

AT WORK IN RUSSIA...

Canada Eurasia Energy and Industry Alliance (CEEIA)

Established in April 1995, the CEEIA is a non-profit, membership-based organization representing approximately 30 companies with major interests in Russia, Eastern Europe and Central Asia.

Founded by former members of the Canada USSR Business Council (CUBC) Oil and Gas Section, CEEIA promotes Canadian energy expertise, identifies business opportunities, and provides a forum for the exchange of information. Among the CEEIA's member companies are SNC Lavalin, AGRA Earth & Environmental International,

PanCanadian, Canadian Occidental, Foremost Industries, and Macleod Dixon.

The Alliance works closely with the Canadian and provincial governments and has participated in several major initiatives including the Energy Charter Treaty, the East-West Business Forum, and the G-7 Ministers Conference in Warsaw.

Contact *Dimitra Katsuris, CEEIA Executive Director, Calgary. Tel.: (403) 267-8135; Fax: (403) 267-8142.*

St. Petersburg and North-West Russia – *Continued from page 1*

One of the most industrialized areas of Russia, the North-West is developing as a transportation and distribution hub with an accessible market of over 11 million people. It is estimated that 30 per cent of Russia's exports and 25 per cent of its imports go through St. Petersburg.

A recent report by the Economist Intelligence Unit says that privatization, political stability, lower taxes and real estate costs give St. Petersburg one of the most attractive investment climates in Russia. The city administration was among the first in Russia to implement market reforms. In the December 1995 parliamentary elections, Democrats were elected in the city's eight electoral districts. St. Petersburg hopes to turn its positive international reputation into a successful bid for the 2004 Olympic Games.

The European Bank for Reconstruction and Development has made St. Petersburg a priority region and has set up a regional investment fund, and the World Bank has developed programs to purchase medical equipment and build housing. These sectors, along with transportation and agri-food, hold great potential for

Canadian business.

Finland's accession to the European Union increased vehicle and rail traffic across the Russo-Finnish border. The modernization and expansion of a multi-modal transportation network is a priority for St. Petersburg and the border regions. Major infrastructure projects in North-West Russia include highway upgrades, airport expansion, the construction of toll roads, a high-speed rail link with Moscow, and port redevelopment projects.

St. Petersburg is becoming an important wholesale and distribution centre for the food industry. The success of a recent Canadian food promotion demonstrates that there is a market for competitively priced Canadian food products.

The city's traditional agricultural suppliers, one of which is the Leningrad Region, have programs to increase self-sufficiency and modernize food-processing facilities. There is also a need to improve the feed grain harvest to support the local livestock industry.

St. Petersburg and the surrounding regions are looking to Canada to help address a serious shortage of low-cost housing.

There is a demand for state-of-the-art technologies using inexpensive construction materials. The lack of housing and office space, as well as the Olympic bid, has sparked a renovation boom. St-Petersburg and Novgorod are part of a World Bank housing development project for Russia. Forestry, aluminum and minerals used for building materials are among the North-West's main resource processing industries. Canada's experience in cold weather construction is definitely to its advantage.

In post-Soviet Russia, the search for prospective agents, buyers and investment projects will take Canadian businesses into the regions. Support and information is available from the Canadian Consulate General for firms wishing to do business in St. Petersburg and the North-West. Investment catalogues from various regions are also available through the Consulate General. Large Western accounting and legal firms have offices in the city, as do several foreign banks.

St. Petersburg is on the World Wide Web Home Page: <http://www.spb.su> or Trade Point St. Petersburg: <http://www.unicc.org/untpd/incubator/rus/tpspb.htm>