

New reality: adjusted framework and constructive compromises needed

Price negotiations between freight railway undertakings and Combined Transport Operators for the coming year are starting throughout Europe under a *new reality* characterised by war and crises of multiple nature. Consequently, new approaches, adjusted framework conditions and constructive compromises must shape the settings under which intermodal freight trains will run during the coming years.

It is imperative that our present day *new reality* is taken into account:

- **The war in Ukraine**
 - exacerbated the increasing truck driver shortage throughout Europe;
 - sharply reduced the performance of pipeline transport in the import of energy resources that now needs to be replaced by alternate surface transportation;
 - caused an increased rail freight transport demand to and from Ukraine;
 - adversely impacted the otherwise rapidly developing intercontinental rail freight.
- **The accelerating climate change**
 - has resulted in an unprecedented hot and dry summer that reduced the water levels on Europe's key inland waterways to below navigable.
- **The pandemic-related supply chain disruptions**
 - severely undermined the reliability of global maritime container flows and the predictability of seaport operations.
- **The energy crisis and the need to curb global warming**
 - require modal shift towards energy-efficient and low-carbon footprint modes of transport to minimise the use of diesel- and LNG-fuel in freight transportation.

Much more rail freight will be necessary in 2023 and the following period than during the preceding years as freight trains will have to compensate the shortage of truck-transportation capacities. Freight trains will also have to step in for the missing pipeline transport and the barges that presently cannot navigate most European rivers. Freight trains will need more and much better quality train paths at a time when extensive works are going on along key sections of the European rail infrastructure network.

Member State ministries of transport and energy, PSO authorities, rail infrastructure managers and capacity allocation bodies will have to hammer out the urgently needed framework changes and the *constructive compromises*. Only this way, rail freight traction providers can offer acceptable commercial conditions to Combined Transport Operators, a prerequisite to the running of an increased number of intermodal freight trains next year.

Conventional and intermodal freight trains will have to transport coal, LNG and oil products, as well as every other commodity, component and finished good typically carried in trucks. This is needed to maintain the supply of Europe's consumers, while also keeping European jobs and the economy running.

The Intermodal sector is calling on the Member States to adjust the framework conditions and to use the recently enacted special exemptions of the European Union. PSO Authorities will have to consider *constructive compromises* to allow for the circulation of the increased number of freight trains needed to keep Europe's consumers supplied and the economy functioning. The changes must support the optimal utilisation of existing rolling stock, human- and traction assets, while transshipment terminals will need to receive inbound trains punctually to load and offload in time to maintain the timetable.



Ralf-Charley Schultze

"The European intermodal sector is ready to deliver to the needs of consumers and to the requirements of the continent's economic actors. Policymakers and every other entity in charge of the framework conditions should make strategic adjustments and invent constructive compromises to support Combined Transport's performance." – pointed out UIRR President Ralf-Charley Schultze.

Who is UIRR?

Founded in 1970, the **International Union for Road-Rail Combined Transport (UIRR)** represents the interests of European road-rail Combined Transport Operators and Transshipment Terminal Managers.

Road-Rail Combined Transport (CT) is a system of freight forwarding which is based on efficiently and economically inserting electric rail into long-distance (road) transport-chains through the use of intermodal loading units (ILU).