UIRR
INTERNATIONAL UNION
FOR ROAD-RAIL
COMBINED TRANSPORT

COMBINED TRANSPORT'S **POLICY EXPECTATIONS** 2024-2029

OCTOBER 2024

Combined Transport, **a dynamic and competitive story since 1990**

1991-92:

Market Opening for Rail Freight (91/440)
+ Combined Transport Directive (92/106)
= dynamic impetus for growth

2000-01:

Concept of modal shift, Loyola de Palacio's Transport 2001 White Paper
+ the EU PACT and Marco Polo programmes
= second impetus

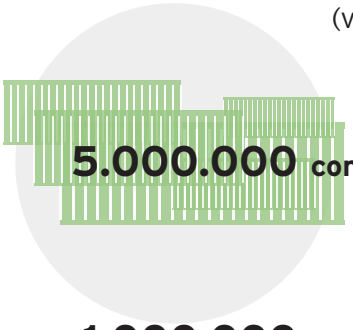
SINCE 2018:

Failed attempt to revise the Combined Transport Directive
+ decreasing impact of support measures
+ high pressure on freight transport prices
+ demand fluctuations due to crises
= a loss of impetus

Combined Transport has shown over the decades its ability to function well and to provide competitive services to the satisfaction of its customers. The Combined Transport community is capable, with its assets, **to deliver up to 20% more than today**. Each new infrastructure project, each new terminal and each refurbished railway line increases the capabilities of Combined Transport.

The European policymakers need to fix the market-defining regulatory framework that will produce price signals reflecting the full range of resources. This includes incorporating the currently externalised costs of infrastructure, congestion, accidents, pollution, noise and greenhouse gas emissions. **Once these adjustments are made, door-to-door Combined Transport will be ready to serve as the backbone of European freight logistics.**

Transport Volume

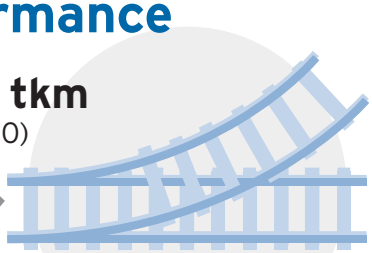


7.500.000 consignments (vision 2030)

5.000.000 consignments (2024)

1.000.000 consignments (1990)

Performance

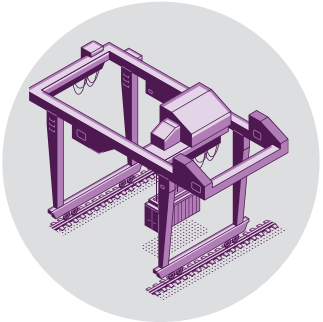


120 Bn tkm (vision 2030)

85 Bn tkm (2024)

19 Bn tkm (1990)

Terminals



1.300 (vision 2030)

1.200 (2024)

500 (1990)

Combined Transport: a perfect alignment with the Clean Industrial Deal

Combined Transport delivers on every prerogative of the Clean Industrial Deal: enhancing competitiveness, resilience and driving re-industrialisation. At the same time, it preserves the European way of life by improving job quality, and maximising the overall impact of the transport services provided to Europe's economic actors and citizens, while supporting the achievements of the European Green Deal.

The Combined Transport vision:

DOOR-TO-DOOR COMBINED TRANSPORT IS IDEALLY SUITED TO SERVE AS THE BACKBONE OF EUROPEAN FREIGHT LOGISTICS, AS A CARRIER OF REGULAR FLOWS OF GOODS THROUGHOUT THE EUROPEAN UNION AND BETWEEN CONTINENTS.

Continuing with the "each mode doing its best" philosophy will not deliver the same results under the requirements of the technology-neutral, market and regulatory framework:

1. **The prevailing regulatory and market framework is biased in favor of internal combustion engines powered by fossil fuels.**

   → Internal combustion has run its course – the efficiency peak has been reached, the marginal cost of an additional unit of improvement in efficiency and reduced environmental impact is exorbitant and it requires massive public investments (i.e. Hydrogen generation and distribution, e-fuel production, etc.). Even if road vehicles would not be powered by internal combustion engines, they would still require tyres that release harmful microparticles into the air.

2. **A road infrastructure capable of supporting the ever heavier axles of commercial vehicles is costly to build and costly to maintain, while these vehicles make up only 2% of the total vehicle fleet circulating on Europe's roads. Moreover, each vehicle requires a driver, equivalent to having a caretaker for every Combined Transport consignment from the beginning of its journey to the end.**

   → The resources needed to maintain and operate the road infrastructure network required to accommodate the ever heavier commercial vehicles and to provide a driver for each of them is simply not within the means of the European society. We need solutions that are efficient from both an infrastructure and a labour perspective. A clever combination of all available modes would provide this ideal mix.

Requests to policymakers: **executive summary**

ADOPT OPEN LEGISLATIVE DOSSIERS:

1. The new Railway Infrastructure Capacity Management Regulation
2. The revision of the Combined Transport Directive
3. Additional initiatives: State Aid Guidelines for Land and Multimodal Transport, the Transport Block exemption Regulation, the Track Access Charging Guidelines, the TSI Telematics Regulation, the new CountEmissionsEU Regulation

IMPLEMENT CORRECTLY OUTSTANDING EUROPEAN LAW:

1. The new TEN-T Guidelines Regulation
2. Every piece of EU law aiming to internalise the current external costs of freight transport
3. The Electronic Freight Transport Information (eFTI) Regulation

ESTABLISH A RESILIENT CONTINGENCY AND CRISIS MANAGEMENT:

- An effective and resilient European transport crisis and contingency management mechanism is needed

ADVANCE DIGITALISATION:

- An effective and standardised European digital framework facilitating the smooth data sharing among intermodal stakeholders is needed

ADDITIONAL EXPECTATIONS:

1. Organisational support from DG MOVE
2. DAC and ERTMS considerations
3. Carbon certificates in freight transport
4. A uniform European codification regime for intermodal freight transport

Requests to policymakers: **adopt open legislative dossiers**

Combined Transport is mainly a European cross-border system for door-to-door freight transport: 9 out of 10 intermodal freight trains cross at least one internal border. Combined Transport therefore requires in principle European rules rather than national ones. It is about linking industrial zones all over the continent, from origins to destinations, using the combination of the most efficient modes of transport as the most competitive solution.

ABSOLUTE PRIORITIES:

1. **Adopt the new Railway Infrastructure Capacity Management Regulation** to ensure that more and better quality train paths are allocated to cross-border and domestic freight trains – organically complementing the recently adopted new TEN-T Guidelines Regulation (2024/1679).
2. **Adopt the comprehensive and progressive amendment of the Combined Transport Directive** so that a wider range of intermodal transport can qualify as Combined Transport by satisfying a simple and easy to enforce new definition. This will allow door-to-door Combined Transport operations that are beneficial for Europe to be covered by a meaningful set of Europe-wide framework rules such as (i) a uniform drive ban exemption for Combined Transport road legs, (ii) a level playing field between cross-border Combined Transport and its cross-border unimodal trucking alternative, and (iii) a set of temporary compensatory measures that adequately mitigate the regulatory disadvantages suffered by non-road modes of transport vis-à-vis road haulage due to the latter's imperfect internalisation of externalities.

ADDITIONALLY:

3. *A progressive amendment of the **State Aid Guidelines for Land and Multimodal Transport** and the new **Transport Block Exemption Regulation** to reduce the administrative burden that goes with state aid measures designed to achieve shared policy objectives*
4. *The new **Track Access Charging Guidelines**, which should harmonise the way track access charges are set and make them predictable over the long run*
5. *The **TSI Telematics Regulation**, offering the framework for data sharing among the intermodal transport actors and specifying clearly the responsibilities of the operators of rail service facilities such as terminals.*
6. *The **CountEmissionsEU Regulation** creating a standardised and transparent way of counting greenhouse gas emissions*

Requests to policymakers: **implement correctly outstanding European law**

ABSOLUTE IMPLEMENTATION PRIORITIES:

1. **The recently adopted TEN-T Guidelines Regulation (1654/2024)** must be implemented so that it delivers the anticipated railway infrastructure upgrades, which are important drivers of private investments into assets such as terminals, rolling stock, intermodal loading units and digitalisation. Special attention should be paid to the rail freight-related performance indicators of the Regulation on (i) the punctuality performance of cross-border freight trains to be achieved throughout Europe, and (ii) the 25-minute border-crossing process time for 90% of the trains on internal EU borders.
2. **Every legislation that delivers a component of internalisation of external costs of transport**, such as (i) the **Eurovignette Directive** on distance-based road tolling, which is intended to reflect the wear and tear that a given vehicle causes to the publicly owned and operated road infrastructure network, (ii) the **ETS2 Regulation** that should begin addressing the greenhouse gas emissions of transport, (iii) the **Mobility Package laws** of access to the road haulage market and the profession that targets the fringe employment and business operating practices, (iv) the Smart Tachograph Regulation, which assists authorities with their enforcement obligations.
3. **The Electronic Freight Transport Information (eFTI) Regulation**, which is the last framework component needed to completely digitalise the data provision obligations related to freight transport, and thereby reduce the administrative burden on Combined Transport.

ADDITIONALLY, ONCE ADOPTED INTO EUROPEAN LAW

4. *The **Railway Infrastructure Capacity Management Regulation***
5. *The **Combined Transport Directive***
6. ***TSI Telematics** on data sharing in rail transport*

Requests to policymakers: **establish a resilient European contingency and crisis management mechanism**

Significant disruptions were experienced during the past several years which created chaos and resulted in major losses in Europe's freight logistics chains. The **transition of the railway infrastructure** network from its current state to the technical parameters agreed in the TEN-T Guidelines Regulation, the delivery of the symbolic new components of the network such as various tunnels and connecting lines, as well as making up for several decades of delayed maintenance, will lead to more decades of disturbances. This will be exacerbated by the **impact of extreme weather conditions and natural disasters**, as well as **the anticipated labour actions** that will inevitably accompany the substantial adjustments needed to be made to the European economy and social structures. One hopes for fewer **disruptions of global scale**, such as those related to the COVID-19 pandemic or the various war situations that impact the flow of goods, but these can also not be prevented from recurring. A European harmonised and interconnected solution is needed.

AN EFFECTIVE, RESILIENT AND INSTITUTIONALISED CONTINGENCY AND CRISIS MANAGEMENT MECHANISM AT EUROPEAN LEVEL SHOULD BE DESIGNED AND PUT IN PLACE AS EVERY ATTEMPT OR PARTIAL SOLUTION USED FOR THIS PURPOSE FAILED TO DELIVER THE KIND OF SMOOTH PROBLEM-SOLVING THAT EUROPE'S RESILIENCE WOULD REQUIRE.

Specifically, in the railway sector, neither the Rail Freight Corridors, nor the European Union Agency for Railways and its Joint Network Secretariat (JNS) procedures, nor the Rail Network Europe (RNE) Handbook for Contingency Management have proved effective enough. Extreme weather, natural disasters or labour strike actions related disruptions are largely left to be dealt with by the Member States on whose territory they occur, whereas an extensive impact may be felt in neighbouring and even further away EU Member States. Experience shows that the railway islands that make up Europe's rail infrastructure network could not be effectively coordinated to achieve a uniform outcome.

CONCRETELY:

1. **Member States are challenged to establish a standing freight logistics contingency and crisis management mechanism** to be ready to quickly and effectively solve greater disruptions, such as the electric energy price crisis that erupted in the second half of 2021, the COVID-19 pandemic, or the recent war-related disruptions. These events were addressed using ad hoc mechanisms that did not always deliver the fastest and best results. The European Commission should host the contingency and crisis management mechanism that can function effectively in mitigating the adverse effects of crises.
2. **The European Commission** could assist the process by establishing an effective, internet-based European information distribution centre freely accessible to all stakeholders.

Requests to policymakers: **advance digitalisation**

Digitalisation offers substantial gains especially to Combined Transport, which integrates the services of several transport modes along with the associated transhipment terminals. The complexity of Combined Transport, in contrast with its unimodal end-to-end road alternative, has much to gain in terms of efficiency from a harmonised European digital communication and services ecosystem.

While most of the burden of digitalisation falls on the stakeholders involved in the intermodal sector, a considerable **contribution is needed from the European Commission and the Member State governments**.

CONCRETELY:

1. **European Commission-managed elements of the digital ecosystem** that are under the care of a unit of the Commission services, its agencies, as well as various governmental bodies throughout Europe. These elements consist of registers such as the RINF, Register of Infrastructure, the Rail Facilities Portal, RNE's Train Information System, network statements, Member State-level transparency websites to disclose national rules among others.
2. **Carefully formulated calls for proposals from the Commission to support the proliferation of digitalisation** in the freight transport sector, and the timely development of its **European transparency website services** (road rules, Combined Transport Directive rules, Mobility Package rules, Weights and Dimensions rules) would be much needed.
3. **The implementation of the eFTI Regulation and the TSI Telematics** in the Member States has already been mentioned. The European Commission must be commended for the EFTI4EU and EFTI4ALL.

UIRR, as the intermodal industry association has actively contributed to the work of the Digital Transport Logistics Forum (DTLF) to advance the implementation of the eFTI Regulation.

Our contribution was further advanced through the TAF TSI-compliant EDIGES data message standard, disseminated by UIRR, as well as through the creation and daily operation of its Code Data Management (CDM) website.

The ILU-Code website, the upcoming ILU-Technical Register, and the Rail Facilities Portal are additional examples of the sector doing its homework.

Requests to policymakers: **additional expectations**

PRACTICAL CHANGES THAT THE COMBINED TRANSPORT COMMUNITY EXPECTS:

1. **The Logistics and Intermodal Unit**, which existed as part of DG Transport and Energy until its separation into DG MOVE and DG ENER in 2010, could be reinstated under an organisational update of the European Commission services, DG MOVE. Some even argue that freight transport and logistics would deserve a standalone directorate within DG MOVE.
2. **European initiatives such as DAC and ERTMS** should take the peculiarities of Combined Transport into account, especially regarding their proliferation, which should be a factor of an indisputable positive indication of a targeted cost-benefit analysis taking every parameter of intermodal transport into account.
3. **The possibility for Combined Transport operators to issue carbon certificates** through monetising the greenhouse gas emission savings made possible by carriage of goods in a Combined Transport operation as opposed to its unimodal road-only alternative. Such a scheme could become a valuable source of financing in a similar way to the scheme that emerged in the various heavy industrial sectors under the ETS where stakeholders can buy emission certificates or pay a fine to maintain a limit on their overall carbon footprint.
4. **A uniform European intermodal freight codification regime** for every element of the transport infrastructure could be developed to make the organisation of intermodal freight transport services easier. An EU regulation would be needed to define intermodal codification and certification, both for intermodal loading units and for the various elements of the transport infrastructure.

Combined Transport: efficiencies compared to the unimodal trucking alternative

ENERGY / IMPORTED FOSSIL FUEL DEPENDENCY

Door-to-door Combined Transport uses **70% fewer kilowatt-hours of energy to produce a tonne-kilometre of transport performance** compared to the unimodal long-distance trucking alternative.

The energy used by Combined Transport is dominantly grid-electric, which means **a direct supply from Europe's increasingly carbon-neutral power generation**, thereby reducing the continent's dependence on imported fossil fuels.

INFRASTRUCTURE

The infrastructure of non-road means of transport is more suited to accommodate the heavy axles required by efficient freight transport than road.

The **per tonne-kilometre infrastructure degradation of door-to-door Combined Transport is thus a fraction of that of its unimodal road alternative**. Slower road degradation means less frequent roadworks resulting in reduced disruptions and works-related congestion.

EFFICIENCY AND COMPETITIVENESS

LABOUR PRODUCTIVITY, WORK/LIFE BALANCE

The number of **tonne-kilometres produced per worker employed in a door-to-door Combined Transport operation is multiple times higher** than that of workers active in the unimodal trucking alternative. At the same time, Combined Transport jobs offer a **superior work/life balance** to the workers, especially in comparison to truck drivers, promising to alleviate the looming truck driver shortage.

CLIMATE AND THE ENVIRONMENT

The harmful emissions of door-to-door Combined Transport, such as **PM10, PM2,5, NOx and ozone, are a fraction of those produced by unimodal trucking**. The greenhouse gas emissions of Combined Transport are up to **90% lower than that of the unimodal trucking alternative**. Zero-carbon door-to-door Combined Transport has been demonstrated to be viable with products and technologies already on the market today, making it **the most cost-effective solution for Europe.**

SAFETY: ACCIDENTS AND CONGESTION

More Combined Transport not only slows road degradation, but also contributes to a dramatic reduction in accidents due to the superior safety performance of non-road modes. This has a further **positive impact on the frequency and extent of road congestions** thus reducing the external costs of freight transport.

Combined Transport: **the CT4EU campaign**

AN INITIATIVE OF UIRR

- **The aim of the Campaign is** to have door-to-door Combined Transport recognised as the backbone of European freight logistics.
- **Simultaneous presence** in the European bubble, the Member States, and on social media networks.

Organising and participating in events

One-on-one meetings

Positioning via Social Media and news media

Conducting and publishing a study

Producing regular podcasts

Running promotional activities

- **Coordinated communications**, events, exhibitions and other actions to gain the support of European, Member State-level and regional policymakers.
- **A wide-ranging coalition** of operators, terminals, railway traction service providers, technology suppliers, LSPs and end-customers to support the objectives of the campaign.

UIRR SC

31, rue Montoyer - box 11 | B-1000 Brussels | Belgium
www.uirr.com | headoffice.brussels@uirr.com
Tel. : +32 (0)2 548 78 90

UIRR
INTERNATIONAL UNION
FOR ROAD-RAIL
COMBINED TRANSPORT