

EU modal shift targets missed: the intermodal perspective

The European Court of Auditors (ECA) have issued their report titled **Intermodal freight transport: EU still far from getting freight off the road**¹ on 27 March 2023.



The findings are eye-opening:

- **EU regulatory framework:** mistakenly promotes some modes of transport, or it is outdated, counterproductive or dysfunctional.
- **EU funding instruments:** the Connecting Europe Facility (CEF), the Cohesion Fund and the Recovery and Resilience Fund (RRF) funding is inadequate, ineffective and they impose no modal shift objectives onto the applicants.
- **Transparency and declaration of policy objectives:** both the Member States and the European Commission fail in collecting data to prove their adequate understanding of the status quo and they fail to link policy actions to decarbonisation, externality reduction, as well as energy-efficiency improvement objectives.

UIRR agrees with the observations of the ECA study, including those on the **technical capabilities and capacity limitations of the rail infrastructure**, as well as concerning the **shortcomings of rail capacity allocation**.

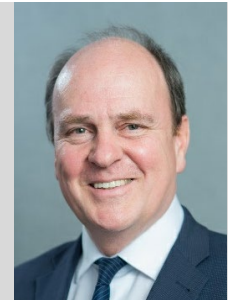
Contrary to the ECA's conclusion, the study prepared by d-fine GmbH in December 2022 for the CT4EU campaign titled **Roadmap to Zero-Carbon Combined Transport 2050**² found that the doubling of rail freight's market share can be achieved until 2050. The conditions are: yearly €16,5 billion worth of freight-minded investment into the railway infrastructure, yearly €1,5 billion investment into intermodal assets and corrective EU regulatory changes to the TEN-T Regulation, the Energy Taxation Directive, the Combined Transport Directive, as well as the creation of new rules on rail capacity management.

The European intermodal freight transportation sector encourages European lawmakers to complete the amendment of the **Energy Taxation Directive** in a manner that internalises every externality related to the combustion of fossil fuels. The co-legislators should agree in the trilogue of the **TEN-T Regulation** revision all of the reinforced technical parameters and investments needed for efficient freight train operations.

Finally, the **Greening Freight Package** should be legislated with the greatest possible expediency so that it takes effect as soon as possible, including the revised **Combined Transport Directive** and the new **Rail Capacity Management Regulation**.

¹ <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=63659>

² <https://www.ct4eu.eu/studies#fileset59>



Ralf-Charley Schultze

"The stagnation of road haulage's market share during the past decade should not mislead policymakers to believing that modal shift is not possible or feasible. A critical mass of decisive legislative changes and the right promotional measures will deliver the modal shift needed to decarbonise freight transportation while boosting its energy efficiency and reducing all other externalities." – 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 Transhipment 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).