

Northwest Russia: Facts and Events

Newsletter by the Stockholm Region Office in St. Petersburg

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Valentina Matvienko Met Mats Hellström

The meeting between Valentina Matvienko, Governor of St. Petersburg, and Mats Hellström, Governor of the Stockholm County, was held on 22 June at Smolny. May Andersson, Consul

General of Sweden in St. Petersburg, Lada Illarionova, Head of Stockholm Region Office in St. Petersburg, Alexander Prokhorenko, Chairman of the Committee on External Affairs and Tourism, and Ekaterina Belyakova, Head of department of the Committee, also took part in the meeting.

Priorities for cooperation were discussed during the meeting, in particular, construction of science park, cooperation in the field of biotechnology, energy saving, ecology, social security and healthcare, cultural and tourist links between the districts of the both regions. According to Mats Hellström, cultural and historical heritage facilitates not only tourism development but also increases an investment attractiveness of the whole Baltic Sea Region. A general agreement on cooperation between St. Petersburg and Stockholm-Mälars region was decided to be signed, with the Cooperation programme containing joint projects and activities. A conference on cooperation between St. Petersburg and Stockholm-Mälars region will be held in the beginning of the year 2005.

Source: Official web-site of the City of St. Petersburg www.gov.spb.ru



Paul McCartney on Palace Square

Paul McCartney's concert took place in St. Petersburg on the Palace Square on 20 June. Over 50 000 people attended the concert. This was the only concert of Paul McCartney in Russia within the frames of his new European tour *4Summer*.

During the visit the honorable guest stayed in the Consulates village near the Konstantinovsky Palace – the official residence of the President of the Russian Federation.

Source: Interpress, www.interpress.ru



International Music Festival Palaces of St. Petersburg

International Music Festival *Palaces of St. Petersburg* was established in 1991 by the initiative of famous pianist and conductor Konstantin Orbelyan and St. Petersburg violinist Maria Safaryanz. The Festival represents the works of composers from the whole world, both outstanding and young talented musicians.



This year XII International Summer Music Festival *Palaces of St. Petersburg* will be held in June-July. Over 20 palaces will open their doors for guests. Official opening of the Festival will take place at the Great Philharmonic Hall on 16 June. Traditional *Parade of Cultures* emphasizing the meaning of the city, its status as the world cultural heritage will be also held during the Festival.

Contact person: Irina Korb, Press Secretary of the Festival, e-mail: palaces@rol.ru, www.palacefest.ru/eng/indexeng.html

Centaurus-II: Sailing Towards Sustainable Baltic Sea Region

Centaurus-II is the sailing catamaran from St. Petersburg where projects related to marine research and environmental education are implemented.

On 20-27 June Centaurus-II will for the third time take part in the Kiel Week (Germany), which combines the biggest yachting event in the world with the biggest summer festival in the Northern Europe. Through short cruises on the Catamaran the students from the Kiel Region and the guests of Kiel Week will learn the basics of marine field research and get to know the Baltic Sea environment.

On 30 July– 10 August the annual international expedition will be held onboard the Centaurus-II in the Gulf of Finland. Six years ago the catamaran started to participate in expeditions that are carried out by the Russian State Hydrometeorological University within the frames of the IOC/UNESCO program Baltic Floating University. Through this program students can participate in marine research and get involved in the scientific process on the basis of the training through research principle.

Aiming to work further for the sustainable future of the Baltic Sea Centaurus-II invites all the interested actors in the Stockholm Region to cooperation.

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Stockholm International Fairs and Stockholm Region Office in St. Petersburg Awarded

Russia's first industrial fair celebrated its 175th anniversary in the premises of the Lenexpo exhibition center in St. Petersburg.



Photo: magazine St. Petersburg in the Mirror

Protection of Intellectual Property Rights: Russian, American, and European Outlooks



Seminar *Protection of Intellectual Property Rights: Russian, American and European Outlooks* was successfully held on 5 June 2004 during the III International fair *Neva Book Forum*. The seminar was arranged with the support of the Nordic Council of Ministers Information Office in St. Petersburg and IRC U.S. Consulate in St. Petersburg. Sergey Obrezanov, Project manager, spoke on the

Role of the UNDP and Federal Service of Intellectual Property, Patents and Trademarks Joint Project on Intellectual Property Rights in the Formation and Development of the Intellectual Property Market in Russia.

Trond Andreassen, General Secretary of the Norwegian Non-Fiction Writers and Translators Association, presenting his speech on the modern standard contract for book publishing and guidelines for electronic publishing, Vadim Uskov, Lawyer, Patent Lawyer of the Russian Federation, speaking on unfair competition in publishing and Joseph Beck, Lawyer, Partner, Kilpatrick Stockton LLP, presenting his view on USA parody and other forms of fair use of Intellectual Property in publishing were among the participants.

The seminar finished with a panel discussion *Copyright and Competition in Publishing Business*.

Contact person: Elena Ivanova, UNDP/UNOPS Programme Associate in St.-Petersburg, e-mail: elena.ivanova@undp.ru

During the event the Stockholm Region Office in St. Petersburg and Stockholm International Fairs received the diplomas from the St. Petersburg Committee on Economic Development, Industrial Policy and Trade, recognizing their contribution to the exhibition/fairs branch development.

Source: stockholm.office@stockholm.spb.ru

Pharmaceutical Market of St. Petersburg

- In 2003 drug retailers in St. Petersburg spent nearly 10 mln USD on chains expansion
- Expected investments in retail pharmaceutical market will constitute up to 20 mln USD in 2004.
- There are 171 state and 300 private pharmacies, 750 pharmacy outlets operating on the city market.
- The largest pharmaceutical chain is St. Petersburg is *Pharmakor*. (12% of the market). Pharmakor's monthly turnover is about 7 mln USD.

Source: Delovoy Peterburg, 31 May 2004.

Tender on Pharmacy Outlets at Hospitals and Polyclinics



Photo: www.interpress.ru

Source: Delovoy Peterburg, 24 May 2004.

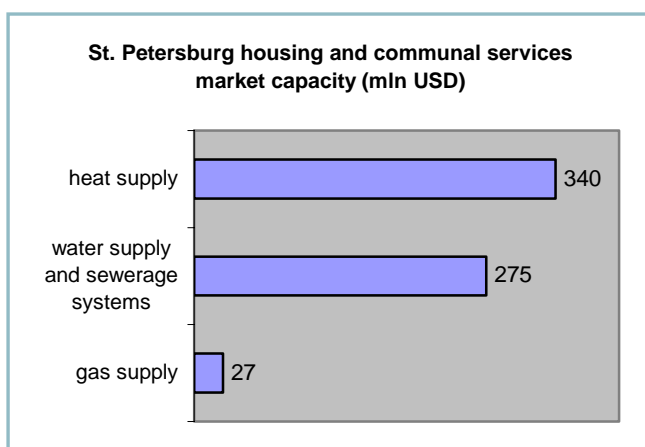
The St. Petersburg Committee on Health has opened a tender among the largest pharmaceutical companies on the opening 80-90 pharmacy outlets at hospitals and polyclinics of the city. The tender itself will be carried out in July 2004. Only drug chains owners ready to invest over 3 million USD can participate in the tender procedure.

New Company on Housing and Municipal Services Management

The Government of the Leningrad Oblast is going to attract investments to the management of housing and municipal services. 49% shares of the new company to be open for the housing and municipal services management will be transferred to the investors.

Remaining 51% are planned to be owned by the Government that will allocate funds to the authorized capital of the company.

Source: Delovoy Peterburg, 18 May 2004.



Programme on Waste Recycling



Photo: www.interpress.ru

The City of St. Petersburg is currently elaborating the Programme on Waste Recycling. One of the main issues of the programme is the construction of waste burning plants. The City is planning to attract foreign investors to the construction projects. Taking into account the costs of the purifying complexes, the construction of the burning facilities can comprise up to 1 billion USD.

St. Petersburg now has 6.5 million cubic meters household waste and about 3-4-million cubic meters industrial waste. Only 1.25 million cubic meters waste is being recycled.

Source: Delovoy Peterburg, 31 May 2004

Reservation Grounds for Solid Household Waste

Two new reservation grounds for solid household waste from St. Petersburg (the total area of about 120 hectares) will be built in the Leningrad oblast. The construction of the third reservation plot is now being discussed. The three new facilities will be able to 24 million cubic meters of waste. The construction of one plot will as estimated cost about 2 million USD.

Source: Delovoy Peterburg, 21 May 2004

Russian-Swedish Cooperation Projects Developed by the Participants of the Programme Nordpraktik-New Managers for Russia

60% of Annual Business Growth

In the end of 1999 Andrey Agenorov, Director of Mega-Electronica company (agenorov@megachip.ru), went to Sweden as a trainee in the Nordpraktik programme. His host company and future business partner was ELFA enterprise, also working with electronic componentry. As a result of the internship, the joint cooperation project was started. According to Andrey, if it had not been for this programme, such rapid and successful business development would never have been possible. The annual rates of business growth have never been under 60%. This fact has even allowed the company's management to transform supplies from ELFA catalogue into a separate enterprise named West-L.

Source: Stockholm Region Office in St. Petersburg, stockholm.office@stockholm.spb.ru



BEF Company is Replicating Success Deals

In the spring of 2002, Oleg Bagautdinov, General Director of BEF company (bef@cprp.leivo.ru), took part in the Nordpraktik-New Managers for Russia programme. The company, which has been working in the pulp and paper industry sector since 2000, wanted to start cooperation with a Swedish company producing equipment for this branch. Cellwood Machinery AB became the host company for Oleg Bagautdinov. During his internship in Sweden, the cooperation agreement was signed and the promotion of the Swedish equipment in Russia was started. In the first year of the joint work two equipment supplies into Russia were made. During the next two years nearly all the regions of Russia were covered and more than 110 offers for potential customers were prepared.

Nowadays Cellwood Machinery AB is a well-known name in Russia. According to the branch press, it ranks among the five most well-known enterprises producing pulp and paper equipment.

When the strategy suggested by BEF company proved to be successful, the decision to promote other Swedish enterprises producing equipment for pulp and paper industry was taken

Source: Stockholm Region Office in St. Petersburg, stockholm.office@stockholm.spb.ru

Largest Unions of Software Manufactures Merging

Russoft and *Fortross*, two largest unions of Russian software manufactures, has announced on their forthcoming merger. It was initiated by Valentin Makarov, director of the *Fortross* consortium. Over 70 companies with the overall turnover of 160 mln USD will be merged. The director of advertising and PR department of St. Petersburg company *Reksoft* considers the merger to give a common face on the Western market. Two different names and policies were confusing for the Western customers. However the brand *Russoft* will remain due to its' strong associations with the Russian software industry both on foreign and domestic markets.

Source: Delovoy Petersburg, 4 June 2004

The next issue of the newsletter will be brought out in August 2004.
The Stockholm Region Office in St. Petersburg wishes You a pleasant summer!

The archive of the newsletters can be found at <http://www.stockholmregion.org/tpl/topic.asp?ID=457>

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