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**INNOVATION &
TECHNOPARKS**
IN VOLGA FEDERAL DISTRICT

IN RUSSIA

FLANDERS INVESTMENT & TRADE MARKET SURVEY

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THE VOLGA FEDERAL DISTRICT
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1. VOLGA FEDERAL DISTRICT AS ONE OF THE EIGHT ADMINISTRATIVE DIVISIONS COMPRIZING THE RUSSIAN FEDERATION

The Near-the-Volga (Privolzhsky) Federal District, or the Volga District for short, is one of the 8 administrative divisions of Russia that unites 14 regions and republics on about 6.1% of the country's territory. It is the landlocked and second most populous district of Russia with about 29 million inhabitants (the country's 21.3%), of which 73% are urban dwellers. The District's administrative centre is Nizhny Novgorod, a city with about 1.25 m population, located some 400 km east of Moscow and 900 km south-east of St. Petersburg.



The District's location at the crossroads of important transit corridors – east to west and north to south – as well as a high concentration of populated areas result in a dense transportation infrastructure that includes highways, rail lines and waterways on Russia's 3 great rivers: the Volga, the Oka and the Kama. River transport for cargo and passenger movements, the latter including cruise tourism, is only used between April and November due to the seasonality factor and continuous snow and negative temperatures during winters.



The largest urban agglomerations of the District include:

- Samara + Togliatti (2.77 million)
- Nizhny Novgorod (2.35 million)
- Kazan (1.6 million)
- Ufa (1.53 million)

The District's largest cities are well interconnected by road, rail and air, while Nizhny Novgorod, the District's administrative centre, is also linked with Moscow via a higher-speed rail line with frequent daily passenger train services.

Historically, the District has been very strong in the machine building sector, now holding >33% of Russia's output. Today, it boasts about 25% of national industrial production and just over 15% share of the country's GDP. The largest industrial sectors of the District include nearly 85% of the national automotive industry, 65% of aerospace, 40% of petrochemistry and 30% of the shipbuilding sector. The District is the second largest in the country for oil (20% of Russia) and gas mining, which explains the high level of pipeline transport development, also serving Urals-Europe routes.

Other notable economic sectors of the District are:

- building and construction,
- transport and logistics,
- production of pharmaceuticals and healthcare equipment and devices,
- agriculture and food processing,
- IT and R&D,
- tourism and hospitality (since early 2000's).

Education is yet another major asset of many Volga regions: Kazan is the place of Russia's third-oldest University, after those of Moscow and St. Petersburg, which was founded by Royal Decree of Czar Alexander Ist in 1804. The Nizhny Novgorod State University, although founded 2 centuries later, in 1916, was often the first one in Russia to introduce innovative disciplines: e.g. the Faculty of Computational Mathematics and Cybernetics was opened in Nizhny in 1963, about 7 years before that at the Moscow State University. The District's state and private universities account for about 1.5 million students, both from Russia and many foreign countries.



The central-southeasternmost region of the District, and one of the two bordering Kazakhstan and enjoying a milder climate than most other Volga regions.

The main economic sectors are natural resources (oil, gas, ferrous and non-ferrous metals), energy generation and machine building, as well as agriculture dominated by grain production and horticulture. Alongside with smaller industrial parks operating as part of some production plants, a unit at the Orenburg State University that specializes in technical inspection and homologation of passenger moving mechanisms is classified as a mini-technopark within the structure of the University.



South-western location within the District and borders with Central regions of Russia.

Being a rather average region of European Russia with main economic sectors like the processing industry, agriculture, transport and distribution, the local authorities opted for boosting the regional development through creation of a high-tech infrastructure; as a result, the following technoparks operate in Penza today:

- 'High Tech Park Rameev', created in 2014 and active in ICT, innovative materials for healthcare and pharma, as well as biotechnologies
- 'Yablochkov', since 2011 working for the radio-electronic and electrotechnical engineering, ICT and new material developments.



The north-easternmost area of the District, bordering with North-Western and Urals regions of Russia.

Perm is one of the top ICT regions of Russia and home to 'Dom.Ru', one of the country's first private and largest cable TV, Internet and telecom service providers for households and industries. The other notable economic sectors in Perm are metallurgic industry and machine building, aerospace, petrochemistry, forestry and timber processing. Two technoparks are active in the area as of today:

- 'Technopark Perm', since 2017 working for ICT, new materials, metallurgy and metal treatment, optics and photonics, and
- 'Morion Digital', created in 2018 and specializing in radioelectronics, electrotechnical industry, and ICT.





One of the most important and industrially advanced regions of the District, located in its south-central part.

The city of Togliatti is home to the world-famous producer of Lada cars, the 'AvtoVAZ' plant. Samara, as the administrative centre of the region, is one of Russia's largest and most industrialized cities, hosting aerospace, machine building and metalworking plants. The region complements the city of Samara with petrochemical, automotive and auto-mechanical, plastics and electrotechnical industries, as well as transport, logistics and distribution service providers. Alongside with some industrial parks operating in the region, one high-tech park – Zhigoulevskaya Dolina – was set up in 2013 and specializes in the aerospace, automotive and agro-industries, as well as IT and biotechnologies.



The southernmost region of the District, one of the two bordering Kazakhstan and enjoying a milder climate than most other Volga regions.

The regional economy is represented by the fuel and energy industry, machine building (including that for passenger and cargo transportation), petrochemical and food processing sectors. The only technopark active in Saratov is 'Volgoagrotehnika' which is part of the State Agricultural University and works in the agro-industrial field.



The most-centrally located area of the District, second-most populous and sharing top positions with the District's economic leaders Nizhny Novgorod, Perm, Samara and Bashkortostan.

The economy is built around its oil and gas sector, petrochemistry and ICT, automotive and aerospace, energy generation and machine building. Tatarstan is the District's leading region for higher education and R&D sectors: the Privolzhsky Federal University, formerly University of Kazan founded in early 1800's, and the high-tech oriented Innopolis University, founded in 2012, are the largest higher educational entities of the Republic.

Two high-tech parks currently operate in Tatarstan:

- 'Ideya', since 2004 working in two locations within the Republic for the ICT, new materials and biotechnologies, healthcare and pharmaceutical industries, metallurgy and metal processing, as well as agricultural technologies and machinery, and
- 'IT-Park', solely for ICT since 2009.



'Quantorium', an educational project of 'technoparks for children', originally from Eastern Tatarstan but successfully spreading throughout most of the Volga regions and other areas of Russia, is a new concept that gained notable popularity since its incorporation just a few years ago.

Some special economic zones operate in the Republic, the largest being 'SEZ Innopolis' near Kazan and 'Innokam', the innovation and industrial cluster in the highly industrialized eastern part of the Republic.



A north-centrally located region, surrounded by other areas of the Volga District.

Best-known for being home to the 'Kalashnikov' gun producing plant, the Udmurt economy includes metalworking and machine building, ferrous metallurgy and radio-electronics, as well as timber and food processing industries. Since recently, the capital city Izhevsk is spreading its name as one of Russia's leading producers of AI-enabled robots and system integrators for robotics. The only high-tech park active in the Republic is 'Nobel', aimed at R&D of high-tech and solutions for various applications.

ULYANOVSK REGION



Rather compact but important southwest-centrally located region of the District.

The main economic sectors are machine building and various processing industries, aviation and automotive, transport and distribution. Since 2013, 'Ulnanotech', the Ulyanovsk Centre for Technology Transfer, is active in the spheres of biotechnologies, healthcare and pharma, aviation and ICT. Another unit, 'Ulyanovsk Technopark', was established in 2007 for R&D and production of innovative products for the healthcare sector.

4. MARKET OPPORTUNITIES FOR FLEMISH COMPANIES

Most regions of the Volga Federal District offer an array of business opportunities to Flemish companies in the innovation, ICT and high-tech R&D sectors. Joint projects, products or services may be locally developed for and implemented on not only the Russian market, but also for exports. The assets that the Volga District can provide to its foreign partners are:

- Convenient location in the European part of Russia,
- Wealthy market of about 29 million consumers,
- Major Russian foreign trade partner with 2021 estimated imports of 13 bn EUR,



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Companies' and organizations' websites

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