



NOVGOROD OBLAST

Land area: 21,351 square mi (55,300 square km).

Population: 657,600 inhabitants; 44.6% male, 55.4% female; 70% urban.

Unemployment rate: 1.17%.

Capital: Veliky Novgorod (est. 859; 216,700 inhabitants); 375 mi (606 km) from Moscow.

Number of towns and districts: 21 districts, 10 cities, 15 towns, 3,726 rural administrations.

Largest cities: Borovichi (56,700 inhabitants), Staraya Russa (33,700), Valdai (17,500).

Climate: moderate continental.

Average growing season: 160-180 days.

Temperature: in January is 14F (-10C); in July 63F (+17C).

Rivers: Volkhov, Msta, Lovat, and Shelon.

Lakes: Ilmen, Valdai, Velye, and Seliger.

Governor: Sergei Gerasimovich Mitin (born 1951, in office since 2007).

U.S. sister-cities: Rochester, N.Y. (of Veliky Novgorod), Bingempton, N.Y. (of Borovichi), Cañon City, Colorado (of Valdai).

NATURAL RESOURCE BASE

Deposits: peat (639 deposits), refractory clay (83 deposits), limestone, quartz and mortar sands, brick clay, boulder and sand materials, sapropel (34 deposits), and mineral pigments.

Forests: 64% of the territory; deciduous forests cover ½ of the Oblast's territory. The forest zone is divided into the taiga and mixed forest of coniferous, mixed, and softwood types.

Water: 12 mineral water springs; 7 freshwater underground reservoirs.

Soils: predominantly highly sod-podzolic soils with low humus content and podzolic-boggy soils.

Animal life: 57 species.

Birds: 178 species.

Fishing: 30 species.

National parks: Valdai.

CURRENT ECONOMIC SITUATION

Budget: RUR 11,348,782,200 (2007).

Industrial production index: 106% (2007).

Industrial enterprises: 1,519 with 191,600 employees.

Leading sectors: chemicals and petrochemicals, forestry, timber and paper, food and beverages, machine engineering, energy, and ferrous metals.

Machine engineering and metal processing: 15% of total industrial output. The largest companies are Elbor, Mstator, Spektr, Vektor, Transvit, Splav, Kvant, and Start.

Ferrous metals: 7% of total industrial output; Borovichi Refractory Materials Factory is the largest.

Chemicals and petrochemicals: 24% of total industrial output; the largest enterprises are Akron, Fliderer-Chudovo, and Novgorod Fiberglass Factory.

Energy: 10% of total industrial output; Novgorodenergo Combined Heat and Power Station (NECHPS) is the largest company. Local power facilities cover ¼ of total demand of the Oblast. The installed capacity of NECHPS is 190 MW; its thermal output reaches 630 Gcal/h.

Food and beverages: 18% of total industrial output; processed and unprocessed meat, dairy and vegetables, confectionery, alcoholic and non-alcoholic beverages. The largest enterprises are Laktis, Novgorod Bacon, Dirol Cadbury, Deka, and Alkon.

Agriculture: 8% of total industrial output; 170 companies; 1,202 farms.

Banking system: 2 regional banks; 16 branches; 2 representations; 5 offices.

Insurance sector: 3 regional companies; 19 branches; 5 agencies.

Transport infrastructure: 5,592 miles (9,000 km) of paved public highway; 746 mi (1,200 km) of railroads, 200 mi (316 km) of waterways.

Communications: 184,000 customers of fixed telephone communications; more than 500,000 customers of cellular communications; 154 public Internet points.

Special economic zone: None.

System of education: 9 libraries; 238 kindergartens; 288 schools; 13 colleges; 9 highest education establishments.

Tourism: 254,770 tourists visited the Oblast (2007).

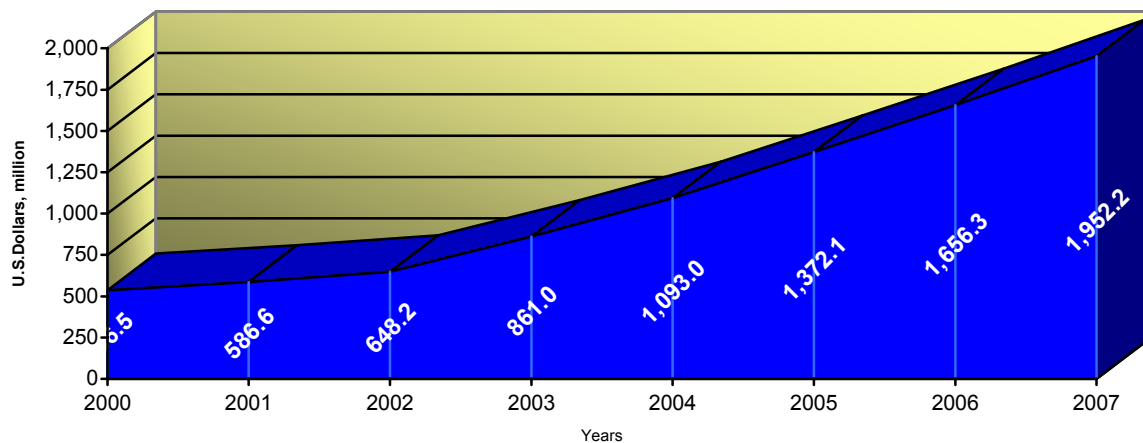
FOREIGN TRADE AND INVESTMENTS

Investment rating: **3B2** (low potential, moderate risk – RA Expert).

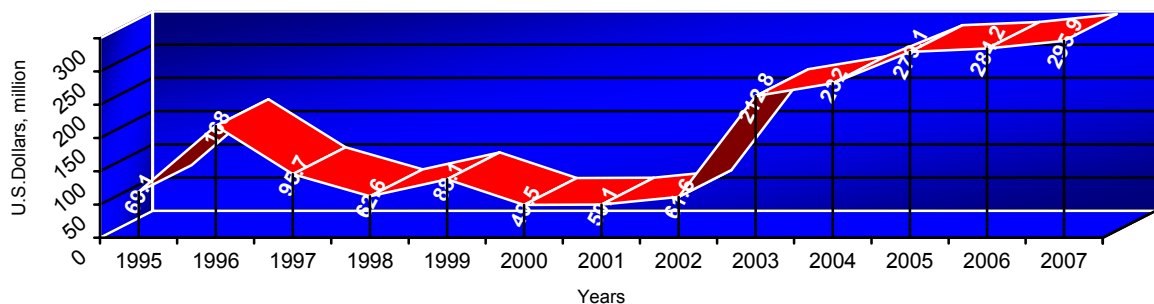
Foreign investments: total amount \$1,952.2 million; investment flow in 2007 \$295.9 million.

Major investors: Germany, Finland, and the U.S.

Total Amount of Foreign Investments

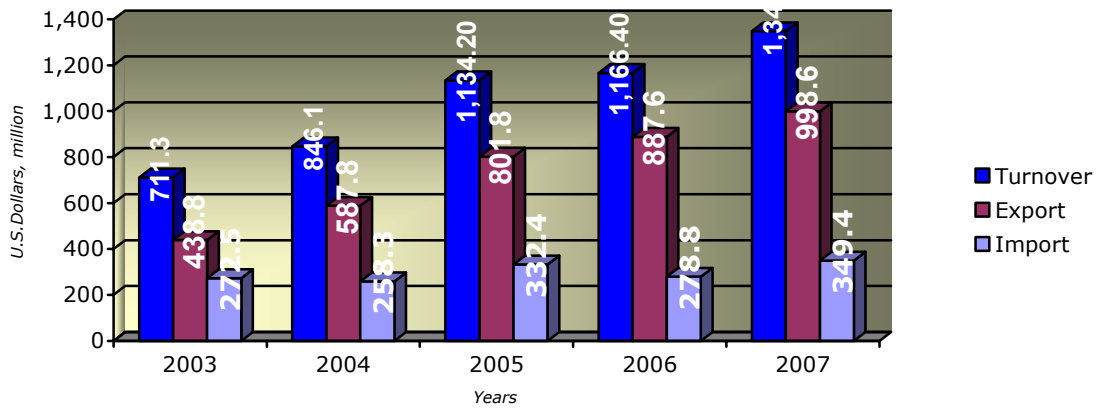


Annual Foreign Investments



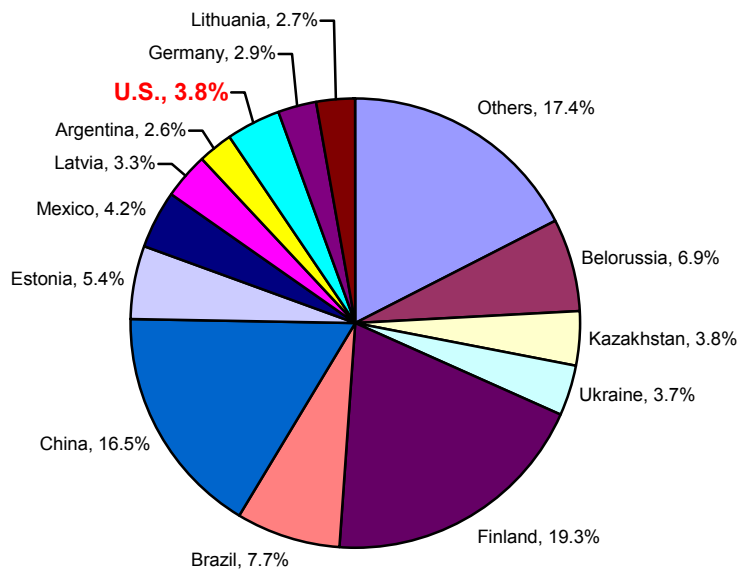
Trade turnover: \$1,348,000,000 (2007; 116% against 2006).
Export: \$998,600,000 (112.3%, 198 local companies).
Import: \$349,400,000 (128.8%).

Novgorod Oblast Trade Turnover in 2003-2007



Local companies in foreign trade: 327.
Trade partners: 84.

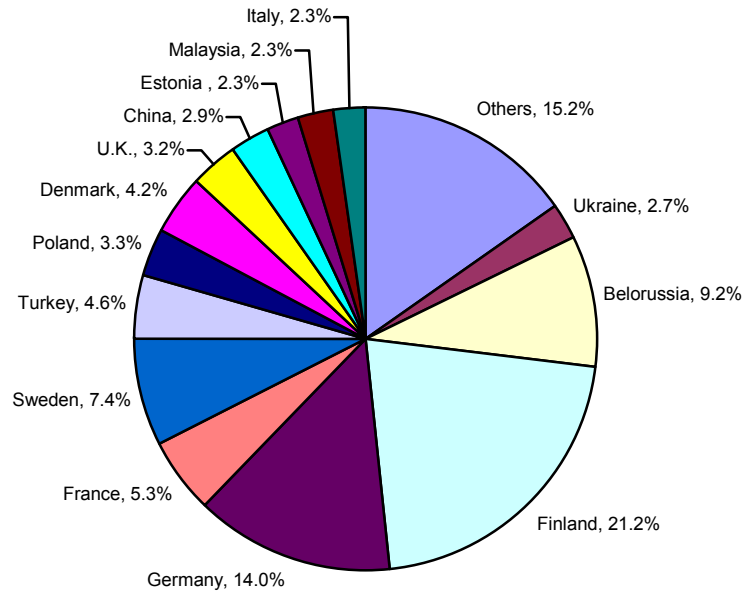
Leading Export Partners of the Oblast in 2007



Chemical products (48.1%), timber and paper (29.8%), food products (8.2%), machine building products (5.2%), and metals (4.9%) represented the Oblast's export in 2007. There are 198 local exporting companies; the largest are Akron, UPM Kummene Chudovo, Timos, Parfine Combine, and Dirol Cadbury.

Timber is one of the major export products. The industry includes 128 traders that use to sell timber to 38 countries.

Leading Importers to the Oblast in 2007



207 local companies imported to the Oblast mainly machine building products (32.8%), timber and paper (21.7%), food products (18.6%), and chemical products (14.2%).