

**ANSWERS TO PUBLIC CONSULTATION FROM NEW OPERA PROJECT
QUESTION TO THE SAKEHOLDERS
BY DG TREN – TENT**

Which are the major axes?

- 1) From South of Europe standpoint and considering the Mediterranean sea, the major axes are:
 - Genova with North African countries like Marocco, Algeria, Tunisia, Libia and Egypt. From Genova corridor rail connections are necessary with North European Ports (Rotterdam – Antwerp).
 - From Ancona / Ravenna / Venice to Patras (Greece) – Izmir – Mersin – Istanbul (Turkey). From Ancona / Ravenna, corridor rail connections are necessary via Bologna – Milan with North of Europe. From Venice, rail connections are necessary through Verona – Brenner with Central / Northern Germany and via Trieste toward the East by rail up to Kiev.

Considering the overland corridors with natural barriers crossing, the major rail axes are:

 - Gioia Tauro / Taranto (South of Italy) – Marcianise (Naples) – Bologna - Milan via Switzerland up to Zeebrugge – Antwerp – Rotterdam and through the new planned Rail Brenner Tunnel from Bologna across the Brenner – Austria – Germany – Hamburg – Denmark / Scandinavian Countries.
 - Lisbon (Portugal) and Algeciras across Spain to Perpignan and through France to connect both in Lion with the Turin / Lion rail connection (corridor 5 across the North of Italy up to Trieste and then toward the East) and further North with the West – East Rail Corridor starting from Calais across Belgium – Germany branching toward North via Poland and Moscow: the other across Czech Republic / Austria / Hungary towards Kiev and with another corridor towards Istanbul. This West – East Corridor through the Channel Tunnel is connecting UK and is crossing in Germany with the South – North Corridor indicated in the above point. From Moscow through the old or upgraded Transiberian up to Vladivostock and branching towards China and Korea.
- 2) The above corridors will be vital for a European sustainable development in 2020. Without these axes Europe will go towards an economic decline and unbearable congestion.
- 3) These axes are vital moreover for correcting the Modal Split which is today too much in favour of the Road Modality. Without these axes there is no redundant rail space capacity to win back market share from the road.
- 4) The Rail Axes North – South and vv. are already totally congested and there is an immediate problem of how to cope with the additional capacity generated by the Trade from now up to when the new investments will start to produce benefits (15 years horizon).
- 5) Unfortunately today the freight traffic on all these Overland Axes is carried out by road causing a Central European colossal traffic jam, environment violation and death toll increase because of accidents.

- 6) According to EU forecasts overall traffic volumes are due to nearly double from now up to 2020. The actual increase will depend largely on GNP growth and international commerce with emerging economies particularly in South - East Asia and China.
- 7) Unless we want to replicate the mistakes of the past and unless we want to induce the new accessing countries to copy from these mistakes, the future investments on infrastructure must be concentrated on Rail which provides a cargo mobility system much more environment friendly and compatible to our future needs.

Which Investments and How?

- 1) The recent road accidents occurred in the Monte Blanc Tunnel and in an Austrian Tunnel on the Brenner Motorway, have seriously hindered trade and costs on the Axes across France and Germany. If one projects the situation in 2020, it emerges an unbearable and very fragile Transport System which needs urgent correction. These accidents have affected the economy of the three most important Continental Countries: France, Italy and Germany.
- 2) Switzerland that made the rail choice few years ago is in the process of completing two major Rail Tunnels, which will upgrade the existing rail capabilities on the South – North Corridor across Switzerland. Italy will have to open and upgrade the corridor from Genova toward the North with additional investments on the rail line across the Apennines. Italy has already planned a new Rail Brenner Tunnel as well as the construction of the Turin / Lion new rail line to constitute corridor 5 across Italy toward the East. The West – East Rail Corridor North of the Alps from Calais towards the East as well as the Corridor from Lisbon across Spain and France and the corridor South – North via the new Brenner Tunnel across Germany, Denmark to connect Scandinavia will have to be in place by 2020 to cope with the new traffic increases.
- 3) By 2020.
- 4) The answers to this question have already been elaborated above. We can add that with the number of new giant container vessels on construction world wide we do not see how all these containers can:
 - First, exit the ports efficiently in a proper industrial way;
 - Secondly, how they can reach the terminals of destination for the final delivery.
 The road alternative does not appear to be a sustainable option with the road infrastructure becoming every day more scarce and congested.
 Finally we can say that these corridors are just indispensable for maintaining the European standard of life which we became accustomed with.
- 5) The interoperability improvements, as well as the improvements in efficiency and productivity brought about by new technologies, will probably contribute to alleviate the problems from now up to when the new investments will start to produce their benefits. Longer and heavier trains are also necessary to improve the productivity of the rail line. Too many different bottlenecks are in place in various parts of Europe on this point. After that, there are only the new investments in infrastructure. These investments will contribute to change the marketing approach of the incumbent rail operators and make the

change over from a demand driven service which has created the rail total marginalization to an offer driven service based on customers' needs.

- 6) The funds necessary for these investments will come from a combination of several sources. Public as well as private corporations and project financing could provide the answers particularly if the concession principle is exploited. Moreover, from the productivity standpoint we will have to calculate the benefits from the improved productivity which is lost every day by congestion and environment and health costs. Quality of life considerations by the citizens and local communities will have to come into play.

How to insure seamless and efficient use of the axes?

- 1) The most important technical and administrative problems seem to originate from the old philosophy of considering each country still an independent entity rather than being part of Europe. A border-less Europe with standardised rules and regulations will contribute to eliminate all these red tapes. Most of the difficulties on rail traffic are caused by the different safety standards operated by each country. If one could imagine a European Freight Dedicated Rail Network, where only cargo train would be allowed to run, most of the safety concerns would fall automatically as well as the costs associated with it. The safety precautions necessary to protect the life of the passengers are today being discharged also on the freight. This additional cost will be unbearable in the future if Europe want to preserve the competitiveness of its economic system.
- 2) Today there are too many problems of interoperability in crossing borders or changing modes. Just to name few: different electricity standards, changing crews, changing locomotors, different labour contracts, different signalling, different axle loads, different gauges, etc.
- 3) Safety and security is today a very big problem on road modality. Rail modality is by far the safest way. Statistics are available from a long period of time. The safety percentage count is 1 against thousands just to express a concept of order magnitude. As far as the safety and security costs which today is discharged on cargo from the passengers, we have already elaborated above.
- 4) From now up to 2020, it is necessary to work on different migration scenarios where by a step wise approach is adopted in 5 years time span to allow both improvements and trade to adapt gradually to the new situation. This is particularly important if we consider the migration from a dual use of rail infrastructure based on passengers and cargo, to a European Rail Network predominately dedicated to cargo. This will be such an important step change to create a new rail economy that a transition period for cultural and marketing approach will be necessary.
- 5) Inter-modality is key in this evolving process. A new rail economy, market and offer driven, where productivity, efficiency and effectiveness are going to be the drivers, will have to be based on inter-modality which is a tremendous facilitator in modality change as well as a facilitator of transport industrialisation. Inter-modality moreover is capable to achieve integration between road and rail as well as combined. Inter-modality by its own

nature is regulated already by standards which are accepted European wide and also world wide. Train and section of trains interchanges can be easily made in terminals and hubs which will have to be provided in any future rail cargo dedicated network.

- 6) Full and Widest Competition in such an emerging scenario must be the name of the game. The market rules imposed by the incumbent operators monopoly position have led to disaster both for the rail operators themselves and for their market which has disappeared.
- 7) Policies and procedures will be necessary if we continue to imagine a rail network based on the passenger / cargo dual system. In this situation today in use, there are a lot of complex rules and regulations with the ultimate result of giving priority to passengers against the cargo. This applies both to long haul passengers as well as commuters. Assuming to move on the contrary into a system where cargo will have its own dedicated network, the applicable rules will be those of achieving the highest productivity, constant speed, cargo train time tables to give the market the products and the quality of service that the market wants. It is obvious that in such a scenario the situation would be greatly simplified.
- 8) The competition game will favour, as it is already happening following the EU New Rail Packages, the appearance and development of new private operators whose objective would be to manage their business in an efficient and profitable way which is the only recipe to stay in the market place. From the time when private traction companies have appeared on the market we have seen improvements in the performance of both the private operators as well as the traditional rail companies. The opening of the sector to private operators has improved competition and the service quality. The incumbent operators moreover have started to ask themselves in what business they want to be in and this question will lead to market choices. This is a very positive development for Europe.

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