The practice of cargo transportation in international connection

CCTT Secretary General
G.I. Bessonov

UNITED NATIONS ECE
Capacity Building Workshop on Strengthening Rail Transport Connectivity
Athens, 29 November 2018
Coordinating Council on Trans-Siberian Transportation (International Association)

- Operators and forwarders: 38%
- Railways: 17%
- International organizations: 9%
- Port, stevedores, shipping companies: 7%
- Marketing, insurance, mass media: 4%
- Security: 3%
- Telecom/IT: 6%
- Insurance: 1%
- Education: 1%
- Association: 10%
- State Organizations: 4%
- Municipalities: 4%

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CCTT’S ROLE IN DEVELOPING COMPETITIVENESS OF TRANS-SIBERIAN RAILWAY

1. Creating conditions for integrating railways on the basis of joint information technology usage
   - Implementing automated system for scheduling international container trains
   - Implementing automated system for scheduling international container trains

2. Project implementation
   - Electronic train
   - Security train
   - Guaranteed transport and logistic product
   - Shipping postal items and e-commerce goods by rail

3. Establishing new business contacts with carriers
   - International conferences
   - Round tables
   - Business forums

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ACTION PLAN TO FACILITATE GROWTH OF TRANSIT SHIPPING ALONG TRANS-SIBERIAN RAILWAY

- Subsidizing container shipments in China
- Developing expedited scheduled container services
- Digitizing railroad industry
- Rapidly developing transport infrastructure
- Developing access to ports in northwestern and southern Russia
- Developing ITC Primoriye 1 and Primorye 2

- Creating Eurasian High-Speed Railway region
- Developing heavy-haul line, using wagons with increased load capacity
- Establishing favourable tariffs
- Efficient interaction with customs authorities
- System-wide work in legal harmonization in international organizations

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CCTT TASKS TO INCREASE COMPETITIVENESS OF TRANS-SIBERIAN RAILWAY

COORDINATE THE ACTIVITIES OF MARKET PARTICIPANTS DURING
CREATION OF TRANSPORT PRODUCTS

IMPLEMENT UNIFIED INFORMATION TECHNOLOGY AND ELECTRONIC DOCUMENT WORKFLOW IN
COOPERATION WITH BORDER AND CUSTOMS AUTHORITIES

KEEP CCTT MEMBERS UP TO DATE ON THE INTRODUCTION OF NEW NORMATIVE
LEGISLATIVE DOCUMENTS

PROVIDE EFFECTIVE TECHNOLOGICAL COOPERATION FOR DIFFERENT TYPES OF TRANSPORT

ENSURE CONFORMITY OF RAILWAY AND INTERMODAL TRANSPORT PRODUCTS WITH
INTERNATIONAL STANDARDS FOR CARGO SAFETY
VOLUME OF CARGO TRANSPORTATION ON RZD NETWORK

Transportation on the RZD network for 10 months of 2018 (k, TEU)

Total: 3640

- Import: 929
- Export: 704
- Transit: 436
- Domestic: 1570

SOURCE: RZD

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EURASIAN TRAINS: WEST-EAST CATCHING UP WITH EAST-WEST

Dynamics of total traffic volume in 2016-2017, TEU

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Traffic Volume</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>153,523</td>
<td>33%</td>
</tr>
<tr>
<td>2017</td>
<td>278,754</td>
<td>67%</td>
</tr>
</tbody>
</table>

Structure of total traffic in 2017, TEU

- Dostyk/Altymkol: 64%
- Zabaikalsk: 20%
- Zamyn Uud: 14%
- Far East ports: 2%
- Grodelkoyo: 10%

The structure of total traffic for 10 months, 2018, TEU

- Dostyk/Altymkol: 74%
- Zabaikalsk: 15%
- Zamyn Uud: 11%
- Grodelkoyo: 0%

Dynamics of total traffic volume for 10 months, 2017-2018, TEU

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Traffic Volume</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>219,837</td>
<td>35%</td>
</tr>
<tr>
<td>2018</td>
<td>297,537</td>
<td>65%</td>
</tr>
</tbody>
</table>

SOURCE: TRANSCONTAINER

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3673 block trains have been dispatched in 2017, exceeding the total amount of the first six years. From January to August in 2018, a total number of 3688 container trains have been dispatched, an annual increase of 73%, and the number of eastbound trains has occupied 69% of the westbound trains.
BORDER TERMINALS AND INFRASTRUCTURE

BORDER EU/BELARUS

DRY 450 000 TEU
MM 300 000 TEU
KALININGRAD

60 000 TEU
SVISLACH

60 000 TEU
BRUZHI

450 000 TEU
BREST

360 000 TEU
DOSTYK

BORDER CHINA/KAZAKHSTAN

1 200 000 TEU

1520 MM

900 000 TEU
ALTYNKOL

SOURCE: UTLC ERA

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SCHEME OF RAIL FREIGHT CORRIDORS IN EUROPE

Interconnection points of routes from Asia to European Rail Freight Corridors

1. Malaszewicze – Brest (RFC 8)
2. Cierna – Chop (RFC 9) and Zahony – Chop (RFC 6)
3. Svilengrad – Kapikule (RFC 7)
4. Via Stockholm (RFC 3)

European Rail Freight Corridors

- RFC 1: Rhine – Alpine
- RFC 2: North Sea – Mediterranean
- RFC 3: Scandinavian – Mediterranean
- RFC 4: Atlantic
- RFC 5: Baltic – Adriatic
- RFC 6: Mediterranean
- RFC 7: Orient – East Mediterranean
- RFC 8: North Sea – Baltic
- RFC 9: Rhine – Danube or Czech – Slovak
- RFC 11: Amber

SOURCE: UIC

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CHINA-EUROPE: MAIN PLAYERS, SCHEDULE, COST

- **Average speed**
- **Rate per container/kilometer**
- **Regional operator**
- **Train length**
- **Quality problems and high cost**

**Eurasische Union 1520**
- **BY 0.58-0.70€/Km**
- **1100 km/Day**
- **up to 120 containers per train**

**EU 1435**
- **EU 1.12-1.30€/Km**
- **up to 41 containers per train**
- **250 km/Day**

**RU 0.66-0.72€/Km**

**KZ 0.23-0.32€/Km**

**Ulan Bator Railways**
- **CN 1435**
- **1100 km/Day**
- **up to 41 containers per train**

**DT, PKP, ÖBB, SNCF**
- **CD Cargo**
- **private EVU's**

SOURCE: DB Cargo Eurasia

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UNITED INTEGRATED PLATFORM OF CCTT
OBJECTIVES, TASKS, FUNCTIONAL OPPORTUNITIES OF THE ELECTRONIC INTERACTION SYSTEM WITH CUSTOMS

Increased competitiveness and sustainable growth of freight rail transportation in international traffic

- Customs transit at the railway cross-border point
- Carrying out cargo operations along the route
- Completion of customs transit
- Acceptance of cargo for carriage confirmation
  - 0% VAT
- Registration of departure
- Placing goods in a temporary storage warehouse
- RZD Automated control system
  - Preliminary information
  - Transit
  - Temporary storage
  - Registration of arrival
  - Release of goods from a temporary storage warehouse

SOURCE: RZD

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The main entry point to the EU is the border crossing point Brest - Malaszewicze.

Today - loading length ca. 19 m

- Width of tracks
- Length of trains
- Accepted loading gauge lines
- Capacity
- Requirement for efficient, polyvalent and flexible intermodal terminals
- Reduction of environmental impact
- Harmonization and simplification of administrative formalities and social legislation
- Lack of unified operation management and tracking
- Rolling stock adaptation
ACTUAL EU PROBLEMS HINDERING EAST-WEST-EAST TRANSIT DEVELOPMENT

- Lack of necessary funding for the development of rail freight in the EU
- Low coordination of rail freight participants in terms of speed of cargo transportation
- Modernization of infrastructure in the Brest-Terespol section until 2020. The limited capacity
- Lack of rolling stock and locomotives in the EU
- The political situation and the lack of rolling stock in Ukraine practically limit railway traffic along the international transport corridor No. 5
- Railroad strikes in France create disruptions in the schedules of freight container trains

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Thank you for your attention