

European Rail Industry



POCKET GUIDE | FACTS ON THE RAIL SUPPLY INDUSTRY

A driver for EU competitiveness and sustainable mobility worldwide



Prepared by UNIFE, the European Rail Industry Association

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What is the rail supply industry?

01

The sector is broadly structured around operators, infrastructure managers and manufacturers.

Who we are

Manufacturers of rail supplies

Infrastructure

(tracks & electrification)
[e.g. Strukton Rail,
Voestalpine]



Signalling systems and components

[e.g. Thales, Ansaldo STS]



Rolling stock

(trains, locomotives)
and their subcomponents
[axles, wheels, interiors, HVAC, energy
systems, brakes, doors, bogies, etc.]



Services

[engineering,
consulting, etc.]



System integrators



Companies that take all the above subcomponents and produce and sell the finalised train set, such as Alstom, Bombardier, CAF, Talgo, Siemens and Skoda.

The rail supply industry supplies and equips all kinds of rail travel – whether it be high speed, regional, urban/suburban or freight.

Our customers

Passenger and Freight Rail operators

Cross-border, regional and urban operators such as **Eurostar, SNCF, Deutsche Bahn, STIB** and **Transport for London**. Rail operators drive trains, manage passengers, collect fares and handle goods.



Operators pay infrastructure managers track access charges to run passenger and freight trains on their tracks.



Infrastructure managers

These companies own the tracks, energy systems and stations, and are responsible for their maintenance. They are also our customers. Some examples of these companies include **Network Rail, Infrabel, and RFF**.

A showcase industry for Europe

02

AT HOME AND ABROAD

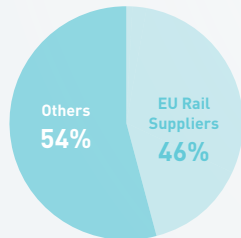
The rail supply industry today accounts for nearly half of the world market for rail products* and a market share of 84% in Europe.



According to the UNIFE World Rail Market Study 2014, the EU represents the biggest absolute market for rail products and services, with the rolling stock segment representing the largest part of this market.

Also, 84% of the EU market for rail supplies and services are met by the European rail supply industry.

Market share of accessible market (inc services)

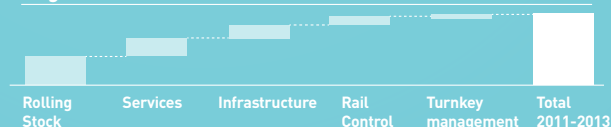


Absolute sales of the EU rail suppliers:
EUR=47 bn

Regional Breakdown



Segment Breakdown



source: UNIFE WRMS 2014

*About 68% of the global rail supply market is accessible to European companies. The accessible market is expected to grow with a compound annual growth rate of 2.8%, with major growth markets in NAFTA (3.7%), Asia Pacific (4.2%) and Latin America (5.7%).

A flagship for European industry

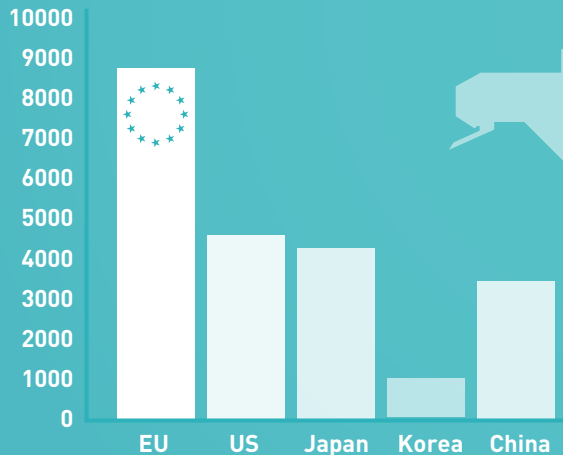
03

EU exports of rail products grossly outnumber other regions, despite fierce competition.

The European Rail Supply Industry is a top exporter for the EU in a competitive market with major investments being made by the rail supply industry in other regions.

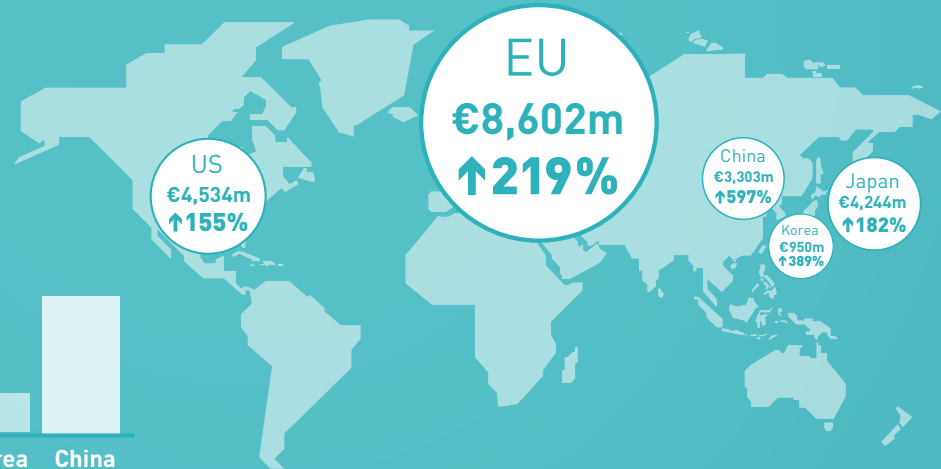
Total rail export trade 2010

in million €



Global export growth 2002-2010

(total export volume) in the RSI



ERTMS – A Key EU Rail Export

The European Rail Traffic Management System

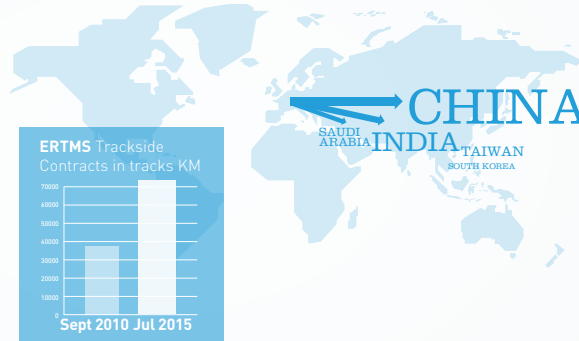


The European Rail Traffic Management System

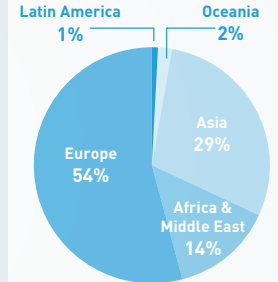
which was developed by the European Rail Supply Industry with significant support from the EU, is widely considered as the most advanced rail signalling system in the world.

The **ERTMS**, as a universal and EU-compatible signalling system, is an innovative technical solution designed to deal with a growing transport demand and also to improve the capacity on railway lines.

ERTMS is a major EU export and is becoming the train control system of choice for countries outside of the EU such as...



ERTMS Trackside Contracts by region



Source: UNIFE

With more than 76,000 km of contracted railway tracks, out of which nearly 50% outside of Europe, ERTMS has now established itself as a global standard.

76,000 km



An important European employer

05

The European rail industry employs nearly

400,000 people



And an estimated

355,000 households

depend on the industry in Europe

Or some

817,000

dependent individuals



An average European rail supply company's presence



across
4
countries

Manufacturing and
R&D, sales, admin
and other facilities

across
7
countries

Sales, admin
and other facilities

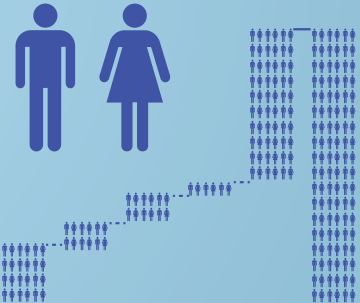
Rail suppliers diversify their manufacturing, R&D, sales and administrative facilities in countries across Europe while generating jobs all over the EU.



The rail supply industry accounts for nearly a quarter of the overall rail sector in the EU, which, including the workforce of the rail operators and infrastructure managers, employs approximately

1.8 million Europeans

Employees in EU rail supply industry



Rolling stock	Infra-structure	Rail control	Other rail supply	Services	Total EU
~10%	~10%	~10%	~10%	~50%	100%

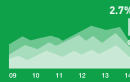


Growing the investment in R&D

06

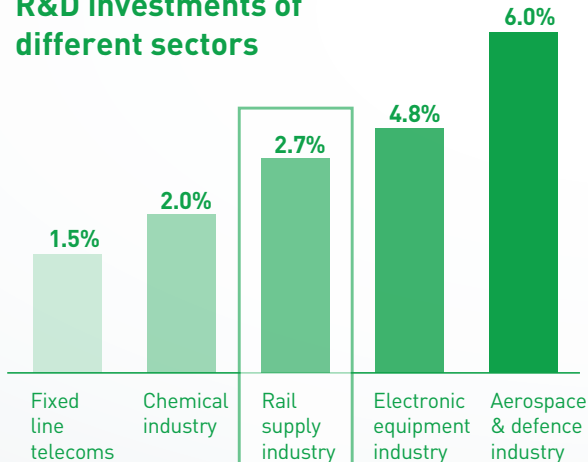
The rail supply industry is taking some major steps to increase investment in R&D.

Currently, the industry invests
2.7% of its annual turnover



(the EU average for R&D programmes) amounting to some €780m a year, predominantly in the rolling stock and rail control.

R&D investments of
different sectors



Overall budget
€920m

Rail sector
€470m



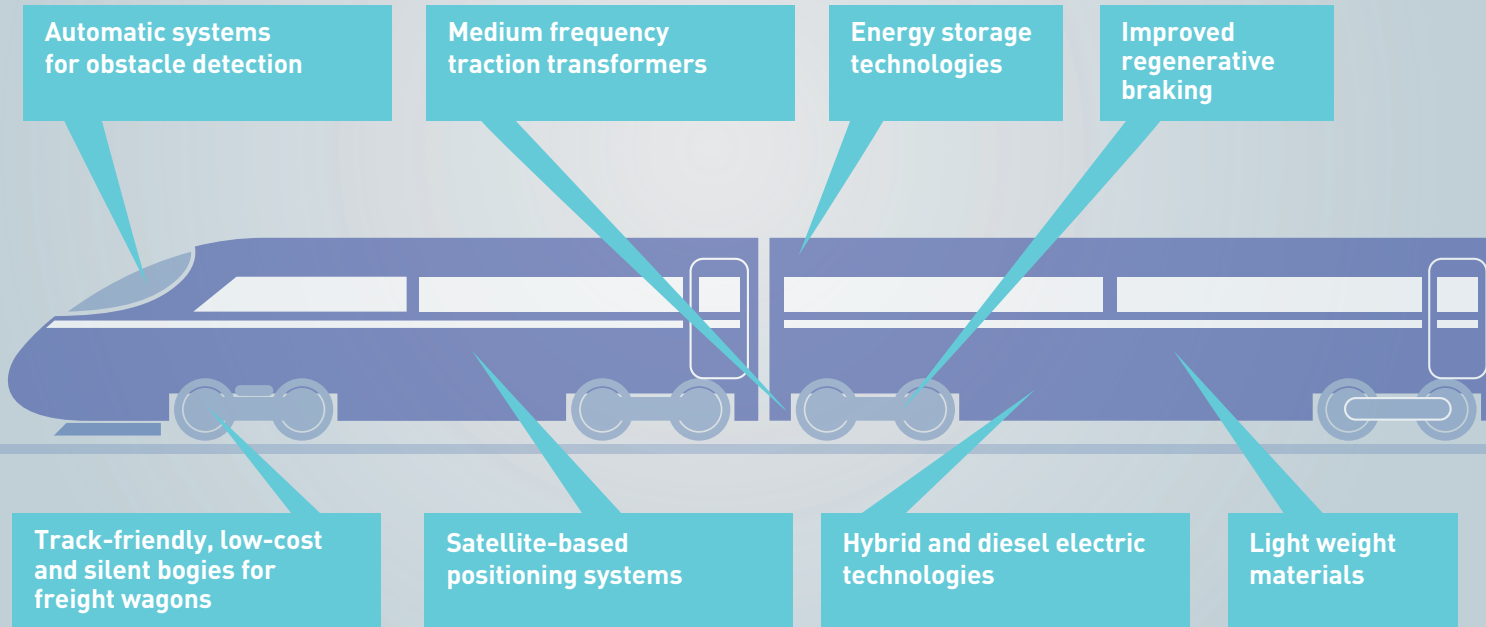
EU
€450m

With **Shift²Rail**, the first European joint undertaking for rail research amounting to **€920m** of which nearly half coming from the EU's **Horizon2020** budget framework, the sector and the EU set up a research and innovation track to integrate new and advanced technologies into innovative rail product solutions.

An innovative industry

07

The rail supply industry has been the source of major past innovations – important steps towards an integrated European rail market.



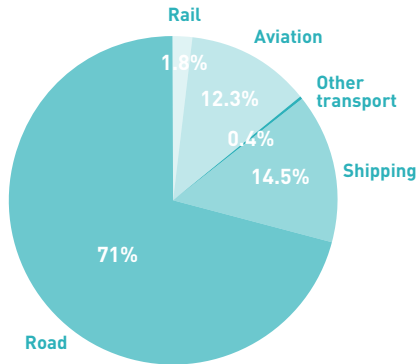
The leader in eco-friendly transport 08

The environmental and mobility benefits of using rail in the context of urban transport are evident.



The rail industry has the lowest share of EU transport CO₂ emissions with only 1.8%.

Share of EU CO₂ emissions from transport

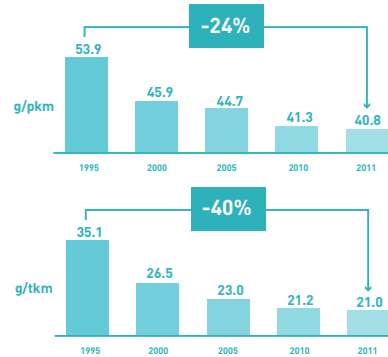


Source: UIC



And the rail supply industry is further improving its emissions per km.

Development of relative EU rail CO₂ emissions



Source: EEA

1 train
(8 carriages)



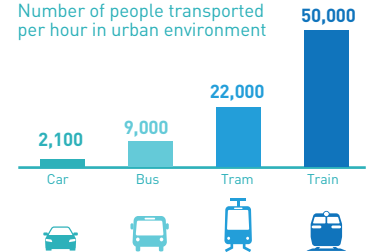
15 buses



250 to 1000 cars



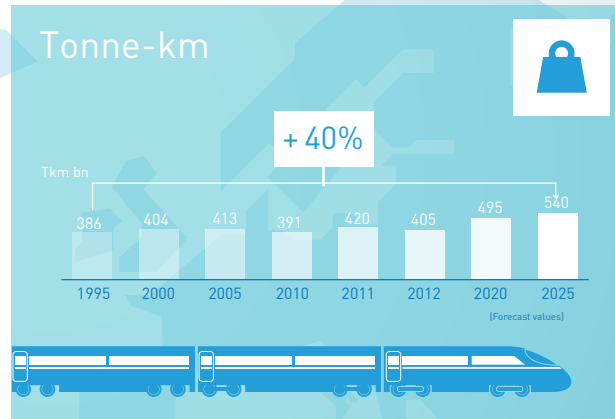
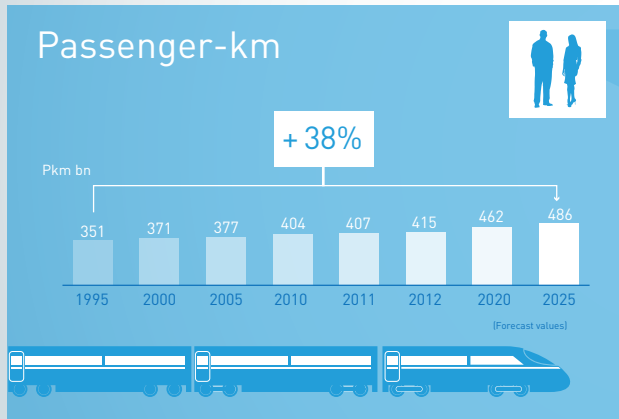
Number of people transported per hour in urban environment



Looking ahead

A NEED TO SUSTAIN MOMENTUM

Sustaining eco-friendly transport is critical with both passenger-km and tonne-km due to grow.



A game changer for EU transport

10

High speed trains



High speed trains have led to a greater modal share of rail travel due to shorter travel times for European passengers.

Travel times



More and more, flights are only favourable on very long distance continental services, as a result of the necessary travel time getting to and from airports, as well as security checks, check-in and baggage collection time.

Connections

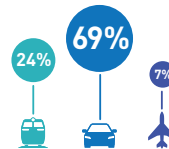


As witnessed in several examples across the EU, connecting high speed trains to airports and local public transport will further boost the competitiveness of rail transport. With the introduction of high-speed rail systems, a fundamental shift in passenger volumes to more eco-friendly rail services has been witnessed.

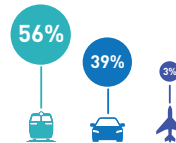
Paris – Brussels

Percentage share before and after introduction of high-speed trains

Before



After



Madrid – Seville

Percentage share before and after introduction of high-speed trains

Before

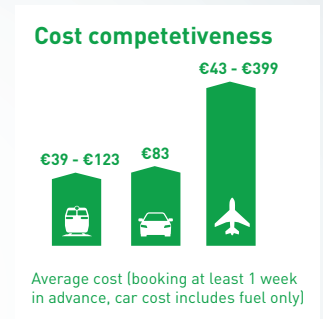
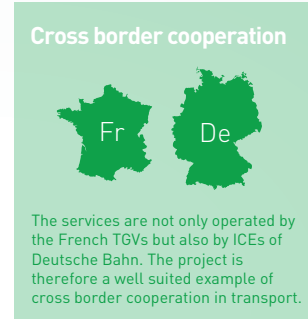
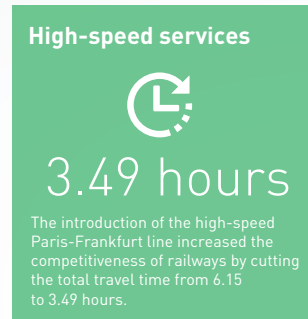
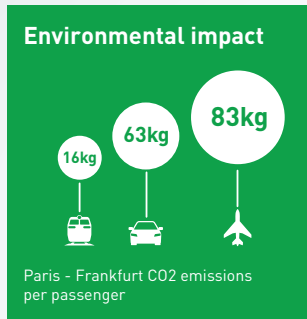


After



Paris to Frankfurt: a comparison

11



Frequency of service



Total travel time



Rail is by far the most environmentally friendly mode of travelling and only insignificantly slower than a plane on certain routes.

With travel times dropping dramatically over the last two decades, rail has never been more attractive.

A promising future

The European Rail Supply industry plays a key role in mobility in the EU and for the European economy in general: the modal share for rail is expected to grow and the industry provides many jobs throughout the EU.

The industry provides the most environmentally friendly transport mode and is intently focused on innovation to allow the European rail supply industry, which is currently the leader of the global market for rail products, to maintain their position.

Put simply, the European Rail Supply industry is a key enabler for European mobility and EU competitiveness and as such is a primary industry in Europe.



The European Rail Supply Industry should be considered as a primary industry by the European Commission, alongside the supply industry in the other transport modes (automobile, airplane, and ship manufacturers).

The European Rail Supply Industry would like to work with the European institutions to build a policy roadmap for the industry over the next 5 years.

UNIFE Members



Balfour Beatty Rail



Associated Members



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