

Winter 2019/2020



BUSINESS QUARTERLY

Association of European Businesses Quarterly Magazine

CONNECTIVE. INFORMATIVE. EFFECTIVE.

Sustainability: creating benefit for businesses and communities



**Dear readers,**

With genuine pleasure I would like to present the final issue of the Business Quarterly in 2019 to you. This time it deals with a variety of sustainability issues.

The article submitted by the Ministry of Industry and Trade addresses state measures to support industrial development of Russia with a focus on a shift from direct subsidising towards the transfer of technologies, attraction of investments and expansion of exports. The Russian Environmental Operator provided an overview of the unified federal waste management system to be established in Russia, whereas EPR Operator from Kazakhstan shared this country's experience in implementing the extended producer responsibility system.

One of the authors explores the rapid development of sharing services in Russia: participants, drivers for growth, impact on the economy, and future trends. A new concept of sustainable development of cities is presented on the example of an area in Stockholm in Sweden. Another article reviews benefits of transition from a traditional to an eco-friendly paint and coating industry in Russia. Later on, the importance for businesses to apply energy efficiency solutions is analysed. Finally, a project aimed at reducing battery waste in Russia using the best international practices is shared by one of the authors.

Traditionally, the second part of the magazine covers AEB Committees updates, news items from members on their most relevant activities, brief description of the companies which have recently joined the AEB.

Let me kindly offer thanks to all contributors to the magazine. Their valuable inputs are so much appreciated!

Dear friends, I would like to take this opportunity to invite you to the AEB 25th anniversary celebration in 2020. On behalf of the Association let me express sincere gratitude to member companies for their support and trust throughout these years. We look forward to this remarkable date with excitement and commitment, and hope for joint outstanding work in the future.

Dear friends, let me wish you all the best in the coming year! Merry Christmas and Happy New Year 2020!

Enjoy your reading!

Frank Schauff

Chief Executive Officer,
Association of European Businesses

**Dear readers,**

The past few years have been characterised by the rapid growth of Russian policy makers' and the business community's interest in the sustainable development agenda.

A number of factors, ranging from the need to increase the efficiency of Russian enterprises by introducing contemporary energy saving measures, to increasing environmental cooperation internationally, have driven the government to take a proactive approach to environmental issues and have resulted in the adoption of the specific environmental goals in the framework of Environment National Project (ENP), a strategic plan to drive the public policy till 2024.

This makes the ENP a landmark document, symbolising the transition of sustainability in Russia from being almost solely associated with corporate initiatives, to the level of national policy, offering both potential for the improvement of the current environmental situation and opportunities for cooperation between the business community and the government.

This is why it is very important that this volume of the AEB Business Quarterly has collected articles by both some of the key policy makers, responsible for the development of government initiatives in supporting "green" industrial development, and by business leaders who can share how corporate sustainable development projects and technological innovations could enable the achievement of the Environment National Project goals. The volume also incorporates an article presenting the unique experience of Kazakhstan, which is even more important given the expansion of cooperation within the Eurasian Economic Union.

Altogether, presented articles highlight the vibrant changes that have been underway within the Russian environmental sphere over the past few years. We have already seen some of their fruits, including the unprecedented development of sharing economy initiatives, which is a key factor in the decrease of the carbon footprint of transportation, and in the development of separate collection in Moscow and the Moscow region. It is my strong belief that more is yet to come.

Last, but not least, I would like to extend our appreciation to the authors for their insightful contributions and to AEB staff for their enduring support in the preparation of this volume of the Business Quarterly.

Bashir Chalabi

Chairman of the AEB Energy Efficiency Committee in 2016-2019

AEB BUSINESS QUARTERLY, Winter 2019/2020

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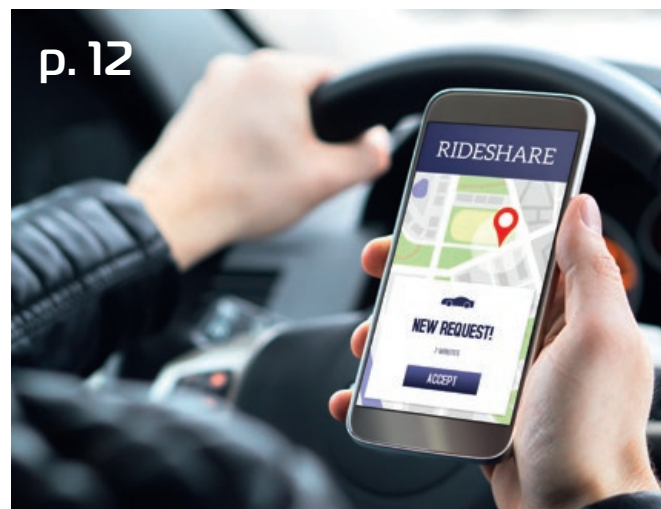
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Industrial development in Russia: key support measures



ALEXEY UCHENOV

Director of the Strategic Development and Project Management Department, Ministry of Industry and Trade of Russia

In 2014, the Federal Law On Industrial Policy entered into force and has become the basis for the implementation of the industrial policy focused on developing advanced technologies and enhancing competitive ability.

At present, we are completing the establishment of state support and thus, in order to move beyond direct subsidising of individual industries to mechanisms of attracting long-term private investments, are ensuring accelerated growth of industry and enhancing its international competitive ability.

Though in previous years, subsidies were, in essence, a set of crisis re-

sponse measures and served as a mechanism for a manual bandage approach in various industry sectors, the focus of our attention now moves towards the transfer of technologies and active export expansion.

In May 2018, President of the Russian Federation Vladimir Putin denoted the priority targets for the country's development by 2024, which were reflected in Executive Order No. 204 dated 7 May 2018 "On National Goals and Strategic Tasks of the Russian Federation through to 2024".

An ambitious task to achieve nine national goals of the country's development has been set before the Government; 12 national projects have been formed. Concurrently, the state has made a fundamental decision that the implementation of the aforementioned national projects should be supported by the domestic technology and production base.

The key national project in the line of the Ministry of Industry and Trade of Russia, 'International Cooperation and Export', is the basic tool for achieving this goal. We confront an ambitious task to double the volumes of non-resource-based and non-energy export, up to 250 billion US dollars by 2024. The main portion (205 billion US dollars) should come from industrial export alone.

We have developed a new mechanism for supporting producers that imple-

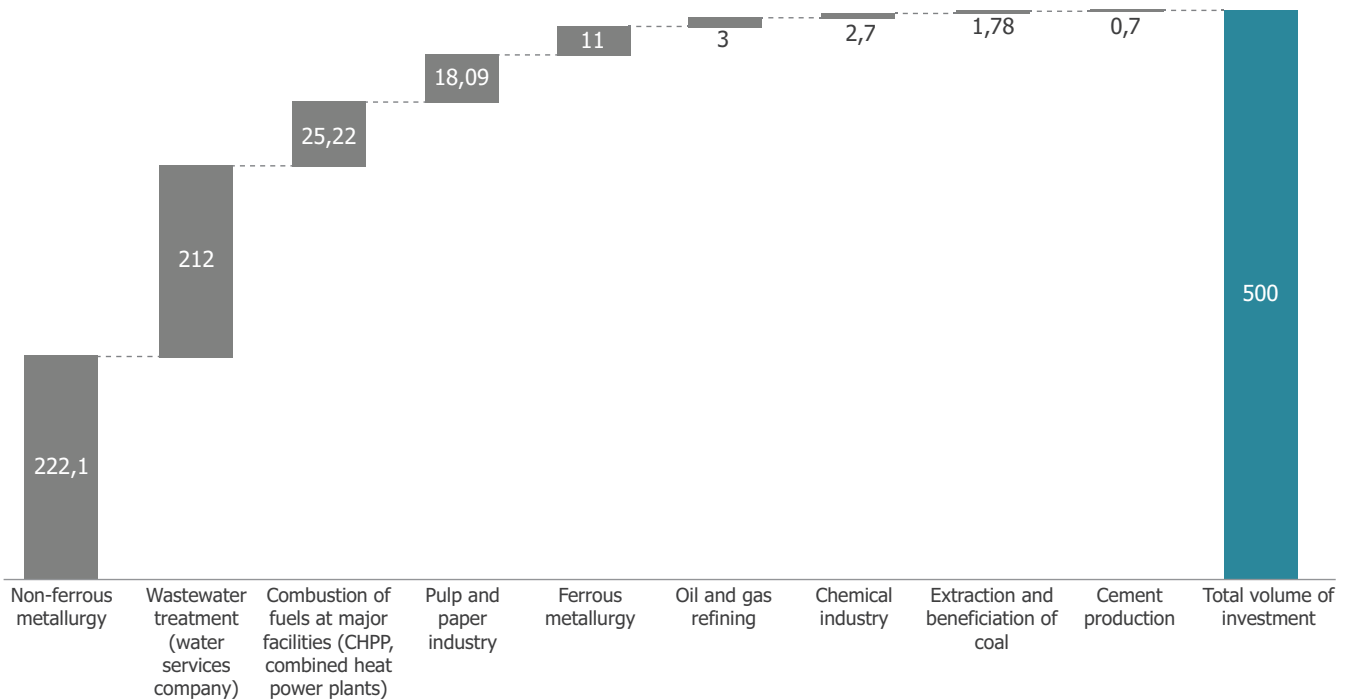
ment corporate programmes to enhance competitive ability (CPECA). This mechanism will provide domestic enterprises with access to the formed export support measures. The corresponding decree (No. 191) was approved by the Government of the Russian Federation on 23 February 2019. To date, around one thousand applications from industrial enterprises have been filed.

Another priority area for the Ministry of Industry and Trade is the participation in the Environment National Project. A complicated task has been set before us for the large-scale environmental upgrade of enterprises. It requires large investments in advanced nature protection and process equipment.

The Environment Project includes the federal project to be administered by Russia's Ministry of Industry and Trade, "Implementation of the Best Available Technologies (BAT)".

One of the tasks set as a part of the federal project involves the development of a new branch for the Russian industry: environmentally friendly (eco-friendly) mechanical engineering. At present, eco-friendly mechanical engineering industry can be defined as a set of production, design and research enterprises, and organisations dealing with the development of key types of environmentally friendly equipment: equipment for water and gas purification;

Expected volume of investments necessary for the most contaminated category I facilities to achieve the BAT indicators



equipment for water treatment; equipment for waste treatment, disposal and neutralisation; means for automatic control of emissions and discharges, etc.

Now, as a part of taking measures under this federal project that are planned for 2019 we are making an analysis of the needs of facilities exerting negative impact on the environment, which can be referred to category I (in other words, whose contribution into the aggregate emissions of contaminants in the Russian Federation is equal to at least 60%) in the equipment for eco-friendly mechanical engineering, which means enterprises from the so-called "Top 300 List".

We are planning to stimulate the production of nature-protective equip-

ment and products for eco-friendly mechanical engineering by supporting the pilot batches of equipment of the best available technologies. According to our preliminary assessments, it will lead to the reduction of the equipment import volume in eco-friendly mechanical engineering from 50% in 2018 to 36% in 2024.

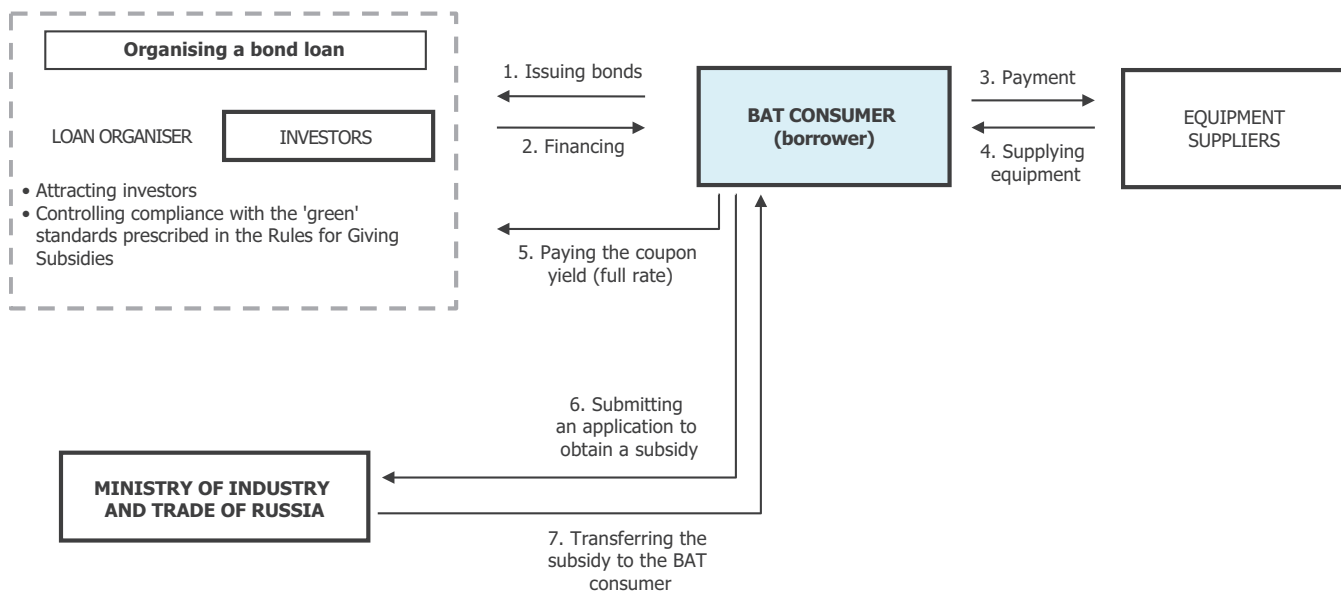
Another important task to be implemented as part of the national project is launching the mechanism for green bonds as a separate new tool for stimulating investment projects for the best available technologies. The Decree of the Government of the Russian Federation No. 541 dated 30 April 2019 has already been adopted, through which the Ministry will provide subsidies for payment of the coupon yield within the framework of the issue of bonds aimed at financing BAT projects.

The main expenses fall on the shoulders of non-ferrous metallurgy (222.1 billion roubles), wastewater treatment (water services companies) (212 billion roubles), and combustion of fuel at major facilities (CHPP) (25.22 billion roubles).

As such, taking into account the level of expenses being necessary to transfer to the best available technologies in Russia, we have formulated the enquiry positions for the state support volumes.

The Ministry of Industry and Trade of Russia has developed a new supporting programme, which potentially covers not only those three hundred facilities that I mentioned earlier but also about 7,000 key enterprises in industry and fuel and energy complex.

Mechanism for subsidising the rate of coupon yield on green bonds issued as part of implementing nature protection projects for BAT



This supporting programme subsidises 70% of the base indicator (90% when the industrial products to be purchased as a part of the investment project conform to Decree of the Government of the Russian Federation No. 719) to pay the coupon yield on bonds issued as part of investment projects for BAT implementation. This measure will make it possible to support projects for upgrading nature protecting equipment and will contribute to the acceleration of investment growth rates in the basic capital.

The Ministry continues to develop the institution of a special investment contract whose main function will be the development and transfer of leading technologies and development of corresponding technological skills. At present, 45 federal special investment contracts (SPIC) have been signed in 11 industry branches with the total volume of in-

vestment in industry at over 1 trillion roubles.

SPIC 2.0 format excludes the entry threshold by the minimum volume of investment and increases the planning horizon for long-term private investments protected by a stabilisation clause for up to 15 years for projects with investments of up to 50 billion roubles and up to 20 years for projects with a volume of over 50 billion roubles.

At the same time, the Ministry also welcomes the deployment of other forms of support aimed at attracting investment into the real sector. A new subsidy to grant discounted leasing is now under development.

The unified leasing subsidy aims to accomplish the following two goals: stimulating demand for domestic products and upgrading leaseholders' production facilities. The mechanism will start functioning from 2020.

In addition, at present, the industry is experiencing demand for cheap credits, especially in long-cycle production industry branches. As a result, the Ministry of Industry and Trade of Russia is developing a draft decree of the Government of the Russian Federation that reimburses some expenses on servicing the credits aimed at increasing product implementation volumes and enhancing the competitive ability of Russian industrial products.

To summarise, it is important to note that the Ministry of Industry and Trade of Russia promptly responds to the arising challenges. Activities are now being carried out to improve functioning mechanisms for granting subsidies. These activities imply the optimisation of some mechanisms: both those that were considered in this article and other mechanisms that have been and are being developed by the Ministry of Industry and Trade of Russia. |

Creation of waste management system in Russia: strategic directions



DENIS BUTSAYEV

CEO, Russian Environmental Operator¹

The public law company – Russian Environmental Operator (REO, plc.) was established according to the Executive Order of the President of the Russian Federation in January 2019. The entity was created within the framework of the Environment National Project. REO will focus on investment attraction and establishment an integrated waste management system.

One of the main areas of our company's activity is improvement of municipal solid waste (MSW) management legislation. As this business sector is created anew, we pay special attention to the proper development of legislative regulations. They

should take into account present-day developments and meet the requirements of the Environment National Project.

In July 2019, the developed by us legislation entered into effect and vested REO with the right to develop a unified federal waste management scheme and to establish a universal federal waste record-keeping system to enable controlling the movement of waste from the source of its generation to the landfill or facility for its disposal.

Thanks to the new legislation, we will also be able to develop and implement the mechanism for extended producer responsibility (EPR) manufacturing consumer goods and packaging. It means that a part of costs related to waste management could be financed not only at the expense of tariff rates, which are issued to the population and other waste producers, but also at the expense of the producers of goods that require disposal.

In addition, we have developed a draft Federal Law, according to which REO's status is defined. It will give us the right to act as a public partner in concession agreements and public-

private partnership agreements in order to ensure sustainable financial development of the sector of municipal solid waste management. We will also have the possibility to attract investment and provide subsidies to market participants for purposes related to municipal solid waste management, for example, for purchasing new containers or refuse collection trucks. REO will also be able to act as a guarantor with respect to banks or third parties in purchasing equipment by regional operators on credit or on lease terms.

The second important area of our operating activity is attracting investment. Our sector should become attractive for Russian and international investors. As such, we maintain a strong focus on withdrawing the previously-existing legal relations from the "shadow zone" and make the mechanisms maximally transparent, so that garbage becomes a "new oil" for Russia's economy and investment should come to the MSW management sector.

The establishment of a perfect waste management system requires advanced infrastructure; for example, waste sorting plants, reprocessing facilities, and factories. Our company

¹ At the time of this writing.

has been established in order to contribute, among other things, to the appearance of an advanced process infrastructure and, on the whole, to make the MSW management sector attractive to investors.

At present, a number of advanced infrastructural facilities are already under construction and others are in the design and engineering stage. Establishing the whole infrastructure necessary for the sector has also been laid into territorial waste management schemes. As only a part of the Environment National Project, by 2024, it is planned to build 220 new advanced facilities for MSW treatment, placement, and disposal valued at 290 billion roubles, of which 180 billion roubles come from investors.

For our part, we will render investment support to infrastructure projects in the regions with up to 50% co-financing. We regularly speak with the high-level regional authorities about attracting investment to establish facilities for waste treatment, neutralisation, disposal, and burial in their territories. During the last three months, our company's specialists have already considered 277 regional applications for project financing.

Planned support measures

In addition, we are working on creating a line of financial products for participation in MSW management projects. The issue is to create a guarantee fund, the investment funds coordinated by its own managing company and a fund for subsidising financial support. The main support measure is planned to provide guarantees via the guaran-

tee fund in the scope up to 75% for credits and other financial liabilities for the implementation of projects in the MSW sphere.

The line of investment funds will enable REO to carry out project financing as flexibly as possible. It is planned to create a direct investment fund, a prospective technology fund (an analogue for the venture fund), and partner funds by attracting private investors. The functionality of funds will make it possible to provide market participants with both debt financing (loans at a prime rate) and participation in the capital and share-

As only a part of the Environment National Project, by 2024, it is planned to build 220 new advanced facilities for MSW treatment, placement, and disposal valued at 290 billion roubles, of which 180 billion roubles come from investors.

holder loans. Investment funds will be capitalised at the expense of our company's money, as well as third-party investor's money including the National Pension Fund (NPF) and institutional and private investors.

In addition, we are working through the matter of attracting additional liquidity by placing so-called "green bonds" in the market.

The Russian Environmental Operator is interested in developing domestic MSW management technologies, and is also thoroughly studying international MSW management practices in

order to further implement them in Russia.

For example, in May, we became acquainted with the German experience in waste management. We became interested in the dual system for collecting and processing garbage when all waste is divided into two parts. The population, in such case, pays only for garbage that cannot be reprocessed. The producer of this waste pays for the disposal of garbage that can be divided into fractions. The producer's responsibility is thus enhanced. The percentage of recycling increases and, above all,

the tariff rate for the end consumer does not increase.

On the whole, we are open to cooperation with all countries that have high-tech tools in the sphere of MSW management. We have proposals from a number of countries in Asia, America, and from several European companies.

Choosing the balance between the cost of technology, preventive maintenance, and possibility of imports replacement, we will select the MSW management technologies that can be used in our country as effectively as possible. |

Principle of extended producer responsibility in Kazakhstan



SERGEY YURCHA

Managing Director, Extended Producer Responsibility Operator, Republic of Kazakhstan (Operator ROP, LLC)

According to the Updated Manual of the Organisation for Economic Co-operation and Development (OECD) for effective waste management, the extended producer responsibility (EPR (ROP)) is an approach to the environmental policy that implies the extension of a producer's responsibility for the output product beyond its consumer cycle. At present, about 400 EPR systems operate worldwide, with most of them located in OECD countries and in several countries with an emerging market economy.

EPR systems contribute to a considerable increase in the waste treatment

fraction and provide a reliable source of waste management financing. However, the economic and environmental indicators of these systems are extremely sketchy. Consequently, there are still debates on what the EPR systems should be exactly.

In 2016, Kazakhstan implemented the EPR system. We will look at some of its features here.

It is necessary to note that the implementation followed a study of international experience and, based on the analysis, an approach that is best suited for the country in the first stages of EPR implementation has been developed.

The first important matter concerns the subjects to be covered by EPR. In Kazakhstan, this is any natural or legal person who manufactures or imports goods included in the list approved by the state agency in the sphere of environmental protection. This list is dynamic and has undergone multiple changes since 2016. The Figure on the next page shows groups of goods to which EPR applies. (1 ►)

As can be seen from the Figure, EPR was applied to packing and electrical/electronic equipment (EEE), which forms a considerable part of municipi-

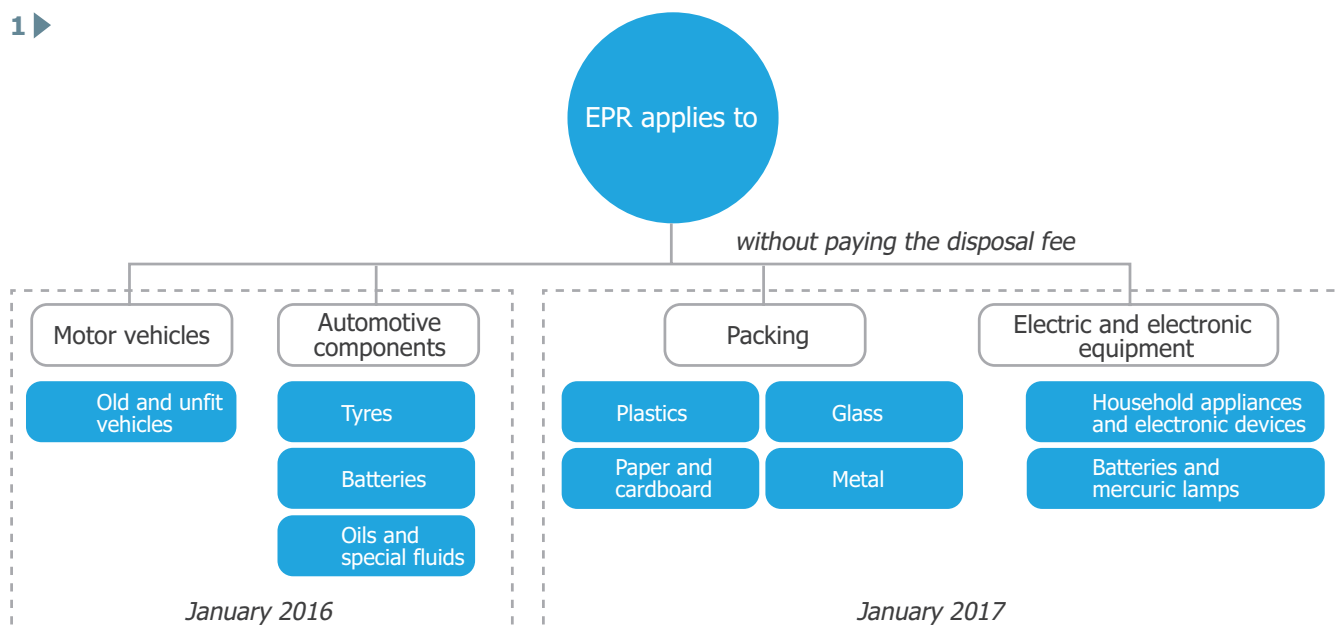
pal solid waste (MSW), later (in 2017) and without actual responsibility of producers and importers, which is also urgent as of the current date (in other words, without collecting payments or obligations on waste collection and recycling).

In this case, the Russian experience in EPR implementation has been used when producers and importers were granted a sort of "holiday" with regard to the obligations under EPR. This approach can be called positive for producers as they have been provided with the possibility to get prepared for the actual implementation of EPR. At the same time, the approach to EPR implementation with "holidays" leads to temporary delays regarding the fulfilment of full-fledged programmes for collecting and recycling packing and EEE.

The next feature of EPR systems, on the whole, is the procedure for fulfilling such responsibility by producers and importers. In Kazakhstan, the experience in this matter has been learned, first of all, from the experience in Belarus. The following two options have been provided to the business community:

- independently collect and recycle waste from goods, either produced or imported (proprietary system);

1 ►



- pay a disposal fee to the unified authorised governmental EPR operator.

By doing so, as applied to the proprietary system, strict criteria and requirements have been approved, which are established in its name and it is just the proprietary system which means that it is not allowed to establish associations, etc., for joint fulfilment of obligations by producers and importers and/or enter into agreements for collecting and recycling with specialised organisations in the sphere of waste management.

The availability of a single EPR operator was one of the most sensitive issues when EPR was implemented. In this case, Kazakhstan’s authorised state bodies took into consideration the following negative aspects of multiple EPR operators functioning at the initial stage the EPR system’s formation:

- decentralisation of the waste management system;
- potential conditions for corruption;
- establishing competitive advantages to some importers or producers as compared to others;

- complication of interaction for stakeholders;
- final increase of expenses on the administrative sector;
- complication of EPR follow-up control;
- lower level of transparency;
- “cherry picking” problems.

It can be noted that, in its updated manual, OECD notes that the single dominating EPR operator simplifies the administrative component for producers and regulating bodies and ensures the concentration of efforts aimed at achieving savings due to the scale effect. Moreover, real competition is seen rather rarely, since, even when there are several independent operators, one major operator normally dominates.

By doing so, the activity of the single EPR operator requires special regulation on the part of the state. In Kazakhstan, this matter has been regulated at the legislative level. The EPR operator acts strictly within the framework of the Environmental Code, which defines its powers,

obligations, and possible areas for spending the accumulated disposal fees. In addition, the EPR operator, according to the practice widely used in Kazakhstan for national companies, shall coordinate its strategy for development and investment policy with the authorised agency (in this case, with the Ministry of Ecology), which is an additional regulation tool.

As OECD notes, the single dominating EPR operator provides the concentration of forces, in the first place aimed at ensuring product waste collection and recycling, which falls under the action of EPR. In Kazakhstan, good results have been achieved in this regard since 2016.

The auto recycling sector was actually established from scratch. The advanced high-tech auto recycling enterprise is the only one commissioned in Central Asia. 97,534 used and broken-down vehicles were collected and recycled during the period of 2016-2018.

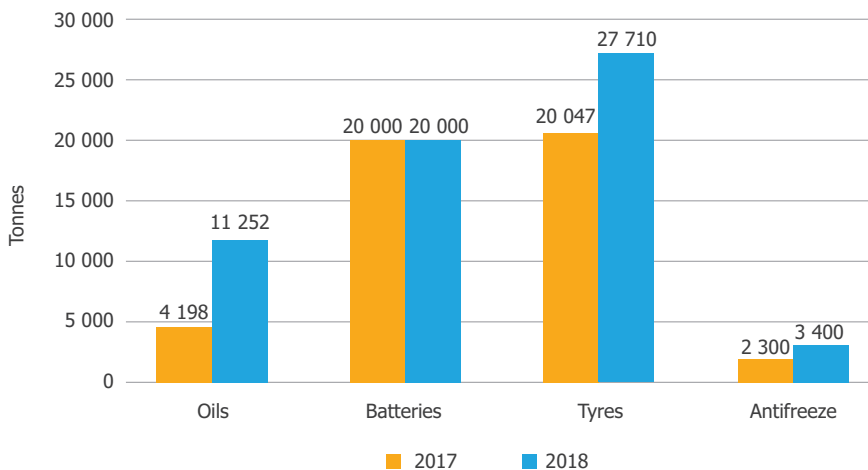
In addition, the positive dynamics is noted as regards collecting and recycling automotive component waste. (2 ▶)

On the whole, the activities for subsidising specialised organisations and completing the material and technical fitting-

programme for EPR implementation and, thanks to a pragmatic approach, the system produces the results.

- The Republic of Kazakhstan has taken a reasonable general approach vesting with rights and capabilities a single EPR organisation approved by the government and under the supervision of the Ministry of Ecology, for collecting payments from producers and financing various programmes for developing the waste collection and disposal system throughout the whole country.

2 ▶



Despite the absence of collecting disposal fees for packing and electronics, in 2017-2018, the EPR operator has carried out activities for organising the collection and recycling waste from this group of goods. In particular, attention has been paid to developing a separate waste collection for packing, electronics, and other types of secondary raw materials in Kazakhstan:

- 9,142 containers for separate collection have been installed in nine regions;
- 27 units of specialised machinery and equipment have been purchased to maintain the containers designed for collecting secondary raw materials;
- 77 stations for collecting secondary raw materials have been installed in six regions;
- 346 containers for collecting electronics waste have been installed in eight regions;
- 39 stations for collection of electronics waste have been installed;
- 2,321 containers have been installed in eleven regions for collecting mercury-containing lamps and chemical power supplies.

out of the waste management system will be continued, which will contribute to building up the volumes of collecting and recycling product waste as a part of the implementation of the EPR principle. The projects for more integrated and fundamental improvement of the waste management system are under elaboration, such as implementing technologies for power waste disposal, etc.

It is important to note that, in accordance with the OECD recommendations, the expenditure of money by the EPR operator is carried out through tenders that are open and equally accessible for specialised organisations. As such, each newly established or previously functioning enterprise can obtain financing.

I would like to finish this brief summary with the main conclusions according to the results of the study by OECD whose experts performed the assessment of the EPR system in Kazakhstan in 2018. Here are their key conclusions:

- The Republic of Kazakhstan has adopted an integrated large-scale pro-

It is important to note that, in accordance with the OECD recommendations, the expenditure of money by the EPR operator is carried out through tenders that are open and equally accessible for specialised organisations.

- Using Kazakhstan’s example, the approach implying the availability of a single EPR organisation seems to be justified: EPR and waste recycling as a whole are still at early stages of development opening multiple management systems and structures too fast will most likely create complexities and difficulties for monitoring and control. |

The evolution of sharing services in Russia: on the road towards the circular economy model



ANTON GUBNITSYN

Head of Moscow office, Promaco TIAR (TIARCENTER)

Russia's sharing market, according to 2018 figures, is valued at 511 billion roubles (around 7 billion euros). In other words, a quarter of all Russian e-commerce. This represents a growth of 30% in the sharing economy from 2017, and market participants are not expecting any slowdown in 2019.

Russia is setting records in some sectors of the sharing economy's sectors. Moscow crowns Europe (and by some calculations the world) in terms of the size of its carsharing fleet, whose figures for 2019 are estimated at 25,000 vehicles. Additionally, Russia domi-

nates when it comes to the size of its community of online ride-sharers. Today, the ride-sharing community totals over 20 million people. Office sharing is also growing at a significant rate. It is no coincidence that Russia boasts the world's largest network of WeWork coworking spaces.

Sharing, or, as it is also known, collaborative consumption, constitutes not only a rapidly developing business sector, but also a serious step on the road towards the transition to the circular economy model. After all, sharing enables economic growth to be achieved not by using fresh resources but rather via the most efficient use of those already available. Added to that, the sharing economy plays a part in reducing waste generation and in cutting emissions.

The sharing economy and its participants

The sharing model has grown out of online platforms that enable people to share goods and services, lease or hire individual items, cars or accommodation. Exchange things, chip in towards a shared trip, or provide services to one another, whether that be website design, interior decorating or teaching a foreign language.

Currently, the growth of sharing is concentrated first and foremost in the biggest million-plus cities. Megacities generate the necessary supply and demand on the part of individuals and organisations. The typical profile of a participant in the majority of sectors in the sharing economy: a resident of a large city, aged 25-39, average income. The number of men and women among users of sharing platforms is roughly equal.

The drivers for the growth of sharing in Russia are C2C commerce (sale, exchange, donation of secondhand personal property) and online freelance marketplace, 72% and 19% respectively according to figures for 2018. Shared trip services (carpooling) and carsharing combined make up 5% of the market; short-term leasing of accommodation – 2%. These are followed by office sharing and crowdfunding (co-financing for projects).

Sharing's contribution to the national economy

Sharing's role in the economy is sizeable and multifaceted. We should perhaps first recognise its contribution to the growth in prosperity of the population, to the reduction in poverty. Around 85% of the sharing market

(511 billion roubles in 2018) is revenue to individuals participating in sharing communities, while the remainder is the revenue to the sharing platforms themselves.

Secondly, sharing plays a significant role in developing self-employment and entrepreneurship. By our calculations, in 2018 no fewer than 2.5 million people found part-time or full-time self-employment with the help of freelance marketplaces. More self-employment and entrepreneurship means less unemployment and less government spending on welfare. For some people, participating in sharing communities leads to the starting-up of their own business in areas such as property and

appliance repairs, tutoring, and deliveries, to name but a few.

Thirdly, the use of sharing services constitutes a tangible contribution towards protecting the environment by reducing waste and emissions. By our calculations, in 2018 carbon monoxide emissions in Moscow were reduced by 40 tonnes thanks to bike-sharing. As for waste, a perfect example would be the lifecycle of a child’s highchair, which, with the help of sharing services (onward sale on a secondhand goods platform), can be used by 3-4 families.

Finally, sharing in the area of transport helps relieve congestion on the roads.

Carpooling increases car occupancy by approximately 60%. And this holds the potential to relieve road congestion by 15% in Russia, assuming the further development of carpooling and other forms of transport sharing.

The sharing ecosystem

Sharing platforms do not exist in a vacuum. There is a whole system of services in place which enables sharing to be mobile, safe, and convenient. The main tools facilitating mobility are maps and geolocation. It is precisely these which make a carshare journey with an exact start and endpoint possible, which make leasing something right next-door possible – which is crucial to scaling the sharing economy.

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About Business in Japan.

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JETRO is Japan’s core governmental organization for promoting inward foreign direct investment and has supported approx. 20,000 overseas companies. Our Invest Japan Business Support Center (IBSC) offers comprehensive support services to provide our clients with the resources they need to get started and grow in Japan. Together with JETRO’s IBSC, the Tokyo One-Stop Business Establishment Center (TOSBEC) streamlines the process of setting up a business including registration, taxes, and more. We are a partner you can count on.

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Investing in Japan

Почему Япония?(PDF)

Реклама



There is also a whole range of tools to help foster trust between participants. We are talking, after all, about transactions between complete strangers some distance apart. Firstly, it is worth drawing attention to the phenomenon of online reputation and self-regulation. Sharing services drive out those who provide substandard services. As a user you rate and leave feedback on the service provider. And the service provider is very much concerned about their online reputation as it is the main guarantee that orders will continue to roll in.

An important element in building trust is escrow – the holding of funds until such time as the customer confirms that the service has been carried out. Remote identification, rating and the exchange of information about the parties to the transaction, as well as insurance covering transactions – all this also contributes towards the security of sharing economy transactions. Working in tandem, in a single system, these services help to make sharing what it is today – quick, convenient, and safe.

What does the future of sharing hold for us?

What trends does the future hold in store for us thanks to further developments in sharing? First, there is the emergence of new services – superstructures integrating sharing and traditional services in a single system or application. An example of such comes from Finnish company MaaS Global, which released an app integrating all forms of urban transport (from light rail to scooter). It can be used to plan, pay for, and carry out a journey in a seamless chain. Russia's Yandex.Transport is currently moving in a similar direction.

Second: the expansion of the sharing model into the B2B segment. We are already seeing global corporations introducing the sharing model into their activities, and thus increasing efficiency in the use of resources: office sharing, the sharing of building materials and equipment. Take this trend one step further and the waste from one sector can be used in the manufacturing processes of another, this way, reshaping the linear model of economy into a loop. Several companies have

already turned their backs on the company car, preferring instead to sign up to a carshare. Ahead lies the greater inclusion of freelance market places in the way corporations operate. This will allow teams with the necessary skills and experience to come together for specific tasks, on demand.

And finally, there is the emergence of sharing cities. Cities in Europe, Asia, and America are employing the principles of sharing in their re-organisation of the urban economy. Providing food supplies to certain groups – via food-sharing. Providing housing – via municipal involvement in flat-sharing. Providing the conditions for efficient work and the development of self-employment – via the establishment of public workspaces. Providing transport – via carshares, bike-sharing and other new forms of transportation. We can already see that Moscow and several other major Russian cities have set off down this road. And it is an inspiration to behold. After all, sharing is the model which facilitates the harmonious attainment of economic, environmental and social development goals. |

Sustainable cities development. View from Sweden



ALEXANDER SVERDLOV
General Director, FlaktGroup Russia

Today based on a United Nations report about 55% of people in the world live in the cities. But in 2050 this will increase to 68% – more than 2.5 billion people.

Is it possible to combine industrial growth and improved living standards with an increasing demand in natural resources considering the effect on the environment? Increasing numbers of modern cities and resources require a new concept in infrastructure development.

These issues are topical for the development and construction of Russian cities following Federal Law No. 261-FZ which describes the energy efficiency concept. This concept includes such varied aspects as construction technology, engineering systems and resource conservation, but we need to consider

global aspects such as climate change, health and safety, the quality of the environment, etc. to find a more complex solution and achieve a better result.

One example of the sustainable development of a city is outlined below.

In the 1990s, plans were made to build Hammarby Sjostad (area in Stockholm) in a former brownfield area of wharfs and docks. Today, it boasts attractive housing for several thousand Stockholmers. By 2018 the area has approximately 11,000 apartments, 25,000 inhabitants and 10,000 workplaces. The “Hammarby model” has set a new world standard for future sustainable housing development, with its integrated planning approach:

- solar-powered hot water and electricity;
- biogas collected from household sewage water and waste;
- collection and filtration of runoff water;
- super-efficient buildings, triple glazed windows, green roofs, solar panels, etc.

From the beginning ecological and natural construction materials such as wood, glass, steel and stone were chosen. Architects widely used large windows, terraces and balconies in order to bring people and nature together.

All transport infrastructure is minimising. District buses use biogas which is obtained from the processing of waste. People can travel from Hammarby Sjostad into the city centre of Stockholm using a comfortable system of trams.

Hammarby Sjostad includes a number of innovation technologies such as a smart electricity grid which uses digital technology to monitor and control all electricity, which saves energy, reduces costs and increases reliability.

- a system based on an architecture and planning approach of building energy efficient housing;
- automation of the underground waste collection system;

Hammarby Sjostad includes a number of innovation technologies such as a smart electricity grid which uses digital technology to monitor and control all electricity, which saves energy, reduces



costs and increases reliability. The user can use the smart grid to automatically turn-on home appliances such as washing machines when power is the cheapest. At peak times it can turn off selected appliances to reduce demand. The technology can also feed small scale energy production into the main grid, to make use of it where it is needed at any given time.

Using essentially the same technology as district heating, cities can create cooling systems. District cooling has massive advantages over individual solutions. For one thing, it is often produced in the form of free cooling via a closed distribution system laid underground using cold water from adjacent rivers or lakes. But it can also be produced from sewage water or effluent. Compared to individual household air-conditioning, district cooling lowers carbon dioxide emissions by 60%. On small scales, innovative companies provide system solutions for both cooling and warming, using solar technology combined

with extremely efficient small-scale heat exchangers.

Biological waste and wastewater can easily be turned into biogas. One municipal gas company offering biogas for vehicles now has 7% of the local fuel market. After fermenting to produce gas, the bio-manure is used as an agricultural nutrient, reducing the use of an artificial fertilizer.

More than three decades after cleaning Lake Malaren from household wastewater, industrial pollution and traffic runoff. Water treatment techniques have now become so sophisticated that even household wastewater can be a resource for drinkable water production.

There is much to be gained by aiming for both a safe and attractive environment. When the city decided on a total makeover, 40% of apartments were empty and unemployment and crime rates were at national record levels. It was clear that social solutions and urban planning

had to go hand in hand and that local people should be involved in the process of change to inspire confidence in the development. Soon the figures took a new direction. Shortly after the renovations, empty apartments dropped to zero, crime rates went down by 40%, and the number of local businesses rose eightfold.

The Hammarby Sjostad story is an international model of sustainable development and protecting both humans and nature which might be partly if not wholly transferrable to the modernisation of Russian cities based on the following key steps:

- studying and using experiences from around the world;
- close cooperation between government, business and finance;
- focusing on particular structure of decision making at all levels involving key players such as architects, consultancies, contractors and civil communities;
- using energy efficiency, the renewal of resources and waste management technologies. |

Increasing the export potential of the Russian paint and coating industry



ANTON PESHKOV

Area Director Russia and Central Asia,
Tikkurila

Ecological implications of the economic globalisation process

Today's worldwide trends demonstrate much deeper levels of interaction between the globalisation of the economy and environmental changes. Ecological issues tend to have a much greater impact on the world's economy, affecting many different areas of international economic cooperation. This is particularly crucial in the case of environmental pollution.

Responding to global ecological challenges, governments and businesses are developing and implementing environmental protection strategies. Business and government leaders across the world are focusing on ecology, lifting environmental issues

to the top of their agenda. Environmental protection is becoming an important factor in a country's overall competitiveness and plays an active role in international business development strategies. This new direction has also affected the chemical industry which is currently adapting towards the goal of environmental sustainability.

The Presidential Order of May 7, 2018, "On national goals and strategic targets of the development of the Russian Federation to 2024" sets the guidelines for Russian policy makers across various ministries and state entities. The Order's objectives established the bases of 12 so-called national projects, among which the Environment National Project (ENP) is one of the most prominent. A key target of the ENP is the reduction of air pollution in Russia's major industrial hubs. Pollutant emissions are to be reduced by at least 20% in the targeted areas. By shifting the use of paint to ecological alternatives, the paint industry can be a driving factor towards achieving these goals.

Eco-friendly paint production

The current state of paint production in Russia is reflected in the "Forecast of social-economic development of the Russian Federation for the period until 2036", prepared by the Ministry of Economic Development of Russia.

According to the forecast, "in 2018-2024 the development of paint and varnish production will continue through the introduction of more advanced and ecological water-dispersion and water-based materials."

There are two main types of paint offered worldwide: water-based paints and their alternative, commonly in use since the 18th century – paints based on organic solvents. According to the Global Market Insights' study, water borne paints make up approximately 50% of the overall sales of paints today, and by 2024 the global market for water-based paints will reach 81 billion euros.

The key advantage of all water-based paints is their proven environmental features. These paints can reduce emissions of volatile organic compounds, a major contributor to air pollution. The high concentration of these compounds in the air has always been a factor leading to "smog" – a phenomenon known to residents of so many large cities throughout the world. Recent studies show – a transition to the production of water-based paints would reduce the emissions of volatile organic compounds by 70%. Applying water-borne paints makes emissions negligible (we are talking about hundreds of a microgram per sq m while an average car emits 3 grams every 10 km).



Therefore, the transition to water-based paints shall contribute to reducing levels of air-pollution, critical to any environment protection efforts. However, in order for this transition to happen, key business entities, the expert community, and governmental bodies will need to establish much better and much stronger cooperation.

Increased ecological competitiveness is a key to enhancing the country's export opportunities

The transition to water-based paints and coats is especially relevant for Russia, as world market trends are reinforced here by a clearly defined state policy aimed at improving the

environmental status of the country, increasing consumer safety and building up export opportunities for the paint and coating industry.

Just by the paint industry transitioning to the production of eco-friendly paints would help Russia achieve its environmental goals. Additionally, this transition will create a market for the export of eco-friendly coatings to other countries.

According to the adopted Complex Development Strategy for the Russian Chemical Industry, the export of paints and coatings from Russia will increase 20 times by 2030, which is a very ambitious goal, considering how many regulatory barriers still exist between Russia and the EU for export

of the Russian chemical products to European markets.

However, if the Russian paint and coating industry wants to be export-oriented, the country should actively develop its production of water-based paints. This would enhance its competitiveness on a global level.

Russia is just entering the transition phase from traditional to more eco-friendly paints. Even the special technical regulations have not yet been developed. However, the forecast of socio-economic development of Russia for the period from now until 2036, adopted

Just by the paint industry transitioning to the production of eco-friendly paints would help Russia achieve its environmental goals.

by the Ministry of Economic Development, contains a clear guideline – the transition to water-based materials is the path the local paint industry has to follow. Without rapid development and the production of water-based paints, it will not be possible to remain competitive in the paint and coating market.

Everyone can benefit from such a transition: the environmental impact would be reduced, the industry will receive a significant boost to all export-oriented product lines, popular in all the key markets in Europe and Asia. |

Energy efficiency: from “bulb replacement” to comprehensive measures



DMITRY TSURKAN
Product Manager,
Legrand Russia & CIS

Over a year ago, in April 2018, the Russian government approved the Comprehensive Plan for Improving Energy Efficiency. The document prescribes improvement of energy efficiency of national economy by 23% until 2030. These figures can be achieved only through using comprehensive solutions that ensure a reduction in power consumption both at national level and among individual companies.

A few years ago, introduction of LED lighting was one of the measures that had a real positive effect on improving energy efficiency. Bulbs can be replaced in a very short time at a relatively low cost, resulting in significantly reduced power consumption in buildings. However, this resource is almost exhausted, and the new ap-

proved plan contains more comprehensive solutions. The government’s plan includes financing projects that provide for both short-term and long-term improvement of energy efficiency. However, the new scheme can only be successful if businesses clearly understand the modern approach to energy saving and are willing to implement the comprehensive measures at their production facilities.

Importance for business

The “bulb replacement” approach alone is not enough to comply with modern energy efficiency standards; deficiencies in power grids must be eliminated. As experience shows, noise, distortions and variations in power supply conditions can lead to power losses of up to 30%. The government considers this a potential area for improving energy efficiency, not to mention the real money for business which can be saved through installing supplemental equipment. For example, the excessive power consumption problem is harder to solve in present-day conditions without active filters, which automatically detect noises in power grids and eliminate them.

It is important to understand that harmonic distortion level is growing in all types of power grids. The distortion is associated with an increased number of non-linear loads on power grids from inverters, variable speed drives, switched mode power supplies, unin-

terruptible power supplies, fluorescent and LED lamps, motors and drives, and a number of other electrical equipment. Therefore, all companies would be potentially interested in improving their power supply protection systems.

What is the optimal power supply?

For any device, optimum behaviour entails a smooth voltage increase and decrease without spikes. But harmonic distortions can introduce significant changes in instantaneous currents. This means that the operational conditions of the electrical equipment will be more severe than the rated conditions. This situation leads to two adverse effects: the equipment lasts less time before failure, and the same work requires a higher power consumption. Experience shows that up to 10% can be saved as a result of using active filters, which help to reduce heat loss in power grids, transformers, and motors.

In both cases, we encounter an increased environmental impact. For this reason, one of the most important objectives for the entire sector is to reduce carbon footprint (atmospheric emissions of CO₂) by improving energy efficiency based on improving power supply quality.

Active filters

The devices that compensate for or smooth out the harmonic current



components are called filters. At present, you can find solutions such as this in almost all buildings, because the quality of the power supply becomes critical both for maintaining a long service life with regard to electrical installations, and implementing an energy efficiency improvement plan.

In present-day conditions, using passive filters alone, which absorb the surges, is increasingly insufficient. However, active filters can improve the capacity of any equipment. These devices generate current and compensate for harmonic distortions continuously. This results in superposition of the grid current curve and the active filter current curve, which leads to equalised voltages.

The best solutions provide very fast recovery of power supply quality, including in cases of high loads. Modern active filters provide a virtually real-time response to occurring distortions – these devices generate the

compensating effect and restore the rated power supply conditions in less than half a second. If the noise level in the power grid is significant, multiple devices can be installed in series to achieve the ideal power supply even in severe conditions.

In addition to suppressing harmonics, the active filter capabilities include power factor correction, which facilitates current balancing for each phase.

Advantages of active filters

Active filters make it possible to reduce wear and thus increase the equipment's service due to lower heat and vibration levels. As a result, less maintenance work is needed on electrical installations, which means reduced costs spent on maintenance.

Lastly, the active filters provide guaranteed compliance with supplier-defined power consumption limits. This means

that even high-powered equipment will not consume extra power and continue operating in its optimum conditions.

Active filters are already used by all leading data centres, warehouse and logistics complexes, amusement parks, hypermarkets, and industrial plants. This equipment class is also used by oil and gas producers, since it prevents damage to expensive equipment due to improper power supply.

Where to start the energy efficiency improvement?

Before introducing new energy efficiency solutions, i.e. installing active filters, power factor correction units, and other systems compensating for power supply deficiencies, the actual condition of the power grid must be analysed. Generally, the company is audited by a service company engineer, who can evaluate the actual capacity of the equipment and distortion and loss levels of power grids using specialised equipment.

As soon as the measurement data is processed, a project can be developed to improve the power supply. Generally, such projects include a feasibility study, which shows the short-term and long-term advantages of the solutions used. With regard to active filters, their installation cost can be regained within 1 or 2 years; this period takes into account the failure risk assessment of expensive equipment.

Based on the results of an energy audit, any company can get an energy performance certificate, as well as guidelines for implementation of energy saving measures, which provide minimisation of power grid-related concerns and ensure optimum operating conditions for the equipment. |

How to create a sustainable system to collect waste batteries in Russia



YURY KOROTAEV
General Manager, Duracell

The creation of a sustainable waste management system in Russia began with the introduction of an extended producer responsibility (EPR) mechanism for importers and producers of goods as well as with adoption of the National Environment Project which sets a 60% recycling target for all types of waste, including batteries. This project signaled the start of the wide development of segregated waste battery collection infrastructure and recycling capacities.

Duracell as a market leader in the production of batteries launched an environmental project in Russia in December 2017. The project is aimed at reducing battery waste using the best international practices available. Starting with 100 in January 2018 by August 2019 the

company had installed more than 1,500 segregated waste battery collection points throughout Russia, making it possible to recycle more than 414 tonnes of waste batteries by October 2019.

Segregated collection of waste batteries

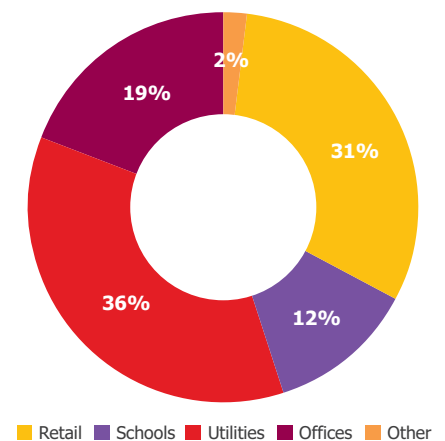
International experience shows that the development of a segregated waste battery collection infrastructure is based primarily on retail chains. Battery collection points are installed in supermarkets so customers can bring their waste batteries and deposit them at collection points.

Retail based battery collection is widely recognised as one of the world’s best practices. For example, in the EU in a number of countries (Latvia, Greece, Finland) 3 out of 5 batteries are collected through retail chains. They collect up to 19% of waste batteries. Other important sources for collecting batteries are schools, office buildings and utilities – they collect as many batteries as retail chains as accessing them requires less effort.

Schools serve as the most important source for waste battery collection: in addition to being a source of 20% of total waste batteries collection, they drive up the total collection rates due to children’s and student’s activity in the promotion of responsible environmental behaviour to their parents.

Office buildings and utilities serve as a major source of waste batteries, but they require a lot of coordination to install collection points, since they are mostly autonomous (in contrast to centralised retail chains) and source for financing.

Collected battery sources



Duracell’s experience in Russia

Duracell began its environmental project in December 2017 and its aim is to improve recycling levels of waste batteries throughout Russia. The project consists of 3 major elements, which all involve the improvement of waste battery collection:

- deployment of segregated waste collection infrastructure in retail chains;
- collection campaigns in schools and cities;
- creation of complex infrastructure, which should unite all the collection points within a single system.

The environmental project has become of the interest to the Ministry of Natural Resources and Environment and the Ministry of Industry and Trade since it helps to improve the environment, promotes segregated waste collection, reduces waste, and stimulates the development recycling industry. The Ministry of Natural Resources and Environment has signed a cooperation agreement on the development of segregated waste battery collection, while the Ministry of Industry and Trade has issued letter of approval for the project. Official support from the government has helped develop the project in the regions and to communicate efficiently with stakeholders.

Retail chains

Duracell started to build segregated waste battery collection infrastructure based primarily on retail. Retail-based collection has three primary benefits:

- it enables the establishment of collection points in a short time, since most retail chains are national;
- collection points in retail chains are noticeable to customers;
- customers bring waste batteries to retail chains when they are buying replacement ones.

Retail-based deployment stimulates a significant increase in the collection and processing of batteries: retail chains are the most convenient battery collection points for the population of the Russian Federation due to the exceptionally wide spread of retail chains in large cities and the peculiarities of consumer behaviour in Russia. It has resulted in the creation of more than 1,500 collection points throughout Russia within 2 years. Collection points cover all major Russian cities from Kaliningrad to Vladivostok.

Costs for the deployment of infrastructure within retail spaces from Duracell consist of the production of collection points and their installment in stores. Retail chains pay for the recycling of all the batteries collected. Retail chains participate in the environmental project for two main reasons:

- they are subject to EPR (due to the production of private label batteries);
- by installing collection points they improve a "green" component of their reputation, improving the overall goodwill of the retail chain's brand.

Collection campaigns

Alongside the installment of collection points in retail chains Duracell conducts major collection campaigns throughout the year: both school and citywide. Collection campaigns help promote segregated waste collection practices and improve overall collection and recycling rates in the region in the long term, since it improves the population's environmental awareness.

City collection campaigns

Once a year Duracell collects waste batteries for a week in major Russian cities in a single big container, allowing everyone who wants to, to discard waste batteries for recycling. Duracell finances the recycling of collected batteries, the logistics costs and the informational campaign. In 2019, the city campaign involved 35 cities and resulted in 40 tonnes of waste batteries being collected and recycled.

School campaigns

Twice a year (Spring and Autumn) for two months Duracell collects batteries in schools participating in the campaign. The school project began in 2018. During the spring 2019 campaign the company managed to collect 24 tonnes of batteries that went on to

be recycled. Duracell fully finances the printing of informational materials, and the collection and recycling of the batteries.

Integrated infrastructure

It is Duracell's long-term goal to achieve European levels of the 60% of batteries being collected and recycled. It could be achieved through the creation of integrated waste battery collection infrastructure in regions. Integrated infrastructure involves the creation of sustainable recycling financing for all the major sources: schools, utilities, retail chains and office buildings. An integrated system will potentially achieve the 60% recycling target within a 4-year period. The important part in the deployment of integrated infrastructure is the combined efforts of industry and governmental authorities.

Recommendations for organisations interested in collecting batteries at their sites

It is easy to implement segregated waste battery collection. All you need to do is follow these steps:

- Buy and install a segregated waste collection point. Any kind will do, it just needs to be durable.
- Find a recycler suitable for you. Duracell has approved two recyclers, who carry out the deep processing of battery waste: Megapolisresurs from the Chelyabinsk region, and NEK from the Yaroslavl region.
- Start collecting waste batteries and when the container is full – call the recycler so the batteries can be taken to their site. Remember: the recycling of battery waste requires financing so be prepared to pay from USD 1 to USD 2 per collected kg of battery waste. |

AEB NEWS

AEB at ComTrans Arena 2019

On 3 September 2019, the AEB held a business event containing a panel discussion and several sessions in the framework of ComTrans Arena.

ComTrans Arena is a specially arranged zone where leading automotive and transport industry experts, top executives of Russian and international manufacturers, representatives of the Russian federal ministries, regulatory bodies and industry associations, the Moscow city government can meet, share their experience and exchange opinions on the most burning topics.

The business programme started from the 19th Annual Award Ceremony “The Best Commercial Vehicle in Russia”, and was followed by a lively panel discussion “A look into the future of commercial vehicle manufacturers” with participation of A. Solntsev (moderator, founder of the Award “The Best Commercial Vehicle in Russia”, ComTrans magazine), I. Gumerov (KAMAZ), P. Andersson (Chairman of the AEB Commercial Vehicles Committee, MAN Truck and Bus Russia), S. Yavorsky (Volvo Vostok), W. Rowiński (Scania RUS), A. Deuschle (DAIMLER KAMAZ RUS), F. Cepollina (CNH Industrial Russia).

Among the topics discussed were the current situation in the commercial vehicle market; market forecasts in light of the



Participants of the panel discussion

conclusion of SPICs; prospects of implementation of innovative solutions/products in Russia: alternative energy sources, autonomous driving; the role of connected transport and innovative transport solutions in the national project for the development of the country’s infrastructure; measures to support innovative transport and transport solutions.



Panelists of the Forum (photo from the Roscongress photobank)

AEB at the Eastern Economic Forum in Vladivostok

On 3 September 2019, the conference “A common economic space from the Atlantic to the Pacific: the greater Eurasian partnership” with participation of Frank Schauff, AEB CEO, took place in the framework of the Eastern Economic Forum in Vladivostok.

In his speech, Dr. Schauff mentioned that the AEB had for many years been engaged in a fruitful dialogue with the EAEU leadership on such important topics as IPR issues (in particular, parallel imports), technical regulations in road safety or chemicals, customs procedures, etc. The AEB CEO stressed that despite the current economic and financial restrictive measures and tense political context faced by European investors, AEB members strongly believed in the economic potential of the Greater Eurasia and would further advocate business dialogue to overcome barriers to trade and investments.

On 4 September Frank Schauff, AEB CEO, as a panelist and Michael Akim, Chairman of the AEB Working Group on Modernisation & Innovations, as a moderator took part in the business dialogue “Russia-Europe” in the framework of the Forum.

The panelists discussed possible contribution of European companies to the development of the Far East economy and prospects for implementing sustainable development principles in the transition to a circular economy in a geographically remote region of Russia.

AEB CEO at the Moscow Financial Forum 2019

On 12 September 2019, Frank Schauff, AEB CEO, delivered a speech at the panel session of the Moscow Financial Forum 2019.

The panel session moderated by Andrey Sharonov, Skolkovo Moscow Management School, was devoted to the impact of investment climate on finance and economy of the city.

In his speech Dr. Schauff reported on the ways to improve business environment and investment activity in Moscow and in Russia as a whole.

L-R: **Vyacheslav Tsybulnikov**, Vice President at Sberbank; **Frank Schauff**, AEB CEO (photo from the Moscow Financial Forum photobank).



Participants of the open event

Labelling: implementation, challenges, perspectives

On 20 September 2019, the AEB and the EU Delegation held an open event: "Labelling: implementation, challenges, perspectives".

The event aimed to discuss labelling issues: state of affairs in September 2019 and the main challenges: technical, political, legislative and practical, barriers for the market, actualisation of lists of goods for labelling, and others.

The Ministry of Industry and Trade of Russia and the Centre for Advanced Technologies representatives together with the EU Delegation and AEB representatives discussed the most pressing issues. European businesses addressed some practical and technical issues directly to the regulatory and data base providers.

Presentation of the AEB renewed office

On 24 September 2019, the AEB welcomed its members at the housewarming party in the renewed AEB Conference Centre.

The official part of the ceremony started with opening speeches of the AEB Board Chairman Johan Vanderplaetse and the AEB CEO Frank Schauff.

They presented a brand-new renovated AEB office and conference centre and expressed gratitude to SENDLER & COMPANY for designing and supervising the renovation, and ROCA company for restrooms in the AEB office.



L-R: **Johan Vanderplaetse**, AEB Board Chairman; **Frank Schauff**, AEB CEO.

AEB signed Memorandum on establishment of AUTODATA.RUS

On 30 September 2019, the AEB represented by Frank Schauff, CEO, took part in the signing of the Memorandum on establishment of the AUTODATA.RUS intersectoral project consortium.

The official ceremony was held at the Radisson Collection Moscow hotel.

The event was opened by Dmitry Peskov, Special Representative of the President of the Russian Federation for Digital and Technological Development; Alexander Morozov, Deputy Minister of Industry and Trade of Russia; Arkady Dvorkovich, Chairman of the Skolkovo Foundation; Alexander Povalko, Chairman of the Management Board of RVC, and Alexander Gurko, President of GLONASS.

Arkady Dvorkovich noted that "Skolkovo" would become a testing ground for the AUTODATA platform for collecting automotive data.



Participants of the ceremony

At the end of the ceremony, the signatories pressed the improvised "start button", thus officially launching the AUTODATA platform project in Russia.



L-R: **Vadim Titov**, Rusatom-International Network; **Francois Borgida**, Total SA; **David Campbell**, BP in Russia; **Ernesto Ferlenghi**, Chairman of the AEB Energy Committee, Eni S.p.A; **Anton Inyutsyn**, Deputy Minister of Energy of Russia; **Johan Vanderplaetse**, Chairman of the AEB Board, Schneider Electric; **Alexander Liberov**, member of the AEB Board, Siemens in Russia; **Carlo Palasciano Villamagna**, Enel Russia; **Maxim Shirokov**, Unipro.

AEB at the Russian Energy Week 2019

On 3 October 2019, in the framework of the Russian Energy Week (REW) 2019, the AEB held a panel session: "Russia-EU partnership: opportunities to secure the environmental transformation of the energy market".

The discussion was moderated by Ernesto Ferlenghi, Chairman of the AEB Energy Committee.

Heads of the largest energy companies discussed measures needed to expand the energy market between Russia and the EU, and shared their practical experience in ensuring the reduction of negative impact on the environment.

From the business side, the participants of the session were: David Campbell, President, BP in Russia; Alexander Liberov, member of the AEB Board, President & CEO, Sie-

mens in Russia; Carlo Palasciano Villamagna, General Director, PJSC Enel Russia; Vadim Titov, Senior Vice President, Rusatom-International Network; Maxim Shirokov, General Director, Unipro; Francois Borgida, Vice President of Country Delegate Russia, Total SA; and Johan Vanderplaetse, Chairman of the AEB Board, President, Russia and CIS, Schneider Electric.

Anton Inyutsyn, Deputy Minister of Energy of Russia, addressed the session on behalf of the government.

The participants marked out the importance of joint efforts to ensure environmental transformation of the entire energy sector, as well as the role of scientific and technical cooperation in the field of energy, energy efficiency, ecology and management of non-hazardous and low-hazardous waste.



Participants of the meeting

AEB at the meeting of the International Council for Cooperation and Investment

On 16 October 2019, the AEB representatives attended the meeting of the International Council for Cooperation and Investment (ICCI), an advisory body with the Russian Union of Industrialists and Entrepreneurs (RSPP). The meeting was chaired by the RSPP President Alexander Shokhin. Among other participants were the representatives of the Eurasian Economic Commission (Minister V. Nikishina), Ministry of Industry and Trade, FAS, Ministry of Finance, as well as representatives of the business community.

The meeting was devoted to improving the investment climate in Russia; marking and labelling the products made in Russia and the imported products (Anton Bankovskiy, Chairman of the AEB Intellectual Property Committee) as well as on the conditions for permitting access of foreign insurers (reinsurers) to the Russian market by opening branches (Capitolina Tourbina, Chairperson, AIDA Insurance Legislation Working Group).

The effectiveness of the state regulation and the ways of its improvement were also discussed.

Lecture by Mark Esposito "At Home, in the Artificial Intelligence Republic"

On 24 October 2019, the AEB hosted a lecture by Dr. Mark Esposito (IE Business School): "At Home, in the Artificial Intelligence Republic" devoted to the development of AI and its integration to the modern society.

Based on the research conducted in his latest book, "The AI Republic", co-authored with Terence Tse and Danny Goh and supported by the large corporate experience gained as a co-founder of a multi-million dollar AI firm, Nexus FrontierTech, Dr. Mark Esposito cast light on the AI, and spoke about opportunities to reform our societies.

Mr. Esposito marked out that AI and new technologies were no foes to the human beings and our mutual cooperation could lead to so called "Symbio-intelligence", i. e. algorithms working for the people to solve issues in areas such as health. Mark Esposito also noted that automation and AI would transform the business environment and create a lot of new jobs, replacing some existing ones. Mark Esposito also made the point that those technologies should be made available not only for tech giants but also for small and medium-sized enterprises.

Presenter: **Mark Esposito**, IE Business School

Johan Vanderplaetse, Chairman of the AEB Board, speaking at the XII Eurasian Forum in Verona.

AEB at the XII Eurasian Forum in Verona

On 24-25 October 2019, the AEB top-level representatives: Johan Vanderplaetse, Chairman of the AEB Board, Frank Schauff, AEB CEO, and Philippe Pegorier, AEB Board Deputy Chairman, participated in the panel sessions of the XII Eurasian Forum that took place in Verona in the Palace of the Gran Guardia.

The Forum was organised by the Association Conoscere Eurasia and the Roscongress Foundation with the support of co-organisers: the AEB and RSPP.

The main subjects of the forum in Verona were the geopolitical processes in the Greater Eurasia and innovations as a result of the everyday creativity. Under these topics the participants discussed the key issues in economics, finance, systemic challenges of the global energy, geopolitics, innovative infrastructure.

On 24 October the AEB CEO Frank Schauff took part in the first session of the Forum "Can business play a constructive role in the geopolitics of today?"

The AEB Chairman Johan Vanderplaetse delivered a speech at the panel session "Creating a cooperative economy from the Atlantic to the Pacific", which was moderated by the Deputy Chairperson of the AEB Board Philippe Pegorier.

The Forum traditionally brought together key representatives of the public authorities and business communities from Russia, Italy, Turkey, Germany, India, Austria, France and other countries.



Frank Schauff, AEB CEO, welcoming the participants of the Nordic Breakfast.

AEB Third Nordic Breakfast

On 31 October 2019, the AEB represented by Frank Schauff, AEB CEO, in cooperation with the AEB Council of National Representation (CNR) represented by Fredrik Svensson, Partner, Mannheimer Swartling, Deputy Chairman of CNR representing Sweden; Jari Jumpponen, Head of Representative office of Finnish industries, CNR Member representing Finland; Aage V. Nielsen, CNR Member representing Denmark, organised the AEB Third Nordic Breakfast. The event was hosted by the Embassy of Sweden which was represented by H.E. Ambassador Malena Mard and supported by the Embassies of Denmark and Finland.

Frank Schauff moderated the round table discussion on digitalization and innovation of business in Russia with the participation of Pontus Erntell, CEO, IKEA Russia; Mikhail Shapiro, Regional President and CEO Russia, Danfoss; Petri Kujala, Managing Director, Fazer Bakery Business Area.

The event was attended by over 60 top level representatives of Nordic companies.



L-R: Elvira Nabiullina, Governor of the Central Bank of Russia; Johan Vanderplaetse, Chairman of the AEB Board; Frank Schauff, AEB CEO; Mikhail Chaikin, Chairman of the AEB Banking Committee; Alexander Lorenz, Chairman of the AEB Insurance & Pensions Committee.

Meeting with Elvira Nabiullina, Governor of the Central Bank of Russia

On 7 November 2019, Elvira Nabiullina, Governor of the Central Bank of Russia, had a meeting with AEB members at the Baltshug Kempinski Moscow Hotel.

The meeting was opened by Johan Vanderplaetse, Chairman of the AEB Board. He stressed that the meeting was a long-awaited event and expressed hope for further long-term cooperation on a regular basis.

The Head of the Central Bank Elvira Nabiullina delivered a speech covering the latest changes in the monetary policy, including the latest reduction in the key rate, measures to

stimulate regulation, investors insurance, and protection of the Russian financial system from external risks.

Speaking about the financial sector, she noted that it was the most stable and transparent, quite attractive for investments. The Governor also stressed the importance of work in the field of financial technologies development and financial accessibility, as well as the system of quick payments.

The briefing was followed by a Q&A session moderated by Frank Schauff, AEB CEO, Mikhail Chaikin, Chairman of the AEB Banking Committee, and Alexander Lorenz, Chairman of the AEB Insurance & Pensions Committee.



L-R: **Frank Schauff**, AEB CEO; **Batyr Khodzhaev**, Minister of Industry and Economic Development of the Republic of Uzbekistan; **Johan Vanderplaetse**, Chairman of the AEB Board, President for Russia and CIS, Schneider Electric.

AEB business mission to Uzbekistan

On 11-13 November 2019, the AEB representatives undertook the first ever business mission to Uzbekistan. The delegation included heads of major European companies: Bayer, Creon Capital, Deloitte, Generali Russia & CIS, Kuehne+Nagel, Mitsubishi Electric, Oriflame, Schneider Electric, Signify, etc.

The main purpose of the visit was to get acquainted with the investment potential of Uzbekistan, as well as to discuss specific steps in the development of mutually beneficial cooperation and expansion of business ties between the Uzbek and European businesses.

On the first day Johan Vanderplaetse, Chairman of the AEB Board, Frank Schauff, AEB CEO, and the delegates of the business mission had a meeting with Shuhrat Vafayev, Deputy Minister of Investment and Foreign Trade of the Republic of Uzbekistan. Likewise, a number of b2b meetings with repre-

sentatives of ministries, departments and private companies of Uzbekistan were organised.

On the second day representatives of European companies discussed the issues of doing business and supporting foreign investors with the Minister of Economy and Industry Botir Khodzhaev, representatives of the Ministry of Innovative Development, Chairman of the Senate Committee on international relations, foreign economic relations, foreign investment and tourism Alisher Kurmanov, as well as with the Head of the Department for policy, press and information, the EU Delegation to Uzbekistan Jussi Narvi.

On the third day, the delegates of the AEB business mission moved to Samarkand, where they met with Oybek Khodjaev, Deputy Governor (Hakim) of Samarkand region.

After that, representatives of AEB member companies visited the factory "JV MAN Auto-Uzbekistan", where they inspected the production line, and met with the Deputy Director Otabek Nurzalayev. During the meeting, the guests were told in detail about the company's development strategy and opportunities for mutually beneficial cooperation.



Participants of the business mission



L-R: **Paul Bruck**, Deputy Chairman of the AEB Board (responsible for SMEs), Most Service; **Alexander Khurudzhi**, Public Ombudsman for Protection of Rights of Entrepreneurs in Custody; **Stuart Lawson**, Member of the AEB Board, Finance & Investments Committee Chairman, EY.

Briefing by Alexander Khurudzhi, Public Ombudsman for Protection of Rights of Entrepreneurs in Custody

On 18 November 2019, Alexander Khurudzhi, Head of Business Protection Association, Public Ombudsman for Protec-

tion of Rights of Entrepreneurs in Custody, had a meeting with AEB members.

The event was hosted by the AEB Finance & Investments Committee. It was chaired by Stuart Lawson, Member of the AEB Board, Finance & Investments Committee Chairman, Senior Advisor, EY, and Paul Bruck, Deputy Chairman of the AEB Board (responsible for SMEs), Most Service.

In his opening remarks Mr. Lawson noted that the AEB was interested in working with the Ombudsman's Institute to improve Russian legislation in the field of entrepreneurship activities.

During the event Alexander Khurudzhi briefed on the proposals to improve business and investment climate in Russia, as well as on the achievements, prospects and barriers in the field of entrepreneurs' rights protection.



Presenter: **Frank Schauff**, AEB CEO

AEB CEO at VI Moscow International Financial and Economic Forum

On 22 November 2019, Frank Schauff, AEB CEO, participated in the VI Moscow International Financial and Economic Forum "EAEU and EU: searching for new formats of cooperation".

Dr. Schauff made presentations on new opportunities for European business in the Eurasian Economic Union (EAEU) market and further development of trade and economic cooperation between the EAEU and the European Union.

The sessions were moderated by Alexander Shokhin, President of the Russian Union of Industrialists and Entrepreneurs (RSPP), and Alexander Murychev, Executive Vice President of the Russian Union of Industrialists and Entrepreneurs.

The speakers of the Forum discussed topical economic aspects of Eurasian integration, as well as typical challenges and peculiarities of doing business in Russia and the EAEU for European companies.

Presentation of the investment potential of the Lipetsk region

On 28 November 2019, the AEB hosted the presentation of the investment potential of the Lipetsk region with the participation of the Governor Igor Artamonov.

The welcoming remarks were delivered by Frank Schauff, AEB CEO. He noted that this meeting was a logical continuation of the AEB visit to the Lipetsk region in July 2019, that evoked great interest among members.

Many member companies are already localised in the region and their successful work is a significant proof of the favourable business climate in the region. Therefore, it is important for the AEB that the conditions for doing business in the region remain stable and change only for the better.

Igor Artamonov, Governor of the Lipetsk region, spoke in detail about competitive advantages of the region, its investment structure, as well as major measures of state support for investors.

He emphasised that the region's leadership was made up of people with great business experience, that is why they understand all problems and needs which entrepreneurs may face.

The Governor focused on the presentation of the Federal Special Economic Zone "Lipetsk", which is one of the largest and most effective SEZs in Russia. Several regional SEZs and industrial parks are also successfully operating and developing in the region.

Representatives of several large foreign investors shared their experience of doing business in the region: Igor Bruevich,



Presenter: **Igor Artamonov**, Governor of the Lipetsk region

General Manager, KWS RUS LLC, shared his plans to open a new plant on the basis of SEZ in 2021; Anton Avsenin, Plant Manager, Kemin Industries Lipetsk LLC, and Erwin Lokere, General Manager, Bekart Lipetsk LLC, spoke about the positive experience of localisation of production and residence in the "Lipetsk" SEZ.

AEB COMMITTEES UPDATES

Automobile Manufacturers Committee

On 23 October 2019, the Automobile Manufacturers Committee IMobility Working Group, chaired by Tatiana Gorovaya (Nissan Manufacturing Rus) held a meeting devoted to the prospects of development of electric vehicles in Russia. The Moscow city and the Moscow region cases were discussed. The meeting was attended by representatives of the state and regional bodies including Gagik Kocharyan, Director of Department of customs tariff and non-tariff regulation of the Eurasian Economic Commission; Grigoriy Mikryukov, Analytical Centre of the Government of the Russian Federation; Leonid Neganov, PAO Rosseti; Gennadiy Sidenko, Rosseti Moscow Region; Alexey Mityaev, Department of



Participants of the meeting

Transport and Road Infrastructure of Moscow; representatives of Schneider Electric and automobile manufacturers as well as other invited guests.

The meeting participants discussed and noted good progress in the development of the infrastructure necessary for the electric vehicles in the Moscow city and the Moscow region and shared plans for the future. Automobile manufacturers highlighted importance and requested the EEC to support the Belarus initiative to introduce 0% customs duty for the import of electric vehicles. This temporary measure in a combination with other planned can push rapid increase of the electric vehicles market in the EAEU countries. In general, all the participants stressed importance of the "green technologies" especially for the big cities and agreed to continue the dialogue.

Crop Protection Committee



L-R: **Vladimir Alginin**, Executive Director of the Russian Union of CPP Manufacturers; **Tatiana Belousovich**, AEB GR Manager for Crop Protection and Seeds; **Ruslan Kokarev**, AEB Deputy CEO – Chief Operating Officer.

The AEB representatives took part in the IV All-Russian Congress on Crop Protection "Phytopathological technologies in ensuring the independence and competitiveness of the Russian agriculture", which took place on 9-11 September in St. Petersburg, and was dedicated to the 90th anniversary of the establishment of the All-Russian Institute for Crop Protection.

On 9 September, Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer, and Tatiana Belousovich, AEB GR Manager for Crop Protection and Seeds, delivered reports at the round table "System for the collection and disposal of waste pesticide containers in Russia: what has been done and what is needed to strive for?".

In addition, within the framework of the Congress, working meetings and negotiations were held on key issues of crop protection product industry (CPP). Prospects for the development of the container collection and disposal system, effective tools for combating counterfeit pesticides on the Russian market, optimising the procedure of state CPP registration were discussed at a working meeting with Vladimir Alginin, Executive Director of the Russian Union of CPP Manufacturers.

On 24-27 September, representatives from the AEB, the Russian Agricultural Centre and ECOPOLE took part in a business trip to Bavaria. The purpose of the visit was to study European experience in collecting and recycling waste crop protection containers. The host company was RIGK GmbH – one of the European leaders in polymer waste management. During the visit, the delegation members visited several points for collection of used canisters from plant protection agents and two polymer waste recycling plants, and discussed the proper handling of containers with the General Director of RIGK GmbH Markus Dambeck and his colleagues.



Participants of the business trip



L-R: **Mansur Yusupov**, Board Chairman, "National Committee for Public Control"; **Andranik Gevorgyan**, Head of Department, Committee of State Revenues of Armenia; **Ruzanna Kusikyan**, Chief Customs Inspector, Committee of State Revenues of Armenia; **Tatiana Belousovich**, AEB GR Manager for Crop Protection and Seeds; **Sergey Ananyev**, Head of Intellectual property Department, "NPK "Uralvagonzavod".

On 12-13 November 2019, Crop Protection Committee members took part in the VII International Forum "Anti-Counterfeiting-2019", which was held in Yerevan, the Republic of Armenia.

The Forum was dedicated to the problems of combatting illegal trade in industrial products, including protection of intellectual property rights.

On behalf of the Committee, a consolidated presentation "Joining efforts of copyright holders and customs control bodies to combat import of counterfeit pesticides to the EAEU market" was made by the Chairman of the Anti-counterfeit Working Group of the Crop Protection Committee Yury Fedulov and the AEB GR Manager for Crop Protection and Seeds Tatiana Belousovich in the framework of the round table "The role and tasks of customs bodies in the field of protection of intellectual property rights".

Customs & Transport Committee

On 18 September 2019, the AEB CEO Frank Schauff and representatives of the AEB Customs & Transport Committee had a meeting with Nurlan Akmatov, EEC Minister for Economic Cooperation.

The participants discussed current issues in the field of customs regulation, obtaining the status of an authorised economic operator, integration of digital solutions of the national/regional platform and digital tools under the EEC-UN conventions in the field of automobile transport, as well as empowering the Commission with the provision of official clarifications on the provisions of the Union law.

L-R: **Tatiana Lorman**, Head of Customs Department, RENAULT; **Wilhelmina Shavshina**, Deputy Chairperson of the AEB Customs & Transport Committee; **Dmitry Cheltsov**, Chairman of the AEB Customs & Transport Committee; **Nurlan Akmatov**, EEC Minister for Economic Cooperation; **Frank Schauff**, AEB CEO; **Ksenya Solovieva**, AEB Committees Coordinator.





Participants of the meeting

On 23 October 2019, AEB Customs & Transport Committee experts met with the delegation of DG TAXUD of the European Commission, who visited Moscow to attend the International Customs Forum.

Sabine Henzler, Director for International and General Affairs, and Fernando Perreau de Pinninck, Head of unit for trade facilitation, rules of origin and international coordination, provided information on the recent developments in EU-RUS relations/dialogue in customs matters, EU-EAEU contacts, planned activities.

Dmitry Cheltsov presented the latest information on electronic seals while transit on the territory of the Eurasian Economic Union. Marina Lyakisheva made a presentation on track and trace system in the EAEU.

On 25 October 2019, in the framework of the International Customs Forum a round table "Assessment of the integrity of organisations: reforms and prospects" was held with direct involvement of the AEB Customs & Transport Committee.

Dmitry Cheltsov, Chairman of the AEB Customs & Transport Committee, IRU; Wilhelmina Shavshina, Deputy Chairperson of the AEB Customs & Transport Committee, DLA Piper, presented the business position on the criteria for assessing the integrity of participants in foreign economic activity, the current Order of the FCS and the new draft Order of the Ministry of Finance on automatic categorisation of foreign trade participants.



L-R: **Wilhelmina Shavshina**, Deputy Chairperson of the AEB Customs & Transport Committee, DLA Piper; **Dmitry Cheltsov**, Chairman of the AEB Customs & Transport Committee, IRU; **Nikita Zolkin**, Ministry of Finance; **Valery Byshovets**, the Federal Customs Service of Russia; **Alexander Guskov**, the Federal Customs Service of Russia.



Participants of the meeting

On 30 October 2019, AEB Customs & Transport Committee members had a meeting with customs attachés of EU Member States at the Residence of the H.E. Ambassador of France to discuss recent changes in customs rules.

This annual meeting has become a good tradition to share important news and information about upcoming changes in the law and regulation.

Among the participants of the meeting were: Ekaterina Vargashkina, Assistant of the Customs Attaché, the Netherlands; Pablo Martinez Segrelles, Council of Economic and Trade, Spain; Halina, Cerniauskiene, Customs Attaché, Lithuania; Bernard Klappe, Customs Attaché, the Netherlands; Inta Kovalevska, Customs Attaché, Latvia; Robin Machiels, Customs Attaché, Belgium; Marika Valtonen, Customs Attaché, Finland; Martin Fleury, Customs Attaché, France; Uwe Hollein, Customs Attaché, Germany; Robert Torenc, Customs Attaché, Poland; Dmitry Cheltsov, AEB Customs & Transport Committee Chairman; Wilhelmina Shavshina, AEB Customs & Transport Committee Deputy Chairperson; Ksenia Solovieva, AEB CTC Coordinator; Marina Lyakisheva, Council of Open Customs University.

On 21 November 2019, AEB Customs & Transport Committee members held a joint round table with the Japan Business Club Customs Committee and JETRO. Traditionally the meeting has been organised on an annual basis since 2011. The round table discussion was moderated by Dmitry Cheltsov, AEB Customs & Transport Committee Chairman, IRU, and Yoshiki Nakano, JBC Customs Committee Chairman, Yusen Logistics. The participants discussed acute issues in customs regulation such as categorisation of foreign trade participants, customs value: transport cost deduction; update on administrative liability for customs violations. Mr. Nakano presented the results of a questionnaire on acute issues in customs clearance in Russia, which Japanese companies faced in 2019. At the meeting the participants agreed to continue cooperation and exchange opinions on customs regulation.



Participants of the round table

Finance & Investments Committee



L-R: **Stuart Lawson**, Chairman of the AEB Finance & Investments Committee; **Chris Weafer**, Senior Partner, Macro-Advisory; **Anna Zaigrina**, Analyst, Rosbank; **Alexander Anichkin**, Partner, Clifford Chance; **Ethan Heinz**, Counsel, Dentons.

On 11 October 2019, the AEB Finance & Investments Committee held an open meeting entitled "Nothing to worry about???"

Economy and sanctions" to review the current developments regarding the international economic sanctions against Russia, Russia's latest counter-sanctions, the domestic economic outlook, foreign investment trends and forecasts. The invited speakers were: Alexander Anichkin (Partner, Clifford Chance), Ethan Heinz (Counsel, Dentons), Chris Weafer (Senior Partner, Macro-Advisory), Anna Zaigrina (Analyst, Rosbank). Presentations by the speakers were followed by a Q&A session. The participants noted that despite the current foreign reluctance to invest in Russia due to political and economic uncertainties and possible adverse changes in Russia's economic trends driven by the continuing sanctions confrontation, international investors, being constantly on the lookout for profitable investment options, remained to date generally interested in Russia.

Health & Pharmaceuticals Committee

On 7 October 2019, the AEB Health & Pharmaceuticals Committee held a meeting with the representatives of the Federal Antimonopoly Service. The meeting was devoted to the matters of pricing regulation, mandatory licensing and track & trace data access. Timofey Nizhegorodtsev, Head of the Department for Control over Social Sphere and Trade, Nadezhda Sharavskaya, Deputy Head of the Department for Control over Social Sphere and Trade, and Daria Starykh, Head of the Drug Pricing Regulation Unit, took part in the meeting. As a result of the meeting, both parties expressed their interest in achieving a full understanding of all the nuances of the drug prices state regulation system in the interests of patients and the drug supply system as a whole.



L-R: **Timofey Nizhegorodtsev**, FAS Russia; **Nadezhda Sharavskaya**, FAS Russia.

Home Appliances Manufacturers Committee



Participants of the meeting

On 5 September 2019, Frank Schauff, AEB CEO, and Olga Silnitskaya, AEB Committees Coordinator, took part in the meeting of the International Roundtable of Household Appliance Manufacturer Associations (IRHMA) in Seoul, South Korea.

The meeting was also attended by the representatives of the Association of Home Appliance Manufacturers (AHAM – United States of America and Canada); Home Appliance Europe (APPLiA); China Household Electrical Appliances

Association (CHEAA – China); Japanese Electrical Manufacturers’ Association (JEMA – Japan) and Korea Electronics (KEA – Korea).

The participants discussed recent developments on circular economy, requirements for eco-design and energy efficiency labelling, connectivity and cyber security in home appliance industry, as well as two joint statements – on Free Trade and Cybersecurity.

The next IRHMA meeting will take place in Moscow in 2020.

Hotels & Tourism Committee



L-R: **Armin Eberhard**, Chairman of the AEB Hotels & Tourism Committee; **Natalia Grineva**, Ibis Moscow Oktyabrskoye Pole Hotel; **Alexey Tikhnenko**, Moscow Tourism Committee; **Irina Ryvkina**, Azimut Hotel Smolenskaya; **Ksenya Solovieva**, AEB Committees Coordinator.

On 14 September 2019, Armin Eberhard, Chairman of the AEB Hotels & Tourism Committee, and Committee members took part in the event organised by the Moscow Government within the 23rd session of the United Nations World Tourism Organisation (UNWTO) General Assembly, for the first time ever held in St. Petersburg.

The first session within the Moscow programme comprised the Moscow event calendar presentation for 2020, presentations of VDNKh, Tsaritsino, Tour agency “Moscow Museums” and other tour operators about activities planned in Moscow in 2020.

The plenary session was opened by a presentation of Moscow tourism opportunities by Natalia Sergunina, Deputy Mayor of Moscow, and a welcome speech by Zurab Pololikashvili, Secretary-General of the World Tourism Organisation. During the plenary session the high-level experts spoke about sustainable development of the tourism industry, eco-tourism, adventure tourism and importance of tourism for connectivity and economic growth.

Insurance & Pensions Committee



L-R: **Vladimir Novikov**, Sberbank Insurance; **Ella Platonova**, All-Russian Insurance Association; **Capitolina Tourbina**, Chairperson of AIDA Insurance Legislation Working Group (AIDA Russian Chapter); **Peggy Sharon**, President, AIDA; **Jernej Merhar**, Slovenian Insurance Supervision Agency; **Irina Singer**, Zurich Insurance Company Ltd.

On 13 September 2019, the AEB held the conference “State insurance supervision efficiency in a frame of a new solvency regulation”. It was the second international event organised by the AIDA Insurance Legislation Working Group (AIDA Russian Chapter) within the AEB Insurance & Pensions Committee since the AEB joined the International Insurance Law Association/Association Internationale de Droit des Assurances (AIDA) in 2016 (as AIDA National Chapter in Russia).

The event was opened by Frank Schauff, AEB CEO, and Peggy Sharon, President, AIDA, and covered the following topics: legal environment of state insurance

supervision in a modern landscape; state supervisory focus and measures; changes in the internal control processes and risk management as well as risks related to consumer rights protection; practical aspects and learning from European insurers and regulators.

The event provided a platform for discussion and exchange of ideas and solutions, as well as a unique networking opportunity.

The AEB thanks General Reinsurance AG and Generali Insurance Brokers, sponsors of the event, for their financial support.

IT & Telecom Committee

On 5 November 2019, the AEB IT & Telecom Committee held its open event “Legal update on personal data”.

Edgars Puzo, Chairman of the AEB IT & Telecom Committee, Atos, moderated the open event.

Anastasia Petrova (ALRUD Law Firm) spoke about recent legislative internet regulatory initiatives. Natalia Abtshko (VEGAS LEX GROUP) made an overview of new elements in the regulation of PD in Russia. Vadim Perevalov (Baker McKenzie) spoke about Roskomnadzor audits and their actual and potential consequences in 2019-2020. Andrey Slepov, Partner, BEITEN BURKHARDT, analysed implementation practices and compliance checks, PD database localisation requirements. Dmitry Sokolov shared



L-R: **Denis Bushnev**, SCHNEIDER GROUP; **Dmitry Sokolov**, Orange Business Services; **Andrey Slepov**, BEITEN BURKHARDT; **Edgars Puzo**, Chairman of the AEB IT & Telecom Committee, Atos; **Natalia Abtshko**, VEGAS LEX GROUP; **Anastasia Petrova**, ALRUD Law Firm; **Vadim Perevalov**, Baker McKenzie.

the practical experience in applying the law on PD from Orange Business Services. Denis Bushnev (SCHNEIDER GROUP) spoke about a specific case related to disclosure of trade secrets and personal data.



Participants of the conference (photo from zpd-forum.com)

On 7 November 2019, Edgars Puzo, Chairman of the AEB IT & Telecom Committee, delivered a speech "Personal data and European companies' experience" at the plenary session of the Conference "Personal Data Protection", an annual event organised by Roskomnadzor.

In 2019, Roskomnadzor's special attention was paid to the processing of personal data on the internet. In particular, the government approved new rules for inspecting companies that process personal data, which confirmed the authority of Roskomnadzor to conduct monitoring activities by monitoring the activities of companies on the internet or analysing any

available information about their activities. Recently, a bill was published providing for the introduction of administrative fines of up to 18 million for non-compliance with the relevant provisions. This initiative did not find support from the business community.

The experience of other European countries shows that restrictive measures aimed at protecting the domestic market do not in the long run lead to the creation of competitive world-class products. However, the opposite effect is possible when restrictions on Russian products are introduced on foreign markets.

IT & Telecom and Human Resources Committees

On 2 October 2019, the AEB IT & Telecom and Human Resources Committees held a round table devoted to technologies in searching and training of employees entitled "HR in technologies and technologies in HR".

The meeting was opened by Edgars Puzo, Chairman of the AEB IT & Telecom Committee, Atos Russia and CIS, and moderated by Irina Aksenova, Deputy Chairperson of the AEB Human Resources Committee, Coleman Services UK.

Among the speakers were: Vera Solomatina, HR Director SAP CIS; Tatiana Ivanova, Head of Human Resources Department, Atos IT Solutions & Services; and Elena Lopatova, Country HR Manager – Russia and Kazakhstan HR Business Partner, Eastern Europe GTM, HP Inc.

The participants discussed such issues as: solutions for retention programmes; best practices for different age groups, particularly for young people; employee engagement; emotional intelligence and stress management, and others.



Participants of the round table

Machine Building & Engineering Committee

On 23 October 2019, the AEB Machine Building & Engineering Committee held its traditional round table devoted to the machine building market trends in Russia in 2019.

The event was moderated by Mikhail Turundaev, Committee Deputy Chairman, Schneider Electric.

Tatiana Arabadzhi, Director of the National Industrial Information Agency, made a detailed overview of the Russian machine building sector.

Alexey Antropov (MultiSystem Integration) spoke about the OmniIoTh platform – its mission is to make the “consumption” (use) of things as efficient, reasonable, profitable and environmentally friendly as possible.

The presentation “Industry 4.0. Existing solution and implementation experience” was delivered by Konstantin Guschin (Atlas Copco).



Participants of the round table

An inspirational and futuristic presentation on innovative robots as an integral part of a flexible manufacturing environment was delivered by Oleg Plushik (Omron).

Haik Melkonyan (DowIzolan) spoke as a source material manufacturer which main activities are in the construction and cold chain, consumer products, pipe insulation and shells.

Migration Committee



Participants of the round table

On 19 November 2019, the AEB Migration Committee held a round table with representatives of the Migration Directorate of the Moscow region, Ministry of Internal Affairs of Russia.

The discussion was moderated by Ludmila Shiryayeva, AEB Migration Committee Chairperson, EY.

Alexander Shabanov, Head of Labour Migration Department, Migration Directorate of the Moscow Region, Ministry of Internal Affairs of Russia (Head of Migration Centre “Greenwood”), and Tatyana Kourochkina, Head of Migration Enrollment Department, Migration Directorate of the Moscow region, Ministry of Internal Affairs of Russia, clarified on the application procedure for work permit of highly-qualified specialists, patents, migration registration and notification procedures.

North-Western Regional Committee

On 17 September 2019, the Chairman of the AEB North-Western Regional Committee Andreas Bitzi took part in the first “Baltic Region-China” business forum organised by the Agency for Economic Development and the Centre for Industrial Development of the Leningrad region.

The “Baltic Region-China” Forum brought together business communities of Europe and Asia and the representatives of the authorities of the Leningrad region to discuss such issues as creating a healthy investment climate, developing export activities in the region, prospects for the foreign companies for doing business in the Leningrad region, possibilities for exporting to markets of China and Europe, industrial cooperation,



Panelists of the “Baltic Region-China” business forum

etc. Within the framework of the Forum, a business contacts exchange session was also organised, in which representatives of Russian, Chinese and German companies participated. Speaking at the plenary session of the Forum, Andreas Bitzi presented the main areas of cooperation between the AEB and the Government of the Leningrad region in the field of creating favourable conditions for doing business in the region and attracting foreign investors. Since 2017, together

with the Government of Leningrad region, the AEB has annually conducted a survey among the foreign investors (AEB members) who are doing business in the region. The survey is aimed at assessing the level of satisfaction of European businesses with the investment conditions and the regulatory activities. The results of the survey demonstrate stable positive dynamics of growth of satisfaction of foreign investors with the business climate in the region.



Participants of the seminar

On 25 September 2019, the HR & Migration Subcommittee of the AEB North-Western Regional Committee held an on-site seminar "HR functions: tasks, priorities, challenges 2019". The event was kindly hosted by the Scandinavian Interiors com-

pany in St. Petersburg. During the event the participants got acquainted with the results of the employee survey on the main trends in HR implemented by Coleman Services UK; with employees' loyalty and recognition practices, presented by SCHNEIDER GROUP, as well as with the trends in modern office space development, presented by the Scandinavian Interiors. The presentations were followed by active discussion and experience exchange. After the event the participants had a tour around the office of the Scandinavian Interiors and got acquainted with the ergonomic office space and furniture products by the Kinnarps brand. The event was moderated by Elena Novoselova, Chairperson of the AEB NWRC's HR & Migration Subcommittee.

On 16 October 2019, the AEB North-Western Regional Committee held its regular open event "E-commerce as a driver of digitalization in Russia: tendencies and regulations". The first part of the event was devoted to the regulatory aspects of e-commerce. Such topics as legal aspects of using Big Data in e-commerce, features and problems of personal data processing with regard to online stores in Ru-Net, and antimonopoly aspects of e-commerce were highlighted by the experts from Dentons, EPAM and DLA Piper. The second part of the event was structured as a panel discussion with key-note participants from Yandex.Market, ARISTOS, East-West Digital News, Russian Electronic Money and Remittance Association. The event was moderated by Anton Rassadin, Deputy Chairman of the AEB North-Western Regional Committee, Head



L-R: **Ruzanna Akhobekova**, Dentons; **Anton Rassadin**, Deputy Chairman of the AEB NWRC, BSH Bytowijie Pribory; **Elena Agayeva**, EPAM; **Alexandra Mirgorodskaya**, DLA Piper.

of Corporate Communication, BSH Bytowijie Pribory. We cordially thank Egorov, Puginsky, Afanasiev & Partners (EPAM) in St. Petersburg for the support of the event.



Participants of the European business breakfast

On 29 October 2019, the European business breakfast was organised jointly with the Consulate General of Finland in St. Petersburg, the AEB North-Western Regional Committee and the Finnish-Russian Chamber of Commerce.

A brief macroeconomic update concerning the Russian economy was provided by Tatiana Evdokimova, Chief Economist, Nordea Bank, which flowed by an overview of the opportunities for EU-Russia cooperation by Laurent Bardon, Head of Trade and Economic Section of the EU Delegation to Russia.

The panel discussion focused on such aspects of business as digitalization, sustainability and AI. Anton Rassadin, Head of Corporate Communication, BSH Russia, Deputy Chairman of the AEB North-Western Regional Committee; Timo Mikkonen, Director Sales Eastern Europe, Oras,

member of the AEB NWRC Steering Group, joined the discussion.

The event was moderated by Sebastian Gahnström, Economic Attaché, Consulate General of Finland, and took place in the Consulate General of Finland in St. Petersburg.



Participants from the event (photo from AHK Russland)

On 7 November 2019, the "AHK International" networking event was organised jointly by the Russian-German

Chamber of Commerce (AHK), the AEB and T-Systems company.

The event attracted more than 180 participants, members of the AEB North-Western Regional Committee and the AHK. In the charming atmosphere of the T-Systems office in St. Petersburg the participants had a chance to establish new contacts while enjoying tasty food and light music and participating in the wine-casino and the lottery.

We would like to thank our sponsors: Commerzbank (Eurasija) and quality partners. for supporting this event.

On 22 November 2019, the AEB North-Western Regional Committee organised a business breakfast for AEB members in the north-western region.

Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer, and Andreas Bitzi, Chairman of the AEB NWRC, provided information about the AEB, the Association's various activities on federal and regional levels, opportunities that the AEB provides for its member companies (including the exclusive health insurance programme), and future of the AEB NWRC.

The event took place at the AEB office in St. Petersburg.



Presenter: **Ruslan Kokarev**, AEB Deputy CEO – Chief Operating Officer



Panelists of the meeting

On 28 November 2019, the AEB North-Western Regional Committee organised an annual meeting of AEB members with the Investment Team of the Government of the Leningrad region.

The event was organised in cooperation with the All-Russia public organisation "Business Russia" and as usual supported by the Consulate General of the Netherlands in St. Petersburg. Andreas Bitzi, Chairman of the AEB North-Western Regional Committee, presented the results of the annual survey implemented by the AEB among the European resident companies in the Leningrad region. The survey results revealed a general positive trend over the past 4 years in the investors' attitude

towards development of the investment climate in the region and the work of the investment team of the Government of the Leningrad region with foreign investors.

Dmitry Yalov, Deputy Chairman of the Government of the Leningrad region; Anton Finogenov, First Deputy Chairman of the Committee on Economic Development and Investment Policy; Andrey Sergeev, Director of the "Economic Development Agency of the Leningrad region"; and Olga Volkova, Head of Export Support Centre, "Centre for Industrial Development of the Leningrad Region" took part in the discussion. The second part of the panel discussion was organised with participation of European investors: PMI, Jotun, Lorenz Snack-World Russia Production in Kirishi, Nokian Tyres, and Bank "St. Petersburg".

The event was moderated by Anton Rassadin (Deputy Chairman of the AEB North-Western Regional Committee, BSH Bytowyje Pribory), and co-moderated by Dmitry Panov (Chairman of the St. Petersburg regional branch, "Business Russia") and Alexander Shchelkanov (Deputy Chairman of the Committee on Export and Import, "Business Russia").

Product Conformity Assessment Committee



L-R: **Vitaly Soldatov**, Ministry of Industry and Trade of Russia; **Vladimir Gerasimov**, Coordinator of the dialogue on technical regulation with the EAEU; **Alexey Soldatov**, Chairman of the AEB Product Conformity Assessment Committee, BSH; **Andrey Polozkov**, Eurasian Economic Commission; **Frank Schauff**, AEB CEO.

On 19 September 2019, the AEB Product Conformity Assessment Committee held a conference "Technical regulation and conformity assessment in the EAEU and the EU: prospects for approximation".

The event was devoted to the issues of product conformity assessment, barriers of entering the EAEU market, problems of implementation of the TR EAEU 037/2016 (RoHS), state and prospects of technical regulation of construction products in Russia, technical barriers in promotion of machine building equipment, EU study on technical barriers to trade resulting from differences in EU-EAEU product regulation, and others.

The Ministry of Industry and Trade (MIT) of the Russian Federation and the Centre for Advanced Technologies (CRPT) representatives together with the EU Delegation and AEB representatives discussed the most pressing issues. Business representatives addressed practical and technical issues directly to the regulatory and data base providers.

On 31 October 2019, AEB Product Conformity Assessment Committee representatives took part in a meeting with Alexey Khersontsev, Deputy Minister of Economic Development of the Russian Federation – Head of the Federal Accreditation Service, in the new, modern office of the Ministry of Economic Development of the Russian Federation in the Moscow City. During the meeting special attention was paid to questions related to Decree of the Ministry of Economic Development dated 21.02.2012 No. 76 "On approval of the procedure of registration of declarations of conformity and Order of formation and conducting the uniform register of the registered declarations of compliance, the provision contained in the register of information" and the technical regulations of EAEC TR No. O37/2016.



Participants of the meeting

Likewise, the issues of registration of declarations by certification bodies using FGIS were discussed at the meeting.

Public Relations & Communications Committee



L-R: **Oleg Hinkis**, Marketing Director, "Expert" media holding; **Irina Pshenichnikova**, Commercial Director, "Expert" media holding; **Tatiana Gurova**, Editor-in-Chief, "Expert" media holding; **Marina Tatarskaya**, Chairperson of the AEB Public Relations & Communications Committee, PR Director, Ferrero Russia; **Frank Schauff**, AEB CEO.

On 24 September 2019, the AEB Public Relations & Communications Committee held an open event together with the "Expert" media holding: "Expert view on interaction between business and media in the current information space". The event was moderated by Marina Tatarskaya, Chairperson of the AEB Public Relations & Communications Committee, PR Director, Ferrero Russia. The meeting was focused on key media trends that currently drive the transformation in the media landscape and have an impact on business model performance and interaction with businesses.

Tatiana Gurova, Editor-in-Chief, and her colleagues: Oleg Hinkis, Marketing Director, and Irina Pshenichnikova, Commercial Director, "Expert" media holding, shared their experience and presented business cases of the implemented partnership projects.



L-R: **Andrey Manoylo**, Professor, Lomonosov Moscow State University; **Marina Tatarskaya**, Chairperson of the AEB PR & Communication Committee, PR Director, Ferrero Russia; **Art Franczek**, President, Director of Accounting Programme, American Institute of Business and Economics (AIBE).

On 17 October 2019, the AEB Public Relations & Communications Committee held its open event entitled "Fake news and information wars in international relations and global competition of transnational corporations".

The event was organised in order to raise awareness of the challenges for businesses in the context of fake news and informational attacks. It provided a platform for discussion of what fake news is and how to distinguish it, danger of fake news combined with viral technologies, potential risks and impact on business reputation of information attacks and how to tackle them.

The event was moderated by Marina Tatarskaya, Chairperson of the AEB Public Relations & Communication Committee; PR Director, Ferrero Russia.

On 25 November 2019, the AEB Public Relations & Communications Committee held its open event "Go digital II: how to use a boom in the field of e-commerce for corporate brand promotion", jointly organised with Yandex.Market.

The meeting was moderated by Marina Tatarskaya, Chairperson of the AEB Public Relations & Communications Committee, PR Director, Ferrero Russia.

Among the invited speakers were: Ekaterina Korotkova (Yandex.Market), Mikhail Levin (Yandex.Market), Anton Gubnitsyn (Promaco TIAR), Arina Khodyreva (PBN Hill+Knowlton Strategies), Yuliya Bychkova and Elena Tubilevich (Ferrero Russia). The presenters shared their views on the following issues: current impact of e-commerce on consumer behaviour; e-commerce development trends and market players; Yandex.Market ecosystem and how it works; PR for e-commerce technology; creative fusion of offline-retail and e-commerce, etc.

At the end of the meeting the participants were invited to the Yandex.Market sightseeing tour.



Participants of the open event

Real Estate Committee

On 26 September 2019, the AEB organised the "European Real Estate Day 2019" prepared by the Real Estate Committee.

The conference was moderated by Tatiana Kovalenko, AEB Real Estate Committee Chairperson, Deputy General Director, SENDLER & COMPANY. The welcoming remarks were delivered by Frank Schauff, AEB CEO, and Maurice Leroy, Deputy Director General for international affairs and prospective projects, "Mosinzhprouekt", Former Minister for Urban Affairs of France.

The first session "How to invest in the digital era? Transformation of real estate and construction market in Russia" was moderated by Olga Arkhangelskaya, Partner, Head of Real Es-

tate, Hospitality & Construction Services, Head of the Transportation, Infrastructure and Government & Public Group in the CIS, EY.

The second session "Innovation in design and construction" was moderated by Steffen Sandler, Managing Partner, SENDLER & COMPANY. It covered such topics as Moscow experience of BIM, first BIM court cases, the lawyer's view on BIM, etc.

The third session "Can operation and management be innovative?" was moderated by Kirill Malyshev, Managing Partner, PropTech Russia. It covered the issues of property, asset and facility management.



L-R: **Olga Arkhangelskaya**, Partner, Head of Real Estate, Hospitality & Construction Services, Head of the Transportation, Infrastructure and Government & Public Group in the CIS, EY; **Andrey Savchenko**, Investment Director, Skolkovo Ventures; **Denis Sokolov**, Partner, Head of Research and Insight for Central and Eastern Europe, Cushman & Wakefield; **Mikhail Brodnikov**, Managing Director, SOK; **Olga Koroleva**, Head of PropTech consulting, PwC Russia; **Igor Temnyshev**, Head of PropTech, Colliers International; **Alexey Bogdanov**, Managing Partner, S.A. Ricci.



Participants of the event

On 8 November 2019, the AEB Real Estate Committee held its open event titled "Update on legal issues in real estate".

The event was opened by Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer, and moderated by Tatiana Kovalenko, Real Estate Committee Chairperson, Deputy General Director, SENDLER & COMPANY.

During the event Sergey Trakhtenberg, Partner, Head of Russian Real Estate and Construction practice, Dentons, spoke about the preliminary results of FZ-214 reform, transition problems and unresolved issues.

Ekaterina Sidenko, Associate, BEITEN BURKHARDT, told about changes to the Urban Development Code: integrated development of territories, infrastructure and innovation.

On 26 November 2019, the AEB Real Estate Committee held its open event titled "Special economic zones: from A to Z".

The welcoming remarks were delivered by Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer, and moderated by Nejat Özçimen, Managing Partner, MonDef, and Tatyana Kovalenko, AEB Real Estate Committee Chairperson, Deputy Managing Director, SENDLER & COMPANY.

Diana Ismakova, Director of Investors' Relations Department, RUSSEZ, provided a general overview of SEZ in Russia and some business cases. Tatjana Kovalenko, AEB Real Estate Committee Chairperson, Deputy Managing Director, SENDLER & COMPANY, spoke about customised solutions for successful localisation. Nejat Özçimen, Managing Partner, MonDef, spoke about financial modeling and engineering. Kira Bryanskaya, Of Counsel, Pavia e Ansaldo, provided an overview of legal and tax issues.

The AEB thanks MonDef for supporting the event.



L-R: **Diana Ismakova**, Director of Investors' Relations Department, RUSSEZ; **Nejat Özçimen**, Managing Partner, MonDef; **Tatyana Kovalenko**, AEB Real Estate Committee Chairperson, Deputy Managing Director, SENDLER & COMPANY; **Kira Bryanskaya**, Of Counsel, Pavia e Ansaldo; **Ruslan Kokarev**, AEB Deputy CEO – Chief Operating Officer.

Safety, Health, Environment & Security

On 31 October 2019, the Security Subcommittee of SHES Committee held an open event "Travel security – changing landscape".

Health and safety of employees is paramount when they are traveling. While a business trip might go without a hitch most of the time, sometimes things can happen – and when they do, you need robust corporate travel safety and security procedures in place to deal with them. From the issues around personal health and security, to understanding how to get around and interact with the people around, a travel manager needs to make sure that their employees have everything they need to stay safe and well.

Michael Susong, WorldAware; Dmitry Fedosov, Hot Line City, and Timur Baiguzhinov, International SOS, spoke about their practical experience in travel security services.

The event was moderated by Dmitry Budanov, Security Subcommittee Chairman, Elite Security Holding Company.



Participants of the open event

Seed Committee



Participants of the meeting

On 19 November 2019, in the framework of the 26th International Agricultural Exhibition "YUGAGRO 2019" in Krasnodar, an extended meeting of the AEB Seed Committee was held with the participation of representatives of the Federal State Institution "Russian State Commission on Test and Protection of Selection Achievements" and leading agricultural holdings.

During the meeting, the participants discussed further ways of interaction and topical issues in the field of seed production.

Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer, and Tatiana Belusovich, AEB GR Manager for Crop Protection and Seeds, took part in the official opening ceremony of the exhibition, as well as in the plenary session "Protection of agribusiness: problems and solutions".

Small & Medium-Sized Enterprises Committee

On 6 November 2019, Andreas Bitzi, Chairman of the AEB North-Western Regional Committee, Managing Director, quality partners., took part in the Second Forum of family entrepreneurs "Successful Family – Successful Russia!" organised by the Chamber of Commerce and Industry of Russia.

L-R: **Georgy Petrov**, Counselor to the President of the CCI of Russia; **Andreas Bitzi**, Chairman of the AEB North-Western Regional Committee, Managing Director, quality partners.; **Le Truong Son**, President of the Vietnam Business Association in Russia; **Vittorio Torrembini**, Vice-President of the Association of Italian Entrepreneurs in Russia; **Falk Tischendorf**, Representative of the Federal State of Mecklenburg-Western Pomerania in Russia; **Anton Ionov**, Partner, Head of Private Client Service, EY.



The session was moderated by Georgy Petrov, Counselor to the President of the Chamber of Commerce and Industry of Russia.

The panelists discussed the importance of family businesses for the economy in Europe and Russia, main factors for growth and current key challenges, including in terms of globalisation and digitalization, state support and regulation, access to financing, and taxation.

Andreas Bitzi highlighted in his speech the following characteristics of the family businesses in Europe: high profitability and cautious risk-taking behaviour, reasonable investments in business development, importance of presence in a particular region, striving for continuous improvement of product quality and company development, high attention to societal aspects and charitable activities as a precondition for long-term sustainability.

Southern Regional Committee



Meeting of the Expert Council of the contest "Leaders of Kuban – moving up!"

Representatives of member companies of the AEB Southern Regional Committee joined the Expert Council of the contest "Leaders of Kuban – moving up!"

On 1 September 2019, the application process for the regional management contest "Leaders of Kuban-moving up!" started.

On 4 September 2019, a meeting of the Expert Council of the contest was held by Gennady Striuk, Head of the HR Policy Department of the Krasnodar region Administration.

In 2018, Oleg Zharko, Chairman of the AEB Southern Regional Committee, Danone; Ralph Bendish, Deputy Chairman of the Southern Regional Committee, CLAAS; Igor Brener, Deputy Chairman of the Southern Regional Committee, Cargill, participated as experts in the semi-finals and the final, which was held at the CLAAS plant. More than four thousand applications were submitted for participation in the contest. 25 winners were trained according to a special educational programme, some of them received new appointments.

On 12 September 2019, the Kuban State University organised a presentation of the Business School with support of AEB Southern Regional Committee member companies.

On behalf of the University the event was attended by the Vice Rector for Academic Affairs, First Vice Rector of the Kuban State University Temyr Khagurov, Director of the International Department of the Kuban State University Galina Govorova.

Future students of the KubSU Business School were welcomed by the Chairman of the AEB Southern regional Committee, Regional Corporate Affairs Director, group of companies Danone in Russia Oleg Zharko, Employee Experience, Cargill GHRS Russia, Deputy Chairman of the AEB Southern Regional Committee Igor Brener, General Director of CLAAS Michael Ritter.

The purpose of the KubSU Business School is to increase the efficiency and accessibility of business education for students and postgraduates of the University by attracting speakers from leading Russian and foreign companies of the Krasnodar region.

35 participants of the project will undergo a 92-hour training during the 2019-2020 academic year and receive their graduation papers. More than 40 experts from 15 member companies of the AEB Southern Regional Committee will be speakers during the project. Excursions to enterprises and guest visits are planned. Upon completion of the training course, students will receive a certificate signed by representatives of the participating companies.



Participants of the meeting

On 17 October 2019, a conference entitled “Practices of implementing sustainable and infrastructure development as a factor of investment attractiveness of the region” was held in Krasnodar. The event was organised as part of the long-term programme “Time for New Strategies”.

The conference was devoted to the implementation of sustainable development principles, factors limiting the investment development of the region, the need to develop infrastructure projects.

The event was attended by Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer.

Among the speakers from the authorities were Sergey Altukhov, Deputy Chairman of the Legislative Assembly of the Krasnodar



Participants of the meeting

region, and Igor Yakimchik, Commissioner for Entrepreneurs’ Rights in the Krasnodar region.



Participants of the event

On 17 October 2019, the Krasnodar region Administration hosted a meeting of the Foreign Investment Advisory Council of the Krasnodar region Governor. The meeting was held by Vasily Shvets, Deputy Governor of the Krasnodar region. At the meeting, the Memorandum on Cooperation with foreign investors in the Krasnodar region, prepared by member companies of the Advisory Council was presented.

Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer, spoke about new types of investment projects and creation of centralised business service centres in Krasnodar, which serve business companies throughout Russia. Oleg Zharko, Chairman of the AEB Southern Regional Committee, Danone, spoke about constrains of the Krasnodar region investment development. Later that day, a reception to celebrate 16 years of the Southern Regional Committee activities was organised. Danone was the platinum sponsor, Philip Morris – the gold sponsor. The silver sponsors of the event were: Banca Intesa, VEGAS LEX and ATOS.



L-R: **Evgeny Kuznetsov**, AEB Committees Coordinator; **Ruslan Kokarev**, AEB Deputy CEO – Chief Operating Officer; **Oleg Zharko**, Chairman of the AEB Southern Regional Committee.

On 18 October 2019, the AEB delegation took part in the Free Forum for entrepreneurs “Act small!” in Krasnodar.

Among the speakers at the plenary session were: Radislav Gandapas, Boris Titov, Sergei Galitsky, Veniamin Kondratyev and others.

The plenary session was followed by a roundtable discussion of the AEB Southern Regional Committee on interaction between international companies and regional SMEs.

Free Forum for entrepreneurs “Act small!” is not only a regional, but also a federal site where entrepreneurs have a unique opportunity to build up their competencies and skills.

On 27 November 2019, the Kuban State University organised the opening of the exhibition “Partnership of cities as a dialogue of cultures”.

The welcoming remarks were delivered by the Vice Governor of the Krasnodar region Anna Minkova, Deputy Chairman of the AEB Southern Regional Committee, Honorary Consul of Germany in the Krasnodar region, General Director of “CLASS” Ralph Bendisch, and Rector of KubSU Mikhail Astapov.

At the exhibition posters with photos and texts in German (prepared by students) about the cultural life of Krasnodar are presented.

On 16 December 2019, the project will be presented in Karlsruhe, the sister city of Krasnodar.



Participants of the event



Presenter: **Oleg Zharko**, Chairman of the AEB Southern Regional Committee; Danone

The Chairman of the AEB Southern Regional Committee Oleg Zharko, Danone, and Deputy Chairperson Lyubov Popova, Public Chamber of the Krasnodar region, welcomed the

finalists of the contest “Leaders of the Kuban – moving up!”, which was held on November 29 at the CLAAS plant.

The start of the final was given by the Vice Governor of the Krasnodar region Sergey Pulikovskiy, Deputy Chairman of the of the Regional Legislative Assembly Sergey Altukhov, the State Duma Deputy Dmitry Lameykin and the Mayor of Krasnodar Yevgeny Pervyshov.

At the first stage, the contestants were evaluated according to the results of computer tests, questionnaires and management programmes. At the semifinals and finals, participants were able to show their leadership and team skills. This year, among the participants were not only Kuban citizens, but also representatives from other regions – the Stavropol and Rostov region, St. Petersburg.

The competition was organised for the second year in a row, on the initiative of the Governor of Kuban Veniamin Kondratyev. Representatives of the AEB Southern Regional Committee member companies actively support the competition, act as mentors of the winners and are included into the expert council of the competition.

Working Group on Modernisation & Innovations



L-R: **Bilgeis Mamedova**, Partner, BEITEN BURKHARDT Moscow; **Anna Dupan**, Director of the Institute of Legal Regulation, National Research University Higher School of Economics; **Maria Glukhova**, Vice President for Economic Policy and Competitiveness, Russian Union of Industrialists and Entrepreneurs (RSPP); **Olga Filippova**, Deputy Director, Department for Strategic Development and Project Management, Ministry of Industry and Trade of Russia; **Sergey Vologodskiy**, Deputy Director, Industrial Development Fund; **Yury Simachev**, Economic Policy Director, National Research University Higher School of Economics; **Maxim Grigoryev**, Partner, Head of Special Projects, VEGAS LEX; **Michael Akim**, Chairman of the AEB Working Group on Modernisation & Innovations, Vice President, ABB Russia.

On 11 September 2019, the AEB Working Group on Modernisation & Innovations held its open event entitled "SPIC-2: a tool for innovation development and technology transfer?".

The event focused on technological and legal aspects of the updated mechanism of special investment contracts (SPIC-2). It served as a platform for the discussion of key challenges for innovation development and the diffusion of cutting-edge

technologies in Russia, perspectives for implementation of high-tech projects with the support of SPIC-2, advantages and disadvantages of SPIC-2 in comparison to SPIC-1 in terms of the protection of investors.

The meeting was moderated by Michael Akim, Chairman of the Working Group on Modernisation & Innovations, Vice President, ABB Russia.



L-R: **Michael Akim**, Chairman of the AEB Working Group on Modernisation & Innovations, Vice President, ABB Russia; **Yury Simachev**, Economic Policy Director, National Research University Higher School of Economics; **Shishir Shrotriya**, Science & Technology Counsellor, Embassy of India in Moscow; **Vadim Kulikov**, First Deputy Director General – Technical Director, Agency of Technological Development; **Christian Nardin**, Senior Vice President, High Growth Countries, EMEAR, Dassault Systems; **Igor Ishchenko**, Chief Executive Officer, Technopolis Moscow Special Economic Zone; **Vitaly Yastrebov**, Supply Chain Development Manager Russia & CIS, Ferrero Russia.

On 21 and 23 October 2019, the AEB held its sessions within the business programme of Open Innovations 2019 entitled "Business Dialogue "Russia-Europe: European manufacturing and digital technologies for sustainable development".

Both sessions were moderated by Michael Akim, Chairman of the AEB Working Group on Modernisation & Innovations, Vice President, ABB Russia.

On 21 October, the panelists of the session discussed the prospects for promoting European technologies for sustainable development in Russia and how the sustainable development goals can be reached through cooperation

between government and business, prospects for joint development of high technologies in the sphere of ecological transport, digital solutions in pharmaceutical production and the role of recycling in circular economy.

On 23 October, the panelists of the session discussed main approaches to development technologies for exports success, importance of understanding the target export market on the example of Indian market, state support measures and the need for technological focus on exports, the role of design in creating competitive products, principal exports growth factors based on the experience of international companies manufacturing in Russia.

MEMBER NEWS

Dear members, please be informed that you can upload your news or press releases on our website in "Member News" section via a personal page absolutely free of charge.

Atos

Atos and Dell Technologies expand global collaboration

On 8 November 2019, Atos, the international leader in digital transformation, was presented as a silver partner at the most important event of the Russian IT industry — Dell Technologies Forum, held in the capital of Russia to bring together key players of the local IT market.

This year, the main topic of the Dell Technologies Forum was the search for digital business transformation solutions. Invited experts from global technology partner companies prepared more than 25 special presentations on advanced technologies and effective infrastructure building.



Guests and participants were involved into a lot of thematic sessions and presentations, an overview of client solutions, a demonstration of best IT products and strategies for real transformation of the industry, as well as discussions about the trends of the server market and network factories for data centres, discussion of digital workplace issues and much more.

Edgars Puzo, Chairman of the AEB IT & Telecom Committee, CEO of Atos in Russia and the CIS, expressed his impression: "Atos and Dell EMC partnership is expanding the future enterprises capabilities by providing the market with world-class managed, scalable services. The combination of tremendous technological experience, deep industry knowledge and global expertise of companies creates an integrated ecosystem of

technologies that can support and develop business in its every aspect."

Atos is a global Titanium-level partner for Dell Technologies. The companies are already collaborating in the field of IoT solutions in Russia. In the future, Atos and Dell Technologies are planning to expand a mutually beneficial partnership in the field of global digital transformation solutions search locally.

CHEP

CHEP, Nielsen and AEB discussed trends in consumer demands and supply chains

The supply chain solutions company, CHEP, sat together with the global data analytics company, Nielsen and the AEB during a business breakfast held on 14 November in Moscow to discuss consumer demands and business responses to them. According to Nielsen, consumers of the future will focus on saving, including time, as well as caring for the environment. Speakers from CHEP talked about such trends as digitalization in supply chain and transformation of the current linear model of the economy into a circular economy model, when resources are used again and again, and industrial waste in the environment used as raw materials to create reusable products. A classic example of such a model is the CHEP's pooling solutions, where the reusable pallets are used many times throughout the supply chain due to regular repair and inspection services and collaboration between all users of the pooling model.



CMS

CMS expands in Africa: South African and Kenyan law firms added to CMS’s global presence



CMS announces that RM Partners and Daly & Inamdar Advocates, based in South Africa and Kenya respectively, have joined the leading global law firm. Going forward, they will be known as CMS RM Partners and CMS Daly Inamdar Advocates. The addition of these firms considerably strengthens CMS’s presence in Africa, already encompassing Angola, Algeria and Morocco. For over 50 years, CMS has developed a track record of significant deals in Africa, showcasing its deep knowledge of the legal systems across the continent. CMS now has 75 offices in 43 countries and more than 4,800 lawyers worldwide.

With this expansion, CMS is unveiling a dedicated organisation that brings together CMS African firms and experts in a unique model and aligned practices to provide clients with the best support in Africa. CMS Africa has a presence in the most dynamic regional hubs – Casablanca, Johannesburg and Nairobi – providing the firm with a strong footprint, sustained by offices in Algiers, Luanda and Mombasa. CMS Africa offers the ideal alternative for tax and legal services in Africa, a position that is being reinforced through the addition of the new firms.

CREON Group

Results of the environmental transparency rating of Russian oil and gas companies presented

In 2019, for the sixth time in a row, the rating “Environmental Transparency Rating of Russian Oil and Gas Companies” was conducted. As in the previous year, Sakhalin Energy ranked first. This time, 20 oil and gas companies were included in the rating.

From the very beginning, CREON Group supported the project as a strategic partner, whereas WWF (Russia) took responsibility for the methodology and the National Rating Agency carried out the calculation based on publicly available sources. In 2019, the project was part of the EU funded People for Nature project.

The government of the Russian Federation supported the event as well: the presentation took place in the government’s Analytical Centre in Moscow.

CREON Group Chairman Dr. Fares Kilzie reminded: “We launched this project in 2013, which turned out to be revolutionary for the industry. The concept we are promoting is a forerunner not only in Russia, but globally. It is hard to acknowledge, but the results of our activity will not be visible today or tomorrow. At present, we are witnessing the changes in the Russian oil & gas business, and the massive efforts of the government and the companies are evident now, alongside a significant and inevitable transformation towards sustainable development. And we as a Group are proud of being part of the process.”



Dentons

Dentons and Legal Insight workshop “US sanctions, export controls and foreign investment in the USA”

Dentons law firm and Legal Insight magazine held a meeting for heads of legal departments with American experts on sanctions, export controls and investment in the United States, Dentons partners Michael Zolands and Jason Silverman. Russia Managing Partner Alexei Zakharko moderated the event.

Dentons lawyers spoke about sanctions programmes against Venezuela, Iran and Cuba which affect the business of Russian companies, trends in the application of sanctions against Russia and US bills. For 9 months of 2019, OFAC (the Office of Foreign Assets Control) exacted fines of USD 1.3 billion under 21 sanctions cases. “OFAC interprets US jurisdiction widely, and refusing to cooperate with them will be more expensive,” says Michael Zolands.

A case in point is the British Arab Commercial Bank, which in September 2019 reached an agreement with OFAC to reduce the fine for violation of the sanctions regime from USD 229 million to USD 4 million. “Sanctions will not go anywhere in the near future, and an effective system of sanctions compliance is the key to business success,” commented Zolands.

The speakers also spoke about export controls in the United States, including for goods that use American components, technologies, equipment, or software, even if they are not manufactured in the United States; and the new rules for approving

investment in strategic sectors of the US economy, noting that these rules are applicable even if you indirectly invest in US assets through shares in companies registered in another country.



Legalife Diaz Reus

Seminar on sanctions against Russia

A three-hour seminar on sanctions against Russia was held on November 14 at Legalife Diaz Reus' Moscow office, with participants representing major international companies like ENI, Max Mara, Blue Water Shipping, Armstrong, Brunel, Inse Berardi, Marr and several others.



Speakers from Legalife Diaz Reus (Marina Zinovieva, Managing Partner; Marina Lyssenko, Partner; and Dmitry Bukhtenkov, Partner) were joined by Dr. Ivan Timofeev, Director of Programmes at the Russian International Affairs Council (RIAC). The seminar covered the following general topics: review of Western sanctions against Russia, including the difference between sectoral sanctions and blocking sanctions; sanctions programmes and sanctions lists, with a focus on Russia/Ukraine sanctions with a detailed analysis of OFAC's CAATSA,

DAASKA and DETER; US primary and secondary sanctions, including particular attention to the so-called "50% rule"; examples of US secondary sanctions against international business, assessing notable cases such as ExxonMobil, Cobham Holdings Inc., and Haverly Systems Inc.; and corporate sanction compliance programmes.

The seminar followed a series of lectures given by partners of LLDR at MIGMO and the Higher School of Economics, and in preparation of a major conference co-organised by LLDR, MGIMO and RIAC to be held in the first quarter of 2020.

Tablogix

Tablogix planted an anniversary alley

On 26 September Tablogix planted a jubilee alley in the vicinity of the memorial stone on Rubezhniy proezd in Moscow. In 1941-1942 there was the line of defence of the 4th division of the Moscow Home Guard.



The anniversary alley consists of 25 evergreen thujas, which are called life trees. They are able to grow wherever there is enough moisture up to 150 years. Coniferous trees are especially needed for residents of crowded cities. They have a disinfecting effect and release oxygen all year round at any temperature.

Thuja, resistant to external conditions, symbolises Tablogix internal strength. For 25 years, the Russian economy has faced various shakes. Tablogix confidently overcame all of them, continuing to provide logistics services to customers.

Over a quarter of a century, logistics has become one of the indicators of the economic development of countries. The rapid expansion of logistics technology is changing the world and affecting consumer behaviour. 25 years is an important page in the history of the company – a stage at which we summarise results and develop plans for the future. One thing remains unchanged – an uncompromising quality of services and openness towards customers and employees.

In 2019 Tablogix has implemented several environmental initiatives engaging staff and local community. The main goal is to raise awareness among employees and our partners on social and environmental issues and enhance company's social responsibility.

NEW MEMBERS



Acteon

"ACTEON – Human Energy" is a Moscow based Boutique Recruitment Operation focused on Russia and the CIS, EMEA and BRICS. Acteon excels in providing complete recruitment, staffing and outsourcing solutions to global and local blue chip companies seeking to drive growth across these strategic regions.

For over 15 years we specialise from middle to top management profiles delivering tailor-made solutions from management selection to executive search.

At Acteon we are proud of our reputation for quality delivery. As a boutique recruitment consultancy, we are able to work in close partnership with our clients, tailoring our services to best suit their needs, and exceeding their expectations.

Our success in delivering results to our clients is reflected in the longstanding partnerships that we have developed with many leading multinational corporations, some of which have lasted more than a decade.

We also propose Pay-rolling, Staffing and Out-sourcing Services solutions for our clients' projects. Outsourcing through Acteon's dedicated team of specialists saves our clients significant amounts of time on onerous labour legislation, HR policies, and their related administrative, legal, accounting payroll processes that distract from core business priorities.

www.acteon-ru.com



BIOCAD

BIOCAD is one of the world's innovative biotechnology companies working in Russia. Founded in 2001. Its leading excellence comes from the world-class R&D centres, modern biotechnological manufacturing facilities, as well as preclinical and clinical research infrastructure that corresponds to the international standards.

BIOCAD is a full-cycle drug development and manufacturing company, ensuring high-quality pharmaceutical development

in all stages – from new genetic engineering to large-scale commercial production and further marketing support. The company's portfolio includes more than 58 marketed products, more than 20 of them biologics, and over 40 drugs at various stages of development. In addition to leading the market with biosimilars and bio-betters, BIOCAD's focus is on developing original drugs – next-in-class and first-in-class – in immunology, hematology and autoimmune diseases and other disorders.

BIOCAD is committed to the idea of manufacturing cost-effective drugs as an important cornerstone of strategies to help increase access to biologic medicines in emerging markets as well as in more developed markets such as Europe.

The company employs more than 2300 workers, with 40% of them researchers. The company has 8 manufacturing facilities in Russia (5 in operation, 3 – under construction), and more than 40 laboratories.

International development: 8 subsidiaries and partnerships in the USA, Brazil, China, India, Vietnam, UAE; 26 countries of export, more than 100 product registration in 38 countries. Foreign markets sales in 2018 – more than USD 15 mln.

www.biocad.ru

Brunel

Brunel

Brunel Russia opened in 2004. Brunel is an international service provider specialising in project management, secondment, global mobilisation, recruitment and contracting services.

Currently we have branches in 11 cities and operate all across the country with more than 800 contractors.

We provide highly qualified specialists and whole project teams for the Oil & Gas, Mining, Renewables, Automotive, Infrastructure and Life Science sectors.

Brunel is a public, financially independent company listed on the Amsterdam Stock Exchange. This gives our customers and consultants the confidence that they are supported by a financially reliable and stable partner, enabling them to fully concentrate on their projects.

www.brunel.net



CADRAN

CADRAN is providing International Executive Coaching and Consulting to companies ranging from start-ups to worldwide corporations.

CADRAN was founded by Antoine Leygonie-Fialko, the creator of CO-CREATIVE Communication® with 1000+ hours of coaching. Antoine Leygonie-Fialko is also conducting famous monthly interviews "International executives are speaking – keys to a successful business in Russia and CIS".

CO-CREATIVE Communication® is an exclusive compilation of the latest studies and technics concerning management: mindfulness; emotional and relational intelligence; coaching and co-development; inspiring communication to face the 21st century 4C's challenges.

Antoine's vision: "At every stage of my life, I strove to make a contribution to 'build harmony' in the world. I have promoted a CO-CREATIVE® approach of human relationships in a Win-Win-Win perspective (you win, your partner wins and our environment wins – enterprise, country, world...). As an International Executive Coach and Consultant, I help leaders and their teams unleash the power within their singularity in front of strong challenges requiring them to get out of their known mental frameworks. Ultimately, I help them head 'towards Clear, Calm, Caring and Powerful thinking...'"

www.cadran.pro



Cersanit

CERSANIT S.A. is one of the leading manufacturing companies with Polish capital share in the European market.

The main business of the Group involves the manufacturing and distribution of products used to finish and equip bathrooms (sanitary ceramic products, ceramic tiles, shower cubicles, acrylic bathtubs and shower trays, bathroom furniture and bathroom accessories).

The Cersanit Capital Group is active in the national and international market. The main direction of foreign sales expansion is Eastern European markets (Russia, Ukraine) and EU Member States markets (e.g. Lithuania, Latvia, Estonia, the Czech Republic, Slovakia, Hungary, Romania, Bulgaria, Germany, France, Great Britain, Ireland, Sweden and Denmark). The Cersanit Capital Group is taking steps to develop its activities in foreign markets.

The Cersanit Group's goals: development of a strong, pan-European economic organisation enabling it to maintain its leading role in the bathroom equipment market, and as a consequence, it will ensure long-term growth of the company's value and satisfaction of its shareholders.

www.cersanit.ru



ECCO

ECCO is one of the world's leading shoe brands, combining style and comfort. ECCO's success is built on products with a great fit and top-quality leathers.

ECCO is a highly responsible company that owns and manages every aspect of the value chain from leather and shoe manufacturing to wholesale and retail activities.

ECCO's products are sold in 99 countries from over 2,250 ECCO shops and more than 14,000 sales points.

ECCO is family-owned, founded in Denmark in 1963, and employs 21,300 people worldwide.

group.ecco.com



GRATA International

GRATA International is a global network of independent law firms with leaders in their jurisdictions and united under a single brand. 250 professionals in 18 countries advise major international and local firms, funds, banks, insurance firms, construction companies, mining companies, airlines, light and heavy industry companies, telecoms, pharmaceuticals, and others. Clients have access to quality legal services in 8 industries and 15 practice areas.

GRATA International advises clients in the following sectors of the economy: banking and finance, construction and infrastructure, industry and trade, technology, media and telecommunications, transportation, pharmaceuticals and healthcare, mining, oil and gas.

GRATA International lawyers specialise in: intellectual property; corporate law; international trade and customs law, WTO law; property; project finance and public-private partnerships (PPPs); dispute resolution; environmental law; personal data protection and confidentiality; contract

law; licences and permits; tax law; subsoil use; restructuring and bankruptcy; labour law; finance and securities.

GRATA International is recognised as the leading international rankings: The Legal 500, Chambers Global, Chambers Asia-Pacific, IFLR1000, Who's Who Legal, Asialaw Profiles.

We are proud that our clients, some of the largest local and international banks and companies from different industry sectors, have trusted GRATA's knowledge and expertise for more than 27 years now.

www.gratanet.com



Ponsse

Ponsse is one of the world's leading manufacturers of logging machines. The Ponsse factory has been located in the village of Vieremä, Finland since its foundation in 1970.

Ponsse produces harvesters, forwarders and harvester heads. Our equipment is designed for an environmentally friendly method of harvesting assortments in the forest. Ponsse products and their main components are developed and engineered directly at the factory in Vieremä. This ensures that our machines fully meet the requirements of logging professionals.

Today, Ponsse operates in 40 countries, has 12 branches and 35 dealers worldwide. In Russia and Belarus Ponsse has 10 dealers that provide a high level of service throughout the country. In addition to the sale of machines, we are engaged in their repair and maintenance, including warranty. About 200 service centres form the global Ponsse service network.

Our company also conducts courses for operators, mechanics, and other specialties. Modern harvester and forwarder simulations are available for operator training in our training centres. A full cycle of training is available at the training centre in St. Petersburg.

Ponsse's range of spare parts is tailored to the needs of entrepreneurs. We offer a wide selection of high-quality parts to ensure the efficient forestry operation.

www.ponsse.com



PSI

PSI Software AG (Germany) is a leading global supplier of process control software solutions for utilities and industry. With innovative products, we enable our customers to utilise labour, energy and natural resources in an economical,

socially responsible and environmentally friendly manner and provide them a competitive advantage.

As the European market leader for energy control systems for gas, oil, electricity, heat and energy trading, PSI's customers include almost all the major energy suppliers. Beyond that, PSI provides control system solutions for operational management, network utilisation, pipeline management, leak detection and location, portfolio management, energy trading and sales and virtual power plants. For public transportation PSI offers control technology applications for traffic systems.

For international corporations PSI develops integrated software solutions for production management and logistics for mining, metals, automotive, mechanical engineering, logistics as well as control technology applications of the telematics sector. PSI solutions for logistics are in use in the areas of warehousing, transportation and airport logistics.

The PSI Group employs more than 2,000 persons in thirteen German and seventeen international locations in Europe, Asia and North America, including two locations in the Russian Federation (Moscow and Ekaterinburg). PSI Software AG is listed in the Prime Standard of the German stock exchange.

www.psi.de



Royal Air Maroc

Over 60 years ago two airlines – Air Atlas and Air Maroc – merged, giving birth to Royal Air Maroc on 28 June 1957. So many miles have been covered since the journey started over half a century ago...

Today with a young and modern fleet of 56 aircrafts to carry its passengers in the safest and most comfortable conditions, Royal Air Maroc has grown a network of 97 destinations in 4 continents.

From the very outset the airline has sought to bring Africa closer to the rest of the world. The national airline launched the Casablanca-Dakar service back in 1957. Thanks to its strategic hub in Casablanca – the second largest connecting Europe to Africa with 33 direct destinations.

Royal Air Maroc has been strengthening its ties with the African continent and has contributed to connect it to cities worldwide.

Royal Air Maroc is looking forward to embarking on a new era of future development for the airline integrating the very latest innovations with cutting-edge technology.

The airline continued its run of success by winning The Best Regional Airline to Africa award for three years running; 2014, 2015 and 2016 at the annual Skytrax world airline award.

Royal Air Maroc has also been awarded the 4-star rating for the quality of its onboard product and staff service.

www.royalairmaroc.com



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The WIRTGEN-INTERNATIONAL SERVICE is part of WIRTGEN GROUP internationally operating group of companies in the construction machinery sector incorporating the traditional product brands: WIRTGEN, VÖGELE, HAMM, KLEEMANN and BENNINGHOVEN.

As a technological leader, we can offer our customers mobile machine solutions for road construction and road rehabilitation, plants for mining and processing minerals or recycling material and for the production of asphalt.

Our corporate philosophy focuses on a reliable and lasting partnership with the customer. CLOSE TO OUR CUSTOMERS – that is our value proposition. And we uphold our values.

We owe our leading position in the market to the ongoing joint efforts of all the employees in our factories and subsidiaries, as well as in our dealer's firms.

Performing at top level, they advance the further development of our technologies and services around the world so that we can fulfil our mission: ensuring you success.

www.wirtgen-group.com



XCritical

XCritical

The XCritical group is working in the B2B4C segment, as a provider of fintech services mostly to financial companies. It was founded in 2015 by experts of the financial and technological industry from Israel, the USA and Cyprus.

The company management office is located in Cyprus. The main development office is located in Tel Aviv, Israel. Sales, handling and technical support for Russian-speaking companies is produced by the office in St. Petersburg. Company offices are currently operating in 11 countries.

The main products that XCritical is focused on are CRM, Personal Account on the website, web platforms, Business Intelligence systems (for real-time reporting), mobile applications for iOS/Android, affiliate systems, crypto-exchanges, crypto-wallets, marketing platforms for tracking the effectiveness of advertising campaigns.

xcritical.com



AEB MEMBERSHIP APPLICATION FORM / ЗАЯВЛЕНИЕ НА ЧЛЕНСТВО В АЕБ

Please, email a scan of completed and signed application form to: membership.application@aebrus.ru, and send the original document by post / Пожалуйста, вышлите скан заполненного и подписанного заявления на адрес: membership.application@aebrus.ru, а оригинал направьте почтой.

Calendar year/Календарный год: 2020

Name of your AEB Contact / Ваше контактное лицо в АЕБ:

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Company name in full, according to company charter in English & Russian. (Individual applicants: please indicate your business activities or the employer / Название компании в соответствии с уставом на русском и английском языках. (Для индивидуальных участников – описание предпринимательской деятельности или работодателя):

Legal address (and postal address, if different from legal address) / Юридический адрес (и фактический адрес, если он отличается от юридического):

INN/KPP / ИНН/КПП:

Phone Number / Номер:

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2. CATEGORY: THE CATEGORY IS DETERMINED ACCORDING TO THE GLOBAL TURNOVER OF THE COMPANY / КАТЕГОРИЯ: КАТЕГОРИЯ ОПРЕДЕЛЯЕТСЯ ГЛОБАЛЬНЫМ ОБОРОТОМ КОМПАНИИ

Please attach the signed letter on the company activities and its global annual turnover on the company letterhead / Просьба приложить официальное письмо на бланке организации с описанием деятельности компании и указанием ее глобального оборота, заверенное подписью.

Please indicate the corresponding AEB Category / Отметьте, пожалуйста, соответствующую категорию:	Company's global annual turnover (EUR) / Глобальный оборот компании (евро)	AEB Membership Fee / Членский взнос АЕБ
<input type="checkbox"/> SPONSORSHIP / Спонсорство	--	12,000 EUR / евро
<input type="checkbox"/> CATEGORY A / Категория А	>500 million/миллионов	6,500 EUR / евро
<input type="checkbox"/> CATEGORY B / Категория Б	100-499 million/миллионов	4,000 EUR / евро
<input type="checkbox"/> CATEGORY C / Категория С	1-99 million/миллионов	2,500 EUR / евро
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Any non-EU/non-EFTA Legal Entities applying to become Associate Members must be endorsed by two Ordinary Members (AEB members that are Legal Entities registered in an EU/EFTA member state or Individual Members – EU/EFTA citizens) in writing / Заявление о вступлении в Ассоциацию любого юридического лица из страны, не входящей в Евросоюз/ЕАСТ, должно быть письменно подтверждено двумя юридическими лицами из Евросоюза/ЕАСТ или индивидуальными участниками-гражданами в Евросоюзе/ЕАСТ.

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All applications are subject to the AEB Board approval / Все заявления утверждаются Правлением АЕБ.

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Title, first name, surname / ФИО:	
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E-mail address / Адрес эл. почты:	

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A. For a company / Компаниям: Please specify the country of origin / Указать страну происхождения компании ¹	
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5. COMPANY DETAILS / ИНФОРМАЦИЯ О КОМПАНИИ			
Company present in Russia since: _____ / Компания присутствует на российском рынке с: _____ г.			
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Please briefly describe your company's activities (for inclusion in the AEB Database and in the AEB Newsletter) / Краткое описание деятельности Вашей компании (для включения в базу данных АЕБ и публикаций АЕБ)			

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<input type="checkbox"/> Media / СМИ	<input type="checkbox"/> Advertising Source / Реклама	<input type="checkbox"/> Other / Другой

**Signature of Authorised Representative of
Applicant Company /**

Подпись уполномоченного лица заявителя:

Date / Дата:

**Signature of Authorised Representative of
the AEB /**

Подпись Руководителя АЕБ

Date / Дата:

¹ In accordance with the country of registration and citizenship of the major owner / В соответствии со страной регистрации и гражданством мажоритарного собственника.

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