



# Developing rail as a transport mode in the EU

## - Initiatives by the European Commission

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Single European Rail Area*

# **I. The 4th Railway Package**

## **II. Establishing the European Rail Network for Competitive Freight**

## **III. Shift-2-Rail – Promoting Research & Development for Rail**

# I. The 4th Railway Package

- Completing the Single European Rail Area

# The Three Pillars of the Fourth Package

- 1. To open domestic passenger markets*
- 2. To create better structures and governance for infrastructure managers*
- 3. To establish consistent approvals and certification procedures for rail interoperability and safety*



## First Pillar

# Opening of Domestic Passenger Markets

# Domestic Rail Passenger Market Issues

- **Inadequate service quality (punctuality, comfort, cleanliness, etc.)**
- **Limited passenger choice**
- **Inefficient use of public funds (for infrastructure and PSO)**

## Due to

- **Low degree of intra-rail competition and lack of competitive pressure for incumbents**
- **Inter-modal competition limited to specific market segments**

# Domestic Rail Passenger Market Proposals

## Open Access

- Open access for all EU operators on all domestic passenger markets
- Subject to economic equilibrium test to protect public services where necessary

## PSC Award

- Compulsory competitive tendering for public service contracts of a certain size
- Clear cut-off date on existing directly awarded contracts (10 years transition from now)



## Second Pillar

# A Better Governance for Infrastructure



# A better governance for infrastructure

## Efficiency challenge:

- Infrastructure manager as natural monopolies may lack responsiveness to customers' needs
- Insufficient incentives for infrastructure managers to reduce costs and improve services
- Lack of cross-border co-operation

## Equal access challenge:

- Conflict of interest of integrated Ims
- Discrimination opportunities
- Lack of financial transparency/cross - subsidisation

# Governance Proposals

## Efficiency measures:

- All infrastructure management functions in the same hands
- Coordination body for infrastructure managers and users
- Establish EU network of IM's for international coordination

# Governance Proposals

## Equal access measures:

- Institutional separation as the general rule to remove conflicts of interest
- Possibility to maintain existing integrated structure under strict independence rules



## Third Pillar

# Approvals and certification procedures (Technical pillar)

## Main problems today

### **Long and costly procedures & access barriers, caused by:**

- ✓ Ineffective functioning of national railway institutions
- ✓ Discrimination against new entrants
- ✓ Patchwork of national regulatory regimes and rules
- ✓ Divergent interpretations of EU legislation by national authorities

# Targets

- ✓ to achieve, by 2025, the removal of all unnecessary national rules
- ✓ to achieve, by 2025, a 20% reduction in the time to market for new Railway Undertakings
- ✓ to achieve, by 2025, a 20% reduction in the cost and duration of the authorisation of rolling stock

# Impact assessment – options

## 5 options were assessed, beside the baseline scenario:

**Option 1: Baseline scenario** (do nothing)

**Option 2: Greater coordination role for the Agency** in ensuring a consistent approach to certification of railway undertakings and vehicle authorisation

**Option 3: ERA as a one-stop-shop**, where the final decision on certification and authorisation remains with the NSAs, but ERA performs entry and exit checks of applications and of the decisions taken.

**Option 4: ERA & NSAs share competencies**, where the final decision on certification and authorisation is taken by the Agency.

**Option 5: ERA takes over activities of NSAs** in relation to certification of railway undertakings and vehicle authorisation.

**Option 6: Horizontal measures**, which includes other legislative and soft measures, like enhanced role of ERA in reduction of national rules

## New powers for ERA

- issuing single safety certificates and vehicle authorisations (with a right to charge the applicants for issuing them)
- strengthened control by ERA over the functioning of NSAs and NoBos (right to audit and inspections)
- strengthened role in the process of removal of unnecessary national rules
- more role in verifying the compatibility of calls for tenders for ERTMS in MS with technical rules



## How to simplify the authorisation process?

### Today:

first vehicle authorisation in a MS

+ **additional** vehicle autorisations in other MSs  
**issued by NSA**

### Preferred approach:

one vehicle authorisation issued by ERA **valid  
in all MS**

+ **RU responsible** for verifying route-specific  
compatibility



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## II. Establishing the European Rail Network for Competitive Freight

- Promoting seamless rail freight services across borders

# Importance of the Rail Freight Corridors (RFC)

Key initiative of the Commission to

- **revitalise the European rail freight system**
- **achieve the objectives of the White Paper on Transport**
  - **Greater use of more energy-efficient modes** – 30% of road freight over 300 km should shift to other modes by 2030, and more than 50% by 2050
  - **Rail freight almost doubled** – +360 billion ton-km (+87%) compared to 2005
  - **Deployment of ERTMS**
  - **By 2050, connect all seaports to the rail freight system**
  - **Rail Freight Corridors as the backbone of the EU freight transport system**

## Legal basis: Regulation 913/2010 concerning a European Rail Network for Competitive Freight

- 9 November 2010 – entry into force
- General objectives:
  - » Reinforce **cooperation** among Infrastructure Managers
  - » Improve **capacity and standard** of Rail Freight Corridors
  - » Provide **rail freight services** of good quality

# Specific objectives (I)

- **Easy access for users to information about a corridor – Art.18**
- **Provision of dedicated capacity for international freight (pre-arranged train paths and reserve capacity) – Art.14(3,5)**
- **Smooth and flexible path allocation process – Art.13**
- **Common quality/punctuality targets – Art.9c**
- **Cross-border coordination of traffic management – Art.16(1)**
- **Sufficient priority for freight trains – even in case of disturbances – Art.17**
- **Cross-border traffic performance monitoring – Art.19(2)**
- **Customer Satisfaction surveys – Art.19(3)**

# Specific objectives (II)

- **Integration of terminals in traffic management and infrastructure planning – Art.16(2)**
- **Technical harmonisation of infrastructure – Art.11(1c)**
- **Coordination of investments and maintenance works – Art.11, 12**
- **Strengthening of user involvement – Art.8(8), 10, 19(3)**



# Nine Rail Freight Corridors

To be established until November 2013 / November 2015

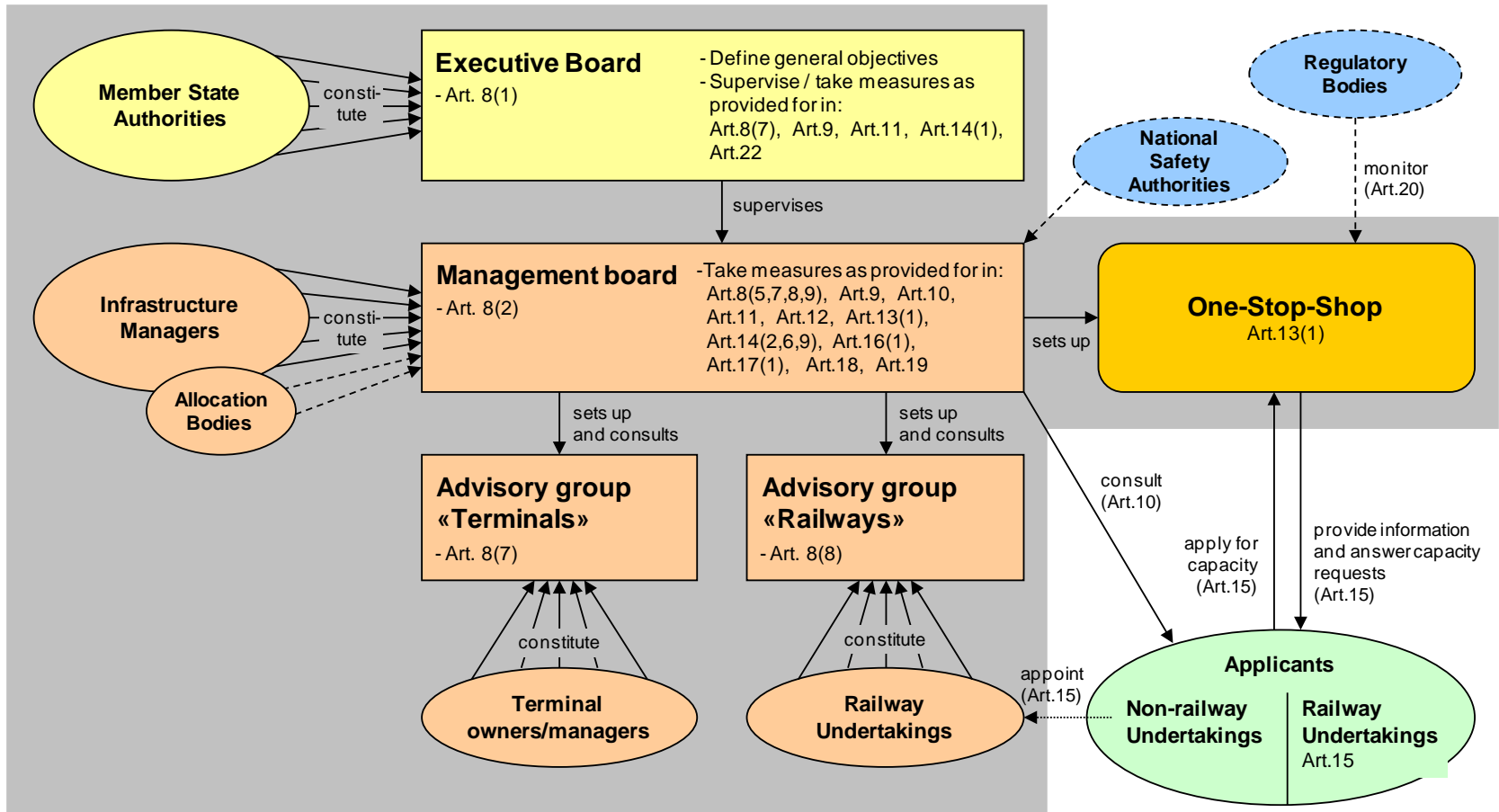
## The European Rail Network for Competitive Freight

This map is for information only and shows indicative main routes of the Rail Freight Corridors according to Regulation (EU) 913/2010. The designation of railway lines, including diversionary routes, to the corridors is the responsibility of the corridor organisations. Further and/or other lines than those shown on the map may or may have to be designated to the corridors.





# Governance structure





# One-Stop-Shop (OSS)

- **Single contact point for applicants**
  - >> Provides information
  - >> Allocates dedicated freight capacity
  - >> Receives and answers path requests
- **Coordination tool among Infrastructure Managers**
- **Set up or designated by the Management Board**
- **Two solutions**
  - >> Technical body within the corridor management structure
  - >> One of the Infrastructure Managers concerned
- **One OSS per corridor**

# Involvement of corridor users

- **Consultation of applicants – Art.10**
- **Annual Customer Satisfaction Surveys – Art.19(3)**
- **Advisory Groups**
  - **Railway Undertakings – Art.8(8)**
  - **Terminal Owners and Managers – Art.8(7)**



# 2013

## – A milestone for the Rail Freight Corridors

- **Six Rail Freight Corridors become operational by November 2013:**
  - » **RFC 1 – Rhine-Alpine Corridor**
  - » **RFC 2 – Benelux–France Corridor**
  - » **RFC 4 – Atlantic Corridor**
  - » **RFC 6 – Mediterranean Corridor**
  - » **RFC 7 – Orient Corridor**
  - » **RFC 9 – Eastern Corridor**
- **RFC 3, 5 and 8 to become operational by November 2015**





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## III. Shift-2-Rail

- A strong platform for European Rail Research & Development

# Key objectives of Shift-2-Rail:

- **Establish a sector-driven initiative on European level to promote collaborative R&I in and for rail**
- **Achieve an efficient and attractive European rail system**
- **Promote a continued global leadership of the European rail manufacturing industry**
- **Strengthen the role of rail on the transport market to make the European transport system sustainable**
- **Ensure the competitiveness of European economy and society**

# Scope of Shift-2-Rail:

- **Collaborative research, development and demonstration/testing**
- **Step-change R&I – How the rail system should look and work in 10-20 years and beyond**
- **Entire rail sector – manufacturers, suppliers, railway undertakings, wagon keepers, infrastructure managers, rail logistics providers, shippers, ...**
  - + **commercial partners from outside the rail sector whose know-how can contribute to the rail system**
  - + **scientific research community**

# Five Innovation Programs (IP)

(preliminary)

- **IP 1 – High speed passenger rolling stock**
- **IP 2 – Traffic Management and Signalling**
- **IP 3 – Infrastructure**
- **IP 4 – Seamless travel**
- **IP 5 – Competitive Freight**
- **+ horizontal activities (e.g. standardisation)**

# Example: IP 5 – Freight

## – Expected impact and outcome

- **Strengthening of the European freight rolling stock and component manufacturers**
- **Strengthening the competitiveness of rail as a transport mode on the freight transport market**
- **Addressing key challenges for rail freight:**
  - **Punctuality**
  - **Reliability**
  - **Accessibility to the rail system**
  - **Less-than-trainload market (Wagonload / Last-mile)**
  - **Cost competitiveness**



# Example: IP 5 – Freight

## – Expected impact and outcome (cont.)

- **Allowing rail to (re-)enter into new / lost market segments**
- **Innovation with system-wide impact**
- **Exploiting synergies between technological innovation and process innovation; technology as enabler of new business**
- **Better integration of rail in advanced inter-/multi-modal logistic concepts**

# What is needed ?

- **Strong involvement of all relevant stakeholders**
- **Common vision of the sector**
- **Thorough understanding of customer needs and market trends**
- **Powerful collaborative cross-border demonstrators**
- **Proper involvement of actors from EU-12 countries**
- **Strong research component**
- **Involvement of ERRAC**
- **Clear performance indicators and targets**

# Example IP-5 (Freight):

## - Possible areas to consider (ideas)

- **Automation**
  - Smart train formation (Automatic Couplers, yard handling, long trains)
  - (Semi-)Automatic Train Operations (ATO)
  - Automated loading/unloading and transshipment in intermodal terminals
- **Rolling stock**
  - Innovative high-performance freight wagons
  - Flexible traction concepts for freight
- **Information handling and operational planning**
  - Integration of rail in logistical planning and operations
- **Environmental performance and societal acceptance**
  - Reduction of energy consumption
  - Reduction GHG emissions
  - Rail noise reduction

# Performance targets and objectives – Example Rail Freight Corridor 1

- + 30 % quality
- + 30 % capacity
- - 30 % transport times
- Interoperability
- Total service concept

→ *Other/further parameters may be chosen for Shift-2-Rail*

→ *Target values in Shift-2-Rail should reach beyond those of the Rail Freight Corridors !*

→ *Identify, define and monitor indicators !*

# What Shift-2-Rail is not:

- **It's not** a funding source for deployment  
(but possibilities for blending of instruments to foster market uptake are explored by the Commission)
- **It's not** a demonstration platform for ready-to-deploy products
- **It's not** a support for pure customising of products
- **It's not** an initiative for minor incremental R&I-projects
- **It's not** an initiative for individual non-collaborative R&I-activities

# Key success factors

- **Commitment – in terms of**
  - **Outcome**
  - **Participation and engagement**
  - **Collaboration**
- ***A common vision for the European rail system !***
- **Concrete, measurable performance indicators and ambitious targets**

**Thank you for  
your attention !**

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