

Local knowledge is power...

Raffaele De Bettin of Italian engineering company DBA Progetti talks to **Julia Björkman** about seizing on opportunities to work in Russia

At the beginning of 2000, the Russian Federation Government promulgated a realization and refurbishment plan for infrastructures, adopting a Public-Private Partnership (PPP) scheme. The Federal Agencies of every sector set up feasibility studies and bids for tender for the planning of infrastructures to be subsequently assigned in Concession for the realization and management following the PPP principles.

Thanks to its specific know-how in the motorway tolling and management systems sector, Rome's DBA Progetti signed a contract with the St Petersburg-based Russian engineering company DORSERVIS for the project plan of such systems for the first stretch of the newly born Moscow–St Petersburg motorway, specifically from km 15 to km 58.

"The contract also included the definitive, complete planning of the toll collection stations, the fiber optics network and the traffic control centre. DBA Progetti therefore decided to create a Russian subsidiary, DBA Proekt, that realized all the requests in the contract," explains Raffaele De Bettin, the new entity's chairman.

"The project delivered to and integrated within the general project by DORSERVIS was then examined by the Federal Expertise Group and approved in 2007."

So what was it about DBA's technology that made it such an attractive proposition for Russian companies and authorities? What did DBA offer that no home-grown firm could match?

"DBA Progetti and their subsidiary DBA Lab have a broad knowledge and wide expertise of both fixed and mobile telecommunication networks, in the Intelligent Transport System sector and in the motorway tolling infrastructures systems," says De Bettin. "And besides,

DBA Lab develops dedicated software solutions for Business Process Automation and management and project management platforms. DBA Proekt is therefore capable of delivering specific know-how in these sectors to the Russian companies and to the Federated Bodies."

Considering the absence of transport tolling infrastructures, it is not too difficult to see why the Russian market needs the presence of international companies that are highly capable of delivering advice and project planning services using the most advanced technological solutions in the sector – and how DBA fitted the bill.

A simple question remains – why haven't huge numbers of other European companies followed suit? Russia is often

this market, in our opinion, is often wrong because any technological advanced solution should be presented not as a standalone project but integrated with a bespoke and supporting consultancy activity in order to help Russian administrations to understand other business models and management architectures. This entails the creation of new bodies that need to be set up to support the merely legal framework, such as national standardization bodies, to be referred in a completely new scenario."

Companies that are successful in countries like China and India say that it's vitally important to have a local partner. De Bettin confirms that this is most certainly the case in Russia too.

“Local partners are fundamental in ensuring effective communication and cultural sensitivity”

thought of as an almost untapped market and yet, 11 years into the partnership, DBA's Russian adventure is one of the few notable success stories.

"The needs of the Russian market related to transport infrastructures are not only in terms of best practice technological solutions, but also, and perhaps even more importantly in terms of creation of the legal framework to allow the growth of the sector, as happened in Europe."

Problems linked to the political administration led the Russian market to grow isolated from the current worldwide solutions that were adopted to build and finance infrastructures – consequently even the idea of having a pay-per-use transport system is something that, only a few years ago, was just not even considered for the Russian administration.

Says De Bettin: "The approach towards

"DBA experienced two different approaches to the Russian market: with the presence of a local partner and without the presence of it. Local partners are vital to ensure effective communication and cultural sensitivity. Furthermore the business environment in Russia is very competitive and harsh, so it is fundamental to engage a local partner that could guide you through an unfamiliar business environment." 🇷🇺

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