



European Rail Freight Association



ERFA seminar on implementation of the Recast Directive: Track Access Charges and Performance Schemes

Improving the marketability of rail

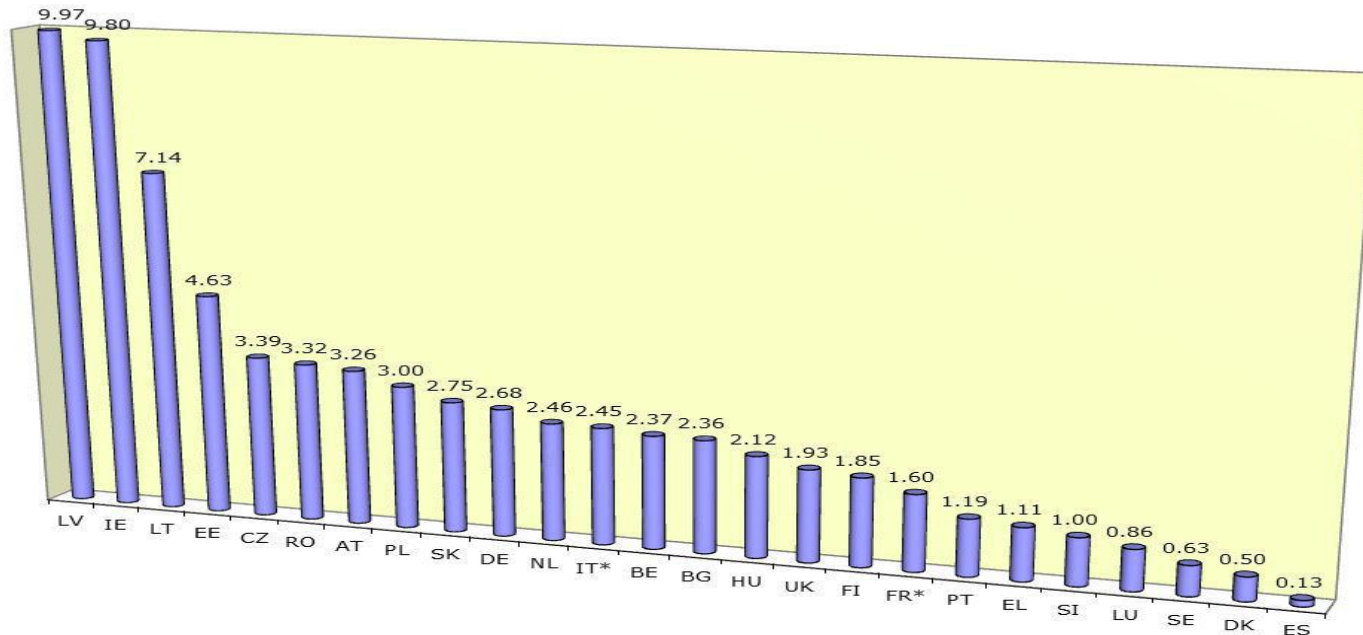
ERFA wants to bring down the costs of rail and improve quality in order to enhance rail's competitiveness with other modes

Rail versus road charges = Issue taken up by the Eurovignette Revision

Today: How can rail improve the efficiency of its own charging regime to limit competitive distortions?

Graph 17 - Track access charge 1000 gross tonne freight train (EUR/train-km) in 2014

Average TAC in EUR/train-km, excluding costs of the use of electricity and electric equipment



How can implementation of Recast Directive help?

- IMs are obliged to reduce the costs of providing infrastructure and the level of access charges
- Improved transparency and consistency of rail charging schemes via new guidance on the definition of direct costs
- Strengthened role of Regulatory Bodies in monitoring charges

ERFA can only put pressure on the whole system if we understand how the costs are calculated and passed on to RUs.

Are these changes being enforced by Member States?

Transparency: Too much opaqueness today in the calculation of charges. How can fairness in charging be improved?

Recent changes to EU rules should result in more

Consistency: Every Member State has its own calculation method – which one really reflects the marginal costs? Why big changes from one year to the next?

Efficiency: Marginal costs also depend on the efficiency of the Infrastructure Manager. Are RUs paying higher costs due to infrastructure manager inefficiencies?

What are the User Charges?

- **Costs directly incurred as a result of operating the train service.** But how is this interpreted?
- **Mark-ups and market segmentation** – how is it used in different Member States?
- Higher charges to cover the long-term costs for **investment projects** completed **after 1988**. How is this applied and monitored?
- **Discounts** to incentivise new rail services or the use of underutilised lines. Is this used effectively?

Additional costs that can be included:

- **Environmental charges** - Can only lead to an increase in overall revenue for IM if such charging is applied to road freight transport.
- **Performance charges** – RUs (and IMs) are penalised for causing delays. Does this incentivise performance?
- **Reservation charges** – Does this provide incentives for good use of capacity?



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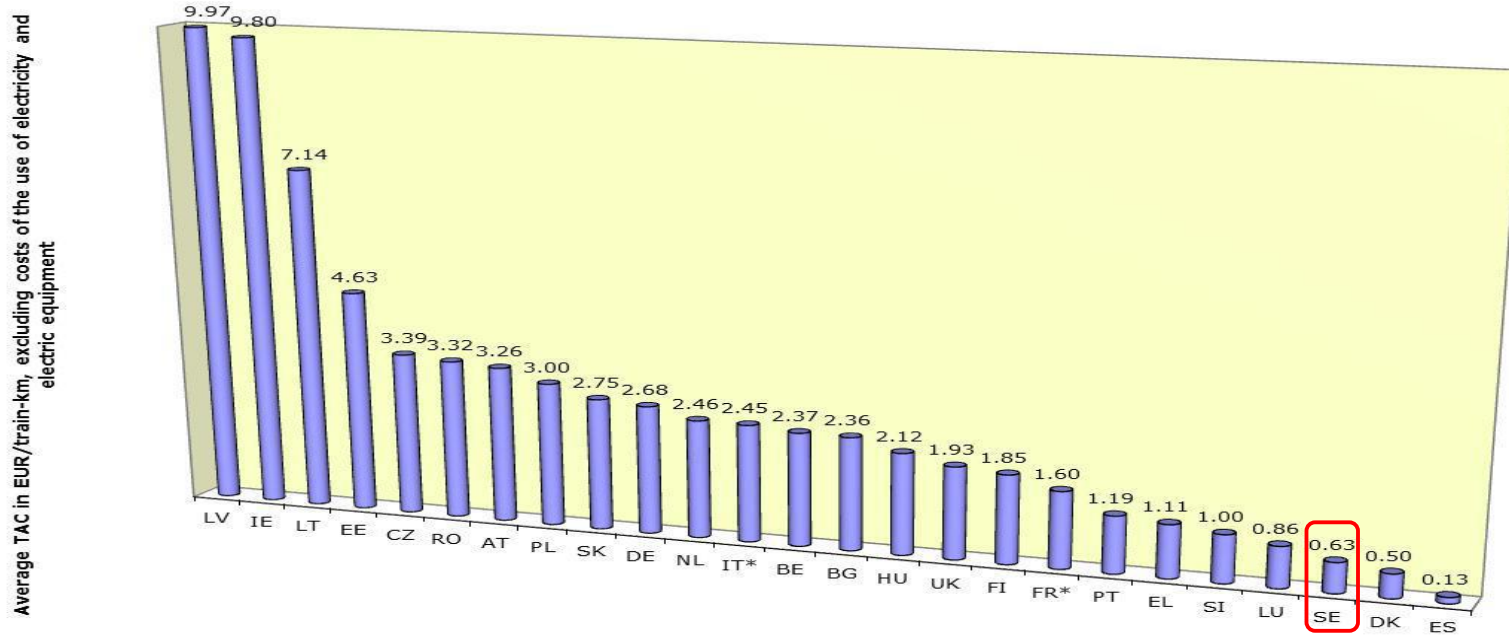
Thank you for your attention

Swedish track access charges

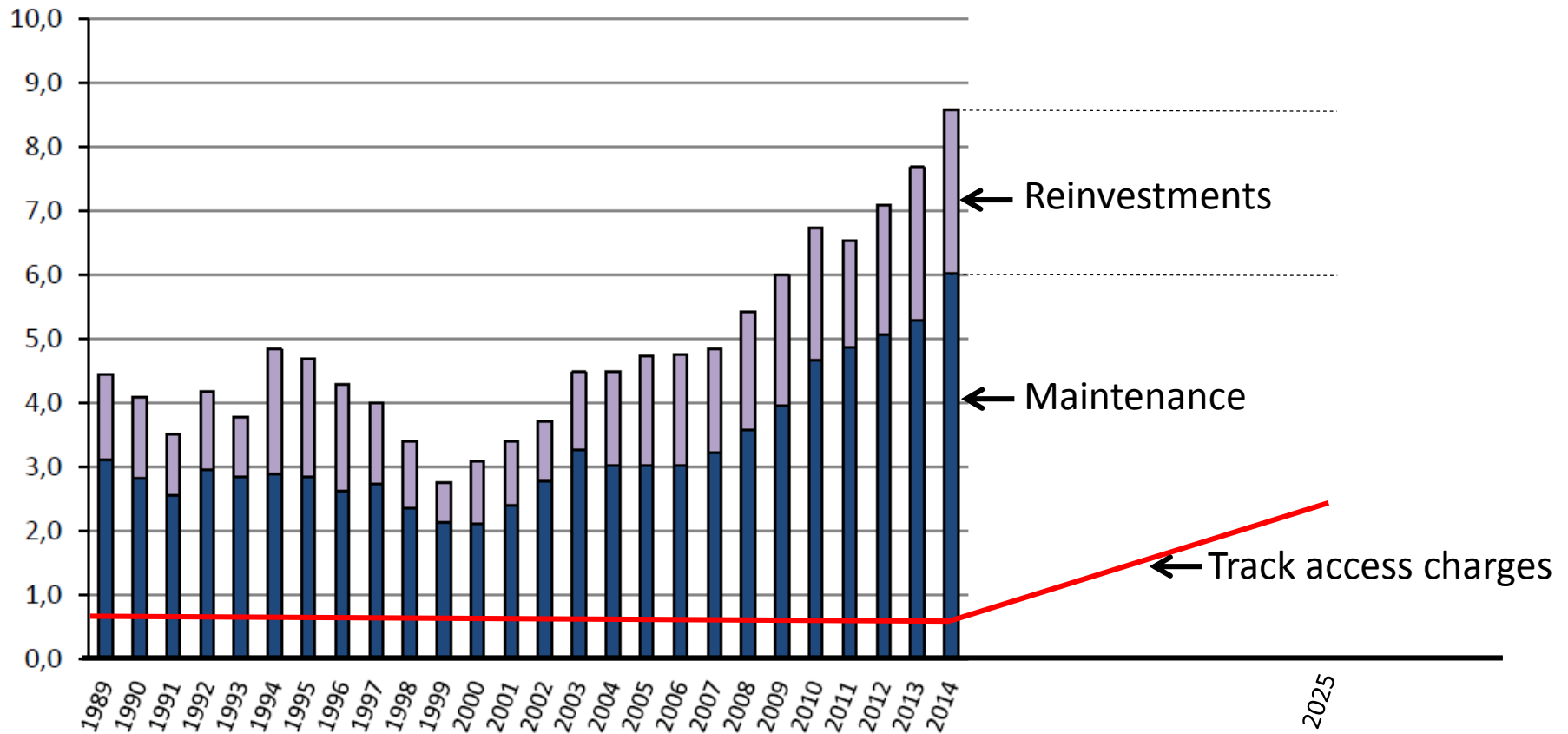
No problems with the absolute level

Our issue is infrastructure costs relative to trucks

Graph 17 - Track access charge 1000 gross tonne freight train (EUR/train-km) in 2014



Cost coverage in Sweden



Swedish performance scheme

A useful system under continuous development

Creates incentives and management attention for both parties

Two components (about 50% higher charges than 2015):

- 1. Payment of 7-8 EUR for each delay minute caused by party (if > 5min)**
- 2. Additional 1200-1500 EUR payment by IM to RUs for major disturbances**

Performance payments 2015 (MEUR)

