

22. TRACECA INTERMODAL SERVICES

Geographic Focus:	All the TRACECA States, including Ukraine and Mongolia
Project Budget:	EURO 2,000,000
Contractor:	POLZUG GmbH
Implementation timetable:	June 1998 for 18 months

Background

Consumer goods, and industrial cargoes from worldwide origins are being imported into the region, often in ISO containers, but predominately by road with Turkish and Iranian truckers dominating the market. EU and local companies hold a relatively small market share and the adaptation and participation of the railways in new business, has been limited.

At present only a relatively small number of containers move across the Caspian Sea but the potential demand for intermodal freight operations exceeds 100,000 TEU per year. This project is an effort to extend the operational assistance provided by TRACECA, eastwards across the Caspian, basing actions on the analysis and recommendations now to hand.

Much work to introduce new operational practices has been done by previous projects (Intermodal transport analysis, the Trans Caucasian Logistic Express organised as part of the Caucasus Rail infrastructure project, and the Tariffs and Timetables project which has encouraged local operators to propose the creation of a jointly held intermodal operating company.

Objectives

- To promote the use of the full TRACECA corridor for intermodal transport by the refinement and implementation of a business strategy for provision of a modern intermodal service and the establishment of an agency or agencies for the marketing and operation of such services.
- To set up such an agency as a joint venture or other effective agreement, preferably including an EU partner.
- To run a pilot service to test and refine the concepts and to inject established EU intermodal practices at operational level.

Key Issues

There is a need to select origin-destinations and frequencies for pilot services, in conjunction with the national rail operating companies and their clients, and to negotiate with rail operating companies to establish the modus operandi of the pilot. The establishment of a marketing, financial and operational plan will be needed that will include the legal structure and ownership of such an entity. There will need to be close association with the Caspian Sea Shipping Company, ports, road hauliers, forwarders, and any other participants, to establish longer term arrangements with the rail companies and to provide assistance in the establishment of a permanent operating company,

The implementation of the pilot will be a particularly challenging assignment. A key activity will be the identification and generation of demand.