

Rail Freight in Ireland

Does it have a role in
our 21st Century
Ireland?

Rail Freight

More specifically, does it add value to businesses located in the West of Ireland?

- This picture may give you a clue!



Let's define 21st Century Rail Freight

- The key difference between Rail Freight that people have been familiar with over the last century and now is the separation of the three major functions in the business:-
 - The provision and maintenance of the rail infrastructure.
 - The operation of trains.
 - The chartering of trains.

Rail infrastructure

- Under EU Competition policy Member States are obliged to separate the physical rail infrastructure and its management from the operation of trains – and to put into place an independent regulatory regime.
- In Ireland, North and South, the Departments of Transport were granted a derogation from these requirements.
- However, the EU is now putting the Depts. here under severe pressure to comply with the requirements in advance of the de-regulation of the rail passenger business.

Rail infrastructure

- Of these, the most important in the context of this discussion, is “the requirement for the Infrastructure Manager to develop and publish a Network Statement”.
- This would give transparency of infrastructure costs and facilitate the required regime under which freight service providers are charged only the marginal costs of the use of those facilities.

The Operation of Trains

- At present, Iarnród Éireann is the only company operating freight traffic on the island of Ireland.
- It does not receive any subvention for rail freight services.
- It will only operate full trains run on behalf of charterers.
- Current major traffics include,

The Operation of Trains

- Metal ore – from Mine to quayside in Port.
- Cement – from cement plants to the client's regional distribution depots.
- Logs and pulpwood – from regional railheads to Coillte Board production plants.
- Freight containers – from Ballina to Waterford.

The Charterers of Trains

- In carrying each of these traffics Iarnrod Eireann provides trains under the terms of a contract made with the Charterer.
- If a train is not full the remedy lies with the charterer.
- In the cases of Tara Mines, Irish Cement or Coillte they do have control of production volumes and can use their contracted train capacity accordingly.
- For the container service from Ballina the charterer, DFDS Container Line, must ensure that his customer base is broad enough so as to usefully fill each train.

Why would an exporter in the west of Ireland use rail freight for his container traffics?

- Is the use of rail environmentally better than road? – YES!
- Is the availability of empty containers at a local railhead rather than at the port of export an advantage? – YES.
- Are rail service schedules reliable? – YES.
- Could rail freight be used for traffic through ports other than Waterford? – YES. (today's announcement of a twice weekly service linking Ballina with Dublin Port is a vital next step.)

Why would an Exporter in the west of Ireland use rail freight for his container traffics?

- Is rail freight cheaper than road haulage? – Maybe not! Some factors here:–
 - 1. depends on the rate charged by the infrastructure manager to the train operator and the rate he charges to the charterer.
 - 2. depends on the distance and time that a haulier would consume to take the loads to/from the port. If he runs over ‘working time’ limits etc. these factors will impact on his costs.
 - 3. higher fuel costs impact more on road transport.
 - 4. road pricing– tolling and planned ‘Euro vignette’ is another factor. Tolls add about 10% to haulage cost to/from Dublin.

Does Rail Freight give value to businesses in the WRC region?

- Yes, certain forests and local exporters already benefit from existing services.
- The new IWT service to and from Dublin Docks will service not only exporters using shipping services to ports all over the world, but will also benefit importers bringing in finished goods or raw materials from anywhere.

Will Rail Services put the Haulier out of business?

- No!
- The Port of Dublin alone has a container throughput of over 2000 freight containers a day. To put that traffic on trains would require well in excess of 100 trains!
- Rail Freight in Ireland will, unlike continental railways, never be able to handle road freight trailers. The volume of these units passing through Irish Ports is similar to that of containers.
- Hauliers will take the containers from railhead to manufacturing plant and back – experience elsewhere shows this to be a welcome development for hauliers.

Does the Western Rail Corridor have a role in the development of rail freight services for the region?

- The opening to Athenry should give traffic to Waterford a routing option away from the Dublin to Cork and Waterford lines.
- Extension to Claremorris should reduce time and costs of such transits.
- Proposals to provide rail freight access facilities at the planned Galway Port and to re-instate the Limerick – Foynes line based on new ore traffic flows will increase the economic footprint of those ports in the Western Region and elsewhere.

What would make freight the driver of WRC?

- While Galway may be a valid 'hub' for passenger traffic on WRC, Claremorris could be the perfect freight 'hub'.
- Consider the number and the size of the export manufacturing companies located within an hour's drive of Claremorris.
- From here, the Ports of Arklow, Rosslare, Waterford, Cork, Foynes and Galway can be accessed by WRC.
- Ports of Dublin, Bremore, Warrenpoint and Belfast can be accessed via the Dublin Line.
- If either Galway or Foynes Port was to realise its ambition to become the major fossil fuel distribution depot for the West of Ireland the WRC could be key to distribution from either port by rail.

Can the WDC push this agenda?

- YES!
- The availability of both the DFDS Container Line Waterford service and the IWT Dublin Port service combine to give a unique selling point to the North-west region.
- This section of the McCann report needs to be followed up and work done on the ground to identify and short/medium and longer term potential rail freight traffics in and out of the region for existing and potential companies.
- A study made on low cost technology for access to rail network.
- Engagement with shipping lines / forwarders in development of proposals for such traffic development that would secure EU funding. An example of such a service could be a through link from Galway to Waterford and to Paris via Radicatel.

Can the WDC push this agenda?

- No work has yet been done to quantify the costs and benefits of adding sidings into manufacturing plants or distribution centers and potential EU aids for both the Studies and the developments – WDC could have a key role in this.
- Research the technology and economics of 3 to 4 wagon DMU trains.

Does Rail Freight have a role in Western Development?

- YES IT DOES
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Gone are expensive Gantry cranes



Every day 4500 + Sea freight containers
move through Irish seaports



DFDS Container Line runs three + weekly container trains



Claremorris could be a hub



Logs for Waterford



Loading and unloading of logs



Trailers cannot go on Irish Rails



Could we see other train operators here?



Thank You!

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