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A Matter of **Synergy,**
Not Just **Energy**

FOCUS

CIS: An Emerging Investment Avenue for Indian Firms

MONEY MATTERS

The Name's Bond, Rouble Bond

PERSPECTIVE

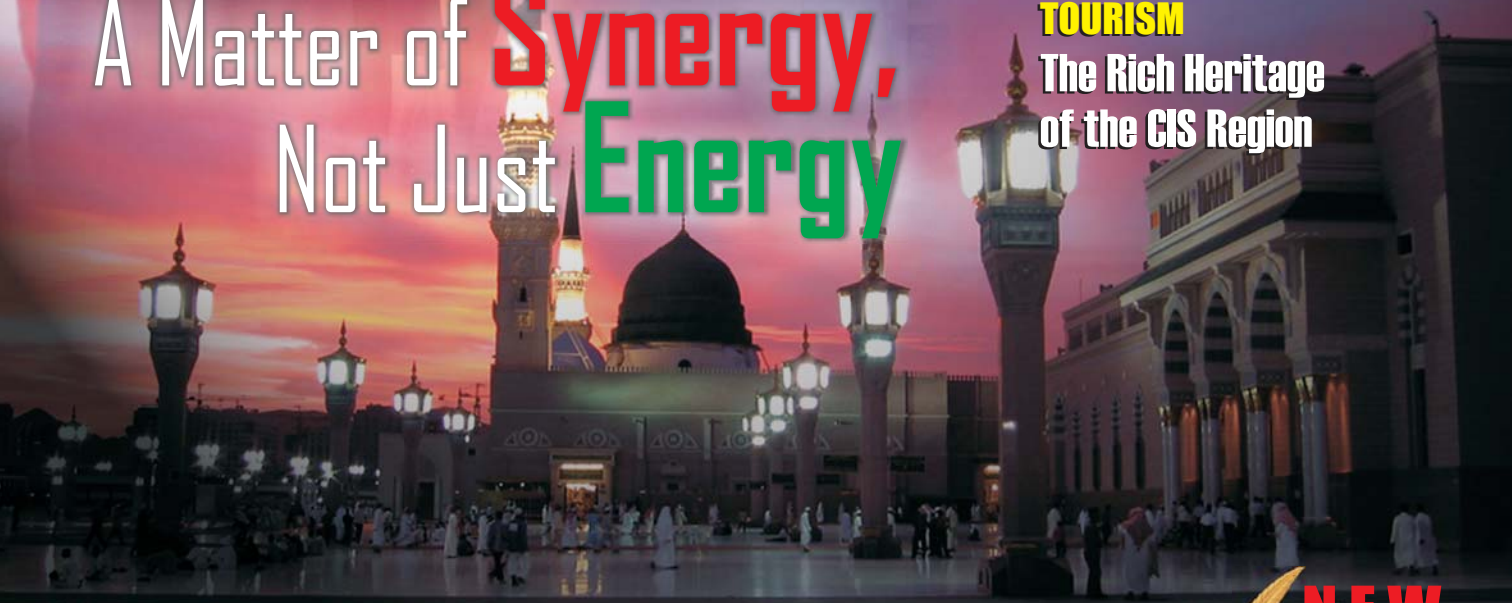
EU's Eastern Enlargement Opens New Avenues for CIS

FEATURE

The Golden Age of SME Lending

TOURISM

The Rich Heritage of the CIS Region





Founder Chairman
Late Shri R.K. Prasad

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Managing Editor: Satya Swaroop

Director: B.K. Sinha

Group Editor: Dev Varam

Consulting Editors: Prabhhu Sinha,
Rajiv Tewari & Archana Sinha

Asst. Editors: Dominic K, Tripti Chakravorty &
Puja Monal Kumar

Sub Editors: Isha Mukoo

Strategic Advisor: Vinaya Shetty

Head-Busi. Dev. : Veerendra Bhargava

Manager: Sunil Kumar

Account Asst.: Vrunda Gurav

Circulation: Madhavi, Jawaharlal & Santosh Gangurde

Art Director: Santosh Nawar

Visualizers: Maya Vichare & Sagar Banawalikar

DTP: Nilima Kadam

Photographer: Bilal Khan

BRANCHES:

Kolkata:

Anurag Sinha, Branch Manager, A-7/1,
Satyam Park, 2nd Lane, Near 3A Bus Stand,
Thakurpukur Kolkata- 700 104
Tel: 098300 15667, 033-24537708
Email: anurag@newmediacomm.biz

Pune:

Jagdish Khaladkar, Regional Director,
Tel: 098230 38315.

Geeta K., Regional Head,
Sahyog Apartments 508, Narayan Peth,
Patrya Maruti Chowk. Pune 411 030.
Telefax: 020 2445 4642, 2445 1574
Email: pune@newmediacomm.biz
jagdishk@vsnl.com

Australia Office:

Bandhana Kumari Prasad, 129 Camboon Road,
Noranda, Perth, W.A. 6062 Tel: +61 892757447
Email: bandhana@newmediacomm.biz

International Marketing:

Tripat Oberoi
Shailesh Patel

New Media Communication Pvt. Ltd.,

B/302, Twin Arcade, Military Road, Marol,
Andheri (E), Mumbai - 400 059 India
Tel: +91-22-2925 0690 Telefax: +91-22-2925 5279
E-mail: enquiry@newmediacomm.biz
www.newmediacomm.com

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Dear Reader,

Greetings. Far-reaching economic reforms in both India and Russia have brought them closer than ever. During the last seven years, since Vladimir Putin took the reigns of Russia as its President, the understanding between the two countries has become deeper and far more practical. India's freshly developed bond with the United States has not dented this country's friendship with Russia. President Putin's visit to India in January this year has further fortified the alliance between the two nations, which has withstood the test of time and political tribulations in Russia, in the wake of the Soviet Union's collapse in 1991. President Putin is on the last lap of his second term with one more year to go but he will leave with satisfaction that he has a hand in building permanent bridges between Moscow and New Delhi. The cover story of the current issue of Indo-CIS Business celebrates the synergy that is binding India and Russia. The Export Import Bank of India has recently conducted an in-depth study on opportunities that can facilitate faster development of two-way trade between India and the CIS. David Sinate, Deputy General Manager, Exim Bank, presents a clear perspective of the investment opportunities that exist in the CIS region for Indian companies, many of which are raring to go global. We carry the Exim study as the focus of the current issue. Once a Communist country with a closed mind, today Russia is an open market economy with a bustling capital market. The success of various rouble bonds point to Russia's robust financial markets that have helped cement the country's standing in the rich and powerful G-8. Our Money Matters section carries the report. European Bank for Reconstruction and Development (EBRD), set up to help rehabilitate the former member-countries of the Soviet Union, has fulfilled its historic role. The bank's contribution to the growth of small and medium enterprises in the CIS region has been remarkable. We carry a feature on the Golden Age of SME lending. Each country in the CIS region has its own charm, enchanting landscapes, architectural splendours, heritage castles and sacred cathedrals. In this issue we present three countries, namely Georgia, Kazakhstan, Kyrgyzstan. All these plus the regular items make the current issue unputdownable.

Wish you happy reading



Satya Swaroop

Managing Editor

satya@newmediacomm.biz

Indo-Russian Pacts On Wide-Ranging Issues



It's A Matter of Synergy, Not Just Energy

By Dev Varam

India and Russia have been courting together for decades as friends and allies. Both have shed their stifling, socialist baggage. The year 1991, for reasons altogether different, shaped the destinies of the two nations. Facing virtual bankruptcy, India initiated far-reaching reforms, in 1991 throwing open its economy to the process of globalization. The collapse of the Soviet Union in 1991 put Russia in the same predicament as India had faced in the same year. Russia too had no option but to strike the reforms path. Reforms have cured most economic ills of both countries, for whom ideology is a moss-gathering shibboleth. Today, India and Russia talk pure business. This new outlook got glitteringly reflected during Russian President Vladimir Putin's visit to India in January 26, 2007.

Russian President Putin's arrived in India at a time when India's pact with the United States on civilian nuclear energy had been facing some rough weather. The former KGB boss quickly grasped the situation and promptly signed a pact on nuclear energy with his counterpart

Prime Minister Manmohan Singh. Under this deal, Russia will supply nuclear reactors and power plants to energy-hungry India. India, which is racing to secure new sources of fuel to sustain its booming economy, welcomed the Russian move. Nothing could have made Prime Minister Singh happier.

"We appreciate Russian support," Prime Minister Singh said after the two countries signed a memorandum of understanding in which Russia promised four more nuclear reactors for a flagship nuclear plant it is building in Kudankulam in southern Tamil Nadu - a state that already has two 1,000-megawatt Russian reactors. The symbolic highlight of Putin's two-day visit culminated in his being accorded the guest of honour at India's Republic Day celebrations.

Strong political ties between India and Russia notwithstanding, the bilateral trade between the two countries has not grown in proportion to their friendship, which has been a matter of concern for both.

This aberration found an expression at a meeting

President Putin had with Indian business leaders in New Delhi, where they displayed disappointment over the slow growth of bilateral trade and frustration at difficulties in cracking the Russian market.

"We have to seek an answer to the question why, despite strong political ties between two time-tested friends, bilateral trade and business ties remain low," said Habil Khorakiwala, president of the Federation of Indian Chambers of Commerce and Industry (FICCI).

He said it was "time to put words into practice and transform the willingness into actual cooperation." Khorakiwala was heard in rapt attention by President Putin and a delegation of Russian businessmen accompanying him.

Indian businessmen have long complained of difficulties in receiving Russian visas, which Russia has tied to alleged problems with illegal Indian immigration, Indian government sources said.

Officially estimated Indo-Russian bilateral trade ties had jumped 20 percent in 2006 to reach \$3.8 billion but business sources put the figure at a modest \$2.75 billion. Putin has said he hoped the countries would triple bilateral trade to 10 billion dollars per year by 2010.

Outside of nuclear and military cooperation - which brought a 250-million-dollar contract for the joint production of fighter jet engines - India's business elite painted a less than rosy picture of relations with Russia.

Putin's visit also helped materialize an agreement between India's state-run Oil and Natural Gas Corp and Russian state oil giant Rosneft to jointly bid for exploration and refining projects in India, Russia and other countries.

ONGC and Rosneft will build on their existing partnership in Russia's vast Sakhalin-1 oil and gas field, the two companies said in a joint statement.

The two sides also signed a 250-million-dollar deal for a Russian-built hydroelectric power station in northern Uttar Pradesh, as well as a joint venture to produce titanium products in eastern Orissa.

President Putin and Prime Minister Singh discussed a broad range of issues relating to bilateral cooperation and exchanged views on important regional and international issues of mutual interest and concern. Following is the outcome of their talks on wide-ranging issues.

Both leaders noted with particular interest that this visit took place in the year when the two sides were actively preparing to jointly commemorate the 60th anniversary (on April 13, 2007) of the establishment of diplomatic relations between India and Russia. Both sides welcomed the signing of the bilateral Cultural Exchange Programme and the Protocol to celebrate 2008 as the "Year of Russia in India" and 2009 as the "Year of India in Russia".

India and Russia resolve to further emphasize their willingness to

expand and strengthen their scientific and other exchanges and bilateral dialogue on peaceful uses of nuclear energy. India and Russia note with satisfaction their ongoing cooperation in construction of nuclear power plants at Kudankulam. India and Russia reaffirm their commitment to work together to expand civil nuclear energy cooperation, with a special emphasis on nuclear power generation aimed at enabling India to realize its goals of promoting nuclear power and achieving energy security in a self sustaining manner.

With the objective to implement these intentions, an agreement between India and Russia were signed on cooperation in the construction of four additional power units at Kudankulam.

Russia will continue to work with the Participating Governments of NSG in order to create conditions through amendment to its guidelines to facilitate expansion of civilian nuclear energy cooperation with India.

India and Russia recognize the importance of R&D for development of innovative technologies which reduce the risk of nuclear proliferation to further facilitate the wide scale development of nuclear energy. International project for nuclear reactors and fuel cycles (INPRO) which is being implemented under the aegis of IAEA with the participation of India and Russia is an example of productive international cooperation.

India and Russia express their willingness to further expand and strengthen their bilateral civilian nuclear energy cooperation by broadbasing cooperation covering both power (fission and fusion energy) and non-



power applications in areas of mutual interest to be identified by both sides.

The Department of Atomic Energy, India and the Federal Atomic Energy Agency, the Russian Federation will work out in 2007 a comprehensive programme of cooperation in the field of peaceful uses of atomic energy between India and Russia.

President Putin will be remembered for having rejuvenated Russia's relations with India after these remained inactive during his predecessor Boris Yeltsin's seven years.

President Putin's very first visit to India in October 2000 gave a new thrust and purpose to bilateral relations. The two sides signed a landmark Declaration on Strategic Partnership, which turned a page on a decade of disarray and drift and set the stage for much closer defence ties.

New Delhi and Moscow instituted an inter-governmental commission for military-technical cooperation under the co-chair of the Defence Ministers of both countries. President Putin assured the Indian leadership that Russia was willing to share any cutting edge defence technologies in its possession.

As Russia rebounded from the economic crisis of the 1990s and reasserted its global role, India-Russian relations gained new strength and strategic depth.

In the same way as in the 1960s and 1970s when Russia helped India set up core industries to achieve economic sovereignty and provided arms to defend its independence, today it is helping India achieve self-sufficiency in defence production with the transfer of critical weapon technologies. Over the past seven years, the two countries have moved beyond the Soviet-era buyer-seller relationship to joint development and production of futuristic weapons such as the Brahmos supersonic cruise missile, the best of its kind in the world. ■

The Importance of Being Putin

If US President George Bush stole the thunder in March 2006, it was Russian President Vladimir Putin's turn to do the same in January 2007. He was Chief Guest at India's Republic Day celebrations on January 26 this year, an honour bestowed for the first time ever on a Russian Head of State.



Republic Day, of course, is the most prestigious event on India's diplomatic calendar, one whose significance goes beyond State-to-State diplomacy.

On that day, India brazenly displays its military might and muscle. The sight must have heartened Putin because Russia has had a big hand in India's defence build-up over decades.

Rajiv Sikri, former Secretary in the Ministry of External Affairs, says that the public exposure that the chief guest and the country he represents get is an integral part of the importance and significance of the visit. It sends a powerful message not only to the country being honoured and to the rest of the world, but, equally importantly, to the people of India. So, considerable thought therefore goes into selecting the chief guest.

In an Internet article that appeared soon after Putin's visit, Sikri says that the decision to invite the Russian Head of State was taken about a year ago and accepted without much delay. This clearly brings out the mutual keenness of both countries to elevate the India-Russia relationship to a higher level. It is important for the people of India to be aware of the importance of the relationship with Russia because it is as close as it comes to being a true strategic partnership, yet one about which the general public remains somewhat ignorant.

In the absence of widespread people-to-people contacts -- trade, economic projects in the private sector, flow of tourists and students, a large and influential Indian Diaspora -- and given the handicaps of language, Russia does not affect most ordinary people's lives as does, say, the US or the Gulf region.

At the government level, however, successive Indian leaders have taken special care to nurture this relationship, which has survived political vicissitudes, neglect and drift during the Boris Yeltsin era, pressures and attempts by outside powers to create rifts, and occasional misunderstandings over Pakistan. ■

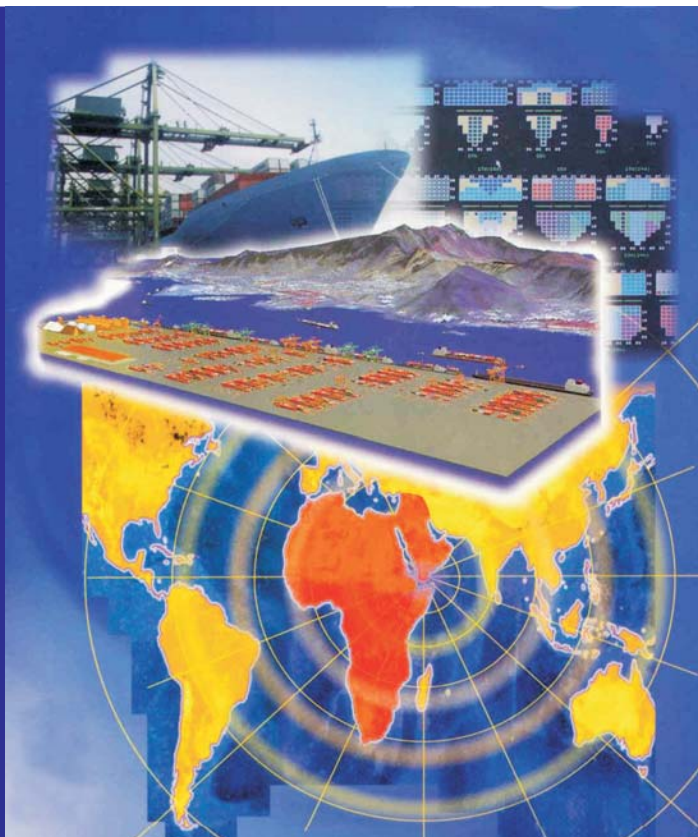


On relations with Russia there is a consensus across the Indian political establishment. It is noteworthy that Russia is one of the few foreign countries that Sonia Gandhi has visited after the present government came to power. ■

Exim Bank Study on
Wide-ranging CIS Potential

An Emerging Investment Avenue for Indian Firms

The Export and Import Bank of India has recently conducted a study exploring opportunities to step up two-way trade between India and the CIS (Commonwealth of Independent States) region. It has identified food processing and agri-business, pharmaceuticals and healthcare, IT, financial services, oil and natural gas, power generation and distribution, healthcare and tourism as potential areas for investment by the Indian companies. **David Sinate**, Deputy General Manager, Exim Bank, presents a clear perspective of the study.



David Sinate

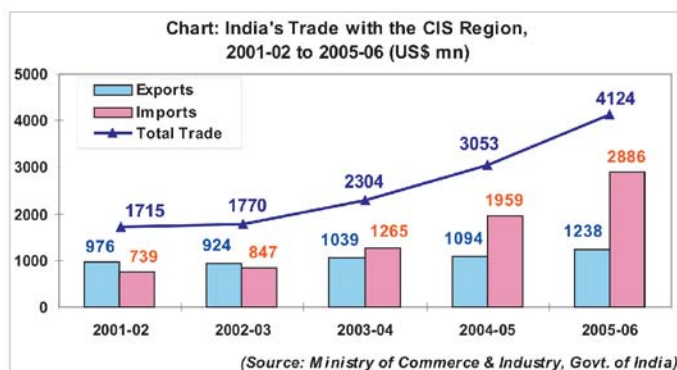
Exim Bank's latest study titled **"CIS Region: A Study of India's Trade and Investment Potential"** delineates opportunities and potential to further enhance India's bilateral commercial relations with the CIS region, formerly the Soviet Union. Buoyed by sustained growth momentum in the CIS region, growing foreign trade and a sharp rise in FDI inflows, India's trade relations with the CIS region have witnessed an upturn in recent years. The region is also increasingly emerging as a major destination for India's overseas investments.

In the light of these developments, the study analyses, inter alia, recent economic performance of the CIS region, trends and structure of India's trade and investment relations with the region, and identifies potential areas for increased two-way flow of trade and

investment between India and the CIS region.

Reflecting synergy in bilateral trade relations, India's total trade with the CIS region has risen more than two-fold from US\$ 1.7 billion in 2001-02 to US\$ 4.1 billion in 2005-06. Potential items of exports to the CIS region, based on India's export capabilities and demand in the region, include: machinery and transport equipment, chemical and related products including pharmaceuticals, food and related products, articles of apparel and clothing, cotton and synthetic yarn, plastics and articles, iron and steel products, plastics and articles, ceramic products. In the area of investments, opportunities for Indian investments exist in sectors such as food processing and agri-business, retailing, pharmaceuticals, information technology, infrastructure

development, financial services, energy - oil and gas, power generation and distribution, healthcare, medical equipment and supplies, tourism.



Note: Data for Imports do not include oil imports.

With a view to creating an enabling environment for enhanced commercial relations with the CIS region, Exim Bank has put in place a comprehensive range of financing and support programmes. Besides four operative Lines of Credit (LOCs) - US\$ 10 million to Bank TuranAlem, Kazakhstan, (covering all the 12 CIS member countries), US\$ 25 million to Vneshtorgbank (Bank for Foreign Trade), US\$ 10 million to Vnesheconombank, and US\$ 10 mn to Absolut Bank, Russia, Indian companies have executed several projects as also set up

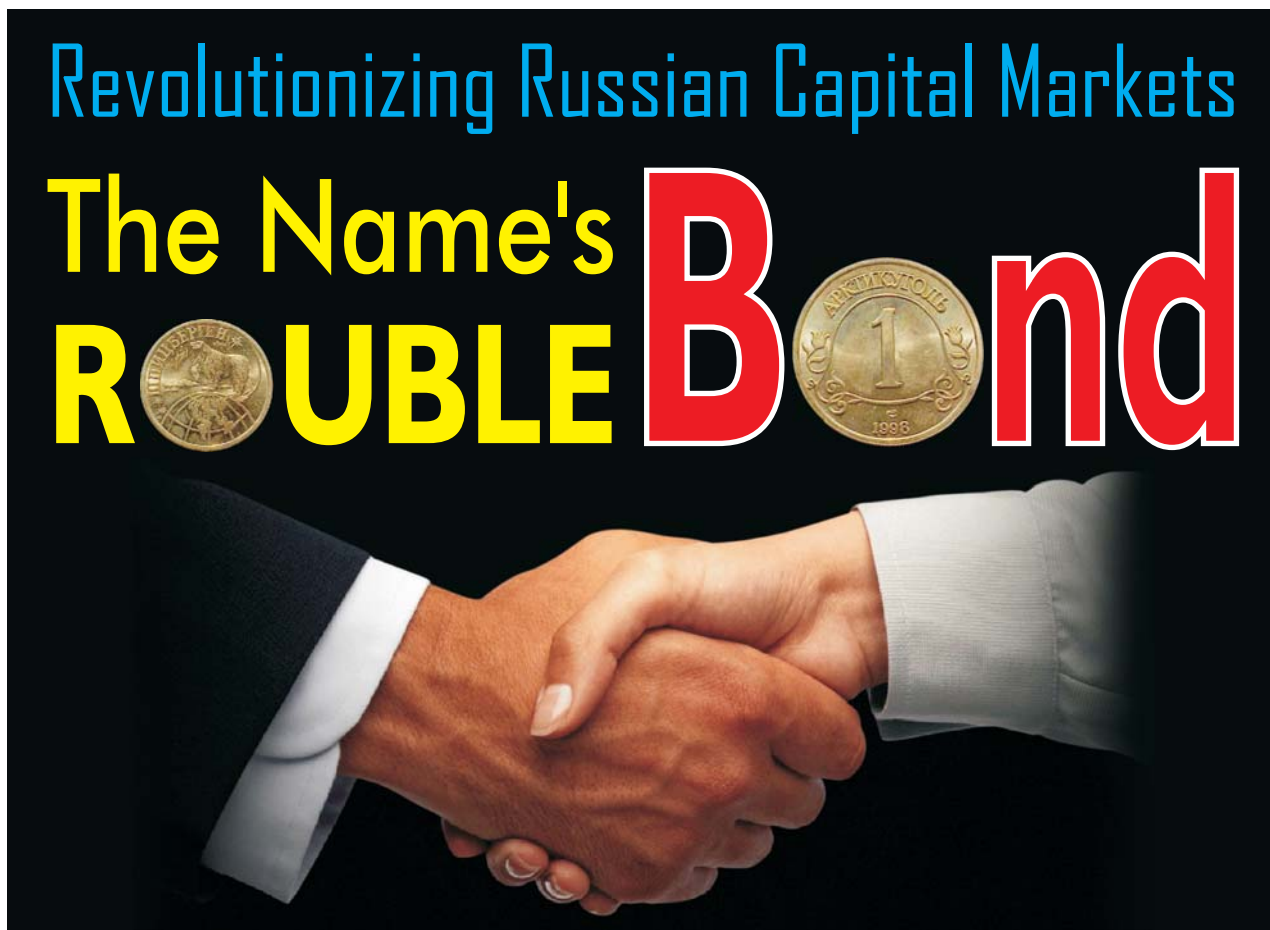
joint ventures in the region in various sectors with the support of Exim Bank.

Broad strategy and recommendations to enhance two-way transfer of trade, investment and technology between India and countries in the CIS region could encompass: effective dissemination of relevant information about trade and investment opportunities; closer institutional linkages with key investment promotion agencies in the CIS region; endeavours by Indian companies to emerge as key knowledge and technology partners; cooperation in IT and banking/financial sectors; focus on multilateral funded projects in the region; cooperation in entertainment industry; understanding local cultures and business practices to facilitate interactions.

To provide for mutual co-operation in co-financing and enhancement of export credit to CIS and Central & Eastern European regions, Exim Bank has in place an arrangement with EBRD called the Export Credit Loan Arrangement Technique (ECLAT), while the Bank's arrangement with the International Finance Corporation (IFC) under the latter's Private Enterprise Partnership (PEP) programme, provides support to Indian consultants to execute short-term assignments in IFC sponsored projects in the region. Further, Exim Bank's joint venture, Global Procurement Consultants Ltd., set up in partnership with leading consultancy firms in India, has undertaken project audit assignments for World Bank in a number of countries in the CIS region.

Towards export development and export capability creation, Exim Bank has rendered technical assistance to a number of institutions worldwide, including in CIS member-countries such as Armenia and Ukraine, while the Bank's MOUs with Export-Import Bank of the Russian Federation, and Vnesheconombank, Russia; Belvensheconombank Belarus; UZBEKINVEST National Export-Import Insurance Company and National Bank for Foreign Economic Activity, Uzbekistan, are endeavours to strengthen institutional linkages. To facilitate dissemination of trade and investment related information, Exim India also helps bring out a quarterly, bilingual (English and Russian) publication "Indo-CIS Business" for the benefit of Indian and CIS businessmen and investors. ■





Russia is back on the track. After the chaotic “nomenklatura capitalism” of the early post-Soviet years, through the debt default and rouble devaluation of August 1998, Russia is now firmly on the economic map, sitting as an equal among the rich and powerful Group of Eight.

The EBRD has long worked with all areas of Russian industry, helping to improve the business climate and to attract the foreign financing that Russia needs to flourish. But, just as importantly, the EBRD has been a tireless supporter of change to the financial sector and specifically to the financial markets, the life-blood of any successful industrial democracy.

Broadening the Market

The Bank has revolutionized Russian capital markets via its ground-breaking issues of rouble bonds, which have helped to broaden the funding base of the Russian market, establish a transparent benchmark for Russia debt and provide longer-term financing for the broad economy.

The Bank has now raised 19.5 billion roubles via bond

issues, launching a two billion rouble Eurobond in January 2007, following three domestic bonds issued earlier in the local currency for a total of 17.5 billion. The switch to tapping the Eurobond market for roubles was made possible by further currency liberalisation moves in Russia in 2006. The Bank had raised funds in a local currency for the first time in 1994 with the issue of a Hungarian forint bond.

Despite many obvious benefits, raising money in the local currency is not an end in itself. Local currency bond issues alone do not stimulate market reforms. But they do go hand in hand with them.

“Local currency bond issues are not a panacea,” says Isabelle Laurent, the EBRD’s Deputy Treasurer. “The market conditions have to be right first.”

Preparing the Ground

This includes the creation of an appropriate legal framework. The market also has to be equipped with indices against which to measure bonds. Preparing the ground can be a long process. In Russia it lasted several years.

The Bank has also been active here, working with the authorities to help create the laws covering such issues and playing a key advisory role in the development of the 2003 Securities Market Law that ultimately allowed international borrowers to raise money on the domestic market.

Once the background is right, the decision to issue domestic bonds becomes part and parcel of the EBRD's transition mandate, in this case "To stimulate and encourage the development of capital markets in its countries of operation".

Building up MosPrime

Another vital preparatory element prior to actually issuing rouble bonds was the Bank's proposal and then support to Russia's National Currency Association to create the Moscow Prime Offered Rates (MosPrime), a transparent money market index which is Russia's equivalent of London's LIBOR.

By May 18, 2005 everything was finally ready and the EBRD launched a five billion rouble, five year Floating Rate Note, the first ever such issue by an international borrower.

The benefits were clear and manifold. The proceeds from the EBRD's rouble bond provided long-term funding for municipalities and companies that produce or provide services primarily for the Russian market, including small and medium sized enterprises, thereby allowing them to better manage their liabilities and avoid exchange rate risk.

The creation of the index served as a benchmark for all other foreign banks who would want to raise money and then lend in roubles.

A senior executive of Citigroup, which had jointly led the bond for the Bank, said at the time that the issue showed the EBRD remained at the forefront of the development of local currency markets in the region. The deal and its accompanying elements were "tangible proof of the Bank's commitment to Russia and the sophistication of its capital market operations," said Citi's Charlie Berman.

First Syndicated Rouble Loan

The EBRD's second rouble loan, launched in the spring of 2006, demonstrated even more starkly the inherent logic of local currency issuance, coinciding as it did with the launch of the first ever syndication of a long-term rouble loan, for the Moscow power company, Mosenergo.

Early Transition Countries Find Favour With Rich Donors

The last three years have been good ones for the Early Transition Countries: a total of €45.5 million has been pledged to the multi-donor ETC Fund*, while in 2006 alone the EBRD invested €290 million in 80 operations.

Launched in 2004, the Early Transition Countries Initiative was directed towards seven of the Bank's poorest countries of operation Armenia, Azerbaijan, Georgia, the Kyrgyz Republic, Moldova, Tajikistan and Uzbekistan. The initiative embraced Mongolia in November 2006 after it became the Bank's newest country of operation.

"The unique thing about the ETC Initiative and its multilateral donor fund is the coordination between donors in delivering assistance to poor countries,"



Gonzalo Ramos, Board Director for Spain, told donors participating in the eighth meeting of the ETC Fund on 9 February in The Hague.

"Many donor countries have bilateral programmes with ETCs but poverty in these countries is so deep that building market economies requires a coordinated approach between donors in delivering assistance," added Hans Sprokkreeff, the Board Alternate Director for The Netherlands.

The Dutch government recently pledged €5 million to the ETC Fund for grant co-financing of projects, the first time such support has been channelled via the fund. The money will be spent on two infrastructure projects: a road maintenance facility in Tajikistan and an urban transport project in Ulaanbaatar, the capital of Mongolia.

Quadrupling results in less than three years

George Krivicky, Director of the ETC Initiative, is understandably satisfied with its impact. "In 2003, just before this initiative was launched, the EBRD had signed just 18 operations in the ETCs. Its goal was to triple the number of operations to be signed annually by the third year of the initiative. The EBRD has in fact done better than that: in 2006, it quadrupled the number of operations signed."

Last year, the EBRD signed 80 new operations (excluding oil and gas deals) in the ETCs, up from 61 in 2005 and 32 in 2004. The value of new project signings is also on the rise, totalling €290 million in 2006 versus €250 million in 2005, €92 million in 2004 and €53 million in 2003. In addition, the EBRD has increasingly supported trade through its Trade Facilitation Programme,

completing 478 transactions with a turnover of €112 million in 2006.

The Early Transition Countries received €22 million in donor assistance in 2006, up from €18 million in 2005 and €8 million in 2003. To date, €45.5 million has been pledged to the ETC Fund, in addition to funding made available by donors bilaterally. These grants help pay for expert analysis and advice for ETC companies and governments.

The show must go on

"What a difference the multi-donor ETC Fund makes!" Sabina Dziurman of the Group for Small Business said during a presentation on three small business development projects in need of donor finance in Tajikistan.

"The ETC Fund allows us bankers to make promises to people on the ground, to be creative and innovative knowing that there is donor money to support vital projects on which the lives of families in far-flung villages, the education of their children and the empowerment of women depend," Ms Dziurman said.

At the meeting in The Hague, 16 projects totalling €4.6 million were approved by the donors. These will support small business lending operations, provide business advisory services, improve infrastructure and boost investment in energy efficiency projects in the ETCs.

Masaru Honma, Country Director for central Asia, and Mike Davey, Country Director for the Caucasus and Moldova, briefed donors in The Hague on achievements in their regions while Alistair Clark, Director of the Environment Department, presented a report on a UK/Canadian-funded study on gender equality.

"The ETC Fund has become one of the key elements of a sustained ETC Initiative," said Junko Aya, who covers ETCs in the EBRD's Official Co-financing Unit. "The demand to finance projects is strong and, with Mongolia becoming a beneficiary of the ETC Fund in 2006, replenishment of the fund is crucial to continue improving people's lives in the poorest countries of the EBRD region."

** Donors of the ETC Fund, established in 2004, are Canada, Finland, Ireland, Japan, Luxembourg, The Netherlands, Norway, Spain, Sweden, Switzerland, the United Kingdom and Taipei China.*



EU's Eastern Enlargement Opens New Avenues for CIS

CIS countries have formed the second, outer 'ring' of the EU neighbors, being geographically separated from the EU by the EU accession countries of Central and Eastern Europe. Their economic and political importance for EU-15 was quite limited with an exception of Russia, the largest (territorially) country in the world with huge natural resources and nuclear weapons, directly bordering with one of the EU members (Finland).

Simplifying, the EU-15 real economic and foreign policy interests in cooperation with CIS countries concentrated mostly on oil and natural gas supply from Russia, and on a relative geopolitical stability of the post-Soviet area (avoiding proliferating of regional and ethnic conflicts)

The picture changed with the Eastern enlargement of the EU. First, in purely geographical terms four CIS countries – Russia, Ukraine, Belarus and Moldova – became the direct EU neighbors sharing long land borders. In a slightly longer time horizon, with Turkey's accession, three Caucasian countries (Armenia, Azerbaijan and Georgia) will also start to share their land borders with the EU. It means that most of CIS already moved or will move geographically from the second to the first ring of neighbors.

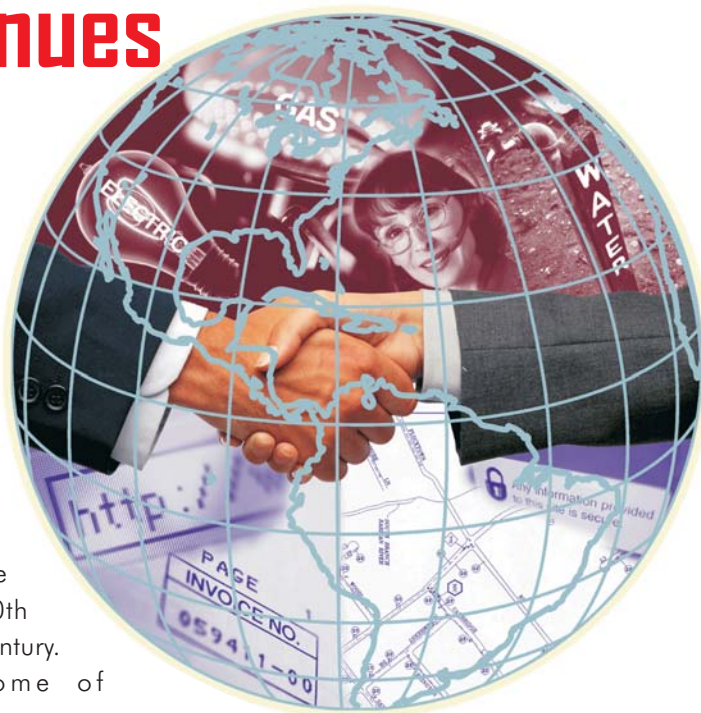
The new members states (NMS) of the EU share much of common political and economic history with countries of the former USSR, not only because of the unfortunate communist experience of the second half of

the
20th
century.

Some of them were, before the World War I, part of the Russian empire (part of Poland, Baltic countries, Finland).

There are close ethnic and cultural links between NMS and EU candidate countries on the one hand and CIS countries on the other (Romania – Moldova, Poland – Belarus and Ukraine, Russian speaking minority in Baltic countries, Turkey – Azerbaijan and most of post-Soviet Central Asia). Looking at the aggregate trade indicators, CIS importance for the EU-27 is not much higher than it was for EU-15. This is a result of the limited economic potential of both NMS and CIS. In 2003 the NMS-10 constituted only 4.7 percent of EU-25 total GDP and small share of its total extra-EU export. On the other hand, even including Russia, the overall CIS share in the world economy is quite limited. It accounted for 3.7 percent of world GDP (2003; PPP-based estimation) and 2.3 percent of global export.

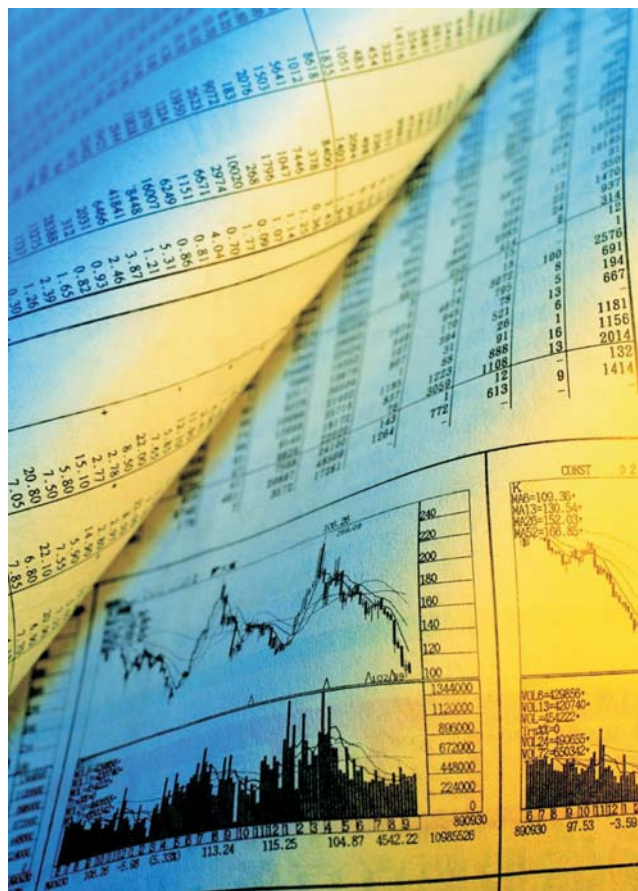
The NMS and EU candidates are much more exposed to trade with the CIS (and they can gain more from its development), and immigration from CIS than the old member states (OMS or EU-15). They are also more dependent on import of the CIS energy resources (mostly from Russia), they have more infrastructural links (mostly transport network). And obviously they are more vulnerable vis a vis any potential episodes of political, economic or social destabilization in CIS.



In 2004, simultaneously with the first and main phase of the EU Eastern Enlargement, the European Commission proposed European CIS and Southern Mediterranean countries the new cooperation framework under the name the European Neighborhood Policy (ENP), with the declared objective of avoiding the emergence of new dividing lines between the enlarged EU and its old and new direct neighbors and strengthening stability, security and well-being in the entire mega-region.

Furthermore, taking into consideration poorly developed institutional basis of trade and economic relations between the EU and CIS countries (based only on Partnership and Cooperation Agreements signed in 1990s) it is very unlikely that the ENP can offer the latter a fast-track and full participation in the EU internal market, similar to that of Norway, Iceland or Switzerland. A gradual building up of these relations based on more or less "deep" free trade agreements (FTA) and selective participation in some segments of EU internal market, a process which will take at least one decade, seems to be a more realistic option at the moment.

The ENP is conducted through bilateral Action Plans and





sophisticated than it was few decades ago and its complexity determines the need of a broader liberalization and institutional harmonization package involving also freer movement of services, investments and labor based on far going institutional harmonization/alignment.

Trade between EU & Eastern Neighbours

1. Trade expansion between the EU and its Eastern neighbors will depend not only on trade liberalization per se (first membership of all the CIS countries in WTO, then their FTAs with EU) but also on investment climate in the CIS region, speed of institutional harmonization and, to some extent, on liberalization of movement of people (particularly important for trade in services).

2. Intensification of foreign investment inflow to the CIS region will depend not only on significant improvement of their domestic investment climate (determined by a speed of institutional harmonization) but also on trade liberalization offering potential foreign investors in CIS economies easy access to European markets.

3. Intensification of trade and FDI and the resulting diminishing of the income gap can weaken the income motive of labor migration from several CIS countries and make freer movement of people less politically and socially controversial in the EU countries.

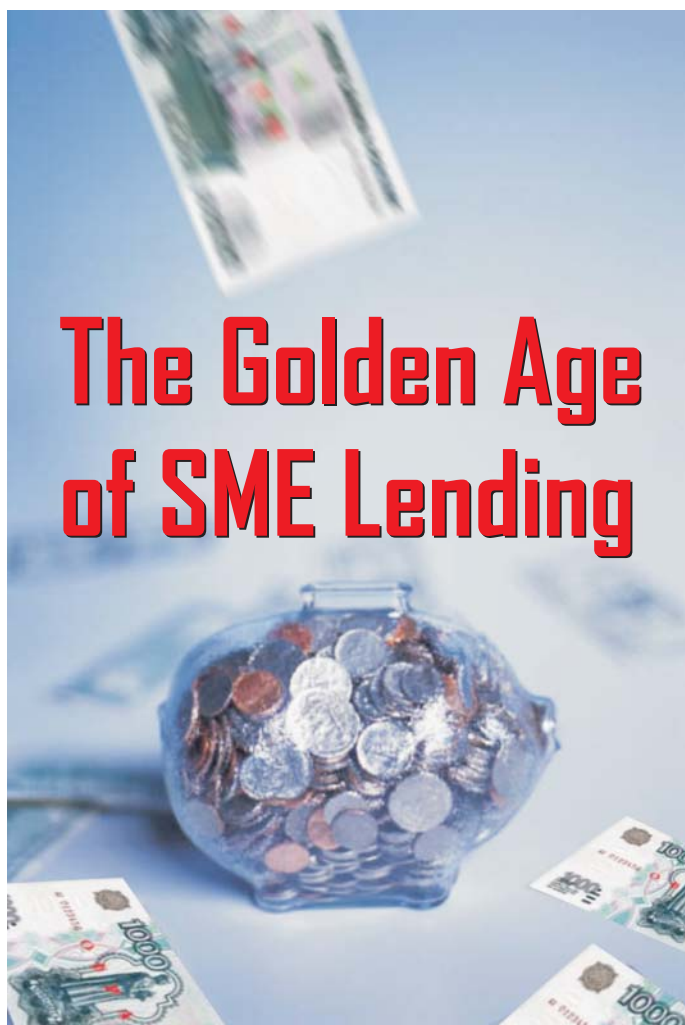
4. Free movement of people is important not only for balancing national labor markets (both in "origin" and "destination" countries) and current account (in "origin" countries). It is also significant for the development of the domestic SME sector in "origin" countries and learning experience of more mature market economies and

democratic societies, therefore strengthening domestic constituencies in favor of democratic and market reforms (in "origin" countries).

5. Institutional harmonization very often involves substantial social, political and (sometimes) economic costs. Without strong incentives these costs may be considered too high by societies and politicians in neighboring countries. The traditional pay-off offered by the EU side to the CIS countries (very gradual improvement of their trade regime with the EU and technical assistance) seem to be insufficient. A stronger set of incentives should probably include at least a faster pace of trade liberalization and

liberalization of movement of people. In the case of countries which are explicitly interested in EU membership, such a perspective should not be ruled out a priori, as it is potentially an important and powerful incentive.

There is a quite recognizable fact that the perspective of the EU membership (even if it is very distant in time) can become a very powerful incentive speeding up political, economic and institutional reforms, solving ethnic and political conflicts, mobilizing societies and politicians to accept the most unpopular measures and undertake the most difficult modernization efforts. This is an observation which can be drawn from the previous EU enlargement experience, especially that of Mediterranean countries in 1970s and 1980s, and Central and Eastern European countries, which joined the EU in 2004 and 2007. The same can be said about West Balkan countries and Turkey, despite their quite distant timetable of accession. The situation of CIS countries seem to be less favorable in this respect. In most cases their societies express the limited interest in the idea of deep European integration apart from Moldova, Ukraine and Georgia. But, more importantly, this has been lack of the serious "European offer" from the EU side addressed to these countries and societies, which has made pro-reform integration incentive unrealistic. At the moment it is hard to say whether the ENP give a chance to provide such an incentive but this cannot be totally excluded. Very much will depend on real interest and determination of individual CIS countries to deepen their economic and political relations with the enlarged EU. ■



The Golden Age of SME Lending

Oleg Tuntsev sweeps his hand around his small, bustling chocolate factory with unmistakable pride. "We started in 1999 with a loan of \$5,000 and eight staff making five tonnes of chocolate a month. Now we have more than 200 people working for us, and we make 200 tonnes of chocolate and \$500,000 profit per year."

His company, Bravo, was helped by a loan from KMB, a bank set up with EBRD support in the tumultuous days of 1999 when Russia's entire financial system was in crisis. Tuntsev says: "When we started, it was very difficult to find anyone to lend to us. Now, we're constantly called by banks for lending, leasing, any kind of financial service we might want."

SMEs all the Rage

It's taken a long time for lending to small and medium-sized enterprises (SMEs) to take off in Russia, but now there is momentum in banking for small business. Says Chikako Kuno, EBRD's Director for the Group for Small Business: "There's heavy competition in corporate and consumer

lending, so every big Russian bank is now making a bee-line for the SME sector which they've largely ignored in the past and where creditworthy clients still need financing."

They could all learn a thing or two from KMB, which has been doing SME lending longer than any other bank in Russia. Ilmar Shaymardanov, head of KMB's Kazan lending operations, says: "Now it's very popular to work with SMEs. But when we started in 1999, we were unique. Despite our competitors' newfound interest in SME lending, small businesses still tend to be underserved in terms of credit access, and KMB remains the trailblazer in this market."

KMB has since proven to the rest of the market that the sector is profitable, and underlined that point last year when Italy's Banca Intesa bought 75 per cent minus one share; the EBRD owns the remaining shares.

That's quite a change from 1998 when foreigners and Russians alike were fleeing the financial sector after the rouble crisis caused bank after bank to fall. Rather than cut and run, however, the EBRD pulled what remained of its retail banking operations together and with the Soros Foundation, the German development agency DEG and the Dutch microfinance fund Stichting Triodos-Doen, it opened KMB in 1999 to focus on micro and SME lending.

Financing Grassroot Start-ups

Says Reiner Mueller-Hanke, KMB's Chief Executive Officer: "With KMB, the EBRD has demonstrated its strong commitment to helping Russia's economy develop through small businesses. KMB's success proves that SME lending can indeed profit banks."

KMB is one of 26 Russian banks that have benefited from the EBRD's donor-backed Russian Small Business Fund through which 357,000 entrepreneurs have been financed for a total of \$3.7 billion in loans. The RSBF provides capital to local banks and, as importantly, international expertise to encourage them to build their small business portfolios. The programme is supported by the European Union, Canada, France, Germany, Great Britain, Italy, Japan, Switzerland and the United States.

Why has SME lending caught on in Russia?



Shaymardanov says: "SME lending is lower risk than retail lending, yet offers higher margins. Our bad SME loans are less than one per cent of our portfolio, while bad retail loans, for some banks, can be as high as 20 per cent. Interest rates on SME loans can be as high as 20 per cent. Everyone knows the rates will go down soon because competition is increasing, so you could say we're in the golden age of SME lending in Russia."

After a two-year stint in Moscow, Shamyardanov, a 29-year-old fast-rising manager, recently moved back to his native Kazan. The capital of Russia's Tatarstan Republic is 800 km east of Moscow and will be in the international limelight in May when it hosts the EBRD's 2007 Annual Meeting.

Finding a Niche

Shamyardanov says the challenges and opportunities facing SMEs in Kazan are similar to elsewhere in Russia.

On the one hand, the economy is growing fast, fuelled in particular by rising consumer demand which presents good opportunities for small firms like Bravo. On the other hand, the retail market is increasingly dominated by big financial groups.

"That's the story in many sectors of the economy," Shamyardanov says. "The challenge for SMEs is to find a sector where those big operators aren't working." Like chocolate, for example.

Printing is another sector offering opportunities to fleet-footed start-up firms, as the Kazan-based publishing house Logos has discovered. General Director Maksim Andreev says: "We've found a niche for ourselves publishing books ordered by various regional ministries, particularly the Ministry of Interior." Ministries, local politicians and churches order glossy coffee table books on Kazan, as well as paying to print their memoirs (so-called 'vanity' publishing).

The business is obviously doing well. Andreev has taken out a €200,000 leasing loan from KMB with which he bought several large colour printers. He also recently took out an SME loan from KMB, also for €200,000, with which he is building new headquarters.



Andreev says the printing sector, in contrast to other sectors of the Russian economy, favours small businesses. "The technology is changing all the time, so we're small enough to be able to update quickly." ■

EBRD, EIB & World Bank to Finance Infrastructure All European Roads will soon lead to Moldova



For a landlocked country such as Moldova, whose economy is largely based on agriculture, a good road infrastructure is of the utmost importance. This is especially true for Moldova, which is also becoming increasingly important as a border state between the European and the countries further to the east. The Trans-European Network Corridor IX (Moscow-Kiev-Bucharest) crosses the country from east to west.

Moldova's road network, however, is in urgent need of rehabilitation. Therefore, the European Bank for Reconstruction and Development (EBRD) - together with the World Bank and the European Investment Bank (EIB) is providing the country with a financing package which will bring major improvements.



Moldova

The project will have two phases with a total cost of €89.5 million, of which the EBRD will provide a total of €30 million.

The works will involve the rehabilitation of road sections along the main north-south corridor and the east-west corridor linking the capital Chisinau with the border to Romania. Moldova's road network totals about 16,000 km, but presently 58 per cent of national roads and 75 per cent of local roads are classified as in poor condition.

In recognition of the importance of a good road and transport infrastructure the Government of Moldova is preparing a comprehensive strategy and has increased spending on road maintenance and rehabilitation. The road rehabilitation project financed by the EBRD, World Bank and EIB is part of these endeavours.

Alexander Auboeck, EBRD Business Group Director for Infrastructure, said the significance of the project goes beyond the physical road works. In addition, it will also introduce a reform of road sector financing and institutional strengthening to improve the state road administration's capacity to manage the road network and execute works in a transparent and efficient manner.

To-date, EBRD has signed around 30 projects in Moldova, investing more than €200 million and mobilising another €125 million from its partners. The country is part of the EBRD's Early Transition Countries Initiative, launched in 2004, which aims to stimulate market activity in the Bank's lowest-income countries of operations by using a streamlined approach to financing more and smaller projects, mobilizing more investment, and encouraging economic reform. ■

Indian Republic Day Celebrated in Tashkent



Uzbekistan Deputy Prime Minister. Abdullah N. Aripov was the Chief Guest at a reception hosted by Indian Ambassador Skand R. Tayal in Tashkent to celebrate the 58th Republic Day of India. The other dignitaries included Ministers, senior officials and resident ambassadors. In his remarks, Ambassador Tayal highlighted the progress and achievements made by India in science and technology particularly

in frontline areas such as Information Technology, biotechnology, electronics, nuclear and space science.

He paid a tribute to the warm friendship between Uzbekistan and India and emphasized that the visit of Prime Minister Manmohan Singh to Uzbekistan in April, 2006 during which seven documents in the fields of economy, commerce, education, mining, Oil and gas, and agriculture were signed, had further strengthened the bilateral relations between two countries.

Earlier in the morning, the tri-colour was unfurled in the Embassy of India, Tashkent. National anthem was sung and Ambassador Tayal read out the President's address to the nation. The celebration was attended by Indian business community, friends of India, members of Institute of Oriental Studies and the officers and staff of the Embassy and their families.

On 31 January, an Indo-Uzbek cultural programme was organized by the Uzbek Ministry of Culture, Uzbek-India Friendship Society and the Lal Bahadur Shastri Centre for Indian Culture to celebrate the Republic Day. ■

Optimistic Roadmap for Russian Economy

Russia's cabinet has recently approved a "moderately optimistic" forecast for socio-economic development in Russia for 2008-2010, which provides the basis for the draft 3-year federal budget.

The Economic Development and Trade Ministry has prepared two basic scenarios for approval: a "pessimistic," based on inertial development of the Russian economy, and a moderately optimistic, based on the innovative economic development.

"We issued instructions to finalize them [the parameters] and submit them to the government," Prime Minister Mikhail Fradkov said at a government meeting.

Both scenarios assumed that the average price for Urals crude will drop from \$55 per barrel in 2007 to

\$50 per barrel in 2010.

According to the moderately optimistic forecast, backed by the economics ministry, the main parameters of socio-economic development in 2008-2010 will highlight the diversification of the economy and tax reforms.

The forecast puts GDP growth at 6.1% in 2007, 5.9% in 2008, 5.9% in 2009 and 6.1% in 2010. Industrial growth is estimated at 4.3% in 2007, 4.5% in 2008, 4.7% in 2009 and 4.5% in 2010. Inflation is projected at 7.5-8% in 2007, 6.5-7% in 2008, 6.3-6.8% in 2009 and 5.8-6.5% in 2010.

The forecast also envisions direct foreign investment in Russia by 2010 could grow 41.9% on 2006, to \$44 billion. ■



Georgia has more intrinsic advantages for the development of tourism than any other ex-Soviet country. It has a good climate, with terrain ranging from subtropical to Alpine. It has varied topography in a comparatively small space. It has a unique combination of archaeological and historical sites. It is one of the world's most ancient Christian countries with a rich ecclesiastical culture, which is still flourishing. It has a tradition of civilized life: art, literature, drama, music, beautiful handicrafts. It has a varied and broadly appealing cuisine and vineyards that produce an endless variety of high-quality wines.

Above all, Georgia has a cultured, literate, friendly population. Georgians have maintained strong traditions of hospitality through the centuries. Georgians welcome visitors and know how to make them feel comfortable. They welcome foreigners' interest in their country and are eager to explain their history and culture. Yet despite the warmth and welcoming instincts of the Georgian people, the attitude of the Georgian government to date has been distinguished by a diffident attitude toward tourism, almost as if it expects tourists to flock to Georgia because of its superior culture, archeology, wine, etc. This "they will all want to come here" attitude is a non-starter in today's world, and a death sentence for tourism in Georgia, which is little known outside of a circle of dedicated cognoscenti.

Foreign Exchange Earner

Tourism is a foreign-exchange earner. Georgia's Mediterranean neighbors to the west, from Spain and Portugal all the way to Turkey, have long been gaining a

major share of their income from tourism. Tourism development brings good returns to both domestic and foreign investors. It brings many other economic and social advantages. Facilities and industries serving tourists are non-polluting and do not strain a country's infrastructure. They contribute to economic development and prosperity in numerous ways. Improvements required to facilitate tourism--better roads, dependable power, good communications, a range of good restaurants and hotels, efficient food and beverage industries--benefit the society as a whole. Tourism generates employment on a broad basis. It requires trained service personnel, hotel managers, good transportation facilities, guides and tour leaders. Tourism generates incentives and opportunities for producers of handicrafts, clothing, guidebooks, art and jewelry to market their production. Artists in most countries thrive on tourism--indeed, most survive because of it. Few things are more powerful in public relations efforts than artists who are known and recognized internationally.

PR Exercise

Tourism also serves a valuable public relations purpose. Satisfied tourists bring more tourists. If they have good experiences and leave impressed, they generate sympathy and understanding for the country when they go home. So far Georgia has largely failed to gain these advantages.

Tourism plays an important political role for countries like Georgia that are usually supported, sometimes substantially, by foreign aid directly from friendly governments. In foreign aid-providing countries

parliaments decide where the money goes among many worthy candidates. Those who vote aid for Georgia will find less opposition if a strong body of support exists for Georgia in a donor country's population. Tourism can provide this kind of basis for support. That the Georgian government has not recognized this glaring reality is further evidence of its failure to understand how and where tourism should fit into its investment priorities. Tourism should not be thought of as an activity involving only enticing foreigners to visit. Domestic tourism is also desirable and beneficial in many ways.

Guided Tours

Guided tours for groups and individuals still have a place in Georgian tourism, but the practice needs to be very different from Soviet times, when foreign tour groups were shadowed by the KGB, regimented, lectured at and prevented from having contact with the population. Travel operators who are now offering tour services in Georgia, such as Caucasus Travel, understand the need for a new approach and are applying it.

Georgia would be unwise to aim for mass tourism: The country's attractions can best be exploited for their appeal to individuals and small groups. Georgia can readily attract tourists who have already visited other countries and wish to experience a new and somewhat exotic area. Most tourists will know little about Georgian history and culture but many will want to learn. They should be helped to do so. Roger Rosen's excellent guidebook of should be widely available in shops and hotels, in both Georgia and in surrounding countries. It can help Georgia attract intelligent, educated tourists who wish to experience its culture and the warmth of its people. Such tourists will appreciate the great historical, archaeological and

religious traditions and treasures Georgia has to offer them. The banks of slot machines and gambling tables that were set up in hotels in Kobuleti during the Soviet period are of little benefit to Georgia now and create an unfortunate image of the country. Georgia has too many positive characteristics to waste its energy and reputation permitting widespread casino gambling and the negative manifestations that accompany it.

Visa Regulations

Visas can now be obtained readily at Georgian diplomatic establishments abroad, but they are difficult for tourists to get where embassies and consulates do not exist. Visas should be granted readily at a reasonable price at borders and airports, as they now are at the Tbilisi Airport.

Standards and Enforcement

An important function of the national tourism commission (or other agency designated by the government) should be a system for approving and rating tour agencies, hotels and restaurants, and licensing guides to ensure fairness and quality. Ratings and licenses should be reviewed annually. They should be posted in facilities serving tourists. The system will be of benefit to the local population as well as foreign visitors. It should be administered in such a way as to avoid pay-offs and bribes.

Tourism Promotion

The Georgia's central government as well as city and regional governments should allocate resources to encourage publication of posters, maps, brochures, guidebooks, and especially low-cost video tapes and DVDs that will be readily available to tourists. The actual work can best be left to the private sector; governments should be concerned only with accuracy and quality. Such materials should be provided to embassies and consulates for distribution as well as to local authorities in Georgia. Reasonable distinctions can be made between materials provided free and those sold. The government should not attempt to maintain a monopoly over tourist promotion, but should encourage tour operators, the church, civic groups and local authorities to take initiative.

Government Incentives

In the early stages of tourism development the government should take initiative to encourage construction and expansion of tourist facilities, establishment of tour agencies, and training of personnel to service the tourism industry. Investment in tourism



development must be carefully planned and managed to avoid waste or diversion of resources. It should also be undertaken with oversight that ensures continued maintenance and good performance. There is a great deal of experience in the world in tourism development. Many countries have incentive programs. Georgia can draw on the best of this experience. It should avoid a common problem in this field: putting the cart ahead of the horse--engaging in promotion while neglecting quality of performance. Efforts to advertise the country's attractions should be paralleled by efforts to create conditions, which ensure that tourists' experiences are positive.

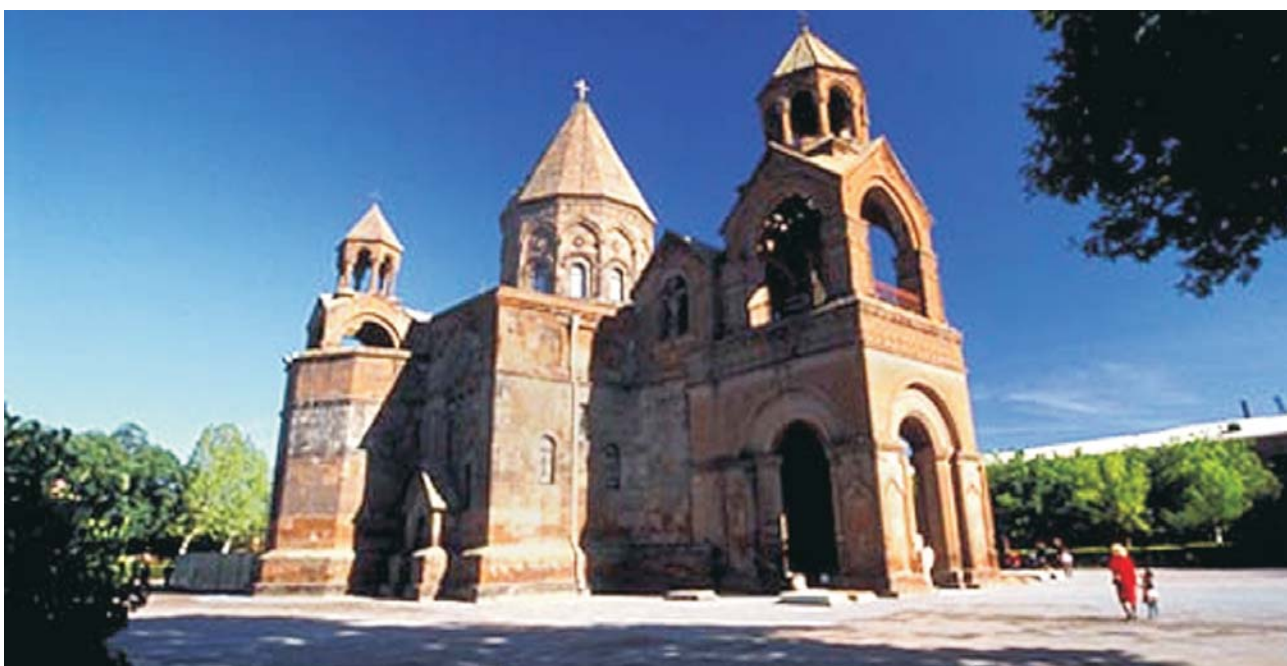
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To encourage tourism local authorities need to make it easy for tourists to visit their areas. Tourist attractions, archaeological sites, churches, castles, great houses, wineries and significant architectural monuments need good access roads, parking lots and trails. Good planning would group these attractions in "clusters" that deliver the most intense tourism experience for the least

inconvenience in time, travel and expense. Direction signs with simple map diagrams should point to places of interest. When tourists reach them they should find explanations of what they are seeing in English and other international languages. English, distinguished by proper spelling, grammar and syntax, will immediately impress tourists with the seriousness of the effort. Neither money alone nor a large government bureaucracy is the recipe for generating momentum in tourism. A modest, realistic budget would nevertheless be evidence of that the government is serious about realizing the benefits that tourism can generate for Georgia.

Georgia is one of the oldest Christian countries in the world. It has a rich civilization and colorful history. It is blessed with spectacular and varied geography. The most ancient skeletons of human beings have been found there. It has unique architectural monuments and hundreds of still functioning early Christian churches. Georgia has important Muslim and Jewish minorities too.

Finally it is more difficult and more expensive for foreigners to travel to Ethiopia than it is to Georgia. Nevertheless Ethiopia attracted 181,000 foreign tourists in recent years and 2003 and is expecting a 20 percent increase in coming years. If Ethiopia can do it, certainly Georgia could. Remedying this situation should be one of the present government's key priorities. ■



Azerbaijan

A Land of Fire Temples

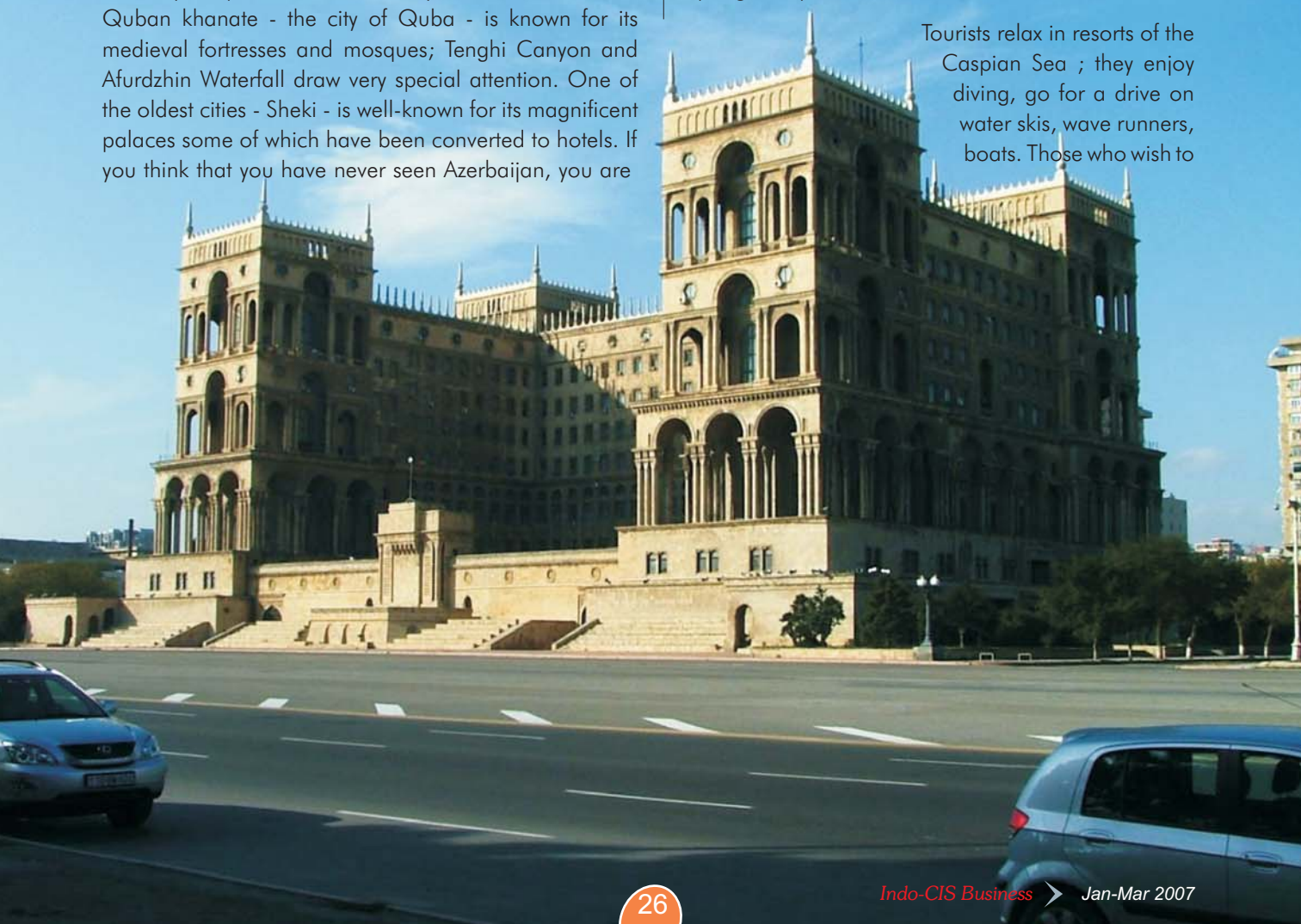
Azerbaijan is unique with regard to its nature, the culture, the history, the customs and traditions, the architecture and many other things. The country has been known for its burning hearths - Ateshgahs (temples of fire). There is a place on Absheron Peninsula named Yanardag (burning mountain). In Nakhchivan, Kjalbadzgar, Lankaran, Babadag ... hot waters flow from underground.

In Surakhany there is an eternally burning Ateshgah (temple of fire). On the territory of Azerbaijan once there were ancient states Atropatena and Albania. Each city of Azerbaijan is peculiar in its own way. The center of ancient Quban khanate - the city of Quba - is known for its medieval fortresses and mosques; Tenghi Canyon and Afurdzhin Waterfall draw very special attention. One of the oldest cities - Sheki - is well-known for its magnificent palaces some of which have been converted to hotels. If you think that you have never seen Azerbaijan, you are

wrong. We know it from favorite films - The Diamond Arm and Amphibia Man. They were shot in Azerbaijan. Today the places of shootings are very popular with tourists.

Azerbaijan will surprise you with its nature too: there are high mountain ridges and plains, semi deserts and woodlands, seas and rivers. You will be delighted to see the most beautiful landscapes, waterfalls and mountain rivers, springs with transparent water, deep gorges, green meadows, thermal and mineral water springs, the purest mountain air ...

Tourists relax in resorts of the Caspian Sea ; they enjoy diving, go for a drive on water skis, wave runners, boats. Those who wish to



improve their shape can visit numerous well-known resorts of Azerbaijan .

Owing to the unique microclimate Lankaran and Talysh are considered among the best balneotherapeutic resorts.

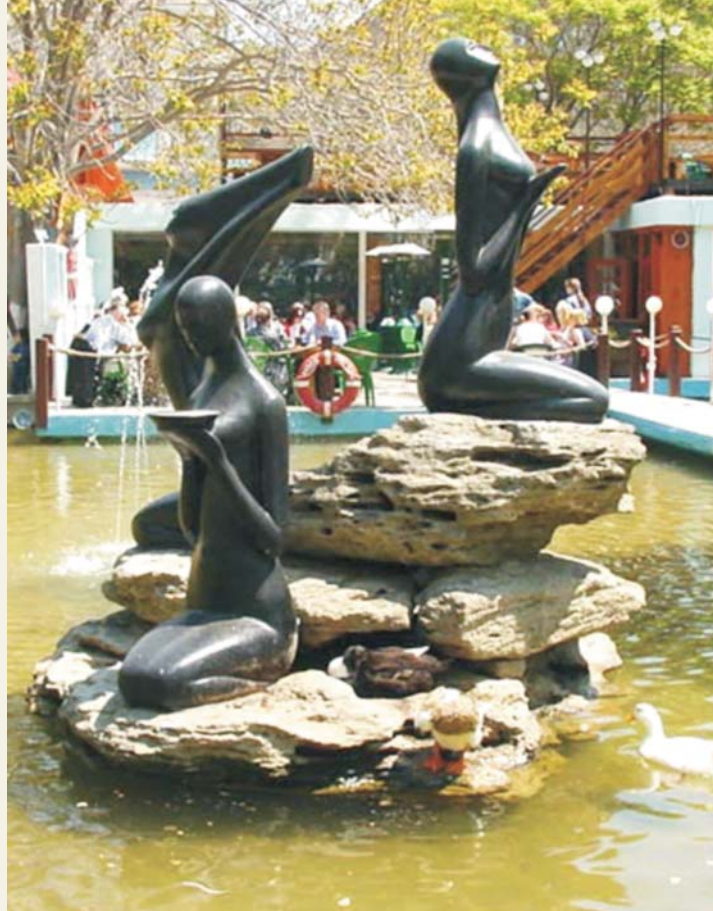
Well-known Quban carpets, authentic wines, high-quality silk, gold ware and many other souvenirs will always remind you of your journey to this unique country.

Baku - Where Europe Meets Asia

Baku , one of the most beautiful cities of the world, is located at the meeting-point of Europe and Asia . The very name of the capital is interpreted as "wind blow", "windy city" or "hill", "city on a hill". Port city Baku, a cultural, industrial, political capital of Azerbaijan, is located on the western coast of the Caspian Sea, on the shores of the same name gulf in southern part of Absheron Peninsula rich in oil deposits. Baku consists of 11 administrative districts, five urban settlements.

Ganja, the Mother of all Cities

Ganja is called the mother of Azerbaijan cities. It is one of the most ancient and most beautiful cities of Azerbaijan; from time immemorial it has been famous for its richest culture, original architecture, magnificent silk and carpets. All this made Ganja a cultural and political center of the entire Middle East. According to ancient sources the city evolved from a densely populated settlement in the 9th century. Ganja used to be a part of different states: Sheddadid,



Seljuk, Eldegezd and others. In the 10th century it was an actively developing city with various crafts, fortresses, palaces and mosques. Each epoch left a cultural layer in the historical past of the city. Many times the city has been destroyed powerful earthquakes. Ganja is the birthplace of the great Azerbaijani poet Nizami Ganjevi. It was there that Mikhail Lermontov wrote his famous Persian poems.



Quba - A city of Blooming Gardens

It is one of major cities in Azerbaijan . It is located 165 km to the north of Baku . The city was founded in the 15th century; in the second half of the 18 th century it was the capital of Quba Khanate.

The country's most beautiful city, Quba is especially attractive in spring when its numerous gardens and parks are in blossom. There are a lot of historical monuments both in Quba and its outskirts - numerous mosques - the Cathedral Mosque (19th century), Sakhiny-Khanum Mosque (18th century), Ardabil mosque (19th century), a well-known Djuma Mosque have survived there. There are also a Quban khan's house, medieval baths, and a 15 th-century fortress. The local lore museum's collection is rich in various objects of material culture as well as skillfully crafted Quban carpets. The vicinities of Quba are picturesque. 30 m-high Afurdzhin Waterfall and Tengi gorge are especially popular with tourists. Quba is the recognized center of carpet weaving. Famous Quba carpets and souvenirs made by local craftsmen make great gifts. .

Lankaran - A Subtropical Paradise

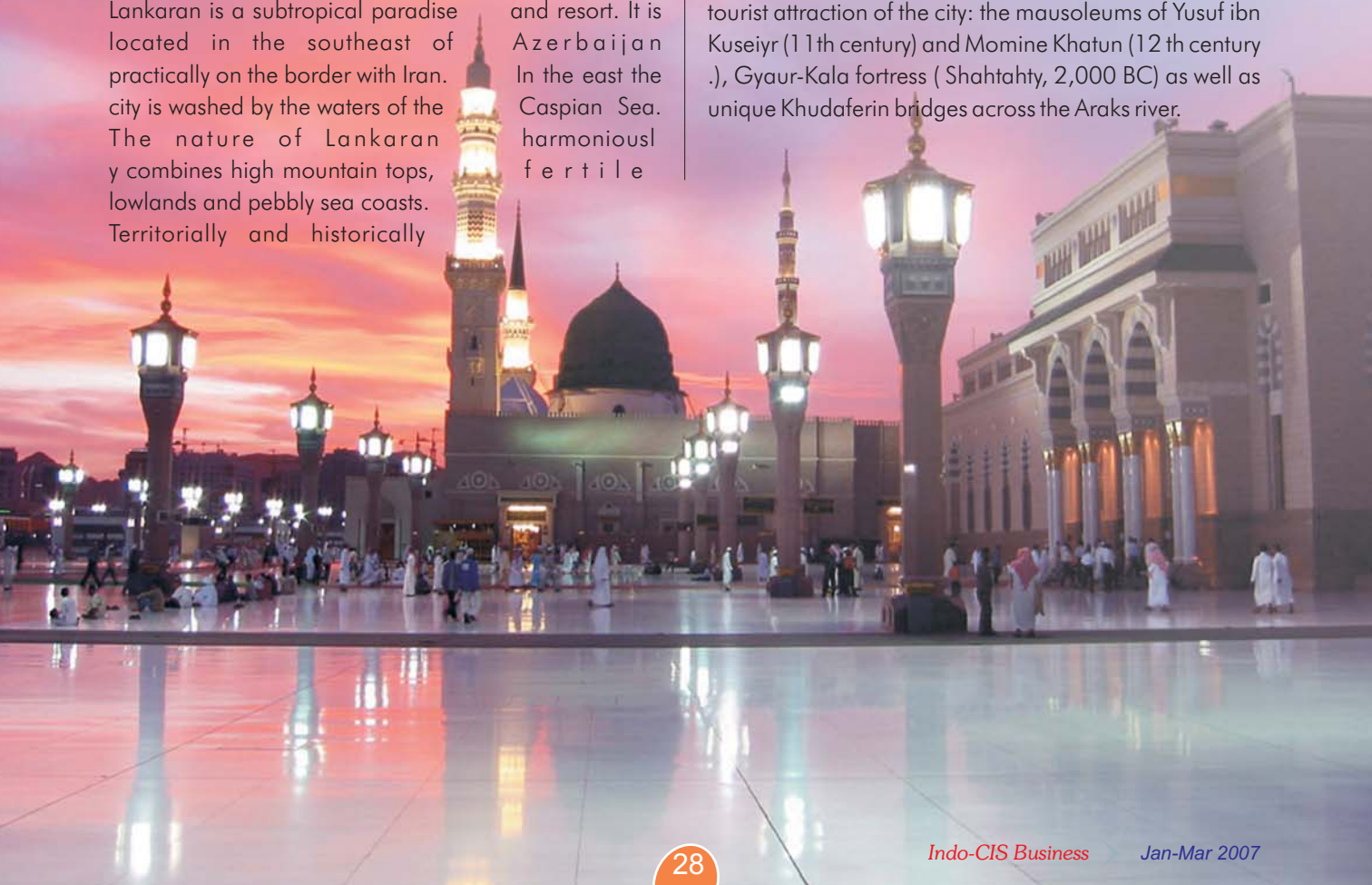
Lankaran is a subtropical paradise located in the southeast of practically on the border with Iran. In the east the city is washed by the waters of the Caspian Sea. The nature of Lankaran harmoniously combines high mountain tops, lowlands and pebbly sea coasts. Territorially and historically

Lankaran was a part of different states. In ancient times it was known as Talish area which was included in Smaller Media or Atropatena.

Lankaran was also under the rule of Seljuks, Khulaguids and Timurids. In the 16th century it was within the structure of Iranian dynasty of Sefevids. In the 18th-19th centuries it became a capital of independent Talish khanate. In the 19th century it was a part of Russia . The city's major landmark is Lankaran Fortress (18th century) and Kichik-Bazar mosque (19th). 100 km from Lankaran lies one of the most medieval beautiful cities - Khaneg where you can see the fortifications (12th -14th centuries), a mosque and the tomb of Pir Hussein, a minaret and other ancient structures.

Nakhichevan - A City of Ancient Monuments

It is the most ancient city of Azerbaijan. It emerged in the 6th century BC as one of the cities of Caucasian Albania. In the 11th century it became the capital of Seljuk state. In the 12th -13th centuries it was the capital of Ildigizid state. From 1828 to 1923 it belonged to Russian Empire, after that it became a part of Azerbaijan. The monuments of medieval architecture are considered as the major tourist attraction of the city: the mausoleums of Yusuf ibn Kuseyr (11th century) and Momine Khatun (12 th century .), Gyaurl-Kala fortress (Shahtahy, 2,000 BC) as well as unique Khudaferin bridges across the Araks river.





("You come - you'll see") has survived. The beauty of Sheky inspired Alexandre Dumas (father), Leo Tolstoy, Mikhail Lermontov.

Shamakhi - A Crossing Point of Caravans

Sheki - A City that inspired to Istoi

The history of this small town began 2,700 years ago. And by right it is considered one of the oldest settlements and cultural centers of Azerbaijan. Sheky is famous for its severe but at the same time impressive nature: stout hills, blue ribbons of mountain rivulets, dark greens of coniferous woods.

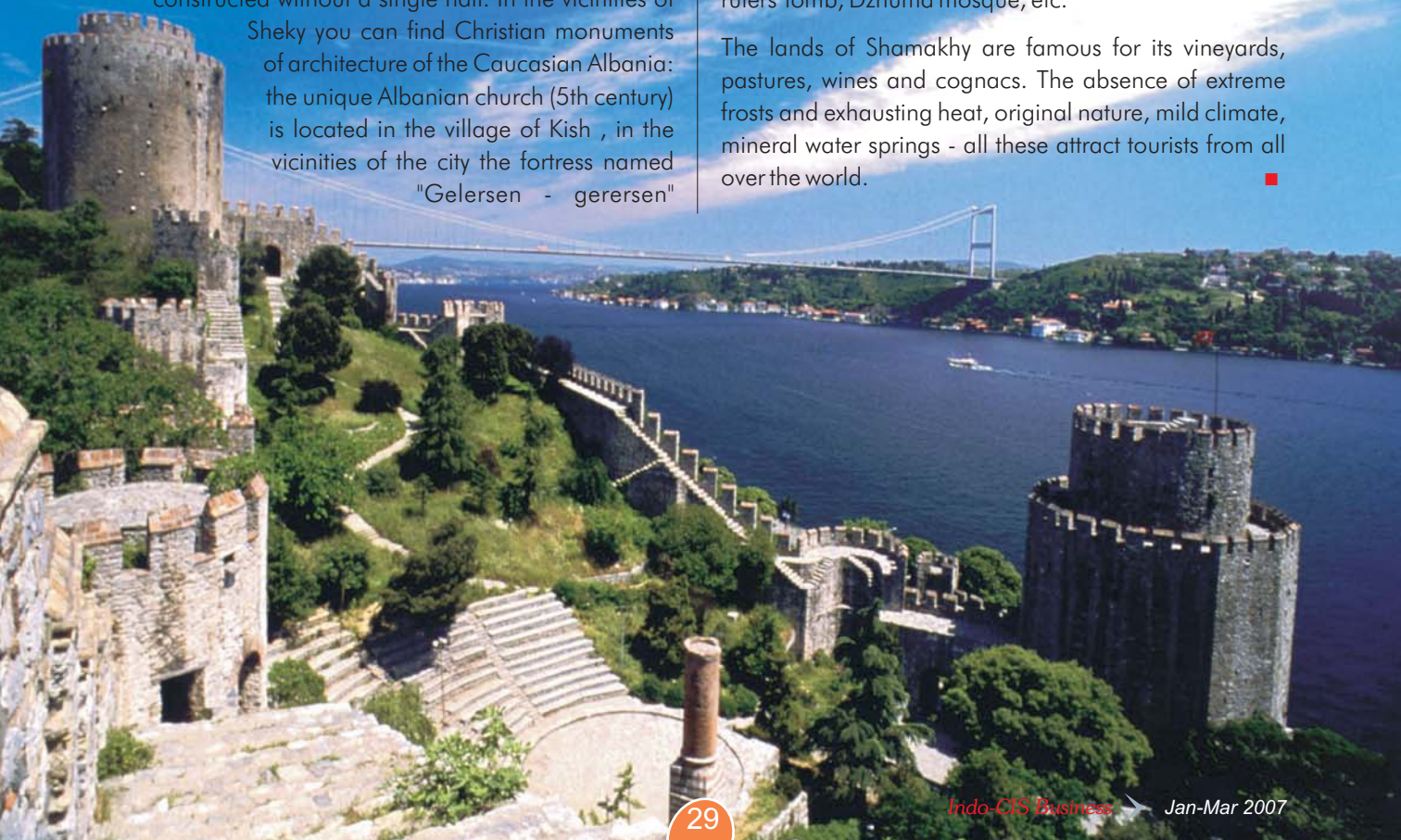
In the past Sheky had been the capital of Sheky khanate which after its conquest in 1805 was included in the structure of Russian Empire. For all its centuries-old history this city was exposed to numerous destructions.

The old city had been practically completely destroyed, so in 1772 Sheky was restored in a new place. In this connection the majority of monuments which have survived until now are dated 16th - 19th centuries.

The major landmark of the city is Azerbaijani's architecture jewel - "Sheky Khans' Palace" (18th century) constructed without a single nail. In the vicinities of Sheky you can find Christian monuments of architecture of the Caucasian Albania: the unique Albanian church (5th century) is located in the village of Kish, in the vicinities of the city the fortress named "Gelersen - gerersen"

Only 130 km separates Baku from one of the most ancient and most interesting cities of the country- Shamakhi. In the 9th - 16th centuries this city was the capital of Shirvan and the residence Shirvan Dynasty (before it was moved to Baku). Standing on the crossing point of caravans routes it was one of the largest centers of commerce and crafts in the Near East. In 1222 after the long siege Shamakhy was conquered and destroyed by Mongols. In the mid-18th century it became the capital Shamakhy khanate. In 1805 it was annexed by Russia. The destiny of city might be regarded as tragic. Destructive earthquakes shook the city in 1667, 1669, 1828, 1859, 1872 and 1902. Many historical monuments suffered. For example the former Shirvan Dynasty Palace (12th century) was completely destroyed; Present day Dzhuma Mosque has been practically restored from scratch. The ancient structures which have survived are Gyulistan Fortress (11th - 12th centuries) the last refuge of Shirvan Dynasty, Eddi Gumbez Mausoleum ("Seven Domes") - Shamakhy rulers' tomb, Dzhuma mosque, etc.

The lands of Shamakhy are famous for its vineyards, pastures, wines and cognacs. The absence of extreme frosts and exhausting heat, original nature, mild climate, mineral water springs - all these attract tourists from all over the world. ■



Kyrgyzstan

Bishkek, the City of the Lush Greens

Bishkek, the capital of the Republic of Kyrgyzstan, with a population of about one million, is situated in the northern part of the country (Chui-Region). Especially the center is heavily influenced by the Soviets, and you can enjoy quite a number of typical soviet-style architecture (Philharmonia concert hall, the government building, Historic Museum, Monument for the Great War of the Native Country) but also modern monuments pointing out the traditional Kyrgyz culture (Monument of Manas, Monument of Independence, as well as many statues of Akyns, Manas'chi and local governors of different periods). The city is famous being one of the greens in the world, due to its countless parks and allees, which make the town a nice place to live also in the heat of the summer.

Ala-Archa Gorge

Bishkek is located at the foothills of the Terskey Alatau, and there are lots of picturesque and recreational areas in its suburbs. One of the recreational areas is Ala-Archa gorge, which in Kyrgyz means bright juniper.

Justifying the name, juniper is growing all over the place, and is food for birds in the surrounding area. The Alamedin River, flowing along the gorge is beautiful. Ice cold, it can be wild and dangerous at the beginning of spring and in early summer. The region has many climbing routes of high complexity, and peaks with altitudes from 4,000 m to 5,000 m above the sea level. Ala-Archa gorge is a favorite place where tourists, climbers, and citizens of Bishkek used to rest and train for climbing.

The Museum of Fine Arts

The Museum of Fine Arts; Dedicated to Kyrgyz folk and applied art and Russian and Soviet art, the museum began as the State Picture Gallery and was located in

the St Nicholas Church in Oak Park. The church now houses the Gallery of the Artists Union. The building was constructed in 1974 as one of the projects in the grand scheme for improving the capital and features a yurt and permanent shyrdaks and other traditional craft exhibition. The full collection numbers some 17,500 works. There are also several galleries of paintings from the soviet period, replicas of Egyptian, Greek and classical Western sculptures and a collection of linocuts based on the Manas epic by Hertzen.

Historical Museum

Historical Museum, formerly known as "Lenin Museum" is located on Ala-Too Square. Exhibitions include stones with rock paintings from Saimaluu-Tash; armor and everyday objects dating from the Bronze Age; excavated nomadic adornments dating from 1st to the 5th centuries (AD); Turkic stone culture collection; Talas stones with runic lettering; ceramic, glass and metal articles; numerous ancient coins. Rich ethnographic collections of objects from the late 19th and early 20th centuries including felt, wool, chiy, leather and wood from Kyrgyz artisans; Kyrgyz embroidery, weavings, national dress, original female adornments and highly artistic horse harness supplies.

Issyk Kul - World's 2nd Largest Lake

Issyk Kul is Kyrgyzstan's largest Lake and at about 180 km long by 70 km wide and 668 meters deep at the deepest point, (the average depth is about 300 meters), it is the world's second largest mountain lake and the fifth deepest lake in the world. The lake has been held in high regard by the Kyrgyz it is known as the "Pearl of the Tien Shan" and in 2004, the government declared the lake as the "property of the nation. At one time, it was even forbidden to swim in the lake. ■

Kazakhstan

A Land of Grand Lakes

The varied landscape stretches from the mountainous, heavily populated regions of the east to the sparsely populated, energy-rich lowlands in the west, and from the industrialized north, with its Siberian climate and terrain, through the arid, empty steppes of the centre, to the fertile south. Kazakhstan has vast mineral resources and enormous economic potential

Ethnically, the country is as diverse, with the Kazakhs making up over half the population, the Russians comprising just over a quarter, and smaller minorities of Ukrainians, Germans, Chechens, Kurds, Koreans and Central Asian ethnic groups accounting for the rest. These groups generally live in harmony.

Since independence, there has been major foreign investment in the Caspian oil sector. Oil development has brought rapid economic growth. An oil pipeline linking the Tengiz oil field in western Kazakhstan to the Russian Black Sea port of Novorossiysk opened in 2001.

There are plans to

escalate oil exports by linking Kazakh resources to the Baku-Tbilisi-Ceyhan pipeline which began operating in summer 2005. A pipeline to China was opened in late 2005 and other routes are also being explored.

Kazakhstan is well known for rather unique natural and geographic conditions. There are 48,000 lakes in Kazakhstan. The largest are the Aral Sea, Lake Balkhash, Lake Zaisan, Lake Alakol, Lake Tenghiz and Lake Seletenghiz. The longest northern and half of the eastern Caspian coast (the largest lake on the planet) are in Kazakhstan. The Kazakhstan coast line of the Caspian Sea covers 2,340 km.

Southern Kazakhstan Tourism Destinations (Almaty, Jambyl, South-Kazakhstan and Kyzylorda regions) is an area rich with ancient history

and culture known for such famous monuments of medieval architecture as mausoleums of Aisha-Bibi, Karakhan, Babadzha-Khatun in Taraz, an architectural ensemble of Khodja Akhmet Yasavi in Turkestan, etc. This list may be nicely supplemented with unique Scythian burial mounds in Semirechje (Almaty region). It is, incidentally, the very region that has played host to the world-famous space-vehicle launching site Baikonyr. Besides, the region affords unique climatic opportunities for recreation, rehabilitation, hunting, alpinism, mountain-skiing and skating.

West Kazakhstan Tourism Destinations (Aktobe, Atyrau, Mangystau regions) is situated on the crossroads of the European and Asian continents in the basin of the Caspian Sea, the Volga and the Ural. It is the location of the world second deepest depression that of Kargije lying 132 m below sea level, remarkable chalky rocks. Tremendous scientific interests present reserves and monuments of ancient Mangyshlak and Ustyurt, numerous memorable places evoking Kazakh epos.

North Kazakhstan Tourism (Kostanay, North-Kazakhstan and Pavlodar regions). Everything here landscape, climatic conditions favor all sorts of tourist recreation automobile, bicycle, water ones.

Health Resorts of Kokshetau

Health resorts of Kokshetau, Bayan-aul, Muyaldy offer fine rehabilitation opportunities while natural preserves



Kurgaldzhino and Naurzum would be quite interesting for amateurs of "cognitive" tourism.

Central Kazakhstan Tourism Destinations (Karagandy region) displays to perfect advantage one of the largest lakes of the world the lake of Balkhash supplemented by a unique mountainous and forest oasis. The area

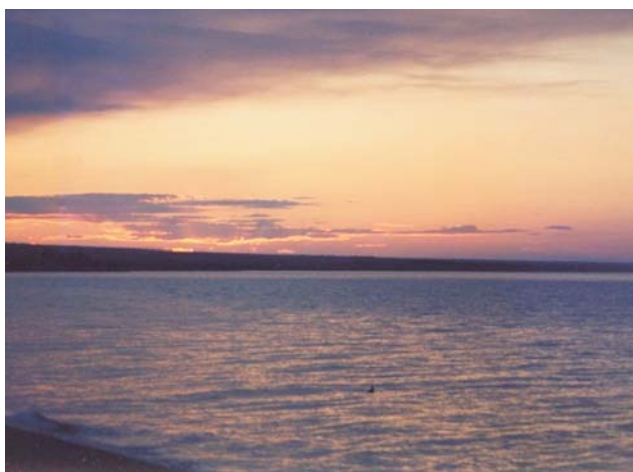
harbors plenty of memorable places exhibiting various archaeological and ethnographic relics.

East Kazakhstan Tourism is represented by the Altai and its wooded foothills, the river of Irtysh and such lakes as Zaisan, Markakol, Alakol, Sauskan. Fairly rich are flora and fauna of the region. Besides Semipalatinsk region is the birthplace of the great Kazakh poet enlightener Abay Kunanbaev, remarkable writer Mukhtar Auezov.

Alakol - A Lake with Curative Water

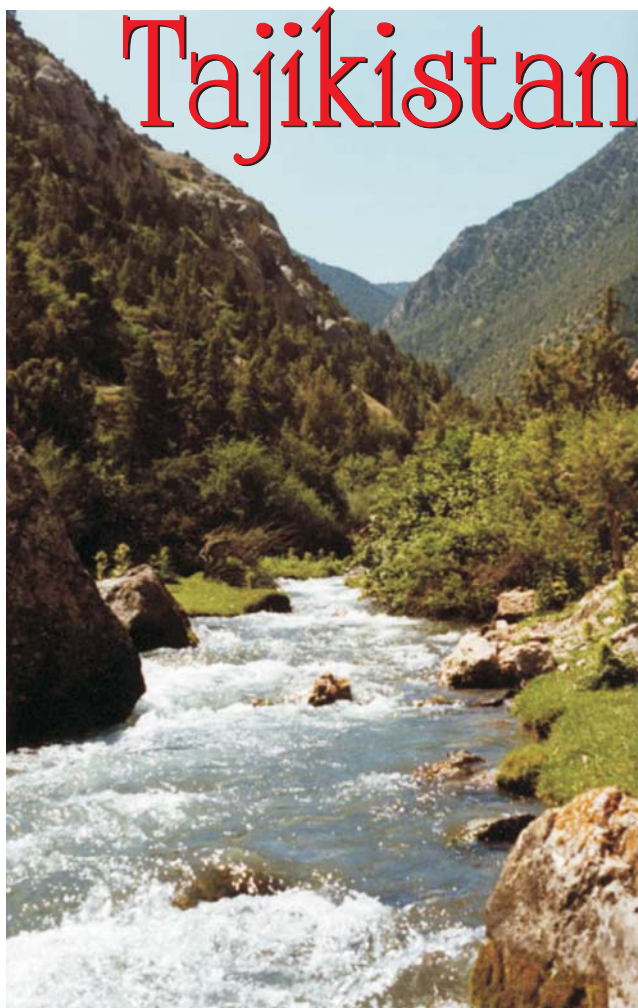
Alakol (Multi-colored lake) is one of the most unique lakes in Kazakhstan. It is located in the south-eastern part of the Republic on the border with China.

It is the biggest lake of the whole chain of Alakol lakes. It



is unique in its beauty and wildlife. The lake is located 347 meters above sea level, it is 104 km long and 52 km wide.

The lake's shore has unique black medicinal pebble. The water of Alakol lake has the same structure as sea water: chloride-sulphate-sodium. Alakol's water is warm and the average summer temperature of the water is 26 degrees Celsius. The lake's water is said to be helpful in treating many skin diseases and has a good effect on arthritis, the nervous system. It also improves the general condition of the body. Alakol valley is in the zone of insufficient moistening and it is a great climate for treating lung diseases. Good results of treating such diseases as psoriasis, eczema, neurodermatitis and nettle-rash have been proven scientifically and in practice. Tourists can stay at the recreation center "Arktur" located in the Northeast region of Almaty and is located on the southwest coast of the lake. ■



Where Life Revolves Round 'Five Villages'

Arabs destroyed the city in the eighth century (the key battle took place on Mount Mug). The ruins of this ancient city were found only in the last century. Today the tourists can see the remains of dwelling houses and office buildings, the citadel with the palace, the house of craftsmen, and fire worshipers church.

In the outskirts of Penjikent one can find a "piece" of the past: a site of ancient settlement with the medieval citadel surrounded by dwelling and public buildings, some of which still have wall paintings.

In the suburb of modern Pendzhikent the tourists can see the true picture from the past: the medieval citadel surrounded by dwelling buildings with wall paintings; near the ancient settlement center stands the necropolis. The local residents call this place "Kainar" which is also the name of the nearby water spring.

The most famous in the ancient settlement of Pendzhikent are the picturesque and colorful wall paintings, which have survived in spite of their 1,300-year stay in ruins. The subjects of ancient Pendzhikent artists were different. There were cult ones showing heavenly bodies (the sun,

Tajiks are one of the most ancient nations of the world. Life in area situated at the main crossroads of eastern civilizations has given them continuous access to the achievements of other cultures.

Penjikent

The city of Penjikent ("five villages") is located in Khujand area of Tajikistan in a picturesque Zeravshan river valley. Quite possibly the five villages started the history of this remarkable city which originated in the 5th-8th centuries AD. Penjikent of that time was one of the most important cultural and crafts centers of Sogd. It was even named "Central Asian Pompeii". It was a superbly fortified well-organized city with a ruler's palace, two temples, markets, rich dwelling houses decorated with numerous paintings, wooden and clay statues of ancient gods. Penjikent was the last city on the way from Samarkand in Kukhistan Mountains. It was a very favorable location since no caravan or person going from the mountains or returning to Samarkand could bypass Penjikent.





the moon, other planets of solar system), reflection of ancestors' cults, water element (river Zeravshan), Hindu gods (Shiva). The genre paintings display battle scenes, feasts, hunting, sports, playing musical instruments and backgammons, dances, distributions of harvest.

Khazrati-Bobo, An Architectural Complex of Cult Structures

Not far from Pendzhikent within the limits of Sogd area is located Khazrati-Bobo architectural complex, there is another name of the complex - "Chorku Mausoleum".

The complex consists of cult constructions and various structures. It is being said that the mausoleum was erected in just one night to become the burial place of saint Khazrati-Bobo, the legendary

hero, commander and king Amir Hamza Sohibkiron (Amir Hamza Hasti Podshokh).

The entire complex is considered a unique monument of medieval architecture and consists of two types of structures. The oldest building (the 10th -the 12th centuries) is the wooden mausoleum (mazar) with aivan (canopy) resting on the carved columns decorated with Kufi inscriptions and ornamental carving. Besides, the wooden pillars are decorated with absolutely unknown kinds of animals, which look like birds, snakes and fishes at the same time. Quite possibly this is due to the ancient Tajiks' religious beliefs in reincarnation.

The second type of Khazrati-Bobo structures is of later dates. The room with a four-columned aivan (to the left of mazar) is dated the 18th-19th centuries. The walls and the ceiling also are painted and decorated.

Khujand - A Gateway to the Great Silk Road

Khujand is the capital of northern Tajikistan and the second largest city in the country. Khujand stands at the entrance to the fertile Fergana Valley. Owing to this it was one of the main centers of the Great Silk way and enjoyed prosperity and richness. One of the ancient cities of the Central Asia Khujand has been known since



the 7th century. In the 19th century after the Russian intrusion Khujand became the center of district of rapid industrial development. The railway was built there which allowed the city to become the center of cultural life. From there came many known representatives of Tajik intelligentsia. The city has 20 large enterprises, universities, and cultural establishments.

Khujand is attractive to tourists due to its numerous ancient monuments. There have survived medieval citadels and mosques. The most known are the mosque and the mausoleum of sheikh Muslekheddin (17th-18th centuries.). The city's past is eloquently told in the History and Local Lore Archeological Museum. Close to the city is located the well-known Kairakum man-made lake. This is the most visited place thanks to its very beautiful scenery, mild climate and picturesque landscape. Pure transparent waters of the lake are great for fishing, boating and swimming.

Khujand is one of the centers of mountaineering. Climbers prefer Ak-Su area located in one of the most picturesque corners of Kyrgyzstan near Khujand. The beauty of wild nature and very tall rocks distinguishes this massif.

Ura-Tube, the City that charmed Alexander the Great

Ura Tube used to be the center of independent state, which was governed by Uzbek rulers. Ura Tube is mentioned in the most ancient manuscripts of

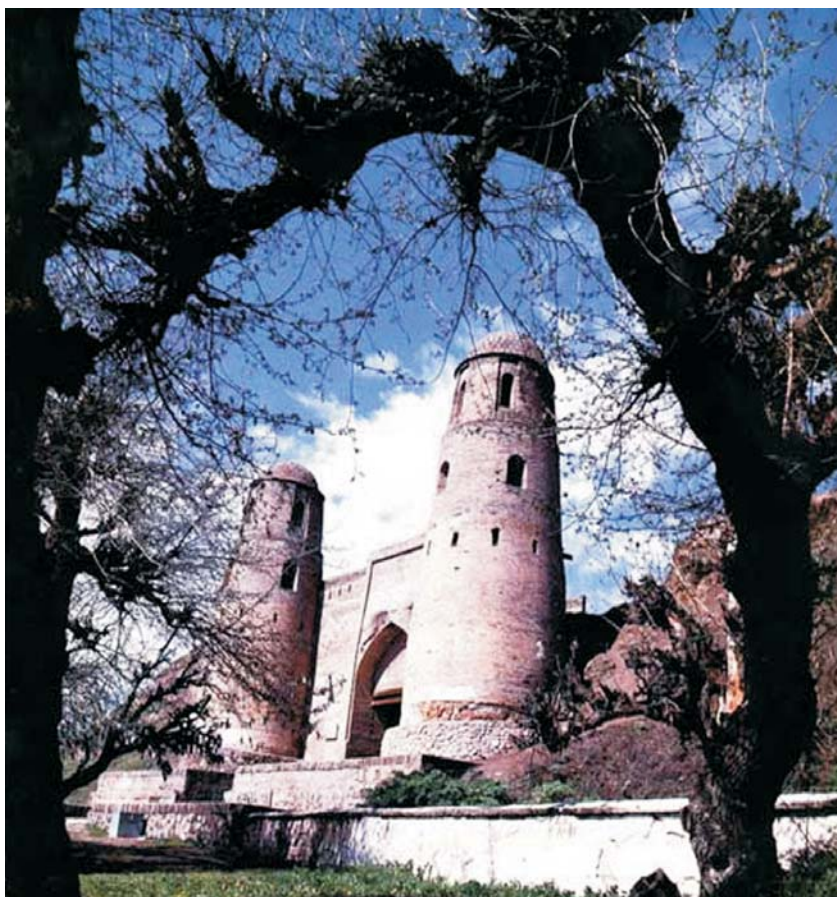
the world. Alexander the Great visited the city during the celebration of Navruz and was enchanted by its beauty.

Ura Tube is a museum city, the ancient center of trade and crafts, one of the most ancient cities of the Central Asia. In 2002, it turned 2,500 years old. In 1886 Ura-Tube became a part of Russia. Today it has a number of interesting historical and architectural monuments, which bear the evidence of its bright historical past.

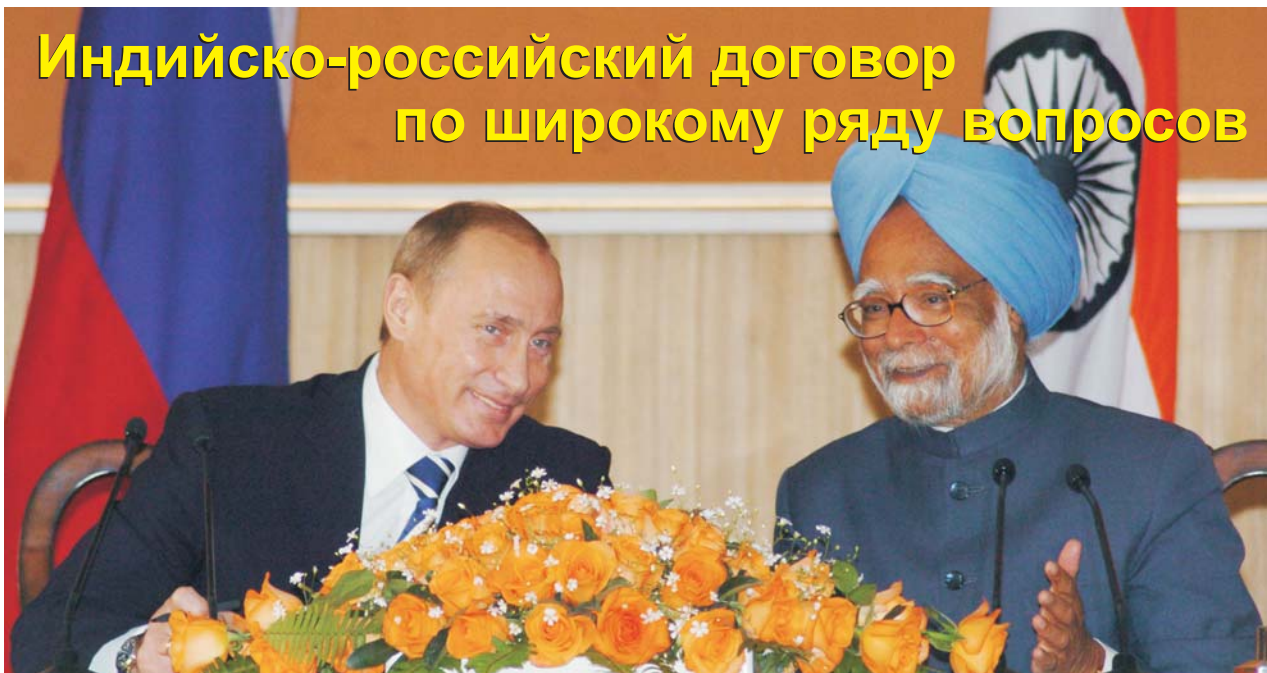
Hissar - A Truly Historic & Cultural Reserve

Located 30 km from Dushanbe (4-5 km from Hissar settlement) is one of the most important landmarks of Tajikistan - Hissar History and Culture Reserve. This name is related to archeological and architectural monuments of different ages found on its 86-hectar territory.

The reserve location - Hissar Valley - is a vast intermountain hollow with the rivers Kafirnigan, Karatag and Shirkent. People inhabited this place in the Stone Age, in the 4th-3rd millennia B.C. Later the valley territory was a part of Bactria, and then of Greek-Bactrian and Kushan states. The remains of ancient settlement found by the archeologists prove this fact. However, today only orbicular mounds called "tepa" - "a hill" - has survived. In the Middle Ages Hissar was known for its crafts and markets. In the 18th - 19th centuries it was known as Hissar province - one of 28 domains of Bukhara Emirate. Hissar fortress, which has survived since those times, is considered the most famous landmark of the reserve. ■



Индийско-российский договор по широкому ряду вопросов



Это вопрос синергии, а не только энергии

Автор: Дев Варам

Многие десятилетия Инди и Россия продвигаются вперёд вместе как друзья и союзники. Обе, по совершенно различным причинам, сбросили свои удушающие социалистические богажи. 1991 год, по совершенно различным причинам, сформировал судьбы двух стран. Стоя перед буквальным банкротством, Индия начала осуществлять далеко идущие реформы, открывая свою экономику процессу глобализации. Коллапс Советского Союза в 1991 году поставил Россию в такое же затруднительное положение, в котором находилась Индия в тот же год. У России не было другого выхода как не стать на путь реформ. Реформы выличили большинство экономических недугов обеих стран, для которых идеология была уже поросшим мохом избитым лозунгом. Сегодня Индия и Россия говорят на языке чистого бизнеса. Этот новый кругозор блестяще отразился во время визита президента России Владимира Путина в Индию 26 января 2007 года.

Визит президента Владимира Путина пришелся на тот период, когда договор Индии с США по гражданской атомной энергии вошел в штормовой

период. Бывший сотрудник КГБ быстро понял ситуацию и без промедления подписал договор о атомной энергии с его коллегой премьер министром Манмуханом Сингхом. В соответствии с этой сделкой Россия будет поставлять ядерные реакторы и АЭС остро нуждающейся в энергии Индии. Индия, стремящаяся получить новые источники энергии, чтобы поддержать буйно развивающуюся экономику, приветствовала предложение России. Ни что не могло ещё более осчастливить премьер министра Сингха.

«Мы очень рады и признательны России за её поддержку,» сказал премьер министр Сингх после подписания двумя странами меморандума взаимопонимания, в котором Россия обещала поставить ещё четыре атомных реактора для крупнейшей АЭС в Куданкуламе, что в южном штате Тамил Наду, в котором уже есть российские реакторы в 1000 мегават. Кульминацией двухдневного визита Путина было его присутствие на празднованиях дня Республики в качестве главного гостя.

Несмотря на прочные политические связи между Индией и Россией, двусторонняя торговля между ними не росла пропорционально их дружбе, что явилось делом их не малой озабоченности. Эта

аберрация нашла своё отражение на встрече президента Путина с индийскими бизнесменами в Нью Дели, где они выразили своё разочарование по поводу медленного роста двусторонних отношений и трудностей выхода на российский рынок.

«Мы должны найти ответ на вопрос, почему вопреки сильным политическим связям между двумя испытанными временем друзьями, двусторонняя торговля и бизнес остаются на низком уровне», сказал президент Федерации индийских палат торговли и промышленности (FICCI) Хабил Кхоракивала.

Он сказал «настало время применить слова на практике и превратить готовность в сотрудничество». Кхоракивалу внимательно слушали президент Путин и делегация бизнесменов, сопровождавшая его.

Индийские бизнесмены уже давно жалуются на трудности в получении российских виз, которые Россия увязывает с проблемами нелегальной эмиграции индийцев, так сообщают правительственные источники Индии.

По официальным подсчетам объём индийско-российской торговли подскочил на 20 раз выше в 2006 году и достиг 3.8 миллиардов долларов, но соответственно подсчёту бизнесменов эта цифра стоит на довольно скромном показателе – 2. 75 миллиардов долларов. Путин сказал, что он надеется, на то что к 2010 году двусторонняя торговля утроится и достигнет 10 миллиардов долларов.

Помимо ядерного и военного сотрудничества, которые принесли контракты на 250 миллионов долларов по производству двигателей истребителей, деловая элита Индии нарисовала совсем не розовую картину отношений с Россией.

Визит Путина так же помог материализовать соглашение между государственной корпорации нефти и природного газа Индии «ONGC» и российским государственным нефтяным гигантом Роснефть совместно осуществлять разведку и производство нефтегазовой продукции в Индии, России и других странах.

ONGC и Роснефть, основываясь на существующее партнёрство, разработают в России огромные нефтегазовые месторождения в Сахалине -1. Об этом сообщили две компании в совместном заявлении.

Две стороны так же подписали сделку на 250 миллионов долларов по строительству Россией гидроэлектростанции в северном штате Уттар Прадеш, и также по осуществлению совместного предприятия по производству титана в восточном штате Орисса.

Президент Путин и премьер министр Сингх обсудили широкий ряд вопросов касающихся

двустороннего сотрудничества и обменялись мнениями по важным региональным и международным вопросам взаимного интереса и озабоченности. Нижеследующее – результаты их переговоров по широкому ряду вопросов.

Оба руководителя отметили с определённым интересом, что этот визит состоялся в год, когда две стороны активно готовятся совместно отмечать 60 годовщину (13апреля 2007) установление дипломатических отношений между Индией и Россией. Обе стороны приветствовали подписание программы двустороннего культурного обмена и протокол, чтобы отметить 2008 как «год России в Индии» и 2009 как «год Индии в России».

Индия и Россия решили ещё глубже подчеркнуть свою готовность расширить и упрочить свои научные обмены и двусторонний диалог по использованию атомной энергии в мирных целях. Индия и Россия с чувством удовлетворения отметили своё сотрудничество в строительстве АЭС в Куданкуламе. Индия и Россия подтвердили свою решимость вместе трудиться по расширению сотрудничества в области гражданской атомной энергии, с особым акцентом на производстве атомной энергии содействующей Индии достичь своей цели энергетической самообеспеченности в устойчивой манере.

С целью осуществления этих намерений Индия и Россия подписали соглашение по строительству ещё четырёх энергетических блоков в Куданкуламе.

Россия продолжит работать с правительствами участниками группы ядерных поставщиков –ГЯП– с целью создания условий посредством внесения поправок в руководящие принципы, чтобы помочь расширению сотрудничества с Индией в области мирного атома.

Индия и Россия осознают важность исследования и разработки для развития новаторских технологий, сокращающих риск ядерного распространения и содействующих дальнейшему развитию атомной энергии. Международный проект по ядерным реакторам и топливным циклам, который осуществляется под эгидой МАГАТЕ с участием Индии и России является примером продуктивного международного сотрудничества.

Индия и Россия выражают свою готовность ещё более расширять и укреплять своё сотрудничество в области мирного использования атомной энергии путём расширения базы сотрудничества, охватывая как электричество «энергию расщепления и слияния» так и не электрические применения в области взаимного интереса, которые будут определены обеими сторонами. Департамент атомной энергии Индии и федеральное агенство по атомной энергии России разработают в 2007 году всеобъемлющую программу сотрудничества в

области мирного использования атомной энергии Индией и Россией.

Президента Путина будут помнить за возрождение отношений России с Индией после семилетнего застоя во время правления Бориса Ельцина.

Самый первый визит Путина в октябре 2000 года придал двусторонним отношениям новые импульс и целенаправленность. Две стороны подписали эпохальную декларацию по стратегическому партнёрству, которое перевернуло страницу десятилетнего беспорядка и подготовило почву для более тесных военных связей.

Нью Дели и Москва учредили межправительственную комиссию по военно-техническому сотрудничеству под председательством министров обороны обеих стран. Президент Путин заверил индийское руководство в том, что Россия готова поделиться с Индией своими передовыми военными технологиями.

По мере того как Россия выходит из экономического кризиса 1990ых годов и утверждает свою глобальную роль, индийско-российские отношения укрепляются и углубляются.

Таким же образом, как и в 1960ых и 1970ых годах, когда Россия помогла Индии установить основную промышленность, чтобы достичь экономический суверинетет и предоставить оружие, чтобы защитить свою независимость, ныне она помогает Индии достичь свою самообеспеченность в оборонном производстве путем передачи критически важных технологий. За последние семь лет, две страны вышли за пределы отношений покупатель-продавец советской эры и вошли в эру развития и производства футуристического оружия, такого как сверхзвуковая круизная ракета Брахмос, самая лучшая в мире ракета подобного рода.

Важность Путина

Если президент США Джордж Буш проявил себя в марте 2006года, то в январе 2007 года настал черёд российского президента Владимира Путина. Он был главным гостем на празднованиях Дня Республики Индии 26 января 2007 года. Это была честь, которую впервые был удостоен глава российского государства.



День Республики является самым престижным событием в индийском дипломатическом календаре, важность которого выходит за пределы дипломатии «государство к государству». В этот день Индия дерзко демонстрирует свою военную мощь. Зрелище вероятно порадовало Путина, потому что Россия много содействовала наращиванию военной мощи Индии.

Бывший секретарь при МИД Индии Раджив Сикри сказал, что главный гость и страна, которую он представляет являются интегральной частью важности визита. Это посылает мощное послание не только стране, которая была удостоена этой чести, но и остальному миру, но и что равно важно, так это -народу Индии. Поэтому выбор главного гостя тщательно продумывается.

В интернетном сообщении, которое появилось вскоре после визита Путина, Сикри пишет, что решение пригласить главу российского государства было принято примерно год назад и было принято без промедления. Это ясно говорит о том, что обе страны искренне желают поднять индийско- российские отношения на более высокий уровень. Очень важно для народа Индии осознать важность отношений с Россией, потому что они являются подлинным стратегическими партнёрами, тем не менее публика, как таковая, всё еще полностью не осознала это.

Отсутствие широкого контакта между народами – торговля, экономические проекты в частном секторе, поток студентов и туристов, крупная влиятельная индийская диаспора –и принимая во внимание незнание языка, Россия не влияет на жизни обычных людей, как это наблюдается, скажем, в США и регионе Персидского Залива.

Тем не менее, на правительственном уровне, ряд индийских лидеров особенно позаботились о росте этих отношений, которые выстояли политические привратности, пренебрежение и пассивность во время эры Бориса Ельцина, давления и попытки внешних держав создать

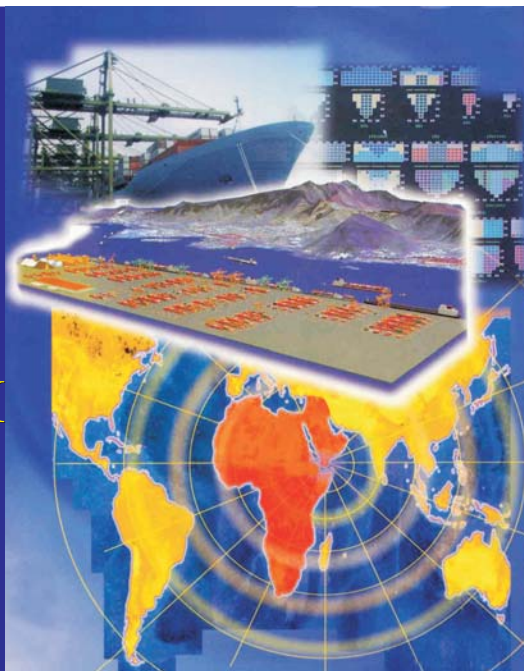
разрыв, и случайные недорозумения по поводу Пакистана. В политических кругах есть определённый консенсус по поводу отношений с Россией. И особенно стоит отметить, что Соня Ганди посетила именно Россию после того как нынешнее правительство пришло к власти. ■



**Исследование, проведенное
Эксим Банком направленно
на изучение широкомасштабного
потенциала стран СНГ**

НОВЫЕ ИНВЕСТИЦИОННЫЕ ПУТИ ОТКРЫВАЮТСЯ ПЕРЕД ИНДИЙСКИМИ КОМПАНИЯМИ

Не так давно Банк Индии, занимающийся экспортно-импортными операциями, провел исследование с целью изучения расширения возможностей в двусторонних торговых отношениях между Индией и странами СНГ. В качестве ключевых были определены следующие области, представляющие инвестиционный интерес для индийских компаний: пищевая промышленность, сельскохозяйственный сектор, фармацевтика и здравоохранение, информационные технологии, финансовые службы, нефте-газовый комплекс, производство и распределение энергии, туризм. Дэвид Синейт, заместитель генерального руководителя Эксим Банка, представляет четкую концепцию проведенного исследования.



David Sinate

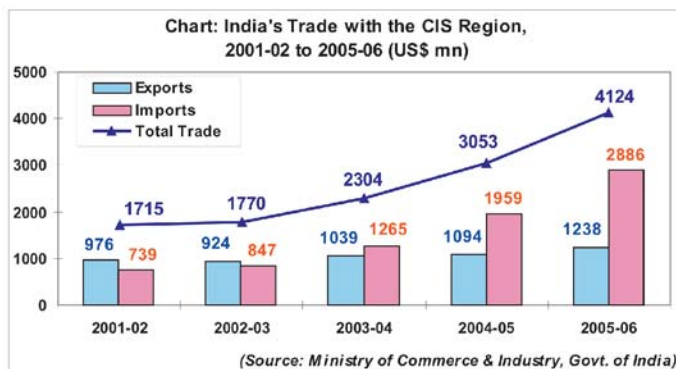
В последнем исследовании, озаглавленном «Регион СНГ: Исследование торговых и инвестиционных потенциалов для Индии» проведенное Эксим Банком, вырисовываются возможности и перспективы для дальнейшего расширения двусторонних коммерческих отношений между Индией и странами СНГ, т.е. бывшими советскими республиками. Под влиянием заметного экономического роста, наблюдающегося в последнее время в регионе СНГ, а так же набирающей темпы внешней торговли и резкого увеличения прямых иностранных инвестиций, в торговых отношениях между Индией и странами СНГ наметился значительный рост. Стремительно развивающийся регион претендует на право быть крупнейшим пунктом назначения иностранных инвестиций Индии.

В свете таких темпов развития, исследование анализирует, наряду с прочим, показатели экономической продуктивности в регионе СНГ, тенденции и структуру индийских торговых и инвестиционных отношений с ним, а также определяет потенциальные области для увеличения двусторонних торговых и инвестиционных потоков между Индией и регионом СНГ.

Отражая совместную деятельность в двусторонних торговых отношениях, совокупный показатель торгового оборота Индии со странами СНГ более чем удвоился, начиная с 1,7 млрд долларов в 2001-2002 гг до 4.1 млрд в 2005-2006 гг. Потенциальными позициями для экспорта в регион СНГ, согласно индийским экспортным возможностям и имеющемуся спросу в регионе, были определены следующие: транспортное и машинное оборудование; химическая и сопутствующая продукция, включая фармацевтику; продукты пищевой промышленности; текстильные изделия и товары, хлопок и синтетическое волокно, пластмасса и пластмассовые изделия, изделия из металла и стали, керамические изделия. В области инвестиций для Индии имеются возможности в следующих секторах: пищевая промышленность и сельское хозяйство, розничная торговля, фармацевтика, информационные технологии, развитие инфраструктуры, финансовые службы, энергетический и нефте-газовый комплекс, производство и распределение энергии, здравоохранение, медицинское снабжение и оборудование, туризм.

График торговых отношений Индии со странами СНГ

за период
с 2001-2002гг по 2005-2006гг (в млн дол США)



(Источник: Министерство Коммерции и Промышленности, Правительство Индии)

С видами на создание и установление обстановки, благоприятствующей расширению коммерческих отношений со странами СНГ, Эксим Банк разработал и ввел в действие обширный диапазон программ по финансированию и поддержке. Кроме четырех действующих кредитных линий – 10 млн долларов США Банку ТуранАлем, Казахстан (который охватывает все 12 стран-членов СНГ), 25 млн долларов США ВнешТорг Банку (банк, занимающийся внешнеторговыми операциями), 10 млн долларов США Внешэконом Банку и 10 млн долларов США Абсолют Банку, Россия, индийские компании при поддержке Эксим Банка реализовали ряд проектов, а также открыли совместные предприятия в регионе в различных секторах экономики.

Широкомасштабные стратегические планы и рекомендации по расширению торгового,

инвестиционного и технологического взаимодействия между Индией и странами Содружества могли бы в себя включить: эффективную взаимную передачу значимой информации в области торговли и инвестиционных возможностей; создание более тесных институциональных связей на уровне агентств по стимулированию ключевых капиталовложений в регион СНГ; возможности для индийских компаний выступить в роли ключевых партнеров по информации и технологиям, сотрудничество в области информационных технологий и финансово-банковского сектора, фокусирование на региональных проектах с многосторонними фондами; сотрудничество в развлекательной индустрии, ознакомление с местными культурными и деловыми методами для облегчения взаимоотношений.

Для обеспечения взаимного сотрудничества в совместном финансировании и расширении экспортного кредита в страны СНГ и восточно-европейские регионы, Эксим Банк разработал соглашение с Европейским Банком Реконструкции и Развития (EBRD), называемым Кредитование с Участием Экспортно-Кредитных Агентств (ECLAT). В то же время соглашение Банка с Международной Финансовой Корпорацией (IFC), составленное по программе последнего Партнерство в Частнопредпринимательской Деятельности (PEP), обеспечивает поддержку индийским консультантам в осуществлении краткосрочных обязательств по проектам спонсируемым (IFC) в регионе. В дальнейшем совместное предприятие Эксим Банка, Консалтинг-группа по глобальным закупкам (Global Procurement Consultants Ltd) вступили в партнерство с лидирующими консалтинговыми фирмами в Индии и взяли на себя осуществление проекта по аудит обязательствам для Мирового Банка в ряде стран СНГ.

Что касается экспортного развития и его укрепления, Эксим Банк оказал техническую помощь ряду организаций по всему миру, включая страны СНГ такие как Армения и Украина; в то же время соглашения Банка с Банком Экспорта-Импорта РФ и ВнешЭконом Банком России, Белвеншэконом Банком Беларуси, УзбекИнвест – национальной экспортно-импортной страховой компанией и Национальным Банком Внешней Экономической деятельности Узбекистана носят активный характер по укреплению институциональных связей. Для облегчения взаимодействия информацией торгового и инвестиционного характера индийский банк Эксим Банк также оказывает помощь в выпуске ежеквартальной публикации на английском и русском языках под названием «Бизнес отношения между Индией и СНГ» ("Indo-CIS Business") для взаимной выгоды предпринимателей и инвесторов Индии и стран СНГ.

