

Rail Baltica Global Forum

Rail sector funding priorities

3 April 2019

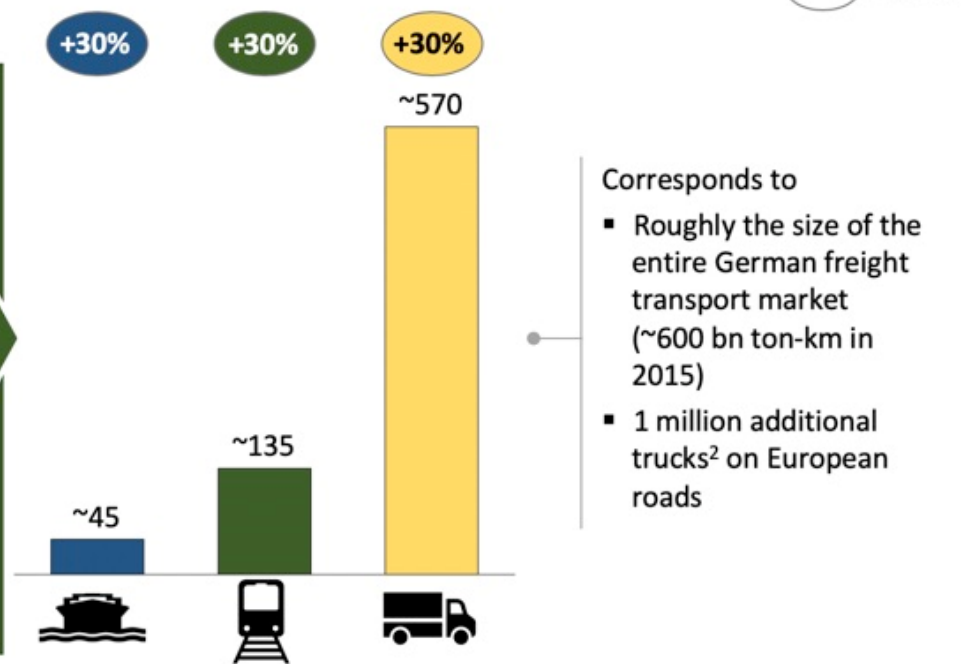
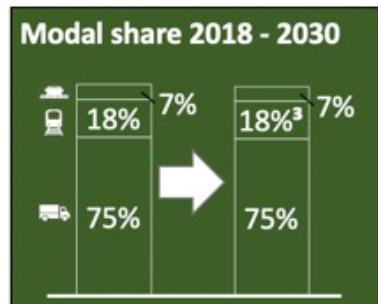
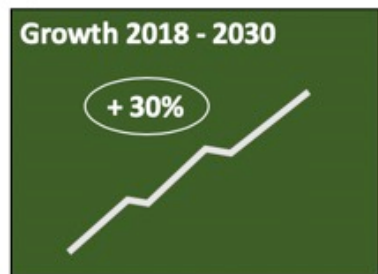
Dr Libor Lochman
CER Executive Director

Freight traffic will increase – but it will have to become greener!

Additional freight transport 2030 vs. 2018

in bn ton-km; EU 28 + CH, N; excluding pipeline, sea and air¹

Optimistic base scenario



Corresponds to

- Roughly the size of the entire German freight transport market (~600 bn ton-km in 2015)
- 1 million additional trucks² on European roads

1 Not in focus, market size ~ 1,250bn ton-km in 2015
 2 Estimated range of 600,000 - 1,400,000 trucks
 3 Stagnation of rail modal share (since 2004) continues




Source: Eurostat, OECD

Railways' commitments

- Being the **leading providers of transport and logistics solutions** across borders and across modes
- **Technological innovation** and on **new service models** in areas such as service reliability and real-time information to customers
- Rail to remain **the greenest and the safest mode** of transport

Comparison of external costs¹

in EUR/1,000 ton-km, 2012

	85 : 1
	40 : 1
	9 : 1
	8 : 1
	3 : 1
 	

¹ Noise, Climate Change, Pollution, accidents, other excluding congestion based on EU + CH, N
Source: EEA, eRRac, CE Delft 2012, Fraunhofer, INFRas

30 by 2030 – Rail Freight strategy to boost modal shift

The plea to the policy-makers

- A **level playing field** is created between transport modes – while supporting new infrastructure connections and new complementarities between modes
- EU policies **foster research and innovation**

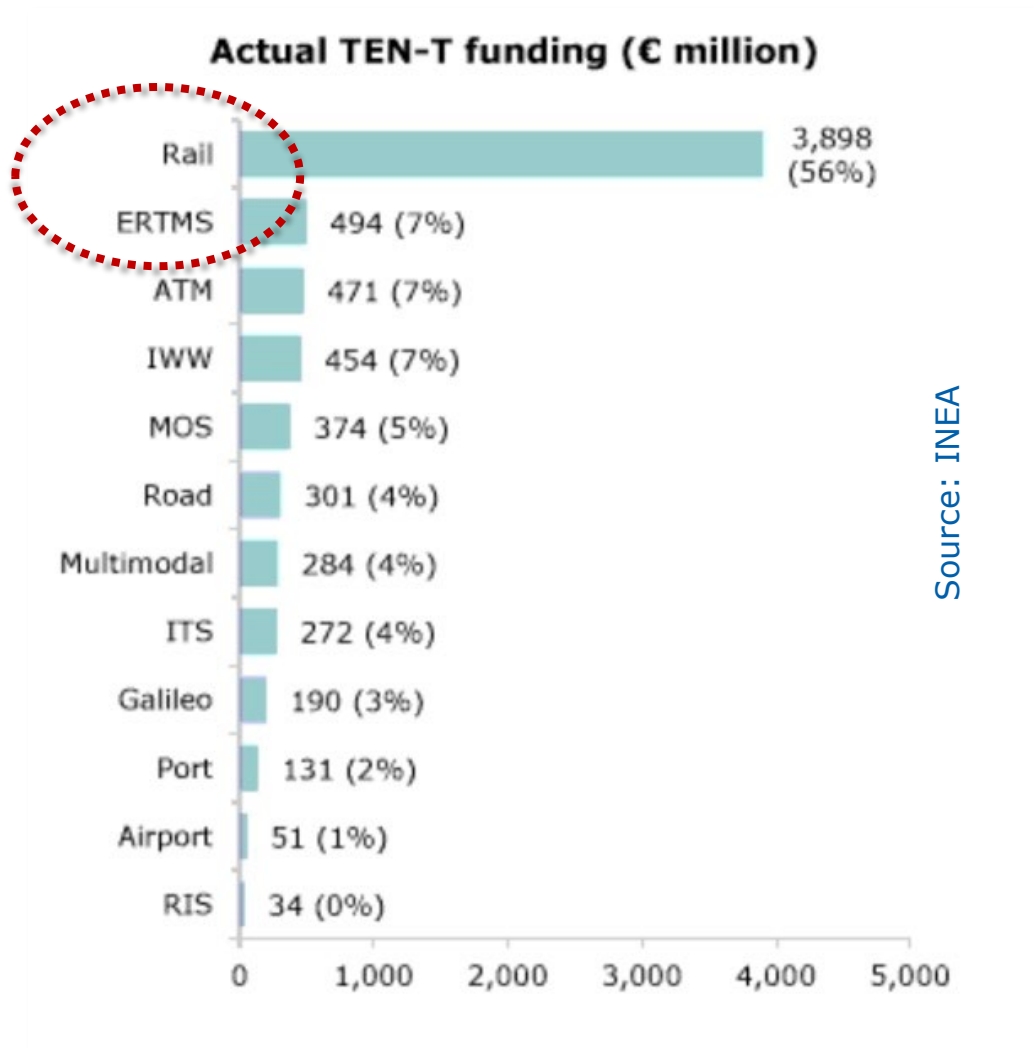
- Rail **infrastructure funding** is solid, sufficient, and predictable

The CER Policy Agenda 2019-2024:

<http://www.cer.be/publications/latest-publications/cer-policy-agenda-2019-2024>

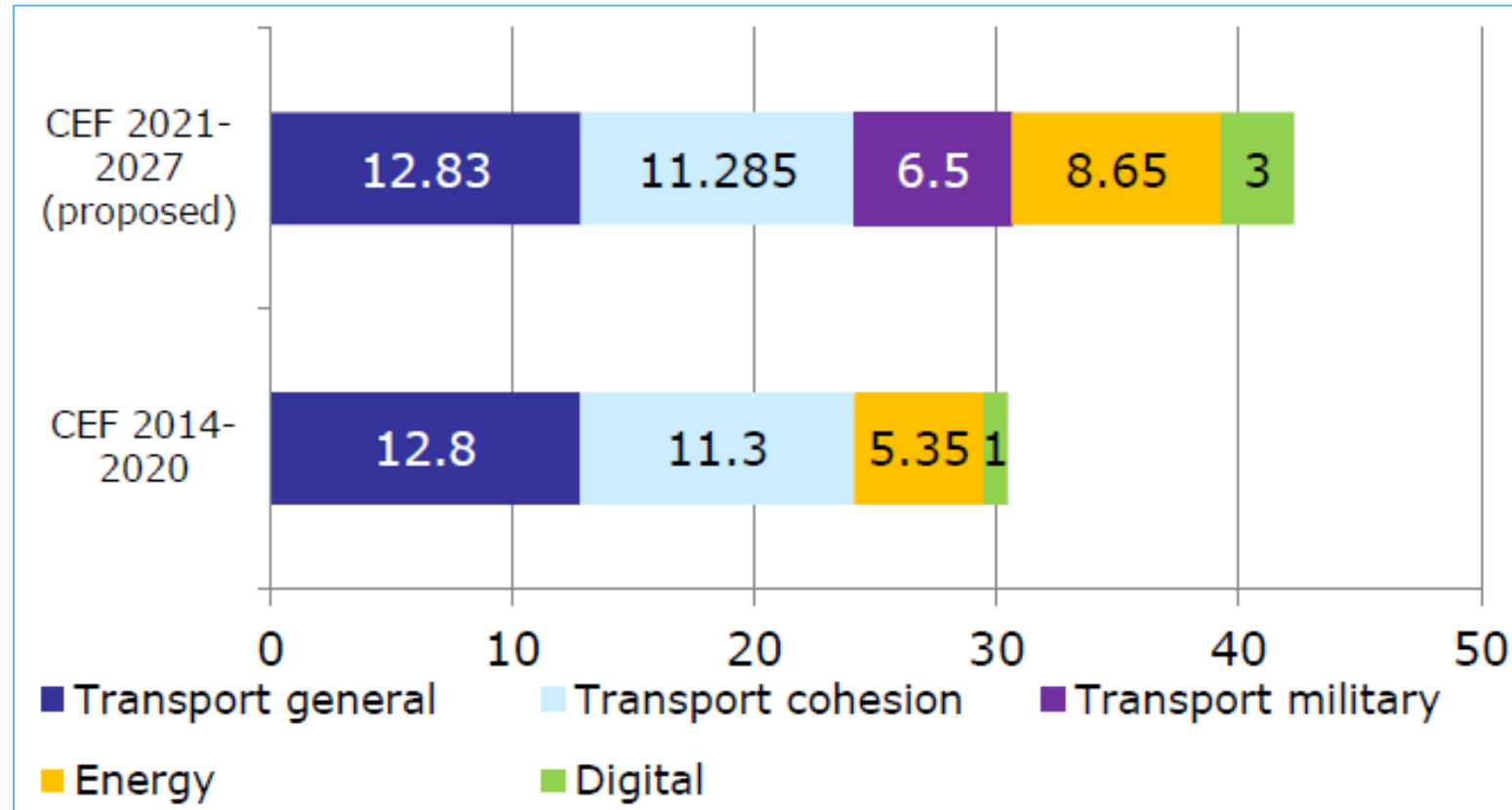


The Connecting Europe Facility (data cover 2007-2013)



Funding for infrastructure will have to continue and funding for ERTMS will have to be increased

Can EU help? The Commission proposal for CEF 2021-2027



But not only: Shift2Rail to be continued!

UNIQUE PARTNERSHIP¹

S2R is sustaining the competitiveness of the European rail industry to meet future mobility needs of EU citizens, acting as a rail R&I hub bringing together the manufacturers, rail operators, SMEs and research institutions.



28
MEMBERS



343
PARTICIPANTS INVOLVED
FROM **27** COUNTRIES



92
SMEs

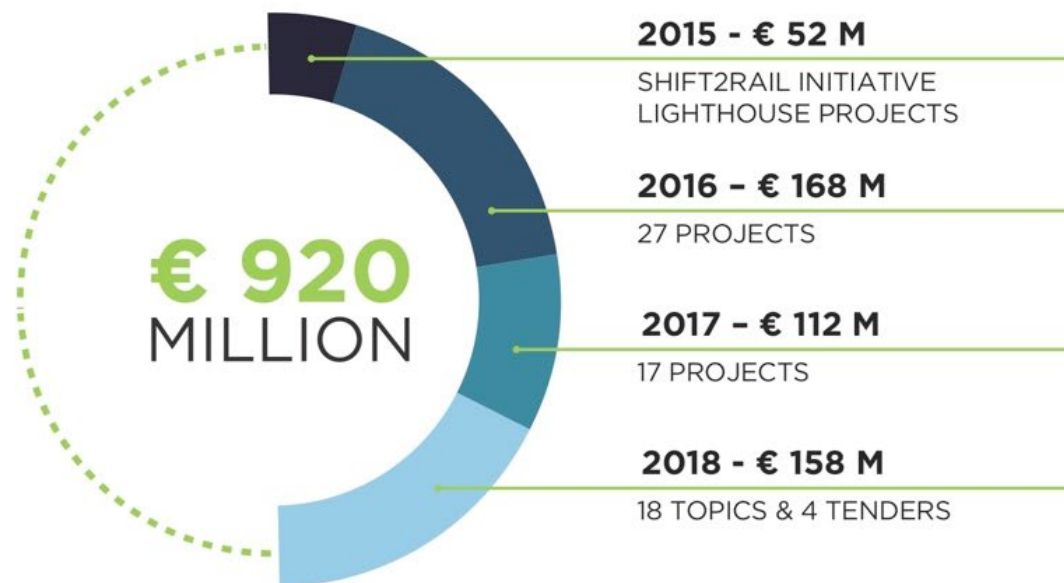


84
RESEARCH CENTRES
AND UNIVERSITIES

¹Data extracted from CORDA database in April, 2018

S2R BUDGET 2014-2020

S2R FUNDING IS AVAILABLE THROUGH
**CALLS FOR MEMBERS, OPEN CALLS FOR PROPOSALS
& PROCUREMENT**



The benefits of investing in rail infrastructure

Expected benefits from the 2014-2016 CEF calls



900,000 job-years



EUR 264 billion extra GDP



Rail enhancements:

- Tracks: **5,788 km** equipped with ERTMS, **1,753 km** electrified
- Rail wagons: **138,000** equipped with low-noise brakes

Further expected CEF benefits from investing in the EU's nine Core Network Corridors



Up to **13 million** job-years



Up to **EUR 4,500 billion** of cumulated GDP, or 1.8% extra GDP in 2030



Modal shift → reduction of external costs, e.g. **decarbonisation**

Example: Rhine-Alpine Corridor, estimated impacts until 2030:

- **2.2 million job-years**
- **EUR 743 billion of GDP**

Examples

Brenner Base Tunnel

World's longest underground rail connection, stretching between Austria and Italy, removing key bottlenecks from 2026

COST

Funding needed:
EUR 8.7 billion



PROJECTED BENEFITS

- ✓ 2/3 shorter travel time for passengers (80 down to 25 minutes)
- ✓ 70% rail freight modal share as long-term target
- ✓ EUR 124 billion extra GDP until 2030
- ✓ 130,500 direct jobs during construction | 272,500 extra jobs thanks to improved transport links

High speed rail link Dresden – Praha

Dresden - Ústí n.L - Praha, with 26 km base tunnel, allowing up to 230 km/h from 2035

COST

Funding needed:
EUR 4.5 billion



PROJECTED BENEFITS

- ✓ 1/2 the travel time for passengers (2h15 down to 1h)
- ✓ Higher rail freight capacity and lower noise emissions in Elbe Valley
- ✓ EUR 5.6 billion extra GDP over 15 years
- ✓ 12,300 jobs thanks to improved transport links

Examples

Fehmarnbelt Fixed Link

World's longest immersed road and rail tunnel, connecting Scandinavia and continental Europe through Denmark from 2026-28

COST

Funding needed:
EUR 7.1 billion



PROJECTED BENEFITS

- ✓ 160km detour avoided for freight trains → decarbonisation
- ✓ EUR 118 billion extra GDP until 2030
- ✓ 55,000 direct + indirect jobs during construction
| 261,000 extra jobs thanks to improved transport links

Rail Baltica

Largest railway infrastructure project in the Baltics for 100 years, linking the capital cities of Estonia, Latvia, Lithuania and Poland from 2026

COST

Funding needed:
EUR 5.8 billion



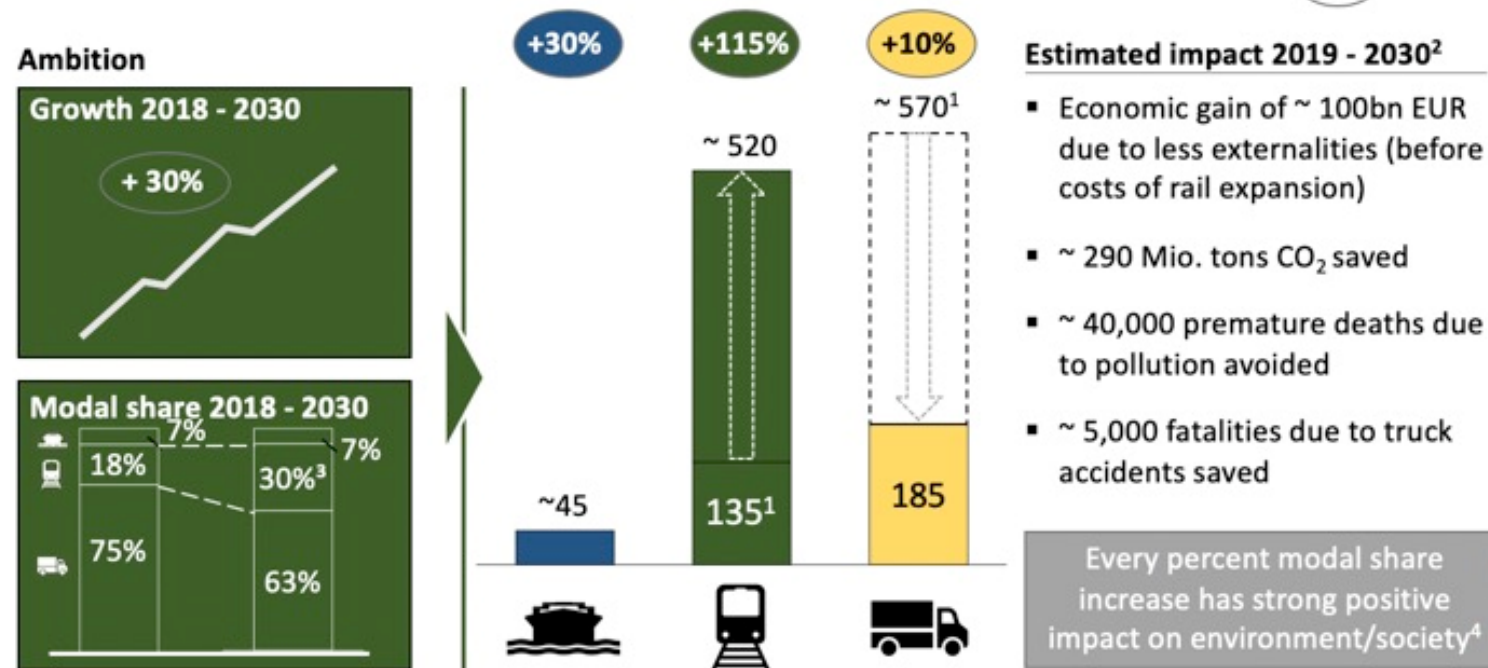
PROJECTED BENEFITS

- ✓ Standard-gauge connection enabling new intermodal and multimodal logistics and passenger solutions
- ✓ > EUR 18 billion extra GDP
- ✓ 37,000 direct + indirect jobs during construction

Were all the above materialize, a new greener future awaits

Impact of modal shift on additional freight transport 2030 vs. 2018

in bn ton-km; EU 28 + CH, N; excluding pipeline, sea and air



1 Freight transport growth without modal shift

2 Assuming linear growth of rail modal share from 18% in 2018 to 30% in 2030

3 Average for Europe, not each country; shares in AT (32%) and CH (37%) in 2015 even higher; conditional ambition (see next chapter)

4 Reduction of ~ 8 bn EUR in external cost, ~ 25 mio. tons CO₂, ~ 3,500 premature deaths/fatalities (assuming constant growth)

Source: CER, EuroStat, EU Commission, EAA

For further information:

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For regular updates on CER activities,
visit our website: www.cer.be

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