



2016 Paper Recycling Conference Europe

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PAYING THE FREIGHT: EUROPE'S TRANSPORTATION CHALLENGES

03/11/2016

**Markus Vaerst
Acting Secretary General**



WHO WE ARE

ERFA is a non-for profit association representing new entrants and all those who seek full market opening.

Founded in 2002 with the adoption of the First Railway Package, ERFA is formally recognised as a sector association by all EU bodies.

ERFA covers the whole value chain of rail transport:

- Rail operators
- Wagon keepers
- Service providers
- Forwarders
- National rail associations



THE VOICE OF NEW ENTRANTS ON THE RAIL MARKET



WHAT WE DO?

ERFA seeks to:

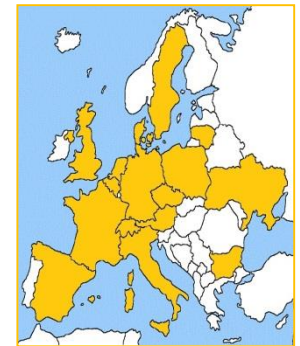
- Improve the competitive position of rail against other modes
- Achieve liberalisation for a fully transparent, independent and open railway market
- Reduce legal and material obstacles to cross-border and international transport services
- Work towards the development of interoperability and the implementation of common safety standards commensurate with competing modes
- Bring about optimal operating conditions on the European rail network

62
Railway undertakings

230 000
Jobs

3 500
Locomotives

135 000
Wagons





EU White Paper on Transport (2011) – Strategic targets

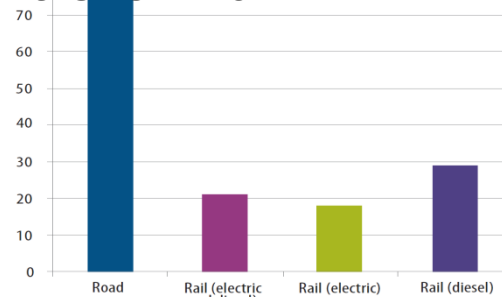
- **Climate objectives**

Reduce greenhouse gases caused by transport by 20% until 2030 and by 60% until 2050.

- **Freight objectives**

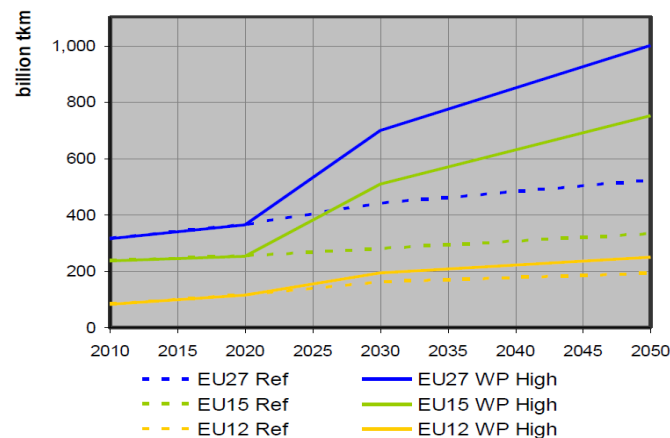
Shifting as much as 30 % of road freight being transported further than 300 km to other modes of transport such as rail or waterborne transport by 2030, and more than 50 % by 2050.

CO₂ emissions per tonne - kilometre in the EU in 2012



Source: European Court of Auditors based on European Environment Agency data.

Reference and High White Paper Results



Triple rail freight demand by 2050 in EU27- realistic, optimistic or farfetched imagination? , 2014

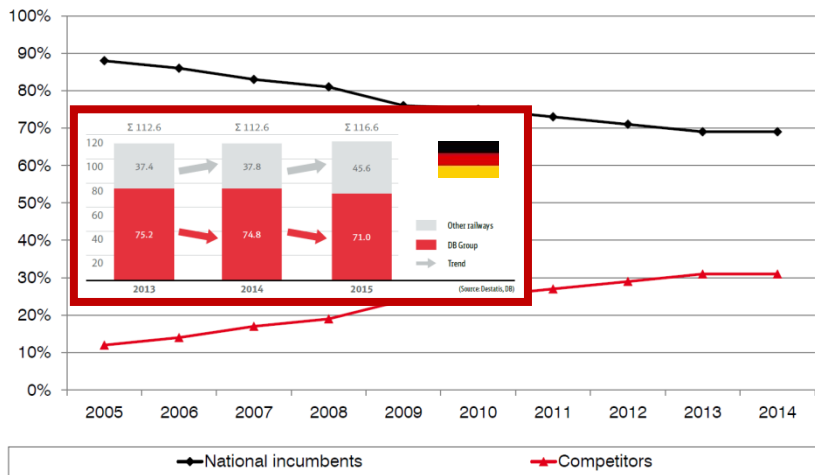


The European Rail Freight Market

Increased competition does not result in increased modal shift to rail, yet

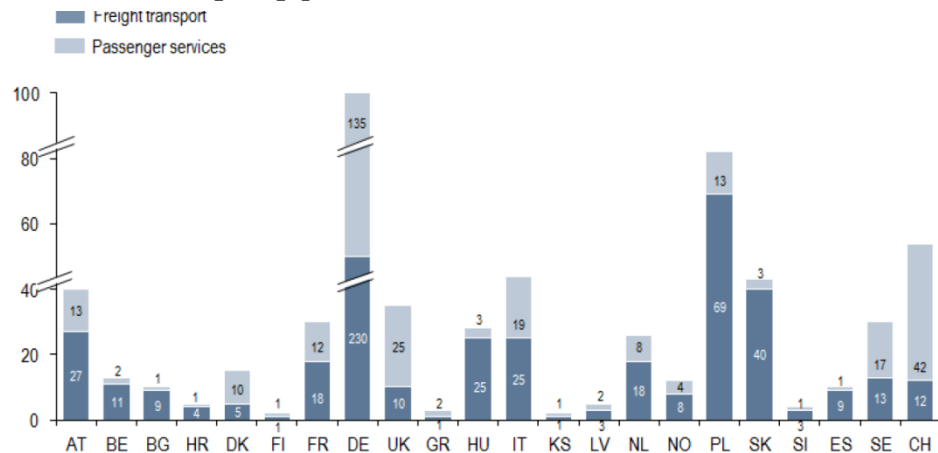
17.5% rail freight share EU 2014

Market shares (tkm): incumbents vs. competitors, Europe 2005-2014



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Number of railway undertakings in 2014 by type of traffic

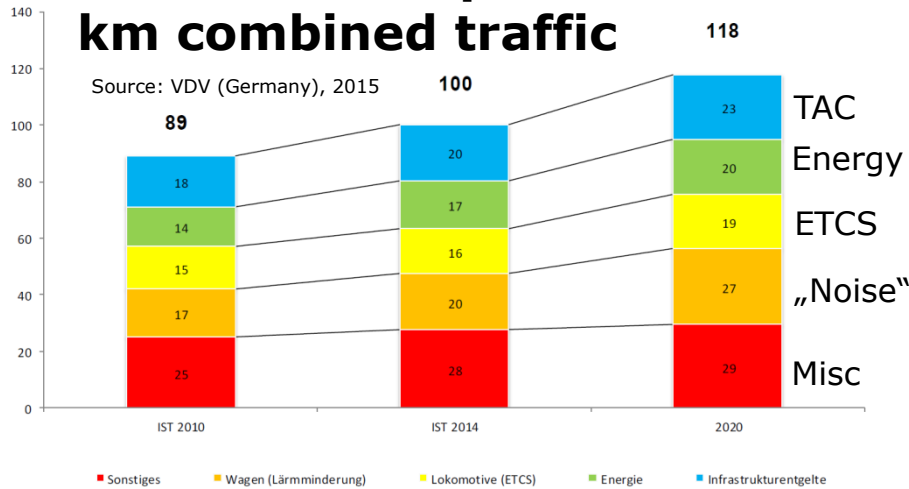


IRG-Rail, Fourth Annual Market Monitoring Report, March 2016

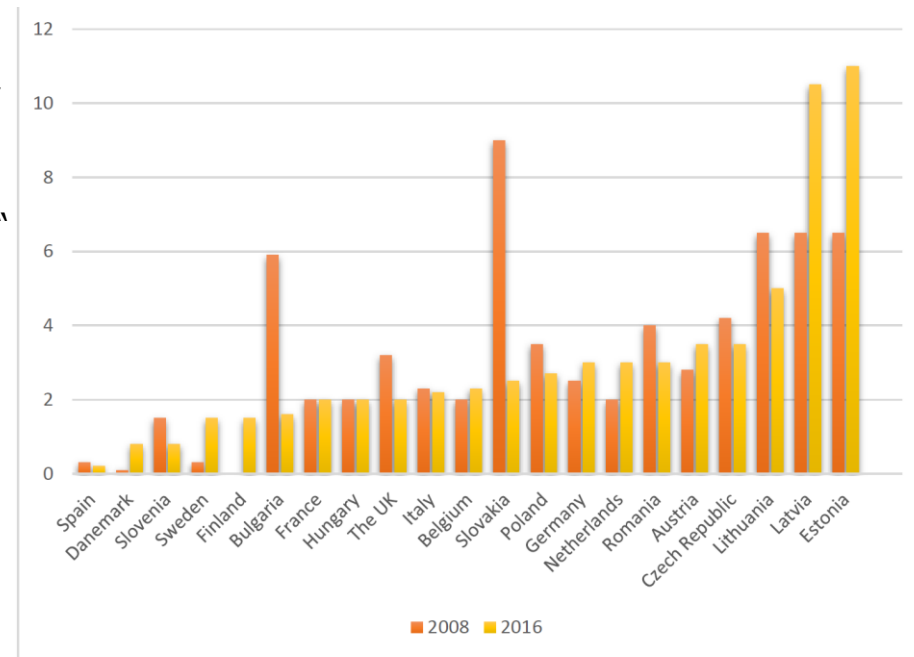


THE VOICE OF NEW ENTRANTS ON THE RAIL MARKET

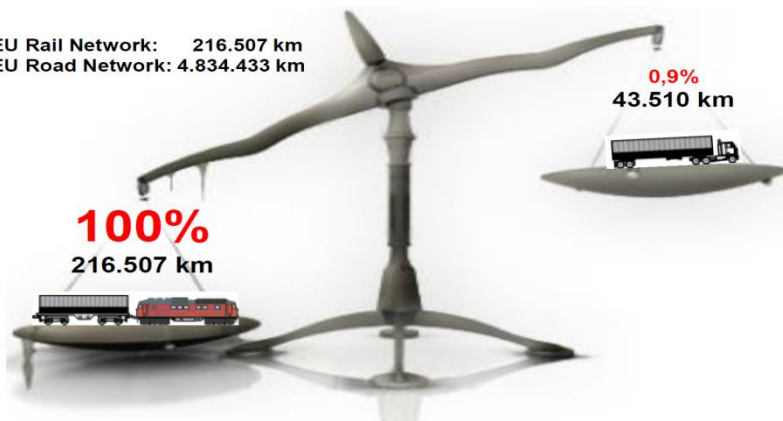
Costelements per train-km combined traffic



Average Track Access Charges 2008/2016 (€/km)



Length of EU Rail Network: 216.507 km
 Length of EU Road Network: 4.834.433 km



Source: COM(2008)54 & data from the RMMS report 2016 (not officially published, yet)



The operational challenge – Example Rhine Alpine Corridor



NL:

- Loco must be equipped with Dutch train control system & ETCS

DE:

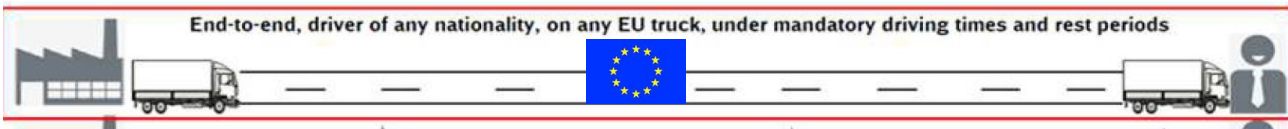
- Loco must be authorised for DE (change Loco?)
- Language requirement for Train driver (B1) and operational knowledge (change driver?)
- +3% track access charge if train is not silent

CH:

- Loco must be authorised for CH (change Loco?)
- Swiss ETCS & Pantograph

IT:

- Loco must be authorised for IT (change Loco?)
- Language requirement for Train driver (B1) and operational knowledge (change driver?)
- Max train length = 540m (instead of 750 in NL, DE and CH)





... and the customer requirements ...



... and rail?

Sector Statement foresees:

“Under the protection of confidentiality clauses, IM and RUs agree to make information on estimated time of arrival available (for handover points and final destination) to their contract partners, including terminals and intermodal operators, for optimising the use of resources such as rolling stock and terminal capacity, and to provide freight forwarders and shippers with up-to-date information about the status of their freight and an estimated time of arrival.





EUROPEAN
COURT
OF AUDITORS

“We found that, overall, rail freight transport performance remains unsatisfactory, while the position of road transport has grown further.”

Source: Special Report No 8/2016 "Rail freight transport in the EU: still not on the right track"

What is needed to increase rail modal share?

- **A competitive price**
- **A consistent and reliable service**
- **A journey time that competes with road**
- **A seamless service that is as easy to use as road for the customer**

This can only be achieved when the various actors work together as a team with the same objectives



Thank you

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