



*UIRR Report*

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**1998**



## **IMPRESSUM**

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## FOREWORD

1999 could become a decisive year for combined transport. For the very first time in decades, nearly all operators registered a drop in transport volumes. Although the UIRR was still able to record a slight increase in 1998, based in part on two-digit growth during the first half of the year, the second half was marked by a decline which unfortunately continues this year. At its General Assembly in September 1998, the UIRR had already publicly expressed its concern about the intolerable lack of quality on the major international routes and warned of the consequences.



### WERNER KÜLPER

*Chairman of the Board of UIRR*

Although a great many railway undertakings are not in a position to provide the services they agreed with their client and paid for by the latter, they try - without taking losses into account - to improve their financial situation via price increases. The market's reaction was not long in coming. The gap between the promises of a transport policy and the services provided by the railways continues to widen. By how much more will congestion have to expand before something is done? Will the taxpayer agree to continue subsidising railways at the same rate, even though more and more rail traffic is shifting back to road? It is quite clear that a massive return of combined transport to road haulage will not be tolerated by the general public.

The UIRR is of the opinion that the fundamental idea of the reform in the rail sector is right, which is based on the principle that only significant competition on the railways will in the long run enable an increase in productivity corresponding to that of other branches of transport and industry. A short term solution could be to consider combined transport as a public service - as is the case for passenger rail or bus transport - and thus to finance it as such. Subsequent subsidies will, however, have to be provided in such a way that they do not hinder competition, which means that they will have to be available to all those who provide rail transport services. Lower infrastructure charges would probably be the most neutral solu-

tion. Such lower charges are justified as long as the internalisation of external costs and the higher level of safety provided by rail transport are not integrated in a harmonised charging system for all forms of transport, as sought for by the European Commission.

In the current situation, in which rail transport continues to lose market shares, the European Commission and the Member States ought at last to effectively transpose the liberalisation of the railways and introduce transition measures which would :

- support traditional rail companies making progress towards liberalisation;
- monitor and control those companies exploiting or extending their monopoly situation;
- relieve newcomers from unacceptable risks and
- protect private companies already active in this market.

The situation will continue to be difficult for CT operators as long as the framework conditions for rail transport are not right. The UIRR companies are doing their utmost, however, to manage the situation by various measures. The UIRR has, thus, drawn up new General Terms and Conditions which create a transparent legal framework and favour the customer. In addition, its members do their very best to increase productivity thanks to better utilisation of train capacity, to avoid unbalanced transport, to

extend the network of lines serviced by shuttle trains rather than single wagon traffic, to improve logistical supply thanks to state-of-the-art computer applications and closer collaboration between the operators. The latter is not limited to the operational field, on the contrary, it may go as far as partnerships or mergers between operators.

The UIRR, in its capacity of association, has reacted to these changes in the transport market by introducing a modification to its Statutes which allows it to represent the interests of all independent CT operators, even those competing among each other. The most recent developments show that all the operators have a common interest in fields such as harmonisation of techniques, telecommunications and data-processing or

transport policy, framework conditions for CT, the quality of railway services, etc. Operators, whose main shareholders are rail companies, are meanwhile welcomed to the UIRR as associate members. The French company, Compagnie Nouvelle de Conteneurs (CNC) was the first to join in 1998 under this status.

All the operators forming part of the UIRR, of which there are already 17, are well aware that at a time when the survival of certain combined transport routes and certain operators is threatened, a strong UIRR, acting as a catalyst for projects involving standardisation and innovation at the European level, is necessary, not only to act as an interlocutor of the rail companies but also as an independent advisor on transport policy. The ball is now in their court. It is not enough to praise the advantages of combined transport, it is high time to put all the cards on the table. We shall otherwise only be able to observe with regret that on the threshold of a new millennium, the future of combined transport is already behind it.



## “COMBINED FORCES” OF ALL ACTORS INVOLVED

A transport policy which aims at encouraging the forwarding of goods by rail and rightly considers that the combined transport technique is the best way to achieve this end, can only succeed if all those concerned work together in harmony.



**RUDY COLLE**

*Director General of UIRR, Brussels*

For over a year now, several railway companies have not met the contractually agreed conditions regarding high quality services, yet without this in any way stopping them from increasing their prices. Whether this is a deliberate attempt by these companies to obstruct the liberalisation of the railways or just their inability to manage the initial implementation forms correctly, their behaviour has resulted in the efforts of other major entities engaged in the process of developing combined transport (CT) becoming largely inoperable. The current phenomenon of reluctance on the part of customers to use this form of transport is proof of this; it is thus urgent to stop it.

For their part, the UIRR-member operators and the political authorities have not failed to mark the past year with a number of initiatives aimed at increasing the transfer of traffic from road to rail in order to contribute to the development of a transport system generally less affected by congestion and other forms of environmental damage.

As far as our affiliated members are concerned, various items in the present report deal with improvements to their products and services. Thanks to co-ordination by the Brussels office, they have also drafted new General Terms and Conditions, with the objective of making them more favourable for our customers having been achieved :

- via the commitment by the UIRR-company which is the customer's contractual partner, to direct liability for any damage, thus ensuring that the customer no longer has to seek redress from the subcontractor responsible for the damage;
- via a considerable extension of the contract's validity and the period during which the UIRR is liable and
- via an increase in the compensation limits.

Three documents deserve emphasis among the Community Authorities' efforts of support for CT :

- the Commission's proposals to amend Directive 92/106 (common rules) and Directive 96/53 (weight and dimensions of road vehicles). A Community regulation to raise the weight of road vehicles for the initial and/or final road leg(s) to possibly 44 tonnes (5 axles), regardless of the loading unit used, would usefully replace the current diversity of national provisions. The UIRR is, however, concerned about the new draft definition of CT which expresses the "authorised" distance of the initial and/or final road leg(s) mentioned as a percentage of the overall distance; only the present definition which takes transport to and from the nearest appropriate terminal into verifiable account ensures the necessary flexibility. Just as indispensable are the reductions in or exemptions from road taxes for CT, in all events as long as there are no measures in force for the fair charging of external and infrastructure costs to all modes of transport.
- The White Paper, which was published last July, deals with the latter, inevitably controversial problem, in detail. The

UIRR supports this project which aims, through common principles, to allocate the above-mentioned costs to the various modes of transport in order to correct current inequalities and to allow each mode - and thus combinations thereof - to operate under the fairest possible conditions of competition.

- Finally, the draft directives published at the end of September on the liberalisation of the railways contain precise mechanisms for allocating and paying for rail slots with a view to transparent and neutral management of capacities and access to infrastructures, free from discrimination for every railway operator, whether new or from abroad. The rules which allow access costs to the rail network to be adjusted in line with the quality of the service provided are also to be emphasised. The UIRR also fully supports the concept of "authorised applicant" via which legal entities or individuals with a micro or macro-economic interest in acquiring rail slots, such as operators, could see these being directly allocated. This is a key element in the liberalisation of the railways, without which the choice of rail operator will remain a theoretical notion due to the fact that an operator will not be able to call on a more efficient traction provider's services without having to abandon the slots he has so patiently built up at his full risk.

Generally speaking, these Community projects are in line with the UIRR's expectations. It is parrelly essential that, by every possible means, and sanctions if necessary, the Authorities spoil some railways' plans of delaying, or opposing to, the ascent of sound competition on rail. For CT the foundation of competitive truly international services have been laid by Directive 91/440 which as a reminder entered officially into effect six years ago. May the Transport Commissioner and the European Parliament to come, regard the concrete and fair implementation all over Europe of this key document as a priority and by doing so recognise in turn that CT does represent an indisputable contribution to mobility.



Photo European Parliament





## “COMBINED FORCES” IN SLOVENIA



**ROK SVETEK**

*Managing Director Adria Kombi, Ljubljana*

In October 1999 Adria Kombi celebrates the tenth anniversary of its foundation and the 25th anniversary of the introduction of combined transport. The Rolling Motorway Ljubljana-Munich started already in 1974. Although when Adria Kombi was founded in 1989 numerous experts predicted that it would last for only a very short time, it successfully survived a great deal of turbulence and the fall of the former Yugoslavia with all its regrettable consequences. Business activity was adapted to the new situation, and the objective of developing combined transport in the Balkans, especially unaccompanied transport, was pursued even more ambitiously.

With the collaboration of the Ministry of Transport and other major decision-making bodies and of Slovenian Railways (SZ), Adria Kombi has worked towards establishing the basic conditions for guaranteeing the successful development of combined transport and has actively sought integration with the European combined transport network of the UIRR. The breakthrough would not have been possible without the unconditional support of the UIRR partners, from whom Adria Kombi has learnt a great deal.

Globalisation of the economy has brought new challenges. Faced with increasing logistical requirements, hauliers and transport operators have recognised that the combination of rail and road transport, exploiting the benefits of both, yields a quantitative advantage in the logistical chain. Suppliers of a complete range of services expand their activities and steadily strengthen their position.

The European railway administrations are no exception. They wish to offer complete logistical solutions on their own. For combined transport operators this is a particular challenge as it constitutes a threat to their existence. The intention of the railway administrations is clear: they would like to take over the activities of the operators, in particular on profitable

routes. For instance, the SZ has signed a declaration of intent on collaboration with the Austrian Federal Railways (ÖBB). As co-operation between Adria Kombi and SZ in combined transport is very extensive, Adria Kombi is eager to work also with other railway companies as a strong and committed partner.

Much depends, of course, on relations between other UIRR members and their railway administrations. As the Slovenian market is too small to accommodate three operators, a strategic link between the partners is unavoidable.

Adria Kombi is adapting to the new circumstances through strategic alliances. In collaboration with the Port of Koper and other partners e.g. SZ, a logistics service of “independent feeders” was launched three

years ago, linking the Port of Koper with Malta and Gioia Tauro. Through this enterprise Adria Kombi provides container transport between these ports and various destinations in Austria, the Czech and Slovak Republic, Hungary, Croatia and the Federal Republic of Yugoslavia. Adria Kombi thus offers full logistical services throughout Slovenia. In co-operation with SZ, it would also like to exploit the extraordinarily favourable geographic position of Ljubljana, where corridor V and corridor X intersect, and create a gateway to central and south-east Asia. The expansion of the direct rail link between Hungary and Slovenia, moreover, will have a highly positive impact on the transport situation.

Unfortunately, the situation in the Balkans has still not stabilised. The political and economic problems that emerge when action is taken to solve the crisis inhibit the development of combined transport. A move in the right direction has been the establishment of a combined transport company in Croatia, Crokombi. Adria Kombi's successful collaboration with Crokombi is contributing significantly to the development of this form of transport in south-eastern Europe. The demand for transport to the Balkans, in particular from the port of Koper and the EU, is impressive but there is not yet a proper infrastructure for combined transport. However, the major point of concern are the widely divergent pricing systems of the individual railways. In comparison with road transport current prices are simply not competitive, even less so when account is taken of quality of performance (transport time).

For Adria Kombi guaranteeing a high level of performance is of particular importance. A system complying with ISO standard 9002 has therefore been introduced which will be certified in the first half of 1999. Together with the SZ, which is already operating on the basis of certificate 9001, Adria Kombi provides an adapted quality system corresponding to the international standard. Furthermore, a new high-performance information system ensures direct transport monitoring and an extraordinary rapid adjustment to customer requirements.





## “COMBINED FORCES” IN THE ALPINE REGION

**W**e are passing through turbulent times: the transport market is changing, national railway undertakings are seeking a new strategic orientation. As a result of direct sales practices of the railways, pressure on the operators is growing. At the same time, pressure on the national rail companies is on the rise as a result of the market entrance of private rail companies.

For Hupac, 1998 was marked by three major domestic policy decisions, which will considerably influence Swiss land transport and international transit. At issue are the charging system for heavy goods vehicles on the basis of performance (LSVA) and the new transalpine rail links (NEAT) approved by the referenda held in the autumn of 1998 - - but also the breakthrough in the negotiations between the European Union and Switzerland, one aspect of which concerns transit policy.

Raising the maximum authorised weight in Switzerland from 28 to 40 tons will enable road transport to substantially increase its productivity. That increase cannot be offset by planned fiscal fees. Especially during the transition period extending from 2001 until 2006, when this fee will enter into force, supporting measures must assist in shifting the transport of large volumes from road to rail, as the people of Switzerland demanded in the Alpine initiative. Total exemption from the LSVA fee mentioned above for the initial and final road transport leg to combined transport terminals, elimination of the current radial concept, more reasonable tariffs for rail transit and the linking of road quotas to the use of combined transport - are part of these measures.

The shift from road to rail urgently requires a reform of rail transport. This reform has not yet shown the desired progress, and the opportunities for access to the rail network offered to third parties are very limited. Of course, it is not easy



**THEO ALLEMANN**

*Chief Executive, Hupac S.A., Chiasso*

to modify in short order structures which have existed for more than 150 years. Social unrest, strikes, quality problems and price wars are phenomena which are felt more by some railways than by others. In 1998, these resulted in an operational decline for many European railways, thereby exerting negative effects on the development of combined transport as well.

Hupac reacted to this situation by developing, in collaboration with the rail administrations concerned, a series of measures called “Quality Circles”, which seek to improve quality standards. In November 1998, Hupac observed that some of these measures had already been successfully implemented, whereas others were still in the implementary phase.

In such a situation, it is important to find and to achieve improved production systems so that intermodal transport can still continue to advance. In this context, Hupac would like to mention the Shuttle System it developed, the Gateway concept and the GOAL computer program created in collaboration

with Cemat. Today, four European operators already use this software. In addition to Hupac, Cemat and Trailstar, Novatrans is among the users of GOAL. In 1998, the French combined transport operator installed the system in almost all its terminals and is experiencing the first positive results.

Hupac also expects a positive impact from a rapid opening of the rail network. Competition will lead rail to greater innovation, greater productivity and to better quality service. In this context, policy makers must rapidly set the course: competitive, favourable and transparent fees for slots for combined transport, as well as non-discriminatory and straightforward access for third parties to the network, are indispensable conditions.

The combined transport customers and the major European shippers want a “modal shift” and sustainable freight logistics. Rationalisation of the “supply chains”, integration of the loading units into the logistic chain and the routing of the mixed trains from major plants will contribute to shift further capacities to combined transport. Through its customers, and in collaboration with the railways, Hupac will involve itself even more closely in the industry logistics process.

Building up a presence on major European markets, either on our own or through partnership arrangements, is the needs of the moment. Only in that way will it be possible to react adequately to the rapid changes in the combined transport market and to take actively advantage of the opportunities that present themselves. Hupac’s aim is first of all to continue to improve quality, reliability and competitiveness of its offers.

Intermodal transport remains a challenge. The current structure of the Hupac group, as well as its modern infrastructure, serve to encourage us to take up the challenge and - together with partners who meet Hupac’s standards - to continue to play an important role in the world of European intermodal transport.





## “COMBINED FORCES” IN THE CZECH REPUBLIC

Over the past few years, Europe has seen a steady rise in road freight transport. The decision by many Eastern European freight transporters to abandon rail has strained road infrastructure, leading to an increase in the number of accidents, pollution and noise, especially at border crossings.

In a bid to relieve the heavily used transit routes between the German state of Saxony and the Czech Republic, the transport ministries in the two countries joined forces with the UIRR companies Kombiverkehr and Bohemiakombi to launch the Rolling Motorway (RoMo) initiative between Dresden and Lovosice. Since autumn 1994, the two governments have provided financial aid for transits along the Elbe Valley for up to 23 heavy goods vehicles placed on each of the 10 trains, presently operated in both directions. Instead of having to put up with stress on the road and long lines at border crossings, the drivers can now rest in special 'sleeping cars'. It has proved hugely popular, confounding sceptics who doubted the merits of the practical combined transport solution. After four years of service, the RoMo trains are being used on average at 75% capacity, and sometimes even at more than 80%. Every day at least 400 trucks are taken off the roads that cross the Metallic Mountains. Many regular customers use it to calculate their transport logistics more precisely. Since the entire logistics chain benefits from it, the shift to the RoMo system is especially useful when products transported have tight delivery times, like chemical products under controlled temperature or spare parts for the fast-growing Czech car industry.



**VLADIMÍR  
FIŠER**

**ERHARD  
HERRSTRÖM**

*Directors General Bohemiakombi, Prague*

At the same time, transport volume has risen fast, and in October 1998, the RoMo carried its 333,333rd truck. RoMo has also adapted itself with a series of ongoing improvements and an extended range of services. It has cut transport time to less than three hours: this cannot be matched by road, even under the best weather conditions and with the shortest border stops. Other changes include veterinary checks carried out in both terminals since the end of 1996, allowing animal products to be carried. There are also changes to the schedules, allowing the frequency to be increased by two pairs of trains a day. The system is strengthened on the Czech side by giving the RoMo absolute priority after the Eurocities for passenger transport, making it unique in European rail transport. And finally, there is a flexibility in the scheduling, so that supplementary trains can be put on in the evening peak hours if the demand is strong enough.

Bohemiakombi first took part in the RoMo through the České Budejovice and Villach link which, in co-operation with Ökombi, has operated since autumn 1993. At the

moment, there is only one train a day in each direction, but thanks to an Austrian grant, demand has risen and there are now plans for a second train to be added once the Czech rail network has completed its electrification process.

Operators have been seduced also by the unaccompanied combined transport system thanks to changes which include the construction of efficient terminals, a sufficient number of wagons and greater track capacity, and transport flows gradually shift to this system. In the long term, unaccompanied transport should dominate. Bohemiakombi is developing competitive offers for Europe in close collaboration with its UIRR partners. Because of its geographic dimensions the Czech market is too small for profitable domestic transport, it is essential to turn to international traffic. Maritime transport represents most of the unaccompanied transport, primarily to and from German North Sea ports. Continental transport is growing in importance, in particular to the Polish market, and the swap-bodies that predominate in Europe are steadily gaining in popularity even in Eastern Europe. The block train between the Skoda car plant in Mlada Boleslav, and the Poznan assembly plant was developed as a result of collaboration between Skoda, the logistics company Rosner, Polkombi and Bohemiakombi. The swap-bodies are transported over a 500 km journey, in order for the car parts to arrive the following morning.

The collaboration between the political authorities and the industry is proof that an effective transfer of road transport is possible, and that combined transport can be the key to an environmentally friendly, sustainable European transport system.







## “COMBINED FORCES” IN TELEMATICS

**U**IRR-companies are intensifying their co-operation in organising and marketing international transport operations. Already years ago, a UIRR transmission format, virtually an “industry standard” was formulated, enabling an exchange of all important transport data between the partner operators.



**MARTIN BURKHARDT**

*Deputy Director General UIRR, Brussels*

While initially, each company tried to work out its own computer applications, it soon became clear that the costs and scope of the work involved went well beyond the means of a single company. In European combined transport there is a general trend towards a limited number of data processing and telecommunication systems. For instance, Cemate, Trailstar and Novatrans have joined Goal-Online, the computer solution developed by their Swiss colleague, Hupac and which they jointly develop further. On the other hand, the decentralised communication system, Ali-Baba, developed by the German operator, Kombiverkehr, is also used by Bohemiakombi, Combiberia and Swe-Kombi. The extent of this co-operation in telecommunications is such as to involve the emergence of virtual international operators. Developments of that kind can currently be observed on major transport routes, e.g. between Cemate, Hupac and Kombiverkehr, which cooperate in many ways on the busiest European route across the Alps.

Considerable progress has been made under the CESAR project (Co-operative European System for Advanced Information Redistribution) which is being promoted by the European Commission and the Swiss Federal Office for Education and Science under the 4th framework programme. Working under the management of the UIRR's Brussels office and with the scientific assistance of the Frankfurt-based SGKV, a research body for combined transport, European standards are being developed for customer interfaces in com-

combined transport. With the Internet as the data transmission medium it will allow for all participating operators to receive on-line reservations and for customers to obtain status details.

The two information systems Goal and Ali Baba, currently being used by various major customers of the three companies for on-line orders, will for the time being continue to exist side by side ensuring that these customers always have access to the systems via their usual interfaces. In the middle of 1999, the project partners set up a joint CESAR server, to be managed by a high-capacity Internet provider based in Amsterdam. Initially, all the information on the various consignments of those operators participating in the project, will be exchanged via the servers' central data base. From autumn 1999 onwards, tests will also be carried out with customers; if everything goes as planned, all regular customers of Cemate, Hupac and Kombiverkehr will from January 2000 be able to place orders via the Internet and monitor on-line the progress of all shipments within the areas covered by the three

operators. During the test phase, certain problems such as data protection will have to be solved to ensure that the many interested parties concerned (invoice recipients, consignors, consignees, collaborators of combined transport operators, terminal agents, ...) receive all the information of relevance to them and nothing else. Moreover, the management of passwords must not become too complicated. In parallel with this, data bank enquiries must be standardised to allow a rapid response, on one hand and to process the highest possible number of request on the other.

There is a risk for the operators involved of accepting a growing dependency on a common system. With this in mind, they will be working out stricter quality requirements amongst themselves, which will subsequently also apply to future operators. However, the system will predominantly be to their advantage: CESAR paves the way for combined transport services throughout Europe that will be simple, efficient and uniform, and therefore customer-friendly. In spite of a centralised status monitoring data base and common guidelines for ordering shipments, the project does provide sufficient room for competition among the operators participating in CESAR. Through the efficiency of its agencies and contractual partners, each operator will determine how frequent, up to date and detailed the information will be that it feeds into the system for the attention of its customers.

Those currently involved in the CESAR project intend to open up the system to other partners and for new services from the year 2000 and hope that the European Commission will support continued research and development in a follow-up project. From summer 1999 onwards, all those interested will be able to access the project's Internet site: <http://www.cesar-online.com>. The server will also include a generally accessible section providing information on the progress of the project.





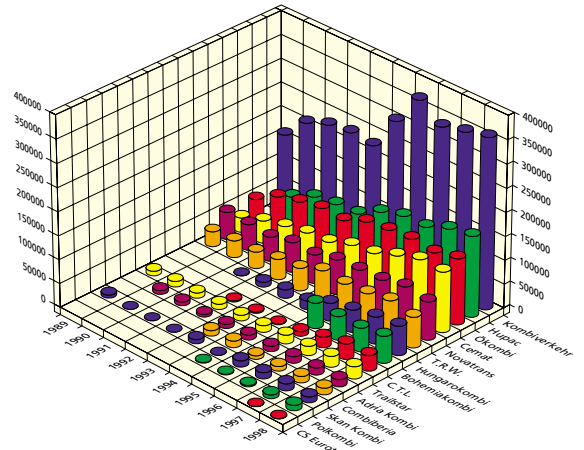


# TRENDS

## INTERNATIONAL TRAFFIC

The quality problems of the railways are reflected in last years statistics. The UIRR recorded its lowest ever growth in international traffic. Two-digit growth rates were only registered on some Eastern European RoMo-connections. By far the most important traffic route is still the one between Germany and Italy via the St. Gotthard and Brennerlinks. Other significant Alpine connections are between the Netherlands, Belgium, Great Britain and France, and Italy.

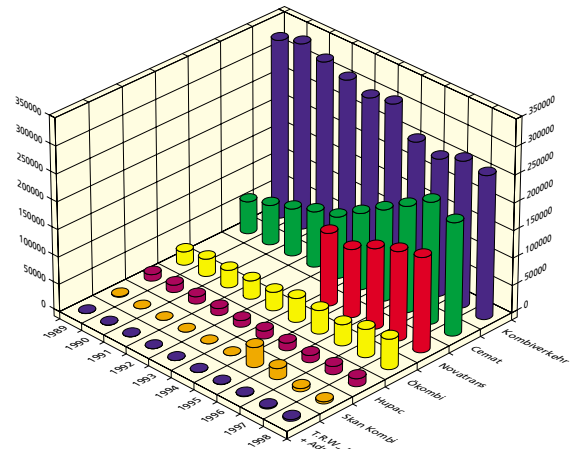
Company*	Consignments 1998**	+/- in %
Kombiverkehr	358.727	3 %
Hupac	169.776	5 %
Ökombi	138.737	9 %
Cemat	126.726	-2 %
Novatrans	80.364	-9 %
T.R.W.	64.208	-14 %
Hungarokombi	61.436	9 %
Bohemiakombi	56.597	15 %
C.T.L.	32.674	1 %
Trailstar	25.699	13 %
Adria Kombi	15.161	2 %
Combiberia	13.846	3 %
Skan Kombi	12.103	-16 %
Polkombi	11.147	40 %
CS Eurotrans	144	-65 %
<b>Total Consignments</b>	<b>1.167.345</b>	<b>2 %</b>
<b>Total TEU</b>	<b>2.684.892</b>	<b>2 %</b>
<i>Associated member</i>		
CNC (TEU)	165.495	11 %
<b>Total TEU</b>	<b>2.850.387</b>	<b>3 %</b>



## NATIONAL TRAFFIC

While national traffic in France and Austria recorded growth, there was stagnation in the two biggest national markets, Germany, and for the first time after years of growth, also Italy.

Company*	Consignments 1998**	+/- in %
Kombiverkehr	260.927	-2 %
Cemat	205.420	-7 %
Novatrans	172.277	6 %
Ökombi	55.254	7 %
Hupac	14.442	-2 %
Skan Kombi	3.886	-32 %
T.R.W.	2.829	21 %
Polkombi	288	-16 %
Adria Kombi	32	-85 %
<b>Total Consignments</b>	<b>715.355</b>	<b>-1 %</b>
<b>Total TEU</b>	<b>1.645.315</b>	<b>-1 %</b>
<i>Associated member</i>		
CNC (TEU)	556.200	-3 %
<b>Total TEU</b>	<b>2.201.515</b>	<b>-2 %</b>



Traffic data of CNC - which joined the UIRR as associated member - are shown separately. Unlike full members of the UIRR who organise terminal-to-terminal rail transport for logistics undertakings and haulage contractors, CNC offers the complete transport chain including the initial and final road leg with containers.

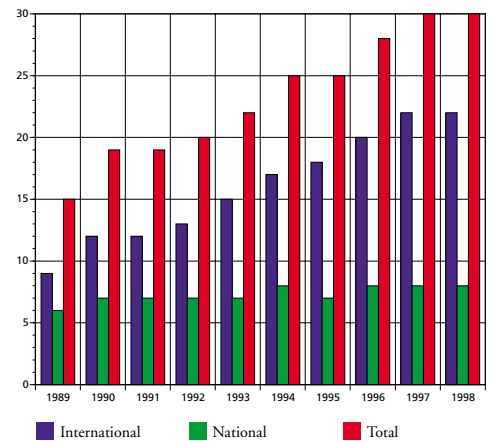
\* In order to avoid double counting, these statistics only include the export consignments of the UIRR companies.  
 \*\* In the UIRR statistics, a consignment is the equivalent of an average road transport (= +/- 2,3 TEU).

## TOTAL TRAFFIC

Of the total 30 billion tonne-kilometres covered last year, international traffic holds a dominant 61%. The average distance covered by national traffic is around 640 km and 780 km by international traffic.

NATIONAL (NAT.) AND INTERNATIONAL (INT.) TRAFFIC IN BILLION TKM.

Year	Int.	Nat.	Total
1989	9	6	15
1990	12	7	19
1991	12	7	19
1992	13	7	20
1993	15	7	22
1994	17	8	25
1995	18	7	25
1996	20	8	28
1997	22	8	30
1998	22	8	30



Together with their associated member CNC (not included in the opposite table) UIRR companies shift around 8,800 lorries per day to rail and in 1998 a total of 1,88 million consignments were transported corresponding to 5,1 million TEU.

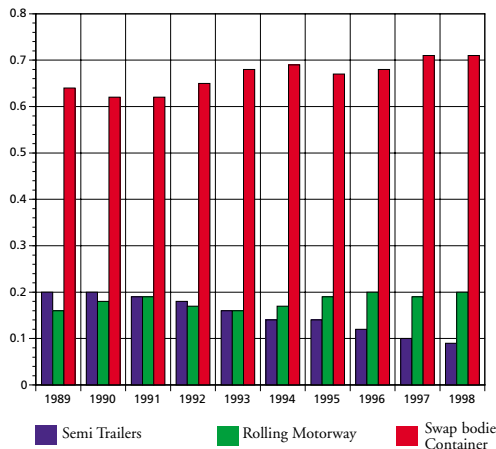
Without CNC

## TECHNIQUES

In 1998 the share of swap-bodies and containers remained constant with a 71% share of all transported consignments. While the long-term trend towards swap-bodies and containers remains steady, the share of semi-trailers fell to 9% of consignments. The rolling motorways were able to strengthen their position to 20% of all consignments.

PROPORTION OF LOADING UNITS AS A PERCENTAGE OF TOTAL TRAFFIC

Year	Semi trailers	Rolling Motorway	Swap bodies/ Container
1989	20%	16%	64%
1990	20%	18%	62%
1991	19%	19%	62%
1992	18%	17%	65%
1993	16%	16%	68%
1994	14%	17%	69%
1995	14%	19%	67%
1996	12%	20%	68%
1997	10%	19%	71%
1998	9%	20%	71%



Without CNC



## COMPANY REPORTS

**ADRIA KOMBI**, Ljubjana, was unfortunately not able to maintain 1997 growth. The crisis in Russia and in Central Europe, caused due the ensuing excess road capacity a reduction in CT competitiveness on certain connections. The worsening of purchase conditions from the railways did not facilitate matters. The full renewal of the in-house computer system was completed in 1998. Currently, Adria Kombi is concentrating on extending its telecommunication network with the UIRR partners, as well as with its customers and the railways.

**BOHEMIAKOMBI**, Prague. In 1998, the economic situation did not improve significantly. It is therefore all the more remarkable that a double digit increase was achieved. The new link with Polkombi developed especially well. Unaccompanied traffic even grew by 9%. The most important link remains the RoMo Dresden-Lovosice with 10 round trips a day, operated at the request of the state of Saxony and in agreement with the Czech Ministry of Transport.

**CEMAT**, Milan, strongly developed its relations with Belarus and the CIS. In order to facilitate future activities, a Cemat East subsidiary was established in Brest in Belarus. In the framework of the multimodal corridor Northern Europe-Greece via Italy, an agreement to improve supply was concluded with Medlink, the most important shipping company on the Brindisi-Patras route. In collaboration with Kombiverkehr, a shuttle train service was established on the Milan-Munich route, with five pairs of trains per week and per direction. Together with FS, Cemat had switched 80% of its national transport to shuttle trains by the end of 1998. A big achievement was the award of the ISO 9002 quality certificate.

**COMBIBERIA**, Madrid. As a direct result of the railway strikes, a negative trend towards the

end of the year had to be recorded for the first time since starting services. On the positive side, however, it must be noted that the customers here remain faithful to combined transport. Like many other companies, the Spanish operator is caught between the constantly low tariffs for direct road transport and the tariffs for rail services; apart from that the Iberian peninsula still has a great potential which can be won over for CT and for Combiberia.

**CS EUROTRANS**, Žilina, has despite its relatively short existence become a recognised CT operator in Europe. The management of shuttle trains, which serve as a 'freight bridge' toward Western Europe, proves the capability of the Slovak operator in international transport projects. Taking into account the current problems of the national railway, CS Eurotrans must exert itself to improve its currently negative commercial balance sheet. Through intensification of the collaboration with other UIRR members and commercial contacts with neighbouring countries, the breakthrough should be accomplished in 1999.

**CTL**, London, was able to strengthen its position as leading operator in the Channel Tunnel traffic. It offers a vast range of services between London, the Midlands, Manchester, Liverpool, Glasgow and Italy and France. In a continuing effort to broaden its activities, the British CT company also offers transport that does not transit the Tunnel, for example, between Cardiff, Manchester, Crewe and Purfleet and Zeebrugge. With its UIRR partners Novatrans and Cemat, CTL actively participates in an innovative IT project, in order to improve still further the monitoring of loading units.

**HUNGAROKOMBI**, Budapest, has again succeeded in transferring more road transport to rail, even if this has been primarily in RoMo traffic, with the strongest growth being on the

Szeged-Wels link. Investments to improve quality, for example new couchette couches for the RoMo traffic, have contributed to this positive result. As in many other countries, unaccompanied transport stagnated. Hungarokombi is partner in the newly founded management company of the Győr terminal, the country's second largest. Significant regular transport to and from this region is expected in the future. Two years ago, the Hungarian operator was one of the first to create its own page on the Internet, and since only a short time ago the firm offers on that page an innovative service: RoMo customers can now consult several days in advance a list that is updated every 15 minutes indicating available capacity.

**HUPAC**, Chiasso, can pride itself on having obtained a result that is only slightly below what had been forecast, despite a general stagnation in traffic in the last quarter. In order to master this situation, the Swiss operator is utilising all the tools at its disposal, such as the development of shuttle-train links, avoidance of irregular traffic, modern EDI applications. Pursuit of sustained development can only be achieved by a significant increase in railway productivity requiring European liberalisation of access to the network and equal treatment for all market players. Co-operation and collaboration with like-minded companies constitute a major element in Hupac's strategy. Acquiring an interest in Trailstar and Swe Kombi has made it possible to establish a foothold in important markets.

**KOMBIVERKEHR**, Frankfurt, after a very promising start of the year, underwent a gradual decline in traffic during the second half of the year, with the result that only a modest quantitative increase was realised over the whole year. Although some international links with Eastern Europe and Spain saw a heartening expansion, the diminished quality of rail





## COMPANY REPORTS

services stood in the way of sustained progress. As regards national transport, Kombiverkehr expects new impetus from a modified network structure, which better meets the requirements of the combined transport customers, developed in collaboration with DB Cargo. Several EDI projects, such as, for example, an extension of the operating system and surveillance by satellite of the train to Romania have been started up for the purpose of improving customer service and competitiveness.

**NOVATRANS**, Paris, had experienced contradictory developments like many of its partners. National traffic generated a very positive result, although it was slightly spoiled by the social problems of the SNCF. The initial equilibrium in international traffic, worsened after the first quarter with every month due to international price increases, insufficient service quality and an immense number of social conflicts. For its excellent work Novatrans' own repair garage for wagons with an annual capacity of 700, was awarded the ISO 9002 quality certificate.

**ÖKOMBI**, Vienna, enjoyed a historic year in many respects. On one hand, 15 years of existence were celebrated and on the other, the year was pointing the way for future RoMo traffic. The Austrian operator succeeded in improving the offer of Alpine transport by providing a greater number of departures and more attractive rates. Unaccompanied transport, which is in direct competition with liberalised road transport, had a difficult year. Traffic to/from Germany especially has had to confront a decline in transport volumes, which has led to the discontinuation of the block train Vienna/Wels-Hanover. Development of the "gateway" service to Eastern Europe was substantially advanced with the establishment of feeder traffic toward the Vienna and Wels gateways. In the future, the block train network will be expanded by new forms of co-operation.

**POLKOMBI**, Warsaw, was able to increase its traffic levels by intensive and targeted marketing measures. Its terminal in Kobylnica, near Poznan, started operation and successfully integrated into the combined transport network. Co-operation with the Dutch partner Trailstar was expanded in October by the start up of the Rotterdam-Warsaw link, laying the foundation stone of an efficient East-West connection. The new traffic link with Bohemiakombi is also very successful. In addition, Polkombi is actively participating in projects with other UIRR partners.

**SKAN KOMBI**, Padborg. As in the other EU countries, rail-road combined transport in Scandinavia is influenced by direct sales of the railway companies, which, with unfair prices, remove the basis of the operators existence. Because of these aggravating circumstances, Skan Kombi was dissolved in January 1999. However, the operators brought together in Skan Kombi will continue to exist as separate companies. The structure of the members of Kombi Dan (shippers and transport companies) will not be modified; at Swe-Kombi, on the other hand, the participation of UIRR associates Hupac and Kombiverkehr will increase the impact of the Swedish operator on the continent.

**TRAILSTAR**, Rotterdam, had a year marked by several changes. After a positive development at the start of the year, traffic began to stagnate toward the middle of the year. In June, UIRR partner Hupac bought the majority of the shares, thereby strengthening sound collaboration for the benefit of the customers. Since October, there has been a train to Warsaw, managed in collaboration with European Rail Shuttle and Polkombi, and since November, the RST Short Sea Terminal has been linked to the shuttle train to Italy. The shuttle trains between Rotterdam and Northern Italy

and also to Austria have generated the strongest growth. In addition, Trailstar is trying to find creative solutions in order to resume the rates of growth of the last years.

**TRW**, Brussels, like all the other UIRR partners, has had to confront the poor quality of rail services. Compared to 1997, the average delay encountered in train availability in the arrival terminal doubled over the past year, amounting to approximately seven hours. This situation caused a good number of transporters to lose confidence and obliged TRW to drastically reduce its offers. The causes for this deterioration have now been identified: they are to be found first in the lack of human resources and material and then in the inability of the railways to rapidly find effective solutions. In conjunction with an increase in its capital, Cemac, Novatrans and SNCB/NMBS acquired the majority of TRW shares for the purpose of providing a new attractiveness and momentum to combined transport.

### ASSOCIATED MEMBER

**CNC**, Vincennes, became an associate member of UIRR in the course of 1998. After three years of double-digit increases, this company, which transports primarily maritime containers, has been obliged to register a decline, although first quarter growth was still high. Collaboration with "Inter Ferry Boats" was intensified. A co-operation agreement was concluded with the American firm "Riss Companies", an "Intermodal Marketing Company". In conjunction with its environmental policy, the French operator concluded a contract with Elf Antar France for experimental use of environmental friendly for all its initial and final road legs.







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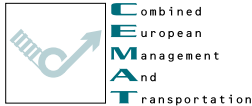
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