BARRIERS TO
THE REALIZATION OF THE TRANSIT RAILWAY POTENTIAL OF EEU
In 2016, the volume of traffic along the route Dostyk/Altynkol — Brest — Dostyk/Altynkol. twice exceeded the indicators of 2015 and amounted to 101 thous. TEUs.

For 7 months of 2017 the volumes were 86.5 thous. TEUs (increase in 2 times).

According to the results of 2017, traffic volume growth is projected to increase by 50% against 2016.
By the end of 2016, the number of trains on routes U WEST and U EAST was 1,177.

Almost doubling of Chinese freight traffic provinces and cities involved in container traffic in the direction of Europe at the route of UTLC.

In July 2017, the 1000th train was sent since the beginning of the year.

~2000 Trains (forecast 2017)
The number of regular routes in UTLC services in 2017 reached 42 (at the beginning of 2016 there were 19).

For 2017 the railways of Russia, Kazakhstan and Belarus agreed to increase the speed of trains up to 1,150 km/day by rail of three states which will reduce the transit time for the carriage of goods to 4.5 days.
In 2017 a train from the eastern province of the PRC Zhejiang to London "East Wind" overcame 12 thousand km in 18 days, including using U WEST service.

Optimization of the technology and improvement of the service allowed UTLC to reduce the level of the complex rate for the transportation of containers in 2016 as compared to 2015 by 25%.
The volume of mutual trade between the EU and China increased by 2.5% including the volume of EU imports from the PRC - by 2.9% and the volume of EU exports in China – by 1.5%

The share of China in the EU's foreign trade has increased from 5.4% to 6.1%
The share of the EU in the China's foreign trade has increased from 16.2% to 17.3%

By the results of 2017 the further increase of mutual trade between the EU and China is expected.
FACTORS OF POSITIVE TRENDS MAINTENANCE IN MUTUAL TRADE OF THE EU AND CHINA

- Growth of the purchasing power of the population in a number of Asian countries
- Changing the structure of consumption
- Potential growth in demand for traditional goods for rail transportation
- Significant growth of e-commerce
China's plans to increase the volume of container railway transport to Europe:

In accordance with the 5-year plan (2016-2020), the volume of container trains in direction China-Europe by 2020 will be 5000 units per year.
MAIN BARRIERS FOR FURTHER GROWING OF THE VOLUME OF RAILWAYS THROUGH EEU

- Infrastructural
- Technological
- Normative legal base and IT
WAYS OF OVERCOMING INFRASTRUCTURE BARRIERS

1. Synchronous development of the throughput and processing capacity of the countries participating in transit traffic
2. Increasing the processing capacity of existing terminals on the border with the EU
3. Development of new transit corridor routes
WAYS OF OVERCOMING TECHNOLOGICAL BARRIERS

- Computerization and automation of the workflow
- The formation of the digital economy in EEU
- Substantial simplification of the terms of customs procedures for transit cargoes
- The entry into force on January 1, 2018 of the new Customs Code of EEA
WAYS OF HARMONIZATION OF LEGISLATION, RULES, STANDARDS AND REQUIREMENTS

Implementation of a unified transport policy of EEA

Cooperation with international organizations on railway transport issues (ESCAP, UIC, OSJD, OTIF, CIT etc.)
To successfully implement the railway transit potential of Republic of Kazakhstan, Russian Federation and Republic of Belarus in cooperation with all the participants of international railway transportation, to develop the transportation by the regular container trains - it needs to coordinate efforts in solving technological issues, jointly implement information technologies in customs procedures, continue to work actively towards harmonizing norms, standards and rules of rail transport.
THANK YOU
FOR ATTENTION!