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FINAL FEASIBILITY STUDY

Final Feasibility study for electromotor
train revitalisation in HŽPP - summary

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Summary

HŽ Passenger Transport (HŽPP) started the process of Feasibility study drafting by interviewing all the experts from the company dealing with operational aspect (train operation and logistics) and marketing aspect (advertising activities during the years which led to a large amount of data acquired).

After the initial interviews, document concept was done which led to another round of in-depth interviews and collection of concrete data (prices, contracts, blueprints, photos etc.).

The extensive research and the document is finished in January 2021, covering the Introduction with the general data on YOUMOBIL project, background for Feasibility study drafting, main information about HŽPP as main stakeholder and identification of relevant stakeholders.

Further, location and technology are analysed to be able to elaborate on different scenarios and decide on the optimal. With relevant experience on the topic, HŽPP was able to detect the most important issues that need to be addressed and analysed in this chapter: problem definition and location analysis, revitalization micro-location and technology, production and production goals, maintenance activities (before and after production), safety regulations, ownership of the location, production and intellectual ownership, general terms of business collaboration dictated by the company.

Chapter 3, as the most relevant one, shows the best implementation scenario after analysing three partnership scenarios and elaborating on technical scenarios that will serve to feed the Cost-benefit analysis with data. For scenarios concerning the cooperation with a museum, individual graffiti artists and educational institutions, the third one is chosen when comparing advantages, disadvantages, complications, experience and prices.

In the “Impacts on the community” chapter, all benefits are defined, financial and non-financial. Although financial benefits, over a 12-year period, show a significant potential, even with current declining statistical data on inhabitants and today's prices, non-financial benefits are more numerous. They mostly include reduced negative impact on the environment.

The most important strengths of the initiative are experience, realistic goals and young people involvement. The most important weakness is short deadline regarding internal procedures, considering Covid-19. The most important opportunities are external creative “pressure” on conservative railway company and cooperation with stakeholders. The most important threats are political instability and lack of interest and enthusiasm from young artists.

Regarding the resources, most of the human resources are from HŽPP and young people involved in the revitalization. Since the first group of young people participating on workshops are really interested in this revitalization, it can be expected that young creatives will embrace the opportunity to be involved as well, especially supported by their educational institution. Financial resources are defined by phases: preparatory, planning and production, material resources are ensured by HŽPP, and both co-financed by YOUMOBIL.

Operative analysis was planned in the beginning but the data was redistributed to other chapters to be more coherent.

CBA analysis is done like a simple exercise due to the simple investment of 5.000,00 EUR. When comparing incremental costs (investment and maintenance) and projected income, it is found that the difference is positive. Beside the financial analysis, economic analysis is done in simplified form as well, listing economic benefits of the investment that are actually difficult to calculate and the calculation would cost more than the investment itself. Also, a simple sensitivity analysis, with few scenarios is done (costs increasing and decreasing by 5%, incomes increasing and decreasing by 1%). The analysis shows positive results for all scenarios but concludes that projected income has much larger influence on the result and that this should be mitigated with promotional activities.

Chapter “Project management and implementation time plan” shows managing structure, detailed implementation plan by activities (with activity description, stakeholders and timeframe). A gantt chart concludes the Study.