



# **TRACECA INVESTMENT FORUM 2012**

**Brussels, 28<sup>th</sup> February 2012**

**“ZVARTNOTS” INTERNATIONAL LOGISTIC CENTRE,  
FREE ECONOMIC ZONE AND  
TRANSPORT LINKS**

**REPUBLIC OF ARMENIA**





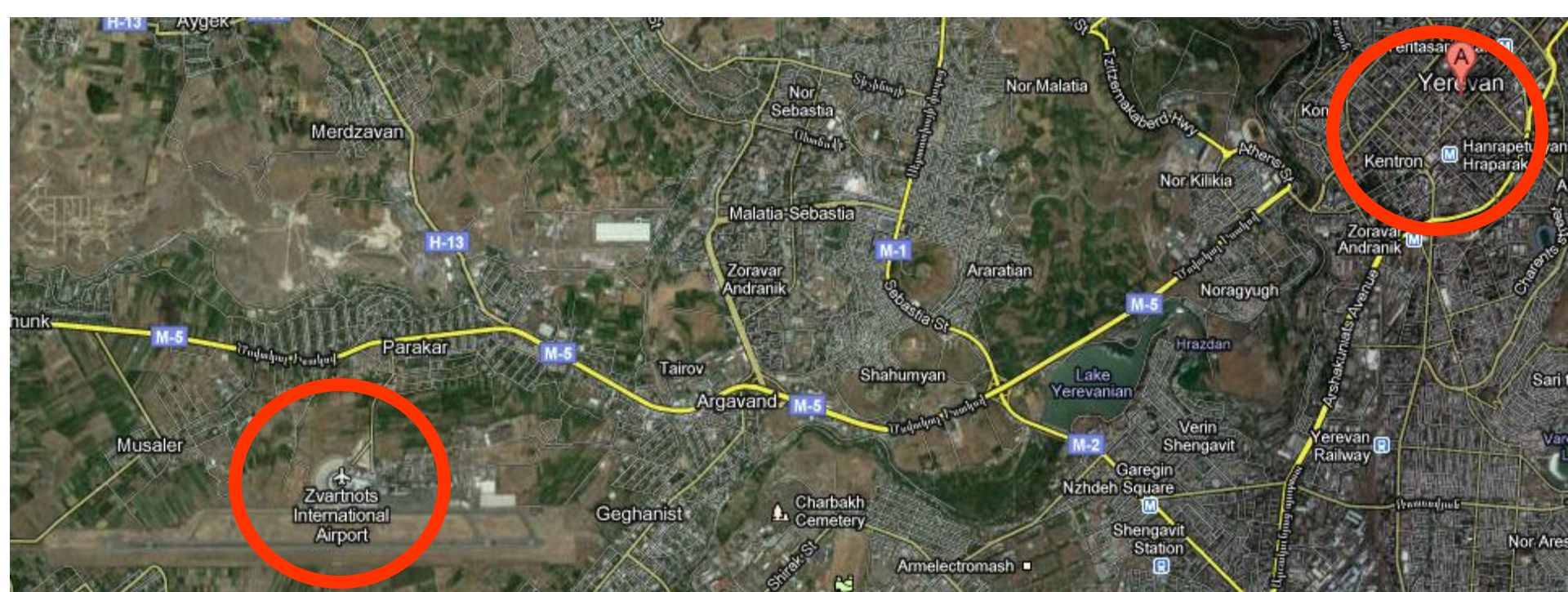
# "ZVARTNOTS" INTERNATIONAL LOGISTIC CENTRE, FREE ECONOMIC ZONE AND TRANSPORT LINKS







# “ZVARTNOTS” INTERNATIONAL AIRPORT – ARMENIA’S GATEWAY TO THE WORLD





# PROJECT DESCRIPTION

## Overall Objective

- Ensuring necessary transport infrastructures within and to the territory of Zvartnots International Airport.
- Improvement in rail connections between Zvartnots airport and large cities around the country.
- Ensuring various high quality logistic services.
- Existence and efficient exploitation of modern equipment.
- Development of Foreign Trade in Armenia.
- Promotion of Logistics Industry.
- Connection to the highways of the country and the North-South Road Corridor.



# PROJECT DESCRIPTION

## Project Purpose

- Ensuring the flow of passengers at Zvartnots International Airport.
- Fully ensuring the flow of goods at the airport's Cargo Complex.
- Opportunity for natural activity and further dynamic development of the Logistic Centre and Free Economic Zone in the area adjacent to Zvartnots International Airport.
- A reduction in traffic for the only road leading to the airport.
- Rise of Yerevan's profile as a city of tourism.



# PROJECT DESCRIPTION

## Cross Border Impact

As an international airport Zvartnots International Airport and the envisaged ILC will naturally have a border .

Armenia is a landlocked country, so any additional actions directed to the development of the existing and foreseen infrastructures at the airport (cargo/passenger terminal, logistic centre, Free Economic Zone, etc.) will greatly contribute to the improvement of customs, trade and other services.

Accordingly, the project itself has a very significant cross border impact.





## Recent Expansions



## New Passenger Terminal





## PROJECTS AND ACTIONS PROPOSED

- Establishment of International Logistic Centre (Program and Master Plan prepared in the framework of EU TRACECA)
- Establishment of Free Economic Zone
- Construction of a new passenger terminal (Concessioner)
- Creation of the largest transport hub in Armenia
- Ensuring necessary transport infrastructures: construction of new highway and rail line to the Airport





## GEOGRAPHICAL DESCRIPTION

Zvartnots International Airport is centrally situated close to the capital of Armenia, Yerevan.

Government has considered the geographical-political location of the country, the necessity of a sufficient transport hub (due to the increase in the volume of cargo loads), as well as the fact that approximately 60% of Armenian citizens have settled in Yerevan and its suburbs. After reviewing several additional factors the Government has come to the conclusion that project implementation requires urgent and complete attention.



## TECHNICAL DESCRIPTION

### Prediction of Loads Transported to the Airport:

Opening of the proposed ILC (2012-2013)	Starting year of the exploitation of the ILC	20 years of evaluation period	Final Development Stage of the ILC
GDP = same as in 2007	Cargo volume = 0.4 mln. tons  Demand growth = GDP growth of 6 months = 4.5% annually	Demand = more than 0.9 mln. tons annually	Goods volume = 0.6 mln. tons annually  Volume of the Cargo Terminal = 0.5 mln. tons annually



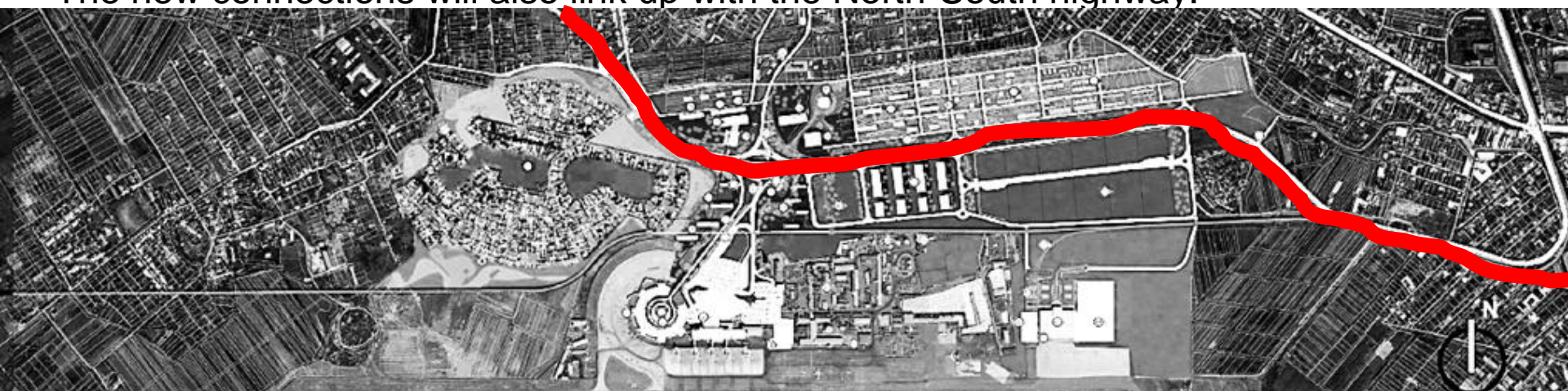
## TECHNICAL DESCRIPTION

### Approximation of Roads

A new road network extension will more directly link the capital to the airport through a 6-lane highway.

- Total length – about 3.5 km
- Cost of construction – around 45 mln. USD (without alienation zone), out of which:
  - Construction of 2x3 layer road and Escada – 2.5 mln. USD
  - Transport link, engineering communications, lighting pillars – 20 mln. USD

The new connections will also link up with the North-South highway.







## SOCIO-ECONOMIC DESCRIPTION

Logistic Center will offer various logistic services, will be equipped with modern infrastructures and will provide high quality of service, which will create excellent conditions for logistic service providers in promoting active logistics industry, as well as will significantly contribute to the development of foreign trade in Armenia.



# SOCIO-ECONOMIC DESCRIPTION

## LOGISTIC CENTER

Direct relationship with:

- The Free Economic Zone
- The airport cargo terminal
- The new cold storage
- New transport infrastructure







# SOCIO-ECONOMIC DESCRIPTION

## FREE ECONOMIC ZONE

Already constructed and operational are:

- A fully equipped cargo terminal and
- A high capacity cold storage facility

In addition, the FEZ will contain:

- Client-specific warehouses
- Processing, packaging and logistics





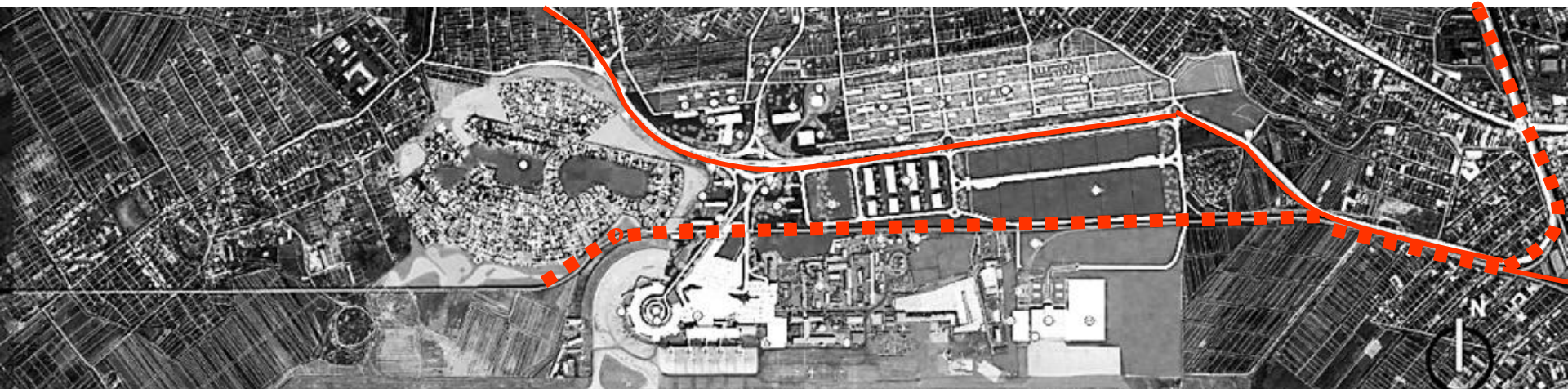


## ENHANCED RAIL CONNECTION

A rehabilitated rail connection will bring freight trains to the airport and Free Economic Zone logistic center.

This new line will serve both the logistics center needs and the airport jet fuel needs reducing costs and increasing efficiency.

MoTC of Armenia, jointly with “South Caucasus Railway” JSC, is preparing detailed design for the rail construction.



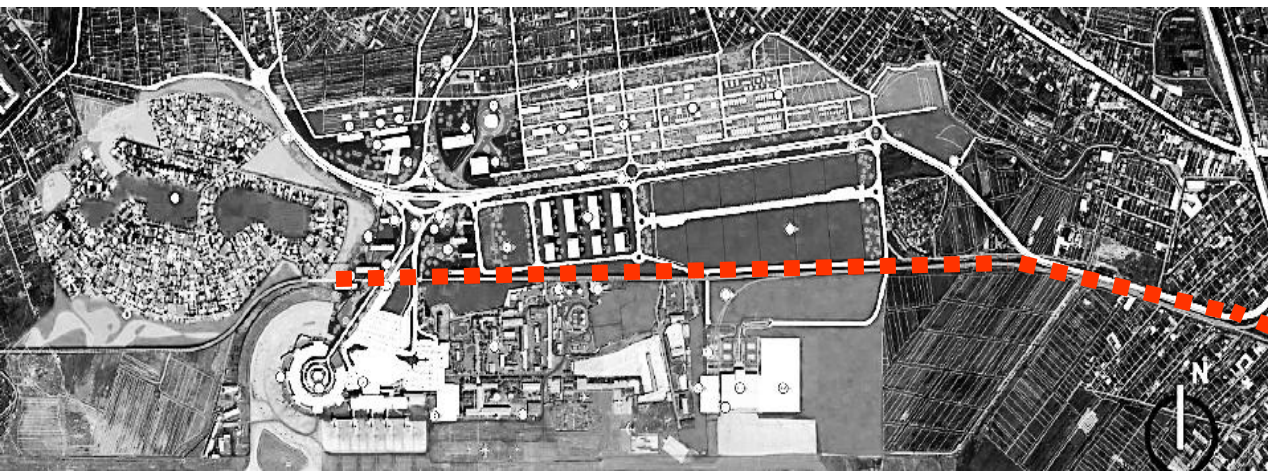


## ENHANCED RAIL CONNECTION (METRO)

Developed alignment for the new rail line (passenger terminal – Charbakh metro station, cargo terminal – Karmir Blur station by express train)

Cost of construction:

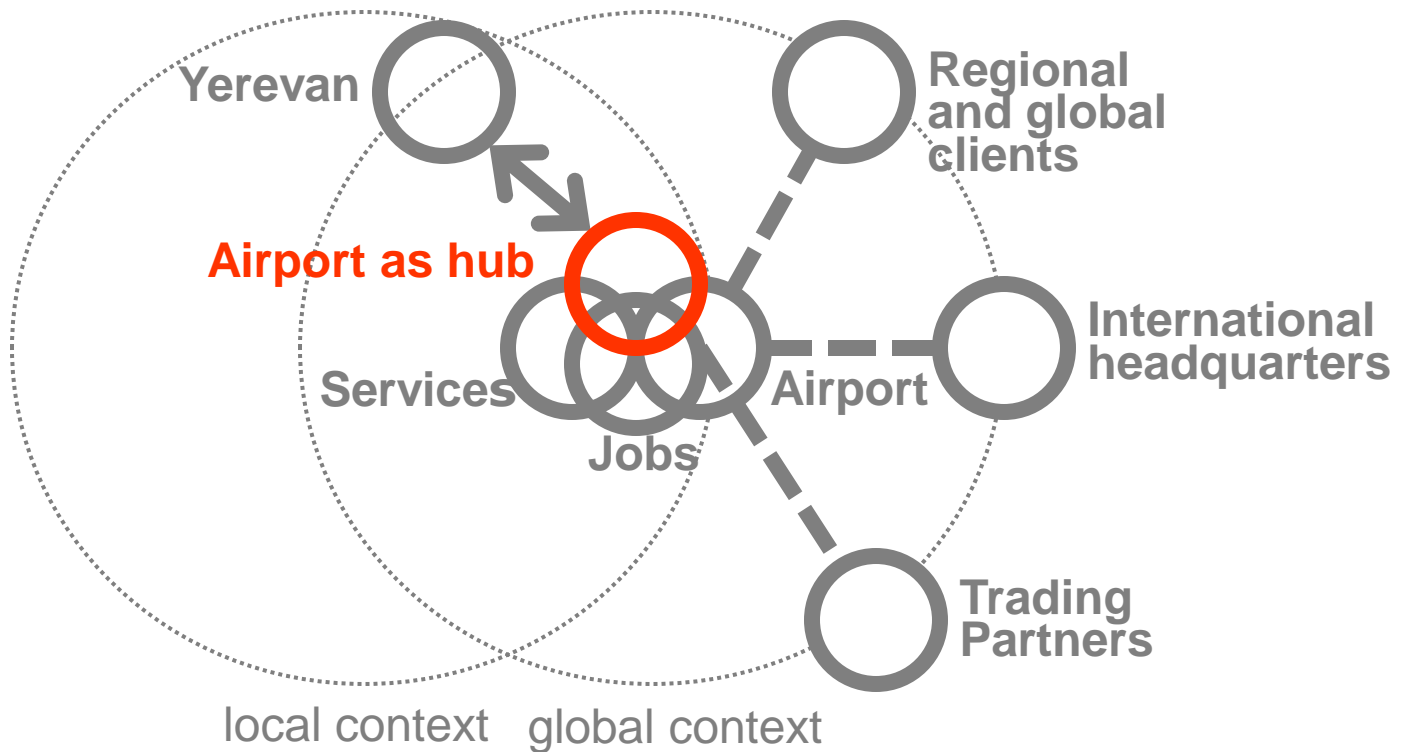
- Construction of the alignment – 5 mln. USD
- Construction of new railway – 3.1 mln. USD (3.9 km)
- Rehabilitation works – 1.5 mln. USD (3.5 km)
- 2 artificial structures – 0.4 mln. USD





# MULTIMODAL HUB

Creation of the largest transport hub in Armenia







## Russia/CIS

2.5-5 hours

5-10 hours

1-2.5 hours

# East Asia

# Shanghai

# Hong Kong

# Singapore

# India

# Dubai

# Middle East

# Turkey

# Europe

# Paris

# Africa

ankfurt



# INVESTMENT AMOUNT AND REPAYMENT

Total cost	
Zvartnots International Logistic Center	25 mln EURO
Free Economic Zone (FEZ)	
Transport Infrastructure	
Road	45 mln USD (without alienation zone)
Rail	5 mln USD (without land acquisition)
<b>TOTAL</b>	Around 90 mln USD (without FEZ)

## Sources for Financing

PPP/Investors/Russian Railways and the Concessioner of the “Zvartnots” International Airport/interested stakeholders and IFS.



# OTHER SOCIO-ECONOMIC DESCRIPTIONS

## Environment

The environmental impact of road and rail construction involves two known sites of archaeological interest: The green area along the bank of the Hrazdan river will be affected by minor visual impacts and will experience changes in air quality, noise and vibration.

## Rates of Return

Since there is no final Feasibility Study or detailed design available at this stage, the answer to this part of the fiche will be known later.





## OTHER SOCIO-ECONOMIC DESCRIPTIONS

### **Risk Assumptions and Constraints**

There are no apparent assessed risks or constraints to the project at this stage.

This is a business program and has minimal risks related to resettlement and land acquisition (the alienation zone experiences density of residential housing and businesses).



# LONG-TERM VISION: AIRPORT CITY





## SUMMARY

Investment Amount  
**25 mln. Euro**



After the completion of construction of the new passenger terminal of the “Zvartnots” International Airport it is also planned that the new building will be able to serve 3 million passengers instead of 1.6 million passengers annually.





**THANK YOU !**





# **TRACECA INVESTMENT FORUM 2012**

**Brussels, 28<sup>th</sup> February 2012**

Repair and Rehabilitation of Ferry Complex Varna –  
Construction of Intermodal Terminal Region of Ruse

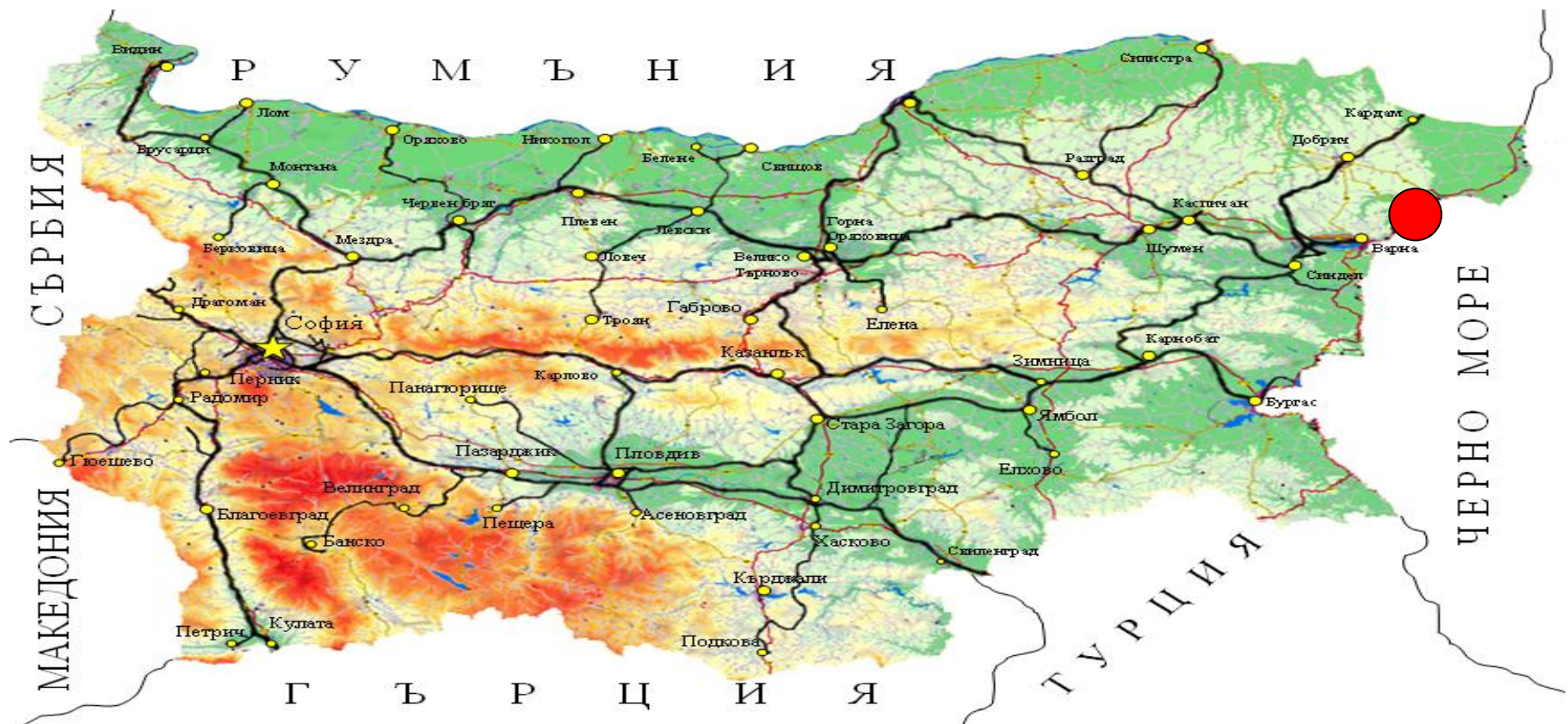
**REPUBLIC OF BULGARIA**







# REPAIR AND REHABILITATION OF FERRY COMPLEX VARNA





## LOCATION AND SITUATION

- Ferry Complex Varna is a port on the TRACECA corridor. The ferry complex is situated on VIII Pan-European Transport Corridor and connects the Adriatic sea with the Black sea area as well as linking to countries from Central Asia along the TRACECA corridor. The ferry complex is connected to the national railway and road networks.;
- Varna Ferry Complex was built in 1978, on the southern coast of Beloslav lake. The total territory of the complex is 1007 decares, located some 22 km to the west of Varna;
- It includes two ship sites, with a total length of 400 m and a depth of 8.5 m, equipped with hoist-transition bridges with five tracks of 1520 mm gauge.
- The capacity of the ferry-complex is 120 000 wagons and 3.5 million tons of freight per year;



## ACTIVITIES

### Serviced ferry lines

- Varna-Ilichevsk;
- Varna-Poti/Batumi/Ilichevsk;
- Varna-port Caucasus.

### Combined transport by ferry-boats

- Transportation of freight in wagons;
- Transportation of mega-trucks and semi-trailers;
- Transportation of containers;
- Other deck freight and auto-cars.





## ACTIVITIES

### Activities at Varna Ferry Complex

- Mooring and unmooring of ferry ships and the accompanying port services;
- Replacement of the bogies of the wagons for movement in the relevant railway administration from 1520 mm to 1435 mm gauge for the wagons from import, and from 1435 mm to 1520 mm for export;
- Re-loading, loading and unloading of wagons according to different technologies: wagon-wagon, lorry-wagon, ramp - wagon, wagon - ramp;
- Ensuring the storing of loads in customs-registered warehouses;



## SCOPE OF THE PROJECT

- Replacement of 100 m<sup>3</sup> wooden sleepers – ordinary and switch, in the yard 1520 mm;
- Repair of switches in the yard 1520 mm;
- Repair of the roof, light lanterns, skylights (oberlichts) and the structure of the workshop for replacement of bogies;
- Repair of the roof and VI floor of the Central Operative-Productive Building;
- Repair of roofs, skylights (oberlichts) and structure of the Re-loading Point;
- Repair of hoist transition bridge 2.



## PROJECT OBJECTIVES

- Use Ferry Complex Varna at its full capacity;
- Increase the capacity and possibility of processing more vessels simultaneously;
- Increase transportations from the Balkan peninsula and South–Eastern Europe to China and the countries of Middle Asia thus by-passing the over-loaded European ports;
- Increase the compatibility of ferry boats by improving the quality of offered services;
- Increase the reliability and efficiency of operations in order to attract new freight flows.





## ENVIRONMENT

- Low energy consumption;
- Low level of contamination emissions;
- Low level of noise in comparison to road transport;
- Preservation of the environment and create a sharp reduction of carbon dioxide emissions in the atmosphere.



## INVESTMENT NEEDED

Activity	Necessary funds -EURO
• Replacement of 100 m3 wooden sleepers – ordinary and switch in yard 1520 mm ;	100 000
• Repair of switches of the yard 1520 mm;	30 000
• Repair of the roof, skylights (oberlichts) and structures of the workshop for • replacement of bogies	200 000
• Repair of the roof and the VI floor of the Central	45 000



## INVESTMENT NEEDED

Activity	Necessary funds -EURO
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Operative-Productive Building;

Repair of the roof, skylights (oberlichts), and structures of Re-loading Point;

125 000

- Repair of hoist transition bridge 2. 400 000

*This is a preliminary evaluation and has been prepared by the specialists from BDZ-CARGO EOOD, 20% of these costs are for repair of the existing equipment and will be made on the account of the owners – NC “Port infrastructure”, State Enterprise NRIC, Holding BDZ EAD.*





## POLITICAL CRITERIA

- Agreement between the Government of Ukraine and the Government of Republic of Bulgaria about joint operation of ferry complex between port Ilichevsk (Ukraine) and port Varna (Republic of Bulgaria);
- Agreement between the Government of Republic of Bulgaria, the Executive Authority of Georgia and the Cabinet of Ministers of Ukraine about joint operation of the railway ferry connection between ports Varna (Republic of Bulgaria), Poti/Batumi (Georgia) and Ilichevsk (Ukraine);
- Agreement between the Ministry of Transport of Russian Federation about organization the direct transport through port Varna (Respublic of Bulgaria) and Caucasus (Russian Federation);
- Rehabilitation of Ferry Complex Varna is envisaged in the pilot project “Varna–Ilichevsk–Poti”, “ Sea Motorways in Black and Caspian seas”;
- Possibility for giving the complex to concession;

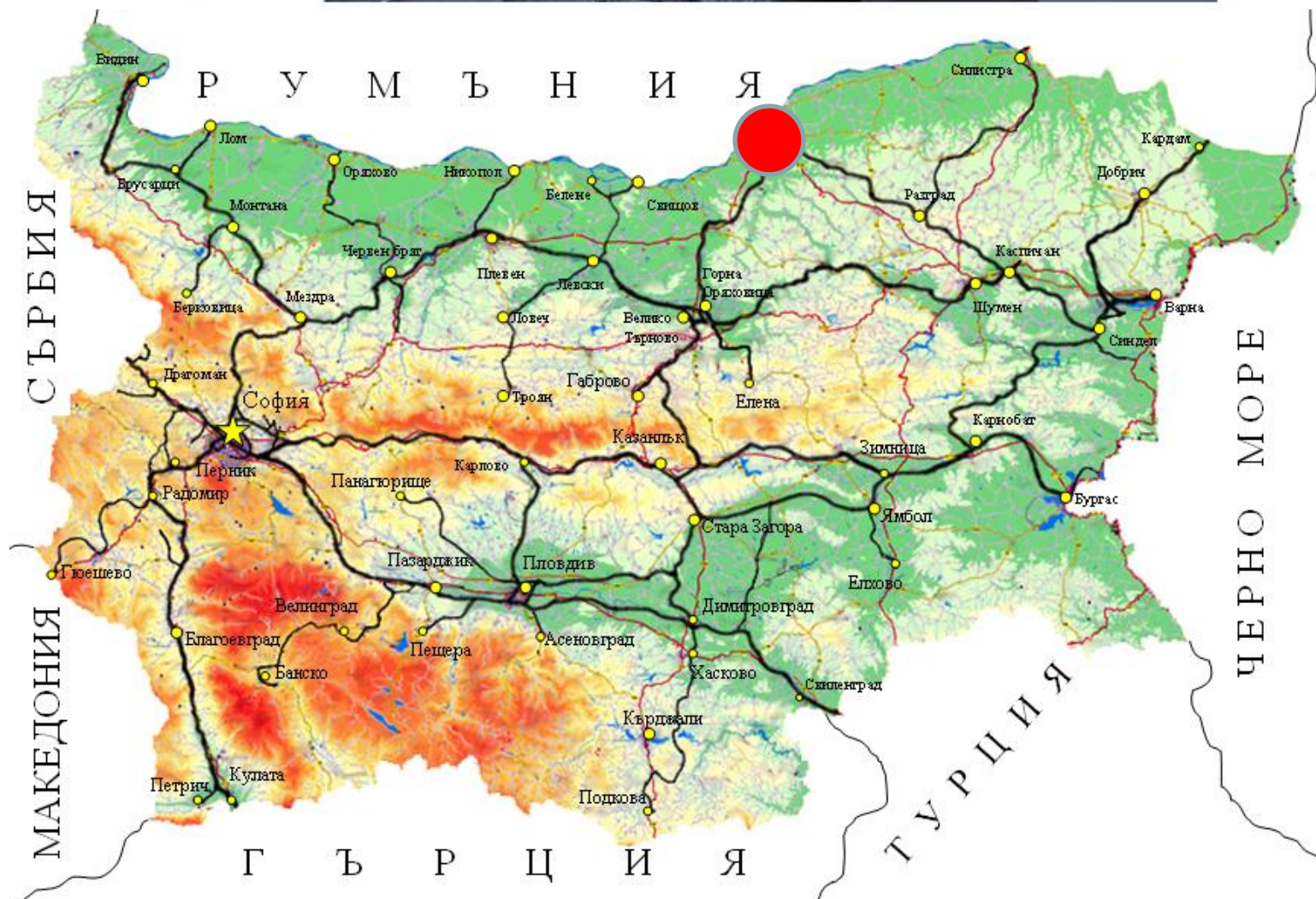


## EXPECTED RESULTS

- Transforming Varna into a logistics centre at the shortest route between Europe and Asia;
- Offer a transport alternative that conserves and protects the natural environment;
- Increase the traffic capacity;
- Improve the quality of services offered;
- Increase of the volume of transport and attract new customers with a quality cheap service.



# CONSTRUCTION OF THE INTERMODAL TERMINAL IN THE REGION OF RUSE CITY







## LOCATION

The Port of Ruse is the biggest Bulgarian river port;

The city of Ruse is located on the Danube River and exists as an important intermodal junction offering a unique strategic location and significant trade whilst acting as a commercial and transport center;

It is the only railway terminal in North Bulgaria;

The terminal is within two European corridors:

- VII - the rivers Rein–Main–Danube and
- IX - Guergevo–Ruse–Dimitrovgrad–Alexandrupolis/Istanbul;

The Ruse Railway Station is connected to the Black Sea Port of Varna through the railway line Ruse–Varna, representing a vital connection for intermodal transport.



## SCOPE OF THE PROJECT

Technical Assistance for Construction of Intermodal Terminal in the Region of Ruse City” project will initially use financing from the Operational Programme on Transport.

### Activities:

- Preparation of needs assessment and definition of the project;
- Preparation of financial and economic “cost-benefit” analyses;
- Preparation of a preliminary design for the construction of an intermodal terminal in Ruse;
- Analysis of the options for public–private partnership for construction and operation of intermodal terminal in Ruse and preparation of PPP strategy;
- Preparation of public procurements and tender documentation.




## PROJECT OBJECTIVES

- Balancing of different transport modes to the advantage of railway transport thus attracting transportations from road to railway transport;
- Increase in international intermodal transportations with TRACECA countries and Eastern and Central Europe;
- Intermodality improvements in the South–East region of EU;
- Higher quality railway services leading to an increase in transport market competitiveness.
- Development of reliable transport by integration of different transport modes and creation of conditions for development of intermodal cooperation.



## TECHNICAL CRITERIA

- Construction of IMT – *area of 150 - 200 dca*
- Operative interaction 
  - railway*
  - road*
  - water*
- Modality – *vehicle* ↔ *wagon* ↔ *ship*
- Reliability – *transfer of freight from road to railway transport with the purpose of decrease of harmful emissions in air*
- Save of traveling time - *time stop shortening during border crossings results in freights delivery acceleration*





## ECONOMIC CRITERIA

- Forecasted period 2025
- Investment costs – 15 mln. euro  
*for construction of the terminal by NRIC*
- *Construction duration - 24 months*
- Investment costs – 1.160 mln. euro  
*for equipment by a private railway operator*
- Current costs – 508,000/per year  
*(for maintenance and operation)*
- Terminal return period – over 30 years  
*on the basis of accounts for other terminals*
- Return period – 4.5 years  
*of the equipment in case of 25 years operation by the Operator*



## ENVIRONMENT

- Decrease in harmful emissions;
- Decrease in noise pollution through noise protection projects (implemented if necessary);
- Decrease in energy sources consumption.



## EXPECTED RESULTS

- Creation of conditions for development of intermodal transportations;
- Improvement to intermodal infrastructure
- Increase in working positions and standard of living in the region;
- Increase in the quality of transport services;
- Achieve a balance between the different transport modes, developed intermodal transportation using the sea-railway-river system;
- Increase in trade between Bulgaria and Eastern and Central European countries;
- Decrease in harmful emissions and motor-car accidents on highways.



## SUMMARY

The possibilities for the application of PPP will be estimated during the last stage of the project with technical assistance.

The project is included in the following strategic documents:

- “Strategy for Integration of the Bulgarian Railway Infrastructure into the European Network for Intermodal Transport”
- “Strategy for Development of the Transport Infrastructure of Republic of Bulgaria until 2015”

The commencement and implementation of the project depends on the conclusion of the “Technical Assistance for Construction of Intermodal Terminal in the Region of Ruse City” project.





# Thank you for your attention!

National Secretariat of TRACECA in Bulgaria





# **TRACECA INVESTMENT FORUM 2012**

**Brussels, 28<sup>th</sup> February 2012**

## **Establishing Passenger Right Information Center in İstanbul Atatürk Airport**

**REPUBLIC OF TURKEY**





## Establishing Passenger Right Information Center in İstanbul Atatürk Airport

- Located on TRACECA Route at İstanbul Atatürk Airport
- Regulation (EC) No: 261/2004, 03.12.2011 Turkey
- Atatürk Airport is one of the top 50 busiest airports in the world
- 38 million passengers in 2011





## INFORMATION CENTER



- Denied boarding
- Reduced mobility
- Cancellation
- Long delays
- Baggage
- Identity of Airlines



## GEOGRAPHICAL DESCRIPTION

- Located at İstanbul Ataturk Airport
- New link between 13 members of TRACECA
- Connecting 13 TRACECA Member States' capital city airports



## GEOGRAPHICAL DESCRIPTION





# GEOGRAPHICAL DESCRIPTION







## TECHNICAL DESCRIPTION

Cost and Timing	Mobilization Phase	Development Phase	Consolidation Phase	Total
Time (years)	3 months	5 months	4 months	12 months
Cost (million Euros)	1 million Euros	2 million Euros	2 million Euros	5 million Euros



## COMPONENTS OF THE PROJECT

- **Component 1. Support the Network Connection of TRACECA Member States' Capital City Airports.**
- Needs Analysis
- Working Group
- Capital Airport Network Connection with Atatürk Airport and Network Facilities
- Training Facilities



## COMPONENTS OF THE PROJECT

- **Component 2. Establishing and strengthening of Information Center at Atatürk Airport**
- Connections between TRACECA Member States' Capital City Airports
- **Component 3. Launching of Test/Control Studies at the Information Center and Commencing Activities**
- Control Studies
- Problem Solving



## INVESTMENT AMOUNT AND REPAYMENT

- Non-profit organization
- Savings in travel costs and time
- Solve passenger problems
- 5 million Euros and a 12-month Investment Period
- Sponsorship of Airlines, Airport Authorities, DGCA's







## SUMMARY OF THE PROJECT





## CONCLUSION

THANKS FOR YOUR ATTENTION

Ayten KISACIK /EU COORDINATOR  
[ak@shgm.gov.tr](mailto:ak@shgm.gov.tr)







# **TRACECA INVESTMENT FORUM 2012**

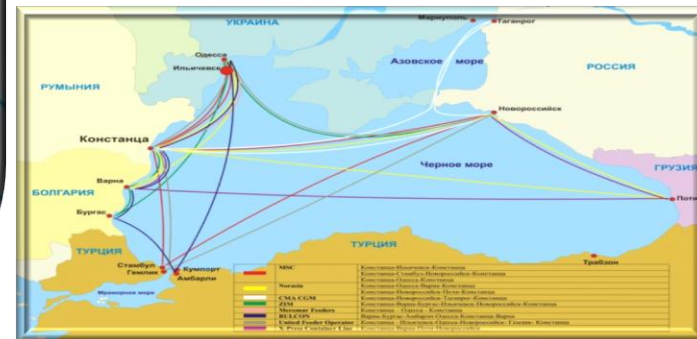
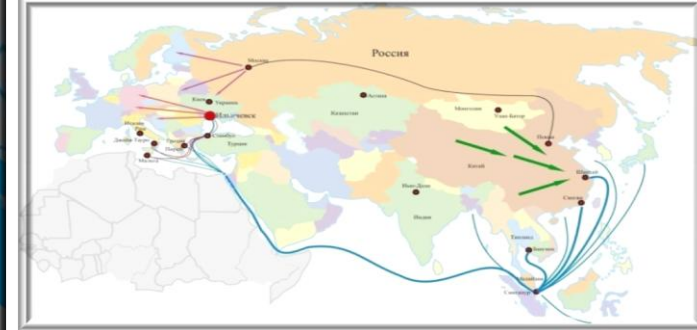
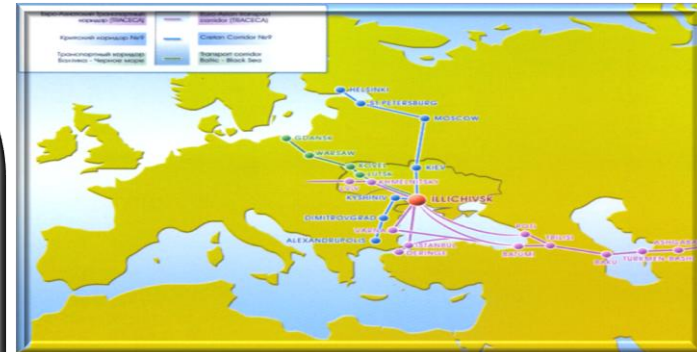
**Brussels, 28<sup>th</sup> February 2012**

## **Development of Multimodal Complex State Enterprise “Sea Commercial Port of Illichivsk”**

**UKRAINE**









# State Enterprise "Sea Commercial Port of Illichivsk"

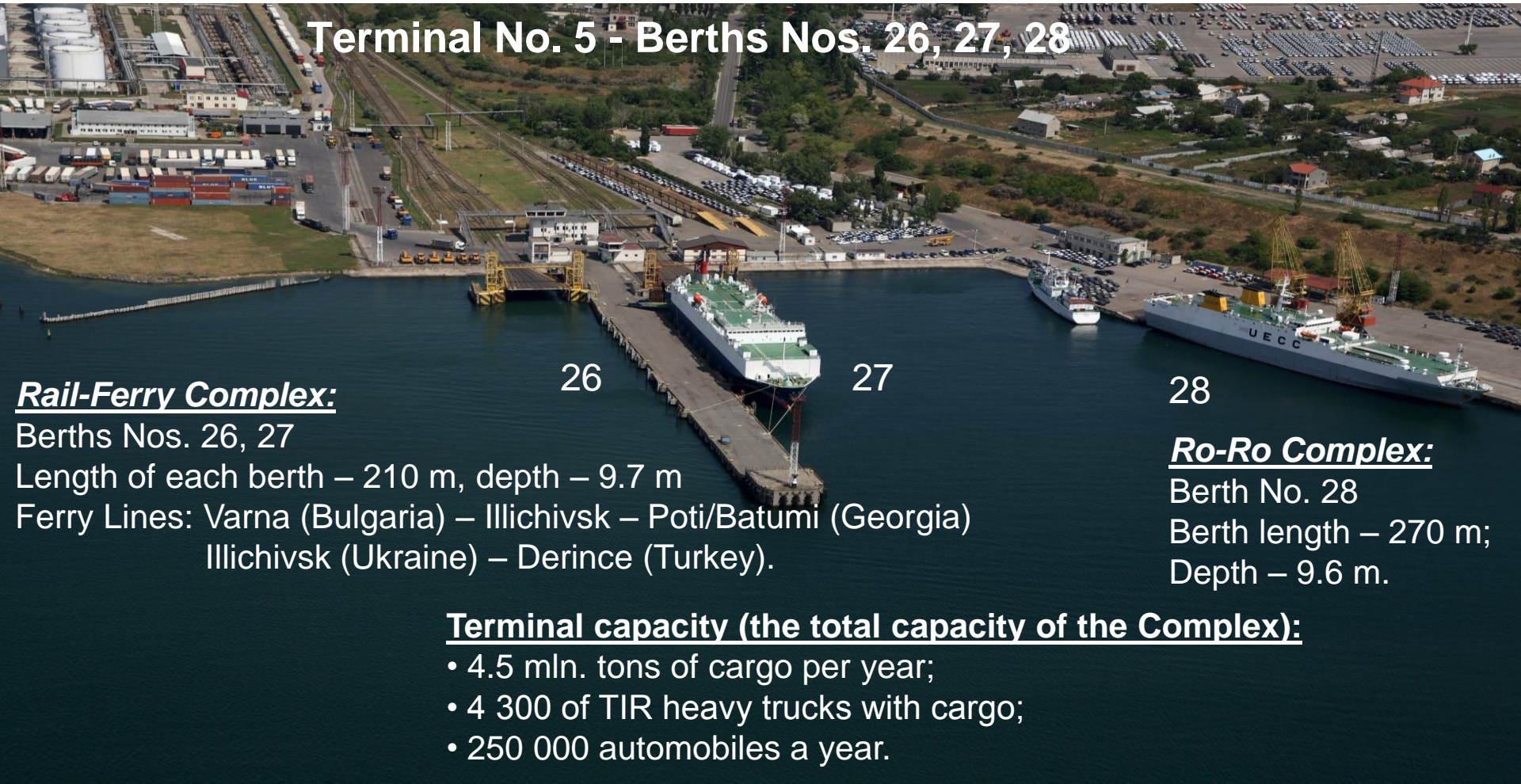






## TECHNICAL DESCRIPTION

### Terminal No. 5 - Berths Nos. 26, 27, 28



#### **Rail-Ferry Complex:**

Berths Nos. 26, 27

Length of each berth – 210 m, depth – 9.7 m

Ferry Lines: Varna (Bulgaria) – Illichivsk – Poti/Batumi (Georgia)  
Illichivsk (Ukraine) – Derince (Turkey).

26

27

28

#### **Ro-Ro Complex:**

Berth No. 28

Berth length – 270 m;

Depth – 9.6 m.

#### **Terminal capacity (the total capacity of the Complex):**

- 4.5 mln. tons of cargo per year;
- 4 300 of TIR heavy trucks with cargo;
- 250 000 automobiles a year.





# TECHNICAL DESCRIPTION

## RO-RO Complex - Berth No. 28

*Storage area No.25*

Years	Turnover, units	Deviation, %
2006	40 291	
2007	117 522	473.5 %
2008	248 465	211.4 %
2009	28 813	-88.4 %
2010	50 052	173.7 %
2011	108 051	215.8%

28

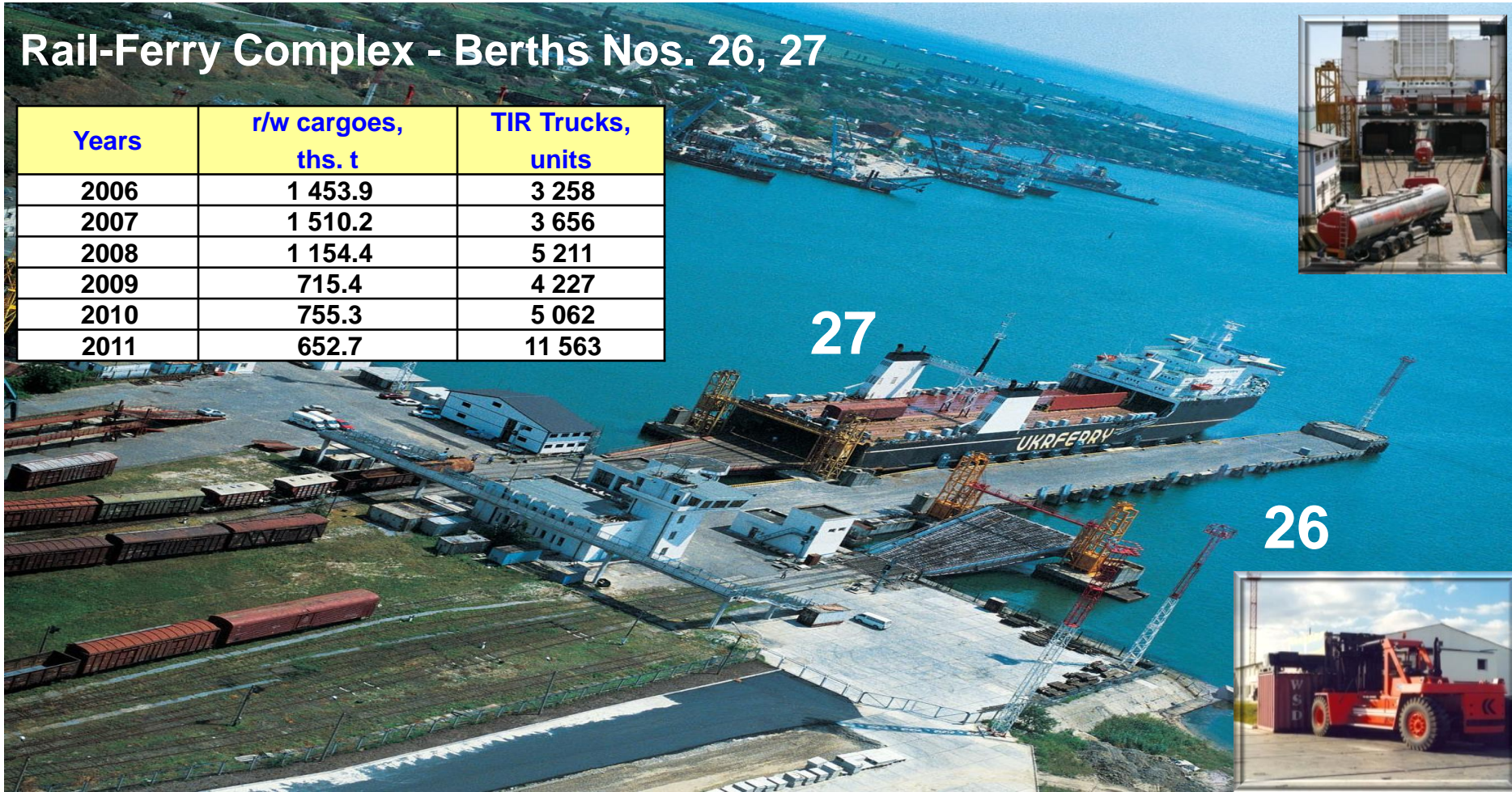




# TECHNICAL DESCRIPTION

## Rail-Ferry Complex - Berths Nos. 26, 27

Years	r/w cargoes, ths. t	TIR Trucks, units
2006	1 453.9	3 258
2007	1 510.2	3 656
2008	1 154.4	5 211
2009	715.4	4 227
2010	755.3	5 062
2011	652.7	11 563





As part of the Memorandum between the Government of Ukraine and the European Commission of October 24, 1997 regarding the development of the r/w ferry line Varna – Illichivsk – Poti/Batumi, the following activities have been carried out:

- construction of a container-motor area of the ferry complex in the port of Illichivsk;
- overhaul reconditioning of the railway tracks for the station Illichivsk-Paromnaya;
- purchase of cargo handling machinery for the container-motor area of the ferry complex.

The project was implemented in the period 1998-2000. Financing is provided by the European Union's funding under the TACIS-TRACECA program.



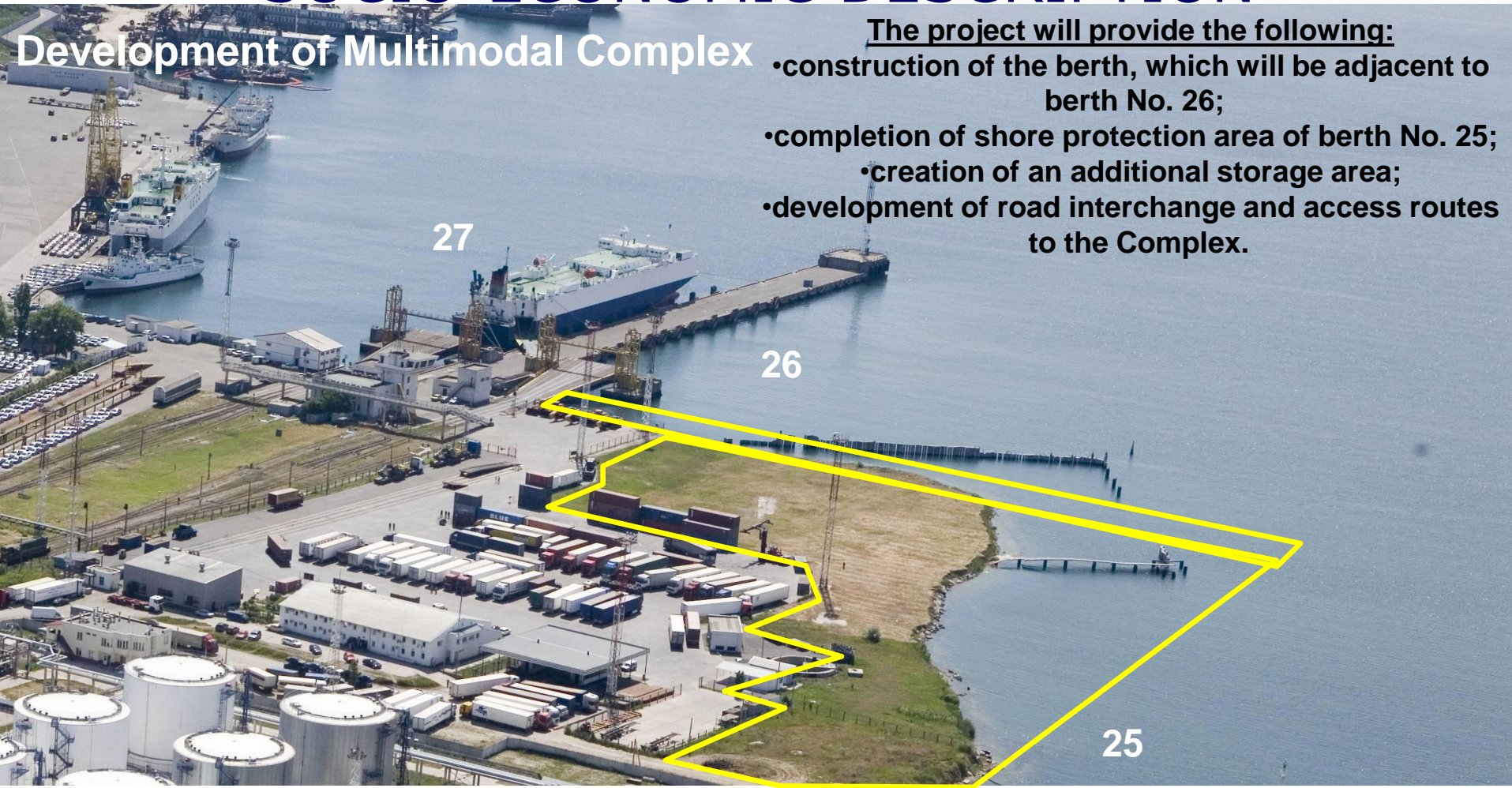


# SOCIO-ECONOMIC DESCRIPTION

## Development of Multimodal Complex

The project will provide the following:

- construction of the berth, which will be adjacent to berth No. 26;
- completion of shore protection area of berth No. 25;
- creation of an additional storage area;
- development of road interchange and access routes to the Complex.





# DEVELOPMENT OF MULTIMODAL COMPLEX

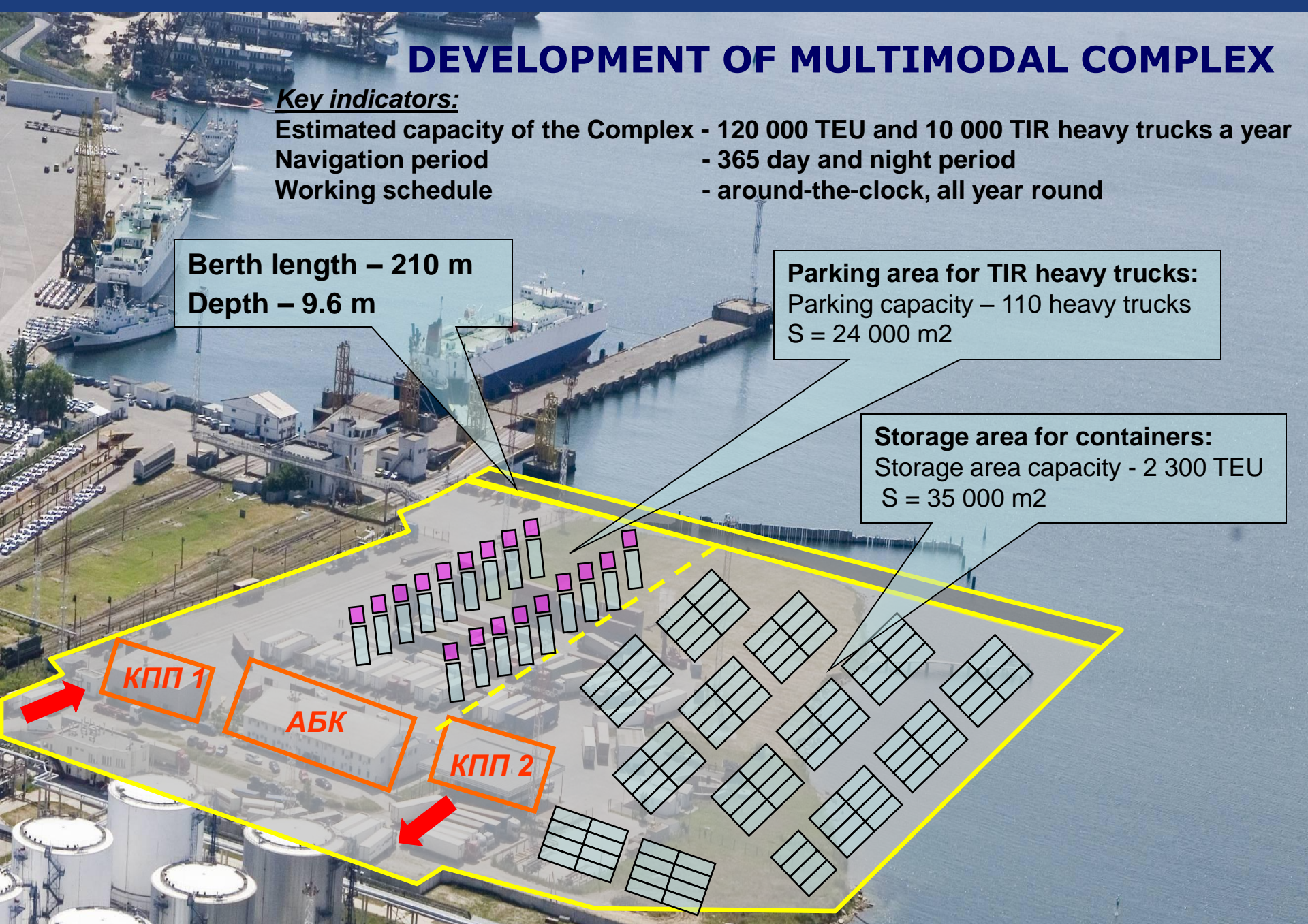
## Key indicators:

- Estimated capacity of the Complex - 120 000 TEU and 10 000 TIR heavy trucks a year
- Navigation period
  - 365 day and night period
- Working schedule
  - around-the-clock, all year round

Berth length – 210 m  
Depth – 9.6 m

Parking area for TIR heavy trucks:  
Parking capacity – 110 heavy trucks  
 $S = 24\,000\text{ m}^2$

Storage area for containers:  
Storage area capacity - 2 300 TEU  
 $S = 35\,000\text{ m}^2$







# INVESTMENT AMOUNT AND REPAYMENT

## Estimated volume of investments:

Construction of the berth	- 9.0 mln. Euro
Coast protection	- 5.5 mln. Euro
Arrangement of rear areas	- 4.5 mln. Euro
Purchasing of machinery	- <u>8.0 mln. Euro</u>
<b>Total</b>	<b>- 27.0 mln. Euro</b>

		Year 1	Year 2	Year 3	Year 4	Year 5
<b>CARGOTURNOVER:</b>						
<b>Containers</b>	<b>TEU</b>	<b>50 000</b>	<b>90 000</b>	<b>120 000</b>	<b>120 000</b>	<b>120 000</b>
<b>TIR Trucks</b>	<b>un.</b>	<b>7 500</b>	<b>8 000</b>	<b>10 000</b>	<b>10 000</b>	<b>10 000</b>
<b>INCOME</b>	Thous a nd \$	8 492 250	15 031 400	20 011 000	20 011 000	20 011 000
<b>EXPENDITURES</b>		4 252 500	7 517 000	10 006 000	10 006 000	10 006 000
<b>PROFIT</b>		4 239 750	7 514 400	10 005 000	10 005 000	10 005 000
<b>NET PROFIT</b>		<b>3 391 800</b>	<b>6 011 520</b>	<b>8 004 000</b>	<b>8 004 000</b>	<b>8 004 000</b>

**Payback period – 4.2 years**





## INVESTMENT AMOUNT AND REPAYMENT

SE "SCPI" is planning to bring to the "Development of a Multimodal Complex" project either a new grant from the European Union or a bank loan without a government guarantee.

### **Project implementation is provided by the following:**

- Development Programme of the SE "SCPI" until 2015 (approved by the Ministry of Transport and Communications of Ukraine No.367 dated April 3, 2009);
- Decree of the Cabinet of Ministers of Ukraine No.166-p dated January 6, 2010.



## OTHER SOCIO-ECONOMIC DESCRIPTIONS

### Expected results:

- an increase in the competitiveness of the SE “Sea Commercial Port of Illichivsk”;
- guarantees for stable cargo-flow;
- an increase in the facilities’ usage effectiveness;
- the quantity of goods will not decrease;
- safe working conditions with modern technological equipment.

The Project will not adversely affect the environment or public facilities.



## SUMMARY

Investment Amount

**27.0 mln. Euro**





**THANK YOU FOR YOUR ATTENTION!**

*A. Lutsenko*