

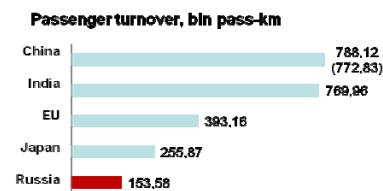
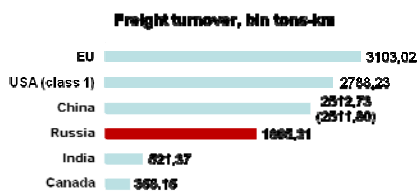
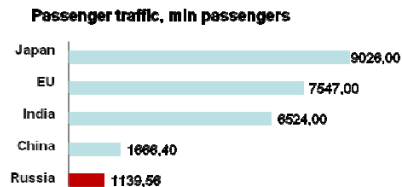
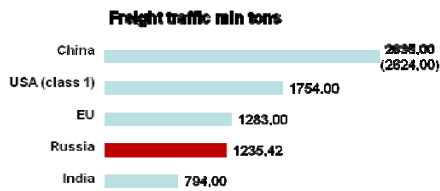
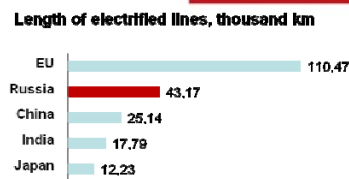
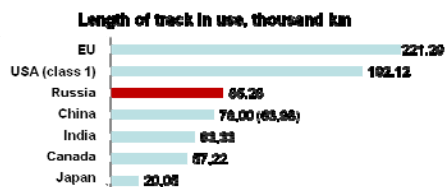


Developing the Eurasian Transportation Network – Russian Railways Strategic Priorities for International Cooperation

Sergei Stolyarov
Russian Railways

18th OSCE Economic and Environmental Forum
Prague, 24-26 May 2010

RUSSIA'S RAILWAYS IN THE GLOBAL TRANSIT SYSTEM (as of 2008)*



* – According to UIC records. Information about Russia in accordance with Russian Railways 2009 reports.

RUSSIA'S RAIL SYSTEM DEVELOPMENT STAGES



2008-2015 Railway Transport Modernization

- ➔ Conversion into an effective transportation and logistics holding company
- ➔ Quick modernization of existing resources and infrastructure
- ➔ Financing investment projects using the investment fund monies
- ➔ Expansion of state-to-private partnership
- ➔ Improving rail access to Russian seaports
- ➔ Construction of St. Petersburg – Moscow high-speed railway
- ➔ Intensification of design and survey work for the construction of new railway lines

2016-2030 Dynamic Expansion of Railway Network

- ➔ Full-scale implementation of state policy for railway industry development
- ➔ Rail network expansion
- ➔ Compliance with international standards of technological development
- ➔ Increase in container freight traffic to 1 bln TEU per year
- ➔ Establishment of common transportation space within EurAsEC

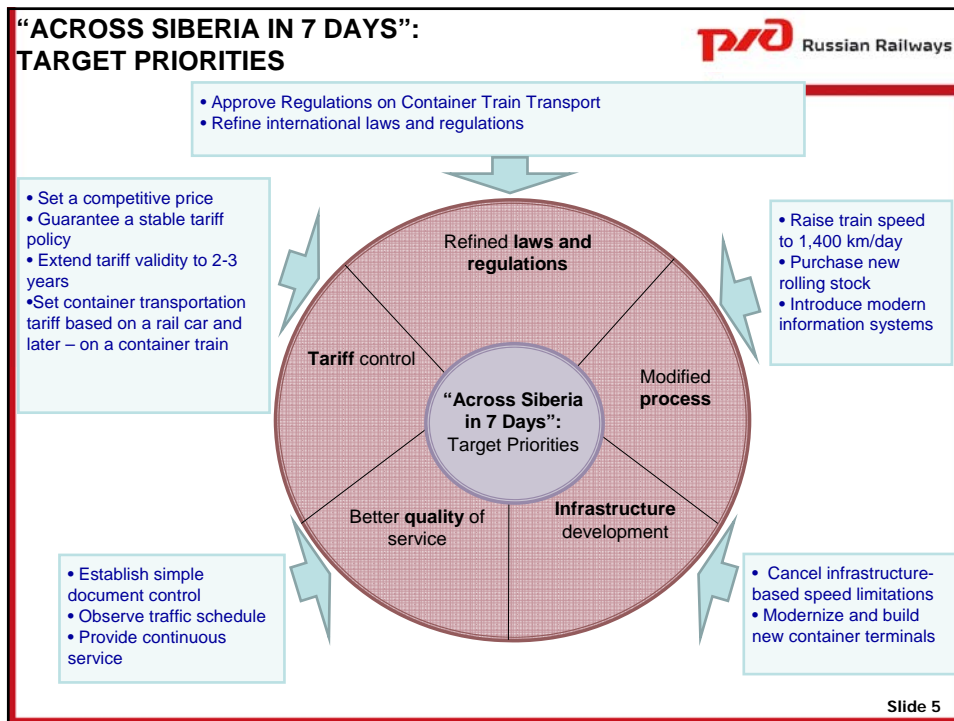
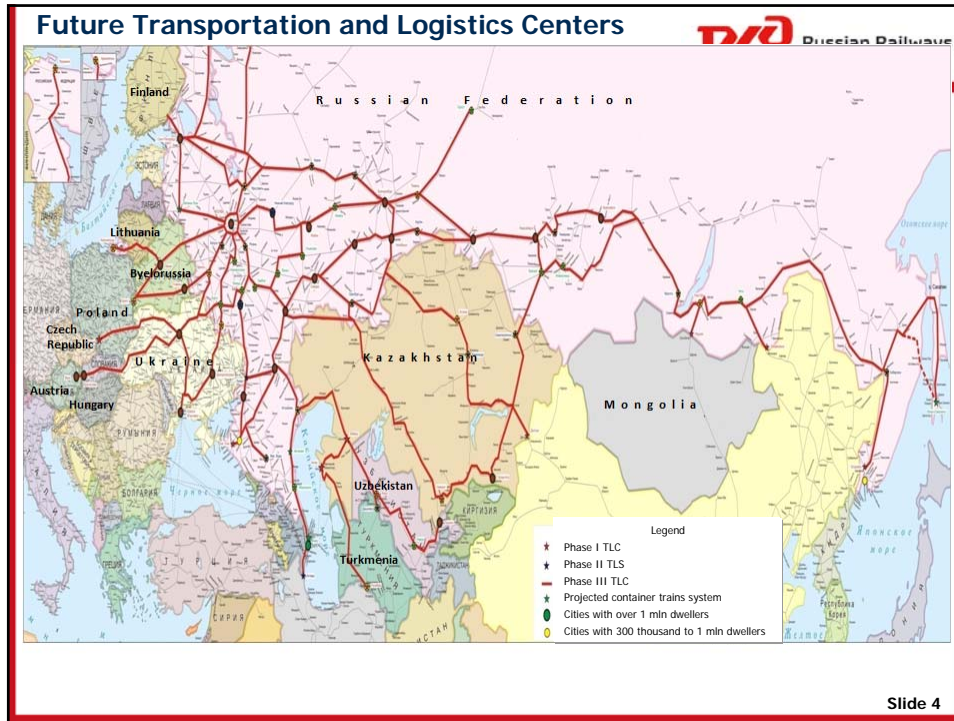
The estimated investment into the railway industry between 2008 and 2030 (in 2007 prices) is 325.7 to 394.3 bln Euros, depending on the option selected

Slide 2

EAST-WEST AND NORTH-SOUTH INTERNATIONAL TRANSPORT CORRIDORS



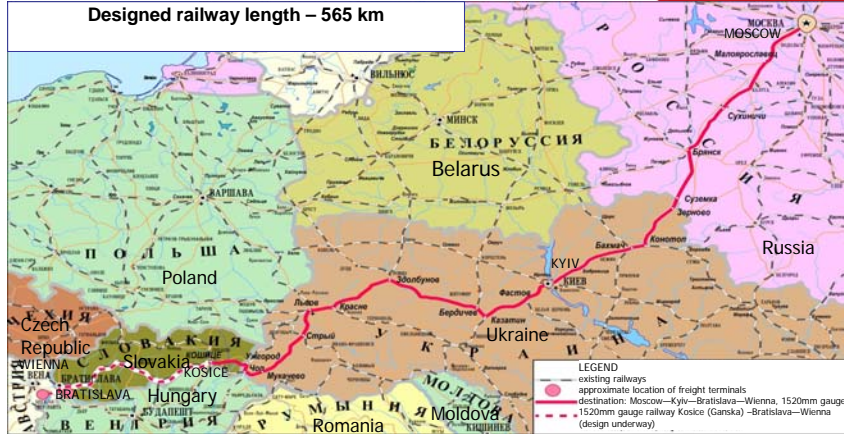
Slide 3



CONSTRUCTION OF 1520 mm GAUGE KOSICE – BRATISLAVA – VIENNA RAILWAY



Designed railway length – 565 km



Project goals:

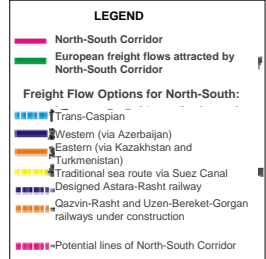
- ❑ Build a competitive direct rail link connecting Europe with Russia and Asia-Pacific Region.
- ❑ Avoid transfer of cargo at stations where European rail lines connect with 1520/1435 mm gauge track.
- ❑ Reduce haulage cost and time; reduce transport cost in the final price of products transported by rail.
- ❑ Cut delivery time in half for freight shipped from Western Europe to Eastern Asia as compared to sea shipment (13-14 days versus 28-30 days)
- ❑ Savings will amount to \$100 to \$1,000 per container depending on the cost of freight.

Slide 6

NORTH-SOUTH INTERNATIONAL TRANSPORT CORRIDOR



Potential product market volume for ITC North-South is 25-26 mln tons



Slide 7