



COMBINED TRANSPORT IN BRIEF

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Q3.2012

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The Last Quarter in Brief

The ongoing global economic crisis caused a second dip in economic activity in Europe that commenced about a year ago. The resulting reduction in output has reached European Combined Transport, causing a measurable reduction of traffic performance. Rail infrastructure maintenance works along the most important CT axis in Europe during the past summer period – affecting the Transalpine Brenner and Gotthard lines – have further exacerbated the gravity of the situation.



Martin Burkhardt
Director General

Whereas the disturbance caused by the infrastructure-related challenges was effectively contained through the efficient collaboration of the affected stakeholders, the prolonged economic crisis forced an ever widening and deepening restructuring onto European CT Operators, who continuously seek solutions to boost efficiency and struggle at the same time to match the gradually reducing prices of long-distance road hauliers. Consolidation of the sector through mergers, and the gradual increase of the shareholding of large incumbent freight railways in CT Operators advanced during these times.

The capital intensity of road-rail Combined Transport means that the value of investments in rolling stock and other equipment needs to be emphatically protected, especially in light of regulatory changes that present the danger of devaluing them. The relentless efforts to keep the dimensions of commercial vehicles in motion by wanting to introduce longer, wider, higher and heavier trucks, which are likely to be incompatible with the existing European CT infrastructure, is the best example of such risks that UIRR consistently opposes.

UIRR has also been active regarding ongoing European rail legislation whether they affect the structure of the sector or aim to define new standards for interoperability and efficiency. Related activities include the removal of barriers to market entry, the elimination of privileged relationships between (incumbent) railway undertakings and infrastructure managers, more intramodal choice and competition, enhanced transparency and understanding of the sector, as well as the development of new methods and procedures for improved productivity.

UIRR is also in the process to finalise an adjustment of its own framework to enable it to better live up to member expectations and at the same time achieve strategic aims better.

612 days

Left to mark
European loading
units with the
ILU-Code



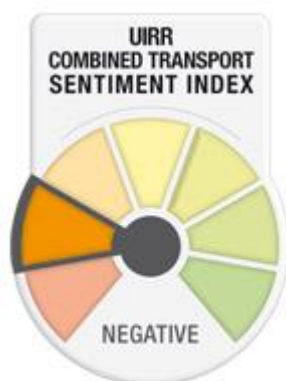
www.ilu-code.eu



www.destiny-project.eu



Business
outlook
for the
12 months
ending on
30 September
2013



kombi
verkehr



ÖKOMBI
Rail Cargo Austria Group





An Afternoon with Combined Transport

4 September 2012

UIRR in cooperation with Combinant, an open-access transshipment terminal in Antwerp, organised a half-day event on 4 September for DG MOVE officials to familiarise them with the latest developments of European road-rail Combined Transport.

The major milestones and success factors of CT's development in Europe during the past half century were listed, among them the fact that thousands of road hauliers were involved in founding the European CT Operators, and many of them continue to be shareholders in UIRR Member companies to this date. CT evolved from zero in the late 1960s to being responsible for over 10% of European cargo movements (tkm-s) today, and about a third of EU rail freight performance.

Among the technical characteristics and challenges of CT it was pointed out that this system of long(er) distance freight transport becomes particularly competitive on distances of 300km or more, which conveniently positions it to be a champion of modal shift foreseen in the 2011 EC Transport White Paper.

CT can enable the efficient forwarding of any kind of commodity, dry goods or liquids that are packed into swap-body, (tank) container or craneable semi-trailer. The Rolling Motorway technique enables the easy rail forwarding of complete trucks bridging challenging geographic areas like the Alps.

CT Operators are prime customers for quality rail freight services. The most important pre-requisite of CT is the railway loading gauge profile, which needs to be adequately broad to enable the passage of 4m high loads. Wagons used in Combined Transport are designed to optimise the utilisation of the available loading gauge. A complex system of codification is used to harmonise the loading units with the wagons to ensure that they fit the available clearance offered by the railway infrastructure.

A site visit of the Combinant Terminal, which was constructed in a exemplary collaboration of a strategic consignor of dangerous goods shipments (BASF) together with two CT Operators (IFB and Hupac) and aided by EU development funding. The terminal, which opened in 2010, presently serves six operators and inquiries from additional service providers are also on the table.

Combinant employs a state-of-the-art IT and communications system, which enables it to reach the highest levels of operational efficiency. The best measurement of this efficiency is that more than a third of loading units transferred at the terminal are directly loaded from trailer to wagon and vice-versa, resulting in an optimal utilisation of crane capacity. Leading ITS technologies will most certainly allow the reaching, and even the surpassing of this productivity throughout Europe, which is a key component of CT's future.





Fourth Railway Package Consultation Complete

24 September 2012

The European Commission conference titled “The Last Mile to the Fourth Railway Package” on 24 September in Brussels was organised to conclude the public consultation phase preceding the publication of the Commission’s proposal for the Fourth Railway Package.

This round of rail legislation is expected to contain provisions on

- (i) reinforced rules on the functions and responsibilities that European rail infrastructure managers should homogeneously be made responsible for;
- (ii) market opening for domestic passenger transport;
- (iii) extended mandate for the European Railway Agency to become a European one-stop-shop resulting in more standardised safety authority work in the EU;
- (iv) extension of the scope of safety and interoperability rules to beyond TEN-T lines.

UIRR in its position paper of 18 July 2012 (<http://uirr.com/en/media-centre/press-releases-and-position-papers/2012/mediacentre/531-position-paper-on-the-fourth-railway-package.html>) called for the elimination of privileged relationships enjoyed by those (incumbent) railway that are part of the same state holding which controls rail infrastructure management. If full structural separation is not possible, UIRR put forward a series of measures that are considered the ‘second best’ solution.

More choice and more competition in the rail sector is seen as essential to enhance service quality and overall efficiency of rail freight.



Rail Market Monitoring Scheme – Report Published

3 October 2012

The European Commission unveiled its report (<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0459:FIN:EN:PDF>)

on the development of continent’s railway market in 2011, and held a stakeholder meeting to discuss it. The casual reader of this report may be led to believe that competition on rail is developing in a healthy way as both the number of railway licenses and the market-share of non-incumbent operators increased.

UIRR would like to draw attention to the lack of data regarding the number of locomotives controlled by incumbent (state-owned) railways. This indicator – had it been monitored – would reflect the incumbents’ dominance of the traction service market, which constitutes a significant leverage to control the entire rail freight sector (being a tool in excess of the privileged relationship enjoyed by those incumbents, who are part of an integrated holding company).

A significant further development in understanding of the European rail network could be achieved if reporting would include in the future the CT loading gauge profile and maximum allowed train length enhancements. These parameters of the infrastructure are instrumental from the perspective of Combined Transport trains. And CT is the most competitive form of single load forwarding on rail.

The Commission’s 2012 Transport Statistics Handbook (<http://ec.europa.eu/transport/publications/statistics/doc/2012/pocketbook2012.pdf>) – to which UIRR is an official contributor – was also published recently containing figures cited in the RMMS Report, including reference to the modal split observed throughout the European Union.

EUROSTAT is recommended to split its reporting of road freight performance (tkm) according to short-haul (less than 300km) and long-distance (300km or more), which would enable the monitoring of the achievement of the modal shift aims contained in the 2011 EC Transport White Paper. Similarly the splitting of sea freight shipping should be instituted into three: (i) deep-sea/transcontinental, (ii) EU “island supply”, and (iii) EU coastal shipping. A realistic comparison of the modes taking part in land transport can only be made this way, which would be essential to make a reasonable comparison.

UIRR comments made at the RMMS event can be found here:

<http://uirr.com/en/media-centre/speeches-and-articles/2012/mediacentre/552-uirr-at-rmms-a-ersek.html>





Update on European Railway Agency Activities

11 September 2012

TAF TSI aims to create a performing information exchange environment between railway undertakings and infrastructure managers based on common standards and formats. Common components include – among others – **reference files for wagons, for railway locations and for customers.**

The current state of the TAF TSI interface was recently demonstrated at an event attended by UIRR. This can be tested by any interested stakeholder until the end of the 2012 after registration at the following address: <http://www.uic.org/spip.php?article311>. From January 2013 these registers will only be accessible after a payment is made.

While UIRR understands the necessity to cover the costs for developing and maintaining the system, the currently proposed payment scheme is not satisfactory and should be redesigned (the understanding is that any wagon-keeping entity would have to pay a registration fee of around €3,000 and a yearly usage fee of about €900 only to consult these registers).

ERA launched recently the **revision of TAF TSI** that was drafted in 2002, and has been in force since 2006. This revision work is vital as the sector (railway undertakings, infrastructure managers and wagon keepers) identified gaps when implementing TAF TSI. UIRR, as member of the revision working party and representing potential key users of the new TAF TSI data, will strive to open the current platform to intermodal operators for tracking and tracing purposes.

Several **registers and databases** are being developed by the ERA and with the involvement of stakeholders to ensure transparency and equal access to documents for railway market participants. UIRR stated that for Combined Transport it is essential that the infrastructure register and the infrastructure restriction notice database contain information of the CT rail gauge profile of the railway lines. In principle this is foreseen, but care must be taken that every infrastructure manager provides the necessary data for the major lines.



Romanian Intermodal Transport Programme

May 2012

The Romanian Government recently approved programme titled “Logistics Centre for Re-Export in Central and Eastern Europe” with the objective to improve the competitiveness of the transport infrastructure in Romania, and to increase the market share of intermodal transport, which is seen as an efficient way of decongesting national roads and shifting more freight to railways. Reinvigorating intermodal traffic will contribute to reducing the effects of the economic crisis, greenhouse gas emissions and environmental impact to a minimum.

The development of the terminal in Receaş (Timișoara) is one of the priority projects, which will be aided by EU funding.

According to Romania’s Intermodal Transport Strategy, other intermodal terminals are foreseen to be developed in Bucharest, Constanța and Timișoara, and main river-maritime projects are the arrangement of Argeș and Dâmbovița rivers and the Danube-Bucharest Channel.



Austrian State Aid Programme to Rail Freight

May 2012

The European Commission authorised, under EU state aid rules, an Austrian scheme to support rail freight with a total budget of €1.12 billion over the 2012-2017 period. The measure was found to contribute to creating a level playing field between rail and road freight transport by providing compensation to rail freight companies for costs applicable only to rail transport but not shouldered by road hauliers. The aid will be available to any rail freight company offering or planning to offer rail cargo services in Austria. Most unfortunately these scarce resources are offered with a focus on single wagonload traffic resulting in a reduced amount

available to Combined Transport Operators.

The Commission has also approved the prolongation of another Austrian aid scheme (€25 million), destined for logistics companies that invest into intermodal transport equipment and new safety technologies. The financial support is strictly limited to compensate for costs directly linked to enabling the access to rail transport (as compared to more polluting modes).





Rotterdam - Lyon Corridor (2)

September 2012

Corridor 2 – as defined in Regulation 913/2010/EC on a European Rail network for Competitive Freight – connects important seaports of northwest Europe with points in north Switzerland (Basel) and southwest France (Lyon) passing the Alps from the west. This Corridor includes the intermodal hub of Luxembourg (Bettembourg) in its centre.

Presently two UIRR members offer services along Corridor 2 (Hupac: Antwerp – Basel, Naviland Cargo: Antwerp – Dijon/Lyon), while several services pass through sections of line belonging to this Corridor. The importance of this Corridor will be greatly enhanced when the base tunnel connecting Lyon with Turin is connected.

The governance of Corridor 2 falls under the competence of four infrastructure managers: SNCF, SNCB, ProRail and CFL. Special issues along the corridor include accessing the Rotterdam Port, and the lack of priority for freight trains in France and Belgium (resulting in poor quality train paths available for freight services).



http://www.rne.eu/corridor-info/items/Corridor_5.html

Metz - Lisbon Corridor (4)

September 2012

Corridor 4 running from the German-French through western France to the northern end of the Pyrenees where it crosses over into Spain at Irun to finally terminate in Portugal. This Corridor could be conveniently used to relay agricultural and manufactured goods of the Iberian Peninsula to the Northeast.

The railway gauge-change (from 1520mm “wide-gauge” in Spain to the 1435mm “normal gauge” in France) presents a considerable operational challenge today, that weighs heavily on the competitiveness of time-sensitive shipments.

UIRR Member Combiberia, Novatrans and Kombiverkehr run trains through Irun along this Corridor presently, however a considerable growth could be realised on this route only if considerable and coordinated improvements are made primarily on the Iberian section.



http://www.rne.eu/corridor-info/items/Corridor_6.html



DESTINY Project kick-off

6 September 2012

On 6 September, the DESTINY Project, co-financed under the Marco Polo programme, was officially launched in Brussels (UIRR office).

Standards can only deliver their beneficial effects, if they are applied and eventually become a part of daily best practice. Several recently enacted European legislations and numerous industry standards, which could have an increasingly beneficial effect on intermodal transport – involving marking and codification of intermodal loading units, safe transport and load securing, as well as the shipping of dangerous goods – are yet to become part of daily best practice.



DESTINY proposes to facilitate the deployment of these standards, and thus to enhance the operational best practice of intermodal freight transport in Europe through the development of training materials, organisation of dissemination campaigns, development of multilingual printed and online best practice guidelines and e-learning modules for use by every stakeholder of intermodal transport chains including consignors, shippers, logistics service providers, carriers and government agencies. DESTINY's dissemination will be made uniquely efficient by the intensive utilisation of existing channels opened to the Project by the wide range of stakeholder organisations, which expressed their support and commitment. Under the coordination of the UIRR, the consortium consists of specialised consultants (SGKV, KombiConsult, MariTerm), recognised CT operators (Hupac, Kombiverkehr, Novatrans) and terminal operator (Terminali Italia). More information on the project will be soon available on www.destiny-project.eu with among others the creation of blogs on codification of ILUs, cargo securing and dangerous goods.

Operations Committee meeting

21 September 2012

The Operations Committee was held on 21 September. Three cardinal issues were discussed:

- 1) The evolution of the E-Railfreight project
- 2) The current implementation of the Dedicated Rail Freight Corridor Regulation, and
- 3) The quality monitoring of the CT trains.

The objective of the **E-Railfreight Project** is to implement paperless CT on some core relations based on a standardised format to be exchange between the railway undertakings, CT operators and terminal operators. At a first step, it was decided to analyse and adapt the current existing standard which was developed for conventional transport and in second step to choose the right demonstrators (relations and partners). The partners expect a first phase of tests in the course of 2013.

EC Regulation 913/2012 sets the implementation rules for organising international freight dedicated corridors (9 corridors have been defined with some to be fully operational end of 2013). The aim of the group is to elaborate a catalogue of technical and operational requirements specific for CT trains.

To complete this task, a survey was sent to every partner to collect the current and expected CT standards (train speed, tonnage and length, type of wagons...). The first results were reported and discussed at the meeting. It was decided to extend the scope of the questionnaire as well as the final response deadline for mid-November (covering the entire European Union).

On **quality monitoring**, the Committee was informed that some partners are willing to share again the data allowing a full data consolidation (available from 1 January 2013). On the reported figures it was concluded that punctuality levels of the first six months of 2012 were inferior to those compared to the first six months 2011. It was underlined that a deeper analysis on the real causes of delays should be envisaged as the partners highlighted the steady increasing difficulties on the railway infrastructure. Subsequently, from 2013 UIRR will restart its quality statistics reporting service, which was widely followed between 1999-2008 (see: <http://uirr.com/en/our-association/statistics/quality.html>).





ILU-Code: Sticker Service

1 October 2012

UIRR began distributing the ILU-Code – in accordance with its mandate contained in EN13044(1) – 15 months ago. The pace of ILU-Code proliferation to date has not reached the initially foreseen level, which is understood to relate to a number of challenges: (i) reluctance of the sector to accept change until it is reflected in the UIC Leaflets, which govern daily operations of European railway getting every stakeholder informed, (ii) resolving certain technical tasks related to the implementation and use of the ILU-Code, and (iii) further boosting the level of informedness about the new standard in general.

UIC has initiated a working group to revise the applicable UIC Leaflets – 571-4, 592, 596-5 and 596-6 – in accordance with the new standard, which goes beyond the introduction of the ILU-Code to redefine the entire railway codification process of loading units as well. UIRR experts take part in this work, which is foreseen to end by mid-2013. The most controversial topic of this work relates to codification, an activity done today by major incumbent railways.



Technical adaptation needed to adapt to the ILU-Code include arranging for the new signage to appear on the loading units and adjusting in-house electronic information systems to reflect the ILU-Code. While UIRR can not do much to aid the latter, understanding the difficulties related to the former the ILU-Code Sticker Service was initiated whereby any ILU-owner registering an ILU-Code may easily and conveniently order the desired ILU-Code signage directly through the ILU-Code website (www.ilu-code.eu).



Conforming to the requirements defined in the EN13044(1), stickers will be made available for solid structures (3M product) and flexible surfaces like tarpaulins (produced by Avery), lettering in black or white with a transparent background. This new service will be available from 1 November 2012.

The Marco Polo Common Learning Project initiated by UIRR with the endorsement of dozens of stakeholder associations throughout Europe (for more information please see relevant article on Page 6) will – among its topics – enable the spreading of thorough information on the ILU-Code to every affected stakeholder. The ILU-Code will be introduced by DESTINY in the practical context of ensuring safety and security, more efficient and faster terminal operations, improved accounting, better tracking and tracing capabilities and various other aspects of daily operations all being made more convenient through its use.

Project-Update

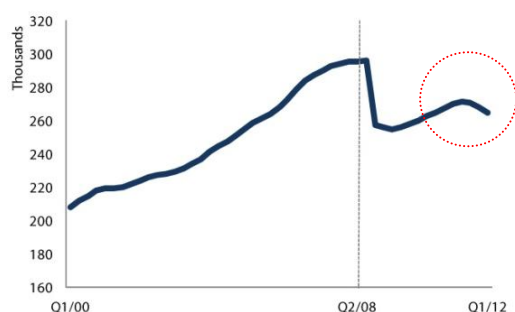
 http://www.vel-wagon.eu/	<p>The VEL-Wagon (Versatile, Efficient and Longer Wagon) Project analysed marked trends and studied several business cases and as a result presented at the InnoTrans Exhibition in Berlin (18-21 September 2012) its recommended wagon design of an 80-foot wagon that is optimal for the hinterland transport of ISO-containers. Other options such as 90-foot wagons for the transport of semi-trailers and 45-foot swap-bodies or containers were also examined.</p>
 http://www.tigerproject.eu/	<p>The closing conference of the TIGER ("Transit via Innovative Gateway concepts solving European - intermodal Rail needs") Project was held on 27 September in Brussels, which aimed at developing competitive rail- and co-modal freight logistics chains. Four demonstrators were presented with the objective to show how ports may be decongested via intermodal hinterland connections. The results showed that the objectives of the Commission's White Paper in shifting considerably more traffic to sustainable modes can be attained. It will be key to invest in conventional rail infrastructure and to liberate productivity reserves of rail by enabling more, heavier and longer trains with better payload deadweight ratio, industrialised operations for example with mega gateway hubs etc.</p>



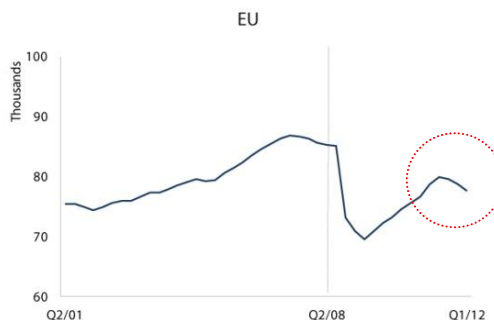
Land Transport Statistics from ITF/OECD



National and international road freight in the EU
(Million tonne-km, trend, seasonally adjusted)



National and international rail
(Million tonne-km, trend, seasonally adjusted)



ITF's latest statistics brief shows a considerable decline of both road and rail freight performance within the European Union since the beginning of 2012.

Members' News

Polzug 3 September 2012	Polzug started new hinterland services between the seaports of Gdansk and Gdynia and the Posen hub-terminal, which allows Polzug to reach every address in Poland to compete with road hauliers. <u>Click:</u> http://www.polzug.de/fileadmin/templates/polzug/downloads/120901_PM_Neuer_Zug_EN.pdf
Crokombi 15 September 2012	Crokombi successfully launched its new service connecting Rijeka (Port) and Budapest – crossing a Schengen-border and creating a new hinterland route in Europe. <u>Click:</u> http://www.crokombi.hr/news.htm
Novatrans 26 September 2012	The bid of Groupe Charles Andre to buy Novatrans was accepted by the company's Board of Directors. The sale should be finalised in the first quarter of 2013. <u>Click:</u> http://www.geodis.fr/file/communiqu/pj/28/85/c6/f4/pr%2026%20sept%20novatrans7098955320331080434.pdf
Kombiverkehr 5 October 2012	Line closure on the Brenner route in Austria this past summer caused fewer disturbances than originally anticipated, while quality performance of the line sensibly improved since the reopening. <u>Click:</u> http://www.kombiverkehr.de/neptun/neptun.php/oktopus/page/2/207?sid=io9va7r3ng77a1dfkd6hmrggs0&version=&show_article=4859

Key Dates & Events

16-17 October, Olten	Interunit Technical Committee + UIC Leaflet Revision Group	UIRR s.c.r.l.
17 October, Brussels	5 th European Logistics Summit	
25-26 October, Berlin	7 th VDV International Railway Conference	
12-13 November, Berlin	13 th Gefahrgut Technik Tage	
14-15 November, Essen	Gefahrgut 2012 Exhibition & Conference	Address: 31 rue Montoyer B-1000 Brussels Belgium Tel: +32 2 548 7890 Fax: +32 2 512 6393 E-mail: headoffice.brussels@uirr.com Internet: www.uirr.com Editor: Ákos Érsek, UIRR
15 November, Cologne	Second International Corridor 1 Conference	
15-17 November, Istanbul	6 th Logitrans Transport Logistics Exhibition	
27 November, Brussels	DG MOVE's First Transport Business Summit	
27-29 November, Amsterdam	Intermodal Europe 2012 Exhibition & Conference	
28 November, Paris	Interunit Operations Committee meeting	
29 November, Brussels	CLECAT Freight Forwarders Forum 2012	
23-24 January, Hamburg	Logistik 2013	
6-8 February, Amsterdam	Ports, Terminals & Intermodal Transport Conference	

