

Press release

Rail Cargo Hungaria, the Hungarian subsidiary of the ÖBB Rail Cargo Group (RCG) has started transporting export grain to Africa

Budapest, 24. October 2023: Rail Cargo Hungaria (RCH) brings the Hungarian grain of excellent quality on new markets. Since the end of the domestic harvest, it has transported 14,000 tons of grains to the port of Rijeka, mainly destined for Egypt and Tunisia.

In cooperation with the Croatian state railway company (HŽ Cargo), RCH has so far transported 13 trainload of mainly wheat and barley from Miskolc to ships waiting at the Adriatic docks. It also makes considerable use of the Croatian company's grain wagon sets for the deliveries.

The Hungarian market leader in rail freight has been contracted to double the current volume by the end of the year and is also negotiating the transport of Ukrainian transit grain in addition to Hungarian grain exports.

Thanks to this year's high average Hungarian wheat and barley yields and the expected excellent maize harvest, demand for rail transport of grain has increased significantly since the beginning of August. RCH is prepared to transport more than 1 million tons of Hungarian grain for export this grain season. For the transit of the domestic crop and the export of Ukrainian grains to Western Europe, the Company will make available 700 of its own and 1500 dedicated grain wagons of the Group.

60% of the Hungarian grain exports go to Italy, 30% to Germany, and a smaller share to Austria and other European markets. RCH's efficient rail logistics solutions give Hungarian grain an advantage in the fierce price competition generated by Ukrainian grain on foreign markets.

The Company assigns high-capacity Vectron locomotives to grain trains, which makes it possible to compose and forward trains with a maximum load of 1600 net tons, thus reducing the unit cost of transport. Cost efficiency is also improved by substantially reducing the turnaround times of wagons. For example, an increasing share of traffic to Italy is being handled without changing locomotives at the Gyékényes border crossing. In Croatia, the drivers of the Croatian subsidiary of Rail Cargo Carrier move the trains, while in Gyékényes a dedicated border station coordinator ensures that trains pass smoothly.

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