

INTERVIEW - Bulgaria's Ecologistics Plans Sofia Area Freight Village, Eyes Central Asia-bound Intermodal Traffic

SOFIA (Bulgaria), April 12 (SeeNews) - Bulgaria's Ecologistics, the logistics division of one of the country's leading industrial recycling companies, Ecometal, plans to build a freight village on the outskirts of capital city Sofia in a bid to lure intermodal cargo flows to and from Central Asia which currently either transit the country or bypass it altogether, a senior company official said.

"We want to attract cargo originating in Western and Central Europe and bound for Turkey, the Middle East and onwards by taking advantage of Bulgaria's unique geographic position which allows it to serve as a shipping gateway to the Caspian sea and then further east thorough ferry services to Kazakhstan and Turkmenistan," the Ecologistics commercial manager, Ivo Konstantinov, told SeeNews in an interview.

Ecologistics, set up with this very purpose in 2008, will aim to pluck some of the freight traffic originating in Western Europe and destined for Greece's Aegean port of Thessaloniki which is routed thorough Nis, in Serbia, and Skopje, in Macedonia.

"We are missing out on at least two freight trains per day on that route," Konstantinov said, attributing Bulgaria's low-profile in combined cargo traffic services to its underdeveloped logistics infrastructure.

The underuse of Bulgaria's shipping routes is in stark contrast to the natural advantages provided by its geographical position at the intersection of three pan-European transport arteries: Corridor IV linking Berlin, Budapest, Vidin, Sofia and Thessaloniki; Corridor VIII connecting Duras, Skopje, Sofia, Burgas and Varna ; and Corridor X which starts off in Salzburg and stretches southeast through Ljubljana, Zagreb, Belgrade to Nis where one branch continues through Skopje to Veles and Thessaloniki, while another one splits off in the direction of Sofia and onwards to Istanbul.

The first phase of the freight village project - the development of Ecometal's Yana railway station into a multimodal logistics centre, is already underway and should be handling five types of cargo by mid-2010.

The handling of containerised cargo will be the most important service that will be provided at the Yana station and is expected to generate 50% of sales. The station's maximum daily containerised cargo capacity, expected to be reached in two years, is two trains carrying 52 trucks each, Konstantinov said.

The Yana centre will also handle metal products, bulk cargo and conventional containers carrying palletised cargo. It will also have a ramp for the loading and unloading of automobiles and trucks to and from trains directly to and from the ground, a key logistics option for auto dealers that usually lack adequate storage space.

The container terminal is expected to reach its peak capacity of 35,000 twenty-foot equivalent units by the third year. The Yana logistics centre will have a maximum daily throughput of up to 3,000 tonnes of train cargo, Konstantinov said, adding that reaching this milestone would mark the next stage in the freight village project.

"That is tentatively seen around 2013, depending on the economic conditions and demand in Central Asia which is our target market as the cargo volumes generated by domestic manufacturers and importers would

not be sufficient to keep the terminal afloat," Konstantinov said, giving no investment estimate.

A freight village - a defined area within which all activities relating to transport, logistics and the distribution of goods, both for national and international transit, are carried out on a commercial basis by an alliance of various operators, is a modern logistics concept that can generate significant reduction in truck vehicle-kilometres and, if located in an urban area, would sharply ease freight traffic congestion.

In addition to the Yana railway station, the Ecologistics freight village will incorporate another three railway stations in the area owned by Ecometal: Prokat, Rudnichna and ZSK. The four sites have a combined area of 800,000 square metres, offering 35 kilometres of rail tracks. Ecometal also owns many adjacent land plots where it plans to lure manufacturers so that their logistics needs could be addressed in the immediate vicinity.

The nearest intermodal terminal in the region is in Arad, western Romania, but it handles only containerised cargo. The next option is further afield, in Sezana, on the Slovenian-Italian border. There is also a facility in Istanbul but it is undersized and congested, the company executive said.

A unit of cargo provides employment for up to three people in related services along a shipping route, he said, adding that the freight village is expected to create up to 1,000 jobs in the area.

A couple of weeks ago, Ecologistics established a partnership with Slovenske Zeleznice which will now route through Yana a Lyon-Padua-Ljubljana-Sofia freight train that will be serviced three times a week. The route, which will handle containerised cargo, is expected to become operational in June.

Other major business partners include Basel-based Intercontainer/Interfrigo, one of Europe's biggest rail hauliers for containers and combined traffic, Rail Cargo Austria as well as Bulgaria's state-owned railway operator BDZ, Konstantinov said.

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phone: +359 2 9376 416; fax: +359 2 9376 175; e-mail: info@seenews.com; website: www.seenews.com;
address: 16, Ivan Vazov Street, 1000 Sofia, Bulgaria