## **RUSSKY ISLAND**

### **APEC 2012**



From his comments during a preparatory meeting for APEC 2012

Russian President Dmitry Medvedev

stated:

It is a pleasure to see such changes in Vladivostok. Just the wastewater treatment plant we saw is worth a great deal. There has never been anything like that here before. Now the city has an absolutely modern sewage treatment plant, which is ready for commissioning. This alone would have been enough justification to hold the summit here, just to build this facility.

#### Yep, we built that.



# Opening remarks at the meeting on the preparations for and organisation of the 2012 APEC Summit week

30 June 2011, 12:00



30 June 2011, 12:00 Meeting on preparations for the APEC Summit 2012. © Photo: the Presidential Press and Information Office

PRESIDENT OF RUSSIA DMITRY MEDVEDEV: Good afternoon, colleagues,

This meeting is taking place in a unique location: the Far Eastern Federal University construction headquarters.

You are familiar with our meeting's agenda: we will analyse the current situation with the transport, energy, engineering and social infrastructure as part of preparations for the 2012 APEC Summit, as well as some other issues. We will mainly focus on the organisational and technical preparations for the summit, and an issue that in my opinion is equally important: the changes that the summit should bring to Vladivostok, the Primorye Territory and

throughout the Far East.

As I walked around this truly unique campus, an unprecedented place in our country, I thought that this summit is indeed very important for our country on the diplomatic level, as a sign of recognition of the Russian Federation as an essential element of Asia-Pacific Economic Cooperation. But I want to remind you that the summit will only last for a couple of days, whereas everything we build will hopefully remain for decades or centuries, including the university, which will train personnel of the highest calibre and which is bound to become one of the leading universities in the world.

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"Summit will only last for a couple of days, whereas everything we build will hopefully remain for decades or centuries, including the university, which will train personnel of the highest calibre and which is bound to become one of the leading universities in the world."

Now, regarding the current situation. When we undertook this ambitious project, we were all aware of its scope. The vast majority of facilities are being built from scratch, and over 80% of the funds allocated by the state and investors for the summit, were directed for these purposes. The underlying reason is that our aim is to create a new Vladivostok, a good place to live and a city that has a positive effect on all of the Primorye Territory. This is our main task. I emphasise that good organisation of the summit, however important, is secondary.

The funding involved is very impressive: over 600 billion rubles [about \$22 billion], including 205 billion rubles from the federal budget, 33 billion from the regional budget and 44 million from the budget of Vladivostok.

This is the only construction project underway in our country in recent years where the actual expenses do not exceed the projected costs. That is very gratifying, given the scale of this project, because most other major projects, and you know these projects' names, have all exceeded their budgets and the persons responsible for their running have approached the country's leadership and members of the Government with proposals to supply them with more and more money. That is not the case here, and it is a good sign. I hope that we will complete the project at approximately the same level.

The plan is to build 96 facilities. What is most important for us today? Of course, we must implement all the projects with high quality and on schedule. That is obvious yet very difficult, and not just because we have to prepare for the APEC Summit. The main objective is to build a new quality of life in the region. Let me remind you that the amount of new housing will reach almost one million square metres. That is a huge figure. How much housing does Vladivostok have at present?

**RESPONSE:** 12.5 million square metres.

**DMITRY MEDVEDEV:** So we are talking about 10% of the city. And this is only the beginning, because the impetus the summit and the preparations for it will give will subsequently translate into Vladivostok's investment attractiveness, which means more jobs and the construction of more housing and social infrastructure. There was a point when we faced a difficult choice, I remember that time well, when we decided where to hold the summit. In the end, we decided to hold it on Russky Island.

It was a great challenge from the start for several reasons. Everyone realised what this area is like. The bottom line is that it did not match any of the requirements that apply to such projects. There was nothing here. Our task was to implement an ambitious integrated project: to build a world-class research and educational centre on Russky Island in four years, which would provide the core infrastructure for the summit and lay the foundation for the future of the Far Eastern Federal University. That was the first challenge.

The second challenge was to think about the future of Russky Island. This is a unique place, we have all been here before, some of us more than once and some are here for the first time. The island has an absolutely unique natural environment, which must not disappear as a result of the summit and this enormous construction underway here. On the contrary, the opportunities created by the additional infrastructure must be used for the benefit of the island and, consequently, all of Vladivostok. Today the development of the island is well underway, with the use of advanced technology, based on the most

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modern standards, and we have seen that for ourselves just now when visiting the Far Eastern University campus. I would like to note the outstanding professionalism of everyone involved in the project – and this is not just empty praise, it is a statement of fact – the designers and the builders, who not only had to operate in difficult conditions but also respond to new challenges.

Regarding Far Eastern Federal University, the conference centre is two-thirds ready, as I understand, or even more given what we saw today. That's excellent, it means that the work is proceeding to schedule. On the whole, most facilities are being built in accordance with the schedule. Nevertheless, there are plenty of problems, and I would like us to focus on that now. Today we will analyse the reasons for the delays or moving back the commissioning deadlines for several critical facilities. In fact, that is the reason why I have come here: to see what changes have happened during the year (I was last here a year ago), what has been done and what the current problems are. There are several aspects that cause concern.

First, the border crossing points are not ready: two crossing points for motor vehicles, two for aircraft and three offshore. Yes, the work is underway. Today we saw the airport, which makes a good impression, but nevertheless there is a problem with other facilities. I understand that only the work on the Kraskino border crossing point for cars is going according to plan. There are problems and delays with all the other facilities.

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The second issue is very important: it concerns gas supplies via the Sakhalin-Khabarovsk-Vladivostok pipeline – the facilities are now around 90% ready, aren't they? – and through the inter-settlement gas pipeline on the Russky Island. I talked with Gazprom CEO and the Energy Minister yesterday. This issue must be closed within a fortnight. Once again, please pay attention to this. Today the problem is not with Gazprom but above all with the Government's decisions. The Government must release all documents within two weeks. I instructed the Energy Minister regarding this yesterday and I ask the Presidential Control Directorate to monitor the progress.

The construction of the international passenger terminal at the Vladivostok Knevichi Airport is six months behind. This is my data. If this gap is smaller now, please let me know.

Now, regarding the bridge. The situation here is not entirely clear. I've just heard a report that everything will be done in time and I have taken this into account. Nevertheless, the project has fallen behind and various experts differ in their estimates of by how much. Some say the construction of the bridge across the Golden Horn Bay is almost one year behind, whereas the Eastern Bosporus bridge project does not stipulate any reserve time for unforeseen work. This may jeopardise the overall construction. I emphasise again that I received assurances earlier today and I assume that this is a responsible and well-reasoned position. Nevertheless, we must take steps to provide for alternative transportation of summit delegations to the island just to make sure we avoid any problems.

As we saw from the helicopter, the construction of five-star hotels is proceeding very slowly – the rate of

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completion is no more than 20% – as well as the reconstruction of building facades. As I understand, there are also problems with the construction of economy-class hotels. Efforts must be intensified in this area.

Another issue is land. In order to ensure that the facilities are commissioned, it is necessary to continue with the expropriation of land. So far the issue has been fully resolved in 40% of cases, which is about 400 out of 1,111 sites. The transfer of 51 plots owned by the Defence Ministry is also delayed.

When you fly over Vladivostok, you realise how much work is going on. In principle, it is a joy to see. At the same time you see the disorder, the mess at some of the sites, including in industrial zones, and you see the scale of change. But the process must proceed at a significantly faster pace.

As we flew over the city in a helicopter, we saw that wherever you look there is Defence Ministry land. The Ministry is not doing anything with it and is not letting others to use it either. Therefore, I instruct the Defence Ministry to submit proposals within one month for the immediate transfer of land to the jurisdiction of the city and the region. Stop sitting on this land. I also instruct Defence Minister Anatoly Serdyukov to fly to Vladivostok in the nearest future and make all the decisions in person. The deadline is two weeks, then report to me. I would like the Defence Minister to tell all of his subordinates: if any of them are caught conducting illegal business with the sale of land, or "pretend" sale or leasing, they will be prosecuted and they will go to prison. We must get to the bottom of what is happening there. Whenever I come over, I'm told the land has not been transferred and nothing has been done. This mess must end. The Presidential Control Directorate will please take note of this.

Now the last point. We can move the deadlines back however far we want, but we all know that the summit will be held at exactly the time that has been agreed by the APEC member states, namely on September 1, 2012. This date cannot be changed and I would like all those present bear that in mind. It is your responsibility and you must do everything by then – but not in the way it used to done, when the race to finish started two or three months before the deadline, and it did not matter what the quality of the work was. Everything must be done well. We have every opportunity to achieve this because everything I saw today leaves a very positive impression. It is a pleasure to see such changes in Vladivostok. Just the wastewater treatment plant we saw is worth a great deal. There has never been anything like that here before. Now the city has an absolutely modern sewage treatment plant, which is ready for commissioning. This alone would have been enough justification to hold the summit here, just to build this facility.

If necessary we can talk about other matters as well. A number of events have been planned for Russia's APEC Presidency. Here, in general, everything is going according to schedule. We're getting ready, there is a concept of the Presidency, there are traditional themes and there is a Russian theme, which is consistent with our main agenda. I am referring to economic modernisation and developing potential. We could say a few words about that too.

Let's get to work.

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#### See also:

All materials on trip to Vladivostok
30 June 2011, 23:00 → Trips around Russia

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