

Northwest Russia: Facts and Events

Newsletter by the Stockholm Region Office in St. Petersburg

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Delegation of Social Services Administration Visited St. Petersburg

The delegation of Social Services Administration, the City of Stockholm, visited St. Petersburg on 28 November – 1 December. The group headed by Rita Kahn, Director of Citywide Programs and Emergency Social Services, consisted of chiefs for sectors specializing in support for homeless people, battered women, as well as youth abuse, family counselling and prostitution questions.

The program of the visit prepared by the Stockholm Region Office in St. Petersburg was composed of a number of study visits to St. Petersburg social institutions, such as Crisis Center for Women, Center for Prevention of Minors' Neglect and Drug Abuse, Social Home for Children and Youth Vera, as well as Shelter for Homeless People in Centralny City district. During the meetings, the Russian and Swedish colleagues exchanged experiences and views on social work in Northwest Russia and Stockholm.

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Photo: www.interpress.ru

Seminar on Russia's Accession to WTO

The two days' seminar on Russia's accession to World Trade Organization (WTO) arranged by Tacis, the European Commission and the Ministry of Economic Development and Trade of the Russian Federation took place at the Leningrad Region administration in the end of November 2004.

Tacis experts and representatives of the Russian Ministry gave reports on such themes as Industrial Subsidies and Compensations, State Support and Subsidies to Agriculture, Home Market Protection etc. Anna Sidoruk, representative of Trade Negotiations Department, Ministry of Economic Development and Trade, stressed that it is one of the very first seminars for regions of the Russian Federation, as the most of prior events were held for industrialists.

On the federal level, almost all amendments in the legislation required for joining WTO, are done. Now it is regional authorities that have to analyze how the regional legislation corresponds with the federal one. According to experts, about 80% of regional laws have already been adapted to correspond the WTO norms.

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Rosenergoatom Concern to Develop Power Export to Finland



Photo: www.interpress.ru

Rosenergoatom concern (Russian State Concern for Generation of Electric and Thermal Power at Nuclear Power Plants) plans to develop power export besides RAO UESR

(Russian Joint Stock Company - Unified Energy System of Russia) and Inter RAO UESR, which are the only Russian electro power exporters. *Rosenergoatom*, that is the owner of 40% Inter RAO UESR shares, is going to start exporting electric power through the submerged cable to be built on the bottom of the Gulf of Finland.

As it was announced by the Ministry of Trade and Industry of Finland they have received a declaration of intent from United Energy Oy to launch the building of power cable of 450 kV voltage and 150 km length from Leningrad Region to Kotka (Finland). The project budget is planned to constitute over 200 million USD. The main stakeholder of United Energy Oy is the Russian Baltenergo company, owned by *Rosenergoatom* concern and Kotkan Energia. The representatives of Kotkan Energia notified that they are ready to provide infrastructure for the energy receiving on the territory of Finland and its further delivery to the Scandinavian energy system. The government of Finland will make the final decision regarding this investment proposal not earlier than in 2005.

Source: Delovoy Peterburg, 15 September 2004

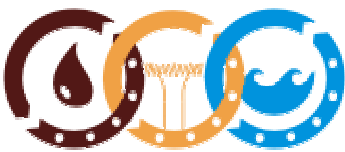
Construction of Cargo Terminal for Wood Granules in the St. Petersburg Port

The joint stock company International Transport Agency (MTA) has started the construction of a cargo terminal for wood granules in the port of St. Petersburg. The terminal is being projected by the joint stock company Lemo Concern.

The agreement on joint construction of the wood granule terminal was signed with the Dutch Agency for International Business and Cooperation (EVD, part of the Dutch Ministry of Economic Affairs) in the end of October. The estimated project cost is 1.26 mln Euro, with 730 thousand Euro coming from the Netherlands government and 270 thousand from private Dutch investors. MTA's contribution to the project, which is planned to be finalized by October 2005, is 260 thousand Euro. The capacity of MTA's own production is supposed to comprise 25 thousand tons annually. The company also plans to export the products of other Russian enterprises.

According to Andrey Ponomarev, Deputy Director of Lemo Concern, the enterprise signed the Letter of Intent with the Government of the Netherlands on construction of another terminal on the berths that the Concern has in the St. Petersburg port. Karl Hoffmann, the Representative of the Port of Rotterdam said that the two parallel projects are being supported by Rotterdam. 150 thousand tons wood granules are being produced in the Leningrad region compared to 1200 thousand tons in Sweden.

Source: Delovoy Peterburg, 5 November 2004



Russian Fuel and Energy Complex. Regional Aspects – 2005

The 5th International Forum *Russian Fuel and Energy. Regional Aspects* is going to be held in St. Petersburg on 4-7 April 2005. *Modern Power Industry 2005* conference will be arranged within the frames of the forum. Over 160 specialists representing authorities and leading companies took part in the last year's event,

in particular: RAO UESR, Inter RAO UESR, CIS Electricity and Energy Council, scientists, consulting, financial and investment companies from the USA and a number of European countries.

The main topics of the conference are energy complex reforms (results, problems, solutions), forming of free market of electric power industry in Russia, attraction of investments in power industry, successful experience and problems of investments projects realization, modernization of power industry complex.

Special attention will be given to the issues of regional Energy Complexes reforming including Northwest Russia as its key role in the contacts with Electric Industry of Russia and neighboring countries is growing. International workshops *Applying of Modern IT – Technologies in Power Industry. Russian and World Experience* and *Globalization of Business in Power Industry* will be arranged.

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New Conception of Pedestrian Districts in St. Petersburg



Photo: www.interpress.ru

A new conception of the pedestrian districts development in the historical city center until 2010 was approved by the City of St. Petersburg. According to the conception, 14 new highly comfortable pedestrian areas will be opened. The project aims at increasing of investment and tourist attraction of the historical city center, raising the level of comfortable and secure pedestrian traffic as well as development of system of traffic and pedestrian flows and growth of the level of full accomplishment of territory. Areas of high comfort for pedestrians will be created according to thematic principle: St. Petersburg of museums, Sport Petersburg, University Petersburg, Petersburg of Dostoevsky etc. Specialists of the Directorate for traffic management has already elaborated the scheme of special parkings where the drivers will leave their cars and use the public transport.

Within the frames of the conception 435 000 sq m of roadway, 474 000 sq m of pavements are supposed to be reconstructed. A new parking with the total area of 16 000 sq m is planned to be opened. The cost of the immediate arrangements for 2005-2009 constitutes 8 500 mln RUR. According to Michail Churilov, Acting Chairman of the St. Petersburg Committee on City Improvement and Roads, pedestrian district in the center are necessary since a number of tourists in St. Petersburg will have grown up to 10-12 mln by 2010.

Source: www.gov.spb.ru

Metro, 1 December 2004



Photo: www.interpress.ru

New Law Puts Ban on Lorry Traffic in Moscow Center

A new law which puts a ban on lorry traffic in the Moscow center has recently come into force in the capital of the Russian Federation. This rule applies to motor vehicles of more than 1 ton carrying capacity. Since 1 December they can't enter the center of the city without a special authorisation.

Moreover the law limits traffic of lorries with trailers and semitrailers within Sadovaya ring road



Photo: www.interpress.ru

Special authorisations for thoroughfare in the city center of the Russian capital will be issued by GIBDD (State Inspection on Traffic Safety)

Source: Metro, 1 December 2004

Facts and Figures

- An average amount of cars per 1 000 Russians is **150**
- St. Petersburg: **200** cars per 1 000 citizens
- Cars import in Russia has increased by **280%** in 2004
- During the period 1 January – 31 October 2004 **931,5** thousand cars were produced.

Source: Metro, 28 October 2004

Metro, 12 August 2004

Project of St. Petersburg Budget 2005 Passed



The Legislative Assembly of St. Petersburg passed on 17 November 2004 the project of St. Petersburg budget for 2005 with all the amendments from the members of the Assembly and the Governor of St. Petersburg. As a result, both profit and loss parts increased and comprised 113 306 and 121 965 mln roubles correspondingly (approximately 4046,65 mln USD and 4355,9 mln USD). The deficit remained on the level provided for in the initial project of the budget.

Construction and renovation, support for privileged categories of inhabitants, remunerations for employees within budgetary sector and the 60th Anniversary of the end of the 2nd World War were declared as prioritized spheres for St. Petersburg development in 2005. Financial means for following three target programs will be provided for in 2005: *Tourism Development in St. Petersburg in 2002-2005* – 6 mln RUR (about 214 thousand USD), *Older Generation 2003-2006* – 3,9 mln RUR (about 140 thousand USD) and *Support for Disabled Children and Their Families* – 63,1 mln RUR (about 2,25 mln USD).

Source: Newsletter of the City of St. Petersburg, 22 November 2004, www.gov.spb.ru



Photo: www.interpress.ru

Industrial and Social Development in St. Petersburg in January – September 2004

The results of the industrial and social development in St. Petersburg during the period of January – September 2004 were discussed at the City Executive Board meeting on 16 November 2004. The volume of industrial production comprised 241.2 billion RUR. The highest growth rates were registered within machine-building, metal works and food production. Investments in fixed capital have comprised 46.3 billion RUR (approximately 1.66 billion US dollars). It is 23.7 % less than in the corresponding period of 2003, which can be accounted for the 300th anniversary of St. Petersburg.

Valentina Matvienko, Governor of St. Petersburg, stated that the industrial and social development during the 9 months of 2004 had been positive, and especially stressed the necessity of accelerated construction of new houses.

Source: Newsletter of the City of St. Petersburg, 22 November 2004

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

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