

## ECONOMY OF UTENA COUNTY

According to the level of economic development, Utena county considerably lags behind the national average. Utena county produced 4 % of the country's gross domestic product (GDP). GDP per capita, on average, in the county made LTL 22.7 thousand, which is by 22 % less than the national average in 2007. According GDP per capita, Utena county may be classified under the weakest ones.

Economic results in the county depend a lot on industry. Just 44.1 % of the county's gross value added (GVA) is generated by the service sector (national average – 62.7 %), while by industry and construction – as much as 50.5 % (national average – 32.8 %). The share of GVA generated by agriculture, forestry and fishing makes up 5.4 % of county's GVA (national average – 4.5 %).

In 2007, the enterprises of Utena county paid LTL 59.3 million of the profits tax, which is by 29.3 % more than in 2006. The most considerable growth in the amount of the profits tax paid was recorded in Utena municipality, where in 2007, against 2006, profits tax increased by 34.6 %. The amount of the social tax paid in 2007 made LTL 14.8 million.

### Profits tax paid, 2004–2007

LTL thousand

	2004	2005	2006	2007
<b>Utena county</b>	<b>46392.6</b>	<b>46244.6</b>	<b>45850.2</b>	<b>59299.8</b>
Anykščiai d. mun.	2859.7	2284.5	2388.0	2857.4
Ignalina d. mun.	892.3	676.6	1306.0	1394.2
Molėtai d. mun.	3322.9	3094.6	2697.0	2783.4
Utena d. mun.	34951.1	30152.0	27756.8	37372.6
Visaginas mun.	3472.4	8747.1	10098.8	12877.5
Zarasai d. mun.	894.3	1289.8	1603.7	2014.8

Revenue of local authorities received from collected taxes grew as well. In 2007, the largest amount of revenue of local authorities was received from the income tax paid.

### Taxes paid to and included in local budgets, 2007

LTL thousand

	Taxes paid, total	of which					
		income tax	land tax	inheritance tax	immovable property tax	pollution tax	charges and fees
<b>Utena county</b>	<b>168769.7</b>	<b>160644.6</b>	<b>2075.2</b>	<b>120.3</b>	<b>4687.7</b>	<b>661.7</b>	<b>580.2</b>
Anykščiai d. mun.	29289.1	27612.4	686.0	41.8	735.4	97.3	116.2
Ignalina d. mun.	20191.9	19145.4	161.1	13.1	768.0	43.3	61.0
Molėtai d. mun.	22569.5	21664.4	422.0	32.3	315.0	68.4	67.4
Utena d. mun.	46457.2	43430.5	572.8	22.6	1989.8	267.1	174.4
Visaginas mun.	30356.2	29771.8	5.5	2.6	385.6	110.4	80.3
Zarasai d. mun.	19905.8	19020.1	227.8	7.9	493.9	75.2	80.9

In 2006, investment in tangible fixed assets in the county made LTL 562.4 million, or LTL 3201 per capita (national average – LTL 5861).

By the indicator of per capita investment in tangible fixed assets, Utena county significantly lags behind the national average, except for Visaginas district municipality, where in 2006 the said indicator exceeded the national average by 38 %.

## Per capita investment in tangible fixed assets, 2004–2006

LTL

	2004	2005	2006
<b>Lithuania</b>	<b>3523</b>	<b>4540</b>	<b>5861</b>
<b>Utena county</b>	<b>2928</b>	<b>3378</b>	<b>3201</b>
Anykščiai d. mun.	1122	1159	1659
Ignalina d. mun.	1865	2962	1588
Molėtai d. mun.	1292	1384	1894
Utena d. mun.	2779	2549	3285
Visaginas mun.	9158	10840	8113
Zarasai d. mun.	765	1407	1817

Foreign direct investment (FDI) in Utena county as of 1 January 2008 made LTL 329.9 million (as of 1 January 2007 – LTL 239.7 million) and grew by 38 %, while against 1 January 2001 – 3.0 times (as of 1 January 2001 – LTL 109.3 million).

As of 1 January 2008, according to the foreign direct investment (FDI) indicator, Utena county ranked eight in the country, and was only outpacing Marijampolė and Tauragė counties. 86% (LTL 282.1 million) of the total FDI in Utena county was invested in Utena district municipality, 8% (LTL 27.5 million) – in Molėtai district municipality.

The per capita FDI in the county, on average, made LTL 1912, or by 39 % more than as of 1 January 2007 (LTL 1372). According to this indicator, Utena county ranks seventh in the country, and lags behind the national average (LTL 10 547) 5.5 times.

The highest per capita FDI in Utena county was in Utena district municipality – LTL 5890 (3.1 times higher than the county and almost twice as low as the national average). The lowest total and per capita FDI was in Anykščiai (LTL 1.9 million and LTL 59), Zarasai (LTL 3.8 million and LTL 184) and Ignalina (LTL 5.7 million and LTL 285) district municipalities.

The bulk of investment in Utena county was made by the investors from Sweden (LTL 176.1 million, or 53 %), Denmark (LTL 37.5 million, or 11 %) and Germany (LTL 34.2 million, or 10 %).

In Utena county, as of 1 January 2008, the bulk of investment was made in manufacturing (LTL 316.3 million, or 96 % of the total FDI) and construction (LTL 2.9 million, or 1 %).

In manufacturing, the bulk of the FDI was made in the manufacture of food products and beverages – LTL 224.2 million (71 % of the total FDI in manufacturing), wearing apparel – LTL 46.9 million, or 15 %, and timber and products thereof – LTL 29.0 million, or 9 %.

The number of operating enterprises in Utena county has been constantly increasing since 2005, and as of 31 December 2007 made 2852 economic entities. By kind of economic activity, the highest number of operating economic entities was in wholesale and retail trade, a lower number – in manufacturing, transport, storage. Economic entities having up to 9 employees, against the total number of operating economic entities, made up 73 %, while those having 250 and more employees – just 0.8 %.

### Entrepreneurship, industry, construction

By the level of entrepreneurship Utena county is outpaced by most of the counties (in 2007, the national average – 18.8, while that of Utena county – as low as 11.2, i.e. the lowest across the country).

Utena county accounts for 4% of the value of extractive industry and manufacturing in the country. The most important and largest region's industrial enterprises are situated in Utena district municipality (except for Ignalina Nuclear Power Plant), which in 2007 accounted for 78 % of industrial production in the county (except for electric power production). In Utena district, the best-developed industries are as follows: production of beer and other alcoholic and soft drinks, meat, milk, bread, manufacture of plastic products and knitwear, metal structures, furnaces, chains

and other metal goods. In other municipalities, the better-developed industries are as follows: in Molėtai district (7 %) – timber and products thereof; in Anykščiai (6 %) – alcoholic beverages, wood products; Visaginas town (4 %, Ignalina Nuclear Power Plant exclude) – wearing apparel, metal goods; Zarasai district (3 %) – plastic products, furniture, in Ignalina (2 %) – timber and furniture.

### Main products manufactured, 2001–2007

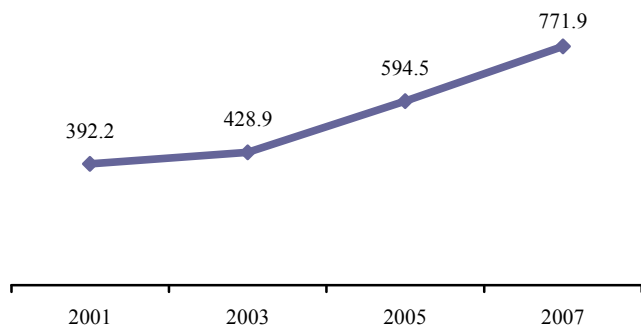
	2001	2003	2005	2007
Quartz sand, thousand t	86.9	49.7	46.5	45.4
Sausages and smoked meat products, thousand t	2.6	3.5	8.3	11.1
Beer, million dal	4.2	5.8	6.6	6.7
Soft drinks, thousand dal	21.0	189.0	218.0	471.5
Fruit and berry wine, thousand dal	470.0	528.0	251.0	288.5
Knitted underwear, million	9.4	4.5	4.0	1.2
Knitted garments, million	2.8	4.4	5.3	3.5
Armour-plated or reinforces safes, thousand	3.8	4.6	5.8	8.2
Internal combustion engine filters, thousand	36.9	45.1	82.7	71.1
Garden furniture, thousand	78.1	143.8	189.8	151.8

The largest county's industrial enterprises – private company Švyturys-Utenos alus and private company Anykščių vynas (beer and alcoholic beverages), public company Utenos mėsa (meat), public company Utenos duona (bread), public company Utenos trikotažas (knitwear), private company Visatex and private company Engel Dali (wearing apparel), public company Anykščių varis (electrodes), private company Umaras (plastic products), private company Energetinės statybos projektai (building materials), private company Sodo namas and private company Rastų technologijos (wooden garden houses), private company Visagino linija and private company Akadas (furniture).

Increasing production volumes in the county's enterprises determined a more rapid growth in exports. In 2007, about 33 % of production manufactured in the county was exported. In total, goods manufactured in Utena county account for 2.6 % of exports of Lithuanian goods. The bulk of exported goods falls within electricity, prefabricated wooden structures, dairy products (cream, milk powder), knitwear, cattle meat.

### Exports of goods manufactured, 2001–2007

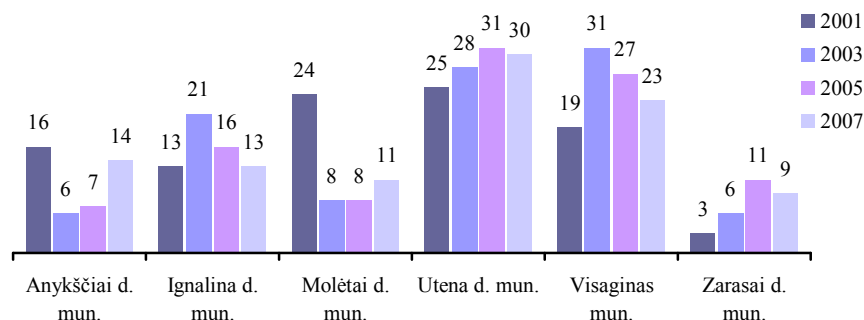
LTL million



Own-account construction work carried out in Utena county accounts for 3.2 % of total own-account construction work carried out within the country. In 2007, construction work carried out by construction enterprises in the county accounted for LTL 348.3 million (3.4 times more than in 2001). The increase in the volume of construction work was determined by the rapidity of new construction and reconstruction work.

### Construction work carried out, 2001–2007

Total construction work carried out in Utena county – 100 per cent



In 2007, 122 residential buildings were completed in the county, with 157 dwellings equipped there. The total useful floor area of new dwellings made 17.4 thousand m<sup>2</sup>, i.e. by 6.2 thousand m<sup>2</sup> more than in 2006. The average useful floor area per dwelling reached 110.6 m<sup>2</sup> (national average – 102.6 m<sup>2</sup>). Almost half of all new dwellings were equipped in Utena municipality.

#### Number of new dwellings completed and their useful floor area, 2001–2007

	Number of dwellings				Useful floor area, thousand m <sup>2</sup>			
	2001	2003	2005	2007	2001	2003	2005	2007
<b>Lithuania</b>	<b>3785</b>	<b>4628</b>	<b>5933</b>	<b>9286</b>	<b>385.3</b>	<b>491.4</b>	<b>651.6</b>	<b>953.2</b>
<b>Utena county</b>	<b>127</b>	<b>108</b>	<b>80</b>	<b>157</b>	<b>14.4</b>	<b>11.0</b>	<b>10.9</b>	<b>17.4</b>
Anykščiai d. mun.	27	28	15	13	3.6	2.1	2.1	1.7
Ignalina d. mun.	9	8	8	12	1.5	0.8	1.1	1.3
Molėtai d. mun.	22	17	22	44	2.4	1.9	3.9	5.1
Utena d. mun.	58	40	17	71	5.6	4.6	2.0	7.4
Visaginas mun.	-	-	-	1	-	-	-	0.2
Zarasai d. mun.	11	15	18	16	1.3	1.6	1.8	1.7

In 2007, 395 building permits for the construction of residential buildings were issued in Utena county, with 487 dwellings planned to be equipped there.

In 2007, 580 non-residential buildings were constructed in the county, with the total area of 39.7 thousand m<sup>2</sup>, which is by 98.6 thousand m<sup>2</sup> less than in 2006. Construction of small agricultural buildings predominated.

#### Number and total floor area of non-residential buildings completed, 2001–2007

	Number of buildings				Total floor area, thousand m <sup>2</sup>			
	2001	2003	2005	2007	2001	2003	2005	2007
<b>Lithuania</b>	<b>940</b>	<b>1348</b>	<b>5623</b>	<b>5250</b>	<b>672.5</b>	<b>773.7</b>	<b>1300.2</b>	<b>1607.3</b>
<b>Utena county</b>	<b>134</b>	<b>82</b>	<b>421</b>	<b>580</b>	<b>41.5</b>	<b>16.6</b>	<b>52.8</b>	<b>39.7</b>
Anykščiai d. mun.	20	5	83	64	9.4	1.4	9.8	9.1
Ignalina d. mun.	6	11	73	59	4.2	2.5	3.8	3.4
Molėtai d. mun.	79	41	49	200	13.0	4.3	3.0	7.2
Utena d. mun.	22	21	71	131	12.4	6.0	17.3	10.0
Visaginas mun.	1	2	74	68	2.0	2.1	13.3	3.1
Zarasai d. mun.	6	2	71	58	0.5	0.3	5.6	6.9

In 2007, 330 building permits for the construction of 463 non-residential buildings with the total floor area of 81.9 thousand m<sup>2</sup> (i.e. by 35 thousand m<sup>2</sup> more than in 2006) were issued in the county.

## Services

In 2007, against 2005, passenger transport by bus in Utena county decreased by 7 %; passengers were serviced by 19 passenger transport enterprises, of which 4 belonged to bus companies. The largest share of carriers was made up individual of individual enterprises. In 2007, the turnover of passenger transport made 92.8 million passenger kilometres; against 2005, it increased by 20.1 %. The average distance of passenger transportation increased by 5.3 km, and made 23.6 km.

### Bus trips per capita, 2001–2007

	2001	2003	2005	2007
<b>Lithuania</b>	<b>69.1</b>	<b>81.6</b>	<b>89.6</b>	<b>94.2</b>
<b>Utena county</b>	<b>27.1</b>	<b>22.8</b>	<b>23.8</b>	<b>22.6</b>
Anykščiai d. mun.	37.2	20.2	17.5	16.0
Ignalina d. mun.	23.7	20.5	18.5	17.0
Molėtai d. mun.	21.3	25.1	24.6	25.0
Utena d. mun.	39.4	35.6	31.9	26.4
Visaginas mun.	3.5	2.3	19.8	26.1
Zarasai d. mun.	25.2	24.4	24.6	22.5

Over 2007, national transport by road in Utena county made 2714.1 thousand tonnes, or 5.5 % of goods loaded in the country. The average distance of transportation of a tonne of goods in the county made 49.3 km, and equalled that of in Vilnius county.

### National freight transport by road, 2004–2007

Thousand tonnes

	2004	2005	2006	2007
<b>Goods loaded in Utena county, total</b>	<b>2324.3</b>	<b>4037.4</b>	<b>1553.5</b>	<b>2714.1</b>
of which unloaded in:				
Alytus county	8.0	15.9	24.3	15.9
Kaunas county	55.3	78.0	33.6	66.7
Klaipėda county	16.6	41.0	34.1	53.1
Marijampolė county	3.7	40.9	15.3	26.0
Panevėžys county	79.5	103.1	84.4	118.7
Šiauliai county	10.4	20.7	2.6	30.1
Tauragė county	41.1	2.5	1.2	0.5
Telšiai county	8.2	6.9	7.4	3.5
Utena county	1971.5	3580.4	1185.7	2189.3
Vilnius county	130.2	148.0	165.0	210.4

At the end of 2007, the number of motor vehicles in Utena county reached 84.1 thousand, of which 90 % were cars. The most popular marques were Volkswagen (16.1 thousand, or 21.3 % of cars in the county) and Audi (14.1 thousand, or 18.7 %). In 2007, against 2005, the number of cars increased by 6 %.

### Number of passenger cars, 2001–2007

	2001	2003	2005	2007	2007 (newly registered)
<b>Utena county</b>	<b>56695</b>	<b>62140</b>	<b>71349</b>	<b>75621</b>	<b>9509</b>
Anykščiai d. mun.	11699	12665	13977	14167	1700
Ignalina d. mun.	10017	6895	7718	8378	1004
Molėtai d. mun.	6825	7662	9426	10176	1085

	2001	2003	2005	2007	2007 (newly registered)
Utena d. mun.	19725	21635	24162	24696	3739
Visaginas mun.	3183	7374	8758	10021	1101
Zarasai d. mun.	5246	5909	7308	8183	880

The turnover of retail trade enterprises in the county in 2007 made LTL 708.1 million, or 3.7 % of the national total. The highest turnover in the county was recorded in Utena district municipality (36.7 % of the turnover of retail trade enterprises in the county). Retail sales per capita in the county, on average, made LTL 4077, which is by 28.1 % less than the national average (LTL 5667). The highest sales per capita were recorded in Utena district municipality (LTL 5395).

### Turnover of retail trade enterprises (VAT excluded), 2003–2007

LTL million

	2003	2005	2007
<b>Utena county</b>	<b>461.2</b>	<b>527.2</b>	<b>708.1</b>
Anykščiai d. mun.	65.4	79.9	105.3
Ignalina d. mun.	47.2	54.7	66.7
Molėtai d. mun.	48.6	56.0	77.8
Utena d. mun.	169.6	187.0	259.8
Visaginas mun.	84.7	94.0	131.9
Zarasai d. mun.	45.7	55.6	66.6

In 2007, at Utena county markets, sales made LTL 31.3 million, which made up 4.4 % compared to the turnover of retail trade enterprises. Non-food products dominated. As much as 11.1 % of the turnover of the county's markets was made up of crops and animals, whereas in other counties this indicator did not exceed 5 %. The highest turnover was recorded at the markets of Utena town, where residents of other municipalities come to buy clothes and footwear, as well as other consumer goods.

### Structure of turnover of goods at markets, 2003–2007

Turnover of goods at Utena county markets – 100 per cent



In 2007, the turnover of restaurants, bars and other catering enterprises in Utena county made LTL 11.6 million, or 1.3 % of the turnover of all analogous enterprises in the country. The highest turnover of such enterprises was recorded in Utena and Molėtai districts. The per capita turnover of catering enterprises in the county, on average, made LTL 67, i.e. a quarter of the national average (LTL 262). The highest per capita turnover of catering enterprises was recorded in Molėtai district municipality (LTL 113).

## Turnover of restaurants, bars and other catering enterprises (VAT excluded), 2003–2007

LTL million

	2003	2005	2007
<b>Utena county</b>	<b>5.8</b>	<b>8.8</b>	<b>11.6</b>
Anykščiai d. mun.	0.8	1.3	1.8
Ignalina d. mun.	0.8	1.0	1.4
Molėtai d. mun.	1.0	2.1	2.6
Utena d. mun.	1.8	2.3	3.0
Visaginas mun.	0.8	1.3	1.7
Zarasai d. mun.	0.6	0.8	1.1

By the number of guests who had stayed in the county's accommodation establishments, Utena county ranks sixth in Lithuania. The share of guests who stayed in Lithuanian accommodation establishments falling within Utena county and their overnight stays makes up 3.5 and 2.7 % respectively. In 2001–2007, the number of guests who had stayed in the county's accommodation establishments grew 2.1 times (national average – 2.5 times).

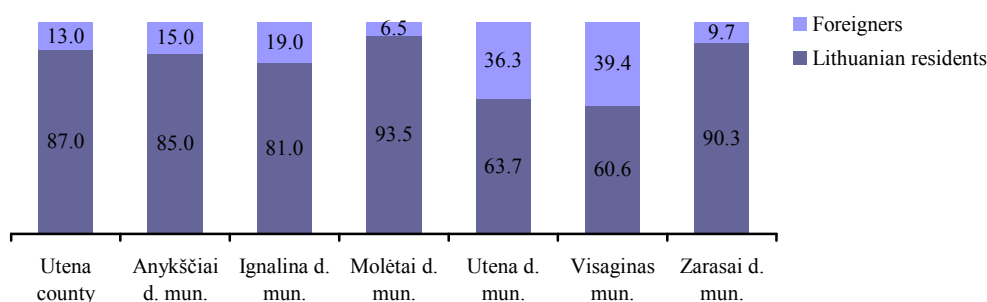
## Indicators of accommodation establishments, 2001 and 2007

Thousand

	Number of places		Accommodated guests		Overnight stays	
	2001	2007	2001	2007	2001	2007
<b>Utena county</b>	<b>2.8</b>	<b>2.7</b>	<b>30.4</b>	<b>62.6</b>	<b>116.2</b>	<b>139.0</b>
Anykščiai d. mun.	0.7	0.3	5.4	6.2	31.0	22.9
Ignalina d. mun.	0.7	0.5	12.4	18.3	40.4	37.3
Molėtai d. mun.	1.1	1.6	7.3	30.6	30.7	65.0
Utena d. mun.	0.1	0.1	0.8	1.5	2.7	3.4
Visaginas mun.	0.2	0.2	2.8	2.2	7.6	6.2
Zarasai d. mun.	0.1	0.0	1.7	3.9	3.7	4.2

## Structure of guests who stayed in accommodation establishments, 2007

Per cent

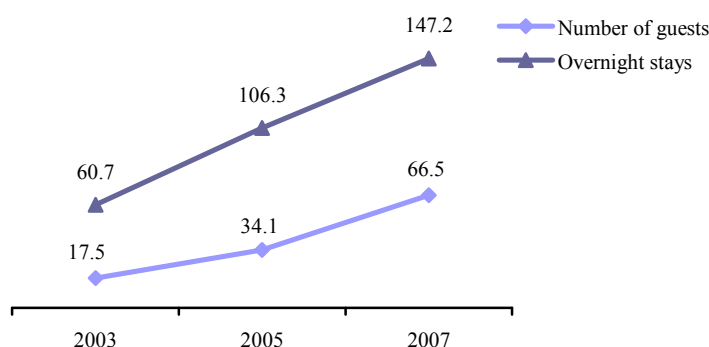


The region is distinguished by its summer recreational services. By the number of holidaymakers accommodated in rest establishments, the county ranks second in the country (after Klaipėda county). The highest number of holidaymakers is attracted to Molėtai district municipality – 75 % of guests staying in the county's rest establishments. The region also has facilities to propose to the fans of winter recreation – the largest winter sports centre in Lithuania functions in Ignalina.

Rural tourism services are well-developed in the county. By the number of rural tourism farmsteads, the region ranks first in Lithuania. The number of rural tourism farmsteads in the region over 2003–2007 grew from 128 to as many as 186, the number of guests – 3.8 times. Rural tourism farmsteads in the county received 22.6 % of guests of all Lithuanian rural tourism farmsteads.

## Guests accommodated in rural tourism farmsteads and their overnight stays, 2003–2007

Thousand



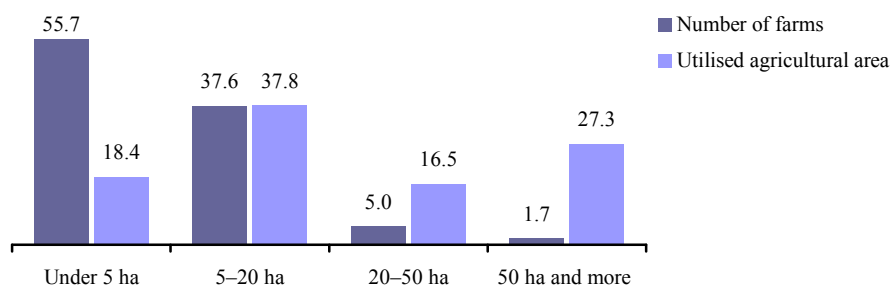
## Agriculture

The area of agricultural land of Utena county farms producing agricultural products makes up 7 % of the total area of agricultural land of Lithuanian farms producing agricultural products. The major share of agricultural land (in 2007– 61 %) is made up of meadows and pastures. Arable land makes up 38 %, perennial crops – 1 %.

In 2007, there were 20.4 thousand farms producing agricultural products and having more than 1 ha of agricultural land in the county. Out of this number, 28 were agricultural companies and enterprises. The average size of a farm was smaller than the national average and made 9 ha (national average – 11.6 ha). The largest farms – in Anykščiai (11.5 ha) and Ignalina (9.5 ha) district municipalities. Small (having less than 5 ha of agricultural land) farms are predominant.

## Number of farms and utilised agricultural area by farm size, 2007

Per cent

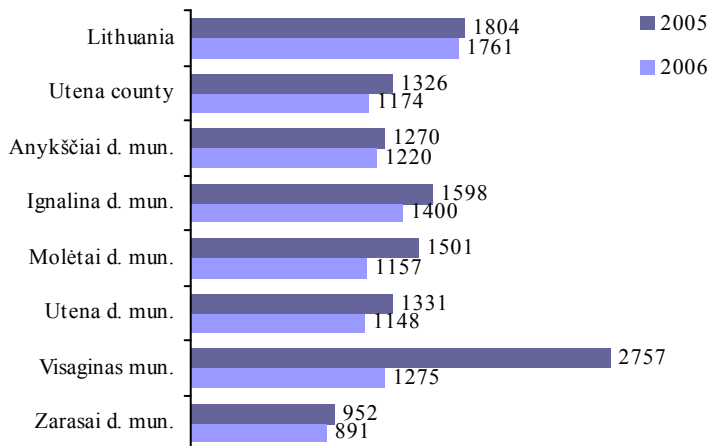


In 2006, 5 % of the country's agricultural production was grown in the county. Anykščiai district municipality, where 34.2 % of the county's agricultural production was grown, stands out slightly, as compared with the rest of municipalities. Animal production made up a much larger share of gross agricultural production – 66.8 %, crop production – 33.2 %. The same trend was observed in all county's municipalities, except Visaginas municipality.



## Gross agricultural production per 1 ha of agricultural land, 2005 and 2006

LTL



The major share in the crop structure is made up of grain crops (in 2007 – 59.3 %), of which the largest share – 61 % – spring cereals, and perennial grasses (in 2007 – 25.6 %). The area under rapeseed has been increasing – over 2001–2007 increased more than 4 times. As much as 81.8 % of area under rapeseed is in Anykščiai district municipality. In 2007, productivity of grain crops was poorer than the national average. Productivity of potatoes is rather high – in 2007, it exceeded the national average and reached 11.3 tonnes per hectare (national average – 10.9 tonnes per hectare).

Utena county ranks first in Lithuania by the number of sheep kept. At the beginning of 2008, the share of sheep kept in the county made up 22.2 % of the total number of sheep kept in Lithuania. The highest number of sheep is kept in Utena, Molėtai and Anykščiai district municipalities. At the beginning of 2008, 7.3 % of livestock, 6.1 % of pigs, 11.3 % of goats, 3.1 % of poultry kept in Lithuania was kept in the county. The county ranks third by the number of beehives kept (in 2008 – 14.3 % of beehives kept in Lithuania).

Organic farming is popular. Based on the data of the public undertaking Ekoagros, the number of farms certified as organic in the county in 2007 made 300 (10.6 % of farms certified in Lithuania). Their area made 11.7 thousand ha, or 9.7 % of the total area certified in Lithuania. Rules of organic agriculture on their farms have been applied by 88 farms in Anykščiai, 87 – in Molėtai, 55 – in Utena, 42 – in Ignalina, and 28 – in Zarasai district municipalities.

Despite the average level of economic development, Utena county has fairly good development possibilities. Favourable geographic location determined the fact that the county's economy is rather well-diversified – people successfully engage in all main economic sectors. Enterprises manufacturing building materials, textiles, food products and beverages, as well as other industrial enterprises, which are well-known in Lithuania and even abroad, are located in Utena. The environment is particularly favourable for developing tourism business. However, this potential is obviously still underused (the number of rural tourism farmsteads in the county is the highest in Lithuania; however, they accommodate just one-fifth of guests, while one-third of guests stay at the rural tourism farmsteads of Vilnius county). Businesspeople of Utena still have to do much in the field of business development, service and infrastructure improvement.