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POLITICS & ECONOMY

- Russia grew to the seventh position in the EY's top-20 of European countries by foreign investor activity in 2016 from the eighth one in 2015, the auditor said. Moscow entered the top-20 of the European cities which are the most attractive ones for investments, ranked 14 in 2016.
- The court of Brussels has removed all arrests of property of Russian companies in Belgium, including newswires RIA Novosti and ITAR-TASS, head of the International Center for Legal Protection Andrey Kondakov told. In July 2014, the Permanent Court of Arbitration in Hague ruled that the Russian government must pay U.S. \$50 billion compensation to Group Menatep Limited, which unites former Yukos owners. Russia refused to fulfill the court order, and the shareholders sent claims to several countries, asking to help with the fulfillment of the court order.

FINANCE & INSURANCE

- A tax free system will start working in Russia from October 1, Prime Minister Dmitry Medvedev. Foreigners who come from the countries outside the Eurasian Economic Union will be reimbursed. The payment will amount to the VAT rate of 18% minus commission of companies that will be operators of the system.
- Russian President Vladimir Putin ordered industrial corporation Rosatom, space corporation Roscosmos, nuclear power corporation Rosatom, United Aircraft Corporation (UAC), and United Shipbuilding Corporation (USC) to create special departments and venture funds for investment in small innovative companies.

OIL & GAS

- Austrian oil and gas company OMV plans to expand its presence in Russia and launch an office in St. Petersburg in early autumn, while its Moscow office will continue operating as usual, a representative of the company told.

POWER & COAL

- Russian state nuclear power corporation Rosatom hopes that Hungarian companies will actively participate in the construction of two new units at the Paks nuclear power plant, also known as the Paks-2 project, CEO Alexei Likhachyov told.
- Germany's Viessmann has launched a 1.5 billion ruble water boiler plant in Russia's Lipetsk special economic zone, the Lipetsk Region government said.
- Nuclear power corporation Rosatom plans to invest about 2 billion euros in wind power projects in Russia, Director for Development and International Business at OTEK, a Rosatom company, Emin Askerov, said.
- TVEL, a subsidiary of Russian nuclear power corporation Rosatom, plans to ship a test batch of TVS-Kvadrat fuel to a plant in the U.S. in 2019, TVEL Vice President Oleg Grigoryev said. He also said that production of the fuel batch will start in 2018.
- Scientific institutes and companies of countries of the Visegrad Four group, comprising Poland, the Czech Republic, Slovakia and Hungary, will take part in operations of an international research center, which will work on the base of a fast-neutron nuclear research reactor currently being built in Russia.
- Russian nuclear power corporation Rosatom does not rule out participation of foreign companies in construction of a fast-neutron nuclear reactor BREST-OD-300, Deputy CEO Vyacheslav Pershukov told.

CHEMICALS

- Russian petrochemical holding Sibur plans to develop a new polymer processing cluster in the Kaluga Region under an agreement signed with the regional government, Karl Schmidt Spedition GmbH & Co. KG (KSS), and Freight Village Kaluga (Freight Village RU), Sibur said.

ENGINEERING & CONSTRUCTION

- Russian railway equipment producer Transmashholding is discussing a purchase of 50% in Hungarian rail car maker Dunakeszi, Transmashholding's co-owner Andrei Bokarev.
- Russia led the Knight Frank's rating of commercial real estate growth in Europe in January–March with investment more than tripling on the year to 680 million euros, the company said. Office real estate accounted for 65% of the investment, retail property for 30% and warehouses for 5%. A total of 12 investment deals were signed.
- Russia may raise import duties for electronic devices to make domestic manufacturing more profitable than imports, but the initiative must come from the business, presidential aide Andrei Belousov told.

TRANSPORT & AUTOMOBILE

- U.K.-based mining giant Evraz, which mainly operates in Russia, has closed a deal to sell 100% in affiliate Evraz NMTP, or the Nakhodka Trade Sea Port, to Lanebrook Limited for U.S. \$354.4 million, the company said in a statement.
- Germany's Volkswagen will supply diesel engines for production of light commercial vehicles GAZelle Next of Russian carmaker GAZ Group, the two companies said in a joint statement.
- Daimler AG is starting construction of a 16 billion ruble light vehicle plant in the Moscow Region. The facility will start operation in 2019 to produce E class sedans and then GLE, GLC and GLS sport utility vehicles.

TELECOMS

- Russia's Communications and Mass Media Ministry has suggested creating a 90 billion ruble group of satellites on highly elliptical orbits to provide the Arctic with connection, Minister Nikolai Nikiforov said.