



## Press release

### **The strengthening of CCTT and GETO cooperation and development of Mukran port and UTLC ERA container services**

**Basel/Moscow, xx. April 2020: While overseas traffic is struggling with problems in the face of the corona virus, there is an increasing demand for transport via the routes on the New Silk Road. The Group of European TransEurasia Operators and Forwarders (GETO) and International Coordinating Council on Trans-Eurasian Transportation (CCTT) are now intensifying their cooperation to further enhance the performance of this transcontinental rail transport.**

The freight capacities of sea and air freight traffic have declined sharply compared to previous months due to the current crisis situation. The large container ships only cross the oceans with half the cargo. Reasons for this include the lack of empty containers and the fact that full containers are no longer accepted due to a lack of storage capacity, as well as production facilities that are shut down worldwide. Due to the severely restricted shipping traffic, almost all container shipping companies are currently demanding substantial surcharges. As a result, there is an increased demand for transport by rail and the routes of the New Silk Road.

GETO and CCTT have intensified their cooperation in order to expand and improve their own routes in a targeted manner and to act as a strong discussion partner vis-à-vis federal and state politicians.

As far back as September 2019, the decision to intensify cooperation between the GETO and International Coordinating Council on Trans-Eurasian Transportation (CCTT) set the stage for the creation of this new Silk Road route. Together, GETO and CCTT have developed proposals for the use of both innovative technologies and existing IT solutions and contributed to their implementation. This preparatory work of the CCTT and GETO has led to a coordinated network of industry, public authorities, existing terminals and rail networks, from which not only GETO, but also Mukran Port and UTLC ERA, who are CCTT Standing Members, now profit.



The Baltic Sea countries are of particular importance in this context. Above all, the ports with a well-developed hinterland connection by rail offer ideal conditions. Short-sea transports complement the transports by train in a time-saving way.

The train round trips via the ports of Mukran, Rostock and Baltijsk and Seeport Kaliningrad are examples of how the two transport routes can be sensibly linked. The route offers around 1000 kilometer of transport, which can be used in a time-saving manner independently of the currently highly frequented railway line. This leads to a relief on the railways and represents a good alternative to the additional traffic on the railways.

Harm Sievers, President of GETO, sees great potential for all routes of the New Silk Road, especially in the current period: "The Asian region is already beginning to recover from the corona crisis. In times of normalization, the container train connection will play a major role, as it represents a powerful alternative transport corridor. It is therefore extremely important to use and further develop its potential. Above all, we must work on coordinating rail transport in Europe, Russia and Asia together to improve the Silk Road as a whole".

With anticipation, the state of Mecklenburg-Western Pomerania has also made an important contribution to the preparatory work. For years now, support has been coming from the political arena for the opening and establishment of this new Silk Road corridor across the Baltic Sea.

"In recent years, the state of Mecklenburg-Western Pomerania has increasingly invested in the expansion of the infrastructure of the hinterland connection. As a result, we can now offer very fast transfer times of between four and eight hours within Germany. For example, trains reach Hamburg within four hours, the industrial centre of the Ruhr area is reached in eight hours and is supplied with important goods for production", says Mecklenburg-Western Pomerania's Transport Minister Christian Pegel and continues: "Likewise, the densely populated and highly industrialized south of the state can be quickly supplied with supplies via the Mukran Port and Rostock Port. The Sassnitz port with its extensive areas, the well-developed 90-kilometre-long rail network and direct access to the open sea is an excellent



location as a logistics hub for international multimodal transport within the framework of the New Silk Road".

With the establishment of the Silk Road sea route as an alternative to the proven land routes, the UTLC ERA in particular is sending a strong signal in the current global crisis situation. The closer linking of two different modes of transport is intended to maintain the flow of cargo both on land and at sea.

The importance of joint coordination and action, especially in the current state of emergency, is demonstrated by figures provided by the UTLC ERA. The UTLC ERA transport volume from China to Europe in the first two months of the year was 20 percent higher than in the same period last year, and in the opposite direction it was even more than 60 percent higher. Spread over the whole year and under normal circumstances, UTLC-ERA expects the transport volume to grow by about 15 percent. The aim is not, however, to shift the entire transport from ships to rail, but to create sensible and optimal supplementary options and, as a "high quality boutique", to secure a considerable percentage of the transport volume.

Alexei Grom, President of UTLC ERA: "The choice we offer European shippers in terms of new logistics solutions and directions is particularly important today. The advantageous geographical locations of the ports of Mukran and Rostock will allow to significantly shorten the time of delivery of cargoes from Scandinavia to China, thus eliminating the need for cargo consolidation in the heart of Europe, which is particularly important in the current conditions of temporary suspension of terminal operations due to the outbreak of coronavirus. In GETO we have found a reliable partner and I am confident that together we can ensure that this route is promising and will lead to a significant increase in the volume of freight transported by rail".

### **About GETO**

The GETO (Group of European TransEurasia Operators and Forwarders) was founded in Basel in 1978. It is one of the initiators and founders of the international Coordinating Council on Transsiberian Transportation (CCTT) in Switzerland. The declared aim of the GETO is to make an even stronger commitment to the development of existing and future transport services, including more intermodal solutions in Europe and the equalisation of existing corridor transport in Europe. At the same time, further services and connections between Asia and



Northern, Central and Western Europe are to be promoted. The joint efforts of CCTT and GETO to promote international traffic on the Eurasian land bridge through a variety of initiatives have made a significant contribution to the development of traffic on this important rail corridor.

#### **About UTLC ERA**

Joint stock company "United Transport and Logistics Company – Eurasian Rail Alliance" (JSC UTLC ERA) provides services for transportation of containers by regular container block trains on the route China-Europe-China through the territories of the Republic of Kazakhstan, the Russian Federation and the Republic of Belarus.

#### **About CCTT**

International Coordinating Council on Trans-Eurasian Transportation (CCTT) is an international, non-commercial association with indefinite term, which was entered in the main register of the Canton St. Gallen, Switzerland, on 21.02.1997. Since 2019 the CCTT is registered in the main register of the Canton Bern. CCTT was founded by RZD (Russian Railways), Deutsche Bahn, the Group of European Trans-Eurasian Forwarders and Operators (GETO) and the Korean International Freight Forwarders Association (KIFFA). CCTT presently has more than 96 member companies from 23 countries, including railways in Europe, Asia and the CIS states, leading shipping companies, operators and forwarders, ports and stevedoring companies, state organizations, administrations and municipalities, telecom and marketing companies, security services and the media.