

TRANSPORTATION AND LOGISTICS COMPLEX POTENTIAL. STRATEGY. PROJECTS



FREIGHT
OWNER



WAREHOUSE



BY VEHICLE



CUSTOMS



BY AIR



BY RAILWAY

TRANSPORTATION AND LOGISTICS INFRASTRUCTURE

LOGISTICS OPERATORS



SYMBOLS



Logistics
Centers



Airports



Railways



Customs



Moscow
Region

MOSCOW

A-108

VORSINO

ERMOLINO

FV VORSINO

OBNINSK

Moscow
Region

KALUGA

ROVA

FV ROSVA

Moscow to Kiev Highway

SUKHINICHI



“

‘We place a special emphasis on the development of a modern transport and logistics infrastructure, one of crucial drivers behind the development of Kaluga region, its companies and branches. Kaluga region has several advantages, which will help it set up a successful transport and logistics cluster. Most importantly, Kaluga region borders on Moscow region and with the region’s enormous transit capacity the chances are high that it may become the key logistics center in Central Federal District. Kaluga region also has reliable partners, including the leading logistics operators such as GEFCO, Green Logistics, Rhenus Logistics, TransContainer, etc. In addition, Kaluga region has a clear development strategy of the cluster building multi-purpose transport and logistics terminals, customs and warehousing facilities, developing its automobile, railroad and airport infrastructure. Some of projects which are implemented in Kaluga region are unique in Russia.’

Vladimir POPOV,
Minister of Economic Development of Kaluga region

FREIGHT VILLAGE VORSINO



67 km off the Moscow Ring Road

45 km off Vnukovo

Adjacent to M3 (E-101) Moscow to Kiev Highway and A-108 Moscow Greater Ring

M1 Highway accessible via A-108

Adjacent to the Moscow to Kiev Railway

Adjacent to Ermolino Airport

2 stations away from Bekasovo Railway Yard (Greater Moscow Railway Ring) away from intensive passenger carriage





PROJECT'S KEY FIGURES

TOTAL AREA: 600 HA, WHICH WILL INCLUDE

- a 250 ha logistics park and
- a 350 ha industrial park

CUSTOMS TERMINAL WITH A BONDED WAREHOUSE

An administrative complex, an open inspection site for goods and a container terminal for customs clearance

CONTAINER TERMINAL CAPACITY: 500,000 TEUS PER YEAR

Total non-public railway tracks:
over 10,000 LM

15 HA MULTI - PURPOSE RAILWAY TERMINAL TO PROCESS ALL KINDS OF CARGOS

An A class warehousing complex

A heavy truck terminal equipped with the infrastructure required to fully serve truck drivers

B+ CLASS BUSINESS PARK

The project is implemented by Freight Village RU

THE FOLLOWING FACILITIES WERE PUT INTO OPERATION ON 14 JUNE 2013:

- a 3,000 sq m business center for foreign traders where the required government services in foreign trade can be offered;
- a 2,800 sq m bonded warehouse;
- a 6,000 sq m container site;
- a freight railway park, including 6 dead-end tracks with an effective length of 1,050 m each;
- a parking facility with a capacity of 340 containers and an open site for inspection of goods;
- an 420 sq m administrative building of the railway warehouse;
- a visitor control center at the railway and car sites;
- facilities, including water supply, waste water disposal, communications, gas, warmth and power supply.

On **21 October 2013** Obninsk Customs Post was opened in Freight Village Vorsino.

On **8 November 2013** railway track 3 at the Vorsino Railway Station was put into temporary operation before it is transferred to the Russian Railways.

On **4 February 2014** the access ways to the Vorsino Railway Station were put into operation by the Federal Agency of Railways.

PROJECT DURATION: 5 YEARS.



In March of 2014 the Vorsino Railway Station of the Moscow Railways was declared fit to handle multi-purpose 20 ft and 40 ft containers as indicated in items 8n and 10n of Tariff Guide No. 4 for Non-Public Railway Tracks.

HIGH POTENTIAL PROJECT



Filipe NISSEN,
President of Freight Village RU Group

Mr. Nissen has over 15 years of experience in management. A graduate of Antwerp Royal Academy, Mr. Nissen represented leading global companies in Russia such as Gilmore Group, Heineken and STN Electronics. In 2007 he led ImmoRosIndustry, a developing company that started developing industrial properties in CIS countries on a turn-key basis. Since 2009 Mr. Nissen worked to launch VK Group in Astana, Kazakhstan, where he implemented such projects as The Nursultan Nazarbaev National Library, The National Historical Museum, etc. He has led the Freight Village RU project in Kaluga region since 2012.



— **FVRu is viewed as a strategic logistics project for both Kaluga region and Central Federal District. What makes the project unique in your opinion?**

— FVRu is currently the only project in Russia of its kind and of such a large scale. Also, it combines a good location and an excellent concept, which has been developed jointly with the Association of German Freight Villages, which includes 22 freight villages and the Institute for Shipping Economics and Logistics (DGG), Europe's leading institute of logistics. And, obviously, FVRu's infrastructure brings together in one cluster independent transportation, warehousing and distribution companies, suppliers of logistics services,

industrial and trading companies, which all have a direct access to the multi-purpose terminal and the key freight corridors.

Freight Village RU has two multi-purpose transportation and logistics centers in Kaluga region: Freight Village Rosva, an interregional transportation and logistics center, which is already in operation, and Freight Village Vorsino, a federal multi-purpose center.

A 600 ha industrial-purpose area, Freight Village Vorsino has a modern transport infrastructure including a railroad terminal, a highway and Ermolino Airport.

— **What are the key implementation stages of the project in Vorsino?**

— The first construction stage is complete by now. The following facilities are currently in full operation: a B+ business center for foreign traders, container site, rail freight park, parking facility, administrative building, visitor control center. A 7 km stretch of the dual highway has been opened. The Obninsk Customs Post has been opened, too.

At the next stage additional commercial facilities will be set up such as cross-docking warehouses, a countryside business park, which will include A class offices, conference facility, 4* hotel, catering service, café, dry cleaner, daycare, etc. New multi-purpose industrial properties are meant to satisfy the ever-growing demand in warehousing facilities.

Our multi-purpose transportation and logistics center is implemented based on a public private partnership. The government of Kaluga region, the Development Corporation of Kaluga region and the administration of Borovsk District act as government and municipal partners here. The project also receives significant support from the governments of Russia and Kaluga region, Moscow Traffic Hub Direction, Federal Railway Transport Agency, Russian Railways and DGG.

— **What do you think about the transport and logistics complex of Kaluga region and what are the chances that a transport and logistics cluster will be set up?**

— The regional economic development strategy currently implemented by the government of Kaluga region is an important

factor as regards the development of the transportation and logistics cluster in the region.

Since 2007 about 80 industrial plants have been set up in Kaluga region. The region's car and pharmaceutical clusters were developed almost from scratch. All that inevitably increased the burden on the region's transportation infrastructure. Kaluga region is investing profusely in the development of its transportation infrastructure. Each of the industrial parks has new roads leading to it. And yet there is a long haul. It should be noted here however that it was the government of Kaluga region that came up with the idea of a federal logistics center, which later became Freight Village.

I would like to speak briefly here about specific projects which are implemented within the framework of Freight Village RU and reflect the region's intensive efforts to set up a transportation and logistics cluster. Freight Village Vorsino, a multi-purpose logistics center, is a brilliant example of the efforts. Located on the border with Greater Moscow, the center is in the immediate proximity to M3 Ukraine Federal Highway and is adjacent to the Moscow to Kiev Railway. The logistics center will include a rail freight park, a car and container terminal and a warehousing facility. The industrial zone will house industrial companies operating in various branches of economy. A project partner, the Russian Railways is working to reconstruct the Vorsino Railway Station. Also, non-public railway tracks can be laid up to the premises of companies. That infrastructure will both satisfy the demand in logistics services from foreign traders in Kaluga region and relieve Moscow of transit cargo flows. This project has been included into the development master plan of the Moscow railway hub and the Development Program of the Moscow Traffic Hub. Freight



Village has been indicated as a link in a system, which will be set up to divert freight flows from Moscow and Moscow region.

An important element in the region's transportation and logistics cluster, modern air traffic should be set up, including reconstruction of Ermolino and Grabtsevo airports. It has become clear by now that with



its advanced container and railway terminals Freight Village will help significantly reduce the freight burden on roads and will become an importance element of the transportation and logistics cluster both in Kaluga region and Central Federal District.

– Can Freight Village Vorsino be a good example for other regions to follow?

– Absolutely. The project itself was implemented based on the experience of successful freight villages in Germany. In Europe all large freight and transportation and logistics centers are located outside large cities. For example, three freight villages were set up in the suburbs of Berlin (with a total population of 5 million people). In total, Germany has 32 freight villages, which have been brought into one network and, as a result, help develop multi-purpose transportation and through the right localization of projects enhance the efficiency of city, regional, national and international logistics.

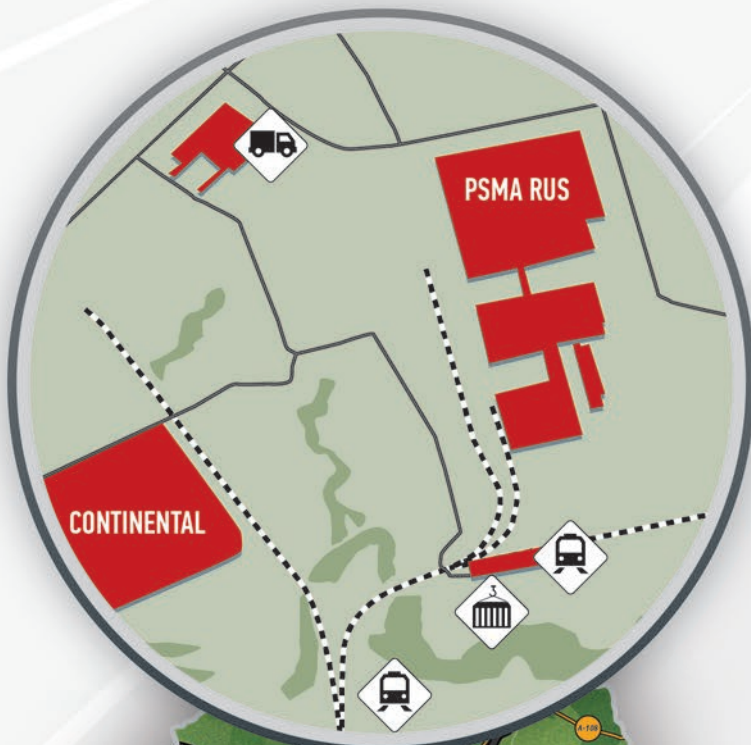
A freight village in Germany will have up to 5,000 residents, also including many small businesses.

Moscow and its suburbs, which have a total population of 25 million people and account for about 60% of the national foreign trade turnover, will need at least 4 or five freight villages.

According to DGG FVRu is one of Europe's largest terminals in terms of its size, infrastructure and technologies. Obviously, FVRu plans to develop and roll out freight villages at the federal level in Russia.



FREIGHT VILLAGE ROSVA



M3 Ukraine
Federal Highway

20 km off Kaluga

Location: Rosva Industrial Park, in the center of a constellation of modern production facilities, which are potential consumers of the project's services.

In immediate proximity to the largest traffic corridors such as Vorotynsk Railway Station of Moscow Railways, a branch of the Russian Railways





Industrial park residents in Kaluga region can have non-public railway tracks laid, which will lead to their premises.

Such railway tracks have been laid for the following companies:

- VOLSWAGEN GROUP Rus (Grabtsevo Industrial Park)**
- PSMA Rus (Rosva Industrial Park)**
- Fuchs Oil (Rosva Industrial Park)**

An access way to Rosva Biotechnological Center has been designed and construction and assembly has been completed for access and inside railway tracks of the plant of Continental in Rosva Industrial Park.

PROJECT'S KEY FIGURES

CAR TERMINAL

Area: 5 ha. Launched in June of 2011

AVAILABLE INFRASTRUCTURE:

- 25,000 ha** open air sites;
- 2 bonded warehouses** with a total area of **4,000 sq m**;
- a 1,500 ha** administrative building;
- a customs control area** with a capacity of **500 cars**;
- access driveways.

The car terminal is equipped with lifting, weighing, radiation control and X-ray scanning machines.

The car terminal has 2 zones:
Kaluga Customs Post and Central Excise Customs Post.

RAILWAY CONTAINER TERMINAL

Area: 3 ha. Launched in June of 2013.

INFRASTRUCTURE:

- Railway freight park including 6 railway tracks with a total length of **10 km**;
- a container parking facility;
- a container inspection shed;
- an administrative building housing a customs authority;
- access driveways.
- Maximum capacity: **150,000 TEUS per year.**
- Handling machines: Kalmar reach stackers.



LARGE-SCALE PROJECT IN LOGISTICS



Lyubov MAZURINA,
Head of
transportation and
logistics at Industrial
Logistics

A graduate of the Bauman Moscow State Technical University, Ms Mazurina started her career at Industrial Logistics in 2010 as a specialist to become a senior specialist and to be appointed head of the company's transportation and logistics in 2012. Ms Mazurina is a frequent visitor at exhibitions, forums and conferences held by the branch such as 'Customs', 'Transportation Market: Cooperation and Partnership', etc.

— **Freight Village Rosva is the first large-scale project in logistics, which was implemented in Kaluga region jointly with Industrial Logistics. What the project's current and future capacities?**

— Freight Village Rosva has indeed become the first stone in the region's modern transportation and logistics system, which is implemented based on cluster policies and the principles of freight villages. Located 20 km off Kaluga, Freight Village Rosva is in the immediate proximity to the M3 Ukraine Federal Highway and the Vorotynsk Railway Station, which makes part of Moscow Railways, a branch of the Russian Railways. The location of the freight village within Rosva Industrial Park has been selected based on the following principles of cluster policies: a constellation of production facilities and structures

providing for their uninterrupted operation. The construction of the freight village was launched as soon as the decision was made to launch PSMA Rus, a plant of Peugeot-Citroen-Mitsubishi in Kaluga region and Rosva's largest resident. The construction and assembly began in 2010. In 2011 a car terminal was launched together with infrastructure required to house Kaluga Customs Post, a post of the Central Excise Customs and brokerages. The railway freight terminal is located 1 km off the car terminal and includes a contained site and 6 1,050 m railway tracks, all leading to the Vorotynsk Railway Station, and an 3 km access way. The freight park was launched back in 2010 before the key container terminal was constructed and served the needs of container trains, which arrived to PSMA Rus from French Vesoul. The container terminal reached its maximum capacity in June of 2012. PSMA Rus receives currently 5 trains per week. In the summer of 2013 the following reliable players in the logistics market worked together for the terminal to process containers, which were delivered by container trains to the Vorotynsk Railway Station for FUYAO Glass Rus from Riga-Krasta (Export) of the Latvian Railways: GEFECO, a 4PL provider of logistics services, and TASCOM, a regional logistics operator.

Our key clients currently include Russian plants of the following companies: Peugeot-Citroen-Mitsubishi, Magna, Benteler Automotive, Fuyao Glass, Faurecia Automotive Development, Continental, YAAP, Visteon, Berlin Pharma, Gestamp, Rani Plast, Avon, Moscow – Efes Brewery, etc. As a result, Freight Village Rosva serves the needs of industrial park residents in Kaluga region and in becoming an important element in the freight distribution system of the whole of Central Federal District.

Established in 2009, Industrial Logistics is one of the regional development institutions of Kaluga region. Industrial Logistics acts as a single government operator developing the region's transportation and logistics infrastructure and offering complex transportation and logistics services to companies operating in Kaluga region. A participant in the designing of the transportation and logistics cluster development strategy, Industrial Logistics provides supervision over several large projects in the field of the development of the region's transportation and logistics infrastructure.



— A high-quality transportation and logistics infrastructure is a factor equally important in all of the Russian regions. Each region has made its own decision here. Kaluga region went for a cluster development model. What are cluster principles in logistics?

— Kaluga region was among the first regions that selected the cluster approach. Today Kaluga region has four fast-developing clusters: a car cluster, a pharmaceutical cluster, an agricultural cluster and an IT-cluster. All of them have brought together Russian and foreign companies, traditional businesses of Kaluga region, training centers and scientific organizations. As increasingly more investment agreements are concluded each year, increasingly more new production facilities are launched and the freight turnover grows, the demand in a high-quality transportation and logistics infrastructure is becoming more obvious. The transportation complex cannot handle rapidly growing supplies of feeds and parts, freights requiring customs clearance and warehousing and shipments of finished products. A significant measure to optimize the available logistics processes was taken as far back as in 2009 when Industrial Logistics, a regional development institution responsible for the development of the transportation and logistics cluster, was set up. Today Industrial Logistics provides supervision over implementation of the largest projects in transportation and logistics within the framework of the cluster development strategy, including the Freight Village Rosva project.

The cluster approach in the development of a transportation and logistics infrastructure rests on the following pillars:

- an infrastructure of terminals (handling of freight delivered by various means of transport) at a constellation of consumers of logistic services, i.e inside of or in the immediate proximity to industrial parks;
- reconstruction and construction of new roads and railways for door-to-door freight delivery;
- development of an airport infrastructure, also for delivery of high-value and high-tech

components, parts, etc.;

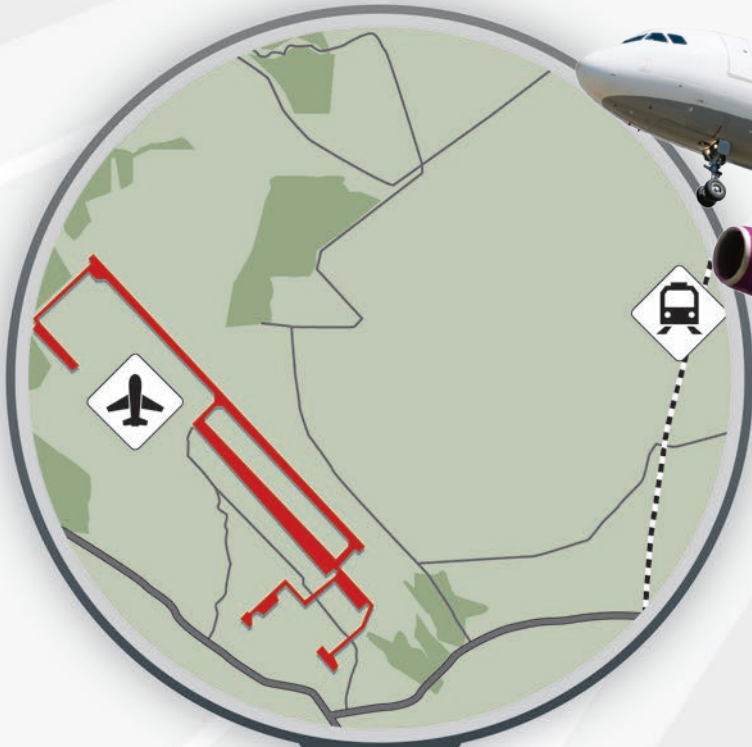
bringing large globally-acknowledged logistics operators to the relevant region;

freight delivery by existing railway routes in order to achieve significant reductions in time costs.

The region's need to have a high-quality logistics infrastructure has become even more obvious with the recent expansion of Moscow to the border with Kaluga region. Diversion of freight flows out of Moscow and its suburbs has become another important element of cooperation between Kaluga region and Moscow. Now that a wide range of efforts have been taken to optimize the freight burden on the key highways of Moscow and the railway freight yards, which until recently worked at their maximum capacity, Kaluga region is becoming an important participant of the global logistics in Central Federal District, also through emerging multi-purpose transportation and logistics centers, which help redistribute the freight flows.



ERMOLINO INTERNATIONAL AIRPORT



95 km
off downtown Moscow

91 km
off downtown Kaluga



A regular military airfield with low air traffic

Adjacent to the border of Greater Moscow

20 km off M-1 Minsk Federal Highway

5 km off M-3 Ukraine Federal Highway

5.5 km off the Balabanovo Railway Station of Moscow Railways

The project has been proposed by the government of Kaluga region.

The Federal Air Traffic Agency under the Russian Ministry of Transport has approved implementation of commercial flights at Ermolino International Airport.

Ermolino International Airport is owned by the Russian Ministry of Interior.

Key investor: UTair



Potential capacity issues at the airports of Moscow Air Traffic Hub were forecasted in the survey 'Development of the Airports of Moscow Air Traffic Hub' by Aeroproekt Scientific and Research Institute as far back as in 2010. According to the experts of the institute in 2014 over 13 million passengers will not be able to make use of the airports of Moscow Air Traffic Hub due to their limited capacity and will have to go elsewhere. Two new runways in Sheremetievo and Domodedovo airports will not make much of a change.

PROJECT'S KEY FIGURES

**8,000,000
PASSENGERS
PER YEAR**

Russia's **first large low - cost carrier**;

the **largest** multi-purpose **logistics center** in Central Federal District;

direct railway service between Ermolino and Moscow as supported by the Russian Railways and motor carrier;

a part of **Freight Village Kaluga** located 2 km off the airport infrastructure, the airport is a large freight handling hub

PROJECT'S SCOPE

construction of an airport terminal;

reconstruction of the 3,000 m by 60 m runway;

construction of access ways and parking facilities;

construction/reconstruction of a fueling complex.

The runway reconstruction is done by the Russian Interior Ministry. The project's budget is RUR 7 billion.

The construction of the airport infrastructure will require RUR 7 million and will be financed by private investors.

The capital costs of construction can be significantly reduced due to the availability of the runway and more expensive portions of the airport infrastructure.

NEW AIRPORT QUALITY



**Anatoly
ARTAMONOV,**
Governor
of Kaluga Region

— Ermolino International Airport is our dream we have committed to achieve. UTair, one of our partners, is now busy designing the terminal complex. All key design solutions and master plans have been developed for the commercial and airport sectors, apron, parking facilities, access ways, fueling complex and other facilities. The reconstruction project for the runway has been developed and will be implemented by the Russian Ministry of Interior. Owned by Kaluga region, the area around the airport will not be released for development or transferred to anybody. The airport is adjacent to a federal highway, which is now under reconstruction, and in the immediate proximity to the Vorsino Railway Station, which has already been reconstructed and expanded and now plays home to a modern multi-purpose transportation and logistics complex. A railway track not longer than 2 km is yet

to be laid between the railway station and the airport. Kaluga region will take care of that in the near future. We are now negotiating with Aeroexpress on a possibility of high-speed train service to the airport. Should those negotiations not be a success, passengers will be brought from Vnukovo to Ermolino by free shuttles. Passengers will also be able to travel to the airport by train within 30 minutes. This project is of strategic importance to both Kaluga region and Central Federal District. A new international low-cost airport on the border between Moscow and Kaluga region will help reduce the burden on Moscow airports. More importantly, Ermolino International Airport will be welcomed by passengers traveling from Central Russia, mostly from Moscow. UTair intends to make regular low-cost flights, which only few Russian airlines offer now. The project is aimed to set up an airport of a new quality.



**Andrei
MARTIROSOV,**
Director General
of UTair

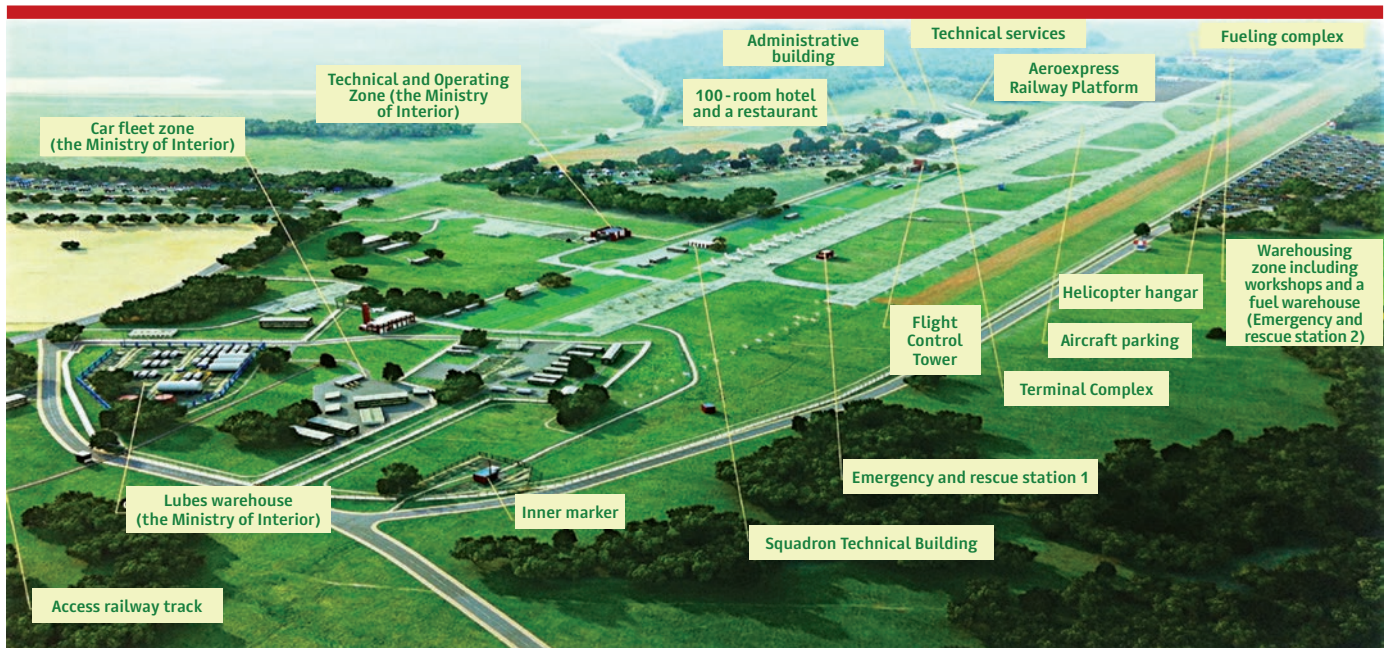
— Today our company is busy negotiating with the investment pool, supporting the designers and financing the research. Investors have already been selected for the pool, however, construction works will be launched not earlier than in Q3 2014. The project is developed by Ermolino International Airport Management Company. The company was set up by Rochino Airport in March of 2012. UTair is not planning to invest its own money in the airport infrastructure as the rather harsh anti-trust legislation in Russia does not approve of ownership of any airport facilities by airlines. The Federal Anti-Trust Service will not let UTair anywhere near the management of this project so that we could not have any even smallest influence on the selection of air carriers. As a result, the airport is expected to be owned by the government of Kaluga region. There are also discussions around various public private partnership schemes, possibly a concession. We believe a concession will be most successful. Investors will like it and it will help them receive guarantees from the government of Kaluga region.



Salavat KUTUSHEV,
Director General
of Ermolino International Airport
Management Company

— In 3 years from now the airport will be launched and in 6 years from now its passenger turnover will be 7.5 million people per year. The passenger turnover in Vnukovo, for example, reaches on average 10 million people per year. The new low-cost airport in Kaluga region will offer lower tariffs to airlines compared with Moscow airports such as Domodedovo, Sheremetievo and Vnukovo. According to tentative estimates the airport charges at Ermolino will be 25% lower than at the airports of Moscow Air Traffic Hub. Our company has already held negotiations with many low-cost airlines such as EasyJet and Ryanair. Those airlines are prepared to discuss making flights to Ermolino after its launch. I would like to say here that we receive more investment proposals than we need. Obviously, any investors, especially professional investors, are welcome. Ermolino International Airport plans to reach the breakeven point in 2022-2023. We intend to implement a European model where non-aviation revenues account for 60% instead of 20%, common at Russian airports.

According to RBC daily, a fully loaded Airbus A321 (220 passengers and maximum takeoff weight of 93.5 t) departing from Vnukovo airport on a domestic flight will cost the airline RUR 66,510, excluding the fueling and parking costs. At Ermolino International Airport that figure will be at RUR about RUR 45,000. In addition, maintenance services at Ermolino Airport will be 20% to 30% lower than in Moscow airports. UTair believes that that will reduce air ticket prices, however, the amount of the discount is not clear yet. The costs of maintenance at airports account for 20% of the face value of the services offered by Russian airlines. With lower maintenance costs airlines will be able to bring down their tariffs by at least 5% to 7%.



In 2007 Ermolino Airport was excluded from the government register of commercial airfields. Until 2012 the Russian Ministry of Interior was in charge of the airport. Later the Russian Government issued an order permitting shared use of the airport by the Ministry of Interior and UTair. UTair and Kaluga region's authorities are jointly working to design a commercial sector of the airport. At the same time the Ministry of Interior is busy developing a reconstruction project of the airport. The airport is expected to be put into operation in 2017 and by 2021 to serve up to 7.5 million passengers per year. The initial plan was to launch Ermolino Airport in 2016. The airport is expected to have ICAO's C category so that it can serve the needs of all modern aircraft. The apron with a total area of 250,000 sq m will have 40 aircraft parking lots, the capacity of the terminal complex is estimated at 2,400 passengers per hour. UTair intends to fly Airbus A321 to the airport.

KALUGA INTERNATIONAL AIRPORT



8 km
off downtown Kaluga

Location:
north-east of Kaluga

**In immediate
proximity to Grabtsevo
Industrial Park**



HISTORY OF THE AIRPORT:

1970 — A B class airport is built to serve transit and regular domestic flights to Arkhangelsk, Riga, Kishinev, Anapa, Kharkov, Gelnzhik, Minsk, Penza, Leningrad, Nizhny Novgorod, Sochi, Smolensk, Tula, Tambov.

1980's — charter flights to Russian destinations.

1990's — charter flights to Europe, UAE and Turkey.

2001 — The airport is shut down.

2008 — The airport is excluded from the government register of commercial airports and the list of the Russian border crossing points by air.

2010 — The decision to start reconstruction of the airport is made and Kaluga International Airport is set up.

2013 — The reconstruction of the airfield and airport facilities is launched.

1 November 2013 — A master agreement on reconstruction of the airfield pavements was signed with PETRA-HEHUA





DESCRIPTION:

Airport facilities' area — 200 ha;

Runway — 2200x45 m;

Status — international airport;

Airplanes' take-off weight — Class 2;

Passenger capacity — 100 pax/h;

Passenger flow — up to 500,000 pax per annum by 2030;

The airport is designed for airplanes with the weight of up to 64 t (A319, B737 and similar).

PROJECT'S KEY FIGURES

RECONSTRUCTION SCOPE:

Capital reconstruction of the airfield in compliance with global standards;

Reconstruction and construction of new airport facilities:

- install modern navigation and lighting;
- set up a border crossing point by air;
- equip with special aeronautical technologies;
- training and certification of aeronautical personnel;
- offer a full range of airport services:

- takeoff and landing of international and domestic regular and charter flights;
- turnaround and regular servicing and repairs of business aviation aircraft;
- servicing of general aviation aircraft.

COMPLETED WORKS:

Aeroproekt Scientific and Research Institute developed project documentation.

A positive expert conclusion on the project documents was issued by Russian Glavosekspertiza.

A contractor was selected for the reconstruction of the airfield pavements.

Forest cutting has been completed for 70%.

The construction organization plan has been fulfilled.

Detail documentation has been developed for a portion of the works.

Works are performed to set up building infrastructure, procure the required materials, supply building machines, concrete and asphalt mix.

TIME TO BUILD



Oleg MIKRYUKOV,
Director General
of Kaluga
International
Airport

— **The need to reconstruct Kaluga Airport has been discussed for a couple of years now. However building works were not launched until last year. Why did it take so long to start the building?**

— Building an airport is different from country to country, from region to region and from city to city. Complex and potentially high risk, an airport requires loads of preparatory studies, approvals, properly developed documents, permits, conclusions, etc. We are happy to say now that the labor intensive preparatory period has been completed and we have received all the required documents and a positive expert conclusion of Glavgosexpertiza. Aerodrom GP acts as the customer of the reconstruction of the runway, taxi ways, apron, tarmac and water drainage system while Kaluga International Airport acts as the customer of the reconstruction of various airport structures. 100% owned by Kaluga region, Kaluga International Airport is fully responsible for the implementation of the project. Currently two organizations are engaged at the airport: the Russian plant of PETRA-HEHUA, general contractor of the reconstruction of the airfield pavements, and a center for computer-aided flight control from Moscow, which makes part of the Russian State Air Traffic Corporation. The project is now in full swing. Experts from the regional capital construction department visit the project site to offer technical supervision.

— **Who developed the project? Has the project been developed specifically for Kaluga region?**

— I would like to stress that all airport designs are made on case by case basis. The designers of Kaluga Airport looked the design of the airport of Brunswick as a basis for their design as Kaluga

and Brunswick have similar conditions. A unique organization with an 80 year history, Aeroeroekt acted as the general designer of the project. Most airports in former Soviet republics and modern Russia were designed by Aeroeroekt.

— **What is the idea behind the development strategy of Kaluga Airport? What benefits will it offer to the region's economy and its population?**

— Annually tens of airports get shut down in Russia. Kaluga region is thus the only region trying to set up a new airport almost from scratch, which will help travelers from Kaluga region and adjacent regions get to almost all Russian regions, various countries in Europe and Asia. Also, globally airports act as some sort of an investment gate, which boost the living standards and businesses in the relevant region. Given the location of Kaluga region, industrial and agricultural development rates here, tourism and intensive efforts of the government of Kaluga region to enhance the transportation and development complex, the chances are high that Kaluga region becomes Russia's largest multi-purpose transportation and logistics cluster.

— **When is the project expected to be put into operation?**

— In 2014 the runway will be fully reconstructed. All airport facilities will be built and certified in 2 to 3 years from now. Ambitious as they are, our plans are feasible. The current fast construction rates, professional contractors, and, most importantly, the support of the government of Kaluga region – all that makes us confident that the reconstruction of the airport will be of high quality and will be completed within the intended timelines.



Lyubov ALMAZOVA,
head of investment project support at the Ministry of Economic Development of Kaluga region

— The plants of foreign companies located in Kaluga region need a modern international airport to take care of their passengers and freight. According to the project documentation the financing of the construction under the project exceeds RUR 3.6 billion. The project is financed through a public private partnership. We believe that today that the model of choice is. Last year the federal spending on the reconstruction of the airport complex reached RUR 913.0 million. The region allocated to the same end RUR 200 million in 2013. The same allocations will be made this year. Now Bank of Development and Foreign Trade, the key partner of Kaluga region, is looking at available loan possibilities. Also, we intend to bring in investors. It should be noted here that the government of Kaluga region and the senior managers of the Russian State Air Traffic Corporation have agreed on financing of the purchase of new radiotechnical and communications equipment in the amount of RUR 223.6 million.



“

‘Investors, especially investors in airport infrastructures, are tired of unfeasible projects and promises, which are never kept. They would like to see an existing infrastructure and the government become jointly liable for the implementation of a project. Here the government of Kaluga region will assume the liability. In September of 2014 we must be able to fly around the airfield and put the runway into operation’.

Anatoly ARTAMONOV,
Governor of Kaluga region



Reception

BEST WESTERN KALUGA HOTEL – YOUR HOTEL MEETING THE HIGHEST QUALITY STANDARDS

People visiting Kaluga now have an opportunity to enjoy the comfort at its best — BEST WESTERN Kaluga Hotel.

Best Western, the world largest hotel chain, includes over 4,000 hotels in 100 countries, offering the highest standards of quality to its guests.

- 96 comfortable rooms
- complimentary buffet breakfast
- Wi-Fi
- café, European cuisine (24x7)
- conference hall
- guarded parking

We pay much attention to safety of our guests: all rooms have an electronic door lock, a mini-safe, and a modern communication system. Convenient location, comfortable accommodation, and perfect services are the key features of BEST WESTERN Kaluga Hotel

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Welcome to BEST WESTERN Kaluga Hotel!



TRANSLATION BY MISTRAL KALUGA

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