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Singapore fever rising in Russia

BY RACHEL CHAN

RUSSIA seems to have arrived in Asia, it seems. With the arrival of Russian President Dmitry Medvedev in Dalian, China, and Deputy Prime Minister Sergey Sobyenin in Singapore, the world's largest country appears set to woo the Asian economy.

Ties between Singapore and Russia took another step forward as three memorandums of understanding (MOUs) were inked yesterday during the fifth Russia-Singapore Business Forum.

The forum opened yesterday and will end tomorrow.

Senior Minister Goh Chok Tong and Mr Sobyenin, also the chief of staff of the Russian Federation, signed the Investment Promotion and Protection Agreement.

The deal creates a framework

to protect their investors in the other country.

Following United Company Rusal's controversial foray into the Hong Kong Stock Exchange in January, other Russian companies are eager to replicate the success story, said Mr Andrei Sharonov, managing director and head of investment banking at Troika Dialog, Russia's oldest brokerage.

Rusal, the world's largest aluminium producer owned by Russian billionaire Oleg Deripaska, raised HK\$17.4 billion (S\$2.9 billion) in its first initial public offering in Hong Kong.

Singapore is the next destination for some Russian investors after Hong Kong, said Mr Sharonov.

He told *my paper* on the sidelines of the forum: "There is such a sport as synchronised springboard jumping. Maybe Russia has to use this analogy. I think we see Singapore as a real

independent international financial centre, as a springboard, a window to the global financial world. We see a lot of interest in terms of national experience, in terms of corporate governance (and) public governance. What Russia really lacks is a culture of these (latter) two."

Mr Giedrius Pukas, managing partner of Quadro Capital Partners, a Russian private equity firm, said that there are reports of a Russian resource company keen to list itself on the Singapore Exchange next year.

Bilateral trade has reached S\$2.79 billion from January to July, an increase of close to 50 per cent over the same period last year.

SM Goh urged Russian companies not to neglect the Asean market yesterday. He addressed the 600 members of the audience during his opening address at the forum.

Four other MOUs had been signed last month during a busi-

ness mission to the Republic of Tatarstan led by International Enterprise Singapore, to help Singapore's education players better understand the Russian environment.

One of the MOUs was between ST Electronics (Training & Simulation Systems) and the Tatarstan Ministry of Education and Science. Tatarstan, touted as Russia's largest industrial centre, has been reported to be one of the most promising and high-growth regions there.

Mr Fong Saik Hay, chief technology officer of ST Engineering, which owns ST Electronics, said that the mainboard-listed company would be open to opportunities that arise in the Russian market.

"They are trying to modernise their infrastructure, the traffic system, the rail system, the communications system. We have a good portfolio of products (in these areas)," he said.

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