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Hospitality sector in Russia: anticipating 2018 FIFA World Cup



With AEB updates on: Moscow's luxury segment hotels; legal regulations affecting hospitality industry before FIFA World Cup; delicious recipes by famous chefs de cuisine.

**Dear readers,**

Welcome to the Winter 2017/2018 issue of the AEB Business Quarterly!

The current edition is devoted to the Russian hospitality industry on the threshold of the home 2018 FIFA World Cup which has been the most anticipating sportive event in Russia for the last several years. Eleven cities have kept on preparing to warmly host this football festival that will embrace hundreds of thousands of fans from all over the globe, dozens of spectacular matches with participation of the world's most prominent players, as well as modern infrastructure to ensure smooth organisation of the competition.

In this issue of the magazine, we strive to make a true "Welcome to Russia" call within the best traditions of hospitality.

The Moscow's famous hoteliers presented their luxury segment hotels with a focus on a variety of accommodation and entertainment services to be provided for tourists who will stay at the capital of Russia during the World Cup matches. Likewise, the hoteliers shared their perception of "luxury" and revealed some secrets of running a hotel business.

A number of articles cover legal aspects and regulations with regard to hospitality industry in Russia prior to the 2018 FIFA World Cup. In particular, they explore changes in immigration registration rules, new safety, migration and sanitary requirements for hotels, as well as the government measures related to the protection of consumers.

Finally, a separate part of the magazine (the most delicious one) comprises culinary recipes from the hotels' chefs de cuisine.

It is my sincere pleasure to express gratitude to the members of the AEB Hotels & Tourism Working Group for their efforts invested in the publication. Due to their creative contribution, the magazine is illustrated with exceptional splendid photographs which generate a special flavour of festive magnificence and homelike comfort.

Traditionally, the Business Quarterly contains the most recent AEB news, updates on the Committees' activities, and information provided by member companies. The list of the AEB new members with a brief description of each of them is presented, as usual.

Enjoy your reading!

Frank Schauff

Chief Executive Officer,
Association of European Businesses

**Dear readers,**

The Hotels & Tourism Working Group was established back in 2009 when a handful of hoteliers, already members of the AEB, realised that the city of Moscow was missing a forum where international hotels could exchange ideas and advice, and pool information in the face of growing challenges in the market.

Over the following years the Working Group grew from its original six members as new hotels entered the market and international chain operators joined with their portfolios.

A regular meeting schedule for central city hotels, combined with quarterly meetings of the entire member group, included strategic discussions about implementation of government policies, exchange of experience values for inspections and follow-up, and representation of hoteliers at government level.

New legal initiatives such as restrictions on smoking in bars, restaurants and hotels created a cloud of uncertainty as to how the new laws were to be interpreted and fully complied with. Measures to report and control the flow of alcohol from producer to end user sparked a particularly broad discussion to ensure the right approach, as the government system was designed for wholesale and retail but was also to be implemented in bar and restaurant sales, and was already exceptionally difficult to understand.

But the Working Group has also responded to government requests for a dialogue as to how to optimise the city's handling of events such as the FIFA World Cup, which take place under the spotlight of the entire world. Discussions ranged from security, access, cooperation and representation, and both parties were able to share their points of view, as well as the valuable prior experiences of hotel operators around the world.

Going forward, the Working Group will convert into a Committee to continue tackling the challenges common to all the hotel industry in the years to come.

In this issue of AEB Business Quarterly we would like to present you with our view on the current developments in the hospitality market, as well as on some of the most important points concerning regulation, and of course culinary delights and recipes of the hotels' world-famous chefs!

I hope you find it both enjoyable and informative!

Armin Eberhard

Chairperson of the AEB Hotels & Tourism Working Group,
General Manager, Renaissance Moscow Monarch Centre Hotel

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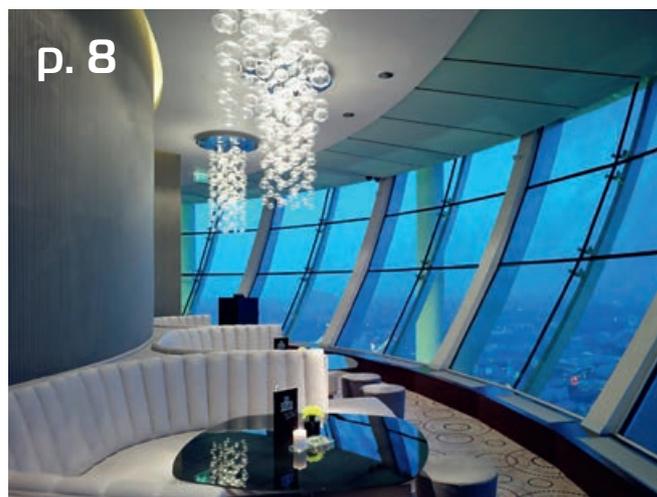
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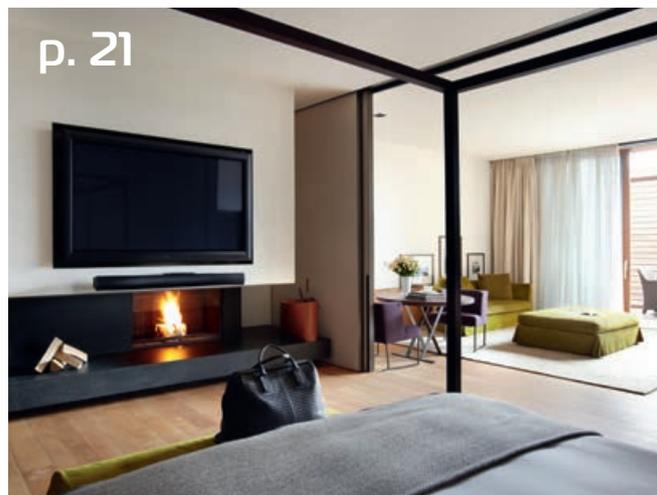
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AEB members met with Boris Titov, Russian Business Ombudsman



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Publication name/Наименование издания:

AEB Business Quarterly
(Ежеквартальное деловое издание
АССОЦИАЦИИ ЕВРОПЕЙСКОГО БИЗНЕСА)
Published by/Учредитель: Non-profit
making partnership "Association of European

Businesses"/Некоммерческое партнерство

"АССОЦИАЦИЯ
ЕВРОПЕЙСКОГО БИЗНЕСА"
Chief Editor/Главный редактор:
Y.S. Melnikova/Мельникова Ю.С.
Publication volume and number/

Номер выпуска: 04, 2017

Release date/Дата выхода:

31 January 2017/31 января 2017 г.
Circulation/Тираж: 16,000 copies/16,000 экз.
Cost/Цена: Distributed free of charge/
Бесплатно

Publisher's address/

Адрес издателя, редакции:
16, bld. 3, Krasnoproletarskaya str., 127473,
Moscow, Russia/Россия, 127473,
г. Москва, ул. Краснопролетарская,
д. 16, стр. 3

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Follow your dream!

By ORGCOMMITTEE – 2018 of the Russian Federation,
2018 FIFA World Cup Russia™

2018 FIFA World Cup™

The 2018 FIFA World Cup™ is the most anticipated footballing event of the past four years. The tournament will take place in 11 cities around Russia: Moscow, St. Petersburg, Volgograd, Kazan, Nizhny Novgorod, Samara, Saransk, Kaliningrad, Rostov-on-Don, Sochi, and Ekaterinburg. 32 of the world's best national football teams will meet in 64 games to determine the strongest among them for the next four years.

2018 FIFA World Cup™ Mascot

Zabivaka is one of the most important participants of the upcoming 2018 FIFA World Cup™. He is a young, charming, vivacious wolf, who almost always wins the day. He is self-confident and sociable, and has dreamt of becoming a football star for as long as he can remember. His favourite game? Football, of course! He is a very sporting player who respects his opponents and values his team members. Everyone loves his stylish glasses. Zabivaka believes they give him extra accuracy, so you will never see him on the pitch without them. Zabivaka is clever and kind-hearted. There is no one who Zabivaka would refuse a photo or a game. No one at all!

The 2018 FIFA World Cup™ is not just a festival of football. It offers some unique services available to all visitors at the tournament.

Fan ID

A FAN ID is received after purchasing a ticket for the 2018 FIFA World Cup™ and is a document required to enter the stadium, along with the ticket. The FAN ID is an individual magnetic strip card containing the name and picture of the owner. Visitors are recommended to register for the FAN ID in advance.

Advantages of the FAN ID:

- comfortable access to the stadium;
- safety;
- visa-free entry for foreign fans;
- free travel in the city and between the host cities along additional routes.

Registering for a FAN ID:

- on the www.fan-id.ru website;
- at distribution centres.

Receiving your FAN ID:

- by mail and at distribution centres.

Free travel

A free travel system will be available to all fans at the 2018 FIFA World Cup™. It consists of two parts:

- free travel between host cities on additional trains;
- free travel for fans on public transport along the competition routes on match days.

To obtain the right to free travel, a spectator must have an admission ticket to the match or a document that entitles

him/her to receive an admission ticket to the match, as well as the FAN ID.

To get a free ticket for an additional train, the fan must register on the web-portal tickets.transport2018.com: fill in the data about the match ticket and choose your additional train route and your seat in the carriage.

More than 500 additional trains will be provided to enable fans to travel freely between the host cities. They will be able to transport over 330,000 passengers. A complete and accurate additional train schedule will be determined after the Final Draw for the 2018 FIFA World Cup™.

Welcome2018. Welcome to Russia

The Welcome2018.com web portal is intended for all fans who plan to attend matches at the 2018 FIFA World Cup™ and visit Russia. The main idea behind Welcome2018.com is to provide all football fans and tourists with useful information about Russia and the tournament host cities in one place, from visa processing to the list of items prohibited at the stadium.

News and unique content in 5 languages

On the Welcome2018.com website, each user can find news and detailed information about the preparation for the 2018 FWC, longer articles, and video and photo projects. Since the launch of the web



portal in July 2015, about 4,000 texts, 82 interviews, 61 infographics, and 20 video presentations have been posted.

Fan Guide

The Fan Guide consists of 9 sections with useful information about Russia, the 11 host cities of the tournament, travel around the country and between the cities, medical services, communications, food and shopping, what to do in emergency situations, obtaining visas and rules of entry into the country, accommodation and hotel booking, security, FAN ID registration,

the match schedule, tickets to matches, rules for entering stadiums, volunteer work and events for the fans.

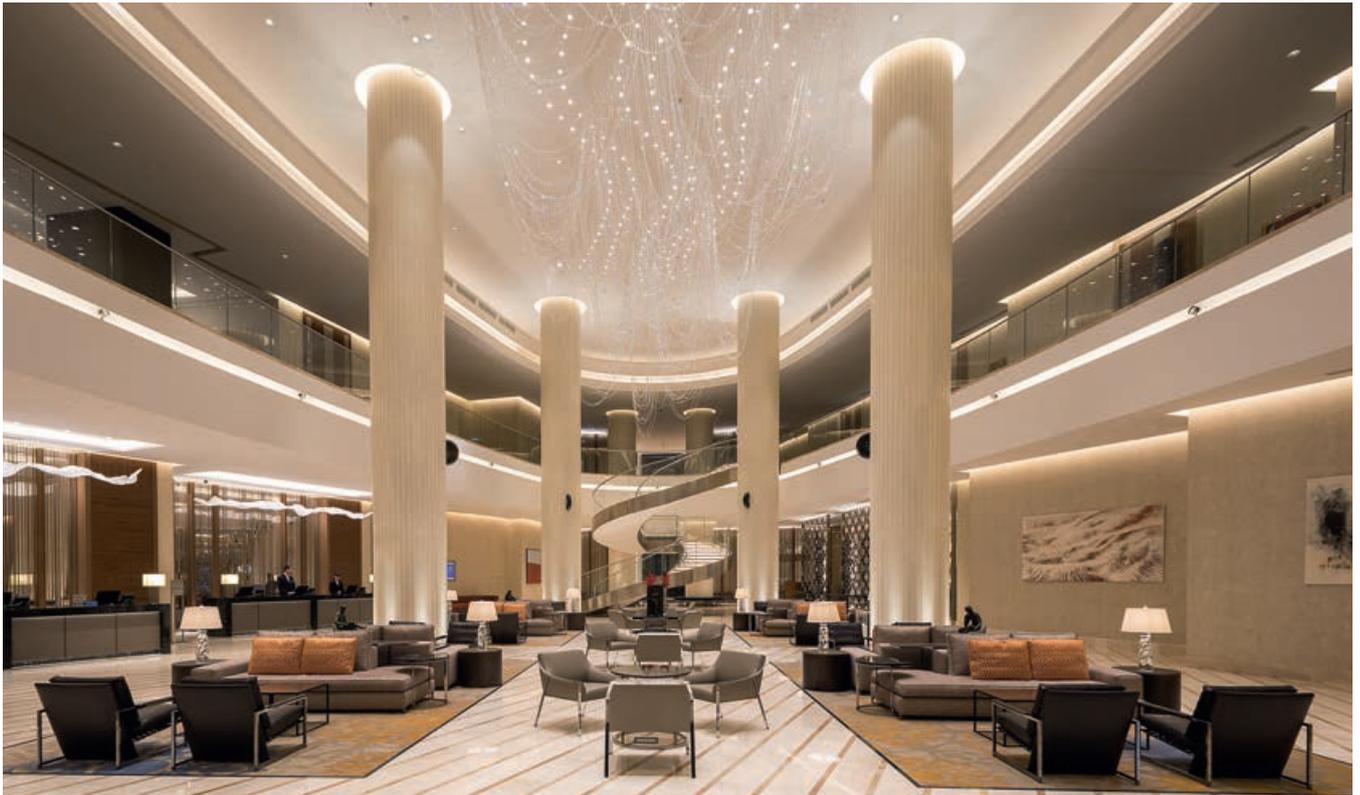
Tourism and sightseeing attractions

Each host city has its own information section on the web portal, where you can see the city and get a feel for its atmosphere through more than 250 thematic routes and information on more than 2,000 sites. To set the route of a trip, the user simply uses the "Add route" option and selects a topic of interest in any of the host cities.

Mobile Application

The mobile application offers the full range of the website's most interesting and useful content: Magazine (news, longreads, infographics, video and photo projects), Fan Guide (information about transport, travel, accommodation, host cities, stadiums), Favourites (user-configurable), Planner (travel, booking of tickets and hotels, tourist routes), and Match Schedule. Using the integrated map, you can find all the recommended places of the city near your current location. |

Entering the hospitality market in Moscow



JEAN FRANCOIS DURAND

General Manager, Hyatt Regency
Moscow Petrovsky Park

It is always a challenge to enter the Moscow hospitality market, which already has a set of well-known chain hotels; however, the city is developing very fast and there are new opportunities for business and leisure tourists as well as for locals. Our hotel is designed to foster the connections that matter most, so our guests can work or play, collaborate or recharge with everything they need at their fingertips. It certainly takes a certain delicacy to balance business needs, brand standards and the owner's vision; however, open discussion makes it much easier to overcome unforeseen challenges in the

new hotel. Opening a hotel is always a unique experience, and it is very difficult to find two hotels that are like each other. This shows that no matter the task, no matter the time constraints and the challenges, there is always a way forward, while determination, passion and patience help to see that the glass is half full.

To succeed and turn a new building into a hotel, it is vitally important that the design, concept and coordination are put together to allow the team to deliver a premium service while enjoying their



work. All facilities and amenities should be designed and crafted for a purpose and adapted to the needs of the guests who will be experiencing the hotel. It is important to understand who we are targeting and ensure that the product is adequate and corresponds to the demand. This will allow the team to understand and believe in their product, and to be more comfortable and confident while delivering the service. If the hotel does not meet customer needs, all the effort and time spent will be wasted, resulting in stress and frustration on both sides.

In addition, no matter the hotel's style, concept, star rating or location, the most important thing is to ensure that the team is selected based on what we expect from people, rather than modeling them to a certain role in the team. In other words, the more colleagues suit their roles, the easier it will be for them to deliver care, to be natural and confident, establish meaningful connections with the guests and to be empathetic. The more your team knows what is expected of them, the more they will be satisfied at work and feel confident while doing their job. All the

experiences that we remember come from the people we meet and, more often than not, it is people who influence our decisions and perceptions. A hotel is a place where people are connected, where work and leisure come together. Each guest has a reason to be here and the employees are the connection between all of them, they are the ones who influence a business meeting, a city tour, a wedding night or simply a new guest's experience. So, let us choose people who will be the best fit for the role and the hotel will gain its glamour and soul. |

Panoramic restaurant at the hotel: FIFA edition



JAN CHOVANEC

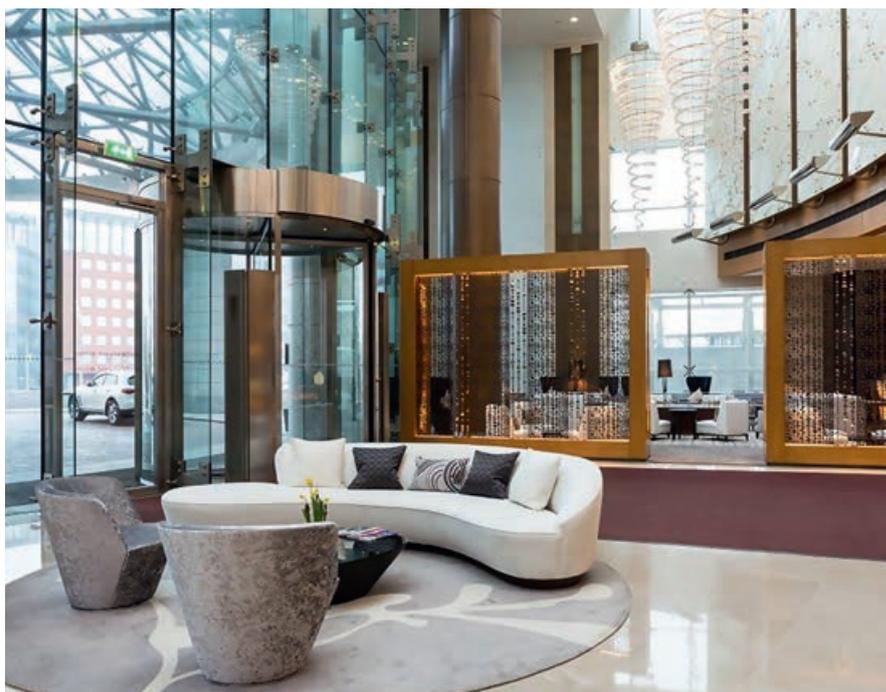
General Manager, Swissotel Krasnye Holmy Moscow

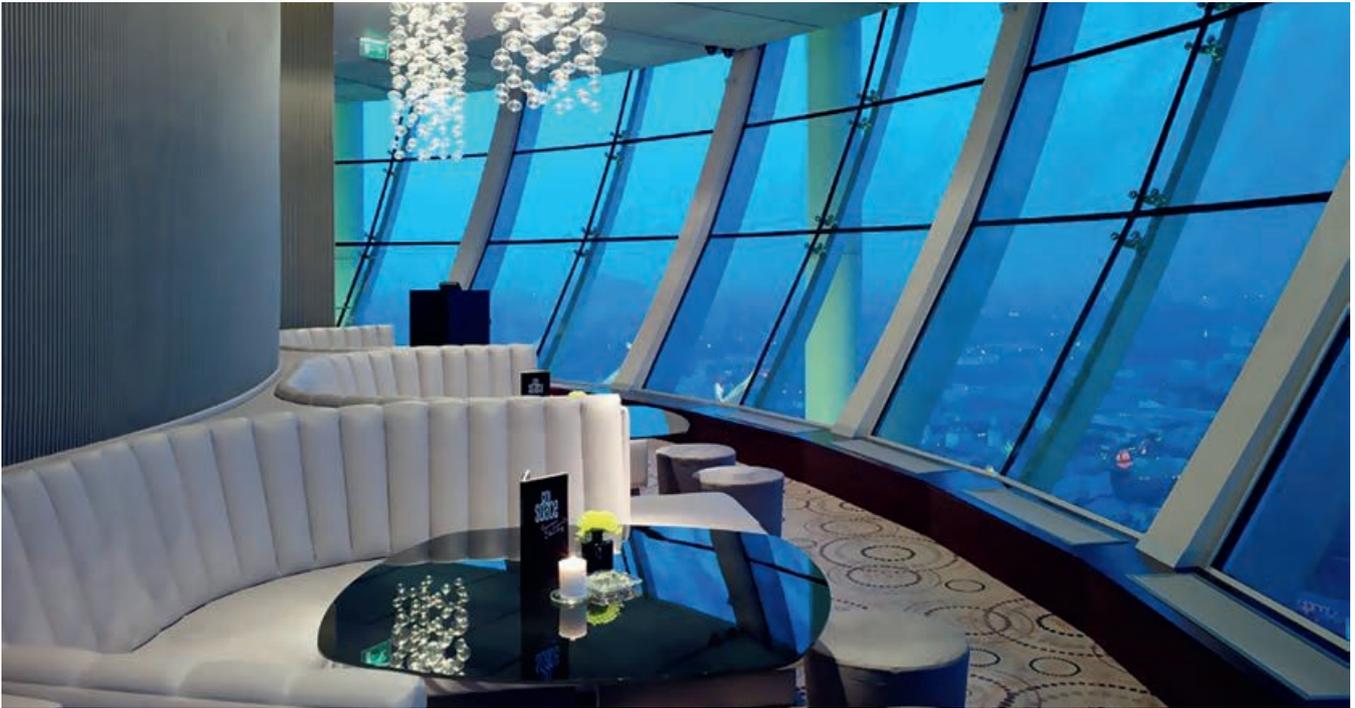
A huge international event like the FIFA World Cup certainly does not pass by unnoticed for many spheres of business. But the travel & hospitality industry is one of the top players in the warm up for the FIFA World Cup. The question for us – as hoteliers – is simple: how do we score a goal at the FIFA World Cup?

Of course, many areas of the hotel are involved in the preparation: accommodation deals with a rising demand for rooms, human resources and security deal with an increasing amount of checks and inspections, marketing & PR takes care of public attention. Our hotel F&B team is also a hive of activity.

Swissotel Krasnye Holmy is famous for its panoramic views, and the venue with the signature panorama is the City Space Bar & Restaurant, located on the top floor of the hotel. We call it our gem – it offers 360 degrees of panoramic views of the city from a height of 140 metres. Needless to say, the view is quite something. City Space has been in the Moscow market for 12 years and is now a must-visit for visitors to the city thanks to its views of the capital and its signature cocktails. Over the years, City Space has won many international awards – it was voted among the Top 10 Bars in the World by Bartender's Guide, Top 50 Bars in the World by Drinks International, and more recently Best Hotel Bar 2016 by Barproof Awards.

The FIFA World Cup brings a lot of challenges to City Space that we need to face in advance in order to chalk up a win during the month. First of all, we expect an increased number of guests at City Space: this brings a number of operational questions to the fore like kitchen capacity, number of team members and working hours. As of October this year, we launched a pilot version of a breakfast and lunch offer and changed the working offers – during City Space's long history it had never opened earlier than 16:00, but now it is open from 11:00. This will help us to solve these operational questions in advance, make sure that we are able to cope with the extended working hours, and, of course, cater for a demand that will only





increase during the tournament. Secondly, when it comes to sport, the menu has to be relevant – we plan to run a special menu during the football matches. Thirdly, and most importantly, the guests need to have a chance to watch football in the restaurant: this opportunity will, of course, be provided.

Last but not least, many people coming to Moscow during the FIFA World Cup will not only be interested in the football, but also in the city. City Space offers a tour of Moscow in the virtual sightseeing facility www.CitySpaceView.com, which shows views of Moscow with city's architectural objects and interesting places marked. The visitor can find out information about each object and see it from closer up. Guests of City Space can not only just admire the view, but also discover Moscow.

We are looking forward to welcoming our international guests during the FIFA World Cup, and are happy to show them football and Moscow. |

Over the years, City Space has won many international awards – it was voted among the Top 10 Bars in the World by Bartender's Guide, Top 50 Bars in the World by Drinks International, and more recently Best Hotel Bar 2016 by Barproof Awards.



Trends of development in the Government's approach to compliance with consumer protection regulation in hospitality industry on the eve of the 2018 FIFA World Cup



NATALIA KASHINA

Associate, BORENIUS ATTORNEYS
RUSSIA LTD

In order to prepare its hotel industry for world football's largest event, Russia has passed federal

regulation concerning the preparation and staging of the 2018 FIFA World Cup (the "Federal Law").¹ It is possible to identify two main aspects among the Federal Law's provisions which relate to the protection of consumers.

Category Certificates

From 1 January 2017, Russian hotels will only be allowed to provide hotel services if they have a category certificate (a "Certificate") to prove that their services are of a particular standard. The Ministry of Culture's Order dated 11 July 2014 established that hotels and other types of accommodation would be classified based on a system of six categories, ranging from 5 stars to 1 star, plus a "Zero stars" category.

Furthermore, the provision of accommodation services without previously having obtained a Certificate only became an administrative offence under Russian law when obtaining a Certificate became a requirement at federal level. Hence, the Federal Law activated the provision from Article 14.39 of the Code of Administrative Offences², which stipulates liability in the form of fines for companies providing accommodation services without having a Certificate.

This fine can be up to RUB 10,000 for company officers, and up to RUB 50,000 for the companies themselves. As this amount is not overly significant, large hotels are much more concerned about a loss of reputation, which may be caused by inspections carried out

¹ Article 6 of Federal Law No. 108-FZ "On preparation for and the staging of the 2018 FIFA World Cup, the 2017 FIFA Confederations Cup in the Russian Federation and for amending certain legislative acts" dated 7 June 2013.

² Code of the Russian Federation on Administrative Offences No. 195-FZ dated 30 December 2001 (as amended on 30 October 2017).

by the Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing. However, in general it tends to be smaller hotels and hostels that neglect to obtain Certificates and for them the size of the fine may be a sufficient deterrent.

Price regulation

Another very important aspect of consumer protection implemented by the Federal Law is the government regulation of accommodation prices during the 2018 FIFA World Cup. In accord-

ance with the Federal Law, and in order to protect football fans who will travel this year to Russian cities hosting FIFA World Cup matches, the Government of the Russian Federation has already established prices for hotels according to their categories.³

Compared with other cities hosting the 2018 FIFA World Cup, the highest room prices per night have been set for St. Petersburg. For example, one night in an "apartment" or "suite" type of room in a five-star hotel in St. Peters-

burg may cost up to RUB 700,000, while a similar room in Moscow could cost up to RUB 650,000.

The measures described above were taken to make the services of Russian hotels more attractive for customers, including international guests. It is hoped that doing so will not only make the 2018 FIFA World Cup a genuinely world-class event, but also provide a convincing stimulus for the development of tourism and the hospitality industry in host cities at the 2018 FIFA World Cup. |

³ Decree No. 89 of the Government of the Russian Federation dated 10 January 2016.

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Реклама

Innovative technologies in airport infrastructure: new challenges for hospitality sector



SERGEY SUVOROV

Operations Director, Northwestern region, Spectrum Group

The time when an airport served exclusively as a transport hub is gone. Today an airport can be compared to a city within a city, with its own shops, services, hotels, and exposition areas. Such cities, or rather aerotropolises, first appeared in North America, Asia and the Middle East. And it is not surprising that millions of tourists come to Hong Kong just to see the Disneyland owned by the local airport. As it happens, it is not just foreign airports that have become attractions in their own right; the trend can be seen in Russia as well, and following the example of Moscow, other cities have started creating their own mini-aerotropolises, with Samara, Saratov and Rostov-on-

Don chief among them. Spectrum Group participated in the design and construction of the international airports in these cities, and we can say with confidence that development is moving along rapidly.

Why does our life centre more and more often around the airport? How did the trend arise? Short answer – time is money. Offices in the airport area are a great solution for international businessmen: there is no need to be stuck in a traffic jam somewhere downtown, the necessary infrastructure is nearby, and, most importantly, you have a rare chance to be mobile. If you can work in the aerotropolis, you can also live there, cannot you? The conclusion is simple: hotel complexes will be also in demand. With the 2018 FIFA World Cup as a backdrop, the issue of hotel construction in airport areas has become particularly relevant. For it is hotels that will become a key component of large international airports in the cities where the championship will take place.

In this case, the target audience of a hotel will include not only businessmen who have come for a conference or negotiations, but also numerous guests and tourists who gathered from all over the world to enjoy the championships. Standards are set very high, and investors pay attention to

every detail when implementing such projects.

After deciding to build a hotel complex on the territory of an airport, an investor will probably have to answer a lot of questions: how to design the site within the fixed term, how to minimise construction risks, and will the new project comply with all the international standards? It is for these reasons that site construction can only follow after a lengthy preparatory stage – a multidisciplinary team of specialists analyse, plan, and discuss the upcoming project. Implementing a project like an airport hotel complex is always a challenge, because the requirements of the finished site are extremely strict. The investor relies on modern technologies at the design stage – smart engineering solutions, collaboration of all specialists in one BIM model, and “green” construction technologies.

Innovation is an essential ingredient of fast-developing modern aerotropolises, because life does not stand still and an investor’s time is expensive. The use of Building Information Modelling (BIM) that Spectrum Group has applied since 2009 significantly decreases the likelihood of mistakes when designing complex sites, which in turn decreases the overall time needed to implement the project and helps calculate the



precise number of materials and equipment as early as the design stage, thereby minimising construction risks. Moreover, innovative technologies at the construction stage in the form of cloud storage allow the investor to be in a single information space with the workers, rendering the construction process transparent and open for the employer.

Compliance with “green” construction standards also promotes a rise in efficiency at the future site. As well as tax incentives and considerable economy at the operation stage, the use of energy-efficient technologies also contributes to a better image of the

site, which is one of the key factors for a large transport hub.

However, there are a couple of problems that hamper the development of airports and accompanying infrastructure in our country – it all requires considerable financing and an interdisciplinary approach. The construction of new sites should be preceded by a detailed analysis of the region’s features, market requirements and interaction with authorities. It is clear that the success of the hotel complex depends on the passenger traffic, but who can guarantee stability in this regard? Investments are currently actively attracted to transportation – in-

ternational expositions are being held, tax incentives are being introduced, businesses are networking. However, governmental actions like these are not always enough. In order to increase the efficiency of the non-aviation sector, private operators are needed.

It should be noted that the potential of Russian airports is really high. The government, investors, and developers are beginning to think more and more that a complete infrastructure at an airport is not only financially profitable, but also significantly improves the country’s image. As they say, an airport is a window to the world, and so to the world it is the face of the country. |

A stitch in time saves nine: getting ready for changes in immigration registration rules



YANA KUZNETSOVA

Senior Consultant, Global Employer Service, Tax & Legal, Deloitte Consulting LLC

The obligatory immigration registration of foreigners in Russia has always been a sticking point for businesses, foreign employees, and even for the public authorities.

Different interpretations and a lack of clarity in the relevant legislation have led to many disputes and frequent (often unintentional) violations.

While the state authorities argue that the current registration procedure is too lax and is not fit for purpose, the business world is trying to convince them that tougher rules would further complicate the process and lead to even more violations.

Currently, immigration registration is regulated by Federal Law No. 109-FZ "On immigration registration of foreign citizens and stateless persons in the Russian Federation" of 18 July 2006. It obligates foreign citizens to register at the place of their stay in Russia, defining it as "... a place of residence, other than the place of permanent residence, and/or other premises (of a foundation or an organisation), where a foreign citizen or a stateless person might be located."

The concept of the "place of stay" allows for multiple interpretations. In practice, foreign citizens are now allowed to be registered both at the address of their actual residence (e.g. a rented apartment) and at the address of the organisation acting as their hosting/inviting party.

However, we have witnessed several recent cases where registering an employee at the company's legal address was treated as a breach of legislation by the local migration authorities and resulted in severe penalties for foreign employees, who were subsequently banned from entry into Russia. The authorities cited the mismatch of the re-registration address and the actual place of temporary stay as the grounds for charge.

This is where the Constitutional Court stepped in, ordering that 109-FZ should

be amended to make sure immigration rules are correctly interpreted and prevent (unintended) violations by inviting parties/foreign nationals. When announcing its order, the Court presumed that registration at the inviting party's address should still be possible for as long as the relationship with the invitee continues; once it is over, foreign nationals must be registered at their actual place of residence.

Later on and in response to the Court's decision, the State Duma introduced a draft law, aimed at incorporating the amendments to 109-FZ and modifying the definitions of the "place of stay" and "hosting party". The current version of the draft law would allow companies to continue the current practice of registering foreign employees at the company's legal address, provided certain obligatory requirements are met: a) foreign nationals in question hold employment/service agreement relations with the organisation, b) their actual residency is placed at the same city as the company's legal address.

However, the proposed amendments to the registration process, which are under way, will prohibit registering business visitors and dependents of foreign employees at the company's legal address. Inviting parties may have to get employees' dependents registered at their residential address and holders of



business visas at rented apartments or hotels.

With this in mind, it might make a lot of sense to keep in touch with property owners, as they may suddenly become the only party authorised to initiate an immigration registration procedure for certain categories of foreign nationals, if the draft law is approved. Especially, when it is still unclear, whether the owners would be able to delegate a third party via a notarized power of attorney to represent them (due to them be out of Russia, which is not a rare case) and act on their behalf as regards obtaining immigration registration, including signing and submitting the required applications.

For a more accurate understanding of the new rules, we need to see the draft law complete all stages of the legislative procedure first. However, with the decision

of the Constitutional Court in place, there is every reason to believe that a new procedure of immigration registration for foreigners will be introduced soon.

Important: tightening security measures during the 2018 FIFA World Cup

On 9 May 2017, the President of Russia signed a decree requiring all foreign citizens arriving to certain cities of Russia during the championship to register at the place of their temporary stay within one day upon arrival. This requirement is applicable to all foreigners regardless of their immigration status, including Highly Qualified Specialists.

The new rules will be effective from 25 May 2018 to 25 July 2018 in Volgograd, Ekaterinburg, Kazan, Kaliningrad, Nizhniy Novgorod, Rostov-on-Don, Samara, Saransk, Sochi, Moscow, and St. Petersburg.

Recommendations:

- If you or your company's employees are likely to be affected, it is advisable to contact the local migration authority in advance to confirm some key points (opening hours, required documents, the need to provide corporate documents to register the company as an inviting party).
- A practical solution would be to get all foreign nationals registered, including those arriving earlier, to ensure that all of them have valid registrations during the special regime period.
- Ensure that the company's authorised signatory for all migration-related forms is always available, including the weekends/holidays.
- Put together a schedule of foreign nationals' travels for this period and instruct them on what they should do upon arrival in terms of registration. |

What is value for money in the luxury hospitality segment?

Glitz hotels and shiny bars have long attracted people from the red carpet and are frequently the centre point of attention when VIPs rub shoulders at the reception desk.

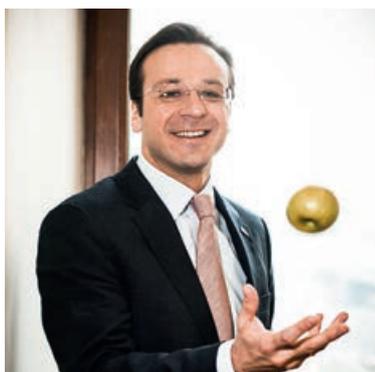
The grandeur of a place and its design combined with the flair of the rich and famous walking past you at any moment, and you will see the latest star in the lobby or at breakfast. But, of course, the rich and famous do not carry these hotel operations alone. These luxury hotels have several hundred rooms and need more than the ladies' cinema screen charm to show black numbers in the profit & loss statement.

Therefore, this is also the home of the affluent business traveller, the company head or the conglomerate president, the official government delegation or the meeting of a high profile company that chooses the cream of the crop hotels, mostly in the very centre of town.

But how do those who represent the brand and the image explain the difference? What is their take on luxury hotels and their value for the customer? In every category of the industry the customer searches for and identifies the value for the money.

So what is it like at the top?

Luxury hospitality: comments by General Managers of Moscow's hotels



Stefan Kuehr is an Austrian hotelier with nearly 13 years of experience in Russia and CIS. He has been General Manager of the Radisson Royal Hotel Moscow for almost four years.

"By definition, luxury means something that appears to be the best of whatever it represents. I believe that luxury in a hotel goes far beyond exclusive interior and never-ending amenities, outstanding service and the highest standard of comfort. I believe it is all about creating "magic moments" delivered throughout the guests' stay, "exceeding of the desired experience", and always creating unforgettable memories through an emotional connection with guests."

STEFAN KUEHR

General Manager, Radisson Royal Hotel Moscow – Ukraina

Stephen Ansell, Area Vice President and General Manager of the Ararat Park Hyatt Moscow, was born in London. He has worked in the hotel industry for 25 years. He is currently at the Park Hyatt Moscow, where he has worked for the past 7 years with previous postings in Germany, Hong Kong, Saudi Arabia, Egypt, Turkey, Kyrgyzstan, Ukraine and the United States.

"Surely it goes without saying that a luxury hotel offers efficient and friendly service surrounded by plush interiors. In reality one has to bear in mind that luxury is a perceived experience and indeed unique to each individual guest. In short, luxury is personal and with this in mind providing a "home away from home" with a service culture of intuitive engagement rooted in understanding and empathy with a mindful approach to every interaction will go a long way to ensuring that you meet the expectations of each guest. Value will be perceived through your ability to provide increasingly customized, personalized luxury experiences."



STEPHEN ANSELL

General Manager, Ararat Park Hyatt Moscow



Rudolf van Dijk was appointed as the General Manager of Four Seasons Hotel Moscow in November 2017. His nearly 20 years' experience with Four Seasons includes working in USA, China, Singapore, Tokyo, Thailand, Japan and Australia.

"Four Seasons Hotel Moscow is designed to ensure our guests have a full immerse into Russian life and culture. Our first priority is delivering memorable and flawless guest experiences. That is why we are focusing on providing the best quality which I believe is only possible when people are motivated, passionate and dedicated to provide the highest level of service and work together as a cohesive team."



RUDOLF VAN DIJK

General Manager, Four Seasons Hotel Moscow

Penalties and free kicks at the hospitality goal: new legal requirements affecting the Russian hotel industry before the 2018 FIFA World Cup



ANTON NAKOU

Counsel, Head of Representative Office in Moscow, Castrén & Snellman International Ltd

While the 2018 FIFA World Cup is approaching, Russian government and supervisory authorities keep introducing new rules and administrative practices to ensure higher consumer protection and safety standards for businesses involved in preparing for and staging the World Cup. The hospitality industry is obviously a key target for such new rules and practices.

New safety rules

In April 2017 the Russian Government adopted new requirements for hotels to ensure that their anti-terrorism safety level is adequate.¹ Now all hotels in Russia must be categorized in accordance with their level of potential danger and the risk of acts of terrorism, as well as the possible scope and consequences of such acts. The new rules provide for four safety categories of hotels, each of which is subject to specific requirements and obligations. There are also requirements common for all hotels: to draft a plan of safety measures, to install video surveillance and emergency lighting systems, etc. Except for category 4 hotels (lowest risk level), all hotels must develop safety passports and have them approved by the local offices of the National Guard and the Federal Security Service.

The period for inspecting and categorising the hotels and approving their safety passports expired on 7 November 2017. However, public prosecutors are still entitled to inspect the hotels and to verify their compliance with the

applicable safety rules. It has been reported in the media that the General Prosecutor has charged regional prosecutors with monitoring the implementation of the new safety rules in connection with the preparations for the World Cup.

Failure to comply with the anti-terrorism safety rules, including failure to develop the safety passport, is an administrative offence falling under Article 20.6 of the Code for Administrative Offences of the Russian Federation. The penalty for a legal entity operating a non-compliant hotel may reach 100,000 to 200,000 roubles, and the company's responsible officers may be additionally charged with a fine of 10,000 to 20,000 roubles.

Migration requirements

In accordance with a recent Decree by the President of the Russian Federation,² the time limit for the submission of information on guests who are foreign citizens to the territorial police offices responsible for migration control is to be reduced to one day. This

¹ Resolution of the Government of the Russian Federation No. 447 dated 14 April 2017.

² No. 202 dated 9 May 2017.



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requirement applies to hotels located in the cities and regions hosting the World Cup from 25 May to 25 July 2018.

Sanctions for a breach of migration control requirements are quite severe and consist of administrative fines for both legal entities (400,000 to 500,000 roubles) and their responsible officers (40,000 to 50,000 roubles). Certain actions, such as false migration registration of a foreign citizen, may also fall under criminal liability measures.

Sanitary requirements

Contrary to the federal measures described above, implementation of specific sanitary and epidemiological requirements associated with the World Cup is primarily the role of regional authorities. Currently, certain regions have adopted decrees on immunising personnel involved in serving World Cup footballers and guests. For example, hotel employees in the Kaliningrad region must be vaccinated against hepatitis A virus by 1 May 2018 (except for those already vaccinated or who have had this disease), and their previous vaccination against certain other diseases must be proved. Employees of restaurants and catering services must be additionally vaccinated against Sonne dysentery.³ The authority responsible for implementation of the immunisation requirements is the regional department of the Federal Service for Surveillance on Consumer Rights Protection and Human Wellbe-

ing (Rospotrebnadzor). Requirements regarding monitoring the immunisation of employees of the hotels accommodating World Cup footballers and guests are also in force in the Nizhniy Novgorod region.⁴ However, in many cities and regions hosting the championship (including Moscow) no specific sanitary or healthcare requirements have been adopted so far.

Rospotrebnadzor activities

On 11 November 2017, the board of Rospotrebnadzor adopted an agenda for the agency on preparing for the World Cup with a view to ensuring implementation of applicable legal requirements.⁵ The priority tasks of Rospotrebnadzor for the coming months include:

- supervision of the availability of category certificates required for hotels that operate in the cities hosting the World Cup,⁶ and over the disclosure of the relevant information (including the certificate number and the issuing institution) to the consumers "in a visual and accessible manner";
- supervision of the fulfilment of legal requirements related to the state regulation of prices for hotel services;⁷
- banning any sales (including re-sale, distribution, allocation, exchange or other similar activities, whether profitable or not) of tickets to World Cup games or other documents giving the right to obtain such tickets, without entering into respective agreements

with FIFA or its authorised agencies;⁸ and

- supervision of the use of 2018 FIFA World Cup symbols which are intellectual property and to which FIFA has exclusive rights.

Clearly, the abovementioned tasks significantly increase the likelihood that Rospotrebnadzor will conduct inspections as well as the level of scrutiny faced by hotels engaged in servicing the World Cup.

The abovementioned list of new legal requirements and practices of the supervising authorities is not comprehensive, and hoteliers may face increasing attention from different state agencies during the period remaining until the end of the World Cup. It has already been reported that the number and frequency of inspections by fire protection authorities have significantly increased. Many issues arise related to the VAT regime for transactions between hotels and non-resident FIFA suppliers (including those who coordinate the accommodation services): the latter are exempt from VAT⁹ while the hotels are required to set their prices inclusive of VAT. Sharing experiences of dealing with supervisory authorities and best practices of compliance with ever toughening legal requirements is vitally important for hoteliers who are preparing to benefit from the 2018 FIFA World Cup in Russia. |

³ Resolution of Chief Sanitary Doctor of the Kaliningrad region No. 7 dated 7 June 2017.

⁴ Decree of the Ministry of Healthcare of the Nizhniy Novgorod region No. 1403 dated 19 May 2016.

⁵ Available at: http://rospotrebnadzor.ru/about/info/news/news_details.php?ELEMENT_ID=9198

⁶ In accordance with Federal Law No. 108-FZ dated 7 June 2013, as amended.

⁷ Resolution of the Government of the Russian Federation No. 89 dated 10 January 2016.

⁸ This should be specifically taken into consideration by the hotels that offer service packages including accommodation and access to World Cup games.

⁹ Article 143(3) of the Tax Code of the Russian Federation, part II.

Managing a luxury hotel in Russia



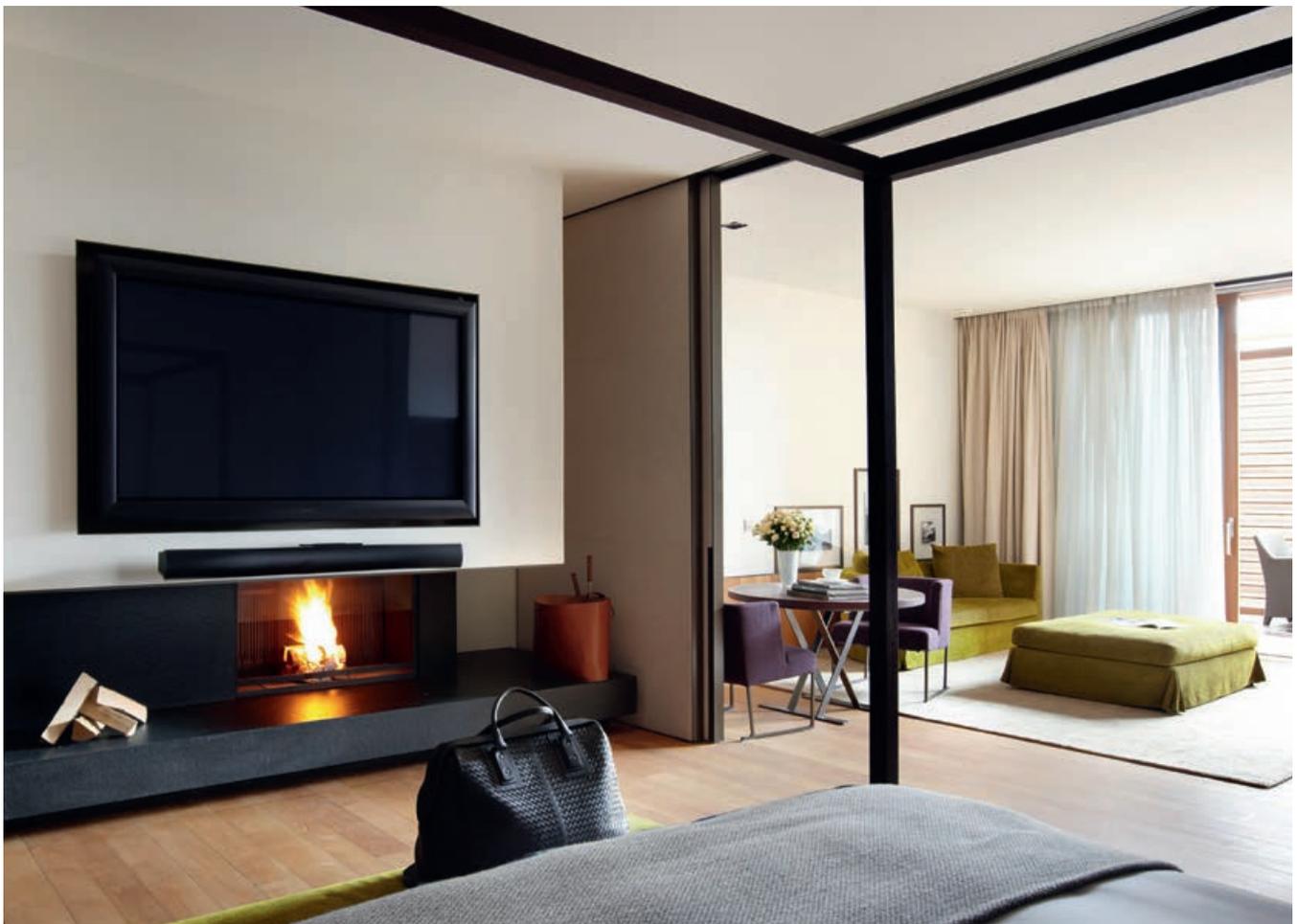
THOMAS NOLL
General Manager, Barvikha Hotel & Spa

What does “luxury” actually mean in this day and age? The perception of luxury has changed and the word “luxury” has been used too much and too often for too many products and services that do not always qualify. Ask ten people today about what they understand by “luxury”, and you will probably get ten different answers.

That said, to be in the luxury bracket, one must provide the highest level of service, experiences and products. Our mission is to delight our customers

every time they step into our spaces, or better yet much earlier, from the moment they think about us and plan a booking or a visit.

In luxury there is no benchmark; one must continuously strive to improve, training and learning must be a culture not a task, one must work to consistently create a new “wow” moment every time our regular customers return, and one must harness the knowledge of the finest products and amenities available in the market for our hotels and ensure that we provide such to our customers.





Luxury has a lot to do with the senses. The smell of the open spaces, the sounds of the public areas, the potential for every part of the hotel to create a memorable photo opportunity for our visitors, the touch of luxury fabrics whether you sit on an armchair or slip into the finest linen on top of an orthopaedic mattress in the bedroom.

Luxury for me as a gastronome is also the simple matter of, for example, serving champagne and other beverages at their perfect temperature. It makes such a difference to the enjoyment. Serve hot food hot, straight from the grill onto the plate and then deliver it quickly to the customer, so that the dish can be enjoyed as intended. The simple things should be done 100% right, 100% of the time. There is no excuse for serving warm champagne.

Luxury is training the employees to a level that they learn to read the customer and to anticipate their possible needs and wishes, and the ultimate luxury is when you can then see and

Luxury is training the employees to a level that they learn to read the customer and to anticipate their possible needs and wishes, and the ultimate luxury is when you can then see and feel happiness all around.

feel happiness all around. Employees that smile from their hearts and customers who smile because they feel safe, secure and pampered.

In my experience we are able to provide easier and better luxury experiences in Russia than in Europe, and this is due to several factors. One is the easy availability of a highly educated workforce that can be trained for specific tasks they are able to deliver. Due to lower payroll cost we can supply enough quality to be more than efficient for specific events. Then we have the vast choice of unique venues with historical significance which many people have never seen before, and it is easier to access such venues than in Europe. This in turn makes it easier to deliver amazing "wow" effects, especially to foreign visitors coming for incentives or corporate events. And thirdly we have a large number of historic hotels that are well maintained and managed by the best international brands and management teams. Having hosted numerous international delegations, I can confirm that most of them stated that their best ever events had been hosted in Russia. |

25 years of success in hospitality business: interview with Oliver Eller



OLIVER ELLER

General Manager of Hotel Baltshug Kempinski Moscow and Kempinski Area Director Russia and CIS

Mr. Eller, Hotel Baltshug Kempinski Moscow celebrated its 25-year anniversary in 2017 – a quarter of a century. How would you describe your hotel's philosophy? Has it changed over the years?

The name of our hotel is firmly associated with Moscow's bright history and its main attractions. The Baltshug opened a modern page of luxury hospitality in Russia in October 1992; the

undoubted symbol of the hotel is its view of the Kremlin, Red Square and St. Basil's Cathedral. It is a grand hotel and has been one of the leading Places to Be and to Meet in Moscow for 25 years. I do not like the term "the best", because our work is not a competition. But if you ask people where they would like to have a wedding or a birthday or hold a major conference, many of them would undoubtedly answer "the Baltshug". There are a lot of good places, great places, but there are those which are always easily remembered because they have become a household name.

While we still have the history, we also have the knowledge. We have ladies and gentlemen who have been working with us for decades, some for 25 years; they are true professionals in the business. If you are a guest at the Baltshug Kempinski, we will probably know you, we will call you by your name and we know your preferences. We really know what we are doing; we have been looking after our customers for a long time and we have more loyal guests every year.

Now we are the oldest, but we have been recently renovated, so we have an updated product: a luxurious lobby, new restaurants and bars, a separate conference floor with conference rooms that transform to meet every event need, and, most importantly, new spacious rooms and suites.

Moreover, we try to make daily rituals an experience in themselves for each guest. For example, we devote our innovative attention to breakfast, where you can try more than 100 products. We recently welcomed the opening of a Truefitt & Hill Barbershop, which has a history of more than 210 years and is a privileged brand of the British royal family. We host 2,500 events every year, but it is still important for us to welcome events that contribute to the hotel's history: events of legendary fashion, jewellery and perfume brands, workshops from lifestyle experts and art exhibitions. The Baltshug works together with various cultural institutions and organises capsule exhibitions with partners such as the State Historical Museum and St. Basil's Cathedral,





Gary Tatintian Gallery, the Museum of Moscow, the Lumiere Brothers Centre for Photography and the Sport Auction House.

How did you celebrate the 25-year anniversary?

25 years is an age our team is truly proud of. We received endless congratulations from all around the world – from the hotel's guests, partners and former employees. I think it is also important to add that our anniversary was not only a time for joyful celebrations, but a motivation to bring together our friends for a good reason. On 1 November 2017, we organised a big charity ball with the support of many Russian celebrities and companies such as Gazprombank, Mercedes-Benz Russia, Porcelain House,

Neva Towers and Ambassador Club to raise funds for the children's hospice The Lighthouse.

We continued the series of November events with the Charity Bazaar "Share kindness, Moscow" on 19 November, which welcomed 3,000 guests. 5.5 million roubles were raised in November alone.

In the 1990s, when hospitality in Russia was just growing, what was your impression of the city and its hospitality?

I first came to Moscow in 1995, and, of course, it was all different. It was even quite different in 2005 when I was in charge of opening the Ritz-Carlton in Moscow.

Yes, maybe, before, Moscow was not as bright as it is now, but if we look at the photos, we can see that Moscow has always been fantastic. Even in the 1990s, when it was a completely different city. And I love Moscow, not so much for the exact picture, but for its energy, which is impossible to photograph or capture; you can only feel and experience it. The vibration of the city, I would say. Life goes on, not in the museums; it is happening in the city.

Nevertheless, today you can see how much the city and its residents have changed: the city has a friendly infrastructure, and it is very convenient for walking and cycling. Moscow has become a safe international destination with a large number of inspiring mod-

ern museums and galleries, as well as green parks. We are very lucky to have the brand-new Zaryadye Park as our closest neighbour – it has certainly adorned our view even more with its innovative landscape. Our guests are fond of the park's 5D cinema, the flying bridge and the inspiring gastronomic centre with eight culinary areas. The city is very clean, with impressive decorations during festive seasons like New Year and Christmas, as well as beautiful festivals round the year: Spasskaya Tower Music Festival on Red Square, the Circle of Light, and many cultural and culinary events.

How would you describe a successful hotel chosen by today's modern luxury traveller?

All hotels have two core ingredients: an actual product – hardware, and the service – software. The competition, in its constant perfection of a luxury product, is never-ending, and there is always a hotelier who can boast a newer, more modern or more luxurious product – it all depends on the money invested. While this second aspect – namely, the service – is something money cannot always buy, it is the service that the guests choose. Therefore, at Kempinski we pay premium attention to the individual character of the hotel, and we strive to allow our guests to feel the local culture throughout their stay and return home with long-lasting pleasant memories. For example, the special Lady in Red service was created to provide our guests with professional care during their visit as soon as they step inside the hotel.



It is very well known in the hotel business that when we talk about which hotel is the best in town, we talk about three things – location, location and location.

How important is the hotel's location for its success today?

It is very well known in the hotel business that when we talk about which hotel is the best in town, we talk about three things – location, location and location. If you wake up in the morning as an international business traveller and look outside the window, you want to know where you are: are you in New York or in London today? Here you can see

St. Basil's Cathedral, you see Red Square, you immediately know where you are if you stay at the Baltshug. And you are within walking distance of the centre of one of the most beautiful capitals in the world. If you want to schedule a meeting with your business partners, the place of your meeting is also very important. Our Library room with signature views of the Kremlin has become the hotel's calling card for welcoming leading conferences and for successful business meetings. It is clear that the world has become mobile in all senses, and today's leisure travellers want to share their room's view in an instant picture with their friends and followers.

Who are the Baltshug guests today?

We have a good number of guests from the United Kingdom, Austria, Switzerland and France, and we are constantly welcoming more visitors from BRICS countries. We can also confidently say that for German citizens, the Baltshug has been their second home for a long time. On the other hand, around half of our guests come to us from Russian regions



and CIS countries. Approximately 70% of guests visit Moscow and our hotel for business purposes. At the same time, we are happy to note the positive trends and a serious increase in the number of leisure travellers due to the extension of national tourism, the rising popularity of Moscow as a travel destination and more attractive rates for foreigners compared to five years ago. The upcoming major sports events in 2018 will certainly increase the popularity of Russia, and particularly Moscow, as travel destinations.

Which advanced technologies are essential for successfully running a hotel business today?

As they say, if you are not on the Internet, then you do not exist in the modern world. That is why the hotel's high-quality presence on the main online travel agencies, a user-friendly and multifunctional hotel website, and interesting social media pages are truly important for the successful promotion of a hotel today. For example, the number of online bookings is increasing every year by approximately 40%.

We receive 24/7 customer feedback – I would say many of today's travellers are really trying to be journalists! Customer feedback has become crucial for a hotel's success – guests assess the quality of the hotel and influence its ranking.

For many guests, it is also important to experience new technologies throughout their stay: e-concierge, smart house systems, interactive menu on an iPad... You can find many of these novelties in Kempinski properties worldwide. We also truly believe that modern technologies are not the key factor in making the guest's stay delightful, as for a discerning traveller, the personal touch is the most important point. It is the employees who make the service personal and incorporate the service philosophy into everyday practice. I would also like to stress that employees must not only be excellent at their job, as we also try to develop talented entrepreneurs who have passion and who value innovation.

And how do you hire people? Is it difficult to find employees for a luxury hotel?

When I first came to Russia, I thought it would be very difficult to find the right people. But I was completely wrong! In no other country (and I have worked in many places on four continents) have I seen such a large number of well-educated, professional and motivated people. Most employees have higher education and come to the hotel directly after university, which is very unusual compared to other countries. And this applies not only to management positions, because approximately 80% of our employees have higher education! This is much more than in any other country, based on my personal experience. Maybe they could just smile a bit more during their first job interview – that is my only extra wish. |

Fitness in the hotels



OXANA KONDRUKH
Health Club Manager, Renaissance
Moscow Monarch Centre Hotel

Sports are becoming more and more popular in the modern world. As an industry, fitness has started to attract business professionals, young people and the elderly. People have begun to realise the importance of maintaining a healthy lifestyle and keeping themselves in an excellent physical shape. We can say with complete confidence that now fitness is fashionable!

Whether travelling for pleasure or business, it is very important to keep the usual rhythm of life, so when choosing a hotel, guests often pay attention to the sports facilities. Any hotel with 4 stars or more simply has to give due consideration to developing its health and well-being services in order to remain competitive.

Modern hotel sports centres include, as a rule, services such as a gym, swimming pool, jacuzzi, saunas, various spa

services, solarium, and juice bar. Some hotels may boast a beauty salon with a full range of hairdressing services, a gym for group sessions, or halls for table tennis.

In Moscow there are a large number of hotels that provide guests with a full range of services and function as a full-fledged fitness centre. Practically each of them offers club membership to clients who are not guests at the hotel. In my opinion, such fitness clubs have

many advantages: guests are given slippers, bathrobes and towels, which creates a cosier and more homelike environment. The staff in such hotels are well-trained, and many speak foreign languages. Often these clubs are open 24 hours a day, which is important for some customer categories.

In order for a fitness club to be successful and competitive, it is important to keep pace with the times, take into account current trends, and constantly





monitor the market for fitness services. An important point is the choice of equipment. Training on modern fitness equipment can be not only effective, but also more interesting. Machines are equipped with systems capable of accessing the Internet and connecting to various gadgets. Thanks to the latest technology, you can take a virtual journey to various parts of our planet when training. While you are running or pedalling, the screen will broadcast beautiful landscapes and attractions. If the landscape on the screen displays the road up a mountain, the treadmill will automatically raise the running belt, and on the stationary bike you will feel an additional resistance behind the pedals. In modern cycle-studios competitions are held, which show the results of the race on a big screen.

Fitness gadgets which calculate the number of steps, calories, patterns of

sleep and rest, are now hugely popular. There are a large number of mobile applications on which you can track the history of your sporting achievements, share with your friends, and even participate in online training and competitions. Runners no longer need be lonely, as they can choose their own distance and rivals from around the world, participate in races and even win medals!

There is currently a huge variety of group activities available, with the most popular being CrossFit, yoga, pilates, martial arts, ZUMBA and dance programmes, as well as training in a pool. At our club, outdoor yoga classes, MMA, kudo and Aqua Zumba are very popular. Fitness conventions allow you to get acquainted with new forms of exercise like AquaFlat (fitness on rafts), Kangoo jumps (training in special spring-laden boots), training on canvases and in hammocks. We do a

lot to get people involved in sports! We regularly hold fitness weekends at our hotel, introducing our guests the latest fashionable fitness programmes. On weekends we conduct classes for children, as family holidays are popular in our country.

Various spa treatments aimed at restoring and resting after a busy day are also very popular. In addition to traditional types of massage, facial and body treatments, wraps and rejuvenating and figure-correcting procedures are also popular. In our hotel, specialists from India conduct unusual Ayurvedic treatments which are of great interest for our guests as well.

To summarise, I can say for certain that a hotel with a well-equipped fitness club in step with the latest trends will not only attract more guests, but also bring significant profit. |

Hotels' culinary delights and recipes

*...with comments by the world-famous
chefs de cuisine about Russian winter...*

Rain, wind, with ice and snow from October through to April: that is what Moscow's residents brace themselves for every year.

But what about the pleasant side of the dark season, like skating in the parks, on what is now the longest skating track in Europe, at Park Kultury?

What about skiing on the frozen river or along the tree lines of Sokolniki and Kolomenskaya?

The winter markets in the centre, and let us not forget the hot treats we rustle up when it snows and storms.

We asked the world-famous chefs de cuisine about their favourite recipes and impressions about Russian winter...





Martin Repetto,
Executive Chef, Radisson Royal Hotel Moscow

Martin Repetto has been working in Russia for 4 years.

Martin's impressions about Russian winter:

"Originally from Argentina – a country where the sun shines almost all year around – winter in Russia seems magical to me. I am really inspired by the fairy-tale atmosphere in Moscow with its huge variety of New Year decorations, delicious hot chocolate in the Christmas market on Red Square and crisp snow underfoot."

RECIPE:

Duck leg confit with sweet mashed potatoes

INGREDIENTS:

185g duck leg confit
120g sweet mashed potatoe puree
15g apple-pineapple chutney
50ml cowberry sauce
50g cabbage salad
10g onion
20ml white dry wine
20ml olive oil
5g butter
2g cherry
3g salt
1g pepper

INSTRUCTIONS:

Cut onions and fry with olive oil and butter, then add cabbage salad and pour white wine. Cook till evaporation of liquid.

Put prepared duck leg confit in the oven for 10 min with the temperature of 185 degrees C.

Before serving put sweet mashed potatoe puree on the plate, make free some space inside and put there cabbage, then duck leg confit.

Decorate it with the cherry, chutney and pour some berry sauce on top.



RECIPE:

Tsarist Salad Olivier with crayfish tails

INGREDIENTS:

120g vegetables for the Olivier (potatoes,
carrot, fresh cucumber, salted cucumber)
450g chicken breast fillet
4g salad mix
1g baby mix salad
1 quail egg
11g crayfish tails

INSTRUCTIONS:

Add the chicken breast fillet to the prepared vegetables for the Olivier and mix. Put the prepared salad in a 12cm ring and decorate on top with baby mix salad, fresh greens, quail egg and crayfish tails.



RECIPE:

Pancakes with salmon and caviar

INGREDIENTS:

30g pancake batter
5ml vegetable oil
30g sour cream 25%
5ml dill oil
1g fresh greens
10.2g caviar
40g marinated salmon
onion

INSTRUCTIONS:

Make two pancakes.
Cover with sour cream.
Put pieces of salmon on top.
Place the pancakes on top of each other and
decorate with caviar, dill and onions.
Pour over with dill oil to finish.





Christian De Nadai,
Executive Sous Chef, Four Seasons Hotel Moscow

Christian De Nadai has been working at the Four Seasons Hotel Moscow for 3 years.

Christian's impressions about Russian winter:

"I like the fact that despite low temperature and snow, the city is always enjoyable and full of activity."



RECIPE: Linguine with Tuna Amatriciana

INGREDIENTS:

350gr linguine
100gr fresh tuna loin
125gr cherry tomatoes
20gr pancetta piacentina (julienne)
1pc bay leaf
chili flakes
40gr Parmigiano Reggiano
30gr Pecorino Romano

INSTRUCTIONS:

Start to cook the linguine in a casserole with salty boiling water. Cook 10 minutes al dente.
In the meanwhile, cut the cherry tomato in half and the tuna loin in small cube of 5 mm diameter.
In a large pan warm up a spoon of olive oil and crisp the pancetta at low temperature till it becomes crunchy and nice colour.
Keep pancetta and cooking fat separate.
In the same pan start to cook the cherry tomatoes with the bay leaf and a pinch of chili flakes (up to your taste).
Season the tuna tartare with the fat melted from the pancetta and a little bit fresh grinded black pepper.
When the linguine will be ready, mix the pasta with the sauce adjusting the taste with some salt and pepper.
Out of the fire, add the parmesan and pecorino cheese and just a touch of olive oil. Stir gently and plate up.
Top your linguine with the fresh tuna tartare, the crispy pancetta and some fresh basil leaves.



Maxim Maksakov,
Executive Chef, Hotel Baltshug Kempinski Moscow

Maxim Maksakov was appointed Executive Chef for the Hotel Baltshug Kempinski Moscow in 2016. A Russian and a Muscovite, he has been working at the Baltshug since 2002. The menu by Chef Maxim Maksakov is based on specially selected products: premium steaks, Astrakhan caviar, Far Eastern seafood and fish, farm vegetables and fruit.

Maxim's impressions about Russian winter:

"For me the Russian winter is a perfect time for warm get-togethers with friends and relatives, inspiring trips to my favourite winter destination of Sochi for skiing, and always a wonderful opportunity to rediscover the beauty of Moscow, shimmering with festive lights. Going for a stroll around the city, tasting the beloved dishes of the Russian cuisine, watching the snow-drenched St. Basil's Cathedral... The beauty of the Russian capital in winter is made up of hundreds of remarkable moments."



RECIPE:

Vareniki with suluguni, morel mushrooms, leek and champagne sauce

Vareniki with suluguni is the signature dish of the Hotel Baltshug Kempinski Moscow. It is associated with the origins of Russian cuisine but also has a modern international twist, with the addition of champagne sauce, morel mushrooms and tofu. The dish has a very tender taste and gives a festive culinary inspiration to every menu. It will suit the tastes of your guests from all around the world.

INGREDIENTS:

30ml water
1 egg
100g flour
20ml sunflower oil
50g suluguni cheese
2 leaves basil
1 bunch thyme
2 small onions
2 cloves garlic
50ml white dry sparkling wine
50ml chicken broth
60ml cream 35%
50g leeks
5g dried morels
50g green beans
20g sour cream
40g butter
1 tablespoon chopped onions
1 pack watercress
2 radishes
20g fried tofu

INSTRUCTIONS:

Make the dough by combining the water, egg and a pinch of salt, then flour and knead until the dough is soft and elastic, then put it in the refrigerator to cool.

In a small frying pan, heat the sunflower oil and fry the finely chopped onions and garlic until soft and allow to cool. Next, mix them with grated suluguni cheese, finely chopped basil and thyme leaves and add pepper to taste.

Roll out the dough to a thickness of 5 mm and cut out 6-7 cm diameter circles. Allow a teaspoon of the suluguni fillings for each dough round and seal the edges of the dumplings.

In a thick-bottomed frying pan on a medium heat, fry the finely chopped shallots and garlic with butter until translucent. Add sparkling wine to the frying pan and evaporate half of it. Add the broth and evaporate half the mixture, then add cream and evaporate half again. Using a hand blender, whisk the sauce and push it through a fine sieve. Add the sour cream and butter and whisk the sauce until foam appears. Season with spices.

Cut the light green top off the leeks into 1cm squares. Soak the dried morel mushrooms in water, slice them and again rinse. Take the beans out of the pods. Add butter and leeks to a thick-bottomed pan and fry until soft. Add the beans and morel mushrooms. Season with salt and pepper. Put on a plate.

Boil the vareniki for a few minutes.

Place the vegetable garnish in the centre of the dish. Put the vareniki on top and pour sauce over them. Garnish with fresh watercress, thin radish slices and fried tofu.



Benjamin Joubrel,
Executive Chef, Renaissance Moscow Monarch Centre Hotel

Benjamin has a special connection to Russia. He has been living in Moscow for 7 years. Born and raised in France, the young chef always had a flair for cooking and soon decided to learn the basics of the trade at a prestigious hotel school in Rennes. He worked in restaurants of the city and decided to widen his horizons by moving to Switzerland. After moving to Russia, Benjamin opened the acclaimed Café Mart on Petrovka in 2012 and joined the hotel world at Renaissance in 2013. A well-known fact, hotels run and view their restaurant business very differently than stand-alone diners and he quickly adapted to the new benchmarks and processes governing the hotel culinary trade.

Benjamin's impressions about Russian winter:

"I am fascinated by Russia's rich and unique winter landscapes: the Caucasus Mountains where you can smell the Mediterranean, the endless snow in the north, and of course, the Black Sea with its tempting summer climate."

RECIPE: French Onion Soup

INGREDIENTS:

For 1 litre:
300g onions
50g butter
20g sunflower oil
167g white wine
1.3l vegetable boullion
20g table salt
2g black pepper
2g dry bay leaf
2g juniper berries

INSTRUCTIONS:

Heat the butter and sunflower oil in a saucepan, once melted add sliced onions and pan-fry until golden.
Add the flour bay leaf and juniper berries.
Mix well and add white wine.
Reduce to half the volume.
Add vegetable stock.
Slow cook for 1 hour.
Add salt and pepper to taste.





Sebastian Kellerhoff,
Chef de Cuisine, Ararat Park Hyatt Moscow

Sebastian was born in Soest in Germany which is a small town near Dortmund. He used to work in Germany, mainly in small restaurants (Michelin Star and Gault Millau rated) before moving to Berlin to the famous Hotel Adlon. Then he started his career with Hyatt in Dubai, Kiev, Ekaterinburg, Sochi, and Moscow.

Sebastian's impressions about Russian winter:

"Russian winters are the longest winters I experienced so far in my life, and especially Moscow during winter is very grey; but at the same time when snow is falling it has its own charm."



RECIPE: Sous Vide Lamb Shank

INGREDIENTS:

4 lamb shanks
100g celeriac, peeled and cubed
100g carrots, peeled and cubed
80g white onions, peeled and cubed
50g tomato paste
500g red wine
250g port wine
bay leaves, juniper berries, allspice, rosemary, thyme, garlic, salt, pepper, sugar, oil

Gremolata Sauce:

2 lemons
100g parsley
20g garlic
olive oil

Chickpea, kale stew:

100g chickpeas, cooked
30g kale leaves
20g sun-dried tomatoes
5g garlic, peeled and chopped
5g shallots, peeled and chopped
olive oil, butter, white wine, salt, pepper, sugar, thyme, rosemary, lemon juice

INSTRUCTIONS:

Season the lamb shanks with salt and pepper and set aside. Cut all the vegetables listed above to the size of a walnut. Heat the oil in a casserole dish and sear the lamb shanks from all sides and remove from the dish. Add the vegetables to the casserole dish and brown until golden. Pour in the tomato paste and deglaze until the sugar caramelises on the bottom of the casserole dish. Deglaze with the above liquids, add the spices and return the lamb shanks to the pan and simmer for 20 min. Let the shanks cool down in the stock and place each shank in a vacuum bag together with the stock and vegetables, vacuum and place in the oven for 6 hours at 85 degrees C.

Gremolata sauce:

Zest the lemon, peel the garlic and chop it and the parsley very fine. Mix it all together with the olive oil and set aside.

Chickpea, kale stew:

Sauté the shallots and garlic in olive oil and add some sugar before adding the chickpeas and kale. Season with salt and pepper and deglaze with white wine/lemon juice. Add the sun-dried tomatoes and butter and let it simmer. Finish with rosemary and thyme leaves.

SERVING:

First place the chickpea stew on the plate. Heat the lamb shank in the vacuum bag in a water bath, open and strain the sauce. Let the sauce reduce and, if necessary, season. Place the lamb shank on the stew and glaze with the gremolata sauce, garnish with kale chips.



Mark Statsenko,
Brand Chef of Sever-Yug Restaurant, StandArt Hotel Moscow

Mark was born in St. Petersburg and has been working in Moscow since 2009. He used to be Executive Chef of Jamie's Italian & Ginza Project in St. Petersburg, and Executive Chef of the Ginza project 'Cup & Cake Café by Alena Ahmadullina' in Moscow.

Mark's impressions about Russian winter:

"To be honest I do not really like winter and cold, except perhaps on nice sunny days, when it is slightly cold and not very windy, with soft snowdrifts in the streets. That is my kind of winter!"



RECIPE:

Square dumplings (pelmeni) with sockeye salmon and smoked sour cream

Square dumplings (pelmeni) with sockeye salmon and smoked sour cream is a mixture of age-old traditions and modern gastronomic trends. An ideal dough, unusual colour and shape... But the most interesting part is inside – soft sockeye salmon, cream cheese and a fantastic mix of spices. Sun-dried tomatoes, fresh cilantro and lime create an incredible taste, which you will want to eat again and again.

INGREDIENTS:

Dough:

500g flour
4 eggs
1 egg yolk
2 teaspoons salt
2 tablespoons cuttlefish ink

Filling:

300g sockeye salmon fillet
380g cream cheese
40g butter
4 tablespoons sun-dried tomatoes
a little amount of lime zest
2 tablespoons lime juice
2 cloves fresh garlic
a bit of cilantro
nutmeg, salt, white pepper – to taste

Sauce:

smoked sour cream

INSTRUCTIONS:

Dough:

Mix the eggs, flour, egg yolk, salt and cuttlefish ink.
Make the dough and put in the fridge for 3 hours.

Filling:

Mix chopped sockeye salmon, butter, sun-dried tomatoes, garlic and cilantro.

Making the dumplings (pelmeni):

Take the dough and roll it out.
Make small rectangles and fill.
Then close them to make the dumplings.
Put them into salted boiling water for 5 minutes.
Take them out and put them on a plate with smoked sour cream.



David Desseaux,
Brand-chef of Mercury restaurants, Barvikha Hotel & Spa

He has been living and working in Russia for 24 years.

David's impressions about Russian winter:

"In the Russian winter I like snowdrifts and snow-covered trees."

RECIPE: Christmas turkey with chestnuts

INGREDIENTS:

1 whole turkey (5kg)
1 whole chicken (1.5kg)
3 chicken eggs (150g)
300g porcini mushrooms
300g raw duck liver (foie-gras escalope)
100g breadcrumbs
200g chestnuts
2kg classic salt dough (water, flour, yeast, salt)
salt, pepper, espelette pepper – to taste

INSTRUCTIONS:

Clean the turkey, remove giblets.
Make mincemeat for the filling:
• cut chicken breast into small cubes;
• make a mousse in a blender from chicken thighs and eggs;
• fry porcini mushrooms in a pan, finely chop chestnut;
• clean escalope of duck foie-gras from liver;
• mix all the ingredients in one bowl until even, and add bread-crumbs.
Sprinkle the turkey with salt and pepper to taste on the inside and outside. Stuff the turkey with mincemeat.
Put the filled turkey in very hot water, taking care not to boil it, and leave for 3 hours on a low heat.
Take out the turkey, dry it from excess water, then bake in an oven at 200 degrees for 30 minutes until golden brown.
Cool the turkey, wrap it in ready-rolled dough, adding floral salt.
Bake the turkey at 180 degrees C for about 45 minutes.
We suggest you serve your turkey with roasted chestnuts.



AEB News

Eastern European Dispute Resolution Forum

On 21-23 September 2017, the Eastern European Dispute Resolution Forum (EEDRF) took place in Minsk.

The AEB acted as an information partner of the event.

The Forum brought together the state bodies' representatives, lawyers and experts from CIS countries, Europe and USA. Among the participants were: Fredrik Ringquist, Partner, Mannheimer Swartling; Johannes Koepp, Partner, Baker Botts; Maya Limonnikova, AEB Legal Advisor, and others.

One of the Forum's highlights was the discussion of recent tendencies and implementation in dispute resolution in international commercial arbitration and state courts.



Panelists of the Forum



L-R: **Sergey Katyrin**, President, Chamber of Commerce and Industry of the Russian Federation; **Marek Kloczko**, Vice-President, EUROCHAMBRES; **Frank Schauff**, AEB CEO; **Yaroslav Lissovlik**, Chief Economist, Eurasian Development Bank.

EUROCHAMBRES Affiliated and Correspondent Members Committee Meeting

On 27 September 2017, Frank Schauff, AEB CEO, spoke at the EUROCHAMBRES Affiliated and Correspondent Members Committee Meeting in the Chamber of Commerce and Industry of the Russian Federation.

In his speech Dr. Schauff mentioned the positive trends in the investment climate of the Russian Federation and what, in the view of the European businesses in Russia, was still needed in order to improve the investment climate and to remove further trade barriers.

Among other participants of the meeting were: Sergey Katyrin, President of the Chamber of Commerce and Industry of the Russian Federation; Richard Weber, President of EUROCHAMBRES; Rifat Hisarcikloglu, Vice-President of EUROCHAMBRES, President of TOBB.

AEB signed MoU with EUROCHAMBRES

On 27 September 2017, the AEB signed a Memorandum of understanding with the Association of European Chambers of Commerce and Industry (EUROCHAMBRES).

The Agreement was signed by Frank Schauff, AEB CEO, on one side and Arnaldo Abruzzini, EUROCHAMBRES CEO, on the other side.

The Memorandum establishes cooperative relationships between the Parties to foster the European business interests globally, both in the EU and in Russia, and to further promote European economic links with Russia.



L-R: **Frank Schauff**, AEB CEO; **Arnaldo Abruzzini**, EUROCHAMBRES CEO.

AEB Nordic Breakfast Meeting

On 4 October 2017, the AEB in cooperation with the AEB Council of National Representation (CNR) organised the second AEB Nordic Breakfast Meeting.

The first AEB Nordic Breakfast Meeting took place on 3 March 2016 at the Embassy of Denmark.

The event was hosted by the Embassy of Finland which was represented by H.E. Ambassador Mikko Hautala and supported by the Embassies of Denmark, Norway and Sweden.

Frank Schauff, AEB CEO, moderated the round-table discussion on localisation benefits, drawbacks and the regulation.

Among the participants were: Raul Lönnström, CEO, Valio LLC; Hans Duijf, Vice-President & General Manager, Novo Nordisk; Ino Moberg, Director and Head of Production, Scania Rus LLC. The event was attended by over 60 top-level representatives of the Nordic companies. The breakfast was followed by a networking session.



L-R: **Mikko Hautala**, H.E. Ambassador of Finland to Russia; **Frank Schauff**, AEB CEO; **Ino Moberg**, Director and Head of Production, Scania Rus LLC; **Raul Lönnström**, CEO, Valio LLC; **Hans Duijf**, Vice-President & General Manager, Novo Nordisk.



L-R: **Alexander Malko**, "Russian Agricultural Centre" Director; **Ruslan Kokarev**, AEB COO.

Memorandum of Cooperation between AEB and the "Russian Agricultural Centre"

The Memorandum of Cooperation between the AEB and the Federal State Budgetary Institution "Russian Agricultural Centre" was signed on 5 October 2017 at the 19th Russian Agricultural Exhibition "Golden Autumn" by the AEB COO Ruslan Kokarev and the "Russian Agricultural Centre" Director Alexander Malko.

The Memorandum establishes cooperative relations for the purpose of preventing counterfeit seeds and pesticides from entering the Russian market, with the aim to ensure food safety and protect the environment of the Russian Federation.

Developing cooperation between AEB and St. Petersburg State University

On 10 October 2017, the AEB CEO Frank Schauff, the Chairman of the AEB North-Western Regional Committee Andreas Bitzi, and the member of the AEB NWRC's Steering Group Wilhelmina Shavshina met with the Rector of the St. Petersburg State University Nikolay Kropachev to discuss possible ways of long-term cooperation between the AEB and the University.

The participants discussed such topics as: organisation of joint round tables, research activities, participation of the AEB member companies' representatives in the educational councils in order to improve educational standards to better fit the requirements of the future employees, as well as a variety of other issues.



L-R: **Nikolay Kropachev**, Rector of the St. Petersburg State University; **Frank Schauff**, AEB CEO.

AEB Day in St. Petersburg

On 11 October 2017, the AEB celebrated the launch of the business season 2017-2018 by organising the AEB Day in St. Petersburg.

The Day started in Corinthia Hotel St. Petersburg with the AEB Board meeting and several joint meetings of the committees.

The customs and transport meeting was attended by the delegation from the North-Western Customs Administration (SZTU) led by Andrey Vasiliev, Deputy Head of SZTU.

The hotels and tourism meeting was devoted to the upcoming 2018 FIFA World Cup Russia with guest speakers from the Organising Committee of the Russian Federation and MATCH Accommodation 2018.

The HR and migration meeting was focused on recent trends in migration and labour legislation and practice as well as on the specifics of migration regime during the World Cup. In the evening, the Plenary Session of the AEB Day followed by the reception took place at the famous Singer House Atrium.

The keynote speeches were delivered by: Thomas Staertzel, AEB Board Chairman; Olga Bantsekina, First Deputy Chairperson of the AEB Board; Andreas Bitzi, Chairman of the AEB North-Western Regional Committee; Oleg Zharko, Chairman of the AEB Southern Regional Committee.



L-R: **Thomas Staertzel**, AEB Board Chairman; **Frank Schauff**, AEB CEO; **Dmitry Pertovichev**, Member of the Presidium, OPORA; **Andreas Bitzi**, Chairman of the AEB North-Western Regional Committee; **Dmitry Yalov**, Deputy Chairman of the Government of the Leningrad region.

Among the guest speakers, Dmitry Yalov, Deputy Chairman of the Government of the Leningrad region, made a presentation on the regional economic policies, development strategies and investment support measures. Dmitry Pertovichev, Member of the Presidium of OPORA, talked about the development of small and medium-sized entrepreneurship in Russia.

The event was moderated by AEB CEO Frank Schauff. The reception was supported by DLA Piper as the gold sponsor and Arivist as the silver sponsor.



L-R: **Thomas Staertzel**, AEB Board Chairman; **Sergey Lavrov**, Minister of Foreign Affairs of the Russian Federation; **Frank Schauff**, AEB CEO.

Briefing by Sergey Lavrov, Minister of Foreign Affairs of Russia

On 31 October 2017, Sergey Lavrov, Minister of Foreign Affairs of the Russian Federation, briefed AEB members on the topic "EU-Russia relations at the current stage".

The briefing took place at the Hotel Baltshug Kempinski Moscow.

The event was opened by Thomas Staertzel, Chairman of the AEB Board.

In his speech, Sergey Lavrov focused on the issues of rela-

tions between Russia and the European Union, sanctions, and terrorism.

The Minister noted that in the time of recovery and economic growth in Russia new opportunities were opening for foreign businesses, and the Russian government was open for a dialogue with foreign investors.

The briefing was followed by a Q&A session moderated by Frank Schauff, AEB CEO. He noted that one of the main tasks for the AEB was to maintain an intensive dialogue between foreign investors and government officials.

AEB passed ISO 9001:2015 certification audit

In October 2017, the AEB received the certificate ISO 9001:2015.

Earlier, in August, the AEB team underwent the procedure of certification audit of Quality Management System according to the ISO 9001:2015 standard.

In particular, the AEB staff were examined on the policy, goals, risks and challenges of the organisation in terms of enhancing the quality of the daily workflow.

It was certified that "Non-Profit Making Partnership 'Association of European Businesses' has established and applies a Quality Management System for representation of the AEB members interests in the communication with the government and other business partners and providing information exchange between the AEB members".

The certificate is valid until 17 October 2020.

We hope that the Quality Management System integrated into the AEB working process will help the staff to fully satisfy the demands and meet the interests of the member companies.



Gabriel Di Bella, Resident Representative of the International Monetary Fund in the Russian Federation.

IMF presentation "Russia: in search of a new growth model"

On 9 November 2017, a presentation by Gabriel Di Bella, Resident Representative of the International Monetary Fund in the Russian Federation, entitled "Russia: in search of a new growth model" took place at the AEB Conference Centre.

In his speech, Gabriel Di Bella noted that Russia's economy stabilised in 2016 after external shocks, and that the conditions for a mild cyclical rebound in 2017-2018 were in place. He also analysed the macroeconomic policies in 2018-2020, risk factors, state footprint, fiscal policy, market situation and a variety of other topics.

The meeting was moderated by Stuart Lawson, Chairman of the AEB Finance & Investments Committee, and Frank Schauff, AEB CEO.

Presentation of the investment potential of the Tula region

On 10 November 2017, the presentation of the investment potential of the Tula region for AEB members was organised at the Ministry of Economic Development of the Russian Federation.

The event was moderated by AEB CEO Frank Schauff. The AEB Board Chairman Thomas Staertzel made the introductory speech.

The Tula region was presented by the Governor Alexey Dyumin and Grigory Lavrukhin, Deputy Chairman of the Government, Minister of Economic Development of the Tula region.

Savva Shipov, Deputy Minister of Economic Development of Russia, welcomed the participants on behalf of the Ministry. The presentation was followed by networking and negotiations.



L-R: **Savva Shipov**, Deputy Minister of Economic Development of Russia; **Alexey Dyumin**, Governor of the Tula region; **Vyacheslav Fedorishev**, Deputy Governor of the Tula region; **Thomas Staertzel**, AEB Board Chairman; **Frank Schauff**, AEB CEO.

Presentation by Andreas Matthä, CEO of ÖBB-Holding AG (Austrian Federal Railways)

CEO of ÖBB-Holding AG (Austrian Federal Railways) Andreas Matthä met members of the AEB on 16 November 2017 in Moscow. Dmitry Cheltsov, Chairman of the AEB Customs & Transport Committee, General Delegate to the IRU Permanent Delegation to Eurasia, moderated the event.

Andreas Matthä told about cooperation in the field of railroad infrastructure between Austria and the Russian Federation in the light of the One Belt – One Road initiative (OBOR). This initiative proposes to unite the “Economic belt of the Silk Road” and the “Silk Road of the XXI century”. Within the framework of the project, construction of new Eurasian railways and significant modernisation of existing transport infrastructure will be carried out. AEB CEO Frank Schauff noted that it had become an important

tradition to invite heads of leading European companies to share their experience with the AEB members.

The event concluded with a Q&A session and intensive discussion of further prospects of the announced initiative.



L-R: **Ruslan Kokarev**, AEB COO; **Andreas Matthä**, CEO of ÖBB-Holding AG (Austrian Federal Railways); **Dmitry Cheltsov**, Chairman of the AEB Customs & Transport Committee, General Delegate to the IRU Permanent Delegation to Eurasia.



Boris Titov, Presidential Commissioner for Entrepreneurs' Rights.

Briefing by Boris Titov, Presidential Commissioner for Entrepreneurs' Rights

On 5 December 2017, Boris Titov, Presidential Commissioner for Entrepreneurs' Rights, briefed the AEB members.

The event was hosted by the AEB Finance & Investments Committee. It was chaired by Frank Schauff, AEB CEO, and Stuart Lawson, AEB Finance & Investments Committee Chairman, Senior Advisor, EY. During the event Boris Titov spoke about achievements and barriers of the Commissioner's Office, as well as about the strategy for growth and proposals to improve business and investment climate in Russia.

He also answered numerous questions raised by the participants.

AEB and the Association of Law Enforcement Officials and Special Services signed the Memorandum of Cooperation

On 5 December 2017, the Memorandum of Cooperation between the AEB and the Association of Law Enforcement Officials and Special Services (ARPO) was signed by the AEB CEO Frank Schauff and the ARPO President Aslambek Aslakhonov. The ceremony took place at the press conference dedicated to the results of the V International Forum “Anti-Counterfeit 2017”.

The Memorandum establishes the cooperation for stable and effective counteraction against counterfeit products on the territory of the Russian Federation and the Eurasian Economic Union.

Taking into account the contribution of the AEB to combatting counterfeit seeds and pesticides on the Russian market, the Pre-



L-R: **Vsevolod Bogdanov**, Former Chairman of the Russian Union of Journalists; **Aslambek Aslakhonov**, President of ARPO and International Association “Anti-Counterfeit”; **Frank Schauff**, AEB CEO.

sident of the International Association “Anti-Counterfeit” awarded Frank Schauff with a medal “For Combatting Counterfeit.”

AEB became partner of the IV Eurasian Economic Congress

On 6 December 2017, the IV Eurasian Economic Congress took place at the Multimedia Press Centre of the International News Agency "Rossiya Segodnya" in Moscow.

Frank Schauff, AEB CEO, and Philippe Pegorier, AEB Board Member and the President of Alstom Russia, became the honorary guests of the Congress.

They spoke at the Plenary Session "Continental integration: new points of growth and opportunities for business".

Among the panelists were: Mukai Kadyrkulov, Member of the Board – Minister in charge of Customs Cooperation of the Eurasian Economic Commission; Karine Minasyan, Member of the Board – Minister in charge of Internal Markets, Information Support, Information & Communication Technologies of the Eurasian Economic Commission; Andrey Belyaninov, Chairman of the Board of Directors of the Eurasian Development Bank; Antonio Fallico, Chairman of the Board of Directors of Bank Intesa; Igor Petrishenko, Ambassador of Belarus to Russia; Pankaj Saran, Ambassador of India to Russia; Sergey Cheryomin, Minister of the Government of Moscow; Vladimir Shipkov, Executive Director of the Association of International Pharmaceutical Manufacturers; Sammy Kotwani, President of Indian Business Alliance.



L-R: **Frank Schauff**, AEB CEO; **Alexey Pilko**, Director, Eurasian Communications Centre; **Karine Minasyan**, Member of the Board – Minister in charge of Internal Markets, Information Support, Information & Communication Technologies, Eurasian Economic Commission; **Mukai Kadyrkulov**, Member of the Board – Minister in charge of Customs Cooperation of Eurasian Economic Commission; **Andrey Belyaninov**, Chairman of the Board of Directors, Eurasian Development Bank.

The Eurasian Economic Congress is a unique direct dialogue platform for business community, public authorities and mass media. Its main goal is to provide discussion on key issues and practical aspects of the Eurasian Economic Union development.

Russian Parliamentary European Club and AEB held a joint meeting

On 6 December 2017, the Russian Parliamentary European Club (RPEC) and the AEB held a joint meeting devoted to the 20th Anniversary of the EU-Russian Partnership and Cooperation Agreement coming into force. The Agreement became a basis for mutual cooperation in different areas.

The meeting was co-chaired by the Senator Andrey Klimov, Chairman of the Board of the RPEC, Vice Chairman of the Committee for International Affairs of the Federation Council, and the AEB CEO Frank Schauff.

The main speakers were Markus Ederer, the EU Ambassador to the RF, and Alexey Gromyko, Director of the Institute of Europe, RAS.

Friendly and lively discussion followed the meeting. The participants from the European side were: Ignacio Ybanez, Ambassador of Spain; Patric Franzen, Deputy Head of Mission, Embassy of Switzerland; Philippe Pegorier, Member of the AEB Board and President of Alstom Russia; Cesare Biggiogera, Member of the AEB Board and General Director of Prysman Group; Ernesto Ferlenghi, Executive Vice-President,



Participants of the meeting

Eni; Paul Bruck, Member of the AEB Board, Head and Owner of Bruck Consult/Most Management. The attendees from the Russian side were: Alexander Shokhin, President of RSPP; Oleg Morozov and Irina Gecht from the Federation Council; Vladislav Maslennikov from the Ministry of Foreign Affairs; Nato Trotsenko from the Ministry of Industry and Trade.

AEB participated in the international conference "Waste management: financing, organisation – international experience"

On 13 December 2017, the AEB participated in the international conference "Waste management: financing, organisation – international experience" in the framework of the II Forum Exhibition ECOTECH'17.

Alexey Soldatov, Chairperson of the AEB Product Conformity Assessment Committee, BSH Bytowije Pribory, branch of "BSH Bytowaja Technika", made a presentation on differences in regulation regarding extended responsibility of home appliances producers.

Mikhail Divovich, Chairman of the AEB Environmental Subcommittee, Ecoteam; Andrey Kossov, Chairman of the AEB Automotive Components Committee, Johnson Matthey; Olga Silnitskaya, AEB Committee Coordinator; and Maya Limonnikova, AEB Legal Advisor, also took part in the event.

The event concluded with a Q&A session and intensive discussion.



Panelists of the conference



L-R: **Ekaterina Babeliuk**, SPbU; **Alexander Popov**, Baltic State University; **Michael Akim**, ABB; **Artyom Shadrin**, Ministry of Economic Development; **Emanuele Volpe**, Enel Russia; **Mikhail Filonov**, MISIS.

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

The panelists including Artyom Shadrin, Director of the Department of Strategic Projects and Innovations of the Russian Ministry of Economic Development; Ekaterina Babeliuk, Vice-Rector of the St. Petersburg State University (SPbU); Mikhail Filonov, Vice-Rector of the National University of Technology and Science (MISIS); Alexander Popov, Baltic State University; Richard Burger, Research & Innovation Counsellor, Delegation of the European Union to the RF; Ivan Glushkov, Deputy General Director, Stada CIS; Emanuele Volpe, Innovations Manager, Enel Russia, and Galina Burova, General Manager of Nokia Training Centre, discussed prospects and barriers to cooperation between academia and businesses, mutual expectations and necessary support measures as well as the role of such cooperation in developing innovations in Russia.

AEB participated in the Annual National Exhibition VuzPromExpo

On 13 December 2017, the AEB held the discussion panel on cooperation of international companies and Russian universities at the Annual National Exhibition VuzPromExpo.

Presentation of the Krasnoyarsk region

On 14 December 2017, the presentation of the Krasnoyarsk region took place at the AEB Conference Centre.

AEB CEO Frank Schauff chaired and moderated the event.

The Krasnoyarsk delegation headed by the Acting Governor of the region Mr. Alexander Uss presented the economic and industrial potential of the territory as well as priority investment projects including the Technological Valley as a potential location for aluminum processing enterprises and the Agro-Industrial park "Siberia" at Berezovskaya GRES, a promising site for implementation of energy-intensive agricultural investment projects. Also, companies HENCON and Johnson Matthey shared with the audience their successful experience of operating in the region.

At the end of the event, the Governor invited the AEB members to take part in the Krasnoyarsk International Economic Forum in April 2018 and come to Krasnoyarsk for the Winter Universiade in 2019.

The presentation was followed by an intensive informal networking.



Alexander Uss, Acting Governor of the Krasnoyarsk region.

AEB participated in the Regional Investment Congress

On 15 December 2017, AEB COO Ruslan Kokarev took part in the Panel discussion "Competitive advantages of regions: potential and implementation practices" at the XV Regional Investment Congress.

The Congress was devoted to the investment attractiveness rating of the regions in 2017.

Dmitry Grishankov, President of the rating agency "Expert RA", moderated the discussion.

The participants were: Alexander Ganov, First Deputy Head of the Administration of the Tambov region; Dmitry Golosov, Deputy General Director of JSC "Special Economic Zones"; Vladimir Gorchakov, Head of regional direction, Rating-Agentur Expert RA GmbH; Andrey Kozoderov, Deputy Head of the Administration of the Lipetsk region; Leonid Kostroma, Director of the City Investment Management Agency; Anton Kuprinov, Executive Director, Moscow Small Business Lending Assistance Fund; Eduard Omarov, Vice-President of the All-Russian Public Organisation of Small and Medium-Sized Business "OPORA RUSSIA"; Alexei Rodzianko, President of the American Chamber of Commerce in Russia; Matthias Shepp, Head of the Association of Chambers of Commerce and Industry of Germany; Dmitry Yalov, Deputy Chairman



L-R: **Dmitry Yalov**, Deputy Chairman of the Government of the Leningrad region; **Dmitry Grishankov**, President of the rating agency "Expert RA"; **Leonid Kostroma**, Director of the City Investment Management Agency; **Anton Kuprinov**, Executive Director, Moscow Small Business Lending Assistance Fund; **Ruslan Kokarev**, AEB COO.

of the Government of the Leningrad region, Chairman of the Committee for Economic Development and Investment Activities.

During the event, the participants discussed some key policy budget issues, new points of growth in Russian regions, small businesses experience, regional development and the investment strategies of foreign companies in Russia.

Meeting with Maxim Oreshkin, Minister of Economic Development of Russia

On 20 December 2017, the Russian Minister of Economic Development Maxim Oreshkin met with the AEB members.

Thomas Staertzel, Chairman of the AEB Board, opened the meeting.

The Minister delivered a speech related to the current situation in the Russian economy, the development of the business climate in Russia, external economic cooperation between Russia and the EU, as well as the opportunities that are provided to foreign investors.

Talking about plans for the next year, Mr. Oreshkin highlighted such key goals as introduction of best practices to improve the investment climate, implementation of the control and supervision reform, and shifting the emphasis to the digital economy.

The briefing by Mr. Oreshkin was followed by a Q&A session moderated by AEB CEO Frank Schauff.



L-R: **Cesare Biggiogera**, AEB Board Member; **Filippo Baldisserotto**, AEB Board Member; **Philippe Pegorier**, AEB Board Member; **Frank Schauff**, AEB CEO; **Maxim Oreshkin**, Minister of Economic Development of Russia; **Thomas Staertzel**, Chairman of the AEB Board; **Teemu Helpolainen**, Deputy Chairperson of the AEB Board; **Olga Bantsekina**, Deputy Chairperson of the AEB Board.

He noted that one of the main tasks for the AEB was to support an effective dialogue between foreign investors and government officials.

Meeting with Deputy Minister for North Caucasus Affairs

On 26 December 2017, the AEB CEO Frank Schauff had the working meeting with Olga Rukhullaeva, Deputy Minister for North Caucasus Affairs.

The parties discussed the results of the joint events held during the past year with the aim to inform the AEB members about the economic potential and investment projects of the North Caucasus.

It was agreed to continue the series of presentations of the North Caucasus Republics at the AEB premises in the first half of 2018.



L-R: **Stanislav Aristov**, RF Ministry for North Caucasus Affairs; **Soslan Abisalov**, RF Ministry for North Caucasus Affairs; **Olga Rukhullaeva**, RF Ministry for North Caucasus Affairs; **Marina Tennova**, RF Ministry for North Caucasus Affairs.

AEB COMMITTEES UPDATES

Agribusiness Committee



L-R: **Dmitry Vostrikov**, Managing Director, Association of Producers and Suppliers of Food Products; **Sergey Lupekhin**, Chairman, Potato Alliance; **Dirk Seelig**, Chairman of the AEB Agribusiness Committee, Sales Director, CLAAS Vostok; **Anthony van der Ley**, Vice-Chairman, VDMA Agricultural Machinery; **Pavel Burak**, Deputy Director, Department for plants, mechanisation, chemicals and crop protection, Ministry of Agriculture of Russia; **Dmitry Rylko**, General Director, Institute for Agricultural Market Studies (IKAR).

On 20 September 2017, the open event “Insights to innovations and technologies in modern agriculture in Russia” was jointly organised by the VDMA Agricultural Machinery and the AEB Agribusiness Committee.

Representatives of the Ministry of Agriculture of Russia, “Rosagroleasing” company, managers of industrial alliances,

such as the Potato Alliance and the Association of Producers and Suppliers of Food Products, mass media as well as experts from leading companies producing agricultural machinery, seeds and crop protection participated in the event.

Crop Protection Committee and Seed Committee

On 14-16 September 2017, AEB representatives (Tatiana Belousovich, GR Manager, AEB Crop Protection and Seeds Committees, and Yuriy Fedulov, Chairperson of the Anti-Counterfeit Working Group of the AEB Crop Protection and Seed Committees, BASF) took part in the 5th International Forum "Anti-Counterfeit" in Bishkek, Kyrgyzstan.

They participated in the Plenary Session and made a consolidated presentation on behalf of the AEB Crop Protec-



tion Committee "Combatting counterfeit pesticides as one of the main factors of food security".

Several business meetings were arranged, including the negotiations with the CEO of the Association of the Law Enforcement and Special Service Officials of RF (ARPO) Eduard Fedosov on key issues of collaboration and signing the memorandum of cooperation between the AEB and ARPO.

Customs & Transport Committee



L-R: **Maria Yakovchik**, Head of the Department on customs inspection of post-released goods, Customs Control Service, SZTU; **Sergey Vasiliev**, Chairman of the Subcommittee on customs, transport and logistics of the AEB North-Western Regional Committee, DLA Piper; **Dmitry Cheltsov**, Chairman of the AEB Customs & Transport Committee, General Delegate to the IRU Permanent Delegation to Eurasia; **Andrey Vasiliev**, Deputy Head of SZTU, Head of the Federal Customs Revenues Service; **Wilhelmina Shavshina**, Deputy Chairperson of the AEB Customs & Transport Committee, Legal Director, DLA Piper; **Stanislav Shklensky**, Head of the Department on implementation of advanced customs technologies, Customs Control Service, SZTU; **Ekaterina Ladygina**, Head of the Department on trade restrictions and export control, Federal Customs Revenues Service, SZTU.

On 11 October 2017, as part of the AEB Day in St. Petersburg, a joint meeting of the AEB Customs & Transport Committee and Subcommittee on customs, transport and logistics of the AEB North-Western Regional Committee was organised.

The event was held with participation of the representatives from the North-Western Customs Administration of the FCS of Russia (SZTU): Andrei Vasiliev, Deputy Head of SZTU, Head of the Federal Customs Revenues Service; Stanislav Shklensky, Head of the Department on implementation of advanced customs technologies, Customs Control Service, SZTU; Maria Yakovchik, Head of the Department on customs inspection of post-released goods, Customs Control Service, SZTU; Ekaterina Ladygina, Head of the Department on trade restrictions and export control, Federal Customs Revenues Service, SZTU. Issues related to determining and adjusting the customs value of goods, and the signs of doubtful declaring of customs value of goods arouse interest among the participants. One of the most controversial issues was the implementation by

the customs authorities of control over compliance by importers with the requirements of technical regulations with regard to the mandatory labelling of goods. AEB member companies expressed their views on this issue and shared the practice of implementing such control in other EAEU member states.

The moderator of the round-table meeting was Wilhelmina Shavshina, Deputy Chairperson of the AEB Customs & Transport Committee, DLA Piper.

Dmitry Cheltsov, Chairman of the AEB Customs & Transport Committee, General Delegate to the IRU Permanent Delegation to Eurasia, and Sergey Vasiliev, Chairman of the Subcommittee on customs, transport and logistics of the AEB North-Western Regional Committee, DLA Piper, shared the results of the work and also noted the long-term and constructive cooperation with the representatives of the North-Western Customs Administration and FCS of Russia.

At the end of the event, AEB member companies expressed interest to organise meetings of this format in St. Petersburg.



L-R: **Dmitry Cheltsov**, Chairperson of the AEB Customs & Transport Committee, IRU; **Ksenia Solovieva**, Coordinator of the AEB Customs & Transport Committee; **Vladimir Bulavin**, Head of the Federal Customs Service; **Wilhelmina Shavshina**, Deputy Chairperson of the AEB Customs & Transport Committee, DLA Piper.

On 25-26 October 2017, Dmitry Cheltsov, Chairperson of the AEB Customs & Transport Committee, IRU, Wilhelmina Shavshina, Deputy Chairperson of the AEB Customs & Transport Committee, DLA Piper, and Customs & Transport Committee members took part at the XVIII International Customs Exhibition and the largest Customs Forum on the Eurasian space. The Exhibition and the Forum were organised at the Expo-center, under the motto "Customs: simplicity and convenience, efficiency and security". Following the Customs Forum 1st

Plenary Session, the official opening ceremony of the XVIII International Customs Exhibition was held. Vladimir Bulavin, Head of the Federal Customs Service of Russia, Anton Siluanov, Minister of Finance of Russia, Kunio Mikuriya, Secretary General of the World Customs Organisation, delivered welcoming remarks.

In his speech, Vladimir Bulavin declared ten steps towards business, which were highlighted in the "Comprehensive programme of the Customs Service development up to 2020". In response, Declaration on the support of the Charter of bona fide participants in foreign economic activity was signed by the leaders of the largest Russian business associations at the Stand of the Public Council under the Federal Customs Service. Thereafter, the AEB Customs & Transport Committee members participated in the Forum's plenary discussion on "the novelties in customs legislation", where the adjustments to the Russian customs legislation in compliance with the EAEU Customs Code were discussed. Another meaningful discussion was conducted at the round table on "Technical regulation in the Eurasian Economic Union as an instrument of integration".

On the second day of the Forum and Exhibition, the AEB Customs & Transport Committee members took part in the round tables devoted to a variety of important topics, including customs value, new customs technologies, law enforcement activity of customs authorities and other practical aspects of customs administration.

On 24 November 2017, the AEB Customs & Transport Committee experts met with the customs attachés of the European Union member states. The event was organised by the Embassy of the Republic of Lithuania.

The Deputy Chairperson of the Committee, Sergei Gusev (Electrolux), informed representatives of European countries about the latest changes in the customs legislation, having made a separate emphasis on the initiatives of the Federal Customs Service of Russia to improve customs administration.

Wilhelmina Shavshina (DLA Piper), Deputy Chairperson of the AEB Customs & Transport Committee, presented the Charter of good faith foreign trade participants including the main idea, principles and goals for increasing the level of interaction with participants of foreign economic activity.

The expert of the Committee, Marina Lyakisheva (SV-Transexpo LLC), informed about the priorities, objectives and main directions of the Comprehensive Development Programme of the FCS of Russia for the period until 2020.



Participants of the meeting

During the meeting, the factors of the strengthening of the Russian Federation's position in the Doing Business ranking in "International Trade" section, as well as the prospects for the entry into force of the Customs Code of the Eurasian Economic Union and the new version of the Federal Law "On Customs Regulation" were discussed at the meeting.

Participants of the event confirmed their interest to hold such meetings on a regular basis.

Energy Committee and Energy Efficiency Committee



L-R: **Jacques de Boisseson**, General Director, General Representative, Total in Russia; **Mirko Šarović**, Deputy Chairman of the Council of Ministers of Bosnia & Herzegovina and Minister of Foreign Trade and Economic Relations of Bosnia & Herzegovina; **Philippe Pegorier**, Member of the AEB Board, Alstom Russia President; **Alexis Conan**, General Director, Legrand Russia & CIS; **Maxim Shereikin**, CEO, Technological Development Agency.

On 4 October 2017, AEB CEO Frank Schauff took part in the Panel "Cooperation between Russia and Europe: the path to a global rise in energy efficiency" organised by the AEB Energy and Energy Efficiency Committees at the Russian Energy Week.

The following questions were raised in the course of the discussion: Which energy efficiency technologies will be most in demand and how can integration between Russia and the EU be achieved in the field of technology? What are the perspectives of energy sector modernisation in Russia? What kind of technological strong points may become its basis?

Among the panelists were: Bashir Chalabi, Chairman of the AEB Energy Efficiency Committee, PBN Hill+Knowlton

Strategies; Max Gutbrod, Partner, Baker McKenzie; Anton Inutsyn, Deputy Minister of Energy of Russia; Mirko Šarović, Deputy Chairman of the Council of Ministers of Bosnia & Herzegovina and Minister of Foreign Trade and Economic Relations of Bosnia & Herzegovina; Maxim Shereikin, CEO, Technological Development Agency; Torgeir Kydland, Country President, Statoil Russia; Philippe Pegorier, Member of the AEB Board, Alstom Russia President; Johan Vanderplattse, Senior Vice-President, Schneider Electric, President, Russia & CIS; Alexis Conan, General Director, Legrand Russia & CIS.

Jacques de Boisseson, General Director, General Representative of Total in Russia, moderated the discussion.

Hotels & Tourism Working Group and North-Western Regional Committee



L-R: **Lana Klyueva**, Head of Operations Russia, MATCH Accommodation 2018; **Andreas Bitzi**, Chairman of the AEB North-Western Regional Committee.

On 11 October 2017, a joint meeting between the AEB Hotels & Tourism Working Group and the AEB North-Western Regional Committee was held at Corinthia Hotel St. Petersburg as part of the AEB Day in St. Petersburg.

The event was attended by representatives of Moscow hotels, members of the AEB Hotels & Tourism Working Group, representatives of St. Petersburg hotels and members of the AEB North-Western Regional Committee.

The event was held with the participation of a representative of the 2018 FIFA World Cup Organising Committee, the head of operations division on accommodation, Tatiana Zakusilova, and a representative from MATCH Accommodation 2018, Head of Operations Russia, Lana Klyueva.

The participants of the event were provided with the opportunity to obtain information on the work of the Organising Committee with regard to preparations for the 2018 FIFA World Cup, on the results of the Confederations Cup, including statistical data on fans, types of accommodation used and average expenditures during the Cup. A general portrait of the fans expected at the 2018 FIFA World Cup was presented, as well as the measures taken by the Organising Committee and MATCH Accommodation 2018 to make the participation of the fans and teams in the World Cup as comfortable as possible (including accommodation, transportation, security measures, tickets programme, etc.).

The participants of the round-table meeting had the opportunity to ask relevant questions and to articulate their proposals to the Organising Committee and MATCH Accommodation 2018.

The moderator of the round-table meeting was Andreas Bitzi, Chairman of the AEB North-Western Regional Committee, SCHNEIDER GROUP.

At the end of the event, the participating companies expressed their interest in attending the events of this format on a more regular basis in St. Petersburg on the eve of the World Cup, and if possible, with the participation of representatives of the city administration.

Hotels & Tourism Working Group and Human Resources Committee



L-R: **Andrey Goroshnikov**, Director of Learning and Development Department, Radisson Royal Hotel, Moscow; **Anna Kireeva**, Area HR Director, Eastern Europe, the Rezidor Hotel Group; **Tatiana Baskina**, Chairperson of the AEB Recruitment Subcommittee, Deputy Director General, Professional Community Affairs, ANCOR; **Armin Eberhard**, Chairman of the AEB Hotels & Tourism Working Group, General Manager, Renaissance Moscow Monarch Centre Hotel.

On 15 November 2017, the AEB Hotels & Tourism Working Group and the AEB Human Resources Committee held a joint open event entitled "Employer branding in the hospitality industry".

The event was designed to highlight the benefits and opportunities which exist in the hospitality industry and, in particular, the hotel industry in Moscow.

The most pressing challenges faced by hospitality industry with regard to HR sector, and possible solutions were discussed at the event. The participants had an opportunity to learn about the hospitality performance management process, selection of development activities on and off the job, HR brand external and internal promotion through social networks, efficient tools of employees engagement and retention.

The presentations were delivered by: Anna Kireeva, Area HR Director, Eastern Europe, the Rezidor Hotel Group; Andrey Goroshnikov, Director of Learning and Development Department, Radisson Royal Hotel, Moscow; Denis Chuev, Recruiter and TakeCare Champion, Moscow Marriott Hotel Novy Arbat; Evgenia Mardenskaya, Director of Human Resources, Moscow Marriott Hotel Novy Arbat; Anton Lovtakov, Assistant Director of Human Resources, Four Seasons; Yulia Litvinenko, Assessment and Career Development Consultant, CASE HR Consulting, ANCOR.

Insurance & Pensions Committee



Speakers and participants of the conference

On 14 September 2017, the AEB held the conference "Consumer protection on the Russian insurance market – impact of the recent developments in the EU".

It was the first international event organised by the AIDA Insurance Legislation Working Group (AIDA Russian Chapter) within the AEB Insurance & Pensions Committee since the AEB joined the International Insurance Law Association/Association Internationale de Droit des Assurances (AIDA) in 2016 (as AIDA National Chapter in Russia).

The event covered the following topics: consumer protection as the main focus of the insurance regulation development; consumer protection law enforcement practice; consumer rights protection in selected types of insurance; consumer/beneficiary protection in motor insurance contracts (OSAGO and KASKO).

Among the speakers were: Frank Schauff, AEB CEO; Jérôme Kullmann, President of AIDA World and AIDA-France; Capitolina Tourbina, Chairperson of AIDA Insurance Legislation Working Group (AIDA Russian Chap-

ter)/General Reinsurance AG; Vera Balakireva, Ministry of Finance of Russia; Leonid Zubarev, CMS; Samim Ünan, President of AIDA Turkey – Secretary General of AIDA World; Olga Rammakh, LLC "Strakhovaya kompaniya "CiV Life"; Victor Momotov, Supreme Court of Russia; Elena Nenakhova, Bank of Russia; Daleen Millard, University of Johannesburg; Yury Fogelson, Higher School of Economics; Evgeny Vasiliev, Russian Association of Motor Insurers (RAMI); Alexander Zaretski, Association of Life Insurers; Alexey Chirkov, Bank of Russia; Sergey Dedikov, Society of Insurance Lawyers; Tatiana Vukolova, Rödl & Partner Moscow; Sergey Kovalevsky, St. Petersburg Branch of SOGAZ; Alexey Laikov, SRO "Association of Professional Insurance Brokers"/Insurance broker RIFAMS; Sergey Goncharov, "Tinkoff Insurance", JSC; Sergey Kanaev, Public Movement "Federation of Car Owners of Russia"; Sergey Efremov, All Russian Insurance Association (ARIA)/Russian Association of Motor Insurers (RAMI); Max Gutbrod, Baker McKenzie; Michael Theilmeier, General Reinsurance AG.



L-R: **Alexander Lorenz**, Chairman of the AEB Insurance & Pensions Committee; **Tadzio Schilling**, EY; **Andrey Kulapov**, Marsh insurance brokers; **Natalia Parkhamovich**, PwC; **Mikhail Kunin**, Greco JLT Insurance Brokers JSC; **Timur Gilyazov**, MetLife JSC.

On 6 December 2017, the AEB Insurance & Pensions Committee held a business meeting titled "Trends in employee benefits: corporate pensions, digital solutions and other benefits for personnel".

It was opened and moderated by Alexander Lorenz, AEB Insurance & Pensions Committee Chairman.

The event gave the audience an update on trends in the corporate pensions market, corporate pension programmes and solutions (structure, clients' views, etc.), digital solutions, and other employee benefits and compensations. It also provided a platform for exchange of ideas and experiences.

Among the speakers were: Evgeny Yakushev, SAFMAR NPF AO; Evgeny Kuskov, WELBI; Julia Piskulova, Chubb Insurance Company, LLC; Timur Gilyazov, MetLife JSC; Mikhail Kunin, Greco JLT. Insurance Brokers JSC; Natalia Parkhamovich, PwC; Andrey Kulapov, Marsh insurance brokers; and Tadzio Schilling, EY.

The AEB kindly thanks SAFMAR NPF AO for support.

IT & Telecom Committee

On 16 November 2017, the AEB IT & Telecom Committee organised its open meeting devoted to the initial coin offering (ICO) entitled "To ICO, or not to ICO, that is the question".

ICO is a fundraising mechanism in which new projects sell their underlying crypto tokens in exchange for bitcoin and ether.

ICO is a relatively new phenomenon but has quickly become a dominant topic of discussion within the blockchain community. Many view ICO projects as unregulated securities that allow founders to raise unjustified amount of capital, while others argue it is an innovation in the traditional venture-funding model.

The event helped to understand the specific characteristics of the ICO – if it is a groundbreaking



L-R: **Roman Yankovskiy**, Zartsyn, Yankovskiy & Partners; **Alevtina Kamelkova**, Counsel, Baker McKenzie; **Edgars Puzo**, Chairman of the AEB IT & Telecom Committee, Atos; **Vadim Konyushkevich**, Liniya Prava law firm.

tool or a risky and fraudulent one; how it is regulated worldwide and what the regulation perspectives in Russia are; the legal risks of the ICO for investors; what ICO tokens are, as well as a number of other issues.

Legal Committee and Compliance & Ethics Committee



L-R: **Michael Akim**, Chairperson of the AEB Working Group on Modernisation & Innovations, Vice President ABB Russia; **Alexander Bychkov**, Partner, Baker McKenzie; **Pavel Savitsky**, Counsel, Head of Intellectual Property & TMT, Borenius Attorneys Russia LTD.

On 3 October 2017, the AEB Legal and Compliance & Ethics Committees held an open meeting "New US sanctions: risks and challenges for the European businesses".

The following topics were on the agenda: legal aspects of sanctions, legal consequences of US and EU sanctions for intellectual property transactions in Russia, impact on the current business processes under sanctions.

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

Machine Building & Engineering Committee and Real Estate Committee



Speakers and participants of the round table

On 21 November 2017, the AEB Machine Building & Engineering and Real Estate Committees organised a round table “Current trends in the design of the industrial projects” which took place at the AEB Conference Centre.

The event on engineering proposed to the AEB members by the Machine Building & Engineering Committee has been a longstanding tradition.

With real cases and experts from different industries, the round table revealed the market news and current trends of the industrial projects; the introduction of new business models in the engineering market and design of intellectual power supply systems; the real possibilities of energy saving and customers oriented solutions for successful localisation; the legal aspects of industrial development.

The representatives of Tebodin Eastern Europe (Roy Pick), Schneider Electric (Pavel Murzakaev), Siemens (Alexander Nevrovskiy), ESYLUX (Andrey Golovin), Drees & Sommer (Tatiana Kovalenko), and Goltsblat BLP (Inna Firsova) addressed the audience.

The round table was moderated by Mikhail Turundaev from Schneider Electric, Deputy Chairman of the AEB Machine Building & Engineering Committee.

Migration Committee

On 5 December 2017, the AEB Migration Committee held its X Annual Migration Conference titled “Migration law and practice” at the Metropol Hotel Moscow with participation of the representatives of the General Migration Directorate of the Ministry of Internal Affairs (MVD) of the Russian Federation and representatives of the Moscow Migration Directorate of MVD of Russia.

The Conference was moderated by Ludmila Shiryayeva, AEB Migration Committee Chairperson, GR Director, EY.

Frank Schauff, AEB CEO, in his welcome speech thanked the General Migration Directorate of the Ministry of Internal Affairs of the Russian Federation for a continuing and constructive dialogue with migration authorities during the past 10 years.

Pavel Dutov, Deputy Head of External Labour Migration Department, the General Migration Directorate, MVD of Russia, presented the recent legislative developments in migration area, patent system



L-R: **Frank Schauff**, AEB CEO; **Alexey Filipenkov**, Visa-Delight; **Ludmila Shiryayeva**, Chairperson of the AEB Migration Committee, EY; **Pavel Dutov**, General Migration Directorate, MVD of Russia; **Yuriy Konobeevsky**, General Migration Directorate, MVD of Russia; **Igor Dudnik**, Moscow Migration Directorate, MVD of Russia.

for foreign employees from CIS countries. Yuriy Konobeevsky from General Migration Directorate, MVD of Russia, commented on migration registration as well as on practical migration matters. Igor Dudnik, Deputy Head of Moscow Migration Directorate, MVD of Russia, briefed on work permit application procedure for foreign employees in “Sakharovo” and commented on the questions on law enforcement practice in migration field in Moscow raised by AEB member companies.

Alexey Filipenkov, Deputy Chairperson of AEB Migration Committee, Partner, Visa-Delight, spoke about the specifics of migration registration of foreign employees and informed the audience on the results of the Confederations Cup, and law enforcement practice in migration registration.

Natalia Stepanova, International Mobility, ROSBANK, gave the examples of problematic issues related to the application procedure in Multiservice Migration Centre in Sakharovo.

Maksim Novikov, Deputy Chairperson of the AEB Migration Committee, Senior Manager, HR Department, KPMG, highlighted the specifics of the crossing the Russia-Belarus border by foreign employees from third countries.

Yulia Sivova, Manager, Global Employer Services, Tax and Legal Department, Deloitte Consulting LLC, addressed the actual

topic about the specifics of the engagement and stay in Russia of foreign nationals who do not require work permit/work visa, and Ekaterina Matveeva, Senior Manager, People Advisory Services, EY, developed the key points for a company to remember in case of change of foreign employee's migration status. Finally, Andrey Slepov, Partner, BEITEN BURKHARDT, informed about possible administrative risks of foreign citizens and their employers and gave the practical recommendations for minimising the risks.



L-R: **Maksim Novikov**, Deputy Chairman of the AEB Migration Committee, Senior Manager, HR Department, KPMG; **Andrey Slepov**, Deputy Chairman of the AEB Migration Committee, Partner, BEITEN BURKHARDT; **Adrian Georgiev**, Justice and Home Affairs Policy Officer, EU Delegation; **Ludmila Shiryayeva**, Chairperson of the AEB Migration Committee, GR Director, Tax & Law, EY; **Alexey Filipenkov**, Deputy Chairman of the AEB Migration Committee, Partner, Visa-Delight.

On 12 December 2017, the AEB Migration Committee members met with the EU Diplomatic Missions, Consulates' representatives to discuss the most actual issues related to migration law and practice.

The meeting was chaired by Adrian Georgiev, Justice and Home Affairs Policy Officer, EU Delegation.

Ludmila Shiryayeva, Chairperson of the AEB Migration Committee, GR Director, Tax & Law, EY, informed about the main AEB Migration Committee activities, projects and cooperation with the Ministry of Internal Affairs, Ministry of Economic Development and other federal and local governmental authorities on improvement of the investment climate for foreign investors, hiring foreign employees in Russia.

Alexey Filipenkov, Deputy Chairman of the AEB Migration Committee, Partner, Visa-Delight, made a detailed presentation on the migration enrollment and issues concerning current law enforcement practice, including conclusions and practical recommendations following the 2017 Confederations Cup. The issues related to the Russia residence permits were also briefly discussed.

Andrey Slepov, Deputy Chairman of the AEB Migration Committee, Partner, BEITEN BURKHARDT, drew attention of the audience to some practical aspects related to risks associated with administrative violations for foreign citizens and their employers. He also informed about the specifics of "foreign employee visa" at the non-commercial organisation.

The issue of crossing the Russia-Belarus border by foreign citizens of third countries was presented by Maksim Novikov, Deputy Chairman of the AEB Migration Committee, Senior Manager, HR Department, KPMG.

Afterwards, the participants of the meeting addressed their questions to the presenters and shared the practical information related to migration aspects in EU countries, and commented on implementation of updated intergovernmental agreements between Russia and EU countries on a simplified procedure.

Participants of the event confirmed their interest to hold such meetings on a regular basis.

Migration Committee and Human Resources Committee



L-R: **Ludmila Shiryayeva**, Chairperson of the AEB Migration Committee, GR Director, Tax & Law, EY; **Elena Novoselova**, Chairperson of the HR & Migration Subcommittee of the AEB North-Western Regional Committee, Coleman Services; **Michael Germershausen**, Chairman of the AEB HR Committee, Managing Director, Antal Russia; **Andrey Slepov**, Deputy Chairman of the AEB Migration Committee, Partner, BEITEN BURKHARDT.

On 11 October 2017, the AEB Migration and Human Resources Committees held a joint meeting in the framework of the AEB Day in St. Petersburg.

The meeting was co-chaired by Elena Novoselova, Chairperson of the HR & Migration Subcommittee, Head of Regional Development, Coleman Services UK; Ludmila Shiryayeva, Chairperson of the AEB Migration Committee, GR Director, Tax & Law, EY; Michael Germershausen, Chairman of the AEB Human Resources Committee, Managing Director, Antal Russia.

The meeting served as a platform for discussing the most topical issues in the field. The speakers delivered the presentations devoted to the current trends on labour market and the AEB HR Committee's activities (speaker: Michael Germershausen, Chairman of the AEB HR Committee, Managing Director, Antal Russia); key changes and recent trends in Russian labour law (speaker: Alexander Korin, Associate, Baker McKenzie), future prospects of the AEB Migration Committee and status of the draft law on secondment (speaker: Ludmila Shiryayeva, Chairperson of the AEB Migration Committee, GR Director, Tax & Law, EY); specifics of permits registration in Moscow and migration registration of foreign citizens and RF citizens during the 2018 FIFA World Cup (speaker: Alexey Filipenkov, Deputy Chairman, AEB Migration Committee, Partner, Visa-Delight), practical aspects related to administrative risks of foreign citizens and their employers (speaker: Andrey Slepov, Co-Chairman of the AEB Migration Committee, BEITEN BURKHARDT).

The Committees confirmed mutual interest in future cooperation. In this regard, the Committees' Chairpersons announced their plans for holding a joint open event entitled "Salary accounting for foreign employees (HQS) in the context of Tax, Labour codes, FZ-115".

Migration Committee, Human Resources Committee and Taxation Committee

On 22 November 2017, the AEB Migration, Human Resources and Taxation Committees held a joint open event titled "Structuring of the HQS foreign employees' remuneration: migration, labour, and taxation aspects".

It was moderated by Ludmila Shiryayeva, AEB Migration Committee Chairperson, GR Director, EY. The event aimed to discuss the main challenges that companies face in terms of remuneration structuring of expatriate employees working in Russia.

Ludmila Gurova, Mobility team leader, IKEA, initiated the discussion presenting employer's vision on the salary structuring of foreign employees (HQS) and demonstrating the complexity and conflict of certain provisions of the relevant Russian legislation.

Ekaterina Matveeva, Senior Manager, People Advisory Services, EY, highlighted the HQS salary taxation requirements: theory and practical issues.

Lubov Gribanova, Manager, Tax & Legal Department, Mazars, presented the complex situations related to HQS caused by additional payments to be paid by company to reach salary level required by law, as well as related corporate tax risks.



L-R: **Ludmila Shiryayeva**, AEB Migration Committee Chairperson, EY; **Ludmila Gurova**, IKEA; **Ekaterina Matveeva**, EY.

Valery Getmanenko, Associate, Baker McKenzie, addressed the issues of the possible income tax exemptions and benefits while planning the expenses and compensation payments due to HQS: court practice.

As an outcome of the discussion it was agreed to organise a working group of representatives of the relevant Committees to elaborate the recommendations on how to accommodate the conflicts in migration, taxation, and labour requirements. The recommendations developed by AEB members will further be directed to the governmental officials for further discussion and possible implementation.

North-Western Regional Committee



Participants of the event

On 23 November 2017, the AEB North-Western Regional Committee held an open event entitled "Main trends in e-commerce in Russia: current status, practical cases and prospects for the future".

The event highlighted the main developments of e-commerce in Russia, including payment systems, delivery methods and cyber risks.

The event was moderated by Timo Mikkonen, Member of the AEB North-Western Regional Committee's Steering Group, and Country Manager of ORAS RUS.

Such companies as Yandex.Market, DHL Express, ARISTOS, Allianz IC OJSC, ITELLA, ORAS RUS, E-Commerce Solutions, Russian Electronic Money and Remittance Association presented their success stories and shared practical experience. BORENIUS ATTORNEYS RUSSIA provided its legal outlook referred to the legal pitfalls and good practices in e-commerce.

About 65 participants took part in the event. They had a live discussion and exchanged their practical experience, concerns and proposals. The event was kindly supported by the Consulate General of Finland St. Petersburg.



L-R: **Anton Rassadin**, Deputy Chairman of the AEB North-Western Regional Committee's Steering Group, BSH Bytowyje Pribory; **Dmitry Yalov**, Vice-Governor of the Leningrad region, Head of the Committee on Economic Development and Investment Policy; **Anna Koroleva**, Deputy Director of the Agency of Economic Development of the Leningrad region; **Valery Malinin**, Head of the project "Registration of ownership and cadastral registration of land and real estate".

On 8 December 2017, the AEB North-Western Regional Committee organised a meeting of the Investment Team of the Government of the Leningrad region with AEB members.

The meeting was one of the activities held in the framework of the Agreement of Cooperation signed between the AEB and the Government of the Leningrad region during the International Economic Forum in June 2017.

The Vice-Governor of the Leningrad region, Head of the Committee on Economic Development and Investment Policy, Dmitry Yalov, as well as the representatives of the main structures involved in the development of investment climate in the region (including Federal Service for State Registration, PJSC "Lenenergo", Rosreestr, Federal Tax Service, Committee for the Development of Small, Medium Business and the Consumer Market of the Leningrad region, Construction Supervision Depart-

ment, etc.) participated in the round-table meeting having presented the implemented activities and future plans for development of investment climate in the region.

Such AEB member companies as YIT and Henkel Russia presented their success cases and future investment plans in the region. The participants of the meeting had a unique opportunity to ask questions to the respective representatives of the Investment Team and receive answers and first-hand information. The event was moderated by Anton Rassadin (BSH Bytowyje Pribory), Deputy Chairman of the AEB North-Western Regional Committee's Steering Group.

The event was kindly supported by the Consulate General of the Netherlands St. Petersburg. The meeting was followed by the reception at the Residence of the Consul General of the Netherlands in St. Petersburg.

Public Relations & Communications Committee and Human Resources Committee



L-R: **Maria Reutskaya**, Internal Communications and Social Investment Advisor, Shell; **Anton Lovtakov**, Assistant Director of Human Resources, Four Seasons Hotel; **Tatiana Baskina**, Chairperson of the AEB Recruitment Subcommittee, Deputy Director General, Professional Community Affairs, ANCOR; **Marina Tatarskaya**, Deputy Chairperson of the AEB PR & Communications Committee, PR Director, Ferrero Russia; **Maria Mordvinova**, Head of educational programme "Advertising and PR", Department of Integrated Communications, National Research Centre Higher School of Economics.

On 4 December 2017, the AEB Public Relations & Communications Committee and the AEB Human Resources Committee held a joint open event entitled "Developing internal communications in a company".

The event was devoted to internal communications. It provided a platform for discussion on what the internal communications' profession is about and challenges for effective interaction of HR and PR services in a company, as regards internal communications.

The experts' Panel Session "Internal communications: requirements, specifics, Big Data vs. Small Data" finalised the event.

The market leaders in recruitment and consulting (ANCOR, Antal, CEB SHL Russia & CIS, ManpowerGroup, Mazars) shared with the audience their insights on qualified candidates' competencies required for internal communications professionals and supported their findings by the real practice cases.

The event was co-moderated by Tatiana Baskina, Chairperson of the AEB Recruitment Subcommittee, Deputy Director General, Professional Community Affairs, ANCOR, and Marina Tatarskaya, Deputy Chairperson of the AEB Public Relations & Communications Committee, PR Director, Ferrero Russia.

Public Relations & Communications Committee



L-R: **Alben Vassilieva**, Communications, PGA & Sustainability Russia/CIS, Covestro; **Myron Wasyluk**, CEO, PBN Hill + Knowlton Strategies, Russia, Ukraine, Kazakhstan & CIS; **Marina Tatarskaya**, Deputy Chairperson of the AEB PR & Communications Committee, PR Director, Ferrero Russia; **Anastasia Mishanina**, Head of Public Relations, PAO Severstal.

On 12 December 2017, the AEB Public Relations & Communications Committee held its open meeting entitled "Crisis Communications".

The agenda comprised the crisis communications' highlights and discussion of the perspectives of Russian and European businesses on the classification of crisis situations.

The speakers especially emphasised the role of PR professionals in management, neutralisation and prevention of crisis situations that may have a negative impact on business operations.

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

Real Estate Committee

On 27 September 2017, the AEB Real Estate Committee held its annual conference "AEB Real Estate Day 2017".

The welcoming remarks were delivered by Frank Schauff, AEB CEO, and Filippo Baldisserotto, AEB Board Member, Chairman of the AEB Real Estate Committee, Managing Partner, Italcantieri. Dr. Schauff briefed the participants about the upcoming events and invited the guests to join the Association.



L-R: **Viacheslav Kholopov**, Regional Director, Industrial & Warehouses Department, Russia and CIS, JLL; **Daniel Savchenko**, Managing Partner, Evans; **Holger Mueller**, Managing Director of the Real Estate Department, PwC; **Denis Sokolov**, Partner, Head of Research Department, Cushman & Wakefield; **Veronika Lezhneva**, Director of Analytical Department, Colliers International Russia.

Session 1

The first panel "Real Estate 2017: is this the new normal?" started with a short overview by four experts from different brokerage companies on the macroeconomic environment and the current state and outlook for the main subsectors of the Russian real estate market. The panel was moderated by Holger Mueller, Managing Director of the Real Estate Department, PwC.

The overwhelming view was as follows: we have reached the bottom of the cycle, but it remains to be seen, however, for how long we will stay there. There have been nevertheless nuances for each of the sectors.

As for elite residential in Moscow – the sort of apartments typically rented by expats – the market has stabilized and there are even first tendencies for a rebound. The structure of the market has changed in the aftermath of the crisis: on the demand side the share of European and US tenants has decreased, while that of domestic and Asian tenants has gone up. On the supply side it seems worth noting that the area along the Leningradsky prospect has strongly gone up in demand.

The outlook for the retail and logistics market was rather subdued. Participants found it important to emphasise that while the overall market remains weak, there is still good potential for a more sophisticated product. However, it will be increasingly difficult to lease out buildings built at the beginning of the last decade and which are now out of date.

The state of the office market looks most critical. True, rents have gone down strongly already. However, vacancy is still high. In view of the rather low rate of GDP growth it will take some time until the current high vacancies are mopped up and the market will be back in balance.

Session 2

The second panel of the Conference comprised leading executives from Russian and international commercial and residential developers and investors, and was moderated by Tomi Asanti from Sponda (now part of Blackstone Group).

The focus of the panelists' discussion was on expected returns for developers and investors from designing, developing and investing into all types of real estate in Russia.

The challenge with the logistics segment is the currently high vacancy of existing warehouses (exceeding 20%) which makes speculative development impossible and allows only limited build-to-suit projects (such as Radius Group is doing for Auchan outside of Moscow).

Office segment has seen very limited new delivery the past years, thus, investing into office development or direct investments have started to pick up already.

Retail rents were discussed to be stable and most often tight to turnover of the tenant which, of course, increases risks for the real estate owner while providing some upside.

Residential segment was discussed in length by the panel which also received many questions and remarks from the active audience. In particular, Moscow and St. Petersburg still see a large annual immigration from the regional cities which keep demand for residential products stable and prices of flats balanced, which is good news for developers' returns while reducing risks.

The AEB sincerely thanks Stupino 1 Industrial Park for sponsoring the event.



L-R: **Timo Hokkanen**, General Director, SRV Stroj; **Stefano Carosi**, Head of Real Estate Finance, AO UniCredit Bank; **Maxim Gasiev**, President, PSN Group; **Tomi Asanti**, Head of the Representative Office, Sponda Russia; **Teemu Helppolainen**, Deputy Chairman of the AEB Board, YIT Group; **Julia Riabtseva**, Senior Project Partner, Drees & Sommer; **Andrey Kolokolnikov**, Executive Director, Morgan Stanley; **Zakhar Valkov**, Executive Director, Radius Group.

Safety, Health, Environment & Security Committee

On 30 November 2017, the AEB Safety, Health, Environment & Security Committee organised a round table “Waste collection and processing: practical experience”.

The panel discussion was attended by: Elena Timokhina, Nokian Tyres; Stanislav Samokhin, HeidelbergCement; Pavel Rudyakov, Samsung; Vladimir Matsuk, Megapolis Resource; Sofia Cherepova, Nestle; Konstantin Bozhinov, Lafarge Holcim; Petr Sannikov, Dmitry Gerasimenko, Ecoline; Olga Zinina, Rockwool; Evgeny Galikhaydarov, Everluck; Alexander Efimkin, ECOPOLE.

The participants presented different industries’ practical experience in waste collection, transportation and processing. The event was moderated by Mikhail Divovich, Chairman of the AEB Environmental Subcommittee, Ecoteam.



L-R: **Pavel Rudyakov**, Samsung; **Stanislav Samokhin**, HeidelbergCement; **Elena Timokhina**, Nokian Tyres; **Mikhail Divovich**, Ecoteam; **Frank Schauff**, AEB.



L-R: **Igor Bukhtyarov**, Russian Institute for Occupational Health; **Evgeny Zibarev**, Russian Institute for Occupational Health; **Rick Graves**, BP; **Valery Kucherov**, ERM.

On 7 December 2017, the AEB Safety, Health, Environment & Security Committee held a conference “HSE risk management in Russia: opportunities and challenges”.

Rick Graves, BP; Tatyana Bobrovitskaya, Shell; Valery Kucherov, ERM; Anastasia Burtseva, Orica; Kirill Katalevskiy, Saint-Gobain; Pavel Mitrokhin, Oriflame; Ivan Komandny, Allianz; Konstantin von Vietinghoff-Scheel, Corporate Counselling Services, and Igor Bukhtyarov, Russian Institute for Occupational Health, shared their expertise and provided an excellent platform for discussion and exchange of knowledge by professionals.

The event was moderated by Valery Kucherov, Chairman of the AEB Safety, Health, Environment & Security Committee, ERM Eurasia; Chris Mawer, BP; Konstantin von Vietinghoff-Scheel, Managing Director, Corporate Counselling Services.

Small & Medium-Sized Enterprises Committee

On 26 September 2017, the AEB Small and Medium-Sized Enterprises Committee held its open event entitled “Digitising industry: chance for small and medium-sized businesses in Russia”.

The event provided a platform for discussing the following topics: quick wins in cost efficiency – robotics process automation for SMEs; digital transformation as the key to survival under the demand and investment decrease; integrated cloud business applications for supply chain and logistics management.

The event was moderated by Orlin Efremov, Chairman of the AEB Small & Medium-Sized Enterprises Committee, Managing Partner, Performance Partners LLC.



L-R: **Rafail Salikhov**, Head of Department, Extended Supply Chain, ALPE Consulting; **Alexander Gerasimov**, Director of digital transformation, IoT, cloud and IT services, J’son & Partners Consulting; **Tadzio Schilling**, Associate Director, Business Development, Foreign Desk Organisation (FDO), EY; **Orlin Efremov**, Chairman of the AEB Small & Medium-Sized Enterprises Committee, Managing Partner, Performance Partners LLC.

Southern Regional Committee



A tour around the Bonduelle production facilities in the Krasnodar region

On 22 September 2017, a round table on food safety was held for the AEB Southern Regional Committee members at the Bonduelle Kuban factory in the Krasnodar region. Violetta Yasinovskaya, Head of Service Quality Assurance, Bonduelle Kuban; Anna Skiba, Food Safety Manager, Nestle Kuban; Natalya Vernikovskaya, Head of Food Safety and Quality Control in Russia, Supply of Grain and Oilseeds, Europe, Cargill Russia Krasnodar, talked about the practices utilised by their companies with respect to quality.

Representatives of the AEB Southern Regional Committee member companies discussed the healthy nutrition programme implemented by the companies, the Russian regulatory and legal framework for organic production, and the labelling of products. A tour around the Bonduelle production facilities was held for the participants of the round table, which included a product tasting session.

An agreement was reached about the exchange of information on service quality between AEB member companies, and the organisation of further events on this subject in the future.



L-R: **Ralf Bendisch**, Deputy Chairman of the AEB Southern Regional Committee, Claas; **Oleg Zharko**, Chairman of the AEB Southern Regional Committee, Danone; **Sergey Altukhov**, Deputy Chairman of Legislative Assembly of the Krasnodar region; **Ruslan Kokarev**, AEB COO.

On 25 October 2017, an open meeting and reception of the AEB Southern Regional Committee was organised to celebrate the 14th anniversary of the Southern Regional Committee's activities.

The speakers at the Committee meeting were: Ruslan Kokarev, AEB Chief Operating Officer; Sergey Altukhov, Deputy Chairman of Legislative Assembly of the Krasnodar region; Oleg Zharko, Chairman of the AEB Southern Regional Committee, Corporate Affairs Director, Southern Region, Danone in Russia; Ralf Bendisch, General Director of CLAAS, Deputy Chairman of the AEB Southern Regional Committee.

The guests at the reception were representatives of the AEB Southern Regional Committee member companies, deputies of the Legislative Assembly of the Krasnodar region, heads of the media, universities and business associations of the region.

On 9 November 2017, a round table "Strategy of innovation as a factor of investment attractiveness of the region" was organised in Krasnodar.

The round table took place in the conference hall of the factory "Philip Morris Kuban" in the framework of the programme "Time for new strategies-2017".

The organisers of the programme were the Public Chamber of the Krasnodar region, the AEB Southern Regional Committee, the Agency of Investment and International Cooperation, and the Russian-English socio-political weekly newspaper "Yug Times". The conference was moderated by Oleg Zharko, Chairman of the AEB Southern Regional Committee, Regional Corporate Affairs Director, Group of Companies Danone in Russia.

The regional authorities were presented by Sergey Altukhov, Deputy Chairman of the Legislative Assembly of the Krasnodar region, Chairman of the Committee on industry, investment, entrepreneurship, communications, consumer and financial markets, external economic activities; Andrey Paliy, First Deputy Minister of Economy of the Krasnodar region.

Representatives of PwC, Banca Intesa, Bank Center-invest, CLAAS, Nestle Kuban, Siemens, Syngenta, heads of departments for innovative development of the Kuban State University and



L-R (the first row): **Andrey Paliy**, First Deputy Minister of Economy of the Krasnodar region; **Oleg Zharko**, Chairman of the AEB Southern Regional Committee; **Sergey Altukhov**, Deputy Chairman of the Legislative Assembly of the Krasnodar region.

Kuban State Technological University, representatives of the Public Chamber of the Krasnodar region and other business associations discussed the promotion of innovative projects of educational institutions among the business circles; legislative solutions that can stimulate innovation; the developing of infrastructure in the region to support innovations.



Participants of the round table

On 23 November 2017, a round table "Practical aspects of digitisation in work of HR department" was held in Krasnodar.

The round table was attended by the representatives of HR departments of the AEB Southern Regional Committee member companies.

Among the speakers were: Igor Brener, Client HR Manager CASC EMEA Russia & Ukraine, Cargill, Vice-Chair and Chairman of HR Subcommittee of the AEB Southern Regional Committee, and Irina Veretennikova, Director of macro-region South of HeadHunter.

The participants discussed the digital tools used in HR, transformation of HR processes in the digital environment, as well as shared practice and technologies used in this area.

The meeting took place at the Cargill premises.

On 27 November 2017, Oleg Zharko, Chairman of the AEB Southern Regional Committee, Regional Corporate Affairs Director, Group of Companies Danone in Russia, had a business breakfast with the representatives of Swedish companies.

The meeting took place in the framework of the "Days of Sweden in Krasnodar" on 26-28 November 2017.

Oleg Zharko informed about the activities of the AEB Southern Regional Committee in Krasnodar and the mechanisms of administration support for investors in the region. During the "Days Of Sweden in Krasnodar" the delegation of the Swedish Embassy headed by the Ambassador Extraordinary and Plenipotentiary of Sweden in Russia Peter Erickson, and the representatives of some Swedish companies met with the Governor of the Krasnodar region and the mayor of Krasnodar.

The Swedish business mission representatives also met with the heads of foreign companies operating in the region.



Oleg Zharko, Chairman of the AEB Southern Regional Committee.



L-R: **Rashid Kudaev**, ASI; **Lyubov Popova**, Chairperson of the Public Chamber of the Krasnodar region; **Alisa Andreeva**, Philip Morris Kuban; **Oleg Zharko**, Chairman of the AEB Southern Regional Committee, Danone.

On 7 December 2017, the conference "Corporate volunteering: regional practices and the vector of development" was organised in Krasnodar. The conference was held within the framework of the programme "Time for New Strategies-2017".

The organisers were the Public Chamber of the Krasnodar region, the AEB Southern Regional Committee, the Agency for Investment and International Cooperation and the Russian-English socio-political weekly "Yug Times".

The conference was moderated by Oleg Zharko, Chairman of the AEB Southern Regional Committee, Regional Corporate Affairs Director, Group of Companies Danone in Russia.

Lyubov Popova, Chairperson of the Public Chamber of the Krasnodar region and Deputy Chairperson of the AEB Southern Regional Committee, welcomed the participants.

Rashid Kudaev, Head of the Agency for Strategic Initiatives in the Southern Federal District, told the participants about the standards of volunteer support.

Vadim Kovalev, First Deputy Executive Director of the Association of Managers of Russia, Executive Secretary of the National Council for Corporate Volunteering (Moscow), spoke about the level of development of volunteering in Russia as a whole.

Speakers from the companies Nestle Kuban, Philip Morris Kuban, Cargill, Danone presented their volunteer programmes in different regions of Russia. The participants discussed how to develop volunteerism and to strengthen intersectoral partnerships: "business, power, society". It was offered to establish a Regional Council for Corporate Volunteering in the south of Russia.

The ceremony of awarding the laureates of the year 2017 with the award of the Public Chamber of the Krasnodar region "Public Recognition" was held after the conference.

Taxation Committee

On 27 October 2017, the AEB Taxation Committee held a conference: "Tax planning: new boundaries". The event highlighted recent changes in the legislation and practice covering new boundaries for tax planning, new rules in relationships with counterparties, correlation between justification of tax benefit and assessment of management decisions' rationale, and other hot topics, and provided an excellent platform for discussion and exchange of knowledge by professionals.

Mikhail Orlov, KPMG, Maria Semenova, Mazars, Raisa Alexakhina, PwC, Anna Lessova, BEITEN BURKHARDT, Maria Kostenko, Baker McKenzie, Alexander Erasov, Goltsblat BLP, Ksenya Litvinova, Pepeliaev Group, Gennady Timonichev, Dentons, shared their expertise and gave recommendations on important tax matters.

The conference was moderated by Alina Lavrentieva, Chairperson of the AEB Taxation Committee, PwC, and Vadim Zaripov, Deputy Chairperson of the AEB Taxation Committee, Pepeliaev Group.



L-R: **Anna Lessova**, BEITEN BURKHARDT; **Raisa Alexakhina**, PwC; **Maria Semenova**, Mazars; **Mikhail Orlov**, KPMG; **Alina Lavrentieva**, PwC.



L-R: **Sergey Shatalov**, Vice President, Media Group "Action-MCFER"; **Alina Lavrentieva**, Chairperson of the AEB Taxation Committee, PwC; **Alexey Overchuk**, Deputy Head of the Federal Tax Service; **Vladimir Elizarov**, Partner, Deloitte.

On 19 December 2017, the AEB Taxation Committee held a business meeting "Development of the Russian tax system: results of 2017 and perspectives".

The event highlighted recent changes in tax legislation, new taxation initiatives and prospects for the next few years and provided an excellent platform for discussion and exchange of knowledge by professionals.

Anna Modyanova, PwC; Vladimir Elizarov, Deloitte; Anton Niki-forov, Pepeliaev Group; Nina Goulis, KPMG; Igor Shikov, Dentons; Ruslan Radzhabov, EY; Maria Kostenko, Baker McKenzie; Tatiana Kirgetova, Gide Loyrette Nouel; Alexander Erasov, Goltsblat BLP, shared their experience and provided recommendations on significant tax issues.

Alexey Overchuk, Deputy Head of the Federal Tax Service, and Sergey Shatalov, Vice President, Media Group "Action-MCFER", were the event's distinguished guests.

The meeting was moderated by Alina Lavrentieva, Chairperson of the AEB Taxation Committee, PwC, and Vadim Zaripov, Deputy Chairperson of the AEB Taxation Committee, Pepeliaev Group.

Working Group on Modernisation & Innovations

On 16 October 2017, the AEB co-organised the session at the Open Innovations Forum in Skolkovo Technopark. The event titled "IoT. What is needed to improve production efficiency?" was moderated by Michael Akim, Chairman of the AEB Working Group on Modernisation & Innovations, Vice-President at ABB Russia.

Among the speakers were: Alexander Liberov, First Deputy Chairman of the AEB Board, CFO at Siemens Russia; Andrey Misyura, General Director of NPO Avtomatiki; Axel Flaig, CTO at Airbus; Mikhail Lifshitz, Chairman of the Board of Directors of JSC Rotec; Leonid Sorkin, Chairman & VP for Government Relations at Honeywell Russia, and others.

The participants talked about key business models of the industrial Internet, progress of the development of industrial Internet in Russia and main obstacles to embrace industrial Internet in Russia and abroad.



Participants of the event

MEMBER NEWS

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

Gołtsblat BLP

Changes to the Gołtsblat BLP Dispute Resolution Practice: the team grows and key specialist areas expand

Gołtsblat BLP, the Russian practice of the international law firm Berwin Leighton Paisner (BLP), has announced a restructuring of its Dispute Resolution Practice, driven by impressive recent growth in its key specialist areas.

The Head of Dispute Resolution Practice is Andrey Gołtsblat, Gołtsblat BLP Managing Partner.

Dispute Resolution Practice key specialist areas are: Commercial Disputes/Title Defence; International Arbitration/Cross-border Litigation; Corporate Disputes, Insolvency and Bankruptcy; Antitrust Disputes; IP/IT disputes; Tax and Customs Disputes; White Collar Criminal Defence; Employment Disputes.

On 7 November 2017, the Dispute Resolution Practice was boosted by the arrival of Julia Romanova as Head of Group. Julia's practice focuses on international arbitration and white collar criminal defence. Before joining Gołtsblat BLP, she headed the Arbitration/Litigation Practice at the Moscow Office of Chadbourne & Parke LLP.

The market-leading Gołtsblat BLP Dispute Resolution Practice is one of the biggest in Russia, with over 40 associates and advocates, including nine partners. The firm's offices in Abu Dhabi, Beijing, Berlin, Brussels, Dubai, Frankfurt, Hong Kong, London, Paris, Singapore, Tel Aviv and Yangon bring together over 180 associates focusing on dispute resolution and international arbitration.



PRAVO.RU once again names Gołtsblat BLP as a leading law firm in Russia

Gołtsblat BLP, the Russian practice of the international law firm Berwin Leighton Paisner (BLP), was ranked a Top-3 law firm in Russia by revenue, according to Russia's leading annual legal ranking Pravo.ru-300 2017, which also placed Gołtsblat BLP among the best across 16 key practice areas (Bands 1 and 2):

Band 1:

- Antitrust Law
- International Trade
- Intellectual Property
- Corporate Law
- Commercial Real Estate/Construction
- Energy and Natural Resources
- TMT

Band 2:

- Commercial Courts
- Bankruptcy
- International Arbitration
- Tax Law
- Dispute Resolution
- Employment Law
- Criminal Law
- Healthcare and Pharmaceuticals
- Finance/Banking Law

Pravo.ru is among Russia's most respected legal publications, Pravo.ru-300 being one of Russia's pre-eminent ratings.

The ranking results reconfirm Gołtsblat BLP's top position in Russia's legal industry, where the firm remains the market leader in supporting Russian and foreign clients on high-profile deals, sophisticated projects and large-scale disputes. It also showcases the multi-functionality of our outstanding team.

Legalife Diaz Reus



Legalife becomes part of Global Law Firm Diaz Reus

Diaz Reus and Legalife announce that beginning from November 2017, Legalife became the Moscow office of Diaz Reus. Legalife, founded in Moscow in 2000, is a nationally-recognized full-service law firm that serves leading international and Russian clients, including Global Fortune 500 companies. Diaz Reus is a full-service firm offering comprehensive legal services to international clients. In addition to its Miami headquarters, the firm has about 20 offices worldwide.

Marina Zinovieva, a LegaLife Partner, explains that “we are delighted to be part of Diaz Reus, an international law firm operating in a wide range of sensitive issues which HNWI’s may face on a personal level – ranging from fraud to asset protection and recovery, immigration, trusts and will contests, as well as OFAC sanctions – as well as business support, corporate and commercial law, and international transactions.”

“Diaz Reus offers seamless access to legal representation across multiple jurisdictions,” says Diaz Reus’s Global Managing Partner, Michael Diaz, Jr. “With interest in Russia on the rise, having a presence in Moscow significantly enhances our international presence.”

Liniya Prava

**Линия
Права**

Адвокатское бюро

Liniya Prava recommended by IFLR1000

On 16 October 2017, IFLR1000 published the results of its annual research of the best legal consultants.

For the first time Liniya Prava lawyers

were recognised by IFLR1000 in Energy.

We are also pleased to announce that expertise and experience of Andrey Novakovskiy were noted by our clients – thanks to their positive feedback Managing Partner of Liniya Prava was ranked as Highly Regarded Lawyer and endorsed as a recommended expert.

Liniya Prava was included in the list of the leading Russian law firms in the following practices and industries:

- Banking
- Capital markets
- M&A
- Project finance
- Energy
- PPP/PFI
- Restructuring and insolvency

The IFLR1000 is the guide to the world’s leading financial and corporate law firms and lawyers. Its first rankings were published in 1990 and currently IFLR1000 researches over 120 jurisdictions worldwide.

VEGAS LEX

Meeting of RSPP, FAS and VEGAS LEX law firm representatives

On 29 November 2017, the RSPP Committee for promotion of competition chaired by Sergey Generalov, member of the RSPP Administrative Office, held a meeting involving the

representatives of the Federal Antimonopoly Service and VEGAS LEX law firm.

Sergey Puzyrevskiy, Deputy Head of FAS Russia, acquainted the audience with initiatives of FAS Russia, which were publicly discussed. Under the instruction of the President of the Russian Federation, the initiatives are focused on improvement of the antimonopoly service’s work for combatting cartels within the Russian Federation.



Ekaterina Nabatova, Deputy Head of the FAS Russia’s Department for Control over Government Procurement, told about the proposed amendments to Law No. 44-FZ, which concern electronic auctions, as well as about a large package of material amendments to Law No. 223-FZ, which relate to development of procurements of small and medium businesses.

Alexandra Vasyukhnova, VEGAS LEX Partner and Head of Technology and Investment group, delivered a speech on the topic of development of antimonopoly regulation in the IT area.

Alexander Sitnikov (VEGAS LEX Managing Partner) and Tatiana Kamenskaya, Deputy Chairperson of the RSPP Committee for promotion of competition, acquainted the audience with, and gave explanations about the current status of the draft law on tariff regulation.

APPOINTMENTS

AB Services



Alex Medlock

We are pleased to announce the appointment of Alex Medlock as Managing Director of AB Services. Alex has over 20 years of work experience in Russia and CIS, and is a highly respected executive within the Russian and international business community.

Dan Hill commenting on the appointment: "After 6 years of serving as the Managing Director of AB Services I have decided to step back from managing the day-to-day operations. With the appointment of Alex I am confident that AB Services will maintain its reputation for first class service delivery to our clients and continue its successful development on the Russian market." Dan will remain as the majority shareholder and will be on hand to ensure a smooth transition and to support Alex in building the business.

Alex commenting on his appointment: "I was delighted to accept the invitation to join AB Services. I have known Dan for many years and know the great reputation he has built with all stakeholders of the business. I am excited about the next stage of development for AB Services and look forward to continuing the success story."

Borenius Russia



Alexey Nikitin



Pavel Savitsky

Borenius Russia announces the appointment as Specialist Partners of Alexey Nikitin, Head of Transactions & Corporate Law Russia, and Pavel Savitsky, Head of Intellectual

Property and TMT Russia and Co-head of Fashion & Lux Practice.

Alexey Nikitin advises on local and cross-border M&A transactions, including legal due diligence, and also provides antimonopoly advice. His experience includes various projects relating to the establishment, disposal and liquidation of businesses in Russia. He also specialises in corporate law (corporate restructurings, joint ventures, and corporate compliance).

Alexey began his career eleven years ago as associate of a leading Russian law firm. He joined Borenius Russia in 2013 as a Senior Associate and was appointed Counsel in 2015. Alexey has been ranked by Best Lawyers® for three successive years in Corporate Law, Construction Law and Planning.

Pavel Savitsky provides advice in the fields of intellectual property and information technology in the day-to-day operations of a business, as well as in a transactional context and when a business is expanding into new markets.

With 15 years of experience in advising on intellectual property and information technology matters, Pavel has represented clients from industries across the board, including telecommunications companies,

software developers, architecture firms, machine tool manufacturers, food and retail companies, mass media companies, and more.

Pavel joined Borenius Russia in 2013 as Counsel. He has featured in the Best Lawyers® rankings in intellectual property and information technology since 2012 and for two years in a row he has been hailed as an Up and Coming lawyer by Chambers & Partners Europe and Global.

Merck



Matthias Wernicke

Dr. Matthias Wernicke, who held the position of Managing Director of Merck Austria, is appointed as General Manager of Merck's biopharmaceutical business in Russia and CIS.

Merck Biopharma develops innovative medicines for treatment of oncology and neuro-degenerative diseases; suggests methods for infertility treatment, treatment of endocrine disorders, cardiovascular diseases, diabetes and thyroid disorders. "As One For Patients: helping create, improve and prolong life" principle is a basis of business unit with the aim to produce a positive impact on lives of millions of people.

Matthias holds a Master's as well as Doctor's degree in Economics from Oxford University, UK. Before joining Merck, he was a Partner at McKinsey & Co in Berlin providing consulting services to customers from the pharmaceutical and healthcare industry. Matthias joined Merck in 2014 as a European Head of Market Access & Pricing.

From June 2015 to September 2017, Matthias Wernicke was Managing Director of Merck Austria, based in Vienna. In his new role in Moscow, he replaces Rogier Janssens who now leads Merck's Biopharma business in China.

Commenting on his appointment, Matthias Wernicke said: "Merck treats Russia as one of the most important countries in the European region. Already today, Russia is one of the top five markets in Europe. Because of the importance of this market, we are investing in people and in technology transfer to Russia. We are a strong believer in localising production together with our Russian partners. This even applies to our most advanced biopharmaceutical technologies.

At the same time, a lot still can be done to improve access to high quality medicines for Russian patients. For me personally, it is a great honor to be able to contribute to achieving this objective for the benefit of the Russian healthcare system, and ultimately for the quality of life of Russian patients."

"Since 2013 Merck in Russia & CIS has implemented the strategy focused on technology transfer in close collaboration with our partners, as well as on repatriation of our strategically important products to secure a stable access of the patients to our most innovative solutions. We are pleased that our team is joined by Dr. Matthias Wernicke, who is not only a highly efficient manager, but also an expert with a sound work experience in biopharmaceutical area. This will definitely make a valuable impact on the development of Merck's biopharmaceutical business in Russia & CIS," said Juergen Koenig, President and General Director of Merck in Russia and CIS.

NEW MEMBERS



Andrei Tolstoy-Miloslavsky

Offers representation, market research, product promotion, sales, and purchasing for European companies seeking to enter the Russian market. This service is ideal for companies seeking a presence but not wishing to commit resources to opening their own office.

Andrei Tolstoy-Miloslavsky has had extensive knowledge of Russian market since 1992.

ad@tolstoy-miloslavsky.com



AVANTA Solutions

AVANTA Solutions LLC is a well-known employment agency carrying on business activity throughout Russia for more than 15 years (prior name – Adecco OOO).

The Company has 8 branch offices in Russia (Moscow, St. Petersburg, Ekaterinburg, Novosibirsk, Nizhny Novgorod, etc.) with more than 100 internal employees and about 4,400 temporary employees. Through 8 branches strategically located in major economic centres of Russia, our team has the ability to meet with quality and deep knowledge nationwide. AVANTA Solutions LLC offers several types of services:

- permanent recruitment;
- executive search & selection;
- temporary staffing;
- mass recruitment;
- outsourcing;
- consulting;
- payroll;
- career transition & leadership development.

Our Company's mission is to inspire people and organisations in creating improvements in efficiency, efficacy and work-related choices.

www.adecco.ru



AZIMUT

Hotel • Smolenskaya Moscow

AZIMUT Hotel Smolenskaya Moscow

AZIMUT Hotel Smolenskaya Moscow is a new 23-storey business-class hotel in the centre of Moscow. The hotel is located in the historical building of the former Belgrade Hotel of Soviet era on

Smolenskaya Square, near the Arbat and Red Square. After a large-scale reconstruction, the building retained the style of Soviet modernism, but at the same time it looks ultramodern and fashionable.

The hotel offers SMART rooms for one or two guests, junior suites and apartments with light-coloured finishing. The design and equipment of the hotel follows all the principles of the SMART concept including minimalism in the interior, a comfortable bed, a workplace, free Wi-Fi in the room complemented by bonuses like noise-insulating windows. For the decoration, modern materials and the latest technical solutions are used.

From the room windows you will enjoy a magnificent panorama of the downtown Moscow and the view of the legendary building of the Ministry of Foreign Affairs.

AZIMUT Hotel Smolenskaya Moscow offers 8 transformable conference halls with a capacity of more than 700 persons, spacious coffee break zones, modern equipment and underground parking. The team of experienced managers will take care of your business event success as well as a pleasant atmosphere of private celebration.

For the convenience of guests who come to the city on a business trip, we designed our business corner with a computer, a printer and Internet access, where you can work, send letters, print tickets or share travel photos in social networks.

The restaurant AVENUE will treat you with dishes from natural fresh ingredients, and familiar recipes will appear in a new original image. In addition it boasts a fashionable interior. In the morning, a buffet breakfast is served, where you can enjoy a variety of hot dishes, snacks and fresh pastries.

AZIMUT Hotel Smolenskaya Moscow is already the third representative of the SMART concept in Moscow. The hotel offers high-quality service, breakfast buffet, free Wi-Fi and other advantages.

www.azimuthotels.com

BRAND & PARTNER

Brand & Partner

Brand & Partner is a Russian-German law firm with offices in Moscow, Russia and Minsk, Belarus. We have been successfully consulting our clients on various legal matters since 2009.

Our team consists of 13 lawyers, attorneys and tax consultants, 3 of which are partners (2 in Moscow, 1 in Minsk). We work on the basis of the full-service concept. Practice areas of Brand & Partner include corporate, tax, litigation, real estate and employment and migration. We also provide advice on major IP and customs issues. Our clients are mainly cross-border businesses entering the Russian market and localising in Russia as well. We provide services to companies from different industries, including but not limited to Retail, IT & Telecom,

Engineering & Construction, Logistics, Software, Food Processing, Media, etc. We also provide legal services for net worth individuals. Through our membership in Alluris International Business Lawyers, CBBL and EUROJURIS, Brand & Partner works successfully worldwide with support of its reliable and reputable partners.

Thomas Brand is a founder and managing partner of Brand & Partner. Mr. Brand has provided legal advice to foreign investors in Russia and Russian investors abroad for more than 20 years. His major areas are corporate restructurings, M&A, litigation.

Valeria Khmelevskaya is a partner and Head of the tax practice. She is also responsible for all contractual issues. Mrs. Khmelevskaya is a lawyer with over 16 years experience and a tax consultant admitted to practice in Russia since 2006. Major areas of practice are tax advice on in- and outbound investments, tax due diligence, tax litigation.

Pavel Pankratov is a partner and head of the firm in Minsk with experience of more than 20 years in cross-border matters.

www.bbpartners.ru



Cornerstone

Cornerstone was founded in 1993 and is one of the leading recruitment agencies on the Russian market. It specialises in recruiting management personnel at the top and mid-level.

Our many years of successful experience in Russia and the CIS countries provide us with a deep understanding of our clients' objectives in the sphere of management personnel in a rapidly changing business environment.

We build up long-term partner relations with our clients and candidates. Personnel are the cornerstone of each company. Our mission is to find the best specialists, help them to reveal their career potential to the greatest extent, and thereby substantially increase the efficiency and value of our clients' businesses.

Cornerstone is a member of Labour Market Experts and the Association of Independent Directors. Since 2006, Cornerstone has been on the jury for the prestigious HR Brand annual prize in human resources.

Since 2005, Cornerstone has been annually declared as one of the leading personnel agencies under the framework of research on the recruitment market in Moscow held every year by the journal Personnel Management. Cornerstone staff are included in the Best Consultants in Moscow Personnel Agencies in the national business prize Captains of Russian Business, TOP-50 best headhunters in the journal Profile, TOP-10 best consultants in the field of Executive Search selected by the Association of Personnel Selection Consultants, and TOP-1000 Russian managers selected by the newspaper Kommersant.

www.cornerstone.ru



Faurecia

Global player in automotive industry

Founded in France in 1997, Faurecia Group is one of the key players in the global automotive industry with sales reaching around 16 billion EUR in 2016. The Group's activities are backed by a large production network in 35 countries and modern research and development facilities. Faurecia is a privileged partner of world's biggest carmakers, who value Faurecia's operational excellence and expertise in technology.

Our Business Groups

Faurecia is a global leader in each of its three Business Groups: Automotive Seating, Interior Systems and Clean Mobility. The Group offers state-of-the-art solutions of complex automotive challenges as it works hand in hand with carmakers aiming to create most eco-friendly, light and comfortable vehicles.

Faurecia in Russia

Faurecia is committed to the Russian market with six production sites in Kaluga, Togliatti, St. Petersburg, and the Leningrad region. Faurecia is working non-stop on new programmes and projects while mastering new technologies and production techniques.

Innovation creation

The automotive market is driven by two main triggers – consumer expectations and regulatory changes. Faurecia is co-creating vehicles for future alongside with carmakers in three fields: eco-friendly technologies; weight reduction to increase fuel efficiency; truly personalised car interiors.

www.faurecia.ru



Fenice Rus

Fenice Rus is one of the first energy service companies in Russia. Founded in 2009 right after the Federal Law No. 261 entered into force, the company still holds top position in the national ranking of energy service companies.

Local competences (technical, financial and legal engineering, operations and maintenance, etc.) coupled with the power of a parent company, allows us to deploy a large offer, to both industrial and public sectors, of performance contracts for all projects in energy efficiency, environmental services, energy management system and complex system integration.

The company has a number of large-scale projects on implementing energy efficient technologies in Russia. Headquartered

in Moscow, Fenice Rus has its branches in Samara, Tyumen, the Rostov region and the Republic of Mordovia.

In September 2016, Fenice Rus became part of Dalkia Group, the leading provider of energy services to public sector and industry in France, subsidiary of EDF Group. Dalkia offers customers expertise in developing, building and managing innovative, greener, more cost-effective energy solutions to enable the sustainable growth of cities and companies. Energy efficiency is our expertise.

www.fenicerus.ru



GVM International

GVM International is a multidisciplinary and diagnostic medical centre with outpatient day-hospital.

GVM International is professional and precise work by doctors of all profiles. Professionalism and years of practice experience of the specialists that work in the GVM international medical centre combined with highly precise diagnostic equipment that allows them to significantly reduce the time interval between the moment of the patient's arrival to the medical centre with complaints with regard to their state of health before the establishment of the clinical diagnosis and beginning the course of treatment.

Close cooperation with insurance companies which carry out constant monitoring of quality of the medical services provided, allows the medical establishment of the GVM International to offer their patients comprehensive health care programmes, takes into consideration needs of each individual patient, and also guarantees a significant reduction in the cost of medical care with still consistently high quality of services.

The specialist working at the GVM International constantly improves their skills in medical centres both in Russia and abroad. When necessary, they have an opportunity to consult with the leading experts of all medical profiles, over the whole of the company's extensive network, including the leading medical clinics all around the world. The range of medical services provided by the GVM International clinic is extensive and along with the standard comprehensive preventive examinations, GVM International clinic provides highly specialised consultations with professionals in different fields.

www.gvmrussia.ru



HRG

With 14,000 people in more than 120 countries, HRG is where companies worldwide go for management of their travel, meetings and events, expenses and related data.

We are part of the Hogg Robinson Group, which has been meeting the needs of corporate customers for more than 170 years, originally as a City of London insurance firm.

Our clients include many of the world's most admired companies. We provide support and emergency assistance to their travellers around the world, 24 hours a day, every day of the year. Whatever the destination – a customer's head office, a conference, an oil rig or home – we go to extraordinary lengths to make sure those travellers arrive on time and ready to do business. And in the process we save our clients' time and money.

How do we do it? With extraordinary people. People are ready to go above and beyond, every day. Our business is built on a core of the longest-serving, most dedicated and accommodating people in the industry. Those people and the relationships they have built up over the years make us so good in a crisis. You have to go a long way to find them. But without them, we would be nowhere.

www.hrgworldwide.com



Lely

Company Lely, founded in the Netherlands in 1948, city of Maassluis, produces automated equipment for milking and feeding cattle, cleaning the cowshed, etc.

The company is the inventor of the first milking robot Lely Astronaut submitted to the market in 1992, and the leader of the automatic milking market.

More than 1,000 employees work day in 40 countries to make farmers' lives easier. In our 3 production facilities, we bring together our product expertise to achieve the best result for our customers.

The Russian representative office "Lely Rus" located in Podolsk, the Moscow region, works to support sales and service of Lely equipment in the territory of the Russian Federation.

www.lely.com

OMNICOMM

Omnicom

Omnicom is an international developer and manufacturer of fuel and fleet management solutions. The company was founded in 1998 and is headquartered in Russia.

The product portfolio includes high-precision capacitive fuel level sensors, including the explosion-proof and heavy-duty sensors, GPS & GLONASS enabled on-board terminals transmitting sensor data to Omnicomm own or 3rd party fleet management software and cloud-based fleet management solution Omnicomm Online. Manufacturing facilities are located in Russia and Europe, and sales and support offices are present in Europe (Estonia), India, Mexico, Brazil and Russia.

Omnicom is the market leader in the transport monitoring industry in Russia and CIS. The company is 100% channel-oriented; its products are delivered to customers via extensive dealer network working under the umbrella brand. International customers access Omnicomm products via system integration partners. The company is actively working in Europe, Central and South America (with representative offices in Mexico and Brazil), India and Africa. Omnicomm products are used by both enterprise and SMB companies working in the following industries: logistics & transportation, passenger transportation, mining, construction, car rental & leasing, agriculture, oil & gas, etc.

Among Omnicomm customers are: Aeroflot, Tec Everest, Nova, Wenco, NATO, Halliburton, Lamborghini, Galooli, Strabag and many others.

www.omnicomm-world.com



OMV

With Group sales of 19 billion EUR and a workforce of around 22,500 employees in 2016, OMV Aktiengesellschaft is one of Austria's largest listed industrial companies.

OMV is producing and marketing oil & gas, innovative energy and high-end petrochemical solutions – in a responsible way.

In Upstream, OMV has a strong base in Romania and Austria and a balanced international portfolio. 2016 daily production stood at approximately 315,000 boe/d.

In Downstream, OMV has an annual refining capacity of 17.8 million tonnes and approximately 3,800 filling stations in 10 countries (including Turkey) as of end of 2016.

OMV operates a gas pipeline network in Austria and gas storage facilities in Austria and Germany. In 2016, gas sales volumes amounted to 110 TWh.

In March 2017, OMV signed an agreement to acquire a 24.99% share in the Yuzhno-Russkoye natural gas field located in Western Siberia from Uniper SE. The acquisition builds a new core area, Russia, in OMV's Upstream portfolio adding 100,000 boe/d to OMV's production.

In 2017, OMV opened a new St. Petersburg organisation that will grow to have 15-25 OMV personnel by year end. For 2018 onwards, it is expected to grow to 60-70 persons.

www.omv.com



Oras

Oras Group is a significant European producer of faucets and sanitary fittings being the market leader in the Nordics and a leading company in Continental Europe.

The company's mission is to make the use of water easy and sustainable. Its vision is to become the European leader of advanced sanitary fittings.

The Group has two strong brands, Oras and Hansa. Oras Group is owned by Oras Invest, a family company and an industrial owner. Oras Invest is also a major owner of Tikkurila, Uponor and Kemira.

The domicile of Oras Ltd, the parent company of the Group, is located in Rauma, Finland, and the Group has four manufacturing sites: Burglengenfeld (Germany), Kralovice (Czech Republic), Olesno (Poland) and Rauma (Finland). The Group operates with own staff in 20 markets.

Oras Group net sales were 245 million euro in 2016 and at the end of the period the company employed about 1,400 people. In Russia, Oras has sales offices in Moscow, St. Petersburg, Ekaterinburg and Novosibirsk.

www.oras.com



SILA

SILA International Lawyers was founded in February 2017 as a result of association of Legal Sport (Moscow, Russia) and Gradev Sports (Sofia, Bulgaria), well-known companies in sports law area. The company's strength is sports law practice – SILA represents a lot of famous athletes, coaches, agents and clubs in Russia, Bulgaria and other European countries. The company has extensive experience to represent the clients in the Court of Arbitration for Sport (CAS).

SILA is also experienced in legal advising for international sports competitions, organised within the Russian Federation, including the World and European Championships in various kinds of sports. Subsequently, SILA expanded its activities beyond professional sports. In particular, the company has the experts in such areas as contractual, criminal, corporate, administrative, urban planning, energy law, etc.

www.silalawyers.com



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

Calendar year / Календарный год: 2018 (Please check the appropriate box/boxes / Укажите соответствующий год/года)

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

1. COMPANY / СВЕДЕНИЯ О КОМПАНИИ

Company Name in full, according to company charter. (Individual applicants: please indicate the company for which you work / Название компании в соответствии с уставом. (Для индивидуальных членов – название компании, в которой работает заявитель):

Legal Address (and Postal Address, if different from Legal Address) / Юридический и фактический адрес, если он отличается от юридического:	INN / KPP / ИНН/КПП:	
	Phone Number / Номер телефона:	Fax Number / Номер факса:
	Website Address / Страница в интернете:	

2. CATEGORY/КАТЕГОРИЯ: THE CATEGORY IS DETERMINED ACCORDING TO THE WORLD'S TURNOVER OF THE COMPANY Please attach the information letter on the activity of the company and its annual turnover with the signature of the head of the company on the official letterhead

Please indicate your AEB Category / Отметьте категорию	Company's world-wide turnover (euro per annum) / Мировой оборот компании (евро в год)	AEB Membership Fee / Членский взнос в АЕБ
<input type="checkbox"/> SPONSORSHIP / Спонсорство	–	10,000 euro/евро
<input type="checkbox"/> CATEGORY A / Категория А	>500 million/миллионов	6,300 euro/евро
<input type="checkbox"/> CATEGORY B / Категория Б	50–499 million/миллионов	3,800 euro/евро
<input type="checkbox"/> CATEGORY C / Категория С	1–49 million/миллионов	2,200 euro/евро
<input type="checkbox"/> CATEGORY D / Категория Д	<1 million/миллионов	800 euro/евро
<input type="checkbox"/> INDIVIDUAL (EU/EFTA citizens only) / Индивидуальное (только для граждан Евросоюза/ЕАСТ)	–	800 euro/евро

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Please bear in mind that all applications are subject to the AEB Executive Board approval /

Все заявления утверждаются Правлением АЕБ

3. CONTACT PERSON / INDIVIDUAL MEMBER / КОНТАКТНОЕ ЛИЦО / ИНДИВИДУАЛЬНЫЙ ЧЛЕН

Title, First Name, Surname / Ф.И.О:	
Position in Company / Должность:	
E-mail Address / Адрес эл. почты:	

4. COUNTRY OF ORIGIN / СТРАНА ПРОИСХОЖДЕНИЯ	
A. For a company / Компаниям: Please specify COMPANY'S country of origin / Указать страну происхождения компании ¹	
or B. For an individual applicant / Индивидуальным заявителям: Please specify the country, of which you hold CITIZENSHIP / Указать гражданство	
<p align="center">Please note that only EU / EFTA members can serve on the Executive Board and the Council of National Representatives/ Внимание! В Совет национальных представителей и Правление могут быть избраны члены, представляющие страны Евросоюза или ЕАСТ.</p> <p align="center">Please fill in either A or B below/ Заполните только графу А или В</p>	

5. COMPANY DETAILS / ИНФОРМАЦИЯ О КОМПАНИИ			
Company present in Russia since: _____ / Компания присутствует на российском рынке с: _____ г.			
Company activities/ Деятельность компании	Primary / Основная:	Secondary / Второстепенная:	
Company turnover (euro)/ Оборот компании (в Евро)	In Russia / в России:	Worldwide / в мире:	<input type="checkbox"/> Please do not include this in the AEB Member Database/ Не включайте это в справочник АЕБ
Number of employees/ Количество сотрудников	In Russia / в России:	Worldwide / в мире:	<input type="checkbox"/> Please do not include this in the AEB Member Database/ Не включайте это в справочник АЕБ
<p align="center">Please briefly describe your company's activities (for inclusion in the AEB Database and in the AEB Newsletter) / Краткое описание деятельности Вашей компании (для включения в базу данных АЕБ и публикаций АЕБ)</p>			

6. HOW DID YOU LEARN ABOUT THE AEB / КАК ВЫ УЗНАЛИ ОБ АЕБ?	
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<input type="checkbox"/> Media / СМИ	<input type="checkbox"/> Event / Мероприятие
<input type="checkbox"/> Advertising Source / Реклама	<input type="checkbox"/> Other / Другой

Signature of Authorised Representative of Applicant
Company / Подпись уполномоченного лица заявителя:

Signature of Authorised Representative of the AEB /
Подпись Руководителя АЕБ:

 Date/Дата:

 Date/Дата:

¹ Location of a parent company or of the main shareholder/ Местонахождение головной конторы или основного учредителя.

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