Union Internationale des Sociétés de Transport Combiné Rail-Route

Luncheon – Presentation

COMBINED TRANSPORT
Ways for its urgently needed recovery

Host: MEP DIRK STERCKX

Organiser: UIRR scrl

European Parliament
Brussels – Feb. 23, 2010

Programme

- Welcome address
  - Dirk Sterckx, MEP

- Contributions
  - Rudy COLLE, Chairman UIRR
    “How to get CT back on the expansion track”
  - Eric PEETERMANS, Chairman G.TC/UIC
    “A medium-term perspective for CT”
  - Maurizio CASTELLETTI, Head of Unit
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- Conclusions
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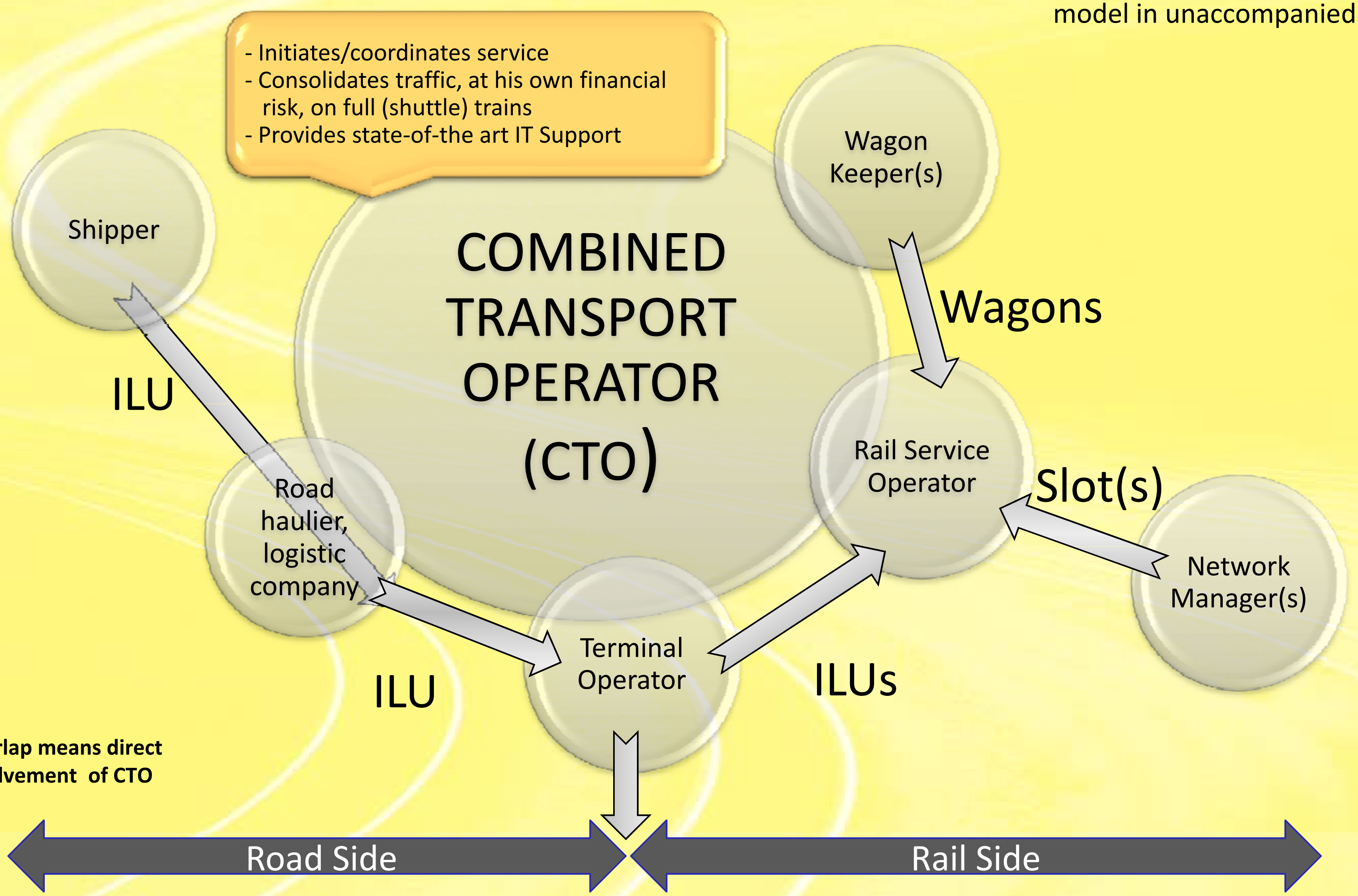
UIRR scrl – The voice of Combined Transport in Europe

- Exclusive mission
  - Development of mainly Road to Rail Combined Transport
    (a transport system where, to be in accordance with the recognised definition the initial and/or final legs carried out by road are to be kept as short as possible)
- Structure

LINK OFFICE BRUSSELS	MEMBER COMPANIES (18 CT operators)
• Promotion • Coordination • Service centre • Projects • Seat: Montoyerstreet 31 box 11 1000 Brussels (Belgium) www.uirr.com headoffice.brussels@uirr.com	• Organisation and marketing of CT • Supply of (full) train capacities on a European-wide network • Provision of wagons and state-of-the art IT systems • Management of terminals • Seat: 15 (EU/non EU) countries

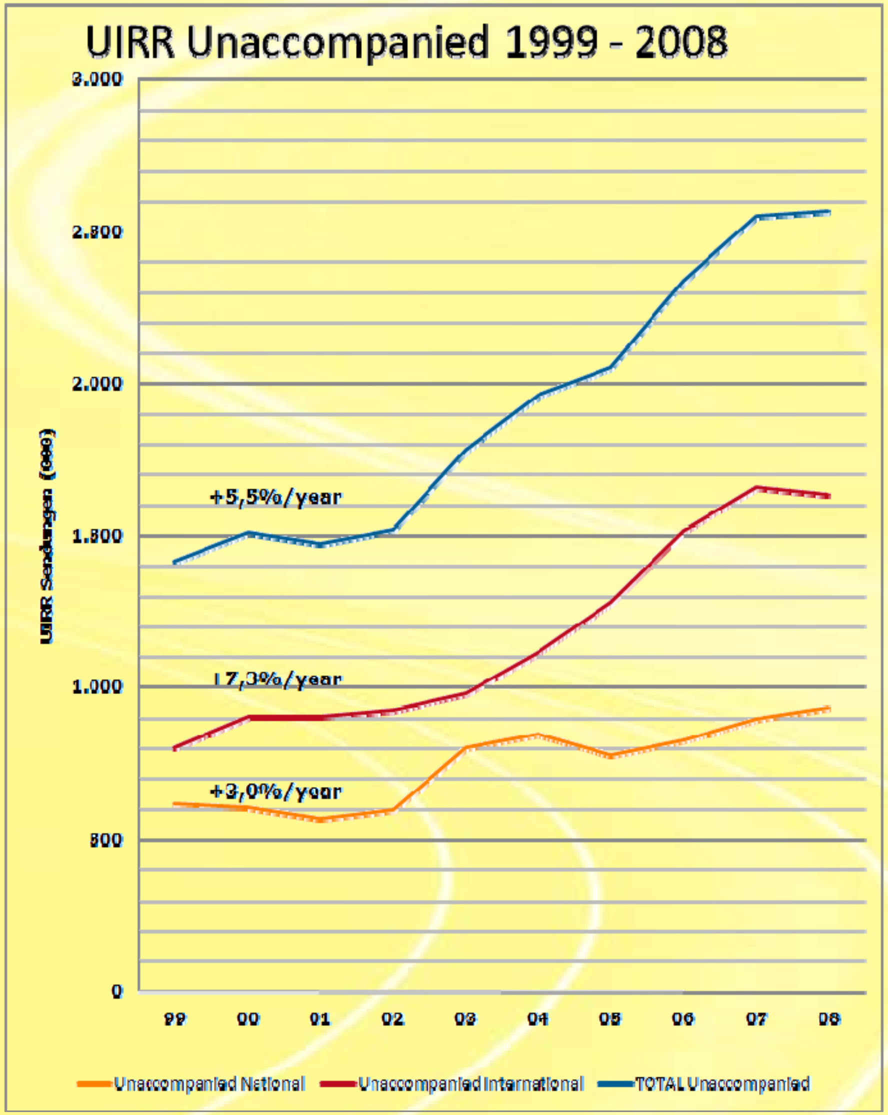
Key Position of Combined Road-Rail Transport Operators

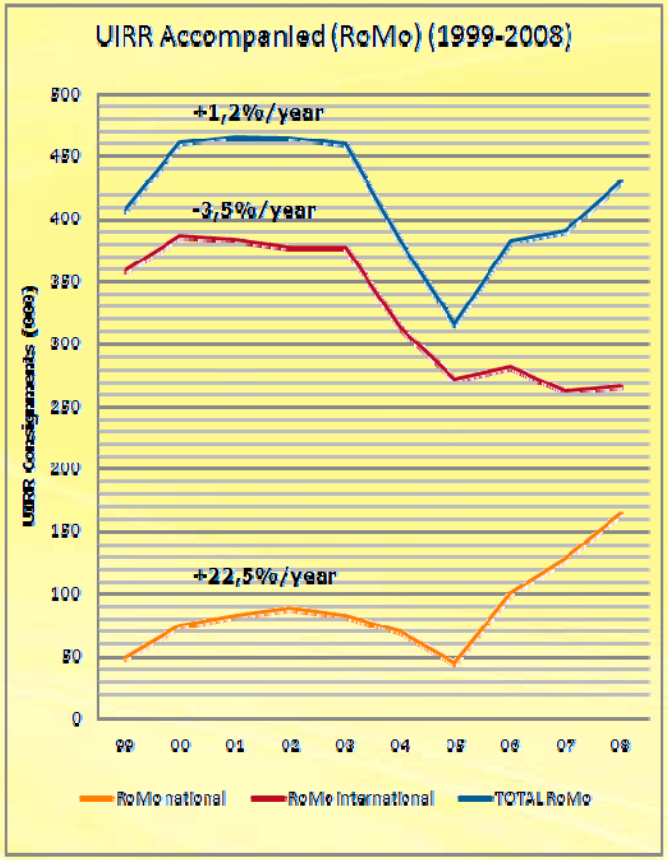
(most generally applicable model in unaccompanied CT)



Overlap means direct involvement of CTO

UIRR scrl – Traffic Development 1998-2008





Sharpest increase: international unaccompanied CT

Fall in accompanied CT in 2004/05 = EU enlargement

UIRR scrl – Main Figures

- Europe-wide CT network, in continuous extension (mainly block trains)

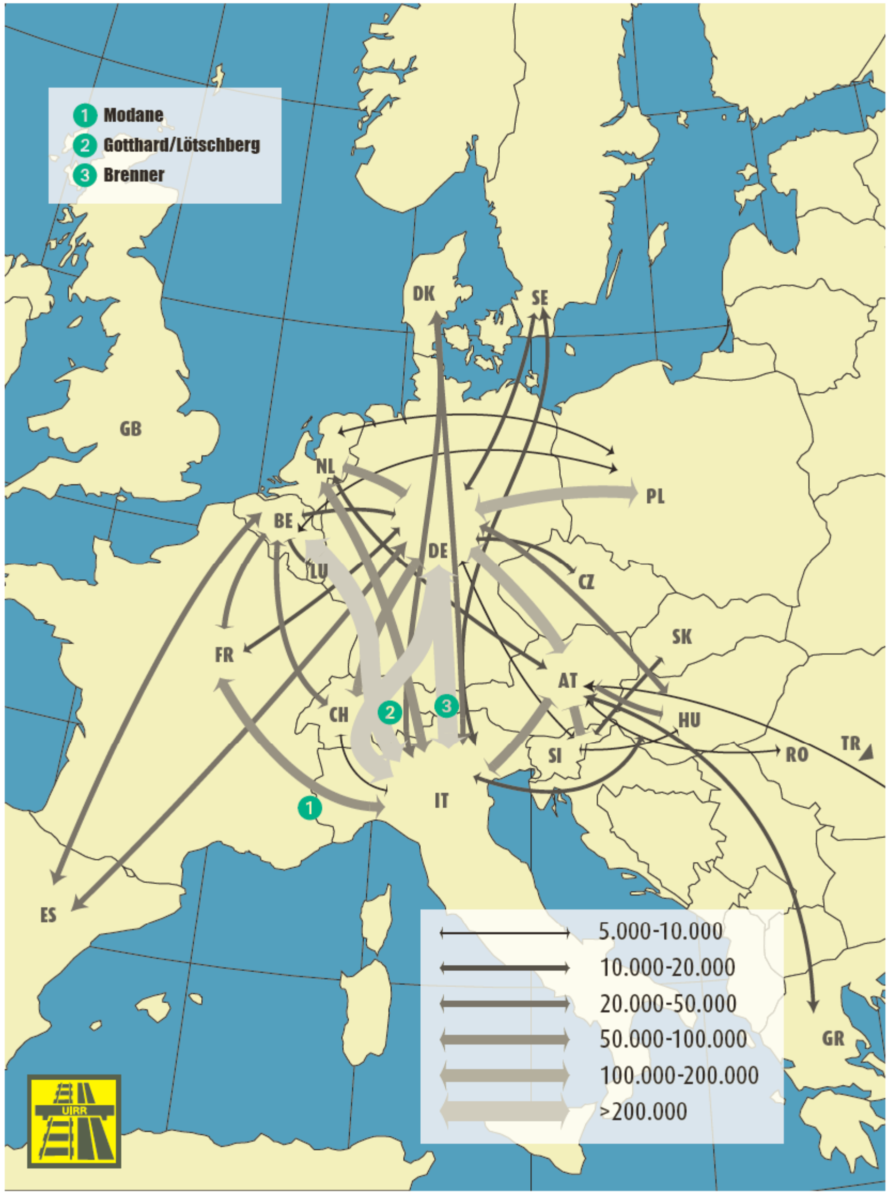
- Total volume transported more than doubled in 15 years (1994-2008)
- International volume tripled in 15 years (1994-2008)
- Close to 6 million TEU transferred from road to rail in 2008
- Almost 12,000 long-distance lorries removed daily from roads

- More than 500 CT trains en route daily throughout the European Union
- More than 23,000 trains subjected to quality monitoring in 2008
- More than 13,000 wagons under own management

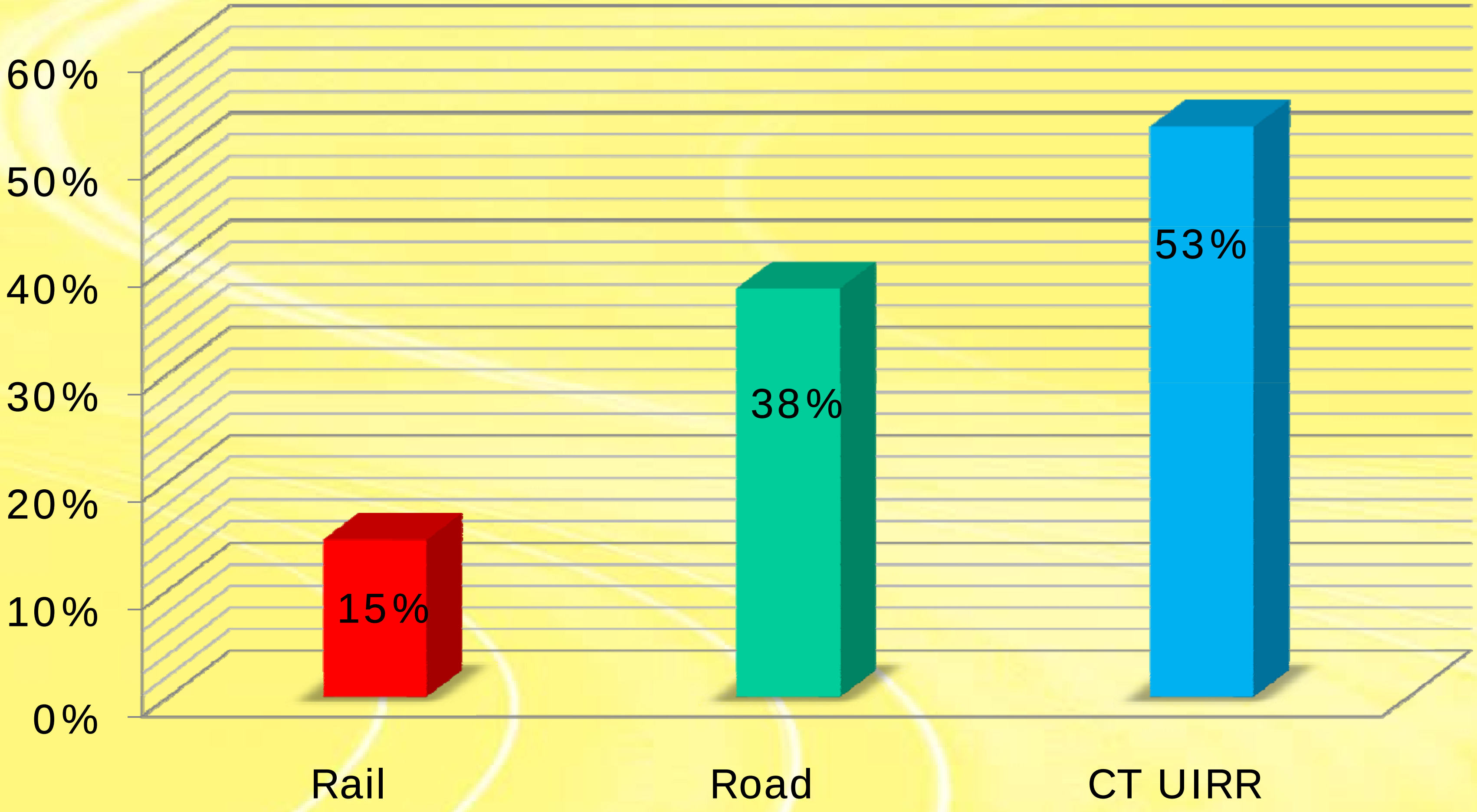
- More than 250 transshipment yards offered (>100 under own management)

- More than 3 mill. loading units processed in the CESAR tracking tool
- More than 9,000 regular clients

UIRR scrl – Main Traffic Flows

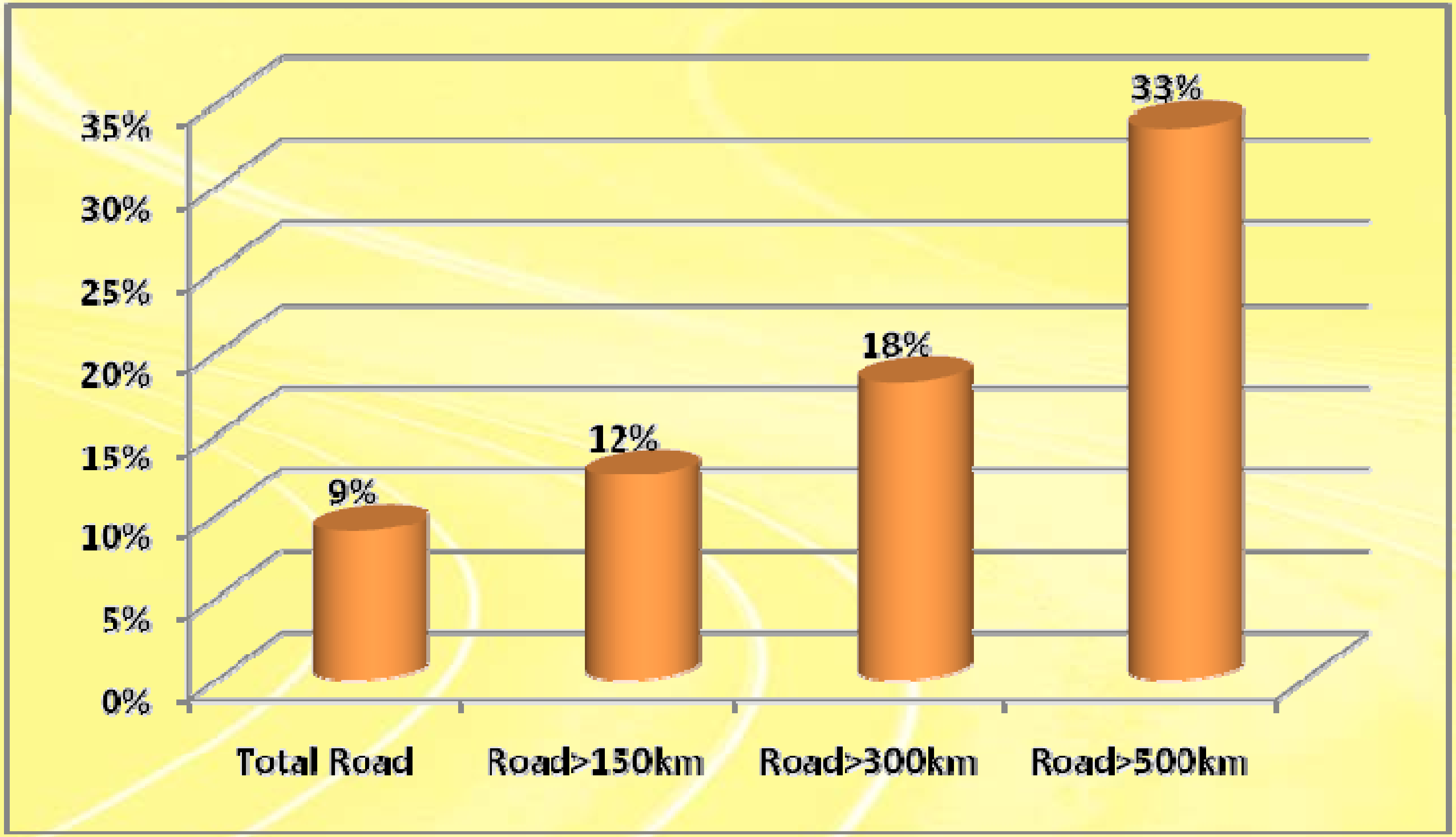


TKM Evolution per Transport Mode (1998-2007)



Road-Rail Combined Transport: market share vs road

Part of CT in percentage of TKM Road
Impact of distance (ex: Germany 2006)



UIRR scrl – Traffic Development 2009/2008

- Main Trends
  - Unaccompanied CT: drop of 20% (estimate)
  - Accompanied CT: drop 2009/2008 of 10% (estimate)
  - Very modest signs of recovery in 4th quarter

- Confirmed sensitivity of CT to decreased demand

- Measures
  - Operators: strict cost management; reshuffling of transports
  - RUs: limited support (cancellation flexibility, tariff adaptations)
  - Authorities: ongoing discussions

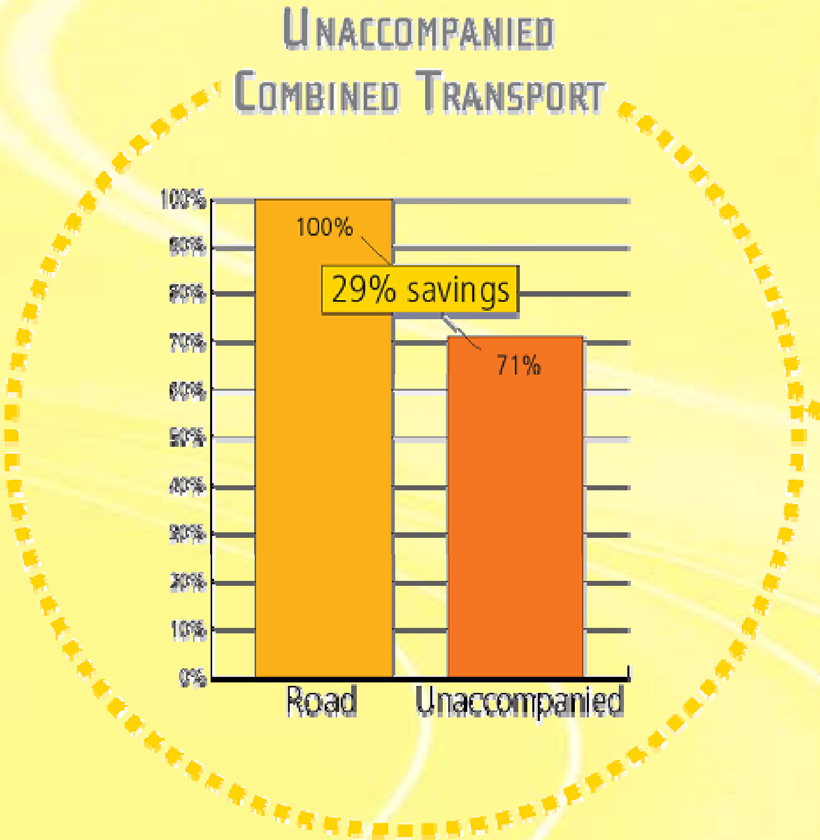
Advantages of Road-Rail CT: general

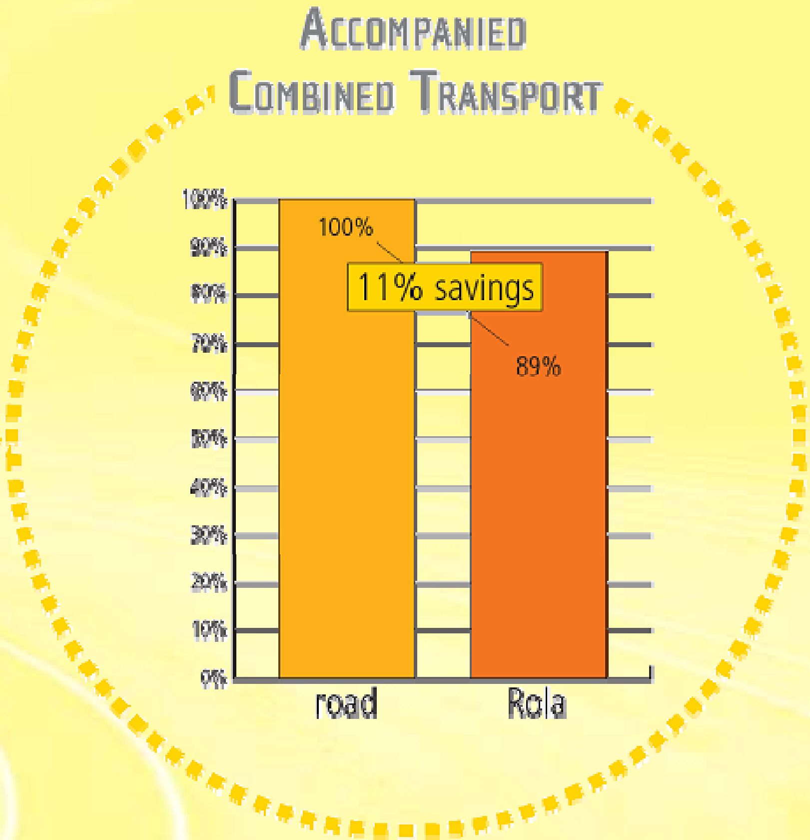
- relief of the road network
- transfer of goods to a safer and more environment-friendly transport mode, which is also more independent from climatic conditions
- better sharing of transport volumes between modes
- recourse to available transport capacities
- co-operative activity combining the advantages of road (flexibility) and rail (more economical mass transport on longer distances)
- competitiveness in given circumstances
- less space needed per ton carried than in full road haulage

Advantages of Road-Rail CT for customers

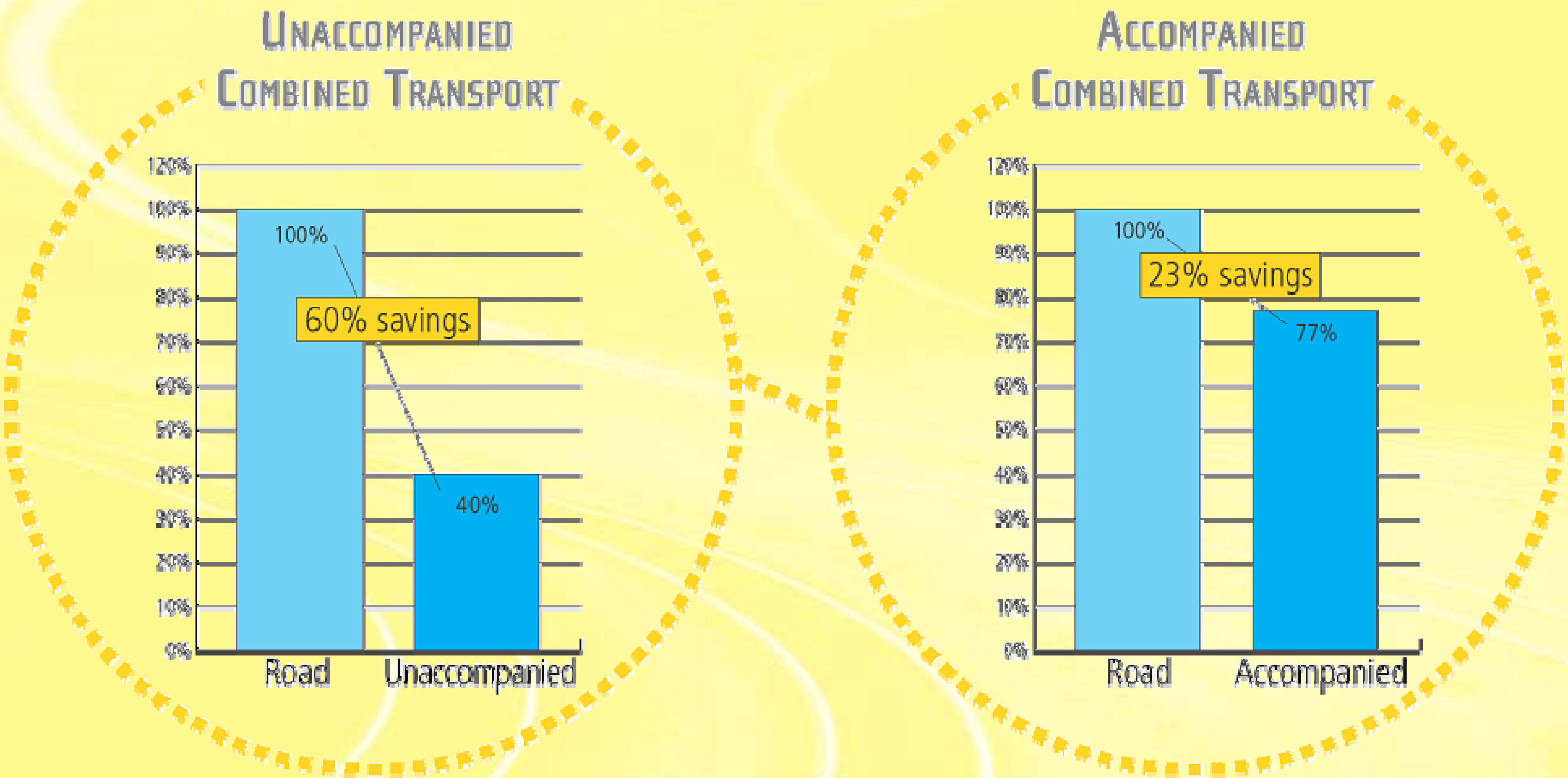
- lower manpower costs: savings on variable costs, reduced personnel needs (drivers, driving time, night work)
- competitive gains
- savings on fuel, thanks to the major part of the journey by rail
- Less wear on equipment (tires, maintenance), longer life for trucks and reduced fleet of vehicles due to investment in transferable equipment
- Exemption from, reduction or reimbursement of road vehicle taxes
- No need for shippers to change their equipment/logistics
- Increased flexibility in the management of transport flows

Combined Transport – reduction of energy consumption





Combined Transport – reduction of CO2 emissions



Combined Transport's further growth: conditions

1. Sound competition, also on rail
2. Fair cost allocation to all modes
3. Improved rail access for freight
4. Product reliability

Source: UIRR statement Sept. 2000

Combined Transport's further growth: conditions (1/2)

Responsibilities lying with the Authorities

- Provision of appropriate rail infrastructure
  - Interoperable network
  - Freight slots adequacy (numbers, schedule)

- Provision of supportive framework conditions
  - Fair intermodal competition i.a. through proper allocation of all external costs to all modes
  - Open intramodal rail competition
  - Consistent and stable technical parameters, e.g. weights/dimensions ILUs and (road) TUs
  - Europe-wide balanced frame rules (risk-related security measures, customs, noise…)

Responsibilities lying with the Authorities and/or the private sector

- Provision of efficient terminal handling
  (location, access, equipment facilities, services)
- Disposing of performing railway undertakings
- Supply of overall market-conform services (throughout the chain)

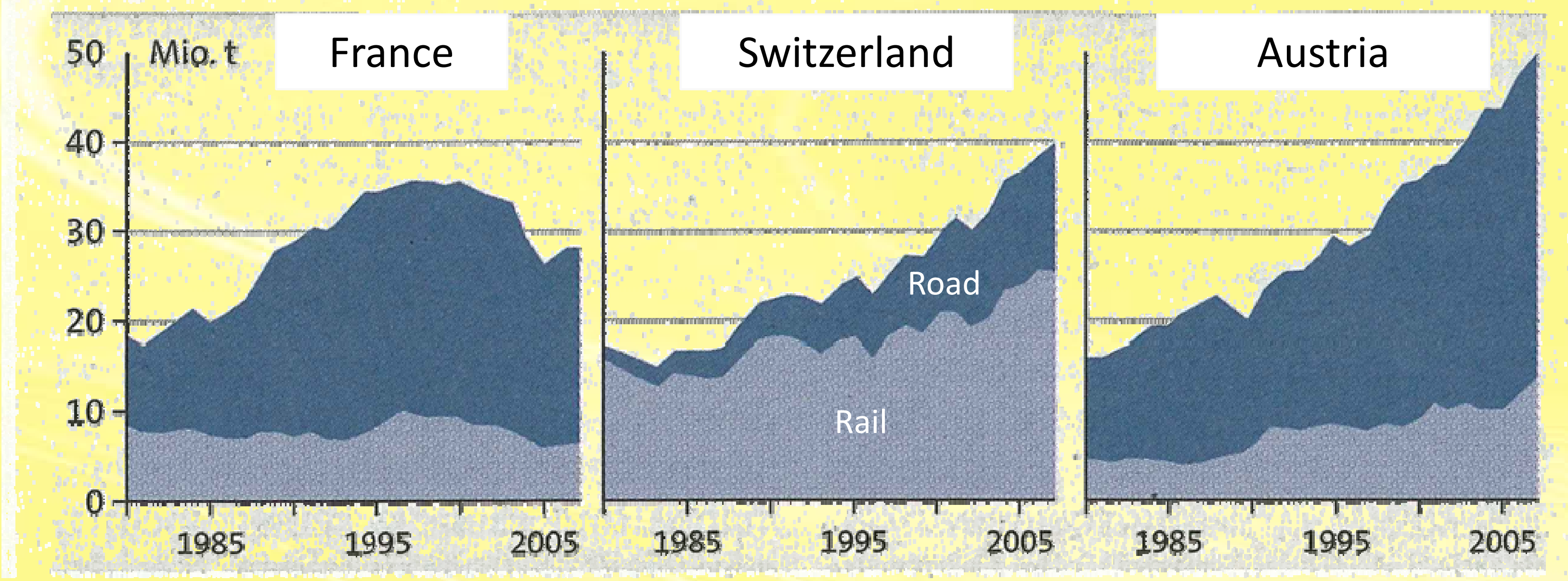
UIRR's more immediate expectations

- Undisputed recognition of CT's benefits in the area of:
  - Road infrastructure needs
  - Transport safety (road vs rail accident ration of 50:1)
  - Air pollution (60% less CO2, a zero-emissions potential)

- Hence (more) sustained - direct and indirect – support to this transport technique by the Authorities (EU and MS)
  - Direct aid programmes, project budgets
  - Firmer progress in the internalisation of all external costs (earmarking of revenues to sustainable modes only)
  - No (change in) transport policy rules or measures that
    - have proven their efficiency (Dir 92/106 Common Rules; Dir 96/53 Weights/Dimensions)
    - would adversely impact CT solutions (existing or as possible alternatives)
    - put EU-wide harmonisation at (a further) distance

- Backing up of urgently needed efforts by the railway sector (RU/IM) to achieve productivity gains implying infrastructure and equipment upgrades (contrary to larger road units, longer/heavier trains would generate no adverse effects)

Effects of the right policies – Increased rail (CT) share vs road



2007		2007		2007	
Road	76,6%	Road	36,0%	Road	73,3%
Rail	23,4%	Rail	64,0%	Rail	26,7%
Total	28,2 Mio. t	Total	39,5 Mio. t	Total	49,6 Mio. t

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