



Thousands of land, water and air routes cross in Astrakhan. About 40 tourist agencies are at the service of those who like travelling. Astrakhan businessmen and tourists have already discovered for themselves many foreign countries. The role of Astrakhan as an important Russian port and trade centre on the Caspian Sea is growing.

The main historic peculiarity of Astrakhan is its multinational character: the Russians, the Kazakhs, the Tatars, the Ukrainians, the Kalmyks, the Jews, the Armenians, the Turkmen. More than 150 nationalities and ethnic groups are peacefully neighbouring under Astrakhan sky.

Astrakhan is a frontier city - the southern gates of Russia. It is situated on the crossroads between Europe and Asia, which make it a commercial and transport center. Astrakhan is a large river and seaport. The main waterway of the country, the Volga, flows through Astrakhan and connects it with the Black, Baltic, Northern and Mediterranean seas. All these advantages made the city of Astrakhan a linking point for the goods coming from India and Iran to Europe. Among other advantages of Astrakhan, which make this city attractive, is a rich supply of natural resources: gas, oil, salt, sand, clay, gravel, gypsum, fish, and tillable soil. Astrakhan industry presents diversified structure with high concentration of region potential (56%) including food, light, chemical, woodworking and flour industries, machine building and metal fabricating, building supplies production, water transport, electric power industry. One of the biggest industries is the chemical industry as the region has large deposits of gas and oil.

The most important national economy branch in the region is shipbuilding and ship maintenance, which

meet the needs of fish, gas and oil industries. Astrakhan plants produce cargo-ships, oil platforms and different kinds of ship equipment. Taking into account growing demand for natural gas and active competitive policy of our neighbor countries, including construction of new eastward and westward traffic arteries, mid-term plans of the region include building new transit pipelines.

Shipbuilding and ship repairing belong to the most dynamically developing branches of the region.

Geopolitical location of the Astrakhan region historically predetermined powerful shipbuilding and ship-repairing complex, which occupies one of the leading positions in Russia.

15 major enterprises of the branch, located in the region, are capable of building and repairing vessels of any class and function, as well as floating and stationary offshore platforms for exploration and prospective drilling and other equipment and facilities for offshore operations. Some shipyards have been certified to work under supervision of leading world qualifying societies (British and German Lloyd, American Bureau of Shipping, French and Norwegian Veritas and others). Astrakhan shipyards have gained rich experience of working with foreign partners. Their customers were Dutch companies "Rhein Trader transport" and "Breko", international operating company for offshore works in Kazakhstan "Agip KCO", Italian companies "Saipem", "Rosetti", Hungarian "Makhart" and many others.

All necessary infrastructures have been developed to Astrakhan shipyards have built offshore drilling platforms, unique technical devices for exploration and extraction works, container carrying ships, tankers and vessels for various purposes.



Over 30 stationary self-elevating and semi-submersible floating drilling rigs have been built since production of technical devices for offshore oil extraction started. Some of them were exploited in South-East Asia. Offshore drilling rigs modernized at Astrakhan shipyards are at the moment successfully operating in different sectors of the Caspian sea.

Potential for development of shipbuilding and ship-repairing in Astrakhan is connected with:

- availability of considerable oil reserves in the Caspian sea and growing demand for offshore constructions for oil exploration and extraction, for tankers to carry oil and oil products, and for subsidiary fleet;
- development of the international transport corridor “North-South” and considerable growth of cargo traffic and fleet in the Caspian sea;
- growing demand for ship-repairing works and necessity to repair offshore floating constructions in the Caspian sea.

Demand for different metal and steel constructions for infrastructure development of the oil fields of Kazakhstan sector of the Caspian sea already exceeds potential capacities of shipbuilding industry of the Caspian region. As placing orders in other regions is economically less sound, it is necessary to attract investment for further capacity building of shipbuilding yards of the Astrakhan region.

Machine-building industry of the region is represented by some large and medium enterprises, producing press-forging equipment, metal-working and wood-working machines, painting equipment, gas water-heating devices, agricultural equipment, boilers. They also deal with locomotive repairing and produce spare parts for railway transport.

- Potential of machine-building industry development is connected with:
- growing need for renewal of machine equipment for metal-working industry due to considerable obsolescence of available equipment both in Russia

and adjacent former USSR countries – Kazakhstan, Azerbaijan, Turkmenistan and so on.

- launching new modern models of metal-working equipment at Astrakhan enterprises (band saws, equipment for building works, dust-catching installations);
- growing need for house water-heating devices in line with the program of region’s gasification and installing independent heating systems in new houses.

Chemical industry of the region is characterized by concentration of production at large and medium enterprises, accounting for the most part of chemical production. Enterprises of the region manufacture a wide range of products: fiberglass, glass-fiber fabric, chopped fabric, polyethylene, molded and unmolded rubber items, medicinal cork, paint and varnish – over 30 products, roof coating.

Development of the branch is connected with some new products: alkali-resistant fiberglass for plastering, roll fiberglass based on carbomide tars (environmentally friendly water proof insulating material), nets for reinforcing asphalt and concrete roads.

Construction complex of the Astrakhan region includes over 800 organizations, employing about 35 thousand people. More than two thousand buildings with the total construction volume of about 3 million cubic meters are put into operation annually. Over 80% of the buildings, put into operation, are residential buildings, built by organizations of any forms of ownership and by individual builders at the expense of new house building, enlargement or reconstruction activities. In the framework of the implementation of the priority national project “Available and comfortable housing for the citizens of Russia» it is planned to increase significantly the volumes of house-building. Construction materials industry is a dynamically developing branch of the regional economy.



TRANSPORT INFRASTRUCTURE

Favorable geographic location of the Astrakhan region determined its special status. Thanks to its access to the Caspian Sea, Astrakhan plays an important role in the system of international Euro-Asian transport routs. Continuing the traditions of the Great Silk Way, international transport corridor “North-South” passes through the region, connecting by shortest possible way countries of south and south-east Asia through Iran, Caspian Sea and Astrakhan with Central Russia and countries of Northern, Central and Eastern Europe. The international transport corridor is three times shorter than shipping international transit cargo via Suez canal.

Besides, there is a possibility to use the Volga-Don canal for direct access from the Caspian basin to the Black Sea and Mediterranean Sea countries, and from the Danube – to Central Europe. Astrakhan transport hub is the key link of the Russian part of this route.

At present Belarus, Russia, Iran, India and Kazakhstan are participants of the Agreement of international transport corridor “North-South”. Main route of the transport corridor is Saint-Petersburg – Moscow – Astrakhan (Russian Federation) – Tehran – Bandar Abbas (Iran) – India. Soon Turkey and Ukraine can join this Agreement. Armenia, Lithuania and Sweden have also expressed their interest. Future candidates to participate in the Agreement are Turkmenistan, Saudi Arabia, Kuwait, UAE, Indonesia, Malaysia, Sri-Lanka and some other countries, including European ones.

Launching transportation along this new route breathed new life into development of Astrakhan transport hub. Investors are presently more active in financing port infrastructure development. Besides, international corridor E-40 “West-East”, connecting Kazakhstan with south regions of Russia and Ukraine passes through Astrakhan.

The possibility of inter-modal shipping is the great advantage of the Astrakhan region as it allows to combine all transport available in the region: river, sea, railway, automobile transport.

Astrakhan water transport hub consists of two major components: consolidated port of Astrakhan and Olya sea trade port.



Consolidated sea port of Astrakhan has 18 separate cargo areas. Total length of quayage is about three thousand meters, about 20 vessels can be handled at the same time.

Several special berths are available: grain terminal with the capacity 15-20 thousand tons per months to reload grain from railway or truck to water transport. There are also oil reloading terminals belonging to “LUKoil” and “TRANSOIL-Terminal Ltd” meant to reload tanker cargo from railway to water transport.

Development of the new Olya seaport is of special importance for developing sea transport. Pioneer berth of the port was put into operation in 1998. The port’s design capacity is 8 million tons of general cargo and 5.8 million tons of cargo transported by trailers and railroad cars on sea ferries.

Presently the auto sea ferries of «Ro-Ro» type are operating on the line Astrakhan (Russia) – Turkmenbashi (Turkmenistan) - Anzali (Iran). It is planned to increase the number of serviced road-trains up to 6000 per year after this facility has been equipped with the required technical equipment.

Container terminal with capacity of 400 thousand tons of cargo or 45 thousand 20 - 40 foot containers per year already operates in Olya sea trade port. Taking into account its plans to develop oil and gas resources of the Caspian Sea, “LUKOIL” intends to develop its own transport infrastructure in the Astrakhan region. In particular it plans to build several oil loading terminals in Olya port.