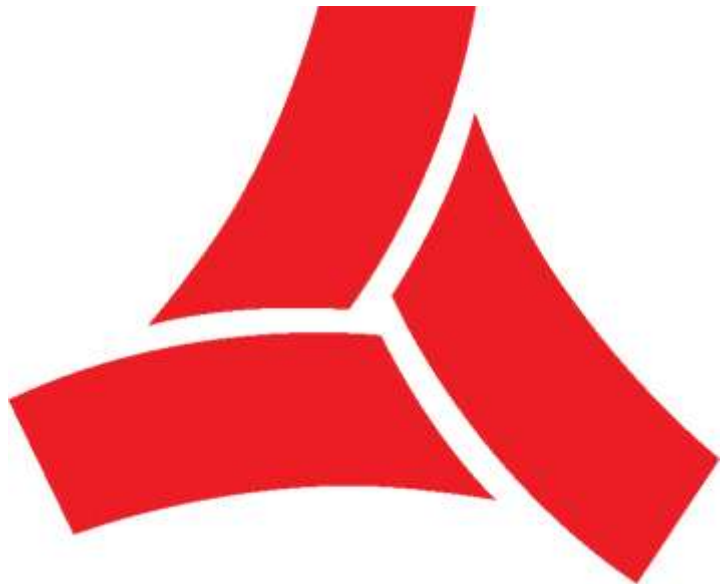


# Improving European Railways

**WP 13 – Rail freight Connections between  
Russia/China and European Union**

**Adriaan Roest Crollius**



***retrack***

***An Integrated EU-Project***

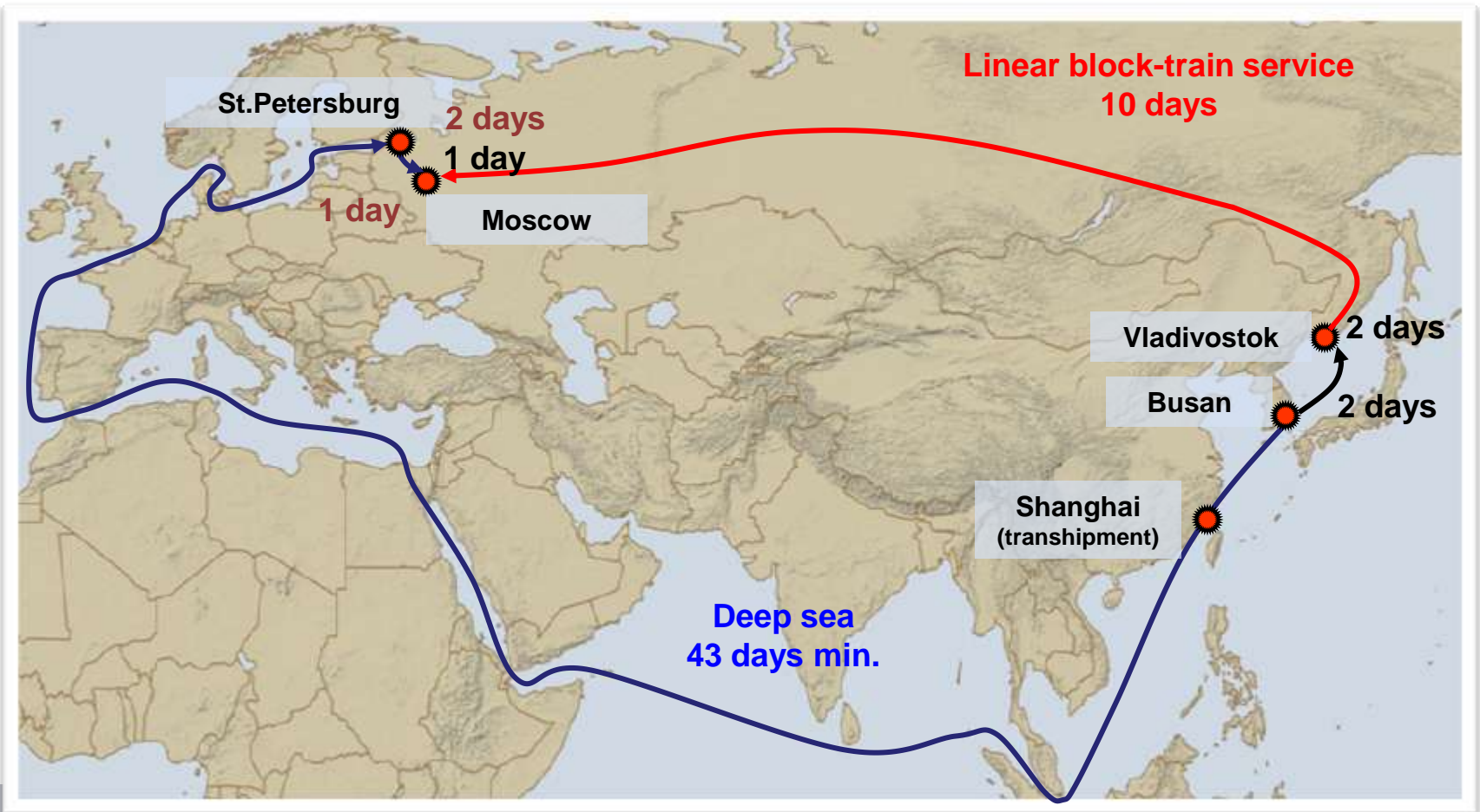
# Agenda



- Introduction WP13
- The land bridge corridor
- Barriers (example of a task)
- Cooperation

# TRANSSIB BENEFITS

	Deep Sea	TransSib
Transit time (without customs & transit operations)	46 days	15 days



## **WP13 Rail freight developments in Russia and China and the impact on Europe**

**Task 31.1** Inventory and assessment of rail freight strategies and developments in Russia and China

**Task 13.2** Potential for Eurasia land bridge rail corridors and logistics developments along the corridors.

**Task 13.3** Feasibility of rail freight corridor services towards Russia and China and preparation of demonstrations.

# Concrete results



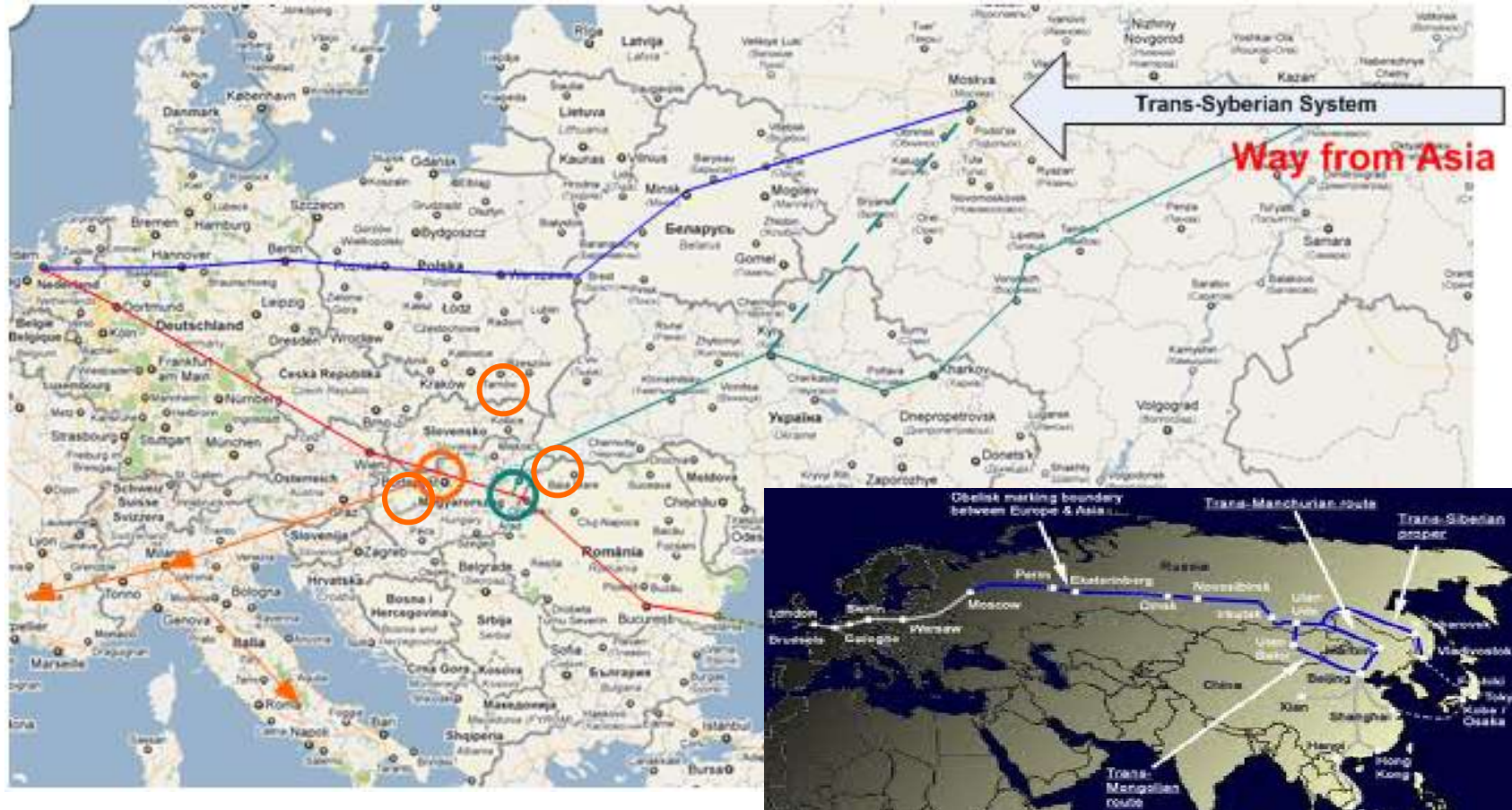
- Main goal: to identify potential and promote trade and transport by rail between EU, CIS and China

How:

- Market research; identify business opportunities and markets
- Identifying barriers and bottlenecks in the existing rail routes
- Developing business cases of rail transport between Central Europe and China;

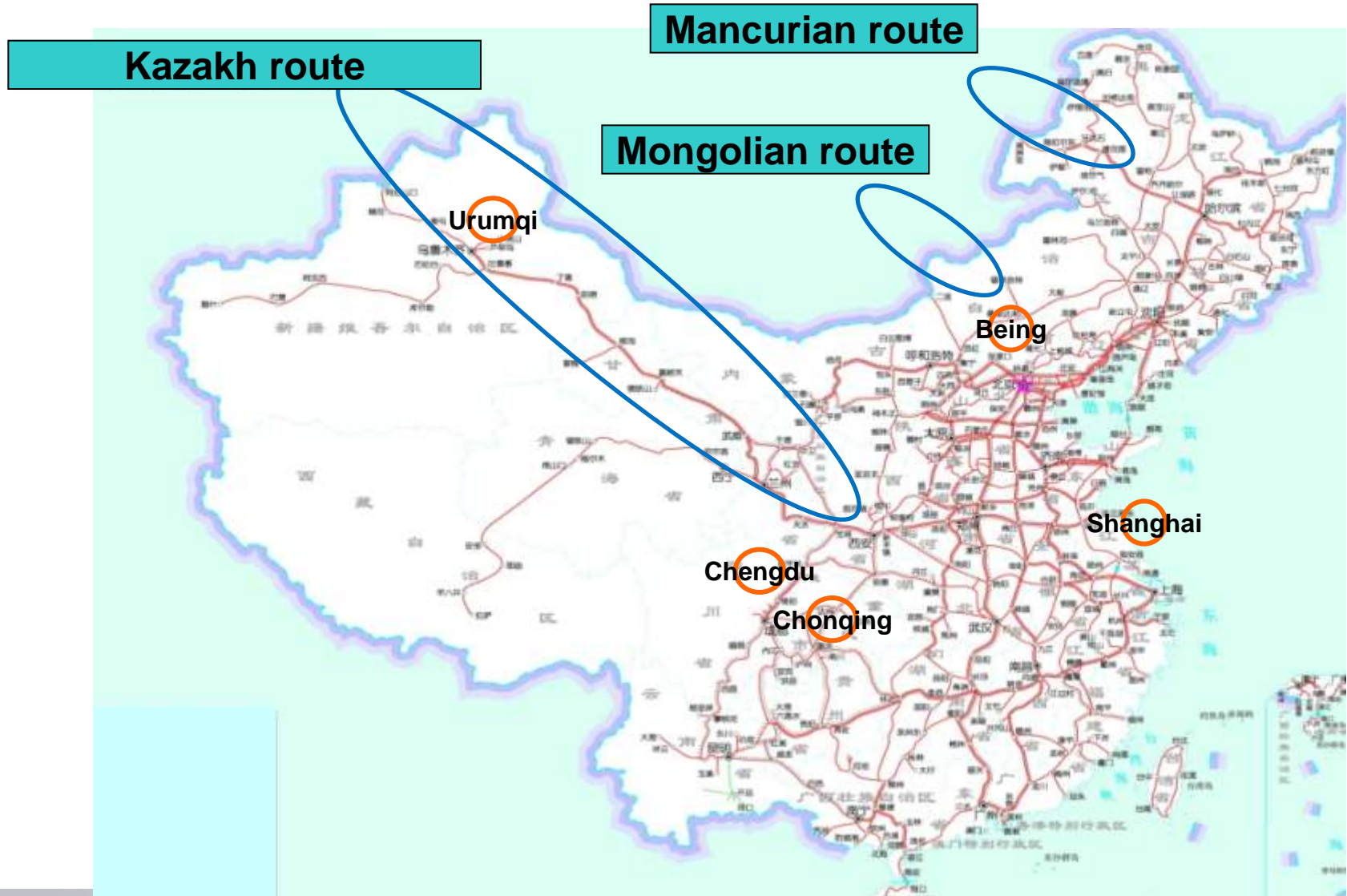


# Possible TranSib–Retrack connection



Improving European Railways

# Rail investments in China along the EuroAsia corridors



Total investment: RMB 4,000 billion (280 bln Euro), with railway infrastructure investments of minimum RMB 600 billion yearly

Rail infrastructure investment within XinJiang (bordering Russia):

2009: RMB13.8 bln (1.1 bln Euro)

2010: RMB19.3 biln (1.5 bln Euro)

Ongoing construction projects with relevance to Euro-Asia corridor:

1. AnBei-Alashankou rail line electrification project

Planned rail infrastructure investment

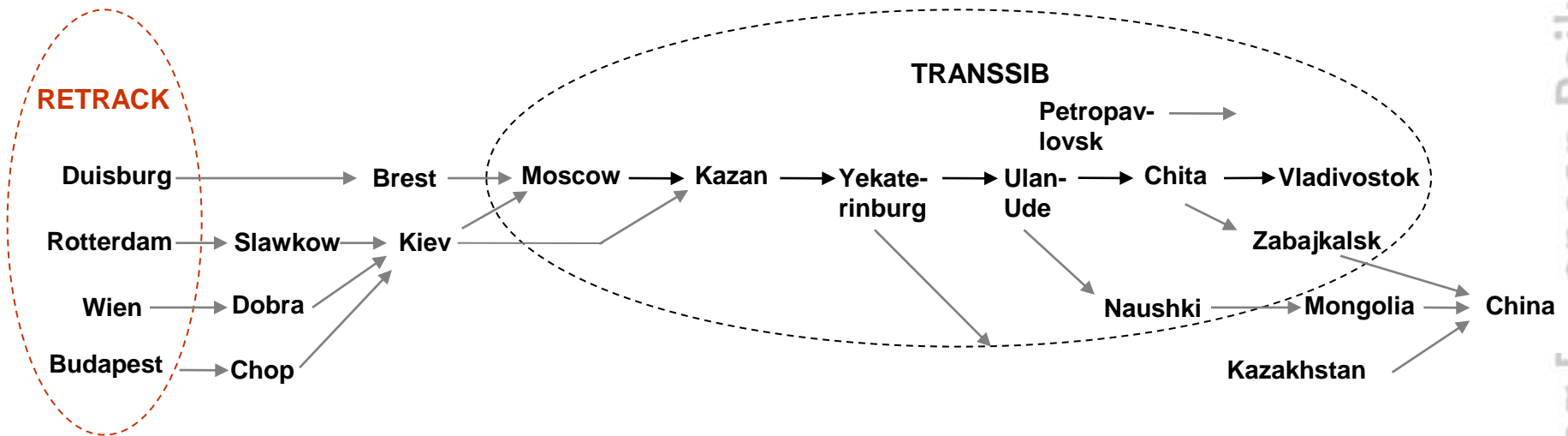
1. Lanzhou-Wuwei double track

2. Build Jinghe-Yining-Huocheng (bordering with Russia)

Go-west strategy and further development of railway network in landlocked North-western China provinces (XinJiang, KanSu, NingXia, ShanXi, QingHai)



# Rail routes



# Corridor Development in EU



- Recent developed EU policy
- To harmonize technical & organisation differences between countries on the most important freight flows
- To improve services, speed and quality
- Concentrating on ‘soft measures’ which can be implemented quickly
- This is only possible if the differences (barriers) between the rail systems between the different countries are clear

# Identification of the barriers:

## Technical bottlenecks:

- Different gauges in the relevant for RETRACK countries:
  - Europe, China - 1435 mm
  - CIS, Mongolia -1520 mm
- Different electrical systems on the separate segments:
  - Germany and Austria/ AC 15 KW/16 2/3 Hz
  - Eastern Central Europe: AC 25 kV/50Hz
  - Russia: AC 25kV/50 Hz and DC 3kV
- Different signaling/ control systems
  - Europe: ERTMS/ETCS, PZB, EVM
  - Russia: Train control system KLUB, ITARUS-ATC

## Legal bottlenecks:

- Different legal regulations
  - Europe, Ukraine: CIM COTIF
  - Russia, CIS, Baltic countries, Albania, Bulgaria, China, Mongolia, Poland: AIFC
- Different systems/ standards of cargo documentation
- Absence united information system (e-document system)

# Identification of the barriers:

## Commercial aspects

- ✚ **price stability is not ensured (several price increases over a short period = no commercial predictability over a longer period of 2 or 3 years)**
- ✚ **customs clearance slow and difficult**
- ✚ **safekeeping of cargo and wagons (two different approaches)**

**EUROPE: insurance**

**Russia: 90% armed guards & 10% insurance**

- ✚ **competition on rail does not take place between state owned and private rail operators**

# Identification of the barriers:

## Operational aspects

- Shortages of wagons; it is more attractive to compensate other operator for using wagons, than investing/leasing own wagons
- Maintenance – inspections in other countries are ‘stricter’ and lead to extra maintenance costs
- Terminals –terminal operators have a monopoly on terminal services. Prices are high and additional unofficial payments are also required.





# MEMORANDUM OF UNDERSTANDING



between  
the International Association  
“Coordinating Council on Transsiberian  
Transportation”

and

RETRACK consortium,  
represented by TNO and  
NEA Transport Research and Training



