



EASTERN ECONOMIC FORUM NEWS DIGEST

22 August 2016, RIA Novosti

Russian energy exports to Japan, South Korea, and China set to be discussed at Eastern Economic Forum

“The Russian Far East is producing a surplus of energy”, Alexander Galushka explained. “We are already exporting electricity to China at a good profit. The sale of electricity generated in the Russian Far East on the Chinese, Japanese, and Korean markets promotes further development in the region. The Ministry of Energy is close to completing the necessary projections, and by the time the Forum begins, we will be ready to discuss specific contracts, profitability, sources of financing, and so on.” <https://ria.ru/economy/20160822/1474920250.html> (Russian)

19 August 2016, www.forumvostok.ru

Full Eastern Economic Forum business programme published

The highlight of the Eastern Economic Forum (EEF) will be the plenary session, which will feature Russian President Vladimir Putin, Japanese Prime Minister Shinzō Abe, and South Korean President Park Geun-hye. The EEF will host 52 sessions and five international business dialogues (Russia–China, Russia–South Korea, Russia–ASEAN, Russia–Germany, and the Russian–Japanese Business Forum). <https://forumvostok.ru/en/full-business-programme-published-for-eastern-economic-forum/>

18 August 2016, RIA Novosti

Investment agreements totalling over RUB 1 trillion expected to be signed at Eastern Economic Forum

“Preparations for investment agreements set to be signed at the Forum have entered their final stages”, Alexander Galushka said. “We already have more than 130 agreements with a total value of nearly RUB 1 trillion ready to be signed. And we have every reason to assume that this number will continue to grow.”

The Minister noted that heads of 241 Russian companies and 57 international companies from 28 countries (including the UK, Germany, Singapore, the USA, Canada, and the Netherlands) have already confirmed their participation in the Forum. <http://ria.ru/economy/20160818/1474710505.html#ixzz4HhIk9Vr9> (Russian)

18 August 2016, TASS

Fish trading agreement between Russia and China to be signed at Eastern Economic Forum

During the Eastern Economic Forum, the Far East Auction Fish House and the Jun Tsen Group, a Liaoning-based industrial corporation, will sign a trading agreement in the fishing sector. A total of RUB 2 billion in investment has been announced. <http://tass.ru/ekonomika/3547581> (Russian)

18 August 2016, TASS

Special mortgage rates for land owners in Far Eastern Hectare programme to be unveiled at Eastern Economic Forum

“Our colleagues from the Agency for Housing Mortgage Lending will use the platform provided by the Forum to unveil a new special mortgage rate programme”, Alexander Galushka announced. Earlier, Yury Trutnev reported that land owners enrolled in the Far Eastern Hectare programme can expect to receive special annual interest rates of 4% on mortgages. <http://dv.land/news/8281> (Russian)

16 August 2016, www.forumvostok.ru

Eastern Economic Forum cultural programme approved

In addition to a packed schedule of business events, Forum participants will be able to enjoy a rich cultural, sporting, and tourist programme.

The Far East Street festival, which begins on 1 September, will showcase the unique features of Russia’s Far Eastern regions. Throughout the Forum, the festival will host a Year of Cinema exhibition, a concert stage, a fish market, a waterfall show, and a unique regional photo exhibition. The Republic of Crimea will be a special guest at the festival. The Primorsky Stage of the Mariinsky Theatre, the Primorsky Regional Philharmonic Society, and the Primorsky Academic Drama Theatre have scheduled a run of performances for the entire duration of the Forum. Opera and ballet soloists from the Mariinsky Theatre will take part in a charity performance of Borodin’s Symphony No. 2 to benefit children at the Ocean Nationwide Children’s Centre, hosted by the Forum as part of its cultural programme.

Forum participants will also be able to go on Vladivostok city tours and visit the Primorsky Aquarium once it officially opens.

The Eastern Economic Forum will host a wide range of sporting events and competitions. On 2 September, for example, a charity run to benefit efforts to protect the Far East's endangered Siberian tigers and Amur leopards will take place on Russky Island. Participants can choose a one kilometre or five kilometre route. <https://forumvostok.ru/en/cultural-programme-of-the-second-eastern-economic-forum-approved/> (Russian)

STATE POLICY IN THE FAR EAST

18 August 2016, TASS

Alexander Galushka: 3rd Eastern Economic Forum may receive state financing

“This year, the Eastern Economic Forum did not receive a single penny from public funds”, Alexander Galushka said. “I fully agree with this position. Perhaps some state financing will be available for the third Forum, but none was received for the second one, which is being funded via sponsorship and contributions from Forum participants and partners.” <http://tass.ru/ekonomika/3549263> (Russian)

18 August 2016, Komsomolskaya Pravda

Eastern Ring will be a great tourism asset for Russia, says Head of Federal Agency for Tourism

The Eastern Economic Forum is expected to host the signing of an agreement between the Ministry of Culture of the Russian Federation, the Federal Agency for Tourism, and heads of Far Eastern regions.

“The Eastern Ring is a single brand that represents the diverse potential of Far Eastern and Trans-Baikal regions as holiday and travel destinations”, Oleg Safonov explained. “It is designed to be a significant non-material tourism asset for the country and, as such, was quite rightly incorporated into the 2025 Far East and Baikal Region Development Strategy.” Mr Safonov also noted that in addition to attracting more tourists, the project will also drive socioeconomic development in the Far East. <http://www.dv.kp.ru/online/news/2484166/> (Russian)

17 August 2016, www.forumvostok.ru

Yury Trutnev: Eastern Economic Forum is new step in development of Russian Far East

Members of the Organizing Committee discussed preparations for the Eastern Economic Forum at a meeting chaired by Committee Chairman Yury Trutnev.

“At the first Forum, we unveiled the Far East development tools created up to that point at President Vladimir Putin’s behest”, Mr Trutnev stated. “All of these tools are now being actively employed. The total number of projects is nearing 300, and investments have exceeded RUB 1.16 trillion. The projects are already drawing 10% more investment to the Far East, driving the economy forward and shaping the region’s migration patterns. In the first half of this year,

industrial output in the Russian Far East increased by 5.4%. At the second Eastern Economic Forum, we will report to existing and prospective investors on how we are supporting investment in the Russian Far East and how state support tools are working.” <https://forumvostok.ru/en/yuri-trutnev-eastern-economic-forum-another-step-in-the-development-of-the-far-east/>

THE ECONOMY OF THE RUSSIAN FAR EAST

18 August 2016, SakhaNews

Construction of new bridge across Lena River may break ground in 2017

Head of the Republic of Sakha (Yakutia) Yegor Borisov announced that the project, valued at RUB 57.4 billion, is scheduled to begin in 2017. According to Mr Borisov, plans for the Lena River bridge crossing will be presented at the Eastern Economic Forum in early September. “The project’s financial model needs to be established, and pre-construction documentation needs to be reviewed. China-based Sinohydro and the China Railway Construction Corporation (CRCC) are currently doing just that. We will select the best proposal and will sign a contract.” <http://sakhanews.ru/172574.html> (Russian)

18 August 2016, Vedomosti

China’s FAW Group wants to manufacture trucks in Primorsky Territory

Sumotori Machinery Group and China’s First Automotive Works (FAW Group) are set to manufacture Chinese trucks in Primorsky Territory. The Eastern Economic Forum is expected to host the signing of an agreement between the two companies.

“There will be three stages of development”, said Sumotori President Vitaly Verkeenko. “The first stage has already begun: two months ago, we launched a joint facility, and the first vehicles will arrive in Vladivostok in September. The second stage will begin early next year and will focus specifically on truck chassis and body assembly.” According to Mr Verkeenko, the third stage will see expanded localization, assembly of major vehicle sections, and construction of a new plant. <http://www.vedomosti.ru/auto/articles/2016/08/18/653480-primore-hotyat-vipuskat-kitaiskie-gruzoviki-faw> (Russian)

17 August 2016, RIA Novosti

RussiaChina Agricultural Fund officially registered

In April of this year, Russia and China signed a shareholders’ agreement to establish the Russia–China Agricultural Fund (RCAF) in the Russian Far East. The Fund will have capital of up to USD 10 billion, with initial funding of RUB 13 billion. At each stage of the Fund’s operations, 90% of its capital will come from Chinese investors, and 10% from their Russian counterparts. Investors will also have access to credit from Chinese banks at an annual interest rate of 6%.

The Fund is currently considering approximately 30 projects located in the Russian Far East, with a total value of around RUB 200 billion. Negotiations are also under way with

Asian banks prepared to finance up to 80% of the cost of these projects. The first projects to receive RCAF financing will be unveiled at the second Eastern Economic Forum. <http://ria.ru/economy/20160817/1474624109.html#ixzz4HhKeCxyw> (Russian)

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

18 August 2016, KHABTIME

Sugar refinery to be built in Sovetsko-Gavansky District

The project has a budget of USD 230 million. In 2017, Thailand-based Sutech Engineering plans to begin construction of a new sugar refinery in the Sovetsko-Gavansky District of Khabarovsk Territory with support from the Investment and Development Agency of Khabarovsk Territory.

“We hope that this sugar refinery construction project will be given top priority”, said the Agency’s Director Vyacheslav Kushnarev. “Not only will this give the company access to regional tax incentives, investors will also be able to acquire land for construction without going through a tender process.” http://khabtime.info/news/show/?id_blog=35500 (Russian)