

Report
on the participation in the Seminar of Central and East European countries: "Housing and Environment" of Mr. V.K.Storchevus, Director of Habitat Executive Bureau in Moscow, Vienna, Austria, November 22-24, 1999.

Mission was facilitated in compliance with the authorisation of the HQ of the UN Centre for Human Settlements (Habitat) of October 25, 1999.

The main goal of the mission was to take part in the Seminar of Central and East European countries: "Housing and Environment" arranged under the auspices of Habitat from 22 to 24 November, 1999.

Members of the Russian delegation included: Professor L.V.Kievsky, President, "Mosinvest" Corporation (Moscow) and I. A. Ogorodnikov, Ph.D., President of "Ecodom" Company (Novosibirsk).

Report made by L.V. Kievsky ("Housing Reform and Development of Private Construction Sector in Russia") and the information presented at the seminar by I.A.Ogorodnikov ("Development of Energy-efficient, Environmentally Sound Housing Construction in Siberia") raised a number of issues which were met with great interest by the seminar participants and were further developed in the subsequent discussions. Proposals made by the Russian side were included in the Seminar recommendations with their main focus on the establishment of an international association of environmentally friendly low-rise housing construction using the outcomes of the Habitat project: "Development of Energy-efficient, Environmentally Sound Individual Housing Construction in Siberia" carried out in Russia and completed this September. Furthermore, a number of proposals formulated in L.V. Kievsky's paper also found their reflection in the Seminar recommendations, namely: to establish direct contacts between the non-governmental and private construction companies under the auspices of the UN Centre for Human Settlements and its Executive Bureau in Moscow.

In the course of the Seminar negotiations were conducted with the seminar co-ordinator, staff member of the Habitat Division on Human Settlements Mr. B. Der-Petrossian and Senior Adviser on International Co-operation Mr. M. Hundsalz, in particular, about a possibility of involving Mr. B. Der-Petrossian in the proposed condominium project as an expert and co-ordinator on behalf of Habitat.

The seminar participants were provided with the texts of some papers presented at the Seminar, including: "Role of Private Sector in Construction", "Housing Privatisation in the Baltic Countries", "Housing Environment of Vienna", as

During the mission negotiations also took place with the First Deputy to the Director General Mr. Yo Maruno (November 23, 1999) to discuss a possibility of involving UNIDO in the joint Gosstroy of Russia/Habitat project "Development and Construction of a High-speed, Environmentally Sound String Transportation System (STS) to Handle Urban and Inter-urban Freight and Passenger Traffic", No. FS-RUS-98-SO1. The First Secretary of the Permanent Mission of the Russian Federation to the International Organisations in Vienna Mr. S.A.Korneyev also took part in the negotiations.

In the course of the negotiations Mr. Maruno was informed about the progress of work on the above project and its main outcomes. He was also handed the official proposal of the Chairman of Gosstroy of Russia to carry out the project on a tripartite basis. Also an application for the project prepared with the assistance of Moscow Representative Office of UNIDO in compliance with the format and requirements of the above international organisation was delivered supplemented by a list of publications and STS patents, a video-film and photos of an operating STS in the scale 1:15, provisional cost estimates and a calendar time-table for a testing ground construction.


In the course of the negotiations Mr. Maruno expressed a principal readiness of UNIDO to participate in the proposed tripartite project. In this case a special attention was drawn to the efficient UNIDO mandate under which it is eligible to take upon itself the justification of investments in the construction of a testing ground for a STS with further promotion of all its elements to a serial model. As far as a project for a testing ground construction is concerned, in the opinion of Mr. Maruno its preliminary evaluation could be around the proposed figure of USD 24-30 million.

Once the project is completed UNIDO following the approved B.O.T. ("Build-Operate-Transfer") scheme could apply to the European Bank of Reconstruction and Development (EBRD) with the relevant proposals. Having studied the papers presented, Mr. Maruno expressed his opinion on the given proposal incorporating an industrial component and important positive environmental indices. He evaluated it as being in conformity with the interests of UNIDO and indicated the readiness of his organisation to assist in the fund raising for the project provided that the smaller and medium-size enterprises are attracted for the task. He also draw his attention to the dual nature of the project having both a global significance in terms of the transportation infrastructure problem solution and a local scale as far as the problem solution will be the responsibility of the local authorities of a concrete city, enterprise, building agency. It was agreed to give further promotion to the above proposals in the official response of UNIDO addressed to Gosstroy of Russia. Furthermore, Mr. Maruno recommended that the Russian Federation should submit its official application for the project to UNIDO in accordance with the established procedure.

On November 24, 1999 negotiations were conducted with Mr. D.I. Piskounov, Special Adviser to the Director General of UNIDO on Economies in Transition. In the course of the negotiations brief information was presented concerning the substantive part of the tripartite project suggested by Gosstroy. Special attention was drawn to the fact that in the process of the Habitat project performance the operating STS model in the scale 1:15 has been already tested and positive results have been obtained. The counterpart was informed about the considerable assistance provided by Habitat as well as about the support given to the STS by Gosstroy of Russia, Ministry of Transportation of the RF, the RF Ministry for Science and Technology, Petersburg State University of Communications, Transportation Department of the Council of Ministers of the Republic of Byelarus. Expert's assessments were received from a number of well-known specialists including Academician N.K.Baibakov, V.I.Sevastyanov, academicians from the RF Transportation Academy, etc. Positive results of an alternative computerised transportation system design were also presented. In his turn, Mr. Piskounov confirmed that he made a preliminary study of the materials submitted by Mr. Maruno and the amount of USD 180,000 estimated for a pre-investment pilot project will be enough to solve the project tasks indicated in the application submitted. He also recommended that in order to initiate the proposed project Gosstroy of Russia should approach the Interdepartmental Commission under the RF Foreign Ministry before the application will be submitted to UNIDO for the official consideration.

An agreement was reached that UNIDO renders its assistance to Habitat Executive Bureau in providing it with the relevant information about the new decisions in the field of preparation of pre-investment projects following the scheme: "Public-Private Financing" and advising on the preparation of pre-project documents using UNIDO methodology. It was also stressed that the Russian side is to carry out a great deal of information work for the promotion of a string transportation system, its prospects, spheres of application, etc., which would facilitate its performance under the auspices of UNIDO.

Under the instruction of Gosstroy of Russia I, in my turn, emphasised the intention of the State Committee to submit an official application for the project in compliance with the established procedure.

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Director of the UN Centre
for Human Settlements (Habitat)
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