

A strategic investment for the economy

Central Railway is a Franco-British project that will extend the benefits of the Channel Tunnel beyond the South East of England to the rest of the British Isles. It will reduce the cost to industry of transporting goods to and from European markets and directly create employment. It will help regions in the UK and northern France to compete for inward investment.



Central Railway proposes that existing railway alignments on both sides of the Channel be connected up and upgraded to provide capacity for new lorries-on-trains rail services and all types of UK and Continental freight trains.

The company is currently developing and evaluating an approximately 700 mile (1150km) freight network which could run from Scotland to northern France and on towards Antwerp in Belgium and the German railway system. It could include a new route in London and Kent running largely on existing railways to bring important benefits to the Thames Gateway. The system would comprise existing railways, and a few disused or even dismantled routes, linked by short sections of new railway, often with new tunnels or junctions. As a result it will be much less expensive to build than a purpose built railway.

Bridges on the existing railway sections will be raised or rebuilt to handle double stack containers, lorry trailers-on-trains services and any size of Continental as well as UK freight train. Signalling systems will be upgraded where necessary to provide for the operation of 1,500m trains.

The project is envisaged as a joint venture between UK and continental railway infrastructure owners, designed to bring in funds from the international capital markets to refurbish European freight railways.

The railway's economic core will be a highly reliable, frequent, low cost shuttle operation carrying unaccompanied lorry trailers. These will operate at one to two hour intervals from a small number of large new road-rail transfer sites located next to key motorway junctions along the railway's route.

Environmental benefits

The scheme will take some 10,000 lorries off motorways in southern Britain and on the Continent *every day*. It will reduce carbon dioxide and pollutants emissions - lorries are now amongst the fastest growing source of such emissions - and cut the energy (in future, increasingly, imported) consumed by road transport. At the same time, improving existing railways in order to create capacity for carrying lorries must be more sustainable than building extra motorway capacity if they stay on the roads.

Using existing rail technologies

Transporting lorries on trains is not new - it is a well-established practice in North America and is a core business of Eurotunnel. However, it is not currently possible on railways in Britain or most of Europe because of restrictive size limitations on the railways (for example bridges are often too low).

Low bridges and lack of rail capacity

Unlike existing railways in Britain and France, the Central Railway route will be sized so that lorries can be carried. Because the UK's railway lines were built earlier than those on the Continent their bridges are typically too low even for conventional Continental freight trains.

Since the vast UK-Continent road freight market is all about lorries but lorries can't yet be carried by rail here, rail freight services through the Channel Tunnel have been very disappointing. But once such traffic can be carried by rail the potential is very great and the next key problem becomes providing a route with enough rail capacity to handle the extra business. That is what Central Railway has in mind, and in a way that will help with other rail freight capacity issues on Network Rail and RFF.

Freight traffic growth

Since the early eighties, road freight movements between Britain and the Continent have doubled each decade. They are expected to continue growing at about 3% a year for the next 10 years and amount to around 8 million HGV trips a year by 2015. At the moment, these lorries will all have to use the roads. However, Central Railway will offer substantial reductions in the cost of transporting lorry-loaded freight to and from the Continent. The projected charges for using the service will allow substantial savings for hauliers and logistics firms, compared with the alternative costs of road and ferry or Eurotunnel crossings, as well as providing more reliability. Major haulage companies have confirmed that if they can make these savings they will use the service.

Protecting property owners

The company developed an innovative Property Protection Scheme (PPS) which goes substantially beyond statutory requirements by underwriting the value of properties near the

line but which are not directly affected at all. This protection remains with the property and the value is indexed to house price indices. This means that householders who have no statutory recourse are nevertheless protected by this scheme. While it cannot make everyone happy, the PPS does protect people's financial positions. So far over 1000 Options have been agreed, 35% of which apply to properties which we believe have since been sold.

The PPS is proposed to restart once the new project has been defined and evaluated.

Economic regeneration

Central Railway will provide a much more direct, efficient and inexpensive transport link between the UK and the regions than any currently in existence. It will particularly benefit English regions north and west of London, and Ireland and Scotland which have to rely on increasingly congested motorways through the southeast to reach Eurotunnel and the ferry ports. The company believes that building and operating Central Railway could tens of thousands of jobs on both sides of the Channel within a decade or so and perhaps many more in the long term. The new freight link will improve competitiveness and economic regeneration for a wide range of industries, especially in manufacturing and distribution.

New investment from capital markets

The overall construction cost is likely to exceed £4 billion (around 6 billion Euros) in constant money terms. With railway rolling stock, land and property protection costs, and inflation and interest during construction the total financing requirement could be approximately twice this amount. Construction could take around four years.

The project has been developed to be capable of being financed in the private sector. Its commercial potential reflects the size and value of the potential market. The number of lorries crossing the Channel is already huge and is growing. Furthermore, as there is no road across the Channel, lorries already have to

switch mode to use ferry or Eurotunnel's lorry shuttle services and so should be more easily diverted onto Central Railway.

Approval processes and timescale

To reach construction financing, the scheme must be approved in Britain and France.

In the UK the company needs a hybrid Bill to authorise new railway construction along the route. This was the procedure used with the Channel Tunnel itself and the Channel Tunnel Rail Link. Once UK government support in principle for a Bill is secured, preparing the documentation for the Bill and going through Parliament could take up to three years.

The equivalent approvals in France would be secured via French administrative planning processes which do not involve the French National Assembly.

If all went well, Central Railway could be coming on stream in the middle of the next decade just when projections show that road and rail systems will be reaching saturation.



The key to getting road freight shifted to rail is being able to carry lorry trailers on trains. This is done in North America but here bridges over railways need to be raised.

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