

service, we will also be opening unloading points in several cities," says Varek. "More and more domestic customers, Russian brands and international brands made in Russia, are asking for domestic deliveries. These are not block train deliveries, they are single wagon deliveries.

"More rail infrastructure needs to be developed. The ports are working on this, but there are still a lot of things to do. For big volumes by deep-sea and block trains, infrastructure that gives an advantage in efficiency has to be in place. Currently there are places to unload but it can be much better and needs to be developed."

Varek is not a supporter of the Black Sea as an alternative import route to Russia. "I am not a big believer in the Black Sea as an entry point, and there are two reasons. Firstly, on Russian soil there are not many opportunities to develop proper car terminals and secondly, if we talk about the Ukraine, the political situation between that country and Russia is tricky. Rail transportation through Ukraine is very difficult because they demand a bank guarantee for goods in transit. All the taxes have to be guaranteed if we transport through Ukraine into Russia. That means a big financial obligation for the transportation companies."

Illichivsk is generally considered to be the predominant Ukrainian port but it is sadly lacking in rail infrastructure. The port of Yuzhny is well-developed and has plans for a proper rail infrastructure which could be appropriate for block trains and significant volumes but Varek feels that oil, gas and fertiliser are more strategic than passenger cars for the countries bordering the Black Sea and will, therefore, get priority.

Which brings us to the Trans-Siberian route to Moscow. Last October, Mazda became the first manufacturer to deliver via this route using block

trains from Zarubino to Mikhnevo. The time savings is very significant; an average 18 days compared with 50 plus days by the traditional route through the Finnish ports. "It is also less expensive and quality is improved," says Varek. "There are fewer loadings and unloadings and using block trains makes efficient use of our rolling stock."

One potential drawback to the Zarubino route is the fact that the trains go non-stop to Moscow and are unable to drop cars off en route. "For many manufacturers, a 1000km/1500km circle around Moscow is responsible for around 80% of the sales," explains Varek. "Under railway law, we can't stop the wagons on the way, because then it isn't a block train. If we want to run a block train to the regions there needs to be sufficient volume but it could be a consolidated volume from different manufacturers."

In spite of the success achieved by Mazda, RTA currently has no plans to develop Zarubino. "Currently Zarubino's capacity is about 60-70,000 passenger cars a year," says Varek. "This could be doubled or even tripled within a year, but for that to happen the volumes have to be to be available, some kind of commitment needs to be made. It is very difficult in these times to invest a lump sum and be sure about the future business, but if the market recovers, RTA is willing to make the investment. Other ports in the Far East are in a difficult situation. There are no proper car terminals there.

"We are very happy with Mazda's cooperation, and we appreciate the effort they have put behind the Trans-Siberian route, but I don't think it is necessarily a deciding factor for other manufacturers. It is a good example, and is building a good base for the business, but the deciding factors may lie somewhere else." 