

GENERAL OVERVIEW OF SOCIO-ECONOMIC SITUATION IN ST. PETERSBURG



July - August 2016 № 142



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1. CITY MANAGEMENT

APPOINTMENTS, GOVERNMENT COUNCILS

New Plenipotentiary representative of the President of Russia in the Northwestern Federal district

In accordance with the decree of the President of Russia of July 28, 2016 V. Bulavin was discharged from the position of the Presidential Plenipotentiary envoy in the Northwest Federal district. V. Bulavin held this position since March 2013. By the Russian Government's decree of July 28, 2016 No. 1604-R V. Bulavin was appointed head of the Federal customs service. The new presidential envoy in the Northwestern Federal district since July 28, is N. Tsukanov who previously since 2010 held the position of governor of the Kaliningrad region. N. Tsukanov is a native of the Kaliningrad region. From 2005 to 2010 he held the position of the head of Gusev municipal district of Kaliningrad region.

In St. Petersburg a new organization has been created, which deals with the control of the use of objects of real estate

In accordance with the decree of the Government of St. Petersburg from 23.03.2016 No. 207 the State inspection for control over the use of objects of real estate of St. Petersburg is established. It started to operate from July 2016. In the sphere of its powers is the control over the use of non-residential buildings, structures and premises which are in the state ownership of St. Petersburg. In addition, it is responsible for the inventory of land, including green areas, and for monitoring of the use of those lands. The major powers were transferred to the Inspection from the Committee on property relations (CPR). Administered by the CPR, and involved in the demolition of illegal buildings, the Center on increasing the efficiency of the use of state property, will continue its work. The inspection mandate is based on the experience of Moscow. The head of the Inspectorate is A. Korotkov, who previously worked in the Department of urban property of Moscow. The importance of the Inspection is evidenced by the fact that the coordination and control of its activities is vested in the Governor of Saint-Petersburg.

Smolny hosted a meeting of the Board of Directors of the funds of required health insurance (HIF) and of the representatives of the Federal HIF in Federal districts

The meeting was held on July 8. It was attended by the Governor Georgy Poltavchenko, Chairman of the Federal HIF N. Stadchenko and other officials. In the center of attention of participants of the meeting were issues of legal support of functioning of the system, transition to insurance principles and organization of additional professional education for employees, acquisition and repair of medical equipment. The Governor of St.

Petersburg has informed the meeting participants about the situation in the health sector of the city, highlighting a record low infant mortality and a leading position in the field of high-tech medical aid. The number of patients who received high-tech medical care in the last 2 years, increased in the city by 40%. This is particularly evident in the operations of stenting of coronary arteries. After the inclusion of high-tech medical care in required health insurance, long-term waiting lists for "quotas" for a number of medical services have been eliminated. St. Petersburg clinics are becoming increasingly popular among residents of other regions. In 2015, medical institutions of St. Petersburg treated more than 100 thousand people from other regions. In support of the implementation of the required medical insurance in 2016, in addition to the Federal HIF, the City budget already allocated more than 10 billion rubles.

Meeting of Coordination council on development of transport system of St. Petersburg and Leningrad region

The meeting was held on July 11 at the State University of Railways. The meeting was attended by Minister of transport of Russia Maxim Sokolov, Governor of St. Petersburg G. Poltavchenko, Governor of Leningrad region A. Drozdenko, representatives of Federal ministries and departments, regional authorities, businesses, scientific and public organizations. The focus was on creating transport hubs passenger transport at the intersection of route networks of the city and region. Key directions of transport system development will be reflected in the concept plan of the joint town-planning development of St. Petersburg and Leningrad region. The Coordination council also considered the progress of the transport plan preparation for major sporting events to be held in St. Petersburg in 2017 and 2018 (the Confederations Cup and World Cup).

Meeting of St. Petersburg Government at Smolny

The meeting was held on July 26 under the chairmanship of the Governor Georgy Poltavchenko. In particular, members of the City Government and invited guests summed up the implementation in 2015 of the actions directed on increase of efficiency and quality of social services. A report on this issue was made by the Chairman of the Committee on social policy A. Rzhanelkov. The action plan (road map) on "Improving the efficiency and quality of services in the field of social services in St. Petersburg for 2013-2018" has been approved by St. Petersburg Government from April 10, 2013 No. 25-RP. A. Rzhanelkov reported that in 2015 the social services were provided to more than 630 thousand of citizens. The total number of residents receiving the various measures of social support, is about 3.5 million. The practice of engaging in the sphere of social services non-governmental organizations is expanding. Acting Director of the Department of demographic policy and social protection of popu-

lation of the Ministry of labor and social protection of Russia O. Sosnina noted that in many indicators, St. Petersburg is ahead of the average across Russia level.

The meeting participants reviewed the progress of the state program of development of transport system of St. Petersburg for 2015-2020, approved by the decree of the Government of St. Petersburg dated June 30, 2014 № 552. A report on the implementation of this program in 2015 and the 1st half of 2016 was made by the Chairman of the Committee on transport A. Golovin. The total amount of funding for the program is 816,3 billion rubles, including 552,7 billion from the budget of Saint-Petersburg. The meeting participants noted that in 2015 the program was allocated 106,9 billion. This year it is planned to finance the activities of the program in the amount of more than 130.8 billion rubles.

The meeting participants discussed results of execution of the state program of development of municipal infrastructure, energy and energy saving in St. Petersburg for 2015-2020, approved by the decree of the Government of St. Petersburg of June 17, 2014 № 486. A report on the implementation of this program in 2015 and the 1st half of 2016 was made by the Chairman of the Committee on energy and engineering support A. Bondarchuk. Total funding for the program is 403,6 billion rubles, including 118.7 billion from the budget of St. Petersburg. In the current year the funding is 14.2 billion rubles.

Another issue that was discussed was the budget execution in the 1st half of 2016. According to the Committee on finance, the budget revenues amounted to 224,3 billion rubles, the expenditures - 211 billion. The largest portion of the city budget revenues amounted to two taxes - on income of individuals (40 %) and on the profit of organizations (30,4%). The approved budget for 2016 in terms of revenues (447,9 billion) and adjusted figures (449,4 million rubles) was executed by 50,1% and 49,9%, respectively, and in terms of expenditures (506,5 billion, 508 billion rubles) – 41.7% and 41.5%, respectively. The meeting also considered the question of granting real estate objects owned by St. Petersburg for construction, reconstruction and carrying out of works on adaptation for modern use. A total of 19 objects were submitted to the government for approval. For all objects there was a positive decision. The Program of privatization of state property of St. Petersburg for 2017 is amended to include GUP "Kombinat of social catering "Youth". In 2018-2019, the privatization of state property of St. Petersburg is not planned.

The regular meeting of the Commission on sustainable economic development and social stability in St. Petersburg

A meeting was held on August 3 at Smolny, under the chairmanship of the Governor Georgy Poltavchenko. The meeting participants considered the results of the implementation in May-June 2016 of the Program of priority measures for

the sustainable economic development and social stability in St. Petersburg. A report on the implementation of the Program was made by the Chairman of the Committee on economic policy and strategic planning E. Ulyanova. In her report, she noted that during the reporting period there were performed 12 measures. In particular, amendments and additions to the laws of St.-Petersburg on taxes and fees, establishing incentives to support the automotive industry and housing construction. The procedure for granting subsidies for reimbursement of costs associated with the participation of industrial enterprises in international exhibitions and fairs. In May-June a package of additional anti-crisis measures was prepared, which includes not only proposals from the Executive public authorities of St. Petersburg and the business community, but also activities on the implementation of the action plan of the Government of Russia for 2016. In July an updated schedule of implementation of anti-crisis program was approved. The participants of the meeting submitted an updated list of 120 enterprises of St. Petersburg. Various options were considered to attract investors. Among the best ways of attracting private investment for the construction of objects of social sphere (kindergartens, schools, etc.) is signing of concession agreements. City bodies have prepared the proposals on 6 land plots for the construction of kindergartens and schools. The meeting also considered measures to support projects in providing high-tech medical care, and the development of medical tourism.

Meeting of the Public council on small business development under the Governor of St. Petersburg

The meeting was held on August 5 under the chairmanship of the Governor Georgy Poltavchenko and was devoted to summarizing the work of the Council in the second quarter of 2016 and to the implementation of international assurance system of food safety based on the analysis and prevention of the emergence of possible risks and the technical control points. At the meeting it was noted that the City has 415 thousand small businesses (in 2015 – 396 thousand) and 740 medium-sized enterprises (111 more than a year before). In the 1st half of 2016 small and medium businesses provided 13% of the increase in taxes paid to the budget under the simplified scheme. Special programs of financial support for small and medium-sized businesses in 2016 were allocated 112 million rubles from the budget. The Fund of assistance to crediting small and medium business issued 149 sureties for a total amount of more than 1 billion rubles. In addition, the Fund issued 57 microloans totaling more than 72 million rubles. On July 25, 2016 an agreement was signed between the Government of St. Petersburg and the Federal corporation for development of small and medium-sized businesses. The implementation of the agreement will allow the City to use the additional tools of support of small busi-

ness. The meeting participants noted the necessity of bringing the City program on development of entrepreneurship in line with the Strategy of development of small and medium enterprises in the Russian Federation for the period till 2030, approved by decree of the Russian Government dated June 2, 2016 No. 1083-R.

Remote session of the Commission on prevention and liquidation of emergency situations and ensuring fire safety

The meeting was held on August 19 at Kronstadt, under the chairmanship of the Governor Georgy Poltavchenko. The meeting participants reviewed the situation with the fire and anti-terrorist security of educational and preschool institutions and their readiness for the new academic year. At the remote monitoring center almost all schools, preschool institutions and objects of transport infrastructure are accessible, 16, 5 thousand cameras have been installed. One more thousand cameras will be installed by the end of the year. In February 2016 a comprehensive centralized system for alerting the public was commissioned. Soon it will include further 80 objects.

Regular meeting of the Investment Council under the Governor of St. Petersburg

On August 22, the regular meeting of the Investment council was held at Smolny. In the initial part of the meeting, the chairman briefly spoke about the investment situation in Saint-Petersburg. In particular, he noted that over the last 5 years the City's economy received 2.3 trillion rubles of investments. In the course of XX St Petersburg international economic forum 24 agreements on implementation of investment projects were signed. The Council has supported the project of construction of a metallurgical complex in the territory of Izhora plant. The support for the projects of expansion of production capacity for the production of packing equipment and the organization of passenger traffic between the metro stations "Shushary" (under construction) and Kolpino. The meeting focused on the implementation of the project of transformation of the territory of Apraksin yard. Following consideration of this matter, it was decided to study the economic and financial model of the project in more depth.

Working meeting of the Prime Minister and the Governor of Saint-Petersburg

On August 26 within the framework of the forum "Development of higher education" a meeting of Dmitry Medvedev and Georgy Poltavchenko was held. During the meeting Governor of Saint-Petersburg was informed about the results of economic development of economy, attracting investments, addressing social problems. G. Poltavchenko, in particular, noted that St. Petersburg has developed and is implementing a set of measures for stable development of economy and attraction of investments. In the 1st quarter of this year the City's economy attracted 85 billion rubles of investments. The volume of investments in the city's economy over the past 5 years, amounted to

more than 2.3 trillion. rubles, including more than 41 billion dollars of foreign capital. In 2015, the city began work on 10 new large enterprises the production sector. In St. Petersburg there are 3.5 million working people. For the 1st half of the year the city budget received 8% more in tax revenues than in the same period last year. Over the past 5 years, the city built more than 30 schools and 50 kindergartens.

LEGISLATION

Law on changes to the Law of St. Petersburg from December 24, 2008 № 820-7 "On the borders of zones of protection of objects of cultural heritage on the territory of St. Petersburg and modes of land use within the boundaries of specified zones and on amending the Law of St. Petersburg "On the General plan of St. Petersburg and borders of zones of protection of objects of cultural heritage on the territory of St. Petersburg"

In accordance with the Law of St. Petersburg of 07.07.2016 No. 437-83 the name of the Law of 24.12.2008 № 820-7 is changed into: "On the borders of the united zones of protection of objects of cultural heritage located on the territory of St. Petersburg, the modes of land use and requirements of town-planning regulations in borders of the specified zones". Changes in the description of the boundaries of the united zones of protection of objects of cultural heritage located on the territory of St. Petersburg, in the modes of land use and requirements of town-planning regulations in borders of the united zones of protection of objects of cultural heritage located on the territory of St. Petersburg. The Annex 3 to the Law of 24.12.2008 № 820-7 (town-planning regulations in borders of zones of protection of objects of cultural heritage on the territory of St. Petersburg) was recognized invalid. The law of St. Petersburg of 07.07.2016 No. 437-83 shall enter into force on January 15, 2017.

Environmental code of Saint-Petersburg has been adopted

The code regulates relations in the sphere of nature use, environmental protection and ecological safety on the territory of St. Petersburg. The code was adopted in the form of legislative act (the Law of St. Petersburg of July 18, 2016 No. 455-88). Provisions of the Code identify such concepts as environmental education, education and culture, the Red book of St. Petersburg, the regional cadaster of waste and some others. The Environmental code will come into force from January 1, 2017. The Adoption of this document has greatly simplified by the Law which entered into force on September 1, 2016 "The law of St. Petersburg of 30.06.2016 No. 351-70 "On environmental education, ecological education and formation of ecological culture on the territory of St. Petersburg". This Law establishes the legal, organizational and economic peculiarities of implementation of environmental education, ecological

education and ecological culture development in St. Petersburg.

Law of St. Petersburg on the provision of land to citizens without bidding

In accordance with the Law of St. Petersburg of July 18, 2016 No. 443-84 "About some questions of provision of land for lease without an auction" certain categories of citizens residing in St. Petersburg, are entitled to priority lease of land plots in state ownership of St. Petersburg, as well as land plots, for which state property is not delimited. Land plots are provided for the storage of private vehicles, without the right of erection of objects of real estate to the following categories of people: citizens of Russia residing in St. Petersburg, who are invalids of I and II groups, children-invalids with limited ability to movement and medical indications for the provision of technical means of rehabilitation in a wheelchair in the individual program of rehabilitation of the disabled person (a disabled child), issued by the Federal state institutions of medico-social examination.

MEETINGS, COOPERATION

Gazprom helps beautify Saint Petersburg

In the framework of cooperation between St. Petersburg and Gazprom since 2008, landscaping work in a number of areas of the historical center has been carried out. In addition to the program of beautification, Gazprom finances the creation of decorative objects of exterior lighting and illumination in the historic center of the city. The results of this activity on July 1, were examined by the Governor G. Poltavchenko and the Chairman of the Board of Gazprom Alexei Miller. During the 2015-2016 period works were carried out in the block bounded Nevsky and Ligovsky prospekts, Pushkinskaya ulitsa and Ligovsky pereulok and Malaya Morskaya ulitsa from Nevsky prospect to the Voznesenskiy prospect. The program of improvement involved paving sidewalks with granite tiles, organizing parking for cars, installing traffic lights, road signs, fences, street lamps. Previously Gazprom financed beautification of Kirochnaya ulitsa, Chernyshevsky prospect, Liteiny and Vladimirsky prospects, the area at Kazan Cathedral, Bolshaya Konushennaya ulitsa, ulitsa Marata and ulitsa Rubinsteina, Karavannaya ulitsa etc. The improvement program will continue in 2017-2018.

The Governor of St. Petersburg welcomed the Consul General of the Republic of Finland

The meeting was held on July 6 at Smolny. The reason was the completion of the work in Saint Petersburg of the Consul General of Finland P. Tulokas. In the history of the Consulate General of Finland in St. Petersburg P. Tulokas became the first female Consul. In this position, she worked from September 1, 2012.

During St. Petersburg international economic forum 2016 Governor G. Poltavchenko met

the minister of economy of Finland O. Rehn. They signed an agreement on expanding production capacity of the company Fazer in Saint Petersburg.

Saint Petersburg is developing cooperation with regions of India

In July 2016, a meeting between Governor G. Poltavchenko and heads of governments of two states of the Republic of India took place. On July 8 at Smolny the Governor of St. Petersburg held a meeting with the Chief Minister of Rajasthan V. Raja, who was in the Northern capital of Russia on a working visit. During the meeting, the traditionally good level of cooperation between St. Petersburg and India was noted. Shipbuilding enterprises of St. Petersburg fulfill orders for the navy of India. On July 12, Governor Georgy Poltavchenko met with the Chief Minister of Maharashtra D. Fadnavis. The meeting was dedicated to the discussion of prospects of further cooperation of St. Petersburg, the state of Maharashtra and its capital Mumbai. The tourist flows between the countries are increasing. Saint Petersburg is ready to expand cooperation in power engineering, automotive, design and construction of hydraulic and hydroelectric power plants, in the field of water treatment and sanitation, in the field of programming and IT-technologies, in the pharmaceutical industry. D. Fadnavis expressed interest in developing cooperation in the field of culture, including restoration of monuments and organizing exhibitions, in the areas of environment and utilities.

XV Forum "Petersburg dialogue"

The work of the Forum of civil societies of Russia and Germany "Petersburg dialogue" was held from July 14 to 16, 2016 in the hotel "Park Inn by Radisson Pribaltiyskaya". The forum was built around the discussion of the main theme: "Russia and Germany in the face of global challenges." The Forum's opening ceremony was attended by the co-chairmen – V. Zubkov and Ronald Pofalla, the Governor of St. Petersburg G. Poltavchenko, the Ambassador extraordinary and Plenipotentiary of Germany to Russia R. von Fritsch. The forum was established in 2001 on the initiative of President of Russia V. Putin and Federal Chancellor of Germany Gerhard Schroeder. The Forum aims at deepening the understanding of further development of bilateral cooperation, creating incentives for the expansion of ties between Germany and Russia. Organizational and analytical support of the work of the forum is provided by St. Petersburg State University.

Saint Petersburg is strengthening its ties with Hamburg

On July 14, Governor Georgy Poltavchenko held a working meeting with First Burgomeister of the Free and Hanseatic city of Hamburg, O. Scholz. The meeting coincided with the XV Forum of civil societies of Russia and Germany "Petersburg dialogue". Among the most promising areas of cooperation, the parties have named energy,

shipbuilding, ports, information technology and ecology. In 2017 the 60th anniversary of sister city relations between St. Petersburg and Hamburg is to be celebrated. The preparations for the anniversary will be an important basis for the expansion of partnership and friendly ties between the two cities.

The Republic of Tatarstan held the Days of Saint-Petersburg

The events of the Days were held on July 19-20. Tatarstan hosted the delegation of St. Petersburg headed by Governor Georgy Poltavchenko. St. Petersburg delegation also included: Chairman of the Legislative Assembly V. Makarov, the Vice-Governor O. Markov, the Commissioner for protection of entrepreneurs' rights A. Abrosimov, heads of committees, organizations and enterprises of the city. The delegation's visit was timed to the work of the interregional cooperation forum of Saint-Petersburg and Tatarstan. Forum participants were welcomed by the Governor of St. Petersburg G. Poltavchenko and the President of the Tatarstan R. Minnikhanov. Among priority directions of cooperation are professional education, innovations and high technologies, tourism, supply of agricultural products from Tatarstan to St. Petersburg. Members of the St. Petersburg delegation visited the town of Innopolis built in 2012-2015 to develop high-tech economy and providing modern infrastructure, comfortable housing, good environment and ample opportunities for education and professional development.

The Governor of St. Petersburg held a meeting on the establishment of innovative military-industrial cluster

The meeting was held on August 24 in the North-West regional center of the concern "Almaz-Antey" (SZRZ). The meeting was also attended by the Chairman of Legislative Assembly V. Makarov, Vice-Governor I. Divinsky, chair of the Committee on industrial policy and innovation M. Meiksin, the Director of SZRZ M. Podvyaznikov. The creation of the innovative military-industrial cluster is a strategic investment project of St. Petersburg. This status has been assigned to the project in 2010. The meeting included an inspection of historical industrial buildings of Obukhov plant, where it is planned to create a Museum of industry of St. Petersburg. The project is going to unite on one site the capacities of 6 Petersburg enterprises included

in the concern "Almaz-Antey": Obukhov plant, ZRTO, KBSM, RIRV, VNIIRA and "Navigator" plant. In the course of the project 17 manufacturing facilities, offices and warehouses have been commissioned. Works are close to completion on the creation of 3 sections: coatings, industrial warehouse and shaped castings. In the framework of the project, work is underway on modernization of fixed assets of enterprises. In the current year, the share of new equipment is expected to increase to almost 67%.



2. EMPLOYMENT

In June 2016 large and medium sized enterprises employed 1475.3 thous. people (Table 1). Compared to the previous month the number of staff fell by 0.3%, the number of by-workers - by 4.9%, that of contracted workers grew by 1.2%.

In January – June 2016 the number of employees at these enterprises grew by 1.7% compared to the same period of 2015. The number of staff during the period grew by 1.4% that of by-workers fell by 0.8%, the number of contracted workers grew by 16.8%.

In June 2016, the largest number of vacancies filled was in education, processing industries, real estate operations, transportation and telecommunications, healthcare, and the least - was in agriculture and forestry, hotels and restaurants (Table 2).

Public sector employed 39.2% of all employees of large and medium sized enterprises.

In January – July 2016 the number of economically active population (EAP) amounted to 3013.9 thousand persons, of them 1964.9 thousand employed and 49.0 thousand unemployed. During the reporting period, the employment rate was 73.3% (share of employed people in total population aged 15 to 72 years), the level of economic activity – 74.5% (share of economically active population of the total population aged 15 to 72 years) (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In July 2016, the demand of St. Petersburg enterprises for workforce amounted 52.5 thousand people (table 3).

TABLE 1. Changes in total employment at large and medium enterprises of St. Petersburg

	June 2016		January – June 2016 in % to January-June 2015
	'000 people	in % to May 2016	
Filled jobs total, including:	1475,3	99,6	101,7
Registered permanent employees	1399,7	99,7	101,4
External by-workers	37,1	95,1	99,2
Contracted labour	38,5	101,2	116,8

TABLE 2. Employment at enterprises and organizations of St. Petersburg by the type of economic activity in June 2016 (without small enterprises)

Industry	Total employment	
	'000 people	% of the total
Total, including:	1475,3	100,0
Manufacturing	221,9	15,0
Production and distribution of electric power, gas and water	36,0	2,4
Agriculture and forestry	5,7	0,4
Construction	62,1	4,2
Transportation and telecommunications	152,5	10,3
Finance	55,2	3,7
Real estate transactions, leasing and services	221,0	15,0
Wholesale and retail trade, repair of motor vehicles and home appliances	150,9	10,2
Hotels and restaurants	28,7	2,0
Public administration, security and social care	88,6	6,0
Education	216,1	14,7
Healthcare and social services	166,8	11,3
Other utilities, social and individual services	69,8	4,8

TABLE 3. Change in the number of officially registered unemployed people in St. Petersburg, January 2015 – July 2016

Month	Number of unemployed people registered at the Employment Service	Those with the status of an unemployed person		
		'000 people	% to previous month	% to the same month of the previous year
January 2015	78,4	0,3	150	100
February	57,2	0,5	170	125
March	52,9	0,5	100	125
April	52,1	0,5	100	125
May	55,8	0,5	100	125
June	60,8	0,4	80	133
July	63,8	0,4	100	200
August	64,3	0,4	100	200
September	62,9	0,4	100	200
October	63,9	0,4	100	200
November	57,5	0,4	100	200
December	53,8	0,4	100	200
January 2016	49,0	0,6	150	200
February	44,4	0,6	100	120
March	42,4	0,7	117	140
April	43,0	0,8	114	160
May	48,1	0,6	75	120
June	51,5	0,5	83	125
July	52,5	0,5	100	125

By the end of July 2016 – 52487 vacancies have been reported to the Employment service, 65% of them – workers' positions (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In January-July 2016 the greatest demand for employees was declared by the enterprises and organizations of such economic activities, as operations with real estate, rent and services – 19.8% of all reported vacancies; transport and communication – 12,0%; wholesale and retail trade – 11.5%.

The pressure in the labor market (the number of unemployed citizens registered at the

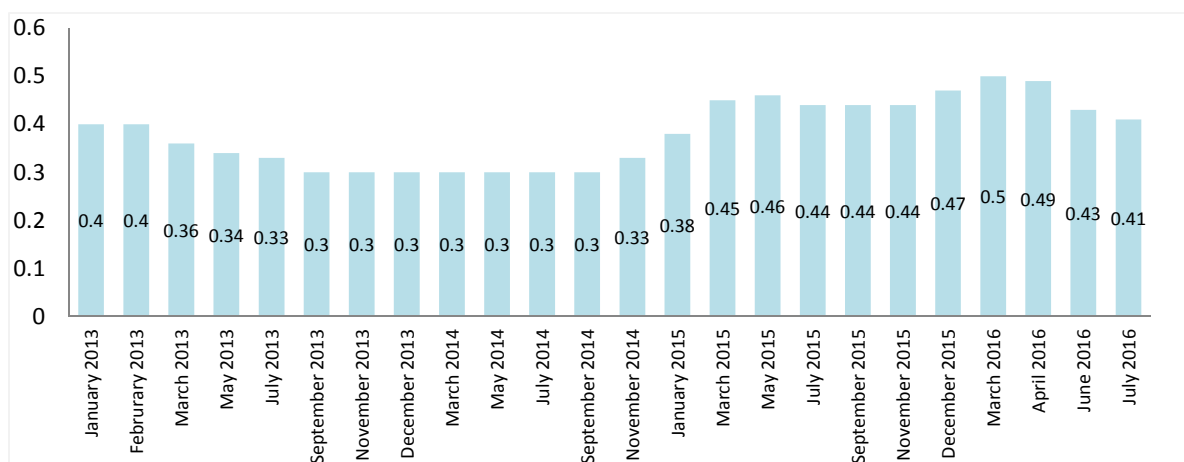
Employment Service per one vacancy) at the end of July 2016 was 0,48 persons per vacancy (at the end of July 2015 – 0,39 persons per vacancy).

In July 2016 25.2 thousand persons were registered at the Employment Service of St. Petersburg. It is 0.8% more than in July 2015 (table 4). In July 2016, 48.4% of those registered at the Employment Service were officially considered unemployed.

At the end of July 2016, the total number of those who turned to the State Employment Service of St. Petersburg amounted to 29659 people (at the end of July 2015 – 28144 people).

TABLE 4. Change in the number of officially registered unemployed people in St. Petersburg, 2015, January-July 2016

Month	Number of unemployed people registered at the Employment Service	Those with the status of an unemployed person		
		'000 people	% to previous month	% to the same month of the previous year
January 2015	21,1	10,8	105	110
February	26,3	12,3	114	124
March	28,4	12,9	105	133
April	28,5	13,5	104	139
May	26,9	13,2	97	138
June	25,0	13,0	98	142
July	25,0	12,6	97	141
August	24,1	12,0	95	141
September	24,4	11,7	98	137
October	24,6	11,7	99,4	132
November	24,8	12,6	108	136
December	23,6	13,5	107	130
January 2016	27,5	13,6	101	126
February	28,4	14,6	107	119
March	30,5	14,5	99,4	112
April	32,3	14,5	99,6	107
May	30,1	14,1	97	107
June	25,1	12,9	92	99,3
July	25,2	12,2	95	97

PICTURE 1. The level of registered unemployment in St. Petersburg, % of the economically active population

The number of registered unemployed at the end of July 2016 was 12 226 persons, of them women – 50.9%; young people aged 16-29 years – 15.9%; persons with disabilities – 12.7% (at the end of July 2015 the number of unemployed amounted to 12575 persons) (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In July 2016, the status of unemployed was assigned to 1.8 thousand persons (0,1 thousand people or 7% less than in July 2015). The number of the job-placements in July 2016 was by 100 people or by 6% less than in the same period of 2015, and amounted to 0.8 thousand people.

According to Rosstat, in January-July of the current year, the unemployment rate (according to methodology of the International Labor Organization) amounted to 1.6% of the economically active population (EAP). Over the same period in 2015 it was 2.6%. St. Petersburg had one the lowest levels of unemployment among the subjects of the Russian Federation (in the North-Western Federal district – 4.8%, Moscow - 1.8%, Russia – 5.7 %).

The level of registered unemployment (ratio of registered unemployed to the economically active population on average) at the end of July 2016 amounted to 0,41% of the economically ac-

tive population (end of July 2015, the figure was 0,44%) (www.rspb.ru) (figure 1). This is the lowest figure among the regions of the Northwestern Federal district.



3. PERSONAL INCOMES AND EXPENDITURES

PRICES

In January-July 2015 consumer prices growth in St. Petersburg was equal to 4.1%. In the same period of 2015 it was 10.1%.

The growth of consumer prices in January-July 2016 in St. Petersburg was higher than Russia's average by 0.2%. In July 2016 consumer prices grew by 0.8% (Table 5).

In January-July 2016, tariffs for paid individual services in St. Petersburg grew by 4.1%. For comparison: their growth in the same period of 2015 was 6.7%.

The rate of growth of tariffs for paid individual services in January-July 2016 was 0.3% lower than Russia's average. Tariffs for paid services in July 2016 grew by 1.7%.

In January-July 2016, prices of foodstuff grew faster than in Russia on average by 1.0% and of non-foodstuff goods - slower by 0.1%. The growth was correspondingly - 4.2% and 4.1%. In July 2016 prices of foodstuff fell by 0.01% and those of non-food goods grew by 0.4%.

In July 2016 prices grew for cereals and legumes (1,7%), fish (1.3%), oils and fats, confectionery (0.6%), alcohol (0.9%), sausage (0.5%), bread and bakery products, milk and dairy products (0.4%), cheese (0.3%), meat and poultry (0.2%). This month prices fell for fruits and vegetables (3.4%).

Among non-food goods in July 2016 in St. Petersburg the following grew in price: tobacco products (1.4%), cleaning products, construction materials (1%), perfumes and cosmetics (0.8%), fabrics (0.5%), textile and footwear (0.4%), haberdashery (0.3%), kitchenware (0.2%), clothing (0.1%).

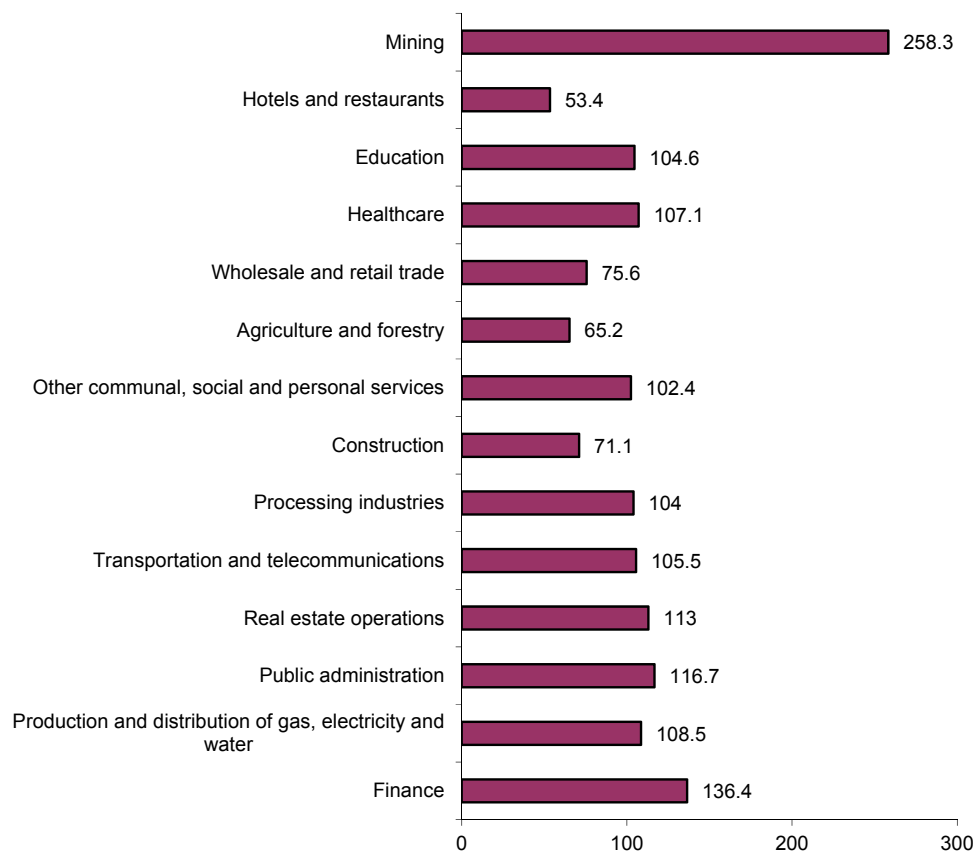
In July 2016 payments for housing repairs and exploitation grew by 14.5%, communal services grew by 12.5%, water-supply and sewerage - by 10%, hot-water supply - by 5.2%, gas - 2%, electricity - 7.3%.

TABLE 5. Consumer price index dynamics in 2015 and January-July 2015, % to the previous month

	<i>St. Petersburg</i>				<i>Russian Federation</i>			
	<i>CPI</i>	<i>Including:</i>			<i>CPI</i>	<i>Including:</i>		
		<i>Foodstuff</i>	<i>Non-food goods</i>	<i>Personal services</i>		<i>Foodstuff</i>	<i>Non-food goods</i>	<i>Personal services</i>
January 2015	105,0	106,8	103,7	104,2	103,9	105,7	103,2	102,2
February	102,3	103,8	102,8	99,7	102,2	103,3	102,1	100,8
March	101,0	101,4	101,5	99,8	101,2	101,6	101,4	100,3
April	100,4	100,9	100,9	99,3	100,5	100,3	100,9	100,0
May	100,2	99,6	100,9	100,3	100,4	100,1	100,5	100,5
June	100,2	99,3	100,5	101,0	100,2	99,6	100,3	101,0
July	100,7	99,8	100,4	102,1	100,8	99,7	100,5	103,0
August	100,1	98,6	100,6	101,4	100,4	99,3	100,8	101,3
September	100,5	100,5	101,1	99,0	100,6	100,4	101,1	100,0
October	100,6	100,6	101,2	99,7	100,7	101,0	101,0	99,9
November	100,7	101,5	100,8	99,7	100,8	101,2	100,7	100,2
December	100,9	101,3	100,4	101,1	100,8	101,2	100,4	100,7
January 2016	101,8	101,9	101,1	102,6	101,0	101,2	100,7	101,0
February	100,6	101,0	100,7	100,1	100,6	100,7	100,8	100,3
March	100,3	100,7	100,7	99,2	100,5	100,4	100,8	100,1
April	100,4	100,7	100,5	99,7	100,4	100,4	100,6	100,3
May	100,1	100,0	100,4	99,8	100,4	100,4	100,4	100,5
June	100,1	99,8	100,2	100,3	100,4	100,1	100,5	100,6
July	100,8	99,97	100,4	102,5	100,5	100,0	100,4	101,7
July 2016 in % to December 2015	104,1	104,2	104,1	104,1	103,9	103,2	104,2	104,4
July 2015 in % to December 2014	110,1	111,9	111,1	106,7	109,4	110,5	109,2	108,0

TABLE 8. Personal expenditures of St. Petersburg's residents in 2015, January – June 2016 (% of the incomes)

	<i>Expenditures:</i>				<i>Excess of incomes over expenditures (+), expenditures over incomes (-)</i>
	<i>Purchase of goods and services</i>	<i>Required payments</i>	<i>Savings in deposits</i>	<i>Foreign currency purchase</i>	
January 2015	110,7	15,1	- 15,5	16,7	- 36,3
February	64,5	15,5	10,0	13,3	- 11,4
March	72,7	16,3	1,8	15,0	- 17,7
April	61,3	15,7	8,3	14,4	- 11,1
May	68,9	14,1	8,6	10,5	- 12,2
June	69,5	16,1	4,7	11,6	- 9,1
July	66,9	17,0	5,5	13,2	- 11,3
August	70,2	15,3	6,9	13,4	- 12,9
September	74,2	15,8	3,8	13,3	- 14,2
October	68,7	14,8	6,5	13,6	- 10,0
November	66,0	13,7	11,5	11,2	- 10,6
December	55,0	18,3	10,9	9,0	- 0,6
January 2016	106,3	13,1	- 24,4	12,8	- 16,2
February	64,4	13,6	15,7	8,3	- 7,5
March	70,4	13,7	8,7	10,6	- 10,4
April	63,9	14,2	12,9	10,5	- 7,9
May	75,6	13,7	6,0	9,4	- 9,5
June	62,5	13,5	12,2	10,4	- 7,9

PICTURE 2. Inter-industry differentiation of average salary in June 2016 in St. Petersburg, % of the average salary (the average salary = 100%)

DIFFERENTIATION OF INCOMES AND SALARIES IN ST. PETERSBURG

In June 2016 the level of inter-industry salary differentiation grew compared to April 2016 (Picture 2). The gap between the highest salary (mining) and the lowest salary (hotels and restaurants) was during this month equal to 4,8 times compared to 4.6 times in April 2016.

The highest salaries in June 2016 were paid in mining (the salary in this sector was 2,58 times higher than the average for St. Petersburg).

In April 2016 the average for the City was significantly exceeded by the salary in the financial sector (1.36 times), in state administration (by 16.7%), in provision of communal, social and personal services (by 8.5%), in real estate operations (by 13%).

The lowest salary was paid to those employed at hotels and restaurants (53.4% of the average), agriculture and forestry (65.2%).

4. INDUSTRY

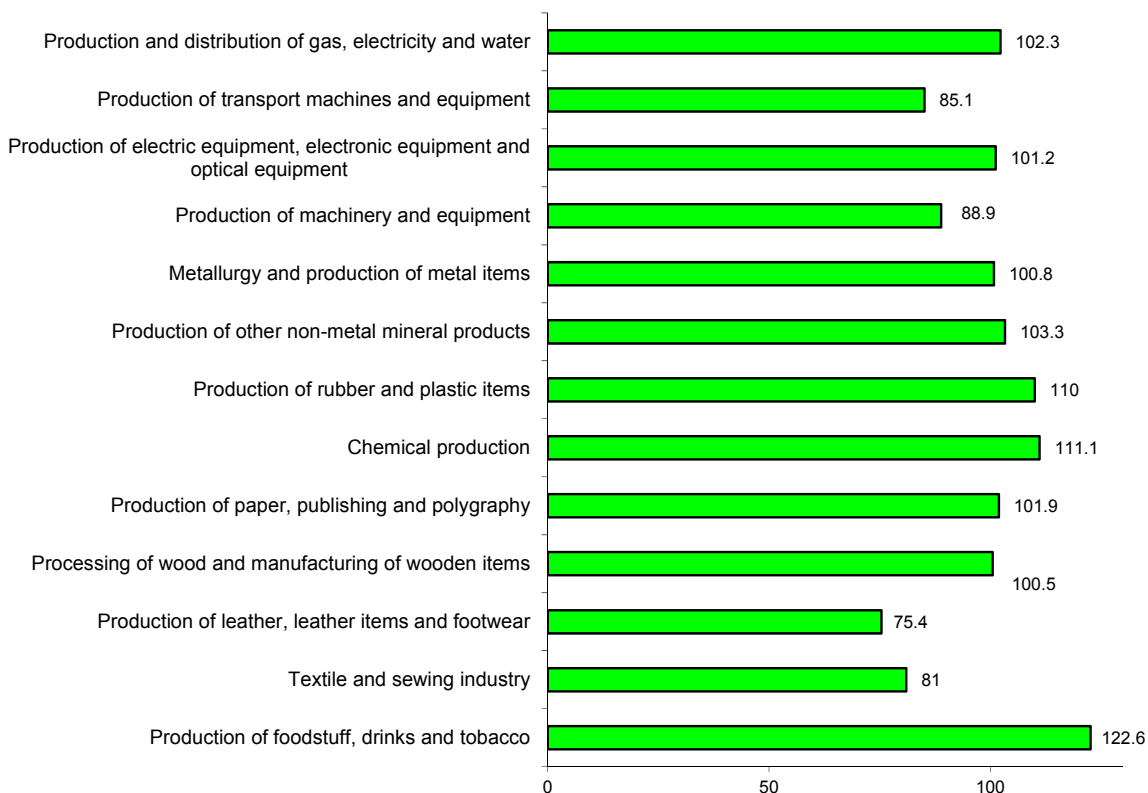
The index of industrial production in St. Petersburg in January-July 2016 in comparison with January-July 2015 amounted to 103.0%.

The production of the urban SUV Toyota RAV4 was launched on August 22 at the company's plant in St. Petersburg. This is the second model of the brand, after the Camry sedan, which is assembled by the Russian enterprise. The car is among the most sought after SUVs in the country for several years. To implement the ambitious project the capacity of the Toyota plant at the end of 2015 was increased twice - from 50 to 100 thousand vehicles per year. This, according to the company, cost a little less than 10 billion rubles. The training of the staff required about 450 study trips of employees of the St. Petersburg plant to Japan. At the time new hiring is planned as the production expansion required roughly 800 additional workers (www.rg.ru, August 23, 2016).

On July 18, 2016, the Government of St. Petersburg has approved of the decree on awarding the project "The construction of a plant for production of quick-frozen and fresh bakery products" by the company "Fazer" the status of strategic investment project of St. Petersburg. The status will allow the investor to obtain land for the project purpose.

The project involves the creation of a modern complex, which will include production and storage facilities equipped with the latest technological equipment, an office building, an energy center and ancillary facilities.

PICTURE 3. Industrial production dynamics in St. Petersburg by industry, January-July 2016 in % to January-July 2015



The first phase of production is planned to start in 2019, the second in 2025. The total investment in construction will exceed 14 billion rubles, the capacity of the first stage is about 35 thousand tons of frozen bakery and goods a year. The second phase of the plant will produce about 100 thousand tons of fresh bakery products per year. The project implementation will allow creating about 250 new jobs. The factory "Fazer" is planned to be equipped with production lines of the latest generations. It is expected that the use of modern technologies and equipment will significantly reduce heat and noise emissions into the environment of St. Petersburg.

It should also be noted that the intentions of the investor and of St. Petersburg Government to implement the project were secured by the agreement signed at the St. Petersburg International economic forum in 2016. Also, the project was approved at the meeting of the Investment Council under the Governor of St. Petersburg (www.gov.spb.ru July 18, 2016).

A meat processing plant "North-West" began operations on July 1 in St. Petersburg. The investor has leased 6.5 thousand m² of space for the plant. Previously the facility was occupied by OOO "Myasnye delikatesy". The availability of equipment has significantly reduced the need for initial investment. The investments amounted to 10 million rubles, to the end of the year it is planned to invest another 5 million rubles. The volume of production is 3.5 tons per day, by the new year the figure is expected to increase to 6 tons, the capacity of the enterprise is 10 tons per shift (3.6 thousand tons per year). Today, the company produces 30 kinds of boiled and boiled-smoked sausages. By September 2016 it is planned to launch the unit of smoked and jerked products. The products of "North-West" are aimed at middle-income consumers and are to be sold

through local shops and small chains. "North-West" plans to break even in 6 months. The new company was built by Gennady Yemeljanov, the founder of "Pit-Product", one of the largest firms in St. Petersburg market of meat products with a production capacity of 40 thousand tons per year (www.dp.ru July 27, 2016).



5. FINANCE

CITY BUDGET

The information about the implementation of the consolidated budget is presented in table 9.

According to the data of the Federal tax service of Russia in St. Petersburg in January-July 2016 the revenues from taxes, fees and other obligatory payments amounted to 525.2 billion rubles, which in nominal terms is 20.7% more than the corresponding period last year. In July 2016, compared with the previous month revenues to the budget system increased by 10%.

In January-June 2016 the consolidated financial result (profit minus loss) of organizations (excluding banks, insurance companies and budget organizations, without small businesses) amounted to 445.9 billion rubles, which is 43.2% more than in the corresponding period last year. In January-June 2016 the number of unprofitable enterprises in comparison with the same period of 2015 increased by 22 units or by 3.8%, the amount of the loss has increased by 3.9%.

STATE DEBT

The information about the structure of the state debt as of September 1, 2016, is presented in the tables 10 and 11.

Table 9. Consolidated budget execution in 2016 (mln. rubles)

	<i>Revenues</i>	<i>Expenditures</i>	<i>Surplus</i>
<i>January - May</i>	194811	165746	29065
<i>January - June</i>	227914	213635	14279

Source: Petrostat

Table 10. St. Petersburg's state debt structure on 01.09.2016

	<i>Mln. rubles</i>	<i>share, %</i>
State domestic debt of St. Petersburg, including:	14 736,9	100,0
Bonds	5 858,9	39,8
Budget credits	8 878,0	60,2
State external debt of St. Petersburg	0,0	0,0
Total	14 736,9	100,0

Source: St. Petersburg Committee of Finance

Table 11. State debt servicing costs of St. Petersburg, September 1, 2016, mln. rubles

<i>Item</i>	<i>Plan for 2016</i>
Domestic debt servicing costs	574,9
Total	574,9

Source: St. Petersburg Committee of Finance

6. MUNICIPAL SERVICES

BEAUTIFICATION, RESTORATION, REPAIRS

On August 27 after a two-year restoration and construction works, New Holland Island has opened to public. The new objects include the House of the commandant, the playground in the form of a frigate and a park with an area of 2.2 hectares. In 2016-2017 the building of the Forge and the former naval prison will also open. Until 2017 the project investor Millhouse LLC will invest in the restoration of the island more than 6 billion rubles, and by 2025 – 12 billion rubles. The visitor access to the island, despite the continuation of the work, will not be restricted (based on materials by "Delovoy Peterburg" and "Vedomosti")

The volume of financing from the budget of St. Petersburg of the conservation measures, state protection and popularization of objects of cultural heritage during the first half of 2016 amounted to about 2.5 billion rubles. The major objects, the restoration of which is carried out in 2016, are Anichkov Palace (restoration of the facades of the stables and of the Oak Cabinet), Yusupov Palace on the Moika (restoration of interiors and structures), Trinity Cathedral (the completion of rehabilitation works), Kelch mansion (restoration of the facades), the Mosque (the restoration of the prayer hall), the hospital of Olginsky orphanage (restoration of the facades) and the building of the Society for the encouragement of arts (the repair of roofs and the restoration of the lights). (Committee on state use and protection of monuments)

Road repairs in Saint Petersburg in 2016 took 5.2 billion rubles from the City budget and more than 900 million from the federal budget. By September 1 the budgeted amount has only been spent in 30%, the bulk of the work and the financing of 49 objects is planned to be done in the autumn months. Most large-scale repair works are planned at the following sites: Sophiyskaya ul. from the Ring road to Kolpino highway (401 million rubles), Rustaveli ul. from Piskarevsky prospect to the Suzdal prospect (262 million rubles), Pulkovo highway from the house number 55 to Volkhonskoye highway (183 million rubles), Ligovskiy Prospekt, near the Obvodny canal (182 million

rubles), Krasnoutilovskaya ul. (126 million rubles). (based on materials by "Delovoy Peterburg")

TRANSPORTATION, ENERGY, WATER SUPPLY

In January-July of 2016, transport organizations of St. Petersburg transported 3.6 million tons of cargo and 312,2 million passengers, which exceeds the figures for the same period in 2015 (9.7% and 1.9%, respectively). The freight turnover amounted to 732 million ton-km (8.4% less than the same period in 2015) and passenger turnover – 1801 million passenger-km (1.4% less than in January-July 2015). The trend of reducing freight and passenger turnover with a moderate growth in transported cargo and passengers continues. The number of road accidents, especially involving children, is reduced. In January-July 2016 there were 3376 accident, which killed 123 people (15.5% and 36% lower than the same period in 2015). (According to Petrostat)

The Committee on transport infrastructure development of St. Petersburg announced a tender for carrying out in 2016-2017 preliminary works on three metro lines:

1. Ring line (from "Bolshoy prospekt - 2" to "Lesnaya 2")
2. Krasnoselsko-Kalininskaya line (from "Obvodny kanal – 2" to "Polyustrovsky Prospekt - 1", "Kazakovskaya" to "Peterhof highway"),
3. Kirov-Vyborg line, which is supposed to extend from the station "Prospect Veteranov" to Pulkovo airport.

The work includes a feasibility study of the projects to develop an alternative lines, engineering surveys, analysis of social, cultural and legal situation in the areas of underground construction. The maximum value of tenders is 466 million rubles (Based on materials of the Committee on transport infrastructure development of St. Petersburg)

The winner of the tender of "St. Petersburg metro" for the supply of 27 6-car trains with asynchronous traction drive (ATP) and head motor car with automatic driving system for Nevsko-Vasileostrovskaya line is the Oktyabrskiy electric railway car repair plant (a subsidiary of ZAO "Transmashholding"). The contract amount of 13.4 billion rubles. the first part should be transferred to the customer until July 2017, and the contract is for the term up to April 2018. The level of localization of cars according to the tender documentation must not be less than 70%. In turn, GUP "Passagiravtotrans" signed a contract with "Global Bus"

(the official Russian dealer of the Belarusian automobile enterprises) for the supply of 100 one-section three-door buses that can accommodate up to 90 people for the total value of 1.15 billion rubles (Based on materials of "Vedomosti")

GUP "Vodokanal of St. Petersburg" reported about the execution of the investment program for 8 months of 2016. On September 1, the program is executed for 67% (8.6 billion rubles spent), 87,6 km of water and sewerage networks have been reconstructed (63% of the annual plan). The budget of St. Petersburg funds the enterprise in 2016 to implement a number of major projects, such as the continued construction of the Okhta tunnel sewer, construction of wastewater treatment plants in settlement Molodezhniy, designing water supply and sewerage in the settlements Gorelovo, Lisy nos, Petro-Slavyanka, Toriki and also upgrading of disinfection system using ultraviolet radiation in several districts of St. Petersburg. (Based on materials of "Vodokanal")

MAJOR CITY PROJECTS

At the end of July St. Petersburg City administration has terminated the contract with the former general contractor of the project of construction of "Zenit arena", "Inzhtransstroy-SPb", and on August 10 chose new general contractor – OAO "Metrostroy" with whom contracts were concluded for the completion of the stadium and the landscaping around it with a total value of 7.77 billion rubles. The contracts stipulate that construction of the stadium on Krestovsky island is to be completed by December 26, 2016. The investment program of Saint-Petersburg for 2016 was amended to finance the stadium: 2.6 billion rubles for the completion of the stadium were transferred from the construction of objects of social infrastructure. (Based on the materials of "Vedomosti" and the Administration of St. Petersburg)

The Committee on investments of St. Petersburg plans to increase in 2017 the amount of the subsidy to "Magistral of the Northern capital" (the concessionaire in the construction of the Western high-speed diameter) for 1.03 billion rubles. Previously approved amount of payment will increase from 4.62 to 5.65 million rubles. The change is due to the fact that the central section of WHSD is planned to be introduced six months later (by the end of fall 2016) that will not allow to reach the expected level of fees of the concessionaire in 2017. (the PPP agreement requires to reimburse the concessionaire for the shortfalls at the expense of the City of Saint-Petersburg). (Based on materials of "Kommersant")



7. REAL ESTATE

HOUSING

In the first half of 2016, the commissioning of housing in St. Petersburg amounted to 1.27 million sq. m., and it is 476 homes with 22.5 thousand apartments, according to the Construction Committee. In the first half of 2015, this figure amounted to 1.4 sq. m. In June 2016 in St. Petersburg there were commissioned 171.3 thousand sq. m. of housing. Most of the housing was built in the Krasnoselsky district — three houses for 1396 apartments with total area of 78,8 thousand sq. m. The top three areas also include Petrograd district— one finished new building with 346 apartments with an area of 21.5 thousand sq.m. and Pushkin district – 18 buildings with 404 apartments with an area of 21 thousand sq.m. Currently under construction are approximately 9 million sq.m. of residential property (Based on materials of Re-state.ru).

CO-INVESTORS

According to Delovoy Petersburg, the Deputy Prime Minister of Russia Igor Shuvalov has instructed several ministries to collect information about the deceived co-investors as well as to develop measures to compensate them for the damage. Also, the government will conduct an assessment of the effectiveness of the executive authorities of subjects of the Russian Federation in solving the problems of the cheated co-investors. These indicators are to be added to the list of effectiveness evaluation by the Ministry of economic development, Ministry of finance and Ministry of construction. The order is to be executed until September 15, RIA Novosti reported. From January 1, 2017 State fund for the aid to co-investors will start operations, replacing the mechanism of insuring the responsibility of builders.

In Petersburg there are 71 problem buildings under control, according to the Committee on construction, with a total area of over 1 million sq.m. During the first half of the year there were 391 applications received from citizens about inclusion in the register of the deceived co-investors. Currently, criminal cases have been opened regarding 24 objects.

Problematic new buildings of GK "Gorod", the construction of which was halted in 2013, found a new owner in the face of A. Manevich (son of the former Vice-Governor Mikhail Manevich). Manevich, together with the bank "St. Petersburg" intends to solve problems of co-investors.

In Leningrad oblast there are 10 problematic buildings. There are 288 people registered as deceived co-investors so far.

NON-RESIDENTIAL

In St. Petersburg a record number of warehouses has been built – a total of 138,6 thousand sq. m. The majority of the new warehouse space has been built in Shushary. The press-service of the company JLL noted that the market was affected by the commissioning of facilities in "A Plus Park Shushary" and "Armada Park." According to the company, in the second quarter the requested maximum level of rental rates in quality warehouse complexes has not changed, and is between 450 and 500 rubles per sq.m. per month (including VAT and operating expenses).

In Krasnogvardeysky district in Prospekt Shaumyana a new shopping center "Ohta Mall" has opened. It is the largest mall built in recent years. Before in its place once stood buildings of the plant "Znamya truda". The developer is the company "Tempo-invest" connected with SRV Group holding. The designer of the shopping complex is the Finnish company L Architects. The total area of the seven-story complex is about 140 thousand sq.m. In addition to individual small shops in the "Ohta Mall" there will be hypermarkets "Lenta" and "Decathlon", a cinema with eleven halls, a branch of the Mayakovsky library, cultural and educational space "Ohta Lab", as well as several restaurants and a food court. Under the building there is a parking for 1900 cars. According to official representatives of the SRV, the cost of construction amounted to about 200 million euros. This is the only new mall of this class built in St. Petersburg since 2014 (Based on materials Restate.ru).

The company "Okhta Group" has changed the plans for the construction at ul Moiseenko, 10: instead of an aparthotel in the form of a group of several buildings (6-8 floors) with 237 apartments and a parking for 36 cars, it will build a business center with a total area of over 10 000 sq. m.

TERRITORIAL DEVELOPMENT, REGULATION

The issuance of certificates on the state registration of rights to real estate is terminated from July 15, 2016, according to Administration of the Federal registration service in St. Petersburg.

The state registration of the origin and transfer of rights to property will be evidenced only by an extract from the Unified state register of rights to immovable property and transactions with it (EGRP).

The extract from the EGRP certifying the state registration of rights is the document confirming the fact of carrying out such state registration and availability in the unified state register of the information on the rights holder, about the property which is registered in the corresponding day under the appropriate law, about legal documents for registration, on the date specified in it as the date of issue. Obtaining extracts from the Unified state register is possible both in paper and in electronic

form. (Based on materials <http://www.kvadrat.ru/news/20160712>)

**8. INVESTMENT PROJECTS**

According to Petrostat, the volume of investments into fixed capital by organizations of Saint-Petersburg in January-June 2016 amounted to 205,1 billion rubles, which is 1.7% higher than the same period last year.

In St. Petersburg a new production facility of the company "RAKURS" has opened. In the special economic zone "Neudorf" the company "RAKURS" will produce monitoring systems for hydropower plants "Yenisei-VK".

"Yenisei-VK" is the result of two years of joint work by "RAKURS" and CKTI of Polzunov. The stationary system for vibration testing of hydraulic units is aimed at identifying defects and malfunctions in its systems of HPP in real-time. Finding a failure in the hydraulic units, it assesses its extent, and the staff then makes the decision on whether to carry out urgent repair work. The volume of investments into creation of the production facility amounted to 30 million rubles.

Premium segment shop Weekend Max Mara opens in the shopping center "Europolis". The shop will sell premium segment products from outerwear to shoes and accessories. In St. Petersburg there are already three shops of Max Mara Group. The brand development in Russia is carried out by the group of companies Bosco di Ciliegi, that opened in Russia more than 100 mono-brand stores.

AO "Forging-mechanical plant" Izhora-Metal plans a construction of a metallurgical complex in Kolpino. The project was approved by the Investment Council under the Governor of St. Petersburg. The complex includes the steelmaking, forging, machining, heat treatment shops, storage facilities, and carpool. The start of the construction is planned in 2016, immediately after the acquiring of the land plot of 18 hectares. The total area of the complex will be about 96,6 thousand sq. m. The project implementation period will be about 7 years. The investments in the project will amount to 8.5 billion rubles. To implement the project the company plans to use own and borrowed funds in the ratio of 15% and 85%, respectively.

Currently the plant manufactures products for the enterprises of the military-industrial complex, shipbuilding, oil and gas industry, power engineering, transport and other industries.

A new chain of streetfood Doggy Dog opens in St. Petersburg in ul. Vosstaniya. The menu will include mostly hot dogs in the style of different countries - Mexican, French, Indian, with additives and sauces. The investments into the café amounted to 8 million rubles.

A famous herbalist from Bashkiria launches a chain of herbal stores in St. Petersburg. A new shop was opened on the 6th line of Vasilyevsky island. The range of goods includes more than 800 species of herbs. A second store under the franchise agreement will open this fall in the Primorsky district. The investment into opening a single shop are above 800 thousand rubles.

In total in St. Petersburg, according to some estimates, there are more than 100 stores, selling goods for a healthy lifestyle.

"Maksidom" is to build cultural and business center on Vasilyevsky Island on the territory of the plant of M. I. Kalinin. The company plans to restore the property and create on-site cultural and business center. Most of the buildings of the enterprise (60-70%) are considered cultural heritage sites and are protected by KGIOP. The company plans to preserve the historic building, to restore and adapt them for modern use. In the near future, it is planned to conduct a study on the condition of the objects. According to preliminary estimations, the investments into the project will exceed 3 billion rubles.



GENERAL OVERVIEW OF SOCIO-ECONOMIC SITUATION IN ST. PETERSBURG

This analytical overview is a publication of the International Centre for Social and Economic Research "Leontief centre" and is issued 6 times per year in Russian and English since 1992.

Each issue (20-25 pages) contains, in concentrated form, statistics and information (incl. unpublished) describing the situation in the industry, urban infrastructure, the budget sphere, the progress of privatization and investment projects in St. Petersburg, as well as the standard of living and employment.

The review provides a unique opportunity for investors, entrepreneurs, scholars, public figures to regularly and quickly obtain information about the development of the city.

All editions of the overview are posted on the website <http://www.obzor.leontief.ru/>