

# Russia – Alberta Relations

International and Intergovernmental Relations

Alberta



## PROFILE

**Capital:** Moscow

**Population:** 142.3 million (2007 est)

**Language:** Russian

**Government:** Federal Republic

**Head of State:** President Dmitri Anatolievitch Medvedev (Since May 2008)

**Head of Government:** Prime Minister Vladimir Putin

**Currency:** \$1 CDN = 23.28 Roubles (2008)

**GDP:** US\$1,290 billion (2007)

**GDP (PPP):** US\$2,087 billion (2007)

**GDP Per Capita (PPP):** US\$14,660 (2007)

**GDP growth rate:** 8.1% (2007)

**Inflation:** 9% (2007)

**Unemployment:** 6.2% (2007 est)

**Key Industry Sectors:** mining; oil and gas; coal; chemicals; metals; machinery; defense industries; shipbuilding; transportation equipment; and communications equipment.

## AGREEMENTS

- Alberta and Tyumen Oblast signed a cooperation agreement in 1992. Tyumen lies in Western Siberia and includes the Autonomous Okrugs of Khanty-Mansii and Yamal-Nenets.
- Alberta signed a cooperation agreement with Khanty-Mansii in 1995 and then with Yamal-Nenets in 1997.

## RELATIONSHIP OVERVIEW

- Alberta and 13 Russian regional governments are members of the Northern Forum. The Northern Forum has a seat on the Arctic Council, an intergovernmental forum for Arctic governments, which includes Canada and Russia.
- Under the Russia-Canada Parliamentary Program, a number of Russian Parliamentarians have visited Alberta for briefings on issues such as natural resource management, municipal training programs and Aboriginal matters.
- In 1997, the legislature of the Autonomous Okrug of Khanty-Mansii passed natural resource regulatory legislation based on Alberta's Energy Resource Conservation Board model.
- Alberta is participating in the 4-year (2005-2009) Canadian International Development Agency (CIDA)-funded Canada-Russia Northern Development Partnership Program (NORDEP) designed to improve governance systems and stimulate economic growth in Russia's north.
- Alberta has provided customized training programs to Yamal-Nenets and Khanty-Mansii government officials, on a cost recovery basis, in the areas of public expenditure management, health care, and secondary education administration.

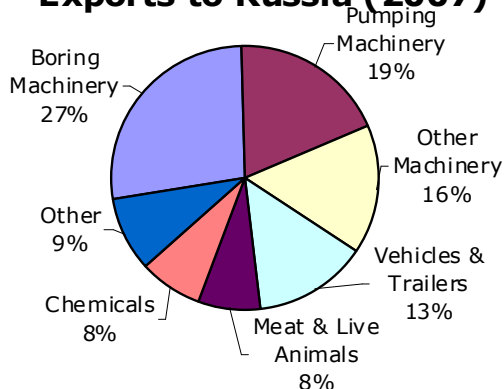
- The Lethbridge Twinning Society has a twinning with the City of Timashevsk in the Krasnodar Region (in southwestern Russia).

## TRADE AND INVESTMENT

- Over the 2003-2007 period, Russia was Alberta's 15<sup>th</sup> largest export market with annual exports averaging \$120 million CDN.
- Alberta's exports to Russia increased by 48% from 2006 to 2007 reaching \$211 million CDN, owing mainly to increased machinery exports.
- Over the 2003-2007 period, Alberta's annual imports from Russia averaged \$142 million consisting mostly of optical equipment, vodka, and diamonds.
- For 2007, Russia was Alberta's 19<sup>th</sup> largest bilateral trade partner with \$362 million.
- The majority of Alberta's private sector activities in Russia have focused on the oil and gas rich oblast of Tyumen (including Khanty-Mansii and Yamal-Nenets).
- In recent years, the number of Alberta-based companies active in Russia has increased owing to the enactment and enforcement of new Russian legislation.
- In 2007, Alberta's agri-food exports to Russia were valued at \$16.7 million CDN, including \$15 million of meat and live animals.



### Alberta's Merchandise Exports to Russia (2007)



#### ENERGY

- Alberta-based companies have been involved in the Russian oil patch since the 1970s. In 2005, approximately 50 companies in the drilling and services sector in Russia were using Canadians in their operations.
- Outside of the Organization of the Petroleum Exporting Countries (OPEC), Russia is the leading producer and exporter of crude oil and natural gas in the world.
- Russia has the world's 8<sup>th</sup> largest in proven oil reserves with its 60 billion barrels (bbl), while Alberta ranks 2<sup>nd</sup> with 176 bbl.
- In 2007, Russia produced 9.9 million bbl/day of oil, making it the 2<sup>nd</sup> biggest producer after Saudi Arabia, while Alberta produced 1.8 million bbl/day in 2007.
- Russia has the world's largest gas reserves: 1,680 trillion cubic feet (tcf). In 2007, Russia produced more than 2 tcf of natural gas, while Alberta produced 5 tcf. Russia and Alberta rank 1<sup>st</sup> and 3<sup>rd</sup> in the largest producers of natural gas in the world.
- Calgary-based Petro-Canada has signed a deal in 2006 with Gazprom to import large quantities of Russian gas to North America. Petro-Canada participates in the engineering design of a Baltic gas liquefaction plant near St. Petersburg, Russia.

#### COMMUNITY

- There are approximately 92,020 Albertans of Russian descent.
- In the last period of immigration (2001-2006), 1,655 Russian citizens immigrated to Alberta.
- CKER-FM broadcasts across Alberta in many different languages, including Russian.

- The active [Russian-Canadian Association of Alberta](#) organized the first Russian Heritage Festival in the

#### EDUCATION AND CULTURE

- In 2003, MacEwan College won the Canadian Bureau for International Education's Award for Outstanding Program in International Education for its nurse training program in Tyumen, which is part of the CIDA-funded Canada-Russia Initiative in Nursing.
- Alberta Advanced Education offers an International Education Ministerial Award to a student from Yamal-Nenets to come study in Alberta.
- The Southern Alberta Institute of Technology (SAIT) has a training centre in Moscow and has worked with the University of Calgary on customized training programs in the petroleum sector. Over 125 students have completed the Financial and Human Resources Management training program.

#### EMERGING OPPORTUNITIES

- Opportunities in Russia for Alberta-based companies exist in environmental impact assessment services, infrastructure improvement services, and technology.
- Alberta companies have established a joint venture feedlot operation near Moscow, built a beef production system in Bashkortostan, and exported cattle embryos to Russia to strengthen trade links in this sector. Recently, an Alberta company was awarded a contract to export live cattle to Russia.
- Russian retail sector offers opportunities for Alberta agri-food exports: Russia's largest supermarket chain, Magnit, has recorded booming sales, a 52.7% rise in profit in 2007, due to customers' income growth.

#### RECENT VISITS

- December 2007: A delegation from Khanty-Mansii visited Alberta and met with Treaty 8 Grand Chief Arthur Noskey and Dene Tha' Chief James Ahnassay regarding economically developing areas traditionally inhabited by indigenous people.
- April 2007: A delegation from Khanty-Mansii visited Alberta on a CIDA-funded study tour under the Canada-Russian Northern Development Partnership Program (NORDEP). August 2005: First Deputy Chairman of the Autonomous Okrug of Khanty-Mansii, the Honourable Viatcheslav Novitski, participated in Alberta's Centennial celebrations.
- July 2005: Chairman of the Autonomous Okrug of Yamal-Nenets, the Hon. Sergey Kharyuchi, led a large delegation and exhibit to Edmonton's Klondike Days for Alberta's Centennial celebrations.

#### DIPLOMATIC REPRESENTATION

- The Russian Ambassador to Canada is His Excellency Georgy Mamedov.
- The Canadian Ambassador to Russia is Mr. Ralph Lysyshyn.

**NOTE:** International and Intergovernmental Relations has a more detailed relations paper for each of its sister-province relationships: Tyumen, Khanty-Mansii, and Yamal-Nenets.

These documents can be found on our website at:

[www.international.alberta.ca](http://www.international.alberta.ca)