

ECTA Annual Meeting

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Content of presentation

1. Perspective BLS Cargo and ERFA
2. Development Intermodal Traffic and shift to rail (CH, EU)
3. Main conditions for an efficient rail system (infrastructure, competition, financing)
4. Chances
5. Challenges
6. Development of competitive RU
7. Conclusion

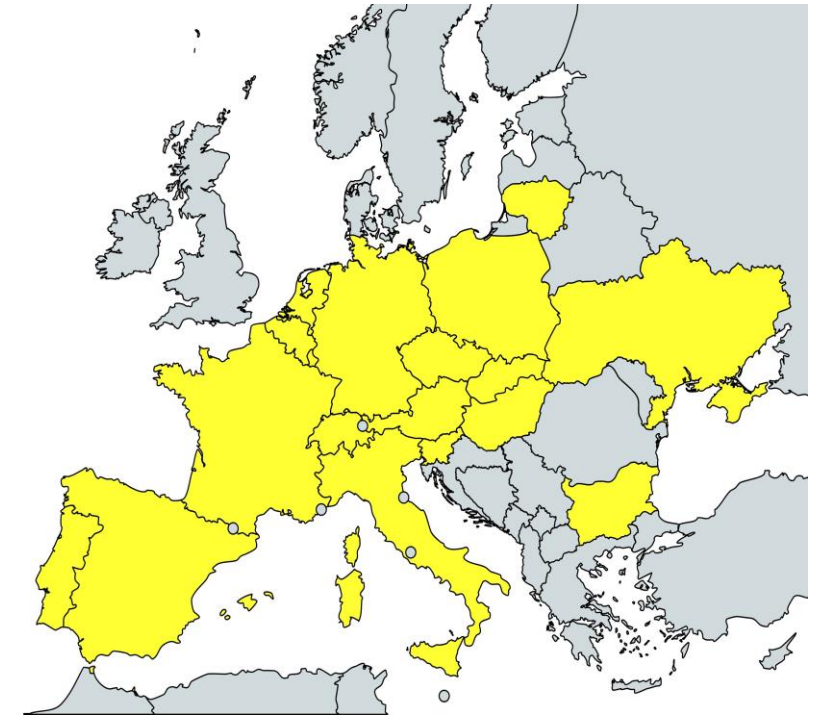
1. Perspective BLS Cargo Group

- BLS Cargo AG founded 2001
- Shareholders: BLS (52%), Captrain Holding (45%) und Ambrogio Trasporti (3%)
- Tochtergesellschaften:
 - Crossrail Benelux N.V. (100%; 2019)
 - BLS Cargo Deutschland GmbH (100%; 2007)
 - BLS Cargo Italia S.r.l. (100%, 2006)
- > 400 Employees
- 22.000 trains/year



1. Perspective ERFA (European Rail Freight Association)

«We represent the voice of private and independent rail freight companies in Europe»



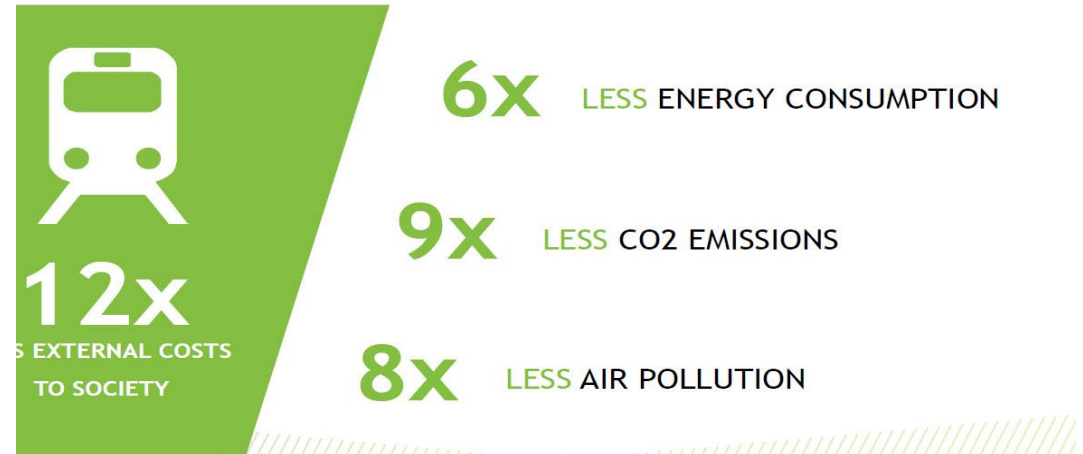
2. Why shift good on rail?

THE SITUATION WILL GET WORSE WITH THE EXPECTED **30% GROWTH** OF THE SECTOR **BY 2030**



Source: Rail Freight Forward Initiative

WE NEED A **MODAL SHIFT** FROM ROAD TO RAIL



2. Shift to rail successfully done in Switzerland market share rail in transit traffic 72%

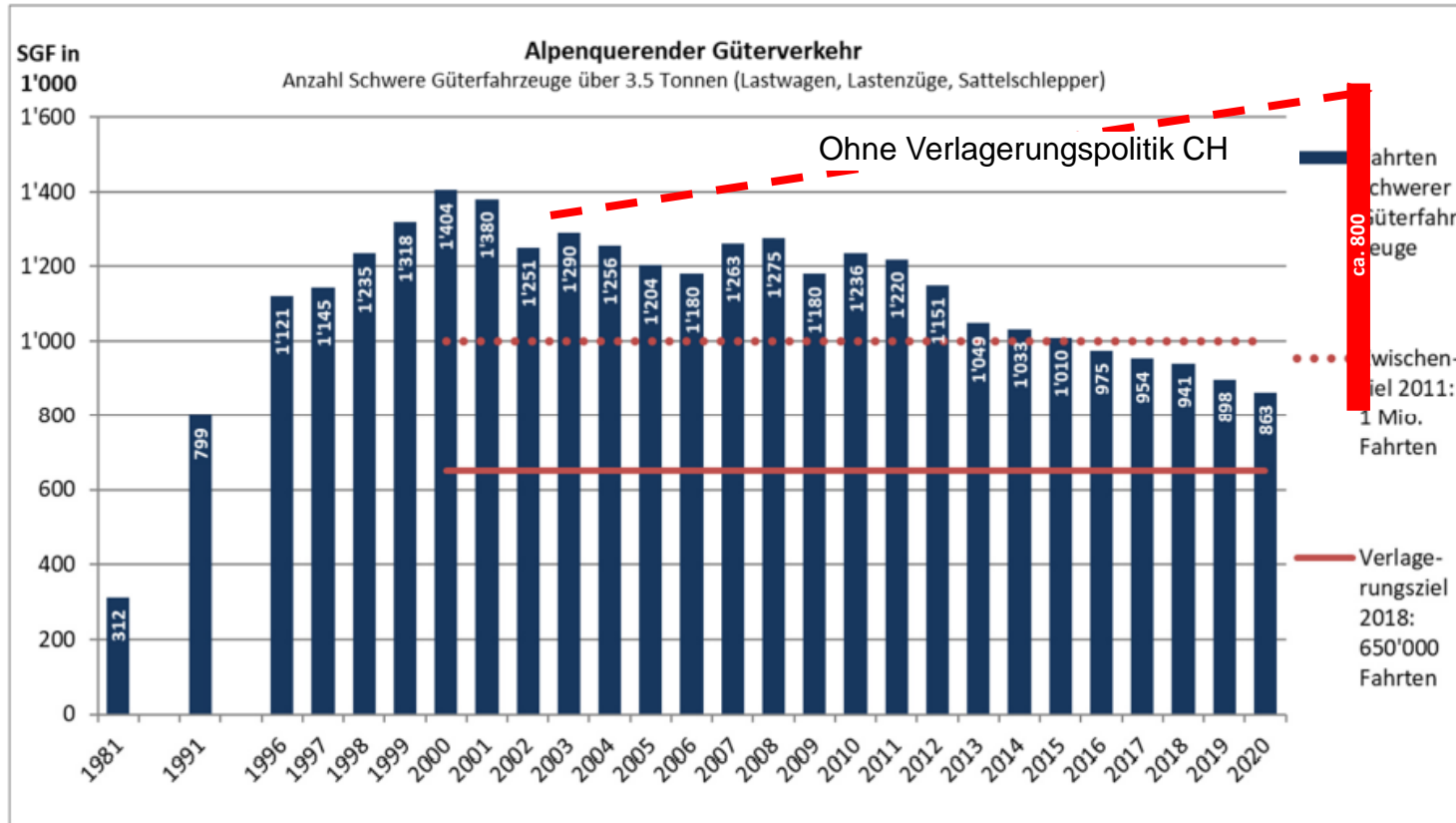
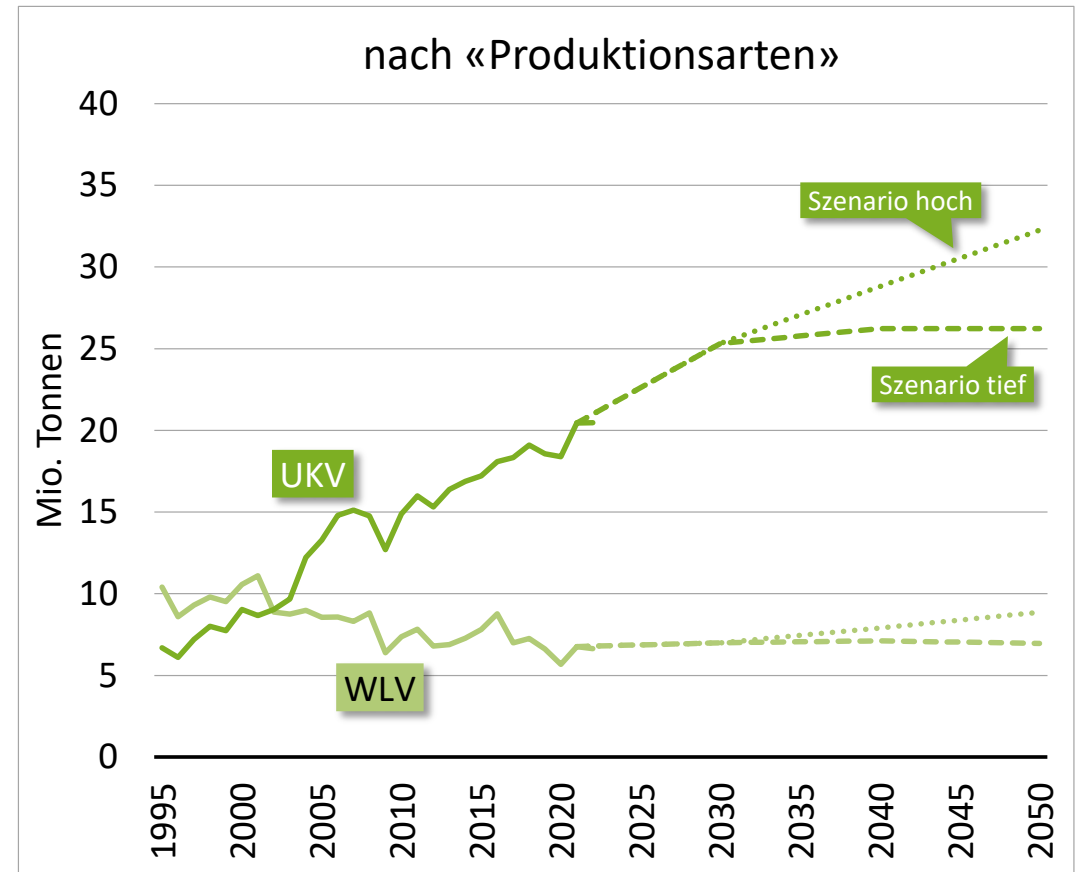
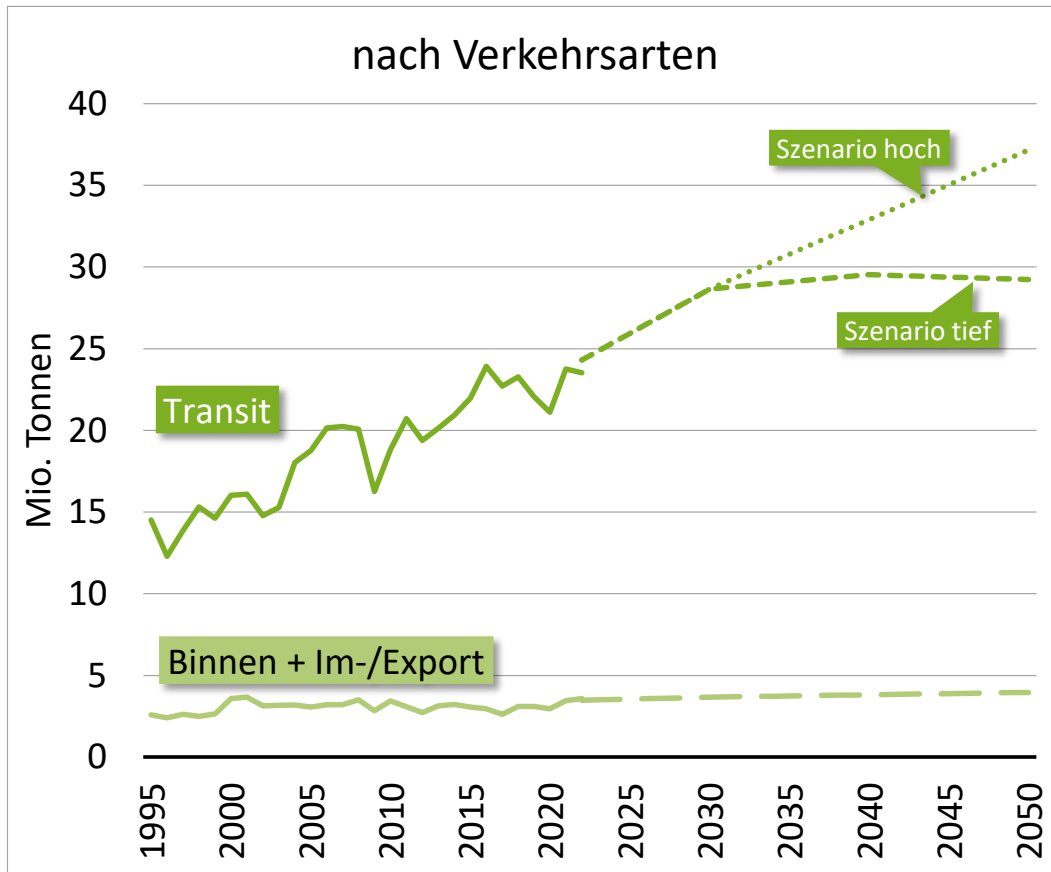


Abbildung 1: Entwicklung alpenquerender Güterverkehr auf der Strasse 1981 bis 2020.

2. Prognoses Alp Transit Switzerland 2050 (2023) strong growth in Intermodal traffic





3. Main conditions for an efficient rail system

**Performance
quality of freight
railroads and
infrastructure**

- Sufficient transport capacity, 750m trains, P400 profile
- Punctuality, reliability
- Flexibility in the event of market volatility
- Competitive price level

**Functioning
competition on the
railways**

- Choice of providers, pressure on price/performance
- Sustainable freight railways
- No distortion of competition between Incumbants and Challengers

Level Playing Field

- Fair allocation of external costs
- Fair infrastructure costs (TAC/ toll))

Initiatives on EU Regulation

Performance quality of freight railroads and infrastructure

TEN-T Regulation



Capacity Management Regulation



Temporary Capacity Restrictions (TCR)



Functioning competition on the railways

State Aid Guidelines



Subsidy scheme on Single Wagon Traffic



Level Playing Field

Combined Transport Directive



Weight & Dimensions Directive



Count Emissions EU Directive



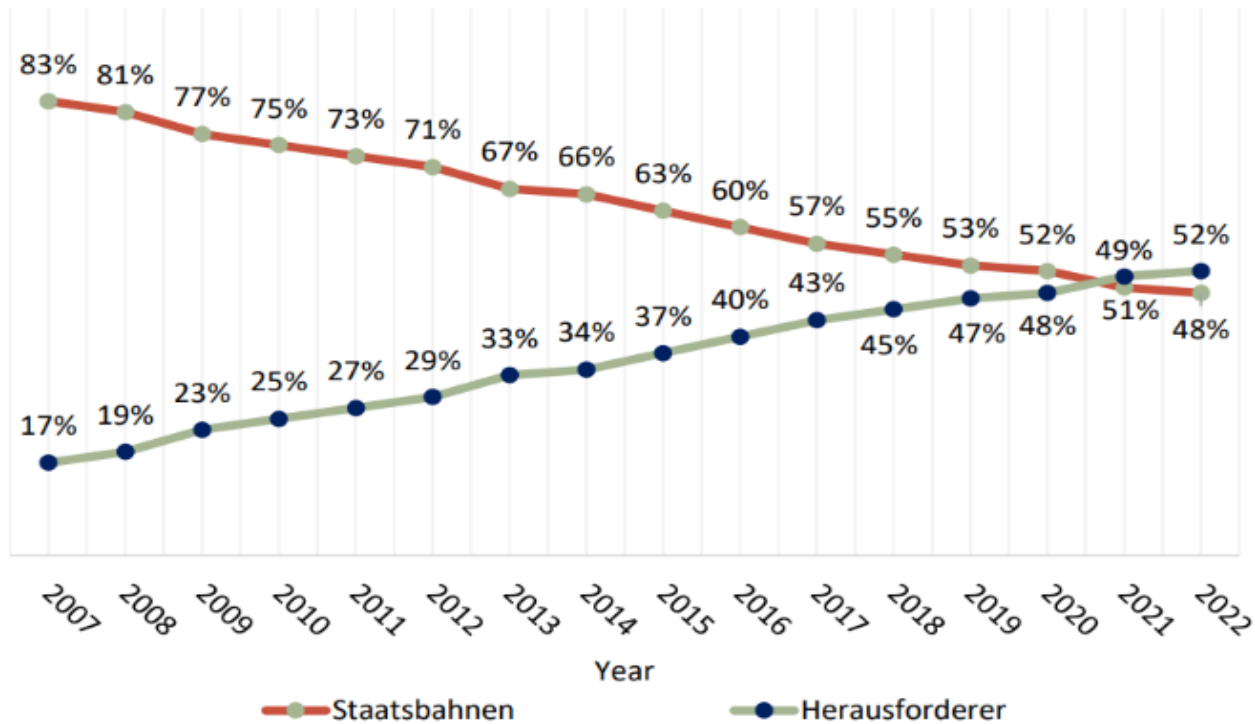
Track access charges





Functioning competition on the railways

Wettbewerb im Schienengüterverkehr (EU 27)



- Strong competition between established national providers and "challengers" in the European rail freight market
- The trend over the last 15 years has been towards greater diversification of the market, with "challengers" taking over the state railroads in their home markets in 2021
- "Challengers" particularly strong in block train markets such as intermodal transport

4. Chances



EU – Green Deal

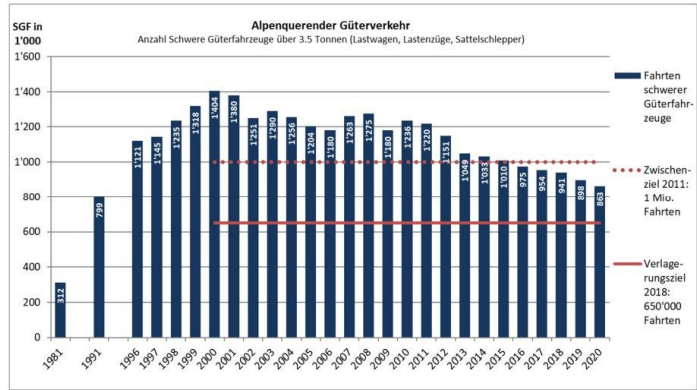


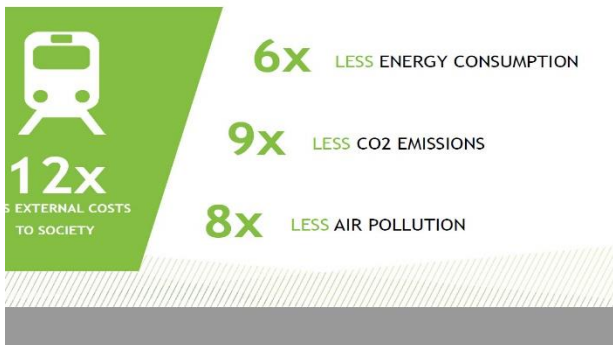
Abbildung 1: Entwicklung alpenquerender Güterverkehr auf der Strasse 1981 bis 2020.

Verlagerungspolitik CH



Market Growth Intermodal- und Logistics

WE NEED A MODAL SHIFT FROM ROAD TO RAIL



Climate friendly rail freight

ECTA Annual Meeting Düsseldorf, 14.11.2024



Infrastructure investments



New customers – logistical concepts

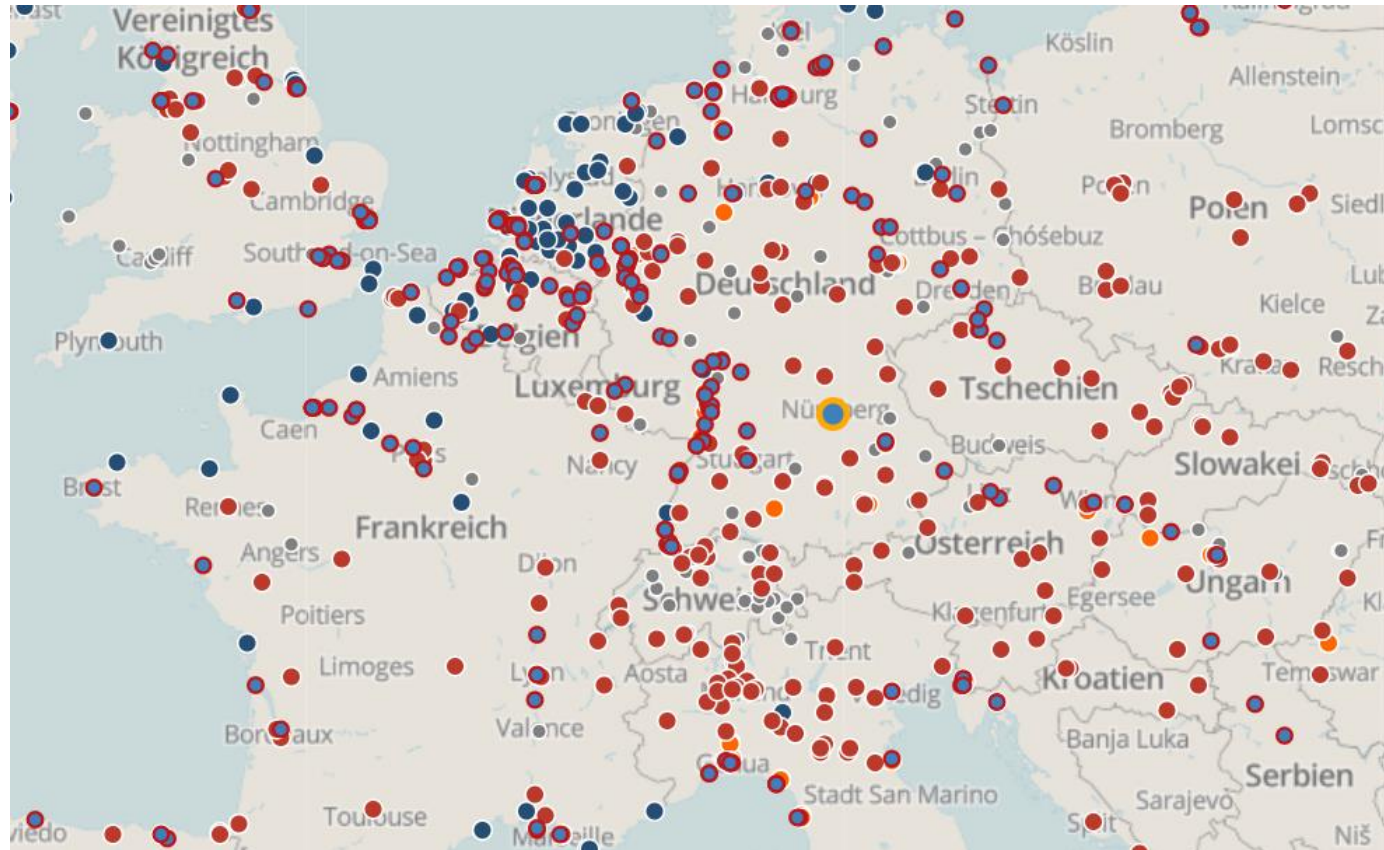
Infrastructure DB on massive investment plan

- Massive construction sites planned on the German network until 2035 with full closure of main lines (Hochleistungskorridore)
- Construction sites are already overloading the system and increase system complexity.
- Alternative routes for today's traffic and its route-specific requirements challenging
- Important expansions to the rail network in Germany (Karlsruhe - Basel) are currently running behind schedule.

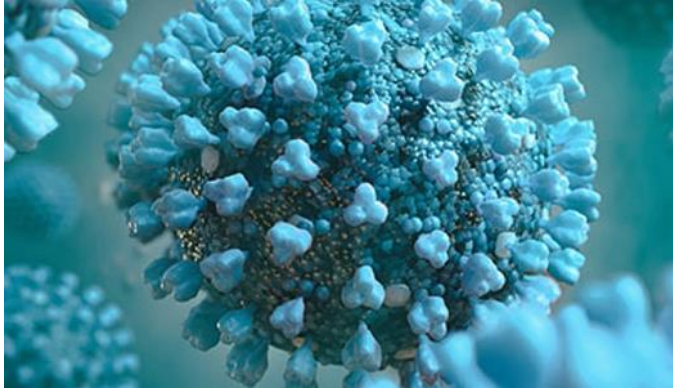




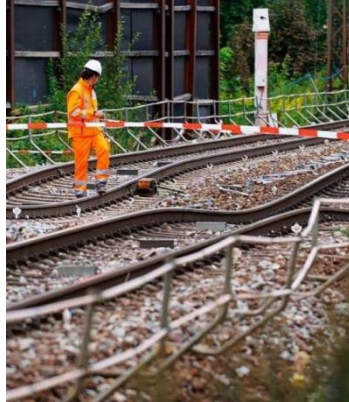
Terminal infrastructure for Intermodal broad and developing



5. Challenges 2015 - 2023



Covid 2020



Rastatt 2017/2024



Energy prices 2022



Accident Gotthard 2023



Legislation / vehicle authorisation (ERTMS)



Market volatility

Challenge: stabilisation and resilience

DE: Hochleistungsnetz / Korridorsanierung bis 2030



- Intensive planning jointly with infrastructure managers to coordinate internationally the construction works
- New planning with partly longer transport times, more buffers and stabilisation on production
- Coordination of terminal capacities and opening times, wagon sets and joint transport plans with customers
- Pre-planning for rerouting in case of planned and unplanned route closures.

Challenge: rerouting is hard work and very costly

DE: Hochleistungsnetz / Korridorsanierung bis 2030



photo of a rerouted train during Riedbahn closure

- Rerouting especially via France can't be taken for granted
- Recent experience during Riedbahn closure shows: multi-annual planning, training of staff and cancellation of trains with severely reduced capacity
- Severe capacity restrictions looming in 2027 due to Korridorsanierung with many unanswered questions regarding capacity and rerouting

6. Development of resilient and competitive RU

- Focus on optimisation of clear and optimised business model (e.g. corridor specialist)
- High productivity of personal and locomotive resources, especially border crossing traction and longer and heavier trains (750m, 2000t)
- Build up resilience to react on planned and unplanned traffic interruptions and market volatility
- Customer orientation with one-stop shop, proactive customer information and capability to develop joint solutions
- Digitalisation (planning/disposition, track/trace, preventive maintenance, ERTMS)

7. Conclusion

Performance quality of freight railroads and infrastructure

- Regulation Ten-T and State Aid as well as nd and increased infrastructure investment positive
- Intensity of construction works and interruptions critical
- Competitive RU prepare for optimisation and resilience

Functioning competition on the railways

- Challengers decisive for intermodal transport, fair competition towards incumbents important
- Subsidies (direct/indirect, TAC, SWL) to be implemented non discriminatory

Level Playing Field

- New weights & dimensions directive critical will increase competitiveness of road.
- Indications on TAC in Germany (2025/2026) negative

Thank you!

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Questions?