



Co-financed by the European Union
Trans-European Transport Network (TEN-T)

Transport Market Study

TAG

March 7th 2013

Eric Guenther
Michel Geubelle



Fast track your rail freight

Agenda

1. The progress of the study
 1. Task 1 : Analysis of the current situation
 2. Task 2 : Assessment of the market
2. Identification of a list of actions to improve the service
3. The next steps



Agenda

1. The progress of the study

1. Task 1 : Analysis of the current situation

2. Task 2 : Assessment of the market

2. Identification of a list of actions to improve the service

3. The next steps



1- The progress of the study

Task 1

- The first step of the study is achieved. Several versions of the first interim report have been developed since the end of July 2012 to include all the comments made by the Steering Committee of the EEIG Corridor C/2.

This first step had to provide the following elements:

- The possible routes of future Corridor 2
- A database with the Origin-Destination Matrix
- Data useful in the design of the pre-arranged paths 2014/2015

1- The progress of the study

Task 1

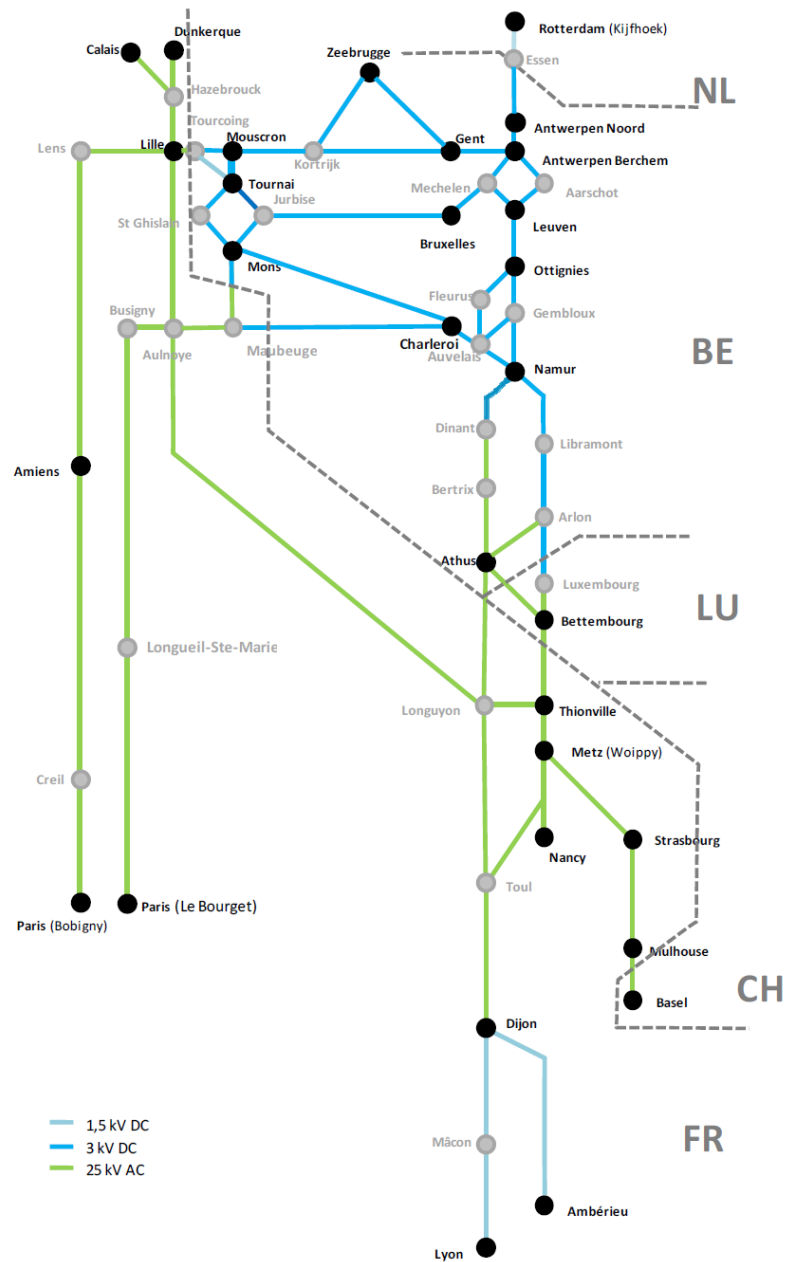
- The expected results were threefold:
 - Fuelling the Corridor team that must build the pre-arranged paths published in January 2013 for the year 2014 as a test for 2015. As requested by the Regulation 913/2010, the Corridor PAPs must take into account the results of the market study
 - Assist in the decision on the future routes of the freight corridor No. 2
 - Supply the investment plan

1- The progress of the study

Task 1

- Some remarks still need to be integrated and especially the main points of this first step namely the clearest possible picture of the current situation:
 - the project scenario and the baseline scenario (or situation today)
 - a clear vision of international freight traffic on various sections of the corridor

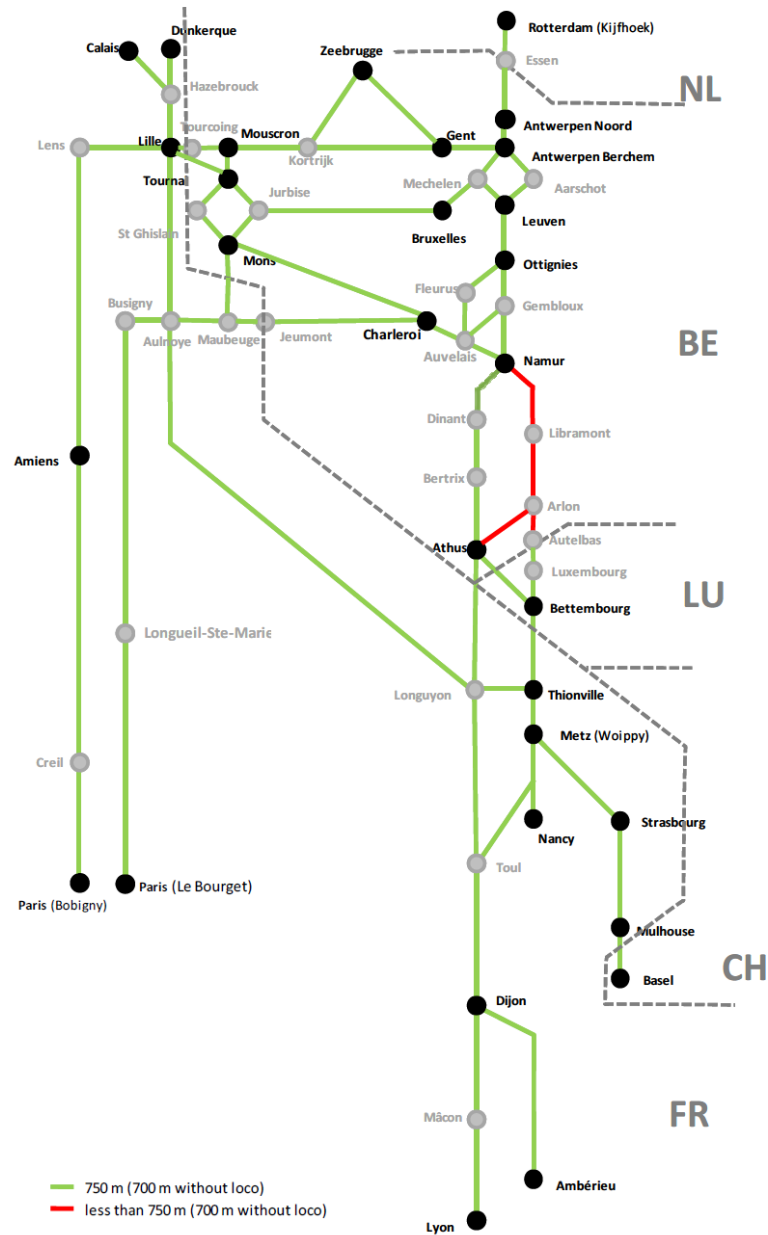
Figure 2.9 Electrification on corridor 2



- Different electrification system from a country to another

Note: the lines of this map correspond to the scope of the study; they may not all be RFC2 lines in the end

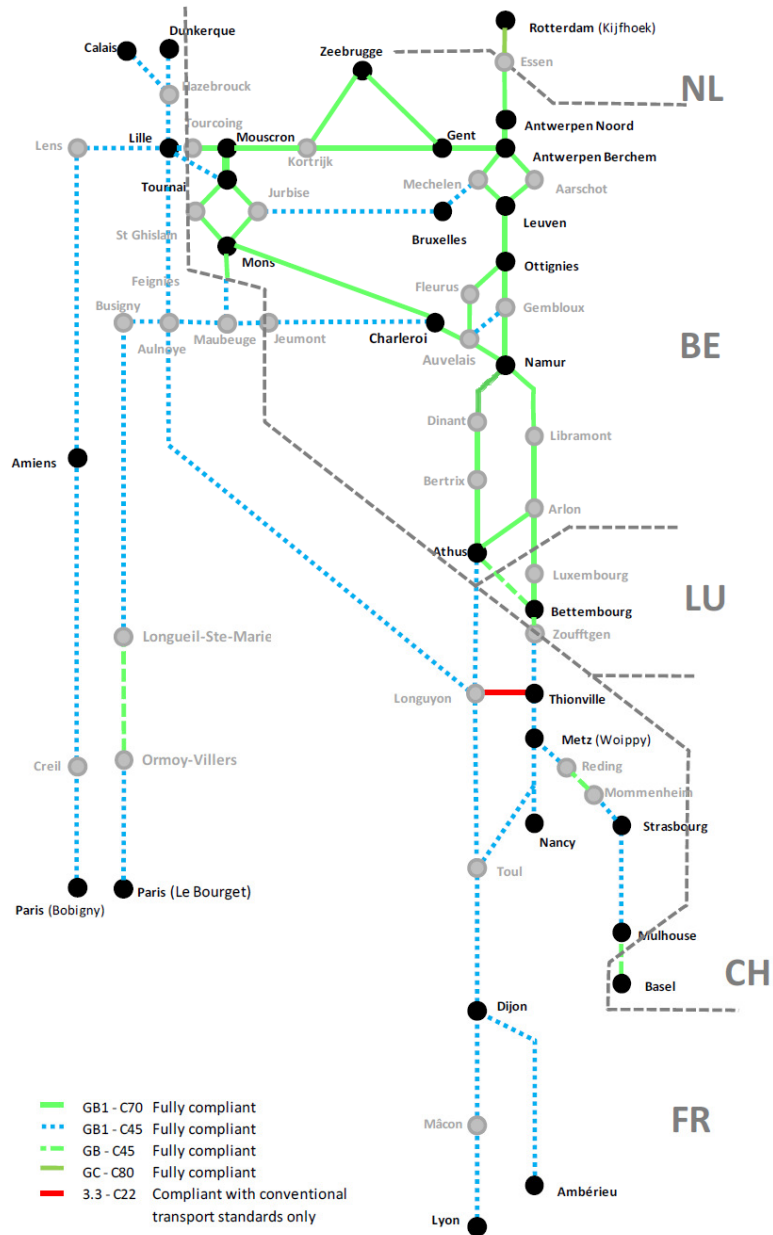
Figure 2.12 Admissible train length on corridor 2 (standard train)*



- Most of the lines allow trains of 740m length
- In Belgium, some sections allow 740m trains only out of peak hours

Note: the lines of this map correspond to the scope of the study; they may not all be RFC2 lines in the end

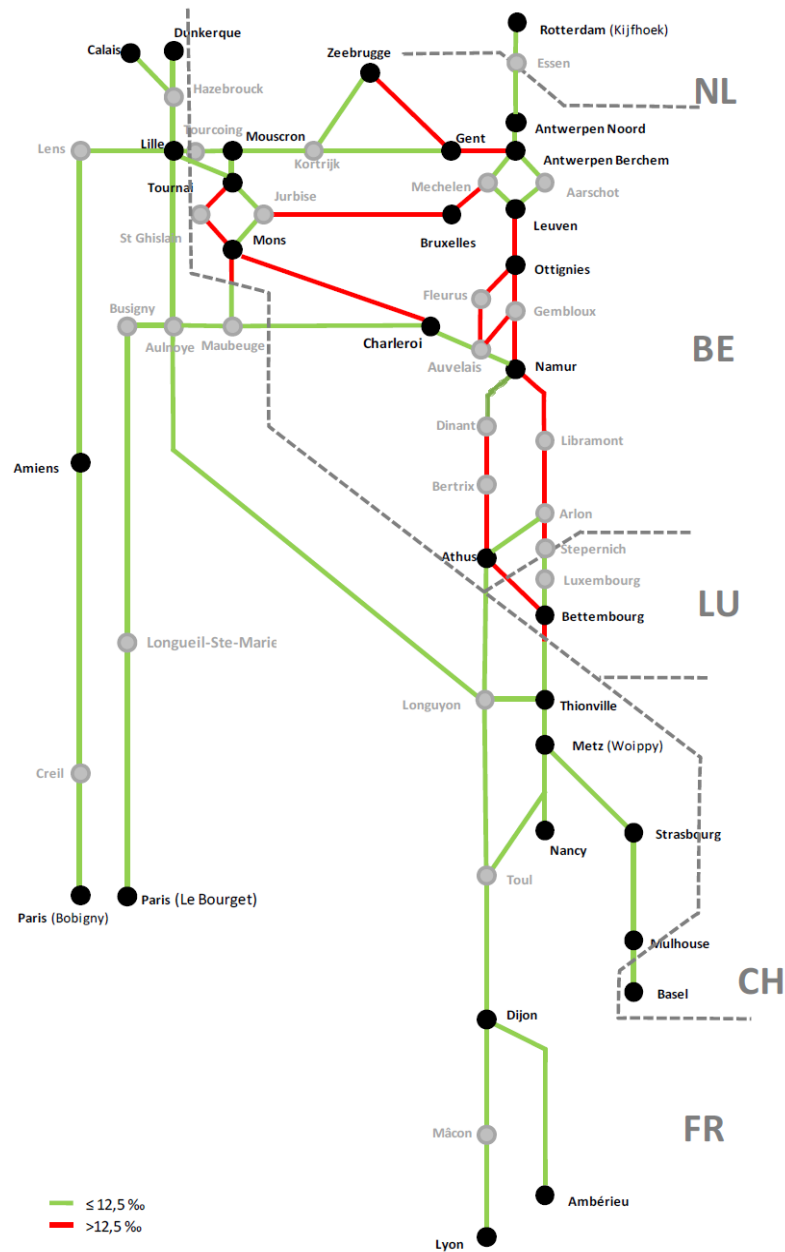
Figure 2.14 Loading gauge for combined transport on corridor 2



- Loading gauges in BE, NL and partly LUX better meet the requests of combined transport

Note: the lines of this map correspond to the scope of the study; they may not all be RFC2 lines in the end

Figure 2.15 Gradient: Chart of the compliant sections



- Ramps and slopes in FR, NL and CH better meet the needs of the railway undertakings

Note: the lines of this map correspond to the scope of the study; they may not all be RFC2 lines in the end

Figure 2.16 Location of rail freight terminals on corridor 2

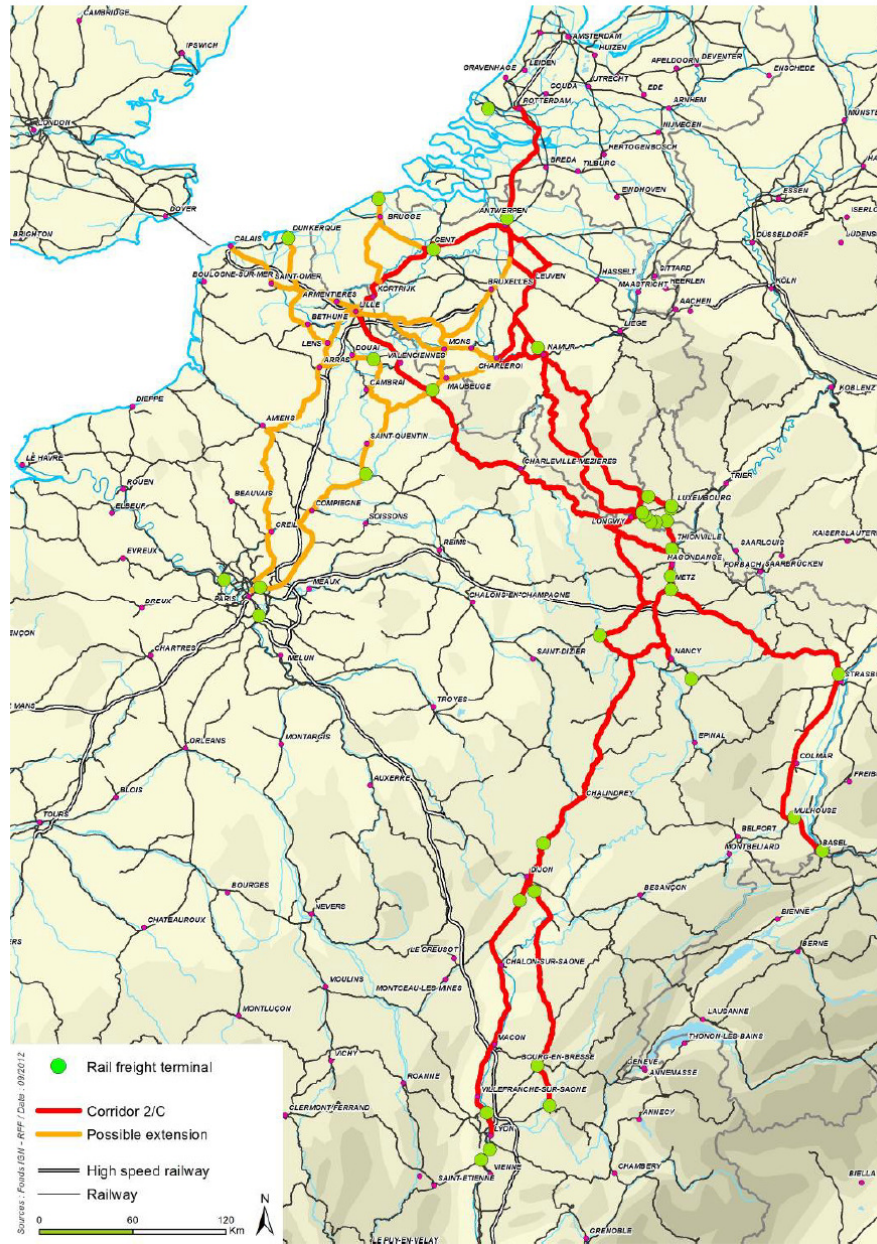


Figure 2.17 Location of multimodal terminals on corridor 2*

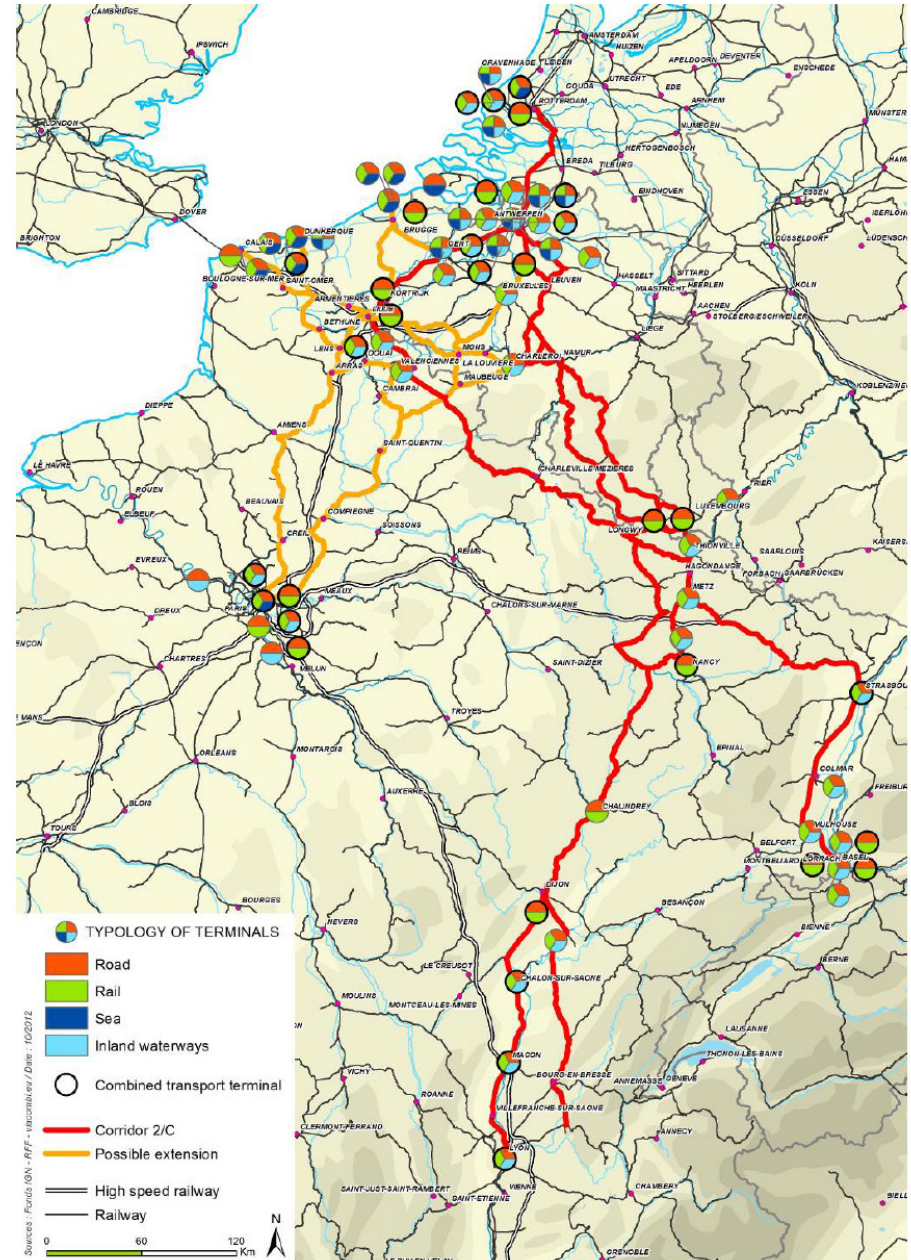
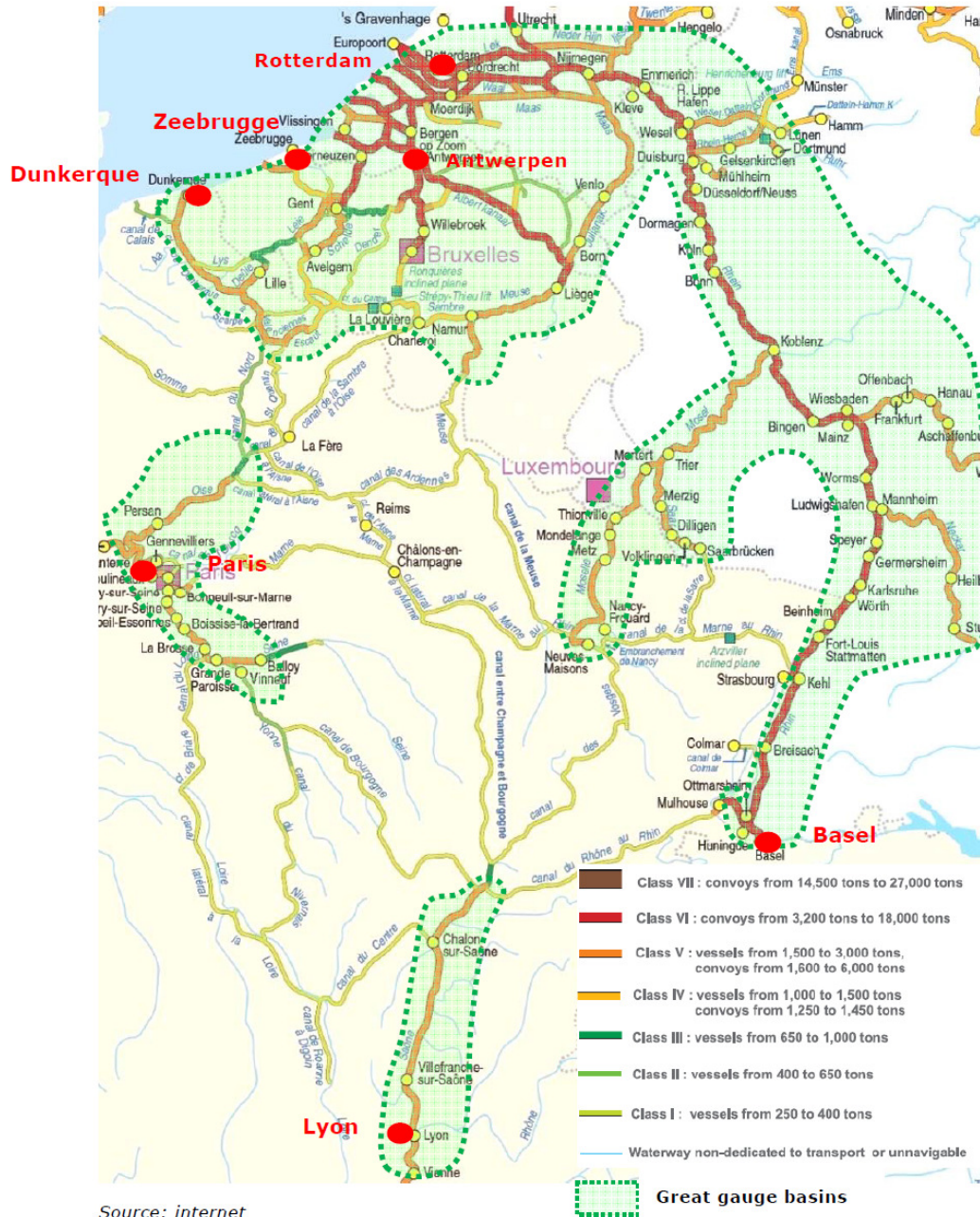


Figure 2.19 Inland waterways network on corridor 2



Source: internet

ROTTERDAM-ANTWERPEN-BASEL / LYON

- The Rhine river is a competitor on the Antwerp / Rotterdam-Basel route
- The projects Seine Nord Europe and Saône Rhine Saône Moselle (study in progress) would compete with the RFC2 on the Antwerp / Rotterdam – Lyon itinerary

Fast track your rail freight

Almost 50% of the trains have their origin or destination in Belgium.

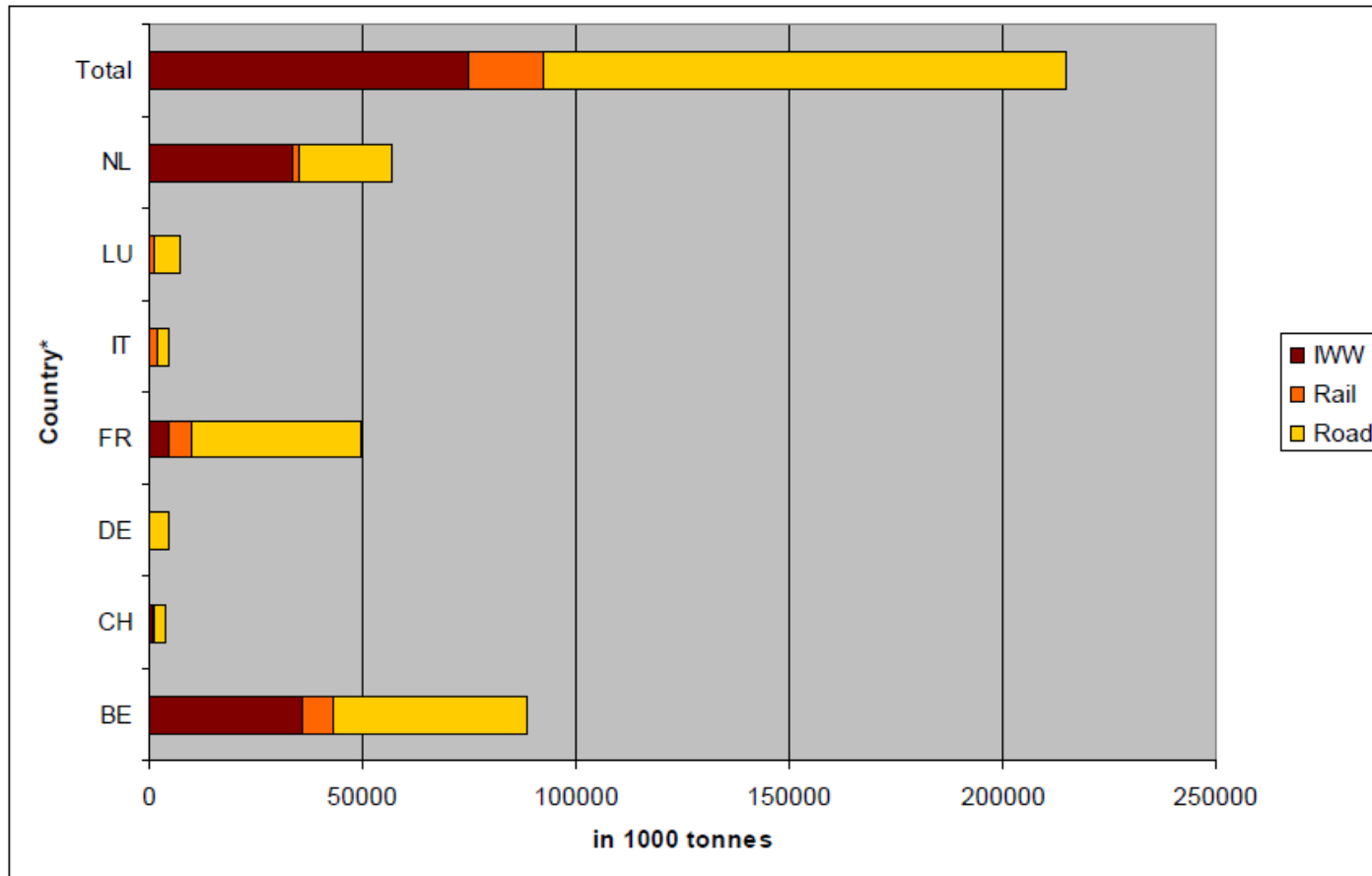
		DESTINATIONS												
		NL	BE	LU	FR	CH	DE	IT	UK	ES	SE	PL		
ORIGINS	NL	-	867	-	562	-	290	-	-	-	-	-	-	1.718
	BE	1.331	-	1.711	7.522	555	836	1.863	130	241	445	224	14.857	
	LU	-	1.505	-	357	43	2	185	-	-	-	-	2.092	
	FR	351	7.318	394	-	514	234	653	-	-	-	-	9.463	
	CH	-	241	46	387	-	-	-	-	-	-	-	674	
	DE	286	1.027	1	207	-	-	-	77	-	-	-	1.599	
	IT	-	2.118	119	410	-	-	-	-	-	-	-	2.647	
	UK	-	79	-	-	-	38	-	-	-	-	-	117	
	ES	-	98	-	-	-	-	-	-	-	-	-	98	
	SE	-	447	-	-	-	-	-	-	-	-	-	447	
	PL	-	150	-	-	-	-	-	-	-	-	-	150	
		1.968	13.850	2.271	9.444	1.112	1.399	2.701	207	241	445	224	33.862	

Containers – combined transport is the most growing commodity section. The others are stable or even decrease.

Table 4.7 Commodity distribution on the Corridor for 2010

Commodity	nstr code	in 1000 tonnes	in %
Agricultural products and animals	0	930	5%
Foodstuffs and animal fodder	1	363	2%
Solid mineral fuels	2	1170	7%
Petroleum products	3	1478	9%
Ores and metal waste	4	1051	6%
Metal products	5	5228	30%
Crude minerals, building materials	6	1573	9%
Fertilizers	7	156	1%
Chemicals	8	1053	6%
Machinery and miscellaneous	9	4379	25%
Total		17380	100%

Figure 4.4 International Corridor modal split for 2010 in 1000 tonnes



Rail is a secondary transport mode for international traffic.

Agenda

1. The progress of the study
 1. Task 1 : Analysis of the current situation
 2. Task 2 : Assessment of the market
2. Identification of a list of actions to improve the service
3. The next steps



Overview stakeholders

Railway operators	10
Intermodal operators	14
Logistics service suppliers	8
Shippers	19
Terminal operators	8
Ports	8
Others	4
Total	71

Country	Nr of interviews
France, Switzerland, Luxemburg	38
Belgium	17
Netherlands	19

General observations

- Most stakeholders are not (yet) active on the corridor.
 - Prefer using Corridor 1
 - Prefer road / barge
- Growing (potential) interest for Corridor 2 because of congestion on Corridor 1.
- 2016 : volumes expected to be stable after several weak years. Automotive / steel weak, chemicals stable.
- Improving operations offers serious prospects.

Competition other modes / corridors

- Barge - not always an option. Barge to Paris is cheaper but very long. Barge along Rhine corridor has problems with water depth.
- Destinations on Corridor 2 are within the road competing distance. 80-90% of the maritime containers have a destination within 250 km.
- To Lyon, the road mode is cheaper and faster
- In France road transit time is 4 to 5 time shorter than rail transit time
- Price level on Corridor C/2 is too high (20% to 25% higher than Corridor A/1) all costs included (infrastructure polls + traction costs + wagons rent, etc.)
- Automotive Market : prices for road=100, rail is 130/140 on all ODs.

Rail traction rates in € / km / country

NL	€ 16 / km
D	€ 10 / km
B	€ 21 / km
F	€ 24 / km

Basel via France is 30% to 40% more expensive than via Germany.

"Road transport is easy. You go to a trucking company. But to whom should you go if you want to transport via rail ? How can you obtain the right information, the scheduled services, the price etc. ?"

Main barriers

Client oriented attitude:

Understanding of the clients transport needs

Reliability

Shippers have no problems with longer transit times compared to road. But shippers cannot deal with unreliable schedules because of the increasing complexity of logistics processes.

"Road transport is easy. You go to a trucking company. But to whom should you go if you want to transport via rail? How can you obtain the right information, the scheduled services, the price etc."

Main barriers

Flexibility

Processes in rail transport take long and are hardly flexible (from licensing to path reservation, changing paths, etc)

Information services

No info about delays, no new ETA is given (by RU or IM)

Other barriers

Operational barriers

Extra staff needed shunting / coupling

Technical barriers

Not all cargo can take the route Thionville – Basel; P/C70 needed in Arzwiller tunnel (Réding Saverne) (could lead to 20% more volume)

Organisational barriers

Regional passenger trains usually get priority over international freight trains, despite EU regulations

Organisational barriers

Uncertainty over rates, with difficult formulas to calculate infra charges, customers would appreciate a free calculation software.

Prospects

- Lack of capacity on corridor A/1 will make C/2 an option.
- Customers thinking green and in sustainable transport.
- Road transport could become more expensive (higher road charges, higher fuel prices, etc.)
- Congestion on roads
- Innovative packaging technology allows longer transit time.
- Combining transport flows from Spain might provide additional volumes.
- The Spanish market can be served from Corridor C/2.

Prospects

- Concentrate on those corridors where you can make a difference
- Reasonable safety rules
- Tailor made prices
- The regions Paris, Lyon, Nord-Pas-de-Calais are very important economical areas
- South of Lyon: some chemical industry is based. Railway operators should match their needs with the chemical flow north-south to get full loads both ways

Prospects

- If P400 is implemented in the tunnel of Arzwiller 20% could be transferred from Corridor A/1 to C/2.
- Opening of the new Gothard tunnel.
- Opening of the Lyon-Turin Ferroviaire.
- Better accessibility of Dunkerque, Zeebrugge, Antwerp and Rotterdam ports.

Agenda

1. The progress of the study
 1. Task 1 : Analysis of the current situation
 2. Task 2 : Assessment of the market
2. Identification of a list of actions to improve the service
3. The next steps



2- Identification of actions

Key success factors

The market stakeholders ask both RUs and IMs:

- To work on prices
- To be more service oriented
- To provide reliability
- To provide flexibility
- To provide information

In this context, RFC 2 has identified a list of actions that should improve the rail freight service on RFC2.

2- Identification of actions

Priority issues identified

- 1- Transparency, simplification and harmonisation of infrastructure charging along the Corridor
- 2- Upgrade of the loading gauge
- 3- Cross-border acceptance of locomotives to border stations (also known as « short penetration interoperability » or interoperability light »)
- 4- Coordination of infrastructure works

Agenda

1. The progress of the study
 1. Task 1 : Analysis of the current situation
 2. Task 2 : Assessment of the market
2. Identification of a list of actions to improve the service
3. The next steps



3- The next steps

- The planning of the study:

3rd step: Market projections ->

February 2013

4th step: Economic evaluations->

March 2013

5th step: Final Report ->

April 2013

The sole responsibility of this publication lies with the author.
The European Union is not responsible for any use that may be made of the information contained there in.



RÉSEAU FERRÉ DE FRANCE



ACF

Contacts

Head Office

9, place de la Gare
L-1616 Luxembourg
info@corridorc.eu
www.corridorc.eu



Co-financed by the European Union
Trans-European Transport Network (TEN-T)