

Sector briefing

# Environment & Water Opportunities in Russia

## Why Russia?

**The Russian Government sees the improvement of the environmental situation in Russia as a top priority.**

The Ministry of Natural Resources of the Russian Federation developed the legislation to enhance the system of ecological monitoring and also to introduce the system of ecological audit and financial incentives for companies to implement the advanced environmental technologies. The legislation is planned to be adopted in the first half of 2011. Significant increase of environmental fines is also planned to take place in two stages – in 2012 and 2014. Russian Government expenditure on environmental protection in 2009 was about 6,8 bln GBP.



Find general information on the Russian market conditions on [UKTI's website](#). [The Doing Business Guide for Russia](#) gives an overview of Russia's economy, business culture, potential opportunities and an introduction to other relevant issues.

## Opportunities

### **Federal Target Programme 'Clean Water'**

In 2009 the Russian Government launched a large investment programme entitled 'Clean Water'. Investment for the first stage of the programme (2009-2012) is 1.2 billion GBP. The Russian government plans a large-scale modernization of the water sector from the improvement of legislation and management system to the upgrade of water supply facilities. The programme aims to improve water quality, waste water treatment processes and stimulate private investment.

Existing business opportunities for UK companies in the Russian water market include BOT (build operate transfer) and BOOT (build own operate transfer) projects, Public Private Partnerships, engineering/consultancy opportunities. There are also opportunities for specialist equipment producers, pipeline rehabilitation and wastewater treatment technologies.

### **Federal Target Programme 'Ecological safety of Russia 2012 - 2020'**

is under development and will be adopted in 2012. The programme is focused on the elimination of the ecological damage, construction and reconstruction of treatment plants, implementation of energy efficient technologies, waste disposal and modernization of hazardous facilities. The programme aims to accumulate 1,863 tln roubles (37 bln GBP), 867 bln roubles (17 bln GBP) from the federal budget.

### **Waste management**

Russia accumulated over 90bn metric tons of solid wastes and only a minor part of it is currently recycled. In January 2010 the Russian Government announced plans to recycle 20% of solid waste by 2016. Moscow, Saint-Petersburg and several other large regions in Russia announced projects to build waste sorting and waste processing plants. Russian industry lacks expertise in many areas of waste management including waste to energy technologies, sludge ash utilization and many others.

### **Public Private Partnership**

PPP is increasingly seen as a real instrument for the modernisation forward, and interest in the UK's expertise in this area is very high. In 2005 the Russian government announced a

special budgetary investment fund to provide funding for PPPs and made amendments to Russian legislation to support infrastructure investments. Over 50 PPP projects are active at present across all sectors. One of the major PPP projects in the Water sector currently is the development of water supply facilities of Saint-Petersburg 'Neva Water' project.

### **Low Carbon Technologies**

Energy efficiency now stands at the forefront of Russia's national agenda. In November 2009 Russian Government approved Energy Strategy and Federal Law 'On energy safety and energy efficiency improvement'. The Federal Law on Energy Efficiency indicates a series of important measures such as the mandatory energy audits; replacement of incandescent bulbs; energy efficiency labelling of products; norms for reducing energy use. New energy efficiency legislation stimulated the development of various 'green' sectors including the development of green building standards in Russia, implementation of energy and resources saving technologies, renewable energy projects.

### **2014 Olympic Games**

Sochi will host XXII Winter Olympics and XI Paralympics in 2014. Preparations for Winter Games 2014 are carried out in parallel with massive development of the whole Sochi region. Russian Government approved the programmes for environmental support of preparation and delivery of the Olympics. Sochi programmes involve projects for waste treatment and waste water treatment and purification; development of the infrastructure projects in accordance with new standards in the area of environmentally efficient construction and nature preservation projects.

If you have any questions on the opportunities above, contact the UKTI contacts named in this report. Business opportunities aimed specifically at UK companies are added daily to UKTI's website. These leads are sourced by our staff overseas in British Embassies, High Commissions and Consulates, across all sectors and in over 100 markets.

You can be alerted to business opportunities on a regular basis by registering on the UKTI website. [Find out more on UKTI's business opportunities service on the UKTI website](#)

## **Major events and activities**

### **Waste-Tech 2011**

Waste-Tech exhibition is a large event in Waste management sector.

Contact: Natalia Shibanova

Email: [natalia.shibanova@fco.gov.uk](mailto:natalia.shibanova@fco.gov.uk)

Time: 31 May - 3 April 2011

### **WASMA 2011**

#### **Waste management exhibition**

Contact: Natalia Shibanova

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Time: October 2011

### **Ecwatech 2012**

#### **International Trade Fair and Congress 'Water: Ecology and Technology'**

Contact: Natalia Shibanova

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Time: June 2012

### **Find full details of all events in this country and sector on the UKTI website.**

New export events are added daily to the site and [you can register to be alerted to them](#) on a daily, weekly or monthly basis

UKTI's Tradeshow Access Programme (TAP) provides grant support for eligible Small & Medium Sized Enterprises (SME's) to attend trade shows overseas. Find out more about [UKTI support](#) for attendance at overseas events

## **UKTI contacts**

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## Next steps - How UKTI can help

British companies wishing to develop their business in the Russian market are advised to undertake as much market research and planning as possible in the UK. UKTI's team in Russia, with its wide local knowledge and experience, can provide a range of services to British-based companies wishing to grow their business in global markets.

This can include:

- Provision of market information
- Validated lists of agents/distributors
- Key market players or potential customers in the Russian market
- Establishment of interest of such contacts in working with you

- Arranging appointments
- Organise seminars or other events for you to meet contacts and promote your company in the Russian market

This work is available via our [Overseas Market Introduction Service \(OMIS\)](#) a chargeable service which assists British-based companies wishing to enter or expand their business in overseas markets.

To find out more about commissioning this work, or accessing other UKTI services and specialist advice, please visit the UKTI website to find [contact details for your local UKTI office](#).

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