

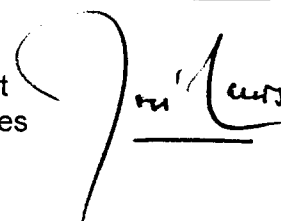
FINAL REPORT

PROJECT TITLE	FORWARDING-MULTIMODAL TRANSPORT SYSTEMS
PROJECT NUMBER	TELEREG 9201
COUNTRIES	SOUTHERN REPUBLICS OF THE CIS AND GEORGIA

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DATE OF REPORT
REPORTING PERIOD
AUTHOR OF THE REPORT

May 1997
Final Report
Jose Caceres



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1. PROJECT SYNOPSIS

PROJECT TITLE	FORWARDING-MULTI-MODAL TRANSPORT SYSTEMS
PROJECT NUMBER	TELEREG 9201
COUNTRIES	SOUTHERN REPUBLICS OF THE CIS AND GEORGIA
PROJECT OBJECTIVES	<p>The overall objectives of this study are to assess the condition of the multi-modal transport system, determine priority actions for the design and development of commercially oriented multi-modal transport services in the TRACECA Region. This is to be achieved, first by enhancing the capability of various groups of technical and administrative staff, and secondly, through providing assistance and training to intermodal organisations on multi-modal business management.</p>
PROJECT OUTPUTS	<ul style="list-style-type: none">* Phase 1: identification of the existing problems and recommendations to organise the multi-modal transport.* Phase 2: transfer of intermodal technologies to a TRACECA intermodal freight transport working group through practical studies, «on-the-job training» activities including a study tour in E.U.* Phase 3: proposals for future investment to promote and develop commercially attractive and competitive intermodal services from both the economic and technical point of view
PROJECT ACTIVITIES	<ol style="list-style-type: none">1. Assessment of the existing multi-modal transport services in the area.2. Setting up an intermodal freight transport group, which will carry out a series of activities:<ul style="list-style-type: none">* examine Western countries multi-modal systems from a technical and commercial point of view;* familiarise with intermodal E.U. technologies* creation of contacts with potential customers of TRACECA intermodal transport services (meeting with relevant multi-modal transport companies and organisations).3. Elaboration of a case study and proposals directed at promoting and developing commercially attractive and competitive intermodal services4. Training on concrete problems <p>Follow up and overall review of the project</p>
PROJECT START	30 January 1996
PROJECT DURATION	11 months: from February 1996 till January 1997

2. Summary of project since the start

The Technical Assistance programme was commissioned in December 1995. The project was started in January 1996.

Phase 1: Identification of the existing problems and recommendations to organise the multi-modal transport:

The work programme consisted of a survey of the existing technology through specific questionnaire and a series of on-the-spot visits to each of the eight TRACECA countries in February 1996, in May and from July to August 1996. These two activities were designed to provide a comprehensive view of the nature of multimodal sector problems and design appropriate strategies and investment projects to develop freight movements by container. These activities allowed the team of experts to produce the assessment of the existing system.

Additionally, the multimodal Project Team conducted a specific survey of the cotton market in Uzbekistan to examine the potential for using multi-modal techniques in the export of cotton from Uzbekistan. This enabled the project to examine the buyers' attitudes towards the use of multi-modal transport technology.

Phase 2: Transfer of intermodal technologies to a TRACECA intermodal freight transport working group .

In May 1996, a multimodal Transport Group was set up and in June 1996 this Group participated in a Study Tour in E.U. countries in order to examine intermodal technologies and organisations. The technical programme was designed to ensure a real exposure of TRACECA multi-modal groups to the European Unions' practices through a series of on-site visits to selected multi-modal sites and organisations. It included the different means of transport (rail; road and maritime) and facets of multimodal transport as well as technologies and associated logistics-related services in two European countries (Germany and France). Among others, it included meetings and visits to multimodal companies belonging to INTERCONTAINER and the IURR¹ (the two competing European groups) as well as the EUROPEAN INTERMODAL ASSOCIATION. It also included the visit to multimodal operators: Maritime operators' facilities (The Hamburger Hafen und Lagerhaus-Atiengesellschaft) and Road companies (Calberson-GE and TAB).

Phase 3: Proposals for future investment to promote and develop commercially attractive and competitive intermodal services from both the economic and technical point of view

The third and final phase included a set of case studies prepared to facilitate the development of multimodal transport. The practical workshop which followed (Tashkent on the 15, 16 and 17 January 1997) allowed the team of experts to present the case studies and discuss the proposed strategy with local counterparts. Inter-modal case studies were prepared to provide short-term solutions to facilitate container traffic and to train staff in appropriate technology and medium-term solutions for advanced systems. The different topics were addressed during a practical three-day seminar held in. The seminar also allowed organisations from different countries and from different transport modes to be brought together around the same table to discuss the Multimodal Transport Strategy proposed by the European team of experts.

¹ International Union of Rail-Road Companies.

3. Project progress in final project period

3.1. Achievements in comparison with the planned results

Phase 3 of the project focused on the elaboration of a set of Inter-modal case studies to provide short-term solutions to facilitate container traffic and train staff in appropriate technology and medium-term solutions for advanced systems. The different topics were addressed during a practical three-day seminar held in Tashkent on the 15, 16 and 17 January 1997. It covered the following topics:

- Multimodal Transport: a logical choice: J. CACERES
- Potential for Intermodal Transport: « Traffic Forecast »: P. PEZANT
- Setting up a Multimodal organisation: C. DURAND
- Organisation of the Multimodal chain through a case study (cotton movement): Mr M. LANDRIN and Mr L. CHEESMAN
- Presentation of the « Trans-Caucasian Container Pilot Train »: W. KRANZ
- Setting up special container train (schedule and frequency of services) and Advice on terminal infrastructure and handling equipment: F. PRESCHA
- Reorganisation of the container tariff policy: C. DURAND
- The integration of maritime ports: B. FRANCOU

The workshop was also to allow transport organisations from different countries and from different transport modes to be brought together around the same table to discuss the Multimodal Transport Strategy proposed by the European team of experts. The audience included 30 participants from decision makers from Ministries of Transport (or their equivalent where there is not such a Ministry), to executive from providers of International transport services (railways, road hauliers, freight forwarders, shipping lines) from the eight TRACECA countries.

3.2. Deviation from original planning and reasons

Initially planned to be held at two different places, Tashkent and Tbilissi, at the end of November, the Workshop was postponed by mutual accord with the TRACECA management in Brussels and concentrated in one comprehensive Workshop with participation of experts from other related projects, in particular, the experts from the Project «Container Pilot Train »(TEWET) and « Uzbek Cotton Transport » (SWK-BCEOM).

As the Workshop was to be postponed, it was found that the more convenient date would be in January 1997, after the holidays in Europe and in Central Asia. The different topics were finally addressed during a practical three-day seminar held in Tashkent in January 1997.

TABLE 2.2 : PROJECT PROGRESS ON THE FINAL PERIOD

Project Title : Forwarding - Multimodal Transport Systems		Project Number : TELEREG9201		Country : Southern Republics of the CIS and Georgia - TRACECA									
Planning Period : September 1996 / February 1997		Prepared on : Feb 1997		EC Consultant : BCEOM in association with SYSTRA and DE-Consult									
Total Planned: Feb 1996 - Jan. 1997		Project Objectives : To assess the condition of the multi-modal transport system, determining the priorities actions for the design and development of commercially oriented multi-modal transport services and providing training		TIME FRAME 1996-97									
No	MAIN ACTIVITIES	INPUTS											
		PERSONNEL EC Consultant			COUNTERPART		EQUIPMENT & MATERIAL		OTHERS (flights)				
		Planned	Utilised	Planned	Utilised	Planned	Utilised	Planned	Utilised	Planned	Utilised	Planned	Utilised
1	Identification of participants for the case study	0.25	0.25										
2	Preparation of the case study and Invest. projects	5	5	5	5								
3	Execution of the case study	1.5	1.5					Training aids		6			6
4	Evaluation and conclusions	0.5	0.5	1	1							1	1
		7.25	7.25	6	6							7	7

TABLE 2.3 : RESOURCE UTILISATION REPORT

Project title : Forwarding Multimodal Transports Systems		Project number : TELREGG9201	Country : Southern Republics of the CIS and Georgia- TRACECA		Page : 1
Planning period : from February 1996 to January 1997		Prepared on : May 1997	EC Consultant : BCEOM in association with SYSTRA and DE-CONSULT		
Project objectives : to assess the condition of the multi-modal transport system, determining the priorities actions for the design and development of commercially oriented multi-modal transport services and provide training"					
RESOURCES/INPUTS	TOTAL PLANNED	PERIOD PLANNED	PERIOD REALISED	TOTAL REALISED	AVAILABLE FOR REMAINDER
PERSONNEL					
Project Manager: J. Caceres	8.5 work months	1.65 work month	1.65 work month	8,15 work months	0 work month
Technology expert: F. Prescha	2.25 work months	0.9. work month	0.9. work month	2.25 work months	0 work month
Operational Expert: M. Landrin	2.25 work months	0.75 work month	0.75 work month	2.25 work months	0 work month
Management Expert: C. Durand	2.25 work months	0.7 work month	0.7 work month	2.25 work months	0 work month
Marketing Expert: B. Francou	2.25 work months	1 work month	1 work month	2.25 work months	0 work month
Transport Planner: P. Pezant	2.5 work months	1.25 work month	1.25 work month	2.5 work months	0 work month
Study Tour assistant: Gauthier	1 work month	0 work month	0 work month	1.35 work month	0 work month
Total expatriates experts	21 work months	6.25 work months	6.25 work months	21 work months	0 work month
Local experts	25 work months	7.5 work months	7.5 work months	25 work months	0 work months
EQUIPMENT AND MATERIAL					
Equipment and training aids	Study tour and case studies training supports				
OTHER INPUTS					
International flights	19	9	9	19	0

TABLE 2.4. OUTPUT PERFORMANCE REPORT

Project title : Forwarding Multimodal Transports Systems		Project N° : TELREGG9201	Country : Southern Republics of the CIS and Georgia-TRACECA	Page : 1
Prepared on : Feb 1997		EC Consultant: BCEOM in association with SYSTRA and DE-CONSULT		
Output results	Deviation original plan + or - %	Reason for deviation	Comment on constrains & assumptions	
Inception Report	2 weeks delay for the Russian version	translations of documents	Contract signed on December 13. The project effective started on 27 January.	
Study Tour in E.U countries (Phase 2)	Realised as planned in the Inception Report.			
Progress Report	English version produced at the end of September. Originally, the submission was foreseen at the end of July. Russian version will required at least two weeks more. It will be produced by the end of October.	The completion of the Preliminary Assessment Task 4 and the Recommendation and Analysis task N° 6, to be executed during month 2 and 3, has been finally postponed to integrate comments and suggestions from the TRACECA countries participants to the Study Tour in E.U countries. This task has been finally carried out during the period from May to August.		
Draft Final Report	English version produced at the end of February 97. Originally, the submission was foreseen at the end of December. Russian version required at four weeks more. It has been produced at the end of March.	As the Workshop was postponed (initially planned in November 96, the Workshop was finally held on the 15, 16 and 17 January 97). The Draft Final Report was then produced in February 1997 instead of December 1996.		
Final Report	Produced in May 1997.	After receiving the comments on the Draft Final Report, April 30, the final version was completed and produced in May 97.		

4. Overall report on the total project

The contract was signed on December 13, 1995. The project started on 30 January 1996. A first visit to all the eight TRACECA countries was conducted by the Team leader during the period 29 January 1996 to 15 March 1996. The purpose of the visit was to explain and agree with representatives of Partners Organisations on the objectives, the organisation of the work, the structure of the work programme and the specialist input (local and expatriate), as well as their timing. In some countries, especially Georgia and Armenia, the recipient institutions were not yet prepared to assign the local transport organisations and experts to be involved in the project, and asked for additional time to decide on the definitive local organisation.

On the basis of discussions and agreements, the Consultant prepared and sent to the main recipient institutions a document summarising the project objectives and the structure of the work programme, as well as the profile and expected input from the « local group of experts ». The local group of experts was asked to be composed of three specialist representatives from the various transport modes: rail, road, and maritime and waterways. They were provided with a « Guide for the collection of basic data » to start the work between mid-March to mid May, before the visit of expatriate experts to the region.

During this preparatory period, the Team Leader was asked by the TRACECA management to incorporate active assistance to the local operators, in particular to the shipments along the TRACECA route of cotton from Uzbekistan and oil equipment from Poti. To fulfill this request, some modifications of the initial programme have been introduced. A specific survey was prepared on the cotton movement from Uzbekistan.

At the same time, preparatory activities related to the second phase (Study Tour in the E.U. countries) were initiated. The Consultant defined the profile of the expected participants (one high ranking decision-maker and one high level specialist per country) and asked the main Recipient Organisations to select the persons to compose the Country delegation.

The Inception Report (English version) was produced and forwarded to the different TACIS CU and DG1 bodies concerned two months later, after the effective date of start (project signed on December 13 and started on January 30).

Phase 1: Identification of the existing problems and recommendations to organise the multi-modal transport:

Thanks to this preparatory work, the activities of phases 1 and 2 (Analysis and Recommendations and Study Visit in E.U. countries) started satisfactorily. After solving the problems of identifying local transport organisations « local experts groups » were able to work on the project. The detailed survey was initiated by the local experts groups on the base of the « Guide for the collection of basic data ».

During various visits to the region organised from May to August 1996, both teams of experts (expatriate and local) completed the questionnaire. It must be noted that the first visit, (11th to 29th May in six of eight the TRACECA countries) was performed by all the team members together to define the objectives and the contribution expected from each member of the team.

The technical Draft Final Report produced in February summarised the main findings and proposals for improvements as requested in the TOR. Report discussions have been held with The TRACECA coordination Team as well as the M&E team. In general the conclusions of the report were found in line with the TOR. However, the Consultant was asked to expand several points: the description of rail terminals; the tariff aspects and the proposal related to container port facilities and maritime transport on the Caspian Sea. The Consultant agreed on these remarks and the requested improvements have been elaborated and integrated into the Final Report.

Phase 2: Transfer of intermodal technologies to a TRACECA intermodal freight transport working group .

The second phase of the project, (Study visit in E.U countries) was carried out as planned in the Inception Report. A final evaluation of results as compared with the initial objectives was carried out through a ten-question questionnaire as well as a final general and individual meetings. Reproduced in full in an attached appendix of the Progress Report, the positive answers shows that the initial objectives were fully attained. The TRACECA coordination Team as well as the M&E team had no particular remarks. The Final Technical Report has been reproduced without any change as compared with the Draft Final Report.

Phase 3: Proposals for future investment to promote and develop commercially attractive and competitive intermodal services from both the economic and technical point of view

The elaboration of case studies directed at promoting and develop commercially attractive and competitive intermodal services was concentrated in one Workshop in Tashkent on the 15, 16 and 17 January 1997. During a final round table, the participants concluded that the seminar's case studies and presentations of results from other related projects were prepared and conducted at the right level.

TABLE 3.2 : PROJECT COMPLETION REPORT

Project title : Forwarding Multimodal Transports Systems		Project N° : TELREGG9201	Country : Southern Republics of the CIS and Georgia-TRACECA	Page : 1
Reporting period : from February 1996 to February 1997		Prepared on : February 1997		
Reporting period : from February 1996 to February 1997		EC Consultant : BCEOM in association with SYSTRA and DE-CONSULT		
REPORTING PERIOD	MAIN ACTIVITIES UNDERTAKEN	EC CONSULTANT	INPUTS UTILISED	
			MATERIALS AND EQUIPMENT	OTHER
1/96 - 4/96	1. Discussions with local counterparts 2. Setting up a local organisation	1 work month 1 work month		1 flight, 30 days per diem
5/96 - 9/96	3. Assessment of the existing Multimodal services 4. Setting up an intermodal freight transport group 5. Execution of a E.U. Study Tour	10.25 work month 1 work month 2 work months		8 flights, 400_days per diem
10/96 - 2/97	6. Elaboration of cases studies and investment projects 7. Execution of a training workshop	4.25 work months 1.5 work months	Training aids	6 flights, 30 days per diem
TOTAL		21 work months		15 flights, 460 days of per diem

TABLE 3.3. OUTPUT PERFORMANCE SUMMARY

Project title : Forwarding Multimodal Transports Systems	Project N° : TELREGG9201	Country : Southern Republics of the CIS and Georgia-TRACECA	Page : 1
Prepared on: February 1997	EC Consultant : BCEOM in association with SYSTRA and DE-CONSULT		
Output results	Deviation original plan + or - %	Reason for deviation	Comment on constrains & assumptions
Inception Report	2 weeks delay for the Russian version	translations of documents	Contract signed on December 13. The project effective started on 27 January.
Study Tour in E.U countries (Phase 2)	Realised as planned in the Inception Report.	The completion of the Preliminary Assessment Task 4 and the Recommendation and Analysis task N° 6, to be executed during month 2 and 3, has been postponed to integrate comments and suggestions from the TRACECA countries participants to the Study Tour in E.U countries. These activities has been carried out during the period from May to August	
Progress Report	English version produced at the end of September 1996. Originally, the submission was foreseen at the end of July. Russian version required one month more. It has been produced at the end of October.	Initially previewed to be held at the end of November, the Workshop and training activities were carried out in January 1997. The initial programme of the Study Tour as well as the initial list of the participants required, as the request of the TRACECA management, to be strengthen and confirmed by the local counterparts.	
Draft Final Report	English version produced at the end of February 1997. Originally, the submission was foreseen at the end of December 1996. Russian version will required at least one month more. It will be produced by the end of March 1997.		The month of December is not favourable for the implementation of such sort of activities. The Project Manager agreed with the TRACECA management to postpone the Workshop, finally held in January 1997.

6. Lessons learnt and recommendations

The project inputs have been fully delivered according to the terms of reference and the project synopsis presented in the section 1. The planning of the project activities has been carried out and realised without major problems.

The survey of the existing technology (Phase 1) was initiated by the local experts groups on the base of the « Guide for the collection of basic data ». The local group of experts was asked to be composed of three specialists representatives from the various transport modes: rail, road, and maritime and waterways. Setting up a multimodal local group of experts was posing particular problems as the current institutional organisation is strongly compartmentalised by transport mode with a predominance of railway structures. In addition, the staff from these organisations have not worked together in the past.

They experienced difficulties in filling up the questionnaire, revealing that the design, based on western concepts of the multimodal transport, was poorly adapted to the local context, where intermodal organisations did not exist yet. The questionnaire was then satisfactorily used as a basis for a comprehensive discussion between local and western experts. It allowed to provide a comprehensive view of the nature of multimodal sector problems and design appropriate strategies and investment projects to develop freight movements by container.

In addition, during this initial period, the multimodal Project Team conducted an additional specific survey of the cotton market in Uzbekistan as requested by the TRACECA management. The team examined the potential for using multi-modal techniques in the export of cotton from Uzbekistan. It also enabled the team to examine the buyers' attitudes towards the use of multi-modal transport technology. As a result, a technical assistance proposal was presented and accepted by the TRACECA management for implementation (see Annex 9). The on-going project was conducted under the leadership of the « Trade facilitation » project.

In regard to the activities related to the second Phase (Study Tour in the E.U. countries), the Consultant defined the profile of the expected participants (one high ranking decision-maker and one high level specialist per country) and asked the main Recipient Organisations to select the persons to compose the Country delegation. In the opinion of all the participants the objectives of the Study visit matched with TRACECA Countries multi-modal needs. All the participants stated their satisfaction with the information received, and the opportunity they have had to establish contacts with INTERCONTAINER, NOVATRANS, and IURR's member. Unanimously, what the participants appreciated most was the organisational aspects related to the multi-modal transport system in Europe. They concluded that such a multi-modal chain is not only feasible but essential.

A third and final phase included the elaboration of case studies and proposals directed at promoting and developing commercially attractive and competitive intermodal services. Initially planned to be held at two different places, Tashkent and Tbilissi, at the end of November, the Workshop was finally postponed by mutual accord with the TRACECA management in Brussels and concentrated in one comprehensive Workshop held in Tashkent the 15, 16 and 17 January 1997. During a round table, the participants concluded that the seminar's case studies and investment projects, and the presentations of results from other related projects were prepared and conducted at the right level.

Unanimously, the possibility to meet each other at the same table was found to be one of the most important aspects of the seminar. Clearly, regular regional working meetings of this nature are excellent tools of work and communication between the different partners including foreign partners and experts. Regional working meetings of this nature should be more frequently organised as it is beneficial to approach the regional issues before considering the legitimate integration of national expectations.

The implementation of the third phase has incurred a delay of two months. As noted, the workshop has been postponed of one accord with the TRACECA partners and management to ensure the better possible coherence and consistency. Started at the end of January 1996, the project has finished in February 1997.

