

# MAGNITOGORSK

an open, real, present, successful

## CITY OF ATTRACTION



**INVESTMENT APPEAL OF MAGNITOGORSK**



***"We strive to make Magnitogorsk an innovative and cultural center, a city of balanced economy and sports history, a place of attraction for proactive youth"***

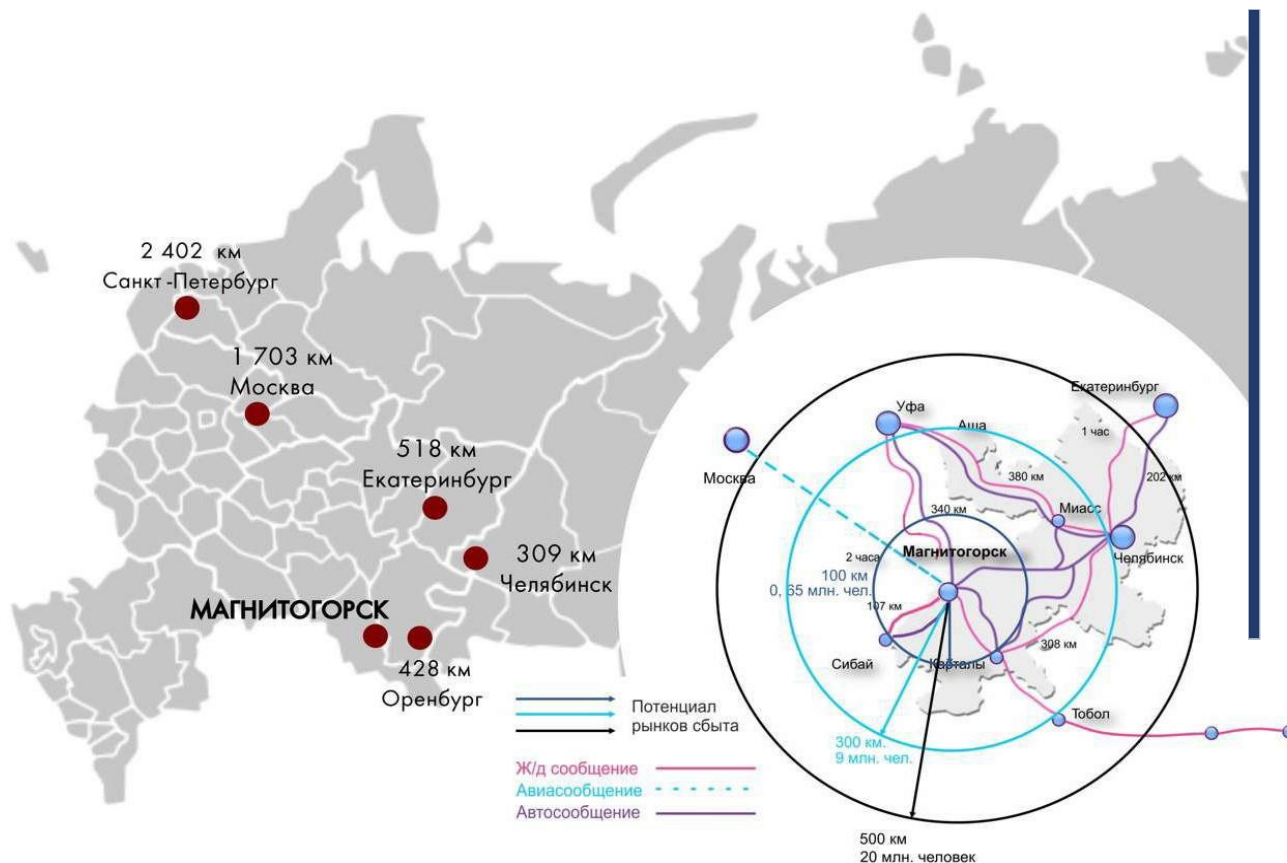
***The head of the city of Magnitogorsk  
Sergey Berdnikov***

# CITY'S HISTORY



**Magnitogorsk is one of the largest industrial cities in the country**

# INFORMATION ABOUT THE CITY



**1929**  
year of the city's  
founding

**392 км<sup>2</sup>**  
area of the city

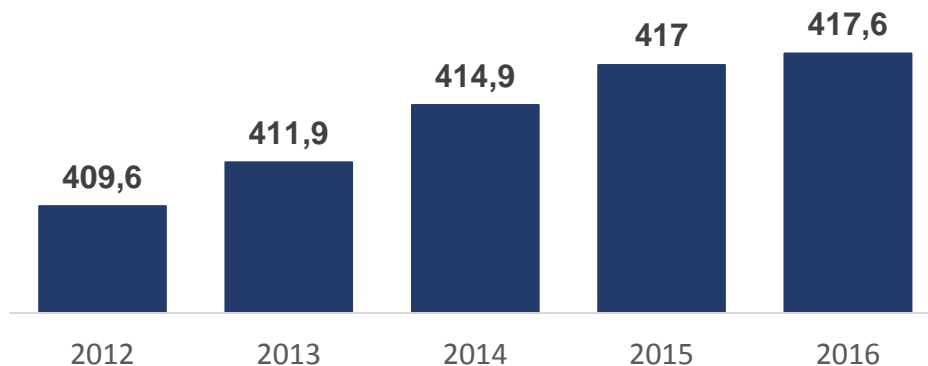
**418**  
thousand of people

**240**  
thousand people of  
able-bodied  
population

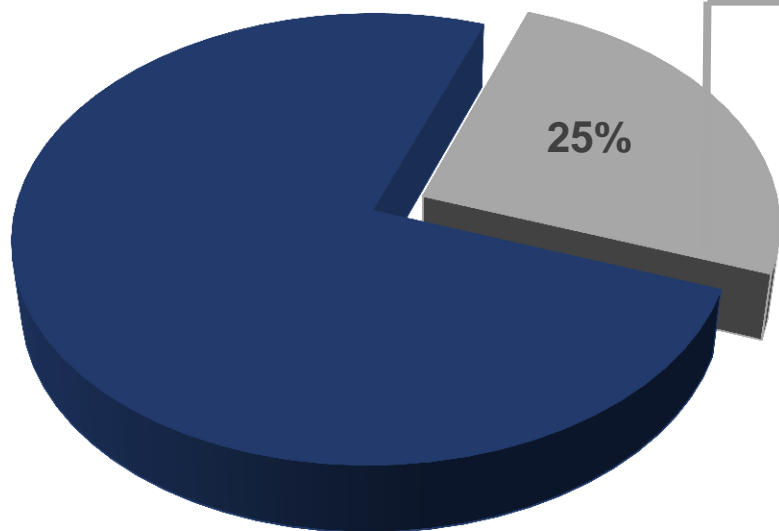
Several areas of Chelyabinsk and Orenburg regions and Bashkortostan ajoin to Magnitogorsk. So, nowadays the city is an agglomeration with 650 thousand inhabitants

# CITY POPULATION

Dynamics of population growth in Magnitogorsk



The share of youth in the population of Magnitogorsk



**60%**

**Working-age  
population**

**42%**

**economically  
active population**

**93%**

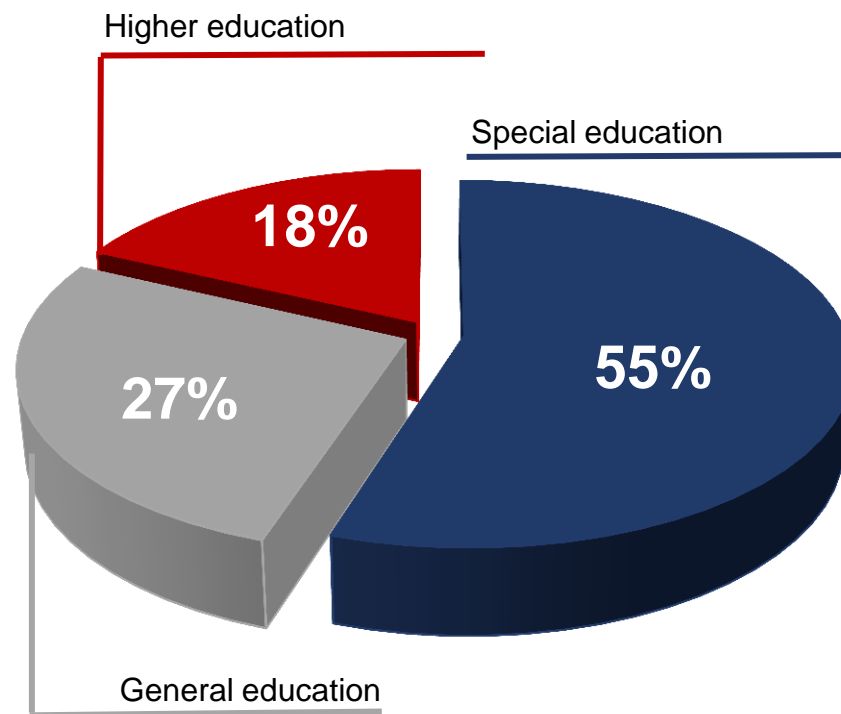
**educated  
population**

# ОБРАЗОВАНИЕ

Two higher educational institutions  
Magnitogorsk State Technical University



Magnitogorsk State Conservatory

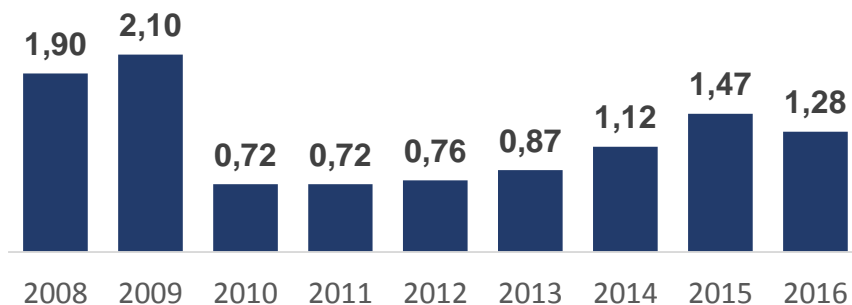


Six vocational colleges

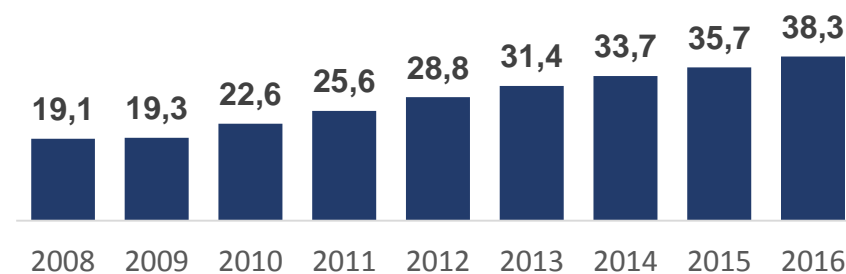
In universities and branches more than 20 000 students study in educational programs of higher education and secondary vocational education (full-time, part-time, part-time forms of training)

# INFORMATION ABOUT THE CITY

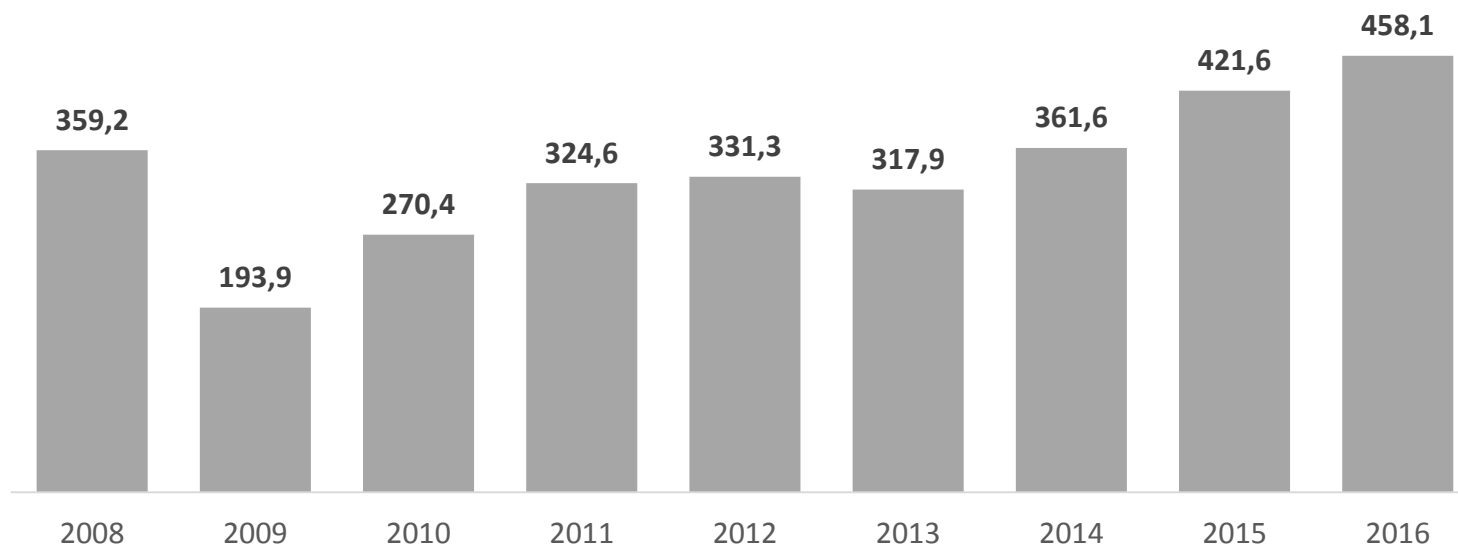
Unemployment rate, %



Average wages in large and medium-sized enterprises, thousand rubles



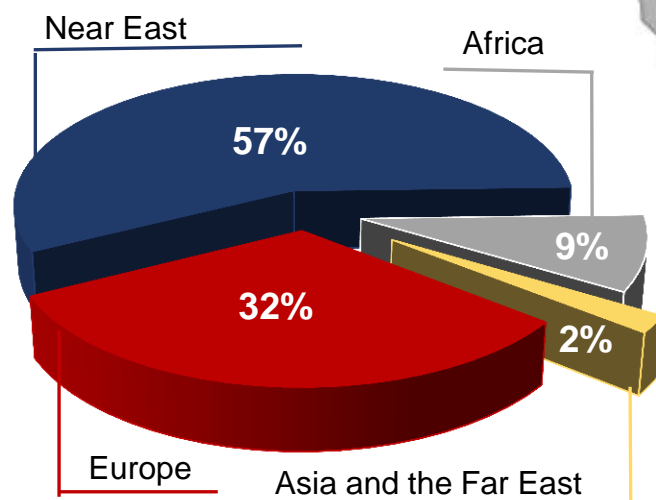
The volume of shipped goods of its own production, performed works and services on its own, billion rubles



# MAIN DIRECTIONS OF EXPORT



Main trading partners:

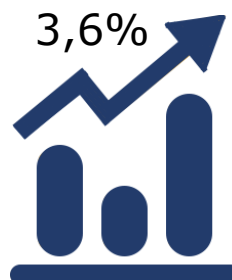


# URBAN DEVELOPMENT ENTERPRISE

**PAO «Magnitogorskiy metallurgicheskiy kombinat»** is one of the world's largest steel producers and the leader among Russia's steel industry.

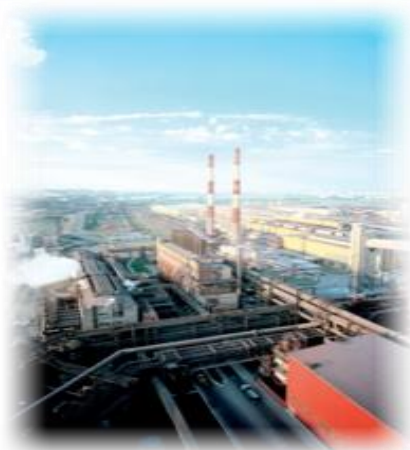


**The growth of steel production of the «MMK»\***



**The growth of production 9,1% with high added value of 3,5% the «MMK»\***

\* according to the results of 2015 and 2016.



The company's assets include a large metallurgical complex with a full production cycle, from preparation of iron ore to downstream processing of rolled steel.

The largest exporter of the city and the Chelyabinsk region.

In 2016, MMK Group produced 12.5 million tons of steel and 11.6 million tons of products with high added value

# THE LARGEST ENTERPRISES

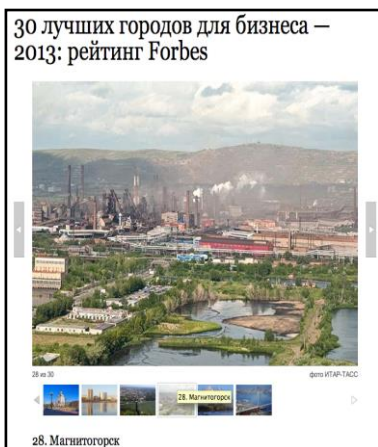
The volume of  
shipped goods of own  
production, works and  
services performed by  
the company's own  
forces in 2016  
amounted to 458  
billion rubles



# MAGNITOGORSK IN RATINGS



**Forbes**



28 place - the results of  
**2009** year  
28 место - the results of  
**2012** year  
Maintaining the position

**РБК**



8 place - the results of  
**2012** year  
55 place - the results of  
**2011** year  
Increase to 7 points



Интегральный рейтинг крупнейших городов России

Место в рейтинге	Город	Количество баллов
1	Краснодар	77,5
2	Сургут	72,2
3	Екатеринбург	67,4
4	Южно-Сахалинск	67,1
5	Мурманск	66,8
6	Белгород	66,1
7	Воронеж	66,0
8	Магнитогорск	65,8
9	Уфа	65,5
10	Ростов-на-Дону	65,5

8 place – the results  
of **2012** year  
16 place – the results  
of 2011 year  
Increase to 8 points



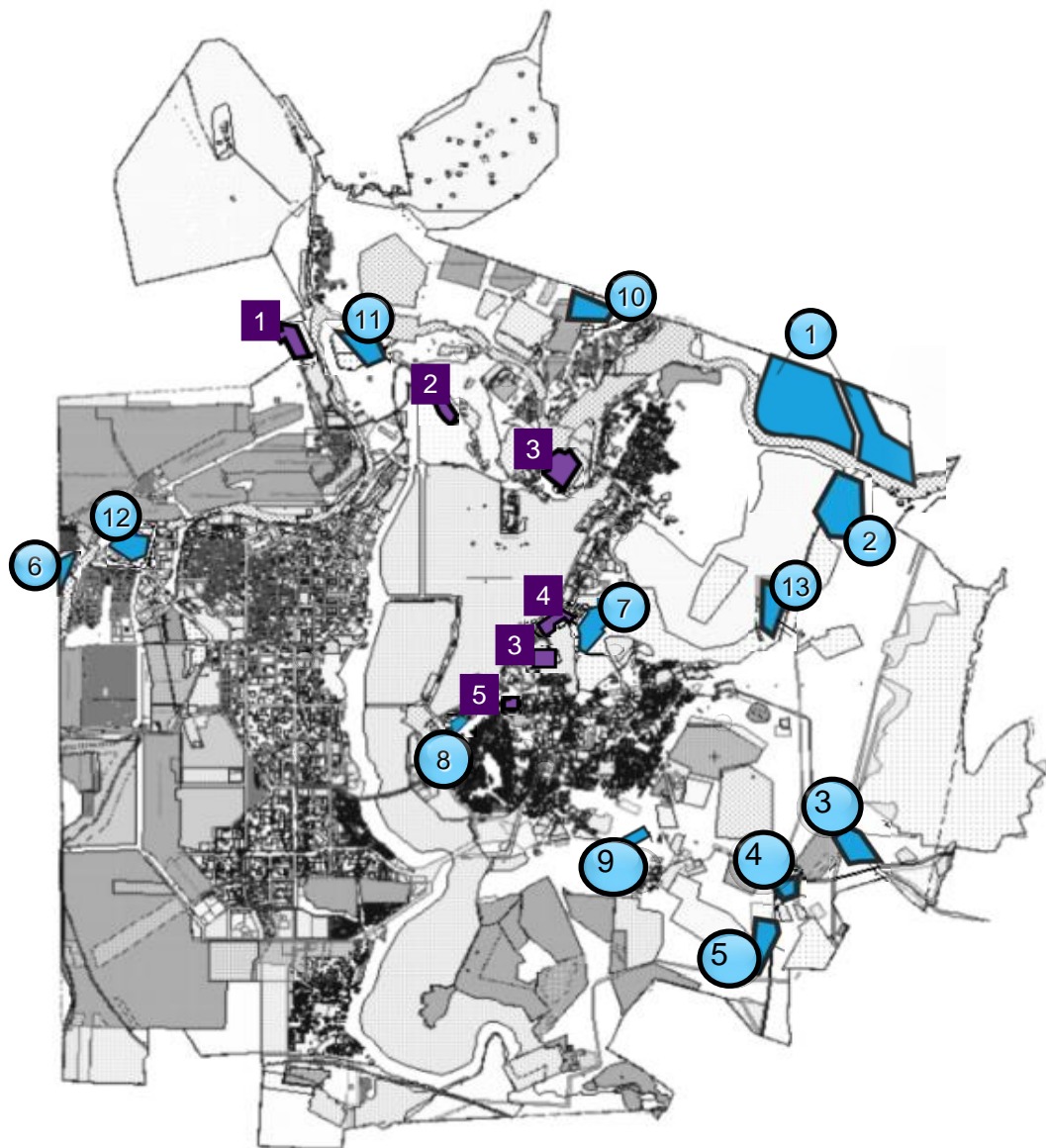
Лучшие города России  
100 лучших российских городов

Таблица: Светлана Горбичева, Юлия Петрова

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41 place – the results  
of 2014 year  
60 place – the  
results of 2013 year  
Increase to 19 points

# VACANT LAND AND SITES



**13 land and 6 industrial sites of various sizes potentially interesting for the industrial production. The investor will be supported in dealing with infrastructure.**

# SUPPORTING OF THE PROJECTS INITIATORS

**Selection of the vacant land and finished industrial sites located both in the municipal and private property for the location of production**

**Assistance in connection the networks of engineering infrastructure**

**Creation of joint working groups with participation of profile enterprises and organizations for operational interaction within the framework of implementation of investment projects**

**Structuring and adaptation of the financial model of the investment project with a view to its successful implementation**

**Monitoring of federal and regional target programs for inclusion of the investment projects with the aim of compensation the cost of the investment project**

**Financial support of investment projects (city administration, Fund for development of small and medium-sized businesses in the Chelyabinsk region, the Chelyabinsk Region Industry Development Fund, the Mono-Grove Development Fund, etc.)**

**Granting preferential income tax rates (up to 16.5%) and property tax for resident organizations of LLC MMK-INDUSTRIAL PARK. Privileged conditions in respect of rent, availability of communal and transport infrastructure**

# THE SUPPORT OF THE SMALL AND MEDIUM BUISNESS



**Granting preferential income tax rates (up to 16.5%) and property tax for organizations implementing priority investment projects in the Chelyabinsk region**

**Assistance in expanding the sales markets for newly created industries (promotion of investment projects in the media, at exhibition and fair events, information about the need, large companies, information sites for finding customers)**

**The functioning of two collegiate bodies with the participation of representatives of government bodies and entrepreneurs in the territory of Magnitogorsk**

**The functioning of eleven public associations of entrepreneurs (unions, associations)**

**Conducting seminars, trainings, training events for entrepreneurs**

**Providing consulting, organizational and methodological assistance to enterprises of Magnitogorsk on the development and implementation of investment projects**

**"Tax holidays" for the first time registered entrepreneurs engaged in entrepreneurial activities, including in the social sphere, using a simplified and patent system of taxation**

# EXPERIENCE OF THE IMPLEMENTATION OF LARGE-SCALE INVESTMENT PROJECTS



The 200 cold rolling mill JSC  
"MMK"  
44,5 million rubles



The machine of continuous  
casting - 6 PAO "MMK"  
10 million rubles



Factory of recycling the  
rubber products  
100 million rubles



Shopping-centre «Kontinent»  
1,3 billion rubles



Feed mil  
640 million rubles



Protective coatings factory  
398 million rubles



Metal products factory  
191 million rubles



The factory of paint products  
420 million rubles

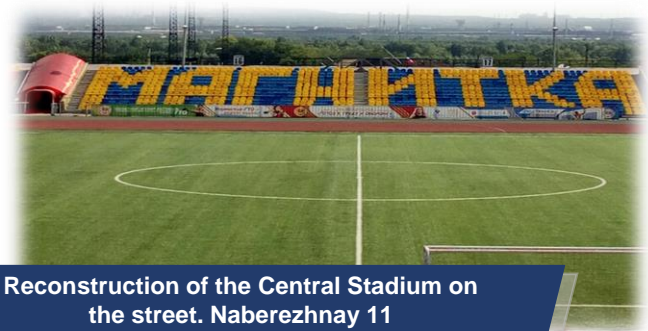


Source of heat energy  
1,75 billion rubles

# EXPERIENCE OF THE REALIZATION OF SOCIAL PROJECTS



**Improvement of the Park at the Eternal  
Flame (1.2.3 turn)  
148 billion rubles  
Completion of the 4th phase in 2018**



**Reconstruction of the Central Stadium on  
the street. Naberezhnaya 11  
29 million rubles  
The project is implemented**



**Updating the tram park  
222.7 million rubles**



**Construction of a sports and health center in  
Ordzhonikidzevsky district  
300 million rubles  
The project is at the final stage**

# PROMISING AREA FOR INVESTMENT

## Engineering industry

The Russian Federation has adopted a strategy of development of engineering industry up to 2020. The main aim - improving the level of localization of production.

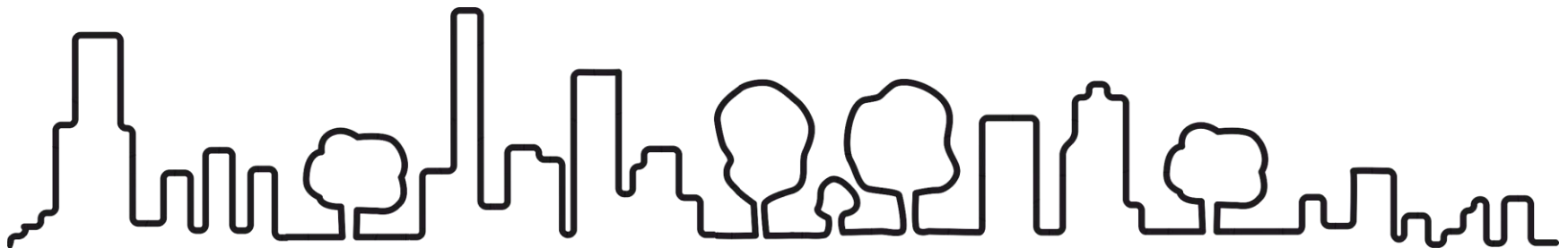
### Background to the development of the automobile cluster in Magnitogorsk:



**2000 Mill PAO "MMK"** - workshop for the production of high-quality cold rolling sheet and automobile sheet



High staff potential - Magnitogorsk State Technical University. G.I. Nosova prepares students in the direction of engineering: the Department of Machines and Technologies of Pressure Processing and Mechanical Engineering, the Department of Mechanics, the Department of Design and Operation of Metallurgical Machinery and Equipment.



# PROMISING AREAL FOR INVESTMENT

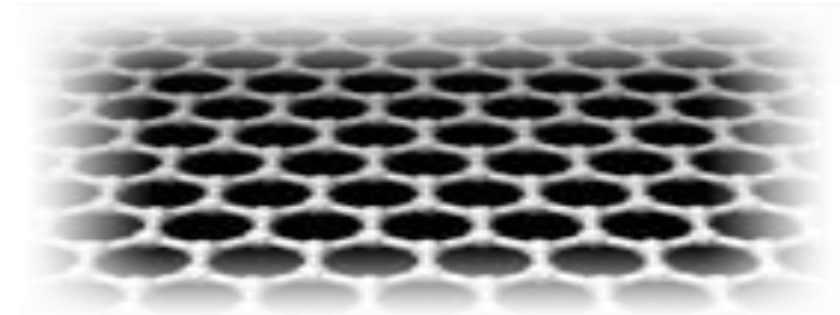
## Metallurgy and Metalworking

**Initiated a project of creation a cast-iron foundry, which main activities will be:**

- ✓ rolling rolls,
- ✓ seamless large diameter pipes,
- ✓ containers for spent nuclear fuel,
- ✓ tubing, segments,
- ✓ mills and components for the machine tool industry.



## Komposite materials



### Background of the sector development:

- ✓ high demand for these products in the region;
- ✓ great intellectual and working potential of the region is an opportunity to create high-tech industries.

### Areas of use:

- Production of consumer goods;
- Engineering;
- building;
- Medicine and others.

Magnitogorsk State Technical University prepares students in the following areas: metallurgy, engineering, energy, automated systems.

On the basis of the university, there are successfully functioning laboratories and techno parks.

# PROMISING AREA FOR INVESTMENT

## Social projects

### **Project construction of a multifunctional sports complex with the ice platform «Iceberg»**

#### **Project Objectives :**

- rendering services for physical culture improvement to residents of Magnitogorsk and the nearest settlements;
- attraction of various layers of society to regular physical training;- popularization of a healthy lifestyle.

#### **Searching for funding.**

The project cost is 1 million rubles.



### **Project construction of the swimming pool «Orion»**

#### **Project Objectives:**

- rendering services for health and sports swimming for residents of Magnitogorsk and the nearest settlements.

#### **Searching for funding.**

The project cost is 350 million rubles.

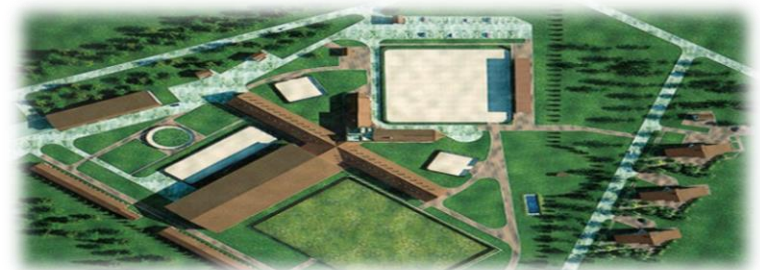
### **Project Construction of equestrian club**

#### **Project Objectives:**

- popularization of equestrian sport;
- training in riding, training athletes, creating a pony club.

#### **The project is at the stage of allocation of land.**

The project cost is 20 million rubles.



# PROMISING AREA FOR INVESTMENT

## Projects in the field of water supply



### **Project «Reconstruction and expansion of left-bank treatment facilities»**

#### **Project Objectives:**

The construction of left-bank wastewater treatment plants with a capacity of 55,000 cubic meters per day with a full cycle of purification and the production of treated wastewater that meet the regulatory requirements for discharges into the fishery water reservoir.

### **Project "Water deferrization plant. Upper Kizil drinking water intake»**

#### **Project Objectives:**

Improvement of water quality in the left-bank part of Magnitogorsk by reducing the level of iron in the extracted drinking water at the Upper Kizil underground drinking water intake.

**The project cost is 450 million rubles.**

**Searching for funding.**

# PROMISING AREA FOR INVESTMENT

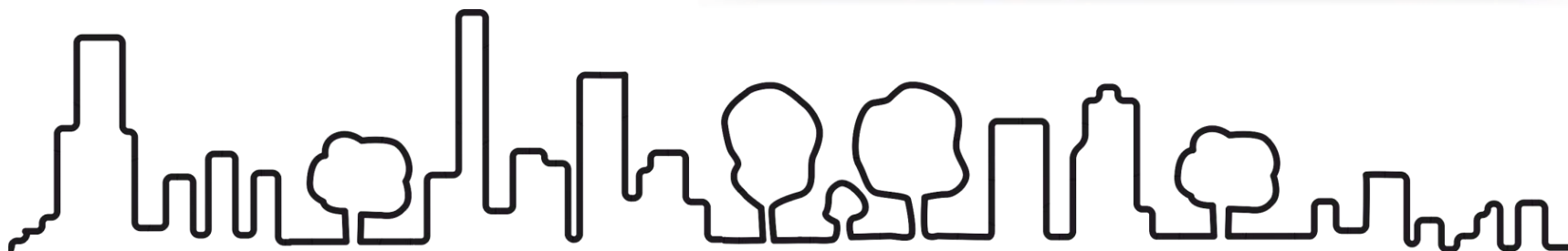
## Projects in the field of electricity

**The project for the construction of 110/10 kV "South" electric substation with a capacity of 2x63 MVA in the southern part of Magnitogorsk**

### Project Objectives:

Ensuring uninterrupted supply of electrical energy to consumers in the most promising areas of the city.

**The project cost is 851,9 million rubles.**



# PROMISING AREA FOR INVESTMENT

## Projects in the field of ecology

### Project «Design and construction of an inter-municipal landfill for the disposal of solid municipal waste»

#### Main characteristics of the project

Total investment, million rubles	1 322,5
Term of completion of construction	2019
Payback period (PP)	7 years



A concession agreement was concluded between Chelyabinsk Oblast and **ZAO Waste Management** to establish an intermunicipal utility infrastructure system for the processing and disposal (disposal) of solid municipal waste in the Magnitogorsk cluster.

# TOURISM DEVELOPMENT



Arkaim is an ancient city of the III-II millennium BC, the cradle of the Indo-European civilization.



## Dinosaur Park

- excursions in the park with "live" dinosaurs;
- equipped beach;
- professional football field and tennis court.



Drama Theater. A.S. Pushkin is among the ten most interesting provincial theaters of the country ranking Forbes.



Magnetic Mountain is a unique natural phenomenon, its age is 300-400 million years.



# TOURISM DEVELOPMENT



**Aquapark "Vadapad Chudes"**  
Water amusement park in Magnitogorsk. A popular holiday destination for the whole family.



**Ice Palace of Sports Arena Metallurg**  
The sports complex is equipped with mobile spectators' stands, which allow to change the area of the main arena. A powerful hockey school was created on the basis of the ice palace.



The monument to the «Tyl - Front» is a figurative composition of the worker and the warrior. The worker is oriented to the east, towards the Magnitogorsk Metallurgical Combine.



**Central Stadium.** Magnitogorsk stadium contains a football field of about seven thousand square meters, eight track and field athletics tracks, as well as places for jumps in height and length.



# BUSINESS TOURISM



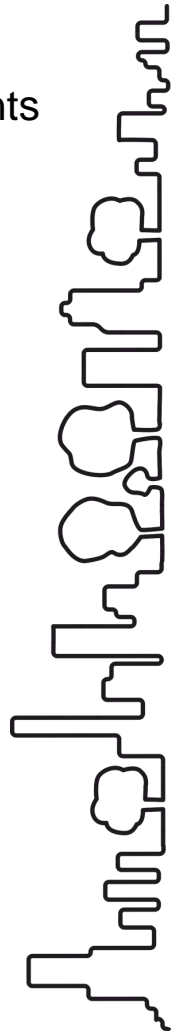
**Seven major sites** with modern conference rooms that allow you to hold events of different levels



The average capacity of a large conference hall is **about 200 people**, the **total capacity of all halls is more than 1000 people**



The largest exhibition grounds are: Palace of Sport I.Kh. Romazan and track and field athletics arena with an area of 1800 sq.m and 3200 sq.m respectively.



# SPORT



## Ice Palace of Sports Arena Metallurg

This is one of the most modern and comfortable ice palaces in the Urals. Here they conduct their home matches of the hockey team "Metallurg".



## Mountain-skiing centers

The ski centers of Magnitogorsk are the largest in Russia. During the ski season, many high-level competitions are held here.

**In 2018 the city is planning to hold the World Hockey Championship.**

# EVENTS

## Polovodye

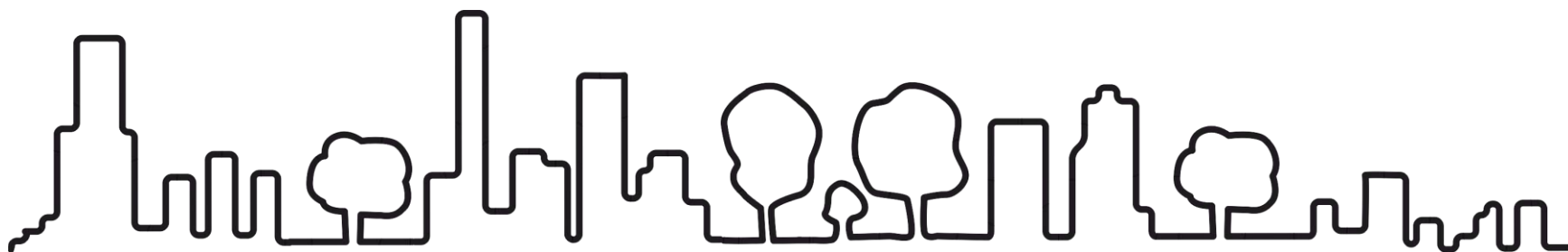
International Festival of  
modern fashion and music



## World Snow Day



## International Festival «Viva Opera!»



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**Welcome  
to Magnitogorsk!**

