# By high quality services, we want to compete with shipments routed through Poland and Hungary

BULK TRANSSHIPMENT SLOVAKIA, a. s., (BTS) entered the transshipment service market thirteen years ago with clearly defined goals. They are based on high quality services with added value for customers, modernisation associated with the optimisation of processes and, last but not least, the creation of suitable working and social conditions for employees. We have asked Pavel Šuťák, CEO and Deputy Chairman of the Board of Directors, about BTS's thirteen years of operation at the transshipment border-crossing station Čierna nad Tisou.

BTS has accomplished several goals regarding the modernisation and optimisation of processes, mainly in transshipment services. Already at the turn of 2008 and 2009, BTS put into operation the modernised 3rd Defrosting Hall and a year later the first automated centre for the transshipment of bulk substrates. With what benefits for Čierna nad Tisou?

The transshipment centre is intended for direct and indirect transshipment of iron ore substrates from broad gauge wagons (1,520 mm) to standard gauge wagons (1,435 mm). One of the biggest benefits of the technology – the gravitational circular tipper at the Transshipment Centre West, connected with an automated conveyor system, official weighing and shunting of loaded train, is four times higher output compared to the output of conventional transhipment with excavators. For seven years, the centre was unique on the entire eastern Schengen border.

Subsequently, after two years of preparatory and construction works within the 2nd stage of modernisation of the transshipment border-crossing station Čierna nad Tisou, in 2017 we put into service the modernised 2nd Defrosting Hall and the new Transshipment Centre East with current transshipment performance 2.3 million tonnes of bulk substrates but with designed capacity up to 2.7 million tonnes. In its case, we used a newer hydraulic circular tipper technology and extended the services to include transshipment of coal and coke.

### In 2017, you also put into operation a new workplace on the Eastern Ramp. What is it intended for?

This workplace has extended our portfolio so that it also includes the handling of piecemeal goods such as ingots, steel sheets, coils and the like. It is equipped with a modern double-girder gantry crane with a lift capacity of 50 tonnes and its projected transshipment capacity is 1 million tonnes of goods peryear. Areas for storage of goods placed under a customs procedure are also part of this East Ramp - Portal workplace. Together with these areas, BTS workplaces at the transshipment border-crossing station Čierna nad Tisou provide for the customers the transshipment of bulk substrates and piecemeal cargoes with a total capacity of up to 130,000 tonnes.

Have you already launched the announced third stage of modernisation? Activities within the third stage of modernisation started in 2020. The third stage is a response to customers' demands for increased capacity of storage of bulk substrates. BTS is currently, in cooperation with the Railways of the Slovak Republic, implementing an investment aimed at increasing its storage capacities by building the Storage Areas – Centre of an area of 12,000 square meters, which will increase the substrates storage capacity at the border-crossing station to 200,000 tonnes.

### Today, however, modernisation cannot be just about increasing capacity and optimising processes. Does your modernisation have other benefits?

I would like to point out the fact that within the whole preparation as well as in the implementation of the company's modernisation activities, an emphasis has always been and still is placed on the protection of the working environment and environmental protection in the given location. All our workplaces are equipped with devices designed to prevent dust production and reduce its spreading into the air as much as possible.

Another important benefit is the creation of a sound working and social environment for our employees, with the need to increase their expertise and develop their qualifications for the activities performed. Therefore, the BTS modernisation program also includes the reconstruction of sanitary and operating facilities that afford our employees background appropriate to their needs and the present times.

#### Can you name them briefly?

In 2017, as part of the 2nd stage of modernisation, we built a new sanitary and operating building for employees of the Transshipment Centre East, then in 2018, we reconstructed the existing, purchased building for employees of the Transshipment Centre West and the East Ramp - Portal. We are currently carrying out the reconstruction of the sanitary and operating building at the Dobrá combined transport terminal (CTT). When talking about social benefits, I would like to add that with regard to the nature of operations and the optimisation of processes, the company provides its operating staff involved in the performance of maintenance and minor repairs with training aimed at increasing their qualifications for the use of special equipment. We also support the training and enhancement of competences of our technical and economic employees in accounting and economics, in waste management and environmental legislation, in managerial and language skills.

## How successful are you in fulfilling the commitments and plans with regard to the rented Combined Transport Terminal in Dobrá?

Last year BTS, in cooperation with ZSSK CARGO, accomplished, as much as possible, the common intention to bring the terminal into a condition that will guarantee its safe operation. Together with the shareholders - BUDAMAR LOGISTICS, a. s., and ZSSK CARGO, we carried out several promotional activities to widely present the terminal's services both in Slovakia and abroad. In Slovakia, there is also great interest in gaining some transport orders for shipments along the New Silk Road. Last year, the CTT Dobrá was visited by several government officials and representatives of the Ministry of Transport and Construction of the Slovak Republic, who declared more intense support for both rail transport and the development of intermodal transport through the CTT Dobrá. From their positions, the company's shareholders make every effort to create the most suitable conditions for those interested in the given modes of transport. Unfortunately, everything is negatively affected by the pandemic situation, and in order to make real achievement in the development of the given segment, it is necessary to instantaneously resolve and apply the state support scheme. Thanks to the provision of high quality services, we will have a real chance to compete with the prices of transport along routes leading through Poland and Hungary, which will also have a direct impact on increased demand for transport on Slovakia's railway infrastructure.

What should the CTT Dobrá expect from the challenge BTS is dealing with in cooperation with the Ministry of Transport, namely the possibility of opening a new road border crossing for truck transport between Čierna – Solomonovo?

This idea is not new. It is still true that a new road border crossing in the given location would significantly expand the area served by the terminal and attract other investment opportunities in the area of logistics and economic development of the region of Dolný Zemplín.

## You have also added LOKORAIL to your portfolio since last year. What are your plans for rail freight?

The provision of rail freight services is of great importance to us. At the beginning, this activity was mainly focused on leasing some locomotives owned by the company. It has gradually developed into the provision of technical support and assistance to lessees in areas related to the operation, maintenance and repair of locomotives (motive power units). Today, BTS already has 37 motive power units with dependent and independent traction in its portfolio. Since 2011, we have, through the subsidiary INTER CARGO Sp. z o. o., been engaged in providing transport and forwarding services in Poland.

#### So what was the main aim of incorporating LOKORAIL under BTS?

We already declared this upon its incorporation a year ago. The main aim is to enter the Czech rail freight market. LOKORAIL has been operating on the market since 2004. In the past, the use of synergies through cooperation with INTER CARGO in the provided transport services proved successful on the Polish market. At BTS, we believe that this model will also be successful on the Czech market and we will be able to make full use of and develop LOKORAIL's experience in its previous operations focused mainly on regular and irregular transport of goods and the provision of siding services.

Ladislav JANDOŠEK