

Northwest Russia: Facts and Events

Newsletter by the Stockholm Region Office in St. Petersburg

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St. Petersburg – Helsinki Ferry Connection Renewed



On 1 August the ferry connection between Helsinki and St. Petersburg was renewed after a long brake. *Julia* ferry was launched by the Finnish operator *Stella Lines*. In 2008 the ferry is expected to make around 70 calls at the St. Petersburg port. The cost of a one-way ticket is EUR 50. The ferry holds 700 people and 400 cars. The ferry line will operate the whole year round.

Source: *Delovoy Peterburg* newspaper, August 2008, www.dpgazeta.ru

Photo: www.interpress.ru

Finnish Companies Acquiring Apartments for Rent in St. Petersburg



Sato, Finnish company providing housing solutions whose business is comprised of investment in housing, housing development and construction, has started acquiring luxury apartments for rent in St. Petersburg. Within the next 5 years the company plans to invest EUR 150 million, acquiring 50-75 apartments annually. By 2012 *Sato* expects to have 20 percent of its assets in St. Petersburg.

According to Staffan Tast, Head of *Sato* St. Petersburg, the company has already invested EUR 30 million. *Sato* is positive about the long-term development of St. Petersburg and the growing demand for housing rentals, including serviced apartments. The company targets at businessmen coming to St. Petersburg from Russia and abroad.

Source: *Delovoy Peterburg* newspaper, July 2008, www.dpgazeta.ru; *Sato*, www.sato.fi

Photo: www.interpress.ru

Deutsche Bank's Office in St. Petersburg



On 1 July *Deutsche Bank AG* opened its first representative office in St. Petersburg. The office will provide client support on private capital management and commercial services. *Deutsche Bank* has already got a representative office in Moscow operating since 1998. According to Joerg Bongartz, CEO of *Deutsche Bank*, the main goal is to facilitate the access of customers from the Northwest region to global resources of *Deutsche Bank*.

Source: *Delovoy Peterburg* newspaper, July 2008, www.dpgazeta.ru

Photo: www.interpress.ru

EICC Office in St. Petersburg



The European Information Correspondence Centre (EICC), business network operating in 50 countries, is planning to open a representative office in St. Petersburg. The first Russian office of EICC was launched in Moscow in 2007 and has received around 70 requests from Russian export-oriented SMEs, interested in entering the EU markets. By the end of 2008 EICC is planning offices in 20 regions of Russia.

Source: *Delovoy Peterburg* newspaper, July 2008, www.dpgazeta.ru



Plants Moved Out of City Centre

By 2011 two large plants are expected to be moved out of the city centre to the industrial area Neva. Those two are *Kirov Spinning Plant*, and *Izmeron Instrument Plant*.

Source: *Delovoy Peterburg* newspaper, July 2008, www.dpgazeta.ru

Photo: www.interpress.ru

Employment Shortage in St. Petersburg



The unemployment rate in St. Petersburg is considered one of the lowest (2.1 percent) as compared to other Russian regions. The overall number of employed in St. Petersburg is 2.65 million people. The demand for labour is higher than the supply: according to the official statistics there are 79 thousand job vacancies. Among the most wanted professions are lath operators, fitters, electricians, engineers, drivers, plumbers, accountants, shop assistants etc.

In this connection, the St. Petersburg Employment Department launched a new project 'Work in St. Petersburg', designed to help enterprises attract new employees by organizing career fairs in small towns close to

St. Petersburg. The average cost of such a fair constitutes RUR 500-800 thousand (SEK 130-210 thousand). The employers don't pay anything; all costs are covered by the city budget. The project has already resulted in 17 thousand applications from other regions of Russia.

Source: *Delovoy Peterburg* newspaper, July 2008, www.dpgazeta.ru

Photo: www.interpress.ru

Plans for Elevated Railroad Construction in St. Petersburg



On 25 September the government of St. Petersburg plans to put out for tender the construction of an elevated railroad in the city. Participants of the tender are advised to consider the possibility of constructing a special train plant, which would help minimize costs in the future. If the plant is constructed in St. Petersburg, it could provide elevated trains to other regions of Russia.

The St. Petersburg Committee for Investments and Strategic Projects provides the following evaluations of the project costs: phase 1 construction – RUR 29 billion (app. SEK 7.7 billion), purchase of elevated trains – RUR 4.5 billion (app. SEK 1.2 billion), plant construction – RUR 9-10 billion (app. SEK 2.4 – 2.7 billion). 50 percent costs will be covered by the city budget.

Now there are 5 international consortia which announced their plans to participate in the tender: 'Strelna-Express' (*Bombardier Transportation* and *VINCI*); 'South Express' (*Alstom*, *Bouygues Travaux*, *Transdev* etc.); 'Express of the Northern Capital' (*Strabag*, *Siemens*, *VTB Bank* etc.); consortium of *Ansaldo Transporti Sistemi*, *Skoda* etc.; and Japanese *Mitsui Company*. The winner will be announced on 24 December 2008.

Source: *Delovoy Peterburg* newspaper, July 2008, www.dpgazeta.ru

Photo: www.interpress.ru

Leningrad Region: Land to be Granted to Population



In July the Legislative Assembly of the Leningrad region adopted a legislative draft on providing complimentary land for house-building. The land will be leased for token price of RUR 120 a year (app. SEK 32). Over a 3-year period the holders are obliged to built a house on the leased land and to register it. According to the government there are about 5 thousand hectares of land that could be used for this purpose. The new law is designed for those who don't have land property and have lived in the region for at least 5 years.

Source: *Metro* newspaper, July 2008

Photo: www.interpress.ru

The First Petersburg International Workshop 'Business Tourism and All Around It'



On 30 September the First St. Petersburg International Workshop 'Business Tourism and All Around It' will be held at AZIMUT Hotel in St. Petersburg. Among the participants of the workshop are national visitors boards, Russian and foreign tour operators, hotels, congress bureaus, congress centres, airlines, cruise companies, fair and congress organizers, consulting and insurance companies, travel media. The event is organized by the Northwest Division of the Russian Union of Travel Industry and the Association of National Visitors Boards Representatives.

Further information: Russian Union of Travel Industry, Northwest Division Office, www.rata.spb.ru; tel.: +7 (812) 325 11 44, +7 (812) 325 22 40

Photo: www.interpress.ru

1st Baltic Biennial

On July 5, the Central Exhibition Hall "Manege" opened the 1st Baltic Biennial, displaying the works of over 60 artists from Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Norway, Poland, Russia, and Sweden. The Danish modern art was represented at the Biennial by the eight painters of the Gallery Copenhagen, Anders Moseholm, Bent Holstein, Gitte Winther, René Holm, Frodo Mikkelsen, Mette Rishøj, Ken Denning, and Bente Christensen.

"The Baltic Biennial provides a brilliant opportunity to mark new names that appeared at the turn of XX - XXI centuries on the cultural map of the Baltic region," said Tatiana Yurieva, professor of the St. Petersburg State University and director of the Diaghilev Art Centre, one of the organizers of the event. The Baltic Biennial was open until July 15.



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The archive of the newsletters can be found at http://www.stockholmregion.org/website1/sd_page/16/1/index.php

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