



# *Marco Polo Project NePol Express*

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NePol Express

1

## ***POLZUG Intermodal GmbH***

Founded on December 17<sup>th</sup>, 1991, Polzug Intermodal GmbH today is a joint-venture of the following companies:

- **PKP Cargo S.A., Warszawa** 33,3%
- **HHLA Intermodal GmbH, Hamburg** 33,3%
- **Intermodal DB Logistics, Berlin** 33,3%

***POLZUG Intermodal*** today is the market leader in scheduled rail container services between North Sea Hub Ports, Poland, Baltic States and CIS with **156,000 TEU in 2008**

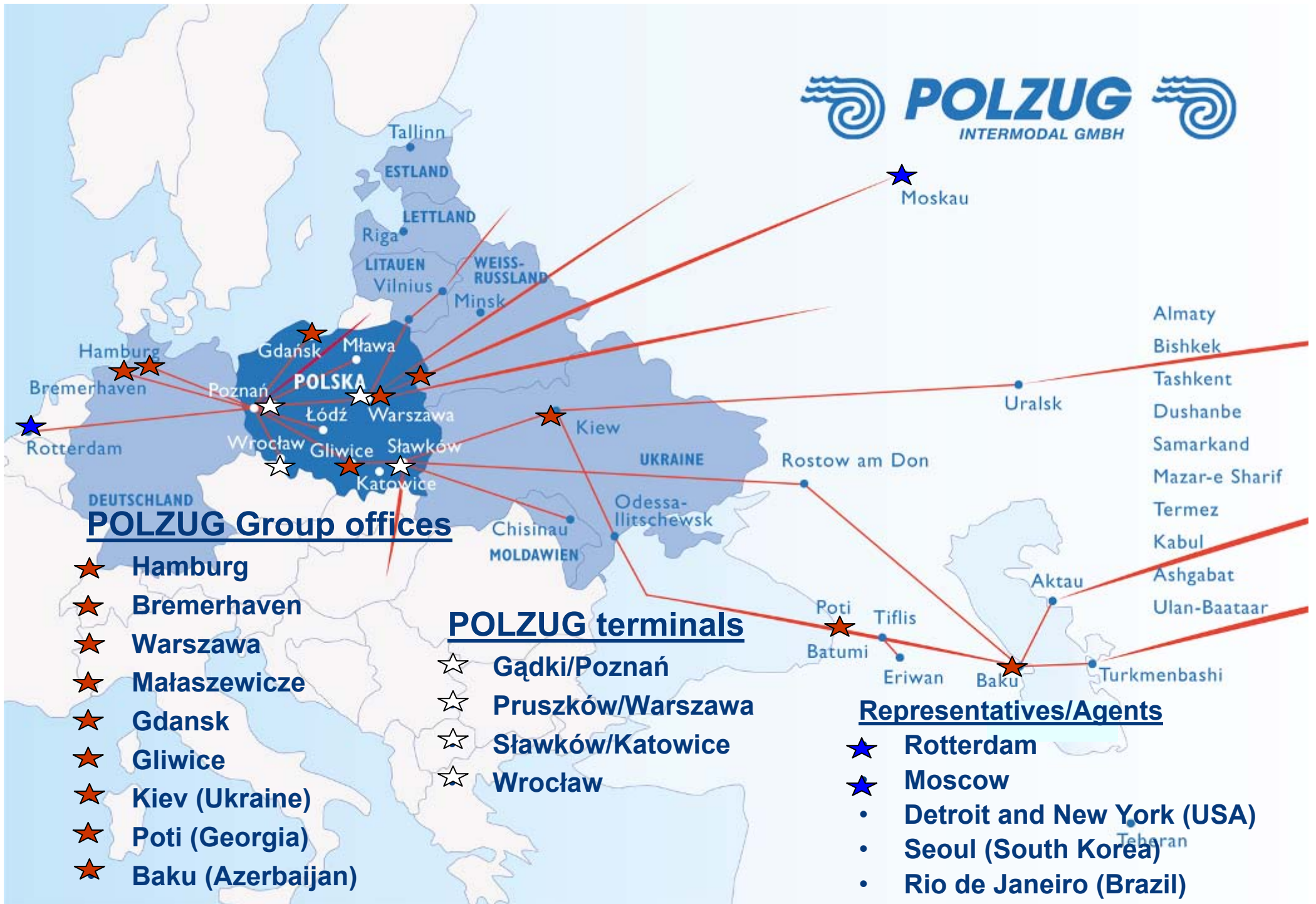


## ***POLZUG Intermodal GmbH***

Block train operator in port hinterland and continental container services.

- Several times per day container train departures from **Hamburg** to Poland, Lithuania, Ukraine v.v., four times per week from **Bremerhaven** and **two times per week from Rotterdam v.v.**
- Oncarriage by rail to **Russia, Moldova, Caucasus, Central Asia, Mongolia, Afghanistan.**
- Inner-Polish rail transportation between Polish inland terminals/depots and seaports.
- Rail transportation between POLZUG depots and terminals in Czech Republic, Slovakia and v.v.





## NePol Express

- Rail connection between the Rotterdam terminals RSC and MVT and the Polish terminals Gadki/Poznan, Sławkow/Katowice, Pruszków/Warsaw, Łódz, Gliwice, Wrocław, Gdansk, Mława and Małaszewicze.
- Since February 2006 financially supported by the EU Marco Polo Programme (Modal Shift Action). Contract has been signed Dec. 28th, 2006. Support ended March 2009.
- Partner is ECT Deelneming II B.V., Rotterdam.
- During project application supported by consultants.
- The NePol Express started with two roundtrips per week and at peak times operated four roundtrips per week. Currently, due to the economic crisis it runs with two roundtrips per week.
- Maximum train length is 600 m, maximum train weight is 1600 t.



# NePol Express Basics



ROUTE/TRANSPORT CHAIN PROCESS	MODE	DISTANCE	MODE	DISTANCE
Rotterdam – Poznan – Gadki/Poznan	Train	978	Truck	914
Rotterdam – Poznan – Gdansk	Train	1278	Truck	1170
Rotterdam – Poznan – Pruszkow/Warszawa	Train	1260	Truck	1193
Rotterdam – Poznan – Lodz	Train	1228	Truck	1113
Rotterdam – Poznan – Wroclaw	Train	1153	Truck	974
Rotterdam – Poznan – Gliwice	Train	1268	Truck	1117
Rotterdam – Poznan – Slawkow/Katowice	Train	1323	Truck	1173
Rotterdam – Poznan – Malaszewicze	Train	1457	Truck	1378

## NePol Express Achievements

- Since beginning of funding period 20,783 TEU have been transported
- Almost 340 Million tkm have been shifted.
- More staff employed for this project at Polzug than foreseen.
- New business areas have been developed (continental traffic to CIS).
- Due to good experience with NePol express, clients in the Rotterdam/Antwerp area have been made aware of our services from Hamburg and Bremerhaven to Poland and shifted some volumes from truck to rail.



# NePol Express Achievements



Period	Planned shift during period	Actual shift during period
30 <sup>th</sup> January 2006 31 <sup>st</sup> December 2006	92.394.565 tkm	91.148.083 tkm
1 <sup>st</sup> January 2007 31 <sup>st</sup> December 2007	158.885.276 tkm	106.389.983 tkm
1 <sup>st</sup> January 2008 31 <sup>st</sup> March 2009	258.269.317 tkm	140.405.026 tkm
<b>Total</b>	<b>509.549.158</b>	<b>337.943.092</b>

Total achievement 66% of projected volumes.

This amounts to an environmental benefit of € 7.295 Million



## NePol Express Achievements

PERIODE	ACTIVITY
October 2005	<b>D1. Start of operations phase 1</b>
30 January 2006	<b>D2. Start of action</b>
July 2006	<b>D3. Start of operations phase 2</b>
28 December 2006	<b>Signature of contract</b>
28 February 2007	<b>M1. Interim Report to the Commission</b>
11 January 2008	<b>M2. Midterm report to the Commission</b> <i>(Modal shift target for this reporting period: 219,744,945)</i>
February 2008	<b>D4. Start of operations phase 3</b>
October 2008	<b>D5. Start of operations phase 4</b>
January 2009	<b>D6. Successful shift of total 509,549,158 tkm</b>
31 March 2009	<b>D7. After two months project extension official end of project</b> <i>(Modal shift target for the whole reporting period: 509,549,158)</i>
September 2009	<b>M3. Final Report to the Commission</b>

## Market Situation for NePol Express

- The market for transport services between RTM and Poland is highly competitive. Truck and railways are competing for the same cargo. Overcapacities in the trucking sector puts pressure on rates.
- More and more shipping lines try to get engaged in own railway activities.
- Rotterdam is usually not the first choice for overseas containers to/from Poland and CIS, however recently this has changed.
- Rail cargo from Rotterdam to Poland is predominantly continental cargo, e.g. chemicals (liquid and dry), foodstuffs. The cargo base to Poland and CIS is limited.
- Under-achievement of modal shift related to strike actions in Rotterdam port, strike of German locomotive drivers, both leading to temporary re-routing of volumes away from Rotterdam. Moreover, the economic crisis had a negative impact on volumes.



## Lessons learned from NePol Express

- Operating trains in Rotterdam is still challenging compared to other ports in the North range. With the new Euromax terminal new concepts for serving all terminals need to be established.
- The cargo base for business from Rotterdam area to Poland/CIS is limited and quite irregular.
- Rotterdam trains have to compete with new indirect products from Antwerp.
- Not all competitors are driven by market forces, thus achievable margins are low.
- Customers are shifting volumes for just a few Euro price difference.



## Lessons learned for Marco Polo Projects

- Consulting during project application is most helpful.
- Separate accounting for Marco Polo projects is advisable.
- Separate statistics is useful.
- Carefully review the requirements for auditing and invoicing.
- In case of any questions concerning contract interpretation contact EACI as early as possible for clarification.
- Marco Polo is a living organism. Any comments are useful and generally welcome by EACI.





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## BEYOND BORDERS intermodal and ecological



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13