

## Additional measures necessary to compensate for temporary corridor deficits

# Continue successful relocation in Alpine transit

**Bern, 18.12.2019** With the opening of the Ceneri Base Tunnel in December 2020, another piece of the puzzle has been completed for an efficient north-south link through Switzerland. However, the expansion of the international freight corridor is delayed by at least a decade. The productivity increases in international combined transport are therefore only half as high as originally planned.

The Federal Council recognises the delayed implementation in principle and is presenting a "Package of measures to strengthen modal shift" in the modal shift report of 13.11.2019. From the point of view of the Swiss freight transport industry, however, the proposed measures are not sufficient. In order to maintain the competitiveness of UCT (Unaccompanied Combined Transport) in transalpine transport and to continue the modal shift, the industry calls for additional measures.

With the opening of the Ceneri Base Tunnel in December 2020, the "New Rail Link through the Alps" (NRLA) will be officially completed. However, the advantages for freight traffic in Alpine transit through Switzerland will only materialise after a considerable time delay. Numerous factors contribute to the fact that the productivity of the resources used - locomotives, personnel, rail wagons, etc. - cannot be increased to the extent and within the time frame originally planned:

- The delayed upgrading of the access routes in the north makes it impossible to operate 740 m trains.
- Frequent and internationally uncoordinated construction sites with diversions and temporary capacity bottlenecks prevent the expected reduction in travel time and lead to constantly increasing quality deficits. The consequences are delays and inefficient use of resources.
- Due to the non-coordinated international planning of train paths, travel time savings in Switzerland are lost at the borders for the time being.
- The remaining gradients of the line and the operating concept of the Gotthard Base Tunnel continue to require the use of a second locomotive for heavy trains.

Under these conditions, combined transport operators can achieve a maximum of half of the productivity effects originally expected. In order to maintain the current volume in transalpine combined transport and to gain additional traffic volumes in the medium term with a view to achieving the modal shift target, the Swiss freight transport industry is proposing a longer-term modal shift policy up to 2030 with additional measures.

### 1. Extension of the term of the payment framework for the promotion of UCT transalpine until 2030

In order not to jeopardize the positive results of the current modal shift policy, the promotion of transalpine combined transport must not be suspended prematurely. From the point of view of the market, it is necessary to extend the term of the support measures until 2030. Further productivity effects are not expected to be realized until 2030.

Furthermore, the quality deficits of intermodal trains have continuously increased according to the monitoring of the Federal Office of Transport. Whereas in 2009 75 percent of trains were less than one hour late, in the first half of 2019 only 55 percent of all trains were less than 60 minutes late. Today, 12 percent of trains are late even 12 hours or more. These quality deficits, driven by the expansion of the corridor infrastructure with numerous construction sites and capacity restrictions, will continue to place a heavy burden on productivity until at least 2030.

The time horizon of 2030 also creates the necessary investment security. Transport companies will invest in containers and craneable trailers, operators in rail wagons and terminals, and railway companies in locomotives, if a longer-term use of these capital goods is ensured.

## **2. Operating subsidies for UCT in the amount of CHF 55 million per year from 2024 onwards**

An efficient railway infrastructure in combination with train path prices at the level of the neighbouring countries Germany and Italy enables combined transport to be operated self-sufficiently through Switzerland - this guiding principle remains valid. However, the operational and infrastructural conditions on the north-south corridor through Switzerland do not meet these requirements either now or in the coming years. During this period, combined transport operators and railway companies will be able to increase productivity by a maximum of half of the originally planned value on completion of the NRLA.

The revision of the Swiss train path prices in 2021 - which lowers the basic price for freight traffic and introduces discounts for long trains - makes a significant contribution to supporting unaccompanied combined transport. Nevertheless, there remains a gap of about half of the operating compensation of CHF 110 million of the reference year 2018.

Based on this analysis of the situation, the freight transport industry demands that Unaccompanied Combined Transport is promoted until 2030 with operating contributions of CHF 55 million per year. This will enable combined transport to maintain the current volume of modal shifts and, if possible, to largely absorb traffic growth. Should the framework conditions improve more rapidly than expected - for example through a significant improvement in quality or a sustainable optimisation of international timetables - additional traffic volumes could continue to be gained for combined transport.

With the expected further growth of combined transport by 2030, the reduction path of subsidies per consignment would again be considerably improved. Whereas in 2011 an average of CHF 173 in operating contributions was paid per truck load shifted, in 2018 the figure was just CHF 116. According to the ideas of the freight transport industry, this amount would fall further to CHF 40-45 per truck shifted by 2030.

## **3. Extension of the access routes in the north: conclusion of state treaties with Belgium and France and implementation of the measures of the state treaty with Germany.**

The NRLA concept for the promotion of rail freight transport relies on efficient access lines to the Swiss base tunnels in order to ensure the supply of Europe's strongest demand economic areas. Once the 4m corridor has been commissioned, the situation is as follows:

- 3 access lines in Italy – via Chiasso, Luino and Domodossola
- 2 lines in Switzerland – via Gotthard and Lötschberg base tunnels
- 1 access line north of Basel – via Karlsruhe – Mannheim – Cologne – Benelux

It is evident that there is an urgent need to create an alternative for the bottleneck in the north. Only the left bank of the Rhine via France can be considered as an efficient alternative route (flat track). It is ideal for the high-volume Belgium – Italy route. There is also a direct link with the corridor on the right bank of the Rhine, which serves to reduce risk.

However, these routes do not yet correspond to the corridor parameters of the Swiss transit axis and therefore currently only carry a small volume of traffic. In order to make better use of the capacities on these alternative routes for combined transport through Switzerland, the Zeebrugge/Antwerp – Strasbourg – Basel route and the Wörth – Lauterbourg – Strasbourg link must be upgraded to the parameters of 740m train length, 4m corner height, 2000 t with one locomotive, ETCS. This would also create a system in the north with two access routes and an alternative on the left bank of the Rhine.

The development of a corridor-compliant alternative route via France is likely to be manageable in terms of costs. It is strongly in Switzerland's interest and its modal shift policy for transit traffic. To implement it, a political initiative by Switzerland together with France and Belgium is needed, which should lead to a state treaty on infrastructure development. Parliament should call on the Federal Council to take an appropriate initiative in the form of a treaty.

In addition, the expansion of the Rhine Valley Railway in Germany must be pursued vigorously. The completion of this contractually agreed capacity increase was postponed to 2040.

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