

Trends in the Economic Development of Russia's Northwest Regions: A Structural Approach to Monitoring



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Abstract. The study is devoted to the systematic monitoring and analysis of key trends in the economic development of the Northwestern Federal District under the conditions of unprecedented sanctions pressure that began in 2022. Based on an analysis of operational statistics from Rosstat for the period 2022–2024, key trends in the development of the regional economies of the constituent entities in Northwestern Russia under external pressure are identified. Achieving the study's objective required solving such tasks as aggregating and critically reviewing the experience of monitoring economic growth in territories, forming a system of indicators for monitoring short-term economic development at the regional level, and testing the proposed indicator system. The analysis of the economy is conducted at the key stages of the economic process (production, generation of income, and its use). It is revealed that in the production of gross product in the regions of the Northwestern Federal District, trends of regional

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specialization are intensifying – the locomotives of positive dynamics in industry and agriculture are the leading regions in these types of activities, while in other regions the dynamics are either insignificant or negative. A transformation in the structure of income distribution in the economy of the Northwestern Federal District is observed: business and state incomes are shifting in favor of household incomes against the backdrop of a labor market shortage and an incomplete adaptation to external pressure. Due to rising household incomes, consumer demand shows sharp positive dynamics and becomes a key factor for economic growth. To address the identified problems, directions for economic policy are proposed, which could contribute to accelerating and improving the quality of economic growth in the regions of Northwestern Russia.

Key words: economic development, region, monitoring, system of national accounts, Northwestern Russia, trends.

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Introduction

The intensification of sanctions pressure on the Russian economy has brought to the forefront the issue of researching measures to mitigate its negative impact (Ilyin, Morev, 2022). Northwest Russia has been one of the country’s macro regions most economically affected due to its geographical location and significant economic orientation toward the markets of unfriendly countries (Babich, 2024). Since the beginning of 2022, with the shift in the geopolitical situation, the economies of the subjects (constituent entities) of the Northwestern Federal District (NWFD) have undergone a transformation of foreign trade ties, changes in enterprise behavior, and established production and supply chains (Kovalin et al., 2023).

The need for public authorities to respond to the external and internal challenges facing the country (demographics, declining quality of life and rising inequality, increasing complexity and structural changes in the economy, the necessity for technological development, etc.) requires a modern, flexible, and effective management system. It

appears that the formation and implementation of effective economic policy would be facilitated by scientific-methodological and informational-analytical support for government bodies provided by research organizations.

The analysis of economic dynamics conducted at the federal level only partially reflects the real state of affairs, largely because it essentially presents the national economy as a sum of regional economies. Researchers’ attention in the field of developing quality-of-growth monitoring systems is also predominantly focused on the macro level, while the essence of socio-economic phenomena is reflected in the processes occurring within the country’s regions.

The aim of the study is to monitor the state and key trends in the economic development of the regions of the Northwestern Federal District at the present stage. Achieving this aim requires solving the following tasks: aggregating and critically reviewing the experience of monitoring the economic development of territories, forming a

system of indicators for monitoring short-term economic development at the regional level, and testing the proposed system of indicators¹.

Theoretical and methodological framework of the research

In Russia, monitoring the socio-economic development of regions is conducted by both public authorities and a wide range of research institutes, as well as by a number of rating agencies. Such works include the monitoring of the socio-economic development of the Russian Federation in the context of federal districts and constituent entities, carried out by Rosstat² (Russian Federal State Statistics Service); monitoring by regional executive authorities³; the automated monitoring system “Region,” developed within the framework of the state automated information system “Upravlenie”⁴ (Management). The Bank of Russia regularly publishes a report on the state of the regional economy. Among research organizations, continuous monitoring of the socio-economic development of Russian regions is conducted by experts from the Institute of Economic Forecasting of the Russian Academy of Sciences (IEF RAS) (Mikheeva, 2024), Plekhanov Russian University of Economics⁵, the Center for Spatial Economics

at the Institute of Applied Economic Research of RANEPA (Zubarevich, 2021), the Institute of Economics of the Ural Branch of the Russian Academy of Sciences⁶, and a number of others.

However, it should be noted that the aforementioned works do not always fully cover regional issues: many studies reveal only certain aspects of the socio-economic development of the country's territories. Furthermore, no separate, ongoing monitoring of the economic development of Northwest Russia is conducted. An analysis of works on monitoring the socio-economic development of Russian regions indicates that such research should be comprehensive, systematic, and timely.

In this regard, we are developing a system for monitoring the development trends of the economies of Russia's Northwest regions. This system includes: an assessment of the internal macroeconomic situation within the constituent entities, presented within this study; a system of indicators for the qualitative development of the national economy; analysis and forecasting of promising types of economic activity⁷; an annual survey of executives at manufacturing sector enterprises in the NWFD (Shirokova, Lukin, 2024). This system involves conducting annual monitoring studies to assess territorial development over the past calendar year, which corresponds to short-term analysis. Indicators from the years preceding the analyzed one are provided to assess ongoing trends. A promising direction for research into analyzing the economic situation, aimed at developing the monitoring system, is the creation of modeling tools for short-term forecasting.

This study employs a structural approach to monitoring the development of Russia's Northwest regions. This approach involves analyzing economic processes through the lens of three successive

¹ At Vologda Research Center of the Russian Academy of Sciences, under the guidance of RAS Corresponding Member, Doctor of Sciences (Economics), Professor V.A. Ilyin, a system for monitoring various aspects of the development of the Northwestern Federal District regions (demography, economy, spatial development, scientific and technological development, etc.) is currently being developed. This study is devoted to monitoring the economic development of Northwest Russia.

² Information for monitoring the socio-economic situation of the constituent entities of the Russian Federation: Statistical bulletin. Rosstat. Available at: <https://rosstat.gov.ru/folder/11109/document/13259>

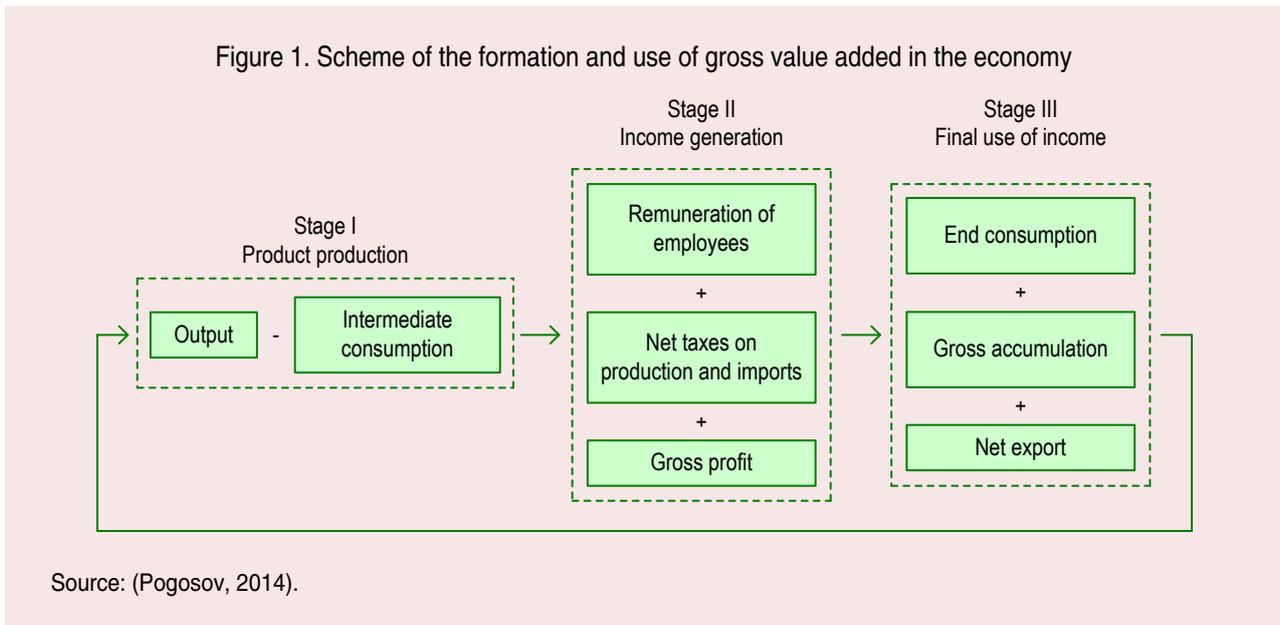
³ Indicators of socio-economic development of the Vologda Region in comparison with the Russian Federation. Analytical Center of the Vologda Region. Available at: https://vologda-oblast.ru/o_regione/ekonomika/sotsialno_ekonomicheskoe_razvitie/soc2024_2.pdf

⁴ Automated System “Monitoring”. Available at: <https://gasu.gov.ru/opendata>

⁵ Situation center for socio-economic development of the regions of the Russian Federation. Available at: <https://regstat2.rea.ru/>

⁶ Monitoring the development of federal districts. Institute of Economics, Ural Branch of the Russian Academy of Sciences. Available at: <https://uiec.ru/мониторинг-развития-фо-рф>

⁷ Ilyin V.A., Uskova T.V., Lukin E.V. (Eds). (2024). Northwest Russia: Prospects for Structural Transformation of the Economy: Analytical Atlas. Vologda: FSBIS VolRC RAS. 96 p.



stages of the reproduction cycle⁸. The conceptual basis of the conducted monitoring is the theory of national accounting. According to this theory, the foundation for the formation of an economy’s resources is production (Stage I, Fig. 1). In the production process, on the one hand, goods and services are produced in their physical form; on the other hand, their value and added value are created, which correspond to the primary incomes generated in production (Stage II). After distribution and redistribution, these primary incomes form the disposable incomes of economic agents and are expended on final demand – final consumption and gross capital formation (Stage III).

The relationships between these indicators constantly change due to complex reproduction processes. They reflect the outcomes of economic development, shaped by economic patterns, implemented economic policies, and the economic conjuncture both domestically and internationally.

The selection of indicators for monitoring was carried out taking into account the principles of their accessibility (the selected indicators are present in the main publications issued by Rosstat), timeliness (indicators are published in the shortest possible timeframes), and relevance to the research concept (the indicators allow for characterizing the stages of the reproduction process, Tab. 1).

Table 1. Indicators for monitoring the socio-economic development of regions

Stage of the reproduction process	Indicator	Explanation
Product production	Dynamics of industrial production Dynamics of agricultural production	Characterize the dynamics of the major part of output in the economy. Estimating intermediate consumption using operational data is difficult
Income generation	Dynamics of population monetary income Dynamics of consolidated budget revenues Profits of profitable organizations	Allow for assessing the dynamics of income for all three groups of economic agents
Final use of income	Dynamics of retail trade turnover Dynamics of housing construction Dynamics of investment in fixed capital	Characterize the key directions of income use (final consumption and gross capital formation). Foreign trade statistics are temporarily unavailable
Source: own compilation.		

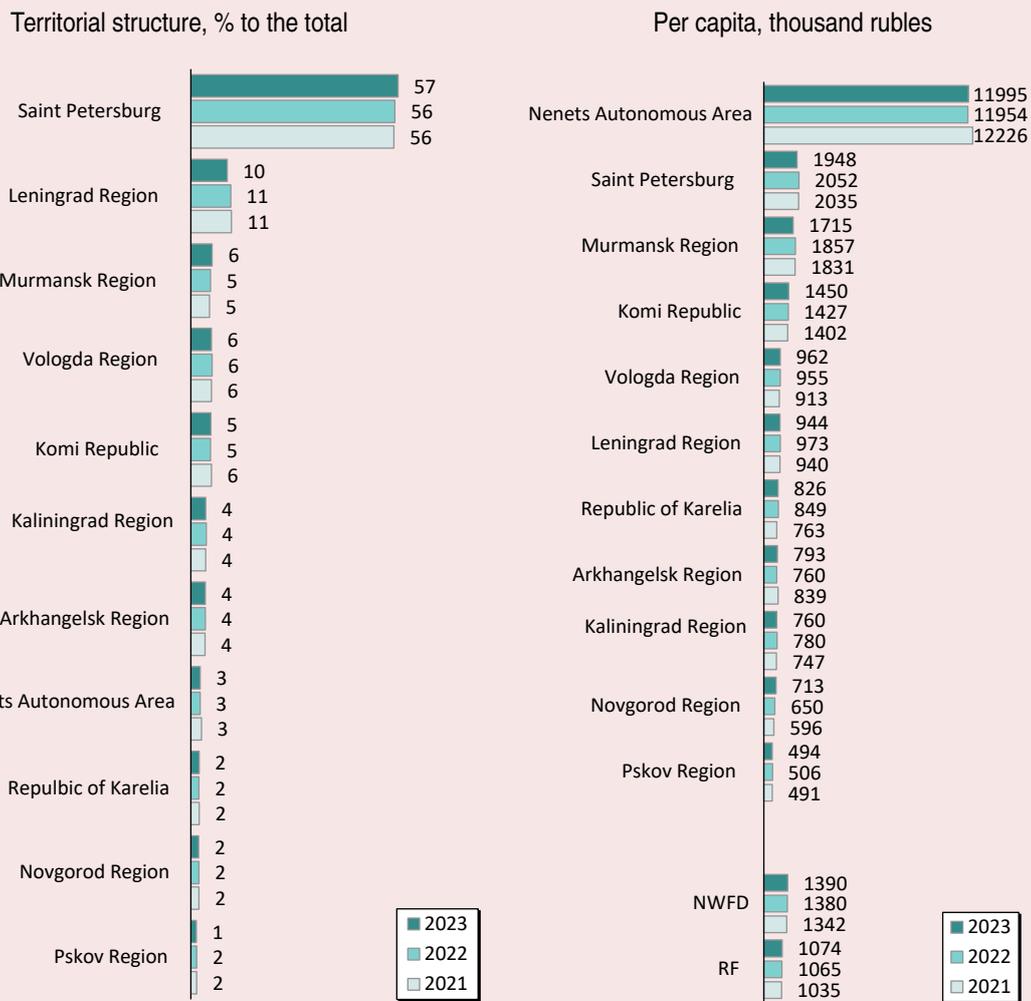
⁸ More detailed sectoral breakdown of structural changes at the production stage of the reproduction process is presented in the extended version of the monitoring. Available at: <http://www.volnc.ru/activity/view?id=10187>.

In addition, a review of changes in the rankings of the NWFD regions based on per capita economic development indicators among all Russian constituent entities is provided. Its goal is to demonstrate the economic position of the District's regions within the all-Russian context. The use of per capita indicators helps to mitigate territorial disparities caused by uneven population distribution and brings the indicator values to a comparable form.

The information base of the study comprises statistical data from Rosstat, the Federal Treasury, as well as materials from specialized websites and periodicals. The analysis uses data from the last three

years (2022–2024). The tables show the rankings of the regions and the federal district among 85 constituent entities of the Federation (excluding information on the DPR, LPR, Zaporozhye, and Kherson regions) and eight federal districts based on the growth rate of indicators in 2024 and their per capita average for 2022–2024. Value indicators are recalculated in 2024 prices. Statistics are provided as of July 2025. Appendices 1 and 2 to the article present the rankings of the NWFD regions among 85 Russian constituent entities based on the values of key economic development indicators in 2024 and their average value for 2022–2023.

Figure 2. Structure of the macro-regional GRP (left) and per capita GRP production in NWFD regions (right) in 2021–2023 (in 2023 prices)



Compiled based on: Rosstat data.

Research results⁹

Production of gross product in the economy

The NWFD is one of the leaders in economic development among the federal districts. Its GRP growth rates throughout the study period have been ahead of the national averages. In terms of per capita GRP in 2023, the district ranked second in Russia with an indicator of 1,390 thousand rubles (29.5% above the national average), second only to the Ural Federal District (*Fig. 2*).

The territorial structure of GRP formation in the macro region has remained unchanged throughout the study period. Concentration of produced GRP is observed in the city of Saint Petersburg and the Leningrad Region (approximately 2/3 of the total GRP volume), while the shares of the other regions have also remained stable, fluctuating within 1 percentage point. This is largely due to the established sectoral structure of the economy and the population distribution across Northwest Russia. The leading regions in terms of average per capita GRP are the Nenets

Autonomous Area, Saint Petersburg, Murmansk Region, and Komi Republic. The core of their economies is a developed extraction sector (with the exception of Saint Petersburg, whose economy is largely diversified).

Following a slowdown in 2022 caused by foreign trade restrictions, industrial production in the NWFD has been experiencing accelerating growth, with rates slightly exceeding the national average (*Tab. 2*). The primary contributors to the District's industrial development are Saint Petersburg and the Leningrad Region, which are both the largest regional economies in the Northwest and the industrial centers of the macro region. However, their development trends differ: for instance, 2022 had a minimal impact on the growth rate of industrial output in Saint Petersburg, which made a powerful leap forward (+33.1% over 2022–2024), whereas the trend in the Leningrad Region aligned with the general regional pattern – a decline in 2022 followed by explosive growth in 2023–2024.

Table 2. Dynamics of industrial production in NWFD regions, 2022–2024

Territory	% to the previous year			Rank*, 2024	Territory	Volume per 1 inhabitant, 2024, thousand rubles	Rank**		
	2022	2023	2024				2022	2023	2024
RF	100.7	104.3	104.6	-	RF	851	-	-	-
NWFD	100.5	105.3	105.3	4	NWFD	1022	2	2	2
1. Saint Petersburg	106.1	113.1	110.9	11	1. Nenets Autonomous Area	15871	1	1	1
2. Leningrad Region	96.8	107.7	108.2	20	2. Murmansk Region	1588	8	8	8
3. Pskov Region	99.4	112.6	107.7	22	3. Komi Republic	1461	9	9	9
4. Arkhangelsk Region	95.5	98.8	107.2	23	4. Vologda Region	1223	12	13	14
5. Kaliningrad Region	77.3	96.7	103.5	44	5. Leningrad Region	1170	15	17	16
6. Novgorod Region	92.5	102.7	101.2	58	6. Saint Petersburg	998	27	26	23
7. Vologda Region	96.6	106.2	100.0	64	7. Novgorod Region	712	34	34	34
8. Komi Republic	104.6	100.3	99.5	68	8. Republic of Karelia	635	37	40	42
9. Republic of Karelia	93.1	100.2	99.3	70	9. Kaliningrad Region	620	38	45	46
10. Nenets Autonomous Area	112.1	93.7	97.4	74	10. Arkhangelsk Region	441	54	62	60
11. Murmansk Region	95.9	97.5	97.3	75	11. Pskov Region	400	68	67	67

* Here and elsewhere: the rank of the corresponding region and federal district based on the indicator's dynamics in 2024 among 85 federal subjects (excluding the Donetsk People's Republic, the Lugansk People's Republic, Zaporozhye and Kherson regions) and eight federal districts.

** Here and elsewhere: the rank of the corresponding region and federal district based on production volume per capita among 85 federal subjects and eight federal districts.

Compiled from: Rosstat data.

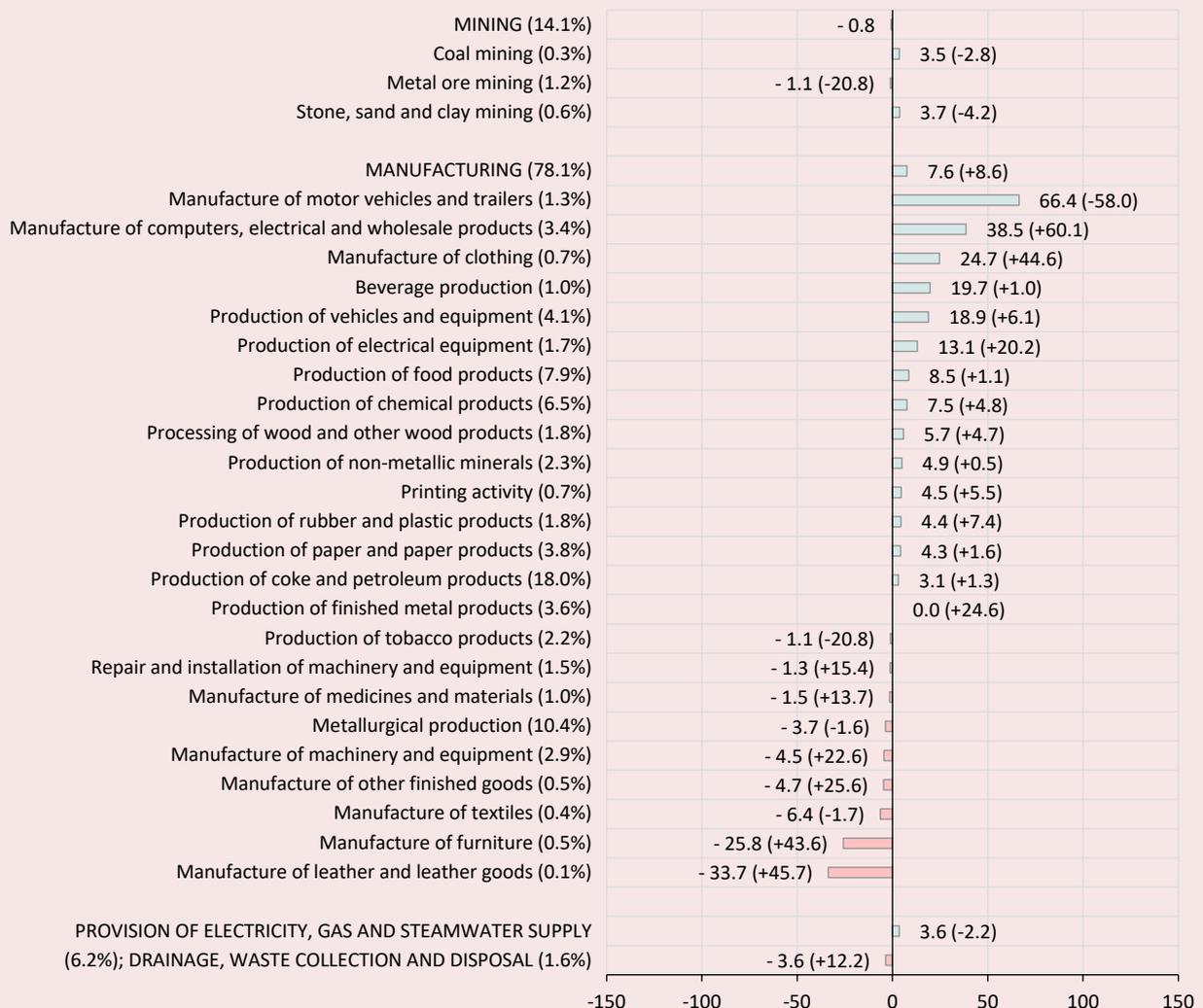
⁹ A more detailed analysis is presented in the analytical bulletin: Trends in the Economic Development of Russia's Northwest Regions. Issue 5. Available at: http://www.volnc.ru/publishing/trends_in_economic

The remaining regions exhibited divergent development paths. For example, due to a sharp increase in demand for energy resources in 2022, high growth rates were recorded in extractive regions; however, in 2023–2024, their growth stagnated because of sanctions on Russian oil and gas. In the Pskov and Arkhangelsk regions, a trend of accelerating industrial growth was observed after the 2022 decline, primarily driven by increased output in manufacturing. In the Novgorod and

Vologda regions, as well as the Republic of Karelia, industrial production has stagnated at around 2021 levels.

The lagging regions were the Murmansk and Kaliningrad regions, where the overall decline in industrial production over the study period amounted to 9 and 22.6%, respectively. The primary negative factor in the development of Northwest Russia's industry was the unfavorable external economic environment, which led to a sharp

Figure 3. Growth in industrial production volumes in the NWFD in 2024, % year-on-year



Note: The parentheses after the industry name indicate its share in the structure of industrial product shipments in the NWFD in 2024; the parentheses after the value indicate the industry's production growth (decline) in 2023.

Compiled based on: Rosstat data.

contraction in external demand against a backdrop of insufficient domestic consumption.

The growth in the NWFD's industrial output is largely explained by increased production volumes in a number of key manufacturing industries (*Fig. 3*). The highest output growth rates were shown by engineering industries (manufacture of motor vehicles, trailers, and semi-trailers, as well as computers, electronic, and optical products). An increase in output was also recorded in the manufacture of clothing, food products, and beverages.

Positive dynamics were also observed in the production output of several industries catering to intermediate demand (chemical and wood processing industries). At the same time, a decline was recorded in the production of certain light industry sectors (furniture, leather and leather products, textiles), metallurgy, and other finished products. Based on the aggregate index for the extraction of fuel minerals (oil and gas account for approximately 60% of total extraction in the NWFD), it can be assumed that their production decreased slightly. Coal extraction increased by 3.5% following a 2.8% decline the previous year.

The negative trend in metal ore extraction slowed down (-1.1% compared to -20.8% in the previous year).

In the agriculture of the NWFD, 2024 saw a reversal of the stagnation trend of previous years: after near-zero growth in 2022–2023, agricultural output increased by 7.5%. This exceeds the national average by more than 10 percentage points and is the highest value among all federal districts (*Tab. 3*).

This trend is largely determined by the situation among the leading agricultural regions in Northwest Russia: the Pskov Region, which ranks 7th in per capita agricultural output (agricultural production in this region increased by 32.8%, also the best result in the country), and the Kaliningrad Region, which showed output growth of 7.4% (7th in the country).

This creates a certain threat because, if these regions are excluded from the calculation for the NWFD as a whole, the agriculture of Northwest Russia stagnates. No other growth points are observed in agricultural production: the remaining regions show divergent trends, mostly negative. Positive dynamics over the study period are observed in Vologda Region and the Republic of Karelia;

Table 3. Dynamics of agricultural production in NWFD regions, 2022–2024

Territory	% to the previous year			Rank, 2024	Territory	Volume per 1 inhabitant, 2024, thousand rubles	Rank		
	2022	2023	2024				2022	2023	2024
RF	111.3	100.2	96.8	-	RF	35	-	-	-
NWFD	100.8	100.8	107.5	1	NWFD	23	7	7	6
1. Pskov Region	93.3	98.7	132.8	1	1. Pskov Region	124	10	10	7
2. Kaliningrad Region	101.9	103.2	107.4	7	2. Leningrad Region	55	20	18	18
3. Komi Republic	97.5	94.6	102.8	17	3. Kaliningrad Region	47	25	23	22
4. Nenets Autonomous Area	95.9	102.8	102.8	17	4. Novgorod Region	37	29	28	29
5. Leningrad Region	103.4	101.1	102.4	21	5. Vologda Region	32	35	33	32
6. Novgorod Region	100.4	99.6	100.6	30	6. Nenets Autonomous Area	15	59	59	58
7. Vologda Region	104.4	101.7	100.5	32	7. Komi Republic	13	60	62	60
8. Arkhangelsk Region	98.9	101.5	99.4	37	8. Arkhangelsk Region	6	67	67	67
9. Republic of Karelia	104.7	99.9	98.1	41	9. Republic of Karelia	5	72	72	71
10. Murmansk Region	89.6	106.1	93.4	63	10. Murmansk Region	2	80	80	80

Compiled from: Rosstat data.

however, despite overall growth of 6.7 and 2.6% over the last three years, the growth rates have slowed to near-zero or even turned negative.

In summary, it is worth noting that in the production of gross product in the NWFD regions, trends of regional specialization are intensifying – the locomotives of positive dynamics in industry and agriculture are the leading regions in these types of activities, while in other regions the dynamics are either insignificant or negative. A reduction in interregional diversification may lead to increased vulnerability to sectoral threats and a decrease in the overall GRP growth rate of the NWFD.

Income formation in the economy

Population incomes

Throughout the study period, a steady trend of increasing real population incomes has been observed. The cumulative increase for the NWFD amounted to 18.2% over three years, with the largest growth recorded in 2024 at 8.7%, slightly exceeding the national result (*Tab. 4*).

In general, most regions correspond to this trend. The weakest growth in real monetary incomes of the population was noted in the Murmansk Region, Komi Republic, and Arkhangelsk Region,

which occupy the lowest positions in the ranking of Russian regions for this indicator.

Per capita incomes in the NWFD in 2024 were higher than the Russian average. On this indicator, the District ranked second in the country after the Central Federal District. At the same time, in eight constituent entities of the District, average per capita incomes were below the national average, indicating a slowdown in the improvement of the quality of life for the population residing there. With the exception of the Leningrad and Arkhangelsk regions and the Komi Republic, the positions of these entities in the regional ranking for per capita income have deteriorated over the last three years.

Corporate incomes

The dynamics of profits of profitable organizations in Northwest Russia in 2024 significantly surpass the results of 2023. The overall trend can be described as positive, showing adaptation and recovery of financial performance following the imposition of foreign trade restrictions. A noticeable increase in profits was recorded (double-digit in more than half of the regions, and twofold in the Kaliningrad Region). However, not in all subjects is the increase attributable to a low base in previous

Table 4. Dynamics of real monetary incomes of the population in NWFD regions, 2022–2024

Territory	% to the previous year			Rank, 2024	Territory	Volume per 1 inhabitant, 2024, thousand rubles	Rank		
	2022	2023	2024				2022	2023	2024
RF	104.0	106.5	108.4	-	RF	63	-	-	-
NWFD	103.2	105.4	108.7	4	NWFD	69	3	2	2
1. Saint Petersburg	103.6	104.2	111.7	6	1. Nenets Autonomous Area	143	3	3	3
2. Kaliningrad Region	105.6	106.9	109.1	21	2. Saint Petersburg	86	9	9	8
3. Novgorod Region	102.1	106.5	109.1	21	3. Murmansk Region	85	8	8	9
4. Republic of Karelia	99.2	107.9	108.4	30	4. Republic of Karelia	63	20	20	18
5. Leningrad Region	104.5	107.3	108.4	30	5. Komi Republic	62	15	15	19
6. Pskov Region	100.9	106.8	107.9	40	6. Arkhangelsk Region	61	17	14	21
7. Vologda Region	100.5	107.4	107.0	50	7. Leningrad Region	53	34	31	30
8. Nenets Autonomous Area	110.2	105.0	106.2	57	8. Kaliningrad Region	52	37	37	36
9. Komi Republic	103.7	103.4	102.0	81	9. Vologda Region	50	43	40	45
10. Murmansk Region	101.6	107.3	101.9	82	10. Pskov Region	47	59	54	54
11. Arkhangelsk Region	102.1	105.9	100.3	84	11. Novgorod Region	46	63	62	59

Compiled from: EMISS data.

Table 5. Dynamics of profits of profitable organizations in NWFD regions, 2022–2024

Territory	% to the previous year			Rank, 2024	Territory	Volume per 1 inhabitant, 2024, thousand rubles	Rank		
	2022	2023	2024				2022	2023	2024
RF	96.4	124.1	99.2	-	RF	257	-	-	-
NWFD	78.2	106.9	103.4	3	NWFD	422	2	2	2
1. Kaliningrad Region	119.0	143.3	195.0	6	1. Kaliningrad Region	1118	11	8	6
2. The Komi Republic	75.6	104.5	176.7	8	2. Saint Petersburg	524	8	7	9
3. Arkhangelsk Region	73.9	100.5	136.4	12	3. Vologda Region	454	4	9	10
4. Republic of Karelia	42.2	75.4	134.5	13	4. Leningrad Region	357	18	17	11
5. Leningrad Region	131.2	107.0	131.4	16	5. Murmansk Region	207	6	11	22
6. Pskov Region	149.3	153.2	115.7	33	6. Nenets Autonomous Area	192	3	10	23
7. Saint Petersburg	62.0	121.3	90.9	62	7. Komi Republic	154	46	47	29
8. Vologda Region	145.3	75.2	82.2	75	8. Republic of Karelia	125	30	41	35
9. Novgorod Region	91.0	36.2	69.0	80	9. Novgorod Region	106	10	28	42
10. Murmansk Region	85.0	92.1	41.8	83	10. Arkhangelsk Region	91	53	54	46
11. Nenets Autonomous Area	4.7-fold	57.9	35.5	84	11. Pskov Region	66	64	60	57

Compiled from: Rosstat data.

years: for example, the Kaliningrad Region has demonstrated active growth in financial results throughout all three years of the study period (+95%, *Tab. 5*).

In a number of regions, the trend is the opposite: the Vologda, Novgorod, and Murmansk regions, as well as the Nenets Autonomous Area, are characterized by negative changes in the profits of profitable organizations (ranging from -3.4% to -77.2% over the entire study period). This is

explained by a reduction in export earnings amid insufficient domestic demand and an incomplete reorientation to friendly markets.

State budget revenues

State revenues in the NWFD grew at a faster rate than the national average (2.2 vs 0.7%, *Tab. 6*). The overall trend is rather positive, but with a dip in 2023 caused by a decrease in revenues in key donor regions – the Nenets Autonomous Area (-21.8%) and the city of Saint Petersburg (-7.6%).

Table 6. Dynamics of revenues of consolidated budgets of NWFD regions, 2022–2024

Territory	% to the previous year			Rank, 2024	Territory	Volume per 1 inhabitant, 2024, thousand rubles	Rank		
	2022	2023	2024				2022	2023	2024
RF	100.2	105.6	100.7	-	RF	168	-	-	-
NWFD	107.2	96.4	102.2	3	NWFD	165	2	2	2
1. Nenets Autonomous Area	99.3	78.2	117.3	3	1. Nenets Autonomous Area	699	1	2	1
2. Kaliningrad Region	86.2	89.2	110.4	8	2. Saint Petersburg	182	10	11	9
3. Saint Petersburg	123.5	92.4	107.2	14	3. Murmansk Region	179	11	9	10
4. Leningrad Region	103.8	120.7	101.5	33	4. Komi Republic	159	9	12	12
5. Komi Republic	109.7	84.4	97.3	47	5. Republic of Karelia	143	12	13	15
6. Arkhangelsk Region	104.5	88.7	97.1	49	6. Arkhangelsk Region	134	13	17	17
7. Republic of Karelia	92.7	96.9	94.6	64	7. Leningrad Region	130	28	19	18
8. Pskov Region	99.4	107.9	93.6	68	8. Kaliningrad Region	123	17	28	20
9. Vologda Region	83.7	101.3	92.6	73	9. Vologda Region	119	19	20	24
10. Murmansk Region	78.7	108.9	92.0	75	10. Novgorod Region	99	26	25	38
11. Novgorod Region	101.8	102.4	86.2	82	11. Pskov Region	94	43	39	41

Compiled from: Rosstat data.

The dynamics of the indicator across territories are uneven: a significant increase was noted in the Nenets Autonomous Area, Kaliningrad Region, and Saint Petersburg (by 17.3%, 10.4%, and 7.2%, respectively). At the same time, in most regions of Northwest Russia, budget revenues declined, especially in the Novgorod Region (by 13.8%). A negative trend is observed in the Republic of Karelia, where the decline in revenues was continuous and amounted to 15% over three years.

As a conclusion, we can highlight the transformation of the income distribution structure in the NWFD economy: the incomes of businesses and the state are shifting in favor of population incomes against a backdrop of labor market shortages and an incomplete adaptation to external pressure.

Final use of incomes in the economy

Consumer demand

Against the backdrop of growing real population incomes, consumer activity is recovering: in 2023–2024, both the NWFD and Russia as a whole saw an increase in retail trade turnover (13.1 and 4% vs 8 and 7.2% respectively, *Tab. 7*). However, in 2024, the district ranked last in terms of retail trade growth rates.

Regional trends, due to the constant increase in income in all analyzed entities, fully correspond to the general trend. Nevertheless, some slowdown in trade growth was noted in the Arkhangelsk Region and the Nenets Autonomous Area (with dynamics of 100 and 99.2% respectively in 2024).

Retail trade turnover per capita in the NWFD as a whole surpassed the all-Russian level in 2024, driven by indicator values in Saint Petersburg, the Leningrad, Murmansk, and Arkhangelsk regions, as well as the Republic of Karelia. However, the Murmansk Region has worsened its position over the last three years, moving from 7th to 20th place in the country.

The volume of paid services provided to the population in the NWFD increased by only 0.2% in 2024, compared to 3.3% for Russia as a whole (*Tab. 8*).

The macro-regional dynamics show a tendency towards slowdown, approaching near-zero values. This is partly explained by a noticeable rise in service prices, which outpaces both the increase in cost of goods and the growth of real population incomes.

At the same time, in most NWFD entities, the annual dynamics of paid services to the population

Table 7. Dynamics of retail trade turnover in NWFD regions, 2022–2024

Territory	% to the previous year			Rank, 2024	Territory	Volume per 1 inhabitant, 2024, thousand rubles	Rank		
	2022	2023	2024				2022	2023	2024
RF	93.5	108.0	107.2	-	RF	380	-	-	-
NWFD	93.7	113.1	104.0	8	NWFD	415	2	2	2
1. Kaliningrad Region	96.7	107.5	110.7	16	1. Saint Petersburg	499	5	3	5
2. Pskov Region	97.6	102.3	109.8	20	2. Leningrad Region	398	19	12	19
3. Novgorod Region	98.8	102.9	106.0	54	3. Murmansk Region	395	7	13	20
4. Republic of Karelia	90.2	112.2	104.1	65	4. Arkhangelsk Region	394	8	8	21
5. Vologda Region	91.5	102.6	104.1	65	5. Republic of Karelia	394	22	18	22
6. Komi Republic	91.6	105.8	103.6	69	6. Pskov Region	352	33	36	32
7. Leningrad Region	96.5	114.4	103.6	69	7. Kaliningrad Region	330	47	45	38
8. Saint Petersburg	92.0	119.2	103.5	73	8. Novgorod Region	328	40	41	39
9. Murmansk Region	99.4	101.1	101.9	80	9. Komi Republic	323	41	39	41
10. Arkhangelsk Region	92.9	102.8	100.0	83	10. Nenets Autonomous Area	319	27	31	47
11. Nenets Autonomous Area	99.7	103.7	99.2	84	11. Vologda Region	276	58	67	69

Compiled from: Rosstat data.

Table 8. Dynamics of the volume of paid services provided to the population of the NWFD (2022–2024)

Territory	% to the previous year			Rank, 2024	Territory	Volume per 1 inhabitant, 2024, thousand rubles	Rank		
	2022	2023	2024				2022	2023	2024
RF	105.0	104.4	103.3	-	RF	118	-	-	-
NWFD	104.8	103.0	100.2	7	NWFD	125	3	2	2
1. Saint Petersburg	103.9	103.9	107.2	6	1. Saint Petersburg	170	3	3	3
2. Leningrad Region	107.5	105.7	106.0	11	2. Murmansk Region	140	4	5	5
3. Murmansk Region	101.8	102.9	102.7	35	3. Republic of Karelia	120	13	13	12
4. Arkhangelsk Region	108.9	89.5	102.5	40	4. Kaliningrad Region	113	24	19	17
5. Republic of Karelia	98.5	100.7	102.4	43	5. Arkhangelsk Region	105	25	23	23
6. Pskov Region	101.4	101.7	101.7	57	6. Nenets Autonomous Area	95	21	28	27
7. Kaliningrad Region	102.0	99.8	100.3	68	7. Komi Republic	92	26	26	28
8. Novgorod Region	103.4	100.3	99.6	74	8. Vologda Region	84	35	36	42
9. Komi Republic	100.6	99.3	99.6	74	9. Novgorod Region	80	42	46	46
10. Nenets Autonomous Area	106.4	104.1	98.4	80	10. Leningrad Region	77	65	55	53
11. Vologda Region	104.0	97.7	97.0	84	11. Pskov Region	70	66	67	67

Compiled from: Rosstat data.

ended up in positive territory, and the overall trend is upward. This confirms the previously stated thesis about the recovery of consumer demand and its increasing influence on the economy as a growth factor. The most significant increase in the volume of paid services provided to the population was in the Kaliningrad and Leningrad regions (by 7.2 and 6%, respectively). A decline in the volume of paid services was recorded in the Vologda and Murmansk

regions, Saint Petersburg, and the Komi Republic, resulting in these regions occupying the worst positions in the country for this indicator.

Starting from 2023, the pace of housing commissioning has been declining both in the Russian Federation as a whole and in the NWFD and most of its regions (*Tab. 9*). This is due to market saturation and reduced access to mortgage lending.

Table 9. Dynamics of residential housing commissioning in NWFD regions, 2022–2024

Territory	% to the previous year			Rank, 2024	Territory	Volume per 1000 people, 2024, sq. m	Rank		
	2022	2023	2024				2022	2023	2024
RF	111.0	107.5	97.6	-	RF	737	-	-	-
NWFD	108.4	101.7	91.3	8	NWFD	754	3	2	3
1. Murmansk Region	355.2	33.7	118.7	5	1. Leningrad Region	1985	1	1	1
2. Nenets Autonomous Area	200.8	60.8	116.2	9	2. Kaliningrad Region	1181	5	5	4
3. Republic of Karelia	95.5	100.8	106.9	20	3. Republic of Karelia	640	32	39	28
4. Komi Republic	113.0	107.1	104.6	28	4. Pskov Region	626	34	31	31
5. Arkhangelsk Region	100.9	103.3	102.9	32	5. Vologda Region	610	35	29	33
6. Kaliningrad Region	103.7	92.3	100.3	46	6. Nenets Autonomous Area	599	9	45	35
7. Leningrad Region	117.2	105.5	97.1	52	7. Novgorod Region	594	30	30	36
8. Pskov Region	108.0	111.6	95.4	54	8. Arkhangelsk Region	476	46	50	48
9. Vologda Region	101.4	115.1	91.5	63	9. Saint Petersburg	474	25	35	49
10. Novgorod Region	111.9	109.6	89.6	72	10. Komi Republic	316	59	62	60
11. Saint Petersburg	100.3	100.2	76.6	83	11. Murmansk Region	110	60	82	81

Compiled from: Rosstat data.

Table 10. Price dynamics for various product categories in the NWFD in 2024, % to December 2023

Territory	Consumer goods	Primary housing market	Manufactured goods	Investment purpose goods	Agricultural products	Freight traffic
RF	109.5	112.6	107.9	108.2	-	113.7
NWFD	109.3	108.4	108	108.8	100.5	108
1. Kaliningrad Region	110.3	112.2	108.4	109.8	103.7	119.2
2. Vologda Region	110	105.2	102.8	107.7	108.4	106.6
3. Saint Petersburg	109.5	108.4	105.4	108.3	-	116.4
4. Leningrad Region	109.3	103	112.6	108.7	99.5	100.5
5. Komi Republic	109.3	122.6	108	106.6	97.2	87.2
6. Novgorod Region	109.2	118.3	105.4	110	86	110.6
7. Republic of Karelia	108.6	111.2	109.1	110.7	113.2	106.6
8. Pskov Region	108.5	108.7	109.7	108	100.8	101.4
9. Murmansk Region	108.2	122.1	112.8	111.8	102.6	105.4
10. Arkhangelsk Region	108.1	107.4	109.5	108.5	119.3	105.3
11. Nenets Autonomous Area	106.3	99	98	107.7	98.2	105.5

Compiled from: Rosstat data.

The change in the aggregate value for the macro region was influenced by the slowdown in housing commissioning in most regions. In particular, in Saint Petersburg, this indicator decreased by 23.4% against the backdrop of near-zero dynamics in previous years. In a number of northern regions (Murmansk Region and Nenets Autonomous Area), a sharp decline in housing commissioning volumes (by 40–65%) was recorded in 2023.

The change in real population incomes, which caused a sharp increase in demand, triggered an inflationary surge observed in almost all price categories except for agricultural products (*Tab. 10*).

Consumer inflation in the NWFD accelerated, reaching 9.3% (a year earlier, consumer prices in the macro region increased by 7.4 and 7.1%, respectively). Food prices in the federal district rose by 10.6%. Overall in Russia, producer prices for industrial goods grew slightly slower than in the NWFD (by 7.9 and 8.0%, respectively). The most significant increase was in the cost of industrial products in the Murmansk and Leningrad regions (by 12.8 and 12.6%, respectively). At the same time, prices for industrial products in the Nenets Autonomous Area decreased by 2%.

The situation with prices in the primary housing market in the NWFD regions is almost universally

negative (with the exception of the Nenets Autonomous Area) – growth ranging from 3 to 22.6% was recorded. Similar processes occurred in pricing for investment goods – due to constrained access to investment resources, both material and financial, price increases from 6.6 to 11.8% are observed. Rising fuel prices and increased pressure on rail transport due to the development of the Northern Sea Route have led to higher freight tariffs in most regions; however, price growth rates in the NWFD are lower than the Russian average.

The most favorable trend is in agricultural product prices. On average for the NWFD, the indicator increased by only 0.5%, while more than half of the agricultural regions demonstrated price decreases ranging from 0.5 to 14%. In the Arkhangelsk and Vologda regions and the Komi Republic, increases from 8.4 to 19.3% relative to the previous year were recorded.

Investments

In 2022, the NWFD experienced a slight slowdown in the growth rate of capital investment volumes due to the negative impact of external economic processes. This was followed, starting in 2023, by actively accelerating growth driven by adaptation processes. Thus, the cumulative increase in the indicator for 2022–2024 amounted to 22.9%

Table 11. Dynamics of investment in fixed capital in the NWFD, 2022–2024

Territory	% to the previous year			Rank, 2024	Territory	Volume per 1 inhabitant, 2024, thousand rubles	Rank		
	2022	2023	2024				2022	2023	2024
RF	106.7	109.8	107.4	-	RF	271	-	-	-
NWFD	97.8	108.7	115.6	1	NWFD	290	4	4	4
1. Leningrad Region	116.0	122.0	138.4	2	1. Nenets Autonomous Area	2607	2	2	2
2. Vologda Region	73.5	87.3	137.0	4	2. Leningrad Region	542	13	13	10
3. Pskov Region	76.8	101.1	132.3	7	3. Murmansk Region	482	10	11	12
4. Nenets Autonomous Area	105.0	94.6	118.0	16	4. Saint Petersburg	272	21	19	18
5. Komi Republic	83.6	98.4	112.5	25	5. Vologda Region	224	27	43	27
6. Saint Petersburg	99.9	110.7	110.5	28	6. Komi Republic	215	25	30	28
7. Murmansk Region	86.9	92.4	105.1	44	7. Republic of Karelia	199	18	25	32
8. Novgorod Region	103.0	117.6	102.6	56	8. Kaliningrad Region	176	45	29	40
9. Republic of Karelia	104.7	92.5	92.9	71	9. Novgorod Region	150	52	48	50
10. Kaliningrad Region	104.7	135.1	89.3	75	10. Pskov Region	119	74	77	67
11. Arkhangelsk Region	88.1	100.8	85.3	79	11. Arkhangelsk Region	116	48	50	68

Compiled from: Rosstat data.

(for comparison, an increase of 25.8% was recorded for Russia as a whole). In 2024, the NWFD ranked 1st among federal districts in terms of capital investment volume (*Tab. 11*).

The situation appears most positive in the leading regions by contribution to GRP (stable growth in the Leningrad Region, slightly slower in Saint Petersburg). The Novgorod Region also shows high results. A number of regions have distinctly negative trends (Arkhangelsk, Murmansk, and Vologda regions; Komi and Karelia republics). Ambiguous but still positive dynamics of investment volumes are observed in the Nenets Autonomous Area: despite a decrease in the indicator in 2023, the overall dynamics for the study period equaled 17.2%. Investment activity is also recovering in the Pskov Region (after a 23.2% decline in 2022, the overall increase for 2022–2024 was 2.7%, with a sharp acceleration in capital investment).

In 2024, the highest per capita volume of investment in fixed capital was recorded in the Nenets Autonomous Area (2,607 thousand rubles per resident), which exceeds the national average by more than nine times. This is due to a combination of low population and concentration of capital investments in the oil and gas sector,

including projects for hydrocarbon extraction and transportation. The Leningrad Region, Murmansk Region, and Saint Petersburg also demonstrate per capita indicators above the national average, which is explained by developed industry and active development of the Northern Sea Route, accompanied by significant infrastructure investments.

Based on the analysis of economic processes in the regions of Northwest Russia at the third stage of the reproduction cycle, it can be concluded that the key trend of structural transformation is the redistribution of the role of factors in economic dynamics. Against the backdrop of declining export activity, the main drivers of the economy are consumer demand, fueled by rising real population incomes, and increased capital investment through budgetary investments. However, the resulting momentum, according to 2024 data, is losing strength.

Conclusion

The economy of Northwest Russia at the current stage operates under severe external and internal constraints (systemic economic sanctions, mobilization strain, the excessively tight monetary policy of the Bank of Russia) against a backdrop

of a general slowdown in global economic growth. Despite all constraints, the NWFD economy shows a trend of active restructuring of economic and logistical ties.

The main positive trends in the development of the Northwest Russia economy in 2022–2024 include the following:

- noticeable acceleration in industrial production growth (an 11.4% increase over three years), with rates exceeding the national average (9.8%, respectively); the most significant growth was recorded in Saint Petersburg (33.1%), the Leningrad and Pskov regions (12.8% and 20.5%, respectively);

- increase in agricultural output, driven by a leap in key agricultural regions: the Pskov and Kaliningrad regions increased agricultural production volumes by 22.3% and 12.9%, respectively, over 2022–2024;

- rise in real monetary incomes of the population (18.2% over three years), observed in all NWFD regions; only in 2024 was some stagnation noted in the Komi Republic (+2%), the Murmansk (+1.9%), and Arkhangelsk (+0.3%) regions;

- growth in consumer demand across the NWFD: +10% in retail trade and +8.1% in the volume of paid services; however, some slowdown in dynamics occurred in 2024, with growth rates of +4 and +0.2%, respectively;

- positive investment dynamics: growth rates began to outpace the national average, indicating recovery after the 2022 downturn (115.6% in the NWFD versus 107.4% on average in Russia in 2024); some regions recorded investment growth of more than 30% (Leningrad, Vologda, and Pskov regions).

The following can be noted as negative trends:

- negative dynamics of regional budget revenues, particularly pronounced in 2023–2024; a decline was observed in most regions and in 2024 ranged from 2.7 to 13.8%. In regions where revenue growth rates were positive in 2024, the growth was

largely of a recovery nature, with the 2022 level not being reached anywhere. The exception was the Leningrad Region, where growth was recorded every year, resulting in a 27.2% increase in budget revenues over 2022–2024;

- decline in housing construction: the growth rates of housing commissioning volumes lag significantly behind the national average (the cumulative increase for 2022–2024 in the NWFD was 0.7%, while for the country as a whole it was 16.5%);

- high inflation rates in almost all product groups, approaching double-digit values, with the exception of agricultural products in some regions (Leningrad and Novgorod regions, Komi Republic).

The locomotives of positive dynamics in the NWFD economy have been Saint Petersburg and the Leningrad Region, which showed high industrial production growth, as well as the Pskov and Kaliningrad regions, which demonstrated some of the best agricultural production results in the country. The key positive trend in income distribution is the growth in real population incomes, observed for more than a year now. In the consumer sector, continued growth is recorded due to the increased purchasing power of population incomes. However, the economy is under severe pressure from inflationary risks. Investment processes in the macro region as a whole can be characterized as positive, the main argument for which is the high growth rate of capital investment despite all existing constraints.

An analysis of the key trends in the economic development of the Northwest Russia regions leads to the conclusion that the adaptation period and the process of active structural transformation continue. Based on the identified trends and outlined problems, we propose the following directions for economic policy aimed at changing negative and maintaining positive development trends in the Northwest regions (*Tab. 12*).

Table 12. Directions of economic policy for accelerating the development of the Northwest Russia regions in the short term

Addressing economic development problems	Economic development support measures
1. Support for the housing construction sector through subsidizing with housing certificates or reinstating the preferential mortgage mechanism at the regional level; stimulating modular-frame construction. 2. Increasing budget revenue levels by revising the existing list of regional tax incentives, localizing tax revenues from economic agents (firms registered in another region), and improving the efficiency of using state property. 3. Improving the financial performance of organizations (creating regional clusters, localizing value chains, subsidizing investment loans).	1. Support for industrial and agricultural production development (creating regional «skills passports», eliminating bottlenecks in existing value chains, supporting innovations to enhance the economy's income-generating capacity and more efficient use of primary resources). 2. Stimulating growth of population incomes by increasing labor productivity through identifying and developing relevant market niches for promising economic specialization; supporting investments in production automation and robotization. 3. Structural transformation of consumer and investment demand (assessing the status and scenario modeling of the production and export potential of economic sectors; determining the capacity of external and interregional demand, sales geography; assessing import substitution potential in economic sectors; evaluating the need for state support measures; forming a roadmap for implementing support measures and removing barriers to establishing new productions in priority investment areas).
Compiled based on: (Pogosov, Sokolovskaya, 2014; Zamyatina, Pilyasov, 2017; Shirokova, 2025; Nevyantseva, Akberdina, 2025; Glazyev et al., 2025; Uzyakov, 2011; Sidorov, 2022; Cheplinskite, Lukin, 2024; Lukin, 2025; Lazhentsev, 2025); Shirov A.A. (Ed.). (2022). Potential for Growth of the Russian Economy: Analysis and Forecast: Scientific Report. Moscow: Artik Print. 296 p. DOI: 10.47711/sr2-2022.	

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Appendix 1

Regional Trends in 2022–2024

Depending on the per capita values of key indicators (industrial and agricultural production, population, corporate and state budget incomes, retail trade, housing construction, and investment), the regions of the Northwestern Federal District (NWFD) occupied different positions in the ranking of economic development among Russian constituent entities.

In 2024, the leader of the macro-region in terms of the average rank for these indicators was the Leningrad Region (15th place among 85 Russian regions). The Nenets Autonomous Area, Saint Petersburg, the Murmansk and Kaliningrad regions were placed in the 3rd ten of the ranking. The other six NWFD regions occupied positions in the 4th–5th ten.

Compared to the average for 2022–2023, only four regions of the district managed to improve their rank in 2024: the Komi Republic (by 2 p.), Leningrad Region (by 2 p.), Kaliningrad Region (by 1 p.), Pskov Region (by 2 p.). The remaining regions, despite generally positive trends in their economies, moved down in the all-Russian ranking in 2024. The Republic of Karelia lost one position, Saint Petersburg and the Vologda Region lost 2 positions, the Murmansk Region lost 4 positions, while the Nenets Autonomous Area, and the Novgorod and Arkhangelsk regions lost 5 positions each.

The composite ranks of the NWF D regions for 2022–2024, presented in Appendices 1 and 2, are calculated as the arithmetic mean of the positions of these regions among 85 Russian regions¹⁰ based on indicators characterizing economic development trends. Detailed information on significant changes¹¹ in the positions of Northwest Russia’s constituent entities is presented in *Table P1.1*.

Table P1.1. Change in positions of NWF D regions by per capita indicators among 85 Russian constituent entities in 2024 compared to the average for 2022–2023

Indicator	Significant improvement in positions	Significant deterioration of positions
Industrial production	Saint Petersburg (-4 p.; 27→23)	Republic of Karelia (+3 p.; 39→42) Kaliningrad Region (+5 p.; 41→46)
Agricultural industry	Pskov Region (-3 p.; 10→7)	–
Incomes of the population	Novgorod Region (-4 p.; 63→59) Leningrad Region (-3 p.; 33→30) Pskov Region (-3 p.; 57→54)	Komi Republic (+4 p.; 15→19) Vologda Region (+4 p.; 41→45) Arkhangelsk Region (+5 p.; 16→21)
Income of organizations	Komi Republic (-18 p.; 47→29) Arkhangelsk Region (-8 p.; 54→46) Leningrad Region (-7 p.; 18→11) Pskov Region (-5 p.; 62→57) Kaliningrad Region (-4 p.; 10→6)	Vologda Region (+4 p.; 6→10) Murmansk Region (+14 p.; 8→22) Nenets Autonomous Area (+17 p.; 6→23) Novgorod Region (+23 p.; 19→42)
Budget revenues	Leningrad Region (-6 p.; 26→18) Kaliningrad Region (-3 p.; 23→20)	Vologda Region (+5 p.; 19→24) Novgorod Region (+12 p.; 26→38)
Retail trade	Kaliningrad Region (-8 p.; 46→38) Pskov Region (-3 p.; 35→32)	Leningrad Region (+4 p.; 15→19) Vologda Region (+7 p.; 62→69) Murmansk Region (+10 p.; 10→20) Arkhangelsk Region (+13 p.; 8→21) Nenets Autonomous Area (+18 p.; 29→47)
Housing construction	Republic of Karelia (-8 p.; 36→28)	Novgorod Region (+6 p.; 30→36) Nenets Autonomous Area (+8 p.; 27→35) Murmansk Region (+10 p.; 71→81) Saint Petersburg (+19 p.; 30→49)
Investment	Vologda Region (-8 p.; 35→27) Pskov Region (-8 p.; 75→67) Leningrad Region (-3 p.; 13→10)	Kaliningrad Region (+3 p.; 37→40) Republic of Karelia (+10 p.; 22→32) Arkhangelsk Region (+19 p.; 49→68)
Overall change in region’s composite rank	–	Murmansk Region (+4 p.; 26→30) Novgorod Region (+4 p.; 37→41) Nenets Autonomous Area (+5 p.; 16→21) Arkhangelsk Region (+5 p.; 39→44)

¹⁰ Excluding the Donetsk People’s Republic, Lugansk People’s Republic, Zaporozhye and Kherson regions due to the lack of statistical data.

¹¹ The changes in the region’s ranks in 2024 by three or more positions compared to the average rank of 2022–2023 are considered significant.

The overall change in the ranks of Northwest Russia's regions by per capita indicators is as follows: the composite rank for the district as a whole remained virtually unchanged. Among the NWFD regions, an improvement in positions occurred in the Leningrad and Kaliningrad Regions, as well as in the Komi Republic (Tab. P1.2). The average rank of NWFD regions by per capita economic development indicators for 2022–2024 is provided in Table P1.3.

Table P1.2. Change in ranks of NWFD regions by per capita value of key economic development indicators for 2024

Region	Industrial production	Agricultural production	Population incomes	Corporate incomes	Budget revenues	Retail trade	Housing construction	Investments	Total rank improvement	Total rank deterioration	Total rank change
NWFD	0	-1	-1	0	0	0	1	0	-2	1	-1
Pskov Region	0	-3	-3	-5	0	-3	-1	-8	-23	0	-23
Leningrad Region	0	-1	-3	-7	-6	4	0	-3	-20	4	-16
Komi Republic	0	-1	4	-18	1	1	-1	0	-20	6	-14
Kaliningrad Region	5	-2	-1	-4	-3	-8	-1	3	-19	8	-11
Republic of Karelia	3	-1	-2	-1	2	2	-8	10	-10	17	7
Saint Petersburg	-4	0	-1	1	-2	1	19	-2	-9	21	12
Vologda Region	1	-2	4	4	5	7	1	-8	-10	22	12
Arkhangelsk Region	2	0	5	-8	2	13	0	19	-8	41	33
Novgorod Region	0	0	-4	23	12	-2	6	0	-6	41	35
Murmansk Region	0	0	1	14	0	10	10	1	0	36	36
Nenets Autonomous Area	0	-1	0	17	-1	18	8	0	-2	43	41

Table P1.3. Average rank of NWFD regions by value of key per capita economic development indicators for 2022–2024

Region	Industrial production	Agricultural production	Population incomes	Corporate incomes	Budget revenues	Retail trade	Housing construction	Investments	Average rank		
									2022	2023	2024
NWFD	2	7	2	2	2	2	3	4	3	3	3
Leningrad Region	16	19	32	15	22	17	1	12	19	16	15
Nenets Autonomous Area	1	59	3	12	1	35	30	2	13	19	21
Saint Petersburg	25	84	9	8	10	4	36	19	24	24	25
Murmansk Region	8	80	8	13	10	13	74	11	24	28	30
Kaliningrad Region	43	23	37	8	22	43	5	38	28	28	27
Vologda Region	13	33	43	8	21	65	32	32	29	32	32
Komi Republic	9	61	16	41	11	40	60	28	33	35	32
Republic of Karelia	40	72	19	35	13	21	33	25	30	34	33
Novgorod Region	34	29	61	27	30	40	32	50	36	37	41
Arkhangelsk Region	59	67	17	51	16	12	48	55	38	40	44
Pskov Region	67	9	56	60	41	34	32	73	48	47	45

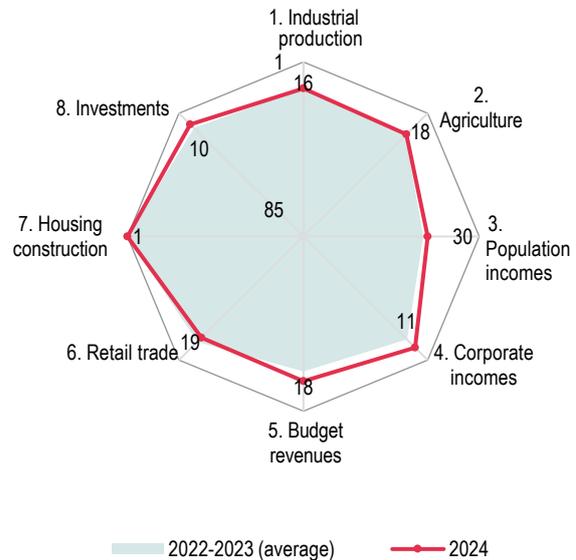
REGIONAL CASE STUDIES

1. Leningrad Region

The region’s average rank in 2024 was 15, having improved by 2 positions (the average for 2022–2023 was 17).

The region consistently occupies high positions in terms of industrial and agricultural production volumes, retail trade, housing construction, investment in fixed capital, budget revenues, and corporate financial results. In 2023–2024, the region was the leader in housing construction volumes.

In 2024, the region improved its positions in population income level (-3 p.; from 33rd to 30th place in Russia), budget revenues (-6 p.; from 24th to 18th place), corporate incomes (-7 p.; from 18th to 11th place), investment in fixed capital (-3 p.; from 13th to 10th place). A deterioration in position was recorded in retail trade (+4 p.; from 15th to 19th place).

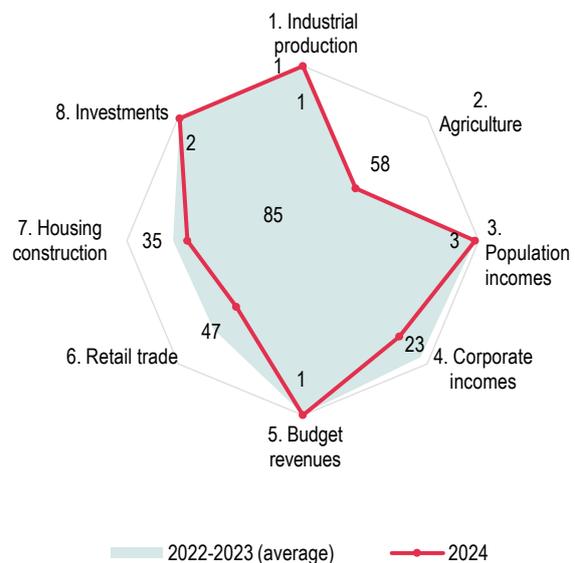


2. Nenets Autonomous Area

The region’s average rank in 2024 was 21, having worsened by 5 positions (the average for 2022–2023 was 16).

The region holds high positions in such parameters as industrial production (1st place in the country), population incomes (3rd place), budget revenues (1st place), investments (2nd place).

In 2024, the region’s positions worsened in per capita retail trade volumes (+18 p.; from 29th to 47th place), corporate financial results (+17 p.; from 6th to 23rd place), housing construction (+8 p.; from 27th to 35th place).



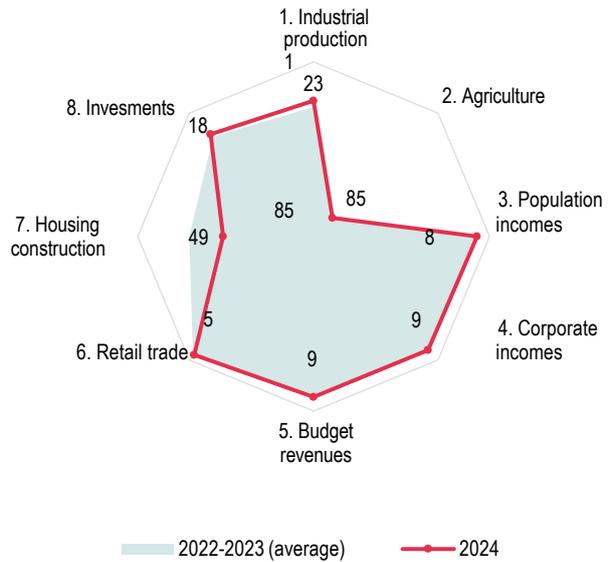
3. Saint Petersburg

The region's average rank in 2024 was 26, having worsened by 2 positions (the average for 2022–2023 was 24).

Saint Petersburg demonstrates strong positions in the following indicators: population incomes (8th place), corporate incomes (9th place), budget revenues (9th place), retail trade (5th place), investments (18th place).

In 2024, an improvement in position was recorded for industrial production (-4 p.; from 27th to 23rd place).

A deterioration was recorded for housing construction (+19 p.; from 30th to 49th place).



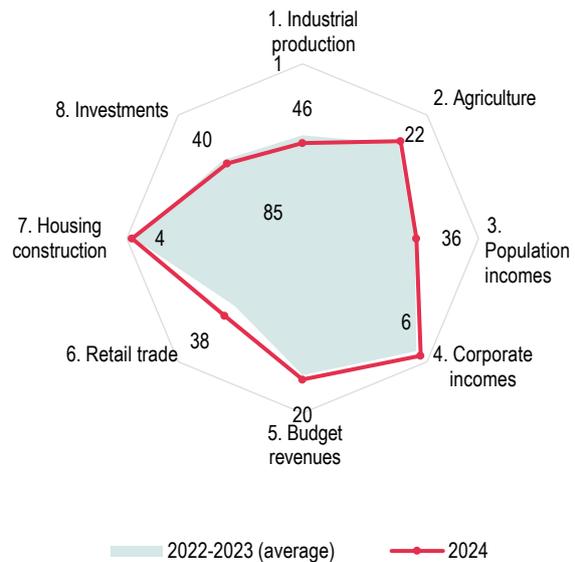
4. Kaliningrad Region

The region's average rank in 2024 was 27, having improved by 1 position (the average for 2022–2023 was 28).

Strong positions in the Kaliningrad Region economy are noted for the following indicators: corporate incomes (6th place), budget revenues (20th place), housing construction (4th place).

The greatest improvement in positions in 2024 was noted for corporate incomes (-4 p.; from 10th to 6th place), budget revenues (+3 p.; from 23rd to 20th place), retail trade (+8 p.; from 46th to 38th place).

The greatest deterioration in positions occurred for industrial production (+5 p.; from 41st to 46th place), investments (+3 p.; from 37th to 40th place).

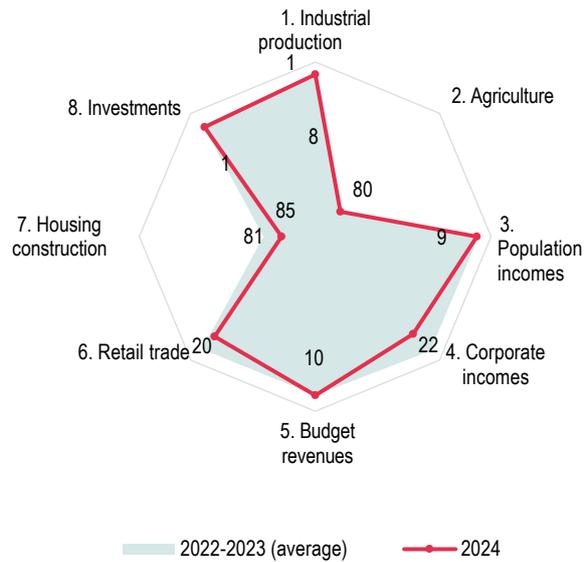


5. Murmansk Region

The region’s average rank in 2024 was 30, having worsened by 4 positions (the average for 2022–2023 was 26).

The Murmansk Region demonstrates strong positions in the following indicators: industrial production (8th place), population incomes (9th place), budget revenues (10th place), retail trade (20th place), investments (12th place).

No improvements were recorded for the analyzed indicators. Deterioration of positions in 2024 was noted for corporate incomes (+14 p.; from 8th to 22nd place), retail trade (+10 p.; from 10th to 20th place), housing construction (+10 p.; from 71st to 81st place).

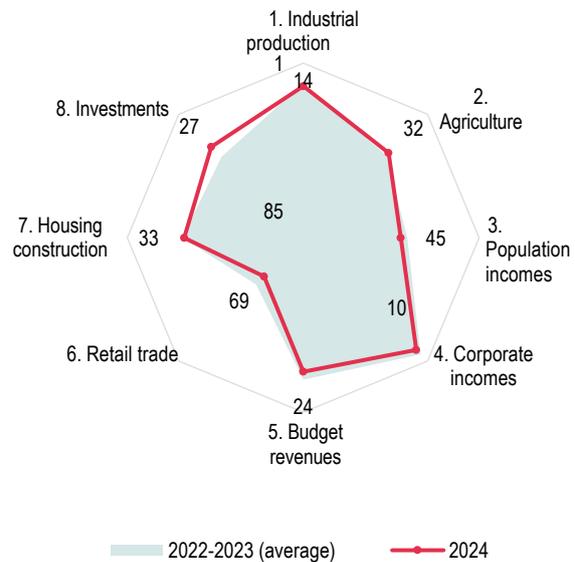


6. Vologda Region

The region’s average rank in 2024 was 32, having worsened by 2 positions (the average for 2022–2023 was 30).

The Vologda Region demonstrates strong positions in the following indicators: industrial production (14th place), corporate incomes (10th place). The region has a weak position in retail trade (69th place).

The greatest improvement in positions in 2024 was noted in investments (-8 p.; from 35th to 27th place). The greatest deterioration occurred in the following indicators: population incomes (+4 p.; from 41st to 45th place), corporate incomes (+4 p.; from 6th to 10th place), budget revenues (+5 p.; from 19th to 24th place), retail trade (+7 p.; from 62nd to 69th place).

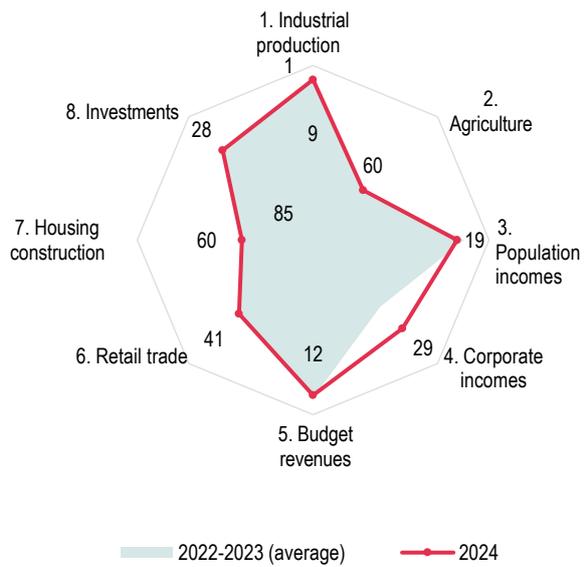


7. Komi Republic

The region's average rank in 2024 was 32, having improved by 2 positions (the average for 2022–2023 was 34).

The Komi Republic demonstrates strong positions in the following indicators: industrial production (9th place), population incomes (19th place), budget revenues (12th place).

The greatest improvement in positions in 2024 was noted for corporate incomes (-18 p.; from 47th to 29th place). The greatest deterioration occurred in population incomes (+4 p.; from 15th to 19th place).



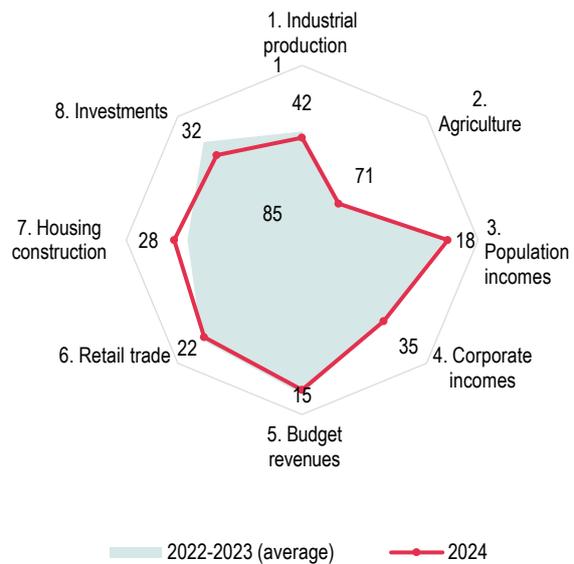
8. Republic of Karelia

The region's average rank in 2024 was 33, having worsened by 1 position (the average for 2022–2023 was 32).

The Republic of Karelia demonstrates strong positions in the following indicators: population incomes (18th place), budget revenues (15th place). A weak position remains in agriculture – 71st place.

The greatest improvement in positions in 2024 was noted for housing construction (-8 p.; from 36th to 28th place), investments (+14 p.; from 46th to 32nd place).

The greatest deterioration occurred in industrial production (+3 p.; from 39th to 42nd place), investments (+10 p.; from 22nd to 32nd place).

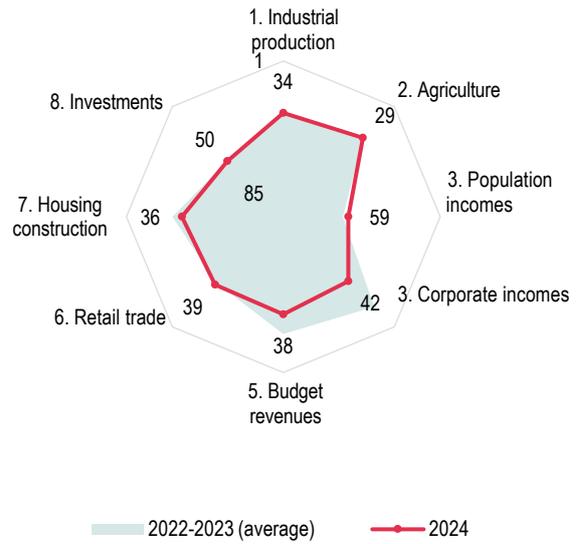


9. Novgorod Region

The region’s average rank in 2024 was 41, having worsened by 5 positions (the average for 2022–2023 was 36).

The region has no clearly defined strong or weak positions among the analyzed indicators.

An improvement in position in 2024 was noted for population incomes (-4 p.; from 63rd to 59th place). Deterioration occurred in corporate incomes (+23 p.; from 19th to 42nd place), budget revenues (+12 p.; from 26th to 38th place), housing construction (+6 p.; from 30th to 36th place).

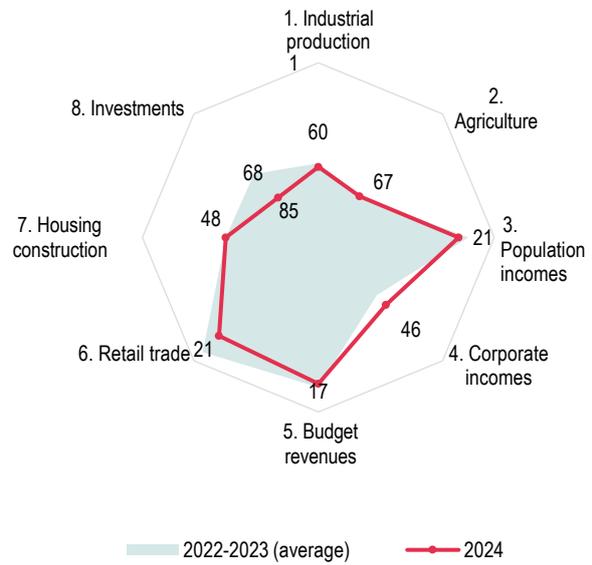


10. Arkhangelsk Region

The region’s average rank in 2024 was 44, having worsened by 5 positions (the average for 2022–2023 was 39).

The Arkhangelsk Region demonstrates weak positions in agriculture (67th place), investments (68th place).

An improvement in position in 2024 was noted for corporate incomes (-8 p.; from 54th to 46th place). Deterioration occurred in the following indicators: population incomes (+5 p.; from 16th to 21st place), retail trade (+13 p.; from 8th to 21st place), investments (+19 p.; from 49th to 68th place).

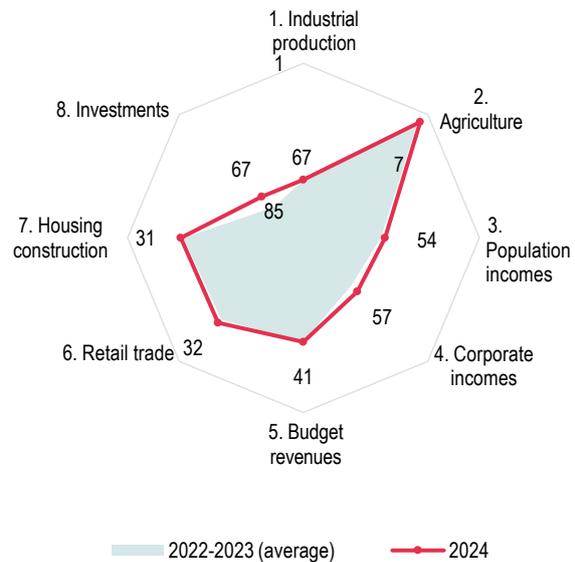


11. Pskov Region

The region's average rank in 2024 was 45, having improved by 2 positions (the average for 2022–2023 was 47).

The Pskov Region demonstrates a strong position in agriculture – 7th place in the country. The region has weak positions in industrial production (67th place), investments (67th place).

Improvements in positions in 2024 were noted for agriculture (-3 p.; from 10th to 7th place), population incomes (-3 p.; from 57th to 54th place), corporate incomes (-5 p.; from 62nd to 57th place), retail trade (-3 p.; from 35th to 32nd place), investments (-8 p.; from 75th to 67th place). No deteriorations were recorded for the analyzed indicators.



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