

Re: >>> 2 Lanes to Muuga - Grain-Trains-Ukraine to Muuga
Harbour Grain Station Estonia

An mgt@mgt.ee

Dear Mr. Lipinski,

from MGT Muuga Grain Terminaal,

looks like you calculated both lanes completely now !

Railway-Project = 91 EUR / Ton Grain - UA > Muuga

Rail-SEA Project = 60 EUR / Ton Grain - UA > Muuga

With the Rail-SEA Project you show a super price !!!

That is why i have put **Muuga** into Film and
Text and .gif - but not into EU map yet - how ?

EU wrote us a friendly letter !! - Grain-Trains-
Ukraine have reached European Commission

But notice : Turkey Media writes that there is
"A solution found" to open Odessa harbour
again - next weeks ? we will know more ...

I see the harbour opening as a big RISK
Russians can also move in and take over
Odessa - then Ukraine economicly dead !?

I will send your calculation to mailing list.
You made up Muuga calculation offer in a
good read-able manner - well done Jan ...

Wish you a nice weekend - you are one
of these people that does not give up ...

RESPECT for the hard workers in Estonia

Best regards from

Volker Goebel / Ing. DE

Vitalii Gorunenko / Ing. UA



Attachments :

.gif picture - moving train - contains Muuga

mgt@mgt.ee hat am 15.07.2022 13:17 geschrieben:

Dear Mr. Goebel,

Hope you are doing well and the Grain-Train-Ukraine makes progress. We were thinking a lot on how to pass the Ukrainian/Polish border from 1520mm to 1435mm and then back at Polish/Lithuanian border in other way. Here what we have come up with the **SEA project**.

There are 2 ways to deliver grain to Muuga Grain Terminaal and Baltic ports excluding Belarus (though Belarus is still the fastest and the cheapest way and it is ready to be used asap. But this route is highly political and what I hear from our Ukrainian colleagues it is NO GO for now).

1. **Railway project:** According to Operail (Estonian government monopoly railway carrier) the planned train consist of 54 platforms each carrying 2 containers 20"=108 containers * 23 ton/container = **2500tons** per train.
1. Grain gets transferred from Ukrainian wagons/containers or auto trucks onto 1435cm wagons/containers at Ukrainian-Polish border. – **we don't know the exact time and the cost of such operation. My guess it could cost 10 eur/mt and 2 days (for calculation purposes).**
2. Transit through Poland to Lithuania. – **698 km by rail eta 2.5-3 days. My guess it could cost 15 eur/mt (for calculation purposes).**
3. Grain gets transferred from 1435 mm wagons/containers into 1520 mm wagons/containers at Polish/Lithuanian border. - **we don't know the exact time and the cost of such operation. My guess it could cost 10 eur/mt and 2 days (for calculation purposes).**

4. Train goes to Muuga. – **810 km by rail eta 4-5 days; estimated cost Lithuania-Latvia-Estonia/Muuga -50 eur/ton including return of rail platforms.**
5. Once in port of Muuga: i) if cargo arrives in **HOPPERS** then it goes directly to MGT and we unload it – (**cost is included into FOB price**) Unloading of up to 104 hopper/day (each hopper on av 68t) – **estimated handling time 24 hours.** ii) if cargo arrives in **20” containers** then container being reloaded from rail-platform onto auto-platform -> MGT discharges cargo into Silo -> container from auto-platform back onto rail-platform. – **estimated cost of such operation including rent of trucks around 6 eur/mt. Unloading up to 60 containers/day estimated handling time 48 hours.**
6. Train with empty wagons/containers goes back to Pol/Ukr border including steps 1.1-1.4 in reverse. - **eta 3-4 days; cost return of empty wagons Muuga – Latvia – Lithuania normally is included into rail freight.**
7. MGT accumulates large shipments in storage space of 150 000 -200 000 tons and waits for vessels.

Summary project Rail in containers (without Ukrainian part):

- Total distance by rail from Ukr/Pol border to Muuga = 1508 km by rail one way.
- Total estimated time of delivery to Muuga by RAIL: = 12 days + Handling in Muuga 2 days = 14 days one way. Return to Pol/Ukr border 12 days.
- Total estimated cost of delivery to Muuga by RAIL: = 91 eur/mt (FOB MGT not included).

!!! Requires a lot of wagons/containers to be busy for a long time.

!!! Container train delivers small quantities in comparison to the distance and time it takes.

!!! High charges from Baltic railways. At least I can speak for Estonian Operail. No help or interest for now from their side. Discount is offered only for take or pay guarantee starting from shipment size of 100 k tons. If approached by EU authorities maybe rates will be better.

!!! Wagon jams at border crossings (at least 2 border crossing).

!!! Extra expenses because of 1520 and 1435 gauges as it has to be done 2 times.

2. Sea project.

1. Grain gets transferred from Ukrainian wagons/containers into 1435mm wagons/containers at Ukrainian-Polish border. – **we don't know the exact time and the cost of such operation. My guess it could cost 10 eur/mt and 2 days (for calculation purposes). Remark and just a thought- I have no idea how much it costs to send truck with grain from Ukraine to Gdansk. But the distance 707km and traveling time 12-15 hours is doable. As the last resort.**
2. Once grain is on Grain-Train-Ukraine it will go to **POLISH PORTS** like: Gdansk (707km by rail); Gdynia (722km by rail) and Szczecin (876 km by rail) – **eta 2.5-3 days. My guess it could cost up to 10-15 eur/mt (for calculation purposes).**
3. In Polish ports the grain gets loaded onto vessels 5 000-10 000 tons (or smaller or bigger) and goes to MGT Muuga to accumulate large shipment sizes and to free Ukrainian grain storages - **we don't know the exact time and the cost of such operation. My guess it could cost 8-10 eur/mt and loading of vessel up to 2 days (for calculation purposes).**
4. Vessel with grain sails from Polish port to Muuga – **estimated sea freight 25 eur/mt and eta Muuga 2-3 days.**
5. MGT unloads vessels and accumulates cargo at the Silo so later can load HANDY and PANAMAX types. Please note that MGT can unload and load vessel up to **150 000 DWT**. MGT unloads **5000 tonner within 24wwhours and 10 000 tonner within 36-48wwhours (the cost is included into FOB rate and the rate include unloading into silo and loading onto vessel).**
- 2.5.1. **Please note !! MGT can unload 2 vessels at the same time if required!!!** As we have 2 berths (330m long and 17.5m deep each) but we need one week to get ready for it.
6. The empty vessel sails back to Polish ports for next shipment.

Summary project SEA (without Ukrainian part):

- Total distance by rail from Ukr/Pol border to Polish ports: = 707-876 km by rail one way.
- Total estimated time of delivery to Muuga by rail **and** SEA: = 10 days + Handling in Muuga 1-2 days = 11-12 days one way. Return of wagons/containers to Pol/Ukr border 3 days. Return of empty vessel to Polish ports 3 days.

- Total estimated cost of delivery to Muuga by rail **and** SEA: = 60 eur/mt (FOB MGT not included).

Advantages **SEA project** over Rail:

1. Eliminates problem of switching back from 1435 to 1520 at Polish/Lithuanian border and on the way back. **Saves time and at least one handling operation!**
2. Faster. **SEA** 12 days one way **vs** 17 days one way by RAIL. Return time is also faster. **Therefore cheaper.**
3. Can deliver more in a single shipment and faster. To deliver 5000t of grain to Polish ports would take 3 trains and 6 or 9 days **vs** delivery through Baltic 2 or 3 trains and 30 to 45 days (*depends how many tons per train and if they are sent one after another or not*). And to accumulate at MGT **HANDY (35k tons)** requires 7 travels for the 5000 toner vessel **vs** 14 trains.
4. MGT unloads vessel 5000 tons within 24whh **vs** 60 containers (1400mt) within 24 hours. If the vessel is bigger than even more intake per day.
5. Even if Polish ports will have full grain storages they still able to load vessel directly from wagons or trucks onto the vessel (most of terminals can do this). Meaning even being full they still can earn on handling and the cargo flow out of Ukrainian storage to Muuga does not depend on storage capacity of polish terminals.
6. **MGT can unload 2 vessels at the same time and we work 24/7 SSHINC!!!**
7. **This way we can free more Ukrainian grain storages for new and already happening crop and can start right now!!!**
8. Less railways – less expenses and hustle with railways monopolies and less wagon jams at the borders.

Please note!!!

- Railway rate Estonia (p.1.4) is more or less accurate. But possibly can be reduced.
- Railway rates for Latvia and Lithuania (p.1.4) are also more or less real. Lithuania might be a bit more expensive.
- Railway rate in Poland is purely our estimation based on Baltics.
- Travel times by RAIL (p.1.4) are taken from railway distance calculators.
- Container/cargo handling rate and time at border crossings are purely our estimation based on Baltics.
- Rate for handling of containers in Muuga (p.1.5) from rail platform onto auto platform and delivery to MGT is working rate.
- SEA freight to Muuga (p.2.4) is estimate and could be even less.

Please do not publish or take this calculation as solid. ESPECIALLY RATES as they need some checks and updates. If you think that **SEA** project can be of interest and can help. Then we can update the rates on our part and make a working model. We can get rates and terms starting from chartering of vessels to intake of grain into the silo. Polish part is difficult for us as we do not contacts there.

Will be waiting for your comments and would you have any questions, please do not hesitate to contact me at any time.

Wishing you a good weekend!

Bets regards,

Jan Lipinski.

MGT Muuga Grain Terminal

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- Grain-Trains-UA-EU-2_by Vitalii Gorunenko and Ing. Goebel.gif (15 MB)
 - Logo.jpg (3 KB)