



How to boost the share of combined transport

8th Florence Intermodal Forum, June 4th, 2021

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What to further boost Combined Transport

From challenges to opportunities and actions



Growth of CT (increase share of rail freight to 25-30%) is dependent on the mode's ability to further improve its reliability, flexibility and resilience, while having to become more competitive on shorter distances

The well known challenges of CT

- Higher complexity (and therefore costs) due to lack of cross-border harmonization
- Need to compete with all-road transport on what is **not a level playing field**
- Rastatt exposed vulnerability of rail freight – **learnings** have **not** been **sufficiently implemented** – **challenges remain!**

Importance of rail freight

- Shifting to rail is understood to be **climate protection** while construction of railway lines faces heavy, in particular **public, opposition**

Sector Priorities and Rotterdam Declaration

- Where are we with the implementation?
What more can be done?



Infrastructure

- Speed up **upgrading and expansion** of rail network (incl. sufficient **alternative routes**) to enable **longer heavier trains** (boost productivity)
- Further improve **funding for terminal expansion** and **additional terminals** (ease access to rail)

Organisation

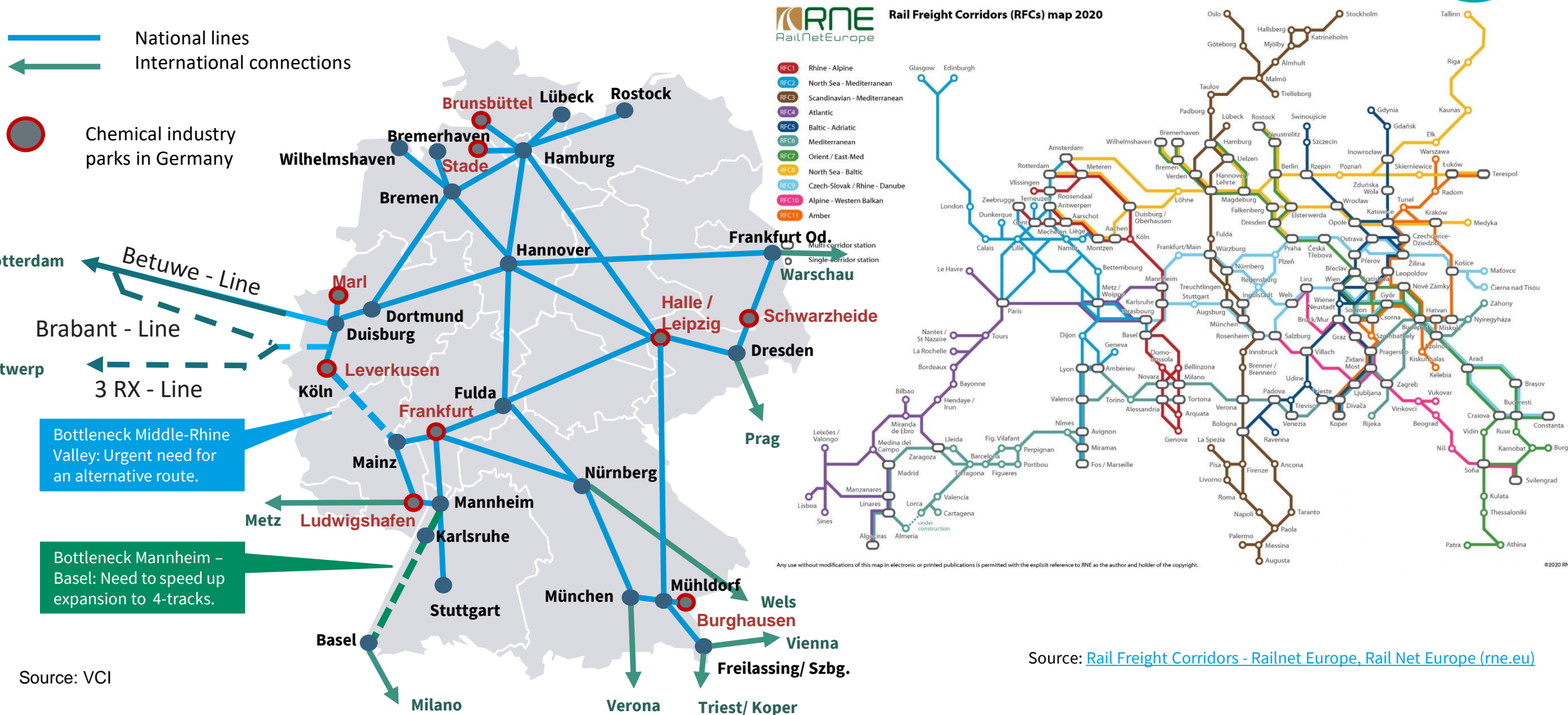
- ***“No national barriers: one language, less regulation, one highway!”***

CT Directive and related regulatory changes

- Continue **exemption of road leg from cabotage rules** as part of international transport chains
- **Boost efficiency** by permitting higher weight on road leg (e.g. define **48-ton zones** around CT terminals)
- Give CT the credit (**incentivise**) for **12 x lower external costs¹** compared to all-road transport

¹ Source: [Rail Freight Forward](#)

CT needs more capacity – boosting CT requires upgrading of German network



Source: [Rail Freight Corridors - Railnet Europe, Rail Net Europe \(rne.eu\)](https://railnet.eu)

”The big waiting is on the **missing links **in Germany** and the Germans are facing a lot of problems to get things ready”**

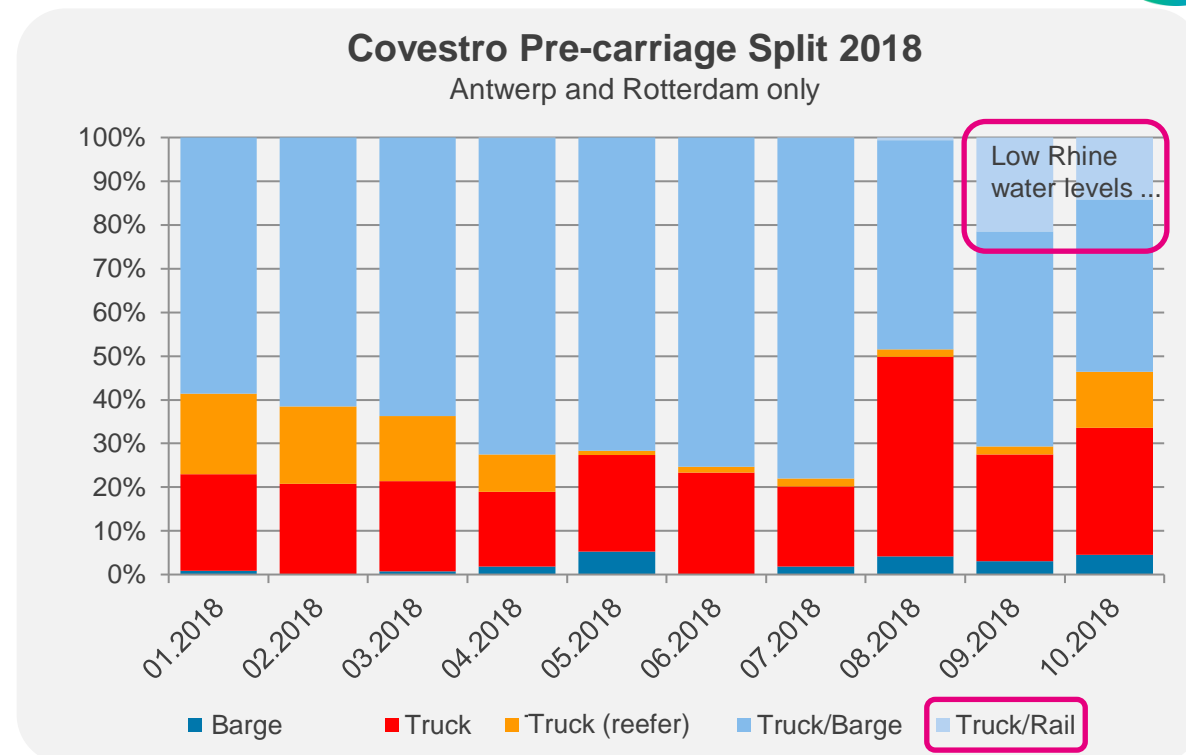
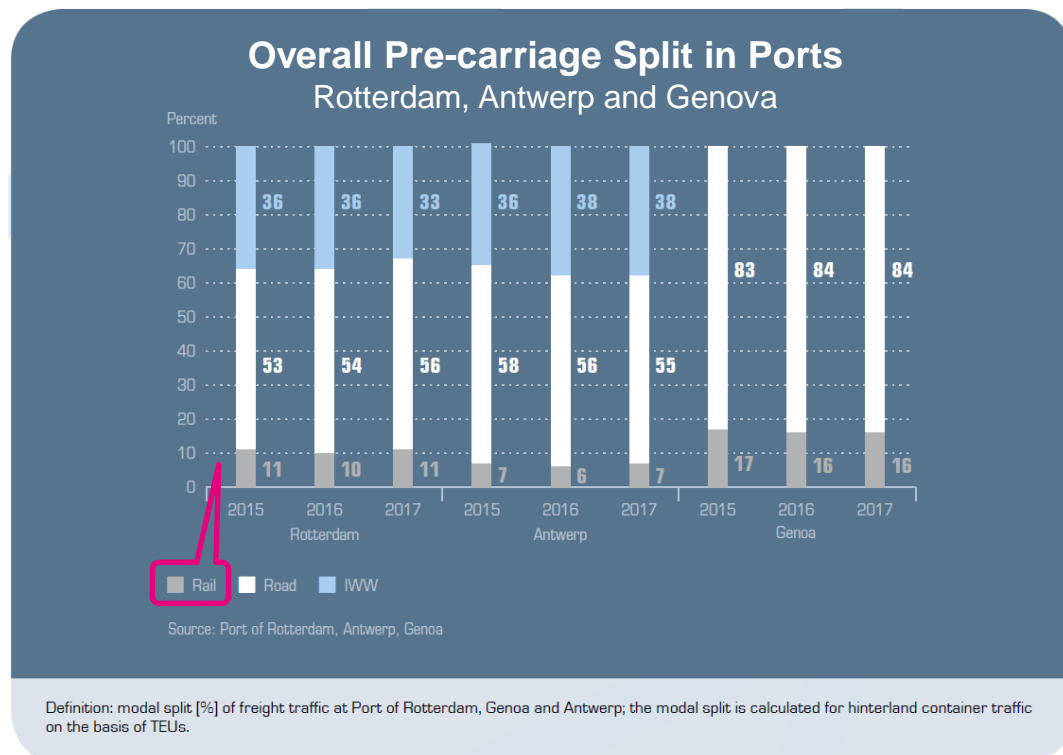
Guus de Mol, President of the Management Board of the Rhine-Alpine Corridor

Source: [Interview mit RailFreight.com, 08.09.2020 anlässlich der Eröffnung des Ceneri-Basistunnels](#)

Further information: [RailFreight Summit 2020 Video](#)
(see 03:20 und 05:46)

Share of rail for Antwerp and Rotterdam below expectations

Improvements are needed to increase the attractiveness of rail freight



Source: Rail Freight Corridor Rhine-Alpine Annual Report 2018

- Share of rail freight continues to stagnate
- Inland waterways carry 3-6 times the volumes of rail
- Despite high density of traffic flows to ports, shift to rail (and inland waterway) does still not happen as desired
- Rail freight needs to become more attractive (sufficiently flexible, reliable and competitive) to be seen as a feasible link to deep-sea ocean vessels

Cefic Position on European Rail Freight and RFCs

Key messages

<https://cefic.org/app/uploads/2019/06/Cefic-Position-on-European-Rail-Freight-and-Rail-Freight-Corridors.pdf>



March 2019

Cefic Position on European Rail Freight and Rail Freight Corridors

Key messages

1. Availability and reliability of rail freight services translates into security of supply for the chemical industry and its customers. The chemical industry is committed to making optimal use of rail freight and has already captured most modal shift opportunities. Reliability and flexibility of rail freight is however lagging behind that of road transport. Therefore the chemical industry is finding it difficult to further increase modal shift without jeopardizing service levels. Hence drastic improvement is required, before being able to achieve further modal shift.
2. To improve the effectiveness of rail freight quality management, a uniform punctuality KPI should be put in place, measuring punctuality end-to-end, along the entire rail transport chain. Such measurement must include a clear identification of the causes of delays, showing what kind of event or which party has caused certain delays and to what extent.
3. If freight trains are delayed, it is crucial for shippers to receive proactive information with a reliable revised estimated time of arrival (ETA), so to be able to inform the consignee of goods and to make adequate contingency plans. The information in the transport chain has to be managed in a professional and cooperative way by all stakeholders.
4. The key to improving the reliability as well as efficiency of international rail freight is to improve cross-border interoperability: "No national barriers: one language, less regulation, one highway!"
5. Cefic welcomes the 2016 Rotterdam Ministerial Declaration and the commitments expressed in the corresponding 2016 Rotterdam Sector Statement "Boosting International Rail Freight". In order to speed up the implementation of the sector priorities, Cefic highly welcomes that a progress report has been prepared, reviewing the progress made in the implementation of the sector priorities. Moving forward, it will be important that individual project initiatives, corresponding with the priorities, will continue to be managed systematically and followed up in an open dialogue, with all sector stakeholders, including European Commission, DG MOVE and end users of rail freight.
6. The Rail Freight Corridors (RFCs) are vital platforms to initiate and lead the changes required from national Ministries of Transport and Infrastructure Managers to move towards one standard infrastructure for international rail freight to become easier, more reliable and efficient (key objective

- Drastic improvement of reliability and efficiency of rail freight is critical to achieve greater modal shift from road to rail transport.
- A uniform punctuality KPIs should be put in place, including clear identification delay causes, improving the effectiveness of performance management.
- If freight trains are delayed, it is crucial for shippers to receive proactive information with a reliable revised estimated time of arrival (ETA).
- Improvement of cross-border interoperability is crucial: "No national barriers: one [common operating] language, less [leaner] regulation, one highway!"
- Cefic values the 2016 Rotterdam Ministerial Declaration and corresponding 2016 Rotterdam Sector Statement "Boosting International Rail Freight" and welcomes a systematic follow-up, in an open dialogue with all stakeholders.
- In order to grant more power to the RFCs to steer and direct changes, a revision of Regulation 913/2010 should be pursued.
- Sufficient funding should be provided to close missing links and put in place sufficient diversionary routes, with appropriate TEN-T infrastructure parameters.



Discussion Paper (work in progress) on Revision of Combined Transport Directive

Highlights from Cefic Rail Freight Task Force “Tour de Table”, January 2021



Brussels, February 2021



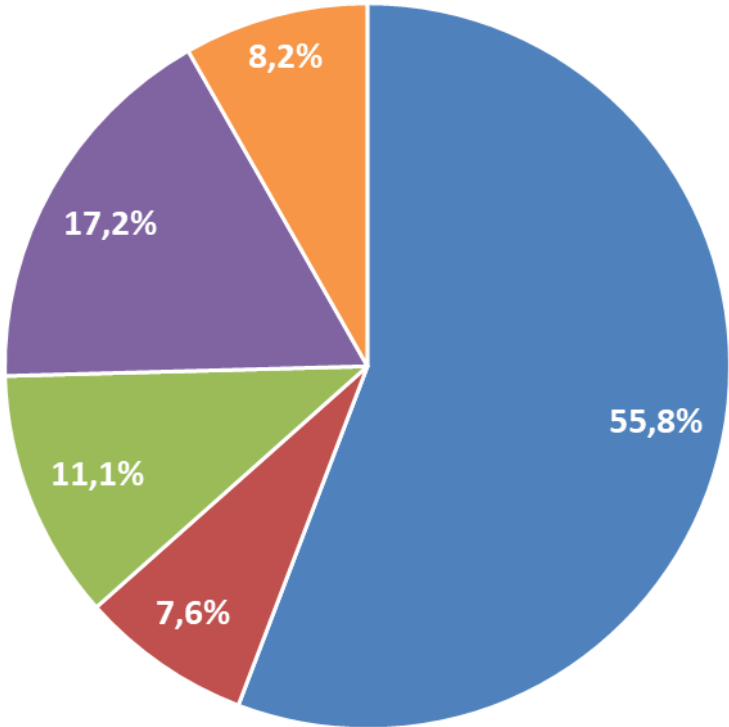
Cefic survey 2020

Overview modal split tonne km

Chemicals transport (Eurostat 2017)	
Mode	tonkm
road	73%
rail	18%
IWW	9%

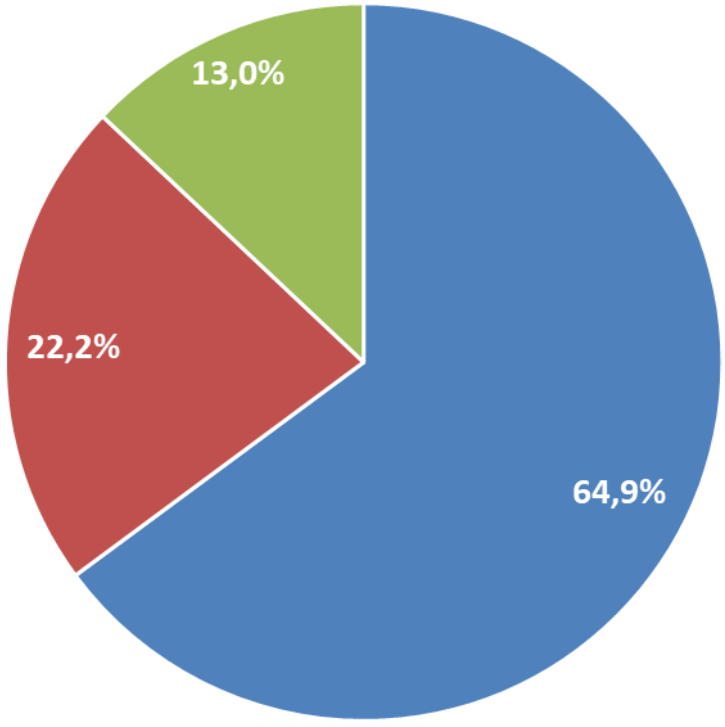


Tonne km EU inland transport



■ Total road ■ Total rail ■ Total barge ■ Total intermodal ■ Total pipelines

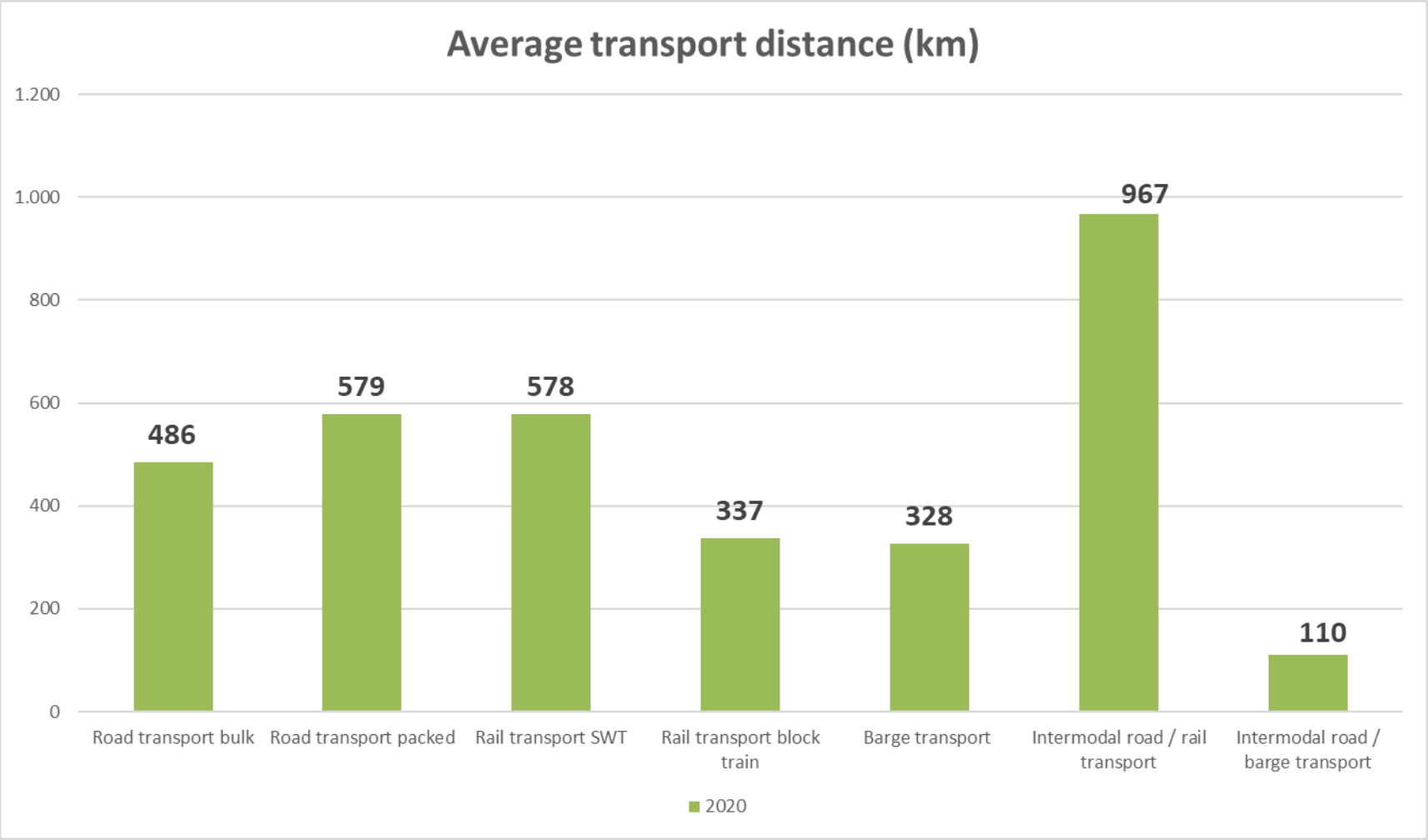
Tonne km EU inland transport (excl pipeline)



■ Total road ■ Total rail - incl intermodal ■ Total barge - incl intermodal

Cefic survey 2020

Average transport distance



Shippers' challenges and requirements to enable more combined transport



CT needs to be more competitive

- CT can be competitive as from 500 km, but in many cases only as from 750 à 1000 km
- There is a tendency to more competitive pricing on lower distances, but only if (un-)loading site sufficiently close to a terminal. So connectivity to terminals is critical.
- The price advantage of CT compared to road remains relatively small. Any specific requirement (like cleaning, shorter lead-time, high reliability, technical requirements,...) will make CT more expensive and complex compared to road. Road is more responsive to customer requirements.
- Cefic survey shows average distance for road of +- 500 km. Making modal shift requires very specific needs to make CT competitive on this range.

Shippers' challenges and requirements to enable more combined transport



CT transport planning is complex

- **Rail is perceived to be complex.** Especially working with different operational first/last mile service providers is a barrier compared to road transport (with only one LSP end-to-end).
- **Education & training** is missing on CT transport planning. If this would be implemented, more planners would think on the potential and actively look for CT solutions. Rail planning needs to be included in school training.

Shippers' challenges and requirements to enable more combined transport



CT needs to be more flexible / responsive

- E.g. for sensitive products, in case of heating needs, emergency transport,... rail is not flexible enough.
- Capacity of CT rail is also not sufficient to be flexible: route congestions, terminals overloaded, not sufficient terminal connections, low frequency of departures,...

Shippers' challenges and requirements to enable more combined transport



Further investment into CT infrastructure needed

- Country infrastructure managers should **stop removing unused rail tracks**. They should investigate how usage of rail could be increased instead.
- In some cases, **terminals get even more disconnected** from the network by this removal of tracks.
- As already stated in competitiveness & flexibility, **ease and short distance access to CT terminals is key**. A key request from shippers would be to increase terminal availability, and sufficient operations (frequency & connections).
- **Innovate, innovate and innovate ...**

Shippers' challenges and requirements to enable more combined transport



Shippers' and end customers' perspective

- Marketing & sales and our customers should be better informed about rail possibilities. Providing training could support this.
- Setting up rail solutions also require stable volumes and longer term contracts with customers. If contracts are only +/- 1 year, it hinders a good long term logistics set-up.
- The larger the volumes, the better it is possible to set up rail solutions with customers. In that case, a shipper can schedule e.g. 80% with CT rail, and 20% on road to remain flexible.
- Sufficient volume is also critical for a shipper to invest in increasing site capability in CT related solutions (crane to lift containers,...)
- Most shippers want to pursue CT-opportunities, part of their tendering efforts. If CT is economical feasible, CT is selected.
- External cost of transport per mode is already shared by the commission. This information is however not yet used by the shippers in the economical evaluation of transport modes.

CT Directive issues and opportunities in a nutshell

What the CT directive should address / drive to make CT more attractive



Ensure competitive road leg

- The weakest link of CT are the **first and last mile**
- **Distance to and from terminal** to be kept **below 50 kms**
- **Maximum utilisation of truck, drivers and trailers** (incl. utilisation of non-domestic drivers, while ensuring social fairness)
- **Align permissible weight of road leg** with rail main haul (48/50 tons!)

Improve infrastructure availability for CT

- A **comprehensive network of intermodal terminals** for combined transport and marshalling yards for wagon load transport
- Rail network to be resilient to disruptions, offering **sufficient capacity on divisionary routes**, with appropriate TEN-T infrastructure parameters

Improve the reliability and flexibility of CT (smarter cross-border operations management)

- A **drastic improvement of rail freight punctuality** is needed (Q-ELETA)
- **Improve cross-border coordination** (more effective role to be assigned to the RFCs)
- **Sufficient frequency of train departures** with a good reach to all hubs and nodes throughout the Rail Freight Corridor Network

Digitalise CT

- **End-to-end data sharing** and **connectivity** is key; electronic documents throughout CT-chain
- **Track-and-trace** and **proactive exception alerts** (ELETA) are a must

Improve know-how of CT / promote CT

- **Education starts at school ...**
- **Much broader education** of all stakeholders (shippers and customers) about the potential of CT



Thank you for your attention

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