

St.Petersburg International Business Association

SPIBA ANNUAL REPORT

2014





SAINT-PETERSBURG





Dear Friends and Colleagues,

We are pleased to present the 2014 SPJBA Annual Report. The Annual Report is an opportunity to evaluate the past year and make plans for the future. We would like to summarize our yearly results and share them with you.

In 2014 SPJBA continued to fulfill its mission. Success of the Association would not have been possible without the invaluable contributions and assistance from our Committee co-chairs and members of the organization, as well as productive interaction with partners and collaboration with government representatives. We would like to express our gratitude to all SPJBA members for active participation in our events, support for implementation of SPJBA strategic plans and committment to go forward. Undoubtedly, our cooperation will lead us to new achievements!

We live in a changing world. The main goal of SPJBA is to bring together representatives of companies from various industries to jointly find solutions to complex problems, creating a platform for exchange of information, knowledge and experience. We are sure that together we will overcome all difficulties and go forward with confidence!

Karina Khabacheva SPFBA Executive Director





St. Petersburg International Business Association (SPIBA) is a non-profit, independent organization which unites foreign and Russian companies that share SPIBA's view and principles.

The St. Petersburg International Business Association (SPIBA) is here to be a strong voice of business in the North-West region of Russia and to facilitate business development for its members. SPIBA's strategy is to provide a platform for

- Exchange of information and knowledge
- Open dialog and collaboration with the authorities
- Networking

in a friendly and informal atmosphere.

In twenty years of existence, since 1995, SPIBA has become a reliable partner for the international business community in North-West Russia. The Association provides a mechanism to bring to light common issues faced by its members in the development of their businesses, as well as to prompt Russian authorities to address these issues. Through the combined efforts of SPIBA's various committees, SPIBA is able to achieve significant results, leading to gradual improvement in the business climate of the region.

Aside from Committees activities, SPIBA organizes General Meetings, conferences, seminars, breakfast briefings, round tables, and business tours. All of the events are dedicated to addressing current issues that directly affect the interests of the Association's members and involve high-level experts and professionals from both government and business. "Look@it" company visits are particularly popular among members and they focus on the success stories of major brands in the St. Petersburg market. SPIBA regularly holds "Breakfast with the Director" meetings, where business leaders, top managers and directors are invited to share their rich experience and discuss innovative approaches to business and solutions. In addition to these business events, SPIBA invites members to participate in a range of social events from the traditional White Night Boat Cruise to Get Together parties.







Stefan Van Doorslaer Chairperson of the Executive Committee General Director, Ahlers CIS & Baltics



Jarmo Lindholm General Director and Executive Vice President, Atria Russia, OOO Pit Product & OOO Campomos



Vladislav Zabrodin Managing Partner, Capital Legal Services



Tatiana Gorovaya General Manager External and Government Affairs, Nissan Manufacturing RUS



Elena Marchenko Head of the Finance Department and Chief Accountant, BSH Bytowije Pribory



Sergey Parshin Cluster Director, Unilever



Andrei Gusev Managing Partner, Russia, Attorneys at law Borenius Russia LTD



Sergey Spasennov Head of St. Petersburg Practice, Pepeliaev Group



Karina Chichkanova Partner, Dentons

SPIBA Industrial Committee





Meeting with Vodokanal of St. Petersburg and Department of the Federal Service for Supervision of Natural Resources (Rosprirodnadzor)

The Committee identifies, evaluates and analyzes key trends and issues related to environmental protection, health and safety, which may affect performance of enterprises in the North-West region of Russia. Some of the most important topics discussed are: improving the efficiency of production, quality management, and corporate social responsibility.

The main objectives of the Committee:

- Promotion of effective standards related to environmental protection, health and safety
- Assistance in carrying out responsibilities with respect to compliance with EHS laws
- Active participation in the development of relevant EHS laws, regulations and standards
- Organization of meetings and events related to logistic issues and trends.

The results of 2014 show that businesses are increasingly concerned about environmental issues.

SPIBA organized a number of activities:

- Mechanisms of extended producer responsibility in the field of waste management consumption
- Questions to fill in the composition and properties of wastewater
- Special assessment of working conditions
- Discussion of differences in Russian and European fire standards legislation
- Lean management
- Building flexible supply chains
- Outsourcing of non-core business processes

The Committee organizes meetings with experts of Vodokanal St.Petersburg and Rosprirodnadzor. Logistic business breakfasts are also included in the list of the Committee's activities.

The co-chairpersons of the SPIBA Industrial Committee in 2014: Viktoria Afanasieva, Nissan Manufacturing Rus Peter Kehva, Smurfit Kappa St. Petersburg Ivan Osipov, Pilz Russia

Logistics working group: Olga Nekrasova, Ahlers CIS & Baltics Konstantin Krotov, GSOM, St.Petersburg State University

Industrial Committee Sponsor:
Ahlers CIS & Baltics





SPIBA HR Committee



Aleksey Viktorovich Britsun, Head of the State Labour Inspection in the Leningrad region. The meeting devoted to the special assessment of working conditions.

Human capital is a key factor for successful business. Thus, SPIBA tries its best to meet its members' demands to solve problems related to human resources.

The HR Committee of SPIBA provides a forum for the exchange of experience and opinions of professionals in the field of personnel management and includes broad representation of both the business sector and governmental agencies. Participants of the Committee meetings are representatives of industrial enterprises, recruitment agencies, companies providing training, and professors of leading universities and business schools.

In 2014 the Committee held meetings that covered a wide range of key aspects related to human capital of business including:

- Changes in labor legislation in connection with the adoption of a new regulation on the special assessment of working conditions.
- Strategic partnership: best practices of interaction between business and universities
- HR in Russia: vulnerabilities and opportunities.
- Labor market trends and characteristics of personnel selection in St. Petersburg.
- Dismissal: a workshop for HR departments.
- Diversity & Gender Balance in an organization. Is balance possible and necessary?
- Interaction with trade unions and others.

The Committee organized a field trip event to Veliky Novgorod. During the round-table participants discussed labor market trends and features of staff recruitment in Veliky Novgorod.

The co-chairpersons of the SPIBA HR Committee in 2014: Anna Gavrilova, Baker & McKenzie Irina Stepanova, Baltika Breweries Tatiana Leontieva, ANCOR

HR Committee Sponsor: CEB SHL Talent Measurement

SPIBA Marketing & Communications Committee





Look @ Gorki Golf Club

SPIBA's Marketing & Communication Committee is a forum for specialists in the field of marketing and PR communication. The committee is engaged in attracting public attention to its members' activities. The Committee also provides an opportunity for SPIBA's members to share experience and information in the field of marketing and advertising.

In 2014 the Marketing & Communications Committee held events on:

- The Price of PR
- Acting skills for HR and other managers
- Digital strategy
- Yandex services
- Practice of government relations in Russia: state and prospects
- Sports Marketing. Experience "Sochi 2014"
- Lively presentations the whole route from presentation concept to public speaking

Marketing Committee «Look@it» events remain extremely popular among SPIBA members. In 2014 SPIBA members visited such companies as: Scania, Fazer, Russian Standard Vodka, Petmol, Danone, Golf-club Gorki, and Boris Eifman Dance Academy. See more about Look@it events in the "Key events 2014" section.

Co-chairpersons of the SPIBA Marketing & Communications Committee in 2014:

Irina Koshelkova, BC Communications Anastasia Denisova, Acsour Veronika Voinovyan, Attorneys at law Borenius





SPIBA Legislation & Lobbying Committee

This Committee has been operating within SPIBA since its establishment in 1995 and it provides significant input regarding the implementation of SPIBA's mission as the voice of business in its dialogue with the Russian authorities. Meetings are held with the participation of leading international and Russian firms and representatives of relevant government agencies.



Irada Golik and Mikhail Sergeev Meeting with the management of the Economic Development Agency of Leningrad region.

The meetings of the Committee covered a wide variety of issues that concern the business community:

- Internal investigation of economic crimes committed by employees
- Prospects of the fourth antimonopoly package "What should companies expect and be prepared for?"
- Round table: Amendments in personal data legislation
- Meeting with the management of the Economic Development Agency of Leningrad region
- Law ignorance is no excuse. But the knowledge of the law can be
- Decriminalization of business.

SPIBA Legislation and Lobbying Committee held several meetings within the framework of the "Legal Debating Club." Meetings were focused on the following issues: "Top-management: responsibility, insurance, dismissal" and "Practical aspects of integration of courts and changes of procedural law."

The Co-Chairpersons of the SPIBA Legislation & Lobbying Committee in 2014:

Leida Lukianova, Baker&McKenzie Arina Dovzhenko, Dentons Igor Gorokhov, Capital Legal Services

Legislation&Lobbying Committee Sponsor: Capital Legal Services

SPIBA Finance Committee





Irina Sergeevna Persikova, Deputy Chief of the Office of VAT, corporate tax FTS Russia

SPIBA's Finance Committee brings together specialists in the areas of finance, taxation and accounting. The purpose of the Committee is to create a platform for the exchange of information and to demonstrate that businesses can and should operate successfully, while respecting all requirements of Russian legislation.

In 2014 the Committee conducted eight meetings during the year that covered a wide range of relevant financial issues:

- Exports of goods, including the mutual trade in the Customs Union
- New trends and current issues of tax practice
- Conference: Optimization of financial services
- Significant changes and topical issues of an organization's profit taxation
- Seminar "Revision of the transfer pricing documentation" The prospects of the Russian financial market
- Internal control system. Practice of requirements of Russian legislation implementation
- Tax prices control. The practice of application of the provision of V1 Tax Code RF Section.

Special guests of the meetings were:

- Irina Sergeevna Persikova, Deputy Head of the VAT control corporate tax FTS of Russia
- Evegenia Anatolievna Kruglova, Head of corporate taxation FTS of Russia

The Co-chairpersons of the Finance Committee in 2014:

Maria Rybakova, BDO Unicom Yulia Naberezhnaya, DLA Piper Elena Barvitskaya, Taxcom Elena Zyryanova, Credit Agricole



The SPIBA Real Estate and Construction Committee helps members of the Association navigate through the complex world of cadastres, construction codes and regulations. During the meetings of this committee we discuss issues of interest to anyone who does business in North-West Russia. Committee activities are as extensive, as is the development and construction business, often, its efforts intersect with the activities of other committees of SPIBA and then, at the junction of two or more branches an event occurs that can benefit: lawyers, financiers, accountants and managers of state workers.

SPIBA Real Estate and Construction Committee



Round table «Contemporary Petersburg style: what is it?»

The Committee sees its mission as follows:

- To promote the advancement of knowledge of real estate market and construction professionals and;
- To be a platform for discussion of urgent problems in the field of real estate;
- To familiarize all stakeholders with best practices in the field of construction;
- To disseminate information in cooperation with the relevant committees of the governments of the city and region;

Topics of the Committee's events in 2014 included:

- Litigation with authorities
- Contemporary Petersburg style: what is it?
- Secrets of the effective real estate value assessment for business and the role of an assessment expert for property rights protection: legal, tax and procedural aspects
- Practical Issues of land due diligence within accommodation of industrial and warehouse facilities

The Co-chairpersons of the Committee in 2014:

Maya Petrova, Attorneys at law Borenius Russia LTD Vladimir Vishnevsky, VTB Capital Asset Management Dmitry Kozunov, Colliers International

Real Estate& Construction Committee Sponsor: Law offices Semenyako, Golubok and partners

SPIBA Quality of Life Committee





Art-Breakfast at Erarta museum

Quality of life depends on state of health, communications in society, psychological and social status, freedom of action and choice, organization of leisure and entertainment, education, access to cultural heritage, social, psychological and professional assertiveness, and adequacy of communication and relationships.

In 2014 the Committee of Quality of life conducted 10 meetings.

At the beginning of 2014, the Committee invited members of the hospitality industry to SWISSAM business school.

A round table discussion was held around one of the key business events in St-Petersburg – the St. Petersburg International Economic Forum. Under the rubric of "cultural discoveries of SPIBA" dedicated to the cultural heritage of St. Petersburg, SPIBA held significant events and met outstanding creative personalities of the northern capital such as: meeting with the best clown in the world and director of Circus on Fontanka Vyacheslav Polunin; Manifesta 10 tour in the State Hermitage Museum; and the opening of the exhibition "Handmade in Germany."

In 2014 the Committee launched the project "art- breakfast" and spent several meetings in a new format focusing on the topics:

- The art of photography with a leading photographer of the State Hermitage Museum Yuri Molodkovets
- Contemporary art in the museum Erarta
- Impressionism; multimedia exhibition "From Monet to Cezanne French impressionists".

The Committee also held a meeting with Victor Simonov, participant of Eco-social project "Arctic expedition", where participants learned not only about the life of the Arctic Circle and travels to the North Pole, but also marketing opportunities for companies to support this project.

The Co-chairpersons of the Quality of life Committee in 2014:

Larisa Konashenok,

The State Hermitage Museum Official Hotel in St Petersburg



SPIBA General Meetings

3rd of April, 2014

Topic of the meeting: "Financial state of the economy of St. Petersburg: prospects and forecasts"

Speaker: Eduard Batanov, Chairman of the Finance Committee of St. Petersburg





17th of June, 2014

Topic of the meeting:

"St Petersburg's Socio-Economic **Development Strategy 2030"**









SPIBA Annual General Meeting

29th of October, 2014



Stefan Van Doorslaer, Chairperson of the SPIBA Executive Committee

SPIBA held a General Meeting in the "Monferran" Ballroom of the Four Seasons Hotel Lion Palace in St. Petersburg. Special guest of the meeting was Koen Schoors, Director of CERISE and Professor at Vlerick Business School.

The topic of discussion was: "Sanctions and their economic impact on Russia and Europe, today and in future."





Koen Schoors, Director of CERISE and Professor of Vlerick Business School



"International sanctions impact on business development in Russia"

Vasiliy Dermanov,
Associate Professor of Strategic and International Management,
GSOM,St.Petersburg State University.

Artem Zhavoronkov, Partner, Dentons





Business Forum "Increasing business competitiveness through effective internal processes management"

Boris Kaplun, Director for Eastern Europe, Amcor Tobacco Packaging

29th of May, 2014 St. Petersburg International Business Association in conjunction with the personnel holding ANCOR held a business forum "Reserves growth of business competitiveness through the effective management of internal processes."

The format of business forum included presentations by the speakers, analysis of practical case studies, panel discussions and other means of live communication and exchange of experience. The task of the business forum was to renew the dialogue of business and HR- departments, provide them an opportunity to discuss methods and opportunities in the field of personnel management, share best practices and resources in order to improve business efficiency and, as a result, strengthen market position and competitive advantages of the company.

HIGHLIGHTS 2014





Meeting with Andrey Sokolov, Director of the Department of Special Economic Zones, Ministry of Economic Development



Meeting with Oleg Savelyev, the Ministry of Crimea of the Russian Federation



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Meeting with Georgy Poltavchenko, Governor of St. Petersburg



"Expat life in Russia: guidelines to success" events

SPIBA continues to develop a format "Expat life in Russia: guidelines to success", aimed at foreign managers working in Russia. Meetings include discussion of the most topical and burning issues that foreigners in Russia face such as income tax, health care, immigration legislation, safety issues and cross-cultural differences.







HIGHLIGHTS 2014





Look@IT events

Look@Danone
Evgenia Falkova,
PR GR Director at Danone in North West

SPIBA continues to develop the popular Look@IT_tours, that focus on success stories of major brands in the St. Petersburg market, through which participants have a unique opportunity to learn about the company from the inside. During the tour, representatives, and often company heads, share personal experiences and talk about the history and characteristics of the company.

In 2014 we made visits to the following companies: Russian Standard Vodka, Fazer, Danone, Scania, Gorki Golf Club and Boris Eifman Dance Academy.

"The Friday was amazing thanks to SPPBA and Look@Danone event. It's a great idea and the format of the event is great. I would like to thank SPPBA for the organization, Danone and Evgenia Falkova, PR GR director of the division, for the wonderful tour and hospitality.

We were told about the history of the brand, all particularities of production of milk, kefir and yogurts for children as well as other dairy products of different brands belonging to Danone.

We visited the factory and were told about milk and kefir production from start to finish, when cars in dairy truck cisterns bring milk from the best cows all the way through packaging and arriving on the shelves of our stores. Everything is so sterile inside. We were dressed in special medical-type sterile clothes to enter the factory.

Now I am 100% sure that the quality and the process of production is on the highest level at Danone. The event, organized by SPIBA to Danone was really of great interest for me and I think everybody should visit this kind of event!"



HIGHLIGHTS 2014





On the 27th of June, 2014 SPIBA held a "White Nights" Boat Cruise continuing its long tradition. Association members and guests had a great time on the boat enjoying spectacular views of St. Petersburg during the white nights period. A lottery was held during the event and some of the participants left the cruise with the amazing gifts from our cruise sponsors.



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Individual membership

Denis Kamordzhanov

ACKNOWLEDGEMENTS

The Association is pleased to acknowledge all the companies who sponsored, supported, and helped organize various SPIBA events in 2014 for their generous contributions that benefit SPIBA members and the business community as a whole.

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Attorneys at law Borenius Russia

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We are grateful to all SPJBA members and partners and look forward to your cooperation in future!





