



**Economic and Social
Council**

Distr.
GENERAL

TRANS/WP.24/1998/1
21 January 1998

ENGLISH
Original: FRENCH

ECONOMIC COMMISSION FOR EUROPE

INLAND TRANSPORT COMMITTEE
Working Party on Combined Transport
(Twenty-ninth session, 30 and 31 March 1998,
agenda item 4)

FOLLOW-UP TO THE 1997 REGIONAL CONFERENCE ON TRANSPORT AND THE ENVIRONMENT

Note by the secretariat

The secretariat reproduces below the address delivered by the Chairman of the Working Party, Mr. H. Maillard, at the 1997 Regional Conference on Transport and the Environment (Vienna, 12-14 November 1997)

PLEASE NOTE: The distribution of documents of the Inland Transport Committee and its subsidiary bodies is no longer "restricted". Accordingly, the secretariat has adopted a new numbering system whereby all documents other than Reports and Agendas will be numbered as follows: TRANS/WP.24/year/serial number. Reports and Agendas will retain their previous numbering system (e.g., TRANS/WP.24/76).

1. All sector of European economic activity, including transport, are undergoing a revolution at this time of liberalization, full competition and globalization.
2. Alongside this increasing activity, many European axes, regardless of the mode of transport, are saturated.
3. The wish to satisfy market needs is resulting in a price war which can mean writing off all or part of costs, including those for transport.
4. Operators subject to the demands of zero-stock and just-in-time methods are under constant stress as a result.
5. The universal aim of quality of transport, and of the environment in general is jeopardized by this build-up of tensions.
6. What should we do? Build more and larger infrastructures or improve, refine and exploit existing ones more fully?
7. Physical planning has not been well enough managed.
8. As our financial means are limited, choices have to be made. Solutions do exist.
9. The best link between transport and the environment is intermodality, which in the case of goods, means combined transport.
10. Highly economical in terms of space, time, energy and financing because of its precise organization of an integrated chain of modes, combined transport is a practical answer to the need for sustainable and safe mobility which will help to improve the quality of the human and physical environment, in both social and economic terms.
11. Today, in spite of such positive features, combined transport which, according to available statistics, accounts for only 4 to 5% of European goods transport, is nevertheless following the same growth pattern as traffic flows in general.
12. Does this mean it has no future or is it the result of a lack of intermodality?
13. Before attempting to answer this question in any detail, we should first clarify the key terms as the vocabulary used frequently confuses concepts which are quite different. The presence of so many of you here is too good an opportunity not to recall the work done in this area by a team of national and international experts under the auspices of ECMT and ECE.
14. First, multimodal should be defined simply as transport by more than one, in other words separate use of vehicles requiring trans-shipment of the goods themselves. Then there is intermodal transport, in which the goods are loaded into a container - call it the intermodal transport unit (ITU) - and it is this ITU which is transferred from one mode to another without any handling of the goods themselves. In other words, it is a chain in which the transfer

of the container from one vehicle to another must be organized from start to finish. Finally, there is combined transport which, in Europe, applies to a chain in which road transport is used specifically for terminal or forwarding sections.

15. So why has combined transport had so little success?

16. This type of transport chain calls for particularly careful organization and precise tracking, which require interfaces. In this respect, it entails costs which do not arise with single mode transport. Moreover, it becomes an attractive proposition only above a certain distance and, various studies estimate, the break-even point to anywhere between 200 and 800 km.

17. Significantly, statistics show that in 85% of cases, goods transport involves distances of not more than 150 km. In such cases, road transport is the only practical mode. In this regard, Belgium is able to confirm that only a minute portion of its domestic traffic involves distances of more than 150 km., with the longest distance travelled being barely 300 km.

18. However, international transport accounts for most of the remaining 15%, and this is the combined transport market!

19. A brief study shows that, at the moment, the leading sectors in economic terms is in dangerous goods, motor-vehicle equipment and spare parts and, to a lesser extent, household appliances, while the busiest routes are through the Alps and transport to or from international maritime container terminals.

20. Although continuous advances in information and other technologies are improving logistical organization, the lack of success persists because of continued chain unreliability - due to its complexity - and present freight rates, which are constantly compared to road-only rates, and are never lower.

21. The main aims of combined transport are guaranteed quality and a price threshold which cannot be fairly compared to road-only transport given the real costs of each mode which are not fully accounted for, particularly as regards environmental impact (level of pollution, noise, energy consumption and safety per ton of goods carried, area required for the building of new road infrastructures). ECMT is currently studying ways of measuring all these costs.

22. Without waiting for the findings of these studies and the resulting decisions, the whole of Europe from the Urals to the Atlantic, is under challenge!

23. Of all the continents, it has the densest but most under-or poorly-utilized transport networks. This applies to both overland transport and coastal shipping. Many links are non-existent and different national standards undermine inter-operability.

24. Combined transport can, however, provide many links by using all available modes and setting up relays within a chain. Road transport, the most flexible component, makes deliveries to the customer's door, thus complementing railways, inland waterways and coastal shipping, which cover the

longest distances. Basically, the problem with combined transport lies in the need to trans-ship the ITU, its price, its overheads and its rapidity! Its success is closely dependent on these interfaces, which must be reliable and economical.

25. Its structure - albeit complex - and use of ITUs mean that combined transport falls within logistical concepts giving access to economic activities whose products necessitate the transport of substances and parts among a number of places. These include motor-vehicle manufacture and industries using various constituents of dangerous substances.

26. The extreme precision of all these movements entails tracking of the ITU, a factor particularly to the liking of these sectors which require point-to-point reliability and full information on the movements of their goods so that they can be integrated exactly into their production cycles.

27. Combined transport can be compared to a relay race! I am not talking about a new Olympic event.

28. However, like a relay race, the result depends on both the combination of runners and the linking of the efforts of each person carrying the baton, in this case the ITU. Performance depends on the speed of each team member as well as the care with which the baton is passed from hand to hand. Each contribution is decisive in contributing to the success of the service.

29. A further comparison, if I may be permitted. The baton is like the ITU in that it must be passed on carefully as it will be used for another race!

30. This process is based on a series of services which are invisible, but just as important, namely, information. Indeed, information on the goods has become a component of the chain. Tracking of the consignment with the development of computerized data systems is unavoidable. The customer wants continuous access to data on the ITU, the transport vehicle, movements and interface.

31. These data can be used simultaneously for monitoring and organizing subsequent stages in the manufacturing process, and of movements of goods, from the ordering stage to invoicing.

32. Transport is becoming, so to speak a component of production. This development is perfectly suited to combined transport. This integration can be applied to individual parts when they are unitized within the ITU, i.e. are themselves arranged on a standardized loading unit, such as a pallet.

33. Combined transport is thus at the heart of economic activity and is responsible for more than the mere movement of goods. This approach also demonstrates the new system of responsibility involving transport.

34. In more precise terms, the organization of combined transport is based on both public and private, national and international initiatives bringing together all the parties involved. Situated at the centre of Europe and on the Atlantic seaboard, Belgium is both a transit and exporting country and thus, like other countries, is living in the age of combined transport.

35. Let us take a few examples to illustrate this synergy between the various parties involved in transport:

The Groupe Fer, i.e. SNCB and its subsidiaries, in association with the Port of Antwerp is providing new ocean container terminals; is responsible for rail transport to and from the terminals and the other for the trans-shipment facility for use by shipping, including the over-panamax type;

NS Cargo and SNCB/CARGO have joined forces to provide UTI shuttle traction door-to-door between Rotterdam and Antwerp, each approving the other's drivers and machines;

When its facilities at Lille became saturated, TNC joined with Belgian colleagues in setting up a new joint terminal at Mouscion to provide the same services to customers on either side of the frontier;

An inland waterway terminal operator in Liege has joined with Groupe Fer in the management of several terminals in the Liege area to provide services which will very soon include combined land and air transport;

By simply ballasting Belgian self-propelled barges of only 600t with rails, the port of Lille is able to provide a container link to Antwerp and Rotterdam over a section which is still of limited dimensions, pending the completion of work on the widening of the waterway at Courtrai;

SNCB is converting a number of rail axes already able to accommodate standard ITUs to specialized use by enlarging them to accept the largest containers and swap bodies;

Rail/road and maritime container operators belong to international quality associations (CORTAX and QUALITY NET), guarantee their supply (subject to penalty) and organize their services around major European nodal points with the participation of railway companies and the operators of the Channel Tunnel;

Road and rail operators and users are working with the Port of Brussels in setting up a joint intermodal interface, processing and storage zone, equipped with a special crane, to service a new maritime and river link.

36. The burgeoning examples in our various countries show that combined transport has development potential, given the reserve capacity that exists particularly in the river and short-haul coastal/maritime modes and also as a result of the operational possibilities afforded by new handling and information technology. Two necessary conditions for success are the introduction of standards for maximum cost-effective inter-operability and the optimized operation and reliability of each mode.

37. There are many other components of the combined transport chain which should be taken into account, including the standardization of ITUs as a prerequisite for the introduction of through services even though a variety of types is needed to meet customer needs. Stackable swap bodies already used in

rail and road traffic, are now being tested for use in river and maritime, traffic. This will open the way for new links involving three modes instead of two.

38. The development of combined transport or, more precisely, unaccompanied combined transport - as the rolling road is a costly method in which railways are treated as an appendage of roads - is still in its infancy and a great deal of research needs to be done to identify other opportunities.

39. Combined transport makes the modes partners rather than competitors and involves the private sector in its organization and the public authorities in physical planning and the regulation of the transport industry.

40. This campaign for mobility involves both national and international players.

41. In this respect, ECE's long-sustained work on transport, culminating notably in this Conference on Transport and the Environment, should be acclaimed for establishing continuous contact between the public authorities and the international transport organizations, including those concerned with combined transport, such as UIRR.

42. Other intergovernmental bodies are now involved in the development of combined transport. The European Union, for example, is reviewing its combined transport regulations which date from the 1970s, on the basis of experience gained from pilot projects since 1992, modernizing its trans-Europe transport networks, including combined transport, and promoting freight corridors in which services are based largely on existing major combined transport links.

43. ECMT is itself developing models for apportioning social costs in order to internalize the external costs of transport modes, conducting regular reviews of the main rail/road links and improving the land/maritime interface.

44. ECE, our host today, is continuing to blaze the trail by keeping up with advances in technology and by working for the standardization of general transport conditions with those of other continents, but above all by drafting basic Europe-wide agreements for all overland transport systems, such as the protocol opened for signature on 13 November of this year.

45. These parallel efforts highlight the need for complementarity and task-sharing, such is the scale of the problem.

46. While the difficulties will undoubtedly be resolved, the involvement of more Governments in the efforts of intergovernmental authorities guarantees the formulation of a new mobility policy.

47. These combined efforts require increasingly careful coordination to avoid the possibility of overlapping or even conflict between areas of competence, and to determine more effectively how the stages or levels of activity are to be allocated. The cooperation among the three bodies in processing statistics provides a model for this.

48. Transport and the environment: Belgium is, and will continue to be, involved in each of the three arenas in the key areas of:

Mobility
Quality of life
Healthy competition
Quality and safety.

We congratulate the ECE Transport Division for organizing this meeting in Vienna.
