UIRR
INTERNATIONAL UNION FOR ROAD-RAIL COMBINED TRANSPORT

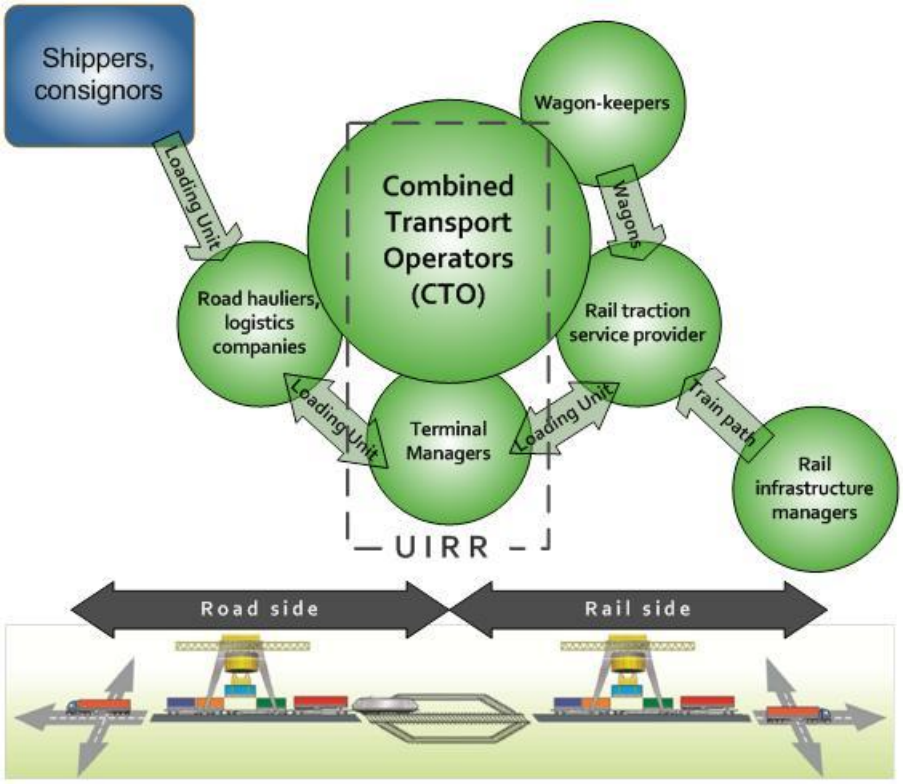
Logistikkonferenz

COMBINED TRANSPORT
THREATS AND OPPORTUNITIES

Peter PLEWA
CEO, Polzug

UIRR - Overview

- **Members**: Combined Transport Operators and Terminal Managers, who enable the efficient insertion of rail into transport-chains
- **Logistics companies, road hauliers**: customers as well as shareholders of UIRR Members
- **Performance**: UIRR Members handled about 50% of European Combined Transport in 2014
- **Interest**: fair regulatory conditions in transport to enable ***competition on the basis of technical merit and competence/management excellence***
- **UIRR**: founded in 1970
  - seat in Brussels since 1988

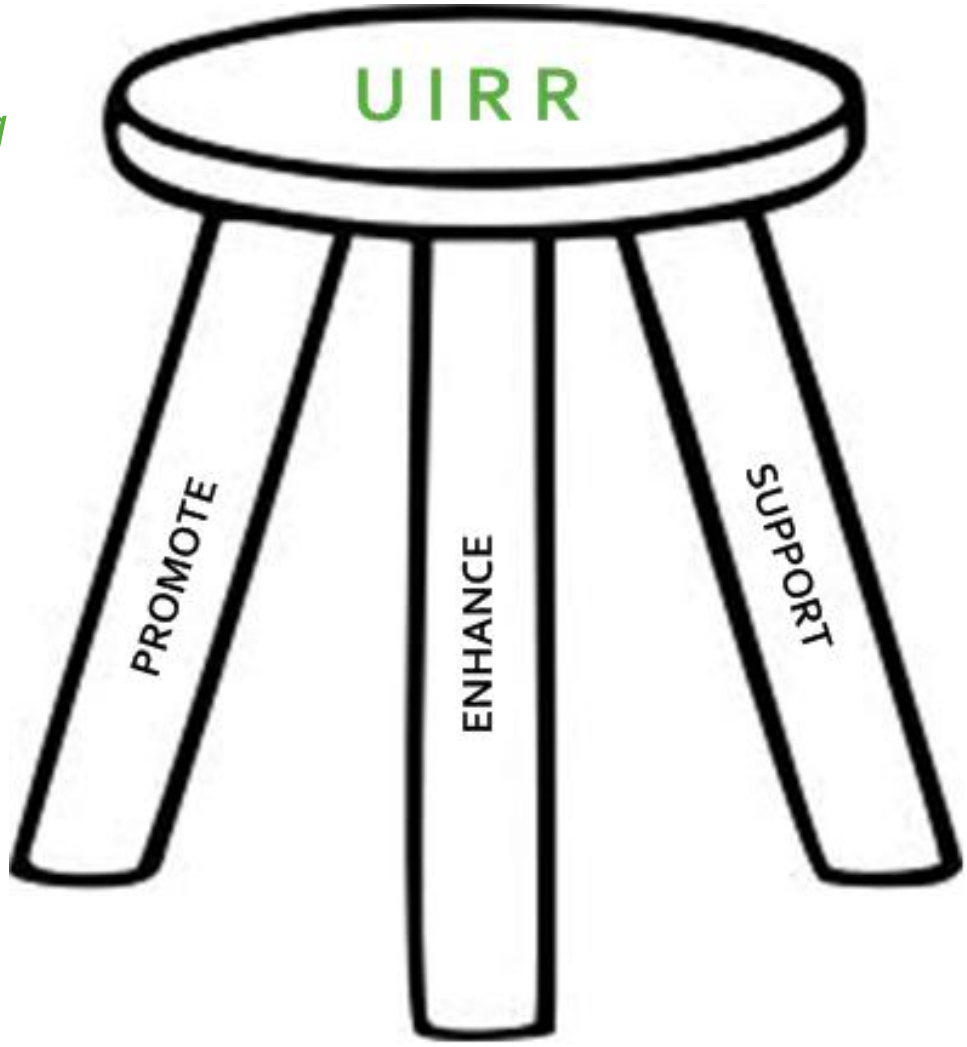


*UIRR is an **industry association** which*

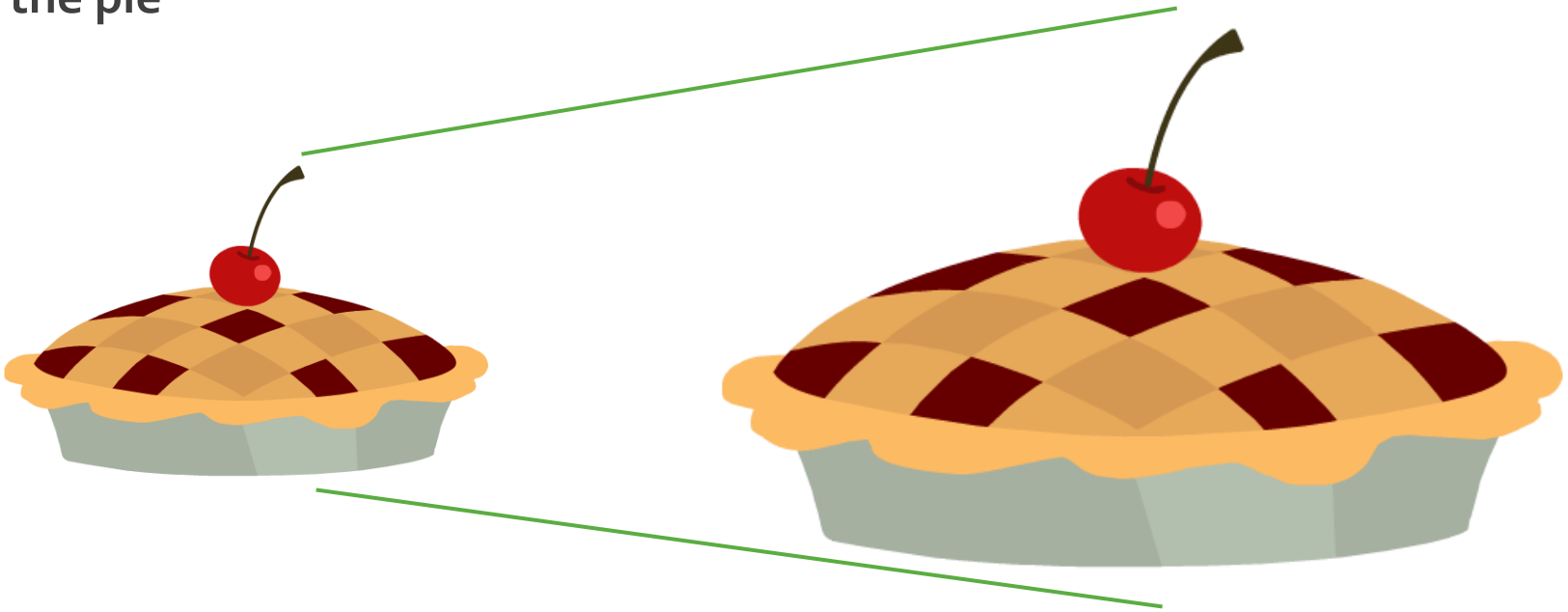
*- **PROMOTES** the public understanding and appreciation of Road-Rail Combined Transport,*

*- **ENHANCES** its development and the proliferation of industry best practice,*

*- **SUPPORTS** the daily operation of European Combined Transport with a series of services*



Grow the pie



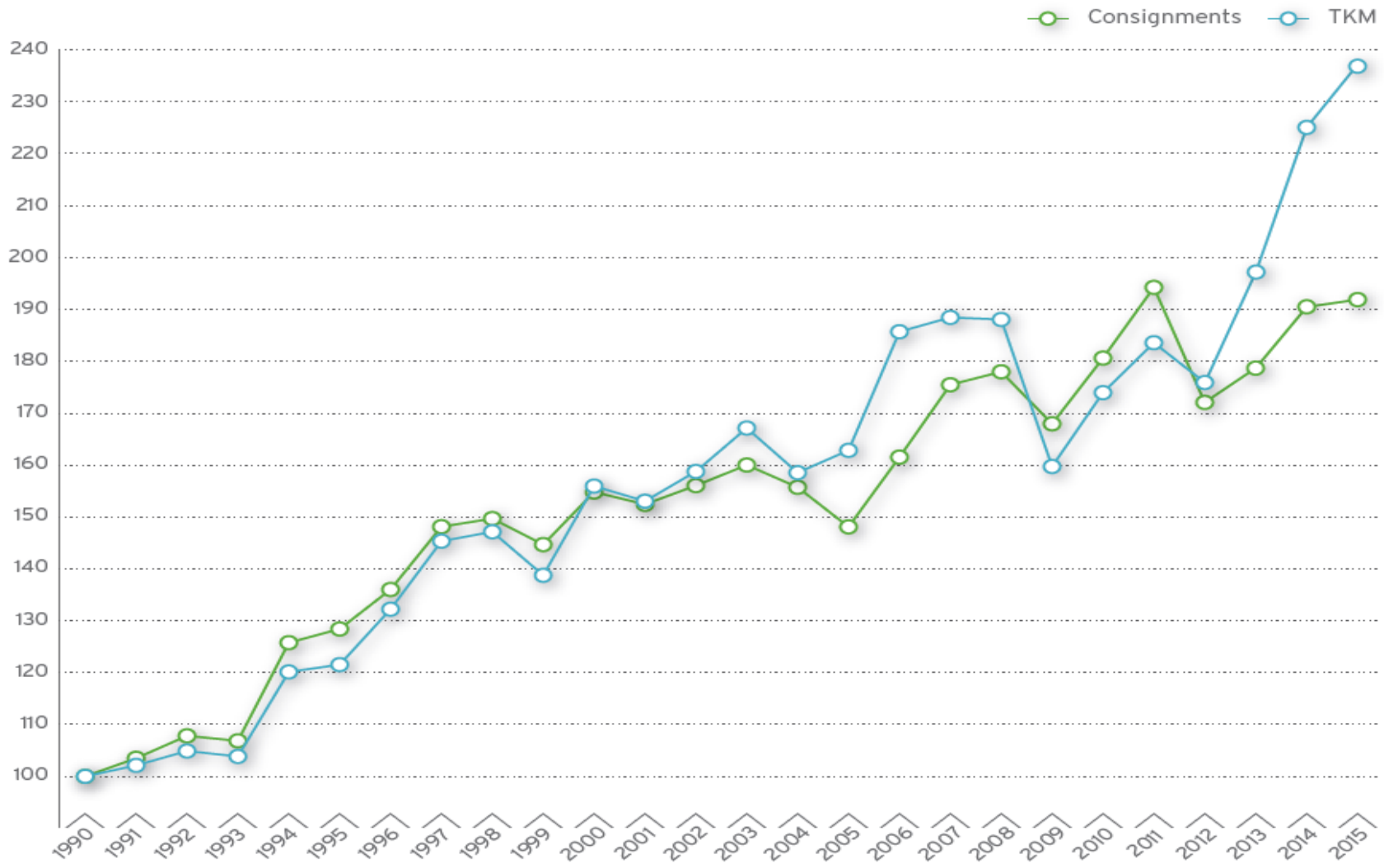
through **fair competition** on the basis of

1) **technical merit**, as an enabler of economic prosperity
2) the **competence** (professionalism) of those who organise CT

catalysed by UIRR as the **industry association** of the sector

UIRR – Growth rate of Members 1989 – 2014

(REFERENCE YEAR: 1990 = 100)



The challenge at hand

The Beauty… (?)

and The Beast

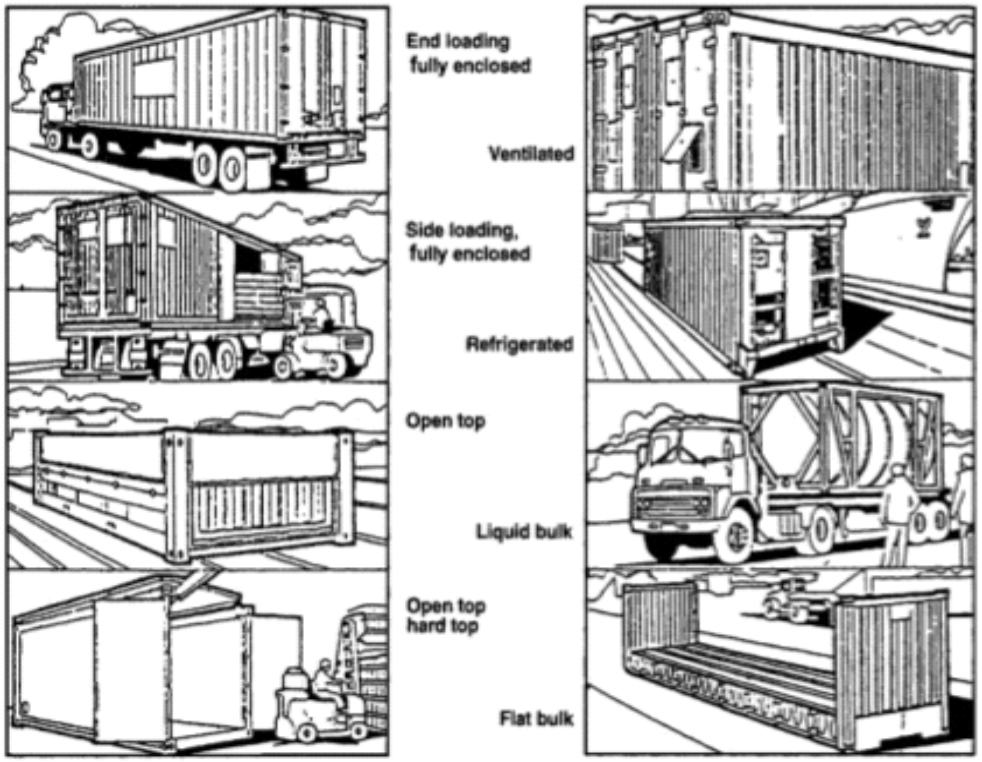
Intermodal/Combined Transport in Europe

The key to intermodality: switch to using the "box"

***Containerisation**: the pre-requisite to unlock the benefits Combined Transport*

HIGH VALUE

OVERSIZED



PERISHABLES

LIQUIDS

DANGEROUS GOODS

BULK

PALLETS

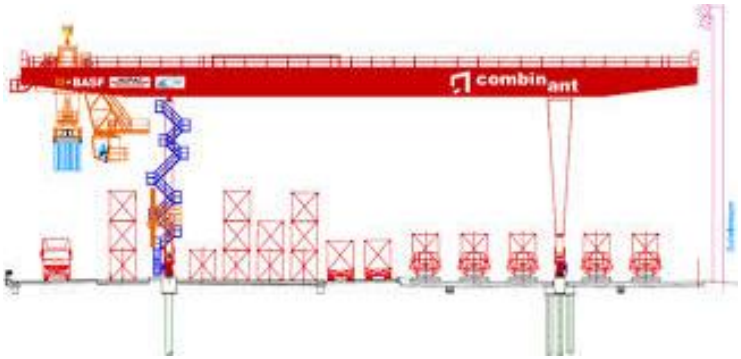
Unimodal vs. Intermodal transport

UNIMODAL FREIGHT TRANSPORT

Misses out on advantages:
- energy efficiency,
- labour productivity,
- superior safety and security,
- climate resilience, and
- oustanding environmental peformance.

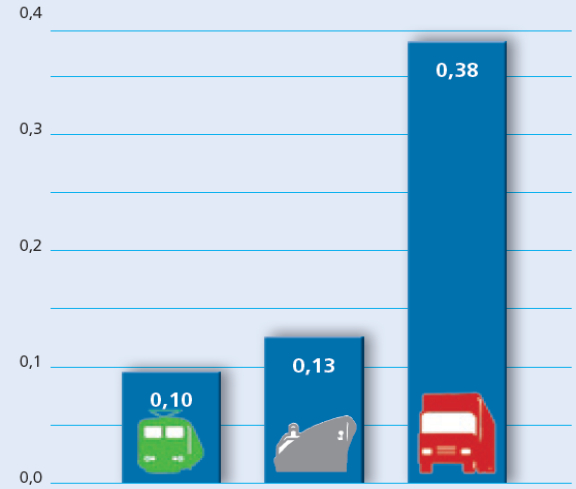
INTERMODAL / COMBINED TRANSPORT

Efficiently inserts economically and ecologically sustainable modes of transport into long(er) distance transport-chains to maximise the benefits for every stakeholder.



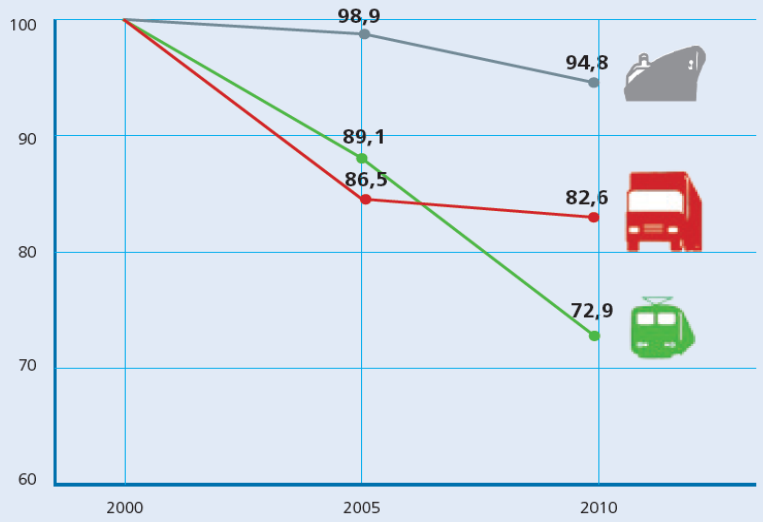
Primary energy need and CO2 performance of modes

Spezifischer Energieverbrauch in kWh/tkm; Bahn, Lkw, Schiff; Bezugsjahr 2010



ifeu 2011, Datenbank Umwelt & Verkehr

Spezifischer Energieverbrauch seit 2000; in Prozent; Bahn, Lkw, Schiff



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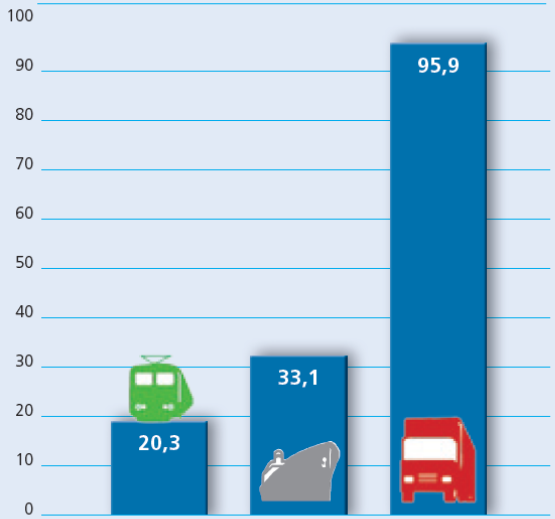
Spezifische CO_2-Emissionen in g/tkm; Bahn, Lkw, Schiff; Bezugsjahr 2010



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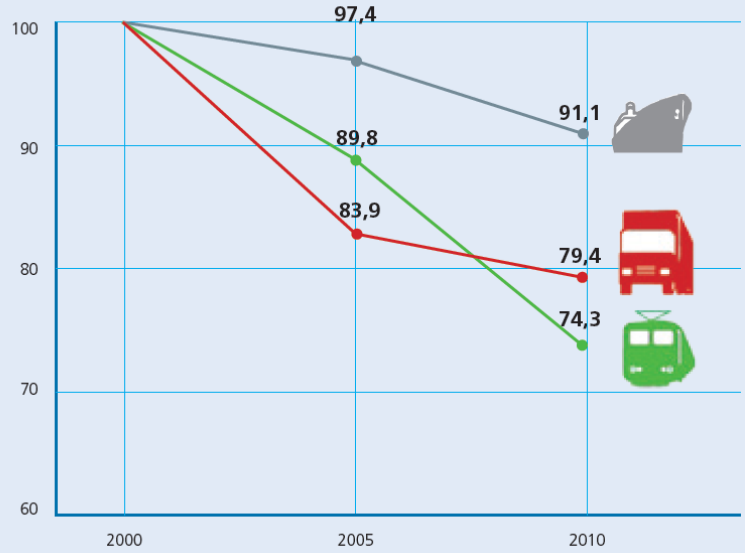

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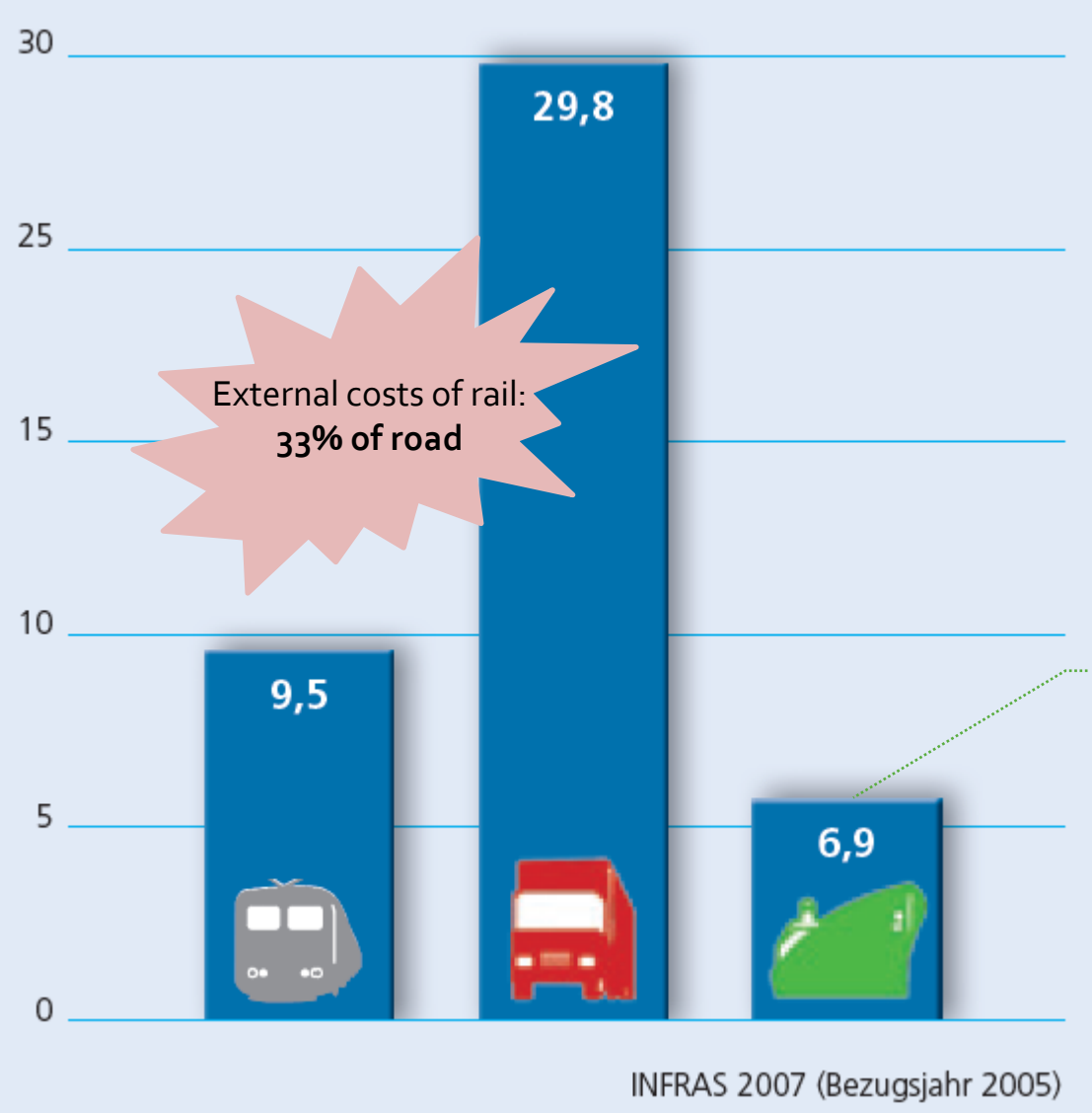
Safety performance comparison

Safety category	Road	Rail
Fatalities in 2009[1]	35 000	34
Accident occurrences: (i) road[1] and (ii) rail[2]	1 200 000	1152
Accident occurrences: (i) HGVs, (ii) freight trains	31 per 100M vkm[2]	1,05 per 100M vkm[3]
Accident externality cost of (i) HGVs on motorways, and (ii) trains	€68 667 per 100M tkm[4]	€238 per 100M tkm[5]

Road haulage is 30-times as accident prone as rail

[1] Source: *EC EU transport in figures [2011]*
[2] Source: *Alan C McKinnon at 2nd IRU/EU Road Transport Conference: "31 per 100M vkm" [2012]*
[3] Source: *ERA 2011 Rail Safety report figure (tkm) converted to (HGV) vkm @ 30t/vehicle rate [2011]*
[4] Source: *CE Delft IMPACT Study (internalisation handbook) converted into tkm @ 30t/vehicle rate [2008]*
[5] Source: *CE Delft IMPACT Study (internalisation handbook) converted into tkm @ 800t/train rate [2008]*

External costs of modes

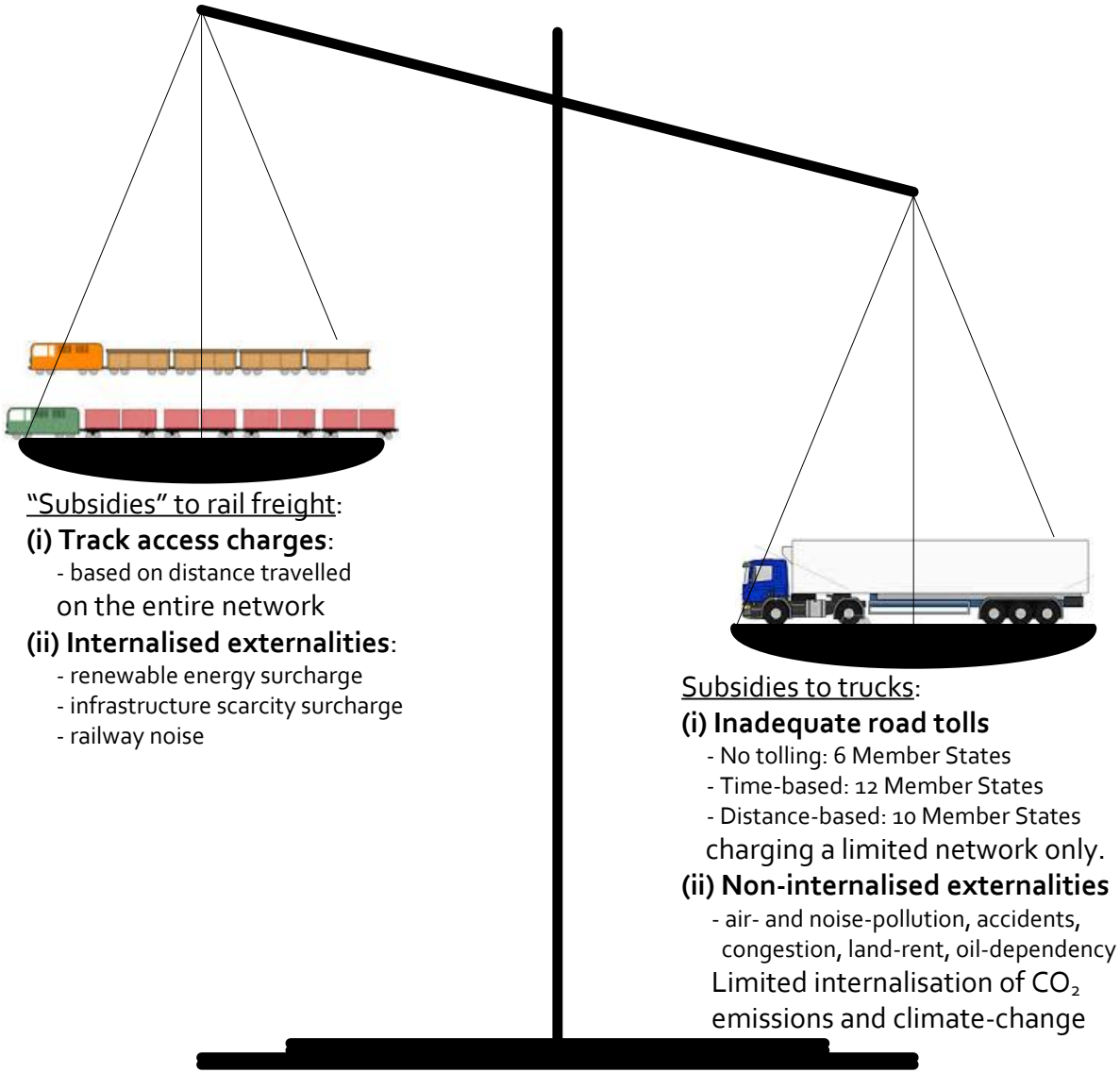


Ro-Ro and smaller vessels perform worse

Mission letter of the new Transport Commissioner

"…the reduction of greenhouse gas emissions by the transport sector contributes to the achievement of the overall EU target in this area. This should be part of our overall effort to reinforce the sustainability of our growth model."

The relative competitive situation of modes



"Subsidies" to rail freight:

(i) Track access charges:
- based on distance travelled on the entire network

(ii) Internalised externalities:
- renewable energy surcharge
- infrastructure scarcity surcharge
- railway noise

Subsidies to trucks:

(i) Inadequate road tolls
- No tolling: 6 Member States
- Time-based: 12 Member States
- Distance-based: 10 Member States

charging a limited network only.

(ii) Non-internalised externalities
- air- and noise-pollution, accidents, congestion, land-rent, oil-dependency

Limited internalisation of CO_2 emissions and climate-change

Two principles should be equally upheld:

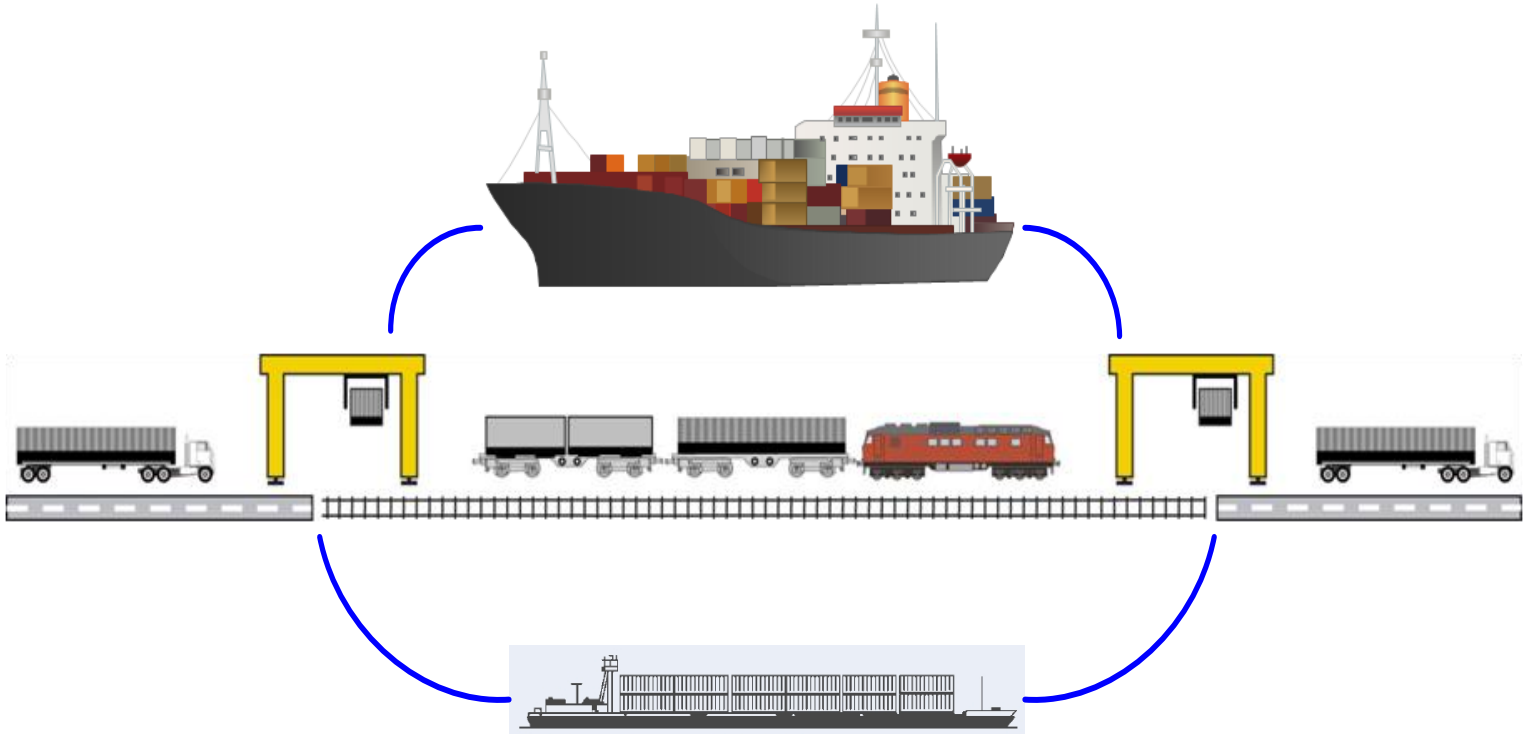
- user-pays

- polluter-pays

*The **de-politicisation** of transport - no more budget transfers - would be needed to make transport **truly market based and competitive** in a fair manner.*

EU 2011 Transport White Paper

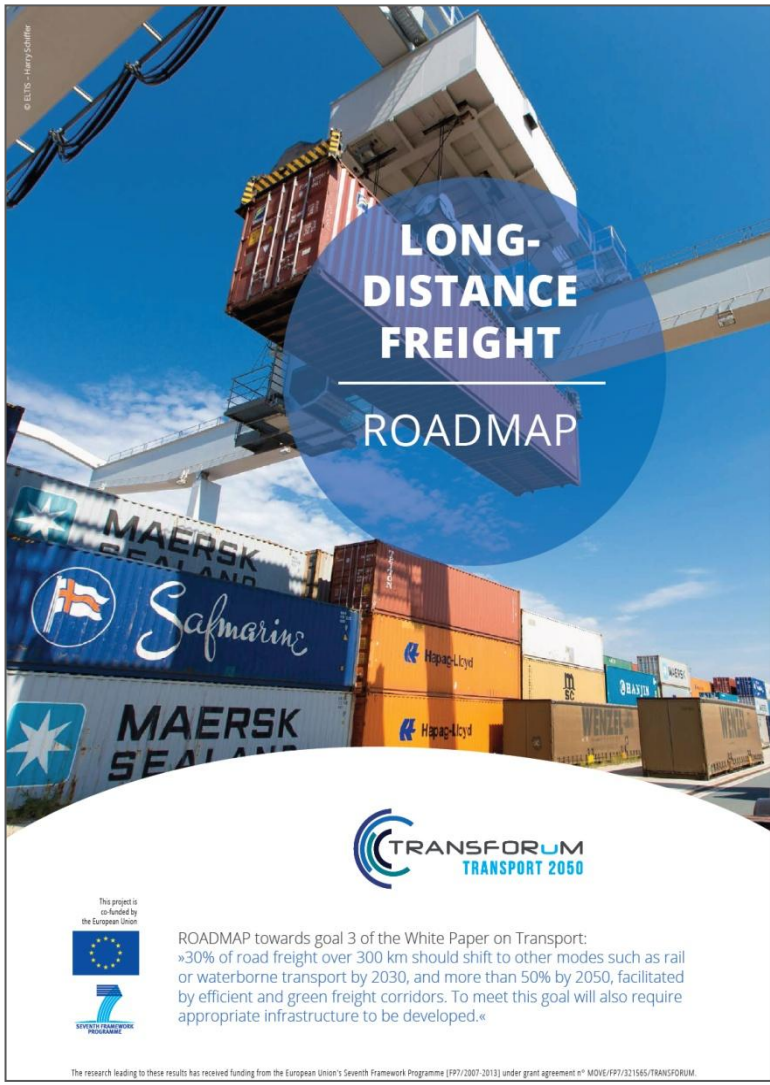
Shift 30% *of long(er) distance road tonne-kilometres realised over distances of 300km or more* ***by 2030 from trucks to sustainable modes of transport*** *- (electric) rail, inland navigation and shortsea shipping - which ratio should increase to* ***50% by 2050****



** on the basis of 2010*

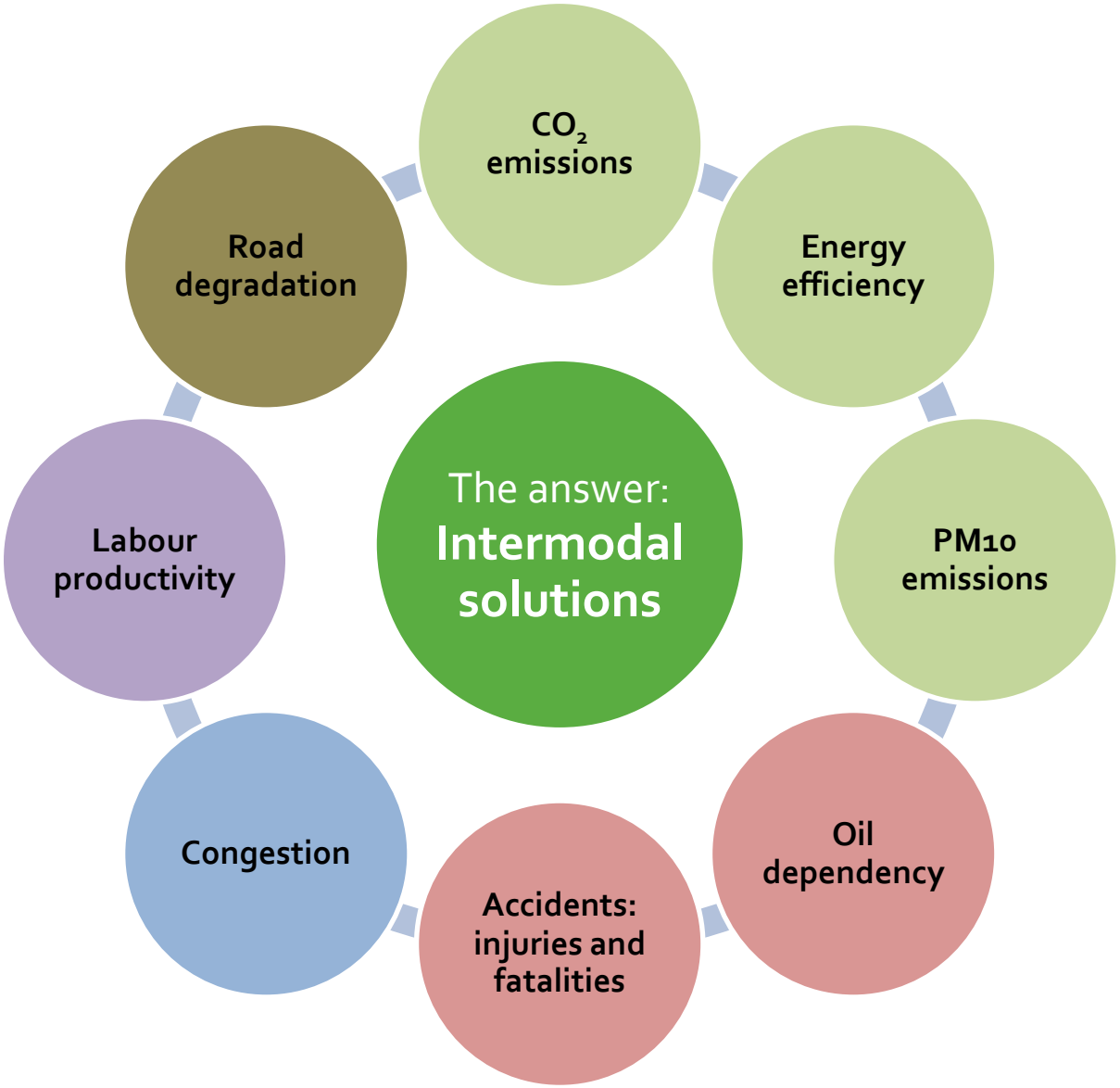
"Achievable, even if challenging"

A study in the UK (McKinnon and Piecyk, 2010) based on a Delphi survey of 100 logistics specialists suggested that mode shift could potentially decrease roads share of the freight market by 14% (from 64% tkm to 50%) by 2050. A study by den Boer et al. (2011) deals with the shift from road to rail of freight transport in the EU to 2020. One conclusion is that there is a potential to increase the market share for rail from 18 to 31–36% and reduce GHG emissions by 19% where road and rail compete. This is roughly consistent with the modal shift target as exemplified above. Although such studies are always associated with considerable uncertainties, they seem to indicate that the goal is achievable, even if challenging.

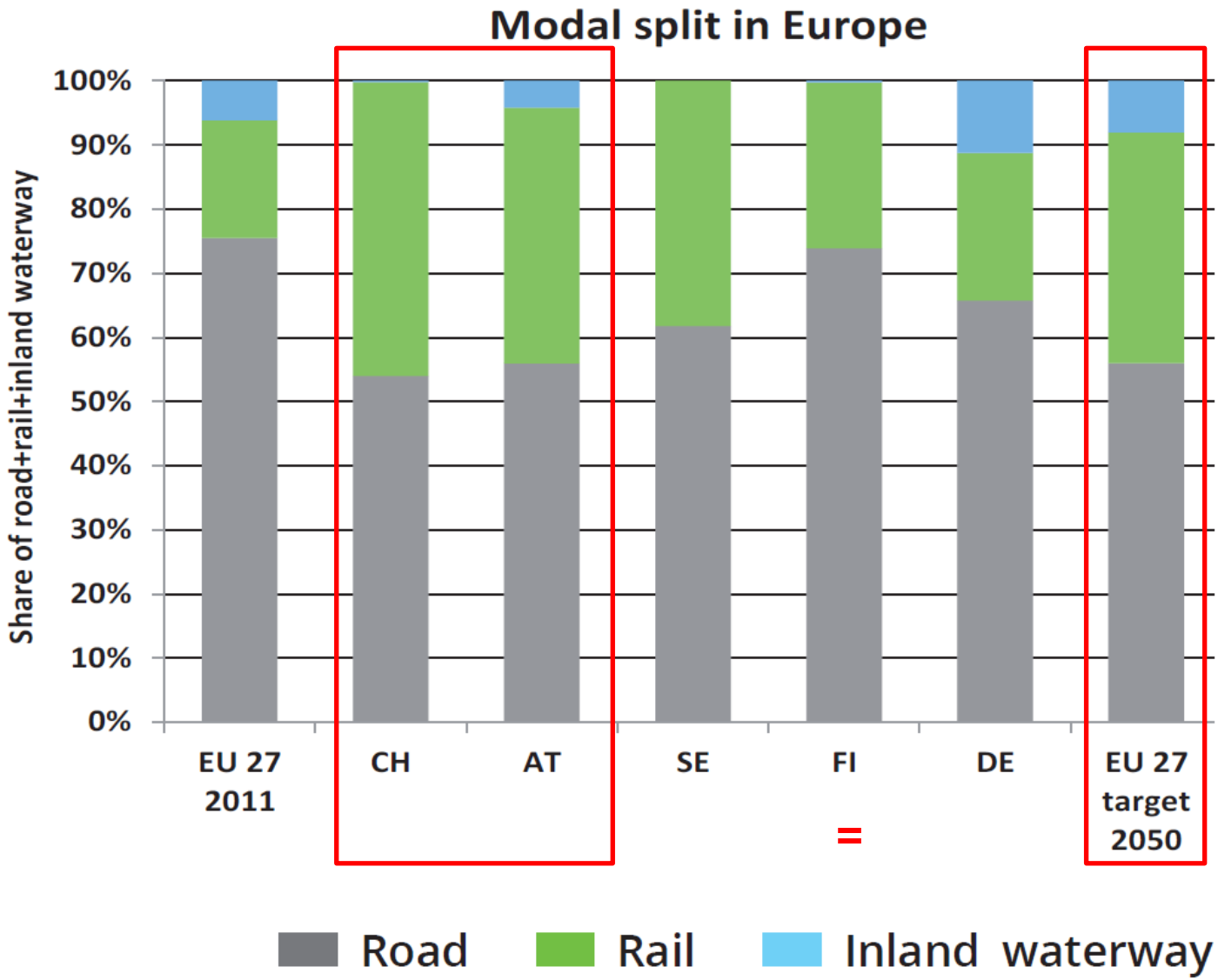


Source: TRANSFORuM Project Report on Long Distance Freight, June 2015

The preference should be clear



The outlook



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THANK YOU

For your attention