





Press release

The managers of Rail Cargo Hungaria, Rail Cargo Logistics -Hungaria and the Hungarian forestry companies consulted regarding the development of wood transport on rail

<u>22 June 2023 –</u> In the framework of the traditional voluntary waste collection initiative to preserve the cleanliness of Hungarian forests the management of Rail Cargo Hungaria (RCH) and Rail Cargo Logistics - Hungaria (RCL-HU) consulted with the decision makers of eight forestry companies regarding the development possibilities of wood transport on rail. The participants of the annually organised event evaluated the results of the logistical implementation of the set-priced firewood programme and also analysed the prospects for wood export by rail.

The volume of timber shipments transported by rail is significant every year. In 2020 RCH-trains transported 518 thousand tonnes, in 2021 604 thousand tonnes and in 2022 507 thousand tonnes of round timber in single wagon traffic to Hungarian and foreign destinations. Last year, export sales of Hungarian wood continued, while domestic consumption also increased significantly. Between October 2022 and May 2023, around 85 thousand tonnes of round timber were transported by RCH to the regions in need as part of the set-priced firewood programme.

The government support system of single wagon transport introduced in 2021 paved the path for the long-term preservation of the competitiveness of the Hungarian timber, involved the forestry companies more in international trade and protected thousands of jobs in the railway sector. The commitment of the state facilitated the shift of transport of timber from road to the environmentally friendly rail.

During logging, the amount of wood felled fills only a few wagons at the loading points and loading stations, which can be transported to the destinations with the most complex and therefore expensive rail technology of single wagon traffic. Without the subsidy, however, it would not have been possible for railway companies to maintain this costly but economically indispensable service due to the high operating costs.







The event was organised by VERGA Zrt. for the ninth time and the managers of Bakonyerdő Zrt., Vérteserdő Zrt., Zalaerdő Zrt., SEFAG Zrt., KEFAG Zrt., Mecsekerdő Zrt., Budapest Erdőgazdaság Zrt., Rail Cargo Hungaria and Rail Cargo Logistics - Hungaria took part in it.

The innovative logistics solution integrating single wagon transport, developed by RCL-HU also contributed to the competitiveness of Hungarian timber: according to this, the company creates block trains from the single wagons dispatched by the forestry companies at six station collection points, and these deliver the timber to its distant destination. The task is carried out in collaboration with Rail Cargo Hungaria and the Croatian and Slovenian subsidiaries of Rail Cargo Carrier.

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