 – the 52-th), the lowest investment risk in the region is environmental, and the 46-th on the investment potential (in 2011 – the 55-th place), the greatest potential for further development is institutional.

INVESTMENT SITES IN SMOLENSK REGION

There is a number of investment sites in Smolensk region ready to host newly created businesses. The description of each of the investment sites contains information on the land plot category, rights for the land plots, allowed usage, availability of engineering, transportation and social infrastructures.

To make it easier for investors to choose an investment site for their investment projects in the region, an investment map of Smolensk region was created and is functioning now at the web sites of the Administration of Smolensk region and the Department of economic development of Smolensk region at <http://invest.admin-smolensk.ru>. Investment map of Smolensk region is a specialized information resource that promotes the investment potential of Smolensk region.

Investment map of Smolensk region contains visual presentation of information on the region's investment potential, its geographic, social and economic situation, available investment sites mapped to their geographical location and their main properties, and investment passports of Smolensk region municipal bodies.

Potential investors can search sites online by their type and characteristics, and view detailed information on them.

Also, a specialized multi-lingual web site called “Investment portal of Smolensk region” was created in the region. It has visual information on the investment opportunities in Smolensk region, its infrastructure and potential investment fields and allows investors to leave their inquiries and get a prompt response at <http://www.smolinvest.com>.

PRIORITY INVESTMENT SITES IN SMOLENSK REGION

Industrial park “Smolensky”

Industrial park “Smolensky” is planned at the federal grounds in Smolensk district near Olsha Dolgaya village with close participation of the Federal fund of residential building development (RZS fund); the area of 163.4 hectares will house businesses that will make new competitive goods. Preferred areas of the park’s industry are going to be machinery, instruments and electrical engineering.

The investment site will be offered by the RZS fund to the investors for purchase by auction. The auction is planned for the 2 quarter of 2014.



Informational map land plot

1. Location:

- Smolensk region, Smolensk district, Divasy settlement, near Olsha Dolgaya village;
- distance to Smolensk – 15 km;
- distance to Moscow – 380 km.

2. Land site properties:

- site area – 163.37 hectares;
- land category – industrial land;
- ownership – owned by the Federal Fund of residential building development.

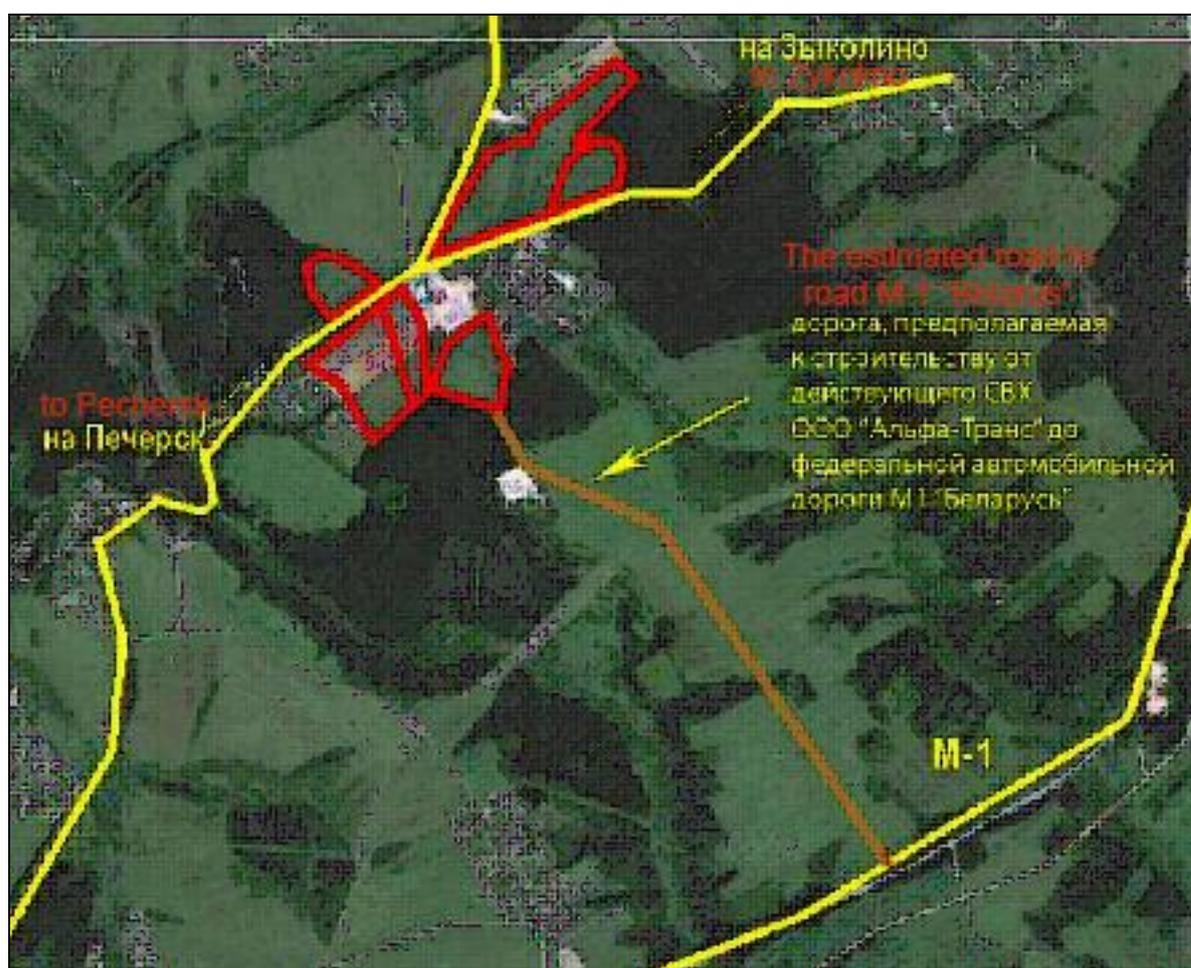
3. Access roads:

- motor road access to site by road M-1 “Belarus”;
- distance to railway stations: “2nd Rokitnya” – 7 km, “Pronino” – 8 km.

4. Engineering communications:

- electrical power supply - substation 110 kV “Pronino – 7 km;
- gas supply – gas distribution station “Michurinskaya” – 6.5 km;
- water supply - local water supply point at site (5-6 wells = 1500 m³/day, 547500 m³/year);
- sewage system – construction of site own sewage systems and sewage treatment facilities.

Transportation and logistics complex “Stabna”



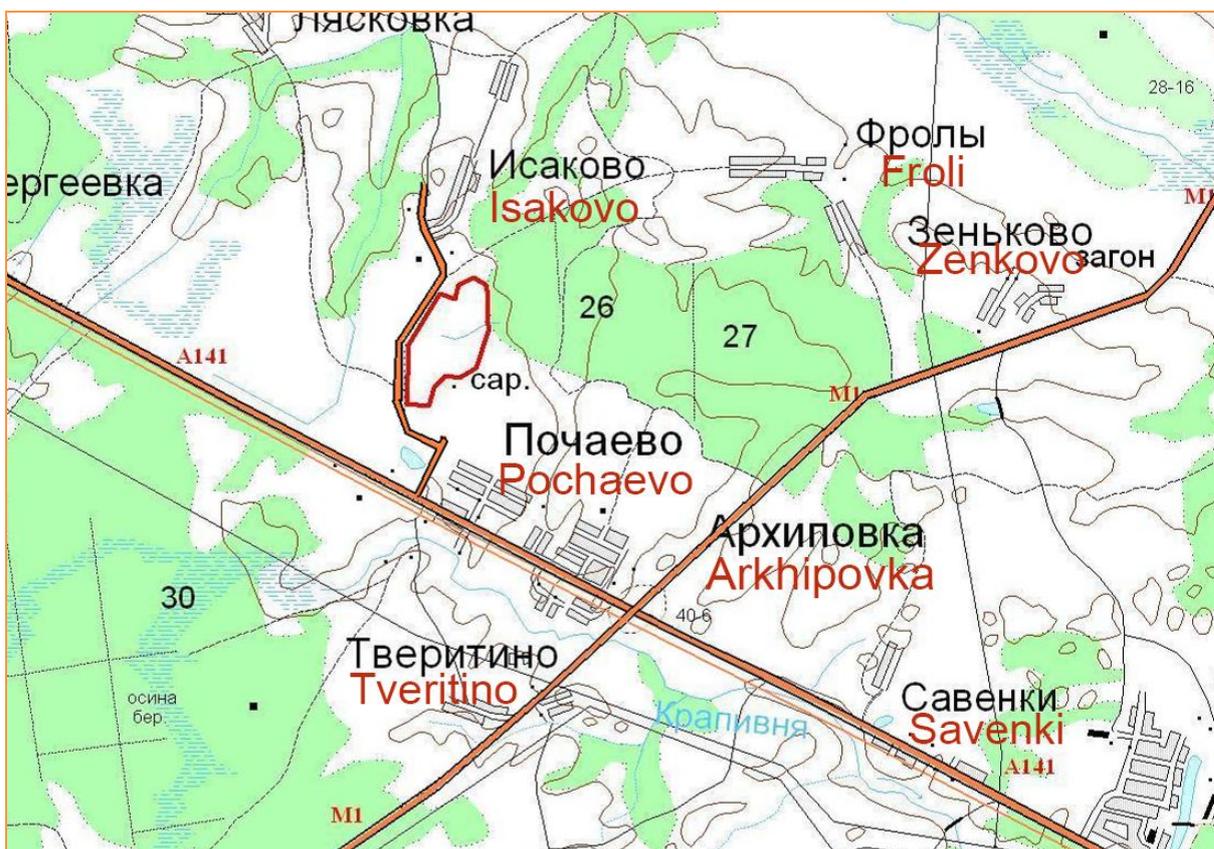
In Stabenskoye settlement in Smolensk district, OOO “Alpha Trans Invest” is now implementing an investment project “Construction of transport and logistics complex “Stabna” that will occupy an area of 300 hectares. For the project, a road will be built from

the existing warehouse “Alpha-Trans” to the federal motor road M-1 “Belarus”.

Construction of a private industrial park is now considered in the transport and logistics complex “Stabna”.

The park will provide small and medium size businesses with land sites with all the necessary infrastructure, office buildings, shops, storages and other buildings.

Investment area “Arkhipovka”

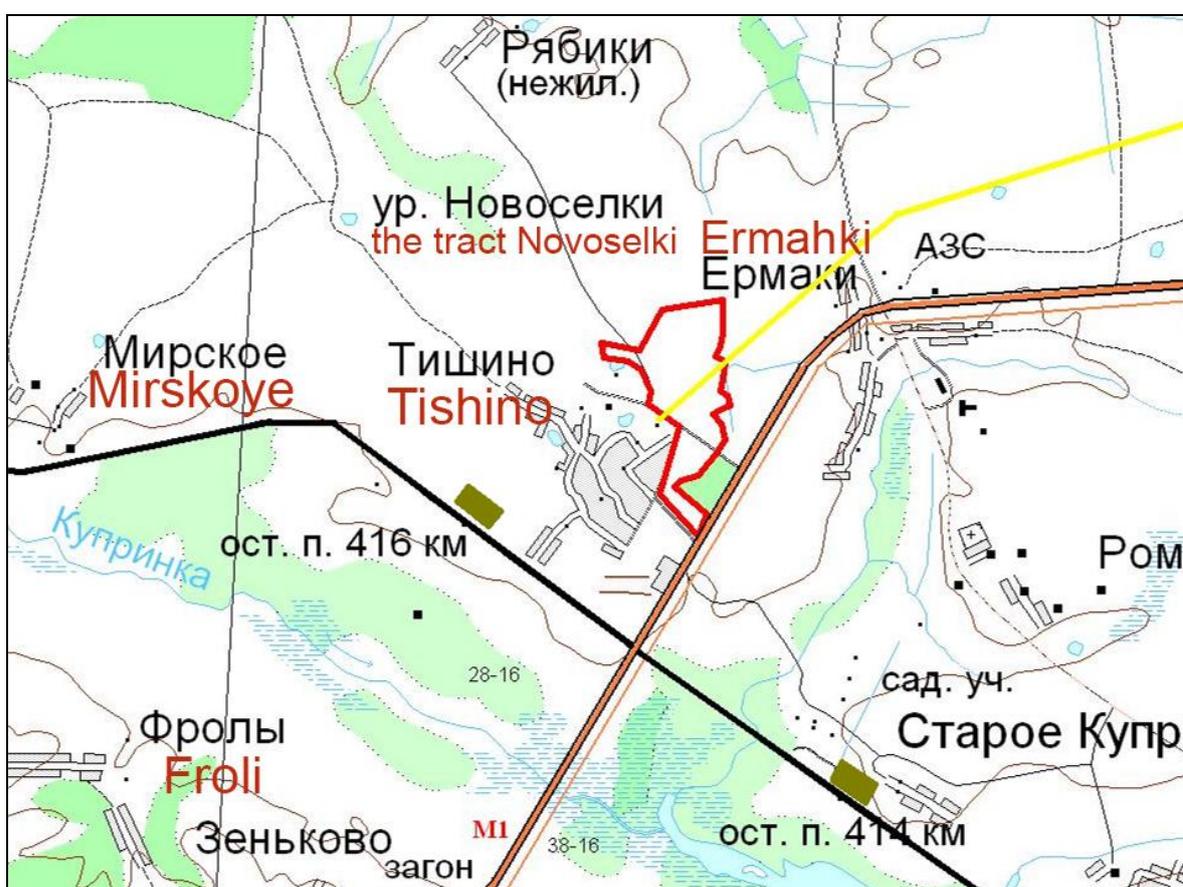


Informational map land plot

Location	Smolensk region, Smolensk district, Smetaninskoye rural settlement to the north-west from Arkhipovka village
Ownership form	State property of Smolensk region
Area	20.87 ha
Land category	Agricultural lands
Relief	Horizontal surface
Distance to Moscow	393 km
Distance to Smolensk	15 km
Access to the land plot - by motor vehicles - by railway	Hard-surface road adjoins the plot Public railway roads “Vitebsk – Smolensk” are located at the distance of 4 km. The nearest stations are “Lelekvinskaya” and “416th km” (commuter rail traffic is regular)
Conditions for connection to utility infrastructure	

- gas supply	Can be connected to GDS “Gnezdovo”, the maximum gas supply volume is 1500 m ³ /h, the distance to the nearest connection point is 0.5 km
- power supply	For the construction period the facility can be connected to VL-1012, Substation “Katyn – 2” (the plot stretch ~ 100 м) with power availability class III (provided that construction site capacity is 60 kW), for this purpose TP-10/0.4kV must be constructed. The facility can be connected with power availability class I (capacity 3.15 MW) if technologically connected by two 10kV high-voltage lines to 10kV busses of 110 kV Substation “Katyn-2”, 2 high voltage lines with the length of 8 km are required.
- water supply	Construction of local facilities is required

Investment area “Tishino”

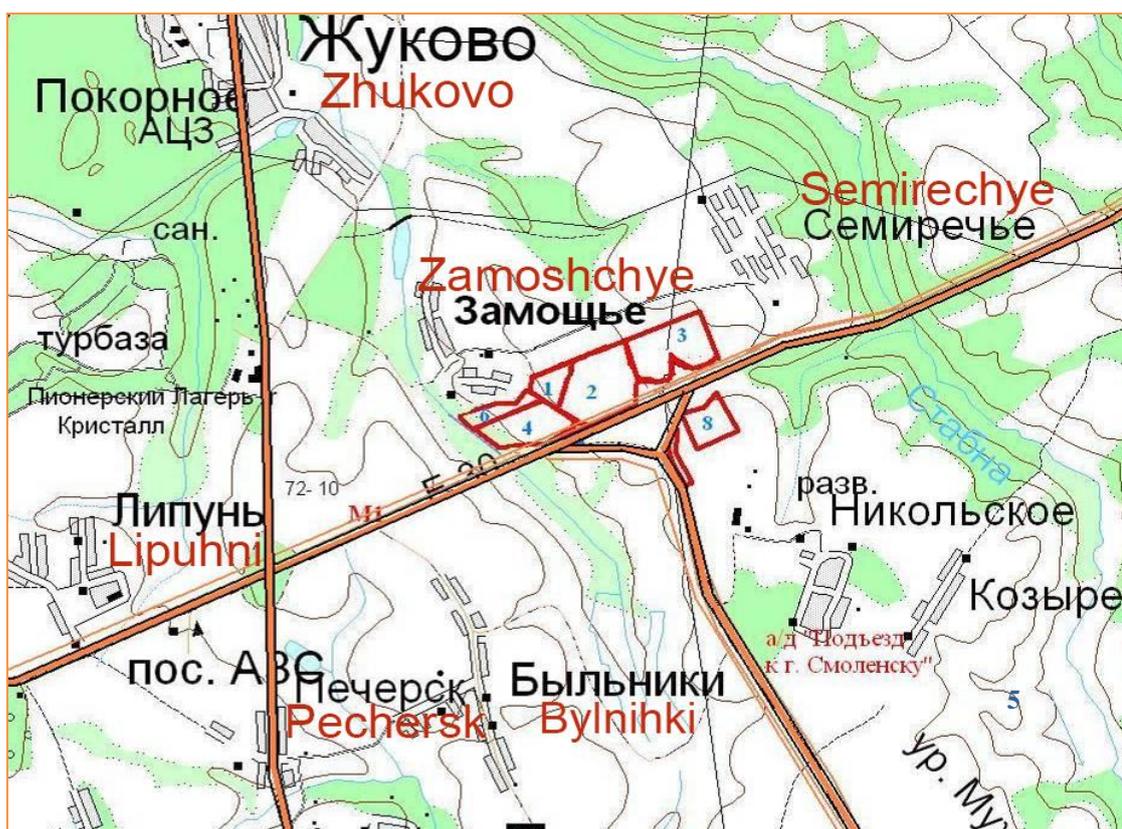


Informational map land plot

Location	Smolensk region, Smolensk district, Smetaninskoye rural settlement, on the north-west of Tishino village
Ownership form	State property of Smolensk region
Area	43,8 ha
Land category	Agricultural lands
Relief	Horizontal surface
Distance to Moscow	400 km
Distance to Smolensk	30 km

Access to the land plot - by motor vehicles - by railway	M1 highway "Belarus" adjoins the plot Railroad "Smolensk –Vitebsk" is located at the distance of 1 km from the plot
Conditions for connecting to utility infrastructure	
- gas supply	Can be connected to GDS "Gnezdovo", the maximum gas supply volume is 1500 m ³ /h, the distance to the nearest connection point is 0.5 km.
- power supply	For the construction period the facility can be connected to VL-1001, Substation "Katyn – 2" (the distance to the plot ~50 m) with power availability class III (provided that construction site capacity is 60 kW), for this purpose TP-10/0.4kV must be constructed. To connect the facility with power availability class I (capacity 5.5 MW) 2 high-voltage lines with the length of 6 km must be constructed
- water supply	Construction of local facilities is required

Investment area "Zamoshchye"

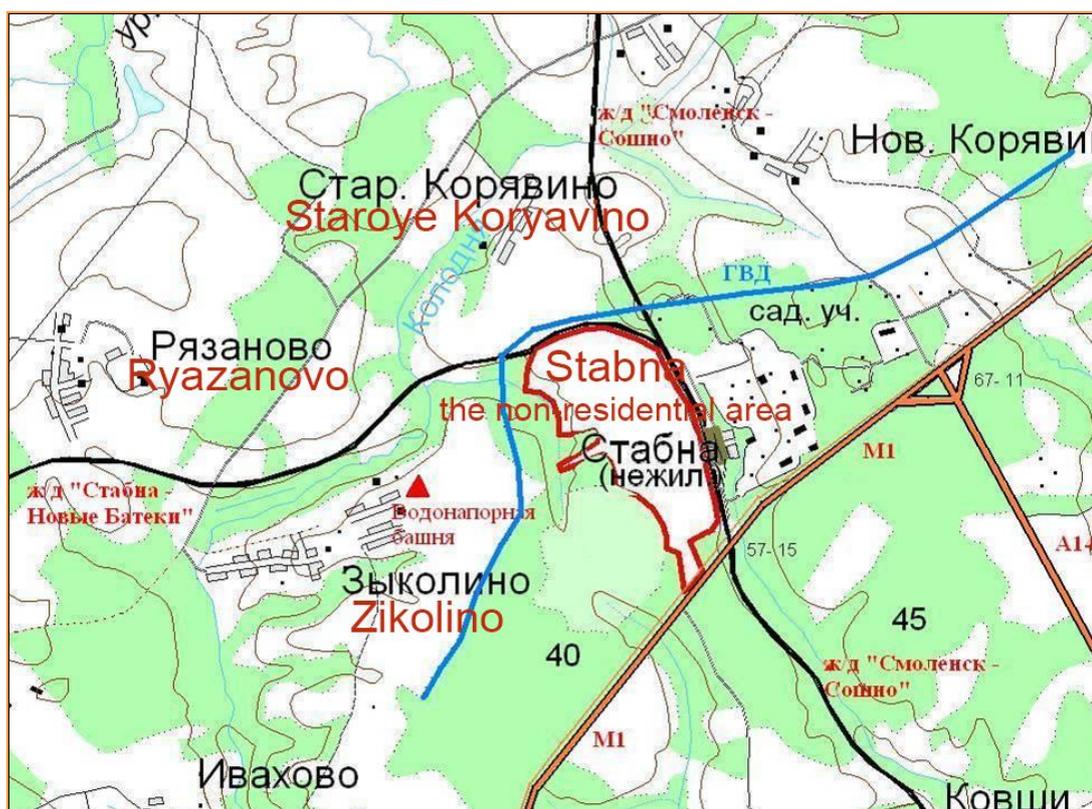


Informational map land plot

Location	Smolensk region, Smolensk district, Stabenskoye rural settlement, to the south-east from Zamoshchye village
Ownership form	State property of Smolensk region
Area	67 ha (including land plot No3 = 5.52 ha, land plot No4 = 15.0 ha, land plot No5 = 18.3 ha, land plot No7 = 13.8 ha, land plot No8 = 0.049 ha, land plot

Land category	Agricultural lands
Relief	Mixed landscape
Distance to Moscow Smolensk	370 km 20 km
Access to the land plot - by motor vehicles - by railway	M1 highway "Belarus" adjoins the plot Railroad "Stabna –Novye Bateki" is located at the distance of 4.5 km from the plot
Conditions for connecting to utility infrastructure	
- gas supply	Can be connected to GDS "Zhukovo", the maximum gas supply volume is 2000 m ³ /h, the distance to the nearest connection point is 1.2 km
- power supply	For the construction period the facility can be connected to VL-609, Substation "Pechersk" (the distance to the plot ~ 90 м) with power availability class III (provided that construction site capacity is 25 kW), for this purpose TP-6/0.4kV must be constructed. To connect the facility with power availability class I (capacity 10 MW) 2 high-voltage lines with the length of 3 km must be constructed. Currently investment program of JSC "MRSK-Centra" includes renovation of 35 kV Substation "Pechersk" to 110 kV and launch of 110 kV high-voltage line.
- water supply	Construction of local facilities is required

Investment area "Stabna"



Informational map land plot

Location	Smolensk region, Smolensk district, Stabenskoye rural settlement, to the right from M1 highway "Belarus", 1100 m to the east from Zykolino village
Ownership form	State property of Smolensk region

Area	91.5 ha
Land category	Industry lands
Relief	Horizontal surface
Distance to Moscow Smolensk	362 km 16 km
Access to the land plot - by motor vehicles - by railway	M1 highway "Belarus" adjoins the plot Public railroads with the equipped wayside stop in the settlement of Stabna (commuter rail traffic is not arranged in this direction)
Conditions for connecting to utility infrastructure	
- gas supply	Can be connected to GDS "Zhukovo", the maximum gas supply volume is 1200 m ³ /h, the distance to the nearest connection point is 2 km
- power supply	To connect the facility for the construction period with power availability class III (construction site capacity 300 kW) the following is required: - construction of 10 kV power line from VL-1002 of Substation "Zhukovskaya", with the length of 1 km; - construction of TP-10/0.4 kV; To connect the facility with power availability class I (capacity 13.6 MW) the following is required: - construction of a power supply centre (Substation 110/10 kV), 2 of 16 MVA; - construction of 13 km 110 kV power line segment; - construction of a new 8 km 110 kV power line
- water supply	Construction of local facilities is required

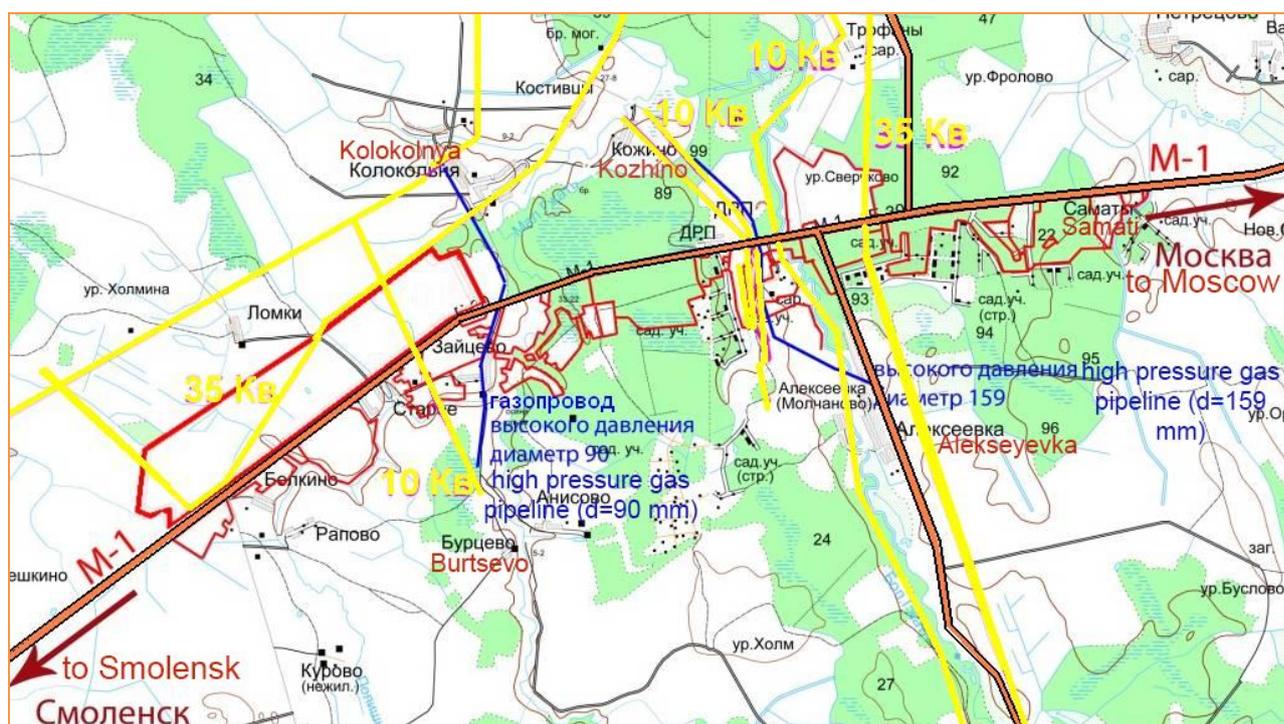
Investment area "Rudnya"



Informational map land plot

Location	Smolensk region, Rudnya district, Chistikovskoye rural settlement, near Sherovichi and Dvorishche villages
Ownership form	State property of Smolensk region
Area	Total area of all land plots – 1005 ha
Land category	Agricultural lands
Relief	Horizontal surface
Distance to Moscow Smolensk	410 km 50 km
Access to the land plot - by motor vehicles - by railway	A141 highway “Oryol-Rudnya” adjoins the plot Railroad “Smolensk Vitebsk” adjoins the plot
Utilities at the plot - gas pipeline - power lines - telecommunications networks	High pressure gas pipeline (D 325 mm) 110 kV power line The following telephone cables are laid: 1. Copper cables: KSPP (junction line) – 4 units, TPP-10x2x0.4-1 unit, TPP-20x2x0.4 – 2 units, service PRMM-1x2 – 6 units, fiber cable (junction line) – 2 units. 2. Copper TPP-20x2x0.4 – 2 units, KSPP – 4 units. 3. Fiber cable
Conditions for connection to utility infrastructure	
- gas supply	Can be connected to Golyнки-Rudnya gas pipeline (consumption volume ~ 3,0 ths m ³ /h)
- power supply	To connect the facility for the construction period with power availability class III (construction site capacity 600-800 kW) the following is required: - construction of 10 kV power line from VL-1010 of Substation “Rudnya”, with the length of 0.5 km; - construction of 10 kV power line from VL-1003 of Substation “Rokot”, with the length of 2 km; - construction of TP-10/0.4 kV; To connect the facility with power availability class I (capacity 10 MW) the following is required: - construction of 110 kV substation; - construction of 22 km 110 kV power line “Rudnya-Golyнки”; - taps 2 of 1 km each - construction of 10 kV power lines, 2 of 1 km each; To connect the facility with power availability class I (capacity 10 MW) the following is required: - construction of 110 kV substation; - construction of 80 km 110 kV power line; - construction of 10 kV power lines, 6 of 1 km each
- water supply	construction of local facilities is required

North-west industrial zone in Gagarin town



Informational map land plot

Currently, in the north-western industrial zone there are 2 residents: CJSC "Klassen-Rus" and LLC "Egger Drevprodukt GAGARIN", which is part of the Austrian company «EGGER» in Russia.

1. Location:

- Smolensk region, Gagarin district, along the M-1 "Belarus" from the 168-th km to the 182-th km (left side) and from the 182-th km to the 178-th km from the 174-th km to the 173-th km (right side);

- distance to Smolensk – 239 km;

- distance to Moscow – 180 km;

2. Characteristics of site:

- lot size – 1005 hectares;

- category of land - agricultural land reserve land, state forest land, industrial land, land settlements.

3. Access roads:

- federal Highway M1 "Belarus" - 0 km. Passes along all investment areas ILK "Gagarin" with the exception of the investment platform number 3 (distance and / Road - 0.5 km). Highways M1 "Belarus" are offshoots local roads partially paved to the nearest towns (d.Staroe, d.Belkino, etc. Zaytsevo, etc. Reinforcing item (cricket), Samata village and the administrative center - Gagarin;

- railway station of "Russian Railways" in Gagarin town, the direction of the "Moscow-Minsk":

vill. Samaty - Gagarin town - 15 km
vill. amplifying station (Svechkovo) – Gagarin town - 7,7 km
vill Zaitsevo - Gagarin town - 9,7 km
vill. Staroye - Gagarin town - 12,5 km
vill. Belkin - Gagarin town - 13,7 km

4. Engineering services:

electric power supply:

- maybe from the CSG - 10 kV Substation 110/10 kV «Trubnaya», by building line - 10 kV long (roughly) 3.3 km;
- the possibility of resolving power (without the upgrade of 110/10 kV «Trubnaya»)
- 5000 kW, the I-st reliability category
- the actual consumption of electricity at 110/10 kV «Trubnaya» for the year 2012 amounted to - 27,734.48 million kWh.

Gas supply system:

- 26.0 tys.m³/hour at a pressure of 0.3 MPa (in 2015 it is planned to transfer GDS "Gagarin" at pressure of 0.6 MPa, which will increase capacity to 50.06 tys.m³/hour;
- two high-pressure pipelines, (d = 90) near the village of Zaytsevo, vill. Staroe, vill. Usilitelny item (Svechkovo), possible consumption according to specifications;
- it is planned to build a high pressure gas pipeline for gas supply in vill. Belkin, vill. Rapovo, vill. Astahovo;

Water supply system:

- local facilities have to be constructed;

Telecommunication networks:

- on the territory of the sites there are: Connector FOC intrazonal, coaxial copper cable, copper trunk, a copper cable of the Ministry of Defence, the PPC "Belkin", a building line shop LTC-164.

North-west industrial zone «Roslavlskaya»



Informational map land plot

In the south of the region in Roslavl town, in the zone of effect of transport corridor North-South was formed a major investment site for the creation of industrial enterprises. Its advantage is the proximity of utilities and transport (road and rail) infrastructure, the lack of restrictions on power supply, availability of labor resources.

1. Location:

- Smolensk region, Roslavl, Astapkovicheskii pereezd;
- distance to Moscow - 400 km;
- distance to Smolensk - 104 km;
- distance to Desnogorsk: 36 km;
- distance to Pochinok: 60 km.

2. Characteristics of site:

- area – 253 hectare (126 + 127 hectares);
- category of land - settlements land;
- ownership - the ownership of the Smolensk region is not delimited (municipality disposes "Roslavlsky area" of Smolensk region).

3. Access roads:

- in 500 m from motorway A-101 «Moscow – Bobrujsk»;
- in 300 m from circumurban road of Roslavl town;
- in 700 m from motorway Bryansk – Smolensk.
- non-public railway line adjacent to the site;
- in 3 km from railway station Roslavl;
- in 1 km from railway section Smolensk – Roslavl;

Engineering services:

4. Gas supply system:

High pressure gas pipeline - Smolensk - Bryansk, located on the site - 0.6-1.2 MPa. The volume of gas - 40.0 million m³ per year;

Power supply - high-voltage power lines PS "Industrial" and SS "Roslavl" VL-380 and 110/35/06 kV overhead lines pass through both sites (height restriction only under high-voltage line - 15 m buffer zone - 20 m). Possible volume is 250 million kW / h per year.

Water supply system:

- art. hole, 0.9 km from the site is running water $d = 400$ mm. The volume of water - 18 t/m³ night;
- sewage treatment plants located north-west of the city on the left bank of Roslavl riv. Oster. Full biological treatment.
- 0.5 km from the site - sewage treatment plants CJSC "Raaz ZIL." Capacity of treatment facilities - 56,000 m³/day.

LEGAL REGULATION OF INVESTMENT ACTIVITIES IN SMOLENSK REGION

1. Federal law of 25.02.1999 № 39-FZ “On investment activities in the Russian Federation in the form of capital investments”.
2. Regional law of 23.12.2002 № 95-z “On state support of investment activities in Smolensk region”.
3. Regional law of 28.04.2003 № 16-z “On tax privileges for investors who implement approved investment projects in Smolensk region”.
4. Regional law of 22.06.2006 № 70-z “On the list of types of economic activities that cannot grant legal persons and self-employed entrepreneurs support from the regional budget funds”.
5. Directive of the Administration of Smolensk region of 04.05.2009 № 258 “On establishing the procedure of economic expertise and selection of investment projects to be included into the list of approved investment projects for Smolensk region”.
6. Directive of the Administration of Smolensk region of 20.01.2005 № 11 “On establishing the Regulation on the procedure of providing reports on the realization of investment projects by investors who get government support”.
7. Directive of the Administration of Smolensk region of 31.08.2006 № 320 “On establishing the Procedure of supervision of investment projects that involve capital investments for more than 15 million rubles”.
8. Directive of the Administration of Smolensk region of 29.12.2004 № 1180-r/adm “On establishing the list of approved investment project in Smolensk region”.
9. Directive of the Administration of Smolensk region of 03.08.2004 № 260 “On the Committee for investment politics at the Administration of Smolensk region”.
10. Directive of the Administration of Smolensk region of 16.07.2012 № 954-r/adm “On establishing the members of the Committee for investment politics at the Administration of Smolensk region”.

GOVERNMENT SUPPORT OF INVESTMENT ACTIVITIES

A system of measures was created in Smolensk region for government support of investment activities. It's aimed at stimulating the region's investment processes, giving financial and administrative aid to investors who implement investment projects in the region.

According to regional law of 23.12.2002 № 95-z “On state support of investment activities in Smolensk region” investors get government support in various forms, including tax privileges, supervision of the investment project that includes helping the investor find the investment site for building the enterprise; instructional, informational and organization support of the parties of the investment activity and other.

According to regional law of 28.04.2003 № 16-z “On tax privileges for investors who implement approved investment projects in Smolensk region” the following tax

privileges are given to investors:

- tax reduction for company income tax related to income received from the investment project by 4.5 percent points for the tax that goes to the regional budget;
- exemption of company property tax for the property created (constructed, or reconstructed) and (or) purchased as a result of implementation of an approved investment project in Smolensk region.

The procedure of including investment projects in the list of approved investment projects for Smolensk region is regulated by the Directive of the Administration of Smolensk region of 04.05.2009 № 258 “On establishing the procedure of economic expertise and selection of investment projects to be included into the list of approved investment projects for Smolensk region”.

A popular form of state support of investment activity at present is supervision of investment projects that includes organizing work to support investors in their implementation of investment projects that have capital investments of more than 15 million rubles.

Investors get help in creating business infrastructure, spreading positive information about the investor, comprehensive support for getting the licensing documentation necessary for project realization.

APPROVED INVESTMENT PROJECTS IN SMOLENSK REGION



Federal state unitary enterprise, joint production enterprise “Analitpribor”

“Technical upgrading and improvement of metrological equipment for manufacture of gas detectors and systems”

OOO “BearAgro”

“Construction of quick-mounting concrete plant and organization of concrete manufacture and concrete goods”





OOO “Vyazma-Brusit”

“Construction of OOO “Vyazma-Brusit”
plant for production of “Ecopirene ”

ZAO “Eurodesign”

“Upgrading production facilities of ZAO
“Eurodesign” to manufacture goods for
IKEA stores”



OOO “Inteh”

“Development of manufacture of breaking,
mixing and distribution equipment for
animal food”

DEVELOPMENT OF LOGISTICS

According to the Strategy of social and economic development of Smolensk region, one of the priority directions of the region's economy is using its transit potential for developing logistics.

A number of projects aimed at developing the logistics is being implemented at the moment in the region.

One of the largest businesses specializing in logistics is the "Alpha-Trans" company group that provides customs clearance for different groups of goods and offers storage of goods at its own customs and excise warehouse. The company's temporary storages are in Krasny and Smolensk districts.



A daughter enterprise of "Alpha-Trans" company group, OOO "Alpha Trans Invest" implements an investment project "Construction of a transport and logistics production complex "Stabna" that will occupy an area of 300 hectares. The plan for the project is to build a motor road going from the existing "Alpha-Trans" warehouse to the Federal road M-1 "Belarus".



Construction of a private industrial park is now considered in the transport and logistics complex "Stabna".

The park will provide small and medium businesses with land sites with all the necessary infrastructure, office buildings, shops, storages and other buildings.

In Stabna settlement in Smolensk district an investment project is planned by ZAO "Tander": "Construction of a distribution center with a transport facility (food and non-food items warehouse with transport facilities). The distribution center will occupy an area of more than 80 hectares. Around 750 new positions will be created for the project.

An example of implementation of projects related to cargo delivery in the region is the construction of a logistics terminal of "Renus Logistics" company group in Krasny district near Krasnaya Gorka village (right side of M-1 "Belarus" road, 4 km from the Russian Federation state border).



The project is implemented in 2 stages:

- stage 1 (2012): creating 250 parking spots for trucks, 2 200 sq.m of storage space, 500 sq.m of office room;
- stage 2 (2013 – 2015): increasing the number of parking spots to 400 and the storage space to 30 000 sq.m.

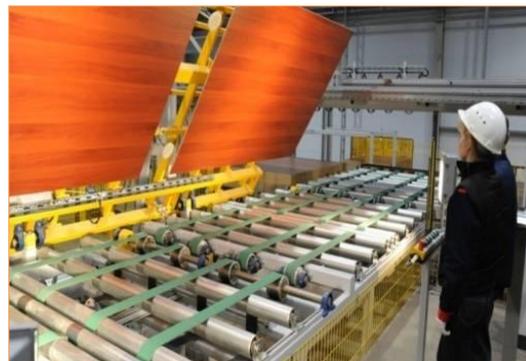
Total volume of investments for the project will be 30 million Euros. 400 new positions will be opened after the project is implemented.

The project “Construction of a temporary storage” is supervised by the Administration of Smolensk region.

OPPORTUNITIES FOR STATE AND PRIVATE BUSINESS PARTNERSHIP IN SMOLENSK REGION

A matter of great importance in Smolensk region is the development of partnership between state and private-owned enterprises – a special form of cooperation between state and business. The region is in close interaction with the development institution, the Investment fund of the Russian Federation.

An example of the cooperation between private business and executive authorities in the region is the realization of the regional investment project “Reconstruction and expansion of OAO “Igorevsky wood processing plant”. Construction of fiberboard (MDF) plant. Development of infrastructure in municipal formation “Kholm-Zhirkovsky district” in Smolensk region”. Total investments for the regional project will be 7.1 billion rubles, including 663 million rubles from the Investment fund of the Russian Federation. Funds from the Investment fund of the Russian Federation and



from the regional budget in 2010-2011 paid for construction, renovation and overhaul of seven utility and transport infrastructure facilities; investors funded renovation and expansion of the existing enterprise, construction of a new fiberboard plant and construction of two houses with 32 apartments each for OAO “IDK”. Implementation of the project will have economic effect for the plant, as well as fiscal and social effect for the population.

SMALL AND MEDIUM BUSINESSES

Small and medium businesses are one of the most dynamically developing sectors of the region’s economy. Small and medium businesses utilize new lines of business and expand their presence in all branches of the region's economy.

Statistics says that on 01.01.2013 more than 41 thousand small and medium businesses act in Smolensk region employing 134.7 thousand people. The percentage of medium businesses among all small and medium enterprises is 0.7%, small businesses – 4%, micro-businesses – 28.9%, self-employed entrepreneurs – 66.4%.

The number of small and medium businesses in Smolensk region in 2012 (according to total survey held by Rosstat) for one thousand people was:

- legal bodies (small businesses) – 14.15,
- self-employed - 28.

The turnover of the small and medium businesses in 2012 in actual prices for all activity types was 234.9 billion rubles (including micro business – 39.9, small business – 90.4, medium business – 39.2, self-employed – 65.4).

The volume of tax revenues from small businesses into the consolidated budget of Smolensk region in 2012 was 1.7 billion rubles.

An important financial tool for implementation of government policy in the sphere of small and medium business in the region was a non-profit organization “Smolensk regional fund of business support” (hereafter referred to as the Fund).

To support small and medium business in the region, the Administration of Smolensk region concluded the following agreements:

- on cooperation between the Administration of Smolensk region and closed joint-stock company “Russian agency for support of small and medium business”. The agreement provides creating proper infrastructure for support of export-oriented innovative small and medium enterprises to give them access to information, consultation, marketing, financial and credit resources.

- on cooperation between the Administration of Smolensk region and the Fund for assistance of small businesses in the sphere of science and technology; the subject of the agreement is organizing cooperation for development of small business in the region in the sphere of science and technology and implementation of science innovation projects to improve the social and economic development of Smolensk region.



A long-term target program “Development of small and medium businesses in Smolensk region” for 2013-2016 is functioning in the region at the moment, established by the Directive of the Administration of Smolensk region of 21.09.2012 № 681.

Main forms of government support for small and medium businesses in Smolensk region within the target program are:

1. Giving subsidies to small and medium businesses for partial compensation of loan interest expenses.

Subsidies are given to small and medium businesses who entered into a loan agreement with a lending institution no earlier than January 1, 2011 for construction (renovation) of industrial buildings, structures, construction objects for their own needs and (or) purchase of equipment to create and (or) develop, and (or) upgrade production of goods, in amount of 2/3 of the actual expenses for paying the interest on a loan for the date of the application, but no more than 2/3 of the existing refinancing rate of the Central Bank of the Russian Federation.

Average number of employees of the small and medium business must be 30 people or more.

The amount of the loan must be more than 3 million rubles, remaining payment

period for the loan and the interest for the date of the application must be more than 1 year.

The amount of the paid loan for the date of the application must be not less than 10% of the entire amount of the loan; the amount of paid interest on the loan must be not less than 10% of the total interest on the loan.

2. Small and medium businesses who signed an equipment lease contract are given subsidies for part of the expenses for the first installment.

Subsidies are provided to small and medium businesses by the acting lease contracts that were concluded no earlier than January 1, 2013, up to 50 per cent of the previously paid amount for the first installment for the lease contract, but not exceeding the subsidy limit:

- 3.0 million rubles for small and medium businesses with average number of employees of less than 30 people;



- 10.0 million rubles for small and medium businesses with average number of employees of 30 and more people.

3. Subsidies are given to compensate for part of the expenses of the small and medium businesses for the purchase of equipment used to create and (or) develop and (or) upgrade production facilities.

Subsidies are given to small and medium businesses who concluded a contract (contracts) of purchase not earlier than January 1, 2013 for

purchase of equipment used to create and (or) develop and (or) upgrade production of goods, up to 50% of the actual expenses for the date of application related to the purchase of equipment, but not more than 10 million rubles for one small or medium enterprise.

Average number of employees of the small and medium businesses must be 30 or more people.

The equipment must be new or obtained as import. The business must include the equipment into its assets by the date of the application.

4. Small and medium businesses are given subsidies to compensate for part of their expenses for connections to the electrical power network.

The amount of subsidies is up to 75% of the paid expenses for the connections to the electrical power network that were made after January 1, 2013.

The subsidies are given for connecting electrical consumers to the electrical power source, the maximum load of the consumers being:

- 500 kW – for small businesses with average number of employees less than 30 people (taking into account the load of consumers previously connected to this connection point);

- 1.5 MW – for small and medium businesses with average number of employees of 30 or more people (taking into account the load of consumers previously connected to this connection point).

Consumers connected to the power network can't be any of the following:

construction sites of apartment buildings, apartment buildings or blocks of apartment houses; buildings used for wholesale, retail or catering purposes.

5. Legal bodies – acting investment companies – small and medium businesses are given subsidies to compensate for expenses or short-received income related to production (realization) of goods, performing work or providing services.

Subsidies are given to legal bodies – functioning investment companies – small and medium businesses, to compensate for expenses for purchase of machinery and equipment, related to technological innovations, as a part of a presented investment project, or for research and development of new goods, services and methods of their production (delivery), new production processes; industrial design and engineering (not related to scientific research and design) of new products, services and methods of their production (delivery), new industrial processes; purchase of new technologies (including rights for patents, licenses for usage of inventions, industrial samples, useful models); purchase of software; education and training of personnel connected with the innovations; marketing research; rent of premises used for the business activity; certification and patenting.



In an amount of not more than 75% of the total expenses of the innovation project, but not exceeding the limit of the subsidy:

1) 5.0 million rubles for small and medium businesses with average number of employees less than 30 people;

2) 15.0 million rubles for small and medium businesses with average number of employees of 30 and more people.

6. Small and medium businesses are given subsidies for organizing daycare for preschool children and other similar types of child care.

The amount of subsidies is up to 85% of the paid and confirmed expenses for the purposes indicated in the business project; expenses made from January 1, 2013 can be reimbursed.

The amount of the subsidy doesn't exceed 1.0 million rubles for each person asking for a subsidy.

7. Subsidies are given to small and medium businesses that work in the sphere of crafts, folk arts, agricultural and ecological tourism.

The amount of subsidies is up to 75% of the paid and confirmed expenses for the purposes indicated in the businesses project; expenses made from January 1, 2013 can be reimbursed.

Amount of the subsidy is as follows:

- not more than 0.5 million rubles for each receiver who works in the sphere of crafts and folk arts;

- not more than 1.0 million rubles for each receiver who works in the sphere of



agricultural and ecology tourism.

Apart from that, subsidies are provided for the following activities as part of the long-term target regional program “Development of small and medium businesses in Smolensk region” for 2013-2016:

- a subsidy is given to the non-profit organization “Smolensk regional fund of business support” for maintenance of the Fund for crediting of small and medium businesses of Smolensk region (guarantee fund). For details on the guarantee fund, see page 63.

- creating and (or) maintenance of the Youth innovation activity center. The purpose of the center is to create favorable conditions for children and young people and development of small and medium businesses in the sphere of science, innovation and industry by creating material, economic, information and social grounds for creating, development and preparation for independent work of small innovation enterprises, commercialization of scientific achievements and hi-end technologies.

The center’s visitors are going to be children and young people, small and medium businesses who use the equipment and other infrastructure of the center on a regular basis.

- creation and (or) maintenance of the regional Euro Info Consulting (Correspondence) center. At present, the center works as part of Smolensk Chamber of industry and commerce. For details on the center, see page 62.



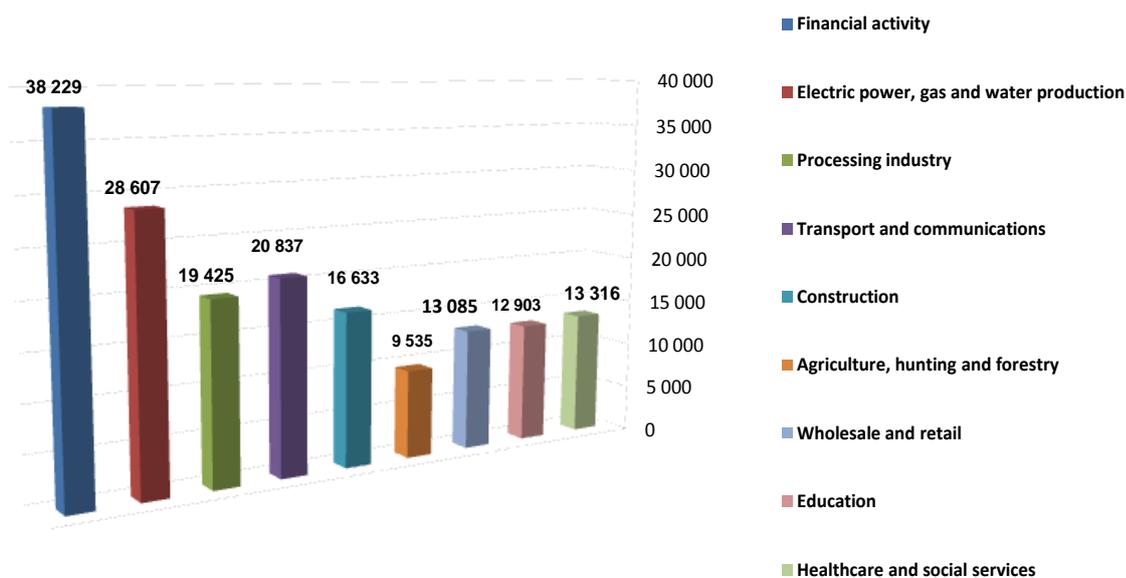
LIVING STANDARDS OF THE POPULATION

According to the statistics, average income of the population in 2012 has increased by 11.3% compared to the same period of the previous year and became 17 772.2 rubles; the actual disposable income grew by 5.8%.

Average monthly salary in 2012 was 17 939.8 rubles, which is 10.8% more than in the same period of last year.

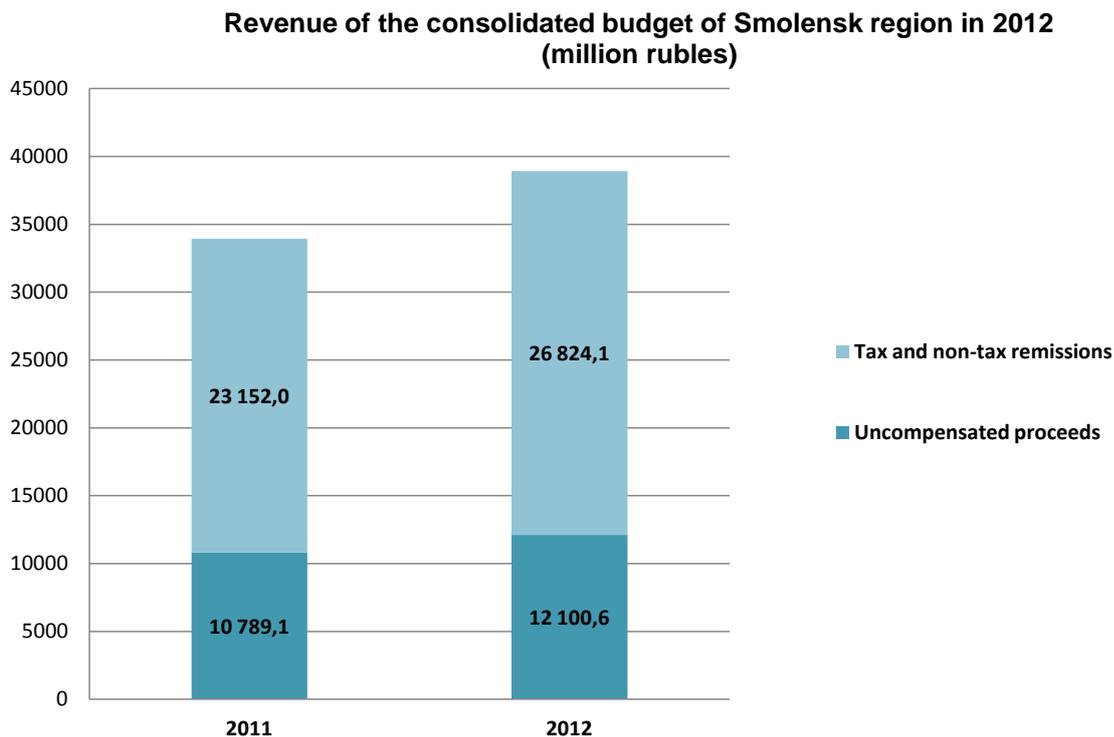
The highest salary in 2012 was received by employees of financial organizations – 38 229 rubles, electric power, gas and water production and distribution industry – 28 607 rubles, construction – 16 633 rubles, transport and communications – 20 837 rubles, processing plants – 19 425 rubles, mining – 23 313 rubles.

Average monthly salary for main economic activities, 2012 (rubles)



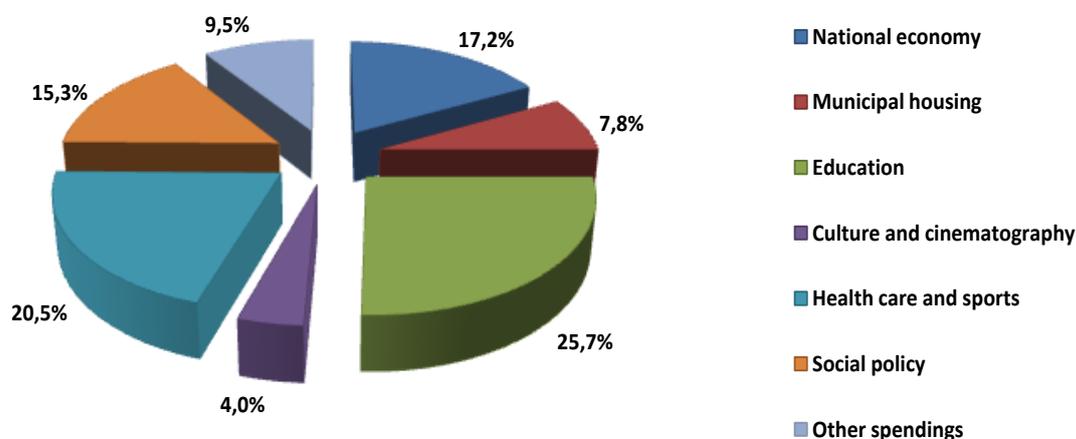
REGIONAL BUDGET

The fiscal revenues of our region's consolidated budget in 2012 were 38 924.7 million rubles, which is 4 983.4 million rubles or 14.7% more than in 2011. Out of the total consolidated budget revenues in Smolensk region, 32 092.8 million rubles were the revenue of the regional budget, and 15 656.4 million rubles were received by municipal level budgets.



Consolidated budget spendings in 2012 were 41 571.1 million rubles, out of which over 65% were allocated for the development of social and cultural sphere (27 191.1 million rubles), including 10 683.8 million rubles that were assigned for education, 8 508.5 million rubles - for health care, physical culture and sports, 6 351.1 million rubles - for social policy, 1 647.7 million rubles - for culture, cinematography and mass media. A sum of 7 130.2 million rubles was submitted for the national economy.

Structure of consolidated budget spendings in Smolensk region in 2012



FINANCIAL MARKET

The region's banking sector is represented by 4 credit organizations registered in Smolensk region, 18 branches, 83 operation offices and 3 representative offices of other cities' credit organizations.

The amount of loans issued to the real economy sector and physical persons in Smolensk region in 2012 grew by 4% compared to 2011 and was 116 130 million rubles. The amount of loans issued to physical persons in 2012 grew by 42% compared to 2011 and was 38 118.8 million rubles.

Dynamics of weighted average rates of interest on loans given to legal persons in 2012:

<i>Date</i>	<i>Interest rate, %</i>
01.01.2012	11,78
01.04.2012	11,55-11,99
01.07.2012	10,11-12,13
01.01.2013	11,7

Largest banks of Smolensk region

№	Bank	Address	Telephone
1.	ОАО "Sberbank Rossiy"	214025, Smolensk, N.-Neman st., 23	+7 (4812) 32-99-66
2.	Bank VTB (open joint-stock company)	214000, Smolensk, Gagarina ave., 5A	+7 (4812) 49-96-04, +7 (4812) 49-96-29
3.	"Gazprombank" (open joint-stock company)	214004, Smolensk, Nikolayeva st., 27 A	+7 (4812) 64-49-86
4.	ОАО "ROSSELKHOZBANK"	214000, Smolensk, Kommunisticheskaya st., 4, building B	+7 (4812) 38-14-41
5.	"Bank of Moscow"	214000, Smolensk, B.Sovetskaya st., 26/9	+7 (4812) 38-81-10
6.	VTB 24 (ZAO)	214014, Smolensk, Isakovskogo st., 5	+7 (4812) 64-73-43
7.	ОАО joint-stock bank "ROSBANK"	214000, Smolensk, Gagarina ave., 10/2	+7 (4812) 31-95-00
8.	ЗАО "Raiffaizenbank"	214000, Smolensk, Zhukova st., 9	+7 (4812) 20-66-26
9.	ОАО "Promsvyazbank"	214000, Smolensk, Przheval'skogo st., 7a	+7 (4812) 32-81-83
10.	ОАО "URALSIB"	214000, Smolensk, B.Sovetskaya st., 4A	+7 (4812) 38-95-36
11.	ОАО joint-stock bank "Svyaz-bank"	214020, Smolensk, Shevchenko st., 1/35	+7 (4812) 64-68-88
12.	ЗАО "Bank Russky Standart"	214018, Smolensk, Kirova st., 55	+7 800 200-6-200
13.	ООО "Home Credit and Finance Bank"	214000, Smolensk, Engelsa st., 24	+7 (4812) 62-15-59, +7 (4812) 38-15-62
14.	АО "National bank "TRUST"	214004, Smolensk, Nikolayeva st., 19	+7 (4812) 65-99-95, +7 (4812) 64-07-00
15.	ООО "Rusfinans Bank"	214019, Smolensk, Tramvayniy lane, 4	+7 (4812) 62-21-60, +7 (4812) 61-05-63
16.	Open joint-stock company "Rosgosstrakh Bank"	214013, Smolensk, Kirova st., 13/15	+7 (4812) 55-25-46
17.	CB "Uniastrum Bank"(ООО)	214018, Smolensk, Gagarina ave., 26	+7 800 333-04-04
18.	All-Russian bank of regions' development (VBRR)	214000, Smolensk, Kirova st., 26	+7 (4812) 35-03-32, +7 (4812) 35-61-57
19.	ОАО "BALTINVESTBANK"	214000, Smolensk, Marshala Zhukova, 9	+7 (4812) 31-93-97, +7 (4812) 32-99-55
20.	ОАО "AB "ROSSIYA"	214018, Smolensk, Novo-Roslavl'skaya st., 3a	+7 (4812) 30-12-30
21.	Open joint-stock company "Gazenergobank"	214000, Smolensk, Nikolayeva st., 15 a	+7 (4812) 20-14-20
22.	CB "Renaissance Capital"(ООО)	214018, Smolensk, Gagarina ave, 12-6	+7 (4812) 24-44-87

FOREIGN TRADE

Foreign trade turnover of Smolensk region in 2012 was 3 160.2 million US dollars and grew by 3% in comparison with 2011; export was 1 330.1 million US dollars, import - 1 830.1 million US dollars.

The share of export in the foreign trade turnover in 2012 was 42%, the share of import was 58%.



The largest foreign economic partner of Smolensk region is the Republic of Belarus. Foreign trade turnover of the region with Belarus in 2012 was 1 637.1 million US dollars (about 52% of the total foreign trade turnover of Smolensk region in 2012). Out of the countries far abroad, the largest turnover was with such countries as Germany (with foreign trade turnover of 114 810 thousand US dollars), Poland (88 709 thousand US dollars),

Brazil (83 757 thousand US dollars), Thailand (50 451.2 thousand US dollars), China (64 136 thousand US dollars), Lithuania (26 762 thousand US dollars), USA (19 474,4 thousand US dollars), France (18 183 thousand US dollars).

INDUSTRY

Smolensk region is one of the industrial regions of Central Russia. There are industrial centers in the region – Smolensk and Desnogorsk, as well as six industrial districts: Vyazma, Gagarin, Dorogobuzh, Safonovo, Roslavl and Yartsevo. They make more than 90% of the total industrial goods produced in the region.

There are large industrial enterprises in the region which are significant not only for the region's economy, but for the country's economy too (OAO "PO "Kristall", OAO "Dorogobuzh", Federal state unitary enterprise joint production enterprise "Analitpribor", state unitary enterprise of Moscow "Casting and rolling plant", OAO "Izmeritel", OAO "Roslavl car repair plant" and others).

Smolensk region has a number of factories that make goods for the country's military and defense complex. Around 15 businesses in the region develop and produce goods related to military activities, 6 of them were included into the government's list of strategic military organizations.



Around one quarter of the employable population is working in the industry sector. Industry yields 30.2% of the gross regional product and provides more than 40% of the tax

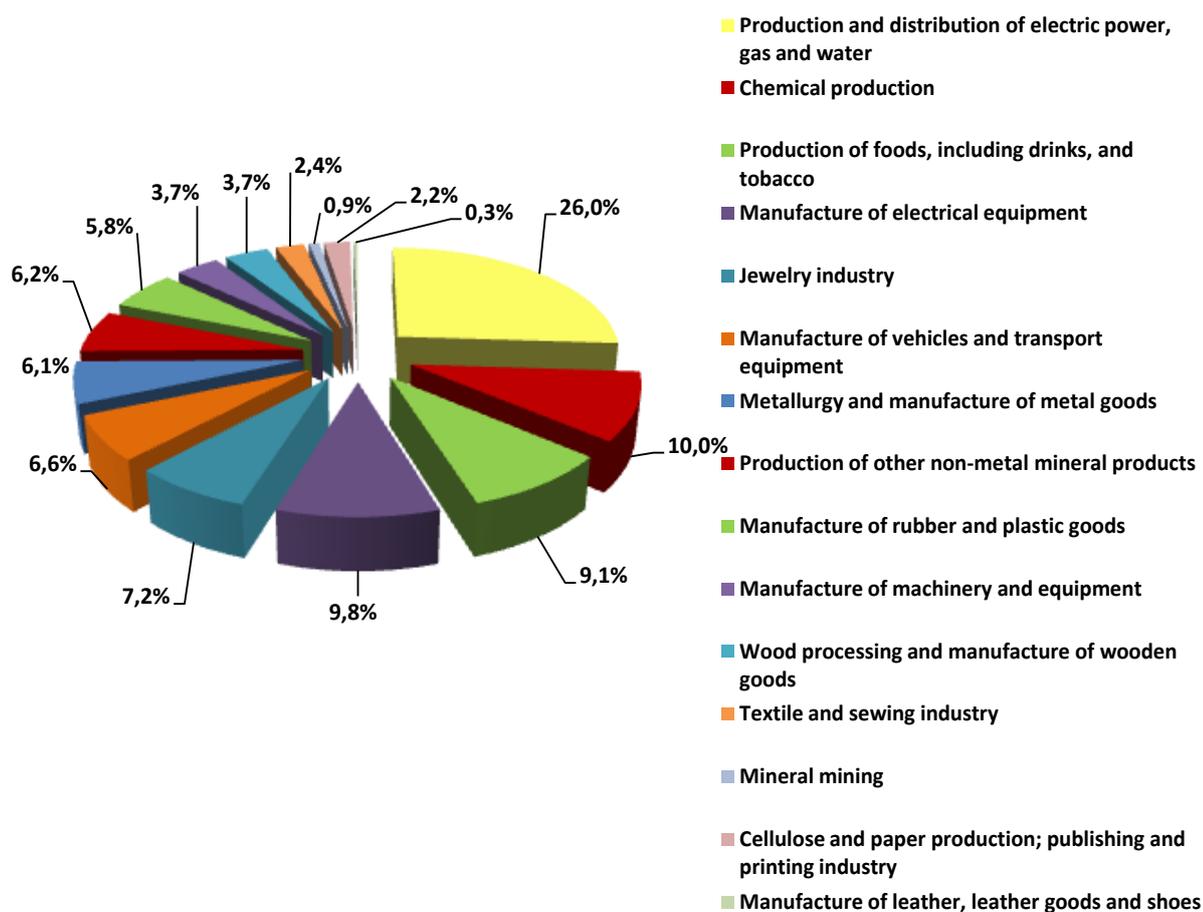
revenue.

The index of industrial production for 2012 for the following types of economic activity: “Mineral mining”, “Processing” and “Production and distribution of electric power, gas and water” was 101.3%; the index of industrial production for processing was 101.5%.

The largest share in the industry is held by production and distribution of electric power, gas and water - 26%, chemical industry – 10%, production of food, including drinks, and tobacco - 9,1%, production of electrical equipment – 9,8%, jewelry industry - 7,2%.



Structure of industry in Smolensk region in 2012



Increase in production in 2012 is noticed in the following spheres in comparison with 2011:

- wood processing and manufacture of wooden goods – 118.8%;
- manufacture of rubber and plastic goods – 145.5%;
- manufacture of other non-metal mineral products - 118%;
- manufacture of electrical equipment, electronic and optical equipment - 112%;
- manufacture of vehicles and transport equipment 104.5%.

The amount of shipped locally made goods, services and works in 2012 in processing industry in existing prices grew by 3.4% compared to same period of last year and was 126.1 billion rubles.

AGRICULTURE

Agribusiness of Smolensk region and its key branch agriculture are the leading backbone spheres of regional economy. They form the agro food market, food supply and economic security, labour and settlement potential of rural areas.

In the gross regional product agribusiness makes up more than 7 percent. The farms of Smolensk region cover 1.7 mln ha including the ploughed fields which are 1.2 mln ha. Most of the Districts of Smolensk region are agricultural. There are 20 000 people employed in agribusiness organizations and farm enterprises. About 300 agricultural organizations, 300 farm enterprises and individual entrepreneurs and 176 000 citizens running their own farms are engaged in agricultural production.

Animal husbandry is the key branch of agriculture. In the structure of marketable products of agricultural production its production makes up 81% including dairy farming which is 40%. Crop production is specialized in grain crops, leguminous plants and fodder crops production. Climate and environmental conditions of Smolensk region are favorable for long-fibred flax, oilseed rape, potatoes and vegetables growing.



In 2013 in all the categories of agricultural crop made up 439.4 thousands ha. In general planting the amount of agricultural organizations and farm enterprises (including individual entrepreneurs) made up 95%.

Over the last years more than 320 000 tonnes of milk, 54 000 tonnes of cattle and flock live weight, 270 mln of eggs, 210 000 tonnes of grain, 220 000 tonnes of potatoes, 75 000 tonnes of vegetables, 9 000 of rape seeds and 2 000 tonnes of flax fibre have been producing in the Smolensk region.

In 2012 1 764.8 mln rubles were invested in the development of agribusiness of the Smolensk region including 793.4 mln from federal funds and 971.4 mln from regional funds. Besides, in 2012 agricultural manufacturers of Smolensk Region attracted 2 484 mln rubles subsidized loans to the production development including 1.555 mln rubles of investment loans, 653 mln rubles of short-term loans and 276 mln rubles of small business pattern development loans.

2.030 mln rubles from the government's funds including 1 109 mln rubles from federal funds and 921 mln rubles from regional funds are planned to be aimed to agribusiness development of Smolensk region in 2013.

In Smolensk region the process of modernization of agricultural production and its technical re-equipment is carrying on.

During 2008-2012 550 field engines, 59 seeding equipments, 172 reversible ploughs, 201 harvesters and 96 forage harvesters were purchased by agricultural manufacturers of the Smolensk region through subsidized loans. Agricultural manufacturer



invested 4 bln 149 mln rubles in purchase of technical equipment. 19% of the amount was made up by the regional funds loans.

During 2008-2011 21 animal farms consisting of 8.2 thousands of great cattle animals were put into force. The reconstruction of the pig-breeding complex (12 000 animals) and the first stage of eggs and fowl production modernization in OOO "Ptitsefabrika "Smetanino" in the Smolensk region have been also finished. 2 glass-grown vegetable complexes have been modernized. A dairy-ware unit consisting of 1 200 great-cattle animals of ZAO "Zolotaja niva" in Safonovsky District and the first part of a pig-breeding unit consisting of 24.8 thousand animals of OOO "Bekon" in the Roslavlsky District were put into operation.

At the present moment the following projects are being realized:

- the extension of a livestock breeding complex consisting of 1800 great-cattle animals of ZAO "Zolotaja niva" in the Safonovsky District;
- the building of a livestock breeding complex consisting of 1250 great-cattle animals of OOO "Molprom" in the Khislavichsky District;
- the building of a pig-breeding unit with 165 thousand of animals of OOO "Smolenskoje pole" in the Pochinkovsky District;
- the building of the second part of a pig-breeding unit with 24.8 thousand of pigs of OOO "Bekon" in the Roslavlsky District;
- the building of two dairy farms with 600 animals IE Glava K(F)H M.Y. Stadnik in the Dukhovschinsky District;
- the creation of an agricultural great-cattle plant on the basis of OOO "Plemennoy Centr "Smolenskiy Gallovev";
- the building of a livestock breeding complex with 1200 animals on the basis of IE Glava Pavlov R.O. in the Jartsevsky District;
- the creation of a crop husbandry basis with further realization of crop production. The building of a modern grain conditioning and storage complex in CJSC "Agricultural company "Nasha Zhitnitsa".



Since 2012 people taking up farming and family animal farms have been given the grants for creation and development of farm enterprises as a part of small business patterns supporting program. The aim of the program is to develop a small business in the rural area. During the two years period 19 young farmers have been given a grant and a lump sum payment to the amount of 27 mln rubles on a competitive basis from regional and federal funds. 12 family animal farms have been also given the development grants to the amount of 103 mln rubles.

Agricultural development demands the arrangement of certain conditions for the agrofood market infrastructure and its marketing system. Therefore, building works of a logistic center – farm market "Gubernatorsky" has started in Smolensk in the current year on the initiative of Administration of the Smolensk Region. It will allow increasing the

scale of agricultural products sales according to the system "from a field right to the market", the main principle of which is a high control over produced products and improve the level of regional self-sufficiency of home-crop production.

The logistic center organization will make it possible to solve two problems. On the one hand it will be possible to provide the population with quality and available home-crop products at affordable prices and on the other hand it will allow creating the direct selling conditions for manufacturers. An annual turnover of agricultural market is planned to make up not less than 250-300 mln. rubles.



The area of a social order of the village and personnel management has a high priority. During 2009-2012 18.1 thousand square meters housing for rural area citizens including young families and young professionals along with 550 km of gas distribution networks and 127 water supply systems have been built.

Young professionals engaged in agricultural industry receive monthly extra payment to the fixed official salary. Young professionals employed in agricultural organizations receive the one-time regional state payment for the sum of 70000 rubles.

Since 2013 state support of agricultural sector has been given in the framework of the state program of agriculture development and regulation of agricultural market, raw products and food. In Smolensk region 20 long-term target program are being realized. They include the set of program activities aimed at development of animal and dairy husbandry, forage production, flax and oilseed rape, potatoes manufacture, meat and dairy processing industry, fishery, permanent crops seed and greenhouse growing, land reclamation, small business patterns support, gardening, vegetable gardening and suburban non-commercial associations between citizens, rye bread production, logistics center on the basis of agricultural consumer cooperative society and African pig plague containment, antler deer husbandry support, cereal-pea manufacture from raw products made in the Smolensk region.

State support of agricultural manufactures is given mainly by recovery of incurred expenses by means of subsidization including:

- seed growing support;
- plant growing free support (per hectare);
- livestock breeding support (great cattle young breed purchase, breeding stock keeping etc.);
- 1 litre of commercial milk provided it is not lower than the first quality;
- reimbursement of expenses for interest payment of investment and short-term credit (from federal and regional funds 100-103% of the



refinancing rate of the Central Bank of the Russian Federation);

- animal husbandry support;
- small business patterns of rural area support;
- all kinds of agricultural production development in the framework of regional events of a great economic importance;
- material and technical resources improvement (the procurement of modern high-technology resource and energy saving equipment for agricultural industry) on the basis of realization of regional events of high economic importance.

In the framework of social development of the village the following grants are available:

- the building (or procurement) of housing for citizens (from federal and regional funds of 70% standard cost) and young professionals and young families (from federal and regional funds of 96% standard cost);
- the building (reconstruction) of gas and water supply systems (from federal and regional funds of 96% estimated cost);



For the purpose of personnel retention in the village at the expenses of the regional funds the following activities are being carried out:

- the one-time regional state payment given to young professionals engaged in agricultural organizations and farm enterprises for the sum of 70000 rubles;
- the monthly payment given to young professionals engaged in agricultural organizations and farm enterprises (up to 3000 rubles);

- staff training for agricultural organizations, skills upgrading for specialists working in agricultural organizations and farm enterprises.

You can get more detailed information about areas of agribusiness state support and certain program events subsidizing on the website of Department of agriculture and food products of the Smolensk region www.admin-smolensk.ru/~selhoz/.

Creation of certain conditions for production volume increase and agricultural products marketing and its competitive growth at the agrofood market, guaranteeing of financial stability of agricultural manufacturers and complex development of rural areas are the main points of agricultural policy.

TRANSPORT AND PUBLIC ROAD SYSTEM

The transport system of Smolensk region is formed by the public highway and railroad. The main part of transportation is implemented by the public highway. Smolensk region is crossed by the shortest way from the central part of Russia to Western Europe.



The distance between Smolensk and Berlin is 1470 km.

The main roads connect the region with the largest ports in the Baltic – 617 km to Riga, 706 km to St. Petersburg. A strategic highway M-1 "Belarus" which goes through the territory of Smolensk region is of great economic significance (the length within the territory of Oblast is 302 km). The total road length of the Smolensk region is 19 902.8 km. (72%

improved paving). Main railroad lines in the region connect it with all the regions, CIS countries, the Baltic states and Europe. Within the territory of the region three rail junctions in Smolensk, Vyazma and Roslavl are of a special importance. They have loading and unloading complex along with sorting and warehouse cargo handling complexes. The length of railroads of public service in Smolensk region is 1 155 km. A railway net is quite dense; it is 21.7 km per 1000 square km of the territory.

In 2012 the cargo transportation volume of transport organizations in Smolensk region made up 12.4 mln tonnes 5.3 mln tonnes of which were transported by railroad transport and 7.1 mln tonnes by highway transport.

In 2012 the freight turnover of transport organizations decreased by 4% and made up 21.4 bln tonne-kilometers, 20 bln of which is made up by railroad transport and 1.4 bln by highway transport.

In 2012 passenger miles of public service buses was 568.2 mln. passenger-kilometers and decreased by 9.2% in comparison with 2011.



COMMUNICATION AND INFORMATION TECHNOLOGIES

Communication is one of the key elements of the Smolensk region which have an influence on functioning of all the regional economy processes.

12 trunk-line and international telephone connection operators provide the Smolensk region with communication service. The operators are presented by the following companies: OAO "Rostelekom", ZAO "Kompaniya TransTeleKom", OAO

"Mobilnye TeleSistemy", CJSC "Sinterra", OOO "Ekvant", OAO "Megafon", OAO "Vypel-Kommunikatsii", OAO "Mezhregionalnii Tranzit-Telekom", ZAO "OptiTelekom", OOO "KONNEKT", OOO "O.S.S.-Telekom", OOO "Mobifon-2000". Mobile radiotelephone service is presented by 5 operators which are OAO "Vypelkom" (Bilain), ZAO "Mobikom Center" (Megafon), OAO "Mobilnye Telesistemy" (MTS), ZAO "Smolenskaja Sotovaja Svyaz" (Tele2). Postal service is presented by 4 operators: FSUE (Federal state unitary enterprise) "Pochta Rossii", OOO "SPSR-EKSPRESS", OOO "EMS Garantpost", OAO "FREIGHT LINK".

The largest postal service operator in the territory of Oblast is Smolensk region Office of the Federal postal communication. It is a branch of FSUE "Pochta Rossii", which includes 522 postal communication objects which are: 1 transport-sorting office, 11 general post offices (1 first class, 3 second class, 5 three class, 2 four class), 510 post offices, 80 of which are urban and 430 rural. Postal communication is available in all the populated areas of the region.



In the beginning of 2013 61 post offices including 9 general post offices had been reconstructed.

Transportation and delivery are carried out from 3 to 6 times a week and 7 times a week in the regional center.

There are 149 vehicles in the fleet of the branch. Since autumn 2012 postal cars in the Smolensk region have been equipped with

GLONASS (Global Navigation Satellite System). There are 156 postal routes with their total length 29726 km.

At the present moment postal offices provide more than 80 postal, financial and info communicational and other services, including utility payment service, receiving and cancelling credits, cashing checks from plastic cards, insurance, purchase of national consumption goods, access to the Internet on the basis of 309 offices of multiple access.

Other postal service operators (OOO "SPSR-Ekspress", OOO "EMS Garantpost", OAO "FreightLink", OAO "FREIGHT LINK") take a small share of the market and provide mainly express delivery services.

The leader of fixed telephony services market in Smolensk region is a Smolensk branch OJSC "Rostelekom" which has the biggest communicational networks and a unique infrastructure of access to services of household communication and provides transfer of the main part of trunk-line, international, intra zone and local traffic along with the functioning of landline network of television and broadcast channels.

In the total volume of telecommunication services market of Smolensk region the share of mobile communication takes more than 50%. At the present time mobile communication networks cover virtually the whole territory the Smolensk region. 5 operators provide mobile communication services. They are OAO "Vypelkom", ZAO "Tele2 – Smolensk", ZAO "Smolenskaja sotovaja svyaz" which provide their users with the main and additional services (voice and non-voice services) different categories of

users (individuals and corporal clients).

In 2012 communication services income made up more than 6.7 bln rubles. The considerable part of service structure accounts for mobile communication the volume of which is 3 bln rubles while the amount of user stations reached 1.8 millions. The growth of document electronic communication has been increased and exceeded 662 bln due to the increasing amount of Internet users and development of IP-telephony. 4337 full-service telephone boxes providing free access to the emergency services.

Informatization in Smolensk region is one of the main spheres of social economic development program realization. In 2012 long-term regional programs "Development of information society and forming of an electronic government" for 2011-2012, "Administrative barriers decrease, optimization and state and municipal services quality improvement including those on the basis of multifunctional centre of state and municipal service" for 2012-2013, "The use of cosmic activity results for the benefit of socioeconomic development of Smolensk region " for 2011-2012 were implemented.

As a result, the efficiency of the executive authorities and local government activities of Smolensk region along with the quality of their services has been increased and the necessary preconditions for information society building and electronic government formation on the basis of wide use information and communication technology have been created.

The regional network of the Administration of Smolensk region Intranet was created 13 years ago and exists today. It integrates the informational resources of the state bodies and provides their informational cooperation. This network includes 4000 users which are different organizations workers. This network gives an opportunity to use the informational resources of the Intranet-portal of the Administration of Smolensk region with the data base of normative legal acts of the state bodies of Smolensk region, socioeconomic and statistical information, state bodies web-sites, information about culture, supplemental and other information.

Realization of a project on the creation of a distributed multiservice network for Smolensk region state bodies and local government communication allowed to carry out a shift from the regional Intranet network to digital data communication technologies. It also gave an opportunity to organize a quick and reliable document management along with the single system of voice, faxing and videoconferencing communications of a high quality. Communication channels (512 Kbit/s capacity) with the local government of all the rural settlements of the Smolensk region have been created. They allow to use the modern information technology opportunities for electronic state or local service supply and arrangement of electronic cooperation between the authorities and institutions.

All the executive, municipal and urban district bodies are provided with the single electronic system of document management with the use of the digital signature. For creation of this system the Administration of the Smolensk region has been pronounced the winner in the nomination for "Best solution to creation of the cooperative data processing system in the organization at the regional level". The nomination was in the framework of All-Russian stage of Eurasian contest "Best solutions to creation of the cooperative data processing system".

The official websites of all the executive bodies of Smolensk region and local government of municipal districts and urban districts of Smolensk region have been created to improve transparency and communication between the authorities and citizens.

Smolensk region has become one of 12 Russian regions which have a high level of the accessibility to the authorities according to the efficiency rating of implementation of the Federal Law from the 9-th of February, 2009 №8-FZ "Providing the access to the information about state authorities and local government bodies" drawn up by The Public Chamber in cooperation with Moscow State Law Academy in 2012. Among the constituent entities of the Russian Federation the region has become one of three leaders including Kursk and Tver regions. The regional portal ranks among 10 best entities websites on Minekonomrazvitie <http://www.gosmonitor.ru/>.

In the territory of the region there are 5 multifunctional state and municipal services centres in Smolensk (Leninsky district), Vyazma, Gagarin, Roslavl and Safonovo. On the territory of Smolensk region they provide 213 state and municipal services according to the "open window" concept, which assumes rendering of any services in one and the same place. The following services are available:

- 51 federal services;
- 76 regional services;
- 77 municipal services;
- 12 additional services.

The call center for informing the citizens of state and municipal services rendering have been created (8-800-10-01-901).

In Smolensk region there is the cosmic service centre the resources of which are able to conduct monitoring of regional and municipal transport with the help of GLONASS.

According to the period of 1 January, 2013 the place and condition monitoring of 127 school buses, 235 ambulance cars, 50 units of special purpose vehicles of the regional fire centre and along with passenger municipal transport (more than 395 units) control are being conducted. The operations control centre includes operations control centres of municipal transport columns of Smolensk, Roslavl and Vyazma. GLONASS equipment procurement has been carried out for the transport facilities of the authorities and their subordinate authorities according to established procedure.

The first adoption stage of satellite monitoring system of agriculture in the Smolensk region has been carried out. The main purpose of the system is to reveal the agricultural lands and agricultural objects condition and efficiency with the help of ground surface remote probing information. The adoption of the system took place in the territory of Pochinkovsky and Monastyrshchinsky districts.



CONSTRUCTION



The building complex of the Smolensk region is presented by the following large organizations which reached the best results in placing residential houses into operation in 2012. These were ZAO "Smolstrom-Servis", OOO "Energoinvestgazstroy", OOO AN "Garant-Zhilye", ZAO "Vash dom", OOO company "Konsol".

In 2012 the volume of work carried out according to the branch of activity "Building" in the region made up 26 524.3 mln. rubles or 103.7% to the level of 2011.

Housing construction is a priority area of Smolensk region building complex activity. A great attention is paid to the questions of improving the volume and planning decisions of residential houses, their architectural aspect, rise of a housing improvements and exploitation efficiency levels.

According to the results of 2012 261.2 thousand square meters of living space were activated, and this makes up 70.5% to the correspondent period of 2011. 120.8 thousand square meters of the total living space (46.2% of the total volume) were built by all kinds of organizations. During the mentioned above period individual developers built 879 houses which are 140.4 thousand square meters of the total area.

The local authorities of Smolensk region are given a financial support in document implementation of territorial planning in order to create the conditions for residential housing and integrated territory development at the expense of the regional funds.

In accordance with the resolution №372 of the Administration of Smolensk region from 4 July, 2011 the regional target program "Residential housing development in Smolensk region" was approved. The program aims at carrying out an important national project "Affordable and comfortable housing for Russian citizens". The purpose of the project is the providing of annual volume growth of putting habitations into operation along with its further growth up to 1 square meter per one resident.

The main tasks of the regional program are:

- reduction of administrative barriers in the sphere of building;
- implementation of social safeguards given to citizens for housing procurement along with its development;
- building sector development directed at economy-class housing affordable for a wider segments of the population including the creation of social renting housing fund, the creation of renting out housing segment and temporary housing fund;
- complex building area supply for a necessary engineering infrastructure.

LABOUR MARKET

The situation at the labour market of Smolensk region is formed under influence of the factors characterizing the economic situation and maintains its stability. At the present moment all the large manufacturing enterprises are functioning in the region. The main workforce capacity has been maintained.

Employers' need for labour demand in the employment agency made up 9.9 thousand units for the period of September the 1-st, 2013. At the moment 6.7 thousand citizens are registered in the employment agency for work search, 5.6 thousand of which are registered as unemployed.

The intensity factor made up 0.7 person per vacancy (for the period of September 1, 2012 – 0.9 person per vacancy). The level of registered unemployment has decreased and made up 1.03% (for the period of September 1, 2012 – 1.16%).

According to the sample survey of the population employment problems carried out by the Russian Statistics Service the economically active part of the population for the period of May-July 2013 made up 526.8 thousand people, including 500 thousand employed people. According to the International Labour Organization methodology there are 26.7 thousand unemployed people, the common level of unemployment is 5.1%. The level of employment in the current year made up 65.2%.

In 2013 the implementation of the department target program "Employment assistance to Smolensk region population" for 2012-2014 (hereinafter referred to as the "Program") approved in the established procedure by the Coordinating Employment Support Committee of the Smolensk Region is still in progress. The Program provides for employment assistance with the help of the employment agency not less than 29.1 thousand people including 22.4 thousand people for permanent employment in 2013.

In addition the Program of additional measures against tensions at labour market of the Smolensk region for 2013 has been developed and approved by the Regulation of the Administration of the Smolensk region from 21.12.2012 № 1057. This Program provides for the creation by enterprises, organizations and individual entrepreneurs of 115 equipped working places for employment of 115 unemployed disabled people.

The authorities in the sphere of employment assistance are realized by 8 employment agencies which implement the main principles of the Employment Act.

The implementation of employment Program events in 2013 will enable to restrain the unemployment growth in the region.



SOCIAL SPHERE

EDUCATION



Preschool education in Smolensk region is presented by 279 educational institutions. More than 60% of children at the age of 1-6 are getting preschool education in the region.

35.3 thousand children are involved in the system of preschool education. 30.5 thousand of them are in the city and 4.8 thousand in rural areas.

In the system of compulsory education 494 schools and boarding schools of all types are functioning. The general amount of the school students is 81 thousand people. There are also 5 general boarding schools, 15 schools and boarding schools for children with disabilities, 1 health resort schools (schools where studies, rest and medical care are combined), progymnasium "Polyanka" (school for children (3-10 years old) which prepares them to enter the gymnasium), 458 general schools, 12 night schools and 2 orthodox gymnasiums (church schools).

9 comprehensive boarding schools (1315 students), 15 special education schools (1440 students) and 3 private schools are functioning in the region.

The system of additional education is presented by 79 institutions 32 of which are polytechnic, 31 sport oriented, 8 eco-biological, 3 touristic and regional history oriented and 2 technical. Among the additional educational institutions there are 18 Children Activity Centers, 19 Creative Activity Centers, 1 Palace for Creative work and Youth, 1 teen club, 8 centers, 31 sport schools and 1 zoo.

53 thousand people (it makes up 58% of the general amount of children at the age of 5-18 years old) are studying in the additional educational institutions. There are 150 kinds and 10 directions of teaching.

The system of professional education is presented by:

- elementary vocational education (11 institutions are subordinate to the Region);
- secondary vocational education (45 institutions, 5 of them are federal subordinate, 31 are subordinate to the Region and 9 private);
- higher professional education (33 institutions, 19 federal, 1 regional, 13 private).

Among the institutions of higher professional education are Marshal of the Soviet Union A.M. Vasilevsky Military Academy of Antiaircraft Security of the Military Forces of the Russian Federation, the Smolensk State Academy of Physical Culture, Sport and Tourism, the Smolensk State Academy of Public Health Service and Social Development Federal Agency, the Smolensk State University, the Smolensk State Art Institute, the Smolensk Humanitarian University, the Business and Entrepreneurship Institute, the



Smolensk Branch of Federal State Funded Educational Institution of Higher Education "National Research University "MEI" , the Smolensk State Agricultural Academy.

A personnel training is being conducted in 24 directions. There are 20 directions (80 specialities) in higher educational institutions, 21 directions (87 specialities) in institutions of secondary vocational education and 14 directions (94 specialities) in institutions of elementary vocational education.

72.4 thousand students are involved in the system of professional education. Among the students of professional educational institutions there are 68.9% students of higher vocational education, 24.4% students of secondary vocational education and 6.7% students of elementary vocational education.

PUBLIC HEALTH SERVICE



Health service network of Smolensk region is presented by 73 regional state-financed healthcare institutions. The largest and most equipped are the Regional clinical hospital, Children's regional clinic hospital, the Veteran hospital, the Emergency hospital and the Clinical hospital at the station "Smolensk" OAO "RZHD" (РЖД) (Russian Rail Road). In the territory of the Region there are 25 Central district Hospitals, 3 district hospitals, 11 hospitals of medical districts, the maternity hospital,

2 mental hospitals, 3 specialized hospitals, 6 TB early treatment centre, 20 independent outpatient clinics, 504 midwife centers.

The Center for AIDS and Infections Control, the Blood Centre and the Pathology Center are also functioning in the Region.

The building of the Federal medical trauma and orthopedic surgery and endoprosthesis replacement center has been completed. The trauma center is a highly specialized institution for providing high-technology medical assistance of trauma-orthopaedic specialization which is equipped with modern medical devices of world standards. The Center is able to solve a wide range of diagnostics and locomotor system problems of children and adults. Labour supply of doctors in the Smolensk region makes up 59.7 people per 10 thousand of the population and nursing staff includes 105.6 thousand people per 10 thousand of the population. The amount of inpatient day clinics as the most inexpensive kind of medical assistance is growing and makes up 9.5 places per 10 thousand of the population.



SOCIAL PROTECTION SYSTEM

On the territory of Smolensk region there are 25 active complex social service centres (hereafter CSSC) which correspond precisely to real needs of the citizens and make it possible to continue their residence in home environment and maintain their social contacts. The citizens living in all the municipal units of the Smolensk region are entitled to use the services of these centres.

Social service centres (SSC) render the following services: social amenities, socio-medical and sanitation help, socio-psychological help, socio-economic and socio-legal help.

In the structure of SSC there are 118 departments of in-home social service for elderly and disabled people.

There are also 8 specialized departments of in-home socio-medical service for elderly and disabled people with serious diseases.

The temporary residence departments function in Smolensk Regional State Budgetary Institution (SRSBI) "Vyazemsky CSSC", SRSBI "Dorogobuzhsky CSSC", (SRSBI) "Ershichesky CSSC", Smolensk Regional State Autonomous Institution (SRSAI) "Roslavlsky CSSC", SRSBI "Rudnyansky CSSC" and the social adaptation rehabilitation departments function in SRSBI "Vyazemsky CSSC", Regional State Budgetary Institution (RSBI) "Smolensky CSSC" and SRSAI "Roslavlsky CSSC".

Free meal for the citizens in a difficult life situation is given by social dining halls in SRSBI "Vyazemsky CSSC", SRSBI "Dorogobuzhsky CSSC", SRSBI "Ershichesky CSSC", SRSAI "Roslavlsky CSSC", SRSBI "Rudnyansky CSSC", SRSBI "Shumyachesky CSSC", SRSBI "Jartsevsky CSSC".

The service "Social taxi" is organized by complex social service centre for the purpose of providing the separate categories of citizens with immediate access to socially important objects.

In the region there are 11 specialized institutions for underaged people. They are social residential treatment center, rehabilitation center for physically challenged children and teenagers "Vishenki", Novo-Nikolsky care center for mentally-retarded children.

48 kinds of social and compensatory payment are available in the region. The payments are made not only by regional funds but also by means of federal funds and Social Insurance Fund with their 400 000 thousand payee.

CULTURE

The Smolensk region has great cultural potential. There are 575 libraries, 547 cultural and leisure centers, 22 municipal museums with their 3 branches, 3 regional museums with their 4 branches where the collections have unique exhibits, 4 recreational parks, 3 theaters, the Philharmonic Hall, folk art centre, cultural and exhibition centre, the center of protection of cultural and historic heritage, film society, art institute, music school and 56 children's art schools (schools of different art forms).

In the libraries of the region 154 Socially important information centers have been created which are active at the present moment.

Tvardovsky regional universal library of Smolensk is considered to be one of the best regional libraries in Russia. In 2013 Svetilnikov Smolensk regional puppet theatre was opened after the restoration and the Tenishevy cultural and exhibition center started its work.



Some of the annual events on the territory of the region gain their popularity. They are the All-Russian film festival "Golden Phoenix" in Smolensk, the All-Russian Glinki musical festival, the production of Valutinskoje battle on 7 August, 1812 in the Kardymovsky District, the historical and cultural festival of military historical reconstruction "Gnezdovo Barrows-2011" (Gnezdovskije Kurgany-2011)" etc.

In Smolensk and in Zagorje khutor (Khutor is a separate estate located at a separate piece of land with its owner) in the Pochinkovsky district there are the Tvardovsky Apartment Museums. A.T. Tvardovsky is a Russian author of an immortal poem about Russian soldier "Vasiliy Terkin". The museum of "Katyusha" song was built in M.V. Isakovsky's native land in "Vshody" village in 1985. The Apartment Museum of Flag bearer of Great Victory M.A. Egorov functions in Rudnya.

The most remarkable event of XX century happened on 12 April, 1961. It was our compatriot Yuri Alekseyevich Gagarin who became the first human to journey into outer space. He was born in Gzhatsk (now Gagarin). Every year thousands of people come to visit the Gagarin Joint Memorial Museum.

Over the last years the Art Gallery of Smolensk Museum-Reserve has become one of the most popular places to visit among the citizens of Smolensk and its guests. Here the display of Russian art from ancient Russian icons to works of XX century is represented. The display includes the works of V.A. Tropinin, I.I. Levitan, I.E. Repin, F.S. Rokotov, I.K. Ajvazovsky, V.A. Serov, K.A. Korovin, A.N. Benua, K.A. Somov, R.R. Falk, N.K. Rerih. The display of west-european life of XV-XX is also presented in the gallery. The display is notable not only for wide range of schools of painting (Italian, Dutch, Flemish, Spanish, French and German) but also for highest artistic level of works.



PHYSICAL CULTURE AND SPORT



In the sphere of physical culture and sport the following institutions of the Smolensk region are working: the Smolensk State Academy of Physical Culture, Sport and Tourism, the Smolensk State School of the Olympic Reserve, the Gagarin Secondary Special Pedagogical School, the Smolensk Regional School of Highest Sportsmanship, 42 Sports Schools DYUSSH (the Children's and Youth Sports School) and SDUSHOR (the Children's and Youth Sports School of the Olympic Reserve). In DYUSSH and SDUSHOR there are 21 934 students (319 more than in 2011). Running costs of Children's additional educational institutions (DYUSSH and SDUSHOR) made up more than 250 mln RUB (this amount has increased by 45 mln by 2011). Total financial costs per one student of the school made up 11 415 RUB, in 2011 – 9 859 RUB.

In addition, there are community and departmental physical education and sports development organizations in the region. They are: the regional department DOSAAF of Russia (Volunteer Society for Cooperation with the Army, Aviation, and Fleet)¹, the regional organization "Dinamo", the army sports club, the fitness and health sports society of labour unions, the regional association of veteran sportsmen, the physical education and sport regional federation of the disabled, regional federations of different kinds of sport and other organizations.

The regional executive authority in the sphere of physical education is the Department of Sport, Tourism and Youth policy. In August 2012 it was renamed Sport Authority of the Smolensk region and maintained all the functions of development of physical education and sport in the region.

The formation of a healthy life-style, the promotion and development of physical education and sport among different segments of the population of the Smolensk region are implemented through the reconstruction and building of modern sports facilities for practicing sports at place of residence, staff training in organizing physical training activity with the population, development of institutions system of children's additional education in the sphere of physical education and sports, government support of students' sport development, training of competitive sportsmen and carrying out public sports events.

According to the statistic of the form №1-pc (the information about physical culture and sport) there are 2320 full-time workers of physical culture and sport in the region (2217 full-time workers in 2011). The total amount of people doing sports made up 22.7%

¹ The stated goal of the society was "*patriotic upbringing of the population and preparation of it to the defense of the Motherland*". Among the means to achieve this was the development of paramilitary sports. Initially, an important goal was financial support of the Soviet military (by membership fees, subscriptions, lotteries and donations). At the same time, ordinary sports were supported within the framework of DOSAAF facilities: sports halls, stadiums, swimming pools.

in 2012 what is 3.7% more than the amount in the previous year. The total amount of people doing sports (in the region) made up 224 151 people in 1396 institutions what is 37513 more than in 2011.

The work on strengthening of the network of health and fitness centers and sports facilities is continuing. There are 2 383 available sports facilities with the capacity of more than 53 thousand people including 24 stadiums with stands, 3 indoor sports facilities with artificial ice, 955 gyms (405 of which are adapted), 20 standard 25-meter swimming pools and 14 non-standard swimming pools (in schools and kindergartens), 61 shooting ranges, 25 ski resorts and 1180 plane sports facilities. The consolidated budget for the development of physical culture and sport made up more than 1.688 bln rubles in 2012 (680 mln rubles more than in 2011).

In 2012 the building of sports facilities in Roslavl and Khislavichy village was completed. The building works of sports facilities are implemented in Smolensk, Desnogorsk, Dorogobuzh, Safonovo, Novodugino village, Pechersk village and Temkino village. In the beginning of 2013 a modern health and fitness complex started to work within the framework of the program "Gazprom to children" in Holm-Zhirkovsky village. In the Demidovsky District a modern biathlon complex on the basis of the sports and recreation camp "Chaika" came into operation. Regional and national competitions together with training assemblies of sportsmen are successfully held there.



The reconstruction works of a sport training center of the Smolensk State Academy of Physical Culture, Sport and Tourism are going to be finished in the near future.

Some new modern universal sports facilities are coming into operation in September 2013. They are: the swimming pool with diving boards, the ice stadium, the track and field stadium, the stadium with track and field shot, the backup football field, the beach volleyball pitch and the roller skating rink.

In 2013 a new riding hall in Odintsovo village and a modern sport complex "The Palace of Sport "Jubileiny" will start to function in Smolensk, Chernyahovsky Street.

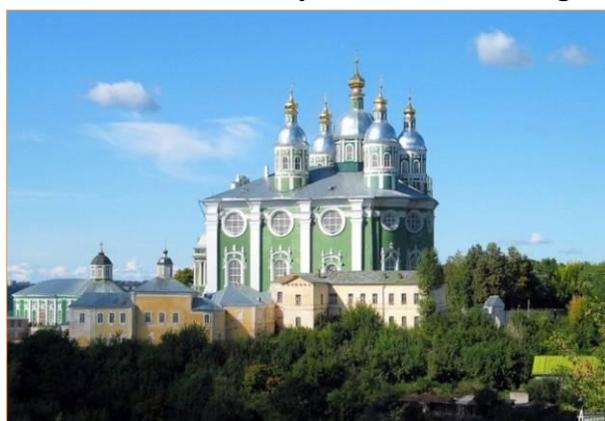
TOURIST, CULTURAL AND NATURAL POTENTIAL

Smolensk region has good prospects of turning into one of the leading tourist regions of Russia. The priority areas of domestic and inbound tourism in Smolensk region are:

- culture-cognitive and event;
- recreational;
- business;
- religious and pilgrimage;
- rural and ecological;
- medical tourism.

Culture-cognitive tourism is realized in Smolensk region for more than a century. The basis for its development is a rich and varied historical and cultural heritage of the region. Prerequisite for the development of cultural tourism is the celebration of a number of anniversary dates by which the region has a direct bearing:

- year 2012 – the 200-th anniversary of the victory in the Great Patriotic War of 1812;
- year 2012 - the 55-th Russian music festival named after M.I. Glinka (Glinka decade) in Smolensk city and in the village Novospasskoe of Yelnaya district;
- year 2013 - the 1150-th anniversary of the first historical mention of Smolensk, the 70-th anniversary of the liberation of Smolensk from the Nazis;
- year 2014 - the 175-th anniversary of the birth of the great Russian traveler N.M Przhevalsky.



On the territory of Smolensk region are placed: about 60 museums, 2,703 objects of cultural heritage (monuments of history and culture) were revealed 1080 objects of archaeological heritage, 495 properties are of interest from the historical point of view (buildings, obelisks, mass graves, etc.) 14 objects are of interest from the point of view of monumental art. Among the objects of cultural heritage 222 objects have a category of federal importance.

The most attractive parts of the development of tourism in Smolensk region are orthodox holy places. In recent years, is actively developing religious and pilgrimage tourism. The main centers are Smolensk, Vyazma, Boldino.

The main objects of pilgrimage:

- The Holy Assumption Cathedral in Smolensk,
- Temples of the 12-th century in Smolensk, urochishche Smyadyni in Smolensk - place of murder in 1015 of Murom Knyazh Gleb - the first Russian Orthodox saint,
- Forerunner nunnery in Vyazma,
- The Holy Trinity monastery in village Boldino of Dorogobuzh district.

Smolensk region has a significant touristic-recreational potential. Given the strong growth in demand for recreation by the inhabitants of megalopolises and increased mobility people, the capitalization of the tourism potential could be one of the important directions in development of the region. Territories of the region, suitable for the development of recreational and natural eco-tourism are:

- **Velizh** - in the east near by the border of the areal, in the south is wildlife sanctuary;
- **Przhevalskoye** – in the west and in the east of the National Park "Smolensk Lakeland";
- **Demidov** – in the south and on south-east of Demidov on the border of the areal on the north and south sides of wildlife sanctuary;

- **Rudnya** – in the western part of wildlife sanctuary;
- **Sychevka** – in the north part of the areal, on the border with the hydraulic system Vazuza;

- **Gagarin** - on Vazuza and Yauza water reservoirs.

The basis for the development of eco-tourism in Smolensk region are protected areas: national park "Smolensk Lakes" and the natural park "Gagarin".

Natural pearl of Smolensk region is considered to be the national park "Smolensk Lakes", created in 1992 and is located in the north-west of the region. Geomorphological feature of the park is its motley glacial topography and the pearl - 35 large and small glacial lakes surrounded by century-old pine and mixed forests.

Over the past two decades, the park has established an extensive network of hiking, water, and bike and hiking trails, nature trails equipped with dozens of parks and recreation on the shores of lakes Sapsho, Baklanovo, Rytoye were built numerous recreation centers developing a network of guest houses. The park is opened year-round for a visit.

The most visited museum in the park is a house - museum of the Great Russian traveler and naturalist N.M. Przhevalsky, who was born in Smolensk.

Natural Park "Gagarinskiy", located in the north-east of the region in the immediate proximity to the Moscow region, was established in 2006 in the pool's two largest water reservoirs of Smolensk region - Vazuza and Yauza.

Currently is being implemented a big investment project "Creation of infrastructure of tourist cluster Vazuza & Yauza Park on the territory of the municipality" "Gagarin district" of Smolensk region (construction of hotel and restaurant complex of 12 capital construction objects).

It is impossible not to note the unique in its beauty and purity of the territory in the south-east area - Ugra Porechye. Today, river Ugra is one of the most popular areas in Central Russia for water and recreational tourism.

Favorable ecological conditions in Smolensk region attract tourists who want relax in an environment approached to nature as much as possible.



Rural tourism in Smolensk region is a perspective direction. A number of districts (Demidov, Vyazma, Krasny) are actively visited by tourists.

Among the companies providing catering services, accommodation, tourist attraction and improvement in Smolensk region can be identified the following:

In Demidov district:

- guest house in village Staryi Dvor, on the shore of the lake Sapsho;
- guest house in village Przhevalskoye;
- guest house in village Nikitenki;
- peasant homestead of M.M. Sadovskiy, the head of the peasant farming "Shugaylovo";

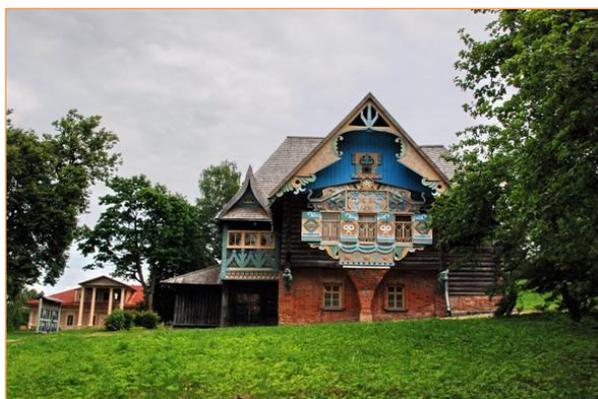
- recreation camp "Seagull" on the lake Rytöye.

In town Demidov in house-estate of Yuri Nikulin was established cultural and tourist center, and mini-hotel.

In Vyazma district:

- «Homestead of Krupenina» in the former estate of A.Ja. Khrapovitsky;
- «Homestead «Podvorye»;
- «Farm "TROSHINO" specializes in the breeding of thoroughbred horses;
- «Eco Village «Tchepchugovo» former manor of landlord Ivanov;
- «Manor «Veresk», hunting with dogs, accompanied by rangers;
- «Peasant farming of Abdulaev».

Holidays in the countryside of Smolensk region are the most popular among residents of Spain, Italy and France which visit argofarmsteads "Miroedovo" that has its own hunting area in Krasniy.



Tourism events are the main factors that attract large numbers of tourists to the region; it increases the interest to Smolensk region among tourists. Tourism Events presents bright and entertaining activities. Among the annual event-related activities can be mentioned international and inter-regional tourism, regional festivals,

rallies, competitions that take place in Smolensk region:

- Sergius regional fair in the village Kuzmichi of Ershichy district;
- International Youth Tourist Festival "Potemkin fun» in Dukhovschina district;
- International Tourist Festival «Solovyova crossing» in Kardymovo district;
- Fair «Vyazemskiy gingerbread » in Vyazma district;
- Regional Festival «His Majesty the Cucumber!» in Demidov district.

In 2012, in Smolensk region there were 75 of collective accommodation facilities, and at the beginning of 2013, there are 77, 55 of them - a hotel-type accommodation facilities and 22 specialized accommodation facilities, intended primarily for the treatment of patients with diseases of the digestive, circulatory, respiratory and nervous system.

The tourist flow in Smolensk region in 2010 amounted to 203.6 thousand people, in 2011 - 221 thousand people in 2012 (estimated) - 225 thousand people. On the 29-th of August, 2013 in the center of Smolensk in the park "Lopatinsky Garden" was opened a tourist visitor center "Smolensk tower" where residents and visitors of Smolensk city will be free to get all their information about the sights of Smolensk and the region. Tourists can get free booklets, calendars and tourist map "Mobile guide of Smolensk city." Brochures include information about hotels, food outlets, cinemas, theaters, museums, historical and architectural



monuments, and other information.

It is provided an installation of 20 information steles and 40 pointers. In the vicinity of Lenin square were already installed first information steles, where is posted the required to tourists map information.

As of the 1-st of January, 2013 on the tourist market of Smolensk region there are 86 companies that carry out tour operator and travel agency activities, including 17 tour operators registered in the Unified Federal Register of Tour Operators who are able to offer quality services in the field of domestic travel and tour services to Russian and foreign guests:

- OOO Tourist and excursion center «At 7 Hills»,
- OOO «Smolensk Travel»,
- OOO Center for youth and family rest «Meridian»,
- OOO «Company «Smolensktourist»,
- OOO «Smolensk Bureau of International youth tourism «Sputnik»,
- OOO «RIVIERA TOURS»,
- OOO «Smolenskije kladovyje», OOO «Smolensk travel agency» and others.

REFERENCE AND CONTACT INFORMATION



Postal address: 214008, Smolensk, Lenin square, 1.
Executive Office of Administration of Smolensk region:
phone: 8(4812) 38-11-31, 29-20-18,
e-mail: region@admin.smolensk.ru,
web site: www.admin-smolensk.ru

Reception of Governor of Smolensk region: phone: 8(4812) 38-66-11,
fax: 38-68-51

EXECUTIVE AUTHORITIES OF SMOLENSK REGION

1	Executive Office of Administration of Smolensk region	+7(4812)29-20-18 +7 (4812)38-11-31
2	Department of budget and finance of Smolensk region	+7 (4812)20-44-00
3	Department of economic development of Smolensk region	+7 (4812)38-65-40 +7 (4812)29-29-06
4	Department of Smolensk region on local government	+7 (4812)38-66-74 +7 (4812)29-21-22
5	Department of Smolensk region on social development	+7 (4812)66-46-27 +7 (4812)29-28-00
6	Department of Smolensk region on agriculture and food	+7 (4812)38-70-45 +7 (4812)29-22-41
7	Department of Smolensk region for the protection, control and regulation of forestry, wildlife and their habitat	+7 (4812)52-06-72
8	Department of property and land relations of Smolensk region	+7 (4812)29-10-41
9	The legal department of Smolensk region	+7 (4812)38-64-39
10	Department of Smolensk region on natural resources and environment	+7 (4812)35-04-61 +7 (4812)38-74-99
11	Department of Smolensk region for education, science and youth	+7 (4812)38-17-22
12	Department for public health of Smolensk region	+7 (4812)38-67-58 +7 (4812)29-22-01
13	Department of Smolensk region for construction and architecture	+7 (4812)38-97-67 +7 (4812)29-26-01
14	Department of Smolensk region for housing and communal services	+7 (4812)38-63-67 +7 (4812)32-71-76
15	Department of Smolensk region for Culture and Tourism	+7 (4812)29-23-86 +7 (4812)38-67-14
16	Department of state employment service of Smolensk region	+7 (4812)65-61-61 +7 (4812)38-29-17
17	Department of Smolensk region on energy, energy efficiency and tariff policy	+7 (4812)65-56-31 +7 (4812)65-58-05
18	Department of Smolensk region for industry, transport and roads	+7 (4812)38-67-06 +7 (4812)29-24-41
19	Department of Smolensk region for information technology	+7 (4812)29-22-23 +7 (4812)29-20-59
20	Department of Smolensk region for control and ensure of activities of magistrates and interaction with the administrative authorities	+7 (4812)38-29-86 +7 (4812)29-15-67 +7 (4812)29-12-77
21	Department of state construction and technical supervision of Smolensk region	+7 (4812)29-11-95 +7 (4812)29-11-20
23	Main Department of civil registration of Smolensk region	+7 (4812)38-10-87 +7 (4812)29-26-80
24	General Administration of sport Smolensk region	+7 (4812)38-78-05
25	Chief veterinary office of Smolensk region	+7 (4812)38-66-06
26	Main Department of the "State Housing Inspectorate of the Smolensk region"	+7 (4812)38-10-41
27	Main Department of state order of Smolensk region	+7 (4812)35-04-52 +7 (4812)29-23-13
28	General directorate for the preparation for the celebration of the 1150th anniversary of the founding of the city of Smolensk	+7 (4812)20-47-31
29	Main Department of public relations of the information policy of Smolensk region	+7(4812)29-21-00
30	Delegation of Administration of Smolensk region at Government of the Russian Federation	+7 (495)221-23-35 +7 (495)221-23-34

SMOLENSK CHAMBER OF COMMERCE AND INDUSTRY



Address: 214000, Smolensk, Bakunin-str., 10a

E-mail: assistant1@smolenskcci.ru

Phone./fax: +7(4812) 38-74-50, 38-74-32, 38-59-78.

www.smolenskcci.ru

President of Smolensk CCI – Arkhipenkov V.P.

Vice-president of Smolensk CCI – Pinyugin V.P.

Smolensk Chamber of Commerce and Industry (Smolensk CCI) is non-governmental, non-profit organization established to promote the socio-economic development of Smolensk region, the formation of a modern industrial infrastructure, the creation of an enabling environment for business, scientific, technical and economic links entrepreneurs with businesses in other regions of Russia and foreign countries, as well as the representation and protection of their legitimate interests in government.

Smolensk CCI was established in 1993 is a part of system Chambers of Commerce and Industry of the Russian Federation it acts on the basis of the Constitution of the Russian Federation, the Federal Law "On the Chamber of Commerce and Industry of the Russian Federation", the presidential decree, decrees and orders of the Government of the Russian Federation and the Charter.

Priority activity of the Chamber of Commerce and Industry considers support, representation and protection of interests of small and medium-sized businesses in the region. Today, it is an educational and business and information center for small and medium business in the region it heads a regional coalition of small business associations. Currently Smolensk Chamber of Commerce and Industry provides more than 60 kinds of different services and number is constantly increasing their quality and efficiency.

The main activities:

- Promotion of foreign trade enterprises, the provision of practical assistance to foreign markets, promotion of the establishment of cooperation with enterprises and firms of other countries and regions of Russia, as well as in the creation of joint ventures, the organization of trade missions.

- Surveying activities: carrying out of an independent examination of completeness and quality of the goods and consumer goods have not sustained the warranty period; examination for determination their own products of joint venture, the definition of counterfeit goods.

- Issuance of certificates of origin by Form "A", the general form, of the form "ST-1" and the identity documents of foreign trade, certification of services in road transport, preparing of enterprises for certification in accordance with the requirements of international quality standards ISO 9000.

- Appraisal activities including assessment of all types of real estate, equipment, property, business, investment projects, the goods seized by customs and government agencies, auto expert assessment.

- Exhibition activities: organizing and conducting of exhibitions, business meetings in the Russian Federation and abroad.
- Translation activities: translation and certification of documents, interpreting during negotiations.
- Educational activities: foreign language training, consultancy and organization of workshops and training sessions.
- Information and advertising activities: provision of targeted information about Russian and foreign companies, trade fairs, exhibitions, presentations, conducted in Russia and abroad, certificates of foreign firms, business proposals, checking the reliability of partners in the CIS and abroad, the search for a foreign partner. Advertise on the activities of enterprises, firms.
- Execution of documents by bars coding, trademark registration, patenting inventions, introducing enterprises in the "Register of reliable partners CCI.
- Legal services.
- The arbitration court.

On the basis of the Smolensk Chamber of Commerce and Industry in July 2013 in accordance with the Agreement between the Chamber and JSC "Russian Agency for Small and Medium Business" was established a representative office of the European Business Information Network - Euro Info Correspondence Center - Smolensk region. The project is financed by Russian Ministry for Economic Development and Administration of Smolensk region. The main objectives of the Smolensk EICC are providing of free information and advisory support and assistance to businesses of Smolensk region in the establishment and development of business cooperation with enterprises of other Russian and foreign companies.

Smolensky EICC offers the following services:

- advices on the capabilities and requirements of Russian and foreign markets;
- information about international and regional exhibitions and fairs;
- publishing information about the regional organization, its business offerings in inter-regional and international databases;
- search for potential partners in Russia and abroad;
- assistance in the implementation of the first contact with a potential partner (start of negotiations);
- carrying out of various information and training activities for searching of business partners and enter on new markets.

SMOLENSK REGIONAL FUND OF ENTREPRENEURSHIP SUPPORT



Address: 214014, Smolensk, Engels-str., 23
Phone/fax: +7 (4812) 61-05-09, 61-04-92
e-mail: sofpmp@rambler.ru

"Smolensk Regional Fund of Entrepreneurship support" is a non-profit organization, was established in 1996 by Decree of Administration of Smolensk region.

The supreme management body of the Foundation is the Fund - Administration of Smolensk region.

Supervising of activities realizes the Foundation Board of Trustees of the Fund. All these years the fund has supported entrepreneurs of Smolensk region.

In 2008, Administration of Smolensk region has adopted a long-term target program "Development of small and medium-sized businesses in Smolensk region for 2009-2012", that provides reorganization of the structure and activities of the fund to provide effective support and the provision of a wide range of services to small and medium businesses the Smolensk region.

The main directions of activity of the Foundation are:

Microfinance

- Provision of microloans to legal entities and individuals entrepreneurs
- No fees for the issuance of a microloan
- The provision of a minimum package of documents
- Operational decisions at the request
- Microloan repayment in installments in equal installments

Guarantee fund

- Assistance in obtaining of loans at commercial banks
- Provision of additional collateral

Consulting

- Provision of consultancy services in the field of organization and business development.

LARGE ENTERPRISES WITH FOREIGN CAPITAL CARRIED OUT ITS ACTIVITIES IN SMOLENSK REGION

OOO «EGGER DREVPRODUCT GAGARIN» (FRITZ EGGER GmbH & Co. OG Holzwerkstoffe, the Republic of Austria)	
Kind of economic activity	Manufacture of plywood, wood boards and panels
Manufactured products	Wood chipboard and fibreboard
Position and Name of Head of the Company	General Director Peter Paul Weismeier
Postal details, phones	215010, Smolensk region, town Gagarin, Ezhvinskiy proezd, 1, tel.: +7 (48135) 7-93-00, fax: 7-93-11
Branch «Milk Factory «Smolenskiy» OAO «COMPANY « UNIMILK » (Group of companies «Danone – Unimilk», the French Republic)	
Kind of economic activity	Dairying
Manufactured products	Milk products and infant's food
Position and Name of Head of the Company	Director Loginov Oleg Vladimirovich
Postal details, phones	214030, Smolensk, Krasninskoje shosse, 21 tel./fax +7 (4812) 66-72-47
OAO «OSRAM» (OSRAM AG, BRD)	
Kind of economic activity	Manufacture of electric lamps and lighting equipment
Manufactured products	Fluorescent lamps, incandescent lamps
Position and Name of Head of the Company	General Director Gerald Kunzman
Postal details, phones	214020, Smolensk, Industrialnaya-str., 9a tel. +7 (4812) 62-86-00, fax 62-86-40
ZAO «Eurodesign» (Nilom Holdings Limited, the Republic of Cyprus)	
Kind of economic activity	Manufacture of furniture and furniture accessories
Manufactured products	Furniture parts and furniture from laminated wood panel
Position and Name of Head of the Company	Director Menkova Marina Vyacheslavovna
Postal details, phones	214016, Smolensk, Sobolev-str., 113 tel./fax: +7 (4812) 21-42-14
OOO «Sychevskiy electrode plant» (ESAB Holdings Ltd, the Republic of Austria)	
Kind of economic activity	Manufacture of wire products
Manufactured products	Steel ropes and cables, wire mesh, electrodes, nuts, bolts, wires, rods, bolts, flanges, fasteners
Position and Name of Head of the Company	General Director Aleksandrov Yuriy Aleksandrovich
Postal details, phones	215280, Smolensk region, town Sychevka, B. Proletarskaya-str., 34, tel.: +7 (48130) 2-40-00, fax: 2-40-50
ZAO «KLASSEN-RUS» (Classen Floor System, The Republic of Poland)	
Kind of economic activity	Manufacture of wood and production of wooden goods
Manufactured products	Laminate flooring, interior doors, accessories
Position and Name of Head of the Company	General Director Matias Goretskiy
Postal details, phones	215010, Smolensk region, Gagarin, Promyshlenniyy proezd, 9

	tel./fax: +7 (48135) 3-48-16
ZAO «voest Alpine Arkada Profil» (voest Alpine Profilform GmbH, the Republic of Austria)	
Kind of economic activity	Production of metal profiles for building
Manufactured products	Rolled formed sections, moldings, strips
Position and Name of Head of the Company	General Director Mirskiy Aleksey Borisovich
Postal details, phones	215805, Yartsevo town, Машиностроительная-стр., building 5, tel.: +7 (48143) 5-14-33, fax: 5-16-71
ООО «Yartsevskiy khlopchatobumazhniy kombinat» (Limited liability company BULOSAN TRADING LIMITED, the Republic of Cyprus)	
Kind of economic activity	Production of cotton fabrics
Manufactured products	Ready cotton and blended fabrics, terry cloth towels and napkins, tissue maintenance and special purpose, garments and other textile products
Position and Name of Head of the Company	General Director Bashmakov Vladimir Alexandrovich
Postal details, phones	215800, Yartsevo town, Lenskaya-стр.,16 tel./fax: +7 (48143) 7-27-62
ОАО «SAOMI» (F.Ili De Cecco Di Filippo Fara San Martino S.p.A., the Italian Republic)	
Kind of economic activity	Production of macaroni products
Manufactured products	Packaged pasta and cereals
Position and Name of Head of the Company	General Director Tchernenko Vladimir Konstantinovich
Postal details, phones	214030, Smolensk, Krasninskoye shosse, 19 tel.: +7 (4812) 66-06-86, 66-25-85
ООО «Renus Terminal» (Group of companies «RHENUS LOGISTICS», the Federal Republic of Germany)	
Kind of economic activity	Organization of cargo transportation
Position and Name of Head of the Company	Director Misurev Alexandr Anatolievich
Postal details, phones	216125, Smolensk, Krasninskiy district, village Lonmitsa, Tsentralnaya, 8, office 5, tel.: +7 (48145) 2-29-94

ORGANIZATIONS

1	Public Prosecutor's office of Smolensk region http://www.smolprok.ru	+7(4812)38-52-16 +7 (4812)38-10-43
2	Office of the Ministry of Justice of the Russian Federation of Smolensk region http://to67.minjust.ru	+7 (4812)32-96-16
3	State Labour Inspectorate of Smolensk region http://git67.rostrud.ru	+74812)31-19-13
4	Smolensk Customs Office http://www.admin-smolensk.ru/~custom/	+7 (4812)20-29-28 +7 (4812)21-95-44
5	Territorial Administration of Federal Agency for Federal Property Management of Smolensk region http://tu67.rosim.ru	+7 (4812)38-62-32 +7 (4812)38-69-94
6	Territorial body of Federal State Statistics Service of Smolensk region http://sml.gks.ru	+7 (4812)64-77-73
7	Office of the Federal Registration Service of Smolensk region http://to67.rosreestr.ru	+7 (4812)35-12-50 +7 (4812)35-12-51
8	Chief Directorates of EMERCOM of Smolensk region http://www.67.mchs.gov.ru	+7 (4812)38-62-01
9	Directorate of the Federal Security Service of Russia for Smolensk region http://www.fsb.ru/fsb/regions.htm	+7 (4812)38-12-50 +7 (4812)30-23-00
10	Directorate of the Ministry of Internal Affairs of the Russian Federation http://67.mvd.ru	+7 (4812)39-32-36 +7 (4812)68-33-18
11	Administration of the Federal Tax Service for Smolensk region http://www.r67.nalog.ru	+7 (4812)20-60-00 +7 (4812)20-61-04
12	Administration of the Federal Migration Service for Smolensk region http://www.ufms67.ru	+7 (4812)35-39-29 +7 (4812)35-39-27
13	Administration of the Federal Supervision Agency for Customer Protection and Human Welfare of Smolensk region http://www.67rospotrebnadzor.ru	+7 (4812)38-25-10
14	Directorate of the Federal Treasury of Smolensk region http://smolensk.roskazna.ru	+7 (4812)38-97-32
15	Directorate of the Federal Antimonopoly Service of Smolensk region http://smolensk.fas.gov.ru	+7 (4812)38-63-88 +7 (4812)38-62-22
16	Directorate of the Federal Real Estate Cadastre Agency of Smolensk region http://r67.kadastr.ru	+7 (4812)66-72-90
17	Federal State Institution "Land Cadastre Chamber" of Smolensk region http://to67.rosreestr.ru/kadastr/nov_fgu/2362825	+7 (4812)35-12-44
18	Smolensk regional office of the Social Insurance Fund of the Russian Federation http://r67.fss.ru	+7 (4812)38-29-80 +7 (4812)64-74-44
19	Smolensk Regional Compulsory Medical Insurance Fund http://www.smolfoms.ru	+7 (4812)64-15-76
20	Department of the Pension Fund of the Russian Federation for Smolensk region http://www.pfrf.ru/ot_smolensk	+7 (4812)62-49-12
21	Smolensk Scientific and Technical Information Centre http://smolcenti.ru	+7 (4812)38-95-44 +7 (4812)38-60-91
22	Smolensk branch of Moscow railroad affiliate of JSC "Russian Railways" http://www.translogist.ru/telzd/moszd.asp	+7 (4812)39-45-03
23	Smolensk regional state institution "Administration of regional automobile roads" http://smolavtodor.ru	+7 (4812)38-05-71 +7 (4812)38-36-06
24	Smolensk association of enterprises (employers) "Scientific and industrial union"	+7 (4812)38-39-95
25	Smolensk branch of Federal State Institution «Rostekhniv entarizatsiya – Federal Bureau of Technical Inventory» http://r67.rosinv.ru	+7 (4812)38-88-61 +7 (4812)65-66-33

HOTELS

1	Hotel complex "Russia", Smolensk, Dzerzhinsky street, 23/2	+7 (4812) 65-59-70
2	Hotel "Tsentralnaya", JSC "Smolensk hotel", Smolensk, Lenin street, 2/1	+7(4812)38-36-04
3	Hotel "Patriot", Smolensk, Kirov street, 22G	+7 (4812)38-49-36
4	Hotel "Medlen", Smolensk, Rumyantsev street, 19	+7 (4812)55-41-35
5	Hotel "Uyut", Smolensk, Kozlov street, 3A	+7 (4812)38-15-39
6	Hotel "Tikhoe mesto", Smolensk, Roslavl highway, 7th km	+7 (4812)41-82-65
7	Hotel "Sedmoe nebo", Smolensk, Roslavl highway, 7th km	+7 (4812)63-08-90
8	Hotel "Usadba", Smolensk, Bakunin street, 2B	+7 (4812)38-59-31
9	Hotel "Dubrava", Krasny Bor settlement	+7 (4812)42-08-79
10	Hotel "Novy", Smolensk, Gubenko street, 26	+7 (4812)27-22-73
11	Hotel SKA MVO, Smolensk, Bagration street, 25	+7 (4812)65-39-63
12	Hotel "Vostok S", Smolensk region, Gagarin, Gagarin street, 58	+7 (48135)4-20-08.
13	Hotel "Jubileinaya", Smolensk region, Dorogobuzh district, Verhnedneprovsky settlement, Komsomolskaya street, 31	+7 (48144)5-48-03 +7 (48144)5-48-82
14	Hotel "Safonovotourist", Smolensk region, Saphonovo, Krasnogvardeyskaya street, 17	+7 (48142)4-29-25 +7 (48142)4-39-72
15	Hotel "Vyazma", Smolensk region, Vyazma, Kosmonavtov street, 4	+7 (48131)4-14-65
16	Park-hotel "Volskie dachi", Smolensk region, Vyazma, Moscow-Minsk highway, 227th km.	+7 (48131)2-54-70
17	Hotel "Vyazma-Bryanskaya", Vyazma-Bryanskaya settlement, 50 let Pobedy street, 56	+7 (48131)2-10-60
18	Hotel "777", Rudnya, Kireev street, 193	+7 (48141)5-13-32
19	Hotel "Ryabinushka", Yartsevo, Stroiteley street, 6	+7 (48143)5-45-80
20	Hotel "Dvakapitana", Roslavl, Proletarskaya street, 47	+7 (48134)6-43-65
21	Hotel complex "Koleso", Smolensk, Roslavl highway, 60A	+7 (4812)26-04-03 +7 (4812)26-04-00
22	Hotel complex "Kristina", Smolensk, 3rd Severny lane, 2	+7 (4812)44-44-95
23	Hotel complex "Sem' sorok", Smolensk, Krasninskoe highway, 35	+7 (4812)20-94-94
24	Hotel complex "Derzhava", Smolensk, Kashena street, 5A	+7 (4812)27-02-79 +7 (4812)27-02-92
25	Hotel complex "Dvoryanskoe gnezdo", Yuzhny microdistrict, 40	+7 (4812)41-80-80 +7 (4812)41-87-78
Holiday centres		
26	Holiday centre "Krasny bor", Smolensk, Krasny Bor settlement	+7 (4812)42-10-94 +7 (4812)42-10-09
27	Holiday centre named after N. M. Przhevalsky, Smolensk region, Demidov district, Przhevskoe, Kurortnaya street, 1	+7 (48147)2-66-68 +7 (48147)2-65-56
28	Sanatorium-preventorium "Crystal", Smolensk region, Smolensky district, Zhukovo village.	+7 (4812)47-55-40
29	Health and recreation resort "Golovka", Smolensk, Roslavl district, Profilactory ZIL village, Krapivensky by-street, 2	+7 (48134)5-82-75
30	Holiday centre "Lesnaya polyana", Smolensk region, Desnogorsk	+7 (48153)7-09-77 +7 (48153)7-17-24
31	Holiday centre "Mat' i ditya", Smolensk region, Borovaya village	+7 (4812)34-92-23
Tourist bases		
32	Sports and fitness complex "SMENA", Smolensk, Krasny Bor settlement	+7 (4812)42-08-04
33	Leisure base manor hotel "Lafer", Smolensk district, Gerchicki village	+7 (4812)40-57-53
34	Tourist base "Chayka", Demidov district, Nikitenki village	+7 (48147)2-64-24
35	Tourist complex "Sokolya gora", Smolensk region, Mitino village, Sokolya gora	+7 (4812)36-34-92 +7 (4812)36-34-98
36	Auto-tourist base "Khvoynaya", Smolensk region, Zhukovo village	+7 (4812)47-52-35 +7 (4812)47-52-80
37	Leisure base "Baklanovo", Smolensk region, Demidov district, Baklanovo leisure base	+7 (48147)2-31-74
38	Training fitness centre "Prudok", Smolensk region, Roslavl, Michurin street, 202	+7 (48134)4-13-62 +7 (48134)5-67-95
39	Hunting and sports complex "Krechet", Smolensk region, Elnya district, Istopki village	+7 (481462)45-21
40	Young tourists station – Smolensk, Nizhnaya Dubrovenka street, 13	+7 (4812)27-04-59