THE PERSPECTIVES OF EUROPEAN ROAD-RAIL COMBINED TRANSPORT
1. **UIRR in brief**: the industry association for Road-Rail Combined Transport

2. **Changes in the pipeline**: improvements to the framework

3. **Outlook**
UIRR - Overview

- Members: Combined Transport Operators and Terminal Managers
- Homogeneous interest of all members: modal shift from road to rail
- UIRR Members: the link between road and rail
- Logistics companies: customers as well as shareholders of UIRR Members
- UIRR Members handle 2012 about 50% of Combined Transport in Europe

- UIRR founded in 1970 - seat in Brussels since 1988
UIRR - Mission

Grow the pie through **fair competition** on the basis of

1) **technical merit**, as an enabler of economic growth and prosperity
2) the **competence** (professionalism) of those who organise it
3) UIRR as the **industry association** of the sector.
UIRR is an industry association which

- PROMOTES the public understanding and appreciation of Road-Rail Combined Transport

- ENHANCES its development and the proliferation of industry best practice

- SUPPORTS the daily operation of European Combined Transport with a series of services
UIRR – Growth rate of Members 1989 – 2013

Growth of CT Performance (1990 = 100)
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Infrastructure

- **Rail Freight Corridors**: harmonised technical parameters (train length, gross weight, profile gauge, signalling, traction electricity) and capacity enhancement along the nine main railway routes of Europe

- **TEN-T Guidelines / CEF Transport**: EU financial assistance for infrastructure upgrades: city bypass construction, bottleneck removals, ERTMS installation

- **Terminal capacity development**: CEF also provides funding for terminal capacity extension

- **CT-specific infrastructure of shippers**: UIRR is proposing that the recast of Directive 92/106 extends to defining state-aid-rules to support the transformation of shippers’ infrastructure

GRADUAL IMPROVEMENT OF THE NECESSARY INFRASTRUCTURE
European Rail Freight Corridors and Seaports

 MOST OF THE LARGEST CONTAINER SEAPORTS OF EUROPE LIE ALONG ONE OF THE NINE EUROPEAN RAIL FREIGHT CORRIDORS

Container seaports
- >1M TEU / yr
- 500k-1M TEU / yr
- 100k-500k TEU / yr

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Container traffic at European seaports

Growth rates of various types of maritime traffic: 2005-2012

- Healthy market: 4-5% average annual growth rate of container traffic over the last 7 years poses a considerable challenge (opportunity) for hinterland transport operators.
- Only containers and RoRo could surpass its 2005 performance levels.

**DYNAMIC GROWTH OF CONTAINER TRAFFIC PRESENTS GOOD OPPORTUNITIES TO COMBINED TRANSPORT**

*Source: ESPO, European Sea Ports Organisation*
Railway regulation

- **Rail Freight Corridors**: harmonised and streamlined procedures for path allocation, traffic management and maintenance planning

- **Technical harmonisation**: safety certification and EU-level vehicle passport, TSIs/EN standards/UIC leaflets

- **Regulatory oversight**: reinforced safety and accident investigation bodies, extended powers for ERA (to review national legislation, appeals function)

- **Competition on rail**: harmonised tasks and responsibilities for infrastructure managers, Chinese Walls to prevent undue (financial and personal) influence within vertically integrated railway holdings (IM - incumbent operators)

- **Harmonisation in track access charging**: would be needed in structure/charging categories

- **Transparency**: Improved reporting by Member States and the Commission through the enhanced Rail Market Monitoring Scheme + ERA Safety Report

**MORE COMPETITIVE RAILWAY SERVICES IN EUROPE**
ERTMS (European Rail Traffic Management System) should be built out along the entire Rail Freight Corridor Network.

ERTMS is a combination of ETCS (European Train Control System) and GSM-R which is the European railway communication system.
Mode-neutral competition in transport

- **User-pays principle**: distance-based electronic tolling on all European roads (similarly to track access charging on rail)

- **Polluter-pays principle**: internalisation of external costs to reflect every consequence of transport in the quoted market price

- **Weights and dimensions**: stability in maximum allowed weights and dimensions in land transport to encourage private investments

- **Effective enforcement / comprehensive reporting**: revision of transport statistics collection and reporting by the Member States and the European Union

**COMPETITION IN TRANSPORT SHOULD BE BASED ON THE TECHNICAL MERITS OF EACH MODE AND THE EXCELLENCE OF THOSE ORGANISING IT**
Distance based eTolling everywhere
Primary energy needs and CO₂ emissions of modes

Energy need of trains: 26% of trucks

Trains’ CO₂ emission: 21% of trucks
## Safety performance of modes

<table>
<thead>
<tr>
<th>Safety category</th>
<th>Road</th>
<th>Rail</th>
</tr>
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<tbody>
<tr>
<td>Fatalities in 2009¹</td>
<td>35,000</td>
<td>34</td>
</tr>
<tr>
<td>Accident occurrences: (i) road² and (ii) rail²</td>
<td>1,200,000</td>
<td>1,152</td>
</tr>
<tr>
<td>Accident occurrences: (i) HGVs, (ii) freight trains</td>
<td>31 per 100M vkm²</td>
<td>1.05 per 100M vkm³</td>
</tr>
<tr>
<td>Accident externality cost of (i) HGVs on motorways, and (ii) trains</td>
<td>€68,667 per 100M tkm⁴</td>
<td>€238 per 100M tkm⁵</td>
</tr>
</tbody>
</table>

¹ Source: EC EU transport in figures [2011]
² Source: Alan C McKinnon at 2nd IRU/EU Road Transport Conference: “31 per 100M vkm” [2012]
³ Source: ERA 2011 Rail Safety report figure (tkm) converted to (HGV) vkm @ 30t/vehicle rate [2011]
⁴ Source: CE Delft IMPACT Study (internalisation handbook) converted into tkm @ 30t/vehicle rate [2008]
⁵ Source: CE Delft IMPACT Study (internalisation handbook) converted into tkm @ 800t/train rate [2008]
External costs of rail: 33% of road

Ro-Ro and smaller vessels perform worse
Clear regulatory framework for intermodal transport

- **Definitions and structure**: unambiguous definitions for basic terms and a legal framework that enables effective operations

- **Temporary benefit rules**: compensation for the imbalances in the transport regulatory framework – until these are corrected

- **Intermodality test**: as part of the European Commission’s impact assessment done in relation to every transport regulatory proposal

- **Intermodal transport development plans**: national plans that are transformed into a multi-year EU level plan

- **Effective enforcement / comprehensive reporting**: revision of intermodal statistics collection and introduction of status reporting of national development plans by Member States and the European Union

REDUCING THE COMPLEXITY OF INTERMODAL/COMBINED TRANSPORT AND CONSCIOUS PROMOTION OF ITS USE
POLZUG operates a network servicing the hinterland needs of one country

- Services both way: hinterland distribution and port-consolidation
- Frequent connections to and from the centrally located Hub Terminal Poznan
- Domestic trains organised from Poznan to major destinations all over Poland

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An example: the BOSPHORUS EUROPE EXPRESS

The fastest and most environmentally friendly transport to Turkey

Partners: Kombiverkehr/AdriaKombi, MRCE Dispolok, Slovenian, Croatian, Serbian, Bulgarian and Turkish railways and infrastructure managers
Bosphorus Europe Express: the big picture
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What should be expected?

- Gradually improving infrastructure conditions
- Better and simpler technical standards
- Process harmonisation to reduce complexity
- More competition on rail to enhance efficiency and productivity
- Transport competition to be based on technical merit and management excellence
- Conscious development of intermodal/combined transport
- More transparency and reporting to control the progress

A BRIGHT FUTURE FOR INTERMODAL/COMBINED TRANSPORT IN EUROPE
Market shares of rail freight - global comparison

Sources: Pro-Rail Alliance, Base year for EU27, Germany and Russia 2008, all other countries 2007

THE RELATIVELY LOW SHARE OF RAIL FREIGHT IN EUROPE PROMISES A CONSIDERABLE UPSIDE POTENTIAL FOR GROWTH
THANK YOU
For your attention