



# POSITION PAPER

**The new proposal of the CT Directive must pave the way for efficient intermodal and multimodal freight services offering level playing field for all modes of transport and promoting better the mode alternatives to suppliers, users and customers.**

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Bearing in mind that the main objectives to update the CT Directive 92/106 were:

- to provide greater incentives for modal shift from long distance road transport to other modes of transport,
- to respond to environmental pressures, including lowering emissions and congestion, and offering environmentally sustainable freight services
- to offer measures for investments towards solutions and facilities that will support intermodal transport
- to transition to electronic/digital information exchange, and
- to increase reliability of services including sufficient rail capacity on hinterland corridors,

We are greatly concerned that the new proposal does not guarantee more and new traffic between road and other modes of transport. Instead, it shows a positive discrimination of combined container transport, and creates additional administrative burden which will create extra costs for the Member States and the transport Sector.

While the old Directive 92/106 has been somewhat effective to promote Combined Transport as a system, it is now our chance to refocus and create a homogeneous regulatory framework for intermodal transport throughout every Member State of the European Union and its neighbours.

That is why the new legislative proposal for CT Directive 92/106/EEC has the unique opportunity to address freight logistics, especially the priorities and needs of the different Transport Operators, Forwarders, Shippers, Terminal Managers and other Logistics Providers, and their responsibilities when goods are transported by road, rail, inland waterways and short sea shipping.

We cannot ignore that the trend of international combined transport is increasing. This includes positive development in Easter Europe who are crucial trade links between Europe and Asia.

“...shift from long distance road transport to multimodal transport helps to create more local jobs improving the quality of jobs in transport sector. The aim is to shift 30% of road freight over 300 km to multimodal transport by 2030, and more than 50% by 2050.”

*(EC on CT consultation2016)*

**We would like to raise the awareness about the consequences in terms of capacity in rail and in terms of organisation for the Member States.**

**A critical element in promoting combined transport is national action plans and setting up financing incentives, while ensuring a cost reduction for freight logistics**

- ☞ The new proposal supports financing incentives and exemptions for road, terminals, ILU, and container transport but not rail. Although rail may get more business, it will still not be competitive, nor efficient. The proposed solution linked to subsidies is not sustainable and can only be transitional. If we want to optimise the volume in combined transport, we will need even

more investments in rail infrastructure and terminals so that they can process longer trains and larger volume of goods.

- ➡ The new proposal foresees Member State financing to support terminals and ILU rather than giving incentives for improvement of processes and the supply chain (logistics) to use rail or other modes of transport. Furthermore, there is a risk that the state budget will create a positive discrimination towards container transport on rail vs conventional transport on rail. It should be noted that rail transports a wide range of goods and only a quarter of the rail fleet is engaged in combined transport. We would prefer to see measures to improve the efficiency and competitiveness of rail logistics.
- ➡ The rail share is very relevant for the combined transport and needs strong attention. This means that if we want to offer opportunities for CT from and to ports they must be linked to rail infrastructure.
- ➡ The new proposal does not mention of any EU financial incentives for development, implementation and research and innovation, which means that such financing prioritisation remains a national decision! This contradicts the objectives of having a Single European Transport Area!
- ➡ The new proposal must also support sidings and last mile infrastructure and operations with multimodal potential.

### FACTS ABOUT RAIL IN COMBINED TRANSPORT

**18 %** Rail freight transport share (tonne-kilometre) in Europe.

**¼** of the rail fleet in Europe is part of combined transport services (Approx.)

**30% or more** of rail share only in **few ports** of DE, PL, PT, CR, IT, NL and UK.

*(UIC/BSL 2016 report on combined transport in Europe (issued January 2017))*

### We would like to draw to your attention the following articles that require careful consideration and revision:

**Art. 3: creates administrative burden and thus increases the (already high) system costs.** Rail is a system of Rus, IM, and Keepers, within a Single European Railway Area. There are already existing authorities at national level, and with the 4<sup>th</sup> Railway package we are now moving to a Single Authority of the European Union Agency for Railways. Therefore, the new proposal of the CT Directive should not create a new authority, but should take advantage of existing transport authorities at European level.

**Art. 5: promotes transparency at EU level, but the proposed timelines for the Commission report (18 months, 2 years + 9 months) are much too long to assess performance.** Furthermore, we already have an existing framework at EUROSTAT which is the right place to collect relevant data on multimodal transport. One stop Shop Database for CT statistics can be developed within the EUROSTAT and its regulatory framework. Secondly, the Rail Market Monitoring Reporting Scheme can provide complimentary and more tailored data for rail activities in combined transport. Finally, an alignment with KPIs developed for the Rail Freight Corridors should be considered in order to achieve coherence and quality of data necessary to assess modal shift, sustainable performance and optimised services.

**Art. 5 §4: creates even greater, positive discrimination for road, by ignoring last mile operations.** It must include sidings not only terminals. Considering the ongoing developments under TEN-T and Rail Freight Corridors, combined transport can benefit greatly from sufficient availability of facilities and

appropriate infrastructure where two or more modes of transport meet. This will create an added value to logistics efficiency and as a result a better performance and quality of service for our customers.

**Art. 9: suggests the creation of a new authority.** This will generate additional costs in the system for both the Members States and the Sector. Furthermore, clarity is needed whether it is the task of the national Ministry, the Supervisory Authority, or the Regulatory Authority.

**We invite all our Member States and MEPs to consider the above risks and support the recommendations as they debate the legislative proposal.**

It is of utmost importance that the new proposal reflects the market and its potential to offer freight service in the EU and beyond. Combined Transport Directive must reflect all actors involved in intermodal transport, including road, rail and waterways. It is essential that each mode can rely on this legal text to deliver appropriate services to optimise combined transport of goods. This includes making sure that there is sufficient capacity of infrastructure and facilities for last mile operations, including multimodal terminals, so that goods can be transhipped to its customers in the fastest, most efficient and cost-effective manner. If the transport logistics sector and Member States want to benefit from combined transport services, the new proposal must safeguard the different forms of transport offered, to consider the geographical scope at national and international level, and most of all, to focus of the transport chain.

As 2018 is the ***Year of Multimodality***, this new legislative proposal is even more critical to show a strong and sound legal basis reflecting the political will and commitment by all, the European Commission, the Members States and the Transport Sector.