

**BULLETIN****IV/2006****Editorial**

*For the first time in Switzerland, the study conducted by the Swiss Federal Office for Spatial Development (ARE) comes to a conclusion which endorses what the UECC has been emphasising for years, and what, incidentally, is valid for other European countries as well. The advantages of land-based transport by rail and road are higher than its costs and increase the country's amount of value added. This comprehensive picture represents a welcome change from the many other, one-sided surveys in the past whose main objective seemed to be to present the balance of the costs and benefits of a given mode of transport in an unfavourable light by listing as many external costs as possible and charging them to the transport sector! Let us hope that the Swiss findings will be taken into consideration in future discussions on European transport policy.*

*At the end of this year – which ends on a very positive note for the European economy – I would like to thank all our members for their commitment and support which have enabled the UECC to exercise and expand its function as a pressure group for the improvement of European transport infrastructures.*

*My best wishes to all of you for a successful New Year with many more large and small improvements in all the areas of European transport policy.*

*Dr. Rainer Füeg  
Secretary General*

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## ***Reactions to UECC resolutions***

The German Minister for Transport thanked the UECC for its resolution on the "safety of supply chains" and said that the debate was still ongoing in Germany. He added that the Council may even reject the proposal in its entirety.

In response to an enquiry from the UECC, the Dutch Transport Minister, Mrs. Karla

Peijs, wrote that measures were being planned to improve the accessibility of the port of IJmuiden. In a recent publication on transport policy ("Mobility Policy Document") the ministry proposes the upgrading of the motorways A9, A5 and A10 and the North Sea Channel.

## ***PIERS publishes sensitive data regarding cargo manifests***

The 24-Hour Rule requires manifest and bill of lading information to be submitted to U.S. Customs and Border Protection (CBP) 24 hours in advance of the cargo being loaded on a ship at a foreign port. This allows CBP officers to pre-screen and target high-risk shipments and containers before they arrive in a United States port. The rule applies not only to shipments to the USA, but also to transit cargo that is transported on a vessel whose ultimate destination is the United States. Failure to fully comply with the new regulations may mean that permission to unload the cargo is denied.

The U.S. market research company PIERS (Port Import and Export Reporting Service, [www.piers.com](http://www.piers.com)) publishes the data. This gives competitors access to confidential

information, as for example the addresses of the sender, recipient and all details of the shipment. PIERS obtains the data on European companies thanks to the USA's Freedom of Information Act (FOIA).

Although this procedure seems to be legal in the United States, it is clearly in breach of an agreement between the European Union and the USA on expanding cooperation to trade security (April 2004). Data transferred between the signatory States may only be used for legally defined purposes. Accordingly, the U.S. customs may not publish "names of the buyer, sender or final recipient, or other data which may damage business interests" – excepted from this rule are only information about the country of origin, and a description and the weight of the merchandise.

## ***New analysis of the European rail freight market***

Europe's large state-owned railway companies are feeling increased competition from short-haul road transport, but also from new, smaller and more flexible rail freight companies. A recent study "European rail freight companies 2015" by Mercer Management Consulting shows that the large state-owned railways must restructure their core activities and speed up their internationalisation if they want to defend their position in the market. Networks must be streamlined and the companies must become more competitive. Services that do not fall within the company's core competencies should be sold.

The state-owned railways must expand their international business, since the largest potential for economic growth lies in international long-distance trade (journeys of more than 500 km). Rail freight transport should be able to maintain its current share of the market (15 %) and even improve its position after the year 2010, if current efforts to liberalise and internationalise the rail freight market continue to be pursued.

Further information on the study can be downloaded from [www.mercermc.ch](http://www.mercermc.ch).

## ***Costs and advantages of land-based transport***

In a comprehensive analysis, the Swiss Federal Office for Spatial Development (ARE) and the Swiss Federal Statistical Office (SFSO) have published a full picture of the costs and benefits of transport in Switzerland for the first time. Road and rail together generate around 52 billion Swiss francs of added value per year, or 12 % of GDP, and provide jobs for 263'000 people or 7.8 % of the total workforce.

The contribution of road haulage is about eight times higher than that of rail freight. Transport infrastructures provide important inputs to a nation's economic growth. Their annual contribution to Switzerland's economic growth is estimated at up to 2.6 billion francs per year. Without transport infrastructures, economic growth would therefore be that much lower.

In addition to increasing the amount of value added, transport infrastructures generate further gains for individual users, time savings, for example. The total benefit is higher than the total costs of transport, the surplus ranging from 3 to 8 billion francs. This is not surprising, since, as a rule, societies that are based on the principles of a market economy only undertake actions that generate more benefit than cost.

In the benchmark year 2003, road transport reported aggregate costs of about 65 billion francs, while the railways generated costs of about 10 billion francs. These figures include vehicle costs, infrastructure costs, accident and safety costs and environmental costs. The railways have higher infrastructure costs (42 %) and relatively low environmental and accident costs (5 %).

The infrastructures are financed by the public sector largely through tied income (e.g. fuel taxes, motorway tax discs and vehicle taxes) and other tax revenues.

Road transport covers over 90 % of its costs. The railways achieve a similar figure, if the compensation they receive for providing public services is counted as income.

Environmental costs, however, are not covered (road haulage: about 5 - 6 billion, railways: about 400 million francs). These external costs are financed by the public sector and third parties. Since the heavy vehicle fee (HVF) was increased in 2005, heavy goods transport has covered almost 100 % of its costs.

Further information can be found on [www.bfs.admin.ch](http://www.bfs.admin.ch) and [www.are.admin.ch](http://www.are.admin.ch).

### ***Costs for Gotthard rail tunnel well above budget***

The costs for the Gotthard section of the new transalpine railroad link (NEAT) have increased dramatically. Instead of the

originally budgeted 8.5 billion euros, analysts now expect the project to cost between 13.9 and 15.1 billion euros.

### ***Dutch train path prices: increases to be announced in December***

Train path prices in the Dutch rail network may rise less steeply next year than originally announced. Transport minister Karla Peijs has now suggested a "phased increase". Negotiations between ProRail, the

state-owned network operator, and the various rail transport companies are still ongoing. Mrs Peijs has asked them to come to an agreement by the end of December 2006.

### ***EU approves more funding for the transport sector***

The European Commission has approved national support programmes for combined transport in Slovakia, intermodal loading units for rail freight in the United

Kingdom and for internal shipping in Belgium. In principle, all transport companies can apply for these funds within the framework of the programmes.

### ***Upgrading of the Danube waterway: decision deferred***

The debate on the upgrading of the stretch between Straubing and Vilshofen continues. Despite urgent appeals by the inland shipping industry and the UECC, the German federal government has not yet decided which of the proposed solutions would be the most appropriate. At an international inland shipping conference in

Würzburg last October, transport minister Wolfgang Tiefensee said that the question would be discussed as soon as possible, in order to find a good, acceptable solution. However, various expertises still have to be examined and discussed by the German parliament.

### ***Reallocation of building plots in German river ports***

Vacant building plots in German river ports are increasingly being used for the construction of housing and recreation facilities. The German federal association of

public river ports fears that these measures may compromise the ports' long-term function as logistics hubs close to city centres.

### ***Standardised accreditation procedure for customs agents***

Clecat, the European forwarders' association, has called for standardised accreditation procedures for customs agents throughout the EU. But Laszlo Kovacs, the EU commissioner responsible for taxation

and the customs union, pointed out that rules that continue to limit access to the profession may weaken Europe's competitive position.

#### ***Agenda 2007***

##### **Executive committee:**

16 February 2007:

Salzburg (A)

22 June 2007:

Arnhem (NL)

27/28 September 2007:

Frankfurt (D)

##### **General assembly:**

27/28 September 2007

Frankfurt (D)

##### **Working group "General Transport"**

15/16 January 2007

Basel (CH)

##### **Working group "Waterways"**

15/16 January 2007

Basel (CH)