

Northwest Russia: Facts and Events

Newsletter by the Stockholm Region Office in St. Petersburg

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Development of Cooperation between Stockholm-Mälardalen Region and Northwest Russia



Bo Holmberg, Governor of Södermanland County, visited St. Petersburg on 20-21 October to take part in the XI International Conference *Women Changing the World*. It is the annual conference arranged by St. Petersburg Social and Economic Institute together with the City of St. Petersburg and the Leningrad Region.



Bo Holmberg participated in the official opening of the conference and shared the good news about the expanding cooperation between the Stockholm-Mälardalen region and Northwest Russia.

Bo Holmberg informed the audience that 1 mln SEK had been granted for the implementation of *Weran Baltic Sea* project. It is a continuation of the well-known *Weran* project aiming to support female entrepreneurs running small and medium size companies in Södermanland County and Leningrad region. The project supported by the Södermanland County Administrative Board and the Leningrad region administration was implemented in 2001-2003 by Språngbrädan Utvecklingskonsulter AB and the St. Petersburg Social and Economic Institute. The new project will be extended over the whole Stockholm-Mälardalen region and three regions in Northwest Russia.

The goals of the new project are to put into practice the new strategies in order to solve unemployment problems; to establish five resource centers for women in Leningrad region, Novgorod, Pskov and Vologda; to disseminate the positive experience from *Weran* project in other regions of Northwest Russia.

The *Weran Baltic Sea* project is planned to be finalized in 2007. Among the expected results are the cooperation between 7 Swedish and 5 Russian regions in promotion of female entrepreneurs, 6 resource centers with 12 business consultants as well as website with information about potential partners in Russia etc.

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

Music Seasons at Konstantinovsky Palace



The new project *Music Seasons at Konstantinovsky Palace* was launched on 16 October at Konstantinovsky palace that now is being operated as residence of the President of the Russian Federation. The aim of the project is to regenerate the cultural traditions of the palace where the Romanov Royal dynasty used to arrange music evenings. The organizers of the *Music seasons* are the International Charity Fund Konstantinovsky and the International Festival of Chamber Music (see Northwest Russia, week 26). The *Music Seasons* consist of four concerts called Autumn, Winter, Spring and Summer. The

famous Italian saxophonist Federico Mondelci was invited to the autumn concert on 16 October named *Autumn. Tango. Saxophon*. Accompanied by *St. Petersburg Trio* and Youth Orchestra of the Mariinsky Theater, Federico Mondelci performed compositions by Sibelius, Piaccola, Duke Ellington and other famous composers.

Contact person: Irina Korb, Press secretary of the Festival, e-mail: palaces@rol.ru

Anniversary of Pskov Region Chamber of Commerce and Industry



Photo: The Pskov Region Chamber of Commerce and Industry

regional administrations and Consulates of Estonia and Latvia. Sweden was represented by the Chamber of Commerce and Industry of Southern Sweden and the Stockholm Region Office in St. Petersburg. As one of the information partners, the Stockholm Region Office together with *Nordpraktik-New Managers for Russia* programme was awarded diplomas in recognition of the long-term and successful cooperation.

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

The Pskov Region Chamber of Commerce and Industry celebrated its 10th Anniversary on 8 October 2004. The celebrating ceremony gathered a large number of members of the Chamber, partners from regional chambers in Northwest Russia and other countries, as well as representatives for



Facts and Figures

The Pskov Region Chamber of Commerce and Industry now has over 170 members representing both large-scale, medium and small enterprises.

On 1 January 2004, the Pskov region had 125 enterprises with foreign investments. The total capital of the enterprises comprises 16.5 mln USD, with the foreign share of 8.96 mln USD (54.3 %).

Leaders in establishing joint companies are Latvia and Estonia, having 69 and 20 enterprises correspondingly. Sweden at the moment has 4 joint companies in the region.

Source: Economics and Time, 4 October 2004

Technical Means for Prevention of Radioactive Terrorism and its Consequences Liquidation

On 18-20 October 2004 the international conference *Technical Means for Prevention of Radioactive Terrorism and its Consequences Liquidation* was arranged by the Russian State Scientific Center of Robotics and Technical Cybernetics and International Science-and-Technical Center (ISTC) in St. Petersburg with the support of the Russian Ministry of Education and Science, Russian Ministry for Emergency Situation, Plenipotentiary Representative of the President of the Russian Federation in Northwest Federal District, Federal agency of Science and Innovations and the City of St. Petersburg.

The main objective of the conference was to provide science-and-technical information exchange for the development of new ISTC projects, to encourage new contracts between scientists from Russia, Commonwealth of Independent States (CIS) and their foreign colleagues from ISTC partner-states, that could lead to new common projects. The conference was targeted at the prevention of international radioactive terrorism by coordination of governmental, international and private enterprises. 'The spectrum of methods of terrorist activity was considerably enlarged and radiation terrorism became one of its most dangerous displays. The possibility of radioactive materials application in crowded places (subway, railway stations, transport, residential areas) has become a direct threat, which requires rapt and urgent attention of the world community', - emphasized Vitaly Lapota, Director of CRDI Robotics & Technical Cybernetics.



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

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Swedish Tourist Workshop in St. Petersburg

The fourth Swedish Tourist Workshop in St. Petersburg was arranged on 11-12 October by the Swedish Travel and Tourism Council with the support of the Stockholm Region Office in St. Petersburg.



Photo: Nordica Travel company,
info@nordica.spb.ru

The Swedish tourism industry was represented by 14 participants, such as Stockholm Visitors Board, the Royal Djurgården Society, hotel chains and museums, as well as tourist destinations in Northern Sweden. 31 travel companies from St. Petersburg and Leningrad region attended the workshop. The Leningrad Region Chamber of Commerce and Industry took an active part in the preparation of the event through recruiting local enterprises.

The workshop was also attended by the Consulate General of Sweden in St. Petersburg. May Anderson, Consul General, participated in the welcoming reception together with Consul and Head of Visa Department, Mats Österman. The latter also joined the business meetings and answered the questions concerning visa issues.

The workshop was highly appreciated by travel companies specializing in Sweden as a tourist destination. Igor Semenov, Director of Nordica company, especially marked the *Stockholm Agent's Manual* published by Stockholm Visitors Board. "The issue enables us to give the most up-to-date information about Stockholm and its tourism facilities".

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

Tourism Development in Northwest Russia

A new TACIS project on Tourism Development in the Northwest Russia has been launched in St. Petersburg. Project financing constitutes 2,2 million euro and its realization is planned for 2,5 years.

The implementation of the project will be carried out by an international consortium of 3 companies: Danish *Carl Bro Intelligent Solutions*, German *Pohl Consulting and Associates* and Russian-British *Branan*. Northwest Division Office of the Russian Union of Travel Industry acts as a partner from the Russian party.

The role objective of the project is tourism development in the Northwest Russia, Baltic Sea region. The goal is small and medium sized tourist companies' development as well as coordination improvement between regional tourism actors. Besides SME entrepreneurship support project financing will be extended on Tourist information centers regional and local authorities. Center for the Promotion of the Northwest Russia Tourist Potential is planned to be established within the frames of the project for the international destination marketing.

Source: Natalya Ermashova, PR-manager, Russian Union of Travel Industry, Northwest Division Office, e-mail: nw@rata.spb.ru

Gazeta dlya puteshestvennikov (Newspaper for travelers) N9 (55), October 2004

Facts and Figures. Tourism Statistics.

In the first six months of 2004, 2617 thousand citizens of the Russian Federation went abroad with tourism as purpose of visit. Compared with the corresponding period of 2003, the number of tourists increased by 35,8%.

Top three positions in incoming tourism from Russia are obtained by Turkey (505 thousand tourists), China (390 thousand) and Egypt (307 thousand). Sweden is ranked 27th, while the most popular European country in the list, ranked 4th, is Poland.

Photo: www.interpress.ru

Source: RataNews, 18 October 2004



The 5th Russian Venture Fair



The 5th Russian Venture Fair, arranged by the Russian Private Equity and Venture Capital Association together with the Ministry of Education and Science of the Russian

Federation, was held at the St. Petersburg exhibition hall Manezh on 6-8 October.

A total of 73 companies from 25 regions of the Russian Federation took part in the fair. St. Petersburg was represented by 23 enterprises.

According to Mikhail Oseevsky, Vice-governor of St. Petersburg, who participated in the opening of the fair, the system of venture investments is one of the important directions in the Russian innovation policy and a prerequisite for better competitiveness of the Russian industry.

Nowadays St. Petersburg has over 50 funds of direct and venture investments with total capital of 3-3,5 billion USD. However, the total volume of their investments in high technologies sector has in the last 5 years constituted less than 350 million USD.

According to the previous years' results, 11 of 136 companies, represented at the fairs, have received or are still receiving over 30 million USD of total investments. At this year's fair, over 70 projects by small and medium size enterprises were presented to potential investors. The total volume of requested investments constituted approximately 200 million USD.

Source: The City of St. Petersburg information newsletter, 11 October 2004

More information can be found at <http://www.rvf.ru/engl/>

Priority Sectors for Venture Investments: Facts and Figures

According to Evgeny Evdokimov, Financial expert of the Russian Association of Venture Investments (RAVI), the following sectors will be prioritated for venture funds during the next years:

- **Telecommunications** is a traditionally popular sector among direct investors due to stable effective demand both on the domestic and international markets. It includes investments in projects on the development of wireless and broadband connection, TV channels, publishing houses and search engines in the Internet as well as e-commerce;
- **Consumer market** includes investments in food and beverages, furniture and clothes production, service sector and retail chains development. Stable demand on projects in above mentioned fields is closely connected with particular features of postcrisis development of the Russian economy and the growth of citizens' income level;
- **Biotechnologies** sector attracts special interest due to the Russian accumulated scientific potential and the growing international attention to this topic;
- Russian **Software** developers have always been highly demanded. During the last years the demand on their services has raised in connection with the changing situation on the global software outsourcing market.

Source: Delovoy Petersburg, 24 August 2004

The 6th International Forum *Russian Forestry Complex in XXI Century*

The 6th International Forum *Russian Forestry Complex in the XXI Century*, supported by the Plenipotentiary Representative of the President of the Russian Federation in the Northwest Federal District, took place in St. Petersburg on 12 – 16 October 2004. The event was arranged by the Ministry of Natural Resources, the Ministry of Industry and Energy, the Ministry on Economic Development and Trade of the Russian Federation, the City of St. Petersburg, the Government of the Leningrad Region, exhibition company Restec, as well as leading companies as well as branch organizations within the forestry complex.

The Forum included the congress and the exhibition parts. In the framework of the congress the plenary meeting, the Congress of International Business Cooperation, conferences and round table meetings were held. Among the speakers at the plenary meeting were Ilya Klebanov, Chairman of the Organizing Committee, the Plenipotentiary Representative of the President of the Russian Federation, and Valery Roschupkin, Deputy Chairman of the Organizing Committee, Head of Federal Forestry Agency of the Ministry of Natural Resources. Specialized exhibitions, covering the whole range of the Forestry Complex were also arranged during the Forum.

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

Contact person: Tatiana Semenova, Restec, iird@restec.ru

Modernization of Housing and Communal Services in Russia

On 10-11 November 2004, a special conference *Modernization of Housing and Communal Services* will take place within the scope of the international specialized fair *Housing and communal services in Russia 2004* at the exhibition hall Lenexpo in St. Petersburg. The conference is arranged with the support of the Federal Agency of the Russian Federation on Construction and Housing and Communal Services, the City of St. Petersburg, the Government of the Leningrad region, the company Russian Systems of Communal Services and the European Bank of Reconstruction and Development.



Photo: www.interpress.ru

The state and prospects of the development of the Russian housing and communal services as well as legal issues regarding the reformation of Russian housing and communal services, business models, investments attraction to the sector and increase of communal energy effectiveness are planned to be discussed at the conference. An international round table devoted to Russian and foreign experience of modernizing the housing and communal services will be held within the frames of the conference.

Federal and regional executive and legislative bodies, companies dealing with housing and communal services and industry, experts, and representatives of financial and investment institutes of Russia, CIS and other foreign countries are expected to participate in the event.

Source: Viktor Valuev, Restec exhibition center, valuev@restec.ru

Cooperation with Foreign Partners in Housing and Communal Services Reform

On 8 September the project on bank documentation for investment attraction of the Kreditanstalt fuer Wiederaufbau/ KfW bank was presented at the Federal Ministry of transport, building and housing of Germany by the non-profit partnership St. Petersburg Association of homeowners together with the Initiative Wohnungswirtschaft Osteuropa (IWO) eV (Berlin, Germany). The investments are needed for the implementation of the pilot project on complex reconstruction of standard panel houses of the mass series in St. Petersburg.

The issue of giving credit guarantees to St. Petersburg was discussed at the German-Russian Forum held on 10 September in Hamburg with the participation of Yuri Molchanov, Vice-governor of St. Petersburg.

The next meeting of the international working group on realization of joint projects on reforming of housing and communal services in St.



Petersburg will be held on 9-13 November in St. Petersburg. The following issues are planned to be discussed: perspectives of introduction of a new financial instrument for contracting; development of "energy passports" for houses after the ratification of the Kyoto protocol by Russia; development of joint housing managing company for the implementation of international projects.

St. Petersburg Association of Homeowners considers the cooperation with Swedish partners in this sector as promising one and invites to the further cooperation.

Source: Nikolay Pitirimov, St. Petersburg Association of homeowners, e-mail: npgorod@mail.ru

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

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