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UPCOMING EVENTS IN BRIEF:

September:

13 Autumn kick off event – “Welcome Back”
Company visit – date and host to be announced
Briefing by Ambassador Per Carlsen

October:

Briefing by The Moscow Times

November:

Danish-Russian Business Forum

Who is who on the Board of DBC

Chairman: Hans-Christian Mordhorst, Maersk

Vice Chairman: Erik Stenfeldt, Individual Member

Board Secretary: Lasse Drustrup, OMIR

Treasurer and editor of the DBC newsletter: Christian Poul Mortensen, Icopal

Event organiser: Lau Geckler

Web Master: Niels Jensen, Arla Foods

Board Member: Roman Tsurkan, Dania LAW

Board Member: Flemming Crawford, Embassy of Denmark

Secretary of the DBC: Natalia Erzhenkova, DI.

NEWS FROM THE DBC BOARD

Dear DBC members,

The summer and a well deserved break (hopefully) is upon us. The DBC newsletter is a little delayed this time, which is not so good, but we were in turn thrilled that several members asked us when it would be coming out. We take this as a signal that the newsletter is being read and used.

Since the last update, DBC arranged visits to "Underground Command Post TAGANSKY" and the MOSFILM studios with good attendance. In between those visits, the traditional Danish Midsummer Party was arranged in the beautiful surroundings of the Danish Embassy's Dacha. Thus, spring has very much been in the sign of culture and entertainment.

The autumn will be more business and actuality driven - political update by our Ambassador, Mr. Per Carlsen, visit to Moscow Times and a company presentation are among the items on our program. Importantly, the establishment of a Russian/Danish Business conference in November is in the works. DBC is contributing to this process and we will be sharing much more information with our members in due course.

As our members start returning from summer holidays, we traditionally invite for a Moscow River boat trip - the DBC board has decided to change the format of this autumn social event at the request of several members. We are looking at various opportunities for a new concept, but very much encourage you, our members, to share your preferences to ensure we arrange an event that is fun and relevant to most of you. Please send your thoughts to our secretary with suggestions at secretariat@dbc-moscow.ru.

Finally, most of you have probably been exposed to the increased difficulties encountering companies employing expatriates - both when it comes to fiscal and emigration issues. The DBC recommends that you use business associations such as AEB/Association of European Business for assistance or guidance. The impact of not making the transition to be compliant with new rules can be both expensive and legally grave.

On behalf of the DBC Board: have an enjoyable summer, wherever you will be spending it.

Best regards

Hans-Christian Mordhorst
Chairman DBC Board

NEWS FROM THE ROYAL DANISH EMBASSY

- New Trade Office In Yekaterinburg

Danish companies ought to focus on Russian growth centers, says the Danish Trade Council, who has just launched a new trade office in the fastest growing Russian town – Yekaterinburg. Yekaterinburg holds about 1,5mio inhabitants and is located in the Sverdlovsk Region. The Sverdlovsk Growth Centre (radius of 1 hour flight) holds a population of 25mio. Danish import and export trade has been growing remarkable in the Sverdlovsk Region for the last ten years. The turnover in thousands of USD grew by 34,23% (January-January) from 2006-2007, and 15x from 2007-2008.

Trade Balance – Denmark & Sverdlovsk Region

	'99vs'98	'00vs'99	'00vs'01	'02vs'01	'03vs'02	'04vs'03	'05vs'04	'06vs'05	'07vs'06
Turnover	36%	169%	141%	85%	111%	197%	197%	61%	117%
Export	53%	165%	101%	118%	164%	251%	165%	47%	300%
Import	28%	173%	170%	71%	72%	106%	327%	90%	84%

Source: Russian Ministry for International Economic Development & Cooperation
Numbers rounded by Trade Commission of Denmark, Yekaterinburg

Despite the steady growth in export from Denmark into the Sverdlovsk Region, Trade Commissioner of Denmark – Peter Thomsen, says that there is still far to go for Danish companies.

“Denmark currently has less than 0,15 percent of exports into the highly paced Sverdlovsk Region. Danish companies therefore still have a vast potential for exporting into a region where people in average have a higher Purchasing Power than in Moscow and Sankt Petersburg.”

Compared to countries we compare ourselves with, the opening of a Royal Danish Trade Office in Yekaterinburg opens up potential for Danish Companies to be first movers on the markets east of the Urals, and to secure high branding and high revenue income.

Sourcing Potential

The last two years Denmark has increased its sourcing of metals (raw and processed), forestry and ceramic productions. With the global recession and still high need for raw materials Danish producers can look into sourcing directly from Russia, avoiding high intermediary costs. Because the Urals hold some of the most recognized and leading universities, Danish companies have opportunities to source brain labor directly from companies in Yekaterinburg, establish subsidiaries in Yekaterinburg or temporarily import highly skilled people to Denmark.

NEWS FROM THE ROYAL DANISH EMBASSY

- The New Trade Office In Yekaterinburg provides the following offerings:

- Establishment Assistance
- Individual Research & Monitoring
- Incubator
- Sales Representation
- Consulting within Hi-Tech sectors
- Strategic Sparring & Executive Coaching

For any engagement in Yekaterinburg, the Sverdlovsk Growth Centre, east of the Urals or in the Hi-Tech sector, please contact Peter Thomsen at: TCD.Russia@gmail.com

NEWS FROM THE DBC Board

- DBC Midsummer Party 21 June

Again this year DBC had the possibility to celebrate the Midsummer Party (Sankt Hans fest) on 21 June at the Dacha of the Danish Embassy, in the Silver Forrest. Around 130 people had registered and approx. 90 turned up for an evening late to be forgotten. The weather was perfect, and due to a beer counter from Carlsberg, good wines, entertainment for the children and the well prepared barbeque food made by Steve and his team, we all enjoyed another a good midsummer party. The bonfire speaker this year was former Ambassador to Denmark Mr. Ryurikov, who in a joyful way pointed at some of the differences between Russia and Denmark. After the bonfire there was live music and dancing, and for the football fans, there was a chance to see Russia beat Holland in the EURO 2008. A warm thank you to the Embassy for letting us borrow the dacha.

Visit to Mosfilm – 2 July

Thanks to the efforts of Galina Simonova, Cultural Attache at the Embassy, DBC was invited to see part of the enormous complex occupied by Mosfilm. During the tour we first saw several smaller sets used in films, including a street from "old Odense" which had been used in an H C Andersen film. Then, an impressive collection of older cars, some of them very well made copies. Thereafter a walk in "Old Moscow, with streets and houses, and we were explained how with minor modifications, the setting could be changed to "towns in other countries". We also visited a big indoor studio with middle age buildings, and a new sound studio where we were explained the complex and time consuming task of creating the correct sound to a movie. At the end of the tour we were shown a collection of effects that has been used in films.

Mosfilm is a very active place, where not only movies, but also music videos, and advertising is being produced, about 140 productions per year; Thank you to Galina Simonova and Mosfilm for an interesting evening.

NEWS FROM THE DBC Board

Upcoming Events:

2 September

We have received confirmation from Ambassador Per Carlsen for a briefing of the business club, on current political and economic affairs as well as outlook for the Embassy's activities for supporting business in Russia.

Venue: Embassy of Denmark, Prechistensky Pereulok 9, Time: TBA

13 September

The next social DBC-event is kick off evening for the autumn 2008. The Board has decided to try a new concept i.e. there will not be a boat trip this year, but we will try to meet the expectations for something extraordinary☺

Venue: TBA Time: TBA

For September we also plan a company visit for our members. Several options are being discussed and we expect to be ready with a format soon. If any members would be interested in hosting a DBC company visit, please notify the board and we will try to accommodate.

Venue & Time: TBA

October

For October we currently negotiate with The Moscow Times on when we could have an event for DBC members. We are aiming at balancing the presentation from a political as well as business / economic viewpoint. Hence, we anticipate 2 speakers from The Moscow Times.

November

The Danish-Russia Business Forum is taking form and will be held in November. The forum enjoys support from the Embassy as well as several large Danish business organizations as well as the DBC. Based on preliminary feedback a good selection of Danish companies intends to participate in the forum. For more information on this event, contact Flemming Crawford flecra@um.dk

The **DBC website** and the DBC newsletter being edited by Niels Jensen of Arla Foods and Christian Poul Mortensen of Icopal are "living organisms" that needs input from its active members. We therefore encourage you all to pay frequent visits to the website and submit any ideas, news, case stories etc. to the two editors.

MEMBERS' BENEFITS:

Don't forget to take advantage of some of the benefits of being a DBC member, including use of the **DBC JOB CENTRE** and **MEMBERS' CORNER** on our website, as well offers from associated trade partners:

- Obtain up to 50 percent discount on corporate purchases of **Royal Copenhagen**. For more information contact Alexander Chelnokov, Royal Copenhagen in Moscow, atc@rovalcopenhagen.com.