

# Northwest Russia: Facts and Events

Newsletter by the Stockholm Region Office in St. Petersburg

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## Swecare Organizing a Healthcare Delegation to St. Petersburg



On 1-3 September Swecare Foundation organized a healthcare delegation to St. Petersburg under the direction of State Secretary Karin Johansson, Ministry of Health and Social Affairs. Swecare had received a special invitation from the St. Petersburg Public Health Committee to learn more about the procurement system within the healthcare sector to facilitate and increase future business cooperation. The program contained contacts on a high level within the healthcare sector in Russia, the seminar "Procurement in St. Petersburg", meetings with cooperation partners as well as study visits.

Source: Swecare Foundation, <http://swecare.gotlandica.se>

## Scandinavian Fund Invests in Russian Restaurants



Recently the well-known Russian start-upper Oleg Tinkoff has found a partner for development of his restaurant business with the Scandinavian fund *Mint Capital* acquiring shares of *Tinkoff Private Breweries* worth USD 10 million. By 2011 the number of restaurants operating under *Tinkoff* brand is expected to grow from 13 to 50. According to Oleg Tinkoff, the company's main target is to become a federal restaurant chain.

Mint Capital made the investment basing on the positive restaurant market dynamics. According to Rosstat (federal statistic body) in 2008 the Russian restaurant market will reach the turnover of USD 28 billion. The forecasts of *Renaissance Capital* company has shown that by 2011 it will have topped USD 40.7 billion with the compound annual growth rate of 22%.

Source: *Delovoy Peterburg* newspaper, August 2008, [www.dpgazeta.ru](http://www.dpgazeta.ru)

Photo: [www.interpress.ru](http://www.interpress.ru)

## MAN Searching for Russian Car Components Suppliers



German auto producer *MAN* has announced its plans to find Russian car components suppliers within the next 3 years. The components are primarily needed for *MAN*'s car plants. The company has already had plans to construct one in Russia. Yet according to Dr. Karl Viktor Schaller, Member of the Board, *MAN Nutzfahrzeuge*, if the plant is constructed, it won't solve the problem of saturating the components market, as the productive potential of *MAN*'s motor plant in Nuremberg is limited.

Head of *MAN*'s Russian subsidiary Per Gustav Nilsson commented that the plant will only be profitable if it has the capacity of at least 12 thousand trucks a year. According to analysts from *Rye, Man & Gor Securities* brokerage company it would be most logical to locate *MAN*'s production in the Northwest Federal District, specifically in the Leningrad region, which has unique economic conditions and a developed infrastructure. According to analysts the investments may amount to USD 100 million.

*MAN*'s turnover in 2007 totalled EUR 10 billion. In 2007 *MAN* sold 4503 trucks in Russia, 353 of them in the Northwest Federal District. *MAN* has 25 official service stations in Russia, in 2008 the number is expected to reach 40, by 2010 – 100.

Source: *Delovoy Peterburg* newspaper, August 2008, [www.dpgazeta.ru](http://www.dpgazeta.ru)

Photo: [www.interptess](http://www.interptess)



## Leningrad Region: Exports

In the first semester of 2008 the foreign trade turnover of the Leningrad region totalled USD 10 billion. The figure is 50% as high as compared to the same period of 2007. Exports are 30% higher than imports.

Source: *Metro* newspaper, September 2008

Photo: [www.interpress.ru](http://www.interpress.ru)

## Russia's Middle Class Growth



By 2020 the Government of Russia is planning to expand the middle class and increase the average annual salary to USD 30 thousand. The two targets are stipulated by the Development Concept of Russia 2020. According to Elvira Nabiulina, Minister of Economic Development, the document is quite ambitious about the transition of Russia's economy to a brand new level of innovative development. The concept provides job opportunities for high-class professionals. Priority will be given to public sectors of economy.

Minister comments that the government hasn't yet come up with a clear definition of middle class, but the following characteristics are quite important: incomes rate, quality and availability of social services (healthcare and education), and level of professional training.

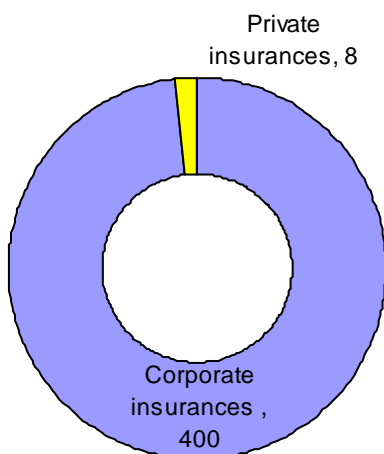
Source: *Delovoy Peterburg* newspaper, August 2008, [www.dpgazeta.ru](http://www.dpgazeta.ru)

Photo: [www.interpress.ru](http://www.interpress.ru)

### Voluntary Health Insurance Market

- 61% Russians don't use services of insurance companies
- Of those who use insurance services: 51 % hold compulsory motor insurances, 35% hold corporate health insurances, 10% hold realty insurances

### Voluntary health insurance holders in St. Petersburg (thousands of people)

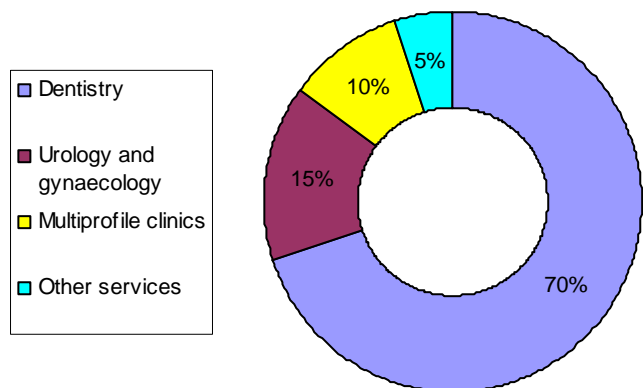


Source: *Delovoy Peterburg* newspaper

### Market of Private Medical Services

- There are over 5000 medical institutions registered in St. Petersburg
- The healthcare services they render bring over USD 400 million annually
- 10% healthcare services are rendered in private clinics

### Private medical services in St. Petersburg



Source: *Delovoy Peterburg* newspaper

## St. Petersburg: Incoming Tourism



According to reports of the Russian Union of Travel Industry, Northwest Division Office, the tourist flow to St. Petersburg this year has mainly grown thanks to domestic tourists (10-20% growth). At the same time the number of foreign tourists has gone down by 10%, and that particularly concerns European tourists. On the other hand, St. Petersburg has contemplated an increase in cruise tourists and those coming from Southeast Asia and the Middle East.



According to the St. Petersburg Committee on Investments and Strategic Projects, in 2007 the city was visited by 2.1 million of foreign tourists and 2.2 million of Russian tourists.

Source: *Delovoy Peterburg* newspaper, August 2008, [www.dpgazeta.ru](http://www.dpgazeta.ru)

Photo: [www.interpress.ru](http://www.interpress.ru)



## Social Advertising: Dog Droppings

Anna Suvorova, student of the St. Petersburg Polytechnic University, created a series of posters, designed to persuade dog owners that they should actually collect dog droppings. Currently the posters are being considered by the Government of St. Petersburg, and may soon be used for social advertising purposes.

Source: Metro newspaper, September 2008

The archive of the newsletters can be found at [http://www.stockholmregion.org/website1/sd\\_page/16/1/index.php](http://www.stockholmregion.org/website1/sd_page/16/1/index.php)

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