



Open Letter to Council and European Parliament at the start of informal trilogues on 4th Railway Package, political pillar

26th October 2015

Customers and users of the railways, together with environmental campaigners, unite in urging for ambitious change to rail in Europe. We, the undersigned, urge a strong rethink of attempts to block much-needed reform.

Rail must be restructured to facilitate investment and growth, to the wider benefit of customers, society and the environment.

The status quo cannot continue. A sector which deters the influx of new blood, and the innovation and drive they bring, is doomed to stagnation and failure.

With the road freight sector ploughing ahead with innovations such as automatic driving and truck platooning and many Member States liberalising their long-distance bus markets for the passenger sector, rail needs to be able to keep up with the competition and innovation offered by the other transportation modes.

With limited expectations that Member States alone can (or are willing to) fund rail to the extent needed to equip it with the means to effectively counter the stiff competition it already faces from road and aviation, or that the model of national monopolies can alone incentivise the necessary innovative and quality services, we the undersigned associations urge the European Parliament and the Council to support:

A growth and customer -orientated management of the rail infrastructure

Users and customers of the railways need an infrastructure manager that can deliver strong performance on the rail network. All functions linked to the development, maintenance and operations of the rail infrastructure should be firmly under the responsibility of a strong and independent infrastructure manager, whose interest it is to promote efficient and growth-orientated rail services. All functions of infrastructure management, be it maintenance or - traffic management are discrimination-sensitive and should be dealt with independently from any railway undertaking.

Full Financial Transparency and sustainability of the rail system

The rail sector cannot grow without investment; investment that is not achieved only with public money, but also via private initiatives. Member States have a responsibility to ensure that, where public money is unable to meet the financing needs of the rail sector, the right framework conditions are put in place to attract private investment.

Public funds available for the rail sector should be used to stimulate investment, not to constrain growth in the sector. Firstly, that means ensuring that existing public money for investment in the infrastructure and in public service obligations (where commercial services are not viable) is used only for these purposes, ending the misuse of public money. Secondly, it means ending cross-subsidisation in the use of public funds and other sources of revenue raised by the infrastructure manager, which allows unfair subsidy of the incumbent operator at the expense of the competitiveness of the sector. We urge the most stringent limits on the financial flows within holding structures and strongly support additional regulatory body supervision of the financial flows.

More cooperation and coordination in the rail sector

We strongly support the position of the European Parliament in establishing Coordination Committees, bringing together all the users, including the customers and local authorities to work together with the infrastructure manager and all railway undertakings in improving the performance and customer-orientation of the rail network. The Coordination Committee is a chance to establish a platform for all users to advise the infrastructure manager on issues such as intermodality and the needs of users related to maintenance and development of infrastructure capacity. We also strongly advocate the European Parliament amendment enabling issues faced by the users of the rail freight and passenger transport services, including the quality of the service provided, to be discussed at the coordination committees. We stress that today's rail sector has moved beyond the interests of an incumbent providing a monopoly service , and is reliant on cooperation and coordination between the relevant actors in order to increase investment, efficiency, performance and growth.



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About CLECAT, ERFA, EPTTOLA, EPF, ESC, and T&E

CLECAT is the leading voice on freight forwarding and logistics in Europe. Established in 1958, CLECAT represents and are supported by 25 member organisations working to promote a sound approach to transport and logistics across Europe, in support of the competitiveness of our industry.

EPTTOLA, the European Passenger Train and Traction Operating Lessors' Association (EPTTOLA) was founded in 2009. The Association represents privately owned companies that supply passenger trains and traction equipment, on an operating lease basis.

ERFA, the European Rail Freight Association, represents new entrants i.e all those operators who want open access and fair market conditions, and sustains their role of pushing forward the development of the railway market. ERFA's 33 Members from across Europe share a commitment to work towards a competitive and innovative single European railway market by promoting fair and transparent market conditions for all railway companies.

Founded 2002, **EPF** is the European umbrella organization of national and regional passengers' organisations. 35 member organizations from 20 countries ensure a real European view on passengers' needs.

The European Shippers' Council (ESC) represents cargo owners i.e. freight transport interests (import and export and intra-continental, by all modes of transport) of some 100,000 companies throughout Europe, whether manufacturers, retailers or wholesalers, which are collectively referred to as "shippers".

Transport & Environment is a federation of around 50 organisations around Europe with a mission to promote, at EU and global level, a transport policy based on the principles of sustainable development. It focuses on policies that have the potential to achieve the greatest environmental benefits. These include transport pricing so that polluters, not society, pay for pollution, setting standards for the cleanest possible cars, vans, lorries, ships, planes, and fuels, and greening EU investment in transport.