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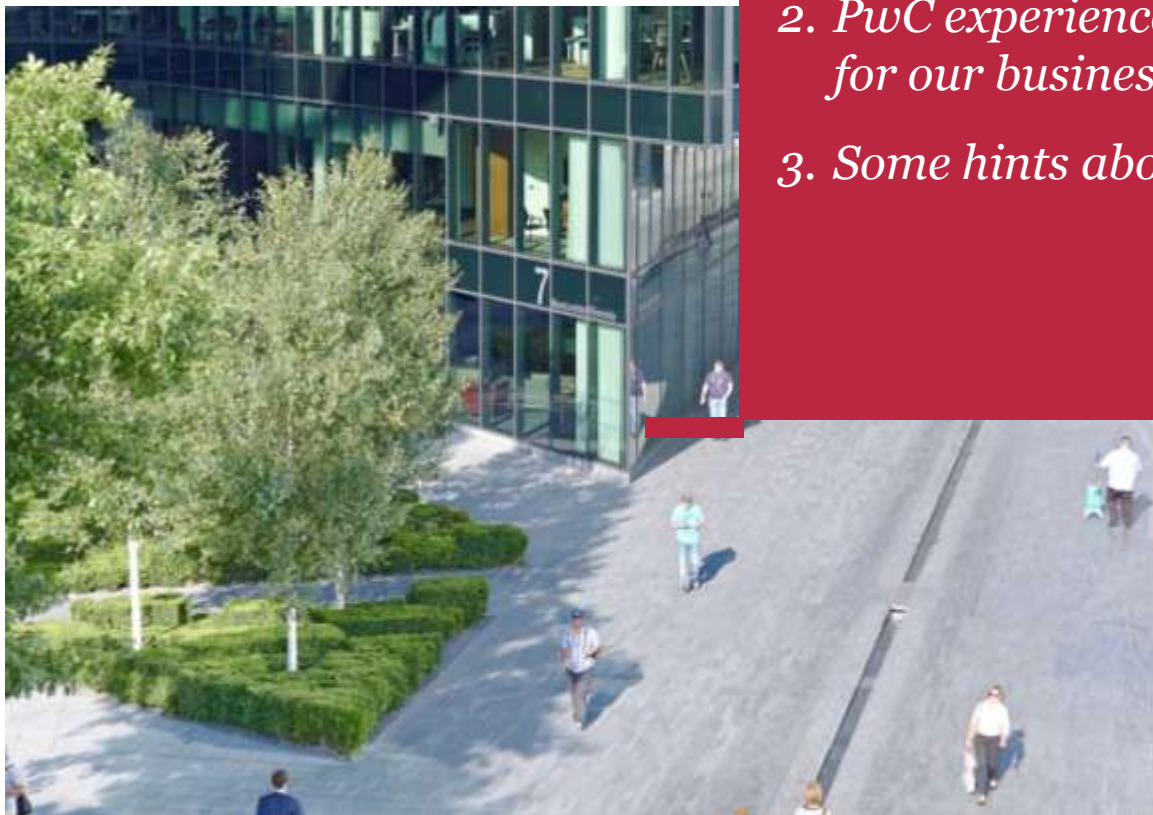
# *PwC experience: Tatarstan*

*Denis Derevyankin  
Kazan PwC office leader*



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# *Content*



- 1. Introduction*
- 2. PwC experience: what is Tatarstan for our business?*
- 3. Some hints about Tatarstan*

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## *Personal Introduction*

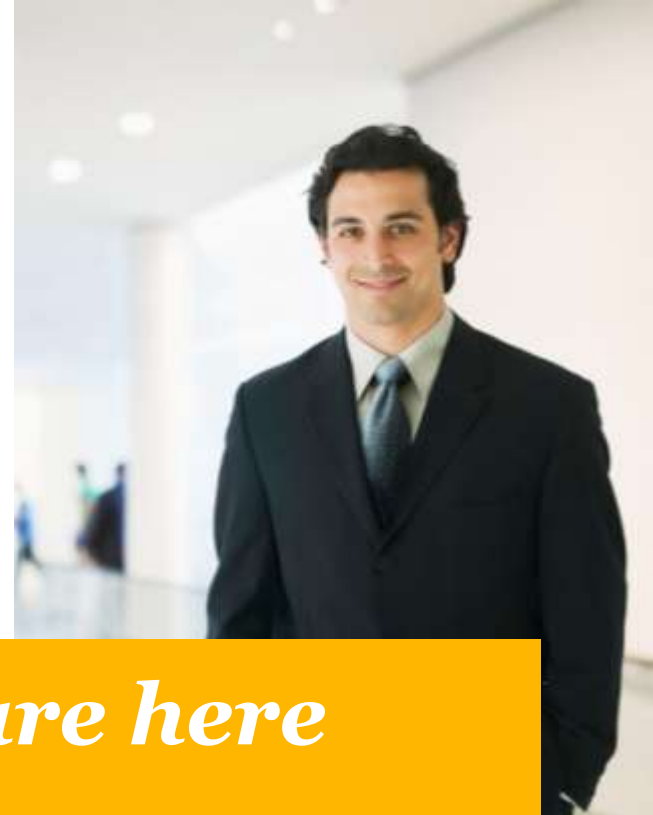
- Kazan PwC office leader
- Experience in the profession near 10 years
- Work area – whole Russia, from St-Petersburg to Okhotsk
- Clients – international, local, public, private
- 2 years in Kazan with family



*Denis  
Derevyankin*

# *Office Introduction*

- We opened in 2007
- Office in Kazan was 4<sup>th</sup> operational office in Russia for PwC after Moscow and Saint-Petersburg
- With near 120 employees it's third-size office in Russia
- Practice is focused on development of one region, but provide wide range of services
- Top companies of Tatarstan are serviced by PwC



*We are here*

## *PwC experience: what is Tatarstan for our business?*

- There are many questions, when you enter other region:
- Is it administratively easy?
- Are there any perspectives in the region?
- Is cost of enter less than forecasted benefits?
- Will you be able to react to market quicker?
- Do you understand formal and informal rules?
- Is there your favorite restaurant in the city?



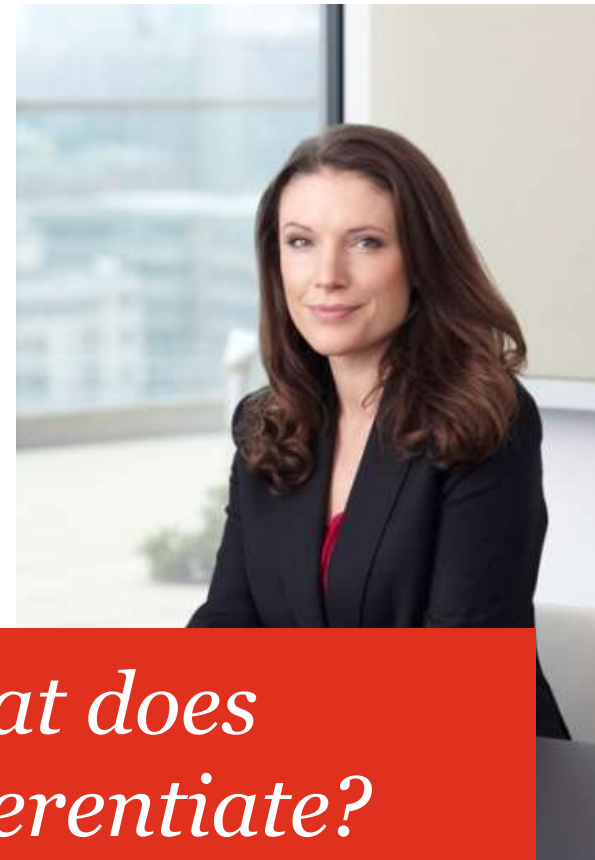
*Why?*

# *PwC experience: what is Tatarstan for our business?*



## ***PwC experience: what is Tatarstan for our business?***

- Real life example of benefits of the region used by PwC:
- We put Shared Service Center (for Audit services) in Tatarstan
- It's internal department, the main goal of which is supporting of audit teams in Russia by providing standardized services
- Current plan - audit time transfer to SSC is almost 30% of all our time cost in Assurance Russia
- **Why do we such investment to Tatarstan?**



*What does  
differentiate?*

## *PwC experience: what is Tatarstan for our business?*

Regional benefits utilized in creation of SSC:

- Mix of **industry-specific educated students** (center of education in Volga region) with **less staff cost** (average salary and internal training supportive expenses is less on 20% in comparing with Moscow)
- **Small rent cost** (sq.m. in Kazan office is in 10 times cheaper for us than in Moscow)
- **Sufficient IT infrastructure**, because work of SSC depends significantly on network quality
- **Life cost** is 30-50% less (vs Moscow) for management, that let us transfer top-level specialists on start-up stage from other regions

*What does  
differentiate?*



## *Some hints about Tatarstan*



- Geographical location
- Transportation corridors
- Ports
- Transportation pipes
- Airports

Tatarstan is one of Russia's most economically developed regions. It is located in the centre of a large industrial region, 800 kilometres east of Moscow, at the confluence of the Volga and Kama rivers.

*What is else?*

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## *Some hints about Tatarstan*

**Area:** 67,836.2 sq. km

**Population:** 3.8 million people

Tatarstan stretches 290 km from North to South and 460 km from West to East Tatarstan has a moderately continental climate.

**Official languages** are Tatar and Russian.

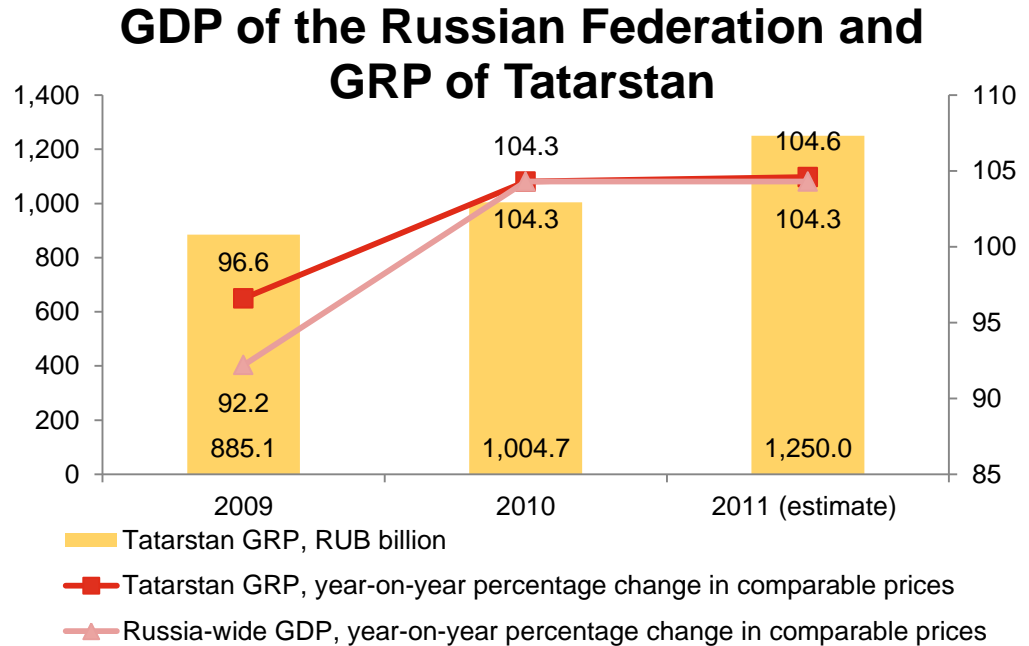
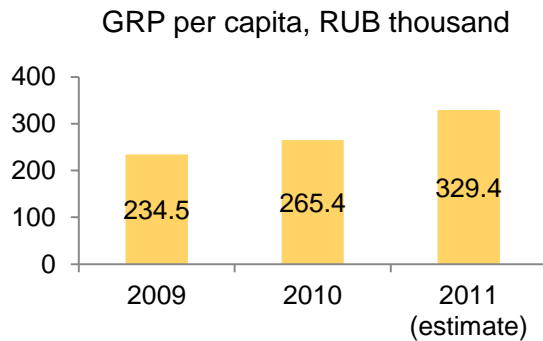
Predominant religions are Islam and Orthodox Christianity

75.4% of Tatarstan's residents live in urban areas.

The **capital** is Kazan (area: 614.2 sq. km; population: 1.161 million people)

*What is else?*

# Some hints about Tatarstan



*What is else?*

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## *Some hints about Tatarstan*

The main reasons to invest to Tatarstan:

- Existing market in the region and nearby regions (>1 mln cities); potential demand growth
- Low payroll expenses (salaries and related)
- Government support for big projects
- Existence of “brown-field” capacity
- Openness of government

*What is else?*