ASTRAKHAN REGION
(Russian Federation)

Astrakhan –
Russia's key point in
the Caspian Sea area

Location

The Astrakhan region is located in the south of Russia in the Lower Volga region beside the Caspian Sea. The region borders Kazakhstan by land, Azerbaijan, Iran, Turkmenistan and Kazakhstan by sea. Among Russian regions it borders Volgograd and Kalmykia.

Area

The overall area of the Astrakhan region amounts to 49,0 thousand square km. The region is comprised of 11 administrative districts. Apart from the regional capital – Astrakhan City, there are 5 more towns, namely Akhtubinsk, Kamyzyak, Znamensk, Kharabali and Narimanov.

Population (as of January, 2013)

The population of the Astrakhan region comes to 1 013 840. The population of Astrakhan City is 676 000.
Main economy branches

Oil and gas industry, ship-building, agriculture and processing industries, machineries, transport and logistics, trade, food and fisheries, tourism.

Gross regional product

GRP amounts to 6.86 billion US dollars in 2013. As compared to the previous year the GRP growth has constituted 20 percent with the average in Russia 1.3 percent.

Ratings

Following the results of 2013 the Astrakhan region ranks among the leaders in Russia’s regions in terms of economic development and is placed:

- 1st in terms of construction volumes;
- 2nd in terms of vegetable produce;
- 2nd in terms of industrial output.

According to the ratings drawn by the Ministry for Regional Development of the Russian Federation in 2013 the Astrakhan region belongs to the 20 leading regions in social and economic development and ranks the fourth in terms of investment attractiveness. The region has been leading in terms of foreign investment into fixed capital (137%), ranking the second of all the Russian regions, amounting to nearly 3.3 billion US dollars.

Foreign capital companies

There are 455 foreign capital companies incorporated in the Astrakhan region as of 2013 from 56 countries. These are such famous as Schlumberger, Knauf, Saipem, Bumi Armada and many others.

There are also 13 Turkish companies incorporated in Astrakhan: 9 are operating in the food industry, 2 in services sector, 1 in trade and 1 in transport sector.

Consular institutions

There are several foreign consular institutions in the Astrakhan region:
- Consulate General of the Islamic Republic of Iran;
- Consulate of the Republic of Kazakhstan;
- Consulate of Turkmenistan.
Main economy sectors in brief

Transport and logistics
Thanks to the access to the Caspian Sea, the Astrakhan region plays a key role within international transport routes. The region is situated at the intersection of two Euroasian transport directions: "North-South" transport corridor (NOSTRAC) and "West-East" transport corridor. "North-South" transport corridor (NOSTRAC) links Europe to India via the Caspian Sea and Iran, whereas "West-East" transport corridor goes from Europe through the Astrakhan region and Kazakhstan in the direction of China. Due to these circumstances the transport and logistics complex of the Astrakhan region is highly developed, including port and related infrastructure.

Hydrocarbons extraction and processing
The Astrakhan region is most famous for its vast deposits of hydrocarbons: natural gas and gas condensate. The continental part of the Astrakhan region and the adjacent area of the Caspian Sea boast substantial oil and gas deposits, being the largest in the European part of Russia. The land area resources amount to nearly 6 trillion cubic meters of gas and over 1 billion tons of liquid hydrocarbons. The major part of all the hydrocarbons is comprised by gas condensate and gas deposits. Nowadays hydrocarbon fields development is underway in the Russian sector of the Caspian Sea with 8 major oil and gas fields. The inferred resources (oil and gas condensate) of the Caspian Sea shelf come to nearly 1,1 billion tons, natural gas - nearly 800 billion cubic meters. "Gazprom" company and "Lukoil" company are the main players in the market of hydrocarbons extraction and processing. Besides there are deposits of salt, gypsum and iodine in the Astrakhan region.

Shipbuilding
Further development of Astrakhan shipbuilding sector is being boosted by the development of oil and gas fields in the Caspian Sea. Local shipbuilders are successfully implementing orders for the construction of multi-purpose vessels and oil platforms not only for the largest Russian transport and oil-extracting companies, including "Lukoil" but also for foreign partners from Kazakhstan, Turkmenistan, China, Italy, Norway, Malaysia, UAE and other countries.

Agriculture
Farming appears to be one of the crucial economy sectors of the Astrakhan region, which is represented by 2 main divisions: crop farming and cattle breeding. Its share within the overall gross regional product amounts to 12% The Astrakhan region is one of the largest Russian vegetable producers. As of 2013 crop farming (potatoes, onions, tomatoes, cucumbers, bell peppers, aubergine, zucchini, watermelons, melons and others) has made up 1,3 million tons. At the same time only a small share of the farming produce is being processed, and this is why vegetable-processing companies have a huge potential for further development. Greenhouses are another point to seriously take into consideration, being pretty much attracting for investors. As for Astrakhan cattle-breeding it can be divided into meat and milk production, camel-breeding and sheep-breeding.
Fisheries and fish-processing
Huge fish resources of the Volga River and the Caspian Sea are truly considered to be the foundation for fisheries and fish-processing in the Astrakhan region. Carp, pike perch, cat fish, bream, Astrakhan herring and other common fresh water fishes are delivered to the domestic as well as foreign markets. Pond farming and commercial sturgeon-breeding are also actively developing in the Astrakhan region.

Construction
Construction and building industry is intensively developing in the Astrakhan region. More than 900 organizations work in this sector of economy. The volume of construction works done in 2013 amounts about 1,3 billion EUR, which is more than three times higher the previous year. The production of various construction materials is organized in Astrakhan. As an example, we may distinguish the German-Russian Joint Venture ZAO "Knauf Gyps Baskunchak". The sphere of joint activity is mining and processing of gypsum stone based on the local deposits of gypsum. The company has commissioned a factory, producing dry building mixes with the production capacity of one hundred thousand tons per year.

Machine-building
The machine-building complex of the Astrakhan region is represented by enterprises, producing metalworking and woodworking machinery, construction machinery, boiler and forging equipment and other products.

Tourism
Tourism is yet another significant sector of the regional economy. Unique geographical location of the region in the Volga River delta, diverse landscapes and nature attract more than two million tourists annually. The main tourist attractions are hunting and fishing, as well as cruise, cultural and sightseeing tours.