

Harmonizing investment plans by bringing the market's view

Insights from the Scan-Med CNC 4th Work Plan
and follow-up as regards the market view on
investments priorities

ScanMed RFC Customer Workshop, digital RAG/TAG-meeting
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Preamble

- **May 2019:** Request from DG Move, asking RFCs to provide input for prioritisation of investments
- **June-August 2019:** The IMs view on the projects reported by the MSs of ScanMed CNC via a target oriented consultation among ScanMed RFCs member IMs , focusing on infrastructure parameters, highlighting the bottlenecks impacting capacity and efficiency of freight services on the corridor and market perspective
- **September-October 2019:** Consultation with ScanMed RFC RAG allowing the RUs to provide their view on the investment plans previously reviewed and assessed by the IMs of ScanMed RFC
- **October 2019:** ScanMed RFC provide DG Move with...
 - ... Summary of IMs' assessment of planned investments reported by MSs of ScanMed CNC
 - ... List of additional investment projects in ScanMed RFC Investment Plan not being included in ScanMed CNC work plan
 - ... ScanMed RFC RAG's input for prioritisation of investments
 - ... ScanMed RFC's position on Art.11 of Reg. 913/2010
- **August 2020:** DG Move distribute draft version of the *Study on Scan-Med TEN-T Core Network Corridor, 3rd Phase, Work Plan 4 (4th Work Plan)* to ScanMed Corridor forum IM members
- **September-October 2020:** ScanMed RFC analysis of 4th Work Plan w.r.t. the market view on investments priorities, subsequently reported to ScanMed CNC

ScanMed CNC 4th Work Plan - Summary

- **The 4th Work Plan's objective:**
 - As a matter of **common interest** and **shared responsibility**, drive the **realisation of the ScanMed CNC** between now and 2030

 - Given the objective – realisation of ScanMed CNC by 2030 involving Member States, Norway, the European Commission and invited stakeholders forming the Corridor Forum – the **4th Work Plan focuses on the agreed key priorities**, ensuring **ScanMed CNC's fullest contribution to the realisation of the TEN-T's objectives**
 - The agreed **key priorities**, set up for the **Rail Network of ScanMed CNC**, are targeted towards a **full compliance (100 %)** for...
 - ... Lines electrified,
 - ... Track gauge 1435 mm,
 - ... Line speed ≥ 100 km/h,
 - ... Axle load ≥ 22.5 t,
 - ... Train length ≥ 740 m,
 - ... ERTMS in operation...
- ...by 2030**

ScanMed CNC 4th Work Plan - Summary

- The agreed **key priorities**, set up for the **Rail-Road terminals (RRTs) of ScanMed CNC**, are targeted towards a **full compliance (100 %)** for...
 - ... Capability of intermodal transshipment,
 - ... Availability of at least one freight terminal open to all operators,
 - ... Electrified train accessibility,
 - ... 740m train terminal accessibility...

...by 2030
- The compliance of **ScanMed CNC's Rail Network** was high already in 2018 w.r.t. the targets set up for **Lines electrified (96 %)**, **Track gauge 1435 mm (100 %)***, **Line speed \geq 100 km/h (92 %)** and **Axle load \geq 22.5 t (92 %)**. Considerable lower compliance rate has been achieved for **Train length \geq 740 m (49 %)** and **ERTMS in operation (7 %)**
- The compliance of **ScanMed CNC's RRTs** was achieved already in 2018 w.r.t. the targeted **100 % Availability of at least one freight terminal open to all operators**. The compliances of the targeted rates for **Capability of intermodal transshipment (74 %)**, **Electrified train accessibility (48 %)** and **740m train terminal accessibility (19 %)** are however remaining to be achieved by 2030

ScanMed CNC 4th Work Plan - Summary

- **The 4th Work Plan** has comprehensively reviewed and updated the **project list**, now numbering **817 projects and measures related to the Corridor**. This compares to 374 projects in 2014, 543 projects in 2016, and 666 projects in 2017.
- Without considering the projects completed by 2018, there are **655 projects** (all transport modes) **ongoing or planned** on the ScanMed CNC
 - With a dedicated view on the **year 2030** it can be stated that **168 Rail** and **46 RRT projects** are expected to be **completed**

ScanMed CNC 4th Work Plan - Summary

- Despite the already achieved and foreseen accomplishment of projects by 2030, it's stated that **corridor evolution is hampered**, as various **rail projects are facing delays or financing uncertainty**.
 - **13 projects** with relevance for the achievement of the defined targets of ScanMed CNC's Rail Network by 2030 – **including some key rail projects with vital importance** for the corridor – are expected to be to be **concluded only after December 2030 or have no exact finalisation date at all**, e.g.
 - **Fehmarn Belt fixed link** due to ongoing case at Federal Administrative Court in Leipzig regarding the completed permitting procedures on the German side
 - **Northern and southern access routes to the Brenner**. Projects in Italy are partially scheduled after 2030, whereas the envisaged four-track-upgrade in Germany is still in the study phase.
 - **ERTMS** deployment is agreed only until 2023 while 2030 values are set as targets only (no commitment on underlying projects). In particular full ETCS deployment can be doubted if no acceleration is agreed upon

Insights and follow-up as regards the market view on investments priorities

- As mentioned in the preamble of this presentation, **ScanMed RFC** conducted a consultation among the members and RAG in 2019, according to a concerned COMM letter. This allowed the stakeholders to to **provide input for their view on prioritisation of investments**. The result of this consultation was then presented and submitted to DG Move, whereby it has been taken into account and has contributed **to the present draft version of the 4th Work Plan**.
- ScanMed RFC's contribution to the 4th Work Plan included the **RAG's bottleneck assessment**.
- Besides determining the most **urgent capacity bottlenecks** in the market's view, ScanMed RFC RAG's bottleneck assessment addressed **infrastructure improvements towards...**
 - ... **740 m train length,**
 - ... **Max axle load,**
 - ... **Electrification,**
 - ... **Loading gauge P/C 70/400** and
 - ... **ETCS**

...on specific parts of the rail network as **relevant to include in the further implementation of a ScanMed CNC** where rail freight growth is being stimulated.

1. Insights and follow-up as regards the market view on investments priorities

The market view on investment priorities, as presented in the RAG's bottleneck assessment, has been considered and to some extent acknowledged in the 4th Working Plan:

2019 ScanMed RFC RAG

Investment priorities

– 1. Most urgent capacity bottlenecks:

“New Brenner tunnel North entry Line in Germany (Munich-Kufstein)”

4th Work Plan – Persisting bottlenecks and missing links:

“On the northern and southern access lines to the Brenner Base tunnel, projects in Italy are partially scheduled after 2030, whereas the envisaged four-track-upgrade in Germany is still in the study phase.”

4th Work Plan – The Corridor scenario:

“The non-completion of the feeder infrastructure for /.../ Brenner Base Tunnel would furthermore affect the development of the corridor as a continuous and interoperable infrastructure. Such conditions would hamper the development of seamless traffic flows between Scandinavia and Central Europe and across the Alps.”

4th Work Plan – The European Coordinators recommendations and future outlook:

*“While all member states subscribe to the TEN-T objectives and the 2030 milestones, particularly for cross border sections, there is **evidence of a lack of integration and necessary prioritisation** of these elements in national planning strategies in some Member States. Implementing **Decisions as foreseen in the TEN-T Regulation can be a support in this sense**. Together with the member states concerned we aim thus to develop such decisions at least for /.../ major cross-border infrastructures **the Brenner Corridor from Munich to Verona with the Brenner Base tunnel /.../**”*

2. Insights and follow-up as regards the market view on investments priorities

2019 ScanMed RFC RAG
Investment priorities
– 4. Most urgent
capacity bottlenecks:
“Denmark, with just one
transitline”

4th Work Plan – Achievements along the Corridor since 2014:

“ /.../ insecurity regarding on-time completion applies - among others - to some key rail projects with vital importance for the corridor. For the Fehmarn Belt fixed link while a major milestone has been reached and preparatory works on the Danish side have started the permitting procedures completed on the German side in January 2019 are currently a case at the Federal Administrative Court in Leipzig.”

4th Work Plan – The Corridor scenario:

“The non-completion of the feeder infrastructure for Fehmarn Belt Fixed Link /.../ would furthermore affect the development of the corridor as a continuous and interoperable infrastructure. Such conditions would hamper the development of seamless traffic flows between Scandinavia and Central Europe and across the Alps.”

4th Work Plan – The European Coordinators recommendations and future outlook:

*“While all member states subscribe to the TEN-T objectives and the 2030 milestones, particularly for cross border sections, there is **evidence of a lack of integration and necessary prioritisation** of these elements in national planning strategies in some Member States. Implementing **Decisions as foreseen in the TEN-T Regulation can be a support in this sense**. Together with the member states concerned **we aim thus to develop such decisions at least for /.../ major cross-border infrastructures /.../ the Fehmarnbelt fixed link in the coming months”***

3. Insights and follow-up as regards the market view on investments priorities

2019 ScanMed RFC RAG Investment priorities

– 1. No electrification:

“Border station Brenner: realization of a switchable AC/DC power supply system in order to avoid shunting activities on international trains, also after realization of the base tunnel in case of rerouting when the tunnel will be closed for maintenance”

4th Work Plan – Persisting bottlenecks and missing links:

*“/.../ operation on the Scan-Med corridor is still hampered by **different electric voltage** /.../ These **require the employment of multi-system locomotives**. Alternatively, **locomotive change processes** have to be **optimised at border sections**. **Particularly the border crossing between Austria and Italy** shows a change of several operating parameters /.../ the rail voltage /.../ vary. In general, distinctions in rail voltage are most common parameter changes on Scan-Med border sections”*

Conclusion:

The different electric voltage at the border crossing is recognised as a deficiency. The investment as requested by ScanMed RFC RAG has however not been given first priority in the 4th Work Plan. Other measures, such as multi-system locos and/or optimisation of locomotive change processes are recommended.

4. Insights and follow-up as regards the market view on investments priorities

2019 ScanMed RFC RAG Investment priorities – 2. No ETCS:

*“STOP developing and implementation of (again **different**) new **national ETCS-System** for Germany - adopt well established the Austrian ETCS System - to save cost for all RUs”*

2019 ScanMed RFC RAG Investment priorities – Soft measures:

*“**Harmonization at European Scale of the technical standards of ETCS on locomotive as well as on infrastructure side** including harmonization at European scale of those operational rules for locomotive drivers that are determined by the specific signalling and train protection system”*

4th Work Plan – Persisting bottlenecks and missing links:

*“/.../ operation on the Scan-Med corridor is still hampered by **different /.../ signalling systems**. These **require** the employment of multi-system locomotives. Alternatively, **locomotive change processes** have to be optimised at border sections. Particularly the border crossing between Austria and Italy shows a change of several operating parameters /.../ **ERTMS equipment as well as the signalling system vary.**”*

4th Work Plan – ERTMS deployment 2023:

*“Even though Denmark, Germany and Italy have agreed targets for ERTMS deployment **by 2023 deployment is behind schedule in Germany and Italy for this date**. The other corridor countries intend to deploy ERTMS by 2030 only thus **the pace shall increase only after 2023/.../ ERTMS has not only the track-side component but is made also of the vehicle-side where railway undertakings or leasing companies are called to equip their locomotives with the appropriate “on-board-unit”**. In order to coordinate the harmonized deployment of ETCS versions the Implementing Regulation foresees to **establish cross border working groups**. Those groups exist for the NO/SE, SE/DK, DK/DE and DE/AT/IT borders respectively.”*

6. Insights and follow-up as regards the market view on investments priorities

2019 ScanMed RFC RAG Investment priorities – General aspects:

*“**Rail Freight business needs a development in complete concepts not only lines:** Target capacities need to be defined (currently they are not known to RUs) and construction needs to be aligned to that target.*

*Methodical approach recommended: include additional investment in simulation of capacity (urgent action). Then prioritize (continuously) from South to North (in that order) and **avoid the emergence of 'islands' of good infrastructure.**”*

4th Work Plan – The European Coordinators recommendations and future outlook:

*“New cross border infrastructures will need new accompanying policy measures to ensure their optimum exploitation. These **policies too often remain highly national in character and policy preferences while the new infrastructures are conceptualised and delivered with cross border ease of flow in mind.** More attention will have to be paid and time invested in accompanying policy development, such as cross border tolling, intelligent and smart transport systems integration and smoother, greener, smarter logistics chains if we are to make the most of our new cross border infrastructures and opportunities.”*