

## POSITION PAPER

### Amending the Combined Transport Directive 92/106/EEC

CLECAT welcomes the proposal amending Directive 92/106/EEC on the establishment of common rules for certain types of combined transport of goods between Member States as the current rules are outdated, ambiguous and create barriers to the effective operation of combined transport.

The objective of the Commission's initiative is to refocus the support framework of the current Directive and to increase the competitiveness of intermodal transport compared to long-distance road transport to stimulate the shift from road freight to other modes of transport to reduce external costs. The amended Directive establishes a dedicated support framework for the subset of intermodal transport that saves a certain level of external costs: It seeks to support operations that reduce negative externalities by at least 40% compared with road-only transport operations between the same departure and arrival points.

This paper provides comments and some suggestions for amendments to the proposal which CLECAT considers important to face the challenges of combined transport.

#### Summary

- CLECAT supports the ambition of the European Commission to remedy the legal ambiguities of the existing Directive and to increase the share of intermodal transport that qualifies as combined transport.
- CLECAT welcomes a new definition of combined transport operations to ensure a common understanding and application across the EU, leaving no room for interpretation. In our view the new definition is an improvement but remains still far too complex. There are a lot of unanswered questions on how the 40% external cost reduction as the minimum to be eligible for support compared to road operations is calculated.
- CLECAT supports the extension of the scope to include all intermodal operations within and between Member States.
- The inclusion of empty containers is also welcomed but we propose an important amendment to make operations more efficient.
- While acknowledging the positive aspect of using eFTI platforms to digitally record and publish specific transport information, their functionality remains unclear due to their current unavailability. CLECAT argues that the use of eFTI platforms should remain voluntary until they have matured. Making the use of eFTI platforms mandatory could delay the much needed uptake of combined transport operations.

- CLECAT supports the retention of the current cabotage exemption (Article 4), as it serves as a crucial non-financial incentive for the promotion of combined transport. Also, the option for Member States to reimburse road charges for vehicles used in combined transport is welcomed. CLECAT also welcomes other incentives such as the exemption of first and last-mile road transport from weekend, night and public holiday driving bans.
- CLECAT would advocate for a higher cost reduction requirement of combined transport for Member States than the proposed 10% reduction within 7.5 years. The 10% may be insufficient to foster a modal shift. CLECAT therefore calls on Member States to maximise their efforts and support the uptake of such operations.

## Detailed comments

### *Definitions of intermodal/combined transport*

CLECAT welcomes the new **definitions in article 1b to remove current ambiguity and guarantee a more** consistent understanding, interpretation, and application of intermodal and combined transport operations across Member States. The new definition of a combined transport operation, in the form of a combined transport calculator, aims to address the shortcomings of the existing definition by employing a method based on differences in external costs across various modes with digital solutions. We understand the Commission has opted for external costs savings of 40% compared to road-only operations. However, the current source for external costs in transport, the European Commission's [Handbook on the External Costs in Transport](#), published in 2019, needs a sound revision.

At the same time, there are still key questions unanswered on how the external costs savings are calculated. This calculation methodology is important in view of its role in determining which operations will benefit from the financial and non-financial support measures. For example, how long before a combined operation needs to be submitted for calculation via eFTI? Will there be a verification message that confirms that the operation has met the eligibility criteria? If so, how long would that take?

Presently, the definition of combined transport operations is confined exclusively to cross-border operation resulting in Member State legislation outlining the conditions governing domestic door-to-door combined transport carried out entirely within the borders of a single Member State. Notably, larger countries present substantial possibilities for domestic combined transport initiatives. Therefore, CLECAT welcomes the **extension of the scope to all intermodal operations, national and between Member States and international with third countries** (applied to the operation taking place in the EU).

CLECAT also welcomes the inclusion of **empty container transport** to/from container depots **as an integral part of the combined transport operation** (article 1c(3)). However, CLECAT proposes to also consider the transport of empty containers used for an operation between unloading/loading points without the need to go back to the container depot, where such transport is subject to the same transport contract, as integral part of the combined transport operation. The restriction as proposed by the proposal could result in unnecessary empty trips to the container depot, reducing efficiency and causing avoidable greenhouse gas emissions.

### *Proof of compliance/eFTI platform*

As noted in **article 3(4)**, **proof of compliance** with the conditions of the Directive shall consist of transport information and the results of the calculation of the external costs saving. In practical terms, this means that the traditional way for authorities to approve a combined transport operation by means of a stamp on a paper transport document can be replaced by **providing the necessary information in digital format through an eFTI platform**.

However, as **eFTI platforms** are not yet available, there are outstanding questions about their practical functionality. The sector has not yet been able to grasp a comprehensive understanding of the impact of the eFTI platforms on day-to-day operations and planning. The potential need for additional staff and the speed and advance notice of decisions regarding the qualification of an intermodal transport as combined transport operations are some of the aspects that are currently unknown. For example, freight forwarders will need to know in advance if an intermodal transport operation qualifies as a combined transport operation, especially when applying for tenders.

Lastly, in the event of an unforeseen delay in their availability after the amended Directive takes effect, it becomes crucial to identify an **alternative method for quantifying the reduction of external costs**. This is indispensable for enabling economic operators to qualify for support without any further delay, contributing to the EU's overall efforts in achieving climate targets.

### *Support measures*

Given the increased cost associated with intermodal transport, it is crucial to explore **financial and non-financial support measures** to promote the uptake of intermodal operations in the EU. The incentives presented in the two indicative lists of the Annex of the proposal offer valuable examples for Member States to implement. Also, the option for Member States to reimburse road charges for vehicles used in combined transport is welcomed.

Most importantly, the retention of the current **cabotage exemption** (Article 4) receives full support from CLECAT, as it serves as a crucial non-financial incentive for the promotion of combined transport. CLECAT also welcomes the **exemption of first and last-mile road transport from weekend, night and public holiday driving bans**.

### *National policy frameworks*

CLECAT supports the provisions of **article 3** requiring each Member State to establish a **national policy framework facilitating the adoption of intermodal transport**. By evaluating the current situation, Member States can determine the measures necessary to achieve a minimum 10% reduction in the total costs of combined transport operations within 90 months after the Directive's entry into force. CLECAT considers that a more ambitious cost reduction target may be needed to guarantee that combined transport operations become viable alternatives to road-only operations. As stated in the Commission's impact assessment, the most significant impact on modal shift resulting from cost reduction would be achieved when set between 10% to 15%. Therefore, CLECAT advocates for a 15% reduction in the total costs of combined transport operations within the same timeframe. Also, we assert that the targets for cost competitiveness in rail, barge, or short sea shipping should be attained well before seven years after adoption of the Directive.

CLECAT also acknowledges the significance of the measure requiring Member States to publish their **national policy frameworks** and notifying the Commission. Nevertheless, we recommend that Member States conduct periodic assessments of the uptake and impact of measures in national policy frameworks more frequently, as failing to revise them regularly could hinder Member States' ability to promptly respond to market evolutions.

Therefore, while the first assessment by them after 24 months from the Directive's entry into force is reasonable, the subsequent assessment should occur **48 months after the Directive's entry into force**, rather than the suggested 60 months. In addition, such assessment should take place every 24 months, with the goal to evaluate the competitiveness of intermodal transport in comparison to unimodal road transport in Member States by the Commission.

#### *Alignment among the Greening Freight Package's proposals*

Finally, a thoughtful alignment with the ongoing revision of **Directive 96/53/EC on Weights & Dimensions**, especially on the provisions related to intermodal transport must be sought to ensure a proper interpretation of the rules and obligations to transporters across the EU: Extra weight allowance for intermodal transport operations must be maintained to ensure a competitive advantage to this type of operation compared to road-only transport, and the mandatory registration of an intermodal transport operation via an eFTI platform also appearing in the W&D proposal must be removed, considering the uncertainties about the development of the eFTI platforms in a near future.

#### **Conclusion**

CLECAT and its members welcome the European Commission's proposal to amend the Combined Transport Directive, recognising the positive changes introduced including a revised definition of combined transport, the extension of the scope to domestic transport, acknowledgment of empty container positioning and the creation of an information portal for combined transport.

However, our members have remaining questions and concerns surrounding the implementation of eFTI, and the timeframe for implementation of the amended Directive. While the Commission acknowledges the need to avoid excessive bureaucracy, the exact details of data input requirements and the functionality of eFTI platforms remain unclear. Additionally, CLECAT calls for a more ambitious and expedited support scheme, suggesting the possibility of a higher than 10% reduction in operating costs and a faster implementation timeline.

CLECAT furthermore reiterates that achieving modal shift necessitates a right framework for combined transport and the coordinated implementation of numerous Regulations and Directives, not the least those proposed in the Greening Freight Package.

At the same time, rail and inland waterway services need to exhibit capacity and service levels that enables them to compete with the alternative unimodal road transport.

CLECAT offers this position to the European co-legislators with the purpose to engage in a construction dialogue to further enhance the Combined Transport Directive to ensure the successful implementation of the amended Directive.



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