

Rail Freight

UIC launches the European Rail Freight Portal

www.railfreightportal.com

On October 20 UIC launched the European Rail Freight Portal, an online portal dedicated 100 % to rail freight. The site, www.railfreightportal.com, aims to create a positive perception of rail freight, building on the remarkable progress made by the railway companies in response to the logistic needs of their customers.

UIC members have improved their services and freight performances significantly over the last decade. However, rail freight is still perceived as an underperforming business. For this reason the Rail Freight Portal has been initiated with the aim to enhance the perception of rail freight as well as to promote rail transport.



The portal provides attractive and up-to-date information on rail freight and statistics, accessible to the general public, journalists and potential customers. It strives to be a focal point for people interested in railways with the role of presenting content on a general level and based on the visitor's need for specific information about reports and links to other sites.

The portal will also feature freight news and offer the visitor the opportunity to take part in surveys and polls which are related to important and ongoing topics. On top of that, every month a special report will be published on the site. It will focus on the strategy and direction of one particular member. This month the reader can dive into the leading railway in Belgium, SNCB Logistics.

The site has been developed together with the members of UIC and the vision is to create Europe's leading rail freight portal. It represents a unique opportunity for railway undertakings to communicate their key rail freight messages in a European context.

For more information about the Rail Freight Portal, please visit www.railfreightportal.com or contact UIC Senior Freight Advisor Gustav Manding: manding@uic.org

The Rail Freight Portal launches every month a special report which focuses on the strategy and direction of one particular member. This month SNCB Logistics are in the lime light and *Geert Pauwels*, freight coordinator of the SNCB Group, exclusively gives his thoughts about the future of rail and how this is connected with SNCB Logistics' strategy.



Member of the month

on www.railfreightportal.com

interview with Geert Pauwels
COORDINATOR SNCB FREIGHT GROUP

In the growth tracks of a high-performance international logistics group

SNCB Logistics, the freight division of the Belgian railway company, NMBS/SNCB, is undergoing a thorough transformation so as to grow from a traditional national railway company into a high-performance international logistics group for multimodal transport. Unfortunately that growth track is being slowed down by the economic situation now.

"But I can tell you straightaway," says Geert Pauwels, "thanks to this transformation our organisation and infrastructure will be ready to take advantage of the turning point when it comes. Nobody knows when the recession will be over, but it won't last forever. At that moment, we will be the first one in the starting blocks."

Proactive plan for the future

Geert Pauwels: "Since liberalisation the traditional rail operator, B Cargo, has had to deal with many problems in terms of customer-orientation, international presence, quality and productivity, and in addition the company was making a loss. A few years ago we started to implement a clear strategy to turn the situation around, but because of the economic malaise we are now obliged to speed up the process. The NMBS/SNCB freight group underwent thorough restructuring in 2008 so as to be better able to respond to the needs of the market. The specialised subsidiaries, IFB, Rail Force and Xpedys are responsible for commercialising the various goods transport products, whilst B-Cargo's role is focussed on the operational aspects of transport, in cooperation with the technical divisions within NMBS/SNCB and the so-called corridor managers for international rail transport. Together they make up the SNCB Logistics."



Geert Pauwels: "In 2008 SNCB Logistics had to contend with a loss of more than 100 million euro, 85 million of which were structural. Because of the economic crisis there will be a further increase in losses in 2009. So we need faster implementation of the 'Industrial Plan SNCB Logistics', which we started to carry out last year. The plan consists of a restructuring proposal including, amongst other things, reorganisation of our

cost structure, staff reductions and a complete reorganisation of single wagon transport and the local operations. Drastic measures, but essential, because the financial, organisational and commercial challenges remain considerable. We have an important restructuring behind us but, like in a marathon, the last 10 kilometres are the most difficult. Nonetheless we are and continue to be ambitious for the future. Our goal is to get back on an even keel financially by 2012 and achieve a turnover of 1 billion euro. That should allow us to invest in our activities abroad and continue to expand them.”

Three strategic priorities

Geert Pauwels: “The strategic vision we traced out in 2003 was based on three priorities which we have pretty much fleshed out now. For a ‘small’ transporter like us, squeezed between big European players, it is certainly not easy to hold your own in the liberalised market of goods transport. Nevertheless, in this extremely competitive market we still want to take our place as the number one rail operator for the Benelux and the north of France. It is obvious though that we need to be financially stronger to become a bigger player - hence the current cost-cutting policy.”



Geert Pauwels: “The first priority we put forward was a strengthening of our position as a regional operator by increasing the quality and productivity of B-Cargo and the locomotive division of NMBS/SNCB. Priority number two focussed on establishing our international position. We want to offer our services all over Europe. In the meantime we have developed a large number of goods axes, either in open access (traction over the whole journey which we carry out ourselves), or via a cooperation agreement with partners - for example, Sibelit on the Belgium–Italy axis - or via stable partnerships with international players like DB Schenker Rail, ECR, SBB Cargo and so on. As a freight group we must focus on corridors with large volumes now and provide a good service on them.”

Geert Pauwels: “A third priority was the creation of segment-specific subsidiaries for the most important component markets, with a distinct commercial approach per sector in terms of sales and customer monitoring. Now, then, we have IFB as a terminal operator specialised in container transport, Xpedys for dry bulk goods and metal products, and Rail Force for chemicals and car transport. Besides their range of solutions for rail transport, these branches – and their subsidiaries – aim to offer a complete logistical range: wagon management, ‘last mile’ operations, inland and short sea shipping, trucking and warehousing.”

Rail, inland shipping, terminals and trucks

Geert Pauwels: “The bottom line is that SNCB Logistics now has a well-organised commercial organisation with the emphasis on customer-orientation, a proactive approach and the ongoing development of new products. In concrete terms that means that we have a complete, competitive range of multi-modal transport solutions in house, based on complete control of the whole transport chain, a large, modern fleet, quality controls at every level, and vital services such as a tracking & tracing system, optimised transport planning, contracting and financial management.”

Geert Pauwels: “It goes without saying that SNCB Logistics wants to continue to promote the railways, but we shouldn’t forget that besides that we make a good 200 million euro from inland shipping. So it comes down to better integration of these two modes of transport. I think that the railways and inland shipping could have a considerably larger market share in ten years than we have now. There is just

a lack of alternatives. As a matter of fact, after the Netherlands, Belgium has the densest inland shipping network leading to the Netherlands, Germany, France and, further on, to Eastern Europe”.

Geert Pauwels: “Obviously rail freight transport has every opportunity to win back market share. Besides the ever-increasing inland shipping traffic, rail is, after all, the alternative to the road network, which is so congested that it is slowly grinding to a halt. If all the external costs caused by road transport were really calculated, inland shipping and rail would immediately become more competitive and the volume of trade would increase. Believe me, sooner or later that calculation will be made. In fact there has long been talk of government measures to promote the desired modal shift from road to rail. That would straightaway mean a step in the right direction for sustainable mobility – as SNCB Logistics offers it – with respect for the environment and safety.”



The railways of the future

Geert Pauwels: “Belgium is a small country, but at the same time it is a crossroad of European transport axes. And, what’s more, it has a world port at the front door and a gigantic hinterland at the back door. Good co-operation with our strategically chosen partners is certainly one of our strongest points. The extensive cross-border network that has developed increases commercial speed and creates transparency for our customers.”

Geert Pauwels: “Another international boost is the international project to improve the quality of single wagon load transport, of which we are co-initiators. Transport by individual wagons represents a third of the traffic, but two thirds of the costs, so that measures are needed all over Europe to protect the sector from worse. A big part of our costs reductions aims at the improvement of the single wagon load transport. Many IUR members have invested a lot of resources in it. Here, too, it will soon become obvious that cross-border cooperation is needed to improve quality and commercial service provision.”

Geert Pauwels: “If we want to gain ground internationally we’ll have to really fight for it: reduce costs, remain alert and – absolutely essential – constantly adapt our infrastructure and logistics concepts. As a fervent marathon runner I can say from experience that you only know where your limits are when you try to extend them, and that’s what we’re busy doing right now.”

Biography of Geert Pauwels

Since May 2008, Geert Pauwels leads the SNCB Logistics, SNCB’s freight division. SNCB Logistics has the ambition to become a high-performing European multimodal player, offering rail and barge transport. SNCB Logistics bundles the commercial and operational companies for European freight transport. The commercial subsidiaries within the group are IFB for container transport and as terminal operator; Xpedys for dry bulk and metals and Rail Force for chemicals and automotive. BCargo handles the production of the train transport. Furthermore the group has participations in a number of international corridor companies, together with the main European rail operators, in order to offer qualitative and cost-efficient cross-border rail transport all over Europe. SNCB Logistics has subsidiaries in Belgium, Germany, the Netherlands, Italy, France, Switzerland and Poland.

Geert Pauwels heads this group of companies. He sets and implements a strategic vision that will enable the SNCB Freight Group to serve the customers in the best possible way, to counter the competition and to grow significantly in the future. In the mean time, he combines this function with CEO of subsidiary IFB/TRW. He holds a master in economics (UFSI Antwerp) and international business (ESC Grenoble). Before joining SNCB he held several positions at McKinsey, where he started as Business Analyst mostly for the pharmaceutical and telecom sectors. Later on, as Engagement Manager, he was located in the US, Asia and Europe where he advised CEO’s during the restructuring of multinational companies in the logistics sector. During two years Geert also worked in a governmental environment on air traffic issues and he was governmental commissioner at Belgocontrol. Geert is 35, married and has a young daughter. He likes to travel and is an experienced marathon runner.

Technology & Research / Infrastructure

EU Projects. INNOTRACK seminars: 14 - 15 October 2009

A series of two seminars for the European project INNOTRACK was held in Brussels and Paris on 14 and 15 October respectively.

The first day, held at the Infrabel offices in Brussels, focused on the work of sub-packages 3 and 4: switches and crossings and rails and welding. *Paul Godart* (Infrabel) opened the meeting by extending a warm welcome to the 70 participants and gave an introductory presentation on the role of Infrabel within SNCB Group. INNOTRACK Project Manager *Björn Paulsson* (UIC) followed by giving a general summary of the progress made to date within the project. Currently in its third year, INNOTRACK has a total of 36 partners from 11 countries, made up of infrastructure managers, the supply industry, contractors, academics and associations.

Mr *Paulsson* spoke briefly on the dissemination process: as the project draws to a close the dissemination of material will gradually become more predominant. Thus far 139 deliverables have been produced, 15 of which will be used as guidelines and translated into French and German versions as well as the original English. He ended by briefly reminding participants of the list of events for late 2009 and 2010, in particular the General Assembly on 19 January, which will focus, among others, on asset management, economic impact, cost drivers, LCC, RAMS and logistics. The day's meeting included presentations by 14 guest speakers, composed mainly of infrastructure managers and the railway industry, on topics relating to rail degradation, welding procedures, switches and crossings, LCC and RAMS.

The following day (15 October), a second INNOTRACK seminar focusing on sub-package 2 (sub-structure) was held at UIC, Paris, attracting for the most part a different set of participants to the day before. *Gerard Dalton* (UIC Infrastructure Director) gave a brief welcome to the 70 attendees. In his speech he highlighted the importance of European projects such as INNOTRACK, describing it as a "flag bearer" and spoke of the need to obtain usable material and deliverables from the project.

17 speakers had been invited to deliver presentations throughout the day on, among others, the onset of settlement, track stiffness, sub-grade assessment, superstructure innovations, LCC and RAMS. A poster session was held during the morning coffee break where participants could view and discuss the work carried out by the various railway companies. Running parallel to the poster session was a demonstration of a database developed by the University of Karlsruhe, designed for SP2 members to



Seminars

14 October
Infrabel, Brussels
Focus on track
& switches

15 October
UIC, Paris
Focus on sub-structure



store useful data from the project. Also incorporated into the agenda were discussion slots whereby participants had the opportunity to ask questions and debate with the speakers the topics that had been presented. Open discussions were held throughout the day's meeting on sub-grade assessment and reinforcement, superstructure innovations, LCC and RAMS.



The meeting drew to a close with a general discussion on life cycle costs followed by a concluding summary by SP2 leader Florence Margiocchi (SNCF). In her speech she mentioned the need to adopt different approaches and to further test the models that had been described during the seminar. The participants were strongly encouraged to make full use of the database as well as the results. Ms. Margiocchi ended by extending her warm thanks to the attendees for their participation, the SP2 partners for the high quality of their work, and to Björn Paulsson for leading the project.

The next INNOTRACK General Assembly is due to be held on 19 January 2010 at UIC, Paris.



For more information on the project, please contact Björn Paulsson: paulsson@uic.org

ERTMS

ERTMS Platform Steering # 14 and Plenary # 8 meetings Test trip on RM-NA on laboratory train ETR Y1. (Rome, 24 – 25 September 2009)

At the kind invitation of RFI, the ERTMS Platform Steering and Plenary boards met in Rome on 24 and 25 September. The meetings were chaired by Mr M. *Elia* – RFI CEO – and vice-chairman of Mr. H. *Hess* – SBB Consulting – special invitee was Mr *Jean-Pierre Loubinoux*, Director General of UIC - at the presence of IMs, RUs and representative bodies, as usual.

The meetings were held in “Istituto Sperimentale” in Portonaccio. The “Experimental Institute” was founded in 1905 and operated for a century in a historical building in Trastevere avenue. Nowadays, it is part of Technical Direction of RFI and works in the new headquarters in Portonaccio street, from where manages tests, measurements and experimentations, through the development and coordination of all RFI laboratories. Its motto is “Innovators by tradition” - Mr *Alvaro Fumi* is the general manager.

The steering meeting focused essentially on the Platform organisation. General agreement was reached on the Platform migration to a more comprehensive body dealing with the whole Control Command, Signalling & Telecommunication area. In dept discussions were held on the subjects to be dealt with in order to avoid duplications and, on the contrary, to avoid missing important topics.

At the end of the meeting, RFI invited members to a test trip on the Rome-Naples line, ERTMS / ETCS pure lev.2, with no fall back lateral signals on the laboratory train ETR Y1. The diagnostic train ETR Y1 can run at 300 km/h while checking the complete set of the railway infrastructure parameters, comprehensive of ETCS and GSM-R. It is equipped to perform functional tests of the interoperable ETCS level 2 system. Last February the train reached the speed of 362 km/h, which represented the maximum speed on Italian lines, but also the world record in a tunnel. The Rome-Naples line was first opened in December 2005. On 12th December 2009, the high speed/high capacity system from Turin to Salerno will be completed with the opening of the new sections from Turin to Milan and from Naples to Salerno – entirely equipped with ERTMS / ETCS level 2. Journey times will be highly reduced, creating not only new possibilities for business and travel, but also introducing a new social lifestyle, as already experienced in other countries.



The UIC Platform Plenary meeting was held on 25 September with new participant Members: PKP PLK S.A. and East Japan Railways as observers – more than 40 UIC Members, between Infrastructure Managers and Railway Undertakings together with ERA and sector organizations: CER, EIM, ERTMS Users Group regularly attend the Platform Plenary meetings. Mr *Jean-Pierre Loubinoux*, the new Director General of UIC since April 2009 thanked RFI and Mr *Elia* for hosting the UIC ERTMS Platform in Rome. He then presented his 4 main objectives to be achieved in order to meet the members' needs and enlarge the scope of the UIC as decided during the last general assembly:



- * Efficiency: improve our work in all fields
- * Integration -> wheel/rail interface and for instance the new Rail System department
- * Global: think global at all levels and for all issues
- * Savings: same problem for all railway associations.

UIC European fees will decrease by 10% this year and next year as well. A complete overview of the Platform activities was given to the participants. New trends in Signalling & Telecoms were highlighted with the Long-Term Vision and New Mobile Radio Technologies and the first step towards ETCS level 3: the “ERTMS Regional” project. Results of the ERTMS Implementation benchmark study were given, via the final report 2009, distributed to those present. This is the first time that we have determined ERTMS implementation costs on the basis of actual cost figures provided by the rail community. However, the results presented are to be seen as a first step on a long journey towards a detailed life cycle costing of ERTMS. The project management team hopes that the study will provide the railway community with the necessary support to reinforce their knowledge about costs within their own organisations and those of their peers.

The UIC ERTMS Platform is a body exclusively composed of railway members, Infrastructure Managers and Railway Undertakings. It is currently a forum for strategic debates and common goals where railway members mutually inform each other outside the legal frame. With more lines in ERTMS commercial operation, there are emerging needs to manage the issues arising from the day to day operation. Railways have to manage and respond immediately to issues that occur in service, and they need to work together sharing the problems and solutions found. A complete plan for 2010 meetings has been circulated and agreed.



For more information contact please Paolo de Cicco, UIC ERTMS Platform manager: decicco@uic.org and Françoise El Alaoui, ERTMS Conference Project manager: elalaoui@uic.org

Railway architecture

UIC participated to the Watford Conference (Ronda, Spain, 7-11 October 2009)

Last year, UIC supported the Watford Group in the organization of the 10th Brunel Awards competition (cf. UIC e-news n°116 – 6th October 2008). This competition distinguishes the commissioners of the world's best projects in railway architecture, industrial design, graphics and art, technical infrastructure and environmental integration and rolling stock.

To get closer to the Watford Group, UIC attended from October 7 to 11, 2009 the Watford Conference which took place in Ronda (Spain) at the invitation of ADIF. Thanks to its experience in the previous Brunel Awards in Vienna in 2008, UIC announced its wish to get more involved in the next Watford Conferences and the Brunel Awards competitions. *Pia Bech Mathiesen* – Secretary General of the Watford Group – welcomed with big pleasure this support.

This year, the main theme of the Watford Conference was “*The challenge of capacity in the railway terminals*”.

Considering that demand for mobility and rail traffic increase, railway stations have to be adapted and/or designed to welcome more passengers and more trains. Following the New York Penn Station example - designed for 100 000 trips daily against 300 000 now – lot of existing stations do not fulfil the current needs. Consequently architects and designers are asked to find solutions to refurbish, build or adapt railway stations with this capacity issues while dealing with PRM accessibility and other environmental features. Flow studies and simulations are common tools to reorganize passengers movements in stations or access to stations often in a global refurbishment projects [Châtelet underground Paris station (France)] or sometimes in new station projects [Vienna main station (Austria)]. However the way to adapt stations differs from one station to another due to their environment, their location, their typology, etc. For example, Central Japan Railway Company presented the Shin-Osaka "Shinkansen" Station enhancement project. It consists on building a new track and a new platform to increase Tokaido Shinkansen trains frequency (from 11 to 13 trains per hour). But sometimes the urban environment is so dense that it is not possible to enlarge stations. Thus the experience of architects from dense metropolitan areas, such as Singapore, is very useful to make constraints assets. In Asia we can also quote the example of stations under viaduct designed by West Japan Railway



Atocha Station – Madrid.



Maria Zambrano station – Malaga.

Company in the Osaka-Higashi line. Nevertheless few details like better platform design (cf. work of DSB in Denmark) – cheaper – can sort the capacity problem out in some cases.

Moreover, participants had the possibility to show their works on railway stations issues: railway stations programs (ÖBB, ADIF), railway stations projects (AREP in France and China, Upgrading Nørreport Station in Copenhagen), new stations in use (Liège Guillemins in Belgium), restrooms (East Japan Railway Company)...

Finally, following the presentation of Javier Bustinduy (BB&J Consul SA) relating to “HS stations: the battlefield for customer choice” and referring to the “UIC Study on High Speed Rail and the City”, everybody agreed on the following conclusion: High Speed line costs tend to relegate stations to a secondary level. But stations are as important as lines. Thus stations location should be determined prior to the HS line design to meet passengers’ expectations (accessibility, intermodality...).

This conference was also the occasion for participants to visit new railway terminals and improvements in stations:

- Atocha Station (Madrid)
- Maria Zambrano station (Málaga)
- Santa Ana station (Antequera)
- Santa Justa station (Sevilla)
- Córdoba station (Córdoba)

The Watford Group arranged to meet next year in France for the Watford Conference 2010 and in Washington DC in 2011 for both Watford Conference 2011 and 11th Brunel Awards competition.

The Watford Group

The Watford Group is an international expert forum for railway design professionals and was created in 1963 by British Railways. Since the 1980s, other European and international railways have joined. The Group currently has members in more than 15 countries worldwide and meets once a year at the Watford Conference to exchange ideas and to discuss relevant railway design topics.

For more information please contact
Mickael Lannoy:
lannoy@uic.org



Cordoba Station.



Santa Ana station – Antequera.



Santa Justa station – Sevilla.



News from UIC Members

Hungary : Mr. Miklos Andrasi, Chairman of the Board and President-Director General of MAV



Mr. *Miklos Andrasi*, Chairman of the Board and President-Director General of Hungarian State Railways MAV, will exercise his duties solely. Mr. *Istvan Heinczinger*, currently CEO of MAV will terminate his mandate on 15 November 2009.

Mr. *Miklos Andrasi* has a professional experience of 20 years in finance industry and mostly in management roles. UIC conveys to him sincere congratulations and best wishes for his appointment.

MAV

Mr Miklos Andrasi

Bulgaria. A new General Director of National Railway Infrastructure Company (NRIC) appointed



A new General Director of National Railway Infrastructure Company was appointed on 20th October 2009. The position is held by Mr. *Milcho Lambrev* who has a long career within the railway system.

Mr. *Lambrev* is a graduated Master in Transport Construction and has a Master Degree in Economy of Transport Company from the Higher School of Transport;

NRIC

Milcho Lambrev

Next meetings scheduled

October 2009

- 22-23 October 2009: *Safety platform - plenary meeting (UIC HQ, Paris)*
- 22-23 October 2009: *13th annual ebusiness conference (UIC HQ, Paris)*
- 22-23 October 2009: *Market place seminar (Istanbul, Turkey)*

A Complete schedule of UIC meetings (as well as statutory meetings, events, conferences) is available through the UIC website: <http://www.uic.org/meetings/> or from the Home page: "Schedule of meetings".

UIC e-news Editor: Marie Plaud
Lay-out: Daniel Tessèdre
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Thank you for your comments and suggestions.
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