

# French rail freight: what progress in 12 months?

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Night run from Pontivy to the Sofral siding at St-Gérand in central Brittany on 10 October 2021. Photo copyright © Alan Jfr

## Introduction

The 12<sup>th</sup> annual Paris conference on French rail freight (*Fret ferroviaire du Futur et OFP*) of 23 November 2022 is fast approaching.

A year ago, in November 2021, the 11<sup>th</sup> annual conference on 17 November 2021 reviewed the laws and consultations among French stakeholders since 2019 that had led to the new national strategy for rail freight and new arrangements for funding.

Stakeholders also pledged to monitor progress. As a basis for judging the progress French rail had made over the last 12 months, this report reviews the November 2021 conference.

Much of European rail freight is – or could be – cross-border. This report is therefore in English to make current developments in French rail freight a bit more accessible to an international audience. I thank my fellow francophones in advance for their understanding. I have also tried to provide some background information for people who are a bit further from rail freight or France or both.

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## Organisations, terms and abbreviations

The following organisations, terms and abbreviations help understand French rail freight and thus the proceedings of the November 2021 conference.

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**4F:** Future French rail freight (*Fret ferroviaire français du futur*), an alliance comprising all actors in the French rail freight sector.

**AUTF:** French association of freight transport users.

**Capillary line (*capillaire*):** a secondary line with low traffic that nevertheless does its part in feeding traffic to the main rail network – or could.

**COI:** France’s infrastructure orientation committee, from whom (like the HCSTF, see below) the French government seeks advice on new laws before submitting them to parliament.

**Combined transport:** in Europe, intermodal transport in which a loading unit typically moves by truck from a sending customer to a departure terminal, makes most of its journey by rail or waterway to a destination terminal, then moves by truck to a receiving customer.

**Corifer:** Committee for the orientation of rail research and innovation.

**DB:** German Railway (*Deutsche Bahn*).

**Département:** a political subdivision of a French region; the 13 French regions that are geographically in Europe each contain between four and 13 departments (except for Corsica with just two).

**DGITM:** infrastructure, transport and mobility division of the French transport ministry.

**EU:** European Union.

**Europorte:** an RU operating in France.

**Fret SNCF:** the SNCF rail freight division RU that operates in France.

**Getlink:** parent company of the Channel Tunnel operator and the RU Europorte.

**GNTC:** the French national association for combined transport.

**HCSTF:** High Committee on the Rail Transport System (*Haut Comité du Système de Transport Ferroviaire*), from whom (like the COI, see above) the French government seeks advice on new laws before submitting them to parliament.

**Infrastructure manager (IM):** in EU parlance, a company, usually public, responsible for maintaining and operating the railway network of a country (or in some cases a particular network or line within or between countries). RUs use the IM’s network.

**Intermodal loading unit:** a truck trailer, container or swap body that carries freight and that it is transferred onto trucks, trains, barges and/or ships in the course of its journey.

**Intermodal transport:** transport in which a loading unit (typically a container, swap body or truck trailer) moves on several transport modes between its origin and destination.

**ITE:** a privately-owned, rail-served terminal facility (*installation terminale embranchée*).

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**Loading gauge:** the standard for the clearance dimensions above and to the side of a train that let it clear infrastructure elements such as tunnels, bridges and station platforms.

**Multimodal transport:** transport involving several transport modes; may involve loading units or bulk goods.

**Norlink Rail:** the rail division of the Norlink association of ports in northern France.

**Objectif OFP:** French association promoting the development OFPs.

**OFP:** local railway operator (*opérateur ferroviaire de proximité*) whose operations are largely comparable to short-line railroads in North America.

**P400:** a loading-gauge standard for the carriage of standard, 400-centimetre-high truck semi-trailers on standard flat wagons.

**Rail Logistics Europe:** SNCF division containing Fret SNCF.

**Railway undertaking (RU):** EU parlance for a company that operates trains.

**RegioRail:** an RU operating in France.

**RSE:** French policies governing companies' social and environmental responsibility.

**SNCF Réseau:** the infrastructure manager of the national French rail network.

**SNCF:** French National Railways.

**TLF:** French transport and logistics association.

**UTP:** French association of public transport companies.

**Wagonload:** the transport of individual or groups of wagons that don't fully use a train's capacity. Unlike combined transport, no loading units are involved: freight rides directly on or in the wagons.

## Speakers at the November 2021 conference

The following people spoke at the November 2021 conference. (A few have since moved to other roles.)

Michel Boudoussier, president of Norlink Rail and vice-president of Getlink.

Jacques Chauvineau of Objectif OFP, the French association promoting the development of local railway operators.

Eric Chevée, president of the *Conseil Économique, Social et Environnemental Régional* (CESER) of France's Centre-Val de Loire (CVL) region.

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Denis Choumert, chairman of the European Shippers' Council and president of the French Association of Freight Transport Users (AUTF).

Geoffroy Colin, president of Société des Carrières de Vignats, which quarries and distributes crushed rock and other aggregates.

Valérie Cornet, responsible for land transport at AUTF.

Nathalie Debaisieux, transport purchaser at the Roquette food group.

Jean Philippe Delmont, president of Métier Multimodal, part of the association Transport and Logistics of France (TLF); his employer is the wagon-fleet owner and logistics company VTG.

Brice Devinoy of Transport et Logistique de France (TLF) and CEO of the RU and logistic company RegioRail.

Raphael Doutrebente of the RU Europorte, a division of Getlink.

Gilles Dansart, conference moderator.

Frédéric Delorme of SNCF unit Rail Logistics Europe, which includes Fret SNCF.

Jean-Baptiste Djebbari, French transport minister at the time of the conference.

Claude Faucher, managing director of the French association of transport companies (UTP).

Nicolas Fontaine, vice general director responsible for mobilities in France's Grand Est region.

Alexandre Gallo of the RU DB Cargo France.

Jean-François Lagane of Nestlé Waters.

François Lavoué, vice director for rail and collective transport within the infrastructure, transport and mobility division (DGITM) of the French transport ministry.

Bruno Lecomble, freight director, of the railway supply company Wabtec Faiveley Transports.

Dominique Luzuy, general director of the wagon-fleet owner Ermewa.

Bertrand Minary, director responsible for supply industry and innovation at SNCF's Rail Logistics Europe unit.

Loïc Perdu, head of the company Conseil and Gestion Rail (rail consulting and management), which is helping manage the rail projects of groups of towns in the southern part of the Ardennes *département*.

Jean-Marc Rohlmann, president of the association of shippers and transport users in Alsace (ACUTA).

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Arnaud Sohier, commercial director of SNCF Réseau.

Ivan Stempezyński, president of the French national association for combined transport (GNTC).

Pierre Saracino, development director for rail at local rail operator RDT 13.

André Thinières of Objectif OFP.

Thierry Tournier, director of locomotive innovation at Alstom.

Franck Tuffereau, coordinateur de 4F.

David Valence, president of France's infrastructure orientation committee (COI), vice president for transport of the French Grand-Est region and the mayor de Saint-Dié-des-Vosges.

Jean-Marc Zulési, member of French parliament from the Bouches du Rhône *département*.

## Comments on the 17 November 2021 conference itself

The conference's main organiser was Objectif OFP, a French association promoting the development local railway operators in France. President Jacques Chauvineau said that more than 450 visitors were attending the conference in person and online. He was disappointed as always by the lack of male-female parity. Frédéric Delorme of French National Railways (SNCF) congratulated Objectif OFP for making their annual event the national event of the year on French rail freight.

## A good time to revive rail

French parliament member Jean-Marc Zulési called the current period favourable to the revival of rail. For Denis Choumert of the shipper's association AUTF, the "planets are aligned" because the economic crisis and environmental ambitions of France and Europe are enabling rail and intermodal freight can develop.

## France's new attention to rail freight

The conference's talks revealed a chronology of French rail freight, especially the rapid succession of events since 2019.

## Starting in the dark days of 2005

Jean-Marc Rohlmann said that the Alsatian shipper's association ACUTA was founded in 1979. In 2005, members asked them to work on rail in the context of the ongoing abandonment in Alsace of wagonload services, small lines and unprofitable rail-served terminal facilities (ITEs) in favour of trucking – and of barge transport with the growth of the

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port of Strasbourg. The only shippers that resisted the trend away from rail were those who continued to operate unit trains.

## December 2019: Orientation Law on Mobility

Parliament member Zulési said that in the French parliament, he was the only supporter of rail freight in the debate preceding the 2019 passage of France’s Orientation Law on Mobility (LOM). But the work of the recently formed alliance for future French rail freight (4F) had helped.

## June 2020: report of the Future French Rail Freight group

David Valence of the Grand-Est region said the 4F alliance shows that the French rail freight sector can speak with a single voice. Doing so is new. This is the first requirement for rail to succeed and must be maintained.

Mr Tuffereau said that 4F was born in the pain the major SNCF strikes in the period around January 2020. We had to work together, not separately, and wanted to save the sector. We wanted to jointly influence and indeed help draft of the France’s national strategy for the development of rail freight (which was foreseen in the LOM) instead of having to passively accept it. 4F started with the French RUs (train operators), including the former monopoly operator SNCF Fret and the newer operators in the French Rail Association (AFRA), then took in all the actors of the rail freight sector. 4F presented its report to the French prime minister in June 2020. This led to the Rail Pact signed at the SITL trade fair on transport and logistics in Paris in September 2021. 4F’s wishes were also engraved within France’s Climate and Resilience Law passed in August 2021.

But that 4F is fragile, Mr Tuffereau said, because of the diverging interests within the association. What helped was their approach, which began with global logistics chains and the question, “How do you bring a shipper to rail?”

Nathalie Debaisieux of the food group Roquette said that she represents shippers via AUTF in on the High Committee on the Rail Transport System (HCSTF), which advises the French government on new laws before their submission to parliament. Like Jean-François Lagane of Nestlé, she was pleased that all shippers are represented in 4F.

Mr Minary of SNCF said that this conference brings together an unprecedented variety of speakers: wagon owners, operators, local rail operators (OFPs), main-line RUs, and suppliers to the rail sector. Such a gathering which would not have been possible two years ago. For the last year, the whole sector has been working “in 4F mode”, starting with needs of the customer. 4F is not just operators; it is a national platform that combines all stakeholders (including operators, fleet owners and suppliers) to address customers and needs.

Mr Chauvineau of Objectif OFP said that 4F now has institutional support, but its momentum must be maintained over the long term.

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## 2020-2021: Emergency re-launch during Covid

Mr Lavoué of the French transport ministry said that the SNCF strike at the end of 2019 and then Covid brought forth emergency funding actions in summer 2020 and then at the end 2020 more permanent plan of €170 million for the support of rail freight and a rail freight relaunch plan with €250 million for current operations. But we still needed a global vision for rail freight that everyone shared.

Mr Delorme said that SNCF Fret survived Covid and is better off than before Covid, though revenues are not yet as high as in 2019.

Ms Debaisieux of Roquette said that rail helped agriculture, her area, during Covid. Before, during rail strikes in past years, agriculture was the poor relative of the family in terms of receiving service. During Covid, trains helped rail regain market share because they were seen by shippers and different government levels as important for the nation. This is proof that rail can lose market share with a customer and then win it back.

## June 2021: report of the orientation committee on infrastructures (COI)

Mr Lavoué of the transport ministry said that the Infrastructure Orientation Council (COI) helps the French parliament see beyond their usual view of next 3-4 years.

David Valence is the president of France's infrastructure orientation committee (COI), vice president for transport of the French Grand-Est region and the mayor de Saint-Dié-des-Vosges. He presented the findings and proposals of the Infrastructure Orientation Committee.

In line with the French Orientation Law on Mobility (LOM), the COI is now permanent instead being the one-off organisation it was originally. In addition to infrastructure plans, it now also considers new energy sources. The COI started its work on 1 March 2021 and submitted its report on 3 June 2021. In three months, it heard 50 hours of testimony from 70 people. The COI's report will be a basis for the implementation of France's national strategy for the development of rail freight, which is very close to what 4F wanted. The report shows how to implement the mid- and long-term part of the national rail freight strategy, which is less committal and quantified than the short-term part covering the period through 2023.

France's new law and strategy for rail freight and the COI's work has changed the way people think both within and outside the sector. Rail freight had previously been marginal in the thinking of elected officials and had operated with a focus on rail service offerings as opposed to customer needs. Intermodal transport was too little present in past thinking and policies for French rail freight were characterised by:

- A fear that rail would be in competition with barge transport despite the low market share of both.
- Listening too little to the needs of freight customers.
- A lack of reactivity in rail freight service offerings.
- Little involvement of citizens and of government units at all levels (and not just the central French government) in discussions of rail freight.
- Instable public funding for rail freight and fear of budget cuts.

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The COI identified the following urgent measures to ensure that France could reach the very ambitious goal of doubling rail freight's tonne-km market share by 2030:

- Restore the credibility of rail freight among shippers.
- Develop new tools for designing, reconciling and allocating freight and passenger paths.
- Seek out and then communicate quick wins.

In their report, the COI recommended that public agencies and the sector change their strategy fully and base development on shipper demand and not rail service offerings. The sector should rely on French policies governing the social and environmental responsibility (RSE) of companies to densify demand. Stakeholders should go from general objectives that are very ambitious to objectives targeted by market segment:

- For unit, intermodal and wagonload trains.
- By corridor and regions and other political territories. (The COI was struck by the weakness of rail freight's market share in the Paris region and on France's Atlantic side.)

The COI pleaded for better knowledge (even within SNCF) of flows, terminals, costs, markets and facilities for combined transport.

The committee also saw a need for permanence in infrastructure policies. Until now, official planning covered only the next two to four years, which are not enough for infrastructure and strategy. On basis of RSE policies, sector actors say they are already faced with request of international customers to say how they are delivering their products and the corresponding carbon impact. The carbon impact of transport choices is taking a central place in decision-making. Also, labelling of products showing CO<sub>2</sub> or transport mode will be demanded by citizens, as is already happening in some EU countries.

Credibility requires a phased approach with concrete and precise objectives:

1. Through 2027: Save and re-launch the rail freight sector, with a strategy of quick wins, support for sector companies, reform of methods for designing and assigning paths, priority rehabilitation of specific rail infrastructure elements that “get people talking” such as the enlargement of the main network's loading gauge to the European P400 standard and saving some high-visibility capillary lines.
2. 2028-32: More widespread and thorough investment to allow combined transport to double its traffic.
3. 2033-43: Finish big projects and attain the full capacity we want.

Alexandre Gallo of train operator DB Cargo France later commented that the 2043 is a bit worrisome – we must increase our market share now.

Mr Valence also said the French rail freight sector needs a strategy based on the demand for services and not their supply. It needs a phased approach with deadlines and specific objectives. It requires the commitment of all stakeholders.

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The national strategy won't work without the collaboration of regions and metropolitan areas. The Grand Est region, for example, must organise the dialogue on freight at the same level as the Centre Val de Loire region. We need to determine which sectors and objectives require public intervention.

We also need to consider how French rail freight can be better integrated within European rail freight.

The local rail freight operator (OFP) is one lever to develop rail freight and its reactivity.

If we can achieve the objectives that 4F and the French national strategy gave us, rail will become a question that concerns not just technicians, but also the men and women of this country. The question of rail freight must be part of more global infrastructure and decarbonisation questions.

Mr Valence said that his father owned a small business that shipped wood in the early 2000s. After losing several trains, he decided to never use rail again. His company suffered from being small – not big, like Nestlé – and from the complexity of rail. A mass of similar micro-decisions made by shippers of all sizes brought us to the current situation. His father's former company still exists, though his family not involved; maybe in 10 years they will use rail again.

### August 2021: Climate and Resilience Law

François Lavoué of the French transport ministry noted that the doubling of rail freight's tonne-km market share is written into France's Climate and Resilience Law passed in August 2021.

### September 2021: French government's rail strategy

Mr Lavoué said that in September 2021, the ministry published France's national strategy for the development of rail freight. Its authors had wanted to be as concrete as possible to prevent it from becoming an *n*<sup>th</sup> strategy not followed by acts. The strategy includes 72 actions with a calendar and people responsible for implementation. Mr Lavoué said they worked with 4F, operators, shippers, ports, SNCF Réseau and the French regions to bring this strategy to life.

Transport minister Jean-Baptiste Djebbari said that in line with the French government's rail strategy, the government was continuing to work to enlarge the hinterland of our ports, reinforce intermodal transport and re-launch rail freight. He also said that the French government is seeking modal shift that will increase rail freight's market share [in tonne-km] from 9% à 18% by 2030. The government's help for the launch of new services in both wagonload and combined transport will remain at the same level as in 2021.

But he also said that the government needs the conference participants – especially rail operators – in order to find ways to make rail freight more competitive, reliable and efficient, to create new services and to innovate. Mr Lavoué said that some tasks are the job of the French government, but many others are for sector actors.

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Mr Chauvineau of Objectif OFP said that 4F now has institutional support, but the French government must not think its work is done; public agencies at regional, French and EU levels must continue to play their roles.

Mr Lavoué also pointed out that rail freight often international. Work is needed on the EU freight corridors. We need to make rail freight's voice be heard even more than it is today, through the Green Deal and the concerns and objectives of the European Commission.

### September 2021: Rail Pact

Mr Tuffereau of 4F presented the September 2021 Rail Pact between the French government, 4F, SNCF Réseau and the French association of freight transport users AUTF. Mr Lavoué said that the Rail Pact should give rail freight the place it deserves. Mr Stempezynski of GNTC also saluted the Rail Pact.

Mr Delorme of SNCF said that the rail freight relaunch plan to 2024 gives us the visibility to invest for our customers. We are trying to organise faster marshalling but also more direct trains that don't pass via such yards. We want to reduce transit time from 5 days to 4 and then 3, which is truck transit time plus one day. The new annual timetable will allow a 20% reduction in transit times for wagonload services. Provided that shippers return wagons on time, this will allow a wagon to carry more loads. They are organising transport by groups of wagons of 8 to 12 wagons – or half a train – to respond to shipper demands for flexibility.

Mr Gallo of DB Cargo France said that the French RUs received subsidies from DGTIM because of the strikes and Covid and that the French government has now agreed to finance the network and new services. The shippers have pledged via the AUTF to increase rail traffic and so have we, the RUs.

We must be ready to account for how we spend the public money we receive. It should serve neither to improve RU results nor drastically cut the cost of services to shippers. It should help us develop our business. We must assume a part of the commercial risk and not put it all onto the shippers, especially if we want to attract new ones.

### Summary of new situation

Mr Choumert presented AUTF's global vision. Now, for first time, we have solid plans for freight rail: 4F, the strategic national plan for rail freight, and a performance contract for SNCF Réseau. These plans include planning, financing and monitoring mechanisms. AUTF participated in the development of these policies and will continue to help monitor their execution. They have been awaiting the new solidarity among RUs and the new policies for a long time. We like the opening of the market and the inclusion of other rail freight actors.

Brice Devinoy of the transport and logistics association TLF and train operator RegioRail identified a great need for optimisation. Citizens' groups are asking why so many trucks are on the road. He said that "for the first time, it's society that's pushing us".

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## Access charges

Transport minister Jean-Baptiste Djebbari said that the government will pay for 70% of track access charges until 2024, as it did in 2021.

Mr Delorme of SNCF said that the current low track access charges in Germany are not just to please the greens but also to favour German industry. But he questioned whether the subsidy of access charges is leading quality development. Germany's development of freight rail traffic in all directions through subsidised access charges is not necessarily healthy.

## Rail investment still slow

Mr Delorme supported the €160 million foreseen to 2024 in the French re-launch plan for rail freight but pointed to a “problem of urgency” concerning the investments. French investments in rail freight are not proceeding as fast as in Germany. It would be too bad if European rail freight goes from a tonne-km market share of 18% to 30% by 2030, while with great difficulty France gets from 9% to 13%. He said that at COP26, which he attended, a presentation started by saying rail has the lowest CO<sub>2</sub>, then only talked about lowering the CO<sub>2</sub> of trucking and air.

Mr Gallo of DB Cargo France said that the budget of €200 million must not be used in 2024 or 2025, but in 2022. The horizon for results is receding into the future. We won't be able to honour the commitment to double rail's market share if we don't have an immediate response, he said.

## Externalities and arguments for rail

Mr Tuffereau of 4F called on public decision-makers to keep in mind the negative externalities avoided by rail projects, such as trucking noise and the need for new roundabouts. A consulting firm concluded that each billion euros invested in rail generates €2 billion in avoided externalities.

But Mr Lavoué of the transport ministry also encouraged the sector in its fight against rail freight's own negative externalities, including train noise and the need to green rolling stock.

Ms Debaisieux of Roquette pointed to another aspect of train noise. One problem in the development of rail freight is finding wagons to move the traffic. In this area, one issue is Europe's migration to a new generation of quieter brake shoes: Austria, Switzerland and Germany are ahead of the laws, but other in countries that haven't kept up, so trains running older wagons must run slower and undergo more checks.

Mr Chauvineau of Objectif OFP reminded the audience that both reduced CO<sub>2</sub> and energy are arguments for rail freight. And the train de-saturates road infrastructure.

Mr Choumert of AUTF said that the energy transformation of trucking will take much longer and cost much more than what the French government is currently temporarily giving to rail in France. But the atmosphere's CO<sub>2</sub> stock must be reduced as fast as possible.

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## Monitoring progress and promise fulfilment

Mr Choumert said that French government must respect its engagements to 2024 and beyond.

Parliament member Zulési stressed the need to monitor the actions that the French parliament voted in favour of rail freight. He called it “not after-sales service, but after-vote service”. The French parliament must monitor the French government and other actors every year and even every day to ensure that the commitments in favour of rail freight are respected. One such commitment is the French government’s takeover of SNCF Réseau’s debt.

Mr Tuffereau of 4F said that the French government is providing €160 million additional for a total 3€ billion annual investment in the railnetwork over the coming years. This spending will require monitoring indicators as the basis for discussions and problem solving in regular meetings.

Mr Lavoué of the transport ministry said that monitoring mechanisms are now in place that bring the responsible people together monthly; the first meeting was held in November 2021. All those responsible for actions are to be challenged to be sure deadlines are met. Milestones have been set from the start of 2022 to 2024. Monitoring shows where corrections are needed. A year from now, we will be able to see which of the 72 actions have kept their promise. While the French government’s job is to guarantee monitoring and good implementation, we are counting on everyone.

Another need is local monitoring of customer satisfaction and requirements. Mr Rohlmann of ACUTA in Alsace said that together with the regional transport and logistics observatory (ORT&L) of the Grand Est region, ACUTA has created a “rail barometer” with 700 companies of the region.

## Elements of French rail freight

The conference speakers addressed the situation and outlook of key elements of rail freight in France and the issues they face, including combined transport, the shortage of truck drivers, wagonload service, organisational silos that need demolishing, capillary lines, rail-served terminal facilities (ITEs), rail service to logistic and industrial sites, rail-water transloading sites for aggregates, urban logistics, and ports and inland waterways.

### Combined transport

Parliament member Zulési said that rail freight has become a priority, but it must continue to work together with trucking. Transport minister Djebbari said that the French government will modernise multi-modal terminals. Mr Chauvineau of Objectif OFP said that the combined transport sector is seeking planning visibility over a longer term.

Mr Stempezynski of GNTC described the conditions for tripling of the tonne-km modal share of road-rail combined transport in the context of doubling the share of all rail freight over the next 10 years. In terms of its simplicity, combined transport is much closer trucking than to wagonload. He wants to aim for demand instead of supply. Shippers have assimilated and understood many advantages: combined transport produces six times less CO<sub>2</sub> than trucking

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and cuts energy to much the same degree. Thinking in terms of social and environmental responsibility (RSE) has gone beyond big corporate groups and penetrated small and mid-sized companies. This leads them to seek modal shift. Combined transport is seen as an alternative to the “black sheep” of transport: the truck moving door-to-door from origin to destination. Rail technology is proven and powerful and has existed for many years. Combined transport marries trucking and rail, using best of both.

Given the demand that they are observing, Mr Stempezyński said, combined transport operators are writing business plans for the next three years that are consistent with tripling combined transport by 2030. The sector is satisfied with French government support over the last few months; it proves that the sector was heard. This support will now be permanent over the next three years, which is the horizon of companies’ business plans.

“The market is there”, Mr Stempezyński said. “It is the shippers who will decide on the success of our operations; let’s not disappoint them.”



Swap bodies on train 50548 from Avignon-Champfleury to Sucy-Bonneuil, which is in the southeast suburbs of Paris, on 16 July 2020. Photo copyright © Alan Jfr

Mr Gallo of DB Cargo France said that for combined transport, they are providing more service by blocks of wagons, with several blocks per train. Creating a complete combined-transport train ex-nihilo is difficult, so his company will instead provide the transport of blocks of wagons for Marseille and Germany starting in early 2022. The objective, however, is still to develop the business enough to fill a complete train instead of exchanging of wagon blocks. Full trains shorten transit time and compete better with trucking.

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But Mr Chomert of AUTF said that many obstacles in the transition from door-to-door trucking to combined transport remain. We need better cooperation with trucking on cranable and non-cranable trailers so that the trucking and rail sectors can better cooperate and combined trucking rail transport. [Several technologies for the rail movement of non-cranable trailers, including Lohr, CargoBeamer, Nikrasa and R2L/Vega, are now slowly being deployed in Europe – GR.]

### Truck-driver shortage

Mr Choumert pointed to another problem: the shortage of truck drivers, especially for the long distances that are least attractive. Combined road-rail transport will shift international and national trucking jobs to local runs and thus create new jobs locally. Mr Stempezyński of GNTC said that trucking companies can no longer find long-distance drivers, even from eastern Europe. This encourages the use of combined transport over longer distances.

### Wagonload service

Mr Gallo of DB Cargo France called wagonload a source of future growth. They are increasing the number of rotations from seven to nine per week for wagonload on the Mediterranean corridor that links Germany and Spain. Frédéric Delorme of SNCF pointed out this supports German industry's successful export efforts. Mr Gallo quoted Eric Staaker, president of the board of directors of the port of Duisburg (Duisport), which rose in 15 years from 350,000 to 4,500,000 million TEUs: If you offer industry a reliable solution, they will use it. This is lacking today in France, especially for heavy industry. DB Cargo France is increasing from five to six rotations for wagonload per week on the Atlantic corridor and adding shunting locomotives and personnel at hubs to increase service frequency and reduce transit times.

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Wagonload train 478501 from Clermont-les-Gravanches yard to St-Chély-d'Apcher, in central France west of Lyon and north of Montpellier, on 12 October 2020. Photo copyright © Alan Jfr

## Time to demolish the silos

Mr Choumert of AUTF said that the rail freight system must become less organised in silos. We need more osmosis between wagonload traffic, combined trucking rail transport and unit trains, between wagonload services and partial trains, and between SNCF Réseau and RUs.

## Capillary lines

In France, lines with little or no traffic that do or can potentially collectively contribute significant traffic to the large rail network are known as capillary lines (*capillaires*). Parliament member Zulési said that secondary lines are being revived to serve all parts of France. Transport minister Djebbari said that in 2021, €39 million was committed to nine lines, including the Volvic – Le Mont d'Or and Orléans – Veuve lines. The government will commit even more 2022, he said, and also modernise ancillary tracks known as *voies de service*. [Roughly speaking, these are tracks on the RFN other than main tracks – GR.] Mr Tuffereau of 4F said that not just the French government, but also French regions and local government units must help prioritise investments on capillary lines.

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Capillary line. Train 423525 from Auray to Pontivy in south-central Brittany on 10 October 2021. Photo copyright © Alan Jfr

## Rail-served terminal facilities (ITEs)

Transport minister Djebbari said that the French government was creating a €1 billion “re-launch” plan to create or revive rail-served terminal facilities (*installations terminales embranchées* or ITEs). Such installations are served by but are not part of the RFN. Their owners are typically private. Twelve ITE projects have been approved, including in or near Avignon, Calais, Lyon (Vénissieux), Marseille (Miramas) and Valenton (Paris). Thirty other projects are being evaluated and discussed locally to define their financing.

Mr Tuffereau of 4F said that as in the case of capillary lines, not just the French government, but also the French regions and local government units must help prioritise investments on ITEs. But Ms Debaisieux of Roquette pointed to a lack of reactivity in creating or reviving ITEs and then moving the traffic. The administrative process is very long and is a brake. Mr Chauvineau of Objectif OFP said that he was amazed by the loss of knowledge that makes reviving an ITE into a whole project. He said that logistics training in universities and other schools often ignore rail.

## Logistic and industrial sites

Conference moderator Gilles Dansart said that Amazon continues to install its platforms far from rail. He cited suggestions that a law should force at least big logistic centres to be rail-served. Mr Tuffereau of 4F said that public agencies should at least avoid helping new customers in places not connected to rail.

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Mr Lavoué of the transport ministry said that some shippers think more automatically about rail for their new facilities than others. Some regions have more experience with rail than others and tend more automatically to include rail in plans. They try to develop a strategic plan for combined transport that shows where facilities have rail service, for example in the Paris region. Rail freight needs to feed general reflections at the local level so that logistics platforms better consider it. But working with actors to give them a common desire to use rail freight is better than a law forcing each new logistics platform to be rail-served.

Mr Delmont of TLF and VTG also asked why some new large logistic platforms are not connected to rail. The different French government levels must lobby to make this systematic. Mr Devinoy of TLF and RegioRail said that the most important question for new industrial plants is not size of the plant, but “how are we going to connect it if we want to avoid moving everything by truck?”

### Rail-water transloading sites for aggregates

In her introduction, Emilie Soulez said that Carrières de Vignats (SCV) of the Basalt group lies between the French *départements* of Orne and Calvados. It is France’s largest solid rock site and provides 8-9% of French production. For many years, they have been suppliers to SNCF [for example, for ballast – GR] and 35% of their product departs by rail. They have created their own loading area and rail sidings.

Mr Colin of SCV presented their efforts to create rail/waterway intermodal facilities for the Paris region. The business is strongly seasonal – from March to October – and the products low-value, so logistics are a big part of total costs. They launched a rail facility in Honfleur near Le Havre in 2008 on a capillary line that collapsed within three years under SCV’s heavy traffic. In 2018, they opened a new transloading facility at Petite Couronne within the port of Rouen. The facility comprises 4.5 hectares and handles 240,000 tonnes per year, of which 75% arrive by train for storage during the off-season. They then distribute it by barge to urban customers along the Seine in the warmer months.

For the last two years, SCV has been working on a new project between Rouen and Mantes-la-Jolie, near the Gaillon-Aubevoye rail station within the township of Val-d’Hazay. At the 13-hectare facility, SCV wants to re-create a rail siding so they can connect to the Seine river.

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Connecting rail to the Seine river at Val-d'Hazay to bring aggregates to the Paris area

This will allow them to bring products from quarries to the terminal by train, then load them onto barges to serve the Paris area. About 25% of the €7 million going into the facility is for a new rail siding and facilities to unload, store and load material. The rest is for heavy dock infrastructure. The regional and central French governments are subsidising the work.

### Urban logistics

Mr Lavoué of the transport ministry reminded the audience of the need to integrate rail in urban logistics. Mr Valence of the Grand Est region said cities and metropolitan areas must accept that freight is a strategic concern, including for urban logistics and concerning the acceptability of trucking and rail freight.

### Ports and inland waterways

Mr Valence also said that French local and regional government units must accept that rail inland waterways are a strategic concern right along with rail freight. Regions must prioritise logistics sites that are connected to rail and/or water.

Mr Chauvineau of Objectif OFP said that the focus of our strategy must be the hinterland of ports. Mr Choumert of AUTF said that rail freight needs better cooperation with ports for containers. Mr Lavoué of the transport ministry said that they are working more now with ports to better include rail in reaching their hinterland. Inland waterways should work in a complementary and cooperative way with rail, and not just competitive. The rail freight re-launch plan aims to improve infrastructure of inland-waterway ports to favour intermodal transport.

Moderator Emilie Soulez said that in 2017, the chamber of commerce and industry of the Hauts de France region and the port of Dunkerque initiated Norlink Ports. It was born out of an alliance of the inland waterways of Haut de France who want to expand their hinterland

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and is open to all supply-chain actors. Today Nordlink has divisions focusing on ports, inland waterways, rail and leisure boating (*la plaisance*).

Mr Boudoussier of Norlink Rail said that Brexit was important for Hauts de France region given the big trans-channel flows at the ports of Calais, Dunkerque and the channel tunnel run by Eurotunnel/Getlink. Brexit was voted 2016, but for doubt persisted a long time that it would really happen. And the consequences not clear. Brexit forced them to re-create a border, Mr Bourdoussier said, so working with the customs authorities they made it an intelligent border. Paperless customs processing lets them avoid stopping trucks that use ferries or the Eurotunnel shuttle. But the English Channel nevertheless now a real border again that appears to be an obstacle to flows. They are now much lower than before Covid, but separating the Covid and Brexit effects is hard. Because Norlink France's northern ports are now working together, they can see more clearly what's happening.



Containers under wire. Train 50293 from Dourges-Delta near Lille to Perpignan near the Spanish border on 18 July 2020. Photo copyright © Alan Jfr

Norlink decided to develop *non-accompanied* freight transport, i.e. the land transport of trailers, containers and other freight on or in railway wagons. Such non-accompanied freight moves essentially today via ports in Belgium (especially Zeebrugge) and the Netherlands. Until now, Dunkerque and Calais were specialists for *accompanied* freight transport [in trucks]. At the port of Zeebrugge, non-accompanied transport leaves more time for [the newly restored] customs formalities: driver and tractor don't have to wait as they do in accompanied transport. The Hauts de France (HdF) region needs a strategy to launch non-accompanied transport.

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Mr Bourdoussier also saw a need to integrate the Canal Seine Nord, which will connect the Seine to inland waterways in northern France and the neighbouring countries.

## SNCF Réseau

Transport minister Djebbari said that development of rail freight depends not just on funding, but also on the quality of service of SNCF Réseau.

Mr Sohier of SNCF Réseau presented the main elements of his company's strategy and its role. SNCF Réseau is seeking to improve French rail infrastructure, including capillary lines, ancillary lines (*voies de service*) and combined-transport terminals. It is also pushing digitalisation, longer and heavier trains and the elimination of loading-gauge restrictions. These projects always require co-financing: the French government pays 30% to 75%, but the rest must come from local sources or from the European Union. Of the 72 actions that the French government has decided to carry out, 24 involve SNCF Réseau. Investment of €718 million is foreseen in projects under the public company's supervision. About 10 big projects have been launched. One goal is to know our markets and customers better.

This is an opportunity, but we must deliver. The work of 4F was the basis for France's national strategy, which is turn the basis for SNCF Réseau's strategy. On this basis, SNCF Réseau has built a Freight Programme whose director is Paul Mazataud. Mr Sohier said that SNCF Réseau is working as much as possible with the railway undertakings and other freight operators who are our customers.

Mr Lavoué said that the transport ministry is working on the core French network via a performance contract between the government and SNCF Réseau, particularly concerning specific freight infrastructure such as ancillary tracks (*voies de service*) and freight capillary lines. We need to think beyond the next four to five years to attain a good level for rail freight infrastructure over the next 10, 15 and 20 years. Until now, the French government has had trouble making decisions beyond a budget horizon of three to four years.

Mr Gallo of DB Cargo France said that the service of the infrastructure manager [SNCF Réseau] must improve. Today we have decisions, but not transparency about why, so don't have indicators for monitoring. Mr Choumert of AUTF said SNCF Réseau must reform many processes.

Mr Doutrebente of Europorte said that SNCF Réseau does good work with "bits of string". The French finance ministry has the resources to reindustrialise France, which needs rail freight. Mr Devinoy of TLF and RegioRail said his company had good cooperation with SNCF Réseau for a specific route.

## Train paths

Mr Boudoussier of Norlink Rail called train paths a big issue. The problem is that France's Hauts de France region has a high population density and lots of passenger trains. But freight trains must run at all times of day and night. They are working with SNCF Réseau and freight operators on this.

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Ms Debaisieux of Roquette said that weather variability means agriculture cannot request train paths a year in advance as the SNCF Réseau’s procedure requires.

Mr Stempezynski of GNTC said that by their own admission, SNCF Réseau’s actions are largely inadequate concerning combined transport: with only a month left before the start of the new annual schedule, only 70% of requested paths had been granted to offer timings within 30 minutes of requests. Subsidies for each handling of an intermodal transport unit (*aides à la pince*) and for train paths are not enough: combined transport needs quality train paths. Mr Sohier said that SNCF Réseau wants to deliver train paths that better respond to the expectations of their customers. He meets with a lot of them. SNCF Réseau is indeed behind, in particular concerning the paths for combined-transport customers. At one month from the start of 2022 schedule in early December 2021, SNCF Réseau has not yet responded to all the requests of their combined-transport customers.

Mr Sohier said that on 22 October 2021, at Le Boulou near the Spanish border, four financing agreements were signed by French Prime Minister Jean Castex and SNCF Réseau President Luc Lallemand. One addressed digitalisation, providing €7 million for the automation of “last-minute” submission and processing of train-path requests. “The Germans know how to do this and so should we”, Mr Sohier said. This is part of the €70 million allocation for the digitalisation of French rail freight.

SNCF Réseau is asking for additional funds from the European Union. Mr Sohier said that cooperation between networks in different countries doesn’t always meet expectations in terms of the fluidity of train traffic passing from one national network to another.

Mr Gallo of DB Cargo France said that SNCF Réseau must offer train paths and other infrastructure services that let the RUs offer train service that is equivalent to truck, plus one to three days according to the type of traffic. In the case of combined transport, the standard must be trucking plus one day, he said. The company in the role of infrastructure manager [SNCF Réseau in France] holds the key to success for an “industrial revolution” in train path management, Mr Gallo said. Today, SNCF Réseau’s train-path offering is insufficient in the face of the demand of RUs. SNCF Réseau is granting better train paths but continues to make less than favourable decisions that are not transparent.

Mr Gallo also said that the format of messages for train-path requests must follow the European standards known as Telematic Applications for Freight within the Technical Specifications for Interoperability (TAF TSI). France is the only country that doesn’t use the TAF TSI train-path number, whereas everyone else does. Today, Mr Gallo can bring a train from Konstanza in Roumania to Saarbrücke in Germany, at the French border, with the same path number, but in France this is not possible. SNCF Réseau’s new performance contract with the French government contains no commitment on this. “These practical difficulties poison our lives”, Mr Gallo said.

## Service regularity

Mr Sohier said that SNCF Réseau is seeking to service improve regularity. They have put into place shared indicators with each customer, in the form of departure and arrival delays and the degree to which delays are the fault of SNCF Réseau. They want to be concrete and efficient. From the schedule change in December 2021 until April 2022, they will monitor 50 long-

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distance trains departing from six sites and then report the results. Customers have chosen the flows to be monitored in line with the difficulties they encounter. They already did a test in 2021 an 800-km flow that produced useful results.

### Integration of path and operations management

Mr Choumert of AUTF said that rail freight needs better service quality from the assignment of paths all the way to the management of freight-train runs. Passenger trains and track work get in the way.

### Loading gauge

Transport minister Djebbari said that French government was to enlarge the loading gauge of certain main lines to allow intermodal services, including new rolling motorways.



Containers – mostly tanks – transit France on train 41255 from Cerbère to Forbach and thus from the Spanish to the German frontier on 14 July 2020. Photo copyright © Alan Jfr

Mr Sohier of SNCF Réseau said that cooperation between networks in different countries doesn't always meet expectations in terms of complying with the P400 standard for the rail carriage of standard 400-centimetre-high semi-trailers.

Mr Gallo of DB Cargo France said that we must liberate the loading gauges (P400) and insure interoperability. We must have P400 for transit routes to attract trucks. France is a big transit country. Lots of trucks don't stop in France, and instead move on Germany-Spain, Spain-UK

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and Spain-Belgium routes. In considering P400, SNCF Réseau must think in systematic terms and not just in terms of cost. And consider where the revenue is. If SNCF Réseau “liberates” lines by enlarging them to P400 for trains from North of Europe to Italy via Basel, Mr Gallo said, tomorrow DB can run four additional trains pairs per day, which will bring SNCF Réseau €3 million in additional train-path sales per year. We need transparency about the return on investment on such infrastructure investments.

### Other areas where interoperability missing

Mr Gallo also said that France is now that only country in Europe than still requires two red lanterns at the end of a train. [One rationale may be a feature of French signalling that allows a train to enter an occupied block. This requires good visibility of the end of the preceding train in darkness or fog – GR.]

### Infrastructure work

Mr Sohier of SNCF Réseau said that €210 million has been allocated in addition to the annual €3 billion spent on infrastructure work projects to lessen the impact of such project on customers. This will affect five work projects in 2022; 42 work projects in 2023 are being examined to reduce their impact on customers. SNCF Réseau is also working the frequent cases in which the management of work projects return infrastructure to train operators late.

Mr Gallo of DB Cargo France said that rail freight needs transparency in the comprises made between the needs for infrastructure work and those of RUs.

### Involvement of all stakeholders

Transport minister Djebbari said that the long-term success of the national strategy for the development of rail freight depends on the ongoing mobilisation of all stakeholders in the long run, including the French government, shippers, infrastructure managers, “and you, the operators”.

Parliament member Zulési said that lots of people must be convinced – by examples such as investments in the Miramas marshalling yard. But he predicted that ever more politicians, members of parliament and citizens will “take the freight train”.

Ms Debaisieux of Roquette called the viability of rail freight very fragile – all actors must work together. Mr Rohlmann of ACUTA identified these requirements:

- Bring railway undertakings, freight forwarders and shippers closer together.
- Redevelop rail-served terminal facilities (ITEs): study renovations, mutualisation and the massification of flows.
- Develop port facilities and new combined-transport services on all corridors.
- Encourage companies to focus on their social and environment responsibility (RSE).

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## A French region's freight coalition

Eric Chevée, president of the *Conseil Économique, Social et Environnemental Régional* (CESER) of France's Centre-Val de Loire (CVL) region, presented an example of the mobilisation of a region's rail freight actors.

Lots of trucks cross the CVL region, which is big but with low population density. The region produces bulk freight, especially grain headed to ports and aggregates like crushed stone, particularly for the Paris region. They have been working on shifting freight from trucks to rail for a long time. After the COP21 in 2015, the CVL region created a regional COP so that local organisations could organise coalitions for projects that save CO<sub>2</sub>, including a coalition for rail freight.

Mr Chevée said that a CVL freight coalition formed in 2020 that involves all actors, including shippers, RUs, the French post office, the national truckers' association, the CVL region's CESER and SNCF Réseau. La CVL region is very committed and behind us. He saw an alignment of planets based on the French rail freight relaunch plan and investments it foresees. The big question for the CVL freight coalition is links with other "planets", i.e. other French regions and rest of Europe.

The task of the freight coalition, Mr Chevée said, is to make the regional eco-system turn to rail freight. Their report, to be released in Janvier 2022, will contain a number of recommendations that are familiar but still have not implemented after many years.

The CVL region was lucky concerning rail freight because CVL revised its plan in the middle of the term of its "plan contract" with the French government to re-orient a part of its funds to safeguarding capillary lines of classes 7 to 9. This will let them serve as one basis for doubling rail freight's market share by 2030.

Mr Chevée presented these recommendations for other regions:

- Determine how to structure the region to benefit from France's rail freight relaunch plan.
- Determine how to rebuild and re-equip historic rail assets.
- Create sets of maps of rail-served terminal facilities (ITEs). This often requires reconstructing history!
- Optimise logistic and rail resources.
- Improve and permanently stabilise rail access to French, European and world freight networks.
- Foster innovation like the digital automatic coupler (DAC) and the intelligent train.

The CESAR wants to support an information system around the various responsible parties and continue to lead the coalition, Mr Chevée said. They are pushing the CVL region to create a rail freight cluster. Dev'Up, the region's economic development agency, is now examining this. The CVL region ships out grain but also hosts general logistics platforms. Now that French government has announced its rail relance plan, Dev'Up is willing to create a cluster to be led by the rail freight sector to connect existing and future French and European logistic platforms, for example in Orleans, to rail.

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## Labour relations

Mr Faucher of UTP presented the context of labour relations. The strike of 2019-2020 was the longest in decades. Covid ended – for the time being – discussions of the proposed reform of the French retirement system, which had triggered the strike. Only two of the five unions signed an agreement on employee classification and pay in a collective agreement that was the result of two years’ work. The French government imposed by decree the employers’ version of the agreement and also applied it companies that don’t belong to the UTP employer association. But dialogue between the employers and unions continued.

Since then, the Mobility Orientation Law (LOM) and the resulting Rail Pact have provided a new context.

Mr Faucher said that “one union opposes everything, but it is a little isolated today.” Moderator Gilles Dansart said that CFGT, UNSA, Süd, and one other union had “played the game” of an agreement covering all rail freight operators, whereas the union CGT maintains its attachment to agreements exclusively with the French National Railways (SNCF), which historically was France’s sole rail operator.

He pointed to one difficult issue in labour negotiations: the “backpack” of benefits that SNCF personnel can take with them to another rail company. This includes free rail travel for employees and their families, which Mr Faucher said costs €104 million a year. The French financial oversight court (the *Cour des comptes*) had estimated this cost at €200 million and SNCF at €30 million. Some 1.1 million people benefit from free rail travel in France, including retirees. SNCF people’s desire to ride (along with their parents and children) on competitors’ trains shows that they admit competition and want the trains to be on time. Some French trains drivers also want the company automobiles supplied to Belgian and German train drivers.

The result of the agreement is that free rail travel will remain mandatory for current and former SNCF employees, Mr Faucher said, and optional for all other rail operators. Legal and tax treatment will be defined for the whole sector. Unions will negotiate for the whole sector, and not just SNCF. The sector is thus moving to a system in which free travel allowances, pension plans, and labour-relations law are the same for everyone in the sector. The French regions who want to put passenger services out to tender are happy that the question of free travel for employees is resolved. Some personnel and companies want to be clear about conditions for employees who change companies before passenger services are put out to competitive bid. [Freight services have been open to competition in France since the mid-2000s – GR.]

Mr Doutrebente of Europorte cited Claude Faucher’s statement that the new general labour agreement (*convention collective*) has increased performance. Mr Doutrebente said he arrived at 2015 at Europorte from the maritime sector, where people seemed to work more than at Europorte. The company has improved its productivity since.

Mr Faucher said that the French government will address retirement reforms again in 2022-23, so “we will have some periods when we must walk.”

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## Attracting new customers to rail

Mr Tuffereau of 4F asked: How can we bring a shipper to rail? It is essential to find new customers – especially former ones – based on rail’s quality of service. For the customer, a truck is much simpler! Shippers need a single entry point and one discussion partner, but government at all levels and rail operators must all participate.

Mr Lavoué of the transport ministry said that sector actors must make rail attractive and competitive again. A better match is needed between rail freight offerings and the needs of shippers. We must make shippers feel like using rail. The transport ministry is working to lower price by means of public aid, better internal productivity, and “eco-labels”. They are looking for growth in all the market segments that rail freight can serve, including combined transport, wagonload and unit trains. Public support schemes have been established for rail in all these sectors.

Mr Delorme of SNCF said that our customers have an urgent need: reduction de CO<sub>2</sub> (though not all at the same rate) in addition to quality and price.

Mr Gallo of DB Cargo France said that RUs can only build up volumes over time, not with a snap of the fingers. Shippers are not going to jump onto rail – they need it to become reliable. For example, how will we feed the Lyon-Turin route [and its new basis tunnel], which will open in 2030, given that the Ambérieux-Modane route is difficult to use today? How can we build service through the new tunnel? There is a need to publicise rail freight offerings and make them transparent and simple. We must work on this with AUTF in context of the 4F working groups.

Mr Doutrebente of Europorte said that shippers are asking for rail. Trucking companies call us and ask us to take shipments over distances of over 800 kilometres. There’s lots of talk about RSE principles. But Europorte knows the name of a big shipper who about to leave rail in favour of trucking! He wouldn’t say who; he will reveal the name next week in a *tête à tête* conversation at the Elysée presidential palace. The shipper’s problem was not one of the rail network or reliability. Sometimes a locomotive breaks down or a driver was sick– which can happen to everyone – and there was no accident but the shipper is going to switch from rail to trucking.

Mr Choumert of AUTF said that companies are re-examining their supply chains. They are seeking to relocate, to increase resilience and to diversify risks. This concerns not just the early movers and biggest companies. In the program Freight 21 that the AUTF is piloting along with the French Agency for the Environment and Energy Management (ADEME), 130 companies have agreed to reduce their transport emissions; 100 more will in 2022. They represent all sectors and company sizes. We need profound changes and coherent and persistent action. Modal shift will not be massive tomorrow.

Ms Debaisieux of Roquette said that freight rail needed a regulation giving a shipper the right to be able to move their freight [analogous to the right of trucking using a road], instead of making the shipper pay for upkeep of a branch that only serves them.

Ms Cornet of AUTF saw a big engagement and enthusiasm among rail professionals at shippers. They defend the idea of more rail within their companies. RUs and forwarders have

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an important role. But there is a need to modernise rail. This is much simpler than complex RSE policies, which require re-thinking of supply chain principles and sometimes reducing expectations in terms of just of time delivery and increase inventory. Mr Chauvineau of Objectif OFP commented that “modernity does not necessarily equal speed.” Ms Cornet pointed out that trucking is facing big challenges, including the energy transition and a driver shortage.

Mr Minary of SNCF said that rail is the only decarbonated tool immediately available for shippers’ supply chains.

Mr Rohlmann of ACUTA said that in 2016, they started exchange days on rail services with a group of users in Strasbourg. They also held a rail-freight exchange day in 2017, 2018, 2019, then after Covid in September 2021 held a multi-modal day with the freight users’ group, the port of Strasbourg, inland waterways of France (VNF) and SNCF Réseau in which we promoted barge and rail in the context of modal shift. We had 30 exhibitors and lots of people. 2022 saw a supply-chain planning and multi-modal day in Mulhouse. They will hold one again [in Strasbourg?] in 2023. We must win shippers back who abandoned rail in 2004-2006. They have lots of flows that need to be massified and we are thinking how. At the last ACUTA general assembly, we decided to create a committee just for rail to help shippers, given that we are also member of the national AUTF at the level of the region and participate in all their committees. AUTF is helping us revive the demand. We have not yet won, Mr Rohlmann said, but things have been put into motion.

## Need for simplification

Parliament member Zulési said that we do need to simplify regulations. The parliament is discussing laws on decentralisation, which should simplify regulations, but this requires dialogue with all rail-sector actors.

Mr Lagane of Nestlé Waters “You have invited the wrong rail-freight customers”, he said. “Those that are convinced about rail.” But he said that he had lost three trains that morning due to leaves on the track and strikes. This generated 150 trucks.

He described the requirements for the development of a rail freight customer at the operational level – especially the need to simplify rail freight. Rail’s main problem is its complexity. Different levels of government and adjacent units at same level don’t have the vision, Mr Lagane said. The French government has a top-down vision, and some organisations are focused on verifications. Authorisations for industrial sites last for two or three years.

Like government in France, the rail sector comprises many actors, including wagon owners, railway undertakings, intermodal operators, infrastructure managers for the opening of stations, and the French government regulators. Obtaining approval for operations involving wagonload traffic, unit trains and especially swap bodies is hard. Mr Lagane complained that the rail shipper must organise their own database to coordinate all the RUs’ paths to overcome the lack of communication between them. If you cross an EU border, coordinating the involved RUs is “insane” work. Standards are too complex and too subject to change. If you forget one line in a contract (for example, to move a shunting locomotive between sites) it

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blocks the whole operation. “We are in a profession of experts, but the rail shipper is not an expert”, Mr Lagane said.

Finding shippers with traffic in the opposite direction as yours who are willing to use rail is also very hard, he said.

Mr Lagane said he has requests for rail service from Switzerland and Italy that he is unable to satisfy. He is ready increase his modal share of rail by 50%, he said, but is not very motivated.

Mr Chauvineau of Objectif OFP was impressed that Mr Lagane, a shipper who faces so many challenges with rail freight, nevertheless came here to the conference to defend it. There is a great demand for simplification. How can the railway culture be cured of its complexity? “Railway people will always tell you it’s more complicated than outsiders think”, Mr Chauvineau said.

## **Need for innovation and modernisation**

Mr Lavoué of the transport ministry pointed to the need to foster innovation in rail freight. Moderator Emilie Soulez pointed out that innovation requires (1) creativity and an idea and (2) action, with changes in practices, habits and procedures.

Ms Cornet of AUTF said that modernity for some is the self-driving, hydrogen-powered truck. We need to all work together to modernise rail. The 4F/French government strategy provides concrete elements. But words must become actions to provide proof that rail freight can modernise itself and bring solutions instead of more problems. The mountain is very high to climb, Ms Cornet said. One needs the courage to jump into all the technical problems.

In her introduction of Bertrand Minary’s talk, Ms Soulez said that a year ago, Mr Minary had talked about four areas of rail freight development: system performance, digitalisation, multimodal transport and greening.

Mr Minary of SNCF commented that the European rail freight corridor number 1 (Rotterdam-Genoa) is putting emphasis on the performance of their assets (infrastructure, wagons, locomotives, data, personnel), and especially on long and quiet trains, loading gauge and new braking technologies.

He saw the following drivers of innovation in rail freight:

- The profession wants to go in the direction of “digitalisation and even automation”.
- Multimodality, i.e. connection to other modes, including both physical and data exchanges. In this room [at the conference] we have two wagons makers that are very involved in this.
- Decarbonation: short-, mid- and long-term solutions for getting out of diesel in line with France’s hydrogen strategy.

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Mr Minary has been working in the orientation committee for rail innovation (Corifer). The first two projects submitted to Corifer were these:

- Digital automatic coupling for France: the French part of the international project DAC, which will allow assembling trains faster but also make them more intelligent by putting data in them.
- The Monitor project for the monitoring and automation of operations; intelligent trains have been talked about for a while.

He said that the 1300 small and mid-sized companies in the French rail-freight sector create €2 billion in added value for France internationally. The sector is known for its passenger trains and tramways, but also includes wagon and locomotive makers and rebuilders. “French Tech can help us in these areas”.

Mr Minary said that the French government adapted 4F’s recommendations, read its innovation report, and put in place a committee for the orientation of rail research and innovation (Corifer). It called for innovation proposals in three areas, one of which was decarbonated and intelligent rail freight, to see if the sector could produce projects, which we did within two months “in 4F mode” from April to June 2021. The result was not a series of juxtaposed projects, but projects that were each developed by the whole 4F. We formed a task force, which was the start of something because now the government is continuing to issue calls for expression of interest and for projects. We are going to continue to work in this mode in the next months.

This is occurring in France but also internationally in the form of the joint research and innovation enterprise Europe’s Rail JU, the successor to Shift2Rail. It will directly connect to French initiatives – or at least that’s what we have proposed. The projects are based several French cooperative initiatives for innovation that involve in particular France’s Railenium technological research institute. Railenium will provide the “pot and soil” to start growing innovation that we must accelerate and use a little more for rail freight.

Shift2Rail (which is now becoming Europe’s Rail) defines standards, Mr Minary said. Once you have standards, you need demonstrators. We are seeking to promote the French rail sector and French reindustrialisation and not just rail freight. With the help of the French government, we are going to take the work done at European level further in the spirit of “made in France”.

## DAC

Mr Minary said that digital automatic coupling (DAC) will be for shippers what the TGV was for passengers. Offerings and job descriptions are going to change. The DAC and intelligent train will be joined by the autonomous train. We already have the self-driving locomotive but want to make the freight train behind autonomous as well.

Mr Luzuy said that Ermewa builds, rents out and maintains wagons in Europe, of which they own 40,000. In the context of the calls for expressions of interest for DAC, they created a project for the first trial of DAC in real rail operations in France that was perfectly integrated with the European project. The DAC is the backbone of the future intelligent freight train, which permits:

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- Hybrid DAC/hook coupler for locomotives of DAC type 5, which includes remote uncoupling
- DAC type 4 (but ready for DAC type 5)
- Electrical energy system
- Communication system (including train initialisation, train setup and wagon orientation)
- Automated brake test
- Electro-pneumatic brake
- Individual telematic and sensor applications
- A provision for implementing train integrity proving later

Ermewa helped carry out the first trial of DAC in real rail operations in Europe. They focussed on a closed flow of aggregates: limestone and chalk loaded at quarries in northern France and consumed by a major steel producer in Dunkirk. The yearly volume is 1.5 million tonnes. Some 200 wagons and 5 locomotives were retrofitted. The project included Fret SNCF, DB Cargo France, Inveho (the largest French network of wagon maintenance shops), and the rail technology company Faiveley Wabtec. The team also included the first French and EU shipper in a DAC project: Arcelor Mittal. The project started in 2021 and will continue until 2024-2025. It involved four strategic key steps:

1. Currently and continuing into early 2022: Translate results of the EU project into the French project, integrate them, and adapt and resolve the technical choices that remain open.
2. Work with Inveho teams on a migration plan. Retrofitting wagons already in service requires a workshop that is close as possible to flows.
3. Change management. Introduction of the DAC technology requires modified processes for all actors, including RUs, shippers and maintenance companies. Analyse, dissect and adapt each of these processes.
4. Test DAC in real conditions over several months to gain experience that will be useful to the sector for the national development effort.

The project's budget is €10 million for five locomotives and 200 wagons; retrofitting the whole French wagon fleet is estimated to cost €1 billion [and the European fleet €10 billion – GR]. The national ambition and public funding for DAC must come from French and (probably) EU public authorities. The financial justification for such support comes from the externalities that rail can avoid if rail's share in France doubles. Standard maintenance plans in Europe bring a wagon to a workshop for major work every 7 years. This is why equipping an entire fleet of wagons economically takes so long. Their project was to be accepted (or held for further examination) on 26 November 2021.

Bruno Lecomble said that Wabtec Faiveley is an equipment supplier for rail throughout the world. DAC is combination of several technical innovations. First, mechanical coupling and uncoupling and pneumatic and electrical energy. Second, communication (for transmission of data and signals) all along the train for these purposes:

- Connecting sensors and all associated telemetric applications.
- Pre-departure brake verification.
- Electro-pneumatic brake, which lets you activate all of a train's brakes at once and reduce braking distances and/or raise speeds and thus optimise use of train paths.

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- Making the system ready for future implementation of a system that can verify train integrity.

Mr Lecomble called DAC the backbone of the future intelligent train. DAC lets Europe leave the 19<sup>th</sup> century and opens the door to the 21<sup>st</sup> century. Europe remains the final continent in the world without automatic coupling for rail freight. But it can become the first continent with *digital* automatic coupling and thus the world leader for services, industrial and digital technologies in this field. Other continents have automatic coupling, but not uncoupling [and not connection of brake hoses – GR]. Automatic couplers exist on small wagon fleets in Germany (just mechanical coupling) and Switzerland (mechanical and air coupling). Europe and France have the chance to jump over several generations of automatic coupler and become pioneers and world leaders in this area.

Mr Lecomble also presented Project Monitor for “a digital system for freight trains” that collects, transforms and transmits data. It seeks to design a digital system for freight trains based on the digital and vibratory verification of wagons. The project’s components are:

- Sensors and dedicated algorithms
- Train architecture and cybersecurity
- A solution that is autonomous and energy efficient

The project’s objectives:

- Automate pre-departure verification procedures (brake check, train composition capture)
- Monitor the train in operation (stuck brakes, wheel geometry)
- Regularly check the integrity of the train as it travels (function being studied)

The project’s benefits:

- Shorter train preparation time
- Detection of faults in advance and reduce associated costs
- Lower maintenance costs
- Better train safety, reliability and availability.

The project’s steps:

1. Placed sensor in and on the wagon and its components.
2. Analyse raw data and transform it into intelligent data by using dedicated algorithms.
3. Transmit data on operations and its safety to the driver in the locomotive but also to the cloud for fleet management: replace fixed-interval with use-based maintenance; and ultimately form the basis for predictive maintenance.

Other Project Monitor goals are integrating cyber security and limiting energy use. Energy should be “autonomous”. [This presumably means that the wagon can continue to report on its condition even when not coupled to a locomotive – GR.] The system verifies the train’s composition and checks that brakes are working right before a train run. It also monitors the train while rolling to detect stuck brakes and bad wheel geometry for prevention of derailments. Electro-pneumatic brakes will replace air brakes dating from 19<sup>th</sup> century, whose big drawback is the time needed for the pneumatic signal that controls the brakes to reach the end of the train.

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Mr Lecomble said that Wabtec Faiveley is launching a project on using DAC to guarantee train integrity for future deployment of ETCS Level 3 with moving blocks. [Level 3 eliminates the need for track vacancy proving that uses track circuits and axle counters, but must deal with wagons that for example roll onto or are forgotten on a main line – GR.]

Real-time weighing is not in the Project Monitor's scope, Mr Lecomble said. But it architecture will let you add applications for weighing. [You just need the sensors – GR.] Such weighing could help detect bad loading and shifted loads. Mr Minary of SNCF said that other countries already have detection of badly distributed loads. These are based on weighing by thresholds, but precise weighing is also possible.

Standardisation at EU level is essential, Mr Lecomble said, but takes time.

### The greening of the locomotive

Mr Delorme of SNCF said 90% of rail tonnes-km are France with electric traction under catenary. This allows instant CO<sub>2</sub> savings without waiting for low-carbon trucks.

But RDT 13's Pierre Saracino said that OFPs are often on capillary lines, which are only 15% under wire. So today they still have nothing but diesels and also drive them under line sections with wires. We don't want to see a hydrogen truck on a road next to a diesel locomotive, Mr Saracino said. He thanks manufacturers for conducting the expensive approval processes of locomotives with new energy sources. OFPs can't afford such work.

Mr Doutrebente of Europorte said that one big problem of French RUs is the reliability of their locomotives [due to their age – GR].

Alstom's Thierry Tournier said that the greening of locomotives can take the form of their total electrification in lieu of small diesel engines for non-electrified zones. Alstom has received an order in France for 14 Regiolis bi-mode passenger trains that can run on both catenary and hydrogen (and not diesel). They are expected to be approved and start service by 2025. French electricity is mostly decarbonated because it is a mix of solar, wind and nuclear. The vehicles generate electricity from hydrogen on board without CO<sub>2</sub> or particle emissions. Trains have run on hydrogen in Germany since 2018.

A big part of tonne-km performed is on electrified lines, Mr Tournier said, but not necessarily behind electric locomotives. Less than 50% of the French network is electrified. And of the roughly 1000 rail-served terminal facilities (ITEs) in France, 80% are not electrified. The lack of first-mile electrification leads diesels to run 80% of their kilometres under wires.

Bi-mode locomotives can run on batteries or hydrogen on the last mile. These technologies are no longer R&D; they are mature technologies available now. Alstom took a risk by acquiring the hydrogen technology: in the future, trains will use hydrogen fuel cells made in France by a company called Elion that Alstom bought in April 2021.

Alstom will also implement green traction chains involving batteries as well as or instead of hydrogen in freight locomotives. They will work in ports and marshalling yards where particle emissions and CO<sub>2</sub> is closely watched by local metropolitan areas. But such

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locomotives will also run on main lines. We need de-carbonated electricity and hydrogen distributors to supply these trains.

Shippers are pushing for green solutions and are planning decarbonation of their flows. More than 100 have adhered to UTF's Freight 21 program. There were just 25 in 2020. Alstom wants to accompany shippers with RUs who put their trust in Alstom. The company is also working with 4F on a decarbonation plan for French rail freight and are looking for RUs to work with.

Decarbonation cuts pollution emitted by locomotives that leave ports, plants, warehouses and traverse zones in which local government regulates particle emissions. Regulation should force the whole market to go green, and not just isolated railway undertakings and shipper flows. But in the absence of national law requiring green locomotives, local governments and regions can ban diesel locomotives to reduce pollution, just they are banning diesel trucks.

To retrofit diesel-electric locomotives with hydrogen, a way must be found of not having to re-approve the whole locomotive, which may have been first approved 15 years ago, for example, when noise requirements less demanding. Just the hydrogen or battery kit that replaces the diesel engine should require approval. This is already possible in the auto industry. Mr Tournier hoped the certification authorities will allow this compromise for rail.

## Rail organisations

The conference focused on different elements of the relationship between RUs and on specific RUs and related organisations.

### Cooperation among RUs

Mr Doutrebente of Europorte said that by cooperating with each other, RUs can perform better. We are in markets where we cooperate. One example is a new service called Flex Express, which has grown 35% since January 2021. Europorte cooperates with DB, Lineas, VTG Retrack and SNCF's Rail Logistics Europe. This would have been more difficult in the past, when dialogue and cooperation were tabu. We must unify to make sure that French government maintains its efforts even another party comes to power. This will make us much stronger. Each of our companies have their own interests, but also in the economy as a whole. RUs can cooperate to develop traffic as long as they don't talk about prices. The pressure is on us.

### SNCF's Rail Logistics Europe unit

Mr Delorme said SNCF's Rail Logistics Europe unit has several RUs under the same management, which facilitates their working together. "SNCF is changing from a patchwork to a network", he said. Captrain France (ex-VFLI) now can work directly with Captrain Spain to simplify operations across the 1435/1668-mm gauge change. Novatrans can work with these RUs and Captrain Italy. But these RUs also work with non-SNCF RUs.

Mr Choumert of AUTF said that RUs must share more information and be more transparent in their work.

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## Local train operators (OFPs)

Mr Chauvineau said that the association Objectif OFP is part of the efforts of 4F, COI and the French government. Regional and local anchors are essential for rail freight. The focus of our strategy must be on the local and regional anchoring of rail freight, including port hinterlands.

Mr Gallo of DB Cargo France said that the US market is very segmented between a handful of large freight rail companies and hundreds of local train operators (OFPs) who own their own infrastructure. In Germany, some 200 OFPs feed the network.

## Big RUs want small RUs to stay local

But Mr Gallo also said that France OFPs have started to compete with mainline operators for long distances. He said that cooperation with OFPs is easier when they don't also offer long runs. [In Germany, about a dozen mid-sized German RUs and some OFPs compete with DB for long distance traffic – GR]. Mr Doutrebente of Europorte said that each RU should stay in its place so we can complement each other. He didn't like the mixing of roles between OFPs and main-line RUs. Mr Delorme of SNCF's Rail Logistics Europe unit said that working with other RUs when they are just local OFPs is easier than when they compete with Fret SNCF over long distances.

## RDT13

Mr Delorme also cited their cooperation with the OFP RDT13. Pierre Saracino said RDT 13 has been an OFP since 1913. It operates in the *département* of Buches du Rhône and the surrounding area, on their own infrastructure and now mainly on the French national rail network. It employs less than 100.

RDT 13's traffic includes two daily trains that carry garbage from Marseille to an incinerator at Fos sur Mer. RDT 13 is testing an intelligent train on this operation. Objectives are better safety and punctuality, lower upkeep costs for track (RDT 13 is also the infrastructure manager for its own lines) and rolling stock, and shorter pre-run train preparation time. Currently the latter takes 60-90 minutes (which is up to 50% of travel time for an OFP case like the garbage train) because nothing is automated on a train that makes its trip in 2 to 2.5 hours. In contrast, 60-90 minutes of checks are a far smaller percentage of run time for a train from Perpignan on the Spanish border to the large Rungis food distribution centre just south of Paris.

Preparation mostly involves a worker's walking up and down the whole train to check the brakes. The wagons RDT 13 bought last year have steel shrouding around the bogies that make the brakes even harder to see. Another reason why brake checks are so important on RDT 13 is that sparks from stuck brakes can kindle the brush fires that start so easily in their part of southern France. The garbage train is a good demonstrator because it runs daily, so provides lots of test data, and its 110 wagons are dedicated. If tests of the automated brake check go well, RDT 13 wants to equip all the wagons in this fleet by 2025-26.

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## Railcoop

Railcoop is an RU cooperative that is starting to run both passenger and freight services on some French secondary lines. Their first train has run just a few days earlier, Mr Chauvineau of Objectif OFP said. David Valence said that his Grand-Est region had bought €300,000 of Railcoop shares. He believed that other French regions and political units will follow the lead of Grand Est. Mr Gallo of DB Cargo France said that “we have all welcomed the launch of Railcoop”. Mr Gallo of SNCF said he was looking forward to “working more and more” with Railcoop.

## RegioRail

Mr Devinoy of TLF and RegioRail said that a small to mid-sized firm like RegioRail has a very strong entrepreneurial spirit and is very agile. We understand the customers and want to listen to them. This especially important in rail, which will always have unexpected events. As a company of intermediate size, you know your people and can ask them to find proactive or real-time solutions.

This entrepreneurial spirit is very important for developing freight, Mr Devinoy said. We have several professions, ranging from rail traction to development of rail-served stations and last-mile trucking. Shippers need service integrated from A to Z. But they no longer know about rail. We must re-educate shippers on rail or let intermediaries like Forwardis, VTI and Eurorail form a medium that “screens the customer from the complexity of rail” and manages multi-modal transport in the customer’s place. This is an important role for the new RUs that are now entering. He cited the example of the shipper Cemineu, for whom – in “good cooperation” with SNCF Réseau - RegioRail was able to create a complex traffic flow moving between isolated stations. Traffic is growing, Mr Devinoy said; we are increasing to four rotations a week.

## Grand Est region: vertically integrated operators for secondary lines?

Moderator Emilie Soulez said that Grand Est has 6000 km of rail lines, the longest and most dense network of any French region. A third of the network are secondary lines nevertheless used by 25% of passengers. In 2018, Réseau SNCF told the Grand Est region that two passenger lines would have to close. So Grand Est began to investigate taking over the infrastructure of these lines.

Mr Fontaine of the Grand Est region presented the new contractual framework for renovation and maintenance on the capillary lines of the Grand Est region, which he called local and regional infrastructure. SNCF Réseau wants to save main lines but can’t afford low-traffic lines (classes 7 to 9). But some of these lines carry 40,000 passengers a day, including a lot of Strasbourg region’s rail traffic.

Strasbourg-Epinal and Nancy-Vittel were closed in 2018, Mr Fontaine said. For the coming months and years, there are threats of other line closure, particularly among lines in the north of Alsace that connect with Germany and carry several thousand passenger a day. Facing us across the table, Mr Fontaine said, are the French government and SNCF Réseau, who want to

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save main lines but also want SNCF Réseau to achieve a positive cash flow by 2024. This leaves SNCF Réseau unable maintain and operate these little lines.

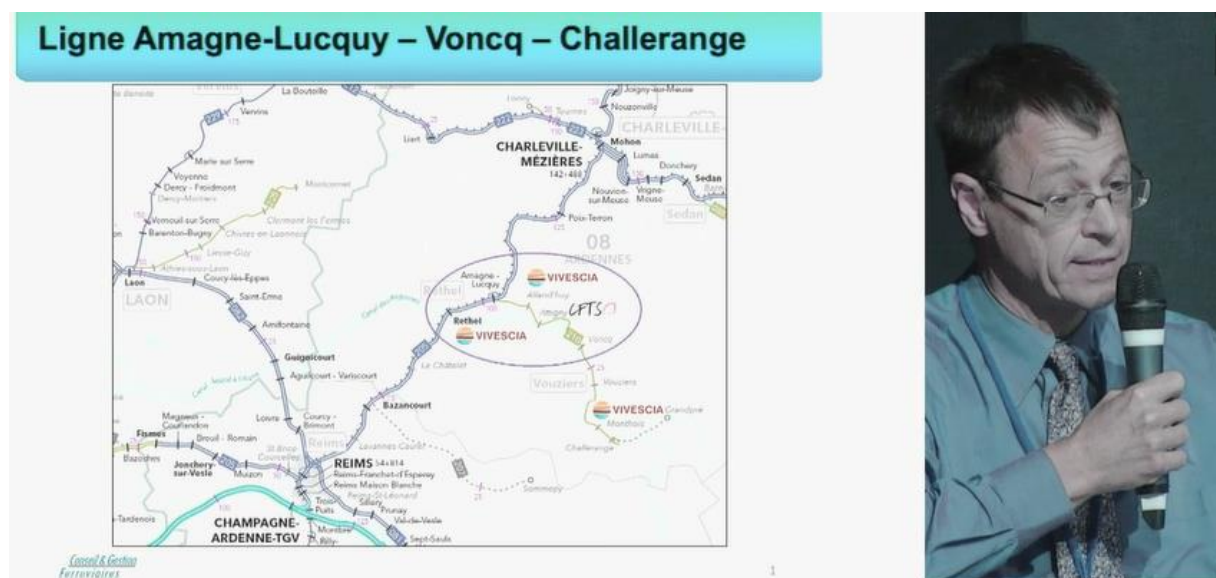
The Grand Est region must therefore invest at least €1 billion in these lines over the next 10 years. We are going to look for this money from private operators and large construction companies. We want to put in place 30-year concessions on these lines, with vertical integration of management for both infrastructure and trains so that that Region will be able to deal with a single party responsible for investing and making the productivity gains needed to reduce the cost of operations. The Grand Est region also must help make productivity gains on its stronger lines that allow concession holders to recoup investments.

EU policy requires the separation of infrastructure and train operation. Mr Fontaine said that small lines require an exception, which the Grand Est have requested. Only if infrastructure and RU have the same interests will efforts to gain productivity yield the right investments.

Whereas the French government has largely delegated responsibility for local rail passenger services to the region, it has retained more responsibility for freight. Mr Fontaine said the Grand Est region has lots of passengers in one part of the Region (Alsace and Lorraine) and lots of freight in Champagne and its big agro-industrial sites. These freight lines are also under threat, Mr Fontaine said: we have been able to get €15 million from the French government and operators over five years, but in the near future we will need €300 million over 10 years to save freight lines in Champagne. The Grand Est cannot implement the principle of vertically integrating the management of train operation and infrastructure on capillary lines in isolation. The French government must adopt it [for lines where it makes sense – GR] at national level.

### Groups of towns who buy their rail line

Loïc Perdu is head of the company Conseil and Gestion Rail (rail consulting and management). They are helping manage the rail projects of groups of towns in the southern part of the Ardennes *département*. He describe how his firm is helping to save the rail line connecting Amagne, Voncq and Challerange, a 41-km line that served two silos, at l'Alland'Huy and the other at Monthois.



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SNCF Réseau said in 2015 they were going to close the 34-km line between Alland'Huy and Challerange and in 2018 did, including a heritage train at Attigny. The French government's representative in the region (the *préfet*), local elected officials, customers and SNCF Réseau started working in 2016 on an alternative solution. In 2018 two groups of towns (*communautés de communes* or CdCs) on the line, the French government, the Grand Est region and the Ardennes *département* decided to give the first 20 km of the line a permanent status in an innovative action within the Pacte Ardenne. This was the first use of Article 16 of the December 2020 decree based on the December 2019 law on the orientation of mobility (LOM). It opened the door for SNCF Réseau to sell a low-traffic capillary line that until then had been part of the French national railway network to a local government unit (such as a CdC) for €1.

The Amagne-Challerange line serves these CdCs:

- Les Crêtes Préardennaises, with 20,000 inhabitants living on 1000 km<sup>2</sup>
- Les Pays Rethélois, with 30,000 inhabitants living on 800 km<sup>2</sup>

The two CdCs had no resources for this issue and not much of an organisation but were sensitive to sustainable development and the need for a green transition, didn't want to see this infrastructure disappear and therefore took a risk and made the commitment of buying the line themselves. They wanted to retain infrastructure development in their areas in their hands by saving the line and continuing to offer companies rail freight service.

The two CdCs took over project ownership of an investment of €1.2 million that was co-financed by the French government, the Grand Est region, the Ardennes *département* and the two CdCs. The Crêtes Préardennaises CdC took over the lead for ownership of the investment project and for the line's management. As the CdC has no rail expertise, it subcontracted this task to Mr Perdu's firm, which is specialised in rail project ownership, and subcontracted to other companies ongoing and one-off maintenance tasks and the control of rail operations.

The advantage of this new arrangement for the CdCs is that they now deal directly with the management of their infrastructure, see the problems themselves, see the costs, can influence decisions, including for infrastructure investments, operations (including access charges) and maintenance. The latter costs much less it would have under SNCF Réseau. Taking over ownership of the line let the CdCs decide fast and autonomously on restoring or building a facility along it.

Mr Perdu concluded that the first thing you need is the cooperation and commitment of all government levels (including the French government, the region, the *département* and the CdCs), the customers (who in this case pay €2 per tonne to maintain and operate the line) and SNCF Réseau. Then you need shippers with freight they want to send or receive by rail and RUs willing and able to make attractive offerings.

## The role of intermediaries

Ms Cornet of AUTF pointed to an increasing need for intermediaries for digitalisation and for more traditional freight forwarders. Part of public investment should be in change

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management. This should ensure that concertation and gains are permanent because shared at all levels of the company, not just top management.

## Intermediaries for digitisation

Mr Choumert said that AUTF and shippers are expecting much from digitalisation and from data-based collaboration between actors. This should increase the efficiency of the system, increase the pool of potential customers, improve ETAs and bring more transparency on performance with “targeted” KPIs. Existing actors or new digital platforms can bring together customers and multimodal services. But, Mr Choumert said, digitalisation can’t do everything without human and managerial accompaniment.

## Freight forwarders and logistics companies

Mr Gallo of DB Cargo France called logisticians the most important link in the rail-freight chain. They should be able to work with a railway on its offering and propose it to the logisticians’s customers. We must educate the logisticians so they can do this.

Mr Delorme of SNCF said that seven RUs are needed to get a container by rail from France to China. Forwardis, the forwarding company that is part of SNCF, assembles all that in both directions.

Mr Delmont of TLF and VTG presented an example of a complex flow that logistics companies and freight forwarders put in place. He is head of the rail commission within the association TLF, which has been re-launched and reactivated. Their objective is to find trucking companies, logistics providers, and freight forwarders ready to work on rail. His employer, VTG, offers rail logistics solutions. He said that the role of logistics companies is to simplify access to rail logistics for shippers.

Lots of people still think rail in France is just SNCF, Mr Delmont said. In fact, rail freight involves many more actors and is more international. The “assembler”, the logistics specialist, is there to define integrated solutions that are inserted in the logistics chain and that make it more secure and reliable.

Rail can be one part of logistic chains but mustn’t pretend it can solve everything, Mr Delmont said, because we face random events. Suppose there is a strike today. The factories must continue to operate and we must continue to make deliveries to customers. In such a situation, the logistics companies have an essential and sometimes under-estimated role. The rail market’s offering comes from RUs and the wagon leasing companies, but the logistics companies – including the freight forwarders – the trucking companies and the intermodal operators are also essential. This is the role we assume within the efforts of 4F.

We must not forget the essential prerequisites: After the announcements of the new financing plans for French rail freight, we are entering the serious and difficult part, Mr Delmont said. We must now be fast and agile and achieve concrete results in the form of higher market share. The new public aid should help win new flows, not support existing ones. We need 95% performance in rail – knowing that in some industries, 99% performance is required. Working in partnerships with the RUs, wagons leasers and all the actors of the chain, the logistic companies need to continue – in France and in Europe – to facilitate this access and

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meet this demand for performance. For the customers, because they are the centre of everything.

Mr Delmont pointed out VTG's new customer Cemineu, whose president, Franck Dupont, was in the audience. Mr Delmont called Cemineu proof that we can develop new solutions to attract new shippers to rail.



Swap bodies. Train 489305 from Hourcade yard at Bordeaux to Lyon-Sibelin on 19 July 2020. Photo copyright © Alan Jfr

Transparency is needed between the shipper, forwarder and RU, Mr Delmont said. This is true for VTG in its work with RegioRail and with all other RUs, as VTG is totally independent, with no shares in RegioRail. What we need is orientation to the customer and a willingness to become part of their logistic chain. We are trying to achieve better performance, constant improvements, bigger trains, lighter wagons. Make the model ever more competitive and develop the volumes of this shipper and say to him: you have made the choice for rail at a moment when few people do. You are making the right choice and we are showing you that it's feasible. Your action will help convince other shippers to follow you. He thanked Cemineu for coming to rail (and not just to VTG/RegioRail). This is what we must duplicate for other shippers.

Mr Boudoussier of Norlink Rail said that they have created SOS Multimodality, a hot line for those who would like to use multimodal but to whom it seems very complicated and who need to understand the constraints and advantages.

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## The conclusions of Objectif OFP

In his concluding remarks, Mr Chauvineau of Objectif OFP said that the conference showed “a ball of conviction bearing considerable energy.” But “let’s be careful with our enthusiasm; we haven’t won yet. The old ideas are still around.” If all this doesn’t move fast, he said, this project will join all the other rail-freight projects that were never completed.

Objectif OFP also published this longer conclusion after the conference:

The market and shippers have stated the importance they attach to green logistics, the advantages of rail, its environmental contribution, its low energy consumption, and the potential improvement it holds for restoring itself and digitalising its network, wagons, trains and train paths. This potential is immediately available without technological risks. But the market and shippers have also said that, compared to other European countries, in France they are confronted with the inadequacies rail freight offerings in terms of train paths, reliability, the coexistence freight and passenger services, and the management of track work.

The market and shippers are also confronted with freight rail’s complexity, with its many actors and regulations, and its promises of improvement that don’t become reality. For example, they may fear that the forthcoming Performance Contract for SNCF Réseau will require its financial stability but contain no commitment that the re-conquest of rail freight is one of its missions.

The market and shippers have been included in the work of 4F, the DGITM and the COI. They have helped establish the context of for a new era of rail freight, which will be European, connected with Eurasia, to the UK via the channel tunnel and to North Africa via the Mediterranean ports and which will improve the connections with the Iberian peninsula and certain French regions and reinforce rail service to our ports.

This new era will be European, but also rooted in local regions. Logistic companies, seaports and inland-waterway ports, local actors, metropolitan areas and regions must take stock of the stakes surrounding capillary lines and rail facilities in their territories and develop their intermodal connections.

Half of rail freight traffic depends on these local roots. Rail freight’s ability to detect, retrieve and distribute shipments will depend on the solidity of these roots. They are the link with local shippers, their logistic arrangements and the mutualisation of freight traffic among customers. This is the opportunity posed by local freight operators (OFPs), which bring the efficiency and reactivity of small and mid-sized companies to rail freight. Rail freight is also the basis for a combined transport mode supported by trucking that is cleaner and is re-located and owned in France.

We need to be concerned that the logistical and environmental choice in favour of a new era of freight rail will not being clearly made by the end of French president Emanuel Macron’s first term in May 2022 and thus risk being delayed indefinitely. Another risk is losing the opportunity to send a signal for the European railway during the French Presidency of the EU in the first half of 2022.

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Speed limit 50? Train from Pontivy to La Sofral siding at St-Gérand in central Brittany on 27 March 2021. Photo copyright © Alan Jfr

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