



Rail Transport Connecting Continents Development of New Solutions in Rail Freight

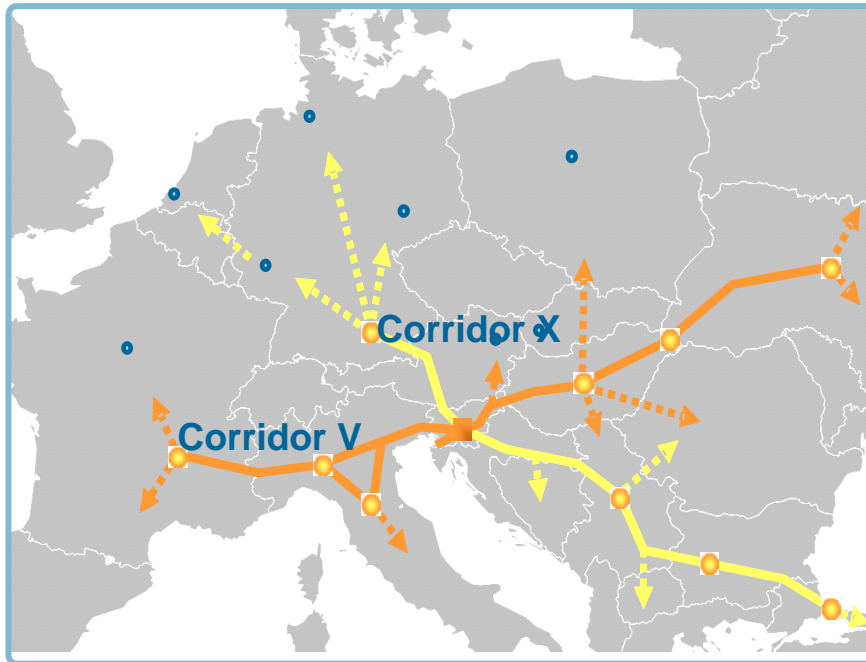
The future markets of SEE and Turkey

Mirjam Kastelič
Slovenian Railways, Ltd.

Istanbul, 22 October 2009



SLOVENIA

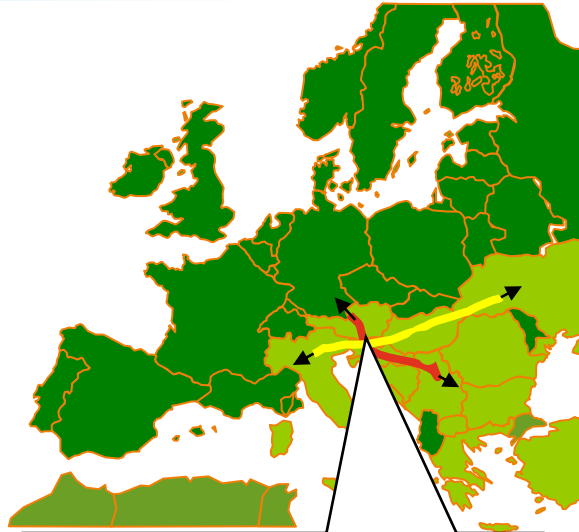


Advantages

- 20.256 sq.km
- excellent geographical position on the cross-routes of Pan-European Corridors, No.5 and No.10;
- on the shortest natural transport route between the E – W, N –S;
- with the sea port in the heart of Europe;



Slovenian Railways Freight Transport Strategy



Integrator of logistics services on corridor no. 5 and no. 10

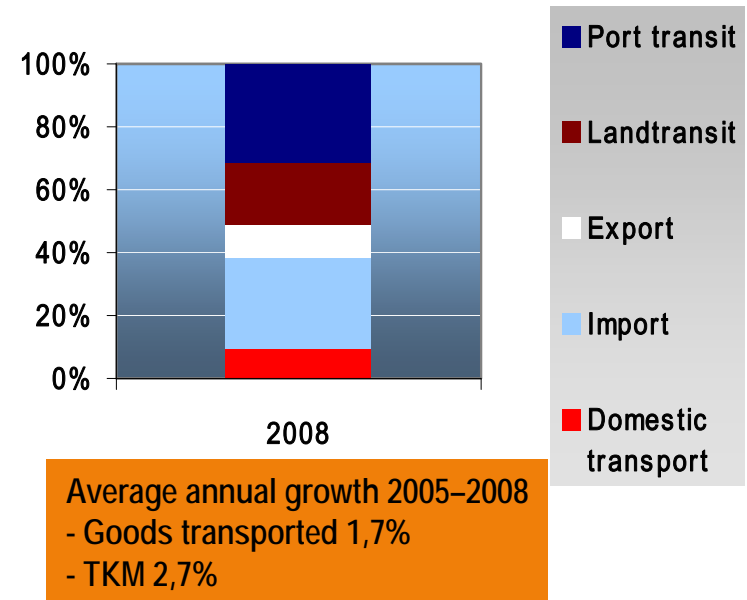
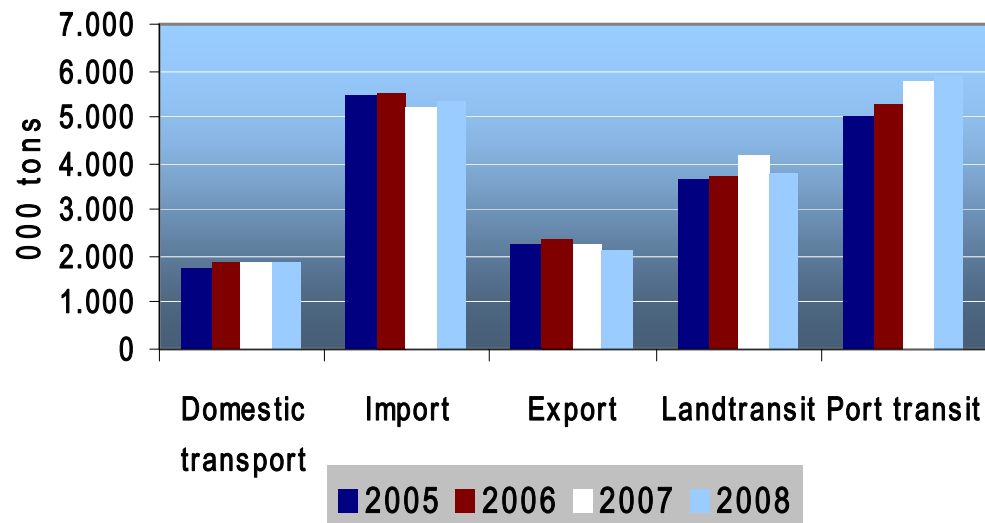
- Provider of transport and logistics services on the corridors no. 5. and 10
- Follow the expansion of the Slovenian companies in the region
- Taking advantage of increased traffic through Port of Koper

Key strategic elements

- development of new business models and services;
- development/modernization of marketing capabilities, and technical capacities;
- proper organization of freight activities to assure the accelerated growth in freight transport;



Freight Transport of the Slovenian Railways



- International transport is more than 90% of the total transport;
- 50% of the total transport is transit;
- 17% market share of the Slovenian Railways;
- Considerable growth in last years
- Managing the transit traffic is of vital importance for further growth of SŽ freight transport;



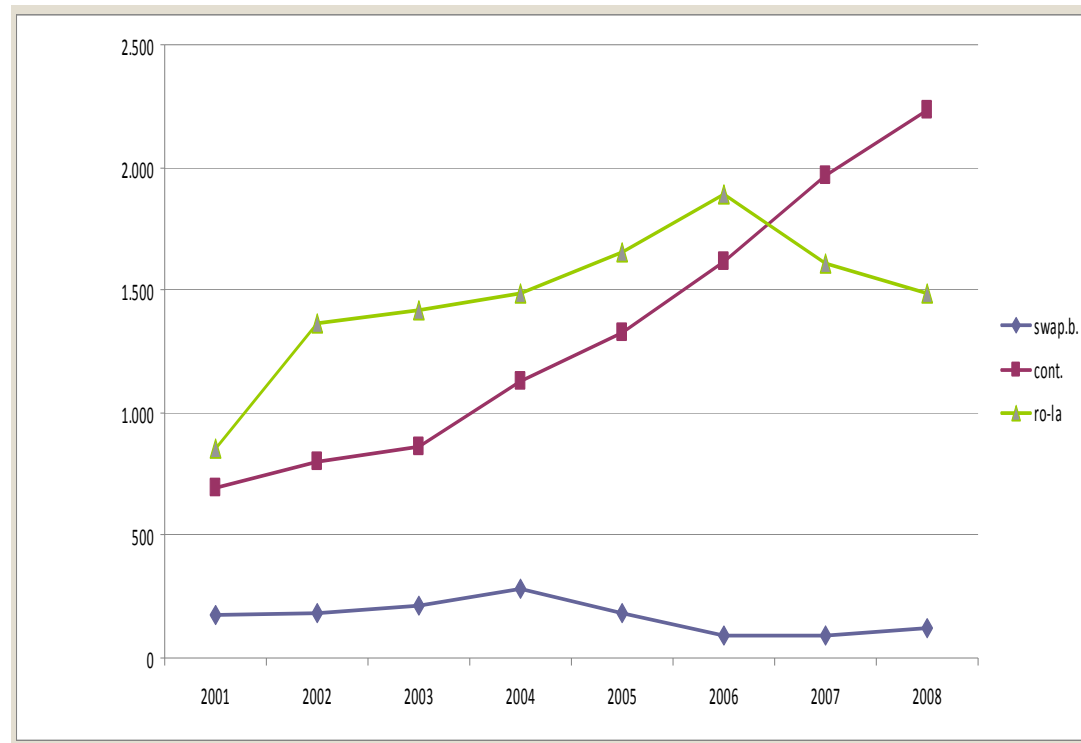
Growing importance of intermodal business



Intermodal = Growth

- Intermodal business is the fastest growing business of SŽ
- Share of the intermodal traffic (in tons) has increased from
12 % (2001) to 20 % (2008)
- Average annual growth rates achieved (2007/2002)

Ro-La	8% p.a.
Container	18% p.a.





Reliable train services are a necessity for the development of intermodal transportation

Gateway Slovenia

- Intermodal shuttle and block train services
- Reliable, efficient and competitive service
- Venturing with intermodal operators
- Connection of the regional hubs in Italy, Germany, Hungary, Serbia and Turkey; Macedonia, Greece, Bulgaria

SINGER Project
SEEIS Project





Underdeveloped Rail Freight Market

- Traffic flows from EU countries to Turkey - rail modal split only 1%

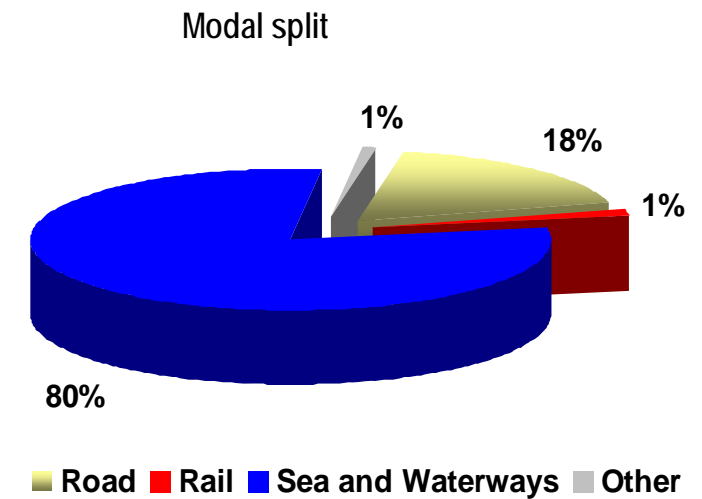


Trade exchange (A, F, D, I, SI to Turkey) in 2008



Source: Eurostat

2008/2000 Index 205,7

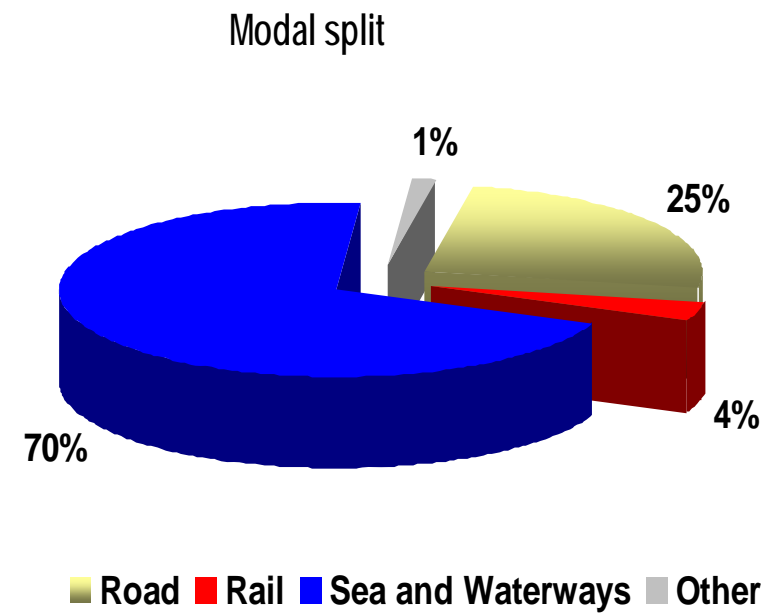




- Traffic flows from Turkey to EU countries - rail modal split only 4%



Trade exchange (from Turkey to A, F, D, I, SI) in 2008



Source: Eurostat

2008/2000 Index 132



Catching the traffic flows from/to Turkey with new services



Today
BEEEX – Bosphorus Europe Express

Transit time 57 – 64 h
Since April 2008 -
weekly departures from
Istanbul Halkali 1x
Ljubljana Moste 1x

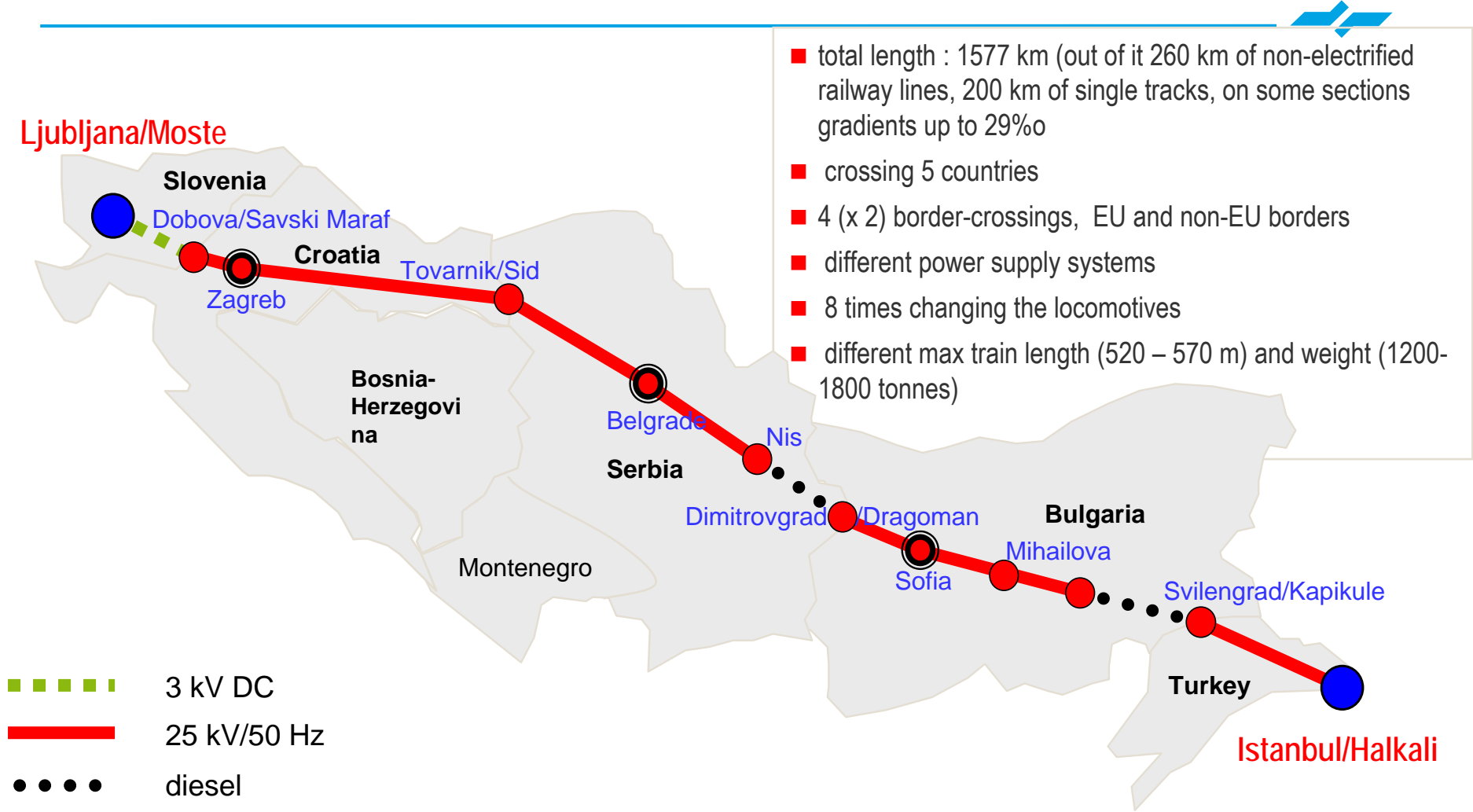
In 2010
Transit time 45 h
Weekly departures 2x



In 2014
Transit time 25 h
(to reduce the
existing transit time by
optimising the
cross-border procedures with
IT support, electronic
consignment note,
interoperable locos,
infrastructure modernization)



Technical and administrative impediments on the route



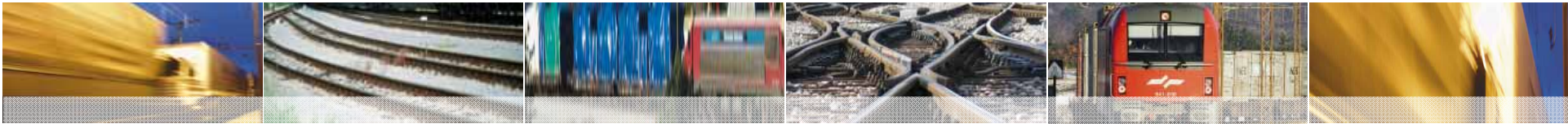


Project "25"
Business Advisory Council for South East Europe



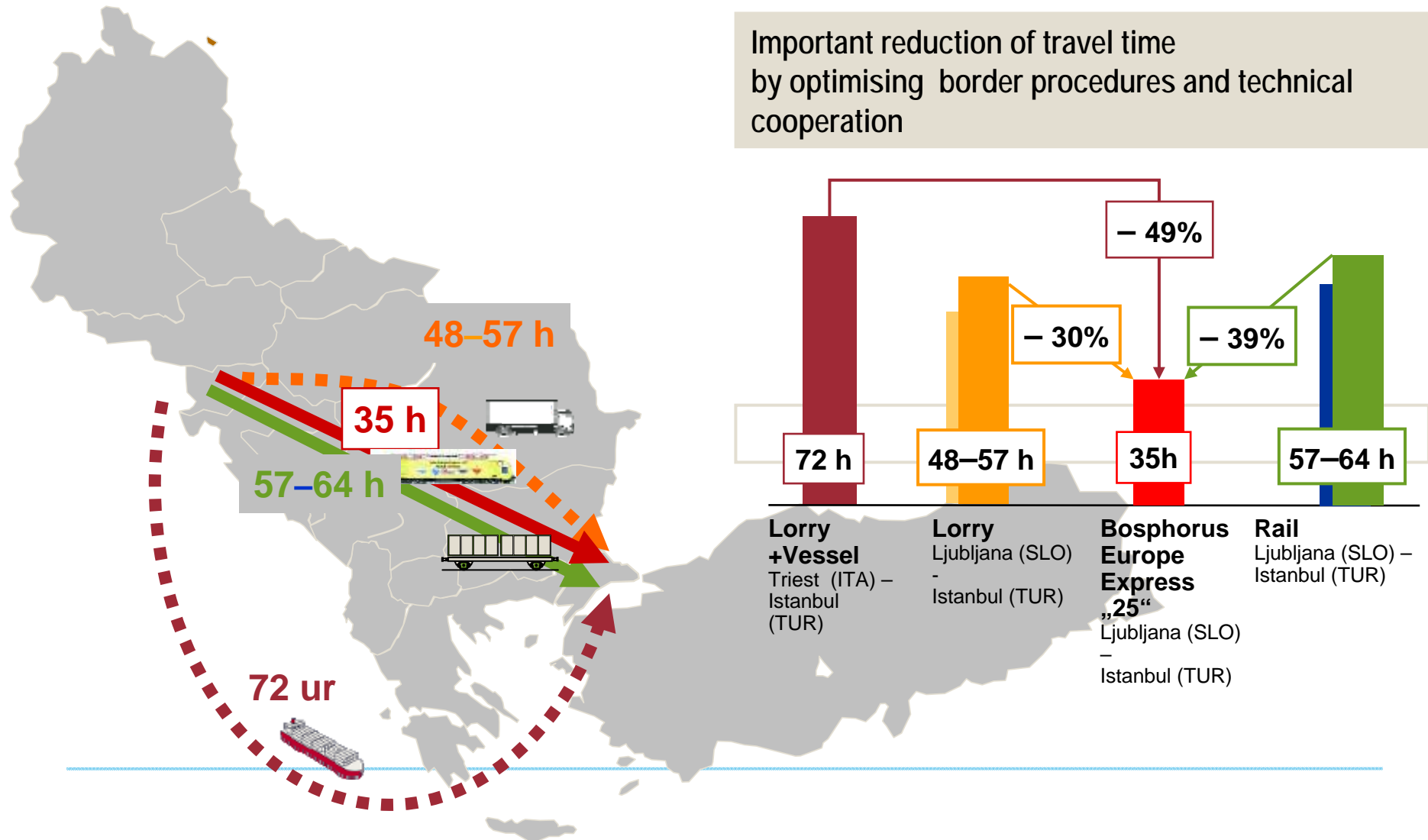
Participating companies at the test run





Project "25" - Bosphorus Europe Express – on 16/17 March
 Achieved: Travel time reduced by 39 % – Target: Travel time reduced by 50 %

Important reduction of travel time
 by optimising border procedures and technical
 cooperation





Project "25"

Utilizing the growth opportunities throughout the corridor and shifting of the traffic to the rail



Goals

- Shorter travel time between the origin and destination of goods.
- Improvement of the service quality.
- Competitiveness of rail transport compared to alternative transport modes.
- Increased transport volume.

Tasks

- Developing common production management.
- Harmonization of different traffic regulations for international trains.
- Developing common IT solutions for production.

Advantages

- Automatic tracking & tracing.
 - Top quality and security standards.
 - Borderless tracking of consignments.
 - Rail and private owned wagons usage.
 - Opening of new markets due to lower pricing and reduced travel time.
-



Project "25" Railway infrastructure needs to be improved



Under the assumption that all the projects will be realized in accordance with plan, the travel time can be reduced by additional 6 hours until 2014.

Slovenia	■ Total reduction: 10 minutes	10 % faster as tested
Croatia	■ Total reduction: 30 minutes	12 % faster as tested
Serbia	■ Total reduction: 240 minutes	36 % faster as tested
Bulgaria	■ Total reduction: 115 minutes	28 % faster as tested
Turkey	■ Total reduction: 10 minutes	5 % faster as tested



Project "25"
environmental friendly



ENVIRONMENTAL SAVINGS: 25.125 EURO on one run



According to the European Commission calculation model
on the external costs - environmental effects:
the container train Bosphorus Europe Express saved in one journey
25.125 EURO in compare to the transport goods by trucks.



Faster growth of cross-border railway transport in SEE



Railway Undertakings

New services
Quality
Capacities (interoperable traction)
Advanced technology (IT to support the activities performed on the border – crossings)

Governments

Optimisation of activities on cross border
Interoperable infrastructure
Opening of railway market in SEE - Towards a Treaty on common SEE Land Transport Area



Thank you for your attention

Mirjam Kastelič
Slovenian Railways, Ltd.
Telephone: +386 1 29 14180
E-mail: mirjam.kastelic@slo-zeleznice.si