

Bucking the trend: As a result of heterogeneous fleet strategies worldwide passenger coaches have good perspectives

Despite the ongoing trend of multiple units and high-speed trains substituting passenger coaches in the worldwide passenger rail vehicle business, the classic vehicle type continues to be delivered in constant numbers. While China significantly reduces the production numbers for the domestic market, passenger coaches are the future of passenger rail transport in India. In addition, passenger coaches have a long-term perspective in North America, for some Western European operators as well as for the Kazakh state railway. Generally, passenger coaches are forming the largest transport capacities within the worldwide passenger rail vehicle fleet. Moreover, the trend goes towards a new modern image of passenger coaches as contemporary railway vehicle type with a high operational flexibility (adaption to fluctuating riderships), primarily in terms of speed, safety and quality standards. This is the result of the study "Passenger Coaches – Global Market Trends" compiled by SCI Verkehr.

Europe: Double-deck coaches are not only a niche segment, but a real competitive product to multiple units and high-speed trains.

The trend of an ongoing substitution of locomotive-hauled passenger coach compositions by modern multiple units and high-speed trainsets are a foundation of the younger European passenger rail history. In Germany, the last double-deck coaches for regional and commuter coaches were ordered in 2011, in context of the current framework contract with the manufacturer Bombardier. Since then, all other batches within the contract were delivered as electric multiple-units. However, there exists a contrary trend: German incumbent operator Deutsche Bahn AG has ordered a total of 36 new double-deck passenger coaches from the Czech manufacturer Skoda for fast regional transport services with speeds of up to 200 km/h, hence blurring the operational delimitation of regional and long-distance transport. In long-distance transport, the incumbent plans the procurement of up to 80 further trainsets composed of double-deck coaches in addition to 44 trainsets already ordered for medium distances.

The Belgian incumbent SNCB also intends to profit from the operational flexibility of passenger coaches. Within the framework contract covering a total of 1 362 double-deck cars of the type M7, up to 540 units are planned to be delivered as intermediate coaches or non-motorised driving trailers to either operate as part of multiple units or in combination with existing locomotive-hauled M6 double-deck coaches.

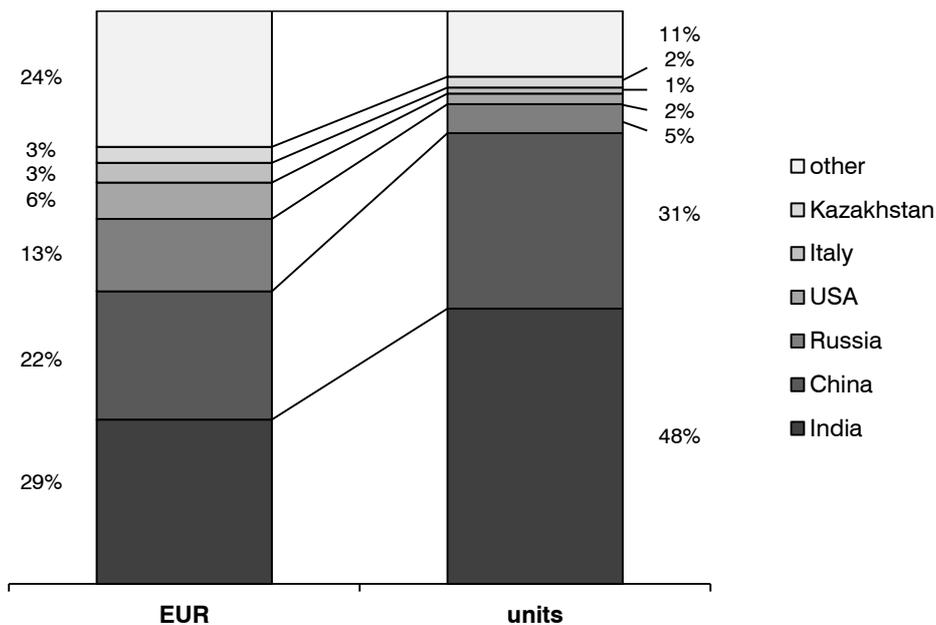
In Austria, since years the Railjet, consisting of passenger coaches and a Taurus locomotive, is the face of premium long-distance transport and has become the same in the Czech Republic in 2014. The Hungarian state railway MAV intends to manufacture at least 100 intercity coaches on its own.

Given the general trend of substitution, it can be ascertained that the total market volume for new passenger coaches in Europe will further decrease, but the focus of interesting individual projects will be on modern locomotive-hauled solution, particularly in the double-deck segment.

World: India is growth engine of the world market; China and Russia are falling off

Unlike in Europe, locomotive-hauled passenger coaches present a reliable backbone of passenger rail transport, particularly in Asia. Almost 80% of the coaches delivered worldwide between 2011 and 2015 are today operated in the top markets of China and India, representing about 50% of the monetary market volume. In contrast, the orders of railway companies in the USA, Italy and Austria generate a share of 12% of the worldwide market volume with only around 3.5% of the vehicles delivered.

Market volume OEM 2011-2015



While the fleet strategy of China Railways is focusing on multiple units as well as high-speed trains and the demand in new coaches in Russia shrinks, Indian Railways intends to satisfy the increasing mobility demand of the fast growing population with comparatively cheap new passenger coaches. Besides the pure number of new coaches, aspects like higher speeds as well as safety and construction standards for a higher lifetime are of increasing importance. The resulting modern passenger coach design takes these criteria into account, but is also leading to a higher vehicle price (up to twice the price compared to a standard coach).

World market development: Fleet renewal programmes will sustain the current market volume

In India, the USA and Kazakhstan, ongoing and planned fleet renewal programmes will rejuvenate the old installed bases. Production numbers of up to 5 000 passenger coaches per year are likely in the long-term in India. Amtrak, the national long-distance operator of the USA, plans the commissioning of several hundreds of new single-deck and double-deck coaches. To realise the planned rejuvenating of the passenger coach fleet, the Kazakh state railway has established the joint-venture Tulpar Talgo with the Spanish rolling stock manufacturer Talgo, which manufactures new coaches of the traditional Spanish design in its plant in Astana. Indian Railways has also taken over a first batch of new passenger coaches from Talgo. Nonetheless, it remains to be seen if Talgo can manage to secure substantial shares in the Indian market.

The market study „[Passenger Coaches – Global Market Trends](#)“ is available in English at SCI Verkehr GmbH (www.sci.de) as from now on.

Your contact:
SCI Verkehr GmbH
Ahmed Yasin
Tel: +49 221 9317820
E-mail: a.yasin@sci.de