



Project “East West Transport Corridor II” (EWTC II) WP 4 – Business Opportunities in Railway Transports Task 4A – EWTC Joint Railway Concept

REPORT on Important Players Impacting the Greening Development in the Corridor

Vilnius, 20-09-2010
Revised 30-09-2011

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Note: The report contains information as target data for the development of the task 4A - EWTC Joint Railway Concept and contribution to the task 3B – Development of an EWTC Green Corridor Manual in the early stage of the EWTC II project.

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1. Summary

The Implementation of the transport policy for greening the EWTC and selection of appropriate governance methods and actions of the main players of greening transport services are very important.

The most important role in greening EWTC depends on the project partners and the task force members with consultants of the project implementation stage. Swedish Region Blekinge - Leading Partner of the project and NetPortKarlshamn – the tasks on Green Transport Corridor Concept and Information Broker System leader are the most important players impacting the greening development of the corridor during the EWTC II project period.

During the project period the most active players impacting the greening development in the field of railway transport are Swedish Trafikverket, Danish Trafikstyrelsen, JSC “Lithuanian Railways”, Port of Karlshamn and Port of Sassnitz.

The authorities of the EWTC countries will ensure political support for the greening development of transport services.

The EWTC Association, consolidating the transportation companies, institutions and authorities of the corridor, will gain an increasingly important role in implementing the green corridor concept. The EWTC Association will unite the efforts of all stakeholders for the green transport corridor continuity after the project period.

2. Background to the project

The aim of EWTC Joint Railway Concept is to offer solutions to enable more efficient, sustainable and ecological rail freight services. Enhancing the interaction between rail and other modes of transport is also important for the efficiency of the whole logistics chain. The implementation of the transport policy for greening the EWTC and selection of appropriate governance methods and actions of the main players of greening transport services are very important in this case.

The liberalization of rail freight market increased the amount of participants responsible for the operations in the same infrastructure. Therefore, transportation operations and management has become more complex. The applied models of liberalization highlighted this complexity. There were more operational and management problems when the countries were carrying out the liberalization of rail market in the framework of a separate structure. It was necessary to integrate governing mechanisms and develop new management structures to overcome the complexity which was faced. Thus, less operational and management problems were encountered when the countries carried out the liberalization of rail market in the framework of an integrated structure.

The liberalization of rail transport market has not eliminated the unequal conditions of competition among different modes of transport, and rail transport services in separate countries. Tax exemption and taxation regulation preferences in separate countries were introduced without wide coordination of the EU.

It is clear that only competition will not solve all problems. "Green" transport corridors require measures of transport policy which promote harmonization of competitive conditions for all modes of transport, incentive collaboration and cooperation of all stakeholders of the transport chain. It is especially important to apply appropriate governance mechanisms for green transport services and increase the efficiency of intermodal transport.

"Getting the price right" policy objectives are to help for all stakeholders of market to adopt less costly behaviour, choose realistic, environment-friendly and affordable services offered in the market. The need to use a broad range of greening policy tools in order to achieve sustainable mobility and "getting the price right" are declared in the Communication of Greening Transport. It includes economic instruments (taxes, charges, emission trading schemes), regulatory measures to infrastructure investment and new technologies. Endeavours of the main actors of greening transport services are also required.

3. Aim of the task

Creating EWTC Joint Railway Concept means offering solutions to enable the improvement of quality and competitiveness of the railway services for smooth movement of cargo by rail. In each country the railway net was created by the country's strategic needs, on the grounds of the existing legal norms, standards, etc. There is a huge diversity of rail business models in EWTC.

The report on “Important Players Impacting the Greening Development in the Corridor“ is for the review of the main implementing players of the EU transport policy for rail freight services and the shuttle train projects. The EWTC Joint Railway Concept envisages the need to consolidate the efforts of all concerned structures and transport professionals in their efforts to create a sustainable Green corridor.

4. List of tasks of the EWTC project and their leaders

The project partners and task force members with consultants will have the key role in the creation of EWTC green corridor concept.

The main workload in greening EWTC encompasses the leaders of the tasks 3A, 3B, 3C and the task forces in this regard:

3A task – Revised EWTC Strategy and Action Plan. Task leader – Region Blekinge;

3B task – Development of the EWTC Green Corridor Manual. Task leader – NetPortKarlshamn;

3C task – Information Broker System. Task leader – NetPortKarlshamn;

The implementation of the tasks 4A, 4B, 4C, 4D, 4E, 4F and 4G of the project impacts the overall attractiveness of the corridor and greening of the corridor.

During implementation of the project, the main players are the following task leaders:

4A task – EWTC Joint Railway Concept. Task leader – Lithuanian Railways;

4B task – Railway Shuttles Klaipeda/Kaliningrad Eastwards. Task leader – Lithuanian Railways;

4C task – Railway Ferry Sassnitz - Baltijsk/Klaipeda. Task leader – Port of Sassnitz;

4D task – Railway Shuttle Blekinge-Skane-Denmark. Task leader – Port of Karlshamn;

4E task – Railway Concept Esbjerg-Taulov-Copenhagen-Sweden. Task leader – Region Sydanmark, Trafikstyrelsen;

4F task – Railway Improvements in Lithuania and Belarus. Task leader – Lithuanian Railways;

4G task - Railway Improvement Helsingborg - Blekinge. Task leader – Swedish Transport Administration.

The aim of the tasks 5A, 5B, 5C, 5D, 5E, 5F, 5G and 5H is to improve the operations of logistics hubs and short sea shipping. The implementation the tasks will contribute to the greening of the EWTC.

5A task – Joint Action Programme for Logistics Centres. Task leader – Port of Sassnitz;

5B task – Development of Kaliningrad Logistics Centre. Task leader – Port of Sassnitz;

5C task – New Port Facilities in Ports of Karlshamn and Klaipeda. Task leader – Port of Karlshamn; Port of Klaipeda.

5D task – New Ferry Services between Blekinge and Baltijsk.

5E task – Marketing Activity in the EWTC. Task leader – Port of Karlshamn;

5F task – Dynamic under Keel Clearance System in the Port of Klaipeda. Task leader – Port of Klaipeda;

5G task – Short Sea Shipping Concept. Task leader – Port of Helsingborg;

5H task – Development of the Transport Centre in Taulov and the Port of Frederica. Task leader – Municipality of Frederica.

5. Role of the WP3 partners of the EWTC II project on impacting the greening development

Swedish Region Blekinge – the Leading Partner of the project is the most important player impacting the greening development of the corridor. The Leading Partner is responsible for the implementation of all tasks of the EWTC II project and for coordination of the main findings of the project with the achievements of other Green Transport projects.

Region Blekinge, the task 3A leader, is responsible for revising the EWTC strategy and Action Plan of the EWTC II project. The EWTC Strategy and Action Plan will be the most important documents for the further development of the corridor. EWTC Association will be established for the realization the Strategy and Action Plan after the project period.

The task 3B leader NetPortKarlshamn is responsible for the development of the EWTC Green Corridor Manual - the basic integration task of the project. The manual applied for the Green Corridor concept will integrate suggestions from the other tasks of the project and provide ways to implement the greening of the corridor.

NetPortKarlshamn, the task 3C leader, is responsible for the implementation of the Information Broker System. The implementation of IT systems is one of the most important steps in developing Green Transport. The task is complex because of the diversity of IT systems used in the western and eastern parts of the corridor.

6. Role of the WP4 partners of the EWTC II project on impacting the greening development

Railway business opportunities are examined in WP4. Railway is one of the most important modes of transport in the development of green corridors. At the same time, ability to carry a large quantity of goods, much less environmental pollution as well as safe and secure delivery of goods are important factors of green transport services when the goods are transported by rail.

JSC “Lithuanian Railways” is responsible for the implementation the task 4A – EWTC Joint Railway Concept. This task aims to assess the factors restricting the development of rail freight, provide the measures for removing the bottlenecks and evaluate the conditions necessary for smooth transportation of goods by rail. It is quite an interesting attempt to harmonize the conditions of rail transport services in two different 1435 mm and 1520 mm gauge rail networks when there is no direct link between them.

The aspects of transport policy for freight, particularly the Green transport policy, administrative regulatory requirements for rail freight operations, technical – technological parameters of the rail network, use of information technologies and rail business environment are the domains which deal with the task. Key performance indicators (KPI) are needed to assess the current status in the identified areas and promote the development of the Green transport services. The Action Plan will be provided to improve rail freight services and assimilate the railway transport business opportunities for increasing the cargo flow in EWTC. Findings and recommendations received during the implementation of the task will be an important contribution to the entire Green Transport Corridor Concept development.

JSC “Lithuanian Railways” is also responsible for the coordination of the implementation of all other tasks of the package. Greening EWTC is directly related to the launching of the new shuttles in the Western and Eastern parts of the corridor, establishing new rail ferry lines or improving the performance of the existing, improving railway infrastructure and interoperability.

JSC “Lithuanian Railways” is responsible for the development of the shuttle train Klaipeda / Kaliningrad eastwards (task 4B). The task aims to ground the opportunities of the development of well-running shuttle “Viking” on the route Klaipeda – Odessa (Ilyichevsk) and launching of new shuttles from Klaipeda/Kaliningrad eastwards. JSC “Lithuanian Railways” focuses on the development of specific shuttles. Several new projects (which are important for greening EWTC) of shuttle launch were initiated during the EWTC II project:

1. Shuttle train “Vilnius” on route Klaipeda-Vilnius was launched in 2010. It runs in both directions once a week.

2. Shuttle train Klaipeda-Afghanistan is transporting goods of NATO. The shipment schedule depends on the ship's arrival at the port of Klaipeda from the USA.
3. Ongoing negotiations between Lithuania and the Russian rail companies on the re-launch of the shuttle "Mercury" on route Klaipeda / Kaliningrad-Moscow. Test runs will be carried out at the end of 2011.
4. Ongoing negotiations between Lithuania and the Kazakhstan rail companies on the launch of the shuttle "Saule" on route Klaipeda-Dostyk-Urumqui. The Chinese, Russian and Belarusian railway companies will participate in the project. The "VPA logistics" company from Klaipeda will be the main provider of goods. Test runs will be carried out at the end of 2011.

Rail ferry is an important link in the development of EWTC. The aim of the task 4C – "Railway Ferry Sassnitz - Baltijsk/Klaipeda" is to study the development of the rail ferries from Sassnitz to Baltyisk and Klaipeda. The infrastructure of Sassnitz port is adapted for handling wagons of 1520 mm gauge rail. This speeds up the operations in the ports of Klaipeda and Baltijsk. The Port of Sassnitz is responsible for the task implementation. Increase in freight traffic would improve the opportunities of using the port of Sassnitz and would be a strong contribution to the greening EWTC.

The Port of Karlshamn, the task 4D leader, is responsible for the study of launch railway shuttle on route Blekinge-Skane-Denmark. Attraction of cargo to this route would increase the volume of freight by ferry Karlshamn – Klaipeda, while at the same in EWTC. It is also important for greening EWTC.

The task 4E, "Railway Concept Esbjerg-Taulov-Copenhagen-Sweden", is a continuation of the railway route from the east of Sweden to the west of Denmark. Trafikstyrelsen is responsible for the study of entailing a market survey on green freight concepts in this section of the corridor, investigating the possibility of introducing innovative technical solutions in terminals and finding solutions for enhanced rail freight services. The study would be a useful contribution for the development of green transport concept.

One of the first steps in improving the interaction between 1435 mm and 1520 mm gauge railway networks is the implementation of the Telematic Application for Freight Technical Specification Interoperability (TAF TSI) in Lithuanian railway network. It is the first introduction of TAF TSI in 1520 mm gauge railway network which will be carried out by implementing the task 4F of the project. The implementation of TAF TSI in Lithuanian rail network will help to enhance the interaction with the Byelorussian and Russian rail networks on the basis of the EU regulation and will create preconditions for better interaction among the different tracks of railway networks in general.

The task 4G, "Railway Improvement Helsingborg – Blekinge" aims to enhance rail infrastructure in Sweden. Task leader, Swedish Transport Administration, will prepare a study on improvement of infrastructure on the line Hässleholm-Kristianstad. The Skånebanan line between Hässleholm and Kristianstad is a single-track line and has a limited capacity despite

the fact that passing loops are situated relatively close together. This conceptual study examines the measures for meeting the future needs of transport services, and maintaining good accessibility and high-quality transport services. In the long term perspective, a double track is required to provide the desired goods and passenger services.

7. Role of the EWTC Association on impacting the greening development

EWTC Association, which was established on 29th of June 2010 (2B task – EWTC Association), plays an important role in greening EWTC. The task leader is Vilnius Gediminas Technical University. The management team and members of the Association are involved in the implementation of measures for greening EWTC. The EWTC Association will unite the efforts of all stakeholders involved in the continuity of green transport corridor.

List of the EWTC Association members who have signed the establishment agreement:

1. Beizhan Lin, Executive Chairman of The Euro-Asia Continental Landbridge Logistics Association Council, China;
2. Dailydka Stasys, Director General of JSC “Lithuanian Railways”;
3. Cedestroem Anna-Lena, Chief Executive Officer of Regione Blekinge, Sweden;
4. Na Shun, Director of Hohhot Export Processing Zone, China;
5. Šakalys Algirdas, Head of the Leading Partner of the Lithuanian Intermodal Transport Technology Platform;
6. Svensson Suzane, Deputy Mayor of the Municipality of Karlshamn, Sweden;
7. Zorigt Namsraijav, Tuushing Co. Ltd., Ulaanbaatar, Mongolia;
8. Platonov Oleg, President of JSC “Plaske”, Ukraine;
9. Wiberg Anders, Manager of Strategic Development of Port of Karlshamn, Sweden;
10. Zhaishev T. Yerzhan, Managing Director of Marketing of JSC “National Company “Kazakhstan Temir Zholy””;
11. Kuzmarskis Aloyzas, President of Association of Lithuanian Stevedoring Companies;
12. Kravcovas Kęstutis, Head of Unit DFDS LISCO, Denmark;
13. Batsatsenkolgor, Deputy General Director JSC “RUBICON”, Russia;
14. Kirvaitis Raimundas, Prorector of Vilnius Gediminas Technical University, Lithuania;
15. Prause Gunnar, vice-Rector for Research of Wismar University of Technology, Business and Design, Germany;
16. Morel Herve, Sales Director of LOHR Industrie, France;
17. Koshelev Viktor, Head of Department for Foreign Affairs of Administration of Baltijsk Municipal District, Russia;
18. Wagener Norbert, Coordinator of LogistikNetz Berlin – Bradenburg e.V., Germany;
19. Kutka Gintautas, Executive Director of Lithuanian [Shipowners Association](#);
20. Sankauskas Tautginas, General Manager of “Vilteda” Ltd., Lithuania;
21. Daukantas Edmundas, Acting Director of “Lineka” Association, Lithuania;
22. Uba Igoris, Director of JSC “Limarko”, Lithuania;
23. Gilys Vladas, Secretary General of “Linava” Association, Lithuania;
24. Beinortas Darius, General Manager of VPA Logistics, Lithuania;
25. Vaitkevičius Ernestas, Managing Director of Mockavos terminalas, Lithuania;
26. Ebeling Klaus, Secretary General of European Intermodal Association.

8. Role of other stakeholders on impacting the greening development

The authorities of the EWTC countries are the stakeholders on Green Transport Corridor development. The development of green corridors will largely depend on how the authorities of the corridor countries will implement the provisions of the White Paper and other EU directives on the matter. It should be noted that the supervising ministries of transport in Sweden, Denmark, Lithuania, Belarus, Ukraine, China, Kazakhstan, etc. support the development of green transport and rail business development among them.

Sweden is famous for its initiative to develop sustainable and green transport corridors. All actors in the Swedish transport sector are very active supporters of Green transport and participate in the projects of green transport development. The projects are well coordinated with one another.

All actors in the Danish transport sector support Green transport development and participate in the projects of greening transport corridors. The main Danish and Swedish actors of greening transport services coordinate the activity with each other well.

The Ministry of Foreign Affairs of the Republic of Lithuania is actively providing assistance to the development of the EWTC corridor, particularly in the eastern part of the corridor.

The Prime Minister of the Republic of Lithuania established a working group for solving the developmental issues of EWTC. The Lithuanian government decided (on the working group proposal) to recognize EWTC corridor infrastructure (Lithuanian part) development as the project of national importance.

In case of “Lithuanian Railways”, there are many projects of investment into improving infrastructure, procurement of new rolling stock, implementation of IT and communication systems, etc. Improvements of infrastructure (paths, signalling systems) and IT systems are important for technical and operational interaction with Klaipeda port and Belarusian railways.

The task leaders of the work package 5 are responsible for improving the operations of logistics hubs and short sea shipping. The implementation of public logistic centres of Vilnius and Kaunas also contributes to greening the corridor.

9. Conclusions

The most important role in greening EWTC depends on the work of the project partners and the task force members with consultants of the project implementation stage. Swedish Region Blekinge, the Leading Partner of the project, and NetPortKarlshamn, the leader of the tasks of Green Transport Corridor Concept and Information Broker System, are the most important players impacting the greening development of the corridor during the EWTC II project period.

During the project period, the most active players of greening development in the field of railway transport are Swedish Trafikverket, Danish Trafikstyrelsen, JSC “Lithuanian Railways”, Port of Karlshamn and Port of Sassnitz.

The authorities of the EWTC countries will ensure political support for the greening development of transport services.

The EWTC Association, consolidating the transportation companies, institutions and authorities of the corridor, will gain an increasingly important role in implementing the green corridor concept. The EWTC Association will unite the efforts of all stakeholders for the green transport corridor continuity after the project period.

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