



Press release of Cargo sous terrain AG

Basel, 29 January 2020

## **Swiss Federal Council supports Cargo sous terrain with special legislation**

**During the legislative consultation process concerning the law on underground goods transport, Cargo sous terrain (CST) has obtained support from a large majority of stakeholders from both the political and business spheres. Based on the positive feedback received from the different parties and sectors, the Swiss Federal Council made the decision on 29 January 2020 to establish the legal basis for Cargo sous terrain. The Federal Council is also supporting CST's aim of advancing the project as a privately financed innovation led primarily by Swiss investors. CST AG welcomes the decision of the Federal Council.**

Today's decision of the Federal Council to establish the legal basis for underground goods transport means that CST has achieved a further milestone. This legislation is the essential requirement for establishing the pioneering integrated logistics system. It creates clear conditions regarding the construction and operation of the system and provides the necessary legal security for investors. In particular, CST welcomes the fact that the legislation paves the way for a standardised planning approval procedure. As a result, the cross-cantonal project can be planned and developed with standardised conditions throughout Switzerland.

### **Broad support for Cargo sous terrain during the consultation process**

The large amount of positive feedback received from cantons and political parties as well as environmental, trade and industry associations demonstrates that Cargo sous terrain is fulfilling a general need from both business and society. The vast majority of stakeholders recognise the need for the pioneering goods transport system. According to government estimates, the volume of goods transported by road and rail is set to increase by 37 per cent between 2010 and 2040. This represents a huge challenge for the Swiss logistics system, and CST is offering an intelligent and efficient solution. Without CST, over 90 per cent of the goods to be transported by CST would be moved by road. Rail and CST are complementary, because rail freight does not generally transport the small-component, pallet-based goods that CST is focusing on.

### **From an environmental perspective, CST is significantly better than conventional goods transport**

Operated entirely with renewable energy, the goods transport system is – environmentally speaking – significantly better than conventional transport. Compared to the current system of lorry transportation, this will result in a CO<sub>2</sub> saving of up to 80 per cent per transported tonne of goods. The first Härkingen-Niederbipp subsection to Zurich will save the equivalent of 40,000 tonnes of CO<sub>2</sub> per year, corresponding to the annual emissions of 7500 city residents. Even in a future with electrically driven HGVs, CST comes off better in environmental terms than all other transport scenarios, not least due to considerably reduced noise emissions and land usage.



### **City logistics network for smart Swiss cities**

The networked city logistics proposed by Cargo sous terrain will reduce urban delivery traffic by up to 30 per cent and cut noise emissions by 50 per cent. This is made possible by higher-level control of goods transport along the entire supply chain and the fact that the goods will be lined up already in the tunnel, based on their destinations and delivery times. Sales outlets and end consumers will no longer receive their goods separately from different suppliers; instead, deliveries will be coordinated from the city hubs using environmentally friendly vehicles.

### **A typically Swiss pioneering project**

CST anticipates that the new parliament will soon be able to start discussions regarding the legislation on underground goods transport. When the legislation comes into force, the contractually agreed CHF 100 million for the construction permit phase of the first section of the route from Härkingen-Niederbipp to Zurich will be released. From this point too, CST will continue to primarily be a Swiss company, as 57 per cent of the shares will be owned by Swiss investors. Taking into account the timescales for enacting the legislation and completing the participatory sectoral plan procedure with the cantons, the privately financed complete logistics system is planned to open in 2031.

### **Further information for the media** (currently available in Bern)

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By 2031, CST can provide Switzerland with a privately financed, digitally controlled overall logistics system that will promote the competitiveness of the economy and improve quality of life in the long term. CST is able to transport and distribute small goods continuously and reliably. The backbone of the system will be a tunnel system 490 kilometers long from Geneva to St. Gallen and from Basel to Lucerne, with an additional branch connecting Berne with Thun. The first 70 km section of the network will connect the Härkingen-Niederbipp logistics hub. The CST city logistics system will provide an efficient and environmentally friendly fine distribution of goods in the cities. The CST system, which is powered exclusively by renewable energy, is significantly better than conventional transport in ecological terms.

CST AG was founded in 2017 out of the association of the same name formed in 2013. Numerous Swiss companies from transport, logistics, retail, telecom, finance, industry and energy sectors are involved in Cargo sous terrain as investors, shareholders and project partners. They are working actively on the concept. CST AG, headquartered in Basel and with its operational office in Olten, currently employs 8 people ([www.cst.ch](http://www.cst.ch)).