

Northwest Russia: Facts and Events

Newsletter by the Stockholm Region Office in St. Petersburg

Issue 26, 2005, week 6

St. Petersburg Interregional Resource Center Visited Finland and Sweden



On 26-30 January a delegation from St. Petersburg Interregional Resource Center and representatives of business circles in the Northwest Federal District of the Russian Federation made a study visit to Finland and Sweden. The delegation headed by Vladislav Raskovalov, General Director of the Resource Center, consisted of all the leaders of the Resource center and 13 directors for companies representing perspective directions of business in Northwest Russia.

The first trip to Sweden and Finland undertaken by the Interregional Resource Center took place in November 2004 (see Northwest Russia: Facts and Events, week 47).

In Finland, the delegation had meetings at the Central Chamber of Commerce of Finland and at the Russian Trade Mission in Finland. The latter was attended by 38 Finnish companies that showed lively interest in cooperation with Russian businessmen.

The program in Stockholm was prepared by the Stockholm Economic Development Agency and Norden Association. The Stockholm Economic Development Agency arranged several presentations, devoted to the economic development in the region, investments and foreign enterprises in Sweden. After that, individual meetings between Russian and Swedish businessmen took place.



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Presentation of Northwest Russia in Germany

The Office of the Plenipotentiary Representative of the President of the Russian Federation in Northwest Federal District arranges a series of presentations of the region abroad in order to promote Northwest Russia.

The next presentation will be dated for the visit of Vladimir Putin, President of the Russian Federation, to Germany. The participants of the presentation will have an opportunity to join the opening ceremony of the Hanover industry fair on 10 April that will be attended by Vladimir Putin and Gerhard Schröder, Chancellor of the Federal Republic of Germany. On 11 April the opening of the Russian hall at the fair will take place. The regions of Northwest Russia will demonstrate there their industrial potential and present joint projects with regions of Germany. The business part of the event will also include the Russian-German Day of Economy. On 12-14 April the presentation of the Northwest Russia will be arranged in Stuttgart.

The key persons of the Office on the Plenipotentiary Representative, as well as Russian Chambers of Commerce and Industry and the Russian Union of Industrialists and Entrepreneurs will be among the participants of the presentation in Germany.

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

Cooperation Projects within Social Sector between Sörmland County and Leningrad Region

In this issue of the newsletter, we start publishing a series of articles devoted to social projects carried out by Sörmland County and Leningrad Region.

Cooperation between Sörmland and Leningrad Region started in 1998 with a *Social Project in Leningrad Region*. It was an education project with a budget of 8 mln SEK implemented by the Leningrad Region Committee on Labour and Social Protection and Social Services Administration of Sörmland County. 160 social sector leaders in the region took part in the project that successfully ended in 2001. The project leader was Mats Forsberg, Director of Social Services.

During the period of 2002-2005, four joint social projects are being implemented between Sörmland and Leningrad Region. The total budget of the projects, of which two are financed by Sida and two by the East Europe Committee of the Swedish Health Care Community (SEEC) comprises about 8 million SEK. Mats Forsberg, Former Director of Social Services, is the coordinator for these projects.

The common task of all projects is to reduce the need for institutions and to provide more possibilities for children, youth and adults to live in their own home and families. The experiences from the projects are distributed to the whole region.

Detailed descriptions of the projects will be published in the current and coming issues of the newsletter. We will also enlighten the results of the accomplished projects.

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Rehabilitation and Technical Devices for Physically Disabled in Leningrad Region

Start of Sörmland's support to institutions for physically disabled people in Leningrad Region dates back to the end of 1990-s, when the Committee for Technical Devices of Sörmland began sending technical devices to the region. Small centers for delivery of technical devices grew up during these years. In 2001 the Leningrad Region Committee of Labour and Social protection expressed wishes for support in developing rehabilitation methods for people with physical disabilities.

The overall objectives of this project are to improve the quality of living for people with physical disabilities in the region; to integrate people with physical disabilities in the community and to ensure that they are seen as fully equal community members.

The main target groups of the project are physically disabled persons living at the psycho-neurological institutes in Luga and Kirovsk and physically disabled persons visiting the social centres in Sosnovy Bor and Kirishi. 8 participants from the above named institutions have been involved in the project.

The project leader is Eva Andrén Forsberg, Head of Habilitation Department, Sörmland County.

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St. Petersburg Budget for 2004



Photo: www.interpress.ru

According to Alexander Nikonov, Chairman of St. Petersburg Committee on Finances, the revenues of St. Petersburg budget for 2004 amounted to 93.3 bn RUR (appr. 3.3 bn USD) which is 23% more than in 2003. Having attracted extra revenues, the city budget for 2004 showed 1.2 bn RUR (43 mln USD) surplus. More than a half of the budget's profitable part has come from enterprises' and natural persons' profit taxes that proves stable work of enterprises, high rate of St. Petersburg economic growth and increase of petersburgers' incomes.

In 2004 the investors' assessments in the city infrastructure development went up three times which allowed an increase in expenses for development of housing and industrial building. The most significant

growth has been provided by the excise-duties on oil products that increased in 14 times. Revenues from the rent of the property owned by the state and municipalities went up in 1.4 times.

The budget's expenses amounted to 92 bn RUR (3 billion USD). Among main expenses the Committee on Finances named salaries of the public sector's employees, transfers to citizens and construction works. In the opinion of international financial agencies, the credit rating of St. Petersburg increased and came up with Moscows one for 2004 as a result of the City's policy on increasing the attractiveness of St. Petersburg and improving of investment climate.

Valentina Matvienko, Governor of St. Petersburg, marked the improvement of all the financial indexes of St. Petersburg in 2004, as well as strengthening and stabilization of the city's position. One of the future tasks for the City of St. Petersburg is to redouble the City budget within the next four years.

Source: Newsletter of the City of St. Petersburg, 31 January 2005

Study Visits to St. Petersburg of Russian and Foreign Travel Operators



This winter the Northwest Division Office of the Russian Union of Travel Industry (RUTI) has launched a number of study visits to St. Petersburg for Russian and foreign travel operators. The first study visit for Russian travel companies took place on 26-29 January. The next group will come from Germany on 23-27 February. It will include the representatives of *BaikalExpress*, *Sibirienreisen*, *Olympia Reisen*, *Wolff Ost – Reisen GmbH* etc. The group is going to visit a number of mini-hotels in the city and will be presented the *White days* tourism development programme. The participants

will also take part in the session of the Committee on Incoming Tourism of the Northwest Division Office of RUTI and discuss the prospects of cooperation with the Russian colleagues.

The Northwest Division Office of RUTI has already received a number of requests on participation in the following study visits. Contacts with branch organizations in Scandinavia and Finland are being developed. Several study visits are planned to take place before the beginning of the high season.

The project *St. Petersburg Voyage – White Days* is a part of the *Just Russia* programme. A number of presentation photo catalogues have been published, in particular 2 special photo albums devoted to St. Petersburg - *St. Petersburg. Views*.



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

Photo: www.interpress.ru

Ferry Route between Sweden and Kaliningrad

The Swedish ferry line company *Stena Line Freight* announced its plans on establishing direct routes between Kaliningrad and one of the ports in Sweden. These intentions were made public at the meeting on 2 February between Vladimir Egorov, Governor of Kaliningrad Region, and Michael MacGrath, Director of Stena Line Freight.

Source: www.kaliningrad.ru, St. Petersburg Times, 4 February 2005

Hotel Rack Rates in St. Petersburg

The hotel rack rates* for singles in St. Petersburg during the low season are as following:



Hotel Astoria, photo:

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|-------------------------|-------|--------|
| Grand Hotel Europe | ***** | 400 \$ |
| Corinthia Nevsky Palace | ***** | 381 € |
| Astoria | ***** | 346 € |
| Radisson SAS | ***** | 259 \$ |
| Angleterre | **** | 255 € |
| Korona Guest Center | ***+ | 120 € |
| Moscow | *** | 86 \$ |
| Dostoevsky | *** | 85 \$ |
| St. Petersburg | *** | 77 \$ |

VAT and breakfast are included.

All prices rise approximately by 20 – 50% with the beginning of the high season.

Source: Piter-T, pitert@mail.com.ru, Stockholm Region Office in St. Petersburg, stockholm.office@stockholm.spb.ru

IX Petersburg International Economic Forum in St. Petersburg



The IX Petersburg International Economic Forum will take place in Tavrishesky Palace in St. Petersburg on 14 -16 June 2005.

The annual event is organized by the Federation Council of the Federal Assembly of the Russian Federation and the Interparliamentary Assembly of Member Nations of the Commonwealth of Independent States (CIS) and held under patronage of the President of the Russian Federation. Heads of states and governments, parliaments, representatives of international organizations, representatives of economic and political elite from the whole world

regularly take active part in it. The Forum gives an opportunity to join the efforts of representatives of the authorities, science and business to render assistance to considerable investment projects and development of topical economic ideas. The Forum is considered to be the main economic summit of Russia and the CIS.

The motto of the Forum is Efficient Economy - Worthy Life. Within the frames of the Forum the exhibition *CIS Countries and Federal Districts of Russia – on the Ways of Effective Economy* is also planned to be organized. The working languages of the Forum are Russian and English.



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Follow-up of Nordpraktik – New Managers for Russia Programme. Visit of Swedish Companies to St. Petersburg

On 2-4 February a group of Swedish companies from Västra Götalandsregionen visited St. Petersburg within the frames of the follow-up of the *Nordpraktik - New Managers for Russia* programme, coordinated by the Stockholm Region Office in St. Petersburg in 1999-2004 (please, see the issue for week 24, 2004). The programme was prepared with the support of the Stockholm Region Office in St. Petersburg and Swedish Trade Council in St. Petersburg. Within the frames of the trip Swedish companies visited the Consulate General of Sweden in St. Petersburg, Stockholm Region Office, Swedish Trade Council, Mannheimer Swartling Advokatbyrå. Individual business meetings were held, in particular, with Swedish Branch, NCC International, Leningrad Region Chamber of Commerce and Industry, Leningrad Region Small Entrepreneurship Support Fund Receipt, Social and Economic Institute, Skandia group, Vilaris company. According to Alexey Medvedev, Director of Vilaris company, Nordpraktik programme participant in 2004, such visits are favourable both for Russian and Swedish companies as there is a potential for further cooperation.

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

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

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