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Petersburg Native to Head Realtor Group

By Derek Andersen

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Members of FIABCI attending the group's 2006 World Congress in Bangkok. FIABCI will hold its 2012 World Congress in St. Petersburg, the hometown of the group's new president, Alex Romanenko. **Fiabci.org**

St. Petersburg realtor Alex Romanenko has been elected president of the International Real Estate Federation, which unites 100 national real estate associations worldwide.

The federation, also known as FIABCI, held its world congress in Cyprus last month and will hold its 2012 congress in Romanenko's hometown, where he is president of the Advecs real estate agency.

The FIABCI meeting will bring 1,000 real estate professionals from 70 countries to Russia, Romanenko told The Moscow Times on Monday at the annual Russian National Real Estate Congress.

Brokers, appraisers and property managers will attend the congress, but Romanenko said it is also an opportunity to attract investor attention to Russia. He emphasized the importance of

attracting smaller investors, linking their absence to Russia's falling place among countries attracting foreign investment in real estate.

Brazil, China and India occupy the first through third places for international real estate investment, but Russia has lost its pre-crisis fourth position and is now in 10th place, Romanenko said.

Western investment in the Russian real estate market was only 14 percent of its pre-crisis level, Romanenko said, and 96 percent of those funds were directed at Moscow.

"Large corporations will always be here no matter what," he said, "because they are interested in the enormous market."

But Romanenko cited a well-known laundry list of impediments that discourage investment on a smaller scale, such as lengthy bureaucratic procedures, risks related to the lack of transparency and secure property rights and a lack of trained managers.

"Enough talk about the special Russian way. It's time for us to meet international standards," he said.

"We really need deep structural reforms," he said. "Brazil, Poland, Turkey — they receive more investment because they are more understandable."

But while we are criticizing we also need to acknowledge the potential, Romanenko said. The role of professional associations can be significant. After a crisis new opportunities arise, he said.

"The associations need to work with the government and the Duma," he said. "Nobody will do it for us. We need to promote it and to pay for it. It is in the interests of all the citizens of Russia."

Romanenko is the former president of the Russian Guild of Realtors, which hosted the event in Moscow. The guild also provides voluntary certification to realtors. There is no government licensing procedure for realtors.

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