

# Position Paper

### The European Voice of Freight Logistics and Customs Representatives

Brussels, 6<sup>th</sup> May 2008

## RE: Council's conclusions on the Commission Communication 'Towards a rail network giving priority to freight'

In November last year, CLECAT expressed clear support to the European Commission's plans to work towards a rail network giving priority to freight<sup>1</sup>. Indeed, as important customers of rail freight services, freight forwarders and logistics service providers believe that rail can and must play a more substantial role within a sustainable European freight transport system. CLECAT therefore sees with great satisfaction that Member States, through the voice of the EU Transport Council, are also fully supporting the Commission.

In order to achieve this overarching goal, rail freight transport must fulfil 3 essential criteria: **efficiency**, **reliability** and **quality**. Rail will increase its market share only as and if it shows a comparable level of performance with alternative modes and in particular road, its benchmark.

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#### Towards an EFFICIENT European rail freight system...

The Council rightfully mentions 'non-discriminatory access to infrastructure' as one of the means to promote the efficient use of infrastructure. CLECAT fully shares these views and believes that the implementation of the 'authorised applicants' concept, the possibility of which is foreseen in the Commission's Communication, would substantially contribute to an efficient and optimised use of the existing infrastructure. In addition, it would increase the flexibility of rail freight services and consequently their overall quality and attractiveness. Finally, allowing forwarders and shippers with a certain dimension of business to apply for rail slots would also inject an additional dose of competition, thereby 'strengthening the competitiveness of the rail market', as acknowledged in the Council's Conclusions. CLECAT therefore looks forward to further development of this concept.

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<sup>&</sup>lt;sup>1</sup> See <a href="http://www.clecat.org/dmdocuments/pr006oetra071106rlfghtntwk.pdf">http://www.clecat.org/dmdocuments/pr006oetra071106rlfghtntwk.pdf</a> CLECAT, aisbl (n° 0408301209)

#### ...offering RELIABLE services...

From a customers' point of view, one of the main obstacles to a larger use of rail freight services certainly lies with the latter's lack of reliability. It is therefore imperative that the definition of a rail freight-oriented network be accompanied with *clear priority rules in favour of freight traffic*. Any other alternative would send the wrong signal to users and defeat the purpose of the whole exercise.

As far as the *identification of cross-border corridors and co-modal sections* is concerned, users, and in particular logistics service providers, can make an important contribution thanks to their expert knowledge of strategic flows of freight traffic in Europe. CLECAT is willing to provide its input in such identification process.

#### ...and committed to QUALITY

Competition is a natural driver of quality insofar as it pushes providers to constantly improve the excellence of the services they offer to their customers. This postulation is largely confirmed by the figures; the best results in rail freight are to be found in countries, who have fully embraced competition. For competition to produce its results uniformly, one must however make sure that the existing *EU legislative framework is evenly implemented and enforced throughout the European Union*. The re-affirmation of this requirement in the Council's Conclusions can only be welcomed.

Providers of rail freight services must equally commit to quality in order to consolidate commercial trust with their customers. In this respect, the planned availability of *quality indicators* would be a useful tool to provide users with the necessary transparency on the level of performance of European rail freight transport, whilst acting as an incentive for operators to improve their own performance.

One could also imagine going one step further in the level of commitment by making quality impossible to circumvent. In view of the relatively slow progress at industry level in this field, time may have come to re-open the issue of *quality clauses* at EU level. In order to strike the right balance between a more substantial commitment to quality and the necessary contractual freedom, an EU framework could set the mandatory presence of quality clauses in rail freight transport contracts whilst leaving contracting parties free to negotiate the content of such clauses. CLECAT believes that it would be worth investigating such possibility.

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In its conclusions, the EU Transport Council expressly requests the active support and involvement of 'freight transport customers and logistics agents' in assessing and devising measures needed to make a rail freight-oriented network a reality. CLECAT hereby expresses its keenest interest and commitment in making its structure and expertise available for this purpose. We look forward to participating in the activities of the **strategic group** envisaged in the Commission's Communication, as well as any other forum to be set up in this framework.

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