

Brussels, 17 September 2010

Commission sets out measures to improve rail services

The European Commission today adopted a proposal to provide better rail services for passenger and freight users by: increasing competition on the railway market; strengthening the power of national regulators; and improving the framework for investment in rail. The proposal for a Directive establishing a Single Rail Area is an exercise in legislative simplification and consolidation with the merger of the three directives in force and their successive amendments into one coherent text. It also aims to tackle key problem areas undermining the effective functioning of the railway market.

Siim Kallas, European Commission Vice-President responsible for Transport said: *"Europe is at the forefront of railway technology. We are in the top tier of modern rail networks. But, and it is a big but, Europe needs and deserves better rail services. We need to deliver better quality, better reliability, more choice and more innovation to passengers and freight users. That's what this package is designed to do. My aim in all of this is more competition in passenger and freight services. That will be good for passengers, good for freight users, good for very high quality rail equipment producers and good for the environment."*

Three key problem areas addressed in the Directive:

1. Competition issues

The proposed Directive aims to increase competition on the rail market through more transparent market access conditions and providing easier access, for example by:

- requiring improved access (and in certain cases guaranteed access) to rail-related services such as maintenance facilities, terminals, passenger information and ticketing facilities etc for freight and passenger trains;
- establishing explicit rules on conflicts of interest and discriminatory practices in the rail sector;
- requiring more detailed "network statements" - documents published annually so that potential newcomers can see clearly the characteristics of available infrastructure and conditions for its use.

2. Strengthening regulatory supervision

The proposal strengthens the power of national rail regulators, including proposals for measures such as:

- extending the competence of national regulators to rail-related services. Previously, problems relating to access to rail-related services were not always in the powers of the national regulators.
- requiring the independence of national rail regulators from any other public authority;

- strengthening the powers of the national rail regulators (with in terms of sanctions, audit, appeals procedures and ex-officio investigating powers) and establishing the obligation imposed on these bodies to cooperate with their counterparts on cross-border issues.

3. Strengthening the framework for public and private investment

The new rules on infrastructure financing and charging aim to develop a harmonised "financial architecture" to encourage investment. Measures proposed include:

- requiring national long-term strategies and multi-annual contractual agreements between the state and infrastructure managers (linking funding to performance, and business plans). The aim is to give market players more predictability on the development of the infrastructure and more incentives to improve their performance;
- requiring more precise and smarter infrastructure charging rules. Better implementation of the charging principles contained in the existing legislation should lead to lower track access charges for rail transport operators in many Member States. The new charging rules (with the introduction of noise-related modulation as the rail equivalent to external cost charging for road transport, discounts for interoperability) should also stimulate private investments in greener and interoperable technologies.

What happens next?

Together with this proposal, the Commission adopted today a Communication presenting its strategy to complete the development of the Single European Railway Area, outlining additional initiatives that the Commission could launch in the next five years. A consultation will take place on this basis. A detailed study on opening the market for domestic passenger traffic is also published.

See also : http://ec.europa.eu/transport/rail/market/market_en.htm

and [MEMO/10/421](#)