How will the European rail network for competitive freight help us fulfill customer needs?

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Libor Lochman, CER
AGENDA

1. The Regulation in Short (Reminder)

2. What is needed to really make it work

3. Impact on customers

4. Looking towards the future…
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4. Looking towards the future…
Regulation 913/2010 entered into force on 9 November 2010 (1)

| Selection of corridors                              | - First list of politically based “initial” corridors  
|                                                  | - Selection criteria for further corridors |
| Corridor’s governance                              | - Executive Board (EB) made of Member States  
|                                                  | - Management Board (MB) made of IMs  
|                                                  | - Advisory Board (AB) made of RUs  
|                                                  | - Advisory Board made of applicants other than RUs  
|                                                  | - Consultation mechanism: AB may express opinions, MB to take opinions into account. |
| Capacity reserves                                  | - “pre-arranged train paths”, managed by OSS  
|                                                  | - “capacity reserve” for international freight trains |
Regulation 913/2010 entered into force on 9 November 2010 (2)

<table>
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<th>Priority rules</th>
<th>- IM to define its own priority rules between different types of traffic, according to punctuality targets defined by MB</th>
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| One Stop Shop  | - Technical tool  
|               | - Could be represented by one of the involved IMs / the RNE structure could be used  
|               | - Decide on the allocation “pre-arranged train paths” and “reserved capacity”. |
| Implementation plan | - Prepared by the Management Board after consultation of Advisory Board  
|                 | - Include an investment plan |
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Expectations and concerns are varied...

- **Railway undertakings**
  - welcome the possibility to buy paths across countries
  - expect their views to be taken into account in the Advisory Board
  - **BUT** fear the multiplication of interfaces (new transaction costs)

- **Infrastructure managers**
  - see increased cooperation positively
  - **BUT** fear capacity waste due to reservation without real demand behind it.

- **Passenger Operators** fear loss of capacity for passenger services in peak hours.
What is needed to make it work...

- **Long term capacity increase** to meet White Paper target
  (2050: 50% by rail/IWW over 300km)
  - ERTMS insufficient
  - Investments on bottlenecks needed
  - Investments needed on new infrastructure (also to accommodate longer trains)

- **Longer Trains Options...**
  - 750m (harmonisation) ? → possible with existing rolling stock
  - 1000m ? → possible with existing rolling stock
  - 1500m ? → New technology and wagon concept needed!!!
    → Decisions need to be taken shortly, whatever they are...

- **Infrastructure strategy VISIBILITY** is needed for RUs to make their business plan.
More specifically, Railway Undertakings have TWO types of expectations...

- **Corridor-specific** expectations (market/customer-related)
  - Bottleneck relieve
  - Capacity increase
  - Longer (heavier) trains

- **Cross-Corridor** expectation (interoperability-related)
  - Planning and ordering processes
  - Operational rules (dispatching rules)
  - Administrative rules (including customs)

These expectations are valid beyond corridors (i.e. "network" expectations)

- **Clear wish of Railway Undertakings’ CEOs**
  - To have a possibility to express RU expectations DIRECTLY to corridors’ IM CEOs
  - To see MSs involved in corridor decision-making at highest, i.e. **Ministerial** level
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An impact on customers difficult to assess at this point in time

- For the time being, IMs are busy setting up the management boards of IMs.

- Next steps:
  - set up of the One-Stop-Shops
  - set up of the Advisory Boards of Railway Undertakings (+ terminals)
  - Agree priority rules between IMs on corridors

- Future will say what the real impact on customers will be...
  - Increased cooperation between rail stakeholders is, in principle, positive!
  - But expectations are high...
    ... and concerns too!
**Increased capacity** of the railway backbone lines through:
- Standard technical parameters complying with the TSI Infrastructure
- Line electrification
- ERTMS installation
- More intensive use of **telematic applications**: integrated traffic management systems will optimise the use of transport capacity and speed, thereby reducing energy consumption and emissions;

**Enhanced interoperability** and telematic applications will also facilitate the streamlining of border crossing processing, e.g. through advanced notification and harmonized documentation

**Price setting across transport modes are given insufficient weight** whilst they are a key part of the solution
- Access charging, internalisation of external costs, taxation...
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Questions remain regarding infrastructure financing

- Establishing new rules for capacity allocation is one thing

- Making sure that capacity adapts to foreseen increase in demand is another
  → White Paper objectives: 50% by rail/IWW over 300km by 2050

- Prospects are uncertain:
  - Most governments are heavily indebted
  - Maybe some leeway in trading-off road/rail investments?
  - Other possibilities (PPP, private funds, Eurobonds, self-financing...)
  - Could « corridor companies » attract private financing?

- Nevertheless, pressure must remain on governments (Ministers themselves) to coordinate their investment plans along corridors...
Besides reg. 913/2010: a changing European landscape for transport legislation

- **Recast of the First Railway Package**, incl. directive 2001/14 on the allocation of railway infrastructure capacity and the levying of charges for the use of the infrastructure

- **Uncertain future of Combined Transport:**
  - Revision of the CT Directive 92/106
  - Draft regulation on masses and dimensions of road vehicles

- **Review of the Multiannual Financial Framework**
  - New proposal for TEN-T Guidelines and Connecting Europe Facility
  - Cohesion/Regional funds

- **Fourth Railway Package** (incl. further opening of domestic rail passenger market, unbundling, regulatory bodies, ERA)
Thank you for your attention!

➔ Libor Lochman
Deputy Executive Director
Tel:  +32 2 213 08 82
Email: libor.lochman@cer.be

➔ For further information, visit our website: www.cer.be