

RECORDIT
REAL COST REDUCTION OF
DOOR-TO-DOOR INTERMODAL TRANSPORT
(www.recordit.org)

First project workshop – Athens, 2 April 2001

**Project objectives
and current state of advancement**

Andrea Ricci - ISIS

aricci@isis-it.com

www.isis-it.com

Presentation plan

- Background and main project features
- Intermodal cost structure
- How to calculate costs
- The RECORDIT corridors
- Sample results (internal costs, external costs, taxes and charges)
- Policy impact

Definition of Intermodal Transport (IT)

“The movement of goods in one loading unit, which uses successively several modes of transport without handling of the goods themselves in transshipment between the modes”

- pre- and end-haulage are carried out by road
- main haulage is not carried out by road
- one or more transshipment(s)

Increased technical and organisational complexity

CURRENT SITUATION

Total Intermodal traffic in 1996
8% of total intra UE traffic (tkm)
14% of international freight traffic (tkm)
1% of domestic freight traffic (tkm)
9,3% is the average annual growth of tkm between 1990 and 1996 of international intermodal traffic (tkm)

Source: RECORDIT – D2, based on data from DG TREN website and Eurostat (September 2000)

**No further growth of intermodal rail since 1998,
as opposed to SSS and IW which keep expanding**

CURRENT PERFORMANCE

Intermodal rail traffic in 1996
2% of total intra UE traffic (tkm)
36% of international rail freight traffic (tkm)
15% of national rail traffic (tkm)
9,1% is the average annual growth of tkm between 1990 and 1996 of international intermodal rail traffic (tkm)
6,7% is the average annual growth of tkm between 1990 and 1996 of national intermodal rail traffic (tkm)

Source: RECORDIT – D2, based on data from DG TREN website and Eurostat (September 2000)

CURRENT PERFORMANCE

Intermodal short sea shipping traffic in 1996

5,3% of total intra UE traffic (tkm)

13% of international SSS freight traffic (tkm)

9.7% is the average annual growth of tkm between 1990 and 1996

Intermodal inland waterways traffic in 1996

0,2% of total intra UE traffic (tkm)

5% of international intra UE IWW traffic (tkm)

2% of domestic IWW traffic (tkm)

9,8% is the average annual growth between 1990 and 1996 of international intermodal IWW traffic (tkm)

8,9% is the average annual growth between 1990 and 1996 of national intermodal IWW traffic (tkm)

Source: RECORDIT – D2, based on data from DG TREN website and Eurostat (September 2000)

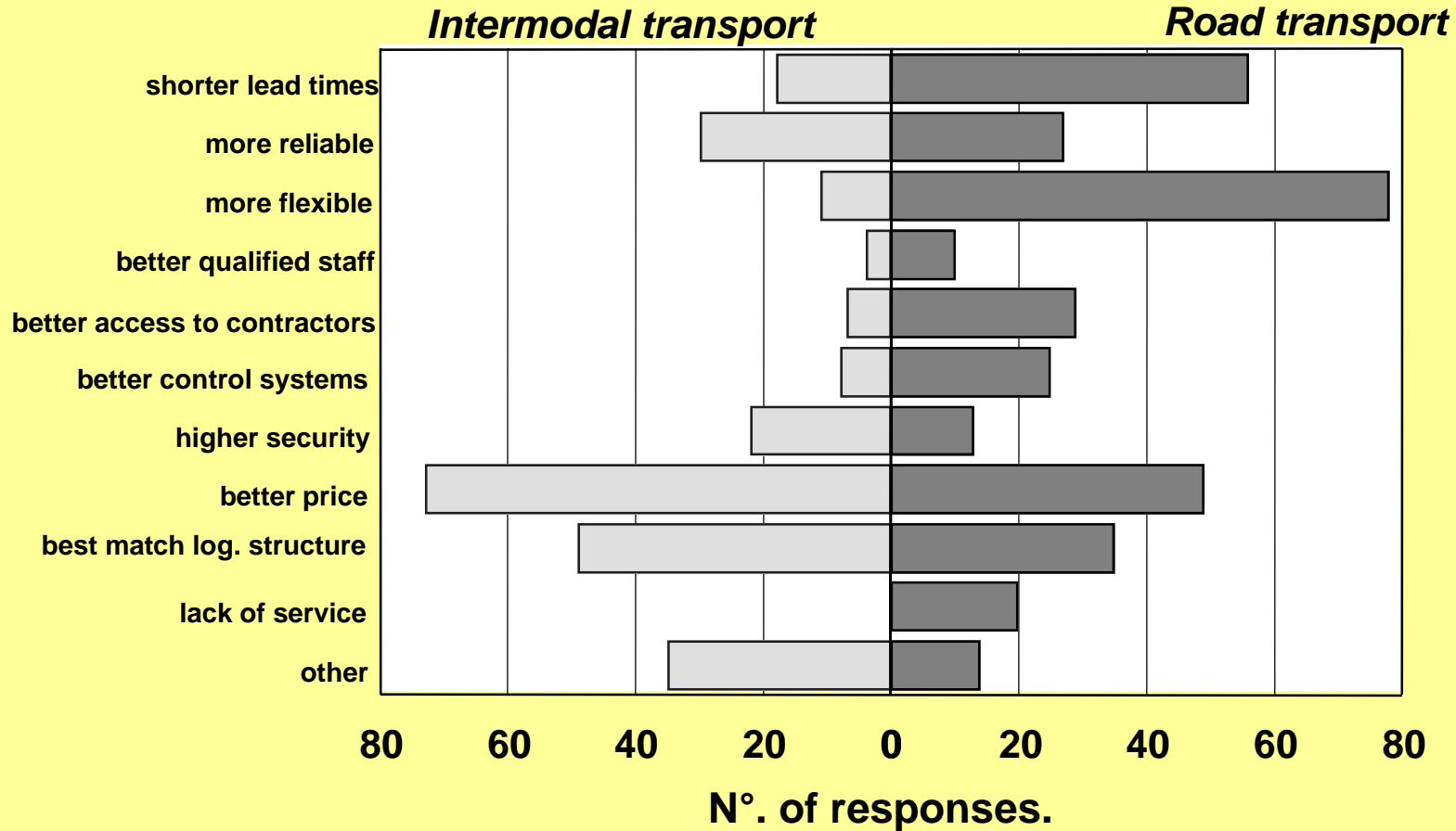
Main factors hindering the development of intermodal freight transport

- **the technical and organisational complexity of intermodal transport**
- **the high number and variety of market players and service suppliers involved, and the limited level of established co-operation between them**
- **the strong competition of all-road transport solutions, generally perceived to be more flexible and less costly**
- **the market imbalances generated by the lack of internalisation of external costs, generating, among others, an undue competitive advantage for road transport**

Main policy options to promote intermodal freight transport

- **Expanding capacity (rail)**
- **Increasing the productivity and efficiency of the intermodal sector (notably through technological and organisational enhancements)**
- **Reducing the imbalances currently observed between intermodal and road (notably through institutional, fiscal and pricing interventions).**

PERCEIVED QUALITY OF INTERMODAL TRANSPORT (AND MAIN AREAS FOR IMPROVEMENT)



Source: INRETS, in IQ

THE ROLE OF COSTS AND PRICES

**Efficiency
(productivity)
increase**



- Reduction of real (absolute) costs
- Reduction of price paid by the users



**Increase of
intermodal
competitiveness
and market
share**

**Generalised
internalisation of
external costs**



- Reduction of imbalances between all-road and intermodal
- Reduction of price gap



RECORDIT

**Real COst Reduction
of Door-to-door Intermodal Transport**

www.recordit.org

- **Fifth Framework Programme (FP5) of the EU**
- **First call**
- **Accompanying Measure**
- **Duration: 2 years (01/01/2000 → 31/12/2001)**
- **9 Partners from 7 EU Member States**
- **3 Subcontractors from 3 CEEC**

The ultimate objective of RECORDIT is “*to increase the efficiency and competitiveness of intermodal transport in Europe*”

Detailed objectives and workflow:

- **To devise a methodology for the calculation of real costs (internal, external) of door-to-door intermodal transport**
- **To calculate costs for three European corridors**
- **To compare real costs with prices actually paid (charges and taxes)**
- **To compare intermodal Vs all-road costs**
- **To assess current imbalances and market distortions**
- **To identify policies (public) and actions (business) to reduce intermodal costs and correct current distortions**

Project outputs

Methodology

Accounting framework (D1)

Mechanisms of cost and price formation (D2)

Corridor analysis

Internal (resource) costs (D3)

External costs (D4)

Taxes and charges (D5)

Policy

Identification of imbalances and market distortions (D6)

Cost reduction opportunities (D8)

Policy recommendations (D9)

The RECORDIT Decision Support System (D7)

GANTT CHART: Planned and actual project scheduling

