



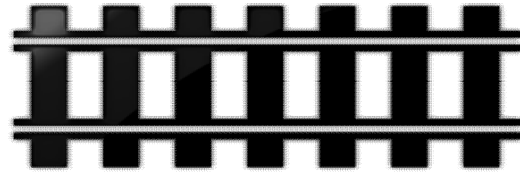
Rail freight transport: state aids and investments

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2nd Rail freight undertaking in IT



Traffic in Italy

4.9 M km in 2019

5 Billion Ton/Km



Almost 500

people



Almost 70

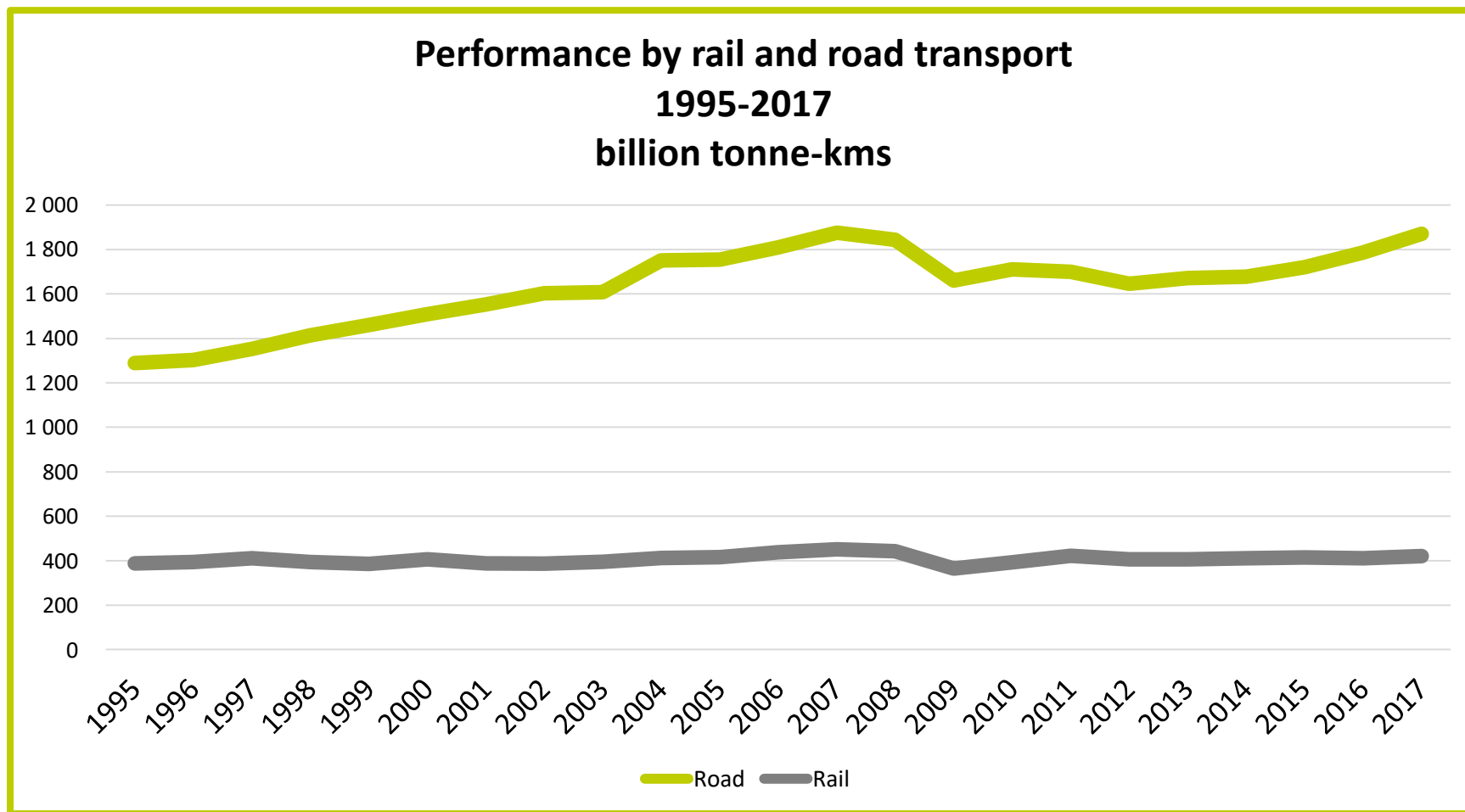
Electric locomotives

8.400 Rt trains/year

The benefits of rail freight transport

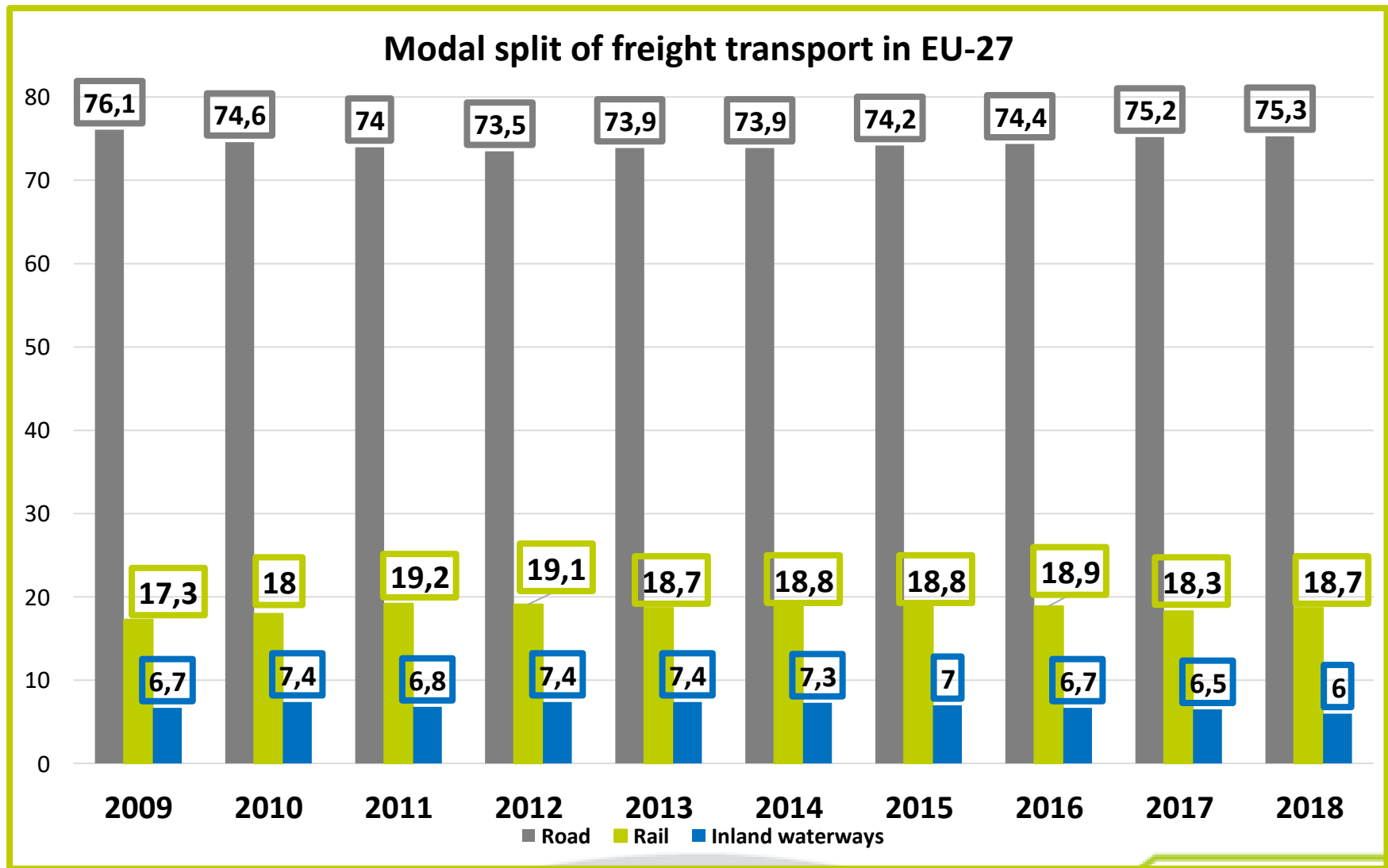
- ❖ Rail is the cleanest mode of transport
- ❖ Rail is one of the safest mode of transport
- ❖ Rail uses infrastructures already in place
- ❖ Trains are capable of hauling large loads over long distances
- ❖ There is space for growth and new opportunities

The performance of rail freight transport



Source: Statistical Pocketbook, EU, 2019

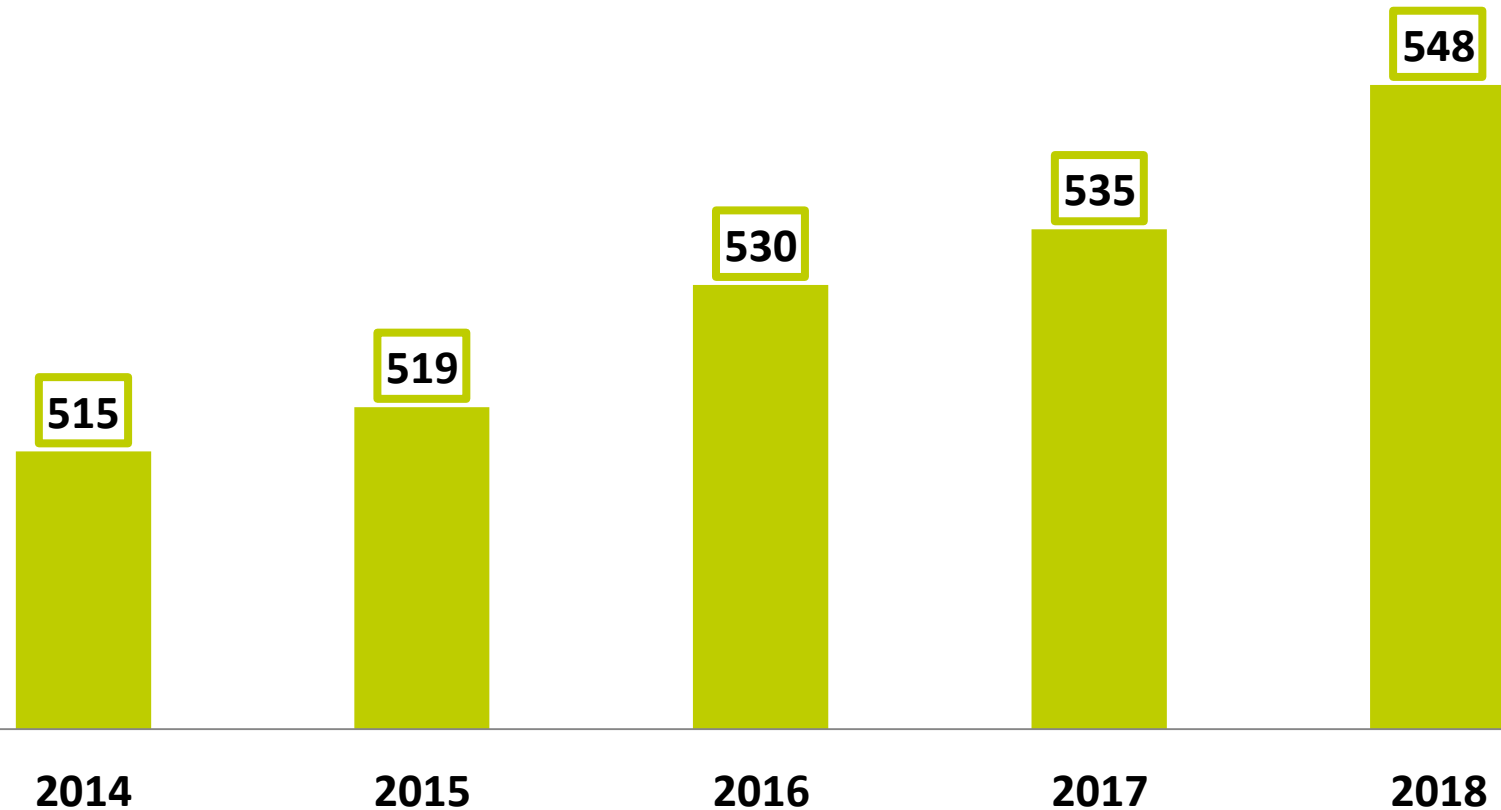
The performance of rail freight transport in EU-27



Source: eurostat

The performance of rail freight transport in Europe: some positive trend

Net Tonne-km per freight train-km



Source: IRG RAIL

Rail freight modal shift: why is not working?

- ❖ Are Member States pushing enough to implement the Single European Railway Area and new solutions?
- ❖ Incentives to MSs to increase rail freight market share are working well?

Critical points:

**HARMONISATION
&
STANDARDISATION**

INNOVATION

INVESTMENTS

TO BE IMPROVED

EFFICIENCY

COORDINATION

RAISING AWARENESS

Missing the Interoperability?

- ❖ Need to **speed up** the processes.
- ❖ Coordinated actions at EU level with **targeted projects** dedicated to solve specific bottlenecks and implement EU standards on EU rail network
- ❖ Member States should also **commit themselves** and bring evidence to the EC about how they solved the issues related to interoperability
- ❖ Supporting projects with the aim to test **new solutions improving** EU rail transport as many projects remain on paper.
- ❖ Need to solve infrastructure **bottlenecks** (“rail in the ports”)

Terminal, rolling stock and State aid

It depends on the type of investments.

- ❖ We need to **understand where the problems are and prioritize**. The first aim should be to solve the issues that prevent from having a harmonised EU rail freight system.
- ❖ With regards to rolling stock, **yes to investments that everyone could benefit from**. For example reducing the noise, deploying only ONE system that all locomotives should implement.
- ❖ Terminal infrastructure lack of capability (example of Monte Ceneri)
- ❖ Same **standards** to all terminals (investment to have 740 meters long infrastructure in the terminals).

Infrastructure and State Aid

- ❖ Too many lines still have limits to weight, length, lack of electrification on many lines, too low speed limits, lack P400 profile and so on..
- ❖ More **coordination** between railway undertakings needs and infrastructure managers at European level (the rail freight market is just partially domestic).
- ❖ Improvements of infrastructure could lead to an increase of cost to the railway operators, so it is important to coordinate the aids to all the sector.

Competition and modal shift

Fair conditions

- ❖ Modal shift is comes from a **real coordination** between IM (focus on the Corridors).
- ❖ Economic measure to **improve intermodality** (Ferrobonus) could help all the operators.

What are the Aids that would really help rail freight transport?

In order to correct the **imbalances** between rail and other modes of transport and incentivize **environmentally friendly transport**, contributing to a reduction of congestion and road accidents.



State Aids to the SECTOR
(ex. Ferrobonus, rail freight supporting scheme)

Ferrobonus: the incentive to intermodal transport

- ❖ **Purpose:** reducing the environmental, health and social impact of road traffic by promoting the development of combined transport and optimizing its use on the Italian territory
- ❖ **Mechanism:** subsidy set at a level that reflects the savings of external costs that rail transport allows achieving compared to road. The intervention aims to optimize the use of intermodal freight transport on rail with the objective of an overall reduction of the external costs on the logistics chain.

Sconto pedaggio: ecological contribution for Rail freight undertakings

- ❖ **Purpose:** to make railway transport more attractive while being well below the value of the ensuing external cost savings (the differential with the external costs incurred when transporting goods by alternative means).
- ❖ **Mechanism:** emphasis is placed on regions in the South of Italy and the islands where the differences between rail and road infrastructure are larger in comparison with the rest of the country in terms of infrastructure capacity, technical specifications and hence infrastructure charges, and where the development of rail freight services is less advanced in comparison with the rest of the country. Then the aid for the reduction of the external costs is extended to the entire Italian territory

Many thanks for you attention.

