

# **GENERAL OVERVIEW OF SOCIO-ECONOMIC SITUATION IN ST. PETERSBURG**

**November-December 2019 № 162**



- 
1. **CITY MANAGEMENT:** *New appointments in the Governor's Administration*

---

  2. **EMPLOYMENT:** *Enterprises' need for labor is down*

---

  3. **PERSONAL INCOMES AND EXPENDITURES:** *Salary arrears are up*

---

  4. **INDUSTRY:** *Launching of the scientific-technical center of "Polisan" company*

---

  5. **FINANCE:** *Information on the execution of the consolidated budget*

---

  6. **CITY AFFAIRS:** *In 2020 "open sky" mode to be launched at Pulkovo Airport*

---

  7. **REAL ESTATE:** *All 24 planned social infrastructure objects are completed in 2019*

---

  8. **INVESTMENT PROJECTS:** *"Okhta group" company to create new business and public space on the territory of "Skorokhod" factory*
- 

**Founder: ICSEER Leontief Centre**

**Editor in chief:**

*Nina Oding*

**Editors:**

*Olga Varlamova*

*Denis Kadochnikov*

© ICSEER Leontief Centre, 2019. When quoting from this publication, reference to "A General Overview of Socio-Economic Situation in St. Petersburg" is required.

In compiling this review, the report data of St. Petersburg Statistic Committee for 2007-2019 on the Socio-Economic Situation in St. Petersburg and the Leningrad Oblast was used.

## 1. CITY MANAGEMENT

### APPOINTMENTS, GOVERNMENT COUNCILS

#### **New personnel appointments in the administration of the Governor of St. Petersburg**

On November 5, 2019, Yu. Kiseleva was appointed the deputy head of the Administration. Since November 2019, she worked as an adviser to the Governor of St. Petersburg. Yu. Kiseleva started her career as a public servant in 1994 in the Committee on land resources and land management. Yu. Kiseleva also served as the Chairman of the Committee on land resources and land management, the Committee on urban planning and architecture, and the head of the administration of the Vasileostrovskiy district.

Personnel changes have also occurred in another structural division of the Governor's Administration - the Office. On December 5, 2019, Yu. Smirnov was appointed chief of Staff of the Governor's office. Before being appointed to this post, he worked in the same division as a Deputy Chief.

#### **There have been changes in the composition of the Government of St. Petersburg**

In December 2019, the City Government was reshuffled. Dismissed have been the Vice-Governor-head of the Governor's Administration L. Sovershayeva (returned to the post of deputy presidential envoy to the North-West Federal district), Vice-Governor O. Markov (appointed special representative of the Governor of St. Petersburg for external relations and implementation of investment projects) and A. Poveiy (head of the Kolpinsky district administration). The Government now includes Vladimir Pikalev (Vice-Governor-head of the Governor's Administration), I. Potekhina (Vice-Governor) and M. Sokolov (Vice-Governor). Vice-Governors E. Batanov, N. Bondarenko, Ye. Yelin, V. Kirillov, V. Knyaginina, N. Linchenko, A. Mityanina and M. Shaskolsky, as well as Yu. Shesterikov (representative of the Governor in the Legislative Assembly), Ye. Grigoriev (Chairman of the Committee on foreign relations) and O. Kapitanov (Chairman of the Committee on interethnic relations and implementation of migration policy in St. Petersburg) have retained their seats in the Government. The Governor of St. Petersburg, A. Beglov, forms and heads the Government. Thus, the number of members of the City Government is 15. Due to changes in the Government's structure, the order of the Governor of St. Petersburg dated December 9, 2019, changes the distribution of responsibilities among the Vice-Governors.

#### **The head of the transport infrastructure development Committee was replaced**

On December 19, 2019, the Governor of St. Petersburg, A. Beglov, has dismissed S. Kharlashkin from the post of the Chairman of the

Committee for the development of the transport infrastructure, based on the personal statement of the latter. Temporary performance of duties of the Chairman of the Committee entrusted to the first Deputy Chairman A. Semchenkov.

#### **A Trilateral agreement was signed between the authorities, trade unions and employers for 2020-2022.**

The agreement was signed on December 27, 2019 in Smolny. The Agreement was signed by Governor A. Beglov, by the President of the Union of Industrialists and entrepreneurs of St. Petersburg A. Turchak and the Chairman of the Interregional Association of trade Union organizations "Leningrad Federation of trade unions" V. Derbin. Among other things, the Agreement sets the minimum wage in St. Petersburg for 2020 at 19 thousand rubles, which is 36% higher than the Federal level of 12.13 thousand rubles. In Russia, only 4 regions have established their increased minimum wage. In addition to St. Petersburg, these are Moscow, Moscow and Leningrad regions.

### LEGISLATION

#### **Approved are the Main directions of the long-term policy of St. Petersburg**

The main directions were approved by the decree of the Government of St. Petersburg No. 764 of November 1, 2019. The document covers the period of 2020-2022. Its provisions define the main factors that determine the nature and direction of the debt policy, its goals, objectives and tools for implementation.

#### **Approved is the Program of privatization**

The program of privatization of state property in St. Petersburg for 2020 and the planning period 2021-2022 was approved by the Government of St. Petersburg No. 817 of November 25, 2019. According to the Program, in 2020 the City should receive 423.75 million rubles from the privatization of state property.

#### **The budget of St. Petersburg for 2020-2022 was adopted**

In accordance with the Law of St. Petersburg No. 614-132 of November 27, 2019, the parameters of the budget of St. Petersburg for the next 3 years have been approved. The total volume of budget revenues in St. Petersburg for 2020 is set at 674.9 billion rubles, for 2021 - 739.1 billion rubles, for 2022 - 794 billion rubles. Budget expenditures are approved for 2020 in the amount of 727.7 billion rubles. In 2021 and 2022, the expenditures should amount to 783.2 billion rubles and 822.2 billion rubles, respectively. The budget deficit will amount to 52.8 billion rubles in 2020, 44.1 billion rubles in 2021, and 28.2 billion rubles in 2022.

**The Territorial program of state guarantees of free provision of medical care to citizens in St. Petersburg and the main parameters of the budget of the Territorial compulsory medical insurance Fund of St. Petersburg have been approved**

The main parameters of the budget of the Compulsory medical insurance fund of St. Petersburg (TFOMS) are approved by the law of St. Petersburg No. 616-134 of December 2, 2019. The TFOMS budget is balanced: total revenues and expenditures for 2020 have been approved in the amount of 119 billion rubles. The law stipulates that the amount of funds of the normalized insurance reserve of the TFOMS (excluding funds for making payments for medical care provided to insured persons outside the territory of the region in which the insurance policy was issued, and funds for financial support of measures for organizing additional professional education of medical workers for advanced training programs, as well as for purchasing and repairing medical equipment) in 2020 should not exceed 8.7 billion rubles, in 2021-9.05 billion rubles, in 2022- 9.5 billion rubles.

The law of St. Petersburg No. 682-150 of December 19, 2019, approves the territorial program. The document was developed in order to provide free medical assistance in St. Petersburg to citizens who are entitled to receive such assistance in accordance with Russian legislation. It is valid for the period 2020-2022.

**Changes have been made to the Law of St. Petersburg on the organization of public health protection**

The amendments were made by Law No. 634-142 of December 12, 2019. In accordance with them, the Law of St. Petersburg No. 367-63 of June 20, 2012 "On the basics of the organization of health protection of citizens in St. Petersburg" clarifies the powers of the City Government in terms of maintaining the regional segment of the Federal register of persons with hemophilia, malignant neoplasms of lymphoid, hematopoietic and related tissues, multiple sclerosis and a number of other diseases. The new version of the Law came into force on December 24, 2020.

**In St. Petersburg, the minimum subsistence level was set in the 3rd quarter of 2019.**

Based on the resolution of the Government of St. Petersburg of December 13, 2019, No. 900, the subsistence minimum in St. Petersburg for the 3rd quarter of 2019 was set for various categories of the population. On average, it was determined in the amount of 11465.3 rubles, for the working-age population - 12584.3 rubles, for pensioners - 9303.8 rubles, for children - 11176.2 rubles.

**The Law of St. Petersburg on tax benefits has been amended**

The amendments were made by Law No. 630-144 of December 17, 2019. In accordance with them, the Law of St. Petersburg No. 81-11 of June 28, 1995 "On tax benefits" was amended to

establish the right to apply for the investment tax deduction for enterprises belonging to the corresponding categories. The provisions of the Law define the conditions for granting a deduction and the requirements for businesses that are entitled to a deduction. The profit tax rate for determining the maximum amount of the investment tax deduction is provided in the amount of 10%. The new version of the law on tax benefits came into force on January 1, 2020.

**MEETINGS, COOPERATION**

**Governor of St. Petersburg held a meeting with the Ambassador extraordinary and plenipotentiary of Germany to Russia**

The meeting was held on November 15, 2019. A. Beglov and G. A. von Geyr discussed the development of cooperation between St. Petersburg and Germany, one of the main trade and investment partners of St. Petersburg. There are more than 450 companies with German capital in the City. Germany ranks 2nd in terms of imports and exports among all the City's trade partners. In recent years, German investors have invested more than US \$ 1 billion in direct investment in the economy of St. Petersburg. Educational and scientific relations are being developed based on 350 agreements with educational and scientific organizations in Germany. 132 students from Germany study in St. Petersburg universities. More than 80 Petersburgers annually receive stipends of the German academic exchange service.

**The VIII International cultural forum was held in St. Petersburg**

The Forum events were held from November 14 to 16 2019. The main theme of the forum is "Cultural codes in the context of globalization". The main locations of the forum's events were the Main Staff building of the State Hermitage Museum, The Russian Ethnographic Museum, and the Manege central exhibition center. The forum is a platform for meetings, open dialogue and exchange of experience between specialists in the field of culture and cultural policy, representatives of state authorities, politicians and businesspersons from different countries. The participants of the VIII international cultural forum were 40358 people representing 96 countries of the world. The program of the forum consisted of 415 events held at 95 sites. For comparison, in 2018, 35000 people participated in the forum, including 2000 foreigners from 101 countries.

**St. Petersburg is developing cooperation with the Republika Srpska of Bosnia and Herzegovina**

On November 21, 2019, the Governor of St. Petersburg, A. Beglov, held a meeting with a member of the Presidium of Bosnia and Herzegovina, M. Dodik. During the conversation, the sides discussed issues of expanding bilateral cooperation. A good start was the opening of a rep-

representative office of the Republika Srpska in St. Petersburg in 2018. The parties discussed issues related to the supply of pharmaceutical products from St. Petersburg enterprises, the design and construction of a cascade of hydroelectric power stations on the Vrbas, Bosna and Bistritsa rivers, and cooperation in the field of water supply and sanitation.

#### **St. Petersburg is developing cooperation with Gazpromneft and The Agency for technological development**

On November 25, 2019, an Agreement on cooperation in the field of technologies and developments for the energy sector was signed in Smolny. It was signed by the Governor A. Beglov, the General Director of PJSC Gazpromneft A. Dyukov and The General Director of the Agency for technological development S. Zinchenko. In accordance with the agreement, a research and education center for the development of technologies in the energy sector of the economy will be established in St. Petersburg.

#### **The Governor of St. Petersburg has made a working visit to Helsinki**

During the short-term visit on December 3, 2019, the Governor of St. Petersburg, A. Beglov, held meetings with the President of Finland, S. Niiniste, during which issues of interregional and border cooperation were discussed, with the mayor of Helsinki, J. Vapaavuori, and with the heads of large Finnish companies. During the visit, A. Beglov also met with veterans and the Siege survivors living in Finland. A. Beglov invited the mayor of Helsinki and veterans to visit St. Petersburg on the day of the 75th anniversary of the Victory in the Great Patriotic war.

#### **The XVII Congress of builders of St. Petersburg was held**

The Congress was held on December 5, 2019 at the Lenexpo exhibition center. The Congress was attended by the Governor of St. Petersburg A. Beglov, Vice-Governor for construction N. Linchenko, representatives of Government authorities, heads of construction organizations, public associations, scientists and experts. Following the results of the Congress, the report on the activities of the Union of construction associations and organizations in 2019 and the plan for 2020 were approved, and working documents were agreed. The decision of the Congress of builders extended the powers of the Executive Director O. Britov. A. Vakhmistrov was elected the President of the Union.

#### **St. Petersburg strengthens cooperation with VTB Bank**

Issues related to the development of cooperation between the City and VTB were discussed on December 13, 2019, during a working meeting between Governor A. Beglov and the President and Chairman of the VTB Bank Board A. Kostin. The focus was on cooperation in the implementation of projects in the road transport sector. The parties discussed the project of construction of the

ZSD interchange with Vitebsk Avenue, taking into account the prospective connection to the Latitudinal highway. The agreement on this project was signed in June 2019 at the St. Petersburg international economic forum. VTB Bank provides financial support for the project.

#### **St. Petersburg develops cooperation with Promsvyazbank**

On December 13, 2019, the Governor of St. Petersburg, A. Beglov, and the Chairman of the Board of Promsvyazbank, P. Fradkov, signed a cooperation Agreement between St. Petersburg and Promsvyazbank. Promsvyazbank is the main financial and credit organization for shipbuilding and military-industrial enterprises. P. Fradkov stressed that the Bank lends to defense companies in St. Petersburg at a rate of 6.5% per annum. Prospective areas of cooperation between the City and the Bank are defined as the development of a single map of St. Petersburg, housing construction, support for mortgage programs, and implementation of engineering and transport infrastructure projects.

#### **The Governor of St. Petersburg held a meeting with the Chairman of the Board of Sberbank**

The meeting between A. Beglov and G. Gref took place on December 18, 2019. During the conversation, issues of cooperation were discussed, including the implementation of the project "Unified card of a Peterburger", in which Sberbank participates. More than 60% of all issued unified cards of a resident are issued by Sberbank. A. Beglov presented the chairman of the North-Western Bank of Sberbank V. Ventimilla Alonso with the Governor's gratitude for participating in the project of issuing a single card. The meeting also discussed issues of strategic partnership between the City and the Bank in the implementation of projects for the construction of social infrastructure facilities and the purchase of medical equipment for City healthcare institutions.

#### **St. Petersburg develops cooperation with the Republic of Moldova**

On December 21, 2019, the Governor of St. Petersburg, A. Beglov, held meetings with the President of the Republic of Moldova, I. Dodon, and the mayor of Chisinau, I. Cheban. A. Beglov supported the initiative to open the Moldovan Consulate General in St. Petersburg. The parties noted with satisfaction the trend of growth in trade turnover. According to the results of 2018, an increase of 36% was recorded, and according to preliminary estimates for 2019 – by 37%. Export and import of food, education, tourism and sports were mentioned as promising areas for developing cooperation between the cities. During the conversation, the participants discussed plans for the visit of the St. Petersburg delegation to Chisinau in January 2020.

## 2. EMPLOYMENT

In October 2019, **1511.8 thousand people were employed at large and medium-sized enterprises** (table 1). Full-time employees accounted for 94.9% of those employed at these enterprises. In comparison with the previous month, the number of full-time employees increased by 0.1%, the number of contracted employees increased by 12.3%, and the number of part-time employees increased by 3.3%.

In January-October 2019, the number of employees at these enterprises increased by 2.6% compared to the same period in 2018. The number of full-time employees increased by 2.6% over the same period. The number of part-time employees fell by 3.3%, while the number of contracted employees working under contracts increased by 5.1%.

In October 2019, manufacturing, education, transport and communications, healthcare, wholesale and retail trade accounted for the largest number of jobs, while agriculture and forestry, hotels and restaurants, and other services accounted for the smallest number (table 2). 48.9% of all employees at large and medium-sized enterprises in the City worked in the public sector of the economy.

In August-October 2019, the number of economically active population was 3074.2 thousand people, including 3031.9 thousand employed and 42.3 thousand unemployed. The number of persons who are not part of the labor force is 1491.9 thousand people. During the period under review, the employment rate was 66.4% (the number of employed people in the total population aged 15 to 72 years), the level of economic activity - 67.3% (the share of the number of economically active population in the total population aged 15 to 72 years) (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

According to Petrostat, the number of employees scheduled for release in the fourth quarter of 2019 in St. Petersburg organizations (without small businesses) was 3727 people or 0.25% of the total number of employees of St. Petersburg organizations (without small businesses) in September 2019. The number of required employees for vacant jobs at the end of the third quarter of 2019 in St. Petersburg organizations (without small businesses) was 68.6 thousand people.

At the end of November 2019, the need for employees declared by employers to the Employment Service amounted to 33929 vacancies (table 3), of which 58.0% were for working professions (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

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

	October 2019		January-October 2019 in % to January-October 2018
	'000 people	In % to September 2019 r.	
Filled jobs total, including:	1511,8	100,4	102,6
Registered permanent employees	1434,4	100,1	102,6
External by-workers	33,1	103,3	96,7
Contracted labour	44,3	112,3	105,1

**TABLE 2. Employment at enterprises and organizations of St. Petersburg by the type of economic activity in October 2019 (without small enterprises)**

Industry	Total employment	
	'000 people	% of the total
Total, including:	1511,8	100,0
Manufacturing	213,4	14,1
Production and distribution of electric power, gas and water	44,6	3,0
Agriculture and forestry	4,6	0,3
Construction	52,8	3,5
Transportation and telecommunications	210,1	13,9
Finance	56,5	3,7
Real estate transactions, leasing and services	39,1	2,6
Wholesale and retail trade, repair of motor vehicles and home appliances	167,5	11,1
Hotels and restaurants	28,8	1,9
Public administration, security and social care	93,2	6,2
Education	219,6	14,5
Healthcare and social services	168,2	11,1
Culture, sports, entertainment	49,9	3,3
Science and technology	118,6	7,9
Administrative services	36,6	2,4
Other services	8,3	0,5

In January-November 2019, the largest number of vacancies was declared by organizations of the following types of economic activity: transportation and storage -13.1%; administrative and related services – 10.6%; processing industries -10.3%; wholesale and retail trade, repair of motor vehicles and motorcycles – 9.9%; construction -7.9%; activities in the field of health and social services – 7.7%; activities of hotels and public catering enterprises - 6.2%; education – 6.0%; public administration – training and ensuring military security - 5.7%; professional, scientific and technical activities - 3.5%; real estate operations-3.4% (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In November of this year, as in the analogous period of 2018, among the employees who fell into the top ten deficit specialists, the most popular were programmers, managers, engineers

of various specializations, doctors, and masters. In 2019, the shortage of engineers increased, and the shortage of managers, masters, and doctors decreased. There was a deficit of translators, educators, superintendents, and police officers.

In November 2019, compared to the same period of the previous year, car drivers, armorers, and painters are still in demand among the specialists of the working professions. The shortage of drivers and drivers has decreased, and the shortage of fitting installers has increased. There was a shortage of anticorrosion workers, manicure-makers, assemblers of metal structures, masons, carpenters, waiters, and carpenters.

The labor market pressure (the number of unemployed citizens registered with the Employment Service, per vacancy) at the end of November 2019 was 0.64 people / vacancy (at the end of November 2018 – 0.47 people / vacancy).

**TABLE 3. St. Petersburg enterprises' demand for workforce, January 2018 – November 2019**

Month	Demand for workforce reported to the Employment service, thous. people	Number of unemployed people per 1 vacancy		
		persons	In % to the previous month	In % to the same month of the previous year
January 2018	35,9	0,7	116,7	116,7
March	37,5	0,7	100	100
April	38,3	0,6	85,7	85,7
May	39,9	0,6	100	120,0
June	42,2	0,5	83,3	100
September	43,9	0,5	100	100
October	47,8	0,4	80,0	80,0
November	46,5	0,5	125,0	83,3
December	42,0	0,5	100	83,3
January 2019	39,6	0,6	120	85,7
February	40,4	0,6	100	85,7
March	40,5	0,6	100	85,7
April	40,9	0,6	100	100
May	43,7	0,5	83,3	83,3
June	44,5	0,5	100	100
August	44,2	0,5	100	100
September	37,6	0,6	120	120
October	35,4	0,6	100	150
November	33,9	0,6	100	120

**TABLE 4. Change in the number of officially registered unemployed people in St. Petersburg, 2018, January-November 2019**

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 2018	24,8	11,9	100,7	100
February	25,8	12,2	102,6	98,8
March	25,0	11,4	93,5	94,7
May	23,5	10,8	96,2	98,2
June	21,5	9,7	90,4	96
August	20,3	9,6	99,0	98,2
September	20,5	9,6	99,5	103,7
October	20,6	10,3	108,3	105,7
November	21,7	10,9	105,1	106,6
December	22,0	12,0	110,7	101,7
January 2019	22,6	12,7	105,4	106,5
February	24,3	13,8	108,5	112,6
March	24,2	13,6	98,8	119,0
May	21,7	13,3	94,0	123,8
June	20,4	12,3	92,4	126,6
August	20,5	11,9	97,0	124,3
September	22,1	11,9	99,6	124,4
October	21,4	12,3	103,1	118,4
November	21,7	12,5	102,2	115,1

In November 2019, as in November 2018, 21.7 thousand people were registered with the Employment Service of St. Petersburg (table 4). In November 2019, 57.6% of those registered with the Employment Service were officially recognized as unemployed.

At the end of November 2019, the total number of applicants to the Employment service of St. Petersburg was 27009 (at the end of November 2018 – 25913).

In January-November 2019, the Employment Service received 317771 applications from citizens for providing public services, including 54895 applications for professional orientation, and 130351 applications for informing about the situation on the labor market.

The number of registered unemployed citizens at the end of November 2019 was 12515, including: women – 55.7%; young people aged 16-29 – 11.7%; entrepreneurs - 14.6%, citizens of the pre-retirement age - 21.2% (at the end of November 2018, the number of unemployed was 10875 people) (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In November 2019, 2.8 thousand people received the status of unemployed (0.3 thousand people or 12.9% more than in November 2018). The size of employment of the unemployed in November 2019 was 0.1 thousand people or 14.6% more than in the same period of 2018, and amounted to 0.9 thousand people.

According to Rosstat, in August-October 2019, the unemployment rate (according to the methodology of the International labor organization) was 1.5% of the economically active population. St. Petersburg had one of the lowest unemployment rates among Russian regions (3.5% in the North-Western Federal district, 1.5% in Moscow, and 4.5% in the Russian Federation).

The registered unemployment rate (the ratio of the number of registered unemployed to the labor force on average for 2018) at the end of November 2019 was 0.41% (at the end of November 2018, this indicator was 0.36%) ([www.rspb.ru](http://www.rspb.ru)) (picture 1). This is the lowest indicator among the regions of the North-Western Federal district.

### 3. PERSONAL INCOMES AND EXPENDITURES

#### PRICES

In January – November 2019, prices in the consumer sector of the economy of St. Petersburg increased by 2.6%. In the analogous period of 2018, the growth was 3.2%.

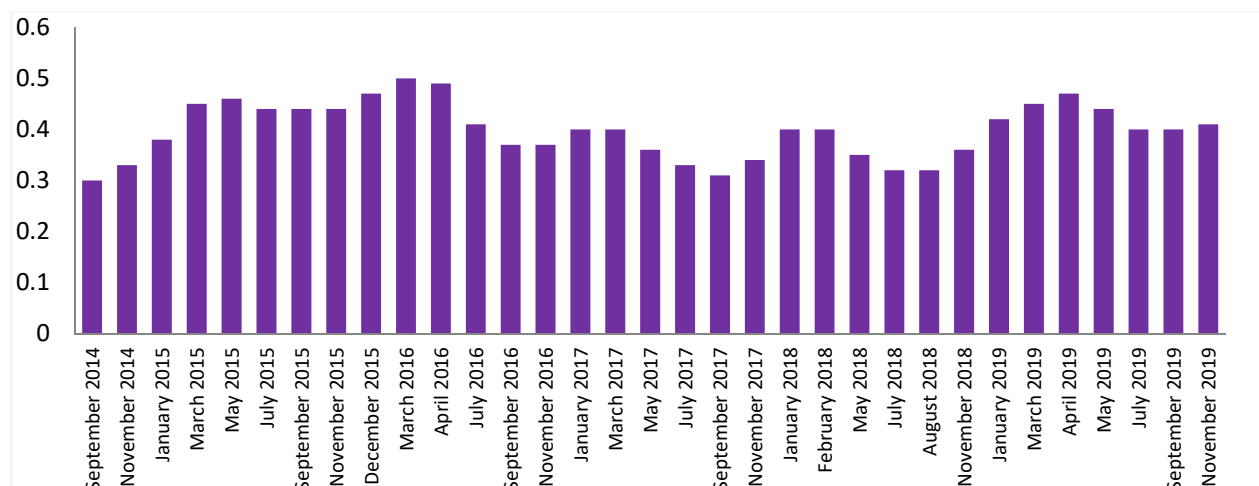
The growth of consumer prices in January-November 2019 in St. Petersburg was less than the national average by 0.1%. In November 2019, consumer prices increased by 0.2% (table 5).

In January-November 2019 in St. Petersburg, tariffs for paid services to the population increased by 3.3%. For comparison, their growth over the same period in 2018 was 2.9%.

The increase in prices for paid services in St. Petersburg in January-November 2019 was lower by 0.2% than the national average. Prices for paid services increased by 0.2% in November 2019.

In January-November 2019, prices for food and non-food products increased by 2.0% and 2.6%, respectively. In January-November 2019, the growth of prices for food products in St. Petersburg was higher than the national average by 0.2%, and for non-food products it was lower than the Russian average by 0.2%.

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



**TABLE 5. Consumer price index dynamics in 2018, January-November 2019, % 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 2018	100,5	101,2	100,2	100,02	100,3	100,5	100,3	100,1
February	100,2	100,3	100,2	100,02	100,2	100,4	100,1	100,1
March	100,4	100,7	100,1	100,4	100,3	100,5	100,2	100,1
April	100,5	100,6	100,5	100,4	100,4	100,4	100,4	100,3
May	100,4	99,8	101,0	100,3	100,4	99,9	100,9	100,4
June	100,4	100,2	100,4	100,6	100,5	100,4	100,4	100,7
July	100,3	99,6	100,1	101,3	100,3	99,7	100,1	101,3
August	99,8	99,2	100,1	100,1	100,0	99,9	100,2	100,3
September	100,04	99,5	100,4	100,4	100,2	99,6	100,4	100,2
October	100,3	100,4	100,6	99,7	100,4	100,6	100,5	99,9
November	100,4	101,2	100,2	99,7	100,5	101,0	100,4	100,0
December	100,7	101,3	100,4	100,4	100,8	101,7	100,2	100,4
January 2019	101,1	101,8	100,5	101,0	101,0	101,3	100,6	101,1
February	100,4	100,8	100,1	100,3	100,4	100,8	100,9	101,3
March	100,3	100,7	100,3	99,95	100,3	100,5	101,2	101,5
April	100,4	100,5	100,3	100,2	100,3	100,4	100,2	100,2
May	100,5	100,6	100,2	100,7	100,3	100,4	100,2	100,4
June	100,1	99,4	100,2	100,8	100,0	99,5	100,2	100,6
July	100,3	99,9	100,3	100,7	100,2	99,7	100,2	100,9
August	99,4	98,7	99,7	99,8	99,8	99,1	100,2	100,2
September	99,9	99,4	100,2	99,98	99,8	99,6	100,2	99,8
October	100,1	99,9	100,7	99,7	100,1	100,2	100,3	99,8
November	100,2	100,3	100,03	100,2	100,3	100,5	100,2	100,1
November 2019 in % to December 2018	102,6	102,0	102,6	103,3	102,7	101,9	102,8	103,5
November 2018 in % to December 2017	103,2	102,7	103,9	102,9	103,4	102,9	103,9	103,5

Food prices in November 2019 in St. Petersburg increased by 0.3%, and non-food prices increased by 0.03%.

In November 2019, there was an increase in prices for fruit and vegetable products (by 2.3%), cheeses (by 1.2%), alcoholic beverages (by 0.5%), milk and dairy products (by 0.4%), butter and fats, sausages, confectionery (by 0.1%).

During the period under review, meat and poultry fell in price (by 1.1%), bread and bakery products (by 0.5%), fish (by 0.3%), sausage products, cereals and legumes (by 0.1%).

Among non-food products in November 2019, St. Petersburg an increase was recorded in prices for tobacco products (by 1.6%), medicines

(by 1.5%), haberdashery (by 1.1%), tableware, detergents and cleaning products (by 0.8%), knitwear and (by 0.5%), hosiery (by 0.4%), shoes (by 0.3%).

Prices of cosmetic products during the period under review fell by 4.5%, paper stationery and office supplies - 0.6%, electrical goods - 0.5% building materials - 0.2%, clothing by 0.1%. Prices for furniture remained unchanged.

In November 2019, fees for cold and hot water supply, sanitation, housing maintenance and repairs, operating expenses, gas and electricity, and capital repair fees remained unchanged.

In November 2019, theater tickets rose in price by 8.8%, foreign tourism services by 3.5%,



clothing repairs by 2.4%, and dry cleaning services by 2.2%.

Costs of hotel services fell by 7.1%, plane travel by 6.4%, and long – distance train travel by 3.4%.

In January-November 2019, gasoline prices increased by 2.1%, and diesel prices increased by 1.3%. In November 2019, gasoline prices fell by 0.01%, while diesel prices increased by 2.1%.

#### PERSONAL INCOMES AND EXPENDITURES

In October 2019, real salary in St. Petersburg increased by 3.3%, while in Russia it increased by 3.8% (table 6).

The average monthly nominal salary accrued in St. Petersburg in October 2019 was 62224 rubles. The average nominal salary of Russian citizens in October 2019 was 25.2% less than in St. Petersburg and amounted to 46549 rubles.

**TABLE 6. Real salary dynamics in St. Petersburg and the Russian Federation in 2018, January-October 2019, %**

	<i>St. Petersburg</i>		<i>Russian Federation</i>	
	<i>Real salary</i>		<i>Real salary</i>	
	<i>To the previous month</i>	<i>To the same month of the previous year</i>	<i>To the previous month</i>	<i>To the same month of the previous year</i>
January 2018	80,5	117,9	76,3	111,0
February	99,5	111,9	102,5	110,5
March	104,7	108,9	104,7	108,7
April	98,3	108,9	102,4	107,6
May	95,6	106,9	100,9	107,6
June	109,1	104,9	103,6	107,2
July	95,0	108,5	92,2	107,5
August	94,3	105,4	97,5	106,8
September	102,3	105,5	100,9	104,9
October	100,9	104,5	101,0	105,2
November	100,2	104,0	100,0	104,2
December	132,3	102,5	128,4	102,5
January 2019	72,5	93,1	74,8	101,1
February	102,8	97,2	101,1	100
March	109,5	101,3	107,2	102,3
April	98,4	100,8	103,2	103,1
May	95,3	100,4	101,6	99,4
June	107,5	99,2	102,9	102,9
July	96,6	100,3	103,0	93,9
August	94,4	100,6	102,4	96,7
September	101,8	100,2	103,1	101,3
October	103,3	102,6	103,8	102,0

**TABLE 7. Salary arrears in St. Petersburg in September-December 2018, January-December 2019 (on the 1<sup>st</sup> of each month), mln. rubles**

	September 2018	October	November	December	January 2019	February	March	April	May	June	July	August	September	October	November	December
Total arrears	223,8	154,9	174,3	159,8	129,1	136,8	90,9	53	75,4	85,9	94,3	115,8	139,6	118,3	175,3	290,9
Including arrears due to the lack of budget financing	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	3,8	0,0	0,0

As of December 1, 2019, salary arrears amounted to 290.9 million rubles. The amount of arrears increased by a factor of 2.25 compared to January 1, 2019. Construction industry accounted for 54.8% of the total debt, manufacturing accounted for 32.7%, and research and development accounted for 12.5%.

#### DIFFERENTIATION OF INCOMES AND SALARIES IN ST. PETERSBURG

In October 2019, the level of interindustry salary differentiation decreased compared to August 2019 (picture 2). The gap between the highest salary (mining) and the lowest (hotels and restaurants) was 4.9 times in this month, compared to 6.9 times in August and 5.8 times in June 2019.

The highest salary in October 2019 was in mining (the salary of employees in this industry was 2.94 times higher than the average salary in St. Petersburg).

In October 2019, the average salary in St. Petersburg was significantly exceeded by the remuneration of employees engaged in information and communication activities (by 58.5%), financial activities (by 33.6%), and scientific and technical activities (by 35.7%).

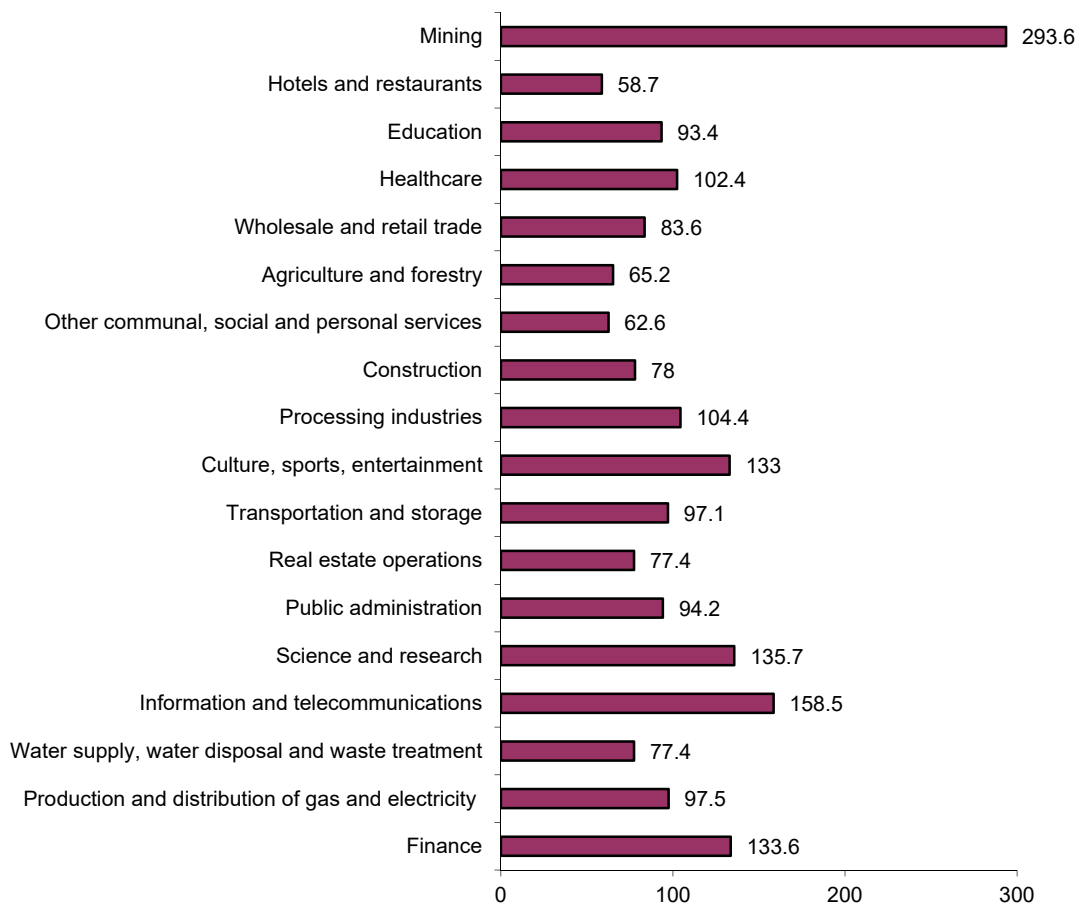
The lowest wages were paid to those employed at hotels and restaurants (58.7% of the average salary) and in other public, social and personal services (62.6% of the average salary).

#### 4. INDUSTRY

The index of industrial production in St. Petersburg in January-November 2019 compared to January-November 2018 amounted to 104.7%.

A new plant of the DoorHan group of companies for the production of thermal insulation boards and three-layer sandwich panels with foam-isocyanurate filler has been opened in St. Petersburg. The DoorHan termopanel plant is equipped with high-tech equipment, which is designed to produce more than 3 million sq. meters of sandwich panels and thermal insulation boards per year. The advantage of new roofing materials is their fire resistance and ability to withstand heavy loads, including snow loads, which is important for the Northern regions of Russia. Own chemical laboratory allows the plant to fully control the quality of raw materials and develop innovative materials that are currently in demand on the Russian market (doorhan.ru 18.11.2019).

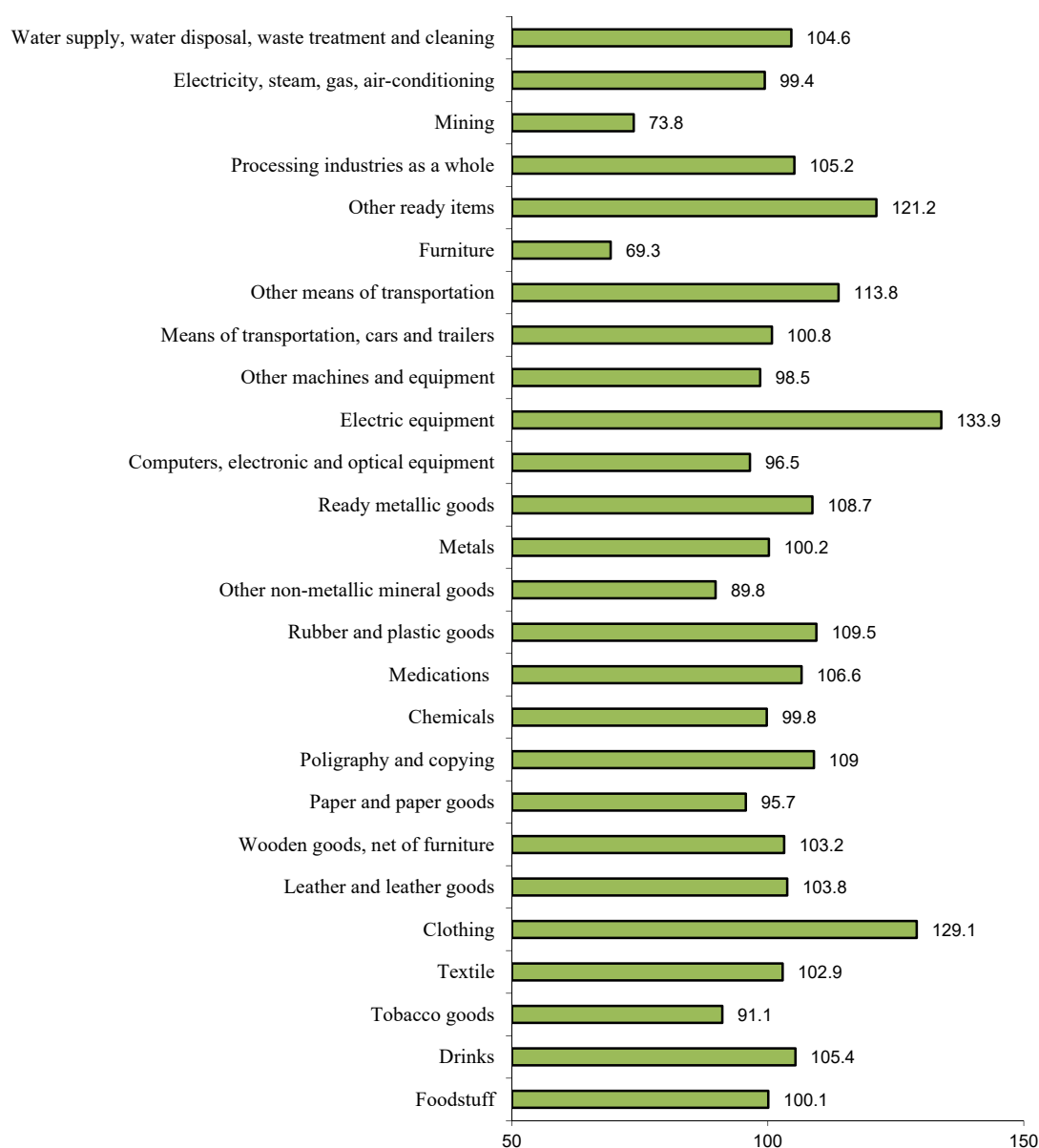
**PICTURE 2. Inter-industry differentiation of average salary in October 2019 in St. Petersburg, % of the average salary (the average salary = 100%)**



The POLISAN research and technology center, a platform for the development of innovative natural medicines, has been opened in St. Petersburg. The opening of the center is the final stage of the investment project, which included the reconstruction of production facilities and expansion of warehouse space. The total volume of investments in the project amounted to more than 4.5 billion rubles. The location of the RTC on the same territory as the pharmaceutical plant will allow the employees of the scientific division to more actively implement developments and scale them. POLISAN is one of the leading Russian pharmaceutical manufacturers. Every year the plant produces more than 16 million packages of medicines (www.gov.spb.ru 07.11.2019).

According to the TV channel "St. Petersburg", the lead nuclear icebreaker of the project 22220 "Arktika" was released on December 12, 2019 for sea trials. The launch of the ship is scheduled for May 2020. "Arktika" is the largest and most powerful nuclear-powered vessel in the world. The icebreaker is 173.3 meters long, 34 meters wide and 15.2 meters high. The speed is 22 knots in clear water. The nuclear icebreaker is designed for conducting vessels in the Arctic, on the Yenisei and Ob Bay sections, towing floating structures in ice and on clean water, and for other tasks (topspb.tv 12.12.2019).

**PICTURE 3. Industrial production dynamics in St. Petersburg by industry, January-November 2019 in % to January-November 2018**



## 5. FINANCE

In January–October 2019, the City's organizations' consolidated financial result (profit minus loss) amounted to 791.0 billion rubles, which is 1.5 times more than in the corresponding period of 2018.

In January–October 2019, the number of unprofitable organizations increased by 2 units or 0.3% compared to the same period in 2018, and the amount of loss decreased by 26.8%.

According to the operational data of the Federal tax service of the Russian Federation for St. Petersburg in January–November 2019, the budget system received taxes and other mandatory payments in the amount of 1149.3 billion rubles, which in nominal terms is 5.4 % more than in January–November 2018.

### CITY BUDGET

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

### STATE DEBT

The information about the structure of the state debt as of December 1, 2019, is presented in the tables 10 and 11.

## 6. MUNICIPAL AFFAIRS

### BEAUTIFICATION, RESTORATION, CAPITAL REPAIRS

In 2019, capital repairs of roads and road surfaces were carried out in St. Petersburg at a total cost of 5 billion rubles. In total, 2.25 million square meters of pavement were repaired at more than 100 addresses in the current year. In 2020, it is planned to repair about 3 million square meters of roads with a total cost of 7 billion rubles. According to the Transport Infrastructure Development Committee, the main contractors will be ORION Plus, VAD JSC and Vozrozhdenie. (Based on TIDC materials).

In the Kalininsky district of St. Petersburg, work has been completed on major repairs of damaged heating systems in the area of Grazhdanskiy Avenue and Murinsky stream. As part of the repair work, more than 20 km of networks were updated, the total cost of the work amounted to 400 million rubles. The works were procured by GUP "TEK SPb", the contractors were LLC "Engineering company "and CJSC "Peterpipe". (Based on the materials of Kommersant»)

**Table 9. Consolidated budget execution as of November 1, 2019 (mln rubles)**

	Revenues	Expenditures	Surplus (+) Deficit (-)
<i>January–September</i>	463 664	441 845	21 820
<i>January–October</i>	541 875	499 895	41 980

Source: Petrostat

**Table 10. St. Petersburg's state debt structure on December 1, 2019**

	Mln rubles
State domestic debt of St. Petersburg, including:	30 100
Bonds	30 100
Budget Credits	0,0
State external debt of St. Petersburg	0,0
Total	30 100

Source: Petrostat

**Table 11. Debt service expenditures of the budget of St. Petersburg, as of December 1, 2019 (mln rubles)**

Item	Plan for 2019	Fact on 01.12.2019
Domestic debt service costs	2 336,0	1 155,5
Total	2 336,0	1 155,5

Source: Committee on finance of St. Petersburg

The new contractor for the reconstruction of two overpasses (Ligovsky and Gorelovsky) became "SK "Orion Plus". Previous contractor, Pylon CJSC is currently undergoing bankruptcy proceedings. The cost of the work on the Ligovsky overpass is 3.9 billion rubles, and on the Gorelovsky overpass - 416 million rubles. The work includes dismantling existing overpasses, expanding objects to six and three lanes correspondingly, rebuilding communications and installing traffic lights. The completion is planned for October 2021 and July 2020, respectively (Based on RBC materials).

### TRANSPORTATION, ENERGY, WATER SUPPLY

In January-November 2019, transport organizations in St. Petersburg transported 9.3 million tons of cargo (which is 10.4% higher than in the same period in 2018) and 526.6 million passengers (which is 1.1% lower than in January-November 2018). At the same time, cargo turnover amounted to 5661.6 million ton-km (2.1 times more than in January-November 2018), and passenger turnover – 3146.7 million pass-km (which is higher than in 2018 by 1.9%). The number of road accidents amounted to 5907 and remained at the level of the same period in 2018 (according to Petrostat).

In January-November 2019, Pulkovo airport served more than 18.2 million people, which is 8.2% higher than in the same period of 2018. The volume of traffic on international routes increased by 5.4% to 7 million people. On domestic airlines, passenger traffic was 11.1 million people — 10.1% more than in January-November 2018. In total, more than 155 thousand take-off and landing operations were performed in Pulkovo in the first nine months of 2019. Rossia, Aeroflot, Pobeda, S7 Airlines and Ural airlines became the leaders in terms of traffic volume in January-November 2019. Lufthansa, Uzbekistan Airways, Belavia, Finnair and Turkish Airlines are leading foreign carriers. Moscow, Simferopol and Sochi remain the most popular Russian destinations, while Antalya, Minsk and Frankfurt are main remain international destinations. (Based on the materials of the press service of VVSS LLC)

Starting from 2020, Pulkovo airport will switch to the "open sky" mode for flights to 30 European countries. This mode entitles airlines to operate flights to Pulkovo from outside their home country, which will significantly expand the number of flights and the geography of the route network. According to the Ministry of transport of the Russian Federation, the largest European low-cost airlines-Ryanair, EasyJet, Wizz Air and Air Baltic are interested in using this mode (According to Vedomosti materials).

The cost of one-time travel in public transport in St. Petersburg in 2020 will be 55 rubles. The cost of monthly travel and discount tick-

ets for schoolchildren and students will also increase. At the same time, benefits will be retained for Unified card of Petersburgers holders, cards of the Mir payment system and multi-hour travel tickets "Podorozhnik". (Based on the materials of REGNUM)

### MAJOR CITY PROJECTS

In November, traffic was opened on the M11 Moscow – St. Petersburg toll road, construction of which began in 2010. The total length of the route is 669 km; the total cost of the ten stages of construction of the highway is 520 billion rubles, including 148 billion rubles of extra-budgetary investments (most sections of the route were built within the framework of a public-private partnership). The main contractors were the North-West concession company, "Mostotrest" and "Highway of the two capitals". The cost of travel for passenger cars from Moscow to St. Petersburg will vary from 1300 to 2000 rubles, depending on the day of the week and the availability of a transponder (According to Vedomosti materials).



## 7. REAL ESTATE

### HOUSING AND CIVIL CONSTRUCTION

The Ministry of construction has summed up the results of 11 months of this year for the implementation of the National project "Housing and urban environment" (the report of Minister V. Yakushev, December 19).

As of December 1, 63.5 million square meters of housing were commissioned, which is 9.1% higher than in the same period last year. However, according to the forecasts of the Ministry of construction of the Russian Federation, the key indicators for the year in terms of the volume of housing commissioned and the average mortgage rate will not be reached. However, the final figures will be higher than in 2018. The housing commissioning at the end of last year amounted to 75.3 million square meters of housing. Increasing the volume of housing construction makes it possible to successfully resolve issues with the resettlement of residents of decrepit housing. The federal project to resettle people from the existing housing stock has become one of the most successful. The targets for 2019 have been exceeded by a factor of four. 84 regions of the country participate in the project for the resettlement of residents of decrepit housing. More than 30 thousand people moved out of emergency houses, and the decrepit housing stock decreased by 527 thousand square meters.

According to the press center of the Construction Committee, in November 2019, 538948

square meters of housing were put into operation in St. Petersburg, 190 houses for 13204 apartments, including individual construction.

Most housing was built in the Primorsky district. In November, 118427 square meters of housing were put into operation there, with a total of 3 apartment buildings for 3448 apartments. The next in terms of housing construction was the Nevsky district - 112709. 5 sq. m of housing was commissioned, 7 buildings for 2821 apartments. In the third place is Krasnoselskiy district, where 31 buildings for 2857 apartments with a total area of 100921 square meters were put into operation.

In addition, in November 2019, 14 objects for civil purposes were put into operation, including a kindergarten for 220 places in the Krasnoselskiy district.

In 2019, within the framework of agreements with investors, all planned 24 social infrastructure facilities were commissioned. Residents of the City received four new schools for 2925 seats in the Vyborgskiy, Primorskiy, Krasnogvardeyskiy and Kalininskiy districts, 15 kindergartens for 2113 seats in Moskovskiy, Primorskiy, Petrogradskiy, Vyborgskiy, Nevskiy, Kolpinskiy, Krasnoselskiy and Pushkinskiy districts, two youth clubs, a library, and two built-in offices of a general practitioner.

In 2020, 23 social facilities are planned to be built and put into operation. In General, 223 agreements have been signed with investors for 309 social infrastructure facilities with the prospect of their implementation by 2031.

At the hearings on the implementation of the General Plan of St. Petersburg for 2018, data on the amount of housing in St. Petersburg were announced – an average of 26.3 square meters per person.

#### CO-INVESTORS

In 2019, the housing construction industry switched to project financing using escrow accounts when attracting funds from citizens. As noted by the Ministry of construction when summing up the first results: "in General, the transition of the industry to project financing is quite slow.

According to the Unified information system for housing construction, as of December 18, 110.4 million square meters of housing were under construction in Russia. 71.3 million square meters – projects for which an opinion on compliance with the criteria has been received and in which equity holders 'funds can be attracted without using escrow accounts, as well as 24.9 million square meters-projects for which developers use escrow accounts and project financing".

At a meeting with Russian Prime Minister Dmitry Medvedev, General Director of the Fund for the protection of the rights of citizens who participate in shared construction, O. Govorun,

said that more than 3 thousand homes in Russia are abandoned and unfinished. In fact, this is a city for 1 mln people on the territory of our country, which is not completed" (kvadrat.ru). The first results of the Fund's work – the rights of 8 thousand defrauded shareholders in 13 regions of the Russian Federation were restored.

For 2019, the Fund for the protection of the rights of shareholders has been granted 32.5 billion rubles to restore the rights of shareholders, and a list of 38 entities has been approved in which the Federal program for the restoration of citizens ' rights is being implemented this year and will continue next year (RIA real estate).

Gosstroynadzor of St. Petersburg issued a permit to Glorax Development for commissioning of the "Main House" residential complex in the Kalininskiy district. Four buildings for 401 apartments were built on the site of the unfinished construction of the bankrupt Chesma-invest (restate.ru).

#### TERRITORIAL DEVELOPMENT, REGULATION

Within the framework of the National project "Housing and urban environment", the index of the quality of the urban environment was calculated for the first time. According to the first data, which will be the basis for calculating and evaluating the dynamics of urban development, 23.5% of Russian cities have a pleasant urban environment, and by 2024 they should be at least 60%. In addition, a competition was held for the best projects for creating a comfortable urban environment in small towns and historical settlements, and 35 winning projects have already been identified. The first object from among the winners of 2019 was also introduced. – this is the embankment of the Vorskla river in the city of Graivoron, Belgorod region.

On November 1, the Ministry of construction of Russia presented the country's first urban environment quality index. The results of this large-scale work are published on the website of the Ministry of construction of Russia and on a separate site Индекс-городов.рф. The Work has been carried out since 2016, the methodology has been repeatedly corrected and refined. The specialists relied on international experience in monitoring the state of cities, having studied more than 150 assessment systems in the context of current problems of Russian cities. There are more than 200 indicators that can be used in Russia. As a result, a document was created that takes into account the key modern principles of urban development: the priority of walking accessibility, the possibility of various leisure activities and the minimization of time spent on the commuting to work, the variety of types of public spaces in the city, the diversity of available infrastructure. The share of cities with a favorable urban environment will become the base value from which the growth set by the national project

"Housing and urban environment" will be calculated.

The head of the Ministry of construction of Russia V. Yakushev said that the Ministry's specialists had calculated the indices of the state of the urban environment in 1114 localities for 2018. They were grouped into 10 groups based on the size and climate to correctly set the scales for evaluating the urban area index and comparing it. The method includes 36 indicators. Each of the indicators was evaluated on a ten-point scale. The values were summarized and formed the final index of the quality of the urban environment. Thus, cities could score a maximum of 360 points. Accordingly, in cities that have scored more than 180 points, the urban environment is considered acceptable, the minister said.

Information on 19 indicators is taken from open sources. This includes information from search and information mapping services, data from the geographic information system, satellite images of territories, and social networks. For another 17 indicators, information was collected from the subjects of the Russian Federation and statistical agencies and Federal Executive authorities.

According to the results of the calculations, the average value of the urban environment quality index for the country in 2018 was 163 points.

On December 23, the Federation Council approved a Draft law on new mechanisms for disposing of emergency housing stock, developed by the Ministry of construction of the Russian Federation. The document provides new opportunities for residents, gives the regions the authority to recognize houses as emergency housing, and establishes the principle of targeted use of territories that are vacated. Before that, the criteria for recognizing houses as emergency housing were approved. Russian Government's resolution on amending the Regulation on recognizing a dwelling as residential or uninhabitable, an apartment building as emergency housing and subject to demolition or reconstruction was signed by Russian Prime Minister Dmitry Medvedev. The corresponding document was published on the official Internet portal of legal information on December 2.

Owners of apartments in emergency buildings can now expect to receive a subsidy that will allow them to reimburse part of the cost of purchasing new housing. Those who decide to buy a new apartment using credit will also be able to receive compensation for mortgage loans. However, only citizens who have an apartment in an emergency building as the only registered housing will be able to take advantage of this social support measure.

According to the amendments, regional or municipal authorities are now obliged to provide temporary housing from the maneuverable

housing stock for up to two years to residents of an emergency house that poses a real threat to people's lives. Before the end of this period, the authorities must relocate citizens to new housing or pay them monetary compensation for the purchase of apartments.

The draft law provides a motivational mechanism for attracting investors to projects for the development of built-up territories. A subsidy will be available to those developers who want to participate in the program. They will be able to compensate for 25% of the cost of resettlement of citizens.

The bill also protects investment-attractive land plots from commercial use. The amendments fix the principle of targeted use of territories under vacated emergency houses. The land plot can only be used for the development of public spaces, the construction of social facilities or for a new residential building.



## 8. INVESTMENT PROJECTS

**The Invitro laboratory network has launched a new laboratory complex in St. Petersburg.**

The opening of a new complex with an area of 4 thousand square meters will increase the number of tests from 17 to 30 thousand per day in 2020 and will significantly reduce the time required to complete orders. In addition, the new laboratory will become the center for the diagnostics of autoimmune diseases — tests for these types of diseases will be sent here from all Russian offices of the network. The investments in the project amounted to 150 million rubles. During 2020, the company will open 25 new branches in the North-West.

**In St. Petersburg, Russia's first cafe "Cucumbers" opened to help people with mental disorders adapt**

Alongside professional chefs and baristas it will employ twelve people with mental disorders (mental and mental development disorders). According to experts, this small-scale project creates a new model of employment for such people. In three months, the project has managed to raise 860 thousand rubles through crowdfunding to rent and of the premises for a cafe on the Fontanka river embankment. The cafe's menu features vegan cuisine.

**Orimi group of companies has announced the official opening of a plant for the production of instant coffee.**

Construction of the plant began in the second quarter of 2017. The decision to build it was dictated by the development plans of Orimi group aimed at maximum import substitution and increasing the level of localization of production in Russia. Prior to the launch of the plant, Orimi pro-

duced only natural roasted coffee (grain and ground). The capacity of the plant is 4.5 thousand tons per year. The plant will produce instant freeze-dried coffee under its own brands - "Orimi" Jardin and "Jockey". The total investment in the plant exceeds \$ 100 million; about 60% of the amount was used to purchase equipment.

**New project starts in St. Petersburg to create an Asian-cuisine food hall "Honza and Bonza".**

As part of the project, the Montpensier shopping center (Primorsky district) will host 10 Asian gastronomic projects (Middle and Far East, Japan, Vietnam, India, China, Thailand, Korea, Bali, Central Asia), seating 500 guests. According to experts' estimates, taking into account the cost of similar projects, the required amount of investment can reach 50 million rubles. According to the plan, an event platform for 1 thousand people will also be located on the territory of the food hall, where Asian culture festivals will be held, and on weekends — a weekend market.

**Okhta Group will create a new public and business space on the site of Skorokhod Shoe factory**

The company closed a deal to purchase 51 thousand square meters of the factory, which is about 60% of the total area of Skorokhod. The site is located at Zastavskaya street. According to preliminary estimates, after the reconstruction and demolition of part of the buildings, there will be about 48 thousand square meters of used space.

The company plans to acquire another site in St. Petersburg to create a similar social and business space. To implement these two projects, a closed-end mutual investment fund, Loft invest, was established. The owners of shares in it are "Okhta Group" and about 30 investors. The size of the authorized capital of the fund is 3.6 billion rubles. It is assumed that this amount will be spent on the purchase and reconstruction of two sites for public and business spaces in St. Petersburg.





## ***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/>