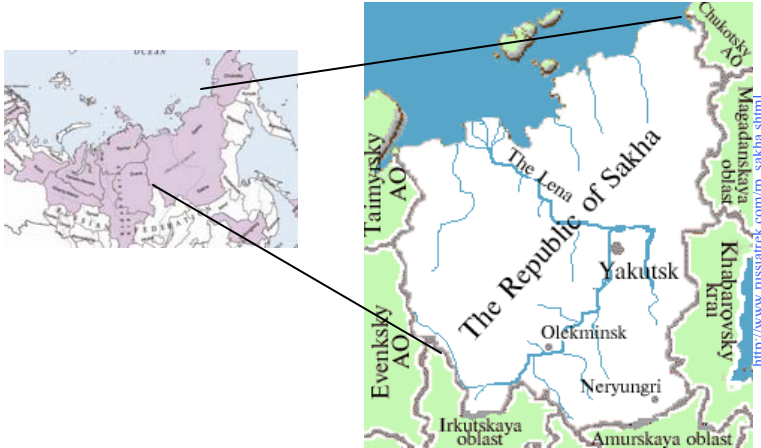


Economic Profile – Sakha Republic (Yakutia)

Map



The Verkhoiansk Mountains



The taiga, or boreal forest

Population, rural and urban

In 2003 the population of the Sakha Republic was 948,200, with 64.5% of the population living in urban areas, and 35.5% living in rural areas. The biggest cities of the Republic of Sakha in 2003 were Yakutsk with 250,100 people, Neryungri with 89,600 and Mirny with 39,600 people.

<http://sakhaopenworld.org/ilin/2005-1y/02.htm>



Yakut elder

GRP 2004

In 2004, the gross regional product of the Sakha Republic reached 151.9 billion rubles (US\$ 5.3 billion), an increase of 6.5% compared to 2003. The growth was mainly in industry, agriculture, construction, transportation and communication, trade and public services. During 2000-2004, Sakha had the 3rd-4th highest GRP per capita in the Russian Federation and highest GRP per capita in the Russian Far East.

<http://www.bisnis.doc.gov/bisnis/bisdoc/0511yakutia.pdf>

Government

Sakha (Yakutia) is a presidential republic with a constitution. On 27 April 1922 Yakutia was granted the status of an autonomous republic. The head of government in Sakha is the President. The current president is Vyacheslav Anatolyevich Shtyrov, who was elected on January 27, 2002.

Sakha has a legislative system, with 70 deputies. The parliament *Il Tumen* consists of the Upper House and Lower House. The Upper House has representatives from each of the 33 *ulusy* (districts) and both municipal territories. The Lower House has members elected from 24 election districts.

<http://www.spri.cam.ac.uk/resources/rfn/sakha.html#rel>

<http://www.answers.com/topic/sakha>

It was not until 1989 that Sakha was allowed to trade directly with foreign countries. In 1993 direct trade greatly increased. The Ministry of Foreign Relations was established in 1992 and arranges international economic, cultural, and scientific contacts.

<http://www.spri.cam.ac.uk/resources/rfn/sakha.html#rel>

Ministry of Foreign Relations

Minister: Alexander Vassilievich Migalkin

1st Deputy Minister: Nikolai Andreevich Baramygin

Deputy: Vera Ivanovna Sidorova

Phone no.: +7 (4112) 34 24 51

E-mail: mvs@sakhanet.ru
<http://www.sakhaexport.ru/>

Major industries

Sakha is a remote Russian region, five times the size of Texas, with strong business opportunities. The region is one of the world's leading producers of diamonds, and potentially one of Russia's leading producers of gold, oil and gas, accounting for 47% of Russia's coal reserves, and 35% of natural gas and oil in Eastern Siberia and the Russian Far East. The further development of coal mining, oil and gas, rough and cut diamond production, transportation, and timber processing complexes will open multiple investment, partnership, and trade opportunities for U.S. businesses.



Diamond mine near Mirny

In 2004, gold mining output increased 10.7% and accounted for 6.3% of the Region's industrial production. The largest producers in the sector are AldanZoloto JSC, AldGold Ltd., Zolotinka Industrial Comple. Zapadnaya Artel, Seligdar Artel, Nirungan Ltd., Nerungri Metallic Ltd., Novaya Artel, and Drazhnic Artel.

Alrosa JSC is the main producer of diamonds. Other producers are ALROSA-Nyurba JSC, Nizhne-Lenskoye JSC, Almazi Anabara Ltd., and CDM-Olenyok Ltd.

The primary volume of natural gas extraction is performed by Yakutgasprom (over 85%), the other 15% belongs to Alrosa Gas JSC.

The leading share in the Republic's coal industry belongs to Yakutugol JSC – one of the main exporters of coal products to Pacific Rim Countries. Approximately 8.28 million tons of coal is exported outside the republic (75% of the total production of coal), including export of 5.28 million tons outside Russia.

Some 426 timber and wood processing companies currently operate in Yakutia. The largest enterprises in the sector are AlmazJSC, Almazi Anabara JSC, Tabaginskaya Timber company JSC, Alrosa-Lesprom JSC, Almazlesprom, JSC Aldanzolotoles JSC, and Belkachinsky lespromkhov Ltd. Mass JSC.

<http://www.bisnis.doc.gov/bisnis/bisdoc/0511yakutia.pdf>

Infrastructure – transportation and communications

The transport industry in Sakha is characterized by a large share of air and water transportation. The air transport counts for more than 65% of all the passenger traffic, while the water transport counts for more than 50% of all the cargo traffic. There are six river ports and two sea ports (Tiksi and Zelyony Mys). Four shipping companies, including the *Arctic Sea Shipping Company*, operate in the republic. The 2,735-mile Lena River is the primary transportation network.

Air transport is the most important for transporting people, connecting the republic with most regions of Russia. The Republic Sakha has 33 airports; Yakutsk airport has an international terminal.

There are 13,600 miles (21,800 km) of highways in the Sakha Republic. Two federal roads pass through the republic, the Yakutsk—Bolshoy Never and Yakutsk—Kolyma.

Sakha's railroad network stretches 306 miles. The Berkakit—Aldan railroad is currently in operation. It links the Baikal Amur Mainline with the industrial centers in South Sakha. Transportation of goods into the Arctic regions and export of goods from the republic (oil, wood, wood products etc) is done through the Northern Sea Route national seaway.

<http://www.bisnis.doc.gov/bisnis/bisdoc/0511yakutia.pdf>

<http://www.answers.com/topic/sakha>

<http://www.sakhaexport.ru/page2.php?p=410>



AN-2 commuter plane (Ilin-Avia)

In the Republic of Sakha (Yakutia) 63% of families living in the city and 49% of families living in the country are connected to telephone lines. Since the end of the 1990's there has been a rapid growth of hi-

tech communication services as mobile communications and access to the Internet. The number of mobile phone service customers multiplies has almost doubled every year and reached 53,000 people in 2003. Internet access nodes have been installed in 25 ulus centers (out of 33),
<http://www.sakhaexport.ru/page2.php?p=41005>

Foreign and external trade

Sakha Republic has been successful in improving foreign economic relations. In 2004, its foreign trade turnover increased 31.7% and totaled \$1,799.2 million. The export volume amounted to \$1,742.3 million, and the import to \$56.9 million.

The export was mainly sold to Great Britain (38.9%), Belgium (23.3%), Israel (11.8%), Japan (9.7%), and the U.S (5.1%). The largest import volume came from U.S. (22.6%), Japan (18.6%), and Finland (11%).

During the last four years, the export from Sakha has been raw diamonds (67%), cut diamonds (17.3%), and coal (15.3%). As for import, equipment and machinery accounted for 41.4%, and rubber and rubber products for 23.2%.

In the first half of 2005, the export structure remained almost the same, although its volume increased by 51.2% and amounted to \$1,145.7 million. The import of equipment from Germany, the United States, Australia, and Japan increased.

<http://www.bisnis.doc.gov/bisnis/bisdoc/0511yakutia.pdf>

Foreign investment

Sakha (Yakutia) Republic is second in the Russian Far East when it comes to attracting foreign investments. In 2004, the volume totaled \$834.4 million. Major investments were made in the diamond and gold mining industries.

The Sakha Republic Government supports and promotes foreign investment activities in the region. Expansion of foreign economic relations is one of the priorities in the development of the republic.

<http://www.bisnis.doc.gov/bisnis/bisdoc/0511yakutia.pdf>

http://www.yakutiatoday.com/region/economy_investment_policy.shtml



Yakut horses

Banking

№	Name of the Bank	Management	Contact information	Additional information
1.	JSCB "Almazergienbank"	President – Mironov Aleksandr Stepanovich	Address: 1, Lenin avenue, Yakutsk, Republic of Sakha (Yakutia), Russia. Phone/fax: +7 (4112) 425- 425 E-mail: bank@albank.ru	General License of the Central Bank of Russia no.2602 of 03.12.2003 "Almazergienbank" (general license of the Central Bank of Russia No2602) is a situated in Far East Region of Russia. The Bank has been working for more than 10 years and has earned the reputation of a reliable and respectable partner. Nowadays Almazergienbank has become one of the most perspective and stable banks, with 6 branches in the territory of Republic of the Sakha (Yakutia). The bank has a license to operate in securities market and is going to join International VISA membership. Since its foundation, Almazergienbank provides to corporate and individual clients a wide range of services on the basis of modern technologies and wide network of branches. A deep knowledge of new markets enables them to better satisfy their customers' individual requirements.
2.	National Bank of the	President –	17, Kirova st., Yakutsk,	

	Republic of Sakha (Yakutia)	Levchakov Sergey	Republic of Sakha (Yakutia) 677000	
3.	Closed Joint Stock Company Taatta Bank	President - Pantazyev Ivan Ilyich	46/1 Ordzhonikidze Str, Yakutsk, Republic of Sakha (Yakutia), Russian Federation, 677000. Tel.: (+7-4112) 42-07-06, 45-99-45, (reception), fax 42-35-31, 45-99-50. www.taatta.ru	Foundation: December 20 1990 Licenses: Licensed by the Central Bank of Russian Federation License for banking operations with legal persons in rubles and foreign exchange of 21 Mar 2002, № 1249; termless. License for banking operations with natural persons in rubles and foreign exchange of 21 Mar 2002, № 1249; termless. License for banking operations for deposits, withdrawals and precious metals placement dated Feb 2002, № 1249; termless. Licensed by the Russian Federation Securities Market Federal Commission Securities market professional participant brokerage License of 7 Dec 2000, serial number 05 № 014-03517-100000; without time limit.
4.	Yakutsk branch of the Saving Bank of the Russian Federation №8603	Manager: Starkov Aleksandr Ivanovich	Address: 17, Oktyabrskaya st., Yakutsk, Republic of Sakha (Yakutia) Tel. (+7 4112) 42-06-20	
5.	Yakutsk Branch Bank of the Mirny commercial bank "MAK-Bank"	Director: Fursina Evgenia Andreevna	24, Lenin avenue, Yakutsk, Republic of the Sakha (Yakutia), 677000, tel. (+74112) 34-19-09 fax (+74112) 42-31-67	MAK-Bank was created in Mirny in 1990. Bank has 11 branch banks in Irkutsk, Krasnoyarsk, Lensk, Udachny, Novosibirsk etc. It is a full-service bank. Its main clients are diamond-mining companies, agricultural companies etc. Statutory fund is 260 million rubles.
6.	Yakutsk Branch Bank of SakhaDiamondBank	President: Pahomova Tatyana Yurievna	12, Kirova st., Yakutsk, Republic of the Sakha (Yakutia), 677000 Tel.: (+7 4112) 48-21-26, Fax (+7 4112) 42-00-47 www.sdb.ru	Created in 1995. SakhaDiamondBank is a full-service bank.



Yakutsk: the old and the new

Education and professional training

The Republic has a highly developed scientific community. Fourteen academic and twenty research institutes of Yakut Science Center of the Siberian Branch of the Russian Academy of Science, and the Republic Academy of Science, study and research some of the most important questions in geology, environment, biology, space and aeronautics, technical science, liberal art, etc.

M.K.Ammosov Yakutsk State University is one of the major institutions of higher education in Siberia. The University faculties and institutes offer more than fifty fields of specialization. Thirteen thousand students study at the University.

Most of the secondary education schools and all of the technical colleges are public.

<http://www.russia-outdoor.com/index.php3?id=44>

Chambers of Commerce links

Russian Chamber of Commerce and Industry (RF CCI),

109012, Moscow, St. Ilyinka, 6
Phone: +7 (095) 929-0009
Fax: +7 (095) 929-0360
E-mail: tpprf@tpprf.ru
<http://eng.tpprf.ru/>

CCI of the Republic of Sakha (Yakutia)
Chairman - Aleksandr V. Andreev
Postal Address: 19 Krupskaya St., Office 403, 404 Yakutsk, Republic of Sakha (Yakutia) 677000, Russia
Tel.: (4112) 32-04-48, 32-11-38
Fax: (4112) 32-19-66
E-mail: palata91@mail.ru

Useful links (in Russian and/or English)

www.sakha.gov.ru
www.yakutia.ru
<http://il-tumen.sakha.ru>
www.ykt.ru
www.yakutiatoday.com
<http://yal.ru/>
<http://www.yakutia.org/>
<http://en.wikipedia.org/wiki/Sakha>



*The Lena River and the rock formation called
“The Lena pillars”*