Hupac Group annual press conference

Securing the modal shift – Hupac stays on course in a difficult market environment

Zurich, 6 May 2025 - Despite major challenges on the European rail network, Hupac achieved a positive Group result in 2024 and almost stable transport volumes in transalpine traffic through Switzerland. With concrete measures to increase efficiency, a clear corridor strategy and a high degree of operational flexibility, the company is once again making an important contribution to Switzerland's modal shift policy.

The ongoing problems with the rail infrastructure along the north-south axis are increasingly pushing transalpine combined transport to its limits. Without rapid and decisive transport policy measures, there is a risk of a massive setback in modal shift.

The year in review

In the year under review, the Hupac Group transported around 949,000 road consignments or 1,818,000 TEUs in combined road/rail transport and maritime hinterland transport. This represents a decrease of 2.6% compared to the previous year.

In transalpine traffic through Switzerland, Hupac was able to keep volumes almost stable (-0.2%) despite the capacity restrictions in the Gotthard base tunnel. On the other hand, transalpine traffic through France and Austria declined as a result of the closure of the Modane line and network adjustments in northern Italy. Non-transalpine traffic in western, north-eastern and south-eastern Europe remained broadly stable at -1.2%.

The continuing economic weakness and rising energy and traction costs continued to put rail freight under considerable pressure in 2024. In addition, structural deficiencies such as inadequate infrastructure maintenance and poor coordination of construction sites aggravated the situation on major corridors. The result: delays, cancellations and capacity constraints - and an increasingly fragile market confidence.

Thanks to targeted measures such as the optimisation of train capacity utilisation, the concentration on high-traffic corridors and the use of long, heavy trains, Hupac was able to continue the turnaround that began in 2023. The stabilisation of volumes in transalpine traffic through Switzerland and the adjustment of capacities in maritime traffic from Germany enabled a positive Group result of CHF 9.4 million.

In 2024, the Hupac network saved around 1.3 million tonnes of CO_2e, reduced energy consumption by 15.5 billion megajoules and took 18 million tonnes of goods off the roads.

Modal shift in Switzerland: negative trend in modal shift

A key objective of Hupac's strategy is to increase the share of combined transport in Alpine transit through Switzerland. With 536,000 road consignments and 10.4 million net tonnes, the company made a significant contribution to the implementation of the national traffic shift policy in 2024.

However, this development is under threat. The sharp increase in construction work on the German rail network - combined with complete closures and inadequate planning and coordination along the corridor - is leading to a massive deterioration in all key operating figures. Less than half of Hupac's transalpine trains currently reach their destination on time. About 20% of the connections have to be cancelled due to external influences. Main routes and diversionary routes are often affected by closures at the same time – important information about this often reaches the operators too late or not at all. In addition, contractual penalties for cancelled trains significantly affect the economic viability of combined transport.

The consequences of the continuing difficult situation are clearly visible: since 2022, the volume of transalpine combined transport has fallen by 9%, while road freight transport has increased by 4% over the same period. Without targeted countermeasures, there is a risk that one of Switzerland's key transport policy objectives will be set back. The premature end of the Rolling Highway (Rola) at the end of 2025 is directly linked to the high vulnerability of the rail infrastructure.

Political will needed – left-bank capacity enables greater modal shift

Transport policy must take decisive action to counter the current shift back to road transport. The focus should be on measures to strengthen the operational capacity of rail freight.

A key lever is Switzerland's financial participation in the expansion of the left-bank 4-metre corridor Belgium–Metz–Basel, as well as the relief line Strasbourg–Lauterbourg–Wörth (Motion 22.3000). By enlarging the loading gauge of the railway tunnels through the Vosges, the Belgium–Metz–Basel axis would become a 4-metre corridor and thus a feeder line to the New Rail Link through the Alps (NRLA) for combined transport. The timely implementation of this construction project requires full funding from Switzerland, as it will bring little direct benefit to France. This approach is in line with the established practice of financing tunnel upgrades for the 4-metre corridor in northern Italy.

The resulting second 4-metre corridor in the north would significantly expand the capacity of the entire NRLA system, creating the conditions necessary for shifting additional transalpine road transport to rail. Since around 50% of transalpine traffic through Switzerland currently involves Benelux flows, relieving pressure on the right-bank 4-metre corridor is expected to considerably improve the reliability and quality of the entire transalpine combined transport system.

As for the relief line Strasbourg–Wörth, the use of hybrid locomotives (electric/diesel) would be a more cost-efficient solution compared to electrification – which is not a priority for France. This would make it possible to reroute traffic via the left bank of the Rhine during major construction works involving full closures of the Rhine Valley axis.

These measures are essential to sustainably ease the bottlenecks on the congested and disruption-prone right-bank corridor and to enable further shifts of road transport to rail. Equally important is the swift implementation of additional buffer tracks north and south of the Alps (Motion 24.3339) to stabilise operations in the face of frequent infrastructure disruptions along the corridor.

From 2025, Switzerland and Belgium will have joint responsibility for the North Sea-Rhine-Mediterranean freight corridor – an opportunity to effectively secure freight transport capacity through better coordinated corridor management and integrated construction site planning.

In addition to infrastructure measures, targeted financial instruments are needed to ensure the competitiveness of combined transport vis-à-vis road transport. The much-needed extension of the Rhine Valley railway line to provide an efficient link to the NRLA continues to be delayed. A line that will allow trains up to 750 metres long (instead of the current 680 metres) is not expected until 2045. “The sector has only partially benefited from the advantages of the flat railway," explains Hans-Jörg Bertschi, Chairman of the Board of Directors of the Hupac Group. The targeted productivity increase of 10% remains unattainable. “The continuation of operating subsidies for combined transport beyond 2030 must therefore be seriously discussed now. It is important to create investment security in good time for the companies involved in the further shift to rail.”

Progress is also being made in Germany, where the Federal Network Agency is investigating measures to limit the number of simultaneous construction sites in order to restore predictable conditions for rail freight. Months-long closures of entire corridors without equivalent alternative routes are unacceptable for the European economy.

“Combined transport remains the key to sustainable logistics in Europe,” says Hans-Jörg Bertschi. “For this system to work, it needs an efficient infrastructure and reliable planning. The current erosion of quality jeopardises the modal shift targets. It is high time that politicians, infrastructure operators and industry work together to create a stable European rail network.”

Resilience and operational stability

In order to guarantee its performance, Hupac consistently focuses on operational resilience. For example, during the complete closure of the Rhine Valley line in August 2024, a diesel shuttle service through Alsace was organised at short notice - a joint project with SBB Cargo International and Captrain, which reliably diverted 20 trains per day in each direction.

Structural adjustments are also part of Hupac's strategy: since the beginning of 2025, some connections between Belgium and Italy have been routed through France instead of Germany, in order to minimise risks due to infrastructure weaknesses. Further diversion options are being planned. Reserve trains, additional drivers and increased weekend capacity increase flexibility in the event of disruptions.

At the same time, Hupac is focusing on the digitalisation of the value chain through standardisation and automation. The focus is on the automation of terminal processes and the further development of wagon technology with higher payloads, noise-reducing brakes and on-board sensors for predictive maintenance.

Outlook: Hupac focuses on core relationships for greater reliability

The market environment for Hupac will remain challenging in 2025. Demand trends are difficult to predict due to the tense geopolitical situation and the structural competitive disadvantages of many European industries, such as high energy prices and lagging key technologies.

Hupac is responding to these challenges and the difficulties in international rail freight transport with a targeted reorientation. Over the next two years, the company intends to concentrate combined transport on the north-south axis on high-volume core routes. The aim is to run three to four trains a day in each direction on these routes, creating a more stable, reliable and market-oriented service.

“With a higher frequency per route, we can respond more quickly to disruptions and offer our customers greater predictability and stability," explains CEO Michail Stahlhut. "If a train is cancelled, an alternative is quickly available. At the same time, this model increases the efficiency of rail operations, as vehicles and personnel remain flexible". Terminals and rolling stock also benefit from the increased productivity.

With this model, Hupac is systematically strengthening the competitiveness of combined transport and sending a clear signal against a return to road transport.

In the long term, combined transport remains a market with potential. The shortage of drivers in road haulage, the productivity advantages of rail and the political will to shift traffic are driving demand. At the same time, decarbonisation is making road transport more attractive. However, rail still has a strategic advantage, provided it is economically competitive.

Hupac expects transport volumes on its continental and maritime networks to remain stable in the current year. The focus will be on capacity management, quality assurance and the further development of market-oriented services. “We are convinced that with an efficient combined transport system we can create real added value for sustainable logistics in Europe,” says Stahlhut.

Profile of the Hupac Group

Hupac is the leading operator on the main European intermodal transport corridors. With around one million road shipments transported annually and 130 trains running daily, Hupac connects the major economic regions of Europe and destinations in the Far East. As a pioneer of digital logistics solutions, the company plays a key role in shifting freight from road to rail, thereby supporting environmental and climate protection.

Founded in 1967 in Chiasso, Switzerland, Hupac is now an international group with 24 companies in Switzerland, Italy, Germany, the Netherlands, Belgium, Spain, Poland, Russia, and China. With around 730 employees, a modern fleet of 8,300 rail platforms and digitally managed terminals at key European hubs, Hupac delivers reliable, forward-looking transport solutions in combined transport.

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