Joint Position on the Revision of the Combined Transport Directive

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The European Federation of Inland Ports (EFIP) and the European Sea Ports Organisation (ESPO) welcome the opportunity to contribute to the revision of the Combined Transport Directive 92/106/EEC. The EU Green Deal requires a 90% cut of transport emissions by 2050, which can only be achieved by reducing the emissions of each transport mode and while also setting targets to shift transport away from road. European sea and inland ports consider the revision of the Combined Transport Directive as an important tool to incentivise and promote the use of multimodal transport.

Competitive multimodal transport has been a core objective for the European Union since the Transport White Paper of 2011. The necessity of both reducing the emissions from each transport mode and achieving more combined transport by cleaner modes (inland waterway, rail and short-sea shipping) has only increased since. In 2020, this was restated by the focus on multimodal and combined transport in the Sustainable and Smart Mobility Strategy (SSMS). The SSMS proposes initiatives on combined transport in order to achieve a climate neutral European economy by 2050.

In European ports, rail, inland waterway transport (IWT), short sea shipping and road come together to link waterborne with land transport and provide their users the optimal solutions. As such, sea and inland ports are hubs of multimodal transport, which has resulted in an in-depth understanding of the challenges and opportunities facing multimodal transport. Any European initiative that intends to achieve the SSMS objectives **should aim to strengthen infrastructure connections, interoperability and complementarity between the transport modes.**

EFIP & ESPO Recommendations

Put multimodality front and centre

The current Combined Transport Directive limits combined transport to actions which utilise intermodal transport units. The EU should move away from focusing only on "combined" transport as it is extremely limited in scope. In order to support multimodal transport in general, the definition of combined transport should encompass **multimodal transport operations broadly and recognise all types of loading units. Thus, the definition should be extended to types of freight capacities and to logistics chains in general, taking into account the evolution of the freight transport market.**

Currently, road transport is considered as the starting point of any combined transport action. Rail, IWT and short-sea shipping are considered secondary and merely complementary to road transport. In order to foster multimodal transport, **all modes need to be put on equal footing**. A multimodal transport action needs to be able to start with any mode and combine any number of other modes.

Focus on the impact

The current approach in the Combined Transport Directive defines its scope by using a certain distance range. EFIP and ESPO believe that this approach is obsolete given the new European objectives. The European Smart and Sustainable Mobility strategy aims to shift transport with high negative externalities (i.e., emissions, congestion, accidents, etc.) to more sustainable modes. As such, **support should be given to all multimodal transport actions which actually reduce the logistics chain's negative externalities.**

Inclusion of short-range transport operations

In recent years, cities and regions have been developing IWT and rail services that operate at relatively short ranges. These short-range operations are expected to expand in the coming years, as they can offer a sustainable alternative and reduce congestion in the densely populated areas surrounding the ports. **Short range transport operations must be considered as eligible multimodal transport actions**, in view of improving the current Combined Transport Directive. As the large majority of European ports is located in close proximity to urban agglomerations, the shift of short-range transport to rail and IWW can be a significant tool to reduce negative externalities for the communities around the port.

Modern and multimodal infrastructure

Crucial for the success of multimodal transport, is the **quality, quantity and availability of infrastructure** both inside the port area and beyond. The availability of transhipment terminals, which are connected to all modes, is as essential as a good connection between the terminals, but also reaches as far as cross-border links in the hinterland. On the one hand, this means that European waterways need to provide reliable navigability, that short-sea shipping links are strengthened and overall, that the railway network needs to allow for competitive rail freight transport. On the other hand, it is essential that the connection of all transport modes towards ports are reliable, up to date and competitive. Ports need to have planning stability to be able to develop their connections. Special attention should be given to the last-mile connections, both in terms of infrastructure and operations in order to avoid bottlenecks.

Financial incentives to support multimodality

Multimodal transport has the potential to reduce emissions across the EU. However, as transhipment actions cause additional costs, the higher competitiveness of monomodal transport has been detrimental. **Financial incentives will be required to support multimodal transport actions, both in terms of operations and infrastructure**. These could include tax rebates or surcharges, fee discounts or infrastructure support. Any such financial beneficial incentives should only be awarded if there is a reduction of external costs or a surcharge could be applied to adequately reflect the negative externalities. Financial incentives can be necessary in the short-term to generate sufficient volumes for the multimodal transport operation to become profitable.

In order to ensure a level playing field, the incentives have to be harmonised between the Member States, as far as possible. Comparative incentives already exist on the national level but vary and cannot support cross-border combined transport actions effectively. In addition, Member States should exchange best practices to identify the most effective financial incentives and otherwise.

Foster a mindset change

In order to realise the growth of multimodal transport, a new mindset will need to be fostered. For most shippers, multimodal transport is currently not a viable option. A necessary step to facilitate multimodal transport operations would be **the creation of platform(s) that support shippers in planning and implementing their multimodal transport actions.**

The mindset between the modes needs to be altered, as well. Currently, operators active in a single transport mode often consider the other modes as main competitors. This competitive attitude damages the viability of multimodal transport actions and hampers any modal shift. Instead, complementarity between rail, SSS and IWT should be promoted and nurtured.

Increase digital interoperability

In order for multimodal transport to be as efficient as possible, digital interoperability has to be increased and data exchange has to be facilitated along the whole transport chain. All relevant data needs to be exchanged between every leg and the transhipment points of the multimodal transport operation. In order to unlock barriers to data-sharing, all appropriate (cyber-)security guarantees must be in place together with a common understanding on the content of the data to be shared and possible commercial confidentiality. Innovative projects, which enhance digital interoperability and data sharing, should be supported in order to establish seamless multimodal transport operations. Progress being realised within the Waterborne TP should be taken into consideration.

Ensure coherence with other European legislation

As part of achieving the European Green Deal, many legislative initiatives are underway, such as the revision of the TEN-T Guidelines and the new Alternative Fuels Infrastructure Regulation (AFIR). **Any revision of the Combined Transport Directive needs to align with those initiatives.**

For instance, support for multimodal transport should be planned and implemented along all main European inland waterways, which are of international importance, and rail axes in combination with the European Maritime Space. Along these axes, infrastructure investments combined with incentives will have a great potential to increase multimodal transport operations and result in significant reductions in negative externalities.