

RECORDIT

Athens, April 2nd-3rd 2001

WP 8

Combined transport cost reduction

Implementation scenarios

Cost reduction scenarios

- Cost split
 - internal costs
 - external costs
- Cost reduction issues
 - technical and organisational
 - public (taxes and charges)
- We shall here mainly consider internal, technical issues (but public actions can interfere on this field also)

Direct or general cost ?

- To-day, partly due to public subsidies, combined rail-road transport has the same price as all-road haulage
- But its quality of service is faulty : the aim is both to reduce cost and to rise quality (lead-time, reliability, flexibility)
- From direct cost to general cost reduction

Cost reduction means

■ Technological

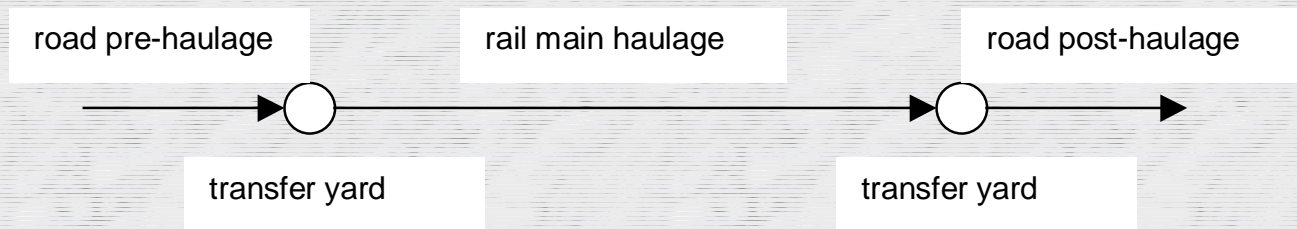
- RECORDIT is not a technology project
- best practices and projects inventory
- innovation as a cost reduction factor

■ Organisational

- intermodal transport chains are complex
- they bring together several technical and business partners
- productivity (virtuous circle of economies of scale) and seamless fluidity

Technology and organisation

- Different actors (“partners”) correspond to each link of the chain
- Even more for trans-boarder routes
- Rail-road, but also inland waterway and short sea shipping



Direct cost split (rail-road case)

- Main haulage : 40% (from 35% to 50%)
- Intermodal handling : 5% + 5%
- Pre- and post-haulage : 20% + 20 %
- Wagon : 5%
- Container, swap body : 5%
- The focus has not to be put only on the main rail haulage

Railway haulage

- Interoperability (e.g. one locomotive)
- Longer trains
 - electronic brakes
 - several co-ordinated locomotives
- Lighter wagons and trains
- Rolling highway: realm of relevance
- Road-railer, an alternative technology ?

General railway operation

- Freight: a separate department ?
- Allocation of slots: which priority for freight ?
- Specialised network
 - avoiding congested urban nodes
 - electricity vs. gauge ?
- Hubs
- Shuttle services

Handling

- Automatic handling facility
 - abandon of Comutor, but assistance to handling
- Yard engineering
 - length of tracks
 - lay-out and equipment
- Peak traffic or continuous activity ?
 - technology and marketing issues

Road terminal haulage

■ Productivity

- augment the number of daily operations
- reduce waiting time (delay pricing ?)
- monitoring, triangular schemes

■ External effect

- road congestion
- number and location of terminals

Cost reduction methodology

- Among various solutions:
 - identify the most interesting devices in % of present cost (cost drivers)
 - check they can be simultaneously implemented
 - are some incompatible, contradictory ?
 - constitute « **clusters** » of complementary coherent solutions (additive ?)
 - assess their results

Clusters (1)

- Technical
- Organisational:
 - identify technical solution and corresponding actor
 - changes in operation
 - changes in cost

Clusters (2)

- A system of actors:
 - who will get an advantage, who will not, how to share benefits ?
 - who will support, who will resist ? new balance of power among actors ?
 - new industry structures
 - new macroeconomic and ecological situation
- Scenario = cluster + actors

Transport actors (1): carriers

- Infrastructure manager (plus stakeholder)
- Railway haulage company
- IT operators
 - ITU supply
 - handling
 - train forming
- Final haulage (mainly road)
- Who has the assembling and marketing power ?

Transport actors (2): customers

- Shipper
- Freight forwarder
- Third party logistician
- Will they be the new entrants in the Intermodal Transport market ?

Transport actors (3): public authorities

- Transport is a market oriented industry, in a regulated framework; role of public authorities (regional, national, European); particularly true for combined (#intermodal!) transport
- National policies (convergence, conflicts)
- EU regulation and discussion (e.g. “railway pack”)

Perspectives

- Which long range situation for transport in Europe ?
 - freight, transport, traffic: key parameters
 - enlargement to new members
 - sustainable mobility
- CT as a major issue
- Priority scenarios: RECORDIT proposals