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Scandinavian Mediterranean Rail Freight Corridor

What are we talking about?

26.06.2017

ScanMed RFC – a “Rail Freight Corridor”

Our product: Coordinated Capacity

Our medium-term objectives: Reliability and Simplicity

Our showcase action fields

Addressing the Market – the User case approach

The Corridor On- and Offline

Rail Freight Corridors build up together a dense European network

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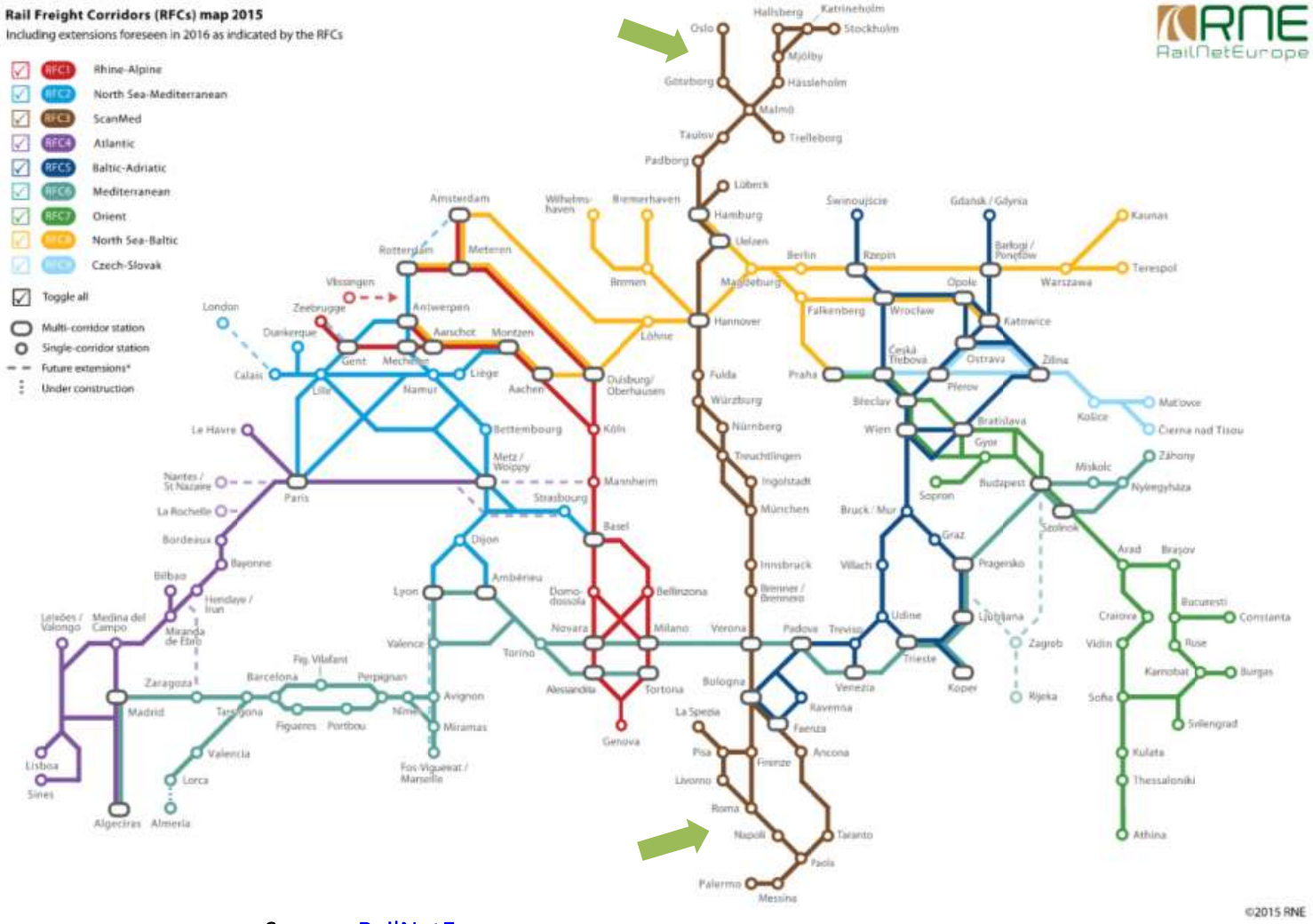

Source: [RailNetEurope]

What are Rail Freight Corridors here for?

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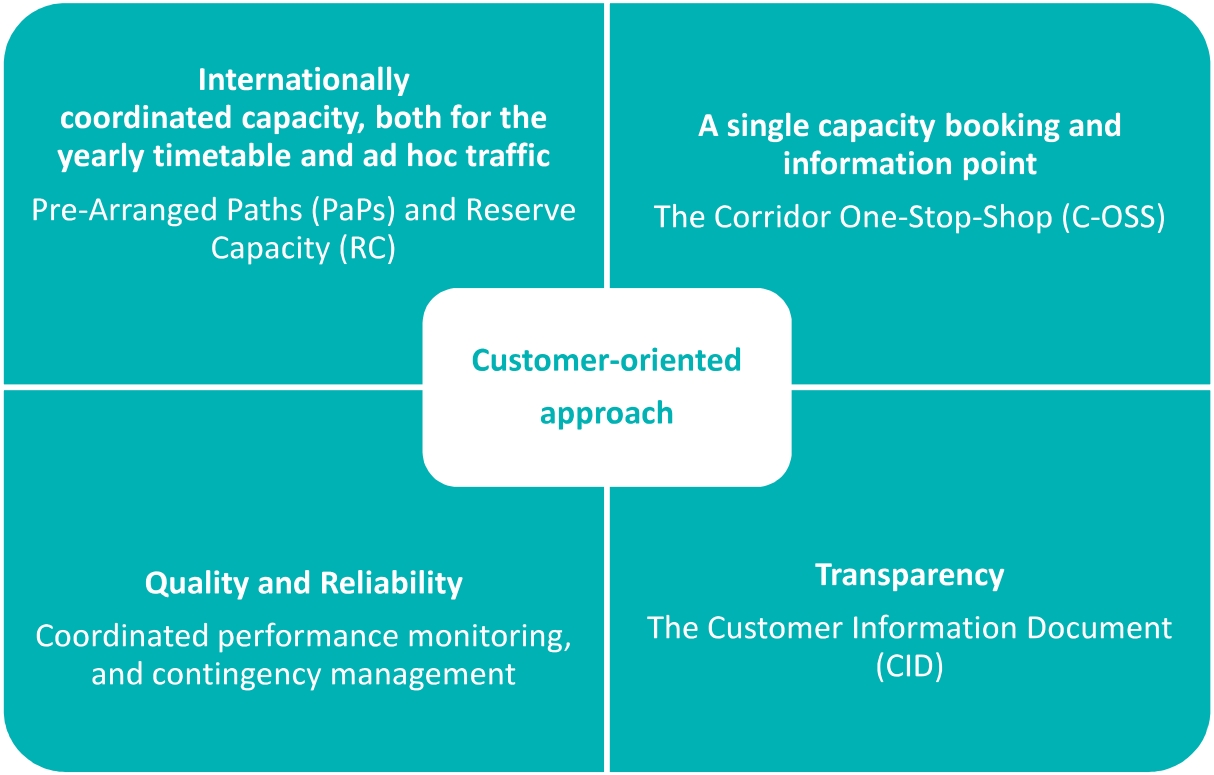
Rail Freight Corridors (RFCs) support the increase of **international rail freight** both in **volumes** and in **modal** share



ScanMed RFC was finally delimitated following a Transport Market Study (TMS)

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The Transport Market Study (2014) delivered an analysis of main transport flows and market characteristics within a catchment area, on the basis of which a corridor routing was defined

Catchment Area TMS

Corridor Routing

6
Countries

7
Infrastructure managers

7527
Km of total line

58 Mio
Tons transported by rail (2012)

The TMS specified the Corridor environment as well as first general lines of action

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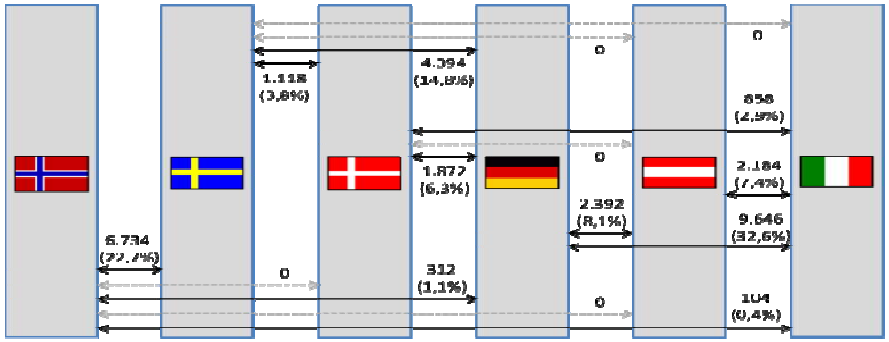
Starting point (2012)

- ✓ **Single wagonload** (38%) and **container trains** (36%) dominate the traffic in the ScanMed countries
- ✓ Most RFC traffic flows crosses **one or two corridor borders**



Forecast 2017 and Stakeholder feedback

- ✓ The number of corridor **trains** will **increase by 5,7%**
- ✓ Stakeholders expect a **high involvement** in the corridor-related services
- ✓ **Price, Quality and Transit time** are assessed as the determining factor in the decision-making process

Three main bidirectional flows	No. Of trains	Share (%)
Germany - Italy	10.043	32
Norway – Sweden	7.288	23
Sweden - Germany	4.689	15

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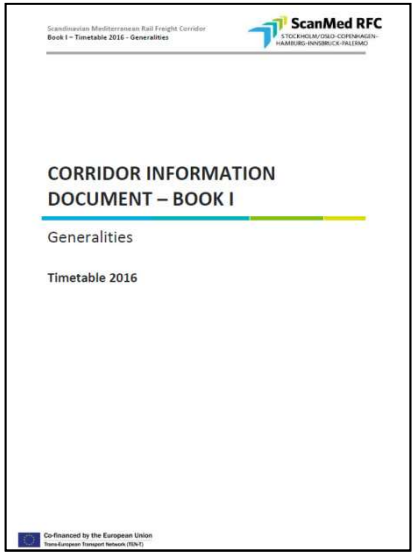
The Customer information Document (CID)

The Corridor Information Document (*) gathers

all information relevant for a customer to run a train on the Corridor

- ✓ **Book I – "Generalities",** introduction to the ScanMed RFC
- ✓ **Book II – "Network Statement Excerpts",** links to the relevant sections of the country-specific Network Statements
- ✓ **Book III – "Terminal Description",** main information and links to the terminals designated on the basis of the Transport Market Study
- ✓ **Book IV – "Procedures for Capacity Management and Traffic Management" ,** operational rules for booking capacity and information on the relevant procedures applied in the traffic management
- ✓ **Book V – "Implementation Plan",** starting from the description of the corridor and of the TMS findings, sets up of the corridor objectives, the measures to meet them and the investments plan



(*) The CID is available on our website www.scanmedfreight.eu

Cross-border coordination of paths are the core of Corridor capacity management

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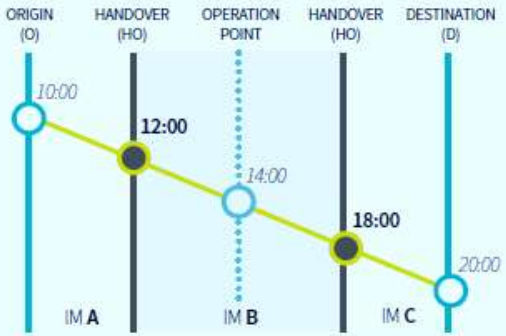
PaP

RC

1. **PRE-ARRANGED PATH**



2. **RESERVE CAPACITY**

Features of Pre-Arranged Paths (PaPs)

- ✓ Pre-constructed and **harmonized paths at borders**
- ✓ Published **11 months before the timetable change** (X-11)
- ✓ **Dedicated** to the RFC
- ✓ To be ordered via a booking tool, **PCS***
- ✓ To be allocated via the **Corridor One-Stop-Shop**

Features of Reserve Capacity (RC)

- ✓ Dedicated capacity displayed as **slots**
- ✓ The displayed slots may not be decreased by the Infrastructure Managers during the last three months before real time
- ✓ Applicants receive a tailor made offer within a time range of **-3/+ 3 hours**
- ✓ RC can be requested until 30 days before the train departure

*http://pcs.rne.eu/

The Corridor One Stop Shop reduces the time and effort for accessing a complete offer

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PROCESS-ACCELERATION

- coordinates and monitors the collaboration between the Ims
- ensures that deadlines are met

QUALITY-IMPROVEMENT

- monitors the PaP construction and ensures that the result meets the quality standards

C-OSS

BUNDLING OF SERVICES

- the future exclusive contact point for an integrated offer

SIMPLIFICATION OF ORDER & ALLOCATION PROCESS

- single point of contact for request and allocation of corridor capacity (one face to the customer)

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A medium-term Strategy was adopted in 2016 with customer input and support

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VISION

Establish ScanMed RFC as integrator of international rail freight services

MISSION

Take responsibility for supporting the development of a smooth logistic chain
Co-develop innovative services with increased reliability and simplicity

GOALS

Number of trains on ScanMed RFC routes served by Corridor services > 50% of total in 2021

Combined transport involving rail > 25% of the volumes transported on ScanMed RFC in2021

Increase of Customer Satisfaction until 2021

OBJECTIVES

Reliability from A to B as a mean of building trust

- ✓ Diminish the competitive gap of rail to road by reducing lead-times
- ✓ Make rail services predictable

Attractiveness of Corridor services by simplifying operational conditions

- ✓ Full service "Click and Ride" approach
- ✓ Harmonisation of services and operational environments

IMPLEMENTATION

Trigger commitment of all involved stakeholders
Subsidiarity instead of "one-size-fits-all policy"

The Principles for Co-Development define a method shared with Corridor Partners and Users

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PRINCIPLES FOR CO-DEVELOPMENT

Transparent Dialogue

- Develop common market knowledge
- Share complete and reliable information
- Be mutually available to listen
- Provide mutual feedback

Contribute and Deliver

- Keep the end user in the focus
- Strive for solutions
- Try and fail

Shared Monitoring

- Assess Performance
- Comply or Explain

HOW DO WE DO THAT?

From the side of the IMs

- Share up-to-date market studies and surveys
- Involve the RAG/TAG in identifying business potential, assessing performance, and defining Corridor activities
- Use operational Customer workshops for improving existing services and design further offers
- Develop bilateral Customer dialogue
- Regionalise the analysis of major competition parameters and the definition of improvement measures

From the side of the Corridor Partners and Users

- Provide experience-based feedback and tangible facts and figures
- Contribute to Corridor developments with solution-oriented input both at strategic and at operational level

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ScanMed RFC involves Terminals in its capacity offer to improve the “last-mile” issue

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STRATEGIC OBJECTIVE	RELIABILITY

"Operational" Objective	Access to complete offer

Current situation

- Access to Terminal capacity is an efficiency bottleneck
  - Terminal capacity is requested after the path was allocated
  - No appropriate access leads to path cancellation/modification

Expected results

Enable access to an integrated capacity offer

Approach

- Flexibility through different levels of commitment:
  - Publication,
  - Publication and Request,
  - Publication, Request and Reservation,
  - or Publication, Request, Reservation and Allocation

of Terminal slots and Corridor paths in the same tool at the same time

Results so far

- Pilot started in January 2017 in Norway, Germany and Italy
- Collided with unfavourable factors:
  - No Corridor path ordering in Norway and Italy
  - Some terminals were not on the Corridor‘s main route

Next steps

- Improvement of the approach and consistency of the pilot with the RFC‘s offer and routing
- Increase number of involved Terminals

Investigation of reasons for no requests → Improvement of the approach → Enlargement number of Terminals involved → Implementation January 2018

Sept. 2017 — Jan. 2018

ScanMed RFC aims at improving the coordination of works until expected European processes are “up and running”

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STRATEGIC OBJECTIVE	RELIABILITY

"Operational" Objective	Improvement of predictability

Current situation

Cross-border coordination of TCR –managers and of Capacity managers follow uncoordinated channels

→ Destroys capacity

Expected results

- Closer cooperation between TCR- and Timetable-managers
- Less train disruptions and delays

Correlations

- IM-cooperation for Timetable Reform and IT-Tool for TCR- updates
- EU-process for defining TCR-information and publication requirements

Approach

- Improve coordination and communication among Infrastructure Managers (IMs) and towards Railways
- Involve timetable-managers and railways in the process
- Focus on medium term (→ 2020) Corridor improvements until a European frame is set

Results

- Increased compliance of ScanMed processes with cross-corridor Guidelines
- Identification of lines of actions as possible quick wins – ongoing feasibility check
- Contribution to the development of the IT-Tool for TCR-Updates

Workshop *January 17th*

Analysis of the situation & draft proposal — *April 2017*

Timetablers involvement — *May 2017*

Process definition — *August 2017*

Approval & dissemination — *September 2017*

Operational January 2018

ScanMed RFC has favoured so far quick wins for improving Operational predictability

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STRATEGIC OBJECTIVE	RELIABILITY	"Operational " Objective	Improved access to services and of predictability

Current situation

- Paper checks at border differ
- "Unpredictable" disturbance management

→ Time loss and costs at border crossing

Expected results

- Needed documentation at borders available online (check-lists)
- Fall-back scenario description for contingency management

Correlations

Customer Information Platform (CIP), as "Information One-Stop-Shop" for Corridor users

Approach

- Two step approach:
  - Definition of a Corridor template for documentation check-lists and fall-back scenarios
  - Implementation of template at regional level
- Availability in CIP

Results

- Defined:
  - Template for Documentation Check-list template and fall-back scenarios
- Ongoing:
  - Regional implementation of the templates
  - Definition of requirement for availability in CIP

Workshop *January 17th*

Analysis of existing IMs templates and processes (*Spring 2017*) → **Definition of the templates and first provision** (May 2017) → **Fine-tuning and drafting of final deliverables** (*August 2017*) → **Approval** (*Dec. 2017*)

ScanMed RFC participates in a cross-corridor Pilot to test best practices for short term Reserve Capacity

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STRATEGIC OBJECTIVE	SIMPLICITY	"Operational" Objective	Full service approach

Current situation

The current RC product does not serve the market needs for ad-hoc traffic

Expected results

Additional RC product to be ordered at a shorter notice

Correlations

Pilots on short term Reserve Capacity (different model tested) on other RFCs

Approach

- Pilot - Start Dec. 2017 from Denmark to Italy
- Publication of sections without times („empty PaPs“) in the Corridor booking tool (PCS)
- Application and allocation by the RFC via PCS
- „Spot traffic“ only, i.e one train, one day
- Feeder / Outflow allowed
- Corridor One-Stop-Shop coordinates the process

Results so far

- Product features defined
- Process map finalized

Next steps

- Start Information campaign for customers

Final concept & preparation for implementation → **Information campaign** → **Implementation**

May 2017 — Dec. 2017

Guaranteed Capacity is a possible conceptual answer to customers' need for more flexibility *

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STRATEGIC OBJECTIVE	SIMPLICITY	"Operational" Objective	Full service approach

Current situation

- One year before train run, Customer cannot settle on specific paths
  → High share of cancellation/modified Corridor paths resulting in unefficient capacity management

Expected results

- Two step approach:
  - Customer is guaranteed a capacity one year ahead…
  - …and gets a specific paths at a later stage

Correlations

Cooperation of the Infrastructure Managers on Redesign International Timetabling Process (TTR)

Approach

- Pilot („Try and fail" approach)
- Instead of today's minute-sharp Corridor paths, publication, application and booking apply to pre-defined bandwiths (Slots)
- Application for the minute-by-minute path at a later stage

Results so far

- 1st draft approach in discussion

Next steps

- Alignment with correlated projects
- Market consultation & Information campaign
- Definition of IT-requirements

Analysis of the current situation & draft proposal → **Consultation & Alignment with TTR project** → **Market consultation & Information campaign** → **Final concept & preparation for implementation**

May 2017 — Dec. 2017

*(*whether the action will be pursued depends on participation of ScanMed into the TTR Pilot)*

The Single Contract of Use sets a first step towards administrative simplification for access rail capacity

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STRATEGIC OBJECTIVE	SIMPLICITY

"Operational " Objective	Simplification of administrative processes

Current situation

- Each country along the corridor has its own access contracts, different in structure and content from country to country

→ Administration costs and un-lean processes for the Customers

Expected results

- Single contract structure for Railways using ScanMed RFC

Approach

- Overview of the current situation along ScanMed RFC (Finalized)
- Develop a ScanMed common contract template, using when appropriate past attempts

Results

- Overview of contract structure and content in all ScanMed RFC countries is complete.

May 2017 Sept. 2017 Nov. 2017

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The User Cases are examples aiming at the RFC's business development

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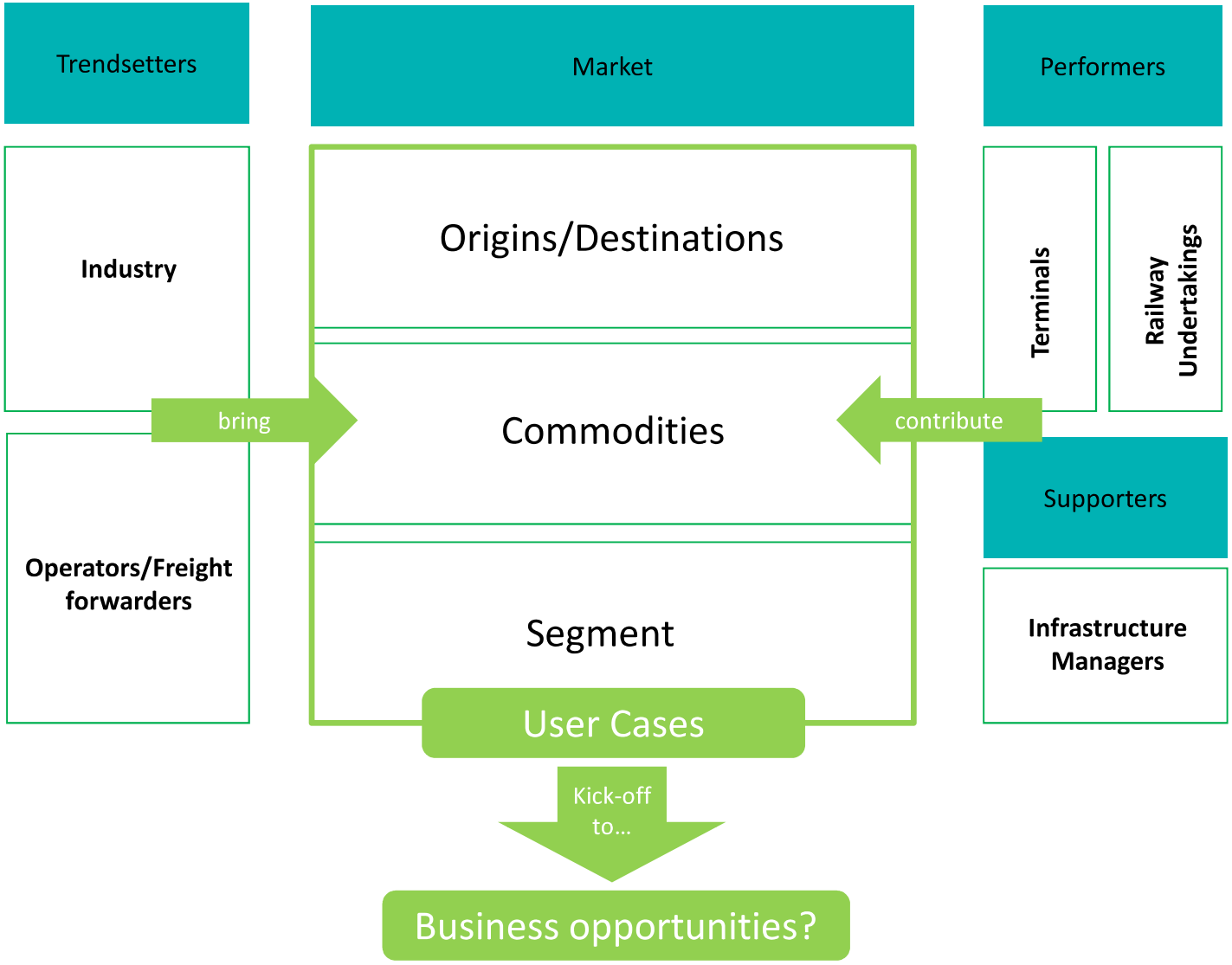

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