

NEWS IN BRIEF

COMMISSIONER BULC SETS THE CORNERSTONES OF THE RAIL POLICY POST 4th RAILWAY PACKAGE

At the occasion of the symposium on competition and regulation in rail, EU Commissioner for Transport, Violeta BULC, outlined the cornerstones of European rail policy in the coming years. The EC will **speed up the implementation of the existing legislation** (Recast Directive) and the 4th Railway package in order to strengthen the rail internal market. She will closely work with Commissioner for Competition, Margrethe VESTGAER, in **enforcing the basic competition rules** in the rail system! Violeta BULC also urges the sector to take action, in line with the 2016 Rotterdam declaration, to improve the performance of the rail freight corridors. Finally, Commissioner BULC recalls the need to have a coordinated and cost-effective plan to reduce rail freight noise at the EU level.

NEW CHAIR OF THE TRAN COMMITTEE IN THE EUROPEAN PARLIAMENT

Karima DELLI (Greens, FR) replaces Michael CRAMER as chairwoman of the Transport & Tourism committee in the European Parliament. She wants to focus on sustainable transport developments and a better internalization of the real cost to society of road transport. She highlights the need to maintain and develop rail freight in Europe as one of her top priorities.



SAVE THE DATE: ERFA ANNUAL EVENT

ERFA is hosting its [annual event 2017](#) in Brussels on Tuesday 7th of March and welcomes guest speakers from DG Competition, DG MOVE and the European Parliament offering insight on “**Rail market opening: unfinished business. What next?**”

Successive rounds of EU rail reform have continued to leave scope for former rail monopolies to stifle competition and innovation. The 4th railway package, market pillar, by failing to properly separate track and trains, is the latest example. Rail newcomers are often frustrated in their efforts to set up new routes and offer new types of services. It is not only customers that are losing out, but society as a whole, with rail failing to increase its modal share and fulfil its central role in cutting CO2 emissions and reducing congestion. What action can be taken to overcome the limitations of rail market opening legislation, boost competition and deliver the lower costs, higher quality and innovation customers expect?



Programme and registration [here](#).

ACCESS TO SERVICE FACILITIES: NEXT STEPS

During a stakeholder workshop on the second draft of the legislation concerning access to service facilities, taking place on 10th February, ERFA continued to provide inputs on how to bring transparency and avoid discriminations into the facility market. In line with its position paper, ERFA highlighted several points:

- The urgent need for facility operators to publish a comprehensive **list of basic information** concerning their services (e.g. facility description, contact details, charges, including discounts) in order to guarantee the same conditions of access for all RUs.
- A **transparent coordination process** for the allocation of capacity will help to solve conflicting requests in a non-discriminatory and fair manner. The viable alternative can only be the last recourse. This process will avoid long appeal procedures to the Regulator.

EU COMPETITION COMMISSIONER NOW TARGETS THE RAIL SECTOR!

After focusing on digital companies and the energy sector, Margrethe VESTAGER, EU Commissioner for Competition, clearly targets rail State-owned companies. The investigations launched against the Czech incumbent operator for price dumping was a signal that the European Commission will enforce competition rules in the rail sector. Commissioner VESTAGER clearly expresses her will to stop incumbents' anti-competitive practices in Europe. ERFA will work closely with the European Commission in order to make sure that competition rules are respected in rail.

EUROPEAN DEPLOYMENT PLAN (EDP) FOR ERTMS APPROVED

After the consultation with Member States, the EC formally [approved the EDP](#). The objective is to equip 50% of the Core network by 2023. To achieve this objective, Member States are supposed to coordinate their investments in ERTMS in order to avoid a patchy deployment. ERFA recalls that the cost of on-board retrofitment and the lack of coordination are the two major obstacles for ERTMS.

MALTA'S PRESIDENCY OF THE COUNCIL

Since the 1st January, Malta holds [the Presidency of the Council](#). Although the main focus is on maritime transport, the Maltese Minister for Transport will also work on an ambitious revision of rail passengers' rights. In addition the Maltese Presidency wants to be a facilitator for the deployment of ERTMS in Europe.

- **The independence requirements** are crucial to ensure that the decision of allocating capacity is fully independent from the holding structure. Similarly, the separation of financial accounts is one of the prime conditions to avoid cross-subsidiarisation and hence distortion of competition.
- **The differentiation between small facilities and facilities in a dominant position** is important to mitigate the requirements for small operators. ERFA believes that stricter requirements should apply to facilities under the control of an incumbent operator.

Although most of the draft text should be normal commercial practise, the lack of transparency in certain facilities, especially on charges and discounts, suggests that the same conditions of access do not necessarily apply to all RUs. Therefore, ERFA will continue to work closely with other stakeholders in order to ensure that the facility market best supports rail's competitiveness.

The EC will publish a new draft legislation end of March and organise a new forum for discussion in April.

RAIL FREIGHT CORRIDORS' REVISION: POSTPONED

Following a consultation of stakeholders, the EC has decided to **postpone the revision of the rail freight corridors' legislation by 2-3 years** in order to give the sector time to properly work on the implementation of the Rotterdam sector statement and to experiment new products and solutions along the RFCs. The Rotterdam Sector statement contains concrete commitments from the sector to improve the performance of the corridors, without waiting for a top down approach and legislative changes from the European Commission. ERFA hopes that this strong political will to make the corridors a success story will deliver the intended results. Time is running out for rail to raise its game and fight back against road's constantly evolving and improved product. If the sector fails to deliver within a fairly short timeframe, EU legislation will in any case be too late.

Irmtraut Tonndorf, ERFA President, together with other stakeholders, has been actively involved in translating the sector statement into a very **concrete action list** in order to speed-up its implementation. Some initiatives such as the pilot project on the train status and the **estimated time of arrival (ETA)** are already advanced. However, more initiatives need to be taken-up in the coming months e.g implementation of **KPIs** along RFCs, timetable redesign, harmonisation of cross-border sections, strengthen of the corridor One-Stop-Shop in order to boost rail freight!

ERFA will actively work on delivering results by engaging a strong dialogue with other stakeholders.

ACTIVITIES

AGENDA

SAVE THE DATE - ERFA ANNUAL EVENT

7th March 2017

ERFA will organise its traditional annual event and General Assembly Meeting in Brussels. Registration and programme [here](#).

ERFA RU SUBGROUP - ECONOMIC EQUILIBRIUM TEST

Brussels, 16th March 2017

ERFA is chairing the first RU dialogue subgroup on the implementation of the 4th railway package.

Please contact us for more information

EUROPEAN BLENDING CEF/EFSI CALLS ARE OPENED!

Calls for Connecting Europe Facilities funding (grants) is open! In total, €1 billion euros is available for transport projects, which are co-funded by private investments and/or EFSI.



INFOGRAPHICS – RAIL FREIGHT COMPETITION

The EC published in December 2016 the [5th Rail Market Monitoring Study \(RMMS\)](#). This report published every two years by the European Commission gives a comprehensive overview of the rail market's state in terms of investments and use of the network, capacity allocations and charges, market opening and employment.

Following the end of the 4th Railway Package, ERFA would like to propose you an infographic on the state of play of competition in the rail freight market in Europe. In most Member States, the market shares of new entrants increased between 2011 and 2014. In Sweden and in the UK, competitors of the main RU account for more than 55% of the tonne/km. New entrants include private RUs as well as state-owned companies from another Member State.

In the EU, new entrants account for 34% of the tonne/km!

