



European Rail Freight Association



# **„The Agenda 2011-2012 of ERFA“ - Major topics in the European rail freight policy-**

**Presentation of  
Pierre Tonon, Secretary General**

**to  
VDV 82. Sitzung des Ständigen Ausschusses  
der Arbeitsgemeinschaft Eisenbahnen öffentlicher Häfen  
(EöH)**

**Am 27./28.10.2011 in Dresden (D)**



## 1 Short Profile

## 2 Issues

- Liberalisation
- TEN-T
- Various

## 3 Outlook

**Foundation:**

July 2002 in Brussels (B)

**Legal Status:**

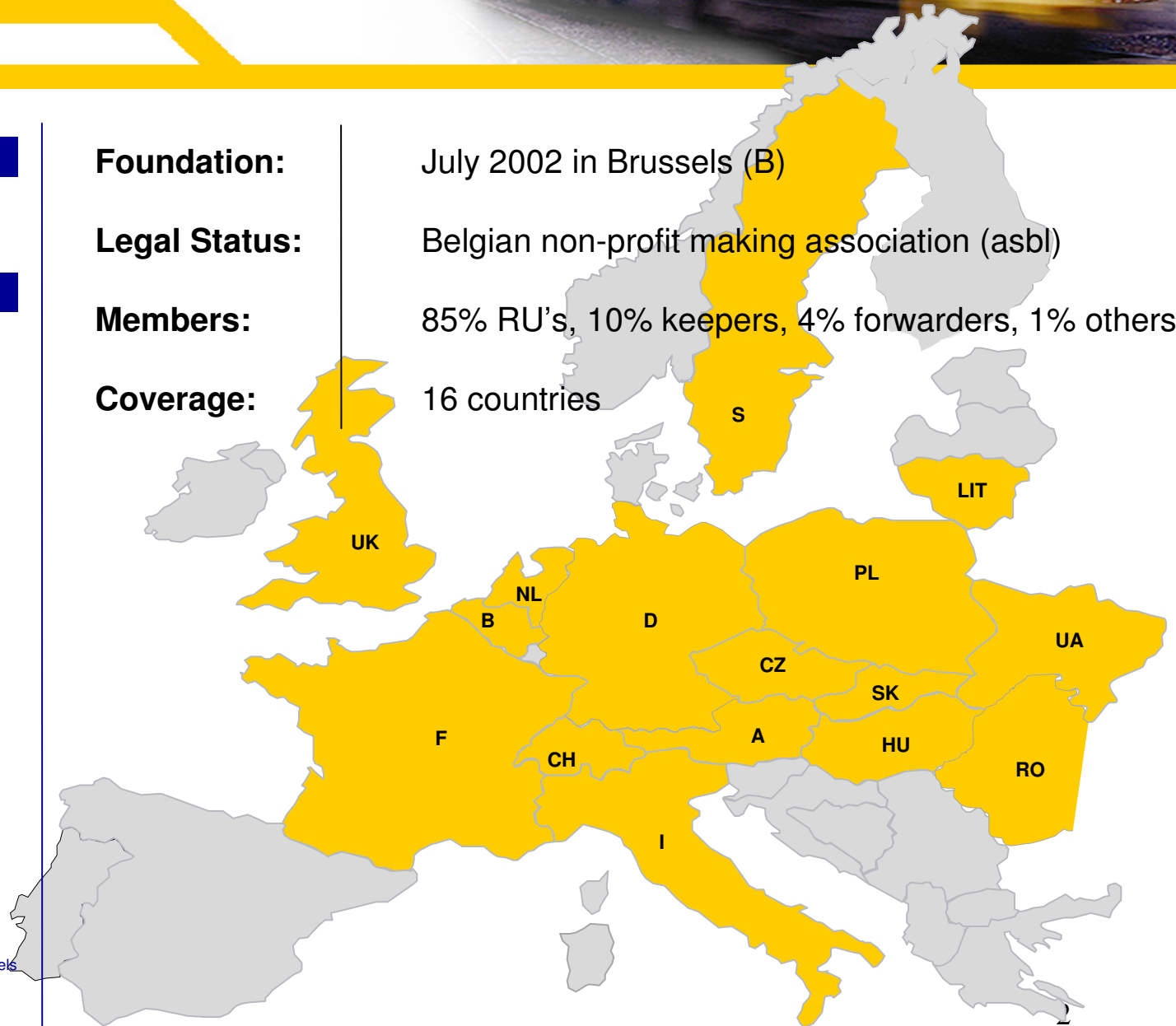
Belgian non-profit making association (asbl)

**Members:**

85% RU's, 10% keepers, 4% forwarders, 1% others

**Coverage:**

16 countries





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### President: François Coart, Europorte (Eurotunnel), France

#### General Assembly

##### Company Members:

1. AAE (D)
2. Alpha Trains (B)
3. ARRIVA (D)
4. AWT (former Viamont) (CZ)
5. Bertschi (CH)
6. Captrain (F)
7. Crossrail (B)
8. Duisport Rail (D)
9. ERS (NL)
10. Europorte (F)
11. Freightliner Group (UK)
12. Hector Rail (S)
13. Hupac (CH)
14. Interporto Servizi Cargo (I)
15. LTE (A)
16. Metallurgtrans (UA)
17. MEV Eisenbahn-Verkehrsges. (D)
18. Rotterdam Rail Feeding (NL)
19. Samskip (NL)
20. Transachema (LIT)
21. Wascosa (CH)
22. Wiener Lokalbahnen Cargo (A)

##### Association Members:

1. ASSTRA (I)
2. Cargo Rail Europe (CH)
3. Ferrmed (B)
4. IGTL - Izba Gozpodarcza Transportu Ladowego (PL)
5. NetzwerkPrivatbahnen (D)
6. RFG - Rail Freight Group (UK)
7. VDV - Verband Deutscher Verkehrsunternehmen (D)
8. WKO - Wirtschaftskammer Österreich, Fachverband der Schienenbahnen (A)
9. ZNPK - Związek Niezależnych Przewoźników (PL)

#### Board of Directors

1. François Coart (P)	Europorte	F
2. Martin Henke (VP)	VDV	D
3. Tony Berkeley	RFG	UK
4. Beni Kunz	HUPAC	CH
5. Jeroen Le Jeune	Crossrail	B
6. Maria-F. Ricchiuto	ASSTRA	I
7. Konstantin Skorik	Freightliner	UK
8. Frank Schuhholz	ERS Railways	NL
9. Markus Vaerst	AAE	D

#### General Secretary

Ir. Pierre TONON



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The objective of the Association is to promote European rail freight transport and its stakeholders active in that area through the complete liberalisation of the market.

- to support the development of an **economically attractive environment** for strengthening efficient European rail freight transport throughout the entire logistics and supply chain;
- to improve the **competitive position of rail freight** against other modes especially in a political and legal context;
- to bring about **optimal operating conditions** for rail freight on the European rail network;
- to work towards **reducing the legal and material obstacles** to cross-border and international transport services;
- to strive for **growth of rail freight** through **genuine liberalisation** for a fully transparent, independent and open market;
- to bring about European regulations in order to harmonise and guarantee the **competitiveness of access charges**.
- to work towards the **development of interoperability and the definition of common safety standards** commensurate with competing modes



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**17/09/2010**

EC presents measures to improve rail (freight) services:  
„Revision of 1st Railway Package (2001)“

**12/10/2011**

EP TRAN Committee votes amendments to the EC proposal

**15/11/2011**

EP Adoption in plenary session of TRAN Committee report

**12/12/2011**

CM Transport > target : political agreement

**11/2011**

EC call of tenders for 2 studies ending 8/2012

- Unbundling & 4th railway package (passengers)
- SWL traffic

EC focus on 3 core issues:

- Competition
- Regulation
- Investment

with the objective of improving intermodal & intramodal competitive rail services



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## Contents of 1st Railway Package:

### 1- Competition:

- Access to rail services (maintenance, terminals, etc.)
- More detailed rules in case of conflicts of interest and discriminatory practices
- More detailed net usage conditions

### 2- Regulation:

- More competencies of the national regulatory bodies
- Independence from other authorities
- More rights (sanctions, auditors, complaints, etc.)

### 3- Investments:

- Long-term national investment plans and multi-annual contracts (state / IM)
- More precise infrastructure charges (noise, marginal costs)

### -> Lobby results of ERFA in EP TRAN Committee:

- **Avoid further delay (> end 2012) of EC directive on unbundling & 4th railway package**
- **Try to avoid uncontrolled financial flows from IM to controlling (holding?) body**
- **Success in yards opening and non discriminatory conditions for Rail related services**
- **Reinforcement of the Regulatory bodies and market supervision on NSA's decisions**



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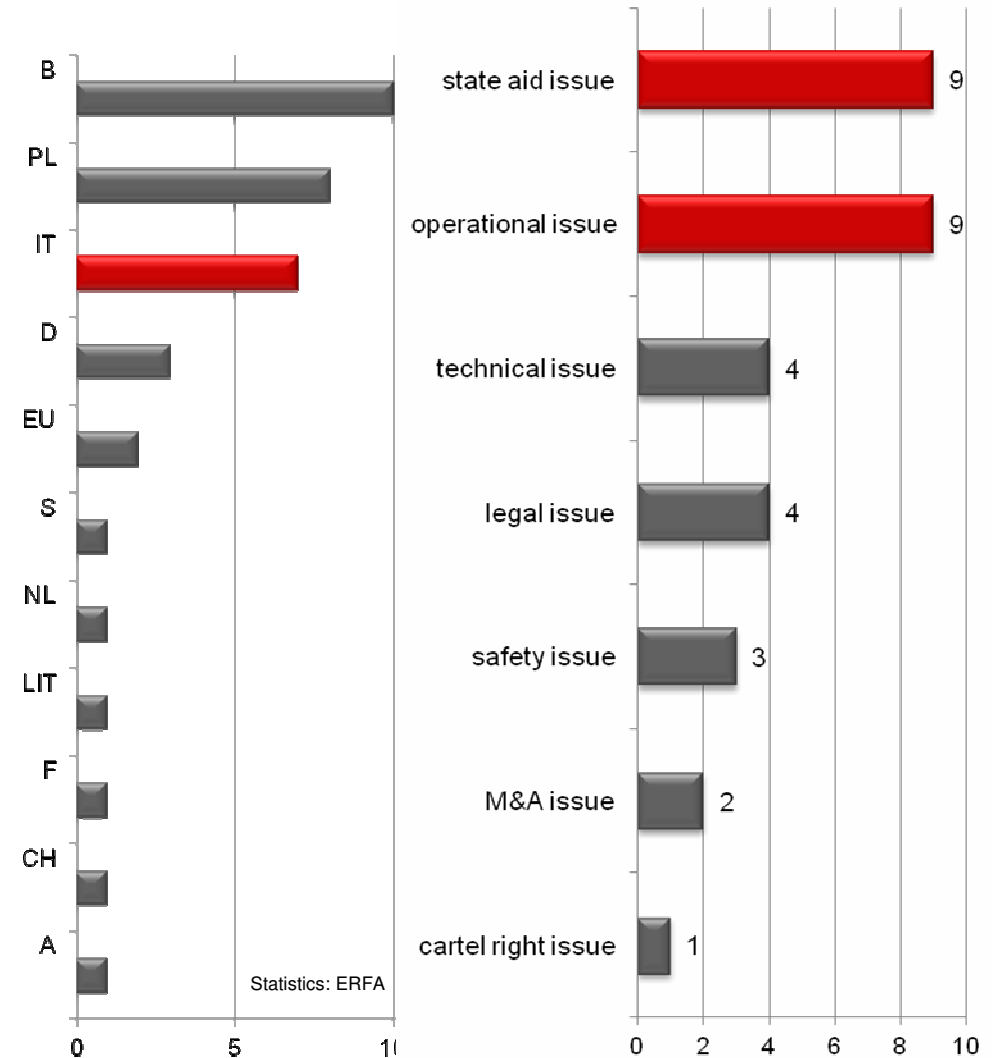
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## Problems in the market (ERFA -> notifications to EU)

### Comments:

- Top-3 countries with most problems since 2005: B, PL, IT
- Since 2009 the no of complaints of ERFA members operating / based in Italy increase (reason: discrimination)
- In 2011 Italy will be top no 1 of the EU countries with endemic market problems (reason: incumbent = legislator, regulator, operator)





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## EC infringement elements per no. of countries (2010/2011)

- 9 – No performance scheme applied for RU's and IM's
- 8 – No independence of essential functions for IM's
- 7 – Insufficient incentives for IM's to reduce costs and access charges
- 5 – Regulatory Bodies not sufficiently independent from RU's and/or IM's
- 5 – RB has insufficient power to monitor competition
- 5 – No respect of direct cost principles and market segment verification by IM
- 4 – IM does not itself set the charges
- 3 – RB insufficient power to enforce its requests of information
- 3 – No balance of costs and revenues for IM's
- 2 – Access charges not set on basis of direct costs of a given train service
- 1 – Insufficient management independence of incumbent RU from the state
- 1 – Insufficient capacity allocation rules for international train paths
- 1 – RB has insufficient power to control infrastructure charging
- 1 – No charging system existing

**55 infringement procedures !!! (EC source)**





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## The EC has developed several measures to improve the TEN-T approach

### 1- Freight network

- European network to improve the competitiveness of rail freight (via stronger inter-modality, coordination, priority rules, one-stop-shop for slots, etc.)

### 2- TEN-T:

- Set-up of a trans-European rail network
- Current state of affairs: review of core and auxiliary network due to a lack of money on member state level
- **Important: definition of network ! > October 19 for the core network**

### 3- TEN-T core and comprehensive network & financial instrument CEF (Connecting Europe Facility) – 19 October 2011

- European regulation !!
- The 10 “core network” corridors
- The associated nodes (urban, airports, maritime ports, border crossing points)

### ERFA Comments

- **In the present guidelines, DE is very poorly covered !**
- **How to improve hinterland connections ?**
- **What about single wagon services (yards: 750m train length) ?**
- **Which projects to finance through CEF?**



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## Various issues / challenges (I)

### 1- Environmental issues:

- **Noise reduction** (mandatory in rail, voluntary in road) via Eurovignette, via rebate on infrastructure charges (debated in the EP and the Council) -> Germany wants subsidy per wagon on a given infrastructure ! -> All 24 EU member states with a railway system will want something different !! See also proposal “differentiated charges” in the Recast.
- **New emission caps for locomotives** (,RMMS directive‘) -> will be so stringent that diesel locos operating in smaller regions will be too costly to be retrofitted by manufacturers !
- **Other environmental charges** not to be excluded (Carbon foot print)

### 2- Technical issues:

- EU to slow with **XA and interoperability** issues for locos > Urgent need of **ERA enforcement > single certification, single homologation**
- Member States not all in line / on time with **ERTMS deployment** -> operators not sure which **version** of ETCS, when to **purchase** at which **cost** ?
- EU wants **TAF TSI** to be implemented (= full tracking and tracing of wagons and locos) > CC (Common component) software ready
- **ECM** and wagon safety (EVIC: Success of the **JSG approach**)



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## Various issues / challenges (II)

### 3- Social issues:

- Trade unions, incumbents and socialist MEPs want a **single social employment framework** for all operators (based on the one of the incumbent !)

### 4- Financial issues:

- Energy prices and **rebates** ?
- M&A of railway operators by incumbents (definition of a „**relevant**“ market ??)
- Scarcity public money > need of private money > improve efficiency to **become attractive**
- develop proposals to the CEF (32 bio€ / 50 for rail!)

### 5- Political issues:

- EU back from **mode-oriented** policy and shifts to logistic chains (**co-modality** efficiency)
- This means that **preferential treatment** of EC for railways will stop
- EU will **report to end 2012** recast decisions (after new studies for SWL and unbundling)
- **Opening** of the shunting yards
- Security of the logistic chain
- The Strategy platform of EC Commissioner
- The new transport White Paper approval
- .... **And what to do with the “Vorbahnhöfen”?** With decision, building, certification, financing monopolies !



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## TO CONCLUDE !

- **ERFA** is the reality of the market
- **ERFA** is in line with the clients
- **ERFA** is in line with European Commission
- **ERFA** is competition
- **ERFA** is flexibility, simplicity, efficiency
- **ERFA** is a joint sector group approach
- For **ERFA** there is no more time to wait .....
- ..... > **ERFA** push & pull the politicians !

**THANK YOU** for your attention ! Any question?