



**What is rail freight?**

Freight transportation is the transportation and movement of goods from one point to another, it includes all operation of goods, vehicles and movement of goods. Several different modes of transportation exist: pipeline, road transport, air transport, ship transport and rail transport

Rail freight transport includes all freight transportation carried by rail. Several different forms of rail freight transportation exist and in general it is characterized by three different products. The Rail Freight operators generally propose three means of transportation:

Segment	Description	Commodities	Share of volume
Single Wagon	The client wants to transport a few wagons	Chemicals, Vehicles and Machinery	50 %
Full / Block Train	The client has enough goods to fill a train (600 meter or 24 4-axle wagons)	Coal and Steel, Construction materials	35 %
Intermodal	Transportation by container: the container or trailer is lifted on the wagon	Finished goods, Containerized goods	15 %

Today, Rail freight transport is enjoying good growth prospects in Europe, with overall demand for transport continuing to rise and structural congestion phenomena emerging on roads and motorways. Traffic increases of between 50 and 100% over the next ten years seem realistic. Rail’s situation is even better on the other continents, where it is often the key mode of transport, clocking up market shares of 40 % and more (that is the case in China, India, Australia, South Africa and the United States). The demand for the four land transport modes (road, rail, inland waterways and pipelines) in the EU27 added up to 2 595 billion tkm in 2006. Road transport accounted for 72.7% of this

total, rail for 16.7%, inland waterways for 5.3% and oil pipelines for the remaining 5.2%.

Further growth in rail freight will however depend on the ability of companies to invest in infrastructure and to increase their efficiency and to provide optimum responses to their customers’ requirements: through the quality, simplicity and transparency of their services, pricing (in particular in international traffic), information systems harnessing the potential of electronic commerce, development of partnerships between operators and customers for special transport operations.