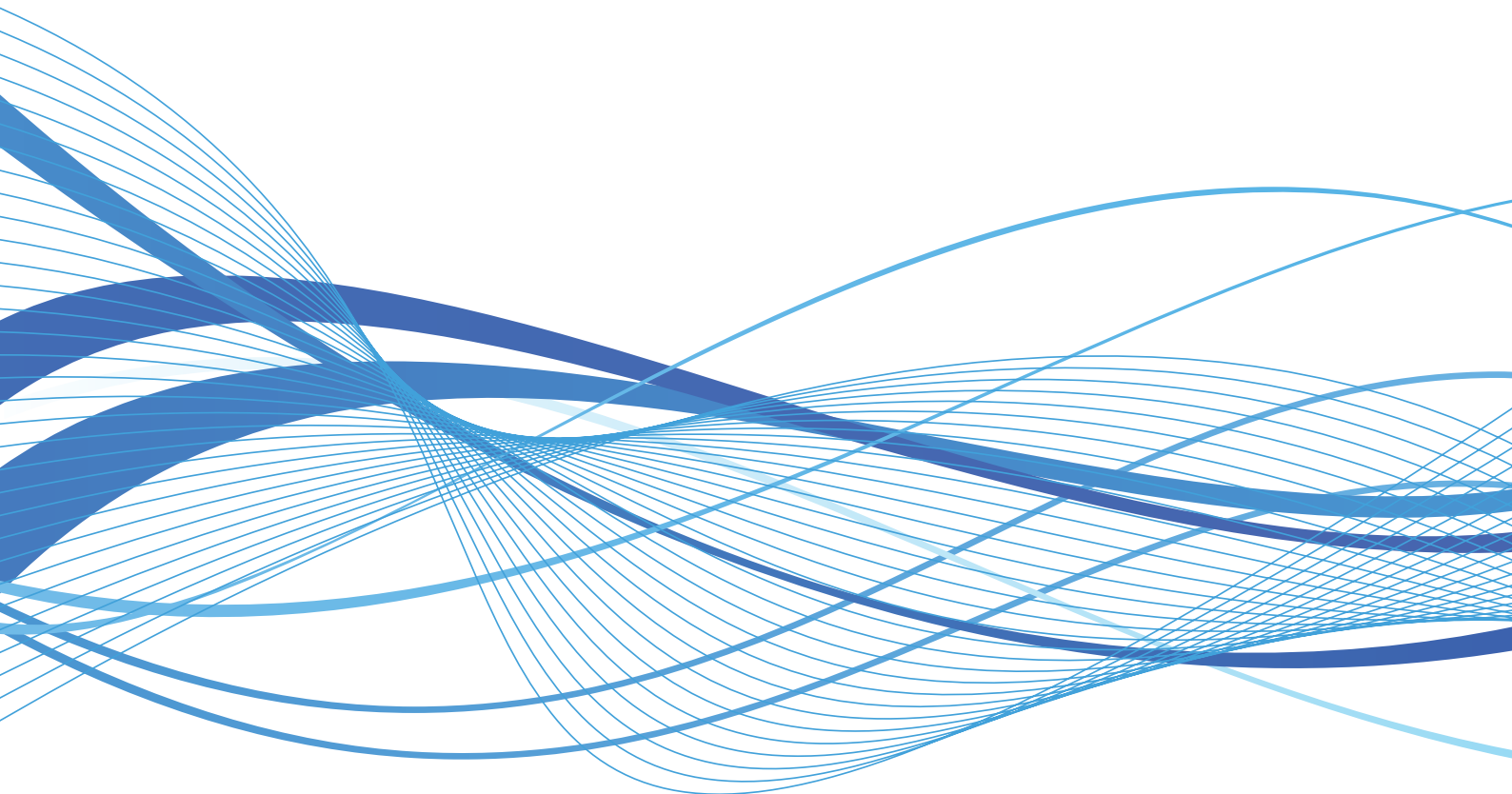




Association
of European
Businesses

ANNUAL REPORT

2015



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Philippe Pegorier

Chairman of the Board,
Association of European
Businesses



Frank Schauff

Chief Executive Officer,
Association of European
Businesses

DEAR READERS,

In the recent years, the AEB gained a lot of influence and as it stands, in terms of its lobbying power. Not only are we privileged to have a close working relationship with the European Commission and the European Parliament, but the AEB is currently Russia's main partner with regards to EU-Russia economic relations.

We represent interests of our members regarding the following issues: parallel imports, waste management, outstaffing (secondment), personal data protection, codes of conduct for automobile and pharmaceutical industries, consumer protection legislation, customs (e.g. TIR-carnets, authorised economic operators), IT, migration, insurance, banking, technical regulations, amendments to the mass media law and many others.

The AEB pays its considerable attention to a fruitful working relationship with the press as looking at the increase of AEB mentions in press if compared to the previous year, it is clear that these efforts were not in vain. Currently, AEB events are covered by both Russian (Kommersant, Vedomosti, Izvestia, RBC, The Moscow Times, 1 Channel, Interfax, Russia Today, TASS, etc.) and foreign (Bloomberg, BBC, BILD-Zeitung, Caijing, Der Spiegel, Deutsche Welle, Die Welt, DWN, El Mundo, El Pais, Euronews, Europa Press, La Tribune, Le Figaro etc.) media.

Our publications, the most important being the Position Paper and the AEB Business Quarterly, are currently being delivered to major organisations, embassies business centres and hotels in Moscow, Krasnodar, St. Petersburg and Brussels.

We would like to express our gratitude on behalf of all our members to the outgoing members of the Board, the Council of National Representatives, the Auditing Commission and all Committee Chairpersons for their hard work and dedication in representing and promoting the interests of AEB member-companies, and for their commitment to forging stronger economic ties between the EU and Russia. Through our committees, subcommittees and working groups, the AEB will continue to work actively for the benefit of European businesses operating in Russia.

As the next pages will demonstrate, the year 2015 was quite full of events. We hope that this annual report will show all our members that the AEB is in fact doing its uttermost best in lobbying interests of its member companies; and this is a tradition we most definitely intend to continue in the years to come.

THE ASSOCIATION OF EUROPEAN BUSINESSES (AEB)

- was founded in 1995 by a number of companies operating in the Russian market, ambassadors of the EU member countries and the head of the European Commission's Representative Office in the Russian Federation;
- includes over 500 European companies active in Russia, from small-sized newcomers to major multinational corporations from all countries of Europe. The Association also includes a number of key Russian, American, Japanese and other companies;
- is a unique organisation developing cooperation between Russian and European business circles. The AEB mission is to improve the business and investment climate in Russia in the interests of its member companies and promote a favourable image of Russia abroad to facilitate the business development conditions inside the country and attract foreign investors;
- annually organises some 100 conferences, seminars, briefings and roundtable discussions dedicated to vital aspects of running a business in Russia. Regular speakers at the Association's dialogue with European Business include Ministers of the Russian Government, Members of the State Duma of the Russian Federation, heads of key economy agencies and organisations, heads of administrations of Russian regions, official representatives of international financial organisations, independent experts and leading European and Russian businessmen.

Committees. Committees are the backbone of the AEB. Members of the Association promote their interests via participation in various committees. There are currently over 65 committees, subcommittees and working groups representing companies from various industries. The AEB committees include the Agribusiness Committee, Airline Committee, Automobile Manufacturers Committee, Automotive Components Committees, Banking Committee, Crop Protection Committee, Energy Committee, as well as the Compliance & Ethics Committee, Energy Efficiency Committee, IT & Telecom Committee, Insurance & Pensions Committee, Health & Pharmaceuticals Committee, Machine Building & Engineering Committee, Finance & Investments Committee, Legal Committee, Migration Committee, Human Resources Committee, Taxation Committee, Customs & Transport Committee, Real Estate Committee, Safety, Health, Environment & Security Committee and others.

Lobbying. The Association promotes its members' interests by closely cooperating with the RF and the EU authorities and holding regular consultations with relevant officials. AEB's lobbying is based on the maximum transparency, high professionalism and a mechanism of reacting to new challenges which has been adjusted over many years.

Consulting. The Association engages European and Russian experts to consult Russian officials and its member companies in legal, financial and economic matters. In 2015, the AEB founded an Arbitration Court.

The AEB has two regional branches, in Krasnodar and Saint Petersburg.

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350000 Krasnodar
Tel.: +7 (861) 267 34 13

Saint Petersburg
Finlyandsky Prospekt 4a,
194044 St. Petersburg
Tel.: +7 (812) 458 58 00

MEDIA RELATIONS

The number of press contacts continued to increase along with the development of AEB press relations. Press contacts include federal Russian media and information agencies (Kommersant, Vedomosti, Izvestia, RBC, The Moscow Times, 1 Channel, Interfax, Russia Today, TASS, RIA Novosti, RBC TV, NTV, etc.), the regional media (specifically the North-Western region media contacts – St. Petersburg, and the Southern region press contacts, as well as the Krasnodar, Rostov, and Tyumen regions and the Tatarstan Republic), international and national foreign media such as: Bloomberg, BBC, BILD-Zeitung, Caijing, Der Spiegel, Deutsche Welle, Die Welt, DWN, El Mundo, El Pais, Euronews, Europa Press, La Tribune, Le Figaro, Le Monde, Les Echos, Financieele Dagblad, Handelsblatt, RFI, Thomson Reuters, Uutispäikkö, Wirtschaftsblatt (Autriche), YLE, and others.

Press-conferences. In 2015, the AEB organised a number of large press conferences, such as the annual Automobile Manufacturers Committee press-conference (15 January 2015); the Press Reception (28 January 2015); the 6th Northern Dimension Forum (26 March 2015); the briefing by Konstantin Romodanovsky, Head of the Federal Migration Service (16 July 2015); the press conference by Ségolène Royal, Minister of Ecology, Sustainable Development and Energy of the French Republic (27 October, 2015); the briefing by Boris Titov, Presidential Commissioner for Entrepreneurs' Rights Protection (30 October 2015); a press conference on the risks inherent in the legalisation of parallel importation (5 November 2015); the briefing by Igor Artemiev, Head of the Federal Antimonopoly Service of the Russian Federation (24 November 2015), and others.

Press-releases. In 2015, the AEB communications department issued a number of press releases, including monthly press releases with the results of Russian car and LCV sales, the results of the annual AEB-Gfk Rus survey "Strategies and Prospects for European Companies in Russia", and messages about AEB lobbying activities and committee initiatives.

- There were twice as many press-clippings in 2015 than in 2014.
- The annual press reception for representatives of local and foreign mass media organisations took place in January 2015.
- In 2015, numerous mass media organisations mentioned the AEB over 23,000 times¹.

AEB Corporate Social Responsibility

The Association of European Businesses supported various charity initiatives throughout 2014 by providing informational coverage to their causes and community events. The charities included: Tagansky Children's Fund, Downside Up, Ganz und Tanz and others.

Online activities

In April 2015, the AEB announced the launch of its newly redesigned website www.aebrus.ru. Visitors benefit from increased functionality and options, with an improved interface that includes an events calendar, a Member News section (easy to filter by month/year/company) and a "Request a call" option. AEB members have also noticed our increasing activity in social networks, receiving updates on our Facebook and LinkedIn pages, on the Youtube channel and via RSS feeds.

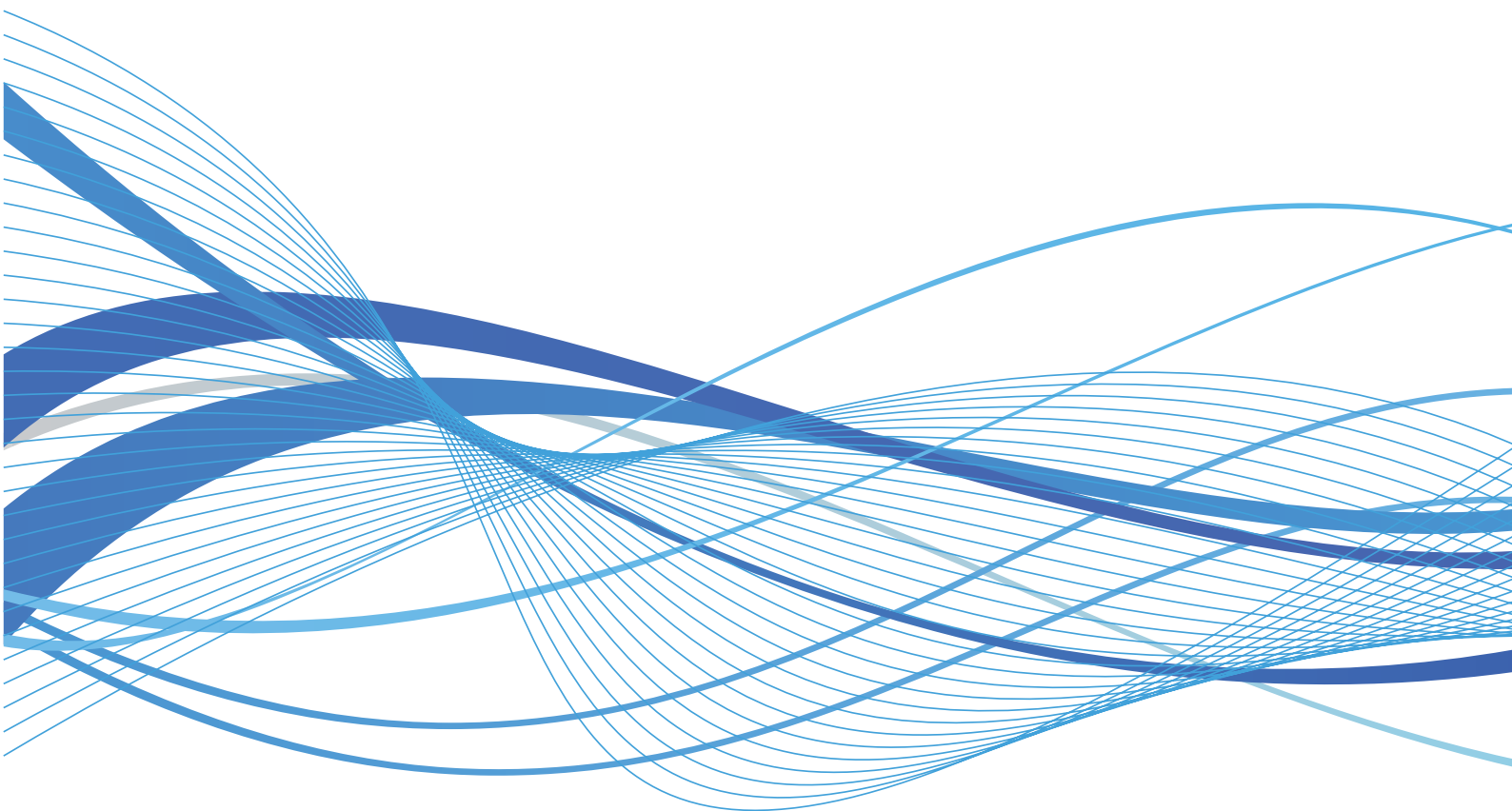
Publications

- In response to growing demand the AEB continued to publish its Business Quarterly magazine with a circulation of 16,000 copies.
- The AEB continued to publish the annual Membership Directory with a circulation of 3,000 copies. In 2015, information about member companies was listed in the AEB Membership Directory.
- As ever two versions of the Real Estate Monitor were released four times one by one through the year, in print and online.
- The AEB initiated the preparation of a brand new bilingual publication entitled "Energy Efficiency Guide" with a circulation of 3,000 copies.
- As always, the AEB continued releasing its Position Paper – the distilled experience of AEB members: over 500 companies working on the Russian market, intimately aware of the hard end of doing business in this exciting and rewarding territory. It has been distributed Brussels and RF state authorities as well as among all AEB members.

¹ According to Interfax-SCAN

Open and Social Events

January-December
2015



Selected AEB Open Events 2015

- AMC Press Conference, 15.01
- Annual Strategy Meeting, 22.01
- Press reception 28.01
- "HR solutions in uncertain times: doing more with less", 29.01
- Tatarstan International Automotive Forum in Kazan, 5–6.02
- "Presentation of the Russian Venture Company (RVC): opportunities and mechanisms for cooperation", 06.02
- "Where are we headed? Deoffshorisation, sanctions, the economy and some practical crisis management advice", 12.02
- Briefing by Andrey Nikitin, General Director, Agency for Strategic Initiatives 13.02
- Briefing by Konstantin Romodanovsky, Head of the Federal Migration Service 16.02
- Briefing by Knut Fleckenstein, Vice Chairman of the Group of Socialists & Democrats, European Parliament 16.02
- "Bringing expats to Russia", 17.02
- Czech Euroreception, 25.02
- 6th Northern Dimension Forum, 25.03
- "Tax related aspects of intellectual property transactions", 03.04
- "Energy Efficiency ROI for Industrial and Warehouse Complexes", 03.04
- "New in customs legislation: from good to the best", 07.04
- HR Conference "HR fitness: doing more with less", 09.04
- "Cross-border intercompany transactions: risks and solutions", 15.04
- Annual General Meeting, 22.04
- Briefing by Valentin Gapanovich, Vice President, RZD 24.04
- Round Table on 242-FL, 28.04
- Belgian Euroreception, 20.05
- 12th Flagship Conference, 27.05
- "Anti-crisis measures for SMEs: government and business initiatives", 29.05
- Annual intellectual property conference "Intellectual property rights: recent trends, court practices, problems and solutions", 05.06
- "Machine Building Market trends in Russia – first half of 2015", 09.06
- Presentation of the AEB-GfK Rus Annual Survey Results, 16.06
- "Development of the Russian tax system: results of the first half of 2015 and prospects, 24.06
- "Latest Cloud Solutions from the Leading Providers in the Context of the New Personal Data Legislation Requirements", 25.06
- VI Industrial trade fair INNOPROM 2015, 8–11.07
- "Electronic insurance in Russia", 09.07
- "Automotive industry and autocomponents market in Russia" IMAF-2015, 25.08
- B2B Meeting with Rostelecom, 27.08
- RZD Forum, 03.09
- Presentation of Moscow Government "Localisation of production in Moscow key success factors for European companies in the new economic environment", 15.09
- AEB 20th anniversary, 24.09
- Real Estate Day, 01.10
- World Bank briefing, 05.10
- Round Table with State Commission for Selection Achievements' Test and Protecton, 09.10
- Polish Euroreception, 15.10
- "How normal is the new normal?", 15.10
- Briefing by Gabriel Di Bella, Resident Representative, International Monetary Fund in the RF, 21.10
- Round Table with Ségolène Royal, Minister of Ecology, Sustainable Development and Energy of the French Republic 27.10
- Briefing by Boris Titov, Presidential Commissioner for Entrepreneurs' Rights Protection 30.10
- "Energy Efficiency in industrial and warehouse complexes", 12.11
- Briefing by Igor Artemiev, Head of the Federal Antimonopoly Service 24.11
- "Industrial Engineering: Import Substitution by Localised Production", 01.12.
- Meeting with Amirkhan Amirkhanov, Deputy Head of Rosprirodnadzor 04.12
- Taxation Conference, 16.12
- Pensions Conference, 22.12

15.01.2015: AMC ANNUAL PRESS CONFERENCE



22.01.2015: ANNUAL STRATEGY MEETING





28.01.2015: PRESS RECEPTION



06.02.2015: "PRESENTATION OF THE RUSSIAN VENTURE COMPANY (RVC) OPPORTUNITIES AND MECHANISMS FOR COOPERATION"



12.02.2015: "WHERE ARE WE HEADED? DEOFFSHORISATION, SANCTIONS, THE ECONOMY AND SOME PRACTICAL CRISIS MANAGEMENT ADVICE"



13.02.2015: BRIEFING BY ANDREY NIKITIN, GENERAL DIRECTOR, AGENCY FOR STRATEGIC INITIATIVES



16.02.2015: BRIEFING BY KNUT FLECKENSTEIN, VICE CHAIRMAN OF THE GROUP OF SOCIALISTS & DEMOCRATS, EUROPEAN PARLIAMENT



16.02.2015: BRIEFING BY KONSTANTIN ROMODANOVSKY, HEAD OF THE FEDERAL MIGRATION SERVICE



25.02.2015: CZECH EURORECEPTION



25.03.2015: VI NORTHERN DIMENSION FORUM





03.04.2015: "TAX RELATED ASPECTS OF INTELLECTUAL PROPERTY TRANSACTIONS"



07.04.2015: "NEW IN CUSTOMS LEGISLATION FROM GOOD TO THE BEST"



09.04.2015: HR CONFERENCE "HR FITNESS DOING MORE WITH LESS"



15.04.2015: "CROSS-BORDER INTERCOMPANY TRANSACTIONS RISKS AND SOLUTIONS"



22.04.2015: ANNUAL GENERAL MEETING





24.04.2015: BRIEFING BY VALENTIN GAPANOVICH, VICE PRESIDENT, RZD



28.04.2015: ROUND TABLE ON 242-FL



20.05.2015: BELGIAN EURORECEPTION



27.05.2015: 12th FLAGSHIP CONFERENCE



**05.06.2015: ANNUAL INTELLECTUAL PROPERTY CONFERENCE
“INTELLECTUAL PROPERTY RIGHTS RECENT TRENDS, COURT
PRACTICES, PROBLEMS AND SOLUTIONS”**



**24.06.2015: “DEVELOPMENT OF THE RUSSIAN TAX SYSTEM
RESULTS OF THE FIRST HALF OF 2015 AND PROSPECTS”**



**25.08.2015: “AUTOMOTIVE INDUSTRY AND AUTOCOMPONENTS
MARKET IN RUSSIA” IMAF-2015**



27.08.2015: B2B MEETING WITH ROSTELECOM



03.09.2015: RZD FORUM



15.09.2015: PRESENTATION OF MOSCOW GOVERNMENT



24.09.2015: AEB 20th ANNIVERSARY





01.10.2015: REAL ESTATE DAY



05.10.2015: WORLD BANK BRIEFING



09.10.2015: ROUND TABLE WITH STATE COMMISSION FOR SELECTION ACHIEVEMENTS' TEST AND PROTECTON



15.10.2015: POLISH EURORECEPTION



21.10.2015: BRIEFING BY GABRIEL DI BELLA, RESIDENT REPRESENTATIVE, INTERNATIONAL MONETARY FUND IN THE RF



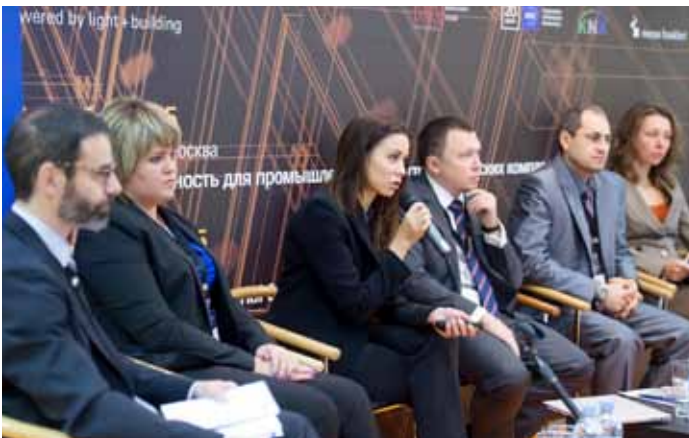
27.10.2015: ROUND TABLE WITH SÉGOÛNE ROYAL, MINISTER OF ECOLOGY, SUSTAINABLE DEVELOPMENT AND ENERGY OF THE FRENCH REPUBLIC



30.10.2015: BRIEFING BY BORIS TITOV, PRESIDENTIAL COMMISSIONER FOR ENTREPRENEURS' RIGHTS PROTECTION



12.11.2015: "ENERGY EFFICIENCY IN INDUSTRIAL AND WAREHOUSE COMPLEXES"



24.11.2015: BRIEFING BY IGOR ARTEMIEV, HEAD OF THE FEDERAL ANTIMONOPOLY SERVICE



01.12.2015: "INDUSTRIAL ENGINEERING: IMPORT SUBSTITUTION BY LOCALISED PRODUCTION"



16.12.2015: TAXATION CONFERENCE

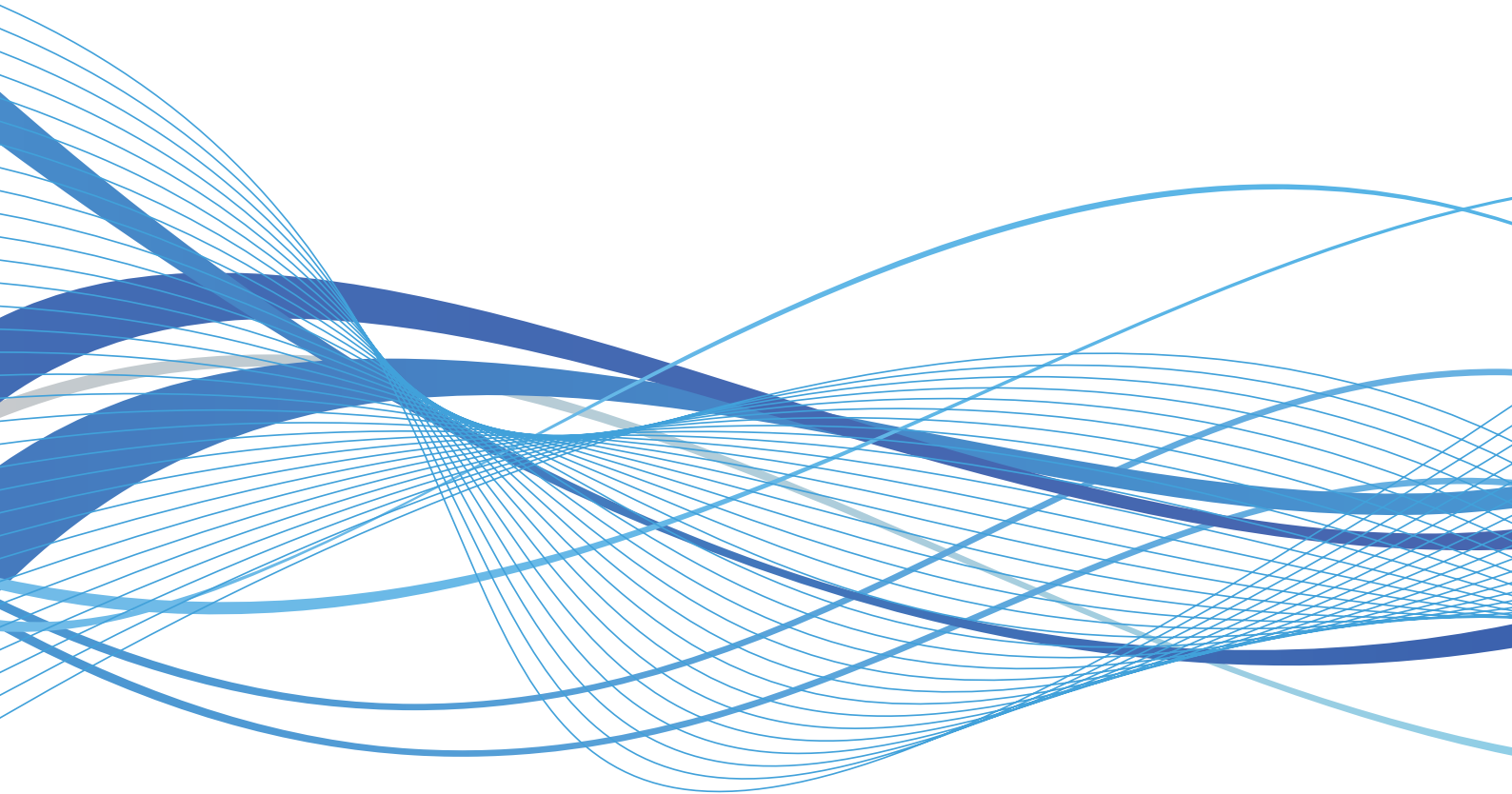


22.12.2015: PENSIONS CONFERENCE



Committee Reports

2015



AGRIBUSINESS COMMITTEE

AIM	To promote the interests of AEB member companies in the agribusiness sector through governmental liaison and lobbying activities.	
CHAIRPERSON	Dirk Seelig , CLAAS Vostok	
AEB MEMBER COMPANIES	AGCO Machinery LLC; Amazone OOO; BASF; Bayer CropScience; Bonduelle-Kuban; Cargill Enterprises Inc.; CLAAS; Danone Inudstria OOO; Dow AgroSciences VmbH; DuPont Science and Technologies; Ferrero; JCB Sales Limited; John Deere Agricultural Holdings, Inc.; Kverneland Group; Lantmannen Unibake Russia; Merloni Progetti SpA; Nestle Rossiya; Royal Haskoning DHV; Sirena; SGS Vostok Limited; Syngenta OOO; Uhrenholt; Unilever; Zentis Russland.	
NUMBER OF COMMITTEE MEETINGS	5	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	Speed Dating for Agribusiness and Construction equipment companies	1 April 2015
	Conference "The role of European business in the development and modernisation of the agricultural sector in Russia"	5 October 2015
	AEB external events	
	Seminar on technical regulations for tractors, Minsk	22 September 2015
	Seminar on amendments to technical regulations for tractors, Minsk	15 December 2015

COMMITTEE ACTIVITIES, 2015

The main activities in 2015 – the implementation of technical regulations for tractors which makes it impossible to certify and assess product conformity for company production facilities.

AIRLINE COMMITTEE

AIM	To represent and lobby for the interests of international airline companies in Russia.
CHAIRPERSON	Guillaume Glass , Air France
AEB MEMBER COMPANIES	Air France; Alitalia; Austrian Airlines; Brussels Airlines; Delta; Finnair; Emirates; KLM Royal Dutch Airlines; Korean Airways; Lufthansa; SAS; Swiss International Air Lines.
NUMBER OF COMMITTEE MEETINGS	4

COMMITTEE ACTIVITIES, 2015

Personal data protection was of particular importance for the committee in 2015, and it put in considerable effort to lobby for the exclusion of airlines from the law. Other important issues included airport passenger duties and the Presidential Decree obliging Russian officials to use Russian airlines.

AUTOMOBILE MANUFACTURERS COMMITTEE

<p>AIMS</p>	<ul style="list-style-type: none"> • To bring together and represent the common interests of its members – automobile importers/manufacturers of automotive products, which operate in the Russian Federation (production and/or importation). • To create the conditions for the development of a civilised automotive market. • To establish and observe common and fair business rules for automotive companies officially operating in Russia and leverage inter-company cooperation and constructive partnership. • The AMC concentrates on the most important and urgent issues of the automotive business which affect its members, developing appropriate responses, lobbying to ensure that member interests are represented and liaising with the Russian state authorities, public institutions, local and international automotive associations and the mass media. 	
<p>CHAIRPERSON</p>	<p>Joerg Schreiber, President and Managing Director, Mazda Motor Rus</p>	
<p>AEB MEMBER COMPANIES</p>	<p>BMW Rusland Trading OOO; Chery Automobile Rus CJSC; FCA Russia AO; Ford Sollers Holding LLC; GAZ Group LLC; General Motors CIS LLC; Honda Motor RUS LLC; Honda R&D Europe (UK) Ltd.; Hyundai Motor CIS LLC; Jaguar Land Rover LLC; Kia Motors RUS LLC; Mazda Motor RUS LLC; Mercedes-Benz Russia AO; Mercury Auto (Ferrari/Maserati); MMC Rus LLC; Mitsubishi Motors Rus LLC; Nissan Manufacturing RUS OOO; Peugeot Citroën Rus OOO; Porsche Rusland OOO; Renault Russia ZAO; Sollers OAO; Subaru Motor LLC; Suzuki Motor Rus LLC; Toyota Motor OOO; Volkswagen Group Rus OOO (Audi/Bentley/Lamborghini/Škoda/Volkswagen/Volkswagen NFZ); Volvo Cars LLC.</p>	
<p>NUMBER OF COMMITTEE MEETINGS</p>	<p>26</p>	
<p>AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)</p>	<p>AEB events</p>	<p>Event date</p>
	<p>AMC Annual Press Conference "Review 2014"</p>	<p>15 January 2015</p>
	<p>"Trends in the Russian Machine Building Market (first half of 2015)", organised by the Machine Building & Engineering Committee in cooperation with AMC, Automotive Components, Commercial Vehicles and Construction Equipment Committees</p>	<p>9 June 2015</p>
	<p>Press-conference about the risks inherent in the legalisation of parallel importation with the participation of the CEO, Volkswagen Group Rus</p>	<p>5 November 2015</p>

AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB external events	
	UNECE Working Group meetings – AEB AMC permanent participation in the Working Group on the UN rules related to vehicles equipped with emergency response systems	Quarterly
	85 th Geneva International Motor Show, OICA Exhibition Committee meeting, and others	2–5 March 2015
	18 th Annual International Russian Automotive Forum	17–19 March 2015
	89 th International Scientific-Technical Conference of the Association of Automobile Engineers “Russian car construction: new challenges”	18 March 2015
	Convention of the Russian Automobile Dealers Association	15 April 2015
	OICA workshop on the TNS Study: “Mobility behaviour and attitudes towards cars. Image of the car industry and reputation triggers” (Paris, France)	5 June 2015
	Annual meeting with the ACEA (Brussels, Belgium)	15 June 2015
	Round Table “Industrial policy and labour rights in Russia” organised by the Friedrich Ebert Foundation with a discussion on development prospects for the Russian automotive industry	9 July 2015
	V International Congress “ERA-GLONASS modern technologies to ensure safety and comfort on the road”	1 October 2015
	OICA General Assembly meeting in Bangkok, Thailand	20–22 October 2015
	Convention “Rosavtodealer – 2015”	22 October 2015
	93 rd International Scientific-Technical Conference of the Association of Automobile Engineers “Technical regulation of automotive vehicles”	2 December 2015
	FAS Expert Council meeting on the development of competition in machine-building	8 December 2015
	RUSLOM conference: “Licensing and the disposal environmental fee”	10 December 2015
ASM Holding Conference: “Results of the automotive industry in 2015”	18 December 2015	

COMMITTEE ACTIVITIES, 2015

2015 was the 18th year of AMC operations in the AEB.

For the 9th year the committee continued to operate an online sales data exchange system for its members, which remains practically the only up-to-date and reliable source of passenger car and light commercial vehicle sales statistics in Russia. As always the 2014 results and forecast for 2015 were provided to the media at the AMC annual press conference which also provided the press the opportunity to talk to automobile company executives about important issues related to the automotive industry.

One of the key AMC member issues during the year was the practical implementation of the provisions of the Code of Conduct (CoC) developed and adopted by the AMC in cooperation with the Federal Antimonopoly Service and Ministry of Industry and Trade. By the end of 2015, 20 members had joined the Code of Conduct. To ensure compliance with its provisions, the committee together with the FAS analysed the results of status surveys conducted both by the FAS and the AMC. The analysis revealed a misinterpretation of some of the provisions by its members which served as the basis for developing recommendations on the implementation of the CoC. The recommendations are helping the goals declared by the CoC members to be met.

In connection with the above issue the AMC was deeply involved in the development and promotion of amendments to the Consumer Protection Law (CPL), which can eliminate the risks run by manufacturers/distributors and CoC members arising after the full implementation of the Code of Conduct.

On 01 January 2015, the new Customs Union Technical Regulation, TR CU 018/2011, "On the Safety of Wheeled Vehicles" entered into force. It requires the mandatory equipping of new vehicle types with an emergency call system/device. During the year, the AMC held extensive discussions with certification bodies on the practical implementation of the TR CU requirements. In addition to this, the AMC certification working group initiated the formation of a temporary expert body consisting of AMC members, European experts, NAMI, and others, with the goal of drawing up a draft GOST on roll-over, and in so creating the framework for tests to ensure the proper operation of the emergency call system/ device in the event of a car roll-over. The draft became available for public discussion at the end of November 2015. The AMC started its review and developed comments. The roll-over test will become mandatory from 01 January 2017, and it is a new challenge for manufacturers to comply with the new requirements in time.

The committee focused on other issues related to the emergency call system: validity of the vehicle type approval after 01 January 2017 (if their expiration date exceeds it) due to the mandatory equipping of all vehicle types with the ECS from this date; crash tests for cars supplied in small volumes; the recognition of foreign QM certificates and other related topics.

Another very important issue on the agenda of the committee was the upcoming introduction of vehicle digital passports in the Eurasian Economic Union. The AMC members took part in discussions with the responsible governmental bodies and submitted comments and proposals to the Eurasian Economic Commission and Ministry of Industry and Trade of the RF in order to avoid the unnecessary increase in the amount of information required from the manufacturers/distributors for the digital system, and to simplify procedures and eliminate discrepancies in the basic EEC decisions.

During the year, the committee representatives participated in other important events, where they spoke on behalf of the AMC, such as the Russian Automotive Forum organised by Adam Smith conferences, the "Rosavtodealer-2015" conference organised by ROAD (the Association of Russian Automobile Dealers), and the 93rd International Scientific-Technical Conference of the Association of Automobile Engineers "Technical regulation of automotive vehicles".

The other main issues on the AMC agenda in 2015 were:

- The 65% increase in the disposal fee. The committee argued against its effectiveness especially in the current economic situation.
- Customs problems with the importation of parts put the provision of after-sales customer service at risk.
- Implementation of the car safety recall campaign. The committee highlighted the problem of raising awareness among relevant car owners about the campaign due to the inability to obtain the personal (contact) data of the current owner.

External contacts and communication:

During the year, the AMC published monthly press-releases on car sales statistics that are widely used by the automotive and business media in Russia and outside the country. Press coverage of issues addressed by the AMC and its activities in general expanded further in 2015.

An AMC representative participates in the work of the UN EC Working Group on the development of the UN rules on a permanent basis.

The committee continued to strengthen contacts with national and international automotive associations: ACEA (European Automobile Manufacturers' Association), OAR (Association of Russian Automakers), OICA (International Organisation of Motor Vehicle Manufacturers), ROAD, VDA (German Association of the Automotive Industry), as well as with local authorities and industry officials.

Apart from being in close contact with the Ministry of Industry and Trade, the committee held several meetings focused on briefing EC representatives on industry developments within the country. Two meetings with the European Commission, including one with the Head of the EU Delegation in Russia. Two meetings with the European Automobile Manufacturers' Association (ACEA). Three meetings with OICA.

AUTOMOTIVE COMPONENTS COMMITTEE

AIMS	To bring together and lobby for the joint interests of the AEB members in the automotive supplier sector, facilitate meetings with officials, industrial associations and Original Equipment Manufacturers (OEMs), support networking and exchange of contacts within the industry and help companies establish working contacts with automobile plants.	
CHAIRPERSON	Andrey Kossov , Commercial Manager Russia, Johnson Matthey	
DEPUTY CHAIRPERSON	Evgeny Evdonin , Sales Director, Robert Bosch	
AEB MEMBER COMPANIES	Atlas Copco ZAO; BASF; Benteler; Continental; JV JSC Delphi Samara; Deloitte; DLA Piper; Dow AgroSciences VmbH; Dow Corning; DSM Group; DuPont Science and Technologies; Eberspaecher Exhaust Systems RUS LLC; EY; Federal Mogul Powertrain Vostok; GKN Automotive International GmbH; Johnson Controls International; Johnson Controls Autobatterie GmbH; Johnson Matthey PLC; Obninskorgsintez; PwC; Robert Bosch; Russian Automotive Components Limited; Solvay S.A.; TMD Friction Nisshinbo group company; Volvo Group.	
NUMBER OF COMMITTEE MEETINGS	9	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	"Trends in the Russian machine building market (first half of 2015)", organised by the Machine Building & Engineering Committee in cooperation with AMC, Automotive Components, Commercial Vehicles and Construction Equipment Committees	9 June 2015
	AEB external events	
	1 st International Automotive Forum "Tatarstan International Automotive Forum supported by Automechanika" and B2B meetings, Kazan	5–6 February 2015
	18 th Annual International Russian Automotive Forum	17–19 March 2015
	Annual meeting with ACEA (Brussels, Belgium)	15 June 2015
6 th International Forum "The Russian automotive industry and development of auto components in the new environment", as part of the exhibition "IMAF supported by Automechanika"	24–25 August 2015	

COMMITTEE ACTIVITIES, 2015

The committee's key functions remain unchanged and include the identification of common goals and problems for the committee member companies, based on which the current work priorities for the committee are developed and formulated. Other important issues remain: receiving state support for foreign investors; gaining full access to the existing instruments for supporting and developing the auto parts sector; the further development of the localisation of auto parts, coordinated work aimed at increasing the localisation of automobiles together with the Automobile Manufacturers Committee; the application of competitive, efficient, and environmentally safe technologies and knowhow; the protection of intellectual property; coverage in the legislative and economic spheres, trade fairs, and other areas linked to the operating activities of the committee members.

The committee members participated on privileged terms in the 6th International Forum "The Russian automotive industry and development of auto components in the new environment – IMAF-2015", which was organised in cooperation with the international exhibition operators Messe Frankfurt and ITE, and was held on 25 August 2015.

BANKING COMMITTEE

<p>AIMS</p>	<p>The Banking Committee brings together representatives of international banks and other financial institutions and combines their efforts in order to effectively represent their interests in the Russian market and to promote a favourable climate for the operation of international banks in Russia. The committee aims:</p> <ul style="list-style-type: none"> • to provide a level playing field between local and foreign operators; • to provide direct technical policy advice to European and Russian government officials.
<p>CHAIRPERSON</p>	<p>Igor Bulantsev, CEO, Nordea Bank</p>
<p>AEB MEMBER COMPANIES</p>	<p>American Express Bank; Banca Intesa; Bank Credit Suisse (Moscow); BNP Paribas; Center-invest Bank; Citibank ZAO; Commerzbank (Eurasija) SAO; Credit Agricole CIB AO; Danske Bank Russia; DEG Representative Office Russian Federation; Deutsche Bank Ltd.; European Bank for Reconstruction and Development (EBRD); HSBC Bank (RR) OOO; ING Commercial Banking in Russia; MasterCard; Mercedes-Benz Financial Services Rus OOO/ Mercedes-Benz Bank Rus OOO/Mercedes-Benz Capital Rus OO; Natixis Bank JSC; Nordea Bank; OTP Bank JSC; Raiffeisenbank AO; Representative of the bank "KfW IPEX-Bank GmbH" (Germany) Moscow; Rosbank; SEB Russia; The Royal Bank of Scotland ZAO; UBS Bank OOO; UniCredit Bank AO; VISA.</p>
<p>NUMBER OF COMMITTEE MEETINGS</p>	<p>Committee meetings – 6 Meetings of CEO-level representatives of AEB member banks (with foreign capital) – 12</p>

COMMITTEE ACTIVITIES, 2015

In 2015, the committee continued its cooperation with key partners, namely:

- The committee continued its dialogue with the regulator – the Central Bank of the Russian Federation: on 3 March, the committee held a meeting with Artem Sychev, Deputy Head of Information Security at the Bank of Russia, regarding the implementation of the law on personal data protection for the banking sector (jointly with the FIAC Working Group on Financial Institutions and Capital Markets); on 15 May, the committee held a meeting with representatives of the Financial Market Development Department to discuss the registration and recognition of the National Clearing Center (NCC) by the European Securities and Markets Authority (ESMA); on 24 June, senior representatives of member banks met with Ksenia Yudaeva, First Deputy Governor of the Central Bank, to discuss the Central Bank regulations and policy and challenges that foreign banks face in the current environment (the committee is in constant communication with the Central Bank on this issue). Also, the committee sent a number of letters with comments on the improvement of banking legislation and requests for clarifications to the Central Bank.
- The committee liaised with the government, Ministry of Finance, Ministry of Economic Development and sent comments and requests on issues related to banking legislation.
- The committee continued its collaboration with the State Duma and, in particular, with the State Duma's Committee on Financial Markets. The committee's representatives (members of the Expert Council on Banking Legislation and Auditing under the State Duma's Committee on Financial Markets) participated in Expert Council meetings.

- The committee initiated cooperation with the European Commission, namely with Jonathan Hill, Commissioner for Financial Stability, Financial Services and Capital Markets Union, European Commission, regarding the registration and recognition of the National Clearing Center (NCC) by the European Securities and Markets Authority (ESMA). The issue was discussed with Jonathan Hill during the AEB Board mission to Brussels in March 2015.

A group of CEO-level representatives of the Committee's member banks held regular meetings to discuss ongoing work and developments, including: a business breakfast with the participation of Edgars Puzo, Chairperson of the Working Group on Data Protection and IT & Telecom Committee, and Yulia Labutina, Member of the Working Group on Data Protection; a business breakfast with Ksenia Yudaeva, First Deputy Governor of the Central Bank.

The committee strengthened cooperation with other AEB Committees and Working Groups, namely: the Automobile Manufacturers Committee, the Automotive Components Committee, the IT & Telecom Committee and Working Group on Data Protection, the Heating Systems Manufacturers Working Group, the Taxation Committee, etc. Also, the committee chairman, committee representatives and coordinator participated in a number of meetings of the Working Group on Financial Institutions and Capital Markets of the Foreign Investments Advisory Council and continued working with it, most notably on the implementation of the law on personal data protection.

Furthermore, on 25 August 2015, Joerg Bongartz, Chairman of the Banking Committee, participated as a moderator at the session "Financing and Refinancing in the Automotive Industry" at the 6th International Forum IMAF-2016 "The Russian automotive industry and development of auto components in the new environment" (as part of the exhibition "MIMS supported by Automechanika").

In 2015, the following topics were discussed in the committee: the implementation of the law on personal data protection for the banking sector; currency control; remuneration rules; proposals for banking legislation; the registration and recognition of the National Clearing Centre (NCC) by the European Securities and Markets Authority (ESMA); Russian FATCA; the possible exclusion of foreign controlled banks from the perimeter of banks authorised to hold the deposits of state controlled entities; anti-money laundering (AML) legislation, and others.

COMMERCIAL VEHICLES PRODUCERS COMMITTEE

AIMS	To support the joint interests of committee members and a level of power of its members beyond the sum of their individual powers, lobbying for active involvement in all decision making processes affecting the commercial vehicles industry, promoting free trade and supporting a fair and reliable business environment, contributing to the prosperous and sustainable growth of the Russian economy.	
CHAIRPERSON	Andrey Chursin , CEO, Scania Service	
AEB MEMBER COMPANIES	Chrysler Russia; Ford Motor Company ZAO; GAZ Group; Hyundai ComTrans Rus Ltd.; MAN Truck & Bus RUS; Mercedes-Benz Trucks Vostok; Nissan Motor Rus OOO; Peugeot Citroen Rus; Renault Russia; Scania Rus LLC; Sollers OAO; Volkswagen Group Rus OOO; Volvo Vostok	
NUMBER OF COMMITTEE MEETINGS	10	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	"Trends in the Russian machine building market (first half of 2015)", organised by the Machine Building & Engineering Committee in cooperation with the AMC, Automotive Components, Commercial Vehicles and Construction Equipment Committees	9 June 2015
	AEB external events	
	18 th Annual International Russian Automotive Forum	17–19 March 2015
	Annual meeting with the ACEA (Brussels, Belgium)	15 June 2015
	The V International Congress "ERA-GLONASS modern technologies to ensure safety and comfort on the road"	1 October 2015
	RUSLOM conference: "Licensing and the environmental fee in waste disposal"	10 December 2015
	ASM Holding Conference: "Results of the automotive industry in 2015"	18 December 2015

COMMITTEE ACTIVITIES, 2015

The Commercial Vehicles Committee (CVC) was founded at the end of 2008 as a spin-off of the Automobile Manufacturers Committee (AMC) in order to focus on the specific needs of commercial vehicle manufacturers in the Russian Federation. The main issues discussed by the committee in 2015:

Definition of the country of origin

Of particular concern are the government ideas reported in the media to extend the restrictions imposed on companies with state participation and participating in projects with a significant share of public funding. Such a decision would lead to the further restriction of competition in the market, which today has been seriously affected by a more than twofold drop in sales.

The committee insists that the localisation of production must be supported by substantial incentives that have a positive effect on the economy of projects in this area. Unstable rules of the game, informal restrictions regarding procurement for public companies with vague criteria, import substitution based solely on bans and restrictions are all having a very negative impact on the development prospects of international brands in Russia. From our part we are ready in every way to strengthen cooperation with the Russian government and participate in the growth of not only the market but also the production of commercial vehicles in the country.

The ban on the sale of vehicles that do not comply with the fifth emissions class

Equipping with emergency service call devices

The Technical Regulations of the Customs Union require the mandatory equipping of emergency service call devices in 2016 for buses and lorries carrying dangerous goods. At the same time there is an extremely limited supply of certified devices on the market today that can be used to fit the equipment. As a result the certification of models newly introduced to the market is more difficult, and this poses a threat to company business plans.

The committee supports the efforts of the Russian government to improve road safety in the country through modern high-tech solutions. However, it is clear that the introduction of the new requirements should not lead to the disruption of the work of companies. Additional regulatory risks are unacceptable in the current deep crisis in the commercial vehicles market.

Increased disposal fee rates

The committee took part in the International Commercial Vehicle Auto Show COMTRANS/15 which was held on 8–12 September in Crocus Expo, Moscow.

COMPLIANCE & ETHICS COMMITTEE

AIMS	The Compliance & Ethics Subcommittee is a place where professionals from AEB members and different external stakeholders (incl. state bodies) can share and promote best practices via informational briefings, seminars, reports, regular compliance cases updates. Key tasks are to assist AEB members i) to comply with their obligations under the international and local requirements in compliance area; ii) to facilitate, promote, monitor and aim to secure the implementation of the best compliance programme and policies, iii) to foster the international understanding of applicable laws, including but not limited to laws addressing corruption, bribery, trade controls, and fair competition. Areas of interest include business ethics, regulatory issues, internal controls, governance and risk assessment and mitigation.
CHAIRPERSON	Ilsur Akhmetshin , Country Integrity Officer, ABB
AEB MEMBER COMPANIES	ABB; Accountor Russia; AIG Insurance Company CJSC; Air France; ALD Automotive LLC; ALRUD Law Firm; Alstom Russia Ltd.; AstraZeneca Pharmaceuticals LLC; Atos; Baker & McKenzie; Bauke van der Meer Tax and Legal Services (CIS) B.V.; BEITEN BURKHARDT Moscow; Boehringer Ingelheim; Capital Legal Services; Cardif Insurance Company; Caterpillar Eurasia LLC; Center-invest Bank; Coca-Cola Hellenic Bottling Co. Eurasia; Continental Tires RUS OOO; Control Risks; Credit Agricole CIB AO; Creditreform RUS LLC; CRH; De Lage Landen Leasing; Dentons; DHL Express; ECOTEAM LLC; Egorov Puginsky Afanasiev & Partners (EPAM); EY; Ford Sollers Holding LLC; General Motors Russia & CIS LLC; HSBC Bank (RR) OOO; IKEA; John Deere Rus LLC; L'Occitane Rus; LANXESS OOO; Legrand Group; M.Video; MAN Truck & Bus RUS LLC; MANNHEIMER SWARTLING; Mercedes-Benz Financial Services Rus OOO / Mercedes-Benz Bank Rus OOO / Mercedes-Benz Capital Rus OOO; MetLife; Natix Bank JSC; NCC; Nokia; Norton Rose Fulbright (Central Europe) LLP; Novartis Group Russia; Novo Nordisk A/S; Oriflame; Pepeliaev Group LLC; Philip Morris Sales and Management; Philips LLC; Porsche Russland; PSA Peugeot Citroen; PWC; Raiffeisen-Leasing; Repsol Exploracion S.A.; RH PARTNERS; Risk Advisory Group Plc.; Rockwool; Rödl & Partner; Scania-Rus LLC; Schneider Electric; Shell Exploration and Production Services (RF) B.V.; Siemens LLC; SOCIETE GENERALE Strakhovanie Zhizni LLC; SOLLERS PJSC; Thomson Reuters; Tinkoff Online Insurance JSC; TMF Group; Total E&P Russie; Troika Relocations Ltd.; United Technologies International Operations Inc., Representative Office; Vaillant Group Rus LLC.
NUMBER OF COMMITTEE MEETINGS	7

COMMITTEE ACTIVITIES, 2015

On 27 January 2015, the Subcommittee on Compliance & Ethics held its kick-off meeting.

At the AGM meeting held on 22 April 2015, the subcommittee (within the Legal Committee) presented its activities in the format of a committee table.

In September 2015, the AEB Board upgraded the Subcommittee's status to a separate Committee.

Representatives of non-governmental organisations were invited to the committee meetings during 2015, including Patricia Dowden, Russian Compliance Alliance, Managing Director; Philip Nichols, Professor at The Wharton School, and Irina Popova, Chief expert of the Chamber of Commerce of the Russian Federation.

CONSTRUCTION EQUIPMENT COMMITTEE

AIMS	The AEB Construction Equipment Committee serves as a platform for foreign manufacturers of construction equipment to discuss common issues and opportunities, and act, where appropriate, as a representative of its member companies on common industry concerns. The committee works to promote safety, good business practice and sustainability.	
CHAIRPERSON	Andrey Komov , General Manager, Volvo Construction Equipment Russia, Ukraine Belarus and Kazakhstan, Volvo Vostok	
AEB MEMBER COMPANIES	Atlas Copco; Caterpillar Eurasia; CNH Industrial (Russia) Commercial Operations; Doosan Infracore Co.; Hitachi Construction Machinery Eurasia Sales; Hyundai Heavy Industries; JCB; John Deere Agricultural Holdings; Komatsu CIS; Liebherr-Russland; Volvo Vostok.	
NUMBER OF COMMITTEE MEETINGS	12	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	"Trends in the Russian machine building market (first half of 2015)", organised by the Machine Building & Engineering Committee in cooperation with the AMC, Automotive Components, Commercial Vehicles and Construction Equipment Committees	9 June 2015

COMMITTEE ACTIVITIES, 2015

The Construction Equipment Committee (CEC) was established in February 2008 to bring together and represent the interests of the CE industry players in Russia.

Retail sales statistics are considered as crucial data by all CE manufacturers. The AEB Construction Equipment Committee statistics programme has proven its effectiveness since its inception in 2008. Today, companies such as Caterpillar, Chetra, CNH, Doosan, Hidromek, Hitachi, JCB, John Deere, Komatsu, Kraneks, Liebherr, RM-Terex and Volvo are highly satisfied with the results of the programme. In 2013, Bell Equipment joined the programme. In 2014 Doosan and Hyundai Heavy Industries started reporting. The reports are available in the Russian Federation at both the federal district and administrative region levels. It is also worth mentioning that the committee also started reporting on Kazakhstan in January 2014. Azerbaijan is considered a potential next step in the programme's extension.

The main issues discussed by the committee in 2015:

Disposal fee for off-road trucks, fee for the whole of construction equipment.

Localisation

The committee worked with the Ministry of Industry and Trade of the Russian Federation to amend the Draft Resolution "On the approval of the criteria for classifying industrial products as products which have no counterparts produced in the Russian Federation, and the criteria for classifying industrial products as products produced in the Russian Federation."

Unlimited liabilities in terms of state procurement contracts

The committee cooperates with other national construction equipment industry associations. In 2009, the AEB CEC became a member of the Committee for European Construction Equipment (CECE) and it participates annually in CECE summits. In April 2013, the AEB CEC and KOCEMA (Korea Construction Equipment Association) signed a memorandum of understanding. KOCEMA invited CEC to make a presentation about the Russian construction equipment market in September at Conex Korea 2014.

CONSTRUCTION INDUSTRY & BUILDING MATERIAL SUPPLIERS COMMITTEE

AIMS	<ul style="list-style-type: none"> • Platform for communication between the committee members. • Representation of European companies for construction and building material suppliers in Russia (in private, governmental and non-governmental organisations). • External communication committee on general and specific questions.
CHAIRPERSON	Antonio Linares , Managing Director, ROCA
DEPUTY CHAIRPERSON	Vitaly Bogachenko , Corporate Affairs Director, SAINT-GOBAIN CIS
AEB MEMBER COMPANIES	Ariston Thermo Rus; ARKEMA SA; BASF; Bayer ZAO; Bekaert N.V.; CRH; DuPont Science and Technologies; Freudenberg Performance Materials Group; HeidelbergCement Rus; Knauf Group CIS; Knauf Gips OOO; Legrand Group; Lindab Buildings LLC; LINDNER; Rautaruukki OYJ; ROCA; Rockwool; Saint-Gobain CIS; Wienerberger Kirpitsch LLC; YIT Construction.
NUMBER OF COMMITTEE MEETINGS	Committee Meetings – 5 Heating Systems Working Group meetings – 5

COMMITTEE ACTIVITIES, 2015

The AEB Construction Industry & Building Material Suppliers Committee represents a variety of businesses with very heterogeneous industrial and commercial backgrounds and with a diversity of interests, but which all work with construction materials. This committee was established in 2010 with the belief that there are many issues that need to be monitored and discussed, and the main focus was on producers of building materials.

In 2015, the committee concentrated on building a common position on the following issues:

- technical standards and regulations;
- environmental sustainability and green standards;
- technical control and construction guarantees;
- energy efficiency in construction;
- product certification and counterfeited products;
- transparency and reliability of information referring to construction materials;
- unfair competition and tax dumping;
- vocational education and training centers;
- "best available techniques" guides (BREFs);
- gas supply in Russia.

The committee members strongly believe that a dialogue between experts with different backgrounds and government officials can be of benefit to the Russian construction industry.

On 1 October 2015, Antonio Linares, Chairman of the Committee, participated in the AEB Conference "Real Estate Day" where he moderated the session "Investors in Russia: why it was worth it and why it is still worth it". Experts from big European companies shared their company growth plans in Russia. The moderator and speakers: 1) discussed the development of the real estate sector in terms of evaluating the growth of the middle class in Russia; 2) compared real estate and construction material prices in Russia to European prices; 3) discussed the factors that can help their business become more competitive and efficient; 4) discussed housing for rent as an efficient social model and exchanged their

suggestions for the Government to guarantee affordable housing.

In 2015, the Heating Systems Working Group of the committee continued to gather sales statistics.

In 2015, the committee updated its online catalogue, which contains information on the committee member companies activities, and their products and services (available on the AEB website).

CROP PROTECTION COMMITTEE

AIMS	To establish a consolidated position on key issues affecting the industry and to lobby for the CPC interests by cooperating with the Russian state authorities, public institutions and business associations.
CHAIRPERSON	Alexander Berkovskiy , Head of CIS, Syngenta
DEPUTY CHAIRPERSON	Yves Picquet , Head of Bayer N-CIS
AEB MEMBER COMPANIES	ADAMA; BASF; Bayer; Dow AgroSciences; DuPont Science and Technologies; Syngenta.
NUMBER OF COMMITTEE MEETINGS	6

COMMITTEE ACTIVITIES, 2015

The CPC has four working groups. Number of WG meetings:

- Registration and Regulatory Affairs – 4;
- Anti-Counterfeiting Activities – 9;
- Container Management Scheme – 5;
- Communication and Information Support – 8.

Anti-Counterfeiting Activity

On behalf of the CPC a presentation on the current results and plans of the anti-counterfeiting work on the Russian Crop Protection market was made at the Third International Forum Anticounterfeit held in Minsk on 16–17 December.

Container Management Scheme (CMS)

Being environmentally responsible companies, the CPC members initiated a CMS pilot project in the Voronezh region to adapt proven European CMS principles to the Russian environment. The initiative was supported by the Voronezh Region Government and officially recognised by the Memorandum of Cooperation to Implement the Pilot Project between the AEB, the Russian Union of Crop Protection Products (CPP) Manufacturers and the Voronezh Region Government in 2012–2015.

The project has seen increasing success: in 2013, 100 tons were collected and recycled; in 2014–2015 the area of CPP container collection was expanded by including the other regions of the Central Black Soil area (Belgorod, Kursk, Lipetsk, Tambov) and eight hundred tons of mostly correctly rinsed containers were collected and recycled (four hundred per year). The positive results of the pilot project were presented at:

European Crop Protection Association Workshop on CMS issues – 19–20 March in Thessaloniki, Greece;

First International Recycling Forum – 4–6 November in Wiesbaden, Germany.

The pilot project has shown the **desirability of producer responsibility** by establishing a managing company.

Contribution of international companies in Russian agriculture.

This year, companies elected to put more effort into creating a solid evidence basis for the work of international companies in Russian agriculture. To implement it a Communication and Information Support Inter-committee Working Group

was created. This Working Group initiated a market survey aimed at determining the contribution of international Crop Protection and Seed producers in the development of Russian agriculture. It was based on large-scale interviews of farmers from more than 400 farms and in-depth interviews with the heads of big agroholdings and experts (industry union directors and scientists).

More than a half of the respondents recognised the contribution of international companies in implementing innovative technologies: 48% in the newest selection developments; 42% in the development of new active substances. This and other key results are presented in the Position Paper that will be sent to the authorities and mass media in the beginning of 2016.

The survey results complemented with the analysis of educational programmes organised by the companies were presented at:

- Conference "Pesticides", 8 September;
- Agribusiness Committee Open Event: "The role of European business in the modernisation and development of the Russian agricultural sector", 5 October;
- Plenary Session of the YUGAGRO Exhibition in Krasnodar, 24 November.

CUSTOMS & TRANSPORT COMMITTEE

AIMS	<ul style="list-style-type: none"> • To lobby for matters of concern to member companies through dialogue with the Federal Customs Service and other governmental bodies of the Russian Federation and to promote the application of industry standards in accordance with the best international business practices and trade facilitation principles; • To provide AEB members with quality information on developments in customs regulations and facilitate focused business networking. 	
CHAIRPERSON	Dmitry Cheltsov , General Delegate, IRU Permanent Delegation to Eurasia	
DEPUTY CHAIRPERSONS	Wilhelmina Shavshina , Legal and business development director, Head of international trade practice, DLA Piper; Sergey Gusev , Customs manager, Electrolux.	
AEB MEMBER COMPANIES	Arkema; Atlas copco; BLG Logistics Solutions; BAT; Bayer; Bonduelle; BSH Bytowaja Technika OOO; Cargill; CMS; Daikin; Delphi Samara JV JSC; Deloitte; DHL Express; DHL Global Forwarding; DLA Piper; DPD in Russia; Ernst & Young; Electrolux; Gefco; GOLTSBLAT BLP; Groupe SEB; Ford Sollers; Ferrero; IKEA; IRU; Itella; JTI; JBC; Knaf International GmbH; KPMG; Leroy Merlin; MAN; LIEBHERR-RUSSLAND; Michelin; National Customs Broker; Nestle; OBI; Pepeliaev Group; PwC; Parkline Logistics; Panalpina World Transport; Philips; Philip Morris; Profile-Euro; Renault Russia; Roca; Saint-Gobain; Scania; Schneider Electric; Shell; Siemens; TARGO Group; TNT; Toyota; VOLKSWAGEN Group Rus; UPS; Zentis.	
NUMBER OF COMMITTEE MEETINGS	9	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	AEB 11 th Annual Customs Conference "New customs legislation: from good to the best"	7 April 2015
	AEB external events	
	International customs conference in Prague	29 October 2015
	First all-Russia Forum of authorised economic operators	26 November 2015
	Meeting with representatives of the Ministry of Economy and Financial Policy, Eurasian Economic Commission	29 January 2015
	Meeting on authorised economic operator issues with Nekrasov D.V., Head of Department on Customs Legislation and Law Enforcement, Eurasian Economic Commission	30 January 2015

AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	Meeting on the Code of Administrative Offenses (Chapter 16) with Bryachak M.V., State Duma Transport Committee Coordination Council	5 February 2015
	Meeting with Titov B.Y., Ombudsman on Entrepreneur Rights and representatives of the Federal Customs Service	5 March 2015
	VI Business Dialogue with Slepnev A.A., Minister of Trade, Eurasian Economic Commission	29 June 2015
	Meeting with Ruslan Davydov, Deputy Head of the FCS	7 July 2015
	Meeting with representatives of the Eurasian Economic Commission on express freight	10 July 2015

COMMITTEE ACTIVITIES, 2015

Ever since it was established, the Customs & Transport Committee and its members have been working on identifying challenges in respect of the application of customs laws. Currently, intensive work is in progress on the identification of gaps and discrepancies at the Eurasian Economic Union (EAEU) level of legislation and the level of national regulatory acts published for the development of provisions and institutions within the EAEU Customs Code. Work is also in progress to improve previously enacted regulations in the sphere of customs legislation within the framework of regulatory impact assessment.

The purpose of the committee's work is not only to identify gaps and discrepancies in legislation, but also to jointly develop recommendations on their removal with experts from the business community, which are mainly aimed at improving regulatory documents.

Experts at the Customs & Transport Committee analyse existing documents which regulate customs and transport activities on an on-going basis, as well as drafts of new regulatory documents. Based on the analysis, the committee develops risk management recommendations for businesses and prepares proposals for amending existing laws, as well as amendments to drafts of regulatory documents.

The committee acts as an intermediary in constructive dialogue between the regulatory bodies and the business community on issues related to customs and transport in order to increase the effectiveness of government control in the aforementioned areas and to improve the business environment.

ENERGY COMMITTEE

AIMS	<ul style="list-style-type: none"> • To support EU-RF cooperation in the energy sector, in particular through the work undertaken by the EU-RF Energy Dialogue and the EU-RF Industrialists' Round Table. • To provide a forum for AEB companies involved in the Russian energy sector to discuss and address matters of common interest. • To maintain relations with the parties directly involved in the Russian energy sector. 	
CHAIRPERSON	Igor Ignatiev , Deputy Country Chairman, Director of the Russian Branch, Shell Exploration & Production Services (RF) B.V.	
DEPUTY CHAIRPERSON	Albert Grigoryan , Head of Representation in Moscow, ENGIE	
AEB MEMBER COMPANIES	BP Russia; Chevron Neftegaz Inc.; Electricite de France; Enel Russia; Eni S.p.A, E.ON Russia; E.ON Global Commodities SE; ENGIE; Fortum; Gasunie; MOL Plc; Repsol Exploracion S.A.,; Statoil ASA Russia; Shell E & P Services (RF) B.V.; Total E&P Russie; VNG - Verbundnetz Gas AG; Wintershall Holding GmbH.	
NUMBER OF COMMITTEE MEETINGS	Committee meetings – 9 CEO Breakfasts – 3	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	Update on Salaries, Michael Germershausen, Antal Russia, Chairman of the AEB HR Committee; Update on US & EU Russia Sanctions – Energy Sector Focus, J. Hines, Morgan Lewis	30 January 2015
	EU Energy Policy, H. Nagacevshi, Energy Counsellor, EU Delegation	27 March 2015
	GEP-AFTP presentation, G. Momplot	24 April 2015
	Session "Russian energy sector: current status & prospects" moderated by M. Shirokov (E.ON Russia) at the 12 th AEB Flagship Conference "Russian Economy: Quo Vadis?"	27 May 2015
	Update on Secondment, Yulia Borozdna, Pepeliaev Group, Chairperson of the AEB Labour Law Subcommittee; Legal Update, N. Kozyrenko, Partner, CMS Russia	30 October 2015
	Russian Power Market, Natalia Grib, Head of Information & Analytical Centre, Gazprom Energoholding	27 November 2015

AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB external events	
	Participation in the 6 th Northern Dimension Forum (St. Petersburg), Session "Electricity and Energy Efficiency"	26 March 2015

COMMITTEE ACTIVITIES, 2015

The AEB Energy Committee acts as an interface on business opportunities and issues of concern for European energy companies operating in the Russian Federation. The committee maintains and develops links to the relevant state authorities in Russia, such as the RF State Duma, Ministry of Energy, Ministry of Finance and Ministry of Economic Development. The committee also acts as an interface between the European energy industry and Russian companies, such as Gazprom, and others.

The AEB Energy Committee maintains its cooperation with bilateral and multilateral entities in Russia, such as the EU – Russia Industrialists Roundtable (IRT), European Business Congress (EBC), Petroleum Advisory Forum (PAF), and Foreign Investment Advisory Council (FIAC), promoting active cooperation on business-to-business and business-to-government levels. The AEB Energy Committee supports the AEB's position as an official partner of the annual Russian Petroleum and Gas Congress (RPGC) in Moscow through participation in its Programme Committee, delegating its members as chairmen and speakers at the RPGC. The committee's activities are focused on energy policy strategic issues, the investment climate, energy market conditions, and environmental protection issues, including global climate change.

One of the important sources of information and tools of influence for the committee is its regular Position Paper, which is a highly professional document reflecting the views and approaches of European companies towards the obstacles experienced when doing business in Russia and with proposals for real solutions. The Position Paper is widely distributed among petroleum and energy sector stakeholders both in Russia and abroad, including the EU headquarters in Brussels.

The committee advocates that EU-Russia relations on energy matters should be based on stability in the strategic outlook, mutual gain and delivery of commitments. Such relations must include a balanced and transparent approach to the security and diversity of energy supply and demand, commercial attractiveness and reciprocity.

On 14 April, 7 July and 27 October 2015, the committee held its CEO breakfasts.

In February 2015, the committee members met with Ivan Grachev, Chairman of the RF Duma Committee for Energy & Energy Efficiency.

The committee members participated in several major events:

- Krasnoyarsk Economic Forum (February 2015);
- RSPP Business week in Moscow (March 2015);
- Moscow International Energy Forum "Russia Fuel & Energy Complex in XXI Century in XXI century (April 2015);
- The Saint-Petersburg International Economic Forum (May 2015);
- Innoprom Industrial Exhibition and Forum in Ekaterinburg (July 2015);
- International Investment Forum in Sochi (September 2015);
- Eastern Economic Forum in Vladivostok (September 2015);
- St. Petersburg International Gas Forum (October 2015);
- FIAC annual plenary session chaired by PM Medvedev (October 2015);
- VTB Investment Forum "Russia Calling" in Moscow (October 2015);
- Open Innovations Forum in Moscow (October 2015);
- International Forum on Energy Efficiency and Energy Saving (ENES) in Moscow (November 2015).

ENERGY EFFICIENCY COMMITTEE

AIMS	<ul style="list-style-type: none"> • To increase Energy Efficiency (EE) business opportunities for AEB members, thereby contributing to sustainable EE development in Russia. • To formulate and promote the AEB position on EE in Russia. • To inform and educate AEB members about EE developments in Russia. 	
CHAIRPERSON	Vincent de Rul , General Director, EDF Fenice Rus	
DEPUTY CHAIRPERSONS	Anastasia Nazarenko , Lighthouse Group, Director of Operations; Alexej Soldatow , BSH Bytowaja Technika, Technical Regulation Manager	
AEB MEMBER COMPANIES	ABB; AERECO; Baker & McKenzie; BASF; Bayer; BP; BSH Bytowaja Technika OOO; CMS Russia; Daikin Europe NV; Deloitte; ECOTEAM; Electricite de France; E.ON Russia; Ernst & Young (CIS)B.V.; EDF Fenice Rus LLC; Gasunie; ENGIE; IKEA; Legrand; Lighthouse Group; Lindab Buildings LLC; Noerr; Philips; Saint-Gobain; Schneider Electric; Siemens; Statoil ASA Russia; Total E&P Russie; United Technologies International Operations; Vitus Bering Management Ltd.; Wintershall Holding GmbH.	
NUMBER OF COMMITTEE MEETINGS	7	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	Round Table "Power sector & energy efficiency", 6 th Northern Dimension Forum, Saint Petersburg	26 March 2015
	"Return on energy saving investments for industrial & warehouse complexes"	3 April 2015
	International Forum "Energy efficiency in industrial & warehouse complexes" followed by Speed Dating	12 November 2015

COMMITTEE ACTIVITIES, 2015

The Energy Efficiency Committee was established in 2009. It was a success from the very beginning, with service and energy sector companies becoming members. Representatives of the committee took an active part in drafting the new legislation on energy efficiency (EE) and energy saving.

In 2015, the Energy Efficiency Committee positioned itself as one of the authoritative bodies to which AEB members can turn to get information on the general energy efficiency environment and business opportunities in Russia. The committee members participated in various EE seminars and conferences and were often asked to speak at these events.

During the year the committee members kept each other informed about their work in EE. One of the main achievements of the committee this year was the bilingual Energy Efficiency Guide, which was published in November 2015 and was a great success.

The committee has continued this year with "Speed Dating", which it launched three years ago, and which promotes inter-committee relations. This event consists of organising short meetings (10 minutes) between companies that may be interested in getting to know each other better and potentially do business together (as a partner, a client, or others). This year Speed Dating was held at International Forum Energy Efficiency and Building Automation.

The committee members participated in the International Forum on Energy Efficiency and Energy Saving which took place in Moscow in November 2015.

The committee has working relations with the Russian Federation (RF) Ministry of Energy, RF Duma Committee for Energy and Energy Efficiency, Russian Energy Agency, RSPP Committee for Energy Policy and Energy Efficiency and U4E (Union of French Enterprises for Energy Efficiency and Ecology).

FINANCE & INVESTMENTS COMMITTEE

<p>AIMS</p>	<p>To assist in and contribute to the ongoing improvement of the investment climate in Russia by integrating information and discussions related to financial issues of prime importance for foreign companies working in Russia. The committee serves as a forum for discussions and lobbying activities, as well as a platform for the exchange of information and ideas concerning finance and investments issues.</p>
<p>CHAIRPERSON</p>	<p>Stuart Lawson, Executive Director, EY</p>
<p>AEB MEMBER COMPANIES</p>	<p>ABB; ALD Automotive LLC; ALPE consulting LLC; American Express Bank; American Institute of Business and Economics; Antal Russia; Arval; Baker Botts L.L.P.; BEITEN BURKHARDT Moscow; BNP Paribas; Brother; Caterpillar Eurasia LLC; Chadbourne & Parke LLP; Citibank ZAO; CMS, Russia; Creditreform RUS LLC; De Lage Landen Leasing; Debevoise and Plimpton LLP; DEG Representative Office Russian Federation; Deloitte; Dentons; DHL Express; DuPont Science and Technologies; Egorov Puginsky Afanasiev & Partners (EPAM); European Bank for Reconstruction and Development (EBRD); EY; FCA Russia AO; FinEx Plus; Gerald Sakuler (individual member); Hannes Snellman; HeidelbergCement Rus; HSBC Bank (RR) OOO; IBFS Europe GmbH; IKB Leasing ZAO; IKEA DOM LLC; IKEA Shopping Centres Russia; ING Commercial Banking in Russia; Intertrust; INVESTMENT COMPANY IC RUSS-INVEST; John Deere Rus, LLC; KIAP Korelskiy, Ischuk, Astafiev and Partners; Knauf Group CIS, OOO Knauf Gips; KPMG; LeasePlan Rus; Legalife Law Firm; LEROY MERLIN Russia; MAI Insurance Brokers; MAN Truck & Bus RUS LLC; MANNHEIMER SWARTLING; Mazars; Mercedes-Benz Financial Services Rus OOO / Mercedes-Benz Bank Rus OOO / Mercedes-Benz Capital Rus OO; Messe Frankfurt Rus Ltd.; Mitsubishi Corporation (Russia) LLC; Most Service; Natixis Bank JSC; NOBLE HOUSE MANAGEMENT LLC; Noerr OOO; Norton Rose Fulbright (Central Europe) LLP; OTP Bank JSC; Pepeliaev Group LLC; PSA Peugeot Citroen; PwC; Raiffeisen-Leasing; Repsol Exploracion S.A.; RH PARTNERS; Rödl & Partner; Rosbank; Rosbank Leasing; Scania-Rus LLC; Schneider Electric; Sirota & Partners; Solvay S.A.; Sponda Russia; TMF Group; Troika Relocations Ltd.; UniCredit Bank AO; Vaillant Group Rus LLC; VEGAS LEX Advocate Bureau; Vinson & Elkins L.L.P.; VISA; Volvo Vostok NAO; WELBI; YIT Construction; Zetta Insurance Company Ltd.; ZURICH RELIABLE INSURANCE JSC.</p>
<p>NUMBER OF COMMITTEE MEETINGS</p>	<p>Leasing Subcommittee meetings – 14 Joint meetings with other AEB Committees – 2</p>

	AEB events	Event date
<p style="text-align: center;">AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)</p>	"Where are we headed? Deoffshorisation, sanctions, the economy and some practical crisis management advice"	12 February 2015
	Presentation of the AEB annual survey results "Strategies and prospects for European companies in Russia"	16 June 2015
	Presentation of the AEB annual survey results "Strategies and prospects for European companies in Russia" (St. Petersburg)	17 June 2015
	"How normal is the new normal?"	15 October 2015
	Briefing by Boris Titov, Presidential Commissioner for Entrepreneurs' Rights	30 October 2015
	"Accommodation and hospitality at the 2018 FIFA World Cup Russia™" (jointly with AEB Hotels and Tourism Working Group)	10 November 2015

COMMITTEE ACTIVITIES, 2015

One of the key committee projects for 2015 was the eighth annual survey "Strategies and prospects for European companies in Russia". The survey has become a highly valuable source of first-hand information that gives an overview of the investment potential and opportunities in Russia and highlights the key challenges faced by AEB member companies, as well as the strategies adopted while doing business in Russia. The results of the survey were announced on the eve of the St. Petersburg Economic Forum: the official presentation was held on 16 June 2015 in Moscow and on 17 June 2015 in St. Petersburg. The survey and its results were well cited in the media.

Other important events included the annual briefing by Boris Titov, Presidential Commissioner for Entrepreneurs' Rights (30 October 2015). During the event Boris Titov spoke about the report "Economy of growth" and proposals to improve the business and investment climate in Russia, as well as about the achievements, prospects and barriers in respect of entrepreneurs' rights. He also openly and enthusiastically answered numerous questions regarding the business mentality in Russia, import substitution, participatory construction and its insurance, institutions for financing small and medium-sized companies, illegal actions of state authorities, and others.

Another significant initiative was the organisation of regular events devoted to updates on the economy and sanctions. In 2015, the committee organised two events, namely "Where are we headed? Deoffshorisation, sanctions, the economy and some practical crisis management advice" on 12 February, and "How normal is the new normal?" on 15 October.

The committee strengthened cooperation with other AEB Committees and Working Groups, namely: the North-Western Regional, Automobile Manufacturers, Taxation, Commercial Vehicles, Construction Equipment Committees, Hotels & Tourism Working Group, and others. Also, Stuart Lawson, Chairman of the Committee, participated as a co-chair and co-moderator at the briefing by Gabriel Di Bella, Resident Representative of the International Monetary Fund in the Russian Federation – “Russia: Recent economic developments & challenges” held on 21 October 2015.

To cover leasing issues, the Finance & Investments Committee has a Leasing Subcommittee chaired by Sergey Ivanov, General Director, IKB Leasing.

In 2015, the AEB Leasing Subcommittee discussed and worked on the following issues: the accounting standards for rent/lease (PBU Arenda); draft law No. 675906-6 (after the adoption of 32-FL dated 08.03.2015) on thin capitalisation (art. 269 of the Tax Code); automotive issues (paid parking, GIBDD fines, corporate car fleet and labour inspections, transport tax, state subsidies for the financing of vehicle sales, and others) including a joint meeting with the Automobile Manufacturers Committee on these issues (23 June 2015); collection of payments (incasso); property tax when purchasing from related parties (jointly with the AEB Taxation, Commercial Vehicles, Construction Equipment, Automobile Manufacturers Committees); state support measures (subsidies) for automobile manufacturers (including car leasing); withdrawal of leased assets; risks related to the sanctions; the practice of the Supreme Court on leasing; implementation of the new edition of the law on personal data protection in leasing companies; the pledge of leased assets; new changes to contract law provisions in the Civil Code and implications for the leasing industry; balance of mutual obligations in case of the early termination of lease contracts and use of auctions; bankruptcy of lessees; issues related to anti-money laundering (AML). The Leasing Subcommittee continued collaboration with the Ministry of Economic Development (in particular, with the Department on Investments Policy and Development of the Private Public Partnership): the Subcommittee Chairman and representatives participated in the work and meetings of the Working Group on Leasing Development under the Ministry.

HEALTH & PHARMACEUTICALS COMMITTEE

AIMS	To consolidate, coordinate and protect the interests of AEB member companies working in the health and pharmaceutical industry.	
CHAIRPERSON	Sergey Smirnov , Vice President, Novo Nordisk (Russia & CIS)	
DEPUTY CHAIRPERSON	Yury Litvishchenko , General Manager, Chiesi Pharmaceuticals	
AEB MEMBER COMPANIES	Angelini Pharma Rus; Astellas Pharma ZAO; Astra Zeneca Pharmaceuticals LLC; Bayer ZAO; Binder; Bionorica OOO; Boehringer Ingelheim; BOIRON; Chiesi Pharmaceuticals LLC; DSM Group; DuPont Science and Technologies; EGIS Pharmaceuticals PLC; Esparma GmbH; Merck LLC; Novartis Group Russia; Novo Nordisk A/S; Orion Pharma LLC; Philips LLC; Sanofi Russia; SCA HYGIENE PRODUCTS RUSSIA LLC; SERVIER; Stada CIS; Takeda Pharmaceutical.	
NUMBER OF COMMITTEE MEETINGS	Committee meetings – 7 CEO meetings on the Code of Conduct – 2 Meetings of the Working Group on the Code of Conduct – monthly meetings throughout 2015	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	Round Table at the VI Northern Dimension Forum dedicated to the topic "Pharmaceutical manufacture localisation in the new reality: a field for investment experiments and innovation growth"	26 March 2015

COMMITTEE ACTIVITIES, 2015

On 12 March 2015, the AEB Health & Pharmaceuticals Committee took part in the Round Table "The Pharmaceutical Market: Creation of Fair Play Rules on the Pharmaceutical Markets of the BRICS and CIS countries". The event was dedicated to the discussion of the existing antitrust problems on the pharmaceutical market which is regarded as one of the most complex multilateral markets. The event took place at the Federal Antimonopoly Service (FAS) of the Russian Federation and was opened by Igor Artemiev, Head of the FAS.

On 26 March 2015, the AEB Health & Pharmaceuticals Committee held its round table at the VI Northern Dimension Forum. The event was dedicated to the topic "Pharmaceutical manufacture localisation in the new environment: a field for investment experiments and innovation growth". The event was co-chaired by Sergei Smirnov, Chairman of the AEB Health & Pharmaceuticals Committee, Chairman of the Board, OOO Novo Nordisk, as well as Alexander Borisov, General Director, OJSC Polysan. The participants included regional administration officials, businesspeople and experts from the pharmaceutical industry. Pavel Tarakanov, Vice Governor of the Tyumen region, Head of the Representation Office of the Tyumen region in the Federal Bodies of Governance, presented the state support mechanisms for investment projects in the pharmaceutical industry in the Tyumen region. Elena Petrova, Head of the Department for the Pharmaceutical-Medical Industry Cluster and Radiation Technologies, St. Petersburg Technopark OJSC – Cluster Development Centre of St. Petersburg, spoke on state support for local pharmaceutical manufacturers in the North-Western Federal District. Ivan Vasilenko, General Director, Accredited Laboratory Olpharm, touched upon the necessary conditions for the innovative

development of the pharmaceutical industry in Russia, while Evgeny Kardash, Executive Director, Polysan OJSC, shared the company's experience of localisation in Russia and abroad.

On 10 April 2015, the AEB took part in the Round Table "The localisation of pharmaceutical production in Russia: yesterday, today and tomorrow" which took place in the Kaluga pharmaceutical cluster. The AEB was represented by Frank Schauff, AEB CEO, and Sergey Smirnov, Chairman of the AEB Health & Pharmaceuticals Committee, Vice President, Novo Nordisk (Russia & CIS). The meeting was dedicated to issues such as localisation in the new economic conditions; the definition of a local product: current status and prospects; long-term contracts with pharmaceutical manufacturers; parallel imports in the Russian Federation, and the fight against counterfeiting and the harmonisation of standards in the Eurasian Economic Union. The event was co-organised by the Association of Russian Pharmaceutical Manufacturers, the Kaluga Regional Government and the roundtable of the EU-Russia Industrialists. The attendees included representatives of relevant ministries: the Ministry of Health of the Russian Federation, the Ministry of Industry and Trade, regional ministries, representatives of the NP Kaluga Pharmaceutical Cluster as well as representatives of pharmaceutical companies. The conclusions of the event were submitted for the attention of the State Council of the Russian Federation. The meeting followed the inauguration ceremony of Novo Nordisk's manufacturing facility in Kaluga.

On 25 May 2015, the committee presented the first draft of the Code of Conduct for pharmaceutical producers at the Expert Council of the Federal Antimonopoly Service. The meeting took place at the FAS and was chaired by Igor Artemiev, Head of the FAS. The AEB was represented by Frank Schauff, AEB CEO; Sergey Smirnov, Chairman of the AEB Health & Pharmaceuticals Committee, and the members of the Working Group (WG) on the Code of Conduct of the Health & Pharmaceuticals Committee.

The WG had been working on the Code of Conduct since November 2014 in close cooperation with the FAS. At the meeting a public discussion was held on the Code of Conduct involving experts, representatives of professional associations and pharmaceutical companies. The Code of Conduct aims at establishing internal rules for the self-regulation of the pharmaceutical business in Russia, and fair competition in the industry.

On 25 November 2015, the committee met Alexey Alekhin, Deputy Director of the Department of Pharmaceutical and Medical Device Industry Development, Ministry of Industry and Trade, to discuss issues related to localisation.

In December 2015, a Working Group on price regulation was established within the AEB Health and Pharmaceuticals Committee to provide expert support to the Federal Antimonopoly Service, which took over the responsibility for defining tariff regulation in the pharmaceutical market.

On 20 October 2015, the WG on drugs pricing met Timofey Nizhegorodtsev, Head of the Department for the Protection of Competition in the Social Sphere and Trade of the FAS. The topic of discussion was the development of approaches towards a new price regulation methodology.

On 21 December 2015, Sergey Smirnov, Chairman of the Committee, took part in a meeting between the AEB delegation and FAS represented by Igor Artemiev, Head of FAS. The meeting was dedicated to import-substitution issues, including the pharmaceutical sector.

During 2015, the WG on the Code of Conduct for the pharmaceutical industry held regular internal meetings and consultations to discuss the Code of Conduct with the Federal Antimonopoly Service (Igor Artemiev, Head of FAS, and Timofey Nizhegorodtsev, Head of the Department for the Protection of Competition in the Social Sphere and Trade of the FAS), as well as different professional associations such as Innovative Pharma, the Union of Professional Pharmaceutical Associations, AIPM, ARPM, the Non-commercial Partnership Contributing to Competition in Russia, and others.

HOME APPLIANCES MANUFACTURERS COMMITTEE

AIM	To improve the business environment for European companies in Russia.	
CHAIRPERSON	Olivier Naccache , General Manager, Groupe SEB Vostok, Russia Central Asia	
AEB MEMBER COMPANIES	Ariston Thermo Rus; Brother; BSH Bytowaja technika Ltd.; Daikin Europe N.V. Representative Office; Delonghi; Electrolux; LIEBHERR-RUSSLAND; Mitsubishi Electric Europe B.V. (the Netherlands) Moscow Branch; Philips LLC; Procter & Gamble; Vaillant Group Rus LLC; Groupe SEB-Vostok ZAO.	
NUMBER OF COMMITTEE MEETINGS	6	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB external events	Event date
	Energy Efficiency of Home Appliances (ENES-2015)	20 November 2015

COMMITTEE ACTIVITIES, 2015

In 2015, the AEB Home Appliances Manufacturers Committee focused on issues of particular importance to the home appliances industry, such as energy efficiency labels, CU technical regulations, waste management, and others.

In 2015, the committee held 3 regular meetings as well as 3 CEO business breakfasts. In November 2015, committee representatives participated in a Round Table on the energy efficiency of home appliances organised by UPDP Project.

HOTELS & TOURISM WORKING GROUP

AIMS	To consolidate, coordinate and lobby for the interests of AEB member companies working in the tourism and hotel industries. and to exchange information on best practices and the challenges for the hotel industry in Moscow.	
CHAIRPERSON	Armin Eberhard , General Manager, Renaissance Moscow Monarch Centre Hotel	
AEB MEMBER COMPANIES	Ararat Park Hyatt Moscow; Azimut Moscow Olympic Hotel; Baltshug Kempinski Hotel Moscow; DoubleTree by Hilton Moscow – Marina; Hilton Moscow Leningradskaya Hotel; Hilton Garden Inn New Riga; Ibis Moscow Paveletskaya Hotel; Intercontinental Moscow Tverskaya Hotel; Marriott Grand Hotel Moscow; Marriott Royal Aurora Hotel; Marriott Tverskaya Hotel; Mercure Arbat Moscow Hotel; Mercure Moscow Paveletskaya; Novotel Moscow Center Hotel; Radisson Royal Hotel; Renaissance Moscow Monarch Center Hotel; Sheraton Moscow Sheremetyevo Airport; St. Regis Moscow Nikolskaya; Swissotel; W St. Petersburg Hotel.	
NUMBER OF COMMITTEE MEETINGS	5	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	"Accommodation and Hospitality at the 2018 FIFA World Cup Russia"	10 November 2015
	AEB external events	
	Participation of the Working Group at the HTL Round Table Russia (focus on hotels, tourism, leisure), Radisson Royal Hotel Moscow	17 February 2015
	Participation of the Working Group at the professional competition of tourism industry companies Guiding Star, Metropol Hotel Moscow. (Guiding Star is aimed at improving Moscow's image and attracting guests from all over the world).	9 December 2015

COMMITTEE ACTIVITIES, 2015

On 10 November 2015, the AEB Finance & Investments Committee and the AEB Hotels & Tourism Working Group held the joint open event "Accommodation and hospitality at the 2018 FIFA World Cup Russia™".

During the event, the audience had the opportunity to hear first-hand information about accommodation and hospitality at the 2018 FIFA World Cup Russia™. The event also served as a platform for an exchange of ideas and experience. Jaime Byrom, MATCH Services AG, and Paul Whelan, MATCH Accommodation 2018, answered numerous questions regarding accommodation for the teams and referees, tenders for hotels, transportation and catering, national and FIFA regulations, visa related procedures, the distribution and purchase of tickets, security and safety during the matches, etc.

The event was moderated by Stuart Lawson, Chairman of the AEB Finance & Investments Committee, EY, and Armin Eberhard, Chairman of the AEB Hotels & Tourism Working Group, Renaissance Moscow Monarch Centre Hotel. The welcome speech was made by Ruslan Kokarev, AEB COO.

HUMAN RESOURCES COMMITTEE

<p>AIMS</p>	<ul style="list-style-type: none"> • To develop Russia's HR market. • To lobby for the interests of its members with all the necessary governmental and legislative bodies. • To keep business circles and government institutions in Russia aware of the current state of affairs in the industry. • To develop solutions to HR-related issues faced by foreign companies. • To promote the exchange of experience between foreign and Russian HR specialists. • To assist AEB members in expanding their network and help companies adapt to the Russian business environment. <p>The committee keeps abreast of changes in the Russian labour market, including those which the global economic climate, demographic trends, and amendments and additions to Russian legislation have an impact on. Furthermore, the committee strives to contribute to the establishment and further application of the best international HR practices and standards in Russia.</p>
<p>CHAIRPERSON</p>	<p>Michael Germershausen, Managing Director, Antal Russia</p>
<p>AEB MEMBER COMPANIES</p>	<p>AB Services; ABB; Adecco; Agroup; AIG Insurance Company CJSC; Alexander Hughes CIS; ALRUD Law Firm; Alstom Russia Ltd.; AMADEUS IT GROUP; ANCOR; Antal Russia; Aon Hewitt/AXES Management; Atlas Copco CJSC; Avon Beauty Products Company LLC; Awara; Axel SpringerRussia ZAO; Baker& McKenzie; Bayer ZAO; BearingPoint OOO; BEITEN BURKHARDT Moscow; BNP Paribas; Boehringer Ingelheim; BOIRON; BP; Brainpower; Brandi Partners LLC; British American Tobacco Russia; Brunel CR B.V. (Brunel Energy Russia) ; Business Psychologists Ltd. (CEB SHL Talent Measurement Solutions/SHL Russia&CIS); Businessland Services Ltd.; Cargill LLC; CBSD/Thunderbird Russia; Chevron Neftegaz Inc. – Moscow, Citibank ZAO; Coca-Cola Hellenic Bottling Co. Eurasia; Coleman Services UK; COMMUNICATOR Group; Corporate Health LLC; Daikin Europe N.V. Representative Office; Deloitte; DeLonghi; Dentons (Salans, FMC, SNR Denton Europe); Deutsche Bank Ltd.; DuPont Science and Technologies; E.ON SE; ECOTEAM LLC; European Bank for Reconstruction and Development (EBRD); EY; Ferrero Russia CJSC; Ferronordic Machines; FourSquares; Friisberg & Partners International; FutureToday; Gide Loyrette Nouel; Goodyear Russia LLC; Heinicke Consulting LLC; Henkel Rus OOO; Horton International LLC; HSBC Bank (RR) OOO; Human Capital Solutions; Human Search ZAO; IKEA Shopping Centres Russia; ING Commercial Banking; Intercomp; International Institute of Administration and Business (IIAB); Higher School of Economics; Interdean Relocation Services; Intermark Relocation; IWM; John Deere Rus LLC; JTI Marketing & Sales; Knauf Group CIS; Knauf Gips OOO; KPMG; Lantmannen Unibake Russia; LEROY MERLIN Russia; GI Group; Linklaters CIS; L'Oreal; ManpowerGroup; Marriott; Mazars; Mazda Motor Rus OOO; Mercedes-Benz Russia; Michelin; Mitsubishi Corporation (Russia) LLC; Move One INC; Nestle Rossiya LLC; Nissan Manufacturing RUS;</p>

<p>AEB MEMBER COMPANIES</p>	<p>Noerr OOO; Nordea Bank; Norton Rose Fulbright (Central Europe) LLP; Novo Nordisk A/S; Novotel Moscow Centre; OBI Russia; Orange Business Services; Orion Pharma LLC; Pepeliaev Group LLC; Performance Partners; Peterka & Partners LLC; Philips LLC; PSA Peugeot Citroen; PwC; Raiffeisen Pension Fund; Raytheon; Renault Russia; Repsol Exploracion S.A.; RH PARTNERS; RichartsMeyer; Rockwool; Roedl & Partner; Roquette; RUSMICE; RUSSIA CONSULTING; Sandvik LLC; Sanofi Russia; Schneider Electric; SGS Vostok Limited; Shell Exploration and Production Services (RF) B.V.; Siemens LLC; Specta AG; Statoil ASA; Stora Enso; Syngenta OOO; Talent Q Pro Ltd.; TB Transekspeditsia LLC; Terrakultur; ThyssenKrupp AG Representative Office RF; TMF Group; Total E&P Russie; Toyota Motor OOO; TPA/AXIS; Troika Relocations Ltd.; UBS Bank OOO; Visa Delight; Vitus Bering Management Ltd.; VOLKSWAGEN Group Rus OOO; Volvo Cars LLC; Welcome Abroad Relocations; Work Service; X-PM CIFAL.</p>	
<p>NUMBER OF COMMITTEE MEETINGS</p>	<p>7</p>	
<p>AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)</p>	<p>AEB events</p>	<p>Event date</p>
	<p>"HR solutions in uncertain times: doing more with less", organised by the AEB Assessment, Training & Development Subcommittee</p>	<p>29 January 2015</p>
	<p>AEB Conference "Bringing expats to Russia", organised by the AEB Relocation Subcommittee</p>	<p>17 February 2015</p>
	<p>12th AEB HR Conference "HR Fitness: doing more with less"</p>	<p>9 April 2015</p>
	<p>"Security and legal aspects of recruitment and labour conflicts", jointly organised by the AEB Labour Law Subcommittee and the AEB Safety, Health, Environment & Security Committee</p>	<p>26 May 2015</p>
	<p>"HR in social networks", organised by the AEB Recruitment Subcommittee</p>	<p>8 September 2015</p>
	<p>"Talent management: survival mode?", organised by the AEB Assessment, Training & Development Subcommittee</p>	<p>20 October 2015</p>
	<p>Business meeting "Overview of salary surveys in Russia", organised by the AEB Compensation & Benefits Subcommittee</p>	<p>17 November 2015</p>
	<p>"Application of Federal Law No. 116-FL on the ban on 'Zayomny Trud' and rules for the accreditation of employment agencies for the right to engage in labour leasing activities: expected consequences for employees and employers after 1 January 2016"</p>	<p>8 December 2015</p>

COMMITTEE ACTIVITIES, 2015

On 29 January 2015, the AEB open event “HR solutions in uncertain times: doing more with less” was held. It was organised by the AEB Assessment, Training & Development Subcommittee. The economic crisis threatens companies not only with financial problems and loss of market position but also the loss of skilled personnel, without whom it is impossible to overcome the crisis. Numerous studies have concluded that for people with satisfactory salaries, non-financial motivators are more effective than extra cash in building long-term employee engagement in most sectors, job functions, and business contexts. The event “HR solutions in uncertain times: doing more with less” was devoted to the practices the leading companies apply in uncertain times: non-material rewards and motivation – a customised and focused approach in learning and development. The event was moderated by Irina Zarina, Chairperson of the AEB Assessment, Training & Development Subcommittee, Managing Director, CEB SHL Talent Measurement Solutions.

On 17 February 2015, the Relocation Subcommittee of the AEB HR Committee held its annual Relocation Conference “Bringing Expats to Russia”. The event has been held for the last eight years and is focused on the latest developments in property and relocation, corporate relocation policies, settling down in Moscow, the hotels and serviced accommodation market, schooling, support systems for families, departure services, immigration and labour law, employment of foreign nationals in Russia, etc. This year the conference “Bringing expats to Russia” was a half-day event organised in an interactive format. The conference consisted of three sessions which focused on the latest trends and challenges in the following sectors:

- Session 1: The relocation industry and rental market.
- Session 2: Outbound relocations.
- Session 3: Recent legislative developments in immigration and labour law.

On 9 April 2015, the AEB HR Committee held its 12th Annual HR Conference “HR fitness: doing more with less”. It was focused on the practices that leading companies apply in uncertain times in the following sectors: recruitment, compensation & benefits, assessment, training & development, and labour law. The discussion in parallel sessions was devoted to the following topics:

- Compensation & benefits: remuneration strategy in crisis times.
- No pain – no gain. Creating better talent management during economic crises.
- Key imperatives for HR in assessment, training & development. The changing nature of work.
- Statutory Russian immigration and labour regulations: new developments for the future.

The panel discussion of CEOs “HR During Uncertainty – A CEO’s Standpoint” was a focal point of the programme, which closed the conference. The panelists discussed how their companies are doing in Russia at the moment.

On 26 May 2015, the AEB Safety, Health, Environment & Security and HR Committees held the workshop: “Security and legal aspects of recruitment and labour conflicts.” The event gave HR and security professionals the opportunity to share their best practices in pre-employment screening and background checks and the resolution of labour conflicts. The workshop attendees were given the opportunity to make a case analysis and discuss its possible solution with the speakers: Evgeny Reyzman, Deputy Chairman of the Labour Law Subcommittee, Counsel, Baker&McKenzie, Mikhail Balev, Chairman of the Security Subcommittee, Business Development Executive, MIG Business Security Strategies, and Dmitry Budanov, CEO, Elite Security Holding Company. The meeting was co-moderated by Mikhail Balev and Michael Germershausen, Chairman of the AEB HR Committee, Managing Director, Antal Russia.

On 8 September 2015, the Recruitment Subcommittee of the AEB HR Committee held its open event “HR in social networks”. Finding job candidates with the skills your company needs can be a challenging task for any HR professional. That is why HR managers, recruiters and hiring managers are now using social networks, which offer certain benefits that can make a big difference in the recruitment process. Social media can also help companies streamline employee engagement, keep an eye on the competition and perform a variety of other HR functions.

At the event, the speakers discussed the following topics: the users of social networks in Russia, tools applied by companies when using social networks for HR purposes, the difference in the perception of professional social networks between the recruiter and the candidate, secrets of effective communication in social networks, how to gain the interest of the right professional, social networks as a competitive advantage for an employer, social network best practices. The event was moderated by Dennis Kaminsky, Chairman of the AEB Recruitment Subcommittee, Partner, FutureToday.

On 20 October 2015, the AEB HR Committee and the Assessment, Training & Development Subcommittee held its open event "Talent management: survival mode?". The participants exchanged views on the challenges in terms of talent management today and what changes need to be made to the approaches of HR specialists in this respect. The event provided a platform for the discussion of the personal data law and its impact on the use of Talent Management Systems. The experience of gaining internal expertise through the "employees teach employees" training programme was also covered by the speakers of the event with a successful case study.

On 17 November 2015, the AEB HR Committee held its annual business meeting "Overview of salary surveys in Russia", organised by the AEB Compensation & Benefits Subcommittee. This is the 19th consecutive year the event has been held and it followed a panel discussion format. Russia's major salary survey providers updated the audience on the current trends in Russia's labour market and salary surveys. The following topics were covered by the speakers: remuneration and headcount: actual changes and plans, key approaches to HR-strategy; staff efficiency: management through incentive plans; reduction of company expenses during the crisis; salary reviews during the year; traditional salary surveys from the point of view of attracting and retaining staff; general guidelines for conducting salary surveys during market turbulence and uncertainty, etc. The event was moderated by Olga Gracheva, Chairperson of the AEB Compensation & Benefits Subcommittee, Senior Manager, People Advisory Services, EY.

On 8 December 2015, the AEB HR Committee held an open event, "Application of Federal Law No. 116-FL on the ban on 'Zayomny Trud' and rules for the accreditation of employment agencies for the right to engage in labour leasing activities: expected consequences for employees and employers after 1 January 2016", organised by the AEB Labour Law Subcommittee. The event was moderated by Olga Bantsekina, First Deputy Chairperson of the AEB Board, Chief Representative, Coleman Services UK. In the first part of the event Rostrud representatives briefed the audience on the rules for the accreditation of private employment agencies for the right to engage in labour leasing activities. Rostrud reiterated that to ensure uninterrupted work as required by law, employment agencies must submit the necessary documentation before 31 December, otherwise they will not be permitted to engage in the aforementioned activities. The second part of the event was conducted via a panel discussion with the participation of Olga Bantsekina, First Deputy Chairperson of the AEB Board, Chief Representative, Coleman Services UK; Liudmila Shiryaeva, Chairperson of the AEB Migration Committee, Government Relations Director, Tax & Law; Julia Borozdna, Chairperson of the AEB Labour Law Subcommittee, Partner, Pepeliaev Group; Evgeny Reyzman, Deputy Chairperson of the AEB Labour Law Subcommittee, Counsel, Baker & McKenzie. The panelists provided their interpretation of the possible risks and advised on how to proceed once Federal Law No. 116-FL coming into force on 1 January 2016.

INSURANCE & PENSIONS COMMITTEE

AIMS	The Insurance & Pensions Committee aims to level the playing field between local and foreign operators in the insurance and pensions industry, and to provide direct technical policy advice to European and Russian government officials.	
CHAIRPERSON	Alexander Lorenz , Chairman of the Council, SAFMAR NPF AO/Member of the Board, Virtu Systems LLC	
DEPUTY CHAIRPERSON	Vladimir Sukhinin , Head of business processes control and methodology, Cardif Insurance Company	
AEB MEMBER COMPANIES	ACE Insurance Company LLC; AIG Insurance Company, CJSC; Allianz IC OJSC; Cardif Insurance Company; CMS Russia; General Reinsurance AG; HDI Strakhovanie; Strakhovaya Kompaniya OOO; INTOUCH INSURANCE; MAI Insurance Brokers; Marsh insurance brokers ZAO; MetLife; Norton Rose Fulbright (Central Europe) LLP; PwC; Raiffeisen Pension Fund; Russian Standard Insurance; SCOR Representative Office; SOCIETE GENERALE Strakhovanie Zhizni LLC; Tinkoff Online Insurance JSC; Virtu Systems LLC; VSK IJSC; WELBI; Zetta Insurance Company Ltd.; ZURICH RELIABLE INSURANCE JSC.	
NUMBER OF COMMITTEE MEETINGS	9	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	"Electronic insurance in Russia"	9 July 2015
	Business meeting "Corporate pension plans: how to act in the new reality"	22 December 2015

COMMITTEE ACTIVITIES, 2015

In 2015, the committee continued to develop cooperation and held regular meetings with key state partners, in particular:

- The committee strengthened cooperation with the regulator – the Central Bank (in particular, with the Insurance Market Department at the Central Bank). The committee regularly provided commentary and proposals to improve insurance regulation and sent a number of requests for clarifications on insurance issues to the regulator. In 2015, the committee held a number of meetings with representatives of the Insurance Market Department to discuss the following issues: the new chart of accounts, specialised depositories, the replacement of license forms, asset quality, issues related to OSAGO, curators for insurance companies, issues related to the sanctions, internal audit and control, financial ombudsman, court and legal practice related to the insurance business, anti-money laundering (AML) regulation of insurance activities, electronic insurance and identification of clients, the Bureau of Credit Histories, insurance fraud, the resolution of the RF Supreme Court on the application of OSAGO legislation by courts, the Central Bank's draft regulation on the solvency margin for insurance companies, the "cooling-off" period, the national reinsurance company and the draft law on it. Vladimir Sukhinin, Deputy Committee Chairman, is a member of the Central Bank's Expert Council on Insurance and regularly took part in the Expert Council meetings and activities.

- The committee maintained a dialogue with the Ministry of Finance, which tends to react positively to proposals made by the committee. This year the committee collaborated with the Ministry on the main regarding the issue of the national reinsurance company.
- The committee continued to cooperate with the Federal Antimonopoly Service (FAS), primarily in respect of the “cooling-off” period and the national reinsurance company. Four committee representatives are members of the Expert Council on the Protection of Competition in the Financial Services Market (section on the insurance services market) under FAS Russia and regularly take part in its activities and meetings.
- The committee maintained a dialogue with the Ministry of Economic Development, primarily in respect of the regulatory impact assessment procedure of legal acts related to insurance.
- The committee began to cooperate with the government on the issue of the national reinsurance company.
- The committee continued its cooperation with the State Duma Committee on Financial Markets. Vladimir Sukhinin, Deputy Chairman of the Committee, is a member of the Expert Council on Insurance Legislation (under the State Duma Committee on Financial Markets).

On 9 July 2015, the committee held an open event “Electronic insurance in Russia” with the participation of representatives of the Ministry of Finance, Central Bank, All-Russian Insurance Association and Russian Association of Motor Insurers, in which the participants discussed recent trends and developments in electronic insurance in Russia and exchanged experience and ideas.

On 22 December 2015, the committee held a business meeting “Corporate pension plans: how to act in the new environment”, which updated the audience on pension reform and the pension market, and an overview of corporate pension programmes and solutions.

In 2015, the following topics and draft laws were discussed in the committee: the “cooling-off” period, the national reinsurance company (state reinsurer), electronic insurance, AML regulation of insurance activities, the new chart of accounts, the Bureau of Credit Histories and the price for an insurance history request, the limitation on investments in the assets of related parties (structural relations), the draft CBR regulation on the solvency margin for insurance companies, the draft law regarding specialised depositories, the draft law on self-regulated institutions (SROs) in financial markets, the draft law on improving the procedure for licensing insurance entities, the draft law on business reputation, and others. Furthermore, the committee initiated a discussion on the proposal for the AEB to become a member of the International Association for Insurance Law (AIDA) and to establish an AIDA Russian branch on the basis of the AEB.

The Working Group on Insurance Legislation chaired by Mariya Yurieva, MetLife, is part of the Insurance & Pensions Committee.

INTELLECTUAL PROPERTY COMMITTEE

<p>AIMS</p>	<ul style="list-style-type: none"> • To monitor changes in IP legislation in general and in Part IV of the RF Civil Code in particular. • To protect the rights of inventors, authors and IP rights owners and prevent the unauthorised use of intellectual property. • To monitor the application of the Arbitration Procedural Code in cooperation with the Supreme Commercial Court. • To provide legal support services (informational briefings and seminars, regular legislative up-dates) for AEB members on IP related issues. • To conduct expert reviews of draft AEB letters and policy papers on existing and proposed Russian intellectual property legislation: copyright, patents, trademarks, industrial design rights, utility models, geographical indication, trade secrets, related rights, trade names. • To conduct expert reviews of court practice and also to conduct comparative analyses of court practice in Russia and European Union. • To provide a forum for the exchange of information, analysis, and views among AEB members on new developments in Russian law and legal practice in the field of intellectual property rights.
<p>CHAIRPERSON</p>	<p>Eugene Arieivich, Partner, Baker&McKenzie</p>
<p>DEPUTY CHAIRPERSON</p>	<p>Anton Bankovsky, Head of IP Practice, CMS; Tatiana Sazonova, Head of IP&S, Philips (Russia, Ukraine, Belarus & Central Asia); Denis Voevodin, Partner, DENTONS.</p>
<p>AEB MEMBER COMPANIES</p>	<p>1 Forma LLC; Alinga Consulting; Allen & Overy Legal Services; ALPE consulting OOO; ALRUD Law Firm; Alstom Russia LTD; AstraZeneca Pharmaceuticals LLC; Atlas Corco, CJSC; BEITEN BURKHARDT; Baker Botts LLP; Baker & McKenzie CIS Ltd.; Bayer ZAO; BEITEN BURKHARDT Moscow; BMW Group Russia; Bonduelle-Kuban; Caterpillar Eurasia LLC; Borenius Russia LTD; CMS Russia; Credit Agricole Corporate and Investment Banl; Deloitte; Delonghi; Dentons; DLA Piper; DS Law. Attorneys; Egorov Puginsky Afanasiev & Partners (EPA&P); ElaN Languages Moscow; Electrolux; EY; Ford Sollers Holding LLC; Goltsblat BLP; Google; Grayling Eurasia OOO; HERE Europe B. V.; IKEA Shopping Centers Russia; Integrites International Law Firm; JETRO; Kia Motors RUS LLC; KPMG; L'Oreal; Mannheimer Swartling; Mazars; Mercedes-Benz Russia ZAO; Michelin; Nestle; Nissan Manufacturing RUS; Noerr; Novartis Group; Pepeliaev Group; Peterka & Partners LLC; Philip Morris Sales and Marketing; Philips LLC; Porsche Russland; Procter & Gamble; PwC; Renault Russia; Roedl & Partner; Sanofi Russia; Rouse & Co. International (UK) Ltd.; Scania-Rus LLC; Shevyrev and Partners, Bureau of attorneys; Siemens LLC; Syngenta OOO; Toyota Motor, OOO; VEGAS LEX Advocate Bureau; Vlasta-Consulting LLC; Volkswagen Group Rus OOO.</p>
<p>NUMBER OF COMMITTEE MEETINGS</p>	<p>5</p>

	AEB events	Event date
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	Round Table "Tax related aspects of intellectual property transactions" together with the AEB Taxation Committee	3 April 2015
	Annual conference "Intellectual property rights: recent trends, court practices, problems and solutions"	5 June 2015

COMMITTEE ACTIVITIES, 2015

On 3 April 2015, the AEB Intellectual Property (IP) Committee and the AEB Taxation Committee held their Round Table "Tax related aspects of intellectual property transactions." The event provided a valuable platform for a discussion of the most important tax aspects of intellectual property transactions including SaaS and licensing relationships, VAT exemptions applicable to license contracts, the inclusion of license payments into the customs value of imported goods, transfer pricing, case law regarding tax disputes, free EULA taxation, and others.

On 5 June 2015, the AEB Intellectual Property Committee held its annual conference "Intellectual property rights: recent trends, court practices, problems and solutions" at the premises of the Delegation of the European Union to Russia. The IP annual conference serves as a platform for experts in intellectual property issues. It provides opportunities for its participants to learn about the most important issues in IPR protection through face-to-face interaction with representatives of state bodies, courts and leading legal companies, and it provides an important venue for discussion.

The event was moderated by Eugene Arievidh, Chairman of the AEB Intellectual Property Committee, Partner, Baker & McKenzie. Sven-Olov Carlsson, Deputy Head of the Delegation of the European Union in the Russian Federation, welcomed the participants. Speakers from Russian state bodies (Federal Antimonopoly Service, ROSPATENT, Court for Intellectual Property Rights), and regional organisations (Eurasian Economic Commission, European Commission) addressed a variety of topics ranging from IPR protection within the Eurasian Economic Union, the exhaustion of trademark rights in Europe, and the expected intellectual property related changes in antimonopoly legislation. Experts from the AEB IP Committee spoke on recent trends in court practice involving the early termination of trademark legal protection; issues related to putting into circulation; commercial concession (franchise) agreements; the problems of intellectual property rights protection in the pharmaceutical industry, and the collision of the means of individualisation in the market.

On 1 October 2015, the AEB IP Committee met Sergey Matveev, Deputy Head of the Department for Science and Technology, the RF Ministry of Education and Science, to discuss the development of digital services for trademark owners. The committee prepared a presentation on the requirements of trademark owners for services concerning the principle of exhaustion of rights which was submitted to the Ministry.

On 19 October 2015, Eugene Arievidh, Chairman of the Committee, had a meeting with representatives of the Embassy of South Korea in Russia to discuss the IPR system in Russia and issues of common interest.

On 1 December 2015, Anton Bankovskiy, Deputy Chairman of the Committee, met representatives of the Patent Office of Switzerland and the Swiss business community to discuss the IPR system in Russia and possible cooperation.

On 4 December 2015, the AEB Intellectual Property Committee took part in the Seminar on "Modernisation and alignment of appeal procedures for trademarks and designs in Russia and the EU". The seminar was organised by the Federal Service for Intellectual Property (ROSPATENT) and the Office for Harmonisation in the Internal Market (OHIM). The goal of the event was to discuss the draft study which is conducted under the Project "Modernisation of the IPR System of the Russian Federation".

IT & TELECOM COMMITTEE

AIMS	<ul style="list-style-type: none"> • To promote the interests of AEB member companies in the Telecom & IT sector through governmental liaison and information exchange. • To inform AEB members on changes, best practices, legal and regulatory issues in the IT & Telecom sector. 	
CHAIRPERSON	Edgars Puzo , General Director, Atos	
DEPUTY CHAIRPERSON	Natalia Schneider , Head, Telenor Russia	
AEB MEMBER COMPANIES	1 Forma; ABB; Accenture; Alp Group; ALPE consulting; ALRUD Law Firm; AMADEUS IT Group; Antal Russia; Atos; Baker & McKenzie; Baker Botts LLP; Beiten Burkhardt; Brother; Capital Lewgal Services; CMS Russia; Deloitte; Detecon International GmbH; Egorov Puginsky Afanasiev & Partners; Google Russia; Linxdatacenter; Morgan Lewis; Noerr; Nokia Solutions & Networks; Orange Business Services; PwC; Pepeliaev Group; Schneider Group; SAP C.I.S; Telenor Group; TeliaSonera International Carrier; Tilling Peters LLC; Wincor Nixdorf Russia.	
NUMBER OF COMMITTEE MEETINGS	9	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	Meeting with A. Lukatsky, Cisco	27 January 2015
	Briefing by L. Konik, ComNews Group, ICT – Crucially New Role – from the Fashion of Automation to the Base of Each Business	24 March 2015
	“From Theory to Practice: preparing for compliance with the requirements of FL-242”	28 April 2015
	“Latest Cloud Solutions from the Leading Providers in the Context of the New Personal Data Legislation Requirements”	25 June 2015
	B2B Meeting with Rostelecom	27 August 2015
	Meeting with RF Duma Deputy A. Kazakov	17 November 2015
	AEB external events	
	Embassy of Finland: presentation for the representatives of Finnish companies on Personal Data Law	9 September 2015

AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	Embassy of Switzerland: meeting with presentation of DP issues for Swiss companies	November 2015
	Meeting with L. Devigne and J. Amilhat from the European Commission DG Trade	1 June 2015
	Conference "Informatisation of business in Russia" organised by Vedomosti	10 December 2015

COMMITTEE ACTIVITIES, 2015

In 2015, the IT & Telecom Committee, which is one of the most active in the AEB in organising open events for AEB members, covered a rather wide range of topics. The committee always tries to maintain a constant pulse with regard to new phenomena emerging not only strictly within the IT-Telecom industry but touching the boundary sectors as well.

This year the main lobbying efforts of the committee were focused on FL-242, which entered in force in September 2015. The Intercommittee Working Group on Personal Data created in July 2014 and led by Edgars Puzo, Chairman of the IT & Telecom Committee, continued its work and held several meetings, inviting representatives of governmental bodies (the RF Duma, Internet Ombudsman), big state Telecom companies (Rostelecom), analysts and professional associations (a fruitful meeting with APKIT was held in January).

The committee management and its members attended a number of major events organised by Roskomnadzor devoted to a better understanding and clarification of some disputable legal and technical aspects of the FL-242.

In 2015, the committee expertise was highly in demand. Edgars Puzo, Chairman of the Committee, participated in several meetings organised by a number of AEB Committees (Banking, Machine Building & Engineering) and EU Embassies (Finland, Switzerland), briefing their participants on the current situation in the IT & Telecom industry. Mr. Puzo was extremely active in the mass media, and he published several articles (Les Echos; Financial Times; Euronews; Ost-West Contact), gave interviews, participated in TV broadcasts (RBK TV, Levchenko's Angle), representing the views of the committee and more broadly of the European companies working in Russia in respect of current IT issues.

Another focus of 2015 was FL-188 on foreign software for state procurement. The committee, in cooperation with the AEB Machine Building & Engineering Committee, conveyed its concerns to the relevant ministries. The committee succeeded in establishing working relations with the RF Duma Committee for Information Police, IT and Communications regarding the adjustment and clarification of some legal points.

LEGAL COMMITTEE

<p style="text-align: center;">AIMS</p>	<ul style="list-style-type: none"> • To provide legal support services (informational briefings and seminars, legislation updates) to AEB members. • To participate in Russian legislation proceedings in the interest of AEB members. • To promote the exchange of practical experience gained by companies related to different legal aspects of legislation development in RF and EU countries. • To provide a forum for the exchange of information, analyses, and views between AEB members on new developments in Russian law and legal practice. • To prepare recommendations for Russian legislation, i.e. encourage the implementation and application of existing international standards. • To participate in the Russian legislation procedure by presenting international experience, lobbying for AEB member interests, holding open discussions, and sharing the practice of AEB members with the Russian authorities.
<p style="text-align: center;">CHAIRPERSON</p>	<p>Alexander Kozhukhov, Legal Counsel, Siemens</p>
<p style="text-align: center;">DEPUTY CHAIRPERSON</p>	<p>Sergey Krokhalov, Partner, Baker&McKenzie</p>
<p style="text-align: center;">AEB MEMBER COMPANIES</p>	<p>ABB Russia; Advocates Bureau Yug; Akzo Nobel N.V.; ALD Automative LLC; Alinga Consulting Group; Allen & Overy Legal Services; ALRUD Law Firm; Alstom Russia Ltd; Astra Zeneca Pharmaceuticals LLC; Atlas Copco JSC; Attorneys at Law Borenium Russia Ltd; Atos SE; Auchan; Baker & McKenzie CIS Ltd.; Baker Botts L.L.P.; BASF; BBH Legal LLC; BearingPoint OOO; BEITEN BURKHARDT Moscow; BMW Group Russia; Boiron; BP Russia; Capital Legal Services LLC; Carnelutti Russia; Caterpillar Eurasia LLC; Clifford Chance; CMS Russia; Coleman Services UK; Creditreform RUS LLC; Danone Russia; Danske Bank Russia; Deloitte; Dentons; DLA Piper; DuPont Science & Technologies; EkoNiva-Technika Holding LLC (part of EkoNiva group); ECOTEAM LLC; Egorov, Puginsky, Afanasiev & Partners; EY; Ford Sollers Holding LLC; FORTUM OYJ; General Motors Russia & CIS LLC; Gide Loyrette Nouel; Goltsblat BLP; Groupe Seb-Vostok ZAO; Hannes Snellman LLC; HeidelbergCement RUS; Henkel Rus OOO; HSBC Bank OOO; IBFS Europe GmbH; IKEA Shopping Centers; Jungheinrich Lift Truck LLC; Kia Motors Rus LLC; KIAP Korelskiy, Ischuk, Astafiev and Partners; KPMG; Legrand Group; L'Oreal; LegalLife Law Firm; Mannheimer Swartling; Mazars; Merck LLC; MetLife; MOL Plc; M.Video; Nissan Manufacturing RUS; Noerr OOO; Nokia Solutions and Networks; Nordea Bank; Norton Rose Fulbright (Central Europe) LLP; Novartis Group; Novo Nordisk A/S; Orange Business Services; Oriflame; Orrick (CIS) LLC; Pepeliaev Group LLC; Philip Morris Sales and Marketing; Philips LLC; Porsche Russland; PPG Industries LLC; Procter&Gamble; PSA Peugeot Citroen; PwC; Renault Russia; Repsol Exploration S.A.; Robert Bosch OOO; Roedel & Partner; Rouse & Co. International (UK) Ltd; Sanofi Russia; Scania Leasing; Schulze, Brutyan and Partners LLC; Secretan Troyanov Schaer S. A.; Shell Exploration and Production Services (RF) B.V.; Shevyrev & Partners; Siemens LLC; Sirota & Mosgo; SOCIETE GENERALE Strakhovanie Zhizni LLC; Sollers OAO; Stada CIS; Syngenta OOO; Tebodin Eastern Europe B.V.; Tilling Peters LLC; Thomson Reuters; Tinkoff Online Insurance JSC; TMF Group; Toyota Motor OOO; Troika Relocations Ltd.; United Technologies International Operations, Inc.; Vaillant Group Rus LLC; VEGAS LEX Advocate Bureau; Vinson & Elkins L.L.P.; VISA; Volkswagen Group Rus; Volvo Cars LLC; WELBI; Yust LLC; Groupe SEB-Vostok ZAO; Zetta Insurance Company Ltd.; Zurich Reliable Insurance JSC.</p>

NUMBER OF COMMITTEE MEETINGS	6	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	Business meeting "New changes to contract law provisions in the Civil Code: implications for AEB companies"	2 June 2015
	Briefing by Igor Artemiev, Head of the Federal Antimonopoly Service of the Russian Federation	24 November 2015

COMMITTEE ACTIVITIES, 2015

On 2 June 2015, the AEB Legal Committee held its business meeting "New changes to contract law provisions in the Civil Code: implications for AEB companies". The event was focused on the latest large-scale changes to the Russian Civil Code affecting various aspects of contractual work and claim management. The meeting participants, in-house lawyers and legal experts from consulting companies discussed practical aspects, challenges and opportunities which lawyers of AEB member companies might face after the amendments come into force. The meeting was moderated by Alexander Kozhukhov, Chairman of the AEB Legal Committee.

On 24 November 2015, the AEB hosted its annual briefing with the Head of Russia's Federal Antimonopoly Service, Igor Artemiev, "Federal Antimonopoly Service: New developments, plans and prospects". The briefing was organised by the AEB Legal Committee. As in previous years, Mr. Artemiev provided detailed answers to the questions put forward by the AEB member companies from different industries.

The topics included public procurement and related restrictions on foreign manufacturers; parallel imports; compulsory licensing; price regulation in the pharma market; antimonopoly compliance; antimonopoly regulation in the insurance industry; waste management and localisation (including special investment contracts). Mr. Artemiev also touched on the Code of Conduct for pharmaceutical producers, which is being drawn up by a special working group in the AEB Health & Pharmaceuticals Committee.

In July 2015, the AEB Board decided to establish an Arbitration Body in the Association of European Businesses. The Arbitration Body will serve as a dispute resolution mechanism for both AEB member and non-member companies willing to use the AEB Arbitration Body as an alternative to conventional litigation. The AEB believes that the Arbitration Body will provide a valuable avenue for companies and will be beneficial in terms of potential time and cost reduction. The AEB Legal Committee collected nominations from AEB companies to form a pool of arbitrators who possess the appropriate competence, expertise and qualifications. They will preside over disputes and take decisions on them.

In 2015, representatives from governmental and non-governmental organisations were invited to the regular committee meetings, namely:

- Yury Pilipenko, President of the Federal Chamber of Advocates, to discuss the current proposals for the reform of the legal profession.

MACHINE BUILDING & ENGINEERING COMMITTEE

<p>AIMS</p>	<ul style="list-style-type: none"> • To take part in governmental policy making regarding the power and machine building industries, in an attempt to create clear rules to promote the development of a market where all participants have equal rights. • To initiate changes in environmental legislation, taking into account the stringent environmental requirements of consumers, resulting in the better performance of power stations and implementation of new technologies. • To support the committee member companies operating in Russia. • To monitor the development of the machine building market in Russia. • To facilitate the exchange of information and international experience in machine building, which can subsequently be applied to the Russian environment. • To bring together representatives of different industries with a stake in the machine building industry. 	
<p>CHAIRPERSON</p>	<p>Philippe Pegorier, President, Alstom Russia</p>	
<p>DEPUTY CHAIRPERSON</p>	<p>Ilya Oshkin, Business Development, Dow Corning GmbH</p>	
<p>AEB MEMBER COMPANIES</p>	<p>ABB; Alstom Russia; Alstom Transport Rus LLC; Atlas Copco JSC; Caterpillar Eurasia LLC; Deloitte; DLA Piper; Dow Corning; Eberspaecher Rus; ECOTEAM; John Deere Rus LLC; Legalife Law Firm; Mitsubishi Electric; PwC; Pepeliaev Group LLC; Phoenix Contact RUS OOO; Radius Group; Robert Bosch OOO; Schneider Electric; Siemens; TABLOGIX; Tebodin Eastern Europe B.V.; Technology Company Schlumberger; Thost Russia Projektmanagement; Vegas Lex Advocate Bureau; Vossloh Russia; YE-International.</p>	
<p>NUMBER OF COMMITTEE MEETINGS</p>	<p>5</p>	
<p>AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)</p>	<p>AEB events</p>	<p>Event date</p>
	<p>Briefing by Valentin Gapanovich, Senior Vice President, RZD, "Innovative development of RZD & localisation"</p>	<p>24 April 2015</p>
	<p>"Machine building market trends in Russia – first half of 2015"</p>	<p>9 June 2015</p>
	<p>"Industrial Engineering: import substitution by localised production"</p>	<p>1 December 2015</p>
	<p>AEB external events</p>	<p>The committee participated in EXPO 1520 and its 8th International Conference "Railway engineering. prospects, technologies, priorities"; International Business Forum "Development of Russian-EU partner relations: joint projects outside of politics":</p> <ul style="list-style-type: none"> • Industrial associations – a mechanism for accelerating innovative development and improving the competitiveness of engineering companies. • Development of railways – a benchmark for industrial development.

<p style="text-align: center;">AEB OPEN EVENTS ORGANISED</p> <p>(participation in open sessions was exclusively on invitations)</p>	<ul style="list-style-type: none"> • Harmonisation of technical regulations, standards and rules in railway transportation between the countries of the EU and Customs Union. • The international standard IRIS: extending certification to infrastructure components and improving business efficiency for 1520 manufacturers.
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COMMITTEE ACTIVITIES, 2015

The AEB Machine Building & Engineering Committee tries to keep a balance between topics and issues common to representatives of other “neighbour” branches such as automobile manufacturing, automotive components, construction equipment, technical regulations and standardisation, trying to act in synergy with other AEB Committees. In 2015, the committee continued to monitor the development of the Russian machine building market, and organised regular open events tackling the committee’s most important issues such as localisation; import substitution; infrastructure; customs clearance; innovation; human resources; standardisation and certification. A traditional Round Table on trends in the Russian machine building sector in the RF was organised jointly with the AEB AMC, CVC & CEC Committees.

2015 was marked by the further strengthening of working relations with RZD. The process started by Valentin Gapanovich’s briefing, followed by the participation of Philippe Pegorier, Chairman of the Committee, in the 10th International Rail Business Forum “1520 Strategic Partnership” (Sochi, 3–5 June 2015) and committee participation at EXPO 1520 and its 8th International Conference “Railway Engineering. Prospects, Technologies, Priorities”, and in the International Business Forum: “Development of Russian-EU partner relations: joint projects outside of politics”. A concord was signed by RZD & AEB summarising the results of the forum.

MIGRATION COMMITTEE

AIMS	To improve the current migration legislation and its application for foreign citizens in Russia.	
CHAIRPERSON	Ludmila Shiryaeva , GR Director, EY	
DEPUTY CHAIRPERSONS	Alexey Filippenkov , Partner, Visa Delight; Maxim Novikov , Senior Manager, KPMG; Andrey Slepov , Senior Associate, BEITEN BURKHARDT	
AEB MEMBER COMPANIES	Accenture; Alinga Consulting and Audit; Allen & Overy Legal Services; Alstom Russia Ltd.; Ararat Park Hyatt Moscow; Baker & McKenzie CIS Ltd.; BAT; BDO; BP; Bayer AG; BEITEN BURKHARDT; Cargill LLC; Continental Tires RUS LLC; CMS Russia; DaimlerChrysler AG; Danone Russia; Deloitte; DLA Piper; DuPont Science & Technologies; Enel Russia; EY; Gasunie; Gide Loyrette Nouel; Goltsblat BLP; HeidelbergCement Rus; IKEA; Korean Airlines; KPMG; LEROY MERLIN Russia; Linklaters CIS; L'Oreal; Mazars; Mercedes-Benz Russia; Michelin; Moscow School of Management SKOLKOVO; Move One INC; Nissan Manufacturing RUS; NOERR; Orrick (CIS) LLC; Oriflame; Pepeliaev Group; Philip Morris Sales & Marketing; PwC; Repsol Exploracion S.A.; Robert Bosch OOO; Salans; Scania Rus LLC; SCHNEIDER GROUP; Secretan Troyanov Schaer S.A.; Siemens LLC; Shell Exploration and Production Services (RF) B.V.; Technology Company Schlumberger LLC; Telenor; THOST Russia Projektmanagement OOO; TF-Group; Total E&P Russie; Troika Relocations Ltd.; Unicredit Bank; Visa Delight; Volvo Vostok ZAO; Welcome Abroad Relocations.	
NUMBER OF COMMITTEE MEETINGS	3	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	Briefing by Konstantin Romodanovsky, Head of the Federal Migration Service	16 February 2015
	Meeting with Oleg Fomichev, Deputy Minister of Economic Development	8 June 2015
	Meeting with the FMS management	
	AEB external events	
	Meeting with TPP	April 2015
	Meeting with TPP	August 2015

COMMITTEE ACTIVITIES, 2015

The Migration Committee actively lobbied on a wide range of topics related to migration legislation, such as the quantity of foreign employees working at branches and representative offices of international companies in Russia; migration cards for accompanying family members of expats working in Russia; the clarification of the application of administrative penalties and their consequences for expats in terms of migration law; the importance of passing Russian language exams for expats; the change of the payment terms of state duties at some FMS offices in Moscow, changes to law 115-FL with regards to payments made to Highly Qualified Specialists (HQS); the development of the law on using secondment agreements by legal entities, which are not employment agencies with the Ministry of Economic Development.

The committee also held several meetings with the FMS and Ministry of Economic Development officials in order to represent the AEB position on the issues mentioned above and the new online application system introduced by the Russian FMS.

NORTH-WESTERN REGIONAL COMMITTEE

<p>AIMS</p>	<ul style="list-style-type: none"> • To improve the business environment for its European member companies in Russia. • To increase the transparency and development of honest business opportunities in the region. • To facilitate cooperation with local and federal authorities in order to solve problems and to benefit member companies and/or their business sectors. • To provide platforms, such as subcommittees or work groups, to resolve the business problems experienced by members. • To organise events and other opportunities for networking purposes. • To cooperate with consulates and other bodies of the European Union in the region. • To cooperate with other business associations. • To provide quality information to member companies.
<p>CHAIRPERSON</p>	<p>Timo Mikkonen, Director, Vostok Consulting Oy</p>
<p>DEPUTY CHAIRPERSON</p>	<p>Andreas Bitzi, Director-Partner, Schneider Group (St. Petersburg)</p>
<p>AEB MEMBER COMPANIES</p>	<p>Accountor Russia; Air France; Alinga Consulting; Allianz IC OJCS; ALP Group; ANCOR; Antal Russia; Ariston Thermo Rus; Arivist; Awara; Baker & McKenzie; Baltica-Trans LLC; BEITEN BURKHARDT; Borenius Russia; British American Tobacco Russia; BSH Bytowaja Technika Ltd.; BUREAU VERITAS RUS JSC; Business Psychologists Ltd.; Capital Legal Services; Castrén & Shellman International Ltd.; Citibank AO; Coleman Services UK; Commerzbank (Eurasija) SAO; Credit Agricole CIB AO; Danske Bank Russia; Deloitte; Dentons; Deutsche Bank Ltd.; DLA Piper Rus Limited LLC Branch in St. Petersburg; Dow Corning LLC; Drees & Sommer Project Management and Building Technologies; EF English First CIS; EGO Translating Company; Egorov Puginsky Afanasiev & Partners (EPAM); EKE Group; European Bank for Reconstruction and Development (EBRD); EY; Evli Russia Oy; Finnish-Russian Chamber of Commerce; Finnvera Plc; Finpro, Finland Trade Center; FIRST NAMES GROUP; Ford Sollers Holding LLC; Galitzine Consulting; General Motors Russia & CIS LLC; GfK Rus; GoingRussia; GROUPE SEB-VOSTOK ZAO; GULLSTEN & INKINEN ARCHITECTS; Hannes Snellman; HeidelbergCement Rus; HUMAN SEARCH AO; International Hotel Investments (Benelux) B.V.; JETRO; Johnson Controls International; JTI Russia; JURALINK; KPMG; Lindab Buildings LLC; Linxdatacenter Linxtelecom; Man Truck & Bus AG; ManpowerGroup; Mazars; Mikenopa Eastern Europe a.s.; Most Service; Move One INC; NCC; Nissan Manufacturing Rus; Nokian Tyres Ltd.; NORD OUTSOURCING LLC; Nordea Bank; Pepeliaev Group LLC; Philips; Philip Morris Sales and Marketing; Port Hamburg Marketing; Promaco; PRYSMIAN RUS LLC; PwC; Ramboll LLC; Raiffeisen-Leasing; Rautaruukki OYJ; ROCA; Rödl & Partner; Regus; SATO; Scania-Rus LLC; SCHNEIDER GROUP; Schneider Electric; SCHOUTEN Russia; SEB Russia; Sokotel LLC; Spectrum Holding Ltd.; SRV Russia Ltd.; Stockholm School of Economics in Russia; Stockman ZAO; Stora Enso; Tebodin Eastern Europe B.V.; Tekes - Finnish Funding Agency for Technology and Innovation; TMF Group; TRANSLOGIX LLC; VEGAS LEX Advocate Bureau; VOSTOK CONSULTING OY; VSK IJSC; WEG; Work Service; YE-International; YIT.</p>

NUMBER OF COMMITTEE MEETINGS	26	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	Economic Overview (EBRD/Danske Bank)	27 January 2015
	Briefing by representatives of the migration authorities (HR & Migration SC)	3 March 2015
	AEB NWRC General Meeting (including governmental briefing)	25 March 2015
	World Bank briefing	14 April 2015
	"E-Trade in Russia: Current situation, challenges and opportunities"	16 April 2015
	Presentation of the results of the AEB annual survey: Strategies and prospects for European companies in Russia (including AEB NWRC meeting)	17 June 2015
	AEB 20 th Anniversary (in St. Petersburg)	8 October 2015
	World Bank briefing (in St. Petersburg)	9 October 2015
	Anti-crisis solutions to support staff during high business turbulence (HR & Migration SC)	12 November 2015
	Briefing of representatives of the migration authorities (HR & Migration SC)	8 December 2015
	AEB external events	
	Business meeting at the Latvian Consulate (with a presentation of the AEB)	20 October 2015

COMMITTEE ACTIVITIES, 2015

The North-Western Regional Committee strives to offer its members the level of services and information provided by the AEB in Moscow.

From more than 200 AEB members represented in the North-Western Region, about 108 companies were active in 2015 and regularly participated in the work of the committee and the 6 subcommittees.

2015 was marked by several notional open events and business meetings held by the committee and its subcommittees. The most important were those held with the North-Western Customs authorities, the Federal Migrations Service, the World bank, EBRD, etc.). 2015 also saw a landmark event: AEB 20th Anniversary in Russia. This date was celebrated also by the AEB NWRC at Corinthia Hotel St. Petersburg. All the AEB NWRC members, and the governmental authorities of St. Petersburg and the regions and diplomatic missions were invited.

The committee raised and discussed with the responsible authorities problems such as:

- The improvement of the investment climate in the region.
- The application of TIR and customs procedures related to customs transit transfer.
- Parallel imports.
- The use of information technology for customs declarations.
- The practice of working with the authorised economic operators in the North-West: the main achievements and difficulties.
- The practice of the provision of NWCA preliminary decisions on the classification of goods under HS EAEC.
- Personal data storage.
- Localisation issues.
- Administrative liability for customs offences.
- HR cost optimisation in crisis times.
- Migration legislation updates.
- Outstaffing and outsourcing legislation.
- Problems in the construction industry of the North-Western region of Russia.
- Changes to corporate law.
- E-trade challenges.

In 2015, the AEB NWRC continued to actively participate in the regular meetings of the Investment Councils of St. Petersburg and the Leningrad Region.

The General Consulates in St. Petersburg and the European Union Delegation to the Russian Federation consider the AEB North-Western Regional Committee to be an advisor and reliable partner for European companies in the North-Western Region. In 2015, the AEB continued fostered cooperation with EU country consulates in St. Petersburg through regular meetings with EU delegation representatives, the organisation of events in cooperation with the consulates, the presentation of AEB federal and regional activities during business breakfasts at the consulates, and meetings with the national representatives of companies and potential members.

PUBLIC RELATIONS & COMMUNICATIONS COMMITTEE

<p>AIMS</p>	<p>The Public Relations and Communications Committee was established in 2008, bringing together experts from European businesses and consultancies to discuss current issues and exchange information and advice on the best PR practices in Russia. The committee began operating during a global economic crisis that created serious challenges for business across many industries. Therefore, one of the primary goals is to contribute to the effective management of the reputational risk of the AEB member companies by providing advice and information regarding crisis communication techniques.</p>
<p>CHAIRPERSON</p>	<p>Igor Reichlin, Managing Partner, Reichlin & Partners LLC</p>
<p>DEPUTY CHAIRPERSON</p>	<p>Marina Tatarskaya, Public Relations Director, Ferrero Russia, CJSC</p>
<p>AEB MEMBER COMPANIES</p>	<p>ABB; Alfa Laval; Allianz IC OJSC; Alrud Law Firm; Antal Russia; Ararat Park Hyatt Moscow; Arval; Atlas Copco, CJSC; Avon Beauty Products Company LLC; Axel Springer Russia ZAO; BASF; Bayer ZAO; BEITEN BURKHARDT Moscow; BDO; BENE RUS LLC; BNP Paribas; Boehringer Ingelheim; Bosch; BP; British American Tobacco Russia; BSH Bytowaja Technika Ltd; Caterpillar Eurasia LLC; Chadbourne & Parke LLP; Coleman Services UK; Creditreform RUS; Corporate Health LLC; CRH; Cushman & Wakefield; Daikin Europe N.V. Representative Office; Danone Russia; Delphi Samara JV JSC; Deloitte; Debevoise and Plimpton LLP; Deutsche Bank Ltd; DHL Express; DuPont Science & Technologies; EGO Translating Company; ElaN Languages Moscow; English International School; EY; FE Communications; FENICE RUS LLC; Ferrero Russia; FleishmanHillard Vanguard LLC; Gasunie; Gide Loyrette Nouel; GOLTSBLAT BLP; Grayling; Griffin Partners; Haldor Topsoe ZAO; Hilton Moscow Leningradskaya Hotel; Hotel Baltschug Kempinski Moscow/Baltschug Ltd.; IKEA Shopping Centres Russia; InterContinental Moscow Tverskaya Hotel; International Road Transport Union; Intercomp; INTOUCH INSURANCE; John Deere Rus LLC; Kesarev Consulting; KPMG; LEROY MERLIN Russia; Lindab Buildings LLC; Mamaison All-Suites Spa Hotel Pokrovka; Mannheimer Swartling Ryssland Advokataktiebolag; Manpower Group; Marriott Moscow Hotels; Mazars; MetLife Alico; Metro Group; Muranov, Chernyakov & Partners Law Firm; Narrative Insights; Nestle Rossiya; Noerr OOO; Norton Rose Fulbright (Central Europe) LLP; Novo Nordisk A/S; Pepeliaev Group LLC; Philip Morris sales & Marketing; Promaco Public Relations Ltd Oy; PwC; Radisson Royal Hotel; Raiffeisenbank ZAO; Reichlin & Partners LLC; Renaissance Moscow Monarch Centre Hotel; ORANTA Insurance Company LLC; RichartsMeyer; Roedle & Partner; RUSMICE INTERNATIONAL LTD.; Saint-Gobain CIS; Sheraton Moscow Sheremetyevo Airport Hotel; Siemens LLC; SOCIETE GENERALE Strakhovanie Zhizni LLC; Sokur & Partners; Stada CIS; Swissotel; Tebodin Eastern Europe B.V.; Telenor Russia AS; Syngenta OOO; TELE2 Russia International Cellular B.V.; Thomson Reuters; TMF Group; Total E&P Russie; VEGAS LEX Advocate Bureau; VOLKSWAGEN Group Rus OOO; Zurich Insurance Company Ltd.; United Technologies International Operations Inc.; Whirlpool CIS.</p>

NUMBER OF COMMITTEE MEETINGS	4	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	"How does the investment climate influence business communications. What has changed?"	8 April 2015
	"Social media: profit, loss or necessity?"	26 June 2015

COMMITTEE ACTIVITIES, 2015

On 8 April 2015, the AEB PR & Communications Committee held its open event "How does the investment climate influence business communications. What has changed?". The change in the investment climate in Russia and cooling in international relations leads to a change in the paradigm of the communications agenda. The current situation gives rise to the following questions discussed at the event: what do foreign companies and investors operating in Russia or planning to work with Russia need to take into account; how can communications be maintained in Russia under the new conditions; what is the threat of import substitution policies, what are the advantages for Russian companies and what can the state offer to foreign investors and companies; is it possible to speak the same language, the language of business; what are the trends for communications in the Russian and international media in relation to foreign and domestic companies operating in Russia; what are the benchmarks that you can trust in terms of political and economic sanctions for doing business in Russia.

On 26 June 2015, the committee held its open event "Social media: profit, loss or necessity?". The participants of the event exchanged views on the opportunities that social media can bring for business. For example, with the help of social media it is now easier than ever to directly target customers with marketing campaigns, promote new products or services, and personally interact with existing and potential customers. Social media gives you the opportunity to build brand awareness and customer loyalty. However, there are also dangers in participating in an online public forum. In this respect, the approaches that can be applied by companies to handling negative feedback were also discussed at the event.

PRODUCT CONFORMITY ASSESSMENT COMMITTEE

AIMS	<ul style="list-style-type: none"> • To identify and act on the major problems in the field of technical regulation, product conformity and standardisation. • To act as a link between the European Commission representatives in charge of the EU-Russia Regulatory Dialogue.
CHAIRPERSON	Anatoly Polak , Standards & Regulations Manager, Caterpillar Eurasia LLC
DEPUTY CHAIRPERSON	Elena Kirillova , Head of technical translation and certification department, Legrand Group
AEB MEMBER COMPANIES	ABB; BASF; Bayer ZAO; Bonduelle-Kuban LLC; BSH Bytowaja Technika Ltd.; Caterpillar Eurasia LLC; Coca-Cola Hellenic Bottling Co. Eurasia; Continental Kaluga OOO; Daikin Europe N.V. Representative Office; Danone Russia; DLA Piper; Doosan Infracore Co. Representative Office in Russia; DuPont Science and Technologies; Electrolux; Ferrero Russia, CJSC; GROUPE SEB-VOSTOK ZAO; HERBALIFE INTERNATIONAL RS; Hitachi Construction Machinery Eurasia Sales Limited Liability Company; IKEA Shopping Centres Russia; Imperial Tobacco Sales and Marketing; John Deere Rus LLC; Komatsu CIS; Legrand Group; Lindab Buildings LLC; Merck LLC; Michelin; Nestle Rossiya LLC; Noerr OOO; Nokia Networks; OBI Russia; Philip Morris Sales and Marketing; Philips LLC; Procter & Gamble; Renault Trucks Vostok; Rockwool; SCA HYGIENE PRODUCTS RUSSIA LLC; Scania-Rus LLC; Schneider Electric; SCHNEIDER GROUP; SECRETAN TROYANOV SCHAER S.A.; VEGAS LEX Advocate Bureau; Volvo Cars LLC.
NUMBER OF COMMITTEE MEETINGS	7

COMMITTEE ACTIVITIES, 2015

In June 2012, the AEB Technical Regulation and Standardisation Task Force became the Product Conformity Assessment Committee (PCAC). The committee works in close cooperation with the Eurasian Economic Commission, the Committee for technical regulation, standardisation and conformity assessment of the Russian Union of Industrialists and Entrepreneurs (RSPP), the Delegation of the European Union to Russia, and the Directorate General for Enterprise and Industry of the European Commission. In 2015, the committee continued to focus on standardisation, accreditation, conformity assessment, market surveillance, and the harmonisation of industrial technical regulations of the Customs Union, representing the maximum interest for businesses with the corresponding European documents.

On 23 April 2015, the committee members held a meeting with certification bodies where they discussed problems related to production audits.

On 28 October 2015, the committee members held a meeting with representatives of the EU Project "Approximation of the EU and RF Technical Regulation and Standardisation Systems".

In 2015, the committee members worked in close cooperation with the Customs & Transport and Construction Equipment Committees on product labeling and several technical regulations.

The AEB Product Conformity Assessment Committee members will continue to act on the major problems identified in the field of technical regulation and standardisation, especially in the Customs Union.

REAL ESTATE COMMITTEE

AIMS	<ul style="list-style-type: none"> • To facilitate the exchange of information on real estate and development issues in Russia. • To exert an influence on existing procedures in order to increase the attractiveness of foreign investment. • To establish a “bridge” between the AEB, the Moscow Government, the State Duma and other relevant governmental bodies. 	
CHAIRPERSON	Filippo Baldisserotto , General Director, Stupino 1 Industrial Park	
AEB MEMBER COMPANIES	1Forma; ABB; AERECO S.A. (FRANCE) - Representative Office in Russian Federation; ALPE consulting LLC; ALRUD Law Firm; Arup; Bank Credit Suisse (Moscow); BEITEN BURKHARDT Moscow; BNP Paribas; Borenius Russia; Brandi Partners LLC; BUREAU VERITAS RUS, CJSC; CMS; Russia; Crocus International; Daikin Europe N.V. Representative Office; Debevoise and Plimpton LLP; DELO asset management company; Deloitte; Dentons; DLA Piper; DuPont Science and Technologies; EY; Four Squares; Freight Village RU; GDP Quadrat; Gerald Sakuler; Gide Loyrette Nouel; GOLTSBLAT BLP; Griffin Partners; Hannes Snellman; IKEA Shopping Centres Russia; Immochan; Intermark Relocation; KPMG; Lindab Buildings LLC; LINDNER; Mazars; METRO AG; Noerr OOO; OBI Russia; Orange Business Services; P&R Engineering; Pepeliaev Group LLC; Porsche Russland; PwC; Radius Group; Rautaruukki OYJ; Rödl & Partner; Saint-Gobain CIS; Spectrum holding Ltd.; Sponda Russia; Stupino 1 Industrial Park; TMF Group; Troika Relocations Ltd.; VEGAS LEX Advocate Bureau; YIT Construction.	
NUMBER OF COMMITTEE MEETINGS	4	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	Networking event	15 September 2015
	Real Estate Day	1 October 2015
	Networking event	3 December 2015

COMMITTEE ACTIVITIES, 2015

The AEB Real Estate Committee was founded in 2003 and brings together real estate professionals from a variety of areas including developers, financiers, consultants, project and facility managers, and other service providers.

The Real Estate Committee has three primary objectives which its work is focused on: to facilitate the exchange of information on real estate and development issues in Russia; to exert and influence on existing procedures in order to increase the attractiveness of foreign and domestic investment; and to establish a “bridge” between the AEB, the Moscow Government, the State Duma and other relevant governmental bodies.

In 2015, the committee members organised several major events:

- REAL ESTATE LEGAL AND TAX UPDATE.
- NETWORKING EVENTS.
- REAL ESTATE DAY.

Throughout the year, the Committee together with the AEB North-Western Regional Committee continued to issue its magazine – “The Real Estate Monitor” on a quarterly basis.

RETAIL TRADE COMMITTEE

AIMS	<ul style="list-style-type: none"> • To provide support to AEB member companies operating in Russia. • To serve as a dialogue platform for member companies and other stakeholders on important topics. • To develop a common industry stand on selected issues. • To lobby for the interests of the industry among various stakeholders. • To keep member companies informed about important issues.
CHAIRPERSON	Alexey Grigoriev , Vice President, METRO AG
DEPUTY CHAIRPERSON	Oleg Alkhamov , Chief Financial Officer, Auchan
AEB MEMBER COMPANIES	ATAK; Auchan; H&M Hennes & Mauritz LLC; IKEA Shopping Centres Russia; LEROY MERLIN Russia; M.Video; METRO AG; OBI Russia; Stockmann ZAO.
NUMBER OF COMMITTEE MEETINGS	6

COMMITTEE ACTIVITIES, 2015

The AEB Retail Trade Committee was established in 2010. Almost all the biggest international market players are members of the committee. The committee deals with a number of sensitive industry issues affecting the work of foreign retailers operating on the Russian market. This issues considered in 2015 included: Trade Law; the Alcohol trade (EGAIS in the wholesale sector); the Federal law on mass media; the Federal law on state and municipal control; the taxation of inventory losses; VAT on bonuses; electronic document interchange (EDI); parallel imports; the Platon toll collection system, and others.

In 2015, the committee members held several meetings with governmental officials and experts such as:

- Denis Pak, RF Ministry of Industry and Trade;
- Andrey Danilenko, Ombudsman for the protection of entrepreneurs' rights in trade regulation;
- Arkadiy Dvorkovich, the RF Government;
- Alexey Ulukaev, RF Ministry of Economic Development;
- Alexey Volin, the RF Ministry of Telecom and Mass Communications;
- Igor Artemiev, the RF Federal Antimonopoly Service;
- Leonid Levin, the State Duma;
- Anatoly Aksakov, the State Duma;
- AEB member company experts.

The AEB Retail Trade Committee members will continue to raise the voice of the industry together with the other AEB Committees.

SAFETY, HEALTH, ENVIRONMENT & SECURITY COMMITTEE

<p>AIMS</p>	<ul style="list-style-type: none"> • To promote international Safety, Health, Environment and Security (SHES) standards and best practices among companies operating in Russia and enhance information exchange between European and Russian business through a common platform. • To advocate the committee's position on the current state of and proposed changes to Russian SHES legislation through channels established by the AEB and in cooperation with other business associations. • To provide AEB members with regular updates on the key issues concerning the development and prospects of SHES. 	
<p>CHAIRPERSON</p>	<p>Valery Kucherov, Partner, ERM Eurasia, Moscow Branch</p>	
<p>DEPUTY CHAIRPERSON</p>	<p>Mikhail Divovich, General Director, ECOTEAM</p>	
<p>AEB MEMBER COMPANIES</p>	<p>ABB; ALRUD Law Firm; Alstom; Avon Beauty Products Company, LLC; Awara; BASF; BEITEN BURKHARDT Moscow; BP; Boehringer Ingelheim LLC, Control Risks; Corporate Counselling Services Sarl; Corporate Health LLC; Creditreform RUS; CRH; Deloitte; Deutsche Bank Ltd.; DHL Express; DuPont Science and Technologies; E.ON SE; ECOTEAM LLC; Egorov Puginsky Afanasiev & Partners (EPAM); Elite Security GmbH; Enel Russia OJSC; ERM (Environmental Resources Management); FENICE RUS LLC; Fircroft; GRATA Law Firm; Guard-R; HeidelbergCement RUS; IKEA Shopping Centres Russia; International Road Transport Union, Permanent Delegation to Eurasia; International SOS; John Deere Rus LLC; Komatsu CIS; Linklaters CIS; Manpower Group; Michelin; MIG Business Security Strategies; Noerr OOO; Nokia Solutions and Networks; Norton Rose Fulbright (Central Europe) LLP; Novartis Group; Orange Business Services; Orion Pharma LLC; Pepeliaev Group, LLC; PwC; Repsol Exploracion S.A.; RichartsMeyer; Risk Advisory Group Plc; Robert Bosch; Rockwool; Saint-Gobain CIS; Sanofi Russia; Schneider Electric; SGS Vostok Limited; Shell Exploration and Production Services (RF) B.V.; Statoil ASA; TNT Express Worldwide (CIS) Ltd.; Toyota Motor OOO; TPA/AXIS; VISA; W St. Petersburg hotel; Wienerberger.</p>	
<p>NUMBER OF COMMITTEE MEETINGS</p>	<p>11</p>	
<p>AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)</p>	<p>AEB events</p>	<p>Event date</p>
	<p>"Remote security as one of the most dynamic types of private security, trends and prospects"</p>	<p>10 February 2015</p>
	<p>"Integration as an evolution of security systems. Problems of the implementation of integrated systems in the corporate sector"</p>	<p>12 February 2015</p>
	<p>"Best practices in Health and Safety in Russia"</p>	<p>18 March 2015</p>
	<p>"Waste management: Recent changes in environmental legislation?"</p>	<p>19 March 2015</p>

<p style="text-align: center;">AEB OPEN EVENTS ORGANISED</p> <p>(participation in open sessions was exclusively on invitations)</p>	HSE: Risk assessment and management	28 April 2015
	Workshop organised by the AEB SHES and HR Committees "Security and legal aspects of recruitment and labour conflicts"	26 May 2015
	"Best practices in Health and Safety in Russia"	10 June 2015
	"Best practices in Health and Safety in Russia"	7 October 2015
	Meeting with Mikhail Begak, Deputy Chairman of the Technical Committee-113 "Best available techniques" established by Rosstandart	14 October 2015
	"How to protect the environment from the impact of industry: the view of European businesses (with the participation of Segolene Royal)"	27 October 2015
	"Best practices in Health and Safety in Russia"	18 November 2015
	Meeting with Amirkhan Amirkhanov, Deputy Head of Rosprorodnadzor	4 December 2015
	AEB external events	
	Participation in the 6 th Northern Dimension Forum (St. Petersburg), Session: "The environment and cleantech"	26 March 2015

COMMITTEE ACTIVITIES, 2015

The committee is composed of a number of companies specialising in various fields such as environmental protection, health & safety, security & risk management and compliance. The committee is divided into 3 Subcommittees – the Security & Compliance Subcommittee, the Environmental Subcommittee and the Health & Safety Subcommittee.

In 2015, all the subcommittees were active and organised 12 open events. The Security Subcommittee held 3 open events, the Environmental Subcommittee – 4 events, the Health & Safety Subcommittee – 4 events, and 1 event (dedicated to risk assessment and management in HSE) was organised on a cross-disciplinary basis.

The committee worked on increasing cross-committees activities and cooperation with representatives of the state authorities. In May 2015, the Security Subcommittee held a joint session with the HR Committee on "Security and legal aspects of recruitment and labour conflicts." In December 2015, the Environmental Subcommittee organised a meeting with Amirkhan Amirkhanov, Deputy Head of Rosprorodnadzor. Regular update meetings with Mikhail Begak, Deputy Chairman of the Technical Committee-113 "Best available techniques" established by Rosstandart were also introduced in order to provide committee member companies with up-to-date information and contribute to the development of the Best Available Technique Reference Documents (BREFs).

The committee wrote four lobbying letters on issues that are of particular importance for its members, including waste management at landfills, waste utilisation, the development of BREFs and employee medical checks.

Also, in order to respond to the evolving climate change agenda and assess its implications for European business in Russia in light of the COP-21 meeting in Paris, the committee participated in the organisation of an international Round Table “How to protect the environment from the impact of industry: the view of European businesses” together with the Russian Parliamentary European Club, with the participation of Ségolène Royal, the Minister of Ecology, Sustainable Development and Energy of the Republic of France as a keynote speaker.

In Q4 2015, the committee published its first ever edition of the Business Quarterly magazine dedicated to safety, health, environmental and security issues.

Overall, in 2015, the committee made significant progress towards achieving its goals and objectives, which were reset in order to meet the needs of its members.

SEED COMMITTEE

AIMS	To represent the interests of the member companies basing on a consolidated position on the key issues of seed breeding, production and commercialisation through liaison with government bodies, public organisations, branch associations and unions to create and support a favorable business climate.	
CHAIRPERSON	Vladimir Druzhina , Regional Director East Europe, Corn and Oil Crops, KWS	
DEPUTY CHAIRPERSON	Denis Zhuravskiy , Head of GR, Syngenta	
AEB MEMBER COMPANIES	Bayer; KWS; Limagrain; Monsanto; Pioneer; Syngenta	
NUMBER OF COMMITTEE MEETINGS	7	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB external events	Event date
	Round Table "Cooperation of the variety trial network with company representatives – applicants for the selection achievements of crops", organised together with the State Commission for Selection Achievements Test and Protection at the All-Russian Seed-trial day in Tambov	1–2 July 2015
	Round Table "Improving the variety testing activities via the cooperation of the State Commission for Selection Achievements Test and Protection with seed producing companies and unions (associations) of agricultural producers", organised together with the State Commission for Selection Achievements Test and Protection at the 17 th Russian Agricultural Exhibition Golden Autumn 2015	9 October 2015

COMMITTEE ACTIVITIES, 2015

All-Russian Seed-trial Day and Memorandum of Understanding with the State Commission for Selection Achievements Test and Protection

The AEB delegation consisting of Seed Committee company members, and chaired by Ruslan Kokarev, AEB COO, and V. Druzhina, Chairman of the Committee, participated in the All-Russian Seed-trial Day in the Tambov region on 1–2 July. The second day was dedicated to a dialogue between the authorities and business representatives on key issues related to improving seed breeding procedures in Russia. As a marker of serious intentions for further cooperation a memorandum of understanding was signed between the AEB and the State Commission for Selection Achievements Test and Protection. The discussion continued at the Round Table at the 17th Russian Agricultural Exhibition Golden Autumn 2015 on 9 October (Moscow).

Contribution of international companies to Russian agriculture

This year companies elected to put more effort into creating a solid evidence basis for the work of international companies in Russian agriculture. To implement it a Communication and Information Support Intercommittee Working Group was created. This Working Group initiated a market survey aimed at determining the contribution of international Crop Protection and Seed producers to the development of Russian agriculture. It was based on large-scale interviews of farmers from more than 400 farms and in-depth interviews with the heads of big agroholdings and experts (industry union directors and scientists).

More than a half of the respondents recognised the contribution of international companies in implementing innovative technologies: 48% in the newest selection developments; 42% in the development of new active substances. This and other key results are presented in the Position Paper that will be sent to the authorities and mass media in the beginning of 2016.

The survey results complemented with the analysis of educational programmes organised by the companies were presented at:

- Agribusiness Committee Open Event: "The Role of European business in the modernisation and development of the Russian agricultural sector", 5 October;
- Plenary Session of the YUGAGRO Exhibition, 24 November in Krasnodar.

SMALL AND MEDIUM-SIZED ENTERPRISES COMMITTEE (SME)

AIMS	<ul style="list-style-type: none"> • To define the specific needs of small and medium-sized European businesses operating on the Russian market. • To encourage growth in the SME sector through addressing administrative barriers for SMEs and the provision of a platform for information exchange. • To promote fair business rules by leveraging ethical and efficient intercompany partnership between SMEs and other AEB companies. • To improve conditions for SMEs in Russia as a driving force for modernisation. • To improve AEB intercommittee communication in order to bring up appropriate issues at the SME committee discussions and provide problem solving recommendations. 	
CHAIRPERSON	Orlin Efremov , Managing Director, Performance Partners LLC	
DEPUTY CHAIRPERSON	Alex Medlock , Regional Director CIS, TMF Group	
AEB MEMBER COMPANIES	Allianz; 3 Step IT; Alinga Consulting; ALPE Consulting; Antal; Bene Office Furniture; BDO; Bank Center-invest; Citibank ZAO; CMS Russia; Dentons; EXECT Business Training; FE Communications; GRATA Law Firm; International Law and Tax Services Association (ILTS); INVESTMENT COMPANY IC RUSS-INVEST; Lidings Law Firm; Narrative Insights; Novotel Moscow Center; Performance Partners LLC; Publicity Consulting Group; PwC; RH Partners; RUSSIA CONSULTING; Russian Connection; SECRETAN TROYANOV SCHAER S.A.; Slick Software Solutions BVBA; Stupino 1 Industrial Park; TABLOGIX; TMF Russia; Troika Relocations; VSK.	
NUMBER OF COMMITTEE MEETINGS	6	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	"Anti-crisis measures for SMEs: government and business initiatives"	29 May 2015
	"AEB business dating"	10 December 2015

COMMITTEE ACTIVITIES, 2015

On 29 May 2015, the committee organised the event "Anti-crisis measures for SMEs: government and business initiatives." The impact of the economic crisis on the small and medium business sector has been significant. SMEs are now considered the most sensitive sector and the most impacted by the worsening economic climate. The event provided an overview of anti-crisis measures envisaged by the Russian authorities at the federal and regional levels: the Ministry of Economic Development of the Russian Federation and the Government of Moscow. The speakers shared with other participants their recommendations on how to gain access to specific federal and regional anti-crisis programmes, and also how to overcome the difficulties that are arising for small and medium enterprises (SMEs) in the current financial environment. The event provided a platform for discussing issues related to the impact of localisation and import substi-

tution on SMEs, the opportunities to streamline HRP operations and increase the effectiveness of accounting systems, and the introduction of corporate culture as a way to increase profits and reduce costs.

On 10 December 2015, the Small & Medium-Sized Enterprises Committee held its open event "AEB business dating". The event was aimed at facilitating the efforts by small and medium-sized companies to establish contacts with international companies operating in Russia. The participants of the event were given the opportunity to have individual face-to-face meetings to introduce their solutions and services to the following companies: ALD Automotive Russia/Rosbank; Allianz; CEB SHL Talent Measurement Solutions (Business Psychologists Ltd); ENGIE (known as GDF SUEZ); FENICE RUS; FLSmith Rus; Messe Frankfurt RUS; METRO GROUP; ROCA; TMF Group; YIT. The international companies were represented by the executives responsible for management, HR related processes, procurement, communications, logistics, events organisation, etc.

SOUTHERN REGIONAL COMMITTEE

AIMS	<ul style="list-style-type: none"> • To promote and strengthen the business reputation of the AEB in the region. • To liaise with the authorities. • To liaise with key non-governmental partners. • To create an effective platform for business communication. 	
CHAIRPERSON	Oleg Zharko , Regional Corporate Affairs Director, Danone Russia	
DEPUTY CHAIRPERSONS	Ralf Bendisch , General director, CLAAS; Igor Brener , Client HR Manager, Cargill in Russia; Lubov Popova , General director, Gubsky kirpichniy zavod.	
AEB MEMBER COMPANIES	Adecco; Advocates Bureau Yug; AERECO S.A.; Allianz IC OJSC; ANCOR; Banca Inteza; Bayer ZAO; BONDUELLE Kouban; Cargill Yug LLC; Center-invest Bank; Citibank; CLAAS OOO; Danone Russia; DPD in Russia; DuPont Science and Technologies; European Bank for Reconstruction and Development; EY; Gubskiy kirpichniy zavod; IKEA Shopping Centres Russia (MEGA Adygea-Kuban shopping mall); Knauf South sales direction – regional office of Knauf Gips Ltd. (Krasnodar); KPMG; KrasnodarEXPO (part of ITE LLC Moscow); KWS RUS LLC; Legrand Group; Limagrain RU LLC; Lindab Buildings LLC; Mazars; Metlife; Monsanto Rus LLC; Nestle Kuban LLC; OTP Bank; Philip MorrisKuban OAO; Philips LLC; PwC; Raiffeisenbank AO; Rosbank; Siemens LLC; Syngenta OOO; Tebodin Eastern Europe B.V.; UniCredit Bank AO; VEGAS LEX Advocate Bureau; VSK IOJSC; YIT Construction.	
NUMBER OF COMMITTEE MEETINGS	Committee meetings – 2 Steering Group meetings – 6 HR Subcommittee meetings – 5	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	7 th annual HR conference – HR investments into the future	21 May 2015
	Conference dedicated to the AEB 20 th anniversary: Attracting foreign investment as a factor of economic development of the Krasnodar region and the city of Krasnodar: experience and prospects	25 September 2015
	Conference "Corporate social partnership: business, society, authority"	9 December 2015
	SRC AGM and Reception	2 April 2015
	SRC Meeting and Reception	11 December 2015

AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB external events	
	Conference "The creation of a comfortable environment as a factor in the development of the city. Landscape architecture and urban design"	24–26 February 2015
	"Current economic environment – problems and prospects for business development in the region"	3 June 2015
	"Export – current environment and prospects"	17 June 2015
	"Business as a social partner of the regional and local community"	23 July 2015

COMMITTEE ACTIVITIES, 2015

The committee was created in 2003 to ensure that investors are able to best utilise the investment opportunities in the region to their fullest potential.

Currently the committee brings together 43 companies: leading foreign investors and international banks that have affiliates operating in the Krasnodar, Rostov-on-Don, Stavropol regions and Adygei republic.

In 2015, the committee ensured that its member companies were able to liaise effectively and productively with the regional and local authorities. The committee's work in 2015 was aimed at setting an example with regard to international standards of business, effective networking, information sharing and best practice promotion.

The Southern Regional Committee continued to hold business events such as the HR conference, the "Corporate social partnership" conference, and developed joint projects with the Public Chamber of the Krasnodar region and other key partners.

In 2015, the committee worked to improve cooperation with the administration of the Krasnodar region and the city of Krasnodar, and held a conference dedicated to the AEB 20th anniversary jointly with the administration of Krasnodar city.

Also, in 2015 a series of organisational meetings were held with the participation of the AEB leadership.

The HR Subcommittee of the AEB SRC was created in 2015 to formalise and strengthen the HR activity of the committee. The subcommittee members are heavily involved in educational programmes.

In summary, in 2015 the Southern Regional Committee maintained and developed its status as a recognised leading representative of international companies and investors in the region with an excellent business reputation.

TAXATION COMMITTEE

<p>AIMS</p>	<ul style="list-style-type: none"> • To monitor the development of the tax system in the RF. • To inform AEB members on important changes the tax legislation and tax practice. • To organise regular meetings, open events and conferences for European and Russian companies. • To present the leading international practices in taxation in Russia. • To formulate and present the AEB position on taxation issues. • To cooperate with relevant governmental bodies on tax issues and tax administration. 	
<p>CHAIRPERSON</p>	<p>Dr. Alina Lavrentieva, Partner, PriceWaterhouseCoopers</p>	
<p>DEPUTY CHAIRPERSON</p>	<p>Vadim Zaripov, Head of Analytical Department, Pepeliaev Group LLC</p>	
<p>AEB MEMBER COMPANIES</p>	<p>AGRANA Fruit Moscow Region; Akzo Nobel N.V.; Alderley NefteGaz; Alina Consulting Group; Alex Terp LLC; Alrud; AstraZeneca Ltd.; Auchan; Baker Botts L.L.P.; Baker & McKenzie CIS Ltd.; Bauke van der Meer; BBH Legal; BEITEN BURKHARDT; Bellerage; Boehringer Ingelheim Pharma GmbH; Boiron; BMW Russland Trading OOO; British American Tobacco Russia; Clifford Chance; CMS Russia; Continental Tires RUS; Debevoise and Plimpton; Deloitte ZAO; Denton Wilde Sapte; Dentons; Dewey & LeBoeuf; DLA Piper; DuPont Science & Technologies LLC; Ernst & Young (CIS) B.V.; Egorov, Puginsky, Afanasiev & Partners; Ferrero; Gide Loyrette Nouel; GOLTSBLAT BLP; Grant Thornton Trid ZAO; Gruppo SISI; HSBC; ICAR Transportation Company; IKEA; Intercomp Global Services; Intertrust; KempHoogstad CIS B.V.; KPMG; L’Oreal; Levant & Partners Law Firm; Mazars; Mercedes-Benz Financial Services; Messe Frankfurt Rus OOO; Metro Cash & Carry; M-Video; NORD OUTSOURCING LLC; Noerr Stiefenhofer Lutz; OBI Russia; Oriflame; Pavia & Ansaldo; Pepeliaev Group LLC; PricewaterhouseCoopers; Procter & Gamble; Rodl & Partner; The Private Counsel; Sanofi Aventis; Shell; Smithbridge Advisory Services Ltd.; Taxcom; Zentis Russland.</p>	
<p>NUMBER OF COMMITTEE MEETINGS</p>	<p>8</p>	
<p>AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)</p>	<p>AEB events</p>	<p>Event date</p>
	<p>Joint open event of the Taxation and IP Committees: "Tax related aspects of intellectual property transactions"</p>	<p>3 April 2015</p>
	<p>Business meeting: "Cross-border intercompany transactions: risks and solutions"</p>	<p>15 April 2015</p>
	<p>Conference: "Development of the Russian tax system: results of the first half of 2015 and prospects"</p>	<p>24 June 2015</p>
	<p>Business breakfast "Property taxation: problems and possible solutions"</p>	<p>29 October 2015</p>

AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	Conference: "Is the Russian tax reform at an end?"	16 December 2015
	AEB external events	
	Participation in the working group on non-tax payments conducted by the Ministry of Economic Development	May–December 2015

COMMITTEE ACTIVITIES, 2015

The Taxation Committee deals with the most up-to-date issues in taxation introduced by the Russian Government and proactively develops solutions in close cooperation with the Ministry of Finance and the Federal Tax Service.

TIRE PRODUCERS COMMITTEE

AIMS	To deal with all issues relevant to the industry and represent the interests of its members in relation to the Russian and European authorities.	
CHAIRPERSON	Jaron Wiedmaier , General director, Continental	
AEB MEMBER COMPANIES	Continental Tires Rus; Goodyear Russia; Michelin; Nokian Tyres; Pirelli Tyre Russia; Yokohama Russia	
NUMBER OF COMMITTEE MEETINGS	2	
AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB events	Event date
	Press conference about the risks inherent in the legalisation of parallel importation	5 November 2015
	AEB external events	
	The 6 th International Forum – “The Russian automotive industry and development of auto components in the new environment”	26 August 2015

COMMITTEE ACTIVITIES, 2015

On 13 November 2013, the Tire Producers Working Group was transformed into a separate Tire Producers Committee. Taking into account that the technical regulation of the Customs Union “On the Safety of Wheeled Vehicles” came into force on 1 January 2015, the AEB Tire Producers Committee believes that it is necessary to facilitate the process of the entry into force of the new requirements of the Technical Regulations and continue to work on the harmonisation of the technical requirements contained in the various legislative acts of the Russian Federation: the Highway Code, the Administrative Code, the law on “Technical Inspection” from 2011, etc., and to continue its work on additional amendments to the Technical Regulation of the Customs Union on the obligatory use of winter tires. Tire manufacturers propose to install winter tires on the drive axle for M2, M3 and N2, N3 vehicles, starting from 1 January 2016.

One of the key issues that the committee is currently working on is the recycling tax. The new bill “On waste from production and consumption” provides variability for producers and importers in fulfilling their recycling obligations for a product that has lost its consumer qualities. It provides two options: 1) the payment of an environmental fee to the budget and 2) independent, and possibly in an association of producers and importers. Neither of these options makes it possible to categorise producer costs as production cost or account for them as expenses to reduce the tax base for income tax. As a result, these expenses will have to be paid from net profit both for producers and importers. Right now the working group is actively looking into the possibility of taking into account expenses to reduce income tax, and if necessary, drafting amendments to the Tax Code.

TOBACCO PRODUCTS WORKING GROUP

AIM	To promote the interests of AEB member companies in the tobacco production sector through governmental liaison and advocacy activities.
CHAIRPERSON	Sergey Kiselev , Vice President for Corporate Affairs and Communications, Japan Tobacco International
AEB MEMBER COMPANIES	Japan Tobacco International; Imperial Tobacco Group; British-American Tobacco; Philip Morris Sales & Marketing.
NUMBER OF COMMITTEE MEETINGS	6

COMMITTEE ACTIVITIES, 2015

The promotion of the interests of the WG members primarily in respect of IPR protection and against the prohibition of non-smoking tobacco products.

WORKING GROUP ON MODERNISATION & INNOVATIONS

<p style="text-align: center;">AIMS</p>	<ul style="list-style-type: none"> • To assist companies involved in research and development in Russia. • To represent the interests of the R&D community and executives in this area. • To develop recommendations for regulations and the legal framework in order to improve conditions for the business operations of foreign interests. • To share information among companies on modernisation and innovative trends in Russia, international practices and political methods and their application in Russia. • To share experience regarding collaboration with Russian innovation and educational centres, intellectual property, commercialisation of innovation, and production of prototypes. • To attract sources of innovation and human resources, including the identification of opportunities to raise capital through Russian and foreign financing channels. 	
<p style="text-align: center;">CHAIRPERSON</p>	<p>Michael Akim, Vice President, ABB Russia</p>	
<p style="text-align: center;">DEPUTY CHAIRPERSON</p>	<p>Aage V. Nielsen, Managing Director & Senior Partner, Vitus Bering Management Ltd.</p>	
<p style="text-align: center;">AEB MEMBER COMPANIES</p>	<p>A+ Associates; ABB; American Institute of Business & Economics; BearingPoint OOO; Deloitte; Detecon International GmbH; DuPont Science and Technologies; Enel Russia; EY; Finnish-Russian Chamber of Commerce; Fortum OYJ; Gasunie; Google; Hannes Snellman; IKB Leasing ZAO; Johnson Matthey PLC; KIAP Korelskiy, Ischuk, Astafiev and Partners; Mitsubishi Electric Europe B.V. (the Netherlands) Moscow Branch; MMC Rus LLC; Narrative Insights; Noerr OOO; Non-profit partnership "Industry Round Table for Cooperation with the EU"; Nordea Bank; Novo Nordisk A/S; Parallels; Philips LLC; Saint Gobain CIS; Schneider Electric; Siemens LLC; Solvay S.A.; Tblogix; Technopolis Moscow; Tekes - Finnish Funding Agency for Technology and Innovation; United Technologies International Operations; Vitus Bering Management Ltd.</p>	
<p style="text-align: center;">NUMBER OF COMMITTEE MEETINGS</p>	<p style="text-align: center;">5</p>	
<p style="text-align: center;">AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)</p>	<p>AEB events</p>	<p>Event date</p>
	<p>Presentation of the Russian Venture Company (RVC): "Opportunities and mechanisms for cooperation"</p>	<p>6 February 2015</p>
	<p>Briefing by Andrey Nikitin, Director General of the Agency for Strategic Initiatives</p>	<p>13 February 2015</p>

AEB OPEN EVENTS ORGANISED (participation in open sessions was exclusively on invitations)	AEB external events	
	Innoprom 2015, Ekaterinburg: Round Table "European technologies for productivity gain in industry"	9 July 2015
	Innoprom 2015, Ekaterinburg: Round Table "Boosting labour productivity on construction sites and in infrastructure projects: the European business experience"	10 July 2015
	Round Table "How to continue EU-Russia innovative cooperation in view of the current challenges and priorities" at the III national exhibition-forum VUZPROMEXPO 2015	2 December 2015

COMMITTEE ACTIVITIES, 2015

On 6 February 2015, the AEB Working Group on Modernisation & Innovations organised an open event: Presentation of the Russian Venture Company (RVC): "Opportunities and mechanisms for cooperation." The RVC was represented by Gulnara Bikkulova, Technology Capital and Markets Access Department Director, member of the board of the Russian Venture Company. Mrs. Bikkulova provided a comprehensive overview of the work of the RVC and highlighted the areas in which the AEB member companies and RVC could potentially cooperate. The Russian Venture Company (RVC) is a government fund and a development institute of the Russian Federation, one of Russia's key tools in building its own national innovation system.

On 13 February 2015, the AEB held a briefing by Andrey Nikitin, Director General of the Agency for Strategic Initiatives, at the AEB Conference Room. The briefing was organised by the AEB Working Group on Modernisation and Innovations and moderated by Ruslan Kokarev, AEB COO, and Michael Akim, Chairperson of the AEB Working Group on Modernisation and Innovations, Member of the AEB Board, Vice-President, ABB Russia. The event provided the AEB members with key information on the ASI projects to improve the business climate in the Russian regions, the opportunity to share concerns and ideas regarding possible involvement in the ASI instruments. The meeting participants addressed Mr. Nikitin on several important issues concerning the construction and retail sectors. The AEB and ASI intend to strengthen their cooperation on a practical basis. The Agency for Strategic Initiatives to Promote New Projects was created in 2011 to coordinate the processes of improving the national business climate, supporting business and reforming education models. This initiative belongs to Vladimir Putin who remains the chairman of the supervisory board of the agency.

Innoprom 2015, Ekaterinburg: on 9 July, the AEB organised the Round Table "European technologies for productivity gain in industry." The topics discussed included the problem of rapidly growing expenses, labour costs, "Dutch disease" and priorities in selecting technologies that boost labour productivity. The Chairman of the Working Group on Modernisation & Innovations, Member of the Board of the Association of European Businesses, and Vice President of ABB Russia Michael Akim moderated the event. The speakers included: Vasily Osmakov, Director of the Strategic Development Department of the Ministry of Trade & Industry of the RF, Dietrich Moeller, the President of Siemens Russia and Central Asia, Alexey Komissarov, the Director of the Industry Development Fund, Julien Thöni, the Counsellor and Head of the Economy, Finance and Science Division, Embassy of Switzerland in the RF, and others.

Innoprom 2015, Ekaterinburg: on 10 July, the AEB organised the Round Table "Boosting labour productivity on construction sites and in infrastructure projects: the European business experience." The speakers analysed the opportunities to increase productivity in these sectors and looked at the application of European technologies and practices in order to achieve the highest global standards for industrial productivity. Michael Akim, Chairman of the Working Group on Modernisation & Innovations, also moderated the meeting. The speakers included: Sergey Bidonko, Minister of Construction and Infrastructure Development of the Sverdlovsk Region, Natalya Vikhrova, Corporative Director of WordSkills Russia at the Agency for Strategic Initiatives, Artak Makaryan, Business Development and Investment Director, YIT, and others.

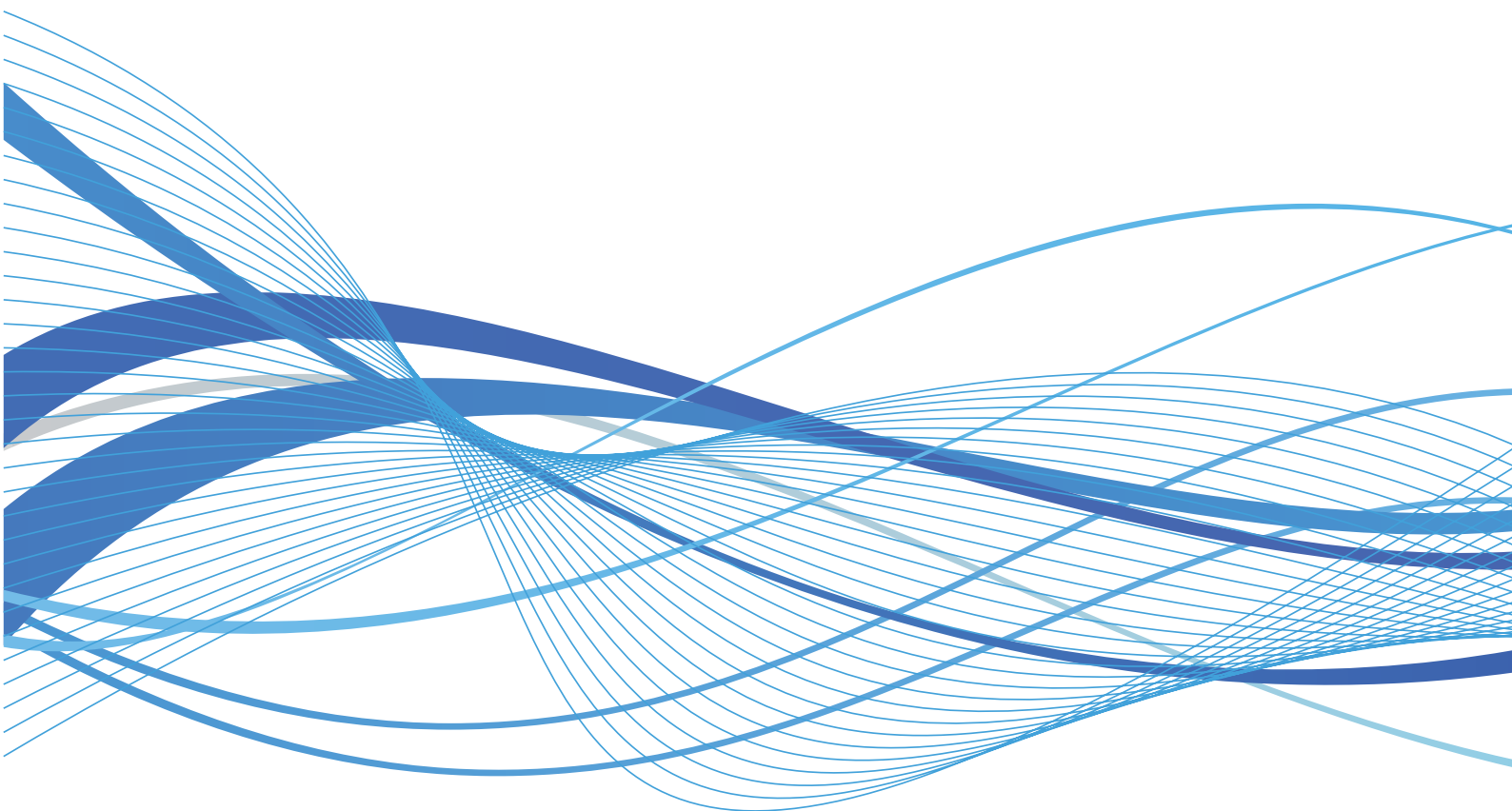
On 2 December 2015, the AEB held the Round Table "How to continue EU-Russia innovative cooperation in view of the current challenges and priorities" at the III National Exhibition-Forum VUZPROMEXPO 2015. The session was aimed at identifying key opportunities and mechanisms for expanding the number of ways in which Russia and Europe can cooperate in science, education and industry. The Round Table was organised by the AEB Working Group on Modernisation & Innovations, and was moderated by Michael Akim, Chairman of the AEB Working Group on Modernisation & Innovations. Ruslan Kokarev, AEB COO, delivered a welcome speech to the participants. Pierre Helg, H.E. Ambassador of Switzerland, shared the Swiss experience of conducting joint science and technology programmes. The speakers were: Sergey Salikhov, Director of the Department for Science and Technology of the RF Ministry of Education and Science, Artem Shadrin, Director of the Department of Social Development and Innovations of the RF Ministry of Economic Development, Richard Burger, Research & Innovation Counsellor, Head - Science & Technology and other EU Policies Section of the Delegation of the European Union to the Russian Federation, Igor Agamirzyan, General Director of the Russian Venture Company, and Tatiana Sazonova, Head of Intellectual Property & Standards, PHILIPS LLC (Russia, Ukraine, Belarus, Caucasus and Central Asia).

The VUZPROMEXPO forum was organised by RF Ministry of Education and Science jointly with RF Ministry of Industry and Trade. The event was aimed at demonstrating modern and scientific projects in order to modernise Russian industry, and successful examples of close cooperation between European businesses and Russian universities. The main topics that were covered at the more than 100 events at VUZPROMEXPO 2015 were Russian import substitution policies and innovative development programmes, engineering work and industrial design, advanced production technologies, technology platforms, technological forecasting, and the public-private partnership model for implementing major projects. A special focal point in the programme was on innovative cooperation between universities and companies. Following its motto "From idea – to reality", the forum served as a link between science and industry, developers and investors.

On 16 December 2015, the AEB Working Group on Modernisation & Innovations coorganised the 2nd meeting of the R&D Club of the French Embassy in Russia. The meeting took place at the AEB Conference Room. Aage V. Nielsen, Deputy Chairman of the Working Group on Modernisation & Innovations, made a welcome speech and introduced the work of the AEB Working Group on Modernisation & Innovations. The keynote speaker was Richard Burger, Counsellor for Research and Innovation at the Permanent Representation of the EU in Russia, who spoke on "Horizon 2020: opportunities for cooperation with Russia." The other speakers were Thierry Cellerin, President of French Tech Russia – a governmental initiative for innovative French start-ups and companies abroad, Sergey Krzhanovsky, Technopark Skolkovo, who presented the annual meeting of the International Association of Science Parks (IASP). The R&D Club was set up on the initiative of the French Embassy in Russia for French companies and groups in Russia working in R&D and innovation. The club's objectives are to share best practices, increase synergy between groups, and to assist French companies and groups working in R&D and innovation.

Financial Statements & Membership Statistics

2015



FINANCIAL STATEMENTS

Consolidated Statement of Financial Position as of 31 December 2015*

	31 December 2015 (in EUR'000)	31 December 2014 (in EUR'000)
ASSETS		
Non-Current Assets		
Intangible assets	33	24
Property, plant and equipment	47	59
Deferred tax assets	5	10
Total Non-Current Assets	85	93
Current Assets		
Trade and other receivables, including:	104	145
Trade receivables	32	48
Advances paid	72	94
Other debtors	0	3
Cash and cash equivalents	2,028	906
Investment in short term deposits	500	1,352
Other current assets	38	49
Total Current Assets	2,670	2,452
Total Assets	2,755	2,545
UNRESERVED FUND BALANCE AND LIABILITIES		
Unreserved Fund Balance	1194	980
Current Liabilities		
Prepaid membership fees	1,313	1,310
Payroll and taxes payable	89	79
Trade and other payables	159	176
Total Current Liabilities	1,561	1,565
Total Unreserved Fund Balance and Liabilities	2,755	2,545

Consolidated Statement of Comprehensive Income for the year ended on 31 December 2015*

	2015 (in EUR'000)	2014 (in EUR'000)
Membership fees	2,175	2,270
Events	327	269
Projects	330	363
Publications	16	100
Other revenues	60	60
Total revenues	2,908	3,062
Expenditures, net	(2,742)	(2,947)
Excess of revenues over expenditures before tax	166	115
Income tax expense	(96)	(96)
Net excess of revenues over expenditures after tax	70	19
Foreign currency translation difference	278	514
Other comprehensive income for the year	278	514
Total comprehensive income/(loss) for the year	348	533

* As audited by the Independent Auditor Alinga Consulting Group.



MEMBERSHIP STATISTICS

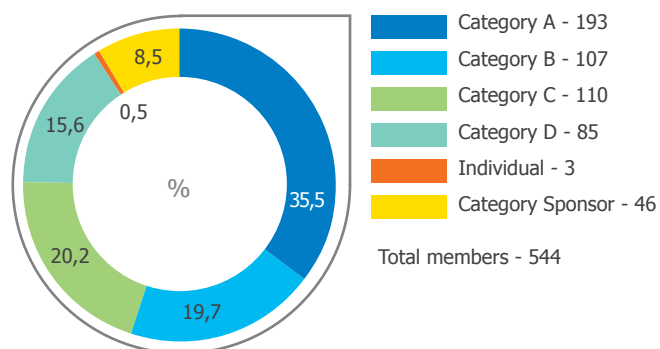
AEB Members by Country

In 2015, the AEB had 544 members.

EU/EFTA Country	
Austria	13
Belgium	10
Croatia	1
Cyprus	8
Czech Republic	4
Denmark	12
Finland	34
France	66
Germany	99
Greece	1
Hungary	6
Ireland	4
Italy	19
Liechtenstein	1
Lithuania	1
Luxembourg	2
Malta	1
Netherlands	31
Norway	3
Poland	2
Spain	6
Sweden	22
Switzerland	19
UK	59

Country NON-EU/EFTA	
China	1
Israel	1
Japan	11
Republic of Korea	6
Russia	65
Singapore	1
Turkey	2
USA	33

AEB Members by Category, 2015





Insurance and Pensions
Banking Machine Building
Insurance and Pensions
Machine Building
& Engineering
Human Resources
Human Resources
Connective. Health and Pharmaceuticals
Health and Pharmaceuticals
Finance and Investments
IT and Telecom
IT and Telecom
Commercial Vehicle Producers
Effective.
Energy Agribusiness
Intellectual Property
Home Appliance
Home Appliance
Informative. Taxation
Real Estate Small and Medium-Sized Enterprises
Real Estate Small and Medium-Sized Enterprises
Migration
Home Appliance
Construction Equipment
Home Appliance
Construction Equipment

WE HAVE BEEN SUPPORTING
EUROPEAN COMPANIES IN RUSSIA SINCE 1995

