

# Finland – Asia Railway Corridor

Tero Kosonen

20.11.2018



Public

**VR Group** – ecological, developing and sustainable company

Service offering in areas of passenger traffic, freight transportations and infrastructure building

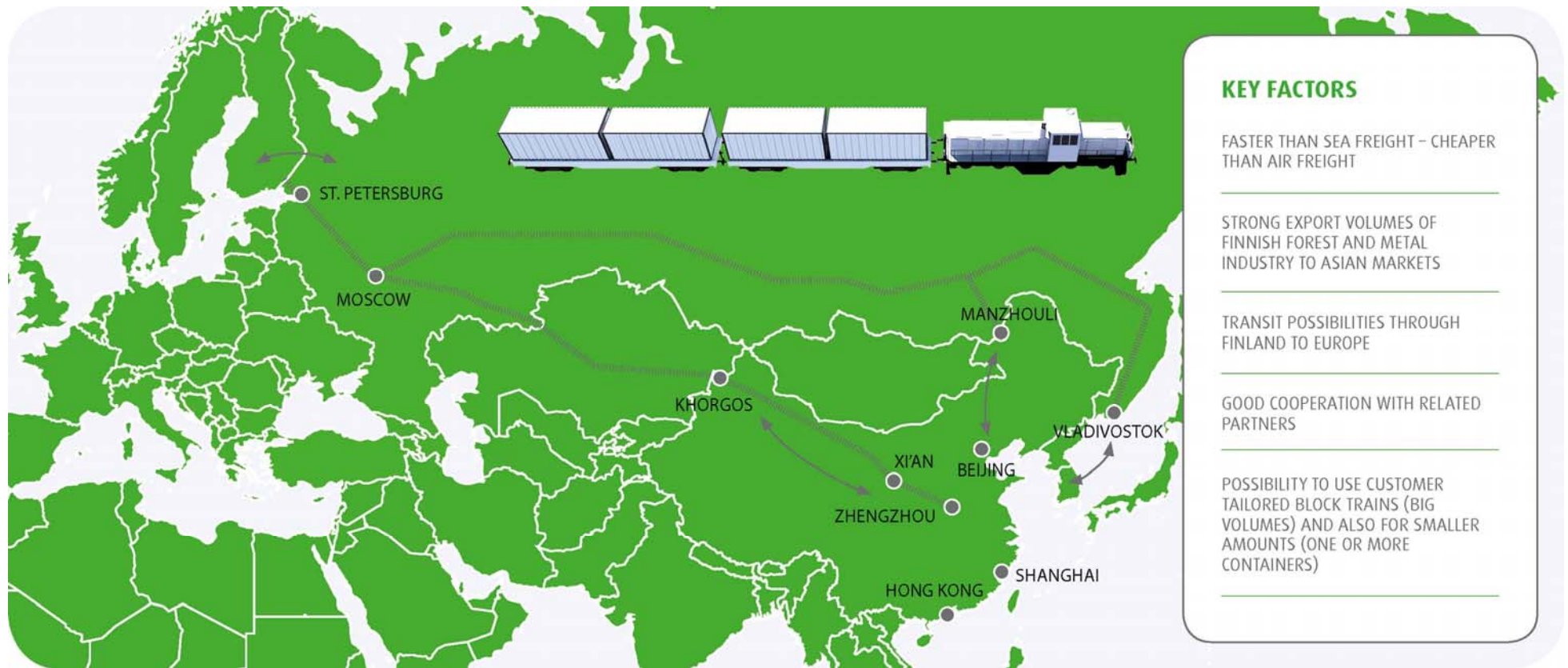
- Three business divisions:
  - **VR** – passenger traffic
  - **VR Transpoint** - logistics
  - **VR Track** – railway infrastructure construction

Getting there together

## Border-crossings (FI/RU) and main transit routes/ports of Finland



## Main routes to Asia



### KEY FACTORS

FASTER THAN SEA FREIGHT – CHEAPER THAN AIR FREIGHT

STRONG EXPORT VOLUMES OF FINNISH FOREST AND METAL INDUSTRY TO ASIAN MARKETS

TRANSIT POSSIBILITIES THROUGH FINLAND TO EUROPE

GOOD COOPERATION WITH RELATED PARTNERS

POSSIBILITY TO USE CUSTOMER TAILORED BLOCK TRAINS (BIG VOLUMES) AND ALSO FOR SMALLER AMOUNTS (ONE OR MORE CONTAINERS)

## Cross-border traffic to Russia/Asia

### Experiences of co-operation with RZD in Russian based traffic

- Long history of working together with RZD
- We operate about 15 Mt/a Russian related cargo (transit/import)
- Market share of Russian related traffic from our total volumes is 38 %
- Daily cross-border operation is very smooth
- Ongoing discussion about short term and long term development of the co-operation in different management levels

### Experiences of Asian traffic

- We operate currently about 2-4 trains/month to China/Korea
- No long term experiences so far
- Some ramp up related problems regarding document handling and rolling stock
- Lots of parties involved – many possibilities of things getting complicated
- Competition between different service providers is significant

### Future development

- We expect transit traffic from Russia continue to grow
- Imports especially in chemical industry are slowing down
- Asian traffic will increase but it is at the moment heavily dependent on the subsidies



VR TRANSPORT

Public



Thank you!