**Investment potential of the Irkutsk region**

Irkutsk region is located within the Baikal region with an area of 775 thousand square kilometers and population of 2.5 million. Most of the demographic potential is concentrated in the south of the area, population settlement pattern is located along major transportation corridors, including the Trans-Siberian and Baikal-Amur Mainlines. Population and economic activity is concentrated in the valleys of major rivers and the coast of Lake Baikal. The area is in 1st place in the volume of gross regional product in the Far East and the Baikal region.

Irkutsk region has a great potential for economic growth which is localized in areas already making a substantial contribution to the Gross Regional Product and new developing areas. Irkutsk region contains 4 zones of advanced economic development which include the Irkutsk agglomeration, Baikal tourist and recreation area, Bratsk and Ust-Ilimsk industrial zone and the Lena-Angara Baikal region.

The area is one of the richest regions of Russia on natural resources potential. The region has the largest resources in the country: the forest - 12%, gold - 10%, oil and gas - 7%, coal - 7%. In total state statement of regional assets indicates 744 deposits. This region has formed a strong industrial base built on the significant resource potential. The Irkutsk region is developing the following complexes: fuel and energy, mining, forestry, petrochemical industrial field; the development of the aluminum industry has received special attention; engineering also plays a significant role. The region produces 53% Russian volume of synthetic resins and plastics, 45% PVC (polyvinylchloride), 34% aluminum, 30% cellulose, 10% oil products, 6% of energy supply. Some of the biggest Russian and international companies conduct their activity on the territory of the Irkutsk region.

The power generation system of the Irkutsk region is a part of the Unified Energy System of Siberia and includes 16 operating heat-electric generating plants and 4 hydroelectric power generation plants, combined for parallel operation of power grid with voltage of 500, 220, and 110 kV (kilovolts). About 70% out of 13 GW of the output is produced by hydroelectric power generation plants.

The power generation system is both energy surplus, the largest in Siberia and one of the leaders in the Russian Federation. According to the results of 2012, approximately 12% of electricity was sold to the neighboring regions although the Irkutsk region consumes 54.4 MW / h on its own. In the structure of energy consumption, major share is taken by industrial production and mining. A distinctive feature of the Irkutsk region in comparison to the other regions of Russia is the low cost of electricity.
Irkutsk Region has a unique forest resources. Wooded land covers 64.3 million hectares which is 83% of the regional territory. According to these numbers, the region is considered to be one of the most forested among the subjects of the Russian Federation. As far as forest resources are concerned, Irkutsk region occupies the third place among the Russian regions due to 9.1 billion cubic meters of forests (12% of Russian reserves).

Estimated wood-cutting area of accessible and available forests is more than 56 million cubic meters. Each year the region harvests more than 20 million cubic meters of wood. The main volume of timber is processed in the region (it is the production of cellulose, lumber, fiberboard, chipboard, timber construction products, etc.). However, the Irkutsk region exports more than 40% of saw logs and saw timber.

Irkutsk region is the most important transit hub between Europe and the Asia-Pacific region with a fairly extensive and well-developed transport infrastructure. The main transport corridors are going through this region such as roads, railways, and airlines.

The Baikal region has a unique environment for the development of tourism and recreation. The scenic beauty, numerous mineral springs, pure mountain and taiga air, historical and cultural characteristics determine the high tourists' interest to our region. Each year the tourism industry gets even better development. This is due to the following factors:
- A convenient geographical location;
- Rich natural resource potential;
- Historical and cultural heritage;
- Tourist infrastructure.

During 2012 year 783.2 thousand tourists visited the Irkutsk region including foreigners 55.2 thousand people.

Prospects for the tourism development in the Irkutsk region are associated with the creation of a special tourist-recreational economic zone in the vicinity of Lake Baikal in Sludyanka area. State funding will be directed to the preparation of project documentation, increase in the capacity of utilities, maintenance of power facilities of the resort, the construction of piers, embankments, etc.

If the plans are implemented, the expected flow of tourists will reach more than 1.5 million people by 2028, including more than 15% of foreign tourists. Investment attractiveness of the project to create special economic zones TRT caused by tax benefits given to the residents of the special economic zones:
- a reduced rate for corporate income tax is set;
- a reduced rate of property tax is set;
- exemption from land tax for a period of 5 years from the date of occurrence of the property on each plot of land, located in the special economic zone TRT.

The Irkutsk region has accumulated unique educational and research capacity, more than thirty higher education universities and branches. The main universities are:
Baikal State University of Economics and Law
Bratsk State University
Irkutsk State Agricultural Academy
Irkutsk State Linguistic University
Irkutsk State Technical University
Irkutsk State University
Irkutsk State University of Railway Transport

Irkutsk Region Government is actively working to create a favorable environment for doing business in the region. We are ready to offer our potential investors numerous areas of cooperation. We prepared characteristics of more than 40 production sites in 11 municipal unions with a total area of 1,874 hectares and the presence of total electricity of 405.6 MW to the attention of investors.

The main partner countries for export of the Irkutsk region are China, Japan, the U.S., Mongolia, the Republic of Korea. The main import partners are China, Australia, Kazakhstan, Finland, Germany.

We invite investors to mutually beneficial cooperation.