

Position Paper

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CER Position Paper on noise differentiated track access charges

Noise differentiated track access charges

Executive Summary

CER welcomes the evaluation of the Implementing Regulation (EU) No 2015/429, setting out the modalities for the application of the charging of the cost of noise effects. Following the recent adoption of TSI Noise, CER believes that targeted public funding will be crucial for a speedy retrofitting in Europe. Noise differentiated track access charges (NDTAC) through bonuses for retrofitted wagons could be complementary to EU (through the Connected Europe Facility) and national funding to incentivise further use of retrofitted wagons on European rail network. The implementation of NDTAC should remain voluntary in each member state.

1. Effectiveness

- Up to now, the NDTAC Regulation has not been the driving force for the retrofitting of rolling stock with composite brake blocks in Europe. To date, only 4 countries in Europe (Switzerland, Netherlands, Germany and more recently Austria) apply NDTAC schemes. Public funding should be the key instrument for retrofitting (CEF and national budgets). NDTAC, however, is an important complementary measure to cover – at least partially – the additional operational costs resulting from the use of composite brake blocks.
- Once freight wagons are retrofitted with dedicated funding, NDTAC provides an incentive to use those wagons on the networks that are applying NDTAC.

2. Efficiency

- The NDTAC Regulation alone has not been an efficient approach to accelerate retrofitting. Financial sustainability of each NDTAC scheme and its efficiency need to be studied during the evaluation of the Regulation in order to compile an overview of costs (administrative and revenue related) of running NDTAC.
- On 31 January 2019, TSI Noise has been adopted and noise limits will be applicable to existing freight wagons. From 8 December 2024, only quieter freight wagons shall be operated on quieter routes; therefore, wagon owners and keepers are required to retrofit their freight wagons, so that they are still allowed to be operated on quieter routes after 2024. Following this regulatory clarification, the sector needs to be ready with retrofitted freight wagons. Therefore, the next five years will be crucial for the sector. In that respect, policy makers should provide the right instruments and prefer efficient direct funding to wagon owners and keepers. If appropriate, NDTAC systems may have an accelerating impact on the efficiency of retrofitting programmes.

3. Coherence

- The rail noise issue has been on the agenda for two decades but in theory the problem is easy to tackle with the application of Environmental Noise Directive. All external costs of each transport mode should be internalised according to the polluter-pays principle. So far policy makers targeted mainly the railway sector.
- The NDTAC Regulation (see Article 7) is nevertheless coherent with the overall noise policy in Europe but so far similar measures are not applied consistently to road transport, undermining the competitiveness of rail freight. Without an appropriate internalisation of external costs, the exposure of citizens to noise is likely to increase due to a reverse modal shift to road. Therefore, adequate public funding should be available to cover entirely investments made to retrofit freight wagons in order to avoid onerous burden on the rail system.

4. Relevance

- Wagon retrofitting requires huge upfront investments. Furthermore, once wagons are retrofitted, wagon owners and keepers incur increased recurrent maintenance and operating/running costs. In order not to reduce the competitiveness of rail freight, all options including NDTAC and public funding of increased operating costs should be examined.

5. EU added value

- NDTAC schemes already existed in Europe before the NDTAC Regulation, which aimed to harmonise the schemes. However, the level of financial support varies between applying countries, and only one member state (Austria) implemented a NDTAC after the Regulation was adopted; therefore, for the past, the EU added value of the regulation is questionable, but in the future it might be still an instrument to encourage retrofitting and to mitigate higher operational costs, complementing direct funding and the recently revised TSI Noise.
- Therefore, new NDTAC schemes could be introduced in the forthcoming years, which means that the legal basis should remain in place up to a defined end date – taking into the account the economical, technological and ecological situation of rail freight.

About CER

The Community of European Railway and Infrastructure Companies (CER) brings together railway undertakings, their national associations as well as infrastructure managers and vehicle leasing companies. The membership is made up of long-established bodies, new entrants and both private and public enterprises, representing 71% of the rail network length, 76% of the rail freight business and about 92% of rail passenger operations in EU, EFTA and EU accession countries. CER represents the interests of its members towards EU policy makers and transport stakeholders, advocating rail as the backbone of a competitive and sustainable transport system in Europe. For more information, visit www.cer.be or follow [@CER_railways](https://twitter.com/CER_railways) on Twitter.

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