

UK
TRADE &
INVESTMENT



Opportunities and challenges for UK SMEs doing business in Russia

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Key market features

- **Fast growing middle class**
- **Unbalanced, extractive economy**
- **Need to upgrade ageing Soviet infrastructure**
- **Scale.....**



Manufacturing

- **59% of UK exports to Russia are machinery.**
- **Auto - 2.4 m new car sales due in 2011 (up 30%).**
- **Metallurgy equipment - 6% of exports.**
- **Medical equipment market potential**
- **High tech market potential.**



Infrastructure

- **Government to invest \$1tr in infrastructure (07-17)**
- **Road / rail / airport / port development programme**
- **Putting up**
- **Knocking down**



Energy and mining



- **Target of 20% improvement in energy efficiency by 2020**
- **TNK-BP Russia's 3rd biggest oil producer**
- **Shell built the first LNG plant in Russia**
- **Russia extracts 14% of world minerals**



Consumer

- **Retail spending up 20% to \$979bn in 2011.**
- **World's 7th / Europe's 2nd grocery market.**
- **Pharma market \$8.6bn in 2010, up 17%.**
- **Fashion exports £90m in first half of 2011.**
- **HoReCa fast growing.**



Challenges

- **Ease of doing business (World Bank) – 120th**
- **Corruption Perception Index (TI) – 154th**
- **Bureaucracy - customs, certification**
- **Disputes – due diligence, rule of law**
- **Recognise risk and reward balance**



Assistance



Contact UKTI in Moscow, St Petersburg or Ekaterinburg for:

- **Tailored consultancy**
- **Market analysis**
- **Introductions**
- **Product launches**

Contact details

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