



GLOBAL TRANSPORT DEVELOPMENT CHALLEGES 14TH SEPTEMBER 2017 RIGA ,LATVIA

International North South Transport Corridor (INSTC)

PRESENTATION

Shankar Shinde – Vice Chairman FEDERATION OF FREIGHT FORWARDERS' ASSOCIATION IN INDIA

COURTESY

Ministry of Commerce & Industry Ministry of External Affairs

INSTC Member Countries





INDIA



IRAN



RUSSIA

Other Members

- REPUBLIC OF AZERBAIJAN
- **REPUBLIC OF ARMENIA**
- **REPUBLIC OF KAZAKHSTAN**
- **REPUBLIC OF KYRGYZSTAN**
- **REPUBLIC OF TAJIKISTAN**

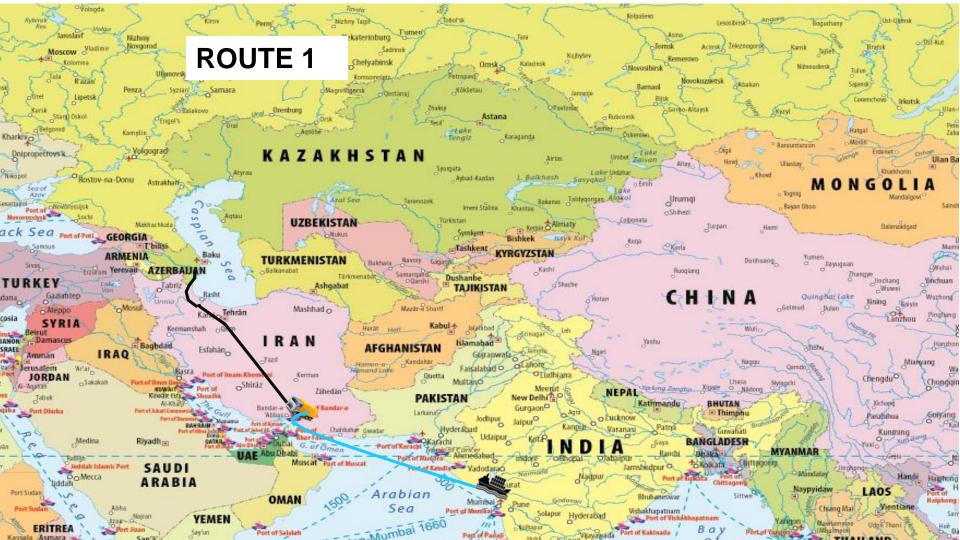
- **REPUBLIC OF TURKEY**
- REPUBLIC OF UKRAINE
- **REPUBLIC OF BELARUS**
- OMAN
- **SYRIA**

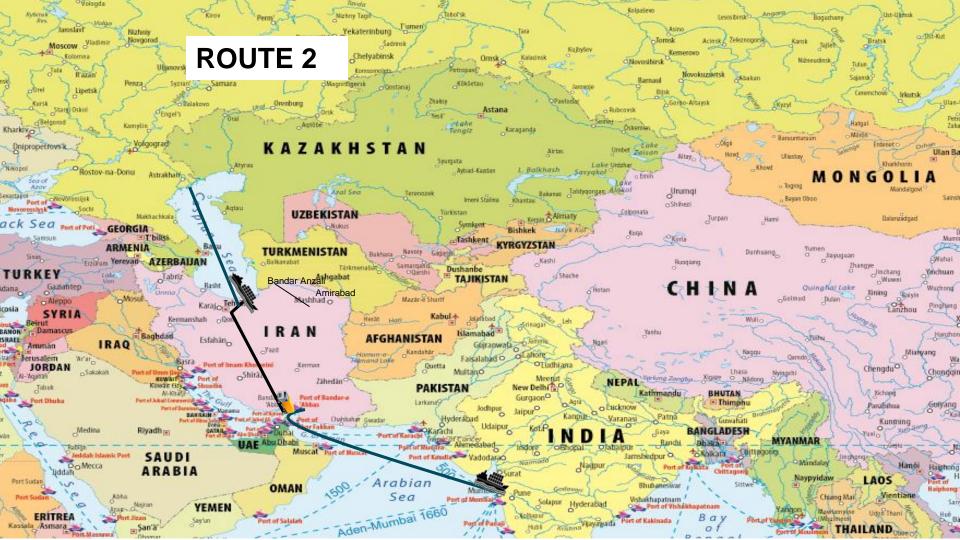


BULGARIA (OBSERVER)

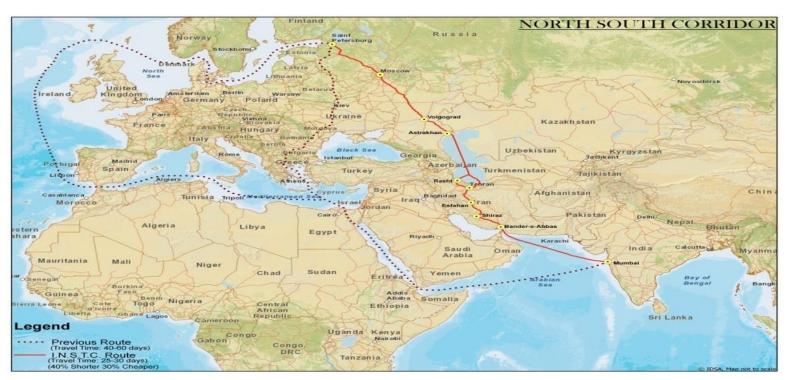








International North South Corridor - Depiction of Existing Route and N-S Route



- Previous Route (Transit Time 40 to 60 days)
- ---- INSTC Route (Transit time 25 30 days; 40% shorter, 30% cheaper)

ECO RAIL ROUTE







ECO RAIL ROUTE

AN INTERGOVERNMENTAL ORGANIZATION WITH TEN MEMBER COUNTRIES NAMELY:

AFGHANISTAN, AZERBAIJAN, IRAN, KAZAKHSTAN, KYRGYZSTAN, PAKISTAN, TAJIKISTAN, TURKEY, TURKMENISTAN, UZBEKISTAN

- 1. The ECO Container Train on Islamabad-Tehran- Istanbul (ITI) Route
- 2. The ECO Container Train on Istanbul-Almaty Route
- 3. The ECO Container Train on Bandar Abbas-Almaty Route
- 4. Construction of Railway between Kazakhstan, Turkmenistan, and Iran (Uzen-Barakat-Gorgan)
- 5. Qazvin-Rasht-Astara (Iran)-Astara (Azerbaijan) Railway Project
- 6. Railway connecting China and Europe via Kyrgyz- Tajikistan-Afghanistan-Iran-Turkey
- 7. Tariff in Euro:
 - 1. Loaded: @0.22 /km & @0.28/km for20ft/40ft
 - 2. Empty:@ 0.11 /km&0.14/km for 20ft /40ft





TRANSPORT CORRIDOR (TRACECA) EUROPE - CAUCASUS - ASIA







TRACECA

ROUTE COMPRISES THE TRANSPORT SYSTEM OF THE 13 MEMBER-STATES OF THE "BASIC MULTILATERAL AGREEMENT ON INTERNATIONAL TRANSPORT FOR DEVELOPMENT OF THE EUROPE-THE CAUCASUS-ASIA CORRIDOR"

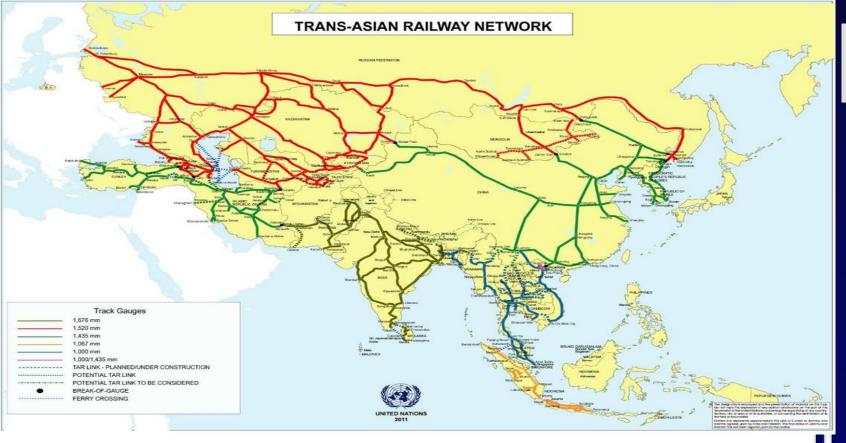
(MLA TRACECA):

Azerbaijan, Armenia, Bulgeria, Georgia, Iran, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Ukraine and Uzbekistan.

- TRACECA corridor is involved in gradually developing trends of trade and economic development. Major traffic flows passing through a corridor formed on the one hand, in Western and Central Europe, and on the other in Central and South-East Asia.
- Ensuring the efficient and reliable Euro-Asian transport links, promoting the regional economy on the whole.











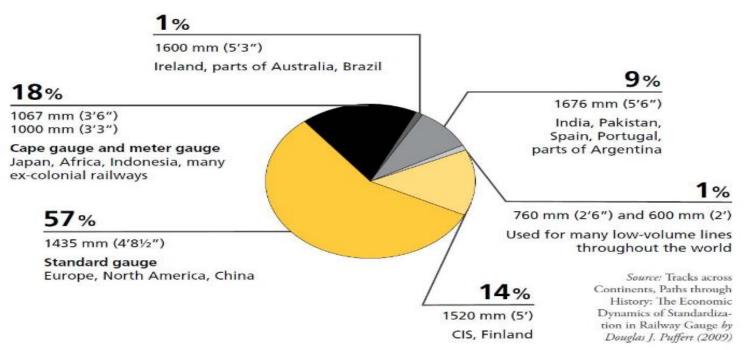
Member countries: 28

Length of missing links: 10 000 km

Rail network coverage: 117 500 km

TAR network through Iran: 8000 km

BREAK-OF-GAUGE AND OPTIONS

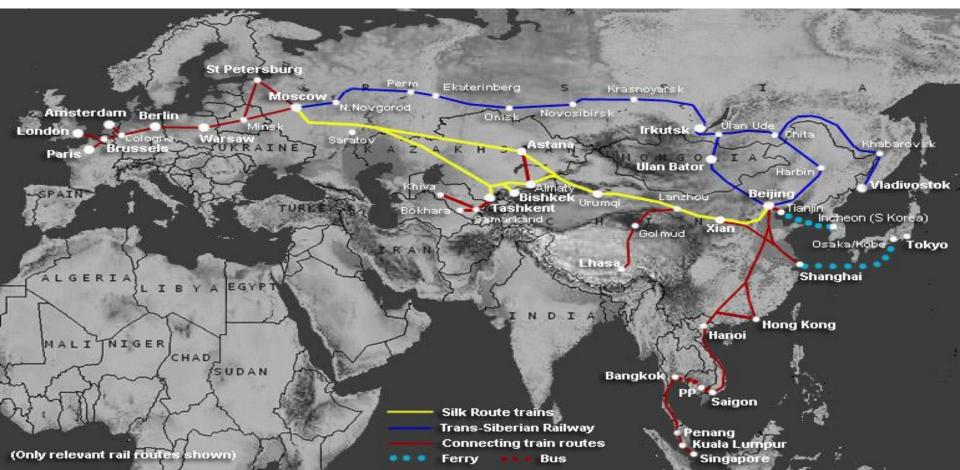


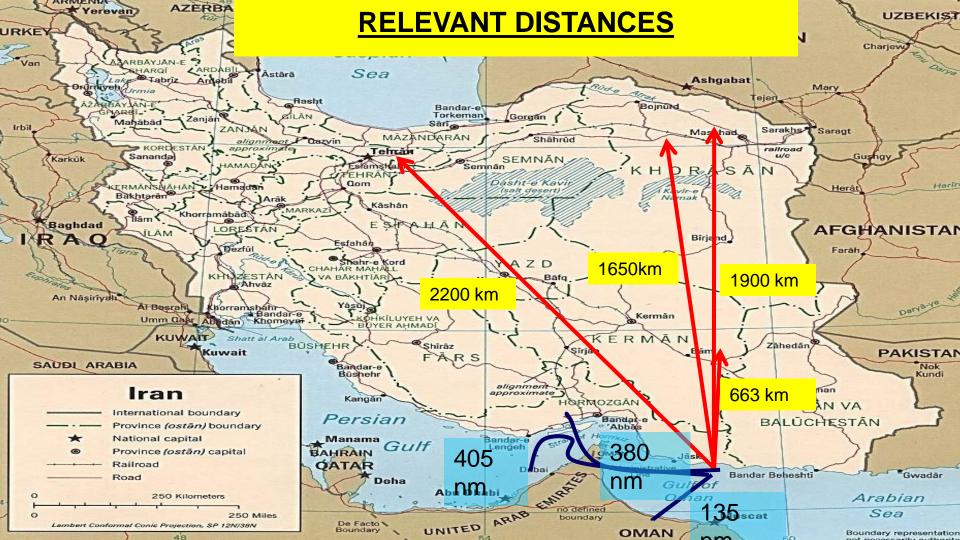
- Transshipment/Transfer
- Bogie changing
- Use of wagons with variable-gauge bogies
- Dual gauge
- Uni gauge

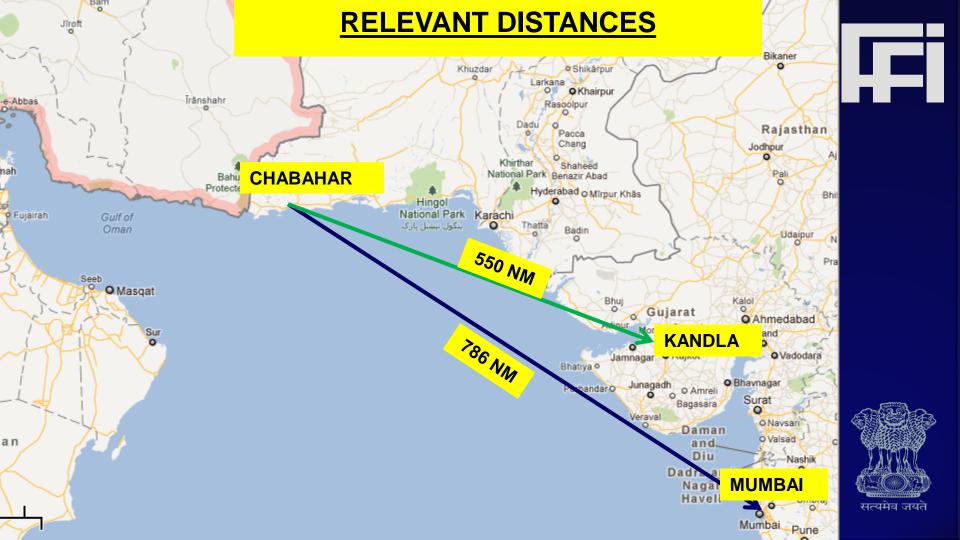




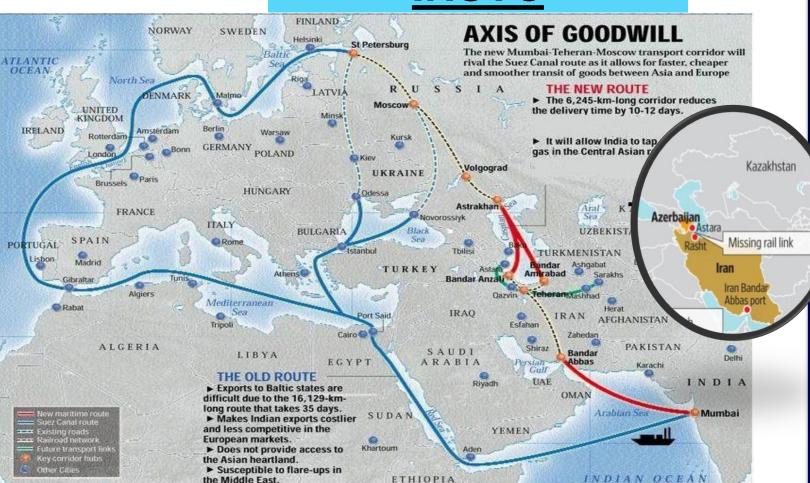
CHINA CONNECTION INTO RUSSIA / CIS







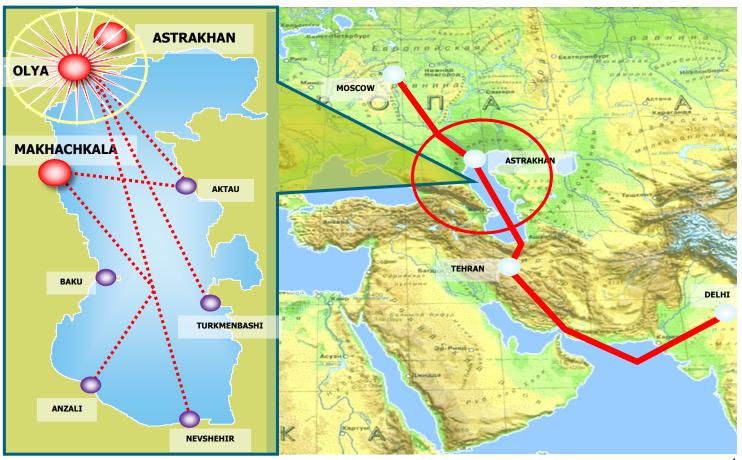
INSTC



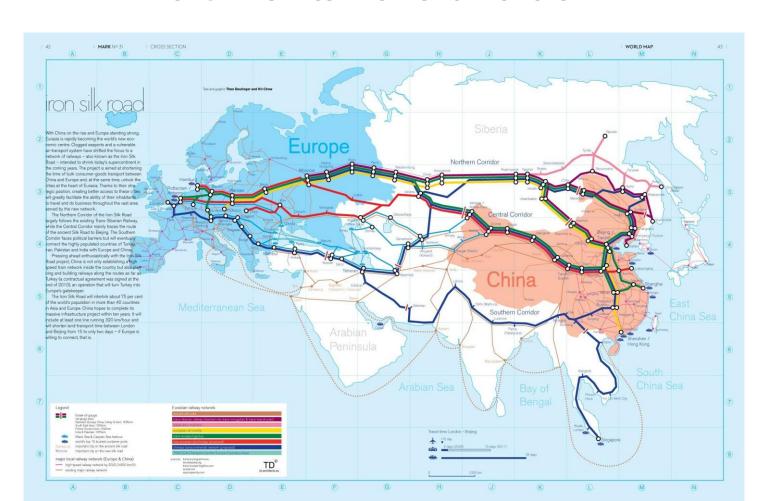




Transport links of the Astrakhan water transport port hub



IRON SILK ROAD CONNECTING ASIA TO EUROPE



IRON SILK ROAD

o The corridor aims at: shortening the time of goods transport between China and Europe and unlock cities at the heart of Euro Asia;

o The route's corridors:

The northern corridor: largely follows the existing Trans Siberian railway

The Central Corridor: mainly traces the route of the ancient Silk Road to Beijing

The Southern Corridor: connecting the highly populated countries of Turkey, Iran, Pakistan and India with Europe and China

o Interlinks 75% of the world's population in more than 40 countries



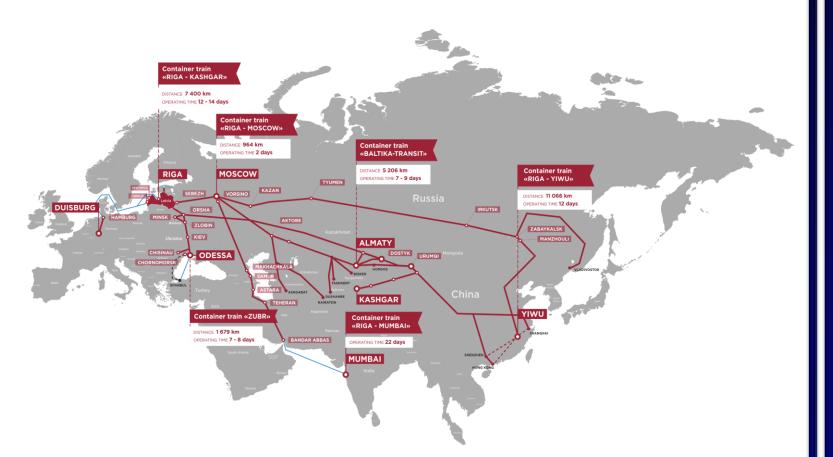


North – South Corridor advantages

- Asian and European countries could make their cargo transportation through North-South Corridor with double speed compared to Suez channel,
- Carriage cost is 30% less,
- The most suitable route for transit traffic between Asia and Europe
- A few countries exist along the route therefore (less border crossings and easier for the countries to reach agreements),
- The route has few discontinues points, I mean gauges break, and transloading,
- The distance is as short as possible
- The railway and using train is emphasized on,
- If the main section fails, there are alternative and support routes,
- It is recommended by international organizations like UN, UIC and ECO.











INSTC TARIFF & TRANSIT

Route from CIF: Bandar Abbas to	Days	Distance (Km)	\$/TEU	\$/FEU
FOR: Moscow	14	4679	1544	2329
DAF: Buslovskaya(Finnish border)	16	5792	1686	2665
DAF Krasnoe (Belarusian border)	15	4894	1560	2413
DAF:Posin(Latvian Border)	17	5314	1618	2530
DAF:Pechory-Pskovskia(Estonian border)	18	5502	1645	2584

Maritime transit with transhipment of 35 to 40 days via Bremenhaven ,/Antwerp /Rotterdam offering freight USD1500 /20' & 2500/- 40ft





RIGA - IMPORTANT HUB TO CONNECT ON INSTC

- INDIA and LATVIA have been historically linked by the ancient route called 'The Amber Way"
- Latvian interest in expanding its wings through territories of India to enhance connectivity
- Advantage of Ice free ports which provides operation throughout without interruption
- Interest in Collaborating on INSTC with RUSSIAN/AZERBAIJAN /IRANIAN Railways (forming consortium)
- Faster Access to Hamburg ,Germany. towards northern Europe
- Supplement efficient and smooth freight services for Indian market to North Europe (Scandinavia)





RIGA - INDIA (WIN -WIN SITUATION)

- Indian economy is strongly growing and looking for new market
- RIGA Strategic Advantage of geographical location and good relationship with neighbouring countries connection to act as distribution hub.
- Advantage: The new "Rail Baltic project", Estonia, Lithuania partner cooperation to link Baltic countries.
- New opportunity for Indian Logistics business presence to partner
- LATVIAN RAILWAYS to extend single window services in cooperation of neighbouring countries partnership
- COOPERATION AND COORDINATION for Trade Facilitation
- TIR CONVENTION INDIA ACCESSION





CHALLENGES

- > Trade promotion and participation
- > Aligning infrastructure
- > Competitive and consistence services
- > Expertise of logistics partners
- > Reliability, security, safety measures
- > International railway co-operation
- Harmonization of customs cross border clearances operation / processes.





WAY FORWARD

- > Common IT platform tracking
 - (GPS/RFID) enabled
- > Seamless movements
 - Single window with other agency drug control / quarantine clearances.
- Connectivity V/S. Speed
- > Integration of Corridors,
 - Supplementing rather than Competing







Ministry of Commerce & Industry , Ministry of External Affairs
(GOVERNMENT OF INDIA)
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LATVIAN RAILWAYS

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