

COMMISSION OF THE EUROPEAN COMMUNITIES

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REPORT FROM THE COMMISSION TO THE COUNCIL

on the implementation of the Council Directive of 17 February 1973,
as amended by the Council Directive of 19 December 1978, on the
establishment of common rules for certain types of combined
road/rail carriage of goods between Member States

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COMMISSION COMMUNICATION TO THE COUNCIL

Report on the implementation of the Council Directive of 17 February 1975, as amended by the Council Directive of 19 December 1978, on the establishment of common rules for certain types of combined road/rail carriage of goods between Member States.

(OJ L 48 of 22 February 1975, pp. 31 and 32, and OJ L 5 of 9 January 1979, p. 33)

1. Article 7 of the 1975 Directive requires the Commission to report to the Council every two years on the implementation of the Directive with a view to developing this system for the benefit of all types of combined road/rail carriage within the Community.

This report covers the implementation of the Directive in 1978 and 1979.

2. The Commission's departments consulted the Member States and the professional organizations concerned, namely:

the Group of Nine Railways;

the Union International des Sociétés de Transport combiné Rail-Route (UIRR);

the IRU liaison committees for own-account transport and transport for hire or reward;

the European Liaison Committee of Common Market Forwarding Agents (CLECAT);

the Société Internationale pour le Transport par Transcontainers (Intercontainer);

and other national organizations.

The Commission finds that the Council's 1975 Directive, in requiring certain combined road/rail transport operations to be freed from all quota and authorization systems has contributed significantly to the expansion of this type of traffic.

The similar liberalization measures provided for in the 1978 Directive, concerning the carriage by rail of containers of 20 feet and over and swap bodies without supports, expire on 31 December 1981.

The Commission has found, from careful examination during the trial period, that this particular type of traffic is steadily increasing and is convinced that its harmonious development is possible.

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(Commission Communication to the Council)

1. Introduction

The Council Directive of 17 February 1975 (75/130/EEC) on certain types of combined road/rail carriage of goods between Member States establishes common rules designed to free such transport operations from all quantitative restrictions (quota arrangements) and to abolish various administrative restrictions (authorizations).

The amending Directive of 19 December 1978 (79/5/EEC) is designed to make the common rules permanent - originally they were to expire on 31 December 1978 - and to alter certain aspects, e.g. by extending the scope of the Directive to transport operations using containers of twenty feet or more and swap bodies without supports.

Article 7, as amended, invites the Commission to report to the Council every two years on the implementation of the Directive with a view to developing this system for the benefit of all types of combined road/rail carriage within the Community.

The purpose of this report is to enable the Commission to fulfil that task, and, specifically, to provide information on combined road/rail traffic (governed by the permanent common rules) and traffic involving containers of twenty feet or more and swap bodies without supports (governed by common rules which expire on 31 December 1981).

2. Implementation of the Directive

Article 2 of the amending Directive calls on the Member States to take the additional measures in order to comply with the Directive before 1 July 1979 and to inform the Commission thereof.

Generally speaking, the Member States have tried to implement the Directive in an effective manner, although the need to make certain technical and legal adjustments has caused some delay.

3. General remarks on the various types of combined transport

Combined transport covers two major areas of activity:

(a) "Piggy-back" transport: this is carried out by commercial companies specializing in the rail transport of lorries, semi-trailers, road trains and swap bodies. It requires technical co-operation between road and rail.

In this sector, the "rolling-road" technique (a new development in piggy-back transport) has hitherto been little used, and then only on certain internal transport links. In 1981 a large-scale experiment will be held which will mobilize internal convoys of 200 wagons, and international convoys of about 100 wagons, serving a considerable number of lines.

The results of these trials will become clearer at the beginning of 1982.

(b) Most container transport operations are carried out by a joint international subsidiary of the railway companies, Intercontainer, within the framework of competition between road and rail.

The co-founders have delegated the selling on international container freight services, and all customer liaison activities, to Intercontainer. Among the various reasons for its success are:

- (i) a simple charging system with a unit carriage charge (per 20, 30 or 40 feet) levied irrespective of the type of goods carried;
- (ii) a network which covers the whole of the European mainland; the United Kingdom and Ireland require a different type of service, performed either by the railway companies or their subsidiaries, and involving the secondary rail and ancillary services before or after this type of transport operation;

(iii) its own rolling stock: this enables it to carry some of its traffic on its own waggons;

(iv) an increasingly diversified service consisting of special trains and several hundred terminals throughout Europe (suitably equipped for transferring containers).

4. Development of combined transport traffic

4.1 Piggy-back traffic¹

The figures supplied by the various piggy-back companies are grouped together in Table 1 in the Annex. They show the development of the respective types of piggy-back transport and distinguish between the different methods of carrying goods by rail: semi-trailers, swap bodies and road trains. They cover 1978 and 1979.

The following table shows how the gross traffic (both national and international) has developed.

TOTAL PIGGY-BACK TRAFFIC²

	1977	1978	1979
Gross tonnes carried	5 923 000	7 089 000	8 386 000
Index	100	120	142

The data include international traffic, which amounted to 19% of the total gross in 1977, 22% in 1978 and 24% in 1979.

The piggy-back companies' total gross traffic was 20% up in 1978, and 42% up in 1979, compared with the 1977 figure.

¹Excluding container traffic.

²Source: UIRR.

4.2 Development of container and swap body traffic

Since the Directive's provisions concerning the liberalization of transport by container and swap bodies are valid until 31 December 1981, it is worth looking at how this traffic fared in 1978 and 1979.

The figures below show how Intercontainer's traffic evolved during the period 1977-79.

4.2.1 CONTAINER TRAFFIC¹

	1977	1978	1979
Gross tonnes transported (international traffic)	5 007 000	5 707 000	6 944 000
Index	100	114	139

The figures also include carriage by swap bodies, an estimate of which is given in Table 2 in the Annex. Intercontainer's activity grew considerably during 1980; the results for that year (7 507 900 gross tonnes transported) are 8% up on 1979 and 50% up on 1977.

Expressed in TEU (twenty-foot equivalent units), the total volume of the company's laden and unladen container traffic reached 811 500 TEU, the first time the 800 000 mark has been exceeded.

The Commission has no information as regards container transport by firms other than Intercontainer.

4.2.2 SWAP BODY TRAFFIC

	1977	1978	1979
Number of international consignments ²	9 187	12 742	19 673
Index	100	139	214

The above figures refer to traffic movements by the piggy-back companies: Kombiverkehr, TRW, Novatrans, Ferpac, Trailstar and Hupac.

The number of swap-body consignments in 1978 was up 39%, and in 1979 114%, compared with 1977.

¹Source: Intercontainer.

²Source: UIRR.

5. The effect of the liberalization measures on container traffic

In order to assess the effect of its liberalization measures on container and swap-body traffic, the Commission has asked certain road transport and other operators directly affected for their views.

It would seem that potential customers are not losing interest in intermodal transport techniques despite the unfavourable economic situation.

Road hauliers' access to container transport has been facilitated by the application of the Community provisions, and it has been possible to do away with a certain amount of administrative bureaucracy. Combined transport using containers has been able to attract a significant proportion of extra consignments in a period when applications for road-transport authorizations are high. There are many factors (notably pricing and operational considerations) which determine the user's choice, however.

6. Further action at national and Community level

In its Communication of 15 December 1977, the Commission drew the Council's attention to the advisability of action to develop combined transport.

The merits of piggy-back transport, which combines the various advantages of road transport (e.g. the flexibility of door-to-door services) with those of rail (regularity of service, greater safety, fast night journeys, and social and environmental benefits) were pointed out.

Containers have certain obvious advantages: not only are they suitable for continental road and rail traffic but they can also carry intercontinental air and sea freight. They can also be fully integrated into a physical distribution system, thereby reducing the number of handling and packaging operations and helping to cut overall distribution costs.

As to swap bodies, the Commission takes the view that they help to save energy, since less "dead weight" is carried by rail, and overall transport costs can therefore be cut.

Furthermore, the inclusion of swap bodies and containers in the liberalization measures for terminal road journeys may increase the volume of freight transported by rail and facilitate the formation of whole train loads for combined transport (with obvious advantages in terms of cost and speed).

7. The development of combined transport, however, is confronted with many problems - especially technical and infrastructure problems, such as the diversity of rail and road equipment, the inadequacy of the traffic arteries and piggy-back handling centres. On the economic and financial front, some road operators cannot use piggy-back transport since they lack adequate logistics support, proven management structures and a commercial presence at both ends of the route. Specifically financial problems include the scale of road and rail investment required. Finally, rates must be competitive in relation to conventional road haulage and whole waggon load or container rail transport.

8. The Commission believes that the liberalization measures already adopted¹ provide an effective way of removing certain obstacles to the development of combined transport.

¹Council Directive of 17 February 1975, as amended by the Council Directive of 19 December 1978, on the establishment of common rules for certain types of road/rail carriage of goods between Member States (OJ L 48 of 22 February 1975, pp 31 and 32, and OJ L 5 of 9 January 1979, p. 33).

Adoption by the Council of the proposals which the Commission submitted in 1980¹ would certainly help, therefore, to develop this technique and remove current obstacles to the expansion of intermodal transport.

The Commission also believes that, so far, no major drawbacks have resulted from bringing containers and swap bodies within the scope of the Directive. On the contrary, this measure, which was adopted on an experimental basis, has proved (admittedly within the limits of the experiment) to be useful, and deserves to be adopted permanently at Community level.

¹OJ C 351 of 31 December 1980.

DEVELOPMENT OF COMBINED ROAD/RAIL TRAFFIC
(SEMI-TRAILERS, SWAP BODIES AND ROAD TRAINS)

(Numbers of consignments)

	1977		1978		1979	
	International*	National	International*	National	International*	National
<u>NOVATRANS</u>						
Semi-trailers	20.114	69.098	24.499	72.255	26.857	73.156
Swap bodies	6.303	5.821	7.316	8.701	9.865	19.332
Road trains						
UFR (small bodies)		9.942		6.474		5.340
TOTAL	26.417	84.861	31.815	87.430	36.722	97.828
<u>KOMBIVERKEHR</u>						
Semi-trailers	5.920	16.600	8.098	24.100	12.694	26.800
Swap bodies	1.462	104.900	2.487	120.900	4.720	164.100
Road trains	1.128	5.800	2.000	5.300	2.951	3.600
TOTAL	8.510	127.300	12.585	150.300	20.365	194.500

*Exports only.

	1977		1978		1979	
	International*	National	International*	National	International*	National
<u>HUPAC</u>						
Semi-trailers	5.724	4.950	7.616	5.526	10.352	5.068
Swap bodies	1.422		1.614		2.935	283
Road trains		17.650		20.527		21.315
TOTAL	7.206	22.600	9.230	26.053	13.287	26.666
<u>FERPAC</u>						
Semi-trailers			1.378		2.234	
Swap bodies			459		1.300	
Road trains	636		459		478	
UFR						
TOTAL	636		2.296		4.012	
<u>TRAILSTAR</u>						
Semi-trailers	3.135		4.539		5.218	
Swap bodies						
Road trains						
TOTAL	3.135		4.539		5.218	
<u>T.R.W.</u>						
Semi-trailers	5.079		6.579		8.109	
Swap bodies			866		853	
Road trains						
TOTAL	5.079		7.445		8.962	

* Exports only.

Table 2

Annex

CONTAINER TRANSPORT¹

	1977			1978			1979		
	Laden	Unladen	Total	Laden	Unladen	Total	Laden	Unladen	Total
(a) Total traffic in large containers and <u>swap bodies</u>									
Number of units	303.353	157.723	461.076	342.592	186.230	528.822	405.076	201.154	606.230
Gross tonnes moved		5.007.118			5.706.965			6.943.643	
Average distance of carriage (km)	805	704	772	843	697	794	818	673	772
(b) <u>Estimated swap body traffic</u> (figures already included in above data)									
Number of units	20.200	1.000	21.200	19.600	900	20.500	36.800	3.200	40.000
Gross tonnes moved		404.700			391.200			735.200	

