

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

of the “Single European Railway Area”). In order to grant more power to the RFCs to steer and direct changes, a revision of Regulation 913/2010 should be pursued.

7. The Rastatt incident has demonstrated the current vulnerability of our European rail freight network. It has demonstrated that it is vital to have in place sufficient diversionary routes, with appropriate TEN-T infrastructure parameters. Unfortunately that is today still not the case. More European leadership and strategies are required, to overcome national resistance to improvements which are required to enable reliable and efficient international rail freight. Sufficient European funding should be provided, for example in situations where the majority of investment burden is in one country and the majority of benefit in another country.

Introduction

The chemical industry has always been supportive of rail freight, regarding it as the potentially most efficient mode of transport. As a mover of large volumes of freight, the chemical industry is not only committed but also dependent on making good use of all types of rail transport (ranging from intermodal transport, via block trains through to single wagon transport). Availability of reliable and competitive rail freight services is crucial to the chemical industry's ability to maintain seamless supply chain operations.

Chemical companies have to a large extent already captured current modal shift opportunities, finding it difficult to further increase modal shift without jeopardizing service levels. In 2017 the Rastatt incident has destroyed a lot of customer confidence in rail and it is crucial for all stakeholders of the rail freight sector to work together, implementing the learnings and working systematically on improving both reliability and efficiency.

Compared to other modes transport, the current level of performance of the rail freight sector is far from being acceptable. This lack of performance is also the reason why we are far away from achieving the EU's ambitious target of shifting 30% of freight over 300 km by 2030,

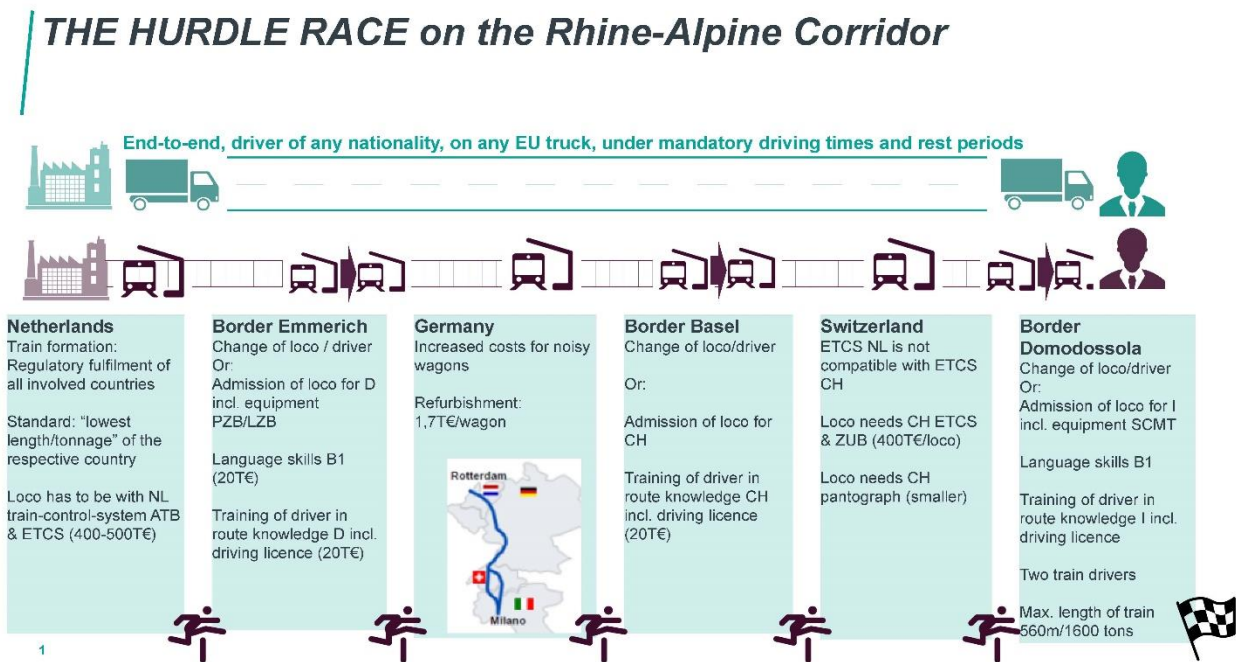
This Cefic position paper highlights the most important needs of the chemical industry in what it deems is required from the rail freight sector, including the European Commission and national transport ministries, to improve the **governance of the rail freight sector and to speed up the implementation of European action plans, so to make rail freight more reliable and efficient.**

What the chemical industry requires from the rail freight sector

What the chemical industry expects from the rail freight sector is to become easier to use, more reliable and efficient. What is required is a drastic improvement of reliability and efficiency in all types of rail freight transport. Security of supply is essential to the chemical industry and its customers.

To bring about this improvement, the chemical industry expects from all stakeholders of the rail freight sector to work together in overcoming current interoperability problems of cross-border rail freight transport.

The following chart – using the Rhine-Alpine Rail Freight Corridor as an example - illustrates the interoperability challenges of international rail freight and what needs to be done:



Source: Lineas

Representatives from National Transport Ministries in the Executive Boards of the Rail Freight Corridors (RFCs), Infrastructure Managers and Railway Undertakings need to further improve their corridor thinking, speeding up the integration and harmonisation of processes along the RFCs.

Rail freight transport needs to become as easy as road transportation. The many operational hurdles faced at border crossings, due to differences between operating systems and procedures, as illustrated above, need to be simplified and harmonised. For example the implementation of one operating language (operational phrases), supported by a technical solution, should not be that difficult to achieve. Other examples are the usage of route navigation systems and GPS, instead of relying on train driver knowledge of specific route properties, leading also to a single European train driver license.

Establishment of a more effective quality management system to improve reliability of international rail freight

In order 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 delay causes, showing what kind of event or which party has caused certain delays and to what extent.

Such KPIs should be made available from point-to-point, throughout the RFC network and eventually beyond. It should be made available via an on-line tool or quality dashboard, giving rail customers access to quality data on a monthly rolling basis, showing the development of performance over a 12-18 months rolling time window. As a first step, the available information on train runs in Europe from the RNE TIS system should be “freely accessible” for all stakeholders, not only for RUs and IMs. In many countries legal clarification is needed, to ensure that there will be no infringement of data protection law and data security issues.

This transparency about the quality of rail freight, in particular when showing improvement, will be crucial for re-installing customer’s confidence in rail freight and for triggering further modal shift to rail.

The importance of a proactive provision of a reliable revised ETA in case of delays

Railway Undertakings should speed-up integration of IT-systems to improve data and information exchange. This is required to enable functionalities such as track & trace, proactive exception alerts and provision of reliable revised estimated time of arrival (ETA). Such system and data integration must also include the connection of terminals, combined transport operators and logistics service providers, so to ensure that proactive exception alerts and information about revised ETA can be made available to reach the shippers of goods and ultimately consignees.

Importance of Sector Statement and Sector Priorities

Cefic welcomes the 2016 Rotterdam Ministerial Declaration and the commitments expressed in the corresponding 2016 Rotterdam Sector Statement “Boosting International Rail Freight”.

While all priorities matter to achieve the above, Cefic in particular welcomes all those priorities having a direct impact on improving reliability or, when rail services are disrupted, on information flow and contingency management:

- Priority 3: Improving coordination of Temporary Capacity Constraints (TCR),
- Priority 5: Improving harmonisation of processes at borders,
- Priority 6: Train tracking and Expected Time of Arrival (ETA),
- Priority 9: Monitoring the quality of freight services with implemented and shared KPIs
- Priority 11: Effective implementation of the Handbook for International Contingency Management, being added in 2018, as a crucial learning from the Rastatt incident.

In order to speed up the implementation of the sector priorities, Cefic welcomes that a progress report has been prepared, reviewing the progress made in the implementation of the sector priorities. The Sector Statement Group (SSG) Rapporteurs and Project Managers must take the findings and recommendations contained in the progress report forward. Leadership and support will also be required both from the European Commission, DG MOVE and national transport ministries, as the signatories of the Rotterdam Ministerial Declaration.

Strengthening the role of Rail Freight Corridors (RFCs)

EC Regulation 913/2010 describes the role and authorities of the European Rail Freight Corridors (RFCs) and the structure that governs the further development of European RFCs. Cefic welcomes this approach, as it overcomes too much national thinking and provides the basis for more collaboration, alignment and harmonization of processes and procedures to create a true Single European Railway Area for freight transport.

In order for the RFCs to effectively perform their role and bring about the urgently required improvement of inter-operability, Cefic recommends that the RFCs are given a much stronger mandate. The RFC Management should be given more power to lead and direct changes, in pursuit of the establishment of a Single European Railway Area, with a common harmonized infrastructure, operating rules and procedures.

As such we recommend:

- To extend the role of the European TEN-T Core Network Coordinators to chair the Executive Boards of the RFCs, with the role to overcome national resistance to improvements which make sense in a larger European perspective.
- These RFC Coordinators should also liaise horizontally, across and between corridors, to ensure consistencies in approach and enable cross-corridor coordination of activities of common interest, capturing synergies, where and as appropriate.
- Consideration should be given to the centralization of certain operational functions for international freight train management. Today, regional operations centres often manage corridor traffic in a fragmented, suboptimal way. Moving forward, corridor operations should be strengthened and harmonised, taking into account the specific requirements of international freight trains. If we want to see real and quick results, we must strengthen the rail freight corridor organisations by entrusting them with responsibility and competency for capacity planning and improving operational decision making for international freight trains.

- To further strengthen the RFCs, it will also be important to continue the good work of RailNetEurope, facilitating the alignment between European Rail Infrastructure Managers, Allocation Bodies and Rail Freight Corridors, on their joint mission to coordinate and harmonise international rail traffic management.

In order to achieve the above, a revision of Regulation 913/2010 should be pursued, granting the RFCs a stronger mandate to steer and direct changes.

Closing the missing links in our European Rail Freight Network and establishment of sufficient back-up capacity / diversionary routes

The Rastatt incident has demonstrated the current vulnerability of our European rail freight network. It has demonstrated that it is vital to have in place sufficient diversionary routes, with appropriate TEN-T infrastructure parameters. Unfortunately that is today still not the case.

More European leadership and strategies are required, to overcome national resistance to infrastructure improvements which make sense in the larger European context, along with sufficient European funding compensating for situations where the majority of investment burden is in one country and the majority of benefit in another country.

This applies to both line sections that are included in the geographic definition of the TEN-T RFCs, as well as sections not yet included, but crucial either as diversionary, back-up or alternative route. There must also be sufficient political support at European level for the inclusion of such missing links in the corridor definition.

Finally, good cooperation between RFCs and Railway Undertakings (RUs). An aspect to be highlighted, as an example, is that line capacities must be mirrored by sufficient “rolling stock”. As such RUs are requested to maintain sufficient back-up resources (train drivers and locomotives) and improve their day-to-day collaboration in the contingency management of international freight trains. To that extent it is recommended that RUs are also developing a Handbook for International Contingency Management, which must be aligned with the Handbook for International Contingency Management of European Rail Infrastructure Managers, as published by Rail Net Europe in March 2018.