

Input Paper

4th Railway Package governance proposal

ERFA input to the Land Transport Working Party on 16th July 2015

15th July 2015

Users of the rail network, heavily impacted by the latest changes to the governance text, urge radical rethink to measures that would make rail (even more) unattractive and overly complex.

ERFA proposes simple, practical steps to create a user-friendly environment for rail.

1. RUs and customers need one single interlocutor: one contact point for all functions linked to infrastructure management

The advantage: user- friendly and easily accountable

The current text allows the possibility of splitting the responsibilities of the IM into so many different bodies that the end result could be a loss of efficiency for the rail system. Train operators cannot afford to deal with the multiple layers of bureaucracy or face additional costs that such a fragmented system creates. This is particularly relevant for users going across at least one national border, which is where rail is

expected to pick up most of its growth and take freight off roads. The subcontracting, outsourcing and forming of independent entities for the functions of the infrastructure manager, as foreseen in the latest version of the compromise, and the different use of these tools in each Member State, moves rail far away from a seamless and borderless rail network.

- To mitigate for this negative impact on users **ERFA recommends the following amendment:**

Article 7, point c, paragraph 1 (new) ***The infrastructure manager shall act as the one stop shop/ single point of contact for all the functions referred to in Article 3, points 2 a-c.***

2. Outsourcing of functions shall contribute to cost reduction. Regulatory oversight is required.

The advantage: competitiveness of rail vs. other modes must be ensured

Furthermore train operators cannot bear additional user charges from the costs that would arise from inefficiencies created by the fragmented responsibilities of the infrastructure management.

For that reason ERFA urges that a safeguard is put in place to ensure that any decision to outsource functions is in line with the already existing obligation on Member States to incentivise infrastructure managers in reducing their costs and the level of access charges, while maintaining and improving the quality of the infrastructure service.

- ERFA advocates the following amendment:

Article 7, point c, paragraph 2 (new) ***The infrastructure manager shall demonstrate that the outsourcing of functions complies with Article 30, paragraph 1 of Directive 2012/34/EU. The regulatory body shall have the necessary oversight to monitor the situation.***

3. Users and customers need a permanent communication channel with the infrastructure manager as their service provider

The advantage: more market orientation to enhance rail performance

Rail needs to be in a stronger position to respond to the needs of users and customers. This is also dependent on infrastructure managers being involved in permanent dialogue with the users and

stakeholders of the rail network on issues such as how to improve rail connectivity with the other transport modes and on operations, maintenance and development of the network.

- ERFA therefore proposes the reinstatement of the reference to “coordination committees”.

Article 7f ***Coordination Committees***

- To ensure the involvement and engagement of all parties involved in the dialogue ERFA advocates that the coordination committee is given an advisory role to the infrastructure manager, that it has the power to request relevant information from the IM in order to carry out its advisory tasks effectively and the ability to draw up an annual report.

Article 7f, paragraph 2 (new) ***Coordination Committees may make proposals concerning or advising the infrastructure manager. The Coordination Committees shall draw up an annual report outlining any proposals made and shall submit such a report to the infrastructure manager, the Member State and the regulatory body concerned. The annual report shall be made publicly available.***

- In view of the possibility of infrastructure managers to outsource their various functions , ERFA also proposes an additional amendment:

Article 7f, new paragraph ***Upon request the independent bodies or the bodies, to which the infrastructure management functions are outsource, participate in the meetings of the coordination committee***