



Far East  
Development Fund

2018

# INTERNET SERVICE FOR INVESTORS IN AQUACULTURE IN THE RUSSIAN FAR EAST



# PROSPECTS FOR MARICULTURE IN THE RUSSIAN FAR EAST

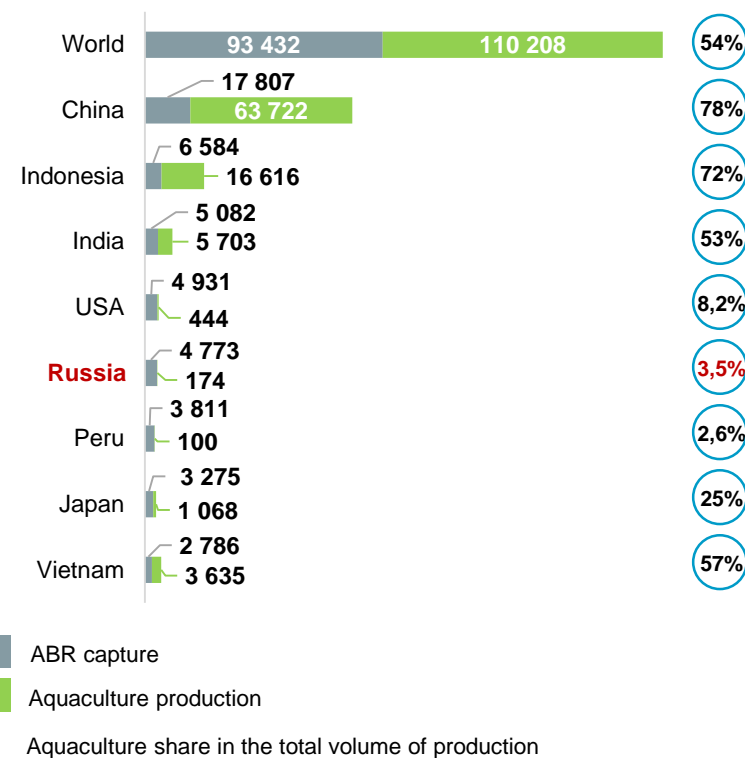
## Promising region for mariculture development:

- Far East is the largest region in Russia in terms of fish and other aquatic biological resources capture with 70% share in the total catching volume of Russia
- Area of natural habitat of fish, shellfish and other aquatic biological resources
- Aquaculture share in the total volume of aquatic resources production is 0.3% in the Russian Far East, which is well behind the world average of 54%

## Why invest in the Russian Far East mariculture?

- Opportunity to enter an emerging market
- Significant volume of the marine area
- Proximity to the main consumers of fish products
- Possibility to receive soft-term co-financing of projects from the Fund

## ABR capture and aquaculture production, ths tons, 2016



Source: Food and Agricultural Organization (2016), Federal Service of State Statistics, Far East investment and Export Agency, Ministry of Agriculture of the Russian Federation.



# FUND'S ROLE IN THE DEVELOPMENT OF INTERNET-SERVICE

On the instructions of Russian President Vladimir Putin, the Far East Development Fund jointly with Roscartography and RTS-Tender developed a new aquaculture development model in Russia's Far East, based on online services for investors – simple and transparent

## DEVELOPMENT OF ONLINE-SERVICE INFRASTRUCTURE

- Consulting support and assistance to state authorities in drafting amendments to law acts and Government resolutions
- Determination of the available marine aquatorium in the Far East for mariculture
- Development of an interactive map compiling sites available for aquatic resources farming
- Development of online service with interactive map for distribution of aquaculture farm sites

## FINANCIAL INSTRUMENTS

- Co-financing of projects in mariculture in accordance with the Fund's mandate



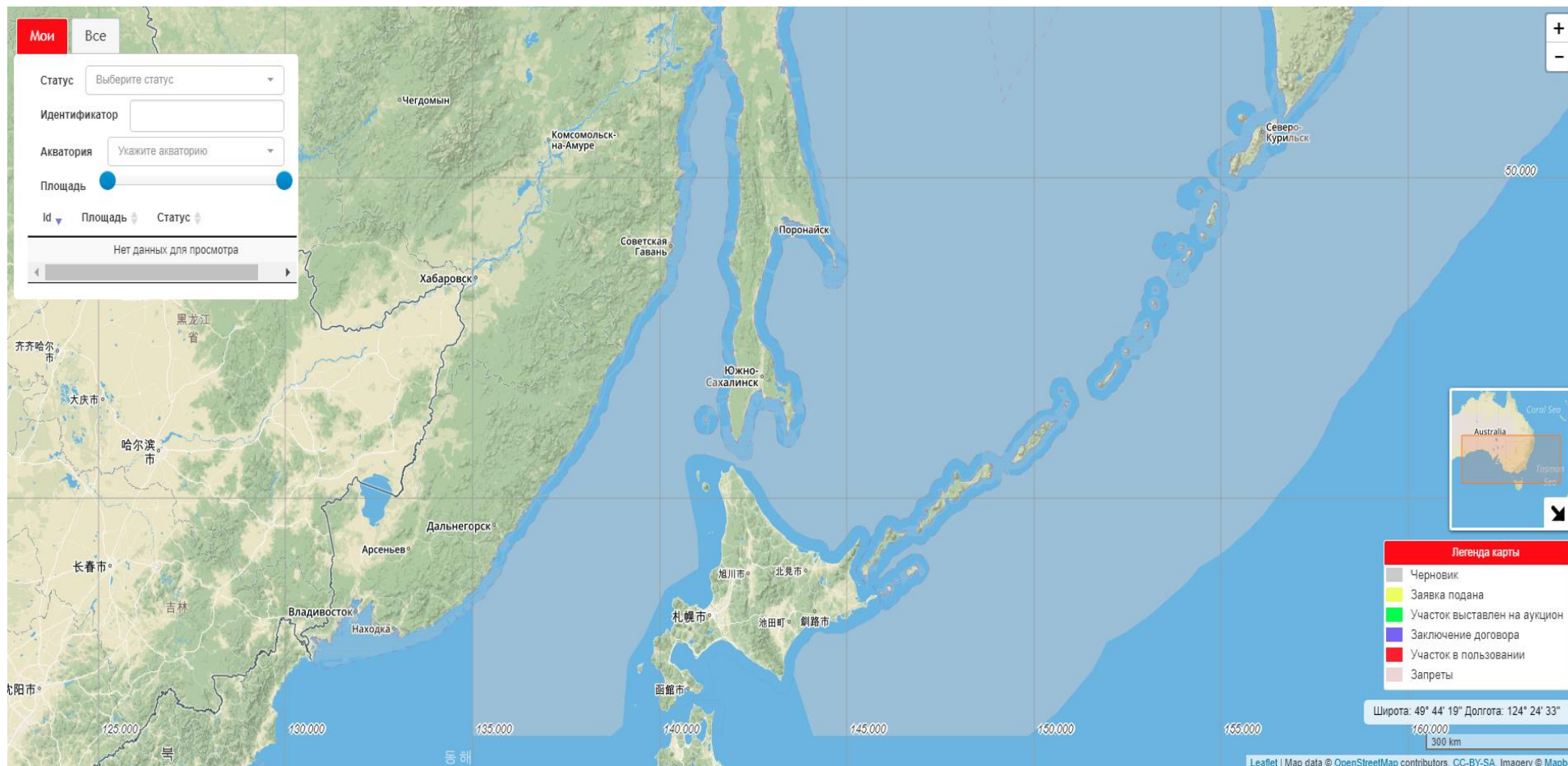
# ONLINE SERVICE FOR INVESTORS IN AQUACULTURE

## CURRENT STATUS

- Regulation is in place
  - Government order No.185 dated 22 Feb 2018 allows electronic auctions for aquaculture farm plots
  - Government order No.429 dated 09 Apr 2018 introduces a declarative order of farm sites formation
- An interactive map of sites available for mariculture has been compiled on the basis of analysis of the restrictions previously set for fishery in the sea areas in the Russian Far East
- **First auction was announced, application process ends on July 10<sup>th</sup>, 2018, admitted participants will submit their bids on July 17<sup>th</sup>, 2018. Next 45 farming plots with a total area of 9000 hectares will be auctioned by September 13<sup>th</sup>, 2018**
- **Fully functioning version will be available starting from the end of July 2018 - investors will be allowed to form a farming plot using the e-platform based on the available aquatorium and participate in the auction to obtain long term use rights for the farm plot**

### **The introduction of a new online service for investors in aquaculture will improve the investment appeal of this industry both for Russian and foreign fish-breeding companies**

- Investors will be able to independently (!) determine the borders of a future fish-farming plot, guided by one's own vision of its feasibility, and then, to purchase rights via the e-auction system (with the Federal Agency for Fishery in charge)
- This new system alters the approaches to the relationship between an investor and a state body in this area, making it transparent and investor-oriented to the fullest possible extent
- Investors will not waste time collecting permits from various state bodies
- Applied modern technologies will make it possible to cut the time for collection of documents and preparation for auctions from 180 to 80 days, as well as to make investment decisions with no need to leave one's office



To explore the functionality of the new platform please follow the link below:  
<http://www.fondvostok.ru/en/projects/aquaculture/new-model-of-aquaculture-development/>

# FARM SITES' ALLOCATION – SIMPLE PROCESS



## ESTABLISHMENT OF LEGAL ENTITY IN RUSSIA AND RECEIPT OF EDS

- Auction participant should be registered in Russia
- Foreign or Russian investor can engage consultants if necessary



## FARM SITE SELECTION, APPLICATION AND AUCTION

- Investor performs due diligence if necessary
- Farm site due diligence can be undertaken by investors themselves or external consultants



## SIGNING A CONTRACT FOR FARM SITE USE



## CONTACTS

Anna Murzich, Senior Director  
Emil Gazizyanov, Manager

Tel.:+7 (495) 540-47-37

Email: [aquaculture@fondvostok.ru](mailto:aquaculture@fondvostok.ru)

10 Presnenskaya nab.  
Naberezhnaya Tower  
Moscow, Russian Federation  
123112