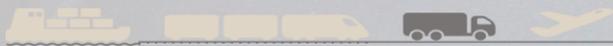


IVAN PETROV, SECRETARY GENERAL

MULTIMODAL CHALLENGES AND OPPORTUNITIES FOR THE REGION



1 AGENDA

- ✓ Role of the Freight Forwarders
- ✓ Challenges in relation to Multimodal modal transport
- ✓ Opportunities for the Region



YEARS CLECAT
moving forward since 1958

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.

3 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



4

CHALLENGES FOR FREIGHT FORWARDERS

- ✓ 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



5

CURRENT CHALLENGES IN BORDER RELATED ISSUES

- ✓ 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





Investments needed to connect different modes



Importance of international collaboration such as Chinarail



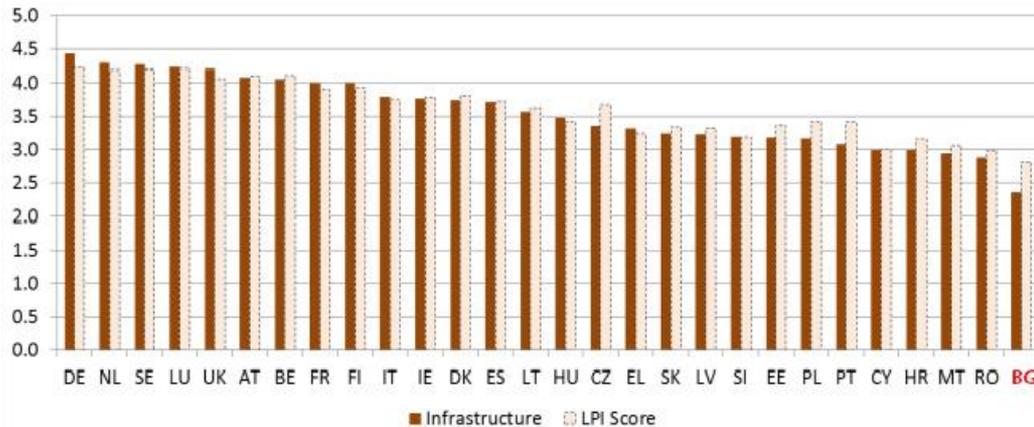
Competing B2C networks as driving force of globalization at the next stage



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

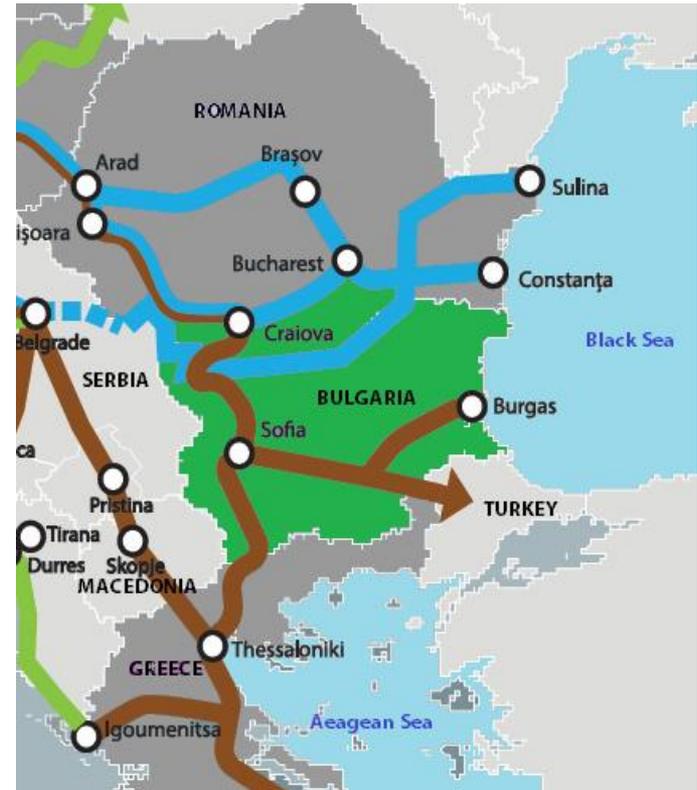


8 REGIONAL CHALLENGES – FINISHING TEN-T NETWORK

The Trans-European Transport Network (TEN-T)
There are two multimodal TEN-T Core Network
Corridors (CNC) that cross Bulgaria

 Rhine-Danube Corridor
 Orient/East-Med Corridor

Source: European Commission²³



LACK OF INTERMODODAL TERMINALS



10 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



11 KEY CHALLENGES IN THE REGION: WESTERN BALKAN

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



12 RECOMMENDATIONS

- 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

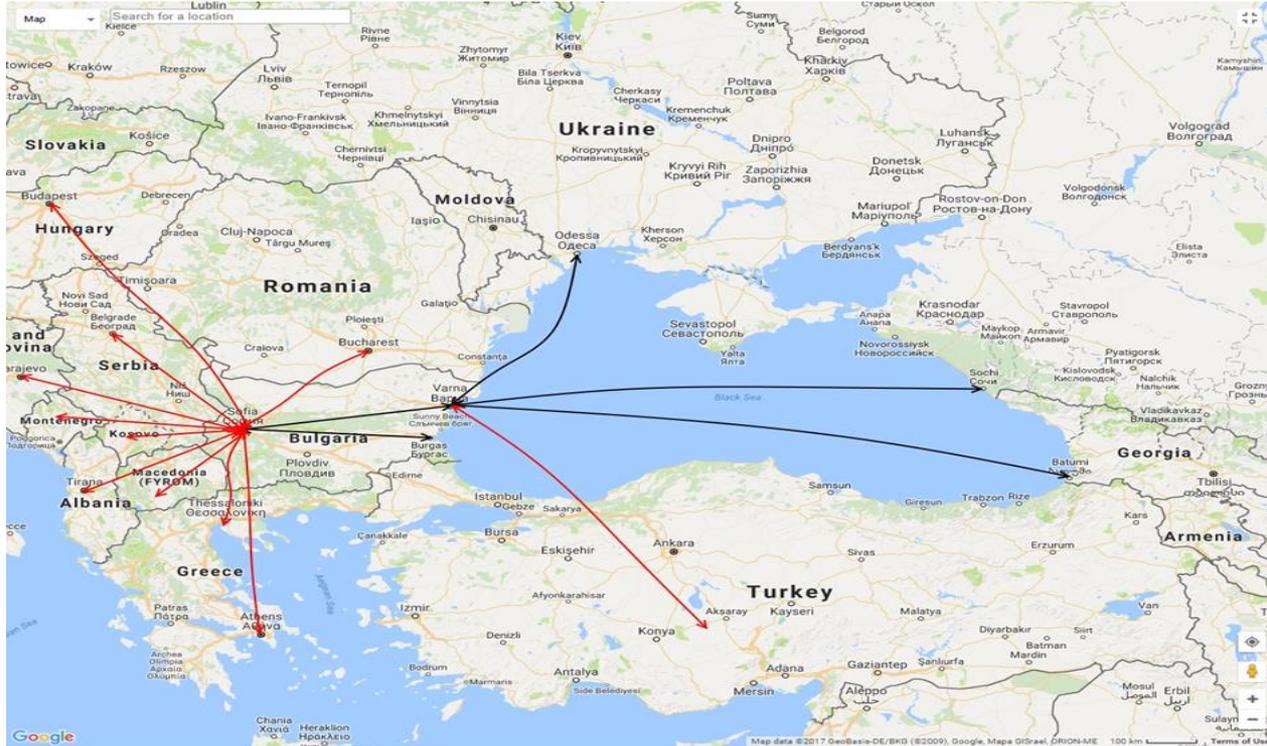
Phase I	Total MLP area	70 hectares
	Rail siding tracks	5
	Total length of rail tracks	3100m
	Total multimodal, operational and storage area	46 500 sq.m.
Phase II	Warehouse area	3800 sq.m.
	Total multimodal, operational and storage area	60 000 sq.m.
Phase III	Total MLP area	100 hectares
	Warehouse area	10 000 sq.m.
	Total multimodal, operational and storage area	80 000 sq.m.



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

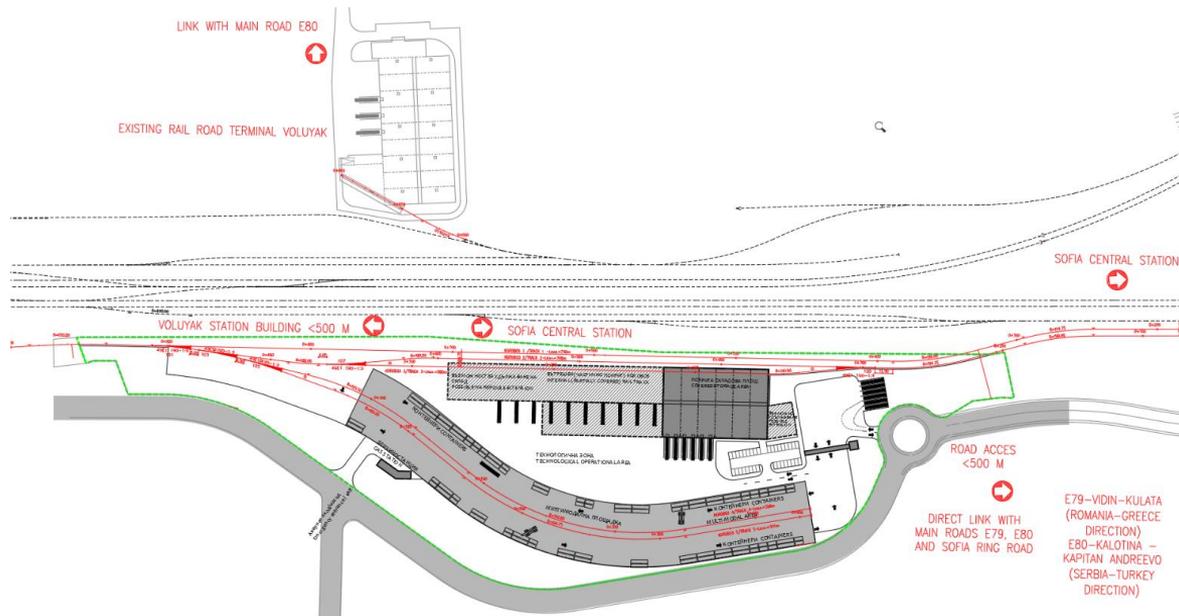
Location links



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

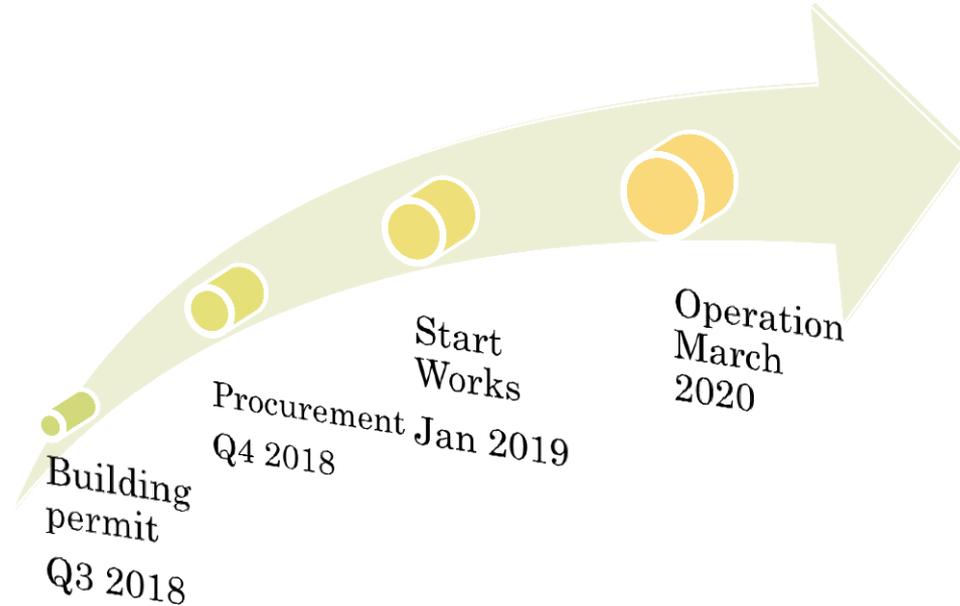


Implementation plan

- ▶ **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



Contact



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