



Significant cost increase in rail freight traffic

- **The UIP working party “Economic Impact of New Rules and Regulations” presents its report**
- **Additional costs for the wagon keepers in rail transport could reach up to 62,8%.**
- **The sector associations call for a intensified dialogue between politicians and actors**

Hamburg, 21st November 2011. On 21st November 2011, the International Union of Wagon Keepers (UIP) presented the conclusions of one of its working parties which analysed the economic impact of the new EU rules and regulations on rail freight transport. This presentation was made during the yearly symposium of the German union of private wagon keepers (VPI).

Experts from several European countries investigated the various additional costs resulting from the new rules and regulations. On the basis of variable assumptions, threshold and ceiling limits of the costs increase were determined according to several scenarios.

The results of the study are alarming. It was calculated that, by a supposed typical daily cost figure of 20 € per wagon, the possible costs increase could reach up to 62,8 %.

It is to be feared that this costs increase will severely limit the competitiveness of rail freight transport and trigger a modal shift between transport actors. In order to counteract this, UIP and VPI demand that politicians benchmark once more the costs drivers identified in the conclusions with regard to their cost/use and safety aspects.

Detailed study “Economic Impact of New Rules and Regulations”

The costs increase resulting from the following new rules and programmes were analysed in the study:

- Certification costs for the Entity in Charge of Maintenance (ECM)
- European Wheelset Traceability (EWT)
- European Visual Inspection Catalogue (EVIC)
- Reference databank (technical data TAF/TSI) and mileage recording (introduction/adaptation of the Rolling Stock Reference Database - RSRD)
- Maintenance of wheel sets and axles according to European Common Criteria for Maintenance (ECCM)
- Implementation of K brake blocks on new built wagons or retrofitting of the existing fleet with K or LL brake blocks linked with noise differentiated track access charges in order to reduce rail noise.



The calculations have been based on the following assumptions and clusters:

- Keepers own / manage 1.000, 5.000 or 10.000 wagons
- Standardized 4-axle wagons with brakes for S transport (100 km/h)
- Wagons run yearly 30.000 km, 60.000 km or 120.000 km

There are significant additional costs per day and wagon for keepers with 10.000 or more wagons:

- In the scenario of 4-axle freight wagons equipped with cast-iron brake blocks, additional costs are between 0,34 € (threshold for 30.000 km) and 1,72 € (ceiling for 120.000 km)
- In the scenario of 4-axle new built freight wagons equipped with K brake blocks, additional costs are between 2,02 € (threshold for 30.000 km) and 8,43 € (ceiling for 120.000 km)
- In the scenario of existing 4-axle freight wagons retrofitted with LL brake blocks, additional costs are between 2,97 € (threshold for 30.000 km) and 8,99 € (ceiling for 120.000 km)
- In the scenario of existing 4-axle freight wagons retrofitted with K brake blocks, additional costs are between 5,96 € (threshold for 30.000 km) and 12,37 € (ceiling for 120.000 km)

Hamburg, 21st November 2011

About the UIP

The UIP (International Union of Wagon Keepers) is the umbrella association of the union of private freight wagons and has its seat in Brussels. It comprises national associations from fifteen European countries and represents keepers, loaders and other actors of the some 180.000 private freight wagons in service throughout Europe. The UIP represents the concerns of these parties to the European Union and other international organisations. By means of research, lobbying and focused cooperation, the UIP wants to secure on the long term the future of rail freight transport.

About the VPI

The "Vereinigung der Privatgüterwagen-Interessenten" (VPI) is the German association within the UIP. Its members are mainly companies from the transport branch, especially lessees of tank wagons and other rail freight wagons. Companies from the chemical industry and petroleum business, as wagon renters, as well as workshops for new construction, retrofitting or maintenance of freight wagons are also members of the VPI. Altogether the member companies bring more than 64.000 freight wagons on rails. Founded in 1921 in Berlin, the VPI now has its seat in Hamburg.