

Press release

Outstanding increase in grain transports

Budapest, 24 June 2020: Rail Cargo Hungaria's (RCH) grain transport to Italy exceeded the volume of the same period of last year by a record 50% in the first five months of 2020. Considering all European destinations, the increase was more than 35%, reaching altogether almost 600,000 tonnes. Hungary's market-leading company for grain transport on rail has further improved the efficiency of its operation, hence expecting further significant traffic growth in this calendar year.

In 2019, the company carried about 850,000 tonnes of grain to Western and Southern Europe. According to indications from customers, this year's volume could exceed one million tonnes, the most important destinations being Italy, Germany, the Netherlands and Greece. In the second half of the year, the company will run up to 25 export trains per week – each consisting of 25 wagons on average – from Hungarian silos and loading areas.

Traffic growth was extremely intense in the first five months of the year. The special situation due to the coronavirus pandemic also played a role in this, hindering road transport – even making it impossible in case of certain Italian destinations – and shifting traffic to rail.

The efficiency-raising measures taken by Rail Cargo Hungaria to enhance transport conditions contributed to the improving performance as well. Most of the grain trains are forwarded to their destination by Vectron locomotives that are part of the RCH-fleet. The high-performance locomotives enable the formation and transport of trains with an overall load of 2,200 tonnes, positively affecting specific freight rates as well.

The reduction of the turnaround times also contributed to enhancing cost efficiency. To this end, utilizing the information provided by forwarders, detailed weekly plans are comprised about the loading times and the expected arrival of empty and loaded wagons. To accelerate the loading process, Cargill Takarmány Zrt., based in Kaposvár, extended its silo capacity with a new investment. In order to promote smooth traffic between Hungary and Italy, the company accelerated the process of border crossing: without changing the locomotives, the locomotive drivers of RCC - Croatia forward the trains. RCH set up the station coordinator role in order to facilitate the transit of the trains, an expert colleague from Pécs provides the additional IT, and steering support connected to it.

The turnaround time reduced by one third also contributed to the fact that Rail Cargo Hungaria's fleet of 750 wagons allocated for grain transport is able to perform the increased amount of tasks with maximum utilization.

RCH is ready to meet any new demands that will arise after the soon starting harvest. The company has a 12% share of Hungary's total exports of grain and oil seeds, which is an excellent accomplishment, hence, just 20% of total exports is carried out on rail.

More information:

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