Perspectives for the Spatial Development of the Small City: Case of Sortavala

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Russia: Census 2010

1100 cities

163 cities with population of more than 100 thousand inhabitants

37 cities with population of over 500 thousand inhabitants

• 16 cities - millionaire

The demographic and rural-urban issues

Russia is an important part of the Baltic Sea Region in terms of labor market, economy, environment and energy policy.

- Population faced with changing economic circumstances.
- Economic activity is becoming concentrated in the large cities—reflecting the economic advantages offered by those places.
- Decline of population, decrease of labor resources.
- A gap of life quality between rural and urban settlements.
- The rural population is not a source of net migration.

North-West Region



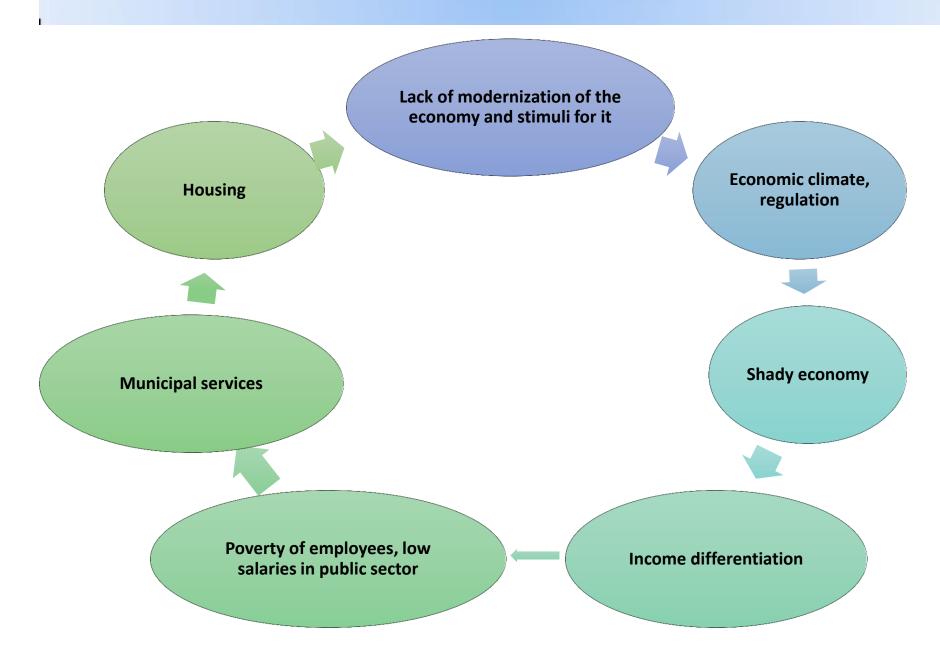
Northwestern Federal District of Russia

- Located in the North and North-West of its European part, composed by 11 federal subjects:
- St Petersburg, two republics (the Komi and Karelian Republics), the Nenets Autonomous District and seven regions, including Kaliningrad Region.
- The population of Saint Petersburg has also grown quite rapidly in the past decade because of immigration;
- Average in terms of economy and demography: the share in aggregate Russian GRP and population is about 10%
- St. Petersburg accounts for a third of North-West District GRP and population.
- High level of urbanization 84,7 % (2018).
- The rural areas suffer from significant population decline: it decreased by 20% during the last 25 years, and in the Northern regions of NFD by 40%.

Population forecast for the North-West region of Russia

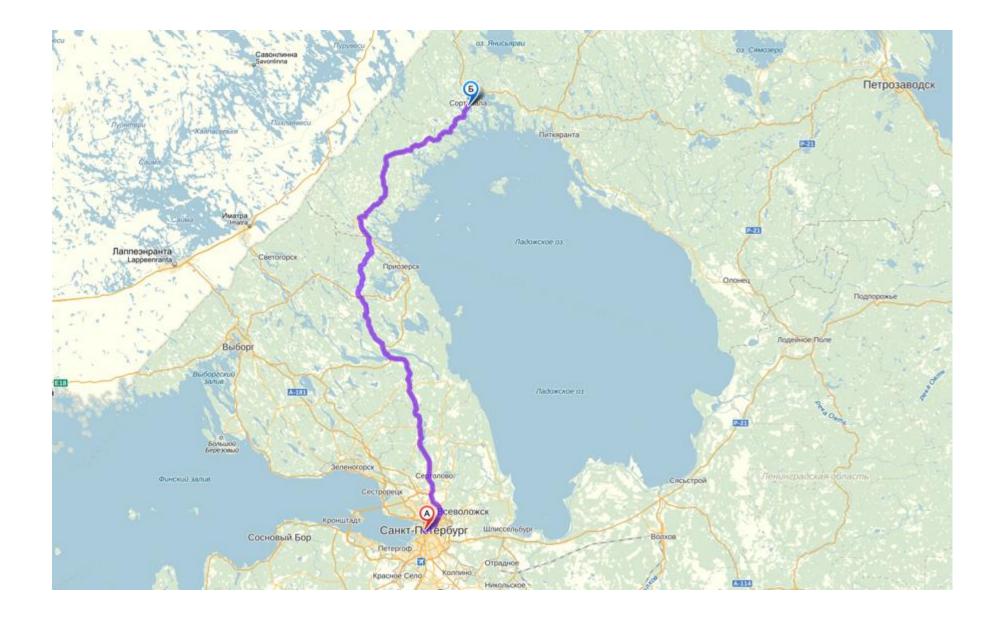
- <u>As pessimistic</u>, that is, if all demographic processes (migration, mortality and fertility rates) will remain at 2000 levels through population N-W is reduced by 26 percent to just over 10 million people.
- Medium variant (double increase in fertility, mortality reduction at a constant level of migration) the population will decrease by 13 percent to about 13 million people
- Optimistic possible when the development of agglomeration of urbanized area, including St. Petersburg, Leningrad oblast, the northern part of the Novgorod and Pskov regions.
- As a result of rapid economic development in this area with 2 mils. of migrants from outside. In this case, the population of the North-West remain at 14 million.

Problems of socio-economic development of cities



Current stage of local government development

- Complicated system of municipalities in Russia
- Strong dependence on regional transfers
- Lack of revenues and limits for tax regulation
- Big spending commitments to the population
- Weak incentives for socio-economic development
- Centralization finance and regulation power (from municipal to regional) and decentralization of responsibility (from federal to regional).





Sortavala



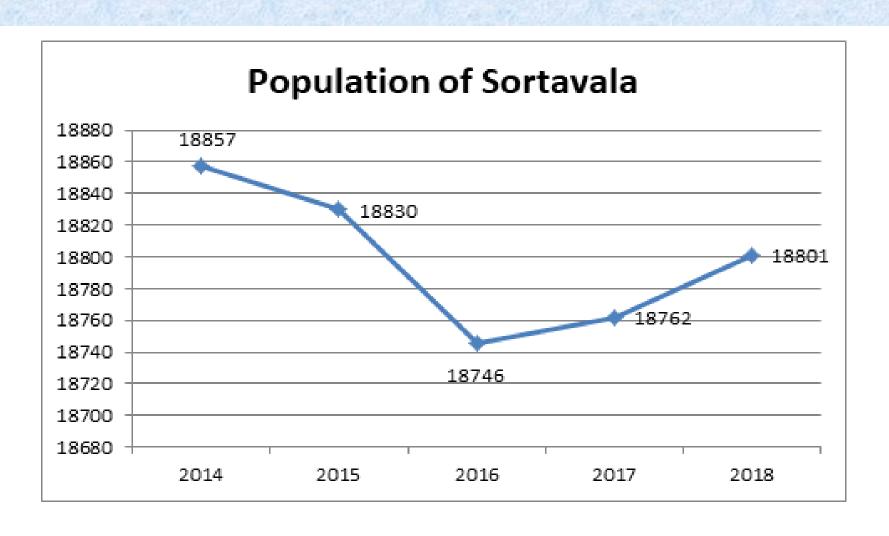




Sortavala: potential

- Architecture heritage, variety of styles: eclecticism, Finnish national romanticism (neo-romanticism), neoclassicism, functionalism, constructivism.
- Many architectural masterpieces of the city were built by famous Finnish architects.
- Natural landscapes, Ruskeala, Valaam (40 км), Ladoga skerries.
- Transport accessibility: a network of road transport routes, railway infrastructure and inland waterways with service infrastructure.
- The distance along the roads to the city of Petrozavodsk is about 270 km, to St. Petersburg - about 260 km.
- Construction of the highway "St. Petersburg-Sortavala".
- Railway communication St.Petersburg, Vyborg, Moscow.
- Airport and passenger pier.
- The international tourist route "Blue Road" a single route from Scandinavia through Karelia to the Arkhangelsk region

Population dynamics



A 121 - reconstructed road to Sortavala

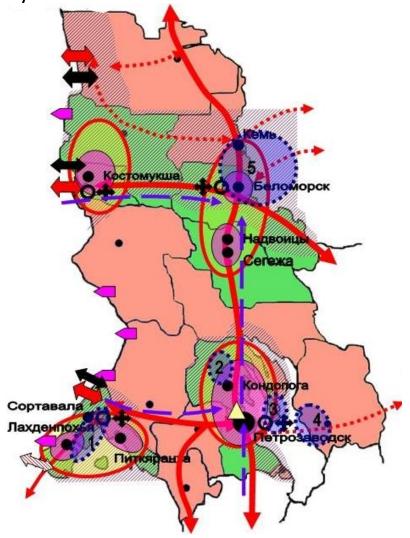




Strategy Karelia 2020: Economic zones(3) Korridors(4).

Development corridor of the Northern Ladoga area (industrial, tourism and transit specialization)

Implementation of investment projects in tourism, the use of recreational potential, the development of cross-border relations, infrastructure in infrastructure in Pitkyarantsky, Sortavalsky, Lakhdenpokhsky, Suoyarvi regions and the western part of Olonetsky district



Concept of Socio-Economic Development Republic of Karelia (up to 2022)

1.1.2. Formation of points of growth of international and interregional cooperation in the border cities of the Republic of Karelia.

"The project "Sortavala - the center of international cooperation in the field of culture and tourism" (organizing and holding festivals and cultural holidays, increasing the density and quality of tourist facilities in the district and city, creating a wide network of tourist infrastructure)".

2.1.3. Formation of tourist clusters

"Cluster formation is aimed at improving the efficiency of using the tourist and recreational potential of the Republic of Karelia, coordinating projects and programs for developing tourist infrastructure facilities, forming a single network of routes and increasing the availability of services in the field of tourist and recreational activities".

ENPI :Project "Cities by the water: new opportunities for business development"

Karelia - Recommendations in the field of marketing and urban planning





- City disposed along Ladoga lake and 129 | 130 roads and surrounded by lakes and straits
- Several islands are inside the borders of the city
- Two townships: Helula and Humpela
- 7 investment proposals (land sites) for the tourism sector in the city

Factors of the Development

Federal Road SPb-Sortavala reconstruction

Local facilities

Human resources

Good practice examples

International and cross-border cooperation

Practical steps

- Improved transport conditions for commuting.
- Support of SME in the sphere of hospitality.
- Redistribution of taxes in favor of municipalities.
- The interaction of urban and rural cultures.
- The development of creative industries.
- Creative solutions in municipal service facilities and infrastructure.

Mobility - Accessibility - Connectivity- Partnership

To visit the city:

Provision of facilities for people-to-people contacts: infrastructure, transport, network.

To live in the city:

Provision of alignment quality of public sector services-municipal services, health care, education, sports.

Thank you!

