

# **FREIGHT FORWARDERS FORUM 2017**

## **INTERMODAL TRANSPORT**

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# EUROPEAN SHIPPERS COUNCIL

ESC represents:

- Users of freight transport services, owners of their goods (also in some cases owners of their means of transport)
- More than 100,000 companies throughout Europe

Shippers representation by:

1. National transport user organisations/Shippers' councils
2. European Sectorial Industrial Associations
3. Corporate Members

# **INTERMODAL TRANSPORT GROWTH IN EUROPE**

**A complex issue requiring tailor crafted solutions**

## **SUB-OPTIMIZATION**

**Many players have an input in the total service: in rail/road, IMs, RUs, terminals, r/r operator, freight forwarder, hauler: not easy for shippers to assess costs, identify service quality and performance gaps**

**Different standards exist for loading units - intermodal swap body, maritime container, 45" PWHCC- and for rail/road cross-docking technologies : this is hampering global deployment and adding costs**

**Many past investment in terminals infrastructure had not always been based on market studies, resulting in waste of public money**

**Support given by MS is uneven and not based on cost/benefit analysis**

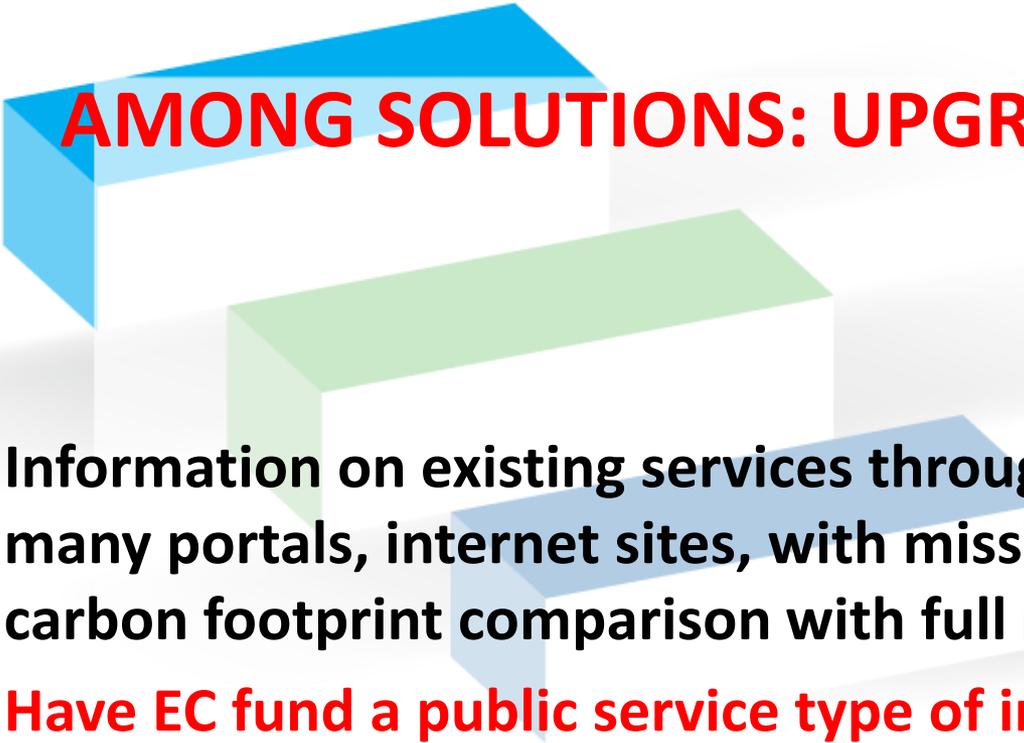
## **AMONG SOLUTIONS: CHANGING ROLES**

**Freight forwarders (especially those with owned fleet) and haulers have no vested interest in maximizing intermodal transport; they can advocate risk (rail freight unreliability - Rastatt) or speed or flexibility**

**Solution: shippers looking at chartering trains as single customer or as a pool of customers: collaborative platforms to facilitate pooling are being presently tested (smart rail project...)**

**Terminal operations is split from rail traction in many cases (2 distinct companies with different strategies), preventing service optimization**

**Solution: maritime liners/ports terminals model could be copied with a mix of partial vertical integration (2RUs jointly managing a terminal) or horizontal integration (intermodal operators extending to door to door service, forwarders acquiring rail/road operators)**



# **AMONG SOLUTIONS: UPGRADING INFORMATION**

**Information on existing services throughout Europe is scattered in many portals, internet sites, with missing data on end to end costs, carbon footprint comparison with full road transport...**

**Have EC fund a public service type of information portal consistently updated and providing rough information on costs and footprints benchmarks on a small fee “pay per view” basis**



# AMONG SOLUTIONS: EVOLVING REGULATION

**On top of the measures proposed by Commission in the framework of the revision of the 1992 directive:**

**In countries where maximum load is 40 tons on road, allowing for 44 tons on upstream and downstream road legs of any intermodal transport would booster its competitiveness**

**Setting a control by independent experts of the relevance of investments in intermodal terminals when partially funded by MS would allow avoiding mistakes as in the past**

**Carrying out studies, to be regularly updated, on the coverage of all the external costs of the different transport modes by their users would shed light and facilitate their choice**

**Fostering modal shift by setting incentivizing systems which should be delivered by MS on a temporary basis (launching) and earmarked to the decision making body (shipper)**

# WHAT ELSE COULD HAPPEN: GAME CHANGERS

Ongoing transformation of economies, of production and consumption modes, of logistics operations... should trigger changes in supply chains which could benefit to intermodal transport in Europe

**Opportunities:**

**One Belt One Road ongoing China/Central Asia connectivity to Europe through mainland project - new routes - mainly rail, partly maritime – could booster the turnover and efficiency of EU intermodal operations**

**Overseas containers trade carried out by ever bigger liner ships will increase the need of larger rail and waterways hubs in the main European ports and their hinterlands as feeding will not be sufficient**

**Posting of road drivers rules in the future EC mobility package should increase the cost of road transport and could lead to a more acute shortage of drivers**

**Threats: platooning of semi-autonomous trucks on highways will be a form of massified transport competing with intermodal transport**