ITC Conference

INTERMODAL FREIGHT TRANSPORT

Ralf-Charley SCHULTZE
President

GENEVE
20 February 2018
The mission of UIRR as Industry Association

To grow the pie

through enabling **competition and cooperation** on the basis of

1) technical merit – of the particular transport solution offered
2) competence (professionalism) of those who organize CT
3) with UIRR as the collective voice of the intermodal sector
PROMOTE: UIRR’s representativity in 2017
Development of Combined Transport

![Graph showing UIRR Performance Gauge (% growth quarter-on-quarter 2016-2017)](image)

![Graph showing change in UIRR compared to 2005 (base year)](image)

![Graph showing trend in intermodal rail freight (1,000 tons)](image)

**UIRR Performance Gauge**

(REFERENCE YEAR: 1990 = 100)

- consignments
- TKM
The challenges of longer distance freight transport

- **Climate**: CO₂ and energy efficiency
- **Environment**: air and noise pollution, vibration
- **Public security**: oil dependency
- **Safety**: accident injuries/fatalities and material losses
- **The economy**: GDP loss due to congestion
- **Employment**: labour productivity
- **Infrastructure**: road degradation and spatial constraints

The answer: **Intermodal / Combined Transport**
The Intermodal bottle-necks in Europe

Intermodal bottle-necks

- Transhipment terminals
- Quality train paths
- National railway rules
- Physical bottle-necks
- Divergent regulatory framework / enforcement regimes
Terminal capacity

- **Uneven terminal density**: good subsidy scheme > no CAPEX support
- **Lack of urban terminals**: close to downtown to directly support city logistics
- **Quality/homogeneity**: upgrade to CNC parameters
- **Operational standards**: Implementing Act on Access to Service Facilities
- **'Not in my back yard' effect**: fear of noise and traffic is hurdle to new projects
- **Lack of coherent intermodal plans and/or commitment to modal-shift**: insufficient input to encourage developers and/or to reduce risks
Quality train paths

**Passenger traffic:** 10% growth (no data of trainkm growth) | punctuality: 80-85% (to 5 minute)

![Figure 1 - Evolution of rail passenger traffic volumes](image)

**Freight traffic:** 10% shrinking (no data of trainkm growth) | punctuality: n/a

![Figure 1 - Evolution of rail freight traffic volumes](image)

**Rail freight quality:**
- The EU RMMS Report does not contain data
- Sector data collection (UIRR, RFCs) shows great variations with average est. below 50% (to 30 minute standard)
National rules (railway)

- **Clean-up of national rules**: work in progress at ERA – core countries lagging behind
- **UIC Leaflets vs ERA TSIs**: persistent lack of clarity; some progress in changing UIC Leaflets
- **Traffic rules**: no European priority rules, passenger traffic is prioritised over freight (even when latter is on time)
- **Path allocation rules**: freight comes after passenger when deciding access to the tracks – without proper social benefit analysis
- **Infrastructure development**: lack of fair competition for investment resources between freight and passenger needs
Physical bottlenecks (railway)

- **Symbolic infrastructure**: uneven progress – some big projects advance faster than others
- **Connecting lines**: uncoordinated upgrades of connecting lines to/from symbolic infrastructure like Gotthard Base Tunnel
- **TEN-T parameters**: inconsistent progress in train length, axle load and profile gauge upgrades and ERTMS implementation
- **Small-scale bottlenecks**: replacement of switches, extension of bypass lines, completion of missing electrification progresses slowly and often lacks funding
- **Coordination of works**: deficiencies both in the coordination of planning and the implementation of works is a shortfall of cooperation foreseen under the Rail Freight Corridors
Divergent regulatory framework and enforcement

- **Intermodal uncertainties**: ageing and imprecisely worded Directive 92/106 impedes uniform application of rules, which results in enforcement-related disruptions in some Member States

- **Voluntary standards**: codification- and identification-related heterogeneity causes extra costs and losses of efficiency

- **National compensation schemes**: unpredictable national schemes reduce the value and effectiveness of compensation and promotional measures extended to intermodal actors and/or users

- **Unclear goals**: lack of coordination between Member States and mode-specific regulators in the goals to be achieved by intermodal transport result in wasteful use of resources
The EU legislative solution: amendment of Directive 92/106

- National Intermodal Development Plans
  - alike German or UK rail freight masterplans

- Assessment of Disparities
  - standard empirical method to analyse relative situation

- Horizontal Collaboration of Regulators
  - vis-à-vis vertically structured MoTs

- Fair Competitive Framework

- Temporary Compensatory Measures
  - to act as motivation for real structural reform
How long does it take to get to a legislative solution…

---the effort to amend Directive 92/106 - since 2012---

- last COM report issued on the development of CT 2002

1998 - aborted attempt to amend (AT initiative)
2005 - update to mirror EU expansion (no content revision)

- COM engages consultants to draft status report of EU CT sector H.2 2012
- COM stakeholder workshop on possible amendment July 2014
- COM decides to transform CT report into impact assessment for potential amendment H.2 2013

- UIRR complaint for missing COM biannual reports on CT
- "UIRR CT Roadmap 2050": calls for amendment of Dir. 92/106
- UIRR CT Roadmap 2050: calls for amendment of Dir. 92/106
- Public consultation response of UIRR

Aug 2014

- UIRR member survey on Directive 92/106

Dec 2014

- UIRR position paper on need to amend 92/106

June 2015

- COM concludes REFIT with intent to amend
- COM 92/106 REFIT launched H.1.2015

July-Sept 2015

- UIRR papers to argue for the need to amend 92/106

Dec 2016

- UIRR non-paper on amendment (after advice of OPS IG and TER IG)

Dec 2017

- UIRR position paper on COM draft

Jan 2018

- COM to unveil proposed text for revision

Dec 2018

- EP and Council to take final vote and new directive becomes law

Apr 2019

- May 2015 UIRR General Assembly tells COM its requirements
- May 2016 UIRR General Assembly tells V. Bulc amendment needed
- May 2017 UIRR General Assembly consults with COM on contents of upcoming amendment
- May 2018 UIRR General Assembly to consult EP rapporteur and Council Presidency
Intermodal can do the job

...if and where the framework conditions are right

✓ Rail infrastructure is developed coherently with strategic goals
✓ Freight is recognised: train path capacity allocation and traffic rules
✓ Capacities are developed: lines and terminals (infrastructure)
✓ Intermodal rules are clearly defined and predictable compensation is offered

Transalpine traffic through Switzerland 1984 – 2016
THANK YOU

For your attention