



**INTERNATIONAL TRANSPORTERS' ASSOCIATION**

***“Intermodal Transportation  
Connections of Turkey in the  
COMCEC Region”***

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**Member of Executive Committee**

**COMCEC Meeting, Ankara, 08.10.2013**

## Logistics and Global Competition...

The World Bank studies demonstrate;

- A 1 –day delay in transport of a certain goods; causes a 1 % in its trade..
- A 10 % increase in the transportation costs of a commodity, may cause 20 % less trade of that commodity...



TEPAV studies indicate :

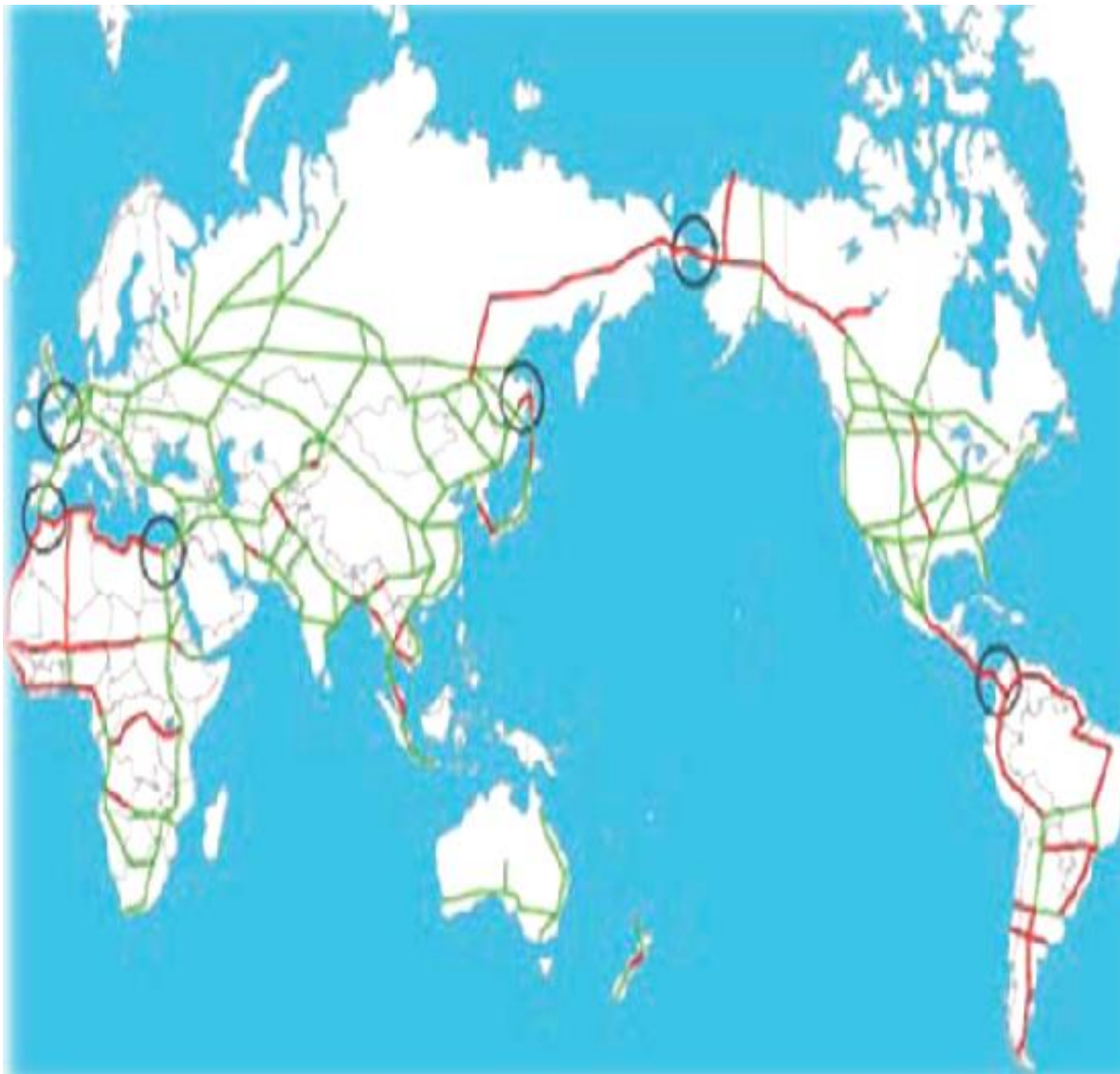
- Every 1 day delay = takes us 85 kms away from our trade partners
- time-sensitive products trade decreases by 7 % for 1 day late delivery...



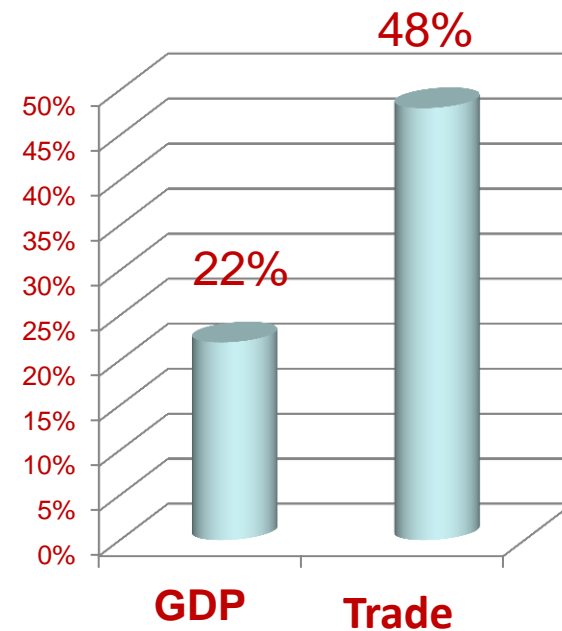
Logistics costs's share in total costs of a product:

**Between 12 %- 20 %**

## Connections Set Up Between Continent ...



### World Economy between 1970-2010



## World Bank – Global Logistics Performance Index 2012

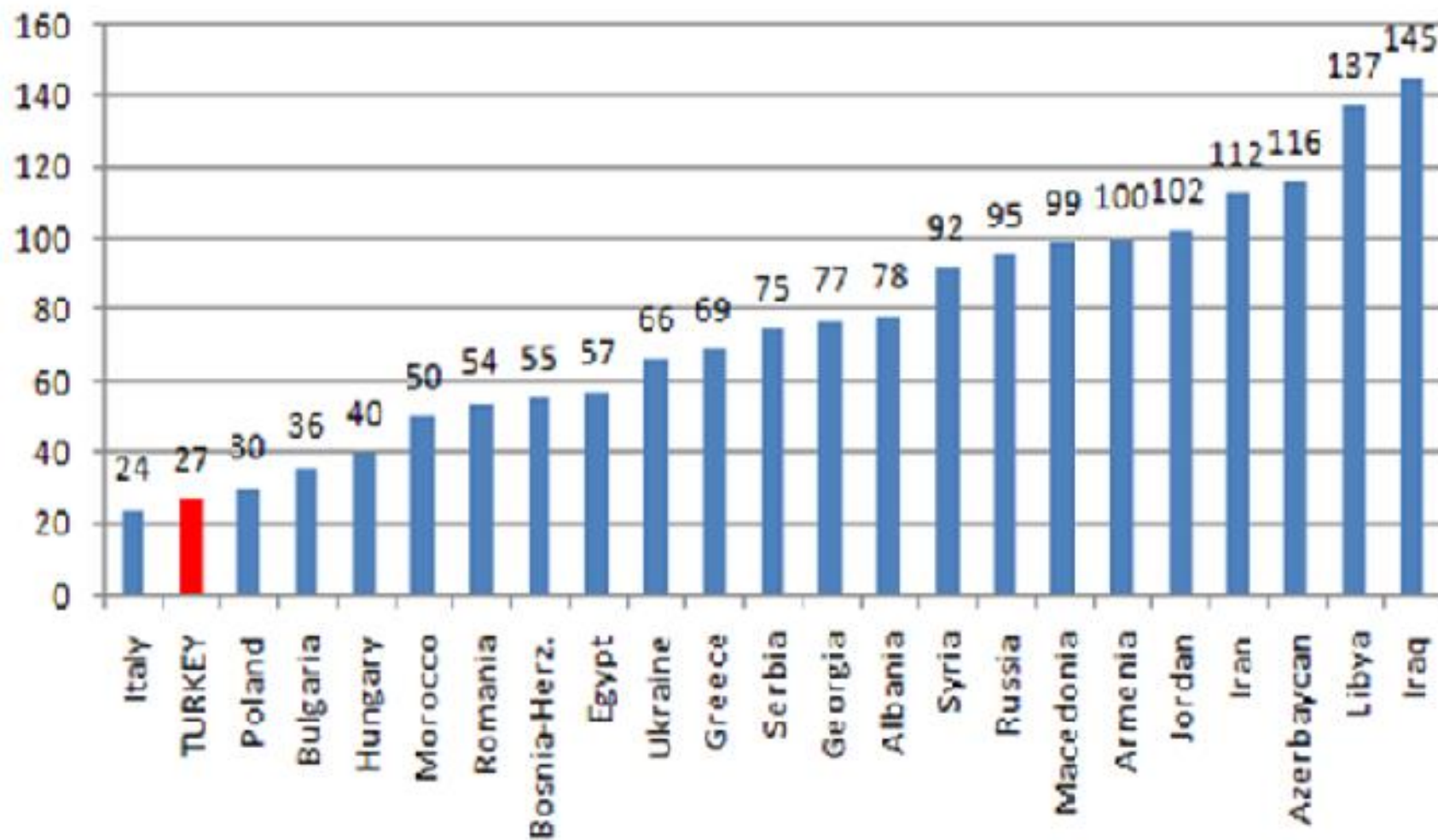
- ✓ The efficiency of the clearance process (speed, simplicity, and predictability of formalities) by border control agencies, including customs.
- ✓ The quality of trade- and transport-related infrastructure (ports, railroads, roads, information technology).
- ✓ The ease of arranging competitively priced shipments.
- ✓ The competence and quality of logistics services (transport operators, customs brokers).
- ✓ The ability to track and trace consignments.
- ✓ The frequency with which shipments reach the consignee within the scheduled or expected delivery time

**TURKEY**  
up from 39  
to rank 27 !

LPI ranking and scores, 2012

Economy	2012 LPI			Economy	2012 LPI			Economy	2012 LPI		
	Rank	Score	N of highest performer		Rank	Score	N of highest performer		Rank	Score	N of highest performer
Singapore	1	4.0	100	Egypt	53	2.01	141	Finland	95	2.03	401
Hong Kong SAR, China	2	4.0	99	Kenya	54	2.01	138	Cameroon	96	2.03	409
France	3	4.0	97	Bahrain	55	2.01	135	Brazil	97	2.02	405
Germany	4	4.0	97	Thailand	56	2.01	135	Ghana	98	2.01	412
Netherlands	5	4.0	96	Egypt, Arab Rep.	57	2.01	133	Laos PDR	99	2.00	403
Denmark	6	4.0	96	Indonesia	58	2.01	123	Senegal	100	2.00	417
Belgium	7	3.9	95	Indonesia	59	2.01	122	Vietnam, Rep.	101	2.00	417
Japan	8	3.9	93	Peru	60	2.01	119	Timor-Leste Rep.	102	2.00	416
United States	9	3.9	93	Panama	61	2.01	116	Paraguay	103	2.00	414
United Kingdom	10	3.9	92	Sri Lanka	62	2.01	114	Sierra Leone	104	2.00	414
Austria	11	3.9	92	Venezuela, Rep.	63	2.01	103	Ghana	105	2.00	414
France	12	3.9	91	Colombia	64	2.01	100	Kazakhstan	106	2.00	414
Sweden	13	3.9	91	Ecuador	65	2.01	99	Uzbekistan	107	2.00	409
Canada	14	3.9	91	Senegal	66	2.01	99	Ghana, Rep.	108	2.00	409
Luxembourg	15	3.9	90	Burkina Faso	67	2.01	99	Liberia	109	2.00	403
Switzerland	16	3.9	89	Burkina Faso	68	2.01	99	Moldova	110	2.00	403
United Arab Emirates	17	3.9	89	Oman	69	2.01	99	Nigeria	111	2.00	403
Australia	18	3.9	87	Kuwait	70	2.01	95	Yemen	112	2.00	403
Taiwan, China	19	3.7	86	Pakistan	71	2.01	94	FI	113	2.00	403
Spain	20	3.9	86	Morocco	72	2.01	92	Japan	114	2.00	403
Korea, Rep.	21	3.9	86	Mali	73	2.01	87	Algeria	115	2.00	403
Norway	22	3.8	85	Guatemala	74	2.01	87	Slovenia	116	2.00	403
South Africa	23	3.7	85	Jordan	75	2.01	87	Morocco	117	2.00	407
Rwanda	24	3.7	85	Latvia	76	2.71	90	Equatorial Guinea	118	2.00	403
Ireland	25	3.7	84	Serbia	77	2.71	90	Morocco	119	2.00	418
China	26	3.7	84	Morocco	78	2.71	90	Poland	120	2.00	413
Turkey	27	3.7	84	Trinidad	79	2.71	90	Cuba	121	2.00	410
Portugal	28	3.7	84	Bahrain, Rep.	80	2.71	91	Moldova	122	2.00	416
Mexico	29	3.9	79	Sri Lanka	81	2.71	90	Guinea	123	2.00	405

## Logistics Performance Index - Neighboring and Close Trade Partner Countries (2012)



## Our Strategic Objective: Becoming a Regional Logistics Hub...



**Turkey is located at the crossroads of the new global trade attractions including Middle East, Central Asia, Asia and Northern Africa...**

**...prepares to offer an uninterrupted, efficient and effective multimodal trade corridor**

## International Road Freight Transport Sector in Turkey

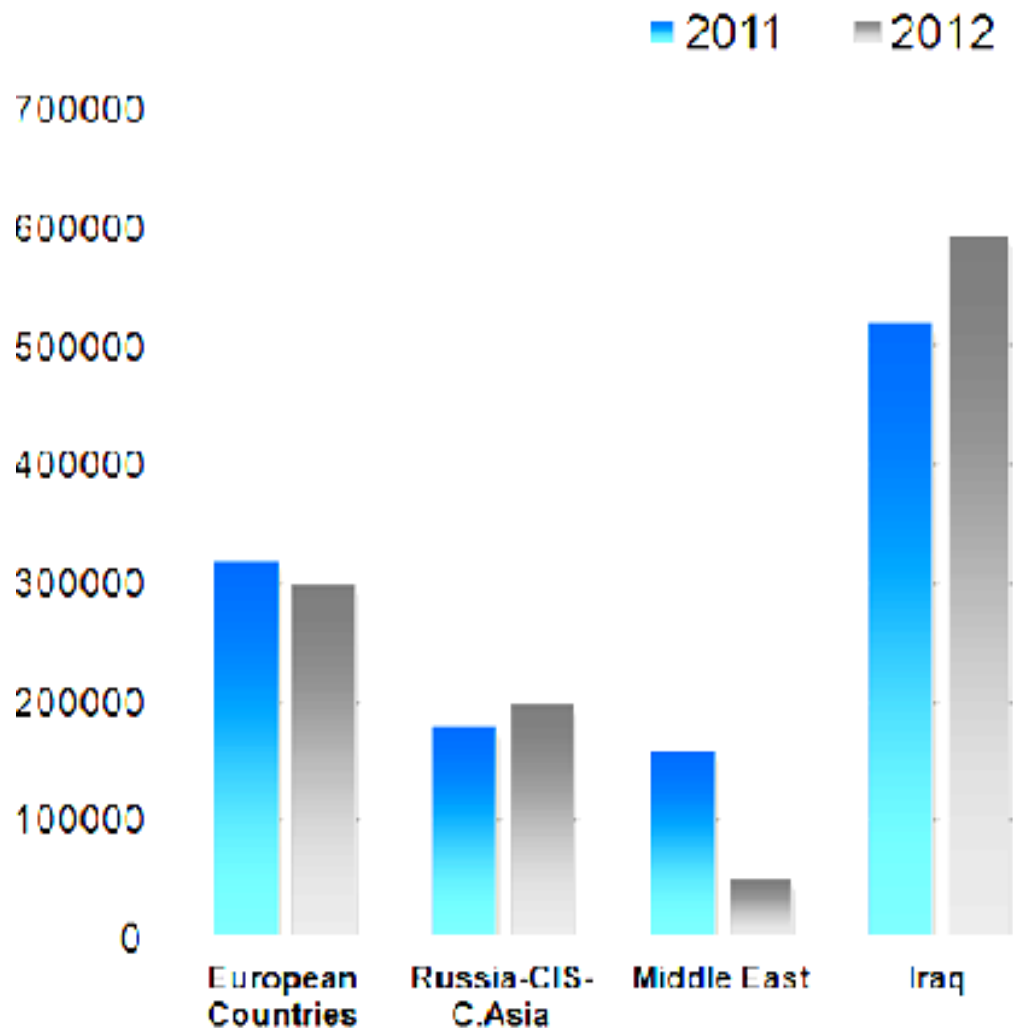
**40 % of Turkish exports**  
(in value)

carried by ROAD...

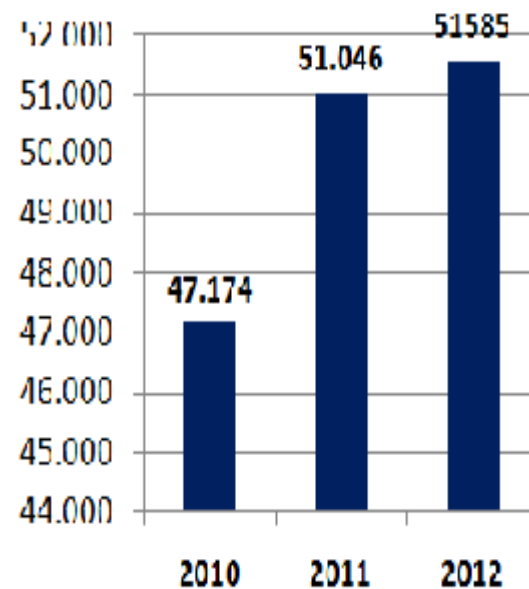


- serves 77 countries in 3 countries...
- about 1,5 million export trips from Turkey  
about 500.000 import trips to Turkey  
by Turkish + foreign trucks
- about 100.000 export trips to Europe by  
RoRo vessels...(semi-trailer / trailer/ complete  
trucks)
- Share of road is 62 % in Turkish trade with  
neighboring countries ( a total trade of 22  
bilion US \$)

## International Road Freight Transport Operations from Turkey, per Region



## Transit Transportation Through Turkey, by road (nr of trips)





## International Transporters' Association of Turkey

- **UND** is a leading professional association in Turkey, **established in 1974** by representatives from Turkish road freight transport sector with an aim to solve problems experienced by the sector at national and international levels.
- **Membership : 1174 licensed** transport and logistics companies based in Turkey.
- **Vision**: to become an exemplary and pioneer association in Turkey and in the world...
- **Mission**: to inform the Turkish Road Transport Industry about global developments, possible risks and opportunities; to encourage operators to establish partnerships and strategic cooperation at national and international levels;
- to make Turkish Road Transporters have institutions that are modern, efficiently managed and respectful to the society;
- to work together with similar associations in other countries and to establish strategic partnerships and cooperation within the region and among associations concerning any possible issue

## **Founder of the first “Private Sector” RO-RO Service between Turkey and foreign markets in 1993 :**

➤ *a Ro-Ro line was established between Turkey (Haydarpaşa) and Italy (port of Trieste) with the purpose of by-passing the war blockage in old Yugoslavian territory, to have access to Europe.*

➤ *The line, after many years, have become a globally renown “brand” , thanks to the combined “ownership” of several Turkish international road transporters.*

➤ *(Until its transfer to a global funding company in 2007), The service was “owned” by road operators, thus, it served to the benefit of the whole sector.*



**RO-RO alternative,  
as a solution  
to overcome the problem of  
“road transport permit quota”  
restrictions” imposed on Turkish road  
transporters  
by over 40 countries...**



## Another pioneer RO-RO service in 2010: Turkey (Tekirdağ) – France (Toulon)



First ROAD-SEA  
combined  
transport  
alternative  
was  
launched by  
UND  
(private company  
established,  
**UND RO-RO**  
- **UND Deniz Taşımacılığı**  
**A.Ş. – UND Shipping**  
**Inc.)...**

Operator change in 2011  
: **UN RoRo,**  
**Port of Pendik (TR)-**  
**Toulon (FR)**

...has shifted on average 8000 road trips / year to sea...

## International RORO Lines operating from Turkey

### European Routes:

Pendik - Trieste (Italy)  
Ambarlı- Trieste (Italy)  
Mersin - Trieste (Italy)  
Pendik – Toulon (France)  
Çeşme – Trieste (Italy)  
Pendik – Constanza (Romania), closed)



### Mediterranean Routes:

İskenderun-Port Said (Egypt)  
Mersin-Port Said (Egypt), closed  
Taşucu-Lebanon  
İskenderun-Haifa (Israel)

### Black Sea Routes:

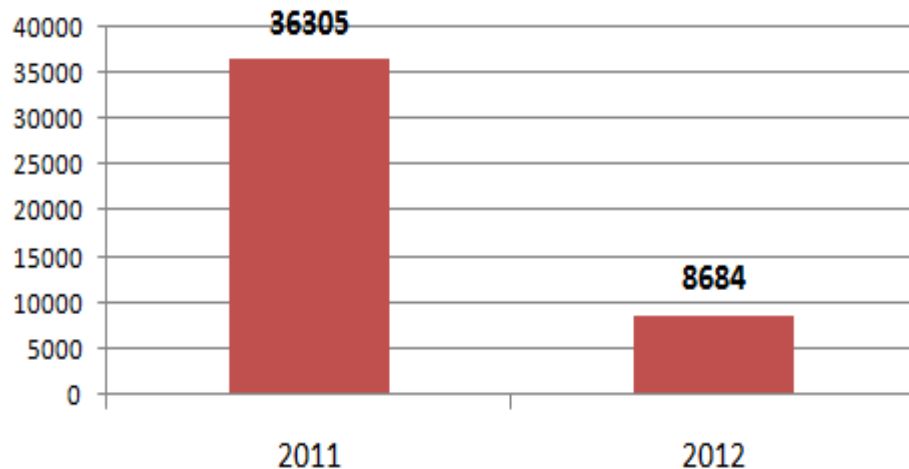
Zonguldak > Skadovsk (Ukraine)  
Zonguldak > Evpatorya (Ukraine)  
Zonguldak-Kavkaz (Russia)  
Haydarpaşa- Ilichevsk (Ukraine)  
Samsun-Novorrssiysk (closed)

## SYRIAN Crisis, Blocked Trade With the Middle East....

**2011 to 2012: Bilateral operations down by 80 %...**



**Transit Road Trips Through Syria By Turkish Trucks (2011-2012 change)**



**From 2011 to 2012, transit operations by Turkish trucks through Syria to Middle Eastern countries has decreased by over 300 %**

**On July 2012: 13 border crossing points were closed ; trade with Syria and 11 countries stopped !**

## ***Fast Solution...***



### **Turkey-Egypt Agreement:**

**Launched : April 2012 : Mersin-Port Said (Egypt) RO-RO line**

75 Trucks capacity

**Launched : Taşucu – Lebanon RO-RO line**

50 Trucks capacity

**Launched : July 2012 : İskenderun-Port Said (Egypt) RO-RO line:**

120 Trucks and 114 passenger capacity

**Launched : 31 August 2012 : Taşucu-Tartus (Syria) RO-RO line**

In the last 1 year period,  
A total of about  
**12.000 trucks** were  
carried on these lines;

offsetting the  
loss caused by road  
blockage..

**35 billion dollars of trade volume between Turkey and Germany is in danger because of;**

## AUSTRIAN BOTTLENECK VERSUS OUR TRADE

Even though **52%** of the Turkish fleet operating to EU is **Euro 5**;

Turkish trucks are:

- **Obliged** to use the two Ro-La lines from Slovenia and Italy in order to transit Austrian territory,
- **Subject to long waiting times** in Ro-La lines (up to 4 days) and **additional costs** caused by the usage/wait of those lines.
- **Discriminated** when compared to other EU member country trucks, even mostly harmonized in **EU/UN transport legislation**.



# EXISTING RO-LA LINES IN EUROPE



## RO-LA USE FIGURES BY TURKISH TRUCKS

HUNGARY	JAN-MAR	APR-JUN	JULY-SEP	OCT-DEC	TOTAL
Wels-Szeged	2.848	3.295	2.706	2.274	11.123
Szeged-Wels	3.178	3.568	3.056	2.408	12.210
<b>TOTAL</b>	<b>6.026</b>	<b>6.863</b>	<b>5.762</b>	<b>4.682</b>	<b>23.333</b>
SLOVENIA	JAN-MAR	APR-JUN	JULY-SEP	OCT-DEC	TOTAL
Wels-Maribor	4.222	4.668	3.636	4.484	17.010
Maribor-Wels	4.392	4.715	3.849	4.487	17.443
<b>TOTAL</b>	<b>8.614</b>	<b>9.383</b>	<b>7.485</b>	<b>8.971</b>	<b>34.453</b>
ITALY	JAN-MAR	APR-JUN	JULY-SEP	OCT-DEC	TOTAL
Salzburg-Trieste	3.300	2.881	2.187	2.487	10.855
Trieste-Salzburg	3.772	3.442	2.441	2.751	12.406
<b>TOTAL</b>	<b>7.072</b>	<b>6.323</b>	<b>4.628</b>	<b>5.238</b>	<b>23.261</b>

•In 2012, a total of 91.000 trucks were carried on these lines , of which 10 % were foreign plate vehicles and the rest were Turkish plate ones.

•There was a 18 % drop in the number of transport operations in total RO-LA operations since the closure of Szeged-Wels line.



## CURRENT IMPACT



### WAITING TIMES

Upon the closure of Szeged-Wels Ro-La line, trucks have been subject to waiting times at the Maribor-Wels Ro-La line for about 4-6 days.



### EXTRA COSTS

Comparing Road/Ro-La costs, the Turkey-Germany road route has become more advantageous with a saving of **EUR 275**.



### MANDATORY MODAL SHIFT

The long waiting times at Ro-La lines have been diverting Turkish transporters to the Ro-Ro line arriving from Turkey to Trieste.

**Table IV: Ökombi Maribor-Wels Capacity**

	<b>Weekly Service</b>	<b>Monthly Service</b>	<b>Capacity/Train*</b>	<b>Capacity/Month</b>
<b>Maribor-Wels</b>	25	100	22	2.200
<b>Wels-Maribor</b>	25	100	22	2.200

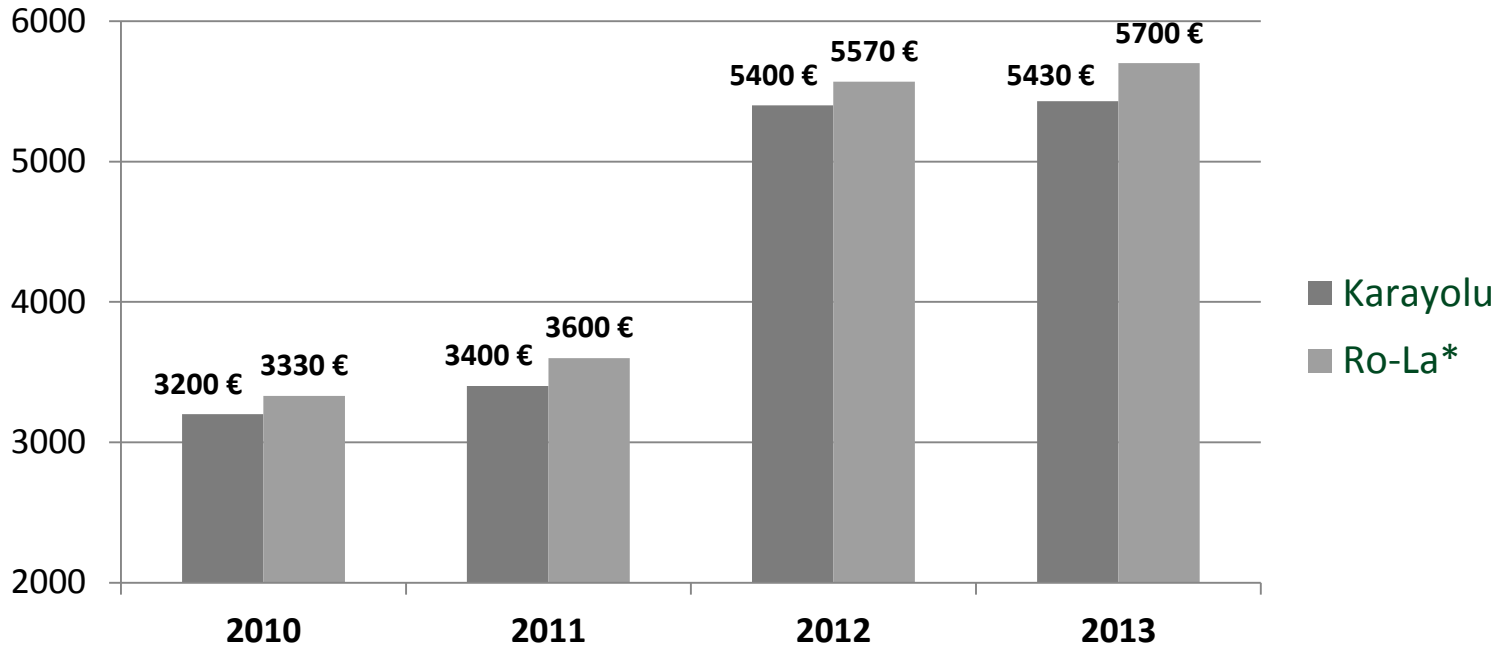
\* The train capacity will be increased to 24 as of 11 February 2013.



**Table V: Capacity/Transport Comparison**

<b>2013 Maribor-Wels-Maribor Transport Capacity</b>	<b>Trip Realised/Capacity</b>	<b>Number of Turkish trucks transported</b>
4.400 (%10 foreign)	182 train/21 vehicles/ 3.822 capacity	3.544

**Turkish trucks with a share of 90 % are faced with an insufficient capacity as of January 2013 !**

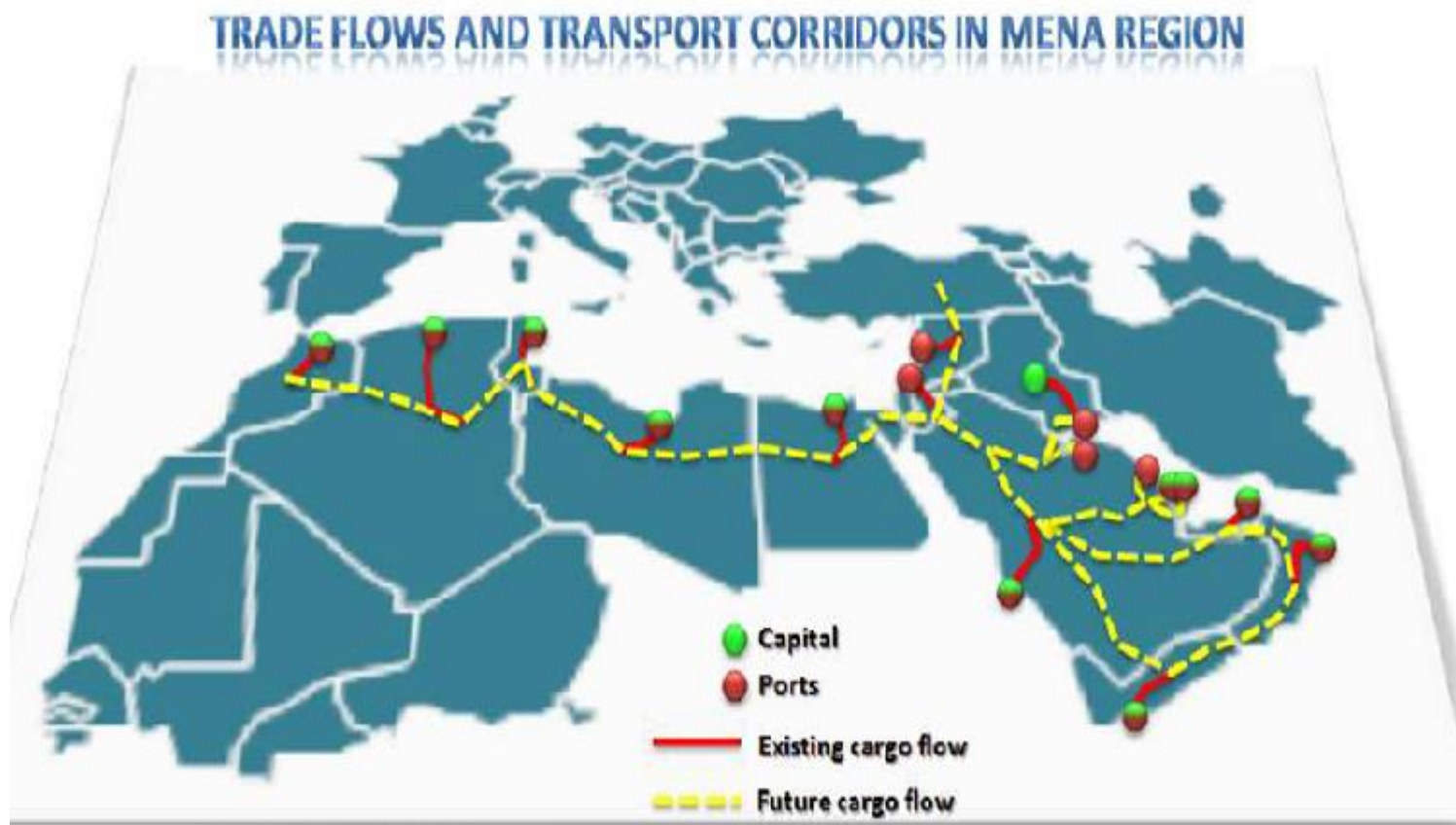


**RO-LA has become a very costly  
“alternative” !**



## Importance of International Multi-Modal Transport Links For the Meditteranean – Middle East- Africa Region

**% 86**  
**Less trade!**



## Turkey, Connecting to the COMCEC ....



- ✓ Trans-European Corridors (Southeastern Axis)
- ✓ Mersin – Alexandria ro-ro line
- ✓ Free Trade Agreement with GCC countries
- ✓ Turkish-GCC rail connections
- ✓ Caspian Sea Ro-Ro Projects (TRACECA-ECO)
- ✓ IRU – NELTI : Modern Silk Road...

**50 % of the world trade will be realised in this region ( surrounding Turkey)**

**It is the responsibility of all regional countries to offer “effective transport connections”**

# Trans-European Transport Networks

Main Axes:

North

South

Central

**Southeast**

Southwest

**Motorways of Sea**



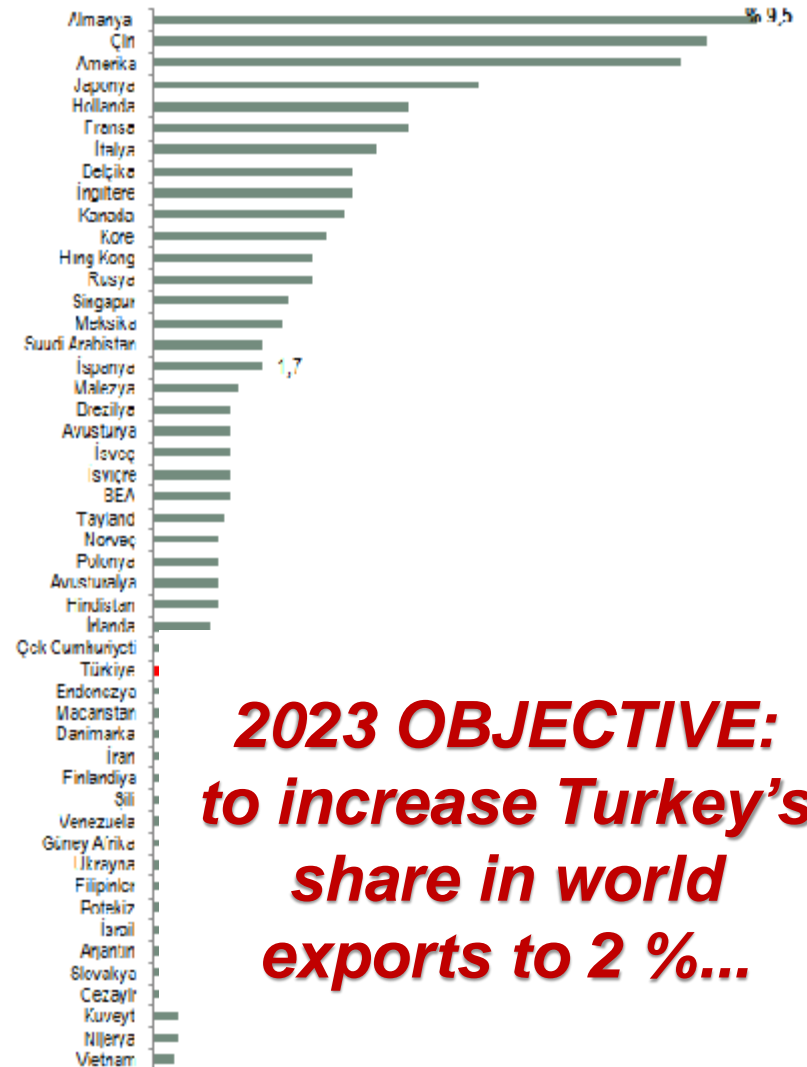
- Ankara – Mersin – Syria – Jordan – Suez – Alexandria/East Port Said multimodal connection ( inc. Below links):
- Sivas – Malatya – Mersin
- From Turkey to Iran and Iraq
- Tartus – Homs (towards Iraq)
- Beirut –Damascus, Iraq and Saudi Arabia
- Haifa – Israel border
- Jordan border – Amman, Iraq and Saudi Arabia direction
- Damietta – Cairo and beyond Nile....

SOUTHEAST AXIS:

# Export Vision for 2023

Turkey's foreign trade objectives for 2023:

- ✓ **Export: \$ 500 Billion**
- ✓ Share of world exports will be increased by 50 %
- ✓ Exports will double making Turkey among top 20 exporters in the world



**2023 OBJECTIVE:  
to increase Turkey's  
share in world  
exports to 2 %...**

## Export Vision for 2023



*EU's share in Turkish exports has been decreasing (despite the Customs Union)*

**% 60 ( 2007)**

**% 38 ( 2012)**



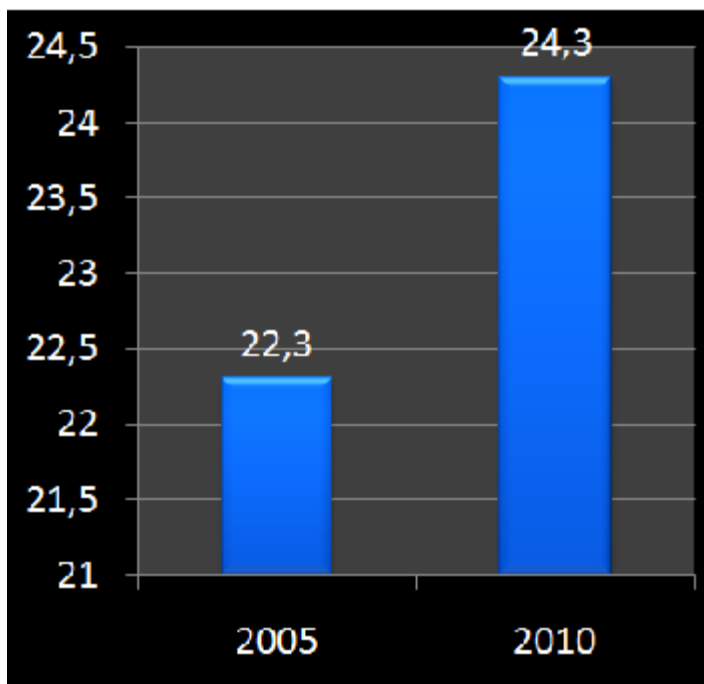
### *New export routes:*

- Ortadoğu
- BDT
- Türk Cumhuriyetleri
- Kuzey Afrika

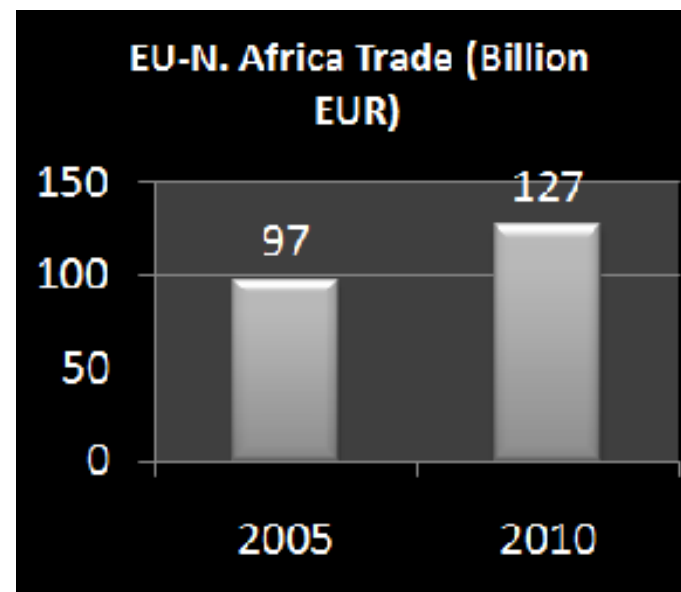


## Transport and Trade...

**TRACECA Corridor Projects  
Increased EU's trade with TRACECA  
Countries by 8,8 % in 5 years !**



**EU-Northern Africa Trade, increased by  
30 % in 5 years thanks to Euro-Med  
Corridor projects !**



- Istanbul-Basra
- Istanbul-Kars-Tblisi-Baku
- Kavkaz-Samsun-Basra
- Istanbul-Aleppo-Mecca
- Istanbul-Aleppo-Damascus-North Africa corridors...

- Kars-Tblisi
- Bosphorus crossing (Marmaray)
- Kavkaz-Samsun ferry
- Van Lake crossing
- Nusaybin-Iraq connections...



- At least 1 port will become among top 10 global ports,
- At least one hub port will be built in Mediteranean, Aegean Seas and in the Black Sea,
- Share of sea transport will increase to 10 % (tonne-km) and containerisation up to 15 % (TEU) until

Further integration to international sea corridors...

## Road (+ Sea) Routes Developed to Middle East and Northern Africa in the last 10 years...



**THANK YOU !**