# Ratings of sustainable development and implementation of the ESG agenda in small towns

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ORIGINAL ARTICLE

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**Abstract.** The paper considers a number of cities of different categories, and the dynamics of the population of small towns in the regions of the Central Federal District. The authors overview the indexes and rankings of cities calculated in Russia by the state corporation VEB.RF, Expert agencies, SGM, ESG Alliance, and various companies. They analysed the urban environment quality index calculated by the Ministry of Construction of Russia, using the example of small towns in 17 regions of the Central Federal District with a population of 25-50 thousand people, 5-25 thousand people, and up to 5 thousand people in a relatively comfortable climate. The research dwells on MGIMO'2023 ranking on SDG 11 'Sustainable cities and human settlements', the methodology of the RAEX rating consortium for ESG assessment of federal districts and cities of Russia. An analysis of the urban environment quality index calculated by the Ministry of Construction of Russia on the example of small towns in 17 regions of the Central Federal District, showed the following: the 15 small towns with a population of 5-25 thousand people (151 in the Central Federal District) have a range of scores for a conditionally comfortable climate 30. It indicates a significant difference in the level of comfort of living in small towns within the same region. The small towns with a population of 25-50 thousand people (there are 60 in the Central Federal District) have a range of points scored for a conditionally comfortable climate with a difference of more than 30 points is in the Moscow, Smolensk, Kaluga, Vladimir, Tambov, Tula, Yaroslavl, Belgorod, and Voronezh regions. There are only 16 small towns with up to 5,000 people in the Central Federal District. Hence, it is necessary to implement a special policy for the socio-economic development of small towns, including the development of their territories and infrastructure.

Keywords: small towns; sustainable development; ESG agenda; sustainable development goals; rating agencies

JEL codes: C49, J11, O18, R11, R58

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### Introduction

In accordance with the Code of Rules 'Urban Planning. Planning and Construction of Urban and Rural Settlements' (SP 42.13330.2016) from the Ministry of Construction of the Russian Federation, Russian cities and towns are classified as follows:

- large metropolitan areas with a population of over 1 mln people;
- metropolitan areas with a population from 250 thousand to 1 mln people (including subcategories: from 250 to 500 thousand and from 500 thousand to 1 mln people);
  - medium-size urban areas with a population from 100 to 250 thousand people;
  - small urban areas with a population from 50 to 100 thousand people;
- small towns with a population up to 50 thousand people (including subcategories: up to 10 thousand, from 10 to 20 thousand and from 20 to 50 thousand people; urban-type settlements are also included here).

By Table 1, according to the All-Russian Population Census 2020, October 1, 2021, the Central Federal District (CFD) includes:

- 2 large metropolitan areas - Moscow and Voronezh;



- 3 metropolitan areas with a population of 500,000 to 1 million people (Yaroslavl, Ryazan, Balashikha);
- 16 submetropolitan areas with a population of 250,000 to 500,000 (includes Ivanovo);
- 24 medium-size urban areas (there are no such cities in the Ivanovo region);
- 32 small urban areas (in the Ivanovo region Kineshma and Shuya);
- 227 small towns (in the Ivanovo region 14 cities)1.

Table 1 – Russian cities by population, according to the All-Russian Population Census of 2020

Federal District	The cities	The metropolitan areas (500 thousand – 1 mln)	The submetropolitan areas (250 thousand – 500 thousand)	The medium- size urban areas	The small urban areas	The small towns	Total
Central	2	3	16	24	32	227	304
Privolzhsky	5	7	5	14	34	135	200
North-West	1	0	5	5	13	124	148
Uralsky	2	1	5	10	16	81	115
Siberian	3	5	0	11	18	77	114
South	3	0	5	12	18	59	97
Far Eastern	0	2	3	7	5	65	82
North Caucasian	0	2	2	11	10	33	58
Total cities, items	16	20	41	94	146	801	1118
Total population, people	35,507,054	12,185,294	14,449,289	14,286,769	10,086,665	16,021,525	110,075,322
Population share, %	32.3	11.1	13.1	13.0	9.2	14.6	100.0

Source: Rosstat, 2021<sup>2</sup>

The scientists of Ivanovo State University conduct interdisciplinary research of small towns [4], their demographic and educational characteristics, and potential [2].

The practices of sustainable development (SD) of economic entities are expanding at the macrolevel (states, microregions), mesolevel (local territories – regions, municipalities), and microlevel (enterprises and organisations). The number of publications on SD and ESG of regions, cities, and employee competencies is growing [1; 3].

The relevance of sustainable development and the promotion of the ESG agenda in small towns is due to the negative trends in population decline, young people migration outflow, and the general working-age population, which are based on various socio-economic reasons.

SD is assessed in three areas of economic entities activity: Environmental (environmental impact), Social (social policy), Governance (management), which are called ESG criteria. The companies strive to consider the principles of environmental, social, and managerial sustainability when implementing their development strategy; the ESG rating serves as a tool for assessment of their efforts. In recent years, SD and ESG ratings/rankings have been calculated in Russia for the for companies, regions, cities, and towns.

### Methods

The purpose of our research is to analyse the ratings of sustainable development and the implementation of the ESG agenda in small towns of the Central Federal District (CFD).

<sup>&</sup>lt;sup>1</sup>Rosstat. The All-Russian Population Census of 2020. October 1, 2021. Vol. 1. Source: https://rosstat.gov.ru/vpn/2020/Tom1\_Chislennost\_i\_razmeshchenie\_naseleniya. (accessed on 27.03.2025)

<sup>&</sup>lt;sup>2</sup>Rosstat. The All-Russian Population Census of 2020. October 1, 2021. Vol. 1. Source: https://rosstat.gov.ru/vpn/2020/Tom1\_Chislennost\_i\_razmeshchenie\_naseleniya. (accessed on 27.03.2025)

The object of the study was the small towns of the CFDa. The subject of the study is the number of small towns and their population. The research used the statistical database of Rosstat, the results of ratings and rankings of cities calculated in Russia by MGIMO'2023 according to SDG 11, by the state corporation VEB. RF, Expert agencies, SGM, ESG Alliance, etc. Moreover, we analysed the urban environment quality index calculated by the Russian Ministry of Construction.

The research of the ratings of sustainable development of small towns is based on the use of general scientific methods of analysis and synthesis, induction and deduction, the method of content analysis of economic publications, the method of comparative economics, the monographic method. The main source of information was Rosstat data, websites of organisations promoting SD and ESG agenda, ratings and rankings of various expert and analytical organisations, universities, etc.

### **Results**

According to the research on example of the regions of the Central Federal District,

- 1) the most of the cities in the regions of the Central Federal District are small towns (with a population of less than 50 thousand people);
- 2) the population in 3 of the 17 regions of the Central Federal District in all small towns is declining in the Belgorod, Kostroma, and Smolensk regions;
- 3) in the period 01.01.2020-01.10.2021 (the date of the All-Russian Population Census), the dynamics of the population of small towns in the regions of the Central Federal District is as follows:
- Vladimir region (total 23 cities); there are 18 small towns; population in 9 is increasing (); in the 9 is declining ();
  - Belgorod region (total 11 cities); there are 8 small towns; population in 8 is decreasing;
- Bryansk region (total 16 cities); there are 14 small towns; the population in 5 is increasing, in 9 is decreasing;
- Voronezh region (total 15 cities); there are 11 small towns; the population in 5 is increasing, in 6 is decreasing;
- Ivanovo region (total 17 cities); there are 14 small towns; the population in 6 is increasing, in 8 is decreasing;
- Kaluga region (total 22 cities); there are 20 small towns; the population in 7 is increasing, in 13 is decreasing;
  - Kostroma region (total 12 cities); there are 11 small towns; the population in 11 is decreasing;
- Kursk region (total 10 cities); there are 8 small towns; the population in 2 is increasing, in 6 is decreasing;
- Lipetsk region (total 8 cities); there are 6 small towns; the population in 4 is increasing, in 2 is decreasing;
- Moscow region (total 74 cities); there are 37 small towns; the population in 8 is increasing, in 29 is decreasing; in 16 small towns, the population exceeds 20,000 people.
- Oryol region (total 7 cities); there are 6 small towns; the population in 1 is increasing, in 5 is decreasing;
- Ryazan region (total 12 cities); there are 11 small towns; the population in 2 is increasing, in 9 is decreasing;
  - Smolensk region (total 13 cities); there are 11 small towns; population in 11 is decreasing;
- Tambov region (total 8 cities); there are 6 small towns; the population in 4 is increasing, in 2 is decreasing;
- Tver region (total 23 cities); there are 21 small towns; the population in 13 is increasing, in 8 is decreasing;
- Tula region (total 7 cities); there are 14 small towns; the population in 9 is increasing, in 5 is decreasing;
  - Yaroslavl region (total 11 cities); there are 9 small towns; the population in 2 is increasing, in 7 is

decreasing (Table 2).

**Table 2** –The population of the small towns, the regions of the Central Federal District, 2020

		Small towns	
	Number	Name	
Belgorod region	8	Alekseevka – 36,578, Biryuch – 7,114, Valuiki – 33,032, Grayvoron – 6,179, Korocha – 5,623, Novyi Oskol – 18,359, Stroitel – 23,780, Shebekino – 39,680 (8)	
Bryansk region	14	✓Zhukovka – 17,628, Karachev – 17,449, Sevsk – 6,732, Surazh – 11,176, Unecha – 24,274 (5)  Dyatkovo – 25,255, Zlynka – 5,270, Mglin – 6,919, Novozybkov – 38,680, Pochep – 14,991, Seltso – 15,906, Starodub – 17,687, Trubchevsk – 13,287, Fokino – 12,538 (9)	
Vladimir region	18	✓Vyazniki – 36,203, Gorokhovets – 12,666, Kameshkovo – 12,028, Kirzhach – 27,318, Kurlovo – 6,309, Petushki – 13,317, Pokrov – 17,747, Sobinka – 17,444, Sudogda – 10,408 (9)  ✓Karabanovo – 13,150, Kolchugino – 39,410, Kosterevo – 7,113, Lakinsk – 12,861, Melenki – 13,407, Raduzhny – 17,569, Strunino – 11,774, Suzdal – 9,286, Yuriev-Polsky -17,276 (9)	
Voronezh region	11	✓Bobrov – 20,871, Boguchar – 14,370, Buturlinovka – 24,397, Novokhopersk – 5,948, Semiluki – 27,938 (5) Kalach – 17,624, Novovoronezh – 30,658, Ostrogozhsk - 31,699, Pavlovsk – 22,384, Povorino – 16,417, Ertil – 10,024 (6)	
Ivanovo region	14	<ul> <li>✓Kohma – 30,940, Komsomolsk – 8,364, Ples – 1,896, Rodniki – 24,101, Puchezh – 6,879, Yuzha – 12,957 (6)</li> <li>14</li></ul>	
Kaluga region	20	✓Balabanovo – 30,194, Belousovo – 10,980, Borovsk – 12,686, Ermolino – 11,189, Kondrovo – 15,734, Mosalsk – 4,251, Spas-Demensk – 4,592 (7)  ✓Zhizdra – 5,433, Zhukov – 15,656, Kirov – 27,661, Kozelsk – 16,603, Kremenki – 11,637, Ludinovo – 35,276, Maloyaroslavets – 41,511, Medyn – 8,042, Meshchovsk – 3,722, Sosensky – 11,259, Sukhinichi – 14,407, Tarusa – 9,791, Yukhnov – 6,470 (13)	
Kostroma region	11	Buy – 20,564, Volgorechensk – 14,355, Galich – 12,856, Kologriv – 2,468, Makaryev – 5,528, Manturovo – 13,043, Nerekhta – 19,977, Neya – 7,816, Soligalich – 5,534, Chukhloma – 4,252, Sharya – 20,4 (11)	
Kursk region	8	Dmitriev – 6,317, Kurchatov – 40,318 (2) Lgov – 17,557, Oboyan – 11,844, Rylsk – 15,069, Sudzha – 5,127, Fatezh – 4,691, Shchigry – 14,927 (6)	
Lipetsk region	6	✓Dankov – 19,726, Zadonsk – 9,887, Lebedyan – 20,049, Usman – 19,662 (4)  Gryazi – 43,908, Chaplygin – 11,579 (2)	

		Small towns	
	Number	Name	
Moscow region	37	✓Aprelevka – 38,483, Zvenigorod – 37,271, Krasnoarmeysk – 26,606, Krasnoznamensk – 44,657, Kubinka – 23,472, Kurovskoye – 19,890, Protvino – 37,221, Staraya Kupavna – 23,553 (8)  Вronnitsy – 20,981, Volokolamsk – 25,729, Golitsyno – 22,861, Dedovsk – 30,373, Zaraysk – 20,383, Istra – 34,971, Kashira – 44,551, Likino-Dulevo – 33,945, Lukhovitsy – 29,808, Mozhaysk – 32,755, Ozery – 23,826, Roshal – 20,875, Solnechnogorsk – 47,514, Khotkovo – 20,468, Shatura – 36,714, Elektrogorsk – 29,919 (29)*	
Oryol region	6	Novosil – 2,938 (1) Bolkhov – 9,359, Dmitrov – 5,177, Livny – 42,928, Maloarkhangelsk – 3,512, Mtsensk – 36,070 (5)	
Ryazan region	11	Rybnoye – 21,200, Skopin – 25,708 (2)  Kasimov – 27,821, Korablino – 10,084, Mikhailov – 10,085,  Novomichurinsk – 16,752, Ryazhsk – 20,197, Sasovo – 21,220, Spas- Klepiki – 4,591, Spassk-Ryazansky – 5,705, Shatsk – 5,791 (9)	
Smolensk region	13	Velizh − 6,005, Gagarin − 25,374, Demidov − 6,261, Desnogorsk − 24,618, Dorogobuzh − 9,086, Dukhovshchyna − 3,866, Yelnya − 7,911, Pochinok − 7,351, Roslavl − 43,592, Rudnya − 8,490, Safonovo − 37,055, Sychevka − 7,469, Yartsevo − 40,330 (13)	
Tambov region	Kirsanov – 16,164, Morshansk – 39,023, Rasskazovo – 47,644,  Uvarovo – 23,584 (4)  Kotovsk – 26,694, Zherdevka – 13,883 (2)		
Tver region	21	✓Andreapol – 6,956, Bezhetsk – 21,466, Bely – 3,125, Vesyegonsk – 6,330, Vyshny Volochek – 45,830, Zapadnaya Dvina – 7,869, Zubtsov – 6,217, Kalyazin – 12,621, Kashin – 14,113, Krasny Kholm – 4,998, Kuvshinovo – 9,262, Nelidovo – 18,603, Ostashkov – 16,674 (13) →Bologoe – 20,234, Kimry – 40,875, Konakovo – 33,560, Likhoslavl – 11,017, Staritsa – 6,938, Torzhok – 41,116, Toropets – 11,441, Udomlya – 25,950 (8)	
Tula region	14	<ul> <li>✓Belev – 12,746, Bolokhovo – 9,339, Efremov – 36,545, Kimovsk – 26,475, Lipki – 8,325, Plavsk – 16,893, Sovetsk – 7,889, Suvorov – 17,598, Chekalin – 935 (9)</li> <li>✓Bogoroditsk – 29,560, Venev – 12,668, Kireevsk – 25,560, Uzlovaya – 49,427, Yasnogorsk – 15,269 (5)</li> </ul>	
Yaroslavl region	9	Myshkin – 5,621, Uglich – 32,719 (2) Gavrilov Yam – 16,084, Danilov – 13,677, Lyubim – 5,037, Pereslavl-Zalessky – 37,738, Poshekhonye – 5,150, Rostov – 28,122, Tutaev – 39,643 (7)	

Note: \* The small towns with 20-50 thousand people are given as an example for the Moscow region Source: Rosstat, 2021<sup>3</sup>

The rating of the cities in the Russian mass media is quite popular. Internationally, the rating of the in terms of the standard of living is conducted by the international HR consulting company Mercer and The

<sup>&</sup>lt;sup>3</sup>Rosstat. The All-Russian Population Census of 2020. October 1, 2021. Vol. 1. Source: https://rosstat.gov.ru/vpn/2020/Tom1\_Chislennost\_i\_razmeshchenie\_naseleniya. (accessed on 27.03.2025)

Economist Group, USA; the similar rating is compiled annually by Monocle, the United Kingdom.

Since 2012, in the Russian Federation the All-Russian competition 'The City of Russia. National Choice' is held. It is the vote for the most attractive, recognisable and symbolic Russian city (voting is conducted by cities-regional centers)<sup>4</sup>.

WEB.RF implements the project 'Quality of Life Index in Russian cities' as an information and analytical system of urban development<sup>5</sup>.

AVA is a federal developer specialising in the integrated development of residential and commercial real estate. It publishes the TOP 20 best cities in Russia for living on its website<sup>6</sup>. A similar project 'TOP 10 best cities to live in Russia' is presented by the financial marketplace Sravni.ru<sup>7</sup>. The most comfortable cities to live in Russia are presented on the company's RBC website<sup>8</sup>. Monitoring of cities with the highest quality of life is provided by the Financial University under the Government of the Russian Federation<sup>9</sup>.

The urban environment quality Index is calculated by the Ministry of Construction of Russia. The cities are considered favourable for living if they score more than 50% of the possible points. For instance, by the end of 2019, 300 Russian cities (26.9%) were recognised as comfortable; by the end of 2023, 759 cities (68% of 1,117 Russian cities) were recognised as comfortable.

In the Ivanovo region, the number of cities with a favourable urban environment increased from 59% to 82% in 2023, and scored 205 points, which is higher than the average for the Russian Federation (200 points).

The urban environment quality index is calculated for the metropolitan areas, submetropolitan areas, medium-size urban, and small towns. By the end of 2023, the resort town Zelenogradsk, the Kaliningrad region (population – 17.1 thousand people), Istra, the Moscow region (population – 35 thousand people), Innopolis, Tatarstan (population – 4 thousand people) are recognised as the most comfortable for living.

The small towns Kartaly, the Chelyabinsk region (population – 26.7 thousand people) and Svobodny, the Amur region (population – 48.8 thousand people) increased their living standards and gain the favourable status. The outsider was the small town Alzamai, the Irkutsk region (population – 5.4 thousand people).

However, the small towns (population – 25-50 thousand people) located in a relatively comfortable climate are 4 towns of the Ivanovo region: Vichuga, Kokhma, Teikovo, and Furmanov. The largest number of small towns out of 60 is in the Moscow region (16). There are 5 towns each in the Tver and Tula regions; 4 towns each in the Ivanovo, Kaluga, Smolensk, and Yaroslavl regions; 3 towns each in the Belgorod, Vladimir, Voronezh, and Tambov regions; 2 towns in the Oryol region; 1 town each in the Bryansk, Kursk, Lipetsk, and Ryazan regions. There are no small towns with a population of more than 25 thousand people in the Kostroma region.

The range of scores for a conditionally comfortable climate varies the most (the difference is more than 30 points) in the following regions: Moscow (73 points), Smolensk (52 points), Kaluga (47 points), Vladimir (43 points), Tambov (36 points), Tula (35 points), Yaroslavl (34 points), Belgorod (32 points), Voronezh (31 points) (Table 3).

The largest number of small towns out of 151 (population – 5-25 thousand people), located in a relatively comfortable climate, are in the Moscow region (20), Vladimir (15), and Tver (14) regions; 13 towns each are in the Bryansk and Kaluga regions; 9 towns each in the Ivanovo and Ryazan regions; 8 towns each in the Voronezh, Kostroma, Smolensk, and Tula regions.

 $<sup>^4</sup>$  Voting results of the All-Russian competition 'The City of Russia. National Choice'. Source: https:// zopo∂-poccuu.p $\phi$ /rating (accessed on 12.02.2025)

<sup>&</sup>lt;sup>5</sup> WEB.RF The Quality of life index. Source: https://citylifeindex.ru/ (accessed on 02.12.2024)

<sup>&</sup>lt;sup>6</sup>AVA. TOP 20 best Russian cities for living in 2024. Source: https://avadom.ru/articles/reyting-luchshikh-gorodov-rossii-2023/ (accessed on 09.12.2024)

<sup>&</sup>lt;sup>7</sup> Sravni.ru: a financial marketplace. Source: https://www.sravni.ru/text/luchshie-goroda-dlya-zhizni-v-rossii-top-10-po-versii-sravni/ (accessed on 09.12.2024)

<sup>&</sup>lt;sup>8</sup> The most comfortable cities to live in Russia. Source: https://realty.rbc.ru/news/660abc7d9a79474c317bc2ac (accessed on 12.02.2025)

<sup>&</sup>lt;sup>9</sup> The portal of the Financial University under the Government of the Russian Federation. Results of 2023: cities with the highest quality of life. Source: http://www.fa.ru/News/2023-11-20-topcities23.aspx (accessed on 09.12.2024)

**Table 3** – The small towns (25-50 thousand people) of the Central Federal District located in a relatively comfortable climate

Regions of the Central Federal District	Number of the small towns	Score range	City (points scored)	
Moscow region	16	181-254	Istra (254), Mozhaysk (251), Protvino (24 Krasnoznamensk (248), Zvenigorod (244), Losin Petrovsky (241), Krasnoarmeysk (240), Kashira (23 Solnechnogorsk (230), Volokolamsk (226), Aprelevl (219), Shatura (213), Elektrogorsk (212), Dedov (209), Likino-Dulevo (199), Lukhovitsy (181)	
Yaroslavl region	4	212-246	Tutaev (246), Rostov (235), Uglich (228), Pereslavl-Zalessky (212)	
Tambov region	3	197-233	Kotovsk (233), Morshansk (204), Rasskazovo (197)	
Smolensk region	4	180-232	Roslavl (232), Gagarin (222), Safonovo (207), Yartsevo (180)	
Vladimir region	3	187-230	Kolchugino (230), Vyazniki (221), Kirzhach (187)	
Oryol region	2	227-228	Mtsensk (228), Livny (227)	
Kaluga region	4	180-227	Kirov (227), Maloyaroslavets (212), Balabanovo (200), Ludinovo (180)	
Ryazan region	1	227	Kasimov (227)	
Tver region	5	197-222	Konakovo (222), Kimry (218), Udomlya (218), Torzhok (199), Vyshny Volochyok (197)	
Kursk region	1	220	Kurchatov (220)	
Belgorod region	3	187-219	Shebekino (219), Valuiki (207), Alekseevka (187)	
Ivanovo region	4	202-218	Furmanov (218), Vichuga (213), Teikovo (212), Kohma (202)	
Bryansk region	1	217	Novozybkov (217)	
Tula region	5	180-215	Efremov (215), Uzlovaya (212), Kireevsk (209), Bogoroditsk (200), Kimovsk (180)	
Lipetsk region	1	214	Gryazi (214)	
Voronezh region	3	180-211	Novovoronezh (211), Ostrogozhsk (180), Semiluki (180)	
Kostroma region	-	-	-	
Total	60			

Source: Ministry of Construction, 2023<sup>10</sup>

The range of points scored for a conditionally comfortable climate from 17 regions of the Central Federal District varies by more than 30 points in 15, including: Vladimir region (92 points), Moscow region (72 points), Bryansk region (68 points), Yaroslavl region (59 points), Voronezh region (56 points), Tver region (51 points), Kursk region (50 points), Smolensk region (50 points), Tula region (49 points), Kostroma region (47 points), Tambov region (46 points), Kaluga region (44 points), Belgorod region (43 points), Ryazan region (42 points), Ivanovo region (40 points). The minimum difference in the values of the indicator is in 2 regions: Lipetsk (19 points) and Oryol (28 points) (Table 4). It indicates a significant difference in the level of comfort of living in small towns of the same region.

<sup>&</sup>lt;sup>10</sup> The official website of the Ministry of Construction of Russia. The urban environment quality Index by cities and the regions of the Russian Federation, 2023. 60 p. Source: https://minstroyrf.gov.ru/docs/364202/?clear\_cache=Y (accessed on 09.12.2024)

Table 4 - The small towns (5-25 thousand people) of the Central Federal District located in a relatively comfortable climate

Regions of the Central Federal District	Number of the small towns	Score range	City (points scored)	
Vladimir region	15	163-255	Suzdal (255), Yuriev-Polsky (242), Gorokhovets (236), Melenki (210), Pokrov (209), Karabanovo (202), Raduzhny (198), Sudogda (194), Lakinsk (193), Sobinka (193), Strunino (193), Petushki (191), Kosterevo (180), Kameshkovo (176), Kurlovo (163)	
Moscow region	20	180-252	Ruza (252), Pushchino (250), Taldom (249), Staraya Kupavna (238), Zaraysk (237), Peresvet (236), Chernogolovka (234), Drezna (232), Golitsyno (227), Roshal (226), Khotkovo (225), Vysokovsk (224), Kurovskoye (221), Ozery (216), Bronnitsy (215), Elektrougli (211), Kubinka (204), Krasnozavodsk (200), Yakhroma (192), Beloozersky (180)	
Yaroslavl region	5	180-239	Myshkin (239), Nerekhta (215), Poshekhonye (198), Gavrilov Yam (197), Danilov (180)	
Voronezh region	8	176-232	Kalach (232), Pavlovsk (232), Boguchar (229), Bobrov (204), Povorino (202), Buturlinovka (198), Novokhopersk (180), Ertil (176)	
Bryansk region	13	163-231	Unecha (231), Karachev (215), Zhukovka (203), Zlynka (196), Surazh (196), Dyatkovo (180), Pochep (180), Sevsk (180), Starodub (180), Trubchevsk (180), Fokino (180), Seltso (178), Mglin (163)	
Kursk region	6	180-230	Sudzha (230), Shchigry (221), Rylsk (203), Lgov (197), Oboyan (193), Dmitriev (180)	
Tambov region	3	179-225	Kirsanov (225), Uvarovo (193), Zherdevka (179)	
Tver region	14	174-225	Ostashkov (225), Kashin (208), Likhoslavl (207), Staritsa (206), Kalyazin (195), Bologoe (191), Andreapol (180), Bezhetsk (180), Zapadnaya Dvina (180), Zubtsov (180), Kuvshinovo (180), Nelidovo (180) Toropets (180), Vesyegonsk (174)	
Tula region	8	176-225	Plavsk (225), Venev (219), Suvorov (205), Yasnogorsi (195), Belev (180), Bolokhovo (180), Sovetsk (177 Lipki (176)	
Kaluga region	13	180-224	Tarusa (224), Kremenki (218), Belousovo (215), Borovsk (215), Kozelsk (215), Kondrovo (202), Sosenskiy (195), Zhukov (190), Ermolino (189), Zhizdra (189), Sukhinichi (187), Medyn (180), Yukhnov (180)	
Belgorod region	5	180-223	Korocha (223), Grayvoron (221), Novy Oskol (212), Stroitel (210), Biryuch (180)	
Kostroma region	8	175-222	Galich (222), Buy (214), Volgorechensk (214), Sharya (204), Makaryev (180), Soligalich (178), Manturovo (176), Neya (175)	

Regions of the Central Federal District	Number of the small towns	Score range	City (points scored)
Ivanovo region	9	180-220	Gavrilov Posad (220), Komsomolsk (220), Privolzhsk (213), Yuryevets (195), Zavolzhsk (194), Rodniki (191), Navoloki (180), Puchezh (180), Yuzha (180)
Smolensk region	8	169-219	Velizh (219), Desnogorsk (213), Dorogobuzh (199), Yelnya (180), Sychevka (180), Rudnya (176), Demidov (173), Pochinok (169)
Ryazan region	9	176-218	Sasovo (218), Korablino (206), Mikhailov (191), Novomichurinsk (180), Rybnoye (180), Spassk- Ryazansky (180), Shatsk (180), Skopin (178), Ryazhsk (176)
Lipetsk region	5	198-217	Lebedyan (217), Dankov (210), Usman (199), Zadonsk (198), Chaplygin (198)
Oryol region	2	179-207	Dmitrovsk (207), Bolkhov (179)
Total	151		

Source: Ministry of Construction, 2023<sup>11</sup>

There are 16 small towns with the population up to 5,000 people in the Central Federal District: 3 towns in the Kaluga region, 2 towns each in the Kostroma, Orel, and Tver regions, and 1 town each in the Ivanovo, Kursk, Moscow, Ryazan, Smolensk, Tula, and Yaroslavl regions. There are none small towns in 6 regions – in Belgorod, Bryansk, Vladimir, Voronezh, Lipetsk, and Tambov. The range of scores over 30 is in the Kaluga (41 points) and Tver (40 points) regions. The maximum number of points scored is in Ples (224); the minimum is Dukhovschina (173) with a difference of 51 points (Table 5).

**Table 5** – Small towns (up to 5 thousand people) of the Central Federal District located in a relatively comfortable climate

Regions of the Central Federal District	Number of the small towns	Score range	City (points scored)
Ivanovo region	1	224	Ples (224)
Moscow region	1	222	Vereya (222)
Kaluga region	3	180-221	Mosalsk (221), Spas-Demensk (204), Meshchovsk (180)
Tver region	2	180-220	Krasniy Kholm (220), Beliy (180)
Kursk region	1	213	Fatezh (213)
Oryol region	2	199-210	Maloarkhangelsk (210), Novosil (199)
Ryazan region	1	203	Spas-Klepiki (203)
Yaroslavl region	1	203	Lyubim (203)
Kostroma region	2	180	Kologriv (180), Chukhloma (180)
Tula region	1	180	Chekalin (180)
Smolensk region	1	173	Dukhovschina (173)
Belgorod region	-	-	-

<sup>&</sup>lt;sup>11</sup> The official website of the Ministry of Construction of Russia. The urban environment quality Index by cities and the regions of the Russian Federation, 2023. 60 p. Source: https://minstroyrf.gov.ru/docs/364202/?clear\_cache=Y (accessed on 09.12.2024)

Regions of the Central Federal District	Number of the small towns	Score range	City (points scored)
Bryansk region	_	-	-
Vladimir region	-	-	-
Voronezh region	-	-	-
Lipetsk region	-	-	-
Tambov region	-	-	-
Total	16		

Source: Ministry of Construction, 2023<sup>12</sup>

The rating contains data on small towns of different populations (population – 5, 5-25, 25-50 thousand people) in a conditionally uncomfortable climate. These are some small towns in the Northwestern, Ural, Siberian, and Far Eastern Federal districts. However, there are no such cities among the cities of the Central Federal District.

We considered existing publicly available ratings/rankings of sustainable development. Indeed, many methods and approaches have been developed in terms of ratings/rankings and indices of urban development internationally. Primarily, there is the experience of UN units. In 1996, the Urban Development Index was developed within the framework of the United Nations Human Settlements Program (UN-Habitat). Another indicator system was developed by the UN Commission on Sustainable Development. In domestic literature, the indicators and the justification of their selection criteria for assessing the degree of urban development take an important place [6].

Since 2013, the SGM rating agency has been compiling a sustainable urban development rating based on SD principles and international experience. However, this rating covers only large cities with a population of over 100,000 people (186 metropolitan areas and medium-size urban areas). Moreover, it is aimed at highlighting the strengths and weaknesses of municipalities, setting benchmarks for authorities and residents, providing incentives to achieve SDGs, and attracting the potential investors into leading cities. The number and composition of SD indicators in the rating has changed several times: 32 in 2012, 30 in 2013, 32 in 2014, 31 in 2015, 42 in 2016-2018. 43 in 2019-2020 [6, p. 92]. The indicator system includes three groups: economy and urban economy, social sphere, and environment. The choice of indicators based on several principles: openness of data (posting only on the official websites of cities and statistical authorities), completeness (for each indicator, data is available for at least 95% of cities), and relevance – compliance with SDGs. Indicators with low confidence were eliminated<sup>13</sup>.

The SGM Agency's website presents a rating of sustainable development of Russian cities for 2021. There are 4 groups of leading cities: millionaire cities, regional centres, cities of the Moscow region (9 cities with populations of 100-250 thousand and 250-500 thousand people), and cities of the oil and gas industry.

There are also 4 groups of cities in the lower part of the rating or outsider cities: single-industry towns of the Urals and Western Siberia; industrial centres without the status of single-industry towns; cities of Crimea and the Caucasus; regional centres of the republics of Southern Siberia<sup>14</sup>. In 2022, the rating base of the SGM agency included 19 cities located in the Central Federal District. But there are no small towns in this ranking.

Nevertheless, the existing ratings do not assess the sustainability of small towns and medium-size urban areas. Moreover, they do not allow us to draw conclusions about the socio-economic situation in the vast majority of Russian cities. According to V. Fauser and A. Smirnov, the main reason is poor presentation of

<sup>&</sup>lt;sup>12</sup> The official website of the Ministry of Construction of Russia. The urban environment quality Index by cities and the regions of the Russian Federation, 2023. 60 p. Source: https://minstroyrf.gov.ru/docs/364202/?clear cache=Y (accessed on 09.12.2024)

<sup>&</sup>lt;sup>13</sup> SGM Rating Agency. Ratings of sustainable development of Russian cities. Source: https://www.agencysgm.com/ratings/ (accessed on 02.12.2024)

<sup>&</sup>lt;sup>14</sup> Rating of sustainable development of Russian cities for 2021. Issue 10. March 2023. Source: https://www.agencysgm.com/upload/iblock/e41/e415a35b5b954ac379c1284c8ea8bf65.pdf (accessed on 02.12.2024)

### Alla B. Berendeeva, Olga O. Korobova

### RATINGS OF SUSTAINABLE DEVELOPMENT AND IMPLEMENTATION OF THE ESG...

demographic and labour indicators. The authors propose the index of demographic and labour sustainability of cities, calculating it on the example of the North regions. By their research, this index is decreasing from the largest and large cities to medium-sized, and from medium-size urban areas to small towns [6, p. 94].

On March 21, 2023, the VII Annual Conference 'Sustainable Development of Cities and Regions: Challenges of Long-Term Planning' was held in Moscow at the HSE.

Currently, the concept of sustainable development of regions, municipalities, and enterprises is complemented by the ESG agenda. Indeed, SD ideas can be used most intensively in the management of cities, because they are the main centres of environmental, economic, social, and other problems. At the same time, they are the places of concentration of the majority of residents, designed to ensure their needs and a decent quality of life [5, p. 53].

ESG rankings of Russian regions are becoming popular (the rating of the National Rating Agency, NRA, the rating of the rating consortium RAEX, ACRA, etc.) [1]. Moreover, the ESG-ranking of the regions of the Central Federal District by the Centre for Sustainable Development and ESG Transformation at the Moscow State Institute of International Relations – MGIMO'2023 is based on indicators for achieving the UN Sustainable Development Goals.

Among the 17 UN Sustainable Development Goals (SDGs), in terms of the problems of the small towns, we consider SDG 11 indicators 'Sustainable cities and human settlements', as follows:

- housing conditions: the proportion of the number of families received housing and improved their living conditions among the families registered as needing housing; the number of citizens resettled from the housing stock unsuitable for habitation;
- communal amenities: the proportion of the total area equipped with water supply; the number of public buses per 100,000 people;
- favourable urban environment: the proportion of cities with a favourable environment from the total number of cities (urban environment quality index above 50%);
- bus accessibility: the share of buses equipped to transport low-mobility groups of the population in the total number of buses;
- financing of cultural heritage: funds have been allocated for the preservation of cultural heritage sites; funds have actually been disbursed for the preservation of cultural heritage sites;
- clean air: the proportion of trapped and neutralised pollutants in the total amount of pollutants discharged from stationary sources; the proportion of the area of green spaces within the city limits in the total area of urban land within the city limits;
- city lighting: the proportion of the length of illuminated parts of city streets, driveways, and embankments in the total length of city streets, driveways, and embankments.

In the MGIMO ranking'2023, the places among the regions of the Central Federal District (CFD) were as follows (the place among 85 regions of the Russian Federation is indicated in parentheses)<sup>15</sup>:

- the top 20 regions are: Moscow city (1), Voronezh region (5), Lipetsk region (7), Moscow region (11), Yaroslavl region (12), Belgorod region (15), Kaluga region (16), Ryazan region (17);
  - the top 30 includes: Tula region (21), Vladimir region (26), Tver region (27);
- middle-class regions are Kostroma region (40), Smolensk region (41), Tambov region (59), Kursk region (56);
  - the lowest rankings are in the Orel region (72), the Ivanovo region (62), and the Bryansk region (61). A methodology for compiling ESG ratings/rankings of Russian cities is under development.

In the methodology of the RAEX rating consortium, calculations are based on data from Rosstat of Russia, the Unified Interdepartmental Information and Statistical System (EMISS), and the website citylifeindex.ru, websites of city authorities. Sometimes a low rating of cities in terms of E, S, and G components depends on the insufficient information.

For instance, the North-Western Federal District ranked the highest ESG rating – 99% of its cities have

<sup>&</sup>lt;sup>15</sup> MGIMO Ranking of the regions of the Russian Federation-2023, October 12, 2023. 47 p. Source: https://mgimo.ru/upload/2023/10/russia-esg-ranking-23.pdf (accessed on 02.12.2024)

a high, very high, and the highest level. The lowest ranking is in the Southern Federal District: 71% of cities is an acceptable level. In the Central Federal District, an acceptable, high level, and a very high level is 29% each; the highest one is 12% (Table 6).

**Table 6** –The share of cities in the Federal Districts, by the levels of the ESG assessment

Federal districts	ESG assessment levels					
rederal districts	acceptable	high	very high	the highest		
North-West	0	22	33	44		
Uralsky	17	17	33	33		
Far Eastern	27	36	9	27		
Siberian	20	30	30	20		
South	71	0	14	14		
North Caucasian	71	14	0	14		
Central	29	29	29	12		
Privolzhsky	36	29	36	0		

Source: RA expert. Sustainable development, 202316

The following cities have the highest ESG rating (top 15): Anadyr, Blagoveshchensk, Veliky Novgorod, Irkutsk, Kemerovo, Krasnodar, Lipetsk, Murmansk, Naryan-Mar, Salekhard, Stavropol, Syktyvkar, Tambov, Khanty-Mansiysk, Yuzhno-Sakhalinsk. 3 small towns are the administrative centres of the autonomous districts in the North of Russia:

- Anadyr is the administrative centre of the Chukotka Autonomous Okrug; the population is 13.0 thousand people;
- Naryan-Mar is the only city and the administrative centre of the Nenets Autonomous Okrug; the population is 24.3 thousand people;
- Salekhard is the administrative centre of the Yamal-Nenetsk Autonomous Okrug; the population is 13.0 thousand people;

According to the analysis of the Central Federal District (CFD) rating, Belgorod, Orel, Ryazan, Smolensk, Tver are ranked the highest; Bryansk, Voronezh, Ivanovo, Kostroma, Tula are ranked high; Vladimir, Kaluga, Kursk are ranked acceptable.

According to the E-component (ecology), Lipetsk (4th place) is in the top 10 cities; Kaluga (77th place) is in an anti-rating.

According to the S-component (social policy), there are no cities from the Central Federal District ranked TOP 10. The anti-rating includes Kostroma (74) and Kursk (75). Ivanovo and Tula are the leaders in providing children with the childcares.

According to the G-component (effective management), Voronezh, Kostroma, and Lipetsk are ranked TOP 10 in the Central Federal District. The outsider is Vladimir (75th place).

The analysis of regulatory legal acts affecting the formation of goals and objectives, priorities for the development of Russian cities, has shown the following: the assessment of the effectiveness of the activities of senior officials (governors) of the regions of the Russian Federation includes the indicator 'environmental quality' (by the Methods-2019 and 2021). The second indicator is 'the share of cities with a favourable environment' (in the Methodology-2019) and 'the quality of the urban environment' (in the Methodology-2021).

Therefore, there are no ratings/rankings of sustainable development and ESG assessment of small towns yet.

The development of the urban economy is one of the priorities of the business model for VEB.RF. Investments in it in the coming years will amount to about RUB 1 trln. SBER and WEB.RF launched the ESG index of cities and regions. By the end of 2023, the ESG index covered 85 regions and 218 cities of the Russian

<sup>&</sup>lt;sup>16</sup>RA expert. Sustainable development. 2023. ESG-assessment of Russian cities: new transformation. Source: https://raexpert.ru/researches/sus\_dev/esg\_city\_development \_2023 /#method (accessed on 09.12.2024)

Federation 17.

The ESG index of cities and regions includes 16 factors. The calculation assess data in terms of green energy, environmental protection, water and forest resources, education, culture, accessible environment, investment, digitalisation, small and medium-sized businesses, etc. They use both official statistics and the opinion of residents of a city or region. The data is updated annually.

The ESG Alliance calculates an index for assessing the living standards in small towns and mediumsize urban areas in Russia (with a population of less than 100,000 people). Currently, the Index includes 120 cities in 46 regions of the Russian Federation with a total population of 6.8 mln people. The assessment of the living standards in the cities of the Index was correlated by 70 indicators, grouped into 11 key areas. We calculated the index considering 4 main types of indicators:

- statistical data;
- information from open online sources;
- requested data from regional authorities;
- the results of a sociological study among employees of Alliance companies.

Moreover, we provided a comprehensive assessment of the living standards. The methods used were as follows:

- objective indicators (characterising objective factors of the living standards; those were independent on the perception of residents and are based on factual data: statistical, geoanalytic results, website data, etc.);
- subjective indicators (survey data to obtain missing data, for example, the average travel time from home to work; residents' perception of living standards factors; value judgments, for example, 'How satisfied are you with the choice of sports opportunities in a locality?').

As a result, a comprehensive profile was formed for each locality<sup>18</sup>.

Indeed, there was established a digital service The Alliance platform<sup>19</sup>, and identified the clusters of cities: Arctic, affluent cities, developing small towns, developing medium-sized cities. The developing small towns include Galich, Novovoronezh, Rostov, Udomlya, Yuryev-Polsky, etc.

This Index is important for VEB.RF, senior management, and federal executive authorities, local and regional administrations, the population, business, and the expert community (Table 7).

<b>Table 7</b> – Index of Quality of Urban Living, diffe	erent target audiences
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Regions	Index Value
WEB.RF	<ul> <li>Prioritisation and localisation of investment projects; assessment of effects</li> <li>The construction of a competence centre for urban development: identification, promotion, and implementation of the best practices</li> <li>Development of high-demand product solutions</li> <li>Information and analytical support for regional and municipal authorities</li> </ul>
Senior management, federal executive authorities	<ul> <li>In terms of the national projects</li> <li>In terms of the global agenda, including the achievement of the SDGs</li> <li>International experience</li> </ul>

<sup>&</sup>lt;sup>17</sup> SBER and WEB.RF launched an ESG index of cities and regions. Source: https://www.sberegaem-vmeste.ru/news/sber-i-vebrf-zapustili-esg-indeks-gorodov-i-regionov (accessed on 09.12.2024)

<sup>&</sup>lt;sup>18</sup>The ESG Alliance has launched an Index for assessing the quality of life in small and medium-sized cities in Russia. Source: https://esg-a.ru/ru/press-center/esg\_alyans\_zapustil\_Indeks\_ocenki\_kachestva\_zhizni\_malyh\_srednih\_gorodov\_rossii. (accessed on 09.12.2024)

<sup>&</sup>lt;sup>19</sup> The Alliance platform. Cities. Russian Federation. Source: https://cities.RussianFederation/esg\_index?pageType=INDEX (accessed on 02.12.2024)

Regions	Index Value
Local and regional administrations	<ul> <li>Identification of competitive strengths and weaknesses, including the foreign cities</li> <li>Implementation of the best practices of urban development</li> </ul>
Population, business, experts Source: Authors	<ul> <li>Choosing a city for living, recreation, and business</li> </ul>

### Source: Authors

**Conclusions** 

less than 100,000 people).

The research dwells on a methodological basis for calculating indices and rankings of the development of Russian cities, including their sustainable development. The paper considers the rankings by WEB.RF, ESG Alliance, Expert agencies, SGM, etc. Since 2013, the SGM rating agency has been compiling a sustainable urban development rating based on SD principles and international experience. MGIMO conducts a ranking of the regions of the Russian Federation (MGIMO'2023) in terms of the Sustainable Development Goals, including SDG 11 'Sustainable cities and human settlements'. The urban environment quality Index is calculated by the Ministry of Construction of Russia. The RAEX rating consortium makes an ESG assessment of Russian cities. SBER and WEB.RF launched an ESG index of cities and regions. The ESG Alliance calculates an index for assessing the quality of life in small towns and medium-size urban areas in Russia (with a population of

An analysis of the urban environment quality index calculated by the Ministry of Construction of Russia on the example of small towns in 17 regions of the Central Federal District, showed the following: the 15 small towns with a population of 5-25 thousand people (151 in the Central Federal District) have a range of scores for a conditionally comfortable climate 30. It indicates a significant difference in the level of comfort of living in small towns within the same region. The small towns with a population of 25-50 thousand people (there are 60 in the Central Federal District) have a range of points scored for a conditionally comfortable climate with a difference of more than 30 points is in the Moscow, Smolensk, Kaluga, Vladimir, Tambov, Tula, Yaroslavl, Belgorod, and Voronezh regions. There are only 16 small towns with up to 5,000 people in the Central Federal District. Hence, it is necessary to implement a special policy for the socio-economic development of small towns, including the development of their territories and infrastructure.

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#### **CONFLICT OF INTEREST**

The authors declare that there is no conflict of interest.

### **AUTHOR'S CONTRIBUTIONS**

Alla B. Berendeeva – conceptualization; supervision. Olga O. Korobova – writing – original draft.

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