

WORLD TRADE CENTER

CROWNE PLAZA

Aleksei Savrasov

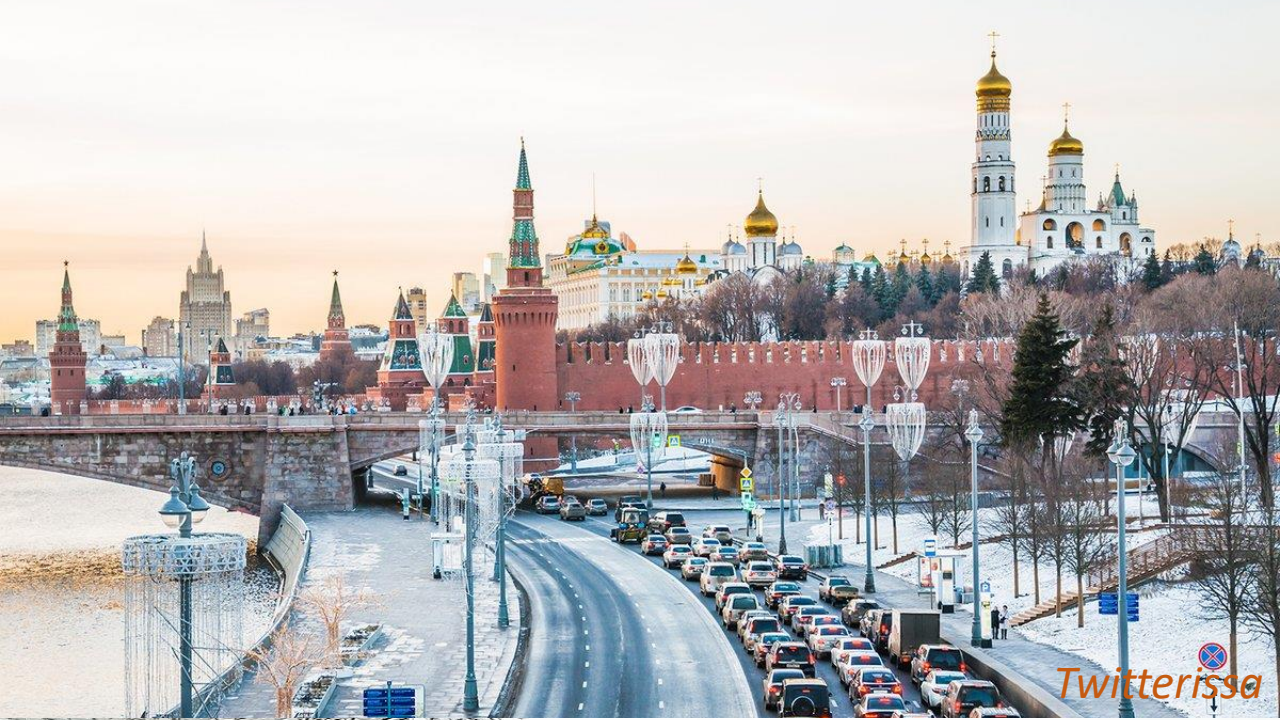
*Head of Section, International Business Cooperation Department,
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DOING BUSINESS WITH and IN MOSCOW, RUSSIA

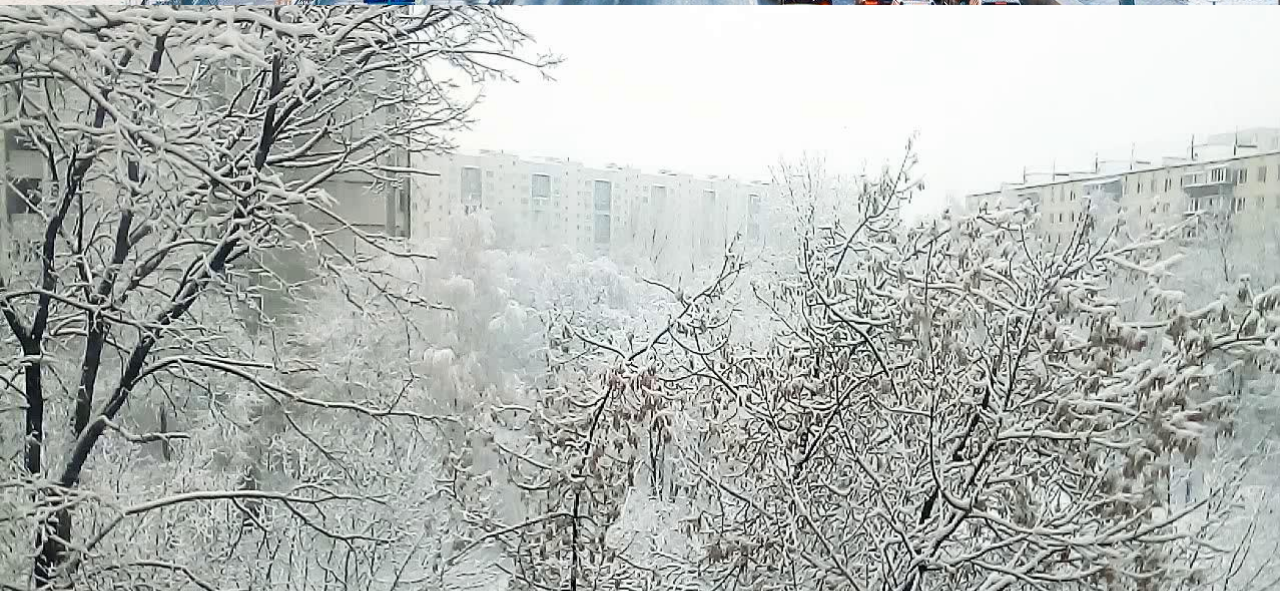
With and For WTC Leeuwarden,
09 July 2020 | 12:00 (GMT+3)



WORLD TRADE CENTER
MOSCOW



Twitterissa



Practical tip: bring your coat (well, during our winter)

Photos: Yandex, photo-proba



WORLD TRADE CENTERS
ASSOCIATION

WTC Moscow in WTCA together with WTCA
Leeuwarden and 300+ more

WTC Moscow joined WTCA in 1974

- We lived, worked and have been changing with the country

WTCA General Assemblies: 1981 and 2012

- *Window to the USSR (1981)*
- *Starting with the WTO (2012)*

WTC Moscow works closely with the Chamber of Commerce: (52 000 companies in 84 Russian regions) and the Government of Moscow (*representing those, Artem and Andrew will be presenting shortly*)



PRACTICAL TIP: Enter the Moscow market and get to know the business people. That's the key

Photos: WTCA



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MOSCOW

Enter this market!

Moscow as a city, a business destination, a market

Founded in 1147

12,5 m residents and 20m with the agglomeration

Multicultural and multiethnic city

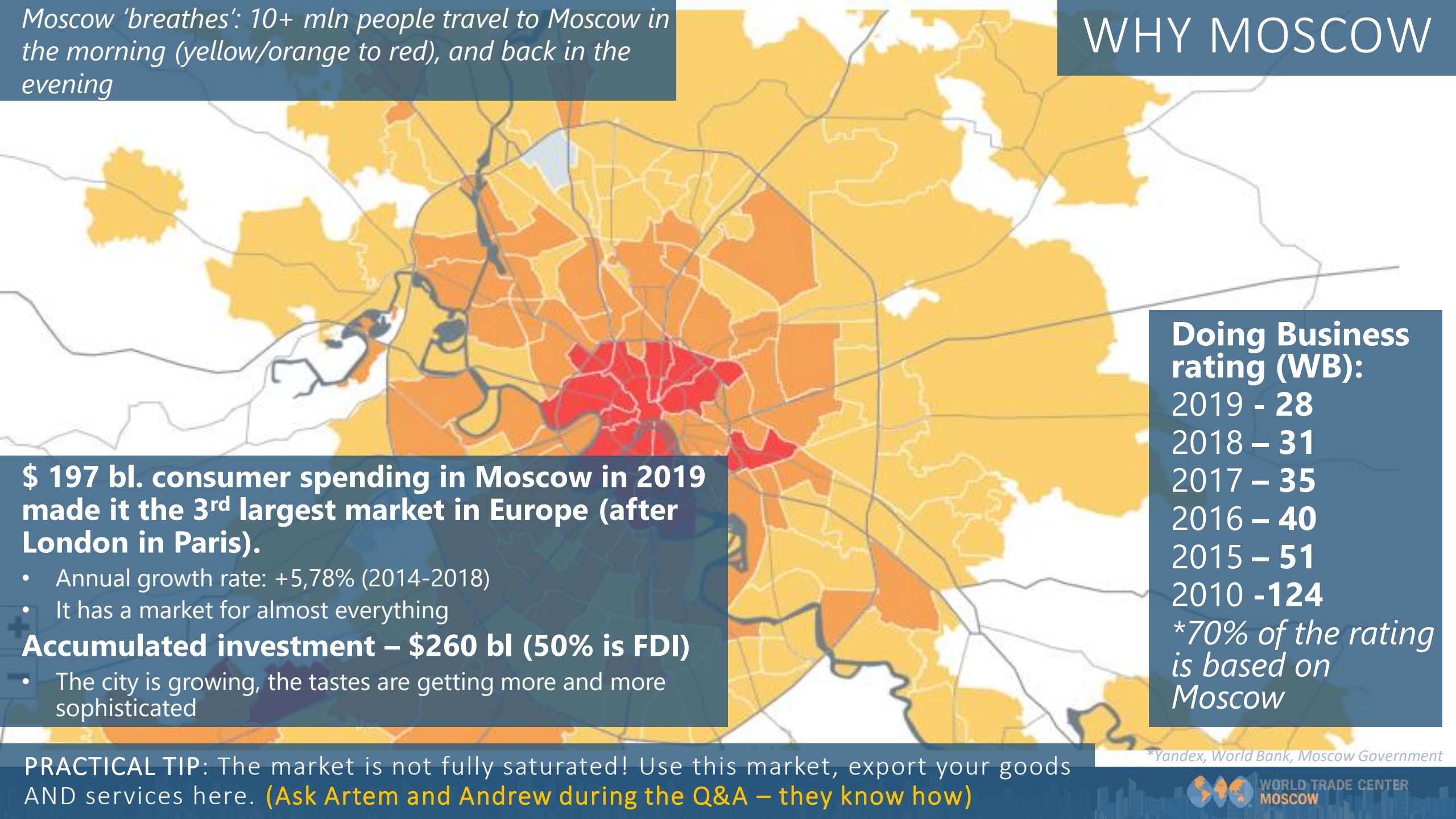


photos: WTC and CCI

PRACTICAL TIP: If you want to make friends with business people in Moscow, notice and compliment their heritage and hospitality. Speak English in Moscow freely.

WHY MOSCOW

Moscow 'breathes': 10+ mln people travel to Moscow in the morning (yellow/orange to red), and back in the evening



Doing Business rating (WB):

2019 - **28**

2018 - **31**

2017 - **35**

2016 - **40**

2015 - **51**

2010 - **124**

**70% of the rating is based on Moscow*

\$ 197 bl. consumer spending in Moscow in 2019 made it the 3rd largest market in Europe (after London in Paris).

- Annual growth rate: +5,78% (2014-2018)
- It has a market for almost everything

Accumulated investment – \$260 bl (50% is FDI)

- The city is growing, the tastes are getting more and more sophisticated

PRACTICAL TIP: The market is not fully saturated! Use this market, export your goods AND services here. **(Ask Artem and Andrew during the Q&A – they know how)**

*Yandex, World Bank, Moscow Government



**WORLD TRADE CENTER
MOSCOW**

MOSCOW IN WORLD'S RANKING

MOSCOW: 1ST PLACE



UN E-GOVERNMENT SURVEY



EASTERN EUROPEAN CITIES
OF THE FUTURE 2018/2019



INTEGRATED DEVELOPMENT
OF TRANSPORT SYSTEM



ORGANIZATION OF PAID
PARKING SPACE



ORGANIZATION OF URBAN
TRANSPORT SYSTEM

MOSCOW: SPECIAL AWARDS



PROVISION OF STATE SERVICES
IN ELECTRONIC FORM



LUZHNIKI GRAND SPORTS ARENA
ZARYADYE PARK

MOSCOW: TOP-5



ATTRACTIVE EUROPEAN
CITIES FOR THE INVESTORS



CITY READY FOR
FUTURE TECHNOLOGIES

PRACTICAL TIP: Go for what's in the top ranks OR what's not 'saturated' yet (strategic approaches before entering the market – we can help you with it. **Ask Alex**)

The market is not fully saturated! Use this market, export your goods AND services here.

Source: CCI

We have everything here. Well, apart from gold and diamonds mining - they are in Siberia...

YOU DECIDE: please let us know you sector and expectations (the virtual trade mission – **Ask EJ**)

In Moscow companies are active, export- or/and import-oriented

- Offices of vertically-integrated companies
- Offices of the Russian ports
- Large companies have their HQs here

Moscow is still a large industrial center

- Machine tools, textiles, transport, logistics, tourism, construction, research, automobile manufacturing, optics, electronics, new materials, aviation, high-tech

Technopark and special economic zones - startups

- Use their advantages to export there (no duty) and become a part of a value-added chain (**Ask Andrew during the Q&A – he knows!**)

PRACTICAL TIP: Vertically-integrated companies are here: work with them and you will be working with the Russian regions at the same time (look for the growing companies in this case)

How to start in Moscow and with Moscow:

- Start Selling online (**Ask Artem during Q&A – he knows**)
- Exports and Distribution (*ask Artem*)
- Representative office (*Alex*)
- Setting-up a branch in Moscow of a foreign legal entity (*Andrew*)

Opportunities for your business in various sectors:

- consumer goods, biotechnology, pharma, engineering (advanced), chemicals, motor vehicles, telecommunications., energy – incl renewables, financial services, education (professional, applied)

see next slides for details

PRACTICAL TIP: “An American businessman came to Moscow to do business and left after 3 weeks disappointed. A German businessman left after 6 months with a contract” – the “marriage” of the two business cultures takes time to work. But if it works, it is huge!

Which sectors, How to start

Some Russian business features (Ask Johan – he knows)

- Friendship, Banya, Personal connection
- Think and talk about the present (profit), not the future prospects
- If something is not going well, be calm. A miracle breakthrough is about to happen. If it has not happened, than it is not the end yet
- Big and generous is still beautiful
- Learn some Russian words. We respect and love it
- If we trust, we share and give everything

Russian (70% - Moscow) imports from the Netherlands

Exporters	Trade indicators								
	Value imported in 2019 (USD thousand)	Trade balance 2019 (USD thousand)	Share in Russian Federation's imports (%)	Growth in imported value between 2015-2019 (% , p.a.)	Growth in imported value between 2018-2019 (% , p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)	Total exports growth in value of partner countries between 2015-2019 (% , p.a.)	Average distance between partner countries and all their importing markets (km)
World	243 780 553	178 996 614	100,0	9	2		100,0	5	
China	54 126 998	2 664 579	22,2	13	4	1	13,3	4	6481
Germany	25 111 891	2 937 590	10,3	8	-2	3	7,9	4	3137
America	13 436 080	-246 768	5,5	6	6	2	8,8	3	6587
Belarus	12 800 697	7 744 273	5,3	12	5	68	0,1	10	2018
Italy	10 906 984	3 435 011	4,5	9	3	9	2,8	5	3143
Japan	8 960 307	2 392 726	3,7	9	2	5	3,8	4	6075
France	8 567 151	-2 110 526	3,5	10	-10	6	3,0	4	3161
Korea, Republic of	8 001 954	8 355 359	3,3	16	14	7	2,9	3	5158
Kazakhstan	5 570 993	8 479 853	2,3	8	5	49	0,3	10	3923
Poland	5 079 751	7 368 967	2,1	8	-1	22	1,3	8	1556
Turkey	4 971 001	16 092 253	2,0	12	18	30	0,9	5	2953
Ukraine	4 834 609	1 784 755	2,0	0	-11	51	0,3	8	3040
United Kingdom	4 036 458	9 235 593	1,7	4	0	11	2,5	2	4013
Netherlands	3 977 493	40 811 459	1,6	8	8	4	3,8	7	2111
India	3 921 794	3 386 307	1,6	16	22	18	1,7	6	6502
Viet Nam	3 782 967	-2 646 818	1,6	18	4	19	1,7	15	7230
Czech Republic	3 699 214	1 161 843	1,5	9	-2	27	1,1	7	1303
Finland	3 483 744	6 597 000	1,4	9	3	41	0,4	7	3184
Spain	3 320 034	-761 459	1,4	7	-2	16	1,8	6	2879
Switzerland	2 864 090	807 983	1,2	11	9	20	1,7	2	4139
Austria	2 632 098	884 996	1,1	9	9	29	1,0	6	2112

PRACTICAL TIP: Do the market research and then go there (start with the Virtual Trade Mission – VTM - **Ask EJ**), to Moscow, and meet people. This is the only way to go in this case.

Source: UNCTAD

What's in demand - in Russia from the Netherlands

Product Code	Product Label	Trade indicators									
		Russian Federation's imports from Netherlands				Netherlands's exports to world			Russian Federation's imports from world		
		Value in 2019, USD thousand	Annual growth in value between 2015-2019, %, p.a.	Share in Russian Federation's imports, %	Equivalent ad valorem tariff applied by Russian Federation	Value in 2019, USD thousand	Annual growth in value between 2015-	Share in world exports, %	Value in 2019, USD thousand	Annual growth in value between 2015-	Share in world imports, %
'TOTAL	All products	3 977 493	▲ 8	2		721 301 085	▲ 7	4	243 780 553	▲ 9	1
'84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	823 324	▲ 7	2	2	103 547 008	▲ 9	5	43 240 643	▲ 8	2
'87	Vehicles other than railway or tramway rolling stock, and parts and accessories	469 859	▲ 49	2	10	30 901 048	▲ 11	2	23 737 917	▲ 14	2
'30	Pharmaceutical products	386 579	▲ 1	3	4	48 351 244	▲ 16	8	14 068 982	▲ 13	2
'39	Plastics and articles thereof	327 355	▲ 6	3	5	26 061 476	▲ 5	4	9 832 807	▲ 8	2
'85	Electrical machinery and equipment, sound recorders and reproducers, television	217 516	▲ 28	1	2	92 427 113	▲ 9	3	29 767 968	▲ 11	1
'06	Live trees and other plants; bulbs, roots and the like; cut flowers	144 534	▼ -5	26	5	11 076 901	▲ 9	49	562 779	▼ -4	3
'90	Optical, photographic, precision, medical or surgical ...	113 197	▲ 1	2	2	37 520 377	▲ 12	6	7 292 818	▲ 11	1
'38	Miscellaneous chemical products	86 366	▲ 7	3	4	12 181 484	▲ 13	6	3 403 973	▲ 8	2
'29	Organic chemicals	80 182	▼ -2	2	3	20 701 354	▲ 6	5	4 429 183	▲ 16	1
'20	Preparations of vegetables, fruit, nuts or other parts of plants	78 132	▲ 6	6	9	6 411 598	▲ 8	10	1 247 100	▲ 5	2
'74	Copper and articles thereof	76 544	▲ 186	7	3	3 080 404	▲ 5	2	1 031 596	▲ 25	1
'04	Dairy produce; birds' eggs; natural honey; edible products of animal origin	75 264	▼ -2	3	15	9 765 419	▲ 8	11	2 966 997	▲ 10	3
'34	Soap, organic surface-active agents, washing preparations	69 721	▲ 10	5	6	3 327 587	▲ 5	5	1 525 990	▲ 7	2
'73	Articles of iron or steel	68 046	▲ 13	1	8	8 656 188	▲ 9	3	6 491 727	▲ 14	2
'19	Preparations of cereals, flour, starch or milk; pastrycooks' products	67 280	▼ -2	8	11	5 867 489	▲ 9	8	879 639	▲ 8	1
'15	Animal or vegetable fats and oils and their cleavage products	59 854	▼ -11	5	9	4 991 625	▲ 4	6	1 272 948	▲ 7	1
'32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments	55 294	▲ 11	3	4	5 119 781	▲ 9	6	1 910 331	▲ 5	2
'89	Ships, boats and floating structures	51 359	▲ 8	3	7	4 103 007	▼ -1	3	1 743 823	▲ 4	2
'23	Residues and waste from the food industries; prepared animal fodder	49 954	▼ -1	5	4	5 525 604	▲ 4	7	951 487	▲ 3	1
'35	Mineral substances, modified starches, glues, enzymes	45 465	▲ 9	6	3	2 401 507	▲ 2	6	716 872	▲ 1	2
'27	Crude or refined mineral fuels or mineral oils	38 421	▲ 8	1	1	24 882 748	▲ 1	1	1 041 576	▼ -2	1

PRACTICAL TIP: Markets are not saturated (see the growth rates above and on the next slide)!

Source: UNCTAD

However – Find your partner first (start with the VTM) – select several companies from Moscow and go and meet them. These relationships will be your key to success. Go there with ‘your eyes open’ and no prejudice – yes, it is different from Eastern Europe, it is different from the Old Europe, but you’ll get it fast

Product Code	Product Label	Trade indicators																		
		Russian Federation's imports from Netherlands							Netherlands's exports to world						Russian Federation's imports from world					
		Value in 2019, USD thousand	Annual growth in value between 2015-2019, %, p.a.	Share in Russian Federation's imports, %	Equivalent ad valorem tariff applied by Russian Federation	Quantity imported in 2019	Quantity unit	Unit value (USD/unit)	Value in 2019, USD thousand	Annual growth in value between 2015-2019, %, p.a.	Share in world exports, %	Quantity imported in 2019	Quantity unit	Unit value (USD/unit)	Value in 2019, USD thousand	Annual growth in value between 2015-2019, %, p.a.	Share in world imports, %	Quantity imported in 2019	Quantity unit	Unit value (USD/unit)
TOTAL	All products	3 977 493	▲ 8	2		873 641	Tons	4 553	721 301 085	▲ 7	4	0	Tons		243 780 553	▲ 9	1	130 823 975	Tons	1863
'870120	Road tractors for semi-trailers	317 890	▲ 49	37	9	37 464	Tons	8 485	6 059 646	▲ 8	18	625081	Tons	9694	849 643	▲ 40	3	106 689	Tons	7964
'843680	Agricultural, forestry machinery	180 473	▲ 41	37	0	13 342	No quantity	13 527	359 691	▲ 27	12	55300	No quantity	6504	488 411	▲ 27	15	43 600	No quantity	11202
'850231	Generating sets, wind-powered	138 952	▲ 806	76	0	10 162	Tons	13 674	993 579	▲ 107	12	220736	Tons	4501	181 944	▲ 10	3	16 273	Tons	11181
'300490	Medicaments	98 565	▼ -11	1	4	3 415	Tons	28 862	24 388 118	▲ 14	8	78482	Tons	310748	7 610 252	▲ 12	2	130 340	Tons	58388
'390720	Polyethers	80 872	▲ 9	34	3	47 629	Tons	1 698	1 536 279	▼ -1	12	893015	Tons	1720	236 619	▲ 13	2	127 471	Tons	1856
'870423	Motor vehicles (transport of goods)	75 224	▲ 171	7	6	10 808	Tons	6 960	2 192 637	▲ 15	12	230677	Tons	9505	1 080 975	▲ 44	6	156 163	Tons	6922
'040711	Fertilised eggs (domestic fowls)	75 045	▼ -2	35	0	17 302	Tons	4 337	239 609	▲ 9	16	60366	Tons	3969	216 078	▲ 2	17	45 595	Tons	4739
'740400	Waste and scrap, of copper	74 673		24	0	13 473	Tons	5 542	874 001	▼ -1	5	243547	Tons	3589	311 113	▲ 50	1	57 569	Tons	5404
'300390	Medicaments (prophylactic)	71 946	▲ 719	33	0	108	Tons	666 167	4 110 232	▲ 9	39	5549	Tons	740716	219 944	▲ 47	2	1 211	Tons	181622
'847150	Processing units(data-processing r	66 449	▲ 251	4	0	44	Tons	1 510 205	4 341 100	▲ 10	6	50647	Tons	85713	1 508 484	▲ 23	2	6 804	Tons	221705
'390930	Amino-resins	60 893	▲ 10	26		38 003	Tons	1 602	688 747	▲ 5	12	426551	Tons	1615	238 164	▲ 13	5	153 240	Tons	1554
'300230	Vaccines for veterinary medicine	56 897	▲ 8	23	3	254	Tons	224 004	772 265	▲ 1	21	3255	Tons	237255	250 082	▲ 18	6	1 228	Tons	203650
'300410	Medicaments containing penicillins	49 773	▲ 9	31	5	398	Tons	125 058	118 437	▲ 14	3	1501	Tons	78905	162 930	▲ 9	5	3 773	Tons	43183
'190110	Food preparations for infant use	48 835	▼ -3	24	5	7 572	Tons	6 449	2 530 892	▲ 8	23	224269	Tons	11285	202 837	▬ 0	2	36 524	Tons	5554
'843880	Machinery (manufacture of food or	44 174	▲ 30	21	0	4 816	Tons	9 172	161 300	▲ 14	6	5636	Tons	28620	212 922	▲ 12	8	10 833	Tons	19655
'300439	Medicaments containing hormones	40 275	▼ -15	7	4	77	Tons	523 052	1 416 492	▲ 17	6	1436	Tons	986415	575 452	▲ 10	2	2 584	Tons	222698
'200410	Potatoes preserved	39 123	▲ 9	43	11	43 069	Tons	908	1 840 975	▲ 7	23	1898037	Tons	970	91 358	▲ 6	1	99 344	Tons	920
'060290	Live plants, incl. their roots, and mushroom	36 209	▼ -5	30	5	10 686	Tons	3 388	4 375 111	▲ 12	52	2065205	Tons	2118	120 416	▼ -2	2	109 520	Tons	1099
'240391	Tobacco, "homogenised" or "reconstituted"	32 994		43	10	2 217	Tons	14 882	81 575	▲ 37	15	15016	Tons	5433	76 065	▲ 59	14	6 405	Tons	11876
'340319	cutting-oil preparations	32 422	▲ 18	12	5	12 240	Tons	2 649	257 849	▲ 12	6	78051	Tons	3304	262 449	▲ 8	6	74 229	Tons	3536
'293723	Oestrogens and progestogens	32 199	▲ 813	98	0	17	Tons	1 894 059	122 263	▲ 16	15	34	Tons	3595971	32 723	▲ 304	4	17	Tons	1924882
'151190	Palm oil and its fractions	29 843	▼ -19	5	2	37 166	Tons	803	916 721	▼ -1	4	We love your high value-added goods:								
'271019	Medium oils of petroleum	28 954	▲ 12	3	5	23 048	Tons	1 256	31 885 066	▲ 6	7	55521546	Tons	574	827 696	▲ 7	0	574 526	Tons	1441
'060319	Fresh cut flowers and buds	28 541	▲ 97	40	5	4 558	Tons	6 262	2 135 256	▲ 8	58	25014	Tons	57	70 769	▼ -2	2	18 523	Tons	3821
'060314	Fresh cut chrysanthemums and buds, of a	27 174	▲ 55	50	6	4 399	Tons	6 177	417 570	▲ 8	52	70166	Tons	5951	54 118	▼ -10	7	19 089	Tons	2835
'230910	Dog or cat food, put up for retail sale	26 256	▲ 4	7	10	10 195	Tons	2 575	1 214 474	▲ 11	8	63052	Tons	36	350 796	▲ 22	2	143 793	Tons	2440
'010221	Pure-bred cattle for breeding	25 877	▲ 4	14	0	5 664	Tons	4 569	103 511	▲ 14	9	48660	Tons	2127	180 058	▲ 24	17	36 336	Tons	4955
'842890	Machinery for lifting, handling, loading or	24 655	▼ -31	9	3	1 958	Tons	12 592	738 390	▲ 12	6	6682	Tons	1187	270 828	▼ -5	2	23 943	Tons	11311
'848180	Appliances for pipes, boiler shells, tanks, v	24 436	▼ -11	1	5	488	Tons	50 074	1 043 267	▲ 11	2	34866	Tons	29922	1 765 922	▲ 12	3	145 411	Tons	12144
'847989	Machines and mechanical appliances, n.e	22 700	▲ 18	2	0	1 309	Tons	17 341	1 093 062	▲ 14	2	4471	Tons	24 44	141 148	▲ 11	2	54 066	Tons	16969
'902214	Apparatus based on the use of X-rays, for	22 533	▲ 27	11	5	287	Tons	78 512	1 148 600	▲ 9	20	4438	Tons	258810	208 133	▲ 37	3	1 860	Tons	111899
'060110	Bulbs, tubers, tuberous roots, corms, crow	22 505	▼ -8	73	5	5 193	Tons	4 334	914 161	▲ 4	83	170154	Tons	5373	30 934	▼ -1	3	Source: UNCTAD		
'230990	Preparations of a kind used in animal feed	22 313	▼ -7	5	5	15 079	Tons	1 480	2 254 732	▲ 7	14	3115670	Tons	724	410 596	▲ 3	3	251 462	Tons	1633

A wide-angle photograph of a modern urban park. In the foreground, a small stream flows over rocks, with tall green reeds and a small fountain. People are sitting on a wooden bench and walking along a path. The park is filled with mature trees and greenery. In the background, the colorful domes of St. Basil's Cathedral are visible through the trees, along with construction cranes and other city buildings.

And now to the practical part!
HOW TO START ONLINE



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