IVAN PETROV, SECRETARY GENERAL

MULTIMODAL CHALLENGES AND OPPORTUNITIES FOR THE REGION
AGENDA

✓ Role of the Freight Forwarders
✓ Challenges in relation to Multimodal modal transport
✓ Opportunities for the Region
CLECAT represents the interests of companies in logistics, freight forwarding and customs services. Multinational, medium and small freight forwarders are all within its membership.

European freight forwarders:
- Clear around 90% of all goods in Europe
- Handle 65% of cargo transported by road
- 95% of cargo transported by air and
- 65% of cargo transport by ship.
THE ROLE OF THE FREIGHT FORWARDER

- Choosing, buying, arranging and planning of different transport modes
- Consolidation, storage, handling, packing and distribution
- Dealing with customs, fiscal matters and declaring goods for other official purposes
- Procuring insurance and collecting payments or (value) documents
- Safety and security related services for food, medicine, high value- and dangerous goods
Freight forwarders rely on efficient and reliable road freight transport operations

A fragmented market with national regulations

Road transport initial and final stage of multimodal transport operations

Need for more competition, innovation and service quality in all modes

Driver shortage, ageing society, more complex operations
Safety and security issues – cargo theft!
Increased trade barriers
Anti-(tax)fraud and evasion measures
Increasing food-, health- and environmental regulations
More & smaller transactions/shipments
Growth of international trade
Customs Code & 35 pan-EU IT projects
MULTIMODAL: INTER-CONNECTIVITY IS KEY

- Investments needed to connect different modes
- Importance of international collaboration such as Chinarail
- Competing B2C networks as driving force of globalization at the next stage
- Cost/time benefits drives multimodal solutions
REGIONAL CHALLENGES FOR FREIGHT FORWARDERS

- 400 km coast, 3 ports
- 150,000 Turkish movements transiting BG to Western Europe and 75,000 to Romania
- Rail/Ro-Ro ferries black sea

World Bank Logistics Performance Index 2016
The Trans-European Transport Network (TEN-T) Core Network Corridors (CNC) that cross Bulgaria.
LACK OF INTERMODAL TERMINALS
CHALLENGES IN THE REGION: CONNECTIVITY

Transport Connectivity is essential for unlocking the power of economic integration.

Lack of adequate and modern connectivity systems in Western Balkans hinders the ability to export efficiently.

Need to address physical and non-physical barriers.
Increase the Comprehensive networks: efficiency, reliability, and environmental sustainability:

- Implementing railway reform actions (opening rail freight to competition)
- Develop ITS strategies to harmonise technologies, policies and procedures to decrease transport costs and enhance border crossing modalities (congestion mngt, real-time travel information, better journey time estimates etc) & ERMTS
- Harmonising procedures at border crossings
• Transport market in the region is fragmented

• Lack of appropriate investment in infrastructure

• RFC 7 (Orient - Med) is interrupted in Romania and continues instead to Vidin (Bulgaria) to Constanta (Romania)

• EC is to take active role in shaping balanced investment in favour of EU

• RFC 10’ which induces Western Balkans, but is the only logical access of rail connectivity of Bulgaria to EU should be launched and promoted
Multimodal Logistics Platform

Sofia- West

Project development
CEF Action No 2017-BG-TM-0029-W

Co-financed by the Connecting Europe Facility of the European Union
About the Project

- TransExpress Ltd. is operating Rail-Road terminal next to Voluyak railway station, part of Sofia railway node, Sofia – West side (Bulgaria);
- The terminal currently serves single wagonload or group of wagons, for further “last mile” delivery;
- The project plans further enlarging the existing terminal to serve 740 m long trains, conventional and intermodal freight;
- The terminal extension shall cover 80 hectares of land, owned by TransLog Cargo Ltd.;
- In future, an entity, including TransLog Cargo and TransExpress shall be established to function as terminal operator;
- The project promoters are looking for a strategic partner to form part of the Terminal operator structure.
Stakeholders

- Project Promoter: TransLog Cargo
  - independent private legal entity; owner of the land and future terminal operator
- Partner: TransExpress
  - private legal entity operating in the field of freight forwarding and logistics services; terminal operations and multimodality
- Partner: SE NRIC
  - public entity, the national railway IM; access to national railway system
- Advisory Board: UIRR, IBS, Green Transport Cluster, NSBS to guarantee neutrality, non-discriminatory treatment
- Supported by the MTITC of Bulgaria
Structure of the Platform

- *Rail road terminal* – to serve wagon-truck operations
- *Intermodal operations* – to serve ITUs
- *Logistics center* – warehouses for storage, assortment and other types of handling goods; last mile distribution
- *Railway station* – 5 new railroads for receiving and forwarding railroad and intermodal trains
- *Depot of empty containers* – for storage of empty containers
- *Provides full neutrality* - all transport operators will benefit open access and non-discriminatory treatment
## Terminal characteristics

<table>
<thead>
<tr>
<th>Phase</th>
<th>Total MLP area</th>
<th>70 hectares</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Rail siding tracks</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Total length of rail tracks</td>
<td>3100m</td>
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<tr>
<td></td>
<td>Total multimodal, operational and storage area</td>
<td>46 500 sq.m.</td>
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<tr>
<td>Phase II</td>
<td>Warehouse area</td>
<td>3800 sq.m.</td>
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<tr>
<td></td>
<td>Total multimodal, operational and storage area</td>
<td>60 000 sq.m.</td>
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<tr>
<td>Phase III</td>
<td>Total MLP area</td>
<td>100 hectares</td>
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<td></td>
<td>Warehouse area</td>
<td>10 000 sq.m.</td>
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<tr>
<td></td>
<td>Total multimodal, operational and storage area</td>
<td>80 000 sq.m.</td>
</tr>
</tbody>
</table>
Location

- Direct access to national road and rail networks, international road E79/E80; Located along the Core TEN-T Network and Rail freight corridor 7
Location

- Links to:
  - Western and Central Europe by rail
  - Western Balkans by rail /road
  - Terminals and Hubs in neighboring countries – Romania, Greece, Turkey
  - Sea ports at Black sea, Greek and Turkish ports
  - Multimodal access to China, Central Asia, Caucasus countries, Iran, Ukraine and Russia
Location links
Business provisions

- Lack of rail-road and intermodal terminal in Bulgaria able to handle 740 m long trains both intermodal and conventional traffic

- Prospective market segments to be served:
  - Wagonload traffic from/to Sofia region
  - Hinterland port for intermodal traffic from seaports of Varna/Burgas/Thessaloniki/Piraeus/Istanbul other European sea ports at North Sea and Adriatic Sea
  - Intermodal traffic from/to the continent of Europe
  - Land bridge to China
General layout
Implementation plan

- Project phase I:
  - Environmental screening decision obtained (no need of EIA)
  - Zoning procedures for the land plots completed
  - Change of land use plan implemented
  - Preliminary design developed
  - Partnership agreement with National Railways

- EU Grant for development of the project Phase I – signing of Grant agreement under CEF Blending Transport 2017 in progress
Implementation plan

- Phase I

- Building permit: Q3 2018
- Procurement: Q4 2018
- Start Works: Jan 2019
- Operation: March 2020
Contact

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