



Public consultation on Combined Transport

Report on the contributions received¹

1. Introduction

In the period between 23.05.2014 and 15.08.2014, the European Commission carried out a public consultation on combined transport based on an online questionnaire. The respondents have been asked to comment on the existing Directive and its implementation in Member States as well as whether a revision of the Directive would be desirable and, if so, what possible enhancements could be made.

The combined transport (CT) promotes the modal shift of long distance freight transport away from road and as such is an integral part of the European Commission transport policy enshrined in the 2011 White Paper on Transport, which sets an aim to achieve greater intermodal integration and seamless door-to-door mobility for freight, while shifting by 2030 30% of road freight over 300 km to other modes, and more than 50% by 2050.

CT is promoted within the European Union (EU) through the Council Directive 92/106/EEC of 7 December 1992 on the establishment of common rules for certain types of combined transport of goods between Member States (CT Directive). The CT Directive aims at fostering the competitiveness of CT by providing common rules, liberalisation of main barriers and fiscal incentives for CT operators. The CT Directive is supported by other EU policies, such as the Weights and Dimensions Directive (Council Directive 96/53/EC) which provides for Member States (MS) to permit movement of heavier intermodal load units by road within Combined Transport operations than for road transport alone.

This report summarizes contributions from stakeholders to the online consultation. The opinions presented in this report do not reflect the European Commission's official position.

2. Respondents

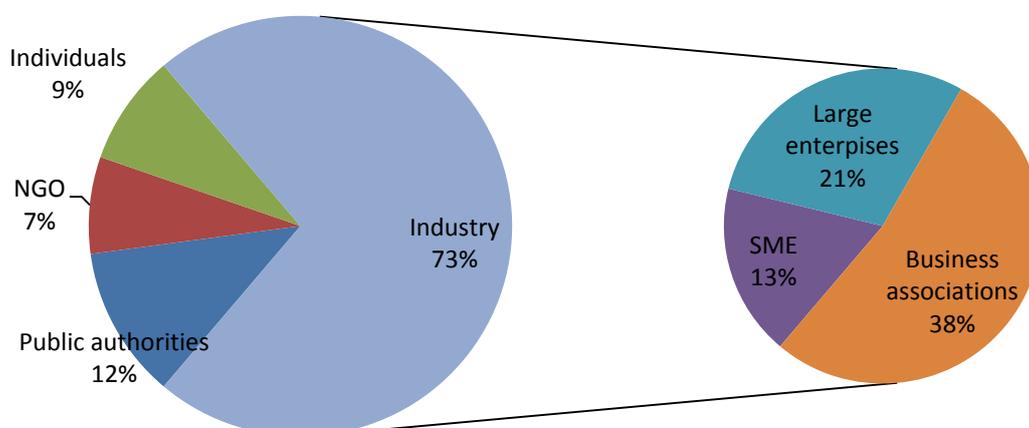
The Commission received 93 full questionnaires, 6 position papers (from which 5 were in addition to a questionnaire) and 10 respondents had chosen not to provide full questionnaires and their input was hence limited to general comments. The respondents came from 18 Member States² and from 2 non-EU countries³. The majority of respondents were business representatives (73%), with some NGO's and individuals also contributing. The participation of public authorities from Member States was unfortunately not comprehensive, with replies from only 6 Member States relevant Ministries and 6 replies from regional or sector-specific authorities.

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² Austria (6), Belgium (incl EU wide associations) (4/18), Bulgaria (1), Czech Republic (4), Denmark (2), Germany (13), Finland (1), France (11), Italy (6), Netherlands (6), Poland (1), Romania (1), Slovenia (1), Slovakia (1), Spain (2), Sweden (4), UK (8)

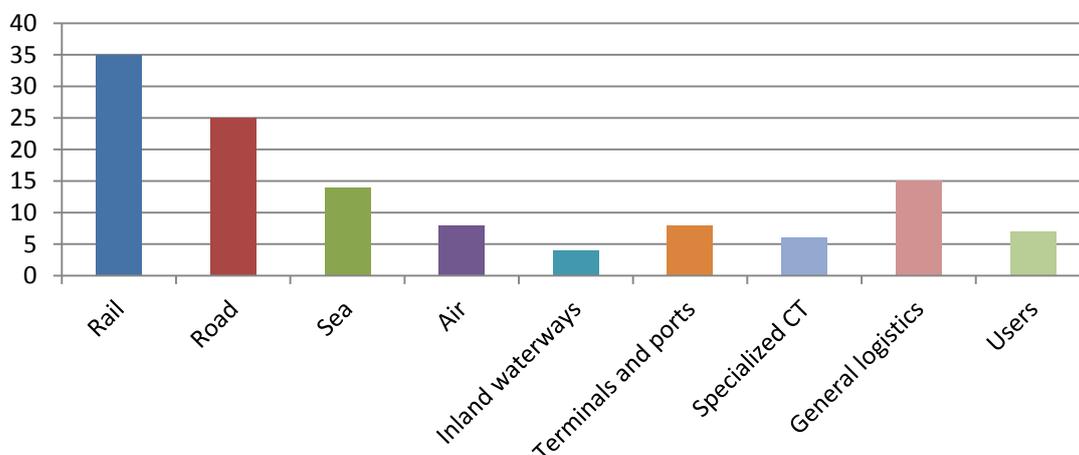
³ Norway (4), Switzerland (1)

Respondents



The industry replies came mostly from business associations, though quite many replies were also received directly from large companies as well as SMEs. Interestingly, the respondents represented all modes of transport and included also representatives of terminals, ports, general logistics services providers (incl. freight forwarders) as well as companies whose main activity does not relate to transport but who are extensive users of transport. Some of the industry respondents represent more than one type of activity.

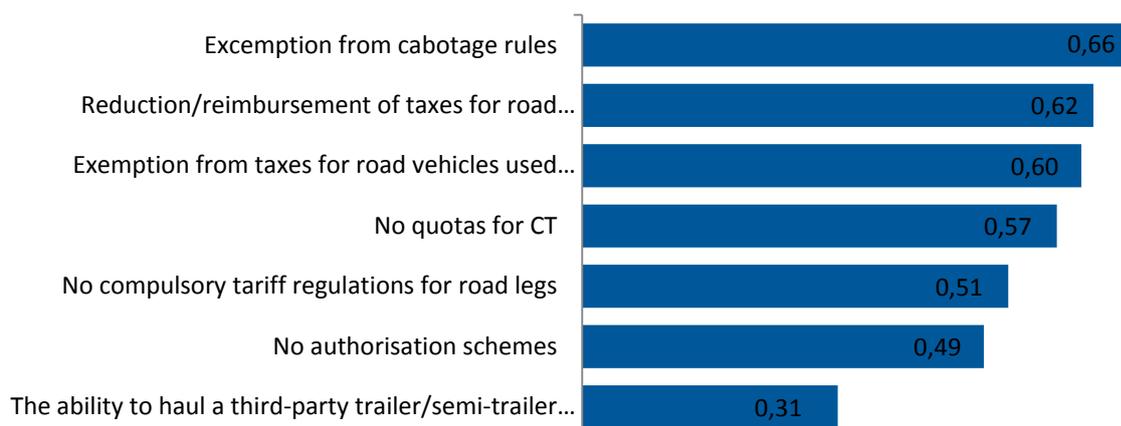
Industry by type of activity



3. General assessment of the benefits of the CT Directive

The vast majority of respondents replying to the consultation were aware of the existence of CT Directive, and two thirds of (industry) respondents claimed that the Directive has helped their business. In particular, the respondents perceived the exemption from cabotage rules (Article 4 of the CT Directive) to be currently the most useful of the existing measures, followed by the two types of tax exemptions (Article 6); while the haulage of third-party vehicles as own-account operation (Article 9) is considered more than 2 times less important than cabotage rules⁴.

⁴ It should be noted that the fact the measures have been in force for more than 20 years may have an impact on perception of usefulness. For example, the fact that there have not been any authorisation schemes in force for 30 years



The replying users and CT operators had business experiences in all Member States, but were not receiving benefits foreseen in the CT Directive in all Member States they operated in. The reasons for not receiving benefits ranged from their CT operations not covered by the Directive (such as purely national CT operations or load-units not covered) to situations where industry assessed that the provisions of the CT Directive were not respected in the particular Member State. Main problem referred to is the varying implementation of cabotage exemption as foreseen by Article 4 of the CT Directive, while it was also claimed that none of the benefits of the CT Directive were implemented in some Member States. Additionally, it was pointed out that there is a lack of necessary information about the benefits granted to CT under CT Directive.

Advantages or disadvantages created by the CT Directive

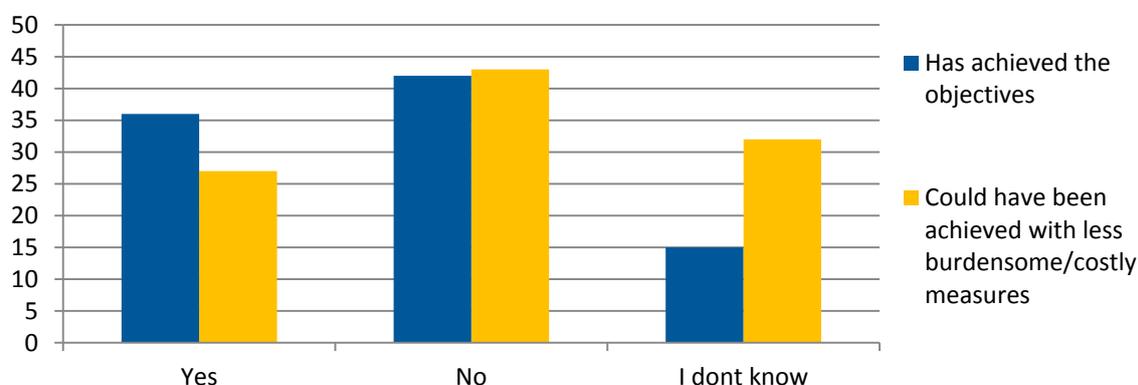
Respondents brought out several advantages that the CT Directive had created, all referring to the original objectives of the Directive. In this regard it was mentioned that the Directive had created a framework for CT operations on European level and through that made cross-border CT operations easier. It was pointed out that the Directive was an important tool to raise awareness about the possibilities to carry out CT operations as well as to foster the CT operations in general. This in turn was considered an important vehicle to promote alternative, sustainable and environmentally friendly transport that has resulted in having fewer trucks on the road and less noise/CO₂ emissions etc. From the specific advantages, the fiscal incentives were noted as an important stimulus for CT operations in general as well as a way for allowing CT road/rail to compete with long distance road transport on price. Finally the ability the CT operator to choose the road leg provider not restricted to cabotage rules was also mentioned as an important advantage for having coherent transport chains.

As regards disadvantages, majority of problems mentioned referred to different transposition and implementation by different Member States and their control authorities. Further clarity was requested for example on definition, documentation and cross-referenced benefits with the Weights and Dimension Directive. In addition, several respondents considered the definition in current Directive too restrictive, both as regards the load units as well as road leg limits. It was also mentioned that the financial incentives in the Directive are not efficient and that some parts of the Directive are simply obsolete today. Separately, some respondents considered that the cabotage exemption for CT operations creates social dumping. All these issues are dealt separately below in the specific consultation sections.

may make that article not very important currently, while the authorisation schemes were a major problem at the time of the entry into force of the Directive.

Achieving the objectives of the CT Directive

In assessing whether the objectives of the CT Directive had been achieved, more respondents (42) believed that the CT Directive has not achieved its objective of forcing the modal shift and associated reduction in road-related impacts than those who believed it has achieved the results (36). The remaining respondents did not know or were not able to assess if the objectives have been achieved. However, when asked if the same objectives could have been achieved with less burdensome/less costly measures, the stakeholders were more convinced about the usefulness of the Directive. 43 respondents were convinced that it would not have been possible to devise less burdensome and costly measures, 32 respondents were not sure if it would have been possible or not, and 27 respondents were convinced that less burdensome/costly measures could have been devised.



Respondents who were of the opinion that the same objectives could have been effectively achieved at a lower cost indicated the following alternative measures:

- Better provisions in the Directive such as widening the scope of the CT definition; removing the 150 km limitation for road legs in CT as well as better implementation of the Directive including minimising the administrative burden and removing technical and administrative bottlenecks and better/more coordinated implementation of the rules by the authorities;
- Improving the unfavourable framework conditions for rail including promoting innovative solutions (for instance a more widespread use of longer trains) and ensuring sufficient and predictable funding for rail infrastructure, as well as transshipment terminals and feeder lines into the main freight corridors;
- Less restrictions on weight and dimensions for the CT road leg, in particular allowing longer trucks and lifting (any) weight restrictions for the CT in the initial and final leg;
- Creating better incentives such as introducing lower taxes and excise duties for vehicles used in CT or granting subsidies to compensate the competitive price gap of the intermodal solution against the road solution;
- Creating incentive schemes based on a sustainable intermodal business solution against a pure road transport solution (e.g. comparison of costs and CO₂ emissions of a door-to-door operation for the CT option versus the road option);
- Linking Combined Transport to the EU initiatives for the reduction of the carbon footprint in the supply chain;
- Increasing use of European Modular System (EMS) for specific transport operations.

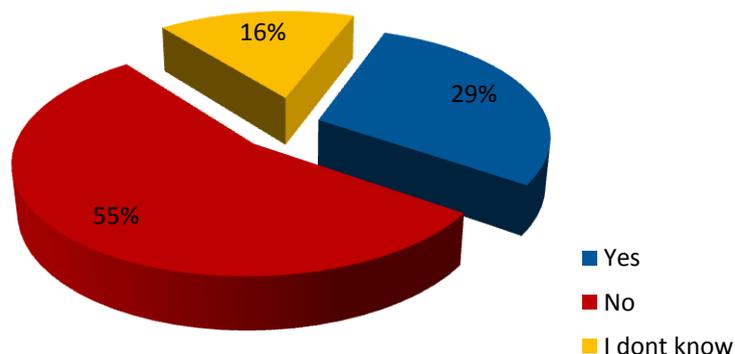
The public authorities replying to the consultation were asked to assess the cost of implementation for public sector; unfortunately none of the respondents was able to assess the annual cost of the

implementation of the CT Directive in his respective MS. The authorities stressed their problems with quantifying and calculating the external costs generated by all transport modes.

Viability of CT in the EU without the CT Directive

Importantly, the majority of respondents (55%) thought that CT operations would not be viable and competitive without the CT Directive. Less than one third of stakeholders (29%) believed the contrary, while 16% could not assess the economic viability.

It is interesting to note that 90% of SMEs and of public authorities consider that CT would not be viable without the Directive. Half of the large companies and of business associations believe it would be not possible, while 25% of business associations and 44% of large companies consider it viable. It is also interesting to see that among those optimistic about the economic viability without support, the road operators are relatively more optimistic, while the rail sector is more pessimistic.



The respondents who argued that CT operations would be economically viable/competitive without the CT Directive believed that the CT Directive has very little direct impact on the economic viability of CT as the tax incentives are negligible. However, it was also pointed out that there is a need for an EU wide framework, as a common framework plays a larger role in increasing the use of CT than the provided incentives. Several respondents noted that freight transport liberalisation is a major contributor to increased CT operations, however true liberalisation in the rail freight market, levelling regulatory framework conditions between different transport modes and the internalisation of external costs of road transport and reduction of administrative burdens due to a different implementation in the Member States would be more effective.

Should the EU continue supporting CT operations or not?

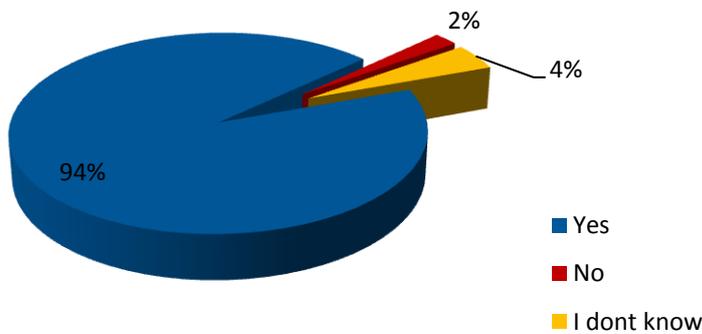
The overwhelming majority of stakeholders (94%) wanted the EU to continue supporting CT operations. Only 2 respondents (both road sector associations) thought otherwise, with another four respondents (2 individuals, 1 public authority and 1 association) not having an opinion on the subject.

It is also important to analyse the opinions and proposals of the respondents as regards to how they believe the CT sector should be further supported. It seems that there is quite an agreement that if there are no support measures and/or common rules in place, a reverse shift, i.e. shift back to single-mode road transport would occur due to the inherent disadvantages of CT such as additional cost of transshipment, higher weight of load units, higher cost of infrastructure etc.

The first set of recommendations by respondents related to administrative burden and implementation of the current Directive. Many respondents suggested that there should be a better enforcement of the existing rules, in particular as regards to cabotage exemption and cross-border road-legs. Furthermore, better (more harmonised) transposition of the CT Directive and

harmonisation of support measures and harmonisation and simplification of administrative procedures is needed EU wide.

Should EU support CT?



Secondly, the general transport policy needs to support the modal shift. In this regard, it was pointed out that full liberalisation of rail freight transport and efficient implementation of it is one of the main measures to support also the CT development, and in this regard it is important to ensure more competition on the rail market, in particular to ensure that no discrimination takes place on markets where incumbents are still big and active. Furthermore, it is important to ensure a level

playing field for rail transport and in this regard the question of internalising external costs of road transport needs to be addressed; other issues essential for ensuring fair competition were also mentioned such as taxation, infrastructure pricing and comparable legal requirements such as for example regarding standards, training and security.

As regards a possible amendment of the Directive and the scope in particular, it was recommended to amend the definition by modernising the load units covered and by ensuring that the distance limitation on the road legs relates not to simply closest terminal, but to a terminal that offers the desired service (routing, facilities, connections etc). These questions were dealt with in more detail in the next parts of the questionnaire.

In addition, many comments were made in relation to possible other incentives that could help to support the development of CT. The suggested incentives can be categorised in two groups: investment incentives and operational incentives. Many respondents considered it important to support infrastructure investments in general, and for rail and sea infrastructure in particular. In this regard, the terminals were mentioned in many replies and it was suggested by several respondents that incentives (such as tax reductions or subsidies) are needed for building neutral terminals that would guarantee free access. Furthermore, it was suggested that EU should support innovations that allow reducing the operational/handling costs of terminals. One respondent suggested that EU should find ways to directly reduce the price of using the infrastructure. It was also suggested that support should focus on developing long-distance CT corridors.

As regards operational incentives, it was pointed out that incentives through taxation should be continued. Subsidies were suggested both for the rail sector as well as for the road operators with CT compatible equipment. Some more inventive suggestions proposed to base the incentives on carbon footprint of the supply chain or to support only SMEs; time- and budget-limited support for new CT services was also suggested as was the follow-up to the Marco Polo programme. However, it was also pointed out by one respondent that CT support programs should be available to all parts of the CT chain. Furthermore, some new ideas were provided related to support improving the service quality of rail (in particular as regards delays) as well as improving the rail last mile access and improving the repositions of empty trailers/containers.

A considerable amount of replies focused on the benefits given to CT operations road-legs through the Weights and Dimensions Directive. Several respondents suggested that higher weight allowance is necessary for CT operations, not only to take into account the heavier weight of load units and

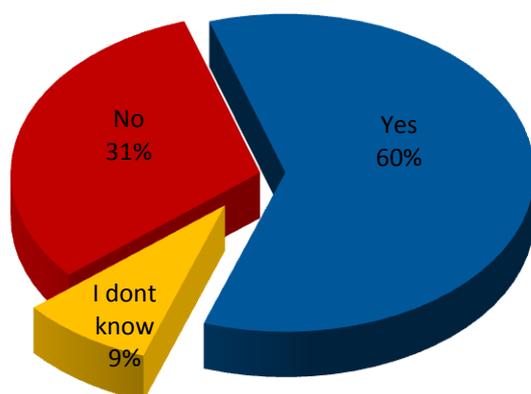
thereby create a level playing field, but to give a real benefit. In this regard, weight limits up to 50t where mentioned and it was suggested also that cross-border transport with higher weight limits should be allowed for CT road legs between two Member States who nationally allow higher than EU-wide weights and dimensions. Furthermore, it was pointed out that road vehicles with sizes and dimensions that are not compatible with transshipment onto rail wagons should not be allowed, and that the new definition of the intermodal transport as agreed in the revision of the Directive 96/53/EC will be detrimental to CT operations.

Finally, several respondents pointed out that it would be important to raise the awareness both among the CT operators as well as among potential CT users about the benefits of the CT in general as well as the CT Directive and resulting benefits in particular.

4. Definition of Combined Transport

Section 5 of the questionnaire aimed at clarifying the respondents' views on the definition of CT. The definition of "Combined Transport" in the CT Directive currently limits the scope to transportation of goods between Member States, where the goods are carried in a load unit (lorry trailer or semi-trailer with or without the tractor unit, a swap body or container of 20 feet or more in length) by a combination of road and rail, inland waterway or maritime transport which meets the following

Need to change the definition?



criteria: the rail, inland waterway or maritime transport section has to exceed 100km as the crow flies; and the road legs on the initial and/or final leg of the journey have to be either between the point where the goods are loaded and/or unloaded and the nearest suitable rail loading station (for rail), or within a radius of 150 km as the crow flies from the inland waterway port or seaport of loading or unloading.

The majority of stakeholders (60%) were of the opinion that the definition in the CT Directive requires revision. Less than a third of respondents (31%) considered that the current definition is appropriate and relevant and did not see the need to change it.

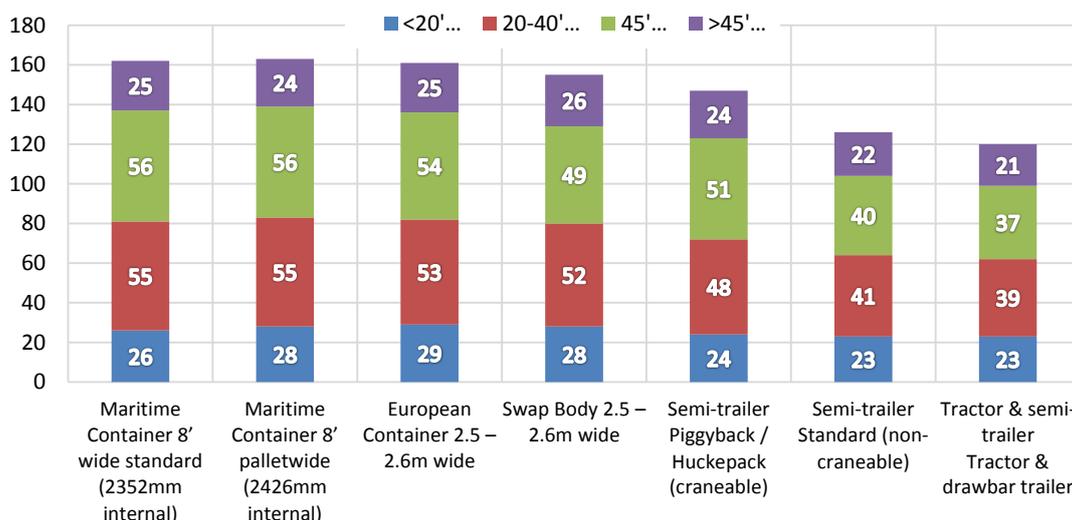
Furthermore, 48% of respondents suggested the future definition of CT should include purely domestic (within one MS) CT operations and 37% of stakeholders wanted to see International CT operations also added to the definition of CT. The dispersion of respondents supporting the existing definition or not was correlated to the particular type of respondent or their sectorial activity.

Load units

As regards the load units, covered, the Directive currently covers containers, swap-bodies, trailer and semi-trailers of more than 20 foot, with limits on road legs specified in the Weights and Dimensions Directive. The latter is being amended and the inclusion of 45 foot load units for CT was already agreed in principle by the time of the consultation in the ordinary legislative procedure. In this light, it is not surprising that majority of respondents replied that the Directive should cover load units of 20-45 feet. However, it is interesting to see that one third of respondents considered other sizes (<20' or >45') important. It was pointed out by respondents that the market is constantly innovating

and developing new types of loading units, in some cases customised to a particular situation (for example small modular systems for urban environments etc.). The legislation should allow these innovations also to benefit from the CT Directive in order not to push these load units to road. It was even suggested that the Directive should cover all the possible lengths of load units starting from 8' up to 53'.

Which load units should be covered?



Furthermore, it was pointed out that the Directive should also support CT that does not use intermodal load units as the importance of not using long distance road transport does not depend on load units. In this regard, it was mentioned that CT of new vehicles or goods that will be reloaded on conventional trains should also be covered, as well as pallets, bigbags, and small swappable container-boxes.

Modal combinations

The views of respondents diverged quite widely as to which combinations of transport modes should be covered. First, a third of respondents chose not to take an opinion on this question. Only 7 respondents chose to keep the existing coverage, while 24 supported the existing coverage with extension either to ocean going maritime transport (10) or to ocean and air transport (14).

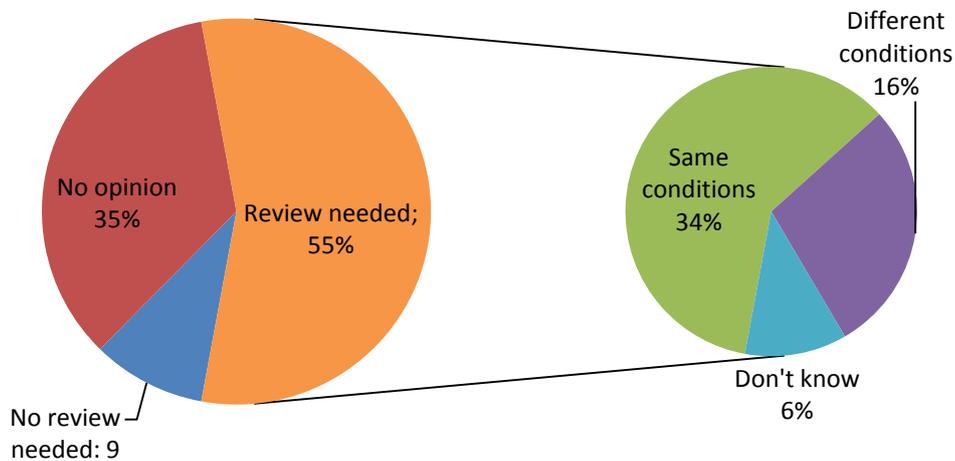
The remaining 30 respondents supported the reduction of current scope in one way or other, with main differences in opinion relating to short-sea shipping (SSS). Currently all SSS above 100km is covered, but already the 1998 Commission proposal⁵ suggested limiting the SSS only to situations where a road alternative exists and hence the objective of reducing the road transport is fulfilled. 15 respondents supported limiting the SSS only to the case where an alternative road leg exists, while 5 suggested that only island connections should be covered. 5 respondents thought that the Directive should be limited to road/rail only, 1 respondent wanted to exclude inland waterways and another 4 to skip the SSS. 6 respondents who wanted to limit the existing scope supported at the same time extension either to ocean (5) or air (2).

⁵ Proposal for a Council Directive amending Council Directive 92/106/EEC on the establishment of common rules for certain types of combined transport of goods between Member States /* COM/98/0414 final - SYN 98/0226 */ , OJ C 261 , 19/08/1998

The overwhelming majority of stakeholders were of the opinion that the CT Directive should contain specific provisions for tri-modal (or more) combinations, in particular road with rail + SSS and road with rail + inland waterway. According to several respondents, this broadening of the CT definition would provide the necessary flexibility to the sector and allow customers to decide which combination to use in the best way for a given operation.

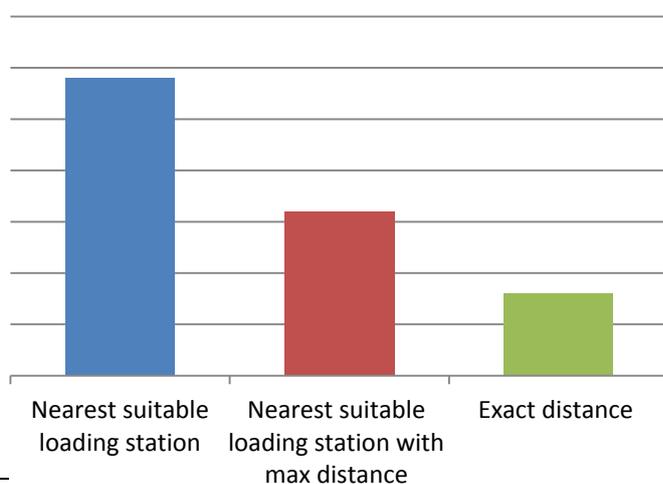
Road leg

As regards the conditions applying to the road leg, it is first interesting to note that quite many respondents (35%) chose not to answer the related questions⁶. The majority of stakeholders who replied (80%, or 55% of all respondents) considered that the provisions on the extent of the road leg for CT operations should be reviewed, while only 9 respondents considered that the above provisions required no modification. Almost all respondents happy with the status quo were large companies and from the rail sector.



32 respondents considered that the conditions for the road leg should be the same across all CT combinations, while 15 considered that conditions should be different. Interestingly, those supporting different conditions included only two CT service providers.

As regards the exact conditions, the majority of the respondents would like to see the road leg limited to the “nearest suitable loading station” without any distance limitation (52%)⁷. A third of respondents would add how far the “nearest suitable loading station” can be at maximum, while only 7 respondents supported an exact kilometre distance.



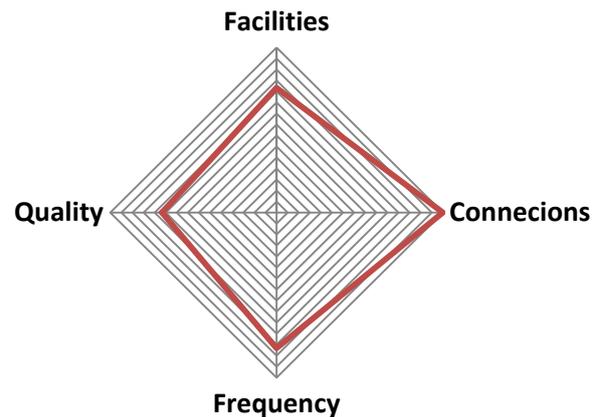
The absolute distance driven by road using appropriate motorways and major roads is considered the most suitable measure of distance limitation by the majority of respondents (59%). Distance by road as a percentage of the total CT journey is the second preferred option indicated by a quarter (25%) of stakeholders. The measure used in the

⁶ The following questions were not asked to those who didn't answer this question or considered no review was necessary.
⁷ The question was of general nature and was not limited to rail-road CT

current definition ("as the crow flies") raised least support, as only 9 respondents chose it as preferred choice of measure.

The views of the respondents who had previously indicated that the length of the road leg should be limited (by other than suitable terminal) diverged considerably over the actual value of the limitation, while many chose not to give concrete values. The respondents, who in previous question suggested percentage limitation of total CT journey, suggested limiting the road leg from 10% of CT (for each leg) up to 40% of whole journey. The respondents, who preferred a limit in kilometres suggested limits from 50 km to 300 km.

The respondents were also given 4 choices for defining the "suitable" terminal – quality, availability of facilities, and availability of connections and frequency of connections. The respondents supported very varied and rather equally distributed combinations of these four options. By far the most important qualifier for both the respondents who only chose one option as well as for those who chose a combination of the above was the availability of connections.



The majority of respondents pointed out that only the customer⁸ – not authorities or the terminal owners – can assess the needed quality and suitability, and that it is determined simply by market demands. Among other points the following elements of quality of terminal services were mentioned: technical parameters of connecting railway lines, availability and age of facilities/equipment, sufficient capacity, selection of services available at terminal (customs, warehousing, including specialised warehousing, tractability etc.), safety and security, acceptable speed of handling, just-in-time capacity, costs for handling, frequency of CT journeys and intermodal containers disposal.

Other comments on the definition of CT

The respondents also raised three points not earlier addressed:

First the confusion with the terminology was mentioned by several respondents, and in particular the relation of combined transport to terms multimodal-intermodal-co-modal and newly – syncromodal. In this light it was also reiterated that the terminology in transport policy should be consistent and defined in one place (with a particular reference to the new definition of "intermodal transport" in the current amendment for the Weights and Dimensions Directive). It was suggested that the whole terminology used in the Directive should be modernised and better defined, in particular terms such as loading unit and loading station.

Secondly, it was pointed out that the language of the current Directive is causing problems in some Member States with interpretation and the amended version should make it clear that both the initial and the final road leg are covered⁹.

⁸ Customer of the terminal, who can be the transport operator, the logistics service provider or the shipper depending on how the supply chain is organised

⁹ This issue has caused some discussions with stakeholders over the years. Already in the 1998 Commission proposal for amendment, it was suggested that it needs to be made more clear that two road legs are covered.



Finally, it was also mentioned that the more general transport policy including support for TEN-T corridors should actively support CT development.

5. Authorisation schemes

Several respondents claimed to have encountered authorisation schemes (*licences, permits, registration requirements, approved lists of terminals, approved lists of providers etc.*) in different Member States. While some respondents just mentioned the MS they have had problems with, other explained the character of the problems, and mostly these instances are related to a lack or incorrect implementation of other articles of the CT Directive, such as cabotage, documentation requirements as well as issues relating to the implementation of Weights and Dimensions Directive.

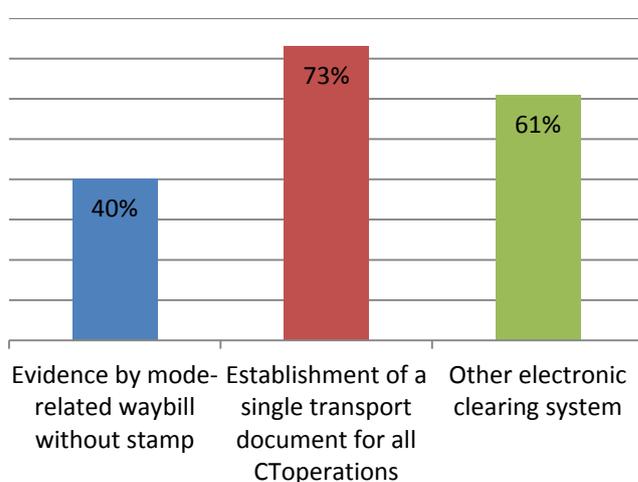
6. Transport documentation

In order to ensure that authorities responsible for day-to-day implementation of the CT Directive can distinguish the CT operations from other transport operations, specific provision on documentation (for road leg) are provided in the Directive.

73% of respondents claimed that the documentation requirements cause them some problems, majority of them claiming it causes "delay" (51%) or "additional costs" (47%). Administrative burden was also mentioned by 17% of respondents, in particular as burden of proof lies on the transport operator whose documents are checked, while the Directive leaves way to different interpretation by Member States.

Several respondents mentioned that electronic documentation should be accepted and that use should be made of different available ICT platforms used anyway. Finally, practical problems were reported with getting documents stamped at ports and getting the correct documentation from Logistics Service Providers/freight forwarders.

Respondents considered the creation of a single document for CT operations the most effective way of solving the documentation issue. It was pointed out that a uniform documentation for combined transport/intermodal/multimodal transport with a clear regime of responsibility (similar to CMR) would solve several issues such as additional cost for having different formats in different Member States as well as language issues on the road .



Using electronic clearing systems was also considered effective. Many respondents reiterated that any measure enhancing electronic exchange of data between operators and with authorities, and uniform management of transport data should be promoted.

In this regard several respondents also pointed out that some Member States are not in the position or willing to accept electronic documentation and the EU should ensure that all Member States at all levels accept electronic transport documents. As specific

examples, e-waybills/e-freight documents were suggested as was creation of unique tag reference



with web-based database, while it was also mentioned that any system developed needs to be safe against misuse and data hijacking.

Evidence by mode-related waybill was supported least. One respondent suggested using a special tag clarifying the use of CT for road leg on the existing waybills (CMR, rail waybills, inland waterways waybills, short-sea waybills). It should be pointed out that while the opinions on the single document and electronic clearing system were quite homogeneous, on mode-related waybill the opinions were polarised with as many people thinking of it as very effective as were considering it least effective.

Finally, it was reiterated that creation of exhaustive lists of acceptable documents would hinder innovation in the future.

7. Cabotage

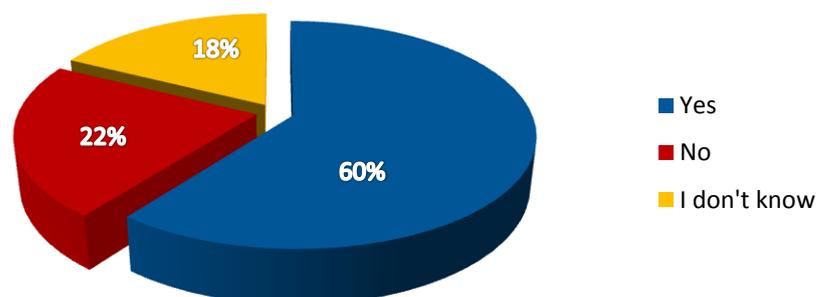
The road legs of CT operations are exempted from the limitations on road transport cabotage (as established in the regulation (EC) 1072/2009) as long as the conditions in Article 1 of the CT Directive are fulfilled. This exemption applies the same way to all combinations of CT operations, whether accompanied or unaccompanied, and does not depend on whether the road leg crosses a border or not.

Interestingly, less than half of the respondents agreed that CT operations are completely free from cabotage restrictions, while 66 agreed that cabotage rules applying to CT operations and “normal” road transport are different. From those 38% of respondents believing that CT operations are not free from cabotage restrictions, 25 considered that it is partly free. However, the answers provided included quite many inconsistencies showing that stakeholders do not have a clear understanding on how the cabotage exemption is supposed to work (for example 20 respondents who had agreed that CT is totally free from cabotage restrictions, also thought that different cabotage restrictions apply to different combination or to accompanied and unaccompanied CT).

The respondents who declared having encountered problems related to the application of cabotage liberalisation rules cited the following Member States: United Kingdom (7), Italy (7), France (3), Finland (3), Sweden (3), Spain (2), Austria (2), Croatia, Slovenia, Ireland, Netherlands, Denmark, Hungary and Germany.

In the view of a large majority of stakeholders (60%), the cabotage liberalisation for CT operations should be retained in the reviewed CT Directive. Less than a quarter of responses (22%) indicated the opposite view.

Should the cabotage liberalisation for CT operations be continued if the Directive were to be reviewed?



Does the cabotage liberalisation for CT operations create labour market/social problems in the Member States?

Respondents were divided with regard to the question of market/social problems caused by the cabotage liberalisation for CT operations. While 30 stakeholders believed this statement to be true, 35 did not agree that cabotage liberalisation creates labour market or social problems in Member States. The respondents who believed it creates problems were mostly NGOs (unions), public authorities and associations from road sector.

Stakeholders who found the cabotage liberalisation for CT troublesome complained about alleged social dumping practices where operators employ underpaid drivers from Central and Eastern European Member States to perform road legs of CT operations in Western European Member States undercutting thereby local prices and causing bankruptcy for local SMEs.

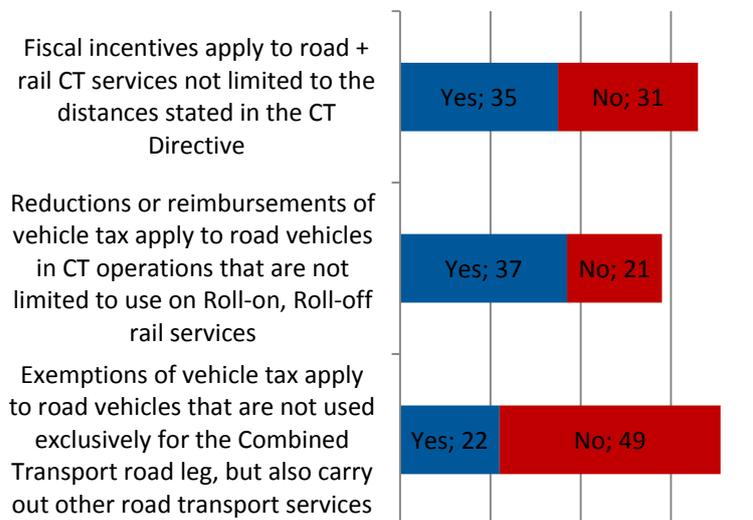
However, it was also pointed out by several respondents that most important in this respect is the correct application of the posting workers Directive on CT operations - as the question if these transports are part of combined transport or are to be seen as cabotage becomes redundant with the correct application of the posting workers Directive since the minimum levels of the country's social requirements where the transports are being carried out have to be fulfilled. Issues such as quality of equipment and use of lower taxed fuels bought in other Member States were also mentioned. At the same time, some respondents expressly supported the cabotage liberalisation as well as further liberalisation of general road cabotage rules to improve competition (while also supporting the better application of posting of workers Directive). It was also pointed out by several respondents that removing the cabotage liberalisation for CT operations will not solve the problem of social differences (including different labour costs).

8. Financial incentives in Combined Transport operations

The CT Directive provides two types of financial incentives for road vehicles engaged in CT, namely reduction or reimbursement of taxes for road vehicles in the country where the vehicles is registered, when these vehicles are transported by rail in Combined Transport operations (Article 6.1, applicable in all MS) and the exemption from taxes for road vehicles used exclusively in collection or final delivery of Combined Transport services (Article 6.2, optional for MS to introduce).

A vast majority of respondents agreed that road vehicle tax reductions (61%) and reimbursements (64%) as foreseen in CT Directive are available for road vehicles used in CT. As regards the optional incentives of Article 6.2 of the Directive on road vehicles used exclusively for CT operations, 51% of respondents were aware of such support measures.

Interestingly, about a third of respondents reported that Member States have implemented the incentives differently from the Directive and that fiscal measures apply with different distance limitations as



well as to different types of CT operations.

The vast majority of stakeholders (92%) did not have any knowledge of other fiscal incentives relating to road vehicles used in CT. As a matter of fact, several stakeholders mentioned that they were not aware of the incentives in Article 6 and would now try to receive the foreseen incentives from respective authorities. 7 respondents mentioned incentives different from those in the Directive: state aids for new vehicles used for Combined Transport; aid for investment in intermodal containers/trailers; incentives for energy use/CO₂ reduction and incentives for road vehicles using ferry services

Some of the stakeholders reported inefficiency of the currently existing fiscal incentives for CT operations. According to them, the incentives contained within the CT Directive were comparatively insignificant and did not provide adequate support to grow CT operations. It was pointed out that as taxation remains part of Member States competence, the financial incentives differ substantially depending on the Member State. A few respondents reported cases where there was in practice no possibility of receiving the reduction in vehicle tax, since the criteria of the CT Directive were too vague and subject to Member States' individual interpretation. Furthermore, it was pointed out by several respondents that it is (almost) impossible to use some vehicles exclusively for CT (or to prove it) meaning that the second incentive is absolutely not usable.

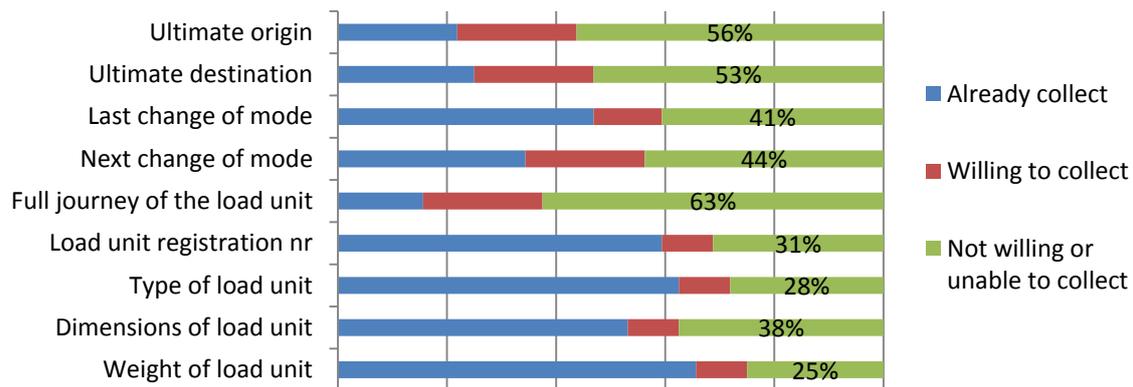
In this light, a considerable number of respondents called for additional financial incentives for CT operations in a revised CT Directive. According to some, the discounts should also be applied to vehicle excise duty for lorries performing positioning legs of CT transport chains. Other respondents suggested focusing on incentivising innovations in the CT sector.

9. Improving knowledge of the Combined Transport sector

At present the volume and quality of statistics related to CT movements in the EU is not sufficient, which impacts on the ability of Member States and the EU to assess the operation of the CT market. A large majority of respondents (73%) recognised the need for better data on the CT market both for better assessment as well as better awareness rising, while pointing out that any data gathering requirements would need to be carefully assessed as it is not desirable to create additional administrative burden and costs to operators.

As regards the data already gathered, all CT operators and some business associations confirmed that they gathered information on CT movements as part of their business operations, mostly electronically (81%)¹⁰. However, the data already gathered by respondents differs depending on their business. While majority of them are gathering information on the actual load unit (registration number, type, weight and dimensions), the number of respondents gathering information about the journey of the load unit is considerably less. Only 16% gather information on the full journey of the load unit (starting point, changes on the way and final destination) and majority are not willing (or are unable) to collect that kind of information. While a majority is recording or is willing to record the previous or next transshipment, more than half are not willing or able to gather information about the starting and the ending point of the load units journey.

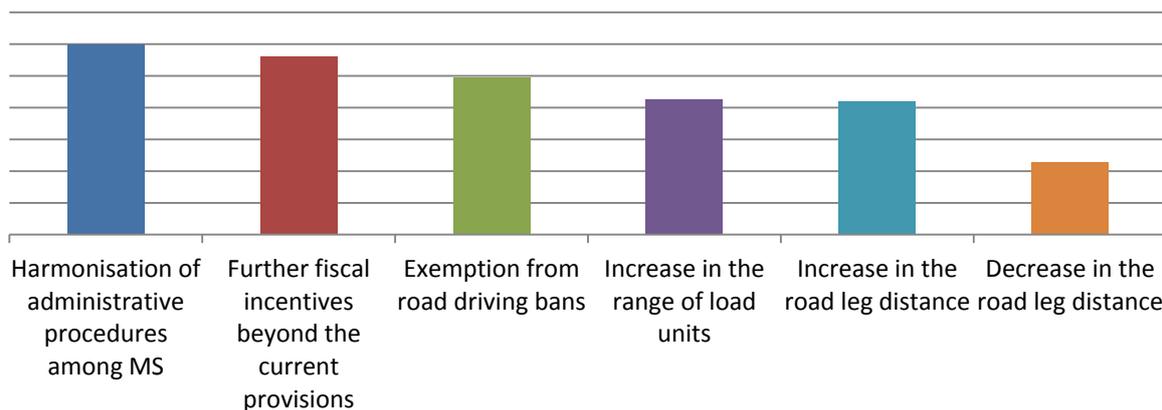
¹⁰ 14 business associations and 8 public authorities are already collecting or willing to collect some or all data as well as one NGO



Interestingly, from those who are already collecting the data or willing to do so, 65% were willing to report the gathered data regularly (assuming appropriate solution has been found for safeguarding commercially sensitive data), except for the full journey details that only 45% were willing to report regularly. 2 respondents pointed out that they would not be willing to share the data for competitive reasons, while several members of UIRR (International Union for Road-Rail Combined Transport) would prefer the association to gather and analyse the data. It was suggested that terminal operators have access to most data and should be the ones gathering and providing the data. It was also mentioned that if an electronic single transport document would be introduced then the information gathering would be very simple. Finally, one public authority pointed out that those benefitting from public incentives (operation or investment) should be required to report back regularly.

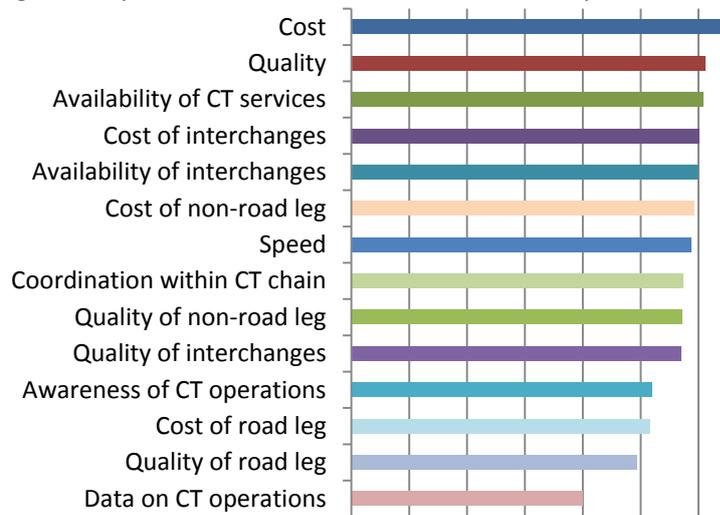
10. Boosting freight transport by alternative modes

The majority of respondents (85%) considered that CT Directive should be revised in order to further boost Combined Transport.



Harmonisation of administrative procedures among Member States was considered as the most important measure (65%, including most of highest scores) to help increase the use of CT. The majority of respondents were also strongly in favor of the introduction of more fiscal incentives (61%) and for exempting CT operations from road driving bans (54%). The increase of load units was scored quite homogeneously in middle-range, while the opinions on the change of the road leg distance were clearly polarised both receiving almost equal number of highest and lowest scores.

When assessing elements influencing the growth of CT operations in EU, the cost and quality of CT against equivalent door-to-door road haulage stand out as the issues which were considered to be of highest importance. Furthermore, the availability of CT services and the cost of interchanges in CT



were also very important factors determining the use of CT.

Interestingly, the cost and quality of the road leg, the issue which has caused some controversy as discussed above under the cabotage liberalisation, are assessed rather unimportant.

Furthermore, many respondents reiterated their concerns described above in the "objectives" section of this consultation, most importantly those relating to weights and dimensions, difficult price

competition with road-only transport due to lack of internalisation of external costs and lack of harmonisation. It was also mentioned by several respondents that investments into the infrastructure are necessary as is ensuring better predictability of rail access charges. Finally, one respondent pointed out that CT will not be economically competitive with road transport under 250 km, and hence the resources should not be wasted to support CT on shorter distances.

As regards possible other fiscal incentives, the respondents considered reduction/reimbursement of infrastructure access charges for rail and inland waterways, longer articulated road vehicles for moving CT load units to/from rail, inland waterway and sea terminals and expedited process to speed up approval of development for new terminals equally important, while support to start-up phase of new multi-user CT services and incentives to encourage investment in CT load units received less support from respondents.

The respondents also suggested, further to issues suggested in previous questions that it would be important to look not only to weights and dimensions of road vehicles, but also to ensure investments that would allow to use longer trains/increase rail capacity; that investments should not be limited to new terminals/infrastructure, but also to maintenance and upgrading of existing ones; that implementation of the railways liberalisation and in particular free access to terminals needs to be guaranteed and further support for the short but relatively more expensive road leg are needed. Harmonisation of Rotterdam Rules¹¹ was also mentioned.

11. Some conclusions/general comments by the respondents

Respondents provided several final comments, mostly reiterating their main points from the consultation. The main points raised can be summarised as follows:

- Harmonise the CT policy within EU to provide a clear, up-to-date and transparent framework which supports CT and facilitates greater use and minimises differences of interpretation;
- Improve the awareness, application and enforcement of measures to promote CT, both within and between MS;

¹¹ United Nations Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea



- Encourage greater trans-national co-operation for CT services, as much for infrastructure investment as for reducing/removing border crossing procedures;
- Alter the core economics of CT over pure road haulage to achieve greater cost neutrality, by altering relative usage charges and/or by use of incentives; in this regard support the CT road leg with appropriate incentives that have more effect than current ones, including with better financial incentives as well as preferential treatment of CT road legs as compared to road-only-transport (cabotage, weights and dimensions, driving bans etc); and increase the investment in rail, inland waterway and sea port facilities and transport corridors, to enhance the capabilities and efficiencies of CT services;
- Assist with the start-up phase of new CT services, supporting initial capital investment in infrastructure (e.g. terminals and equipment) and/or the initial operating costs of the services up to a particular time / load factor;