Press release

The establishment of the Budapest–Belgrade railway line strengthens the geopolitical advantages of Hungary

29. April, 2019. – Within ten years, the amount of the Hungarian container transport was doubled. Its volume already adds up to 300 thousand TEU per year. The combination of this rapid development and the advantageous geopolitical situation of Hungary results in many possible economic advantages. With further infrastructural developments Hungary can turn into a new hub for freight transport in relations of East-West and North-South. This ambition is supported by several investments, among others – in addition to the already existing two container terminals in Budapest – there is a new terminal development in progress. The rapid increase in capacity corresponds to the current needs as several logistic centres are operating at full capacity. Amongst the new investments the establishment of the Budapest–Belgrade railway line plays the most important role.

The European Union aims to increase the railway’s share in the freight transport market to 30% until 2030. This can only be achieved by shifting the significant amount of freight arriving on the road from the Balkans (Bulgaria, Turkey, Serbia, Macedonia) to rail, to which the development of a high-quality railway line is essential. The establishment of the Budapest–Belgrade railway line is supporting this intention as well.

The needs arising from the transport growth are getting more difficult to fulfil safely on the road. To decrease the amount of traffic jams – caused by high truck traffic – and environmental pollution, European governments are introducing higher tolls and restricting measures. With increasing the rail’s share the EU also validates environmental considerations: road freight transport – in respect of TEU – burdens the environment with 21 times more CO₂ compared to rail freight transport.

The transport of the containers to Europe – filled with goods produced in the Far-East – is the most cost effective if large ships, with the capacity of even 18 thousand TEU are utilized. These can only enter into deep-water ports, as for example the dock of the Greek Piraeus. Because of this the goods arriving from China are transported by train from here or from other Adriatic ports to Hungary – last year more than 700 container trains arrived to Budapest from these destinations.

Currently, trains leave daily or every second day – through the Balkan countries and Serbia – to Hungary. Due to this, it is highly important to increase the capacity of the railway line between the Greek port of Piraeus and the Rail Cargo Terminal - BILK in Budapest.
The vast amount of goods justifies the integration of further railway lines in order to accelerate the handling of the transports: The first regular rail freight transport on the more than 7300 km long Silk road started several weeks ago. The train will run once a week between Xi'an and the Rail Cargo Terminal - BILK in Budapest. The advantage of the solely continental transport is that it is three times faster compared to maritime transport – in case of a ship with the capacity of 220 container trains.

The Budapest–Belgrade railway line is the last section of the corridor which provides the shortest connection between the ports of the Greek Piraeus and Thessaloniki and the terminals in Budapest. The European Union has several development projects in this area as well: the planned route of the freight corridor (RFC) 12: Budapest–Serbia–Macedonia–Greece (Piraeus). The Budapest–Belgrade line is the most significant for Hungary.

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