

ALEXANDER SITNIKOV: SPECIAL INVESTMENT CONTRACTS WILL PROMOTE TECHNOLOGICAL TRANSITIONS

Managing Partner of VEGAS LEX Alexander Sitnikov has spoken at the Russian Business Week about Special Investment Contracts as an additional mechanism for the energy sector to introduce the best available technologies.

On March 15, 2017, VEGAS LEX helped organize the conference, *Transition to Best Available Technologies in Energy: Government and Business Challenges*, held as part of the Russian Business Week; Managing Partner [Alexander Sitnikov](#) spoke at the event.

Mr. Sitnikov noted that when introducing the best available technologies (BAT) in the energy sector, attention needs to be paid to Special Investment Contract (SIC) tool and the positive experience of its implementation in Russia. The expert explained what the SIC is, what steps companies need to take to conclude it, listed the opportunities that the SIC gives to an investor, and the problems facing those who opt for using this tool.

In his opinion, the SIC will solve the problems in the transition to BAT, will help balance the volume of investments with the quality of technologies, which are closely interrelated. The special contract also involves benefits that the government state can provide to enable the company, firstly, to improve project performance indicators and payback, secondly, to reduce risks and, thirdly, to synchronize the work on the transition to BAT and the use of equipment supplied by Russian manufacturers, including local production of components.

The conference was also attended by representatives of the State Duma, the Energy Ministry, the Ministry of Industry and Trade, the Council of Energy Producers Association, BAT Bureau, Moek, Lukoil, Siberian Generating Company, Irkutskenergo, Gazprom Neft, Regional Union of Industrialists and Entrepreneurs of the Pskov Region and others.

Organizers of the conference: Committee on Energy Policy and Energy Efficiency, the Council of Energy Producers Association.

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