



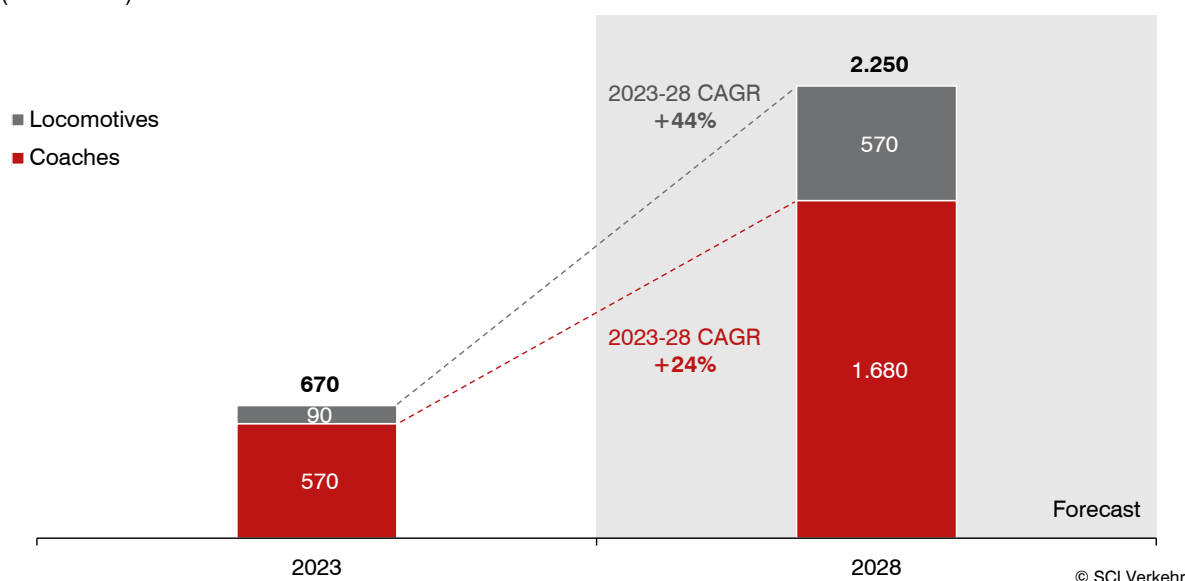
New trains for more competition in European long-distance rail transport – the revival of locomotive-hauled trains offers the potential for tripling growth rates

[May 2024] Long-distance rail passenger transport in Europe has long been reserved for state railways and a few niche providers. This could change now. In a novel study, SCI Verkehr shows that there has been a boom in demand for flexible rolling stock concepts in Europe and expects annual growth of around 30% between 2023 and 2028. With the revival of locomotive-hauled trains featuring modern coach designs, more universally applicable solutions regarding rolling stock are emerging, removing a major barrier for competition in long-distance transport. This holds true for cross-border routes in particular, as the approval of coaches and locomotives individually is significantly less complex than approving a high-speed train. The strong demand for locomotive-hauled trains clearly indicates that new providers are entering the long-distance markets – either directly competing on attractive state railway routes or on cross-border routes in marginal areas for daytime and night train services, according to the market study "Intercity and Night Trains European Market Trends 2024."

Competition in the railway sector has so far been limited to freight and regional passenger transport, as well as a few niche markets. In long-distance transport, leasing companies and operators have shied away from competition so far – the risks of entering established markets with very expensive and long-lasting rolling stock concepts were too high. Until now, established national railways such as DB Fernverkehr in Germany, SNCF in France, or PKP Intercity in Poland have successfully defended their markets in core Europe. However, private open-access operators and foreign railways are now increasingly pushing into long-distance transport, the last stronghold of rail transport.

To this end, operators are looking for proven rolling stock flexible in operation and future-proof. In addition to classic high-speed trains, locomotive-hauled intercity trains are increasingly being operated on international routes. The push-pull design – with a locomotive and a driving trailer on the opposite side – offers additional operational advantages. Thanks to its simple configuration, a locomotive-hauled train can be better adapted to changes in transport demand.

OEM market for locomotive-hauled intercity and night trains in Continental Europe
(EUR million)





The European long-distance transport market is generally growing – especially in cross-border transport

With political support, more and more investments are being made in the infrastructure and equipment of the most important corridors, with the European Train Control System (ETCS) being just one of the ambitious projects. The aim is to provide seamless, reliable and comfortable rail transport between the major European cities. Rolling stock manufacturers have recognised this potential and are focusing on modern intercity locomotives with various country approvals and passenger coaches with speeds of 200 km/h and more. SCI Verkehr forecasts that the market for new locomotive-hauled intercity trains (including night trains) will grow at an exceptionally high annual rate of +27.6 % between 2023 and 2028. In addition to the state railways, which have placed new orders, the market is also becoming particularly interesting for open-access operators. In order to remain competitive with DB Fernverkehr, FlixTrain, for example, will have to invest in new locomotive-hauled trains.

Night train services are being revived on a large scale

Popular connections are fully booked months in advance – traveling by night train is the trend. Demand is high, offering additional potential for open-access operators. According to SCI Verkehr's forecast, the market for new night train coaches is set to grow rapidly, reaching EUR 365 million in 2028. The current study analyses the European night train market in detail.

The market study "[Intercity and Night Trains - European Market Trends 2024](#)" will be available in English from SCI Verkehr GmbH website (www.sci.de/shop/) from May 2024. There is also an Excel file available for this study providing a clear and transparent presentation of all figures.

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