

# Northwest Russia: Facts and Events

Newsletter by the Stockholm Region Office in St. Petersburg

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## European Airlines-discounters are Coming to St. Petersburg

The Norwegian aircraft company Norwegian Air Shuttle announced opening of the new flight program starting from the beginning of May 2006. The company will operate on the route St. Petersburg-Oslo-St. Petersburg offering tickets at the price of 43-134 EURO/one way. The company had been trying to start this program in spring 2005, but failed in negotiations with transport authorities in Norway and Russia. This year they managed to agree upon 3 flights per week for Boeing-737 with a capacity of 148 places. This is not the only airline-discounter, coming on St. Petersburg market this year.



From 29 April the German aircraft company Germanwings starts flights Bonn - St. Petersburg, and from 27 May the Italian aircraft company Wind Jet starts flights Forli – St. Petersburg, both for approximately for \$100/one way.

Source: Delovoy Peterburg, April 2006, [www.dp.ru](http://www.dp.ru)

## Krupskaya Confectionary Plant was sold



Norwegian company Orkla ASA sealed an agreement on acquiring 75% of shares of the largest chocolate maker in St. Petersburg and Northwest Russia - ZAO *Krupskaya Confectionary Factory*. It is Orkla's second acquisition in Russia. The deal budget is not disclosed. The new owner plans to invest 7 million USD in the modernization and development of the factory during the next several years.

Source: Interpress, [www.interpress.ru](http://www.interpress.ru)

## Scandinavian Companies Investing in Media Market

In the beginning of April 2006 one of the largest Scandinavian media companies Schibsted (Norway) will close the deal on purchasing the controlling stake in the company publishing 11 newspapers *My District* in St. Petersburg. The newspaper was started in 2003. Its circulation is about 320 thousand copies.

Newspapers with foreign capital in St. Petersburg (statistics):

- "Delovoy Peterburg" - Bonnier Group (Sweden) – 100%
- "Metro" - Metro International S.A. (Sweden) – 51%
- "Smena" - Sanoma WSOY (Finland) – the controlling stake

Source: newspaper Delovoy Peterburg, [www.dp.ru](http://www.dp.ru)

## The 1st International Youth Conference *Leadership and Civil Society*

The 1st International Youth Conference *Leadership and Civil Society* was held on 7 April 2006 at Smolny. The Conference was devoted to the analysis of the youth tendencies in the modern society and development of practical youth strategies and initiatives for building civil society including establishing cooperation with Nordic countries for starting joint democratic initiatives. The conference was arranged by the Russian Ministry of Education and Science, St. Petersburg Committee on External Relations and Tourism, St. Petersburg Committee on Youth Policy and Interaction with NGOs, St. Petersburg Committee on Science and Higher School, St. Petersburg Committee on Labour and Social Security, Uppsala University, Lund University, St. Petersburg State University of Information Technologies, Mechanics and Optics etc.

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## Facts and Figures

### Industry Development in St. Petersburg



In January-February 2006 the industrial production in St. Petersburg increased by 7,2% which is three times above the average level in Russia – 2,7%. The leading industrial segment in the city is manufacturing activity.

Source: *Metro* newspaper, March 2006

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

### The Largest Companies in St. Petersburg in 2005

(The companies are numbered in accordance with their rating in statistics for the Russian Federation)

N	Company	Specialization
43	Ilim Pulp Enterprize	Timber and woodworking industry
56	Pjaterochka	Retail trade
57	Baltica brewing company	Food industry
77	Philip Morris Izhora	Tobacco industry
78	Ford Motors Company	Machinery construction
97	Power machines	Machinery construction
127	Northwest Telecom	Telecommunications
143	Eurosib SPb	Transport
146	Lenstroyreconstruction (SPb)	Construction industry
147	Pjaterochka franchising	Retail trade

Source: *Metro* newspaper, March 2006

### Half Million Domains in Runet



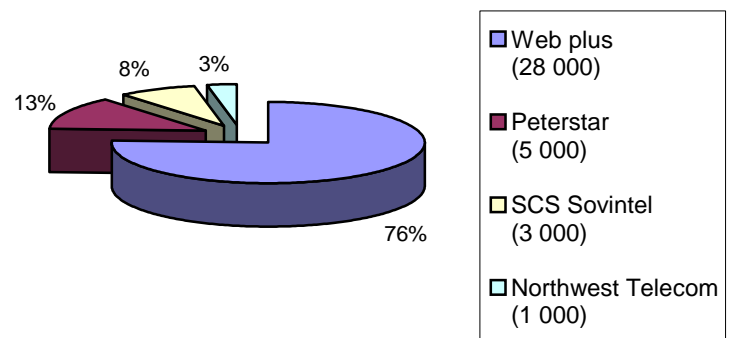
Total number of registered domains in the Russian part of the Internet (Runet) has constituted 500 thousand. According to experts it should have happened only in autumn 2006. However, the development rates were very high.

Runet was founded 12 years ago. 75% of Russian users who have registered domains in the Internet have preferred «ru.zone».

Source: *Metro* newspaper, April 2006

### ADSL is Replacing Dial-up: the Market Review in St. Petersburg

During the last 5 years operators had been marketing the ADSL technology: introducing it to subscribers and advertising advantages of the high-speed access to Internet. From the beginning of 2006 the operators announced their entry to the market and active attraction of users. The current situation on the market is as follows:



Source: Delovoy Peterburg, March 2006

### Mobile Communication in Russia

Almost 2/3 of population in Russia uses mobile communication. About 61% of Russians over 18 years old have mobile phones.

Source: *Metro* newspaper, March 2006

## X Petersburg International Economic Forum in St. Petersburg



The X Petersburg International Economic Forum will take place in St. Petersburg on 12 -15 June 2006. The Department for Investment Policy of the Russian Ministry

for Economic Development and Trade has announced the results of the tender among the potential operators of the event. This year the Forum will be hosted by Lenexpo and Restec exhibition companies. According to Sergey Alexeev, General director of the Lenexpo exhibition company, Lenexpo provides premises for the forum as well as organises the work of the exhibition, while Restec is responsible for arranging congresses and seminars.

Over 30 conferences and seminars took place within the frames of the IX Petersburg International Economic Forum 2005.

Source: Delovoy Peterburg, March 2006

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

## New Football Stadium in St. Petersburg

17 companies submitted applications to the tender on the best architectural project for the new



stadium, announced in February 2006 (see Northwest Russia: Facts and Events, issue 47, 2006, week 9). Five companies were chosen according to the results of the intermediate selection. The list of candidates includes three foreign architectural bureaus, lead by the world famous architects Kisho Kurakawa, Tomas Taveira and Meinhard von Gerkan, as well as two Russian leading architectural institutes from St. Petersburg and Moscow – OAO “LenNII-project” and GUP “MNIIP Mosproject”. The winner will be announced in August 2006.

Source: *Metro* newspaper, April 2006

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

## Sewer system in St. Petersburg



The most advanced sewer system in the world will be built in St. Petersburg. The equipment developed by the German company Herrenknecht AG was tested in March 2006. The complex is planned to become an important part in the development of the main sewage collector of the northern part of the city. Together with the Southwest Sewage Treatment Plant this system is among the foremost city projects in the field of water supply and disposal.

Source: Delovoy Peterburg, March 2006

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

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

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