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Committee for Investments and Strategic Projects
Government of Saint-Petersburg

UNECE, Committee on Economic Cooperation and Integration,
2nd session of the Team of Specialists on PPP

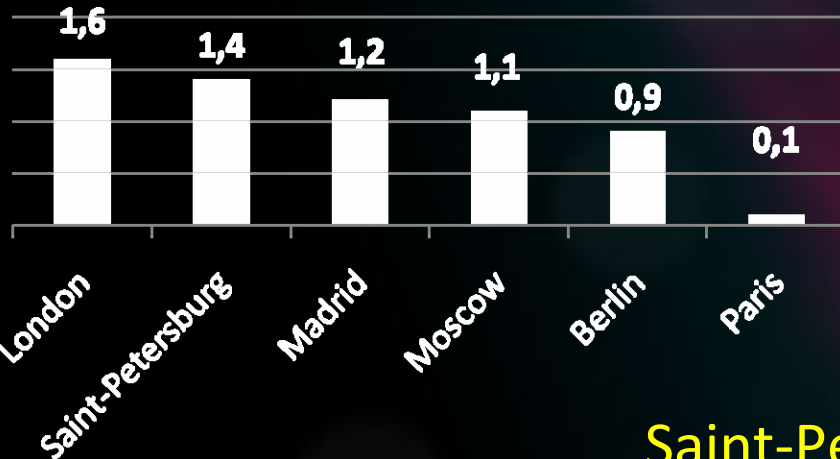
Geneva

December 3, 2009

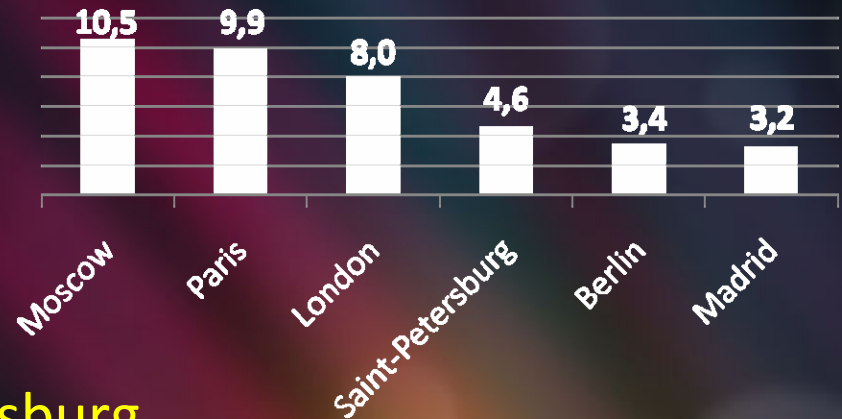
Saint-
Petersburg
opencity



European cities area, thous sq km



European cities population, mln people



Saint-Petersburg

Transport centre

- 2 airport terminals
- 5 railway terminals
- Big Port of Saint-Petersburg:
 - 60% of Russian container turnover
 - 50% of Russian import

Manufacturing centre

- 25% of GDP
- 720 manufacturing enterprises
- 24 bln Euro output

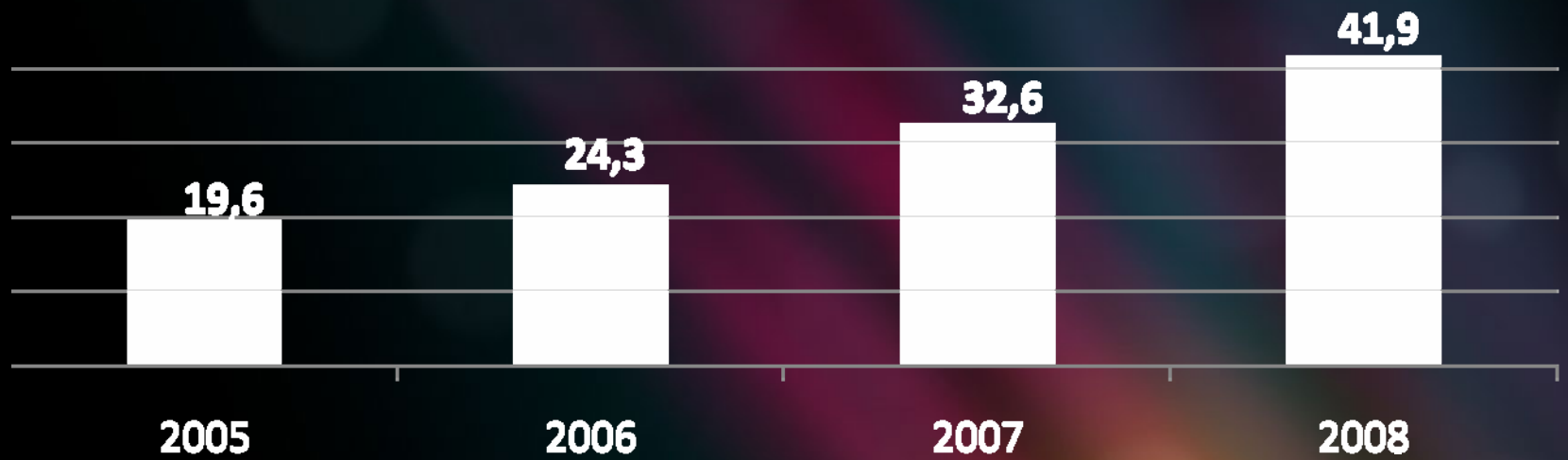
Scientific centre

- 453 R&D organizations
- 13 technology and innovative incubators
- 88 thousand scientists

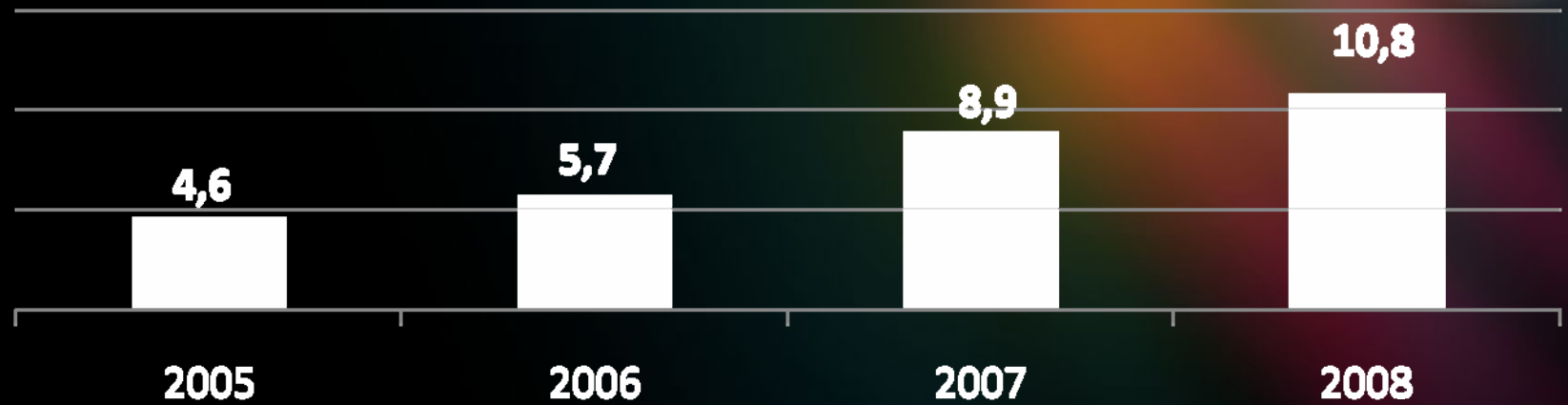
Cultural centre

- 5 830 architectural monuments
- 182 museums
- 49 theatres

GDP, bln Euro



Capital investments, bln Euro





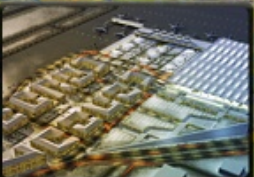
Orlovsky Toll Tunnel under Neva River



Highway Western High-Speed Diameter



Waste processing plant in Yanino



"Pulkovo" airport



Elevated Express



Pulkovo Airport

Complex reconstruction of Pulkovo Airport territory of 400 Ha:

- building new passenger terminal with annual traffic capacity of 22 mln passengers and supportive commercial infrastructure
- reconstruction and extending of aprons.

Project schedule :

2010-2014 – construction of new terminal

2009-2039 – term of PPP agreement

Estimated budget : 1 bln Euro

Form of realization: Public-Private-Partnership

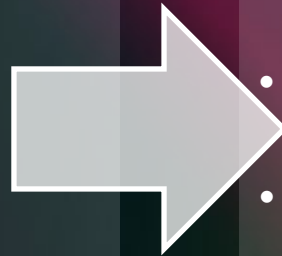
Investor: Northern Capital Gateway, Ltd
(Fraport AG, VTB Bank, Copelouz Group)

Project status: PPP agreement with the winner of the investment tender – Northern Capital Gateway, was signed on October 30, 2009.



Difficulties in attracting financing

- cut of long-term financing
- high cost of available financing
- decrease of companies ready to proceed with high cost projects
- equity financing have been dropped
- investors are reluctant to enter new markets



Consequences

- high price of financial resources
- significantly reduced public funds
- projects scale decrease
- overestimating of market risks



Western High-Speed Diameter Highway

The highway will provide transportation connection from the Big Cargo Port through the Ring Road to the federal routes to Moscow, other regions of Russia, Baltic States and Scandinavia and offload the traffic flow in the historical city center.

Total length of the highway – 46.6 km

Total number of interchanges – 14

Daily capacity - up to 128 000 cars

Project schedule: 2004-2014

5 phases

Estimated budget: 4,9 bln Euro

50% - Federal & Saint-Petersburg budget payments

Project status: October 30, 2008 – first (southern) phase of the highway has been opened. Second phase construction is funded from the federal budget and the budget of Saint-Petersburg. Tender to be announced after the completion of 2nd phase





Orlovsky Toll Tunnel under Neva River

24 hours/7days vehicle connection between the city center and the north-east part of the city that enables to increase the bridge opening timing in order to improve the growing demand for Volgo-Baltic international shipping traffic route.

Total tunnel length – 1 km

Daily capacity – 60 000 cars

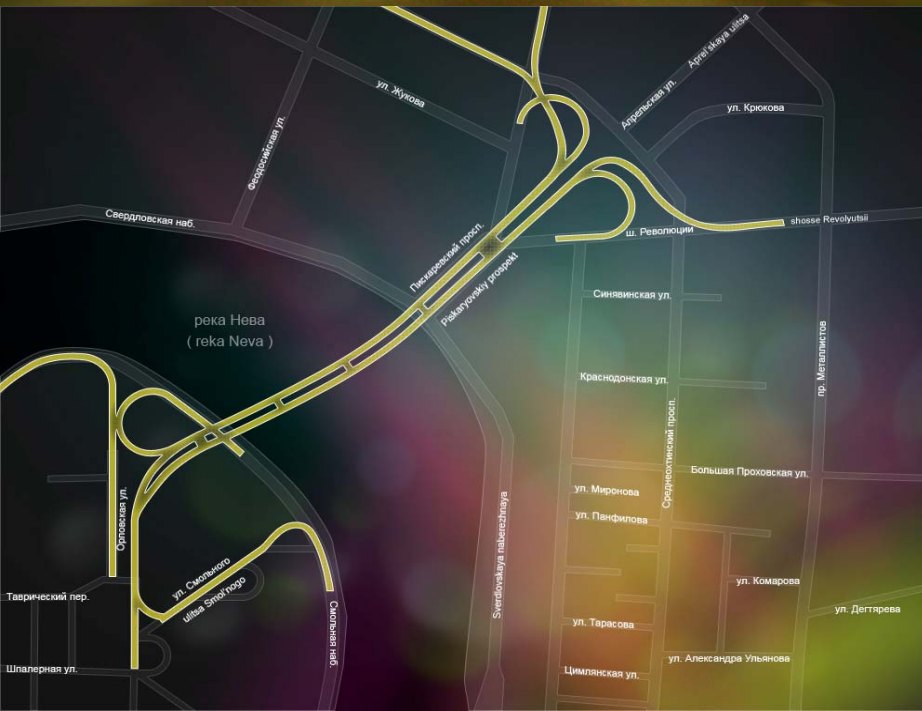
Project schedule: 2005-2015

Estimated budget: 1,1 bln Euro

66% - Federal & Saint-Petersburg budget payments

Form of realization: Public-Private-Partnership
Allocation of risks is based on availability payment scheme.

Project status: Tender for concession agreement for planning, construction, financing, and maintenance is in process. Submission of competition offers will end on February, 18, 2010. The winner will be voted on April, 2, 2010.



Yanino waste processing plant

The PPP project for upgrading of Saint-Petersburg system of solid household waste treatment in accordance with the Concept of handling waste in Saint- Petersburg for 2006-2014.

Plant capacity : 350 tons per year

Estimated budget : 250 mln Euro

Form of realization: Public-Private-Partnership

Project status: Tender for the construction and operation of a waste treatment plant in Yanino announced on November, 16, 2009.

<p style="text-align: center;">Federal Concession Agreement Act № 115-ФЗ dated 21.07.2005</p>	<p style="text-align: center;">Saint-Petersburg PPP Act № 627-100 dated 25.12.2006</p>
<p>concession only (BTO)</p>	<p>other PPP forms (BTO; BOT; BO; Exclusive rights transfer)</p>
<p>one step tender with prequalification phase</p>	<p>one or two steps tender</p>
<p>use of public funds, no details how</p>	<ul style="list-style-type: none"> • list of public expenses (various forms) • no changes in public obligations in case of lack of public funds
<p>security and transfer of rights before commissioning are not allowed</p>	<p>security and transfer of rights are allowed, step-in-rights and direct agreements are provided</p>
<ul style="list-style-type: none"> • guaranties on change of legislation • compensation of loss because of illegal public acts 	<p>additional guaranties for concessionaire to enforce change of contract in case of:</p> <ul style="list-style-type: none"> • breach of contract • unfounded interference in concessionaire activities • mistakes in tender's papers • unknown problems on land plot (archaeological & historical monuments, mines etc)

PPP unit structure

