

## NEWS IN BRIEF

### THE EUROPEAN RAILWAY AGENCY BECOMES THE EUROPEAN UNION AGENCY FOR RAILWAYS

ERA has changed its name to the [European Union Agency for Railways](#).

### JUNE ERFA BOARD MEETING

At the first Board meeting following the ERFA GAM, **Irmtraut TONNDORF** was confirmed as ERFA President and a new Vice-President, **Tony BERKELEY**, was elected. Key focus areas for ERFA in the coming months are the **Rail Freight Corridors**, developing KPIs and the upcoming **road charging revision**.

### INVESTIGATIONS IN CZECH REPUBLIC AND PORTUGAL CONCERNING ILLEGAL STATE AID

The EC has opened an in-depth [investigation](#) against the Portuguese State-owned railway maintenance company for illegal state aid. The Czech Railways are also subjected to dawn raids. The incumbent Czech company is accused of trying "to shut competing rail passenger transport operators from the market, in breach of EU antitrust rules".



ERFA President Irmtraut TONNDORF, and ERFA Board Member Michail STAHLHUT calling for a strong action plan to support the competitiveness of the rail freight corridors



## AFTER THE SECTOR STATEMENT ON CORRIDORS, ERFA PUSHES FOR AMBITIOUS ACTION PLAN

At the official publication of the [rail sector statement on Rail Freight Corridors](#) ERFA President Irmtraut TONNDORF called for the commitments on paper to be turned into concrete action. The sector statement identifies clear steps to improve the performance and competitiveness of the corridors. Ms Tonndorf used her speech at the TEN-T Days in Rotterdam to state the urgent need for a clear action plan, timeline and the identification of the relevant actors/responsibilities. **Michail STAHLHUT**, ERFA Board member for Netzwerk Europäischer Eisenbahnen (NEE) echoed this view, stressing that **the corridors need to be strengthened** in the planning, investment and coordination of IMs in order to raise the efficiency of rail.

The sector statement commits to progress on key topics:

- **Stronger role for RUs in the Governance** of the RFCs e.g RUs will be guaranteed a speaker slot in the Executive Board meetings.
- **Key role of the RUs in developing a list of operational priorities** to be integrated in the corridor action plan.
- **Improvements in the coordination and consultation of RUs in the planning of infrastructure works.**
- Involvement of stakeholders in the development of **performance indicators**.
- **Involvement of end customers** in an annual strategy meeting to assess expectations and the achievement of targets

The sector statement is only the first step in improving the competitiveness of the corridors. **ERFA leads the process of developing the action plan, pushing for concrete follow-up of the commitments made in Rotterdam.**

## THE GCU FOR WAGONS IS CELEBRATING 10 YEARS OF SUCCESS

The **General Contract of Use for Wagons (GCU)** is celebrating its **10-year anniversary**. ERFA, UIP and UIC established and further develop this multilateral contract which specifies the mutual rights and obligations for the use and exchange of freight wagons between RUs and Keepers. More than 600 signatories from over 25 countries apply the GCU and 575'000 wagons are currently declared in the dedicated GCU wagon database. **Please find a short video explaining the functioning of the GCU: [here](#).**

## THE FRENCH SOCIAL CONDITIONS: CAUSE OF COLLAPSE FOR SNCF?

The on-going French rail sectors' negotiations on social conditions is coming to an end. **SNCF failed to level the playing field with its private competitors** after the French government decided to concede very advantageous social conditions to the SNCF Trade Unions in order to stop major strikes. According to the potential future Director of the French Regulatory Body (ARAFER), Gilles SALVARY, **SNCF would need to be privatised if it does not want to collapse in the next years.**

## RAIL FREIGHT STILL NOT ON THE RIGHT TRACK!

The [European Court of Auditors](#) recently published a report on rail freight, which highlights that customers choose rail not on the basis of EU policy priorities, but on their business needs for **performance** and **quality**. According to the Court, rail still behaves **too much like a monopoly service provider** and has not sufficiently adapted to attract customers and therefore increase its modal shift. The lack of effective competition, investments in maintenance and infrastructure, and interoperability are identified as the main issues. The dominant position of incumbents still leads to discriminatory practices, also in access to service facilities. The report stresses the fact that Member States failed to prioritise rail freight, especially through the absence of charges for the road. **The findings of the report echo the on-going concerns raised by ERFA.**

## TRAIN DRIVERS LEGISLATION: ANY REVISION MUST ENSURE RAIL'S COMPETITIVENESS WITH ROAD

[The EC stakeholder meeting](#) on the Train Drivers Directive, held on 1<sup>st</sup> July, provided a useful exchange of views on the following issues:

**Linguistic requirements** for drivers: Whereas trade unions think the current linguistic requirements are too low, the view from RUs, including ERFA, was that high linguistic requirements increase the costs and the administrative burden without bringing interoperable solutions. In this context, **ERFA, unlike CER, stressed the need for the introduction of a Common operational language for cross-border operations**. ERA is currently exploring this option, envisaging a two-step approach: first generalising the common language at corridor level and then for all cross-border operations.

**Level of qualification of train drivers:** Trade Unions argue that an increased level of qualification for train drivers is needed in all Member States to avoid social dumping. In view of rail's competition with road, ERFA and CER argue that the **harmonisation of licenses and complementary certificates' requirements should on the contrary aim at facilitating cross-border operations and reducing costs for RUs.**

The stakeholder meeting was organised as a follow-up to the recent public consultation, where ERFA highlighted **the need to reduce the cost and to simplify procedures** for RUs, especially in the context of rail's competition with road.

**On the basis of these stakeholder inputs the EC will publish an evaluation of the legislation and decide whether or not they will make a revision by September.**

## REAL TIME INFORMATION AND DIGITALISATION: A SOLUTION TO IMPROVE RAIL RELIABILITY

During the TEN-T days on 21<sup>st</sup> June in Rotterdam, the rail sector discussed practical solutions to make rail more attractive for shippers. ERFA President, I. TONNDORF underlined the fact that, unlike other transport modes, in particular road, rail is suffering from a **lack of open data to measure performance and to improve services** for both the RUs and the end-customer.

## THE EUROPEAN PARLIAMENT BACKS THE EUROPEAN RAIL SUPPLY INDUSTRY

Members of the European Parliament (MEPs) have adopted [a resolution supporting the rail industry's innovation and sustainability](#). Main aspects highlighted are:

- **The need to strengthen the position of Shift2rail** in order to increase innovation and the diffusion of technologies;
- **Encouraging cross-border activities for SMEs;**
- **Attracting more private investors** by blending grants (CEF) and loans (EFSI). One of the priority stressed is **the deployment of ERTMS**.

## NEW RULES FOR RAIL PROCUREMENT: CAN THEY REDUCE INFRASTRUCTURE COSTS?

The [new public procurement legislation](#) introduces the notion of **“Most economically advantageous tender” (MEAT)**. MEAT means putting more emphasis on environmental, social, and innovative considerations during the selection procedure. The “quality orientation” of future tenders can **increase the costs of infrastructure products in a medium and short term**, but would introduce a long-term cost-effectiveness criterion.

A **better information flow between IMs, RUs and Terminals** could result in minimising disturbances on the network in case of works and congestion by a better coordination of traffic, and therefore improve the access to facilities and multimodal terminals. For doing so, open data needs to be interoperable across the EU and shared by all RUs, IMs and facility owners. For the end-customer, **digitalisation needs to make rail more flexible, reliable and easier to use in a broader logistic chain**. Many RUs are developing new IT services in order to book container online or/and to follow it in real time. The e-consignment note needs to be further developed by the sector to **integrate rail in a broader logistic chain**.

## AUTOMATIC TRAIN OPERATIONS (ATO): CLOSE TO REALITY

ATO is becoming a major challenge for the European Union Agency for Railways (ERA). Unlike Unattended Train Operations (UTO), ATO requires a train driver. The Automation system aims at **optimising train movements, eliminating routine actions by automatizing them**. According to ERA, the expected benefits are important for the competitiveness and the sustainability of railways: it can increase capacities of the network, energy efficiency and savings, and safety. ERA plans on ensuring the compatibility of the ATO system with the ETCS signalisation in order to avoid a double cost for RUs in the future. ATO migration should be based on ERTMS stabilisation of baseline 3, and be fully interoperable in the EU.

Similarly, to the road sector, the automation in rail (except for metro) will need future legislation. A **test pilot could be launched on Rail Freight Corridors or on High speed lines**. ERFA is engaged to ensure that the future ATO system would **not bring additional financial burden for RUs, especially small ones**.

## WHAT FINANCING MODEL FOR TRANSPORT?

Whereas the European Parliament calls for maintaining and even increasing EU funds for transport (CEF), the Commission wants to change the **“transport culture”** by using more extensively the European Investment Plan, which is based on private financing and loans (EFSI). The idea is for private financing and loans to fill the gap left by insufficient public funding. That strategy may work for road transport, but not necessarily for rail, where rail infrastructure projects are not as easily “bankable”. So far, among the 11 transport projects funded under EFSI, only 2 concern rail. Alongside 29 EU transport associations, [ERFA urges the EU to dedicate more EU funds to transport](#) under the CEF in order to complete the TEN-T Network. [More EU budget for transport](#) can boost private and public investments in the sector and benefit largely to rail.

## ACTIVITIES



### CONSULTATIONS

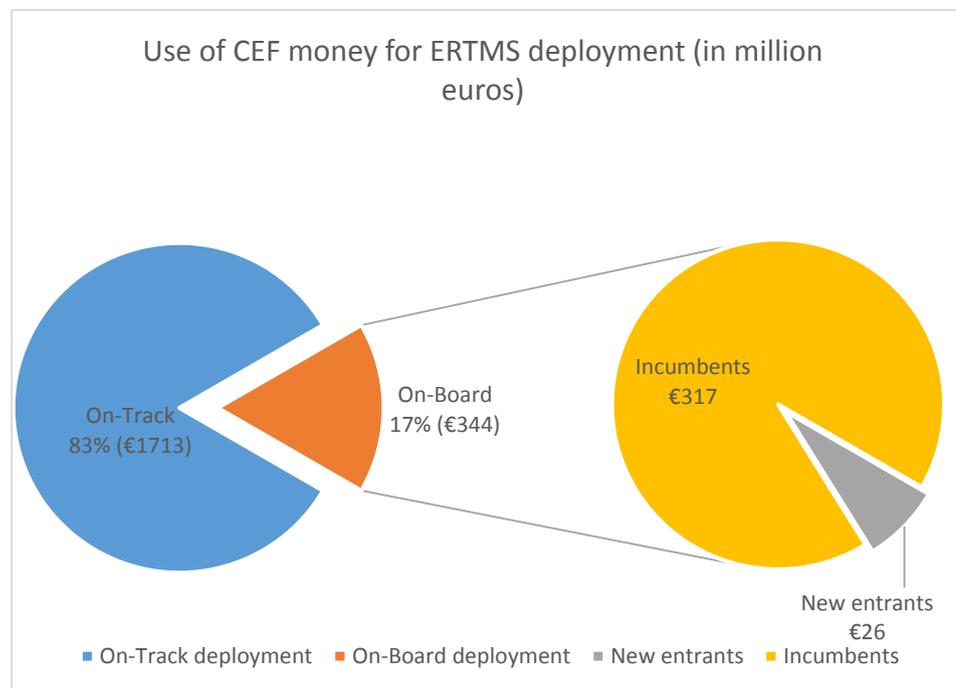
**Rail Freight Corridor** consultation (Regulation 913/2010) is open. The EC will decide whether a revision of the legislation is needed or not.

**Deadline 21<sup>st</sup> of August.**



## INFOGRAPHICS – EU MONEY FOR ERTMS

According to Josef DOPPELBAUER, Director of the EU Agency for Railways, stability of the ERTMS product has now been achieved with the delivery of the latest version of the technology, Baseline 3 Release 2. ERA will now focus on **the coordinated deployment of ERTMS across the European network, also ensuring that authorisation for ERTMS deployment is only granted for fully compatible versions of the technology.** The newly created “ERTMS Stakeholders Platform” will aim to address ERTMS implementation problems. ERFA will use this platform to continue raising the financing issue for RUs. The remaining, unanswered question is **how RUs are expected to cover the costs of ERTMS;** In this context, ERFA highlights below the share of the use of EU funds (Connecting Europe Facility)<sup>1</sup> in the deployment of ERTMS for both on-board and track side.



**New entrants represent only 8% of the on-board deployment projects funded by CEF!!**



**ERFA calls on its members to actively participate to CEF calls in order to benefit from EU money dedicated to the retrofit of rolling stock.**

<sup>1</sup> Data from selected projects in the 1<sup>st</sup> CEF call 2014 and 2<sup>nd</sup> CEF call 2015 (approval of the INEA)