



2nd CAREC Railway Working Group

Bangkok, 18-19 April 2016

Building a strong transport sector

Before we start...

... a quick take on the context of rail transport



Better access to goods and services in support of economic and social development while at the same time minimizing the negative impacts of a rapidly growing transport sector

factor of 4 to 5

five to six-fold.

er into mainstream

Emissions and energy

- transport remains the 2nd largest contributor to CO2 emissions
- demand for energy set to grow by one-third over 2010-2035
- all the net increase in oil demand comes from transport

Urban-based societies

life-style based on instant and around-the-clock availability/services

Transport infrastructure / services

no single mode can serve individually the region's need for mobility

Before we start...

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All the freight that railways carry could be carried by other modes of transport



Greater affluence will amplify demand

by 2050 freight volumes in non-OECD countries could increase by a factor of 4 to 5 compared to 2000 levels while passenger mobility could increase by five to six-fold.

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However, railways...

- can convey wider range of freight types than pipelines
- are faster and more universally available than inland waterways
- offer greater carrying capacity and are cheaper than air transport
- can deliver higher capacity at lower external costs than road

[Exception is bulk shipping... but even that can be constrained by the availability of navigable waters]

Rail freight can also...

- allow producers access to necessary inputs of raw material, intermediate goods at affordable cost
- contribute to economic integration
- deliver external benefits that are increasingly valued by policy-makers

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... people?!...

giving people people



Key policy issues

- identify market(s) and develop customer-tailored services/products
- identify and secure play areas and keep an eye on the bottom line
- don't let the market and its actors (competitors) to pitch the right price
- enhance assets / playing field in relation to policy integration/coordination
- avoid contradictory policies
- link railway to logistics requirements

Need to adopt practical policies supporting more effective railways

... people?!...

railway people
and shippers



Do they talk?

- identify market(s) and develop customer-tailored services/products
- create "market place" opportunities at which shippers can air their grievances
- identify and measure costs and keep an eye on the bottom-line
- "It's a social-media-infused" world... Don't sell and run-away! (Customers like to be talked to)
- understand the market and its actors (competitors) to pitch the right price
- build trust to influence mindsets and perception
- enhance assets / use technology in relation to markets
- specialize your sales people so they know the business particulars of shippers
- downsized staff... with better salaries reflecting higher skills
- link railway to logistics

Create an image that shippers want to be seen to associate with

... people?!...

Railway people? and shippers



...where is the next generation?

- customers are vital to railway organizations
- create "market place" opportunities at which shippers can air their grievances ... so are their own people
- "it's a social-media-infused" world... Don't sell and run-away! Customers like to be talked to
- in some countries a third of the workforce will retire in the next ten years
- build trust to influence mindsets and perception
- attracting (and retaining) young people
- specialize your sales people so they know the business particulars of shippers ... before much of the inherited knowledge goes into retirement
- how to harness the "glamour" factor that aeronautics or aerospace have harnessed?

Create an image that shippers want to be seen to associate with

Partner with universities
(UIC Railway Global Executive MBA course)

Some “take-away” remarks

Do we have people?



...where is the next generation?

- *become more shipper-friendly and customer-focused*

- **Marketing is not just about taking wagon orders and handling complaints**

- customers are vital to railway organizations
... so are their own people
get close to customers,
- in some established businesses, workforce will retire in the next ten years
understand their business,
assess their needs,
- attracting (and retaining) young people
determine whether these needs are a potential for rail, before much of the inherited knowledge goes into retirement
- match product to customer,
how to harness the “glamour” factor that aeronautics or aerospace have harnessed?

- **Understand supply chain (customer’s logistics)**

connect with hubs and logistics centres

partner (more than compete) with other modes (UIC Railway Global Executive MBA course)

Partner with universities



Transforming a patchwork into a network



Action 1. Promote integration



Development of rail based Intermodal Corridors
(based on Korea Railway Research Institute)

Building T... Harmonization of standards
THE KOREA TRANSPORT INSTITUTE

- regional (China's "One belt – One road"; Korea's
Asian Infrastructure Investment Bank
ORGANIZATION FOR CO-OPERATION BETWEEN RAILWAYS (OSJD)

Action 3. Harmonization of procedures

Facilitation of international transport
"Resolution on Regional Cooperation Framework for Facilitation of International Railway Transport"



Ministerial Conference on Transport, 3rd session (last quarter of 2016)



Th@nk you

www.unescap.org/our-work/transport

