



FREIGHT VILLAGE IN VORSINO

In another one of our publications on Russian industrial parks, find out about their lives – and those of their residents. This time, we take a look at the Kaluga Region's Vorsino Industrial Park, where SIBUR is involved in developing a massive logistics hub featuring the country's one of a kind technology for bulk transportation of polymers, bringing greater cost efficiency.

The Kaluga Region is one of the most economically developed Russian regions, which has more than once lead the charge in industrial production growth. It has had a busy decade, with 99 new enterprise openings generating 27,000 jobs.

Today, the Kaluga Region is home to twelve industrial parks that are spread out across two special economic zones – Lyudinovo in the south-west and Borovsk in the north of the region, spanning a total of 1,042 hectares. The Lyudinovo Site is more suitable for large and medium-sized industrial facilities, including those engaged in the construction materials and timber processing industries. The Borovsk Site offers its technology parks a unique location near the New Moscow city border, in close proximity to the capital's R&D-focused production facilities along with engineering centres and labs.



Vorsino is the largest of the twelve industrial parks in the Kaluga Region.

THE LAUNCH OF THE CROSS-BORDER DALIAN–KALUGA LOGISTICS CORRIDOR IN 2016 AND THE NEW SILK ROAD PROJECT HAVE HELPED TO REDUCE THE COST AND HALVE THE TIME OF CARGO DELIVERIES.

Total area and investment projects

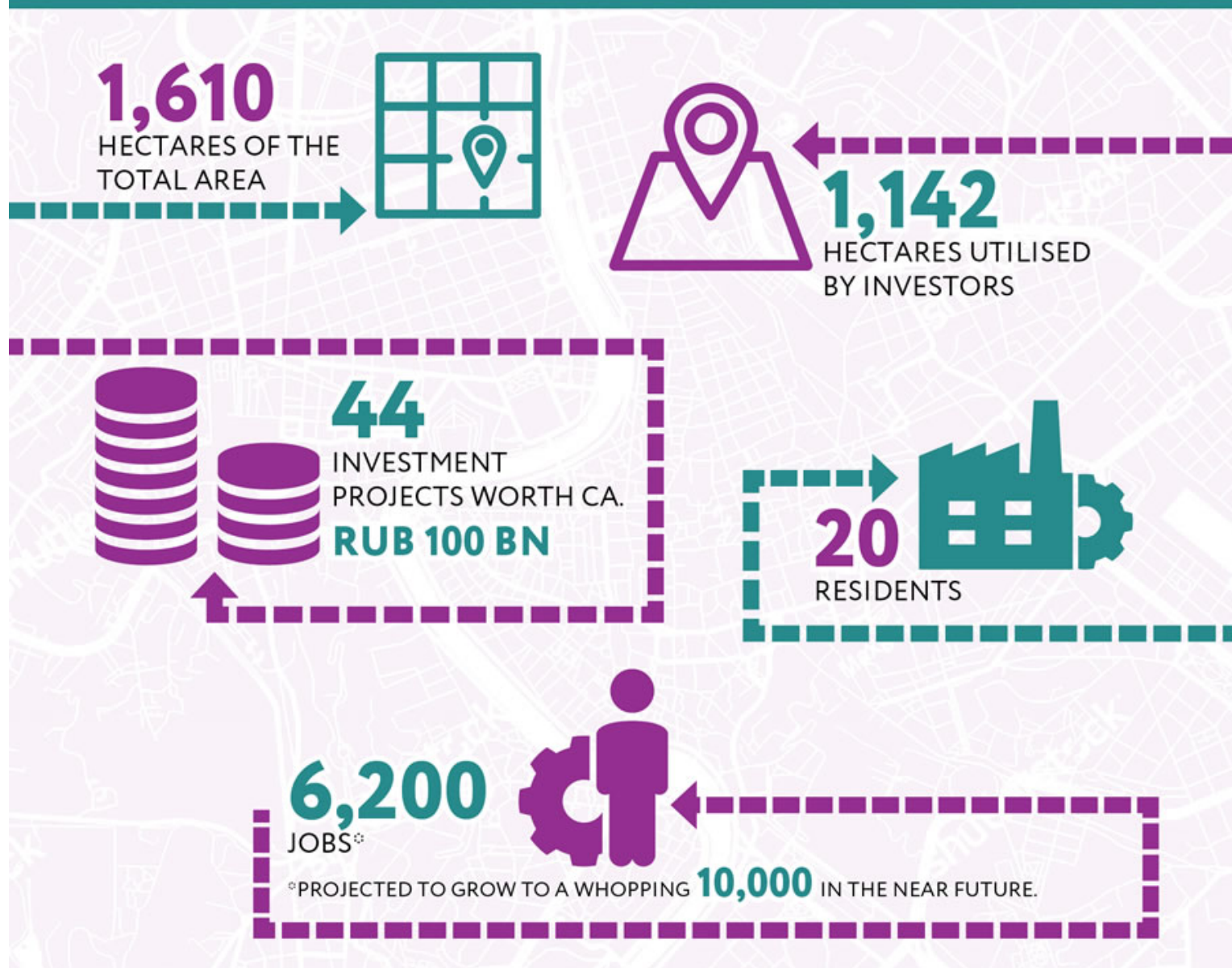
Vorsino is the largest industrial park currently operating in the Kaluga Region. It is located in the Borovsk Economic Zone along the M3 Federal Highway from Moscow to Kiev, 95 km and 20 km away from Kaluga and New Moscow, respectively.

Its construction began back in 2006 at the initiative of the regional Ministry of Economic Development and Kaluga Region Development Corporation. The total project area grew almost twofold from the initially planned 972 hectares.

Vorsino Industrial Park's residents include pharmaceutical companies (Sphera Farm, Medena, AstraZeneca Industries), manufacturers of materials for construction and repairs (Vintrustcom, Odisseyprom, LAMINAM RUS, ICM Glass Kaluga, ORAC), plastics producers (D.A. Rus, Tekhmashimpex) and more.

The Swiss-based global food major Nestle was among the first of its tenants. The Nestle Purina PetCare plant in Kaluga has helped the company to solidify its leadership in the Russian pet food market. The plant employs 950 people and predominantly relies on local feedstock (80%).

VORSINO INDUSTRIAL PARK IN FIGURES



Vorsino's another long-standing resident is the South Korean Samsung Electronics and its Samsung Electronics Rus Kaluga plant that produces all Samsung-branded TV sets, monitors and washing machines marketed in Russia.

According to Kaluga Region Development Corporation, the industrial park's plans include the construction of new production facilities and an infrastructure expansion project to build a 300 truck lorry park. The throughput capacity of the Vorsino railway station that is now fully utilised also needs to be expanded to avoid creating a logistics bottleneck in the northern part of the Kaluga Region. The station is now being upgraded to receive a newly built arrival and departure yard.



Samsung Electronics Rus Kaluga is Vorsino's oldest resident.

The launch of the cross-border Dalian–Kaluga logistics corridor in 2016 and the New Silk Road project have helped to reduce the cost and halve the time of cargo deliveries. Now trains travel from the Vorsino railway station to the Chinese port of Dalian and back again.

RESIDENTS OF THE VORSINO INDUSTRIAL PARK ENJOY TAX BENEFITS GRANTED BY THE KALUGA REGION GOVERNMENT.

"Vorsino is brimming with potential and is actively building on it," says Valery Goncharov, Commercial Director at Triada Holding, the park's resident company. "The investors get along well with each other: many residents use our construction and related services, benefitting from our in-house R&D capabilities. We searched far and wide for an industrial park that would offer a convenient location near Moscow and a well-developed infrastructure all at once, opting for Vorsino due to its proximity to the country's capital and key federal routes. It is also close to the "science city" of Obninsk which supplies highly-qualified staff for our facilities."

Residents of the Vorsino Industrial Park also enjoy tax benefits granted by the Kaluga Region Government. Companies implementing government-approved investment projects are exempt from property taxes and enjoy a lower income tax rate of 13.5%. These tax benefits are a strong incentive for those looking for a place to accommodate their production facilities.



The Vorsino Industrial Park sits at the crossroads of several transport corridors. Photo: Freight Village RU.

"We have chosen the Vorsino Industrial Park for a number of reasons," says Viktor Shcherbak, CEO at Omega Lease-Kaluga. "The first one is convenient location at the crossroads of transportation corridors, including motor roads, railways and potential future air transportation capabilities. Another benefit is proximity to the Moscow Region. Tax benefits are also a key factor as we were granted two years of a property tax holiday. On top of that, the industrial park's infrastructure is fully in line with our needs. If we encounter any issues, the Vorsino team is also there to help us."



Vorsino Industrial Park from the inside

Infrastructure

- A high-pressure gas-pipeline network
- 240 MW power supply, with distribution and transformer substations at all the sites
- Water supply, sewerage and storm water drainage
- Water intake capacity of 4,000 cu. m / day (free capacity of 790 cu. m / day)
- Biological treatment facilities with a capacity of 4,000 cu. m / day (free capacity of 1,400 cu. m / day)
- Telephone service and high-speed Internet (several providers available)

Location and access

- 6 km away from Obninsk, 95 km from Kaluga, 20 km from New Moscow, 75 km from Moscow downtown
- 24 km of category IV motor roads across the industrial park's territory
- Obninsk railway station just 10 km away, Vorsino railway station's upgrade close to completion
- Distance to international airports: Vnukovo – 60 km, Domodedovo – 90 km, Sheremetyevo – 150 km; Yermolino domestic airport – 2 km (the latter has a potential investor (since late 2017) willing to develop it into an international air hub)
- TASKOM customs clearance terminal located in the western part of the park
- 50,000 potential workers living within 50 km from the facility
- Residential facilities for employees – 2 km away from the facility
- Hotel – 10 km away from the facility A 3-star in-house hotel under construction offering 150 rooms
- Canteens, cafés, conference rooms and business halls under the park's roof

Leading edge logistics

Vorsino is a one of a kind logistics park. It is home to the Vorsino Freight Village, a multimodal transport and logistics hub built in line with the European freight village concept. The project's 570 ha area will accommodate transport and terminal infrastructure facilities along with warehousing and industrial sites currently under construction. The railway cargo park, truck and container terminals, warehousing facility and motor roads are already in place. It is one of the two freight villages in Russia, with the Rosva Freight Village being the second one (also based in the Kaluga Region).



General view of the multimodal transport and logistics hub at Vorsino Photo: Freight Village RU.

THE VORSINO FREIGHT VILLAGE IS SET TO BECOME A LARGE-SCALE LOGISTICS HUB HANDLING SIBUR'S POLYMER PRODUCTS, INCLUDING THOSE PRODUCED BY ZAPSIBNEFTEKHIM, RUSSIA'S LARGEST PETROCHEMICAL FACILITY UNDER CONSTRUCTION IN TOBOLSK.

"The transport and logistics hub offering a customs point and the railway access, which recently opened in the Vorsino Industrial Park, has helped us cut the costs of cargo delivery and acceptance at our Vorsino production facilities," said Valery Goncharov.

The Vorsino Freight Village is set to become a large-scale logistics hub handling SIBUR's polymer products, including those produced by ZapSibNeftekhim, Russia's largest petrochemical facility under construction in Tobolsk. Its service offering will include warehousing, packaging and distribution of polymers across Russia and Europe.

SIBUR's products will be delivered from its production sites in dry bulk containers, a unique transportation method for Russia that is more efficient compared to the conventional transportation in pallets, as it allows to transport more cargo and cut packaging costs.

Container trains will be arriving at the Vorsino's Freight Village own rail terminal. KSS will serve as provider of all hub-related services to SIBUR.

The hub's total throughput capacity will be 670 tonnes per year with the potential for further expansion. 75% of that capacity will be utilised for handling SIBUR's polymers.



The hub acquired by KSS to provide freight-handling services to SIBUR. Photo: Freight Village RU.

The new logistics hub and the polymer processing cluster will increase polymer product availability and boost the development of new production facilities in the Kaluga Region both in the polymer processing and end-product segments, from car making to pharmaceuticals manufacturing. According to the Kaluga Region Governor Anatoly Artamonov, the project will help to attract more Russian and foreign investments into the region, generating a multiplier effect on the development of its economy.

SIBUR and other industrial parks

Apart from Vorsino, SIBUR is involved in developing several other industrial parks. The Togliattisintez Industrial Park launched by the Company and featuring SIBUR Togliatti as its anchor resident is a place where SIBUR produces various grades of synthetic rubbers both for the park's residents and regional customers. SIBUR also owns the site accommodating Bashkortostan's KhimTerra Industrial Park, which gives the residents access to the Company's products and its extensive infrastructure. SIBUR is open for cooperation at any of these sites in the format preferred by the client.