UTLC ERA:
5 YEARS WORKING FOR EURASIA

UTLC
Eurasian Rail Alliance

#ENJOYTHERAIL

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UTLC ERA Director of business development

Brussel, 06.11.19

NEW ERA OF INTEGRATION IN EURASIA

3 Rail parity carriers, partners and neighbors on the main Railway transit corridor at 1520 mm gauge

JSC Russian Railways

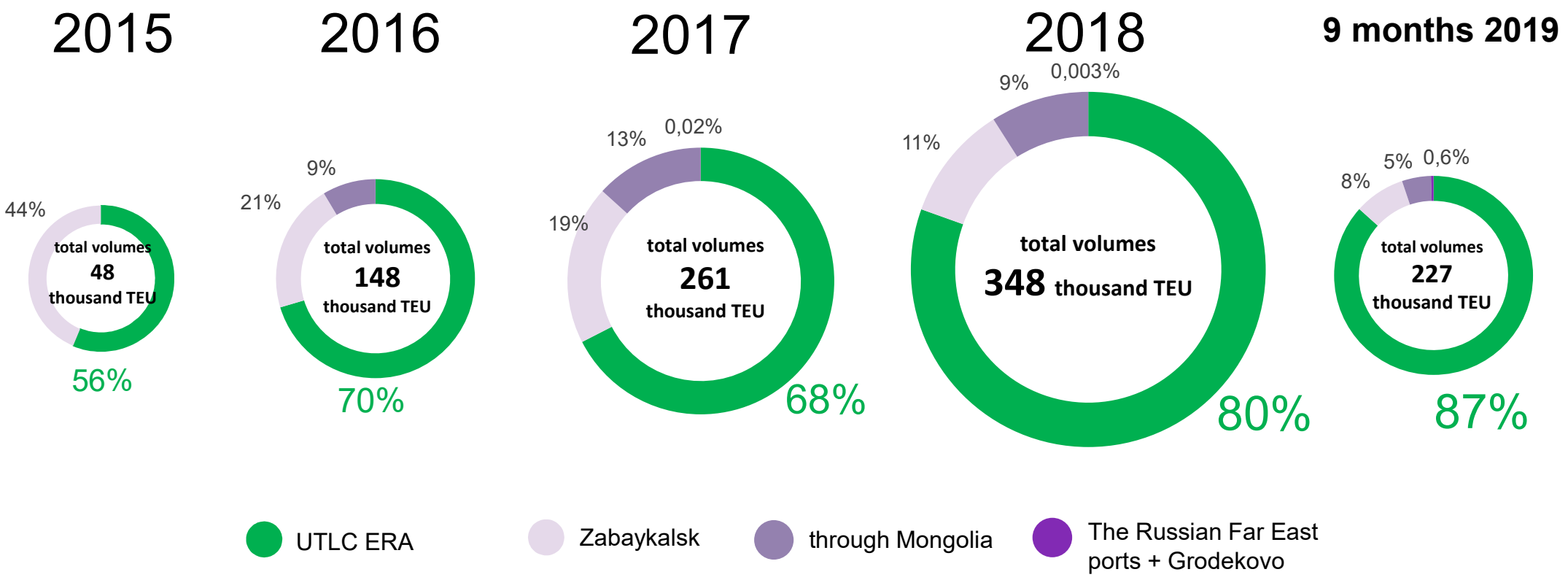
ҚАЗАҚСТАН ТЕМІР ЖОЛЫ
JSC National Company Kazakhstan Temir Zholy

The Belarusian Railway
БЧ

create

MORE opportunities for EAEU and global cooperation and development for our COMMON Eurasian Railway Network

VOLUMES ON THE CHINA-EUROPE RAIL ROUTE (2015 – 9 months 2019)



4S FACTORS

SPEED

Average transit time less than **5 days**

SAFETY

0,0001% losses/ damages

SERVICE

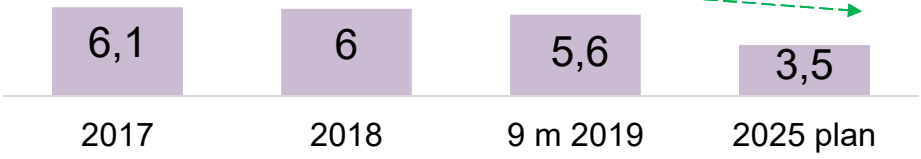
IT solutions, electronic seals for transit service

STABILITY

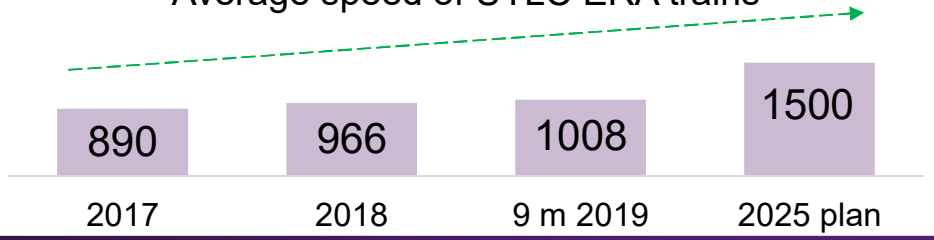
Up to 15 container trains/day

For the first time in June 2019 average transit time has reached 4,58 days with speed of trains 1187 km/day

Average transit time of UTLC ERA trains



Average speed of UTLC ERA trains

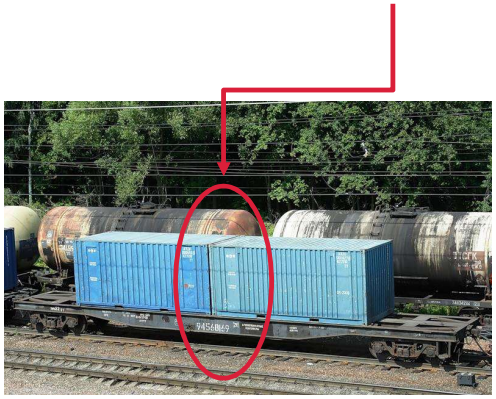


SAFETY

Results:

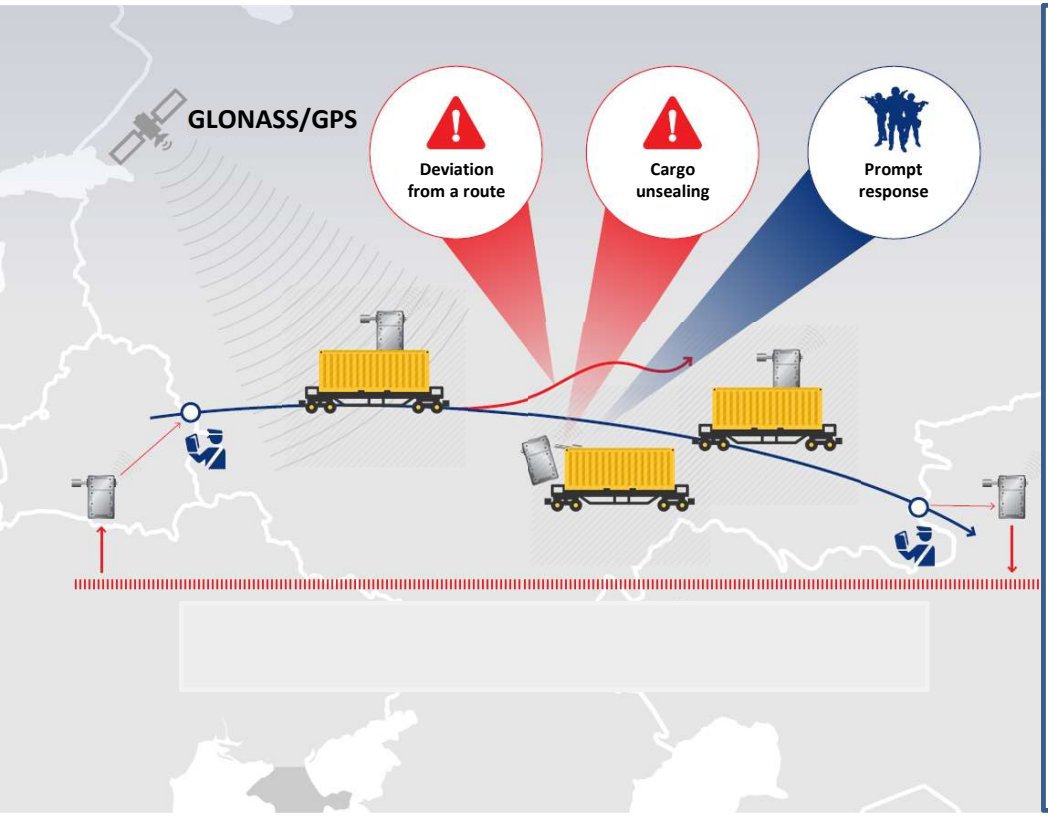
Year	TEU, thousand	Incidents,%
2017	175	0,00009
2018	280	0,00005
2019 (9m)	225	0,00001

- Cooperation with transport police and railways administrations.
- High route speed + short time of stops.
- Containers are loaded door to door



Crimes were successfully investigated by police of three states.

USE OF NAVIGATION SEALS IN SERVICES BY UTLC ERA JSC



Benefits of Application of Technology:

- Increased cargo carriage volume due to an opportunity to transport groups of sanctioned products using electronic navigation seals
- Online control of cargo locations 24/7
- Instant acquisition of information about container opening / access to the cargo
- Control of goods integrity in containers
- Provision of services for monitoring location of containers for consignors / recipients

SERVICE

- Electronic seals with GPS.
- Sensors inside containers.
- Integration of modern technologies: drones, security cams.
- More cooperation between UTLC ERA and state authorities.

Concept of “zero loss”

The use of security technical means should not affect the fare rate.

STABILITY

CAPACITY OF EU BORDER ALLOWS TO HANDLE 1 MILLION + TEUS

EUROPEAN UNION

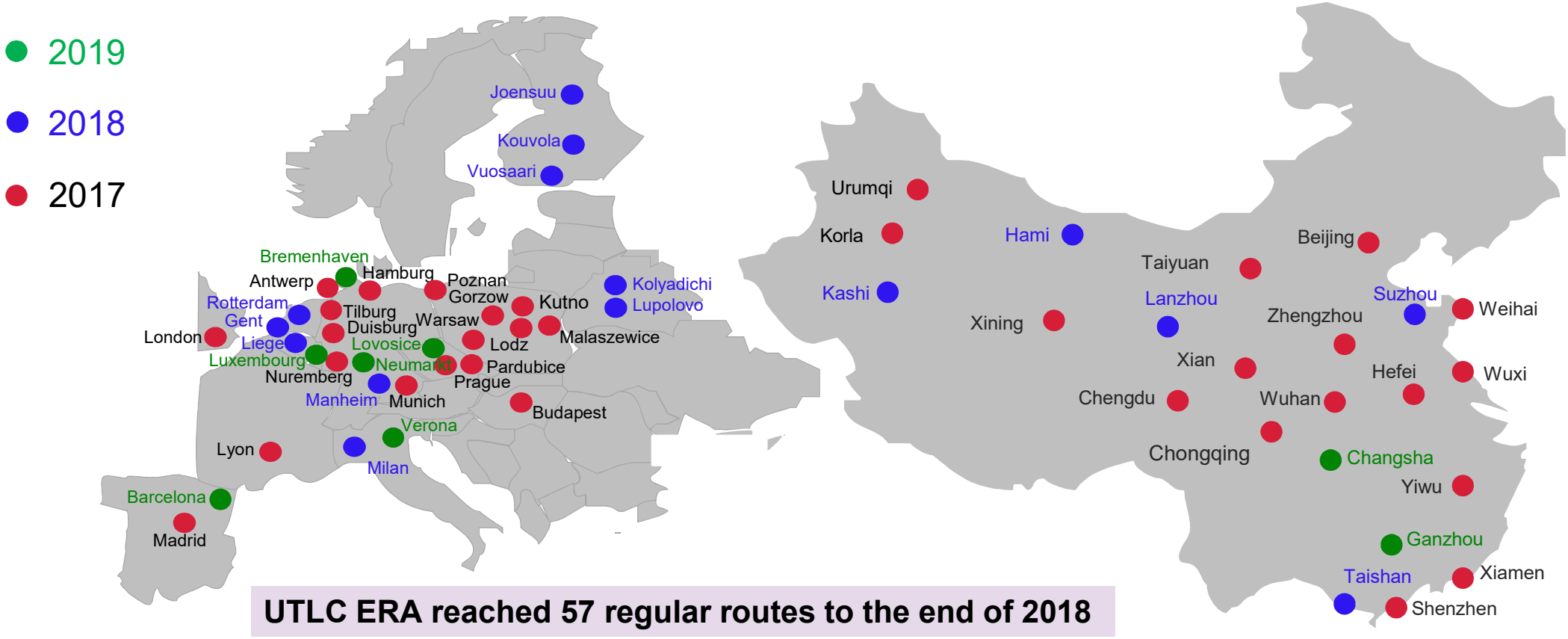
- **3342** container trains
- **8** border terminals
- **16** transit services
- Up to **15** container trains/day

Dostyk/Altynkol – Kanisai – Krasnoe –Brest/Bruzhi/Svislach
Up to 12 pairs of trains/day

Dostyk/Altynkol – Kartaly – Krasnoe– Brest/Bruzhi/Svislach
Up to 10 pairs of trains/day

Dostyk/Altynkol – Ozinki – Krasnoe – Brest/Bruzhi/Svislach
Up to 4 pairs of trains/day (reserved)

EXPANDING THE EURASIAN RAIL CORRIDOR

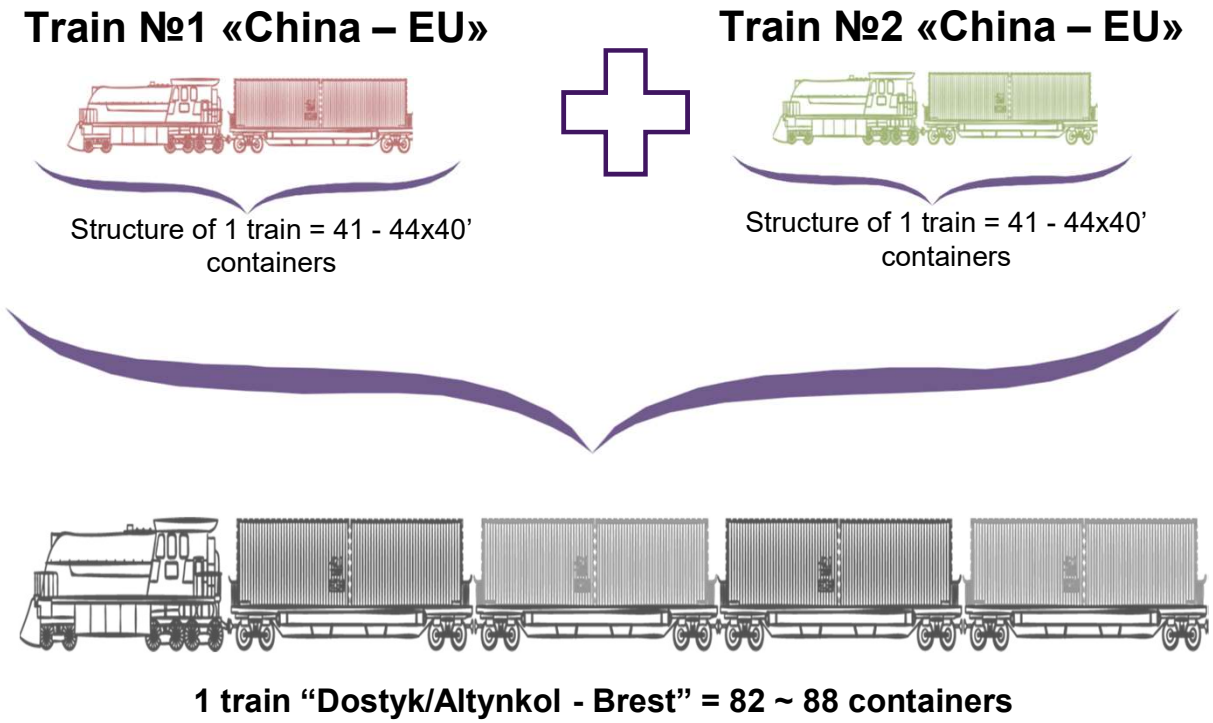


UTLC ERA reached 57 regular routes to the end of 2018

XL-TRAIN TECHNOLOGY “2 in 1”ON THE ROUTE CHINA-EUROPE-CHINA

Advantages of XL-Train technology

1. Prevents access to cargo.
2. Increasing of speed of container trains through the territories of the Belarus, Russia and Kazakhstan.
3. Reducing of the required number of wagons and the number of locomotives on track 1520 mm **by 2 times**.
4. Reducing the cost of storing containers at the Brest station.
5. Cost optimization of transportation of empty and loaded containers.



Future plans:

KEY DRIVERS OF VOLUME GROWTH

• Speed on railway track gauge 1520 mm	✓	increase to 1500 km/day by 2025
• Speed on railway track gauge 1435 mm	✓	increase to 900 km/day by 2025
• The «new standard» of block trains' length on the routes of UTLC ERA	✓	increase to 1670 m by 2025
• The «new standard» of block trains' length on the gauge 1435 mm	✓	increase to 850 m by 2025
• Container overloading operations at border crossings	✓	reduced to 3 hours to 2025
• Coordination with European railway carriers of uniform principles of tariff formation	✓	today ccurrent level: - China/1520 mm - 0.5 USD SD/container/km - Europe > 1 EUR/container/km

Future plans:

Regulatory improvement - facilitation of border crossing procedures by reducing accompanying documents

- Application of electronic transport documents (rail consignment note)

- Application of the electronic customs transit declaration

- Development of navigation seals system

- Harmonization and improvement of international transport law (further harmonization of transport documents, expansion of the CIM/SMGS harmonized consignment note)

ERAI

Eurasian Rail Alliance Index

Eurasian Rail Alliance Index reflects the indicative weighted average cost of 1 FEU transportation along all routes of China - EU Border transport corridor, forwarded by JSC UTLC ERA. The cost of container transporting is diversified depending on both the geography and the direction of the route (Asia-Europe/ Europe-Asia).

http://index1520.com/ru

OUR PRICING ADVANTAGE

Openness, transparence, competitiveness.

Goals:

1. Creating the best pricing terms in the rail corridor Kazakhstan – Russia – Belarus.
2. Pricing policy is based on the principle: the lowest rate to the largest volumes of containers.

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