From Shanghai to Rotterdam: Eurasian landbridge

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Global trade elasticities have changed

Average 1990-2007

Average 2011-2013
Emerging economies still drive growth
A growing share of trade between emerging economies
International freight in tonne-kilometers by corridor: 2010, 2030, 2050
Expansion plans compared with traffic projections by sea area (MTEU)
Eurasian rail corridors

- Two main routes were tested with a couple of transfer links
  - Improve the links to solve mostly border crossing issues
    - Reduce 50% lost time
  - Improve average commercial speed of the network to 60 km/h

- Travel time: Munich->Shanghai
  - Reduce from 4 to 2 weeks
Eurasian rail corridors: Assessed impacts (I)

- The development of this project may significantly impact rail freight between Asia and Europe.

- Impacts of the simulated improvement of the Euro-Asian rail connection:
  - Significant increase of rail mode volumes:
    - Approx. 10% globally vs. baseline scenario (2050)
    - Approx. 150% in the routes (and their feeders) vs. baseline scenario (2050)
  - Mainly transfers from sea (16.2%) but also significant reductions in domestic traffic to ports by road.
  - Assuming constant world trade value, this would lead to an overall increase of:
    - 0.6% freight weight and 0.3% of freight volume globally.

- For 2050, variations of rail freight volumes by commodity group show significant differences. Greatest impacts are expected in:
  - Livestock
  - Other Manufacturing
  - Mining
  - Textile
  - Electronic devices
Eurasian rail corridors: Assessed impacts (III)

- Main economic centroids with strongest increase of rail freight volumes
Very relevant initiative, undoubtedly high potential

- Not only for reducing times on current trade flows but also for generating new flows
  - With gradual transition of intermediate regions from transit-only to transit+trade.

But also big risk of excessive infrastructure investment

- Multiple corridor options available
- Not all will be able to attract significant traffic in early years
  - Careful analysis required by corridor not only of potential value but also of
    - Barriers to be overcome to achieve efficient freight flows (plus time and cost for that upgrade)
    - Reliability and resilience along the upgrade curve

The International Transport Forum can be a useful partner in this work

- Several of our member countries are key actors in the Eurasia Landbridge
Thank You

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