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Towards a Single European Market in Railways?

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**Jan Scherp
“Railway Transport and Interoperability” Unit**



Directorate-General for Energy and Transport



Overview

- 1. Revision of the EU transport White Paper of 2001 – Policies for competitive rail transport**
- 2. Development of rail transport markets in the EU**
- 3. What has to be done to enhance the competitiveness of rail in the future?**



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Revision of the 2001 transport White Paper Implications for rail policy

Revised policy objectives (June 2006):

- **Optimise specific potentials of each transport mode in order to achieve clean and more efficient transport systems**
- **Use a ‘co-modality’ approach**
- **Address negative externalities of transport activities through policy mix**
- **Modal shift will be a result of policy, it is not an instrument**





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Revision of the 2001 transport White Paper Policy for competitive rail transport

1. Effectively complete the Internal Market for rail transport

- **Market opening for international rail freight since 2003; full rail freight opening by 1 January 2007**
- **Proposal for opening of international rail passenger transport by 2010 (3rd railway package)**
- **Establishing interoperability and implementing a common rail safety approach**





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Revision of the 2001 transport White Paper Policy for competitive rail transport

2. Towards creating efficient and fair intermodal competition

- **Scope of road charging extended (2006 revision of the Eurovignette Directive)**
- **Assessment of options for better and intelligent infrastructure charging including the internalisation of external costs by 2008**
- **Common rules for required qualifications and working conditions in road haulage including reinforced controls (2006)**





Revision of the 2001 transport White Paper Policy for competitive rail transport

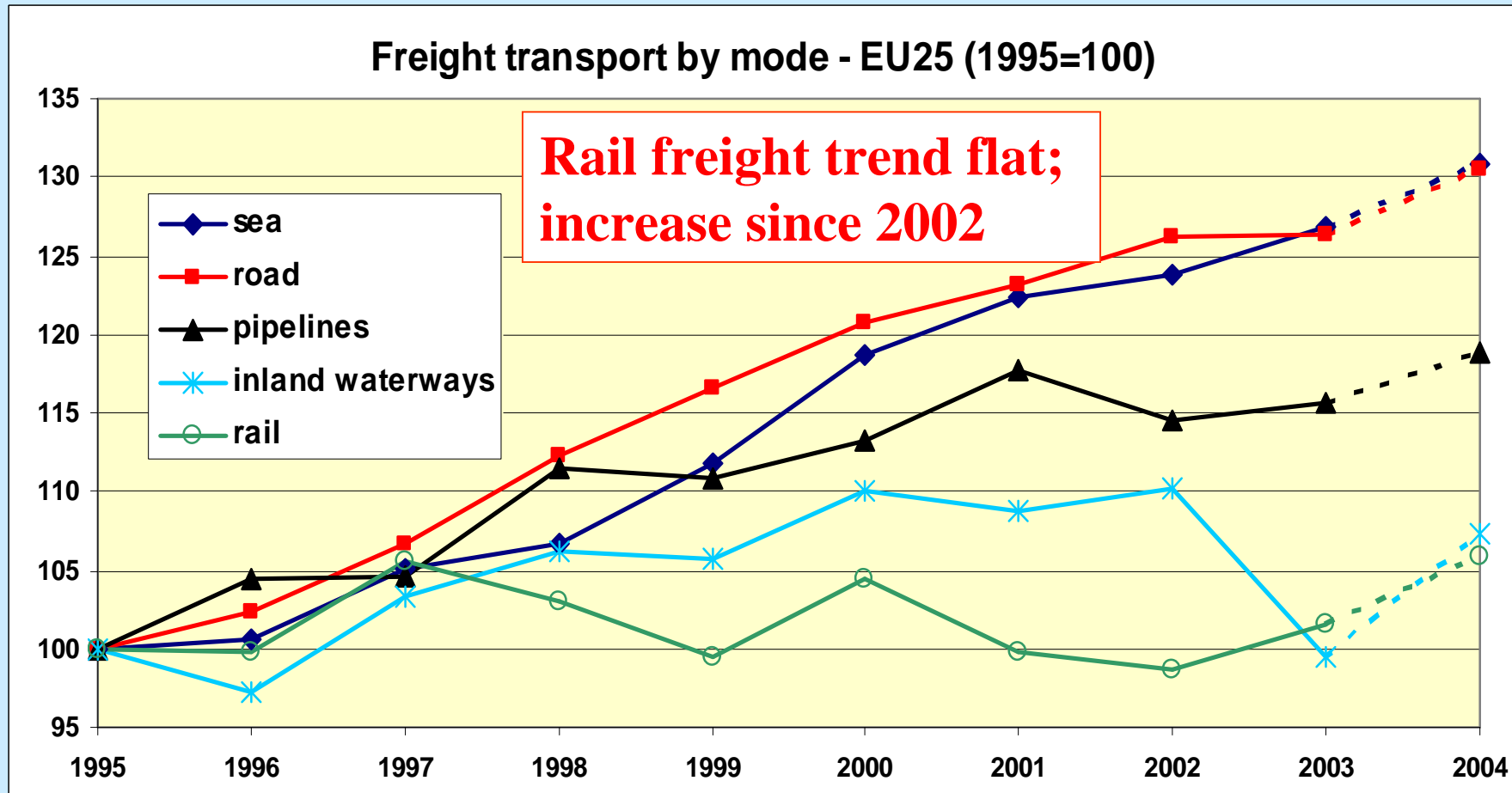
3. Supporting infrastructure development and intermodal transport

- **Funds available for transport during the financial perspectives 2007-2013 (at nominal prices):**
 - **TEN-T ca. €8 billion, of which ca. €500 million for ERTMS**
 - **Cohesion fund: ca. €31 billion**
- **Marco Polo programme: €450 million**



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How did rail freight traffic performance fare so far?



Source: European Commission, UIC





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Commission assessment of rail market opening and market development

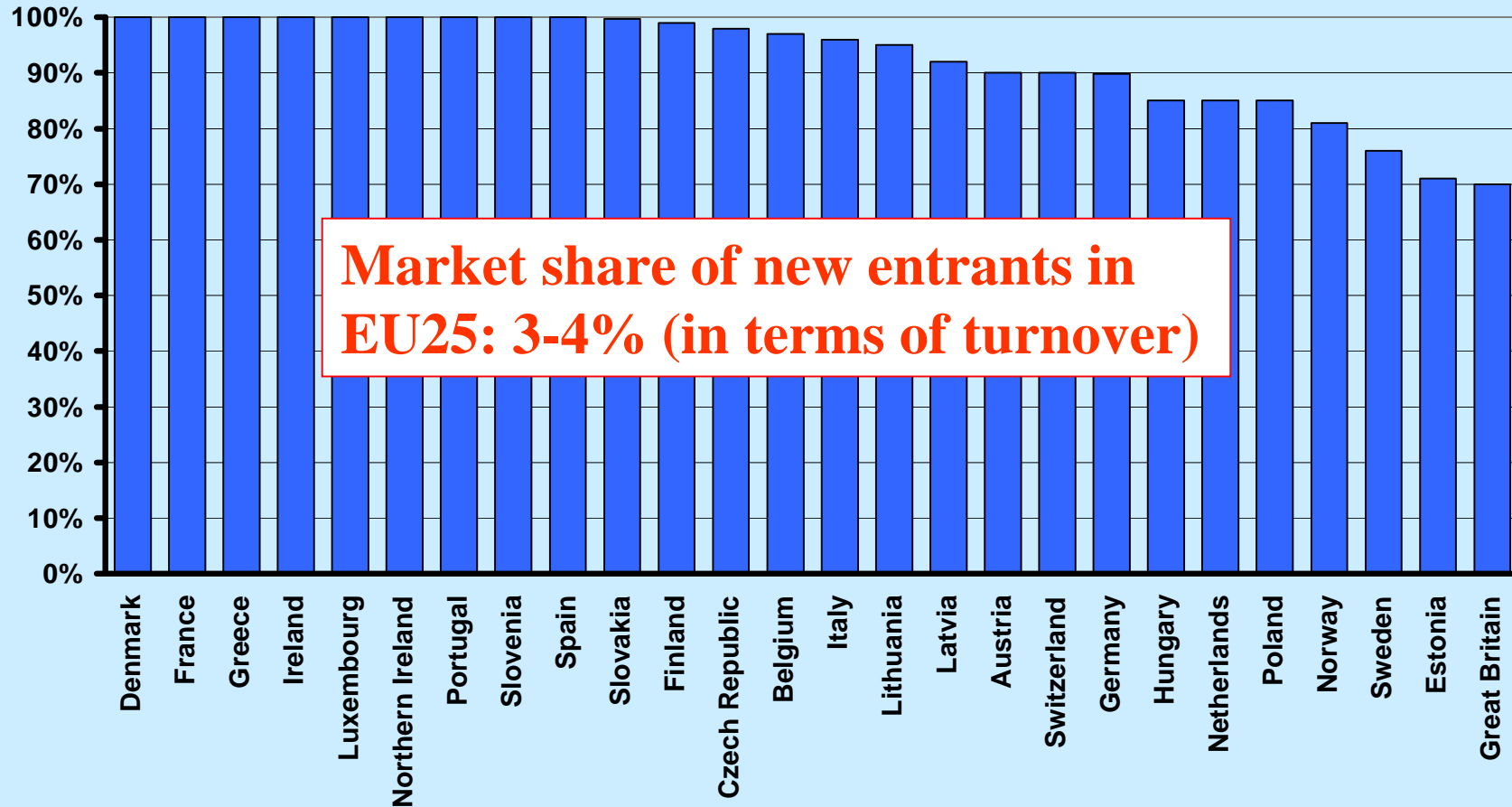
- Commission report on implementation of 1st railway package in May 2006 [COM(2006) 189 final]
- Formal legal transposition in Member States complete but great variances in practical implementation (e.g. administrative capacity of rail regulatory body)
- Modal share rail freight at 16,5% (stable); rail passenger at 6% (slightly negative trend)
- Improvement of rail freight transport performance biggest in countries whose market is open for a time (e.g. UK, DE, NL,..)
- Levelling off of past negative employment trend; creation of additional employment by market entrants





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Rail freight markets are opening but share of largest operators remains high (in terms of tkm)



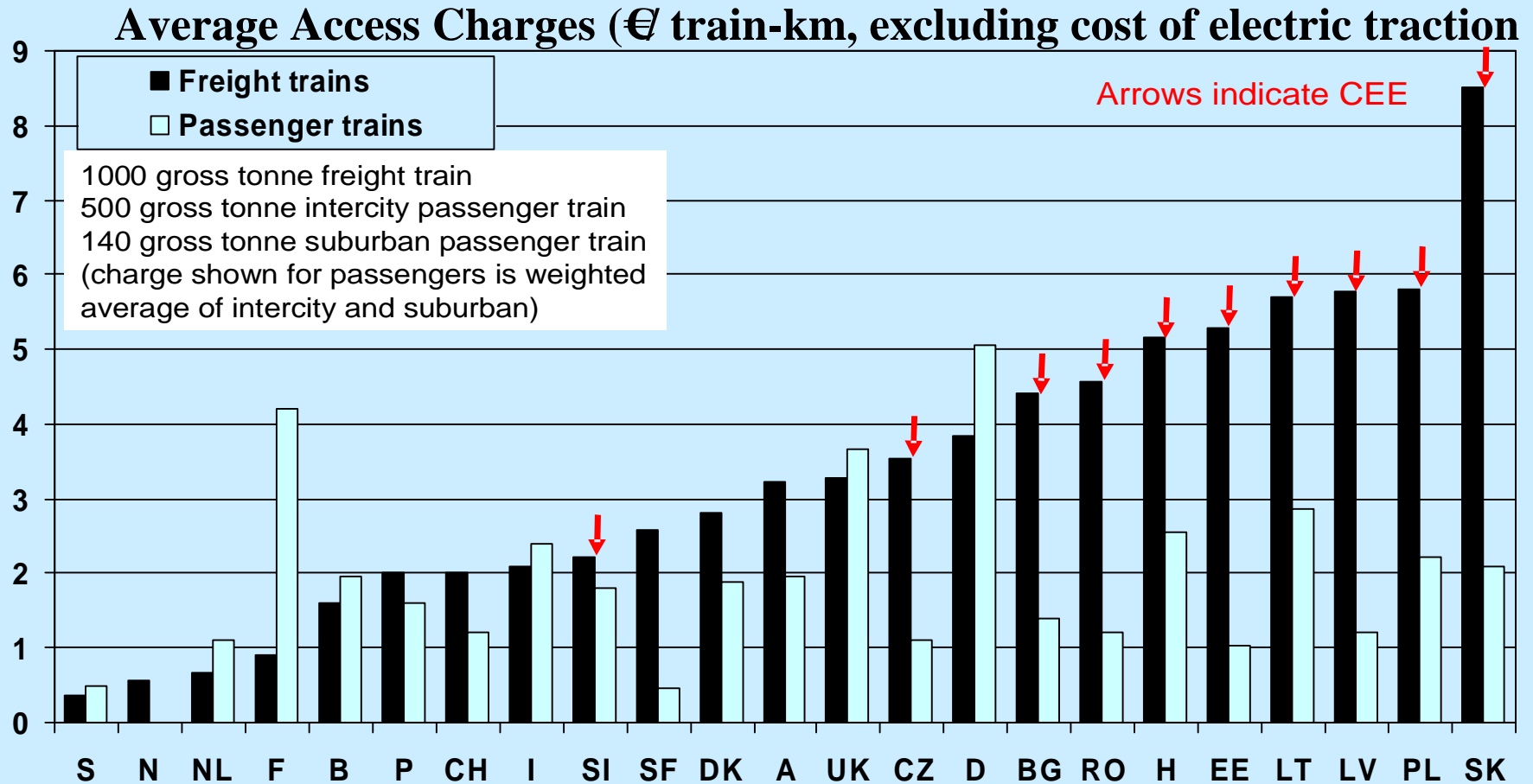
Source: SDG (2005), ERFA





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Levels of track access charge vary greatly by Member State and are highest in new Member States



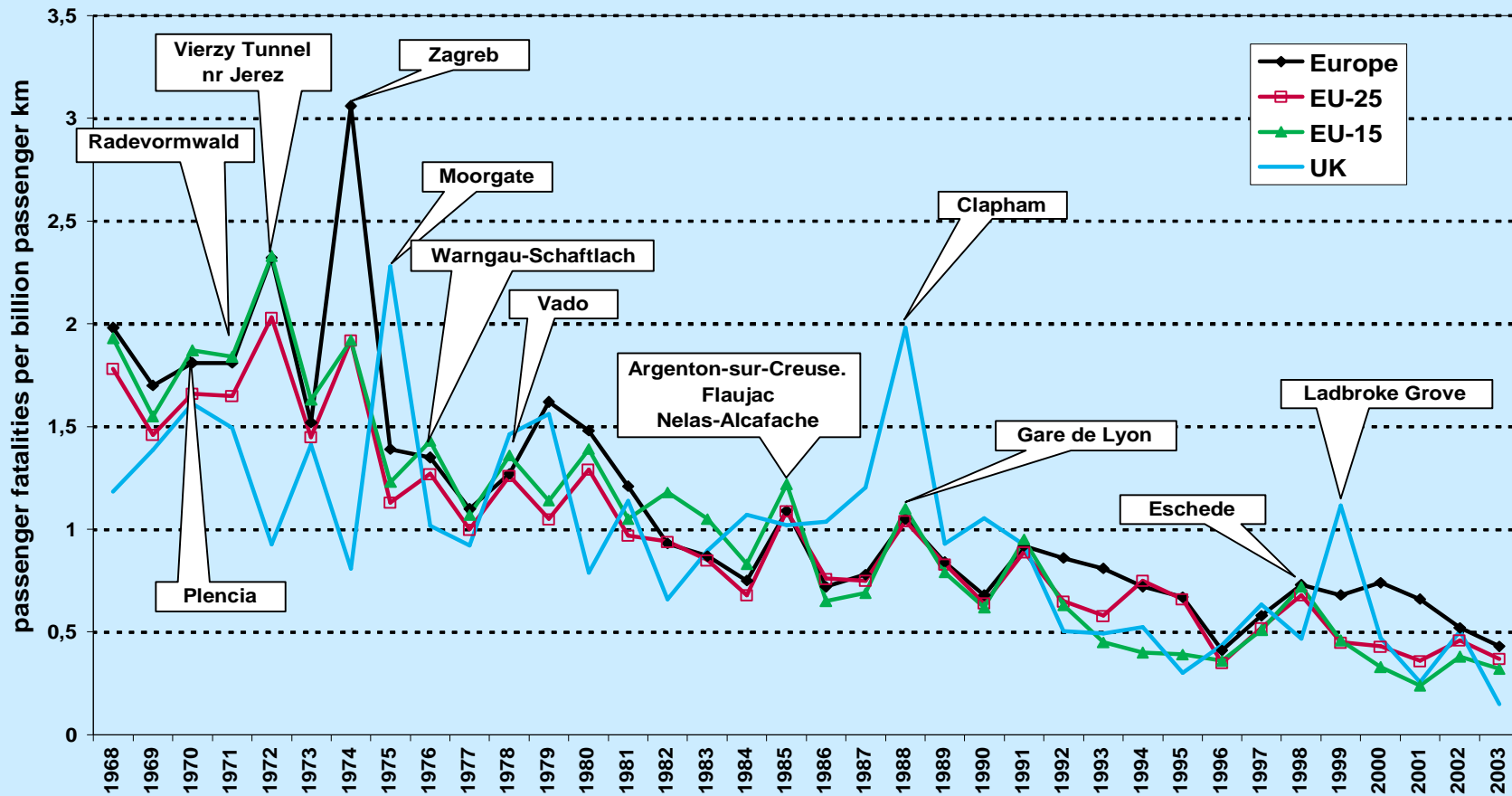
Source: ECMT (2005)





Passenger fatalities per billion passenger km 1968-2003 in Europe

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Sources: UIC for European figures, TSGB and HMRI 'Annual Report for UK Railways', Semmens P. (1994) 'Railway Disasters of the World'





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What has to be done to improve the future competitiveness of rail transport? (I)

Infrastructure managers/railway undertakings

- **Strengthen co-operation of infrastructure managers**
 - Coherent, competitive corridor track access charges
 - Efficient operational corridor management
- **Technical cooperation to set up a common platform for international exchange of electronic data ('Strategic European Deployment Plan' for freight telematics application due by January 2007)**





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What has to be done to improve the future competitiveness of rail transport? (II)

Member States

- **Ensure sound financing of railway sector**
 - **Financial restructuring of railway undertakings**
 - **Multi-annual infrastructure maintenance contracts**
 - **Public service contracts**
- **Enhance framework conditions for non-discriminatory access**
 - **Independence of essential functions (capacity allocation, charging)**
 - **Powerful and credible rail regulatory bodies**





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What has to be done to improve the future competitiveness of rail transport? (III)

EU/European Commission

- **Adopt 3rd railway package (probably 1st half of 2007)**
- **Access conditions to rail related services being assessed**
- **Lowering of market entry barriers: Proposal for cross acceptance of rolling stock (December 2006)**
- **Communication on a European rail freight core network (in 2007)**





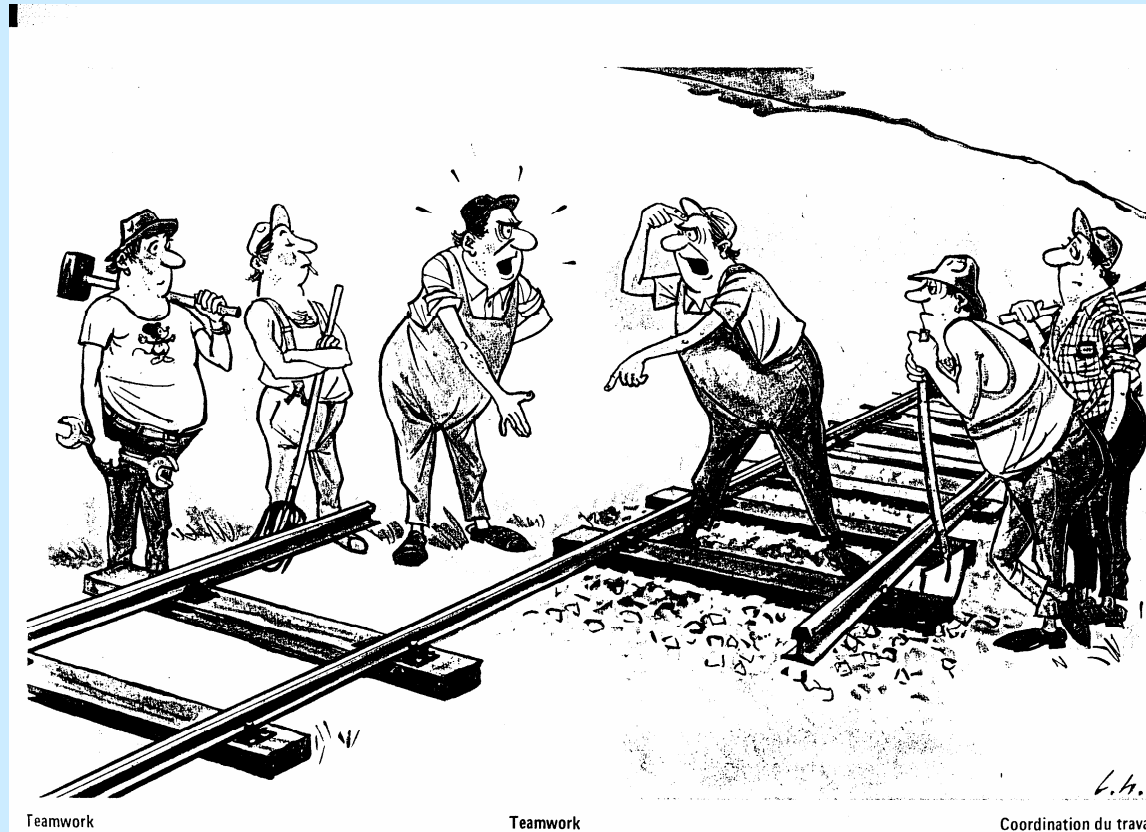
Conclusions

- **The new EU transport policy puts emphasis on enhancing the efficiency of each transport mode/rail policy remains a priority**
- **The Commission assessment of the implementation of EU rail legislation/policy is generally positive/past negative trends could be stopped or even turned around**
- **Further efforts are required by all actors to increase the competitiveness of rail transport in the future**



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The work on a single rail transport market is ongoing...



Thank you for your attention!



Directorate-General for Energy and Transport



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For further information:

Site:

http://ec.europa.eu/transport/rail/index_en.html

