Session 1 – Planning Infrastructure Development
CONTRIBUTION
“Rail Corridors and Links with Asia”
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DEVELOPMENT OF INTERNATIONAL CORRIDORS

- Physical movement of goods: +76% 1991-2001
- Value of international trade 2001> 12 trillion USD
- Average associated international transport business in 2001> 900 billion USD
ASIA WILL BE MAJOR ORIGIN AND DESTINATION OF GLOBAL TRADE
Asia in World Container Trade

World Total: 59 m TEU (1999)
123 m TEU (2011)
Average growth p.a.: 6.3%

Europe
- 5.3 m TEU (1999)
- 10.3 m TEU (2011)
- 7.6% growth p.a.
- 7.7% growth p.a.

Asia
- 6.8 m TEU (1999)
- 13.1 m TEU (2011)
- 5.7% growth p.a.

North America
- 4.6 m TEU (1999)
- 8.3 m TEU (2011)
- 5.1% growth p.a.

United Nations Economic and Social Commission for Asia and the Pacific
AN EXAMPLE

- IKEA global trade in 2002 is approx. 12 billion USD
- Transport cost of IKEA in 2002 is approx. 800 million USD
- IKEA has more than 2000 logistic contracts to keep the transport cost at its minimum
CHALLENGE & OPPORTUNITY

- China - W Europe trade
  - 2002: 100 billion Euro
  - 2013: 200 billion Euro
  - 2020: 280 billion Euro

- This translates into transport business on most conservative scale as
  - 2002: 7 billion Euro
  - 2013: 14 billion Euro
  - 2020: 19.6 billion Euro
Initially, the Paris–Shanghai Express will use existing lines. Long term, a new standard-gauge link is planned.
POTENTIAL FOR RAIL TRANSPORT

• Paris - Shanghai: approx. 13000 kms (extreme)
• Berlin - Zhengzhou: approx 9600 kms (average)
• Average speed at 70km/hr (IKEA rail’s actual performance between Sweden and Germany)
  – extreme: 8 days
  – average: 6 days
• Currently door to door service takes > 40 days by marine + road / rail
• WE NEED TOTAL COMMITMENT TO CAPITALISE THIS OPPORTUNITY
Shaping the Railway of the 21st Century
Sea distance (n.miles and transport time):

- Boston-Narvik: 3.598 (8 d.8 h., 18 knots)
- Halifax-Narvik: 3.121 (5 d.7 h., ” ”)
- Boston-Reykjavik: 2.295 (5 d.7 h., ” ”)
- Reykjavik-Narvik: 1.096 (2 d.13 h., ” ”)
- Reykjavik-Faeroe Islands: 497 (1 d.3h., ” ”)
- Reykjavik-Edinburgh: 902 (2d.2h., ” ”)
- Reykjavik-Rotterdam: 1.182 (2d.18h., ” ”)
Railway transport
N.E.W.-corridor

GAUGE CHANGE Russia-China

Transsiberian

Archangel route

Via Kazakhstan

GAUGE CHANGE Kazakhstan-China
Why N.E.W.

- Global trade is growing
- Inefficient east-west transport solutions
- We need back-up corridors
- Reduction in costs
- Reduction in transit time
- Etc
Trial transport (Demonstration run)

Objectives

Project plan U.I.C (20.11.02):

- Establish all necessary conditions for a demonstration run
OPTIONAL TRIAL ROUTES

- NEWPORT NEWS
- PHILADELPHIA
- SHELBURNE
- ARGENTIA
- NARVIK
- ARCHANGEL
- ÜRÜMCHI
- REYKJAVIK
- BOSTON/EVERETT
- VOSTOCHNY
N.E.W. Project - intermodal trial run (2004)
Organization

CUSTOMERS (some base customers)

SINOTRANS
Main forwarder/NVO

VR-Finland
Rail Coordinator
(future JV)

Eimskip
Ocean feeder

Eimskip
Ocean Liner

Sub forwarders
Project team
Project network

PORT 1
Narvik

PORT 2
Iceland

PORT 3+
NAEC

ON CARRIAGE

PRE CARRIAGE

RAIL 1
China

RAIL 2
Kazakhst.

RAIL 3
Russia

RAIL 4
Finland

RAIL 5
Norway-Sweden

PORT 1
Narvik

PORT 2
Iceland

PORT 3+
NAEC

ON CARRIAGE

PRE CARRIAGE
UIC’s current major thrust is to

- Convert these opportunities into successful business through partnership with:
  - Railways
  - Ports
  - Shipping lines
  - Freight forwarders
THANK YOU FOR YOUR ATTENTION