



INTERNATIONAL UNION
OF RAILWAYS

unity, solidarity, universality

Developments and Perspectives of Railway Business in Europe and Asia

FIATA Multimodal Business Forum

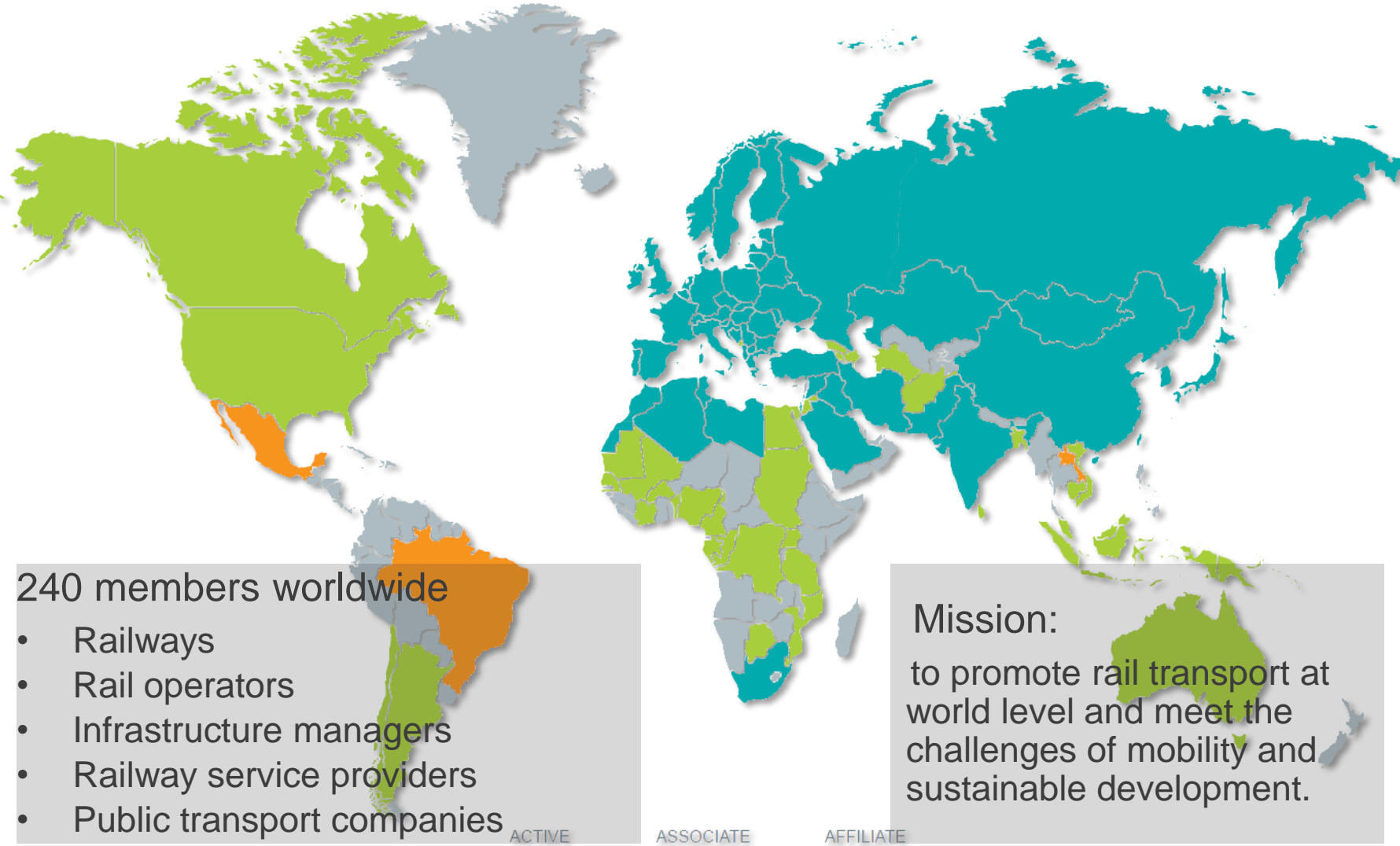
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Hans Günther Kersten, UIC Director Freight
kersten@uic.org

Overview

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2. SWOT- Analysis of Rail Freight in Europe
3. “Belt and Road Initiative”: Regular Train Connections between China and Europe
4. SWOT-Analysis of Rail Freight on Eurasian Corridors
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UIC 2016



240 members worldwide

- Railways
- Rail operators
- Infrastructure managers
- Railway service providers
- Public transport companies

Mission:

to promote rail transport at world level and meet the challenges of mobility and sustainable development.

ACTIVE

ASSOCIATE

AFFILIATE



Main Objectives of UIC

- Facilitate the sharing of best practices among members (benchmarking)
- Support members in their efforts to develop new business and new areas of activities
- Propose new ways to improve technical and environmental performance
- Promote interoperability by means of standardization and harmonization of operating rules
- Develop centres of competence (High Speed, Safety, Security, Digital Platform, ...)

Situation of Rail Freight in Europe – Strengths

- **Environmentally friendly in terms of low emissions/ CO2**
- **High energy efficiency**
- **Contributes to decongesting roads**
- **High safety standards**
- **Cost efficiency increasing with distance**

Situation of Rail Freight in Europe - Weaknesses

- **Lack of technical Interoperability**
- **Different operational rules**
- **Language barrier**
- **Infrastructure bottlenecks**
- **Currently only national authorization for rolling stock**

Situation of Rail Freight in Europe – Opportunities

- **Congested roads in Europe**
- **New EU Rail Freight Corridors**
- **Positive changes with Fourth Railway Package (e. g. EU-wide authorization for rolling stock for cross-border operation)**
- **New technologies allow better use of infrastructure capacities**
- **Intermodality, in particular Combined Transport**

Situation of Rail Freight in Europe – Threats

- Pace of innovation in the automotive sector (lower emissions, autonomous driving, ...)
- Low innovative potential (vicious circle: low productivity → low profits → little means for innovation → low productivity)
- Trucks with increasing capacity (“Mega-/Gigaliners”)
- Noise and vibrations caused by rail operations, in particular in densely populated areas
- Increasing density of European regulatory measures
- Re-establishment of border controls (threat shared with road transport)

“Belt and Road Initiative”: Regular Train Connections between China and Europe

(Source: DVZ Nr. 71, Sept. 6, 2016)

- **Chonqing – Duisburg**
- **Chengdu-Nürnberg-Tilburg**
- **Xiamen-Chengdu-Hamburg**
- **Wuhan-Hamburg-Duisburg-Lyon**
- **Suzhou-Warsaw**
- **Changsha-Hamburg**
- **Heifei-Hamburg**
- **Harbin-Hamburg**
- **Shenyang-Hamburg**
- **Xian-Warsaw-Hamburg**
- **Yiwu-Duisburg-Madrid**
- **Zhengzhou-Hamburg**
- **Lianyungang-Chengdu/Chongqing-Herne**

Situation on Eurasian Corridors - Strengths

- **Shorter travel time than ship**
- **Much cheaper than air freight**
- **Environmentally friendly**
- **More attractive for hubs in Central China**

Situation on Eurasian Corridors - Weaknesses

- **Lack of Interoperability**
- **Different operational rules**
- **Different legal regimes**
- **Lack of competition/ barriers to market entry**
- **Infrastructure bottlenecks**
- **Time consuming and not calculable border crossing procedures**
- **Inbalanced traffic: much higher volumes in east-west than in west-east direction**

Situation on Eurasian Corridors- Opportunities

- New corridors developing, existing one being modernized
- Production in China shifting from costal to inland locations
- UN are working on global harmonization of railway laws
- Longer and heavier trains (Heavy Haul) increase productivity
- Intermodal hubs are developing
- Environmental unfriendliness of ships coming increasingly into focus
- Low rail freight rates in west-east direction open up new business opportunities

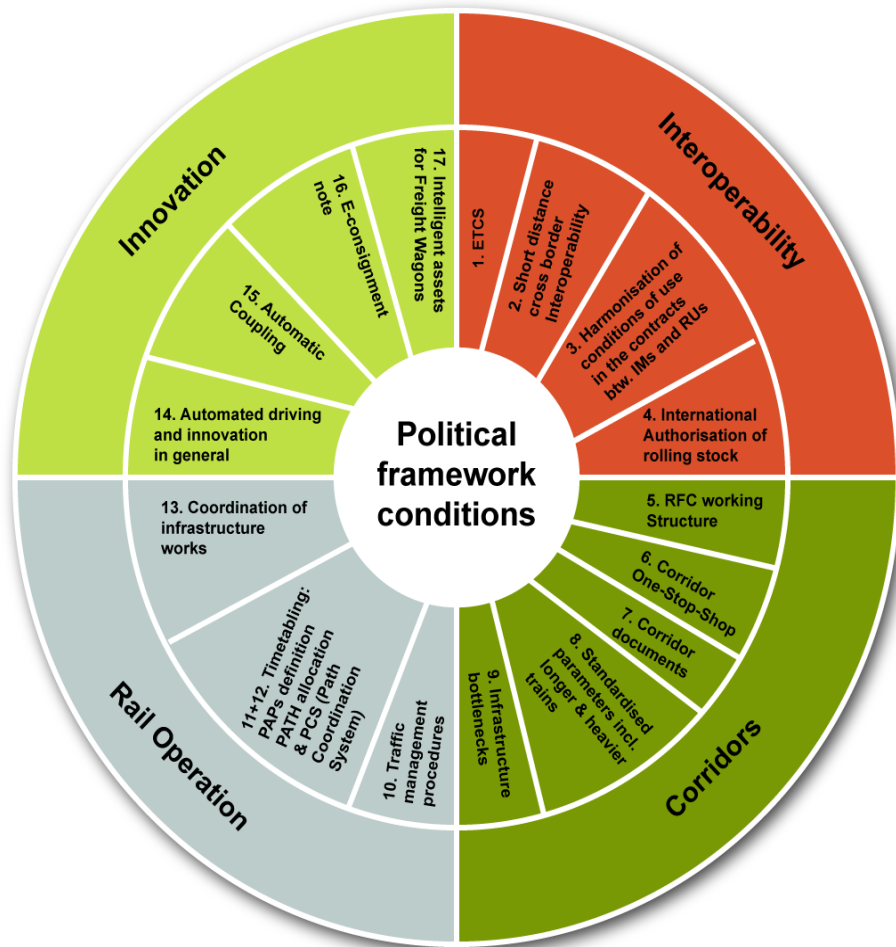
Situation on Eurasian Corridors - Threats

- **Geopolitical risks**
- **Increasing capacity of container ships**
- **Decreasing freight rates in the maritime sector**
- **Anti-migration measures affecting freight transport**

To Dos in Europe - the CEO Task Force

In May 2015 the Freight CEOs of BLS, DBSR, Hungrail, MRCE, RCA, SBB, SNCF, TIC, TX Logistics, B-Logistics and VDV created with the support of UIC and CER a Task Force, managed by UIC, which aims at giving high level support to issues of key importance to the competitiveness of rail freight in Europe. Seventeen issues were identified and transferred into projects. Four issues have been given top priority:

1. The European Train Control System (ETCS),
2. Short Distance Cross Border Interoperability,
3. Timetabling and Path Coordination,
4. Coordination of Infrastructure Works.



To Dos on Eurasian Corridors

- **Global standardisation of Interoperability Constituents**
- **Removal of infrastructure bottlenecks**
- **Cross acceptance of national authorizations**
- **Harmonization of railway laws**
- **Use Digitalization to increase productivity, to enhance safety and security, and to facilitate border crossing procedures**
- **Use experience with EU Rail Freight Corridors**
- **Promote Intermodality**
- **Promote English as standard language for the railway sector (as in the aviation and maritime sectors)**
- **Strengthen cooperation between FIATA and UIC**

Synergies between UIC and its Partner Organisations

Railways Associations:
OSJD, CER, EIM, APTA, AAR, ALAF,
AUR, UAR/UAC,...

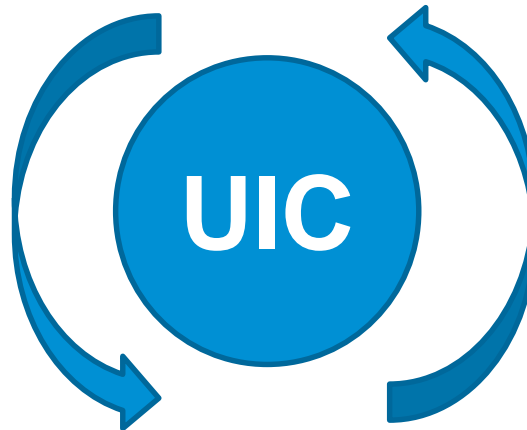
**Railway Industry and
Contractors:**
UNIFE, FIEC, EFRTC,...

**Transport Sector Trade
Associations:**
UITP, IRU, IATA, UFTAA,
FIATA, UIRR, UIP, ERFA,...

**International Associations
and Interest Groups for
Tourism, Environment,...**

**International Financial
Institutions:**
World Bank, EIB, EBRD,
ADB,...

**International
Standardisation Bodies:**
ISO, CEN/CENELEC, ETSI,
IEC,...



**Intergovernmental
Organisations:**

- UN, UNECE, ESCAP,...
- UNFCCC, UNEP
- OECD, ITF,...
- EU institutions, ERA
- Council of Europe
- OTIF,...
- NATO,...

■ ■ ■ Thank you for your kind attention

Hans Günther Kersten, UIC Director Freight

+33 (0) 1 44 49 20 30

kersten@uic.org - www.uic.org