

POSITION PAPER

CER Position Paper on the Review of the TEN-T Policy

Commission Proposal on TEN-T Guidelines and Connecting Europe Facility of 19 October 2011

March 2012

COMMUNITY OF EUROPEAN RAILWAY AND INFRASTRUCTURE COMPANIES - COMMUNAUTÉ EUROPÉENNE DU RAIL ET DES COMPAGNIES D'INFRASTRUCTURE - GEMEINSCHAFT DER EUROPÄISCHEN BAHNEN UND INFRASTRUKTURGESELLSCHAFTEN



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INTRODUCTION

One of the main objectives of the 2011 Transport White Paper is to reduce transport greenhouse gas emissions by 20% on the 2008 level by 2030 and by 60% on the 1990 level by 2050. To achieve this, the new White Paper puts forward ambitious long-term targets for the rail sector. For freight transport, the aim is to shift 30% of road freight over 300 kilometres to other modes such as rail or waterborne transport by 2030, and more than 50% by 2050. For passenger transport, the aim is to triple the length of the existing high-speed rail network by 2030 and to complete a European high-speed rail network by 2050. Furthermore, by 2050, the majority of medium-distance passenger transport should go by rail and all core network airports should be connected to the rail network, preferably high speed.

The Commission proposals for the Trans-European Transport Network Guidelines and the related financial instrument, the Connecting Europe Facility, are important instruments for reaching these long-term White Paper targets.

CER supports the Commission's proposal with a clear focus on a highly efficient core network, with a strong emphasis on environmental protection, safety and quality. The rail sector must play an important role in helping to contribute to these objectives.

NETWORK PLANNING CONCEPT

The proposal for the TEN-T Guidelines calls for a dual layer approach, consisting of a core network and a comprehensive network.

CER welcomes the Commission's concept, whereby the core network is to reflect the strategically most important parts of the TEN-T network and will be the predominant part of the network eligible for EU co-financing. This will enable the focusing of scarce financial resources on projects of high European added value, such as the removal of bottlenecks, upgrading of infrastructure, and the construction of missing links.

CER stresses the importance for member states to be able to sufficiently finance the comprehensive network, which plays an important role as feeder lines into the core network, as well as providing regional services for urban centres. CER calls upon the Commission to ensure that sufficient financing incentives are provided for these lines in member states through measures such as the cohesion fund, ERDF etc.

CER supports the core network, which will carry passengers and goods with high efficiency and low emissions across Europe and which will predominantly rely on the use of existing infrastructure. Airports shall be connected to rail and integrated into the high speed rail network wherever possible. However this has to take into account potential traffic demand and exemptions shall therefore be made where there is no demand for such high speed rail connections.

The future TEN-T core network in its completed form must, by 2030, be able to fully support and facilitate the long-term targets of the White Paper outlined above. Member States shall aim to ensure the completion of the core network by 2030 and the comprehensive network by 2050.

In order to meet the deadlines for completing the core and comprehensive networks by 2030 and 2050 respectively, national governments should be encouraged to speed up the permitting and construction processes of rail infrastructure projects, which can last as long as several decades, and which generally include a public consultation, a tendering process, and an evaluation and approval process.

ACCESS TO FREIGHT TERMINALS, LOGISTIC PLATFORMS AND THE PROVISION FOR TICKETING INFORMATION AT PASSENGER STATIONS

Provisions for the right to access freight terminals and logistic platforms, as well as provisions for ticketing information at passenger stations are complex issues which require careful discussions.

Furthermore, the issue of access to service facilities is in the process of being reviewed in the context of the recast of the First Railway Package. Under the current EU-legislation, as well as in the recast of the First Railway Package, the right to access service facilities - (including freight terminals, which may or not be privately owned) - is only foreseen if no alternatives under market conditions exist¹. This provision ensures that regulated access is limited to essential facilities. The infringement of property rights has to be reduced to duly justified cases.

In contrast the right to access logistic platforms does not exist at all in European regulatory law.

The approach of the Council and the Parliament in the recast of the First Railway Package is therefore to regulate only the “location for ticketing” as space in passenger stations can be limited, whereas ticketing as such is not. With respect to the provision for ticketing information at passenger stations, the Commission in its Work Programme 2012 has announced its intentions of putting forward a proposal in 2014 on smart ticketing, multimodal scheduling, information, and online reservation. Ticketing is not an essential facility as it is provided under market conditions (for example ticketing on the train, via internet, via travel agencies, etc.) and therefore should not be dealt with in a legislative proposal for European infrastructure.

Provisions for the right to access freight terminals and logistic platforms, as well as provisions for ticketing information at passenger stations should therefore be completely removed from the TEN-T Guidelines.

TECHNICAL SPECIFICATIONS

The Commission proposal specifies technical standards for rail infrastructure in the comprehensive and core networks, some of which go beyond the current Technical Specifications for Interoperability for Infrastructure (INF TSI).

CER generally supports the Commission proposal on the TEN-T technical standards as they will allow rail to increase its capacity and efficiency. CER, however, sees a need for further precisions or adaptations of the standard.

¹ Art. 5, par. 1, sentence 2 Directive 2001/14/EC and Art 13. par 2 of the resolution of the European Parliament of 16 November 2011 on the proposal of the Commission for a recast of the First Railway Package; furthermore Art 13 par 2b of the political agreement of the council of 12 December 2011

The TEN-T technical standards for new and upgraded lines must be fully aligned with the INF TSI, including all exemptions noted in the INF TSI. In this respect, of particular importance are the exemptions with regard to the specifications on nominal track gauge. The TEN-T proposal requests a nominal track gauge of 1435 mm for new railway lines on the entire TEN-T network. However, in order to maintain a functioning network, specific cases apply in the INF TSI for countries operating on a network whose track gauge is different from the main rail network within the European Union.

Beyond this, for lines which are used by conventional freight trains, the axle load should be extended to a maximum of 22.5 tonnes, and the train length to 750 metres² on upgrades and on new lines on the TEN-T network. Where possible, this should be extended to 1,500 metres if economical, operational and technical feasibility allows it. Wherever an increase of the train length to 1,000 metres can lead to productivity gains, this should be encouraged as a positive first step.

The deployment plan for ERTMS on the TEN-T network must be aligned to Chapter 7 of the CCS TSI (Control Command and Signalling). In any event, the deployment of ERTMS, outside of the scope of the above mentioned text, should remain optional.

CER welcomes the requirement to electrify railway lines on the TEN-T core network. This will lead to greater efficiency and will help further reduce CO₂ emissions from the rail sector. With regard to the electrification, it should be clarified in the TEN-T Guidelines that the electrification is not compulsory for sidings and freight terminals.

The TEN-T Guidelines only mention two categories of high speed lines. Therefore, the text in Article 12 must be aligned with the Commission Decision 217/2008 and Interoperability Directive, whereby three categories of lines are provided.

CER considers the scope of the TEN-T technical standards as stated above as very positive in so far as it is a necessary condition for being able to reach the modal shift targets outlined in the new Transport White Paper.

CORE NETWORK CORRIDORS / MULTIMODAL CORRIDORS

In its proposal, the European Commission identifies ten multimodal corridors in the core network which will involve at least three transport modes and cross at least three member states. For each corridor, member states together with the corresponding corridor platform are required to set up a corridor development plan, including an implementation plan and an investment plan. CER supports the idea of a stronger integration of all transport modes for the benefit of all customers with easy access and fast transfer.

CER believes that multimodal corridor structures can lead to better coordination between member states and stakeholders in the planning and investment of corridors, and that they can lead to efficiency gains for the rail sector in the long run. They can also be beneficial in terms of securing public funds and attracting private capital to transport infrastructure. CER therefore supports the objective of the Commission proposal to ensure a coordinated infrastructure planning and financing approach through the application of

² A 750m train length shall be understood as 740m of the effective train length plus an additional 10m safety margin

multimodal corridors in order to manage and develop capacity along the entire corridor. However, before launching new corridors and structures, it is important to analyse their benefits and costs.

CER believes that the governance structure elaborated in Regulation EC 913/2010 concerning a European rail network for competitive freight should serve as a basis for the organisation of the multimodal corridor structures. In this respect, CER stresses the need for an alignment between the structure of multimodal corridors and the requirements of the EC 913/2010 regulation, in order to achieve efficiency and to avoid duplication of governance structures. As stated in the above mentioned regulation, it is of great importance that railway undertakings are closely associated with the work of the corridor platform, as they are the direct user of the infrastructure capacity. Taking this into consideration, CER believes that further clarification is needed regarding the governance, organisation, planning, decision making and operation of the proposed multimodal TEN-T core network corridors.

CER welcomes the reinforcement of the European Coordinator, who will be chairing the multimodal platform, but sees a need for more clarification with respect to the coordinator's role and the competences.

INADEQUATENESS OF THE APPLICATION OF THE DELEGATED ACTS

CER wishes to stress one particular procedural aspect of the proposed TEN-T guidelines which appears disproportionate to the objectives pursued and inappropriate in general. The European Commission is proposing the own empowering to adopt delegated acts in accordance to Art. 56 concerning the Annexes I, II and III to take account of possible changes with including or excluding logistic platforms, freight terminals, inland ports, maritime ports and airports or adjusting the maps for road, railway and inland waterway infrastructure.

While CER does not disagree with the principle, it cannot support its application to annexes I, II and III. These annexes, as they are currently drafted, are a full part of the text and should therefore be amended according to the normal co-decision procedure, thereby allowing a democratic review by the European Parliament and the Council.

BUDGET AND CO-FINANCING

CER appreciates the Commission's commitment to co-finance parts of the future TEN-T core network through the introduction of a new Connecting Europe Facility (CEF) which defines the conditions, methods and procedures for providing EU financial aid to pre-identified transport, energy and information and communications technology (ICT) priority infrastructure projects of EU interest.

CER supports the CEF as a financial instrument to accelerate the development of important infrastructure projects with European added value, to obtain a higher leverage of EU funding, and to expand the portfolio of available financial instruments in order to reach the Europe 2020 Strategy, the energy and climate change targets and, more generally, to achieve future sustainable competitiveness for the European Union.

Under this new facility, the TEN-T network shall be funded with EUR 21.7 billion, with an additional EUR 10 billion from the Cohesion Fund to be ring-fenced for transport projects and managed centrally by the CEF.

Nearly 80% of this money will be used to support core network priority projects along the 10 implementing corridors and for 3 horizontal projects (ITS) such as ERTMS. The rest of the financing will come from Member States, regional authorities and private investors. The result of this proposal is a stronger concentration of funds on the TEN-T core network and on the poorest regions.

The table below shows a comparison of the co-financing rates of the transport part of the proposed CEF with the current TEN-T Financial Regulation:

	TEN-T (2007-2013)	CEF (2014-2020)	
individual studies	50%	50%	(all modes)
rail and inland waterway works	20%	20%	(rail/inland waterways)
road works	20%	--	(road)
bottlenecks	--	30%	(rail/inland waterways)
cross-border projects	30%	40%	(rail/inland waterways)
reducing rail freight noise	--	20%	(rail)
connections to ports and airports	--	20%	(all inland modes)
freight transport services		20%	(all modes)
ITS projects such as ERTMS	50%	50%	(all modes)

These co-financing rates may be increased by up to 10% for actions having cross-sector synergies, reaching climate mitigation objectives, enhancing climate resilience or reducing greenhouse gas emissions.

CER fully supports the budget proposal and co-funding approach as it will help provide financing for transport infrastructure where it is most needed: for the removal of bottlenecks, the construction of missing links, reducing rail freight noise and for inland connections to ports and airports. In this context, CER especially welcomes and fully supports the new co-funding of actions to reduce rail freight noise by retrofitting existing rolling stock with up to 20% of the total cost of the project, but notes that the level is not high enough, especially when taking operating costs into consideration.

Furthermore, CER recalls the EU's commitment to make transport accessible for persons of reduced mobility and disabled passengers as it is reflected in the TEN-T³ and CEF proposals⁴. To support this objective, CER calls for an additional 10% co-financing rate to be awarded to projects enhancing the accessibility of transport infrastructure for persons with reduced mobility.

CER would like to underline that even in times of public budget austerity, investing in European transport infrastructure is essential for Europe's economic development and competitiveness, and that EU co-funding can generate significant leverage effects. The mid-term review of the European Economic Recovery Plan (EERP) published in July 2011 showed that EU co-funding had a leverage effect of 6.2 even during times of public budget austerity. Despite the difficult political and economic climate, member states were able to generate sufficient financial resources to begin work on most of the proposed projects (of which 54% are rail) even though the EU co-funding rate was only 10-20%.

³ "Transport infrastructure shall allow seamless mobility and accessibility for all users, in particular elderly people, persons of reduced mobility and disabled passenger" (Article 43 of Commission TEN-T proposal)

⁴ "It is important in the implementation of the relevant projects that accessibility for persons with disabilities as mentioned in article 9 of the Convention is considered in the specification of the projects." (Recital 31 of the Commission CEF proposal)

In addition to member state contributions, CER believes that alternative financing solutions will have to play an increasingly important role in providing additional financial resources in times of public budget austerity. These instruments should include self-financing mechanisms such as user charges and charges related to the internalisation of external costs, but may also include supporting tools, such as PPPs, LGTTs (Loan Guarantee Instrument for TEN-T projects), project bonds, etc.

RING-FENCING OF 10 BILLION EUR FROM COHESION FUND

CER shares the strong wish of the Central and Eastern European countries to reduce regional disparities and to close the gap between the level of transport infrastructure development in old and new Member States. This is an issue of particular concern to the rail sector as rail infrastructure has been badly underfinanced in these countries for decades with disastrous consequences for the efficiency and quality of rail services. Investment in rail infrastructure in all EU countries is of key importance if Europe is serious about reaching the emission reduction targets laid out in the 2020 strategy and the Transport White Paper.

The European railway infrastructure today suffers from insufficient coordination of investment. The result is a patchwork of lines which are not connected to the backbone network, causing a serious barrier in particular for rail freight transport. CER believes that ring-fencing EUR 10 billion of the Cohesion Fund for investment in transport under the CEF would benefit the development of rail transport in the cohesion countries. The centralised management of the ring-fenced funds will guarantee that investments are made where they have the biggest European added value and where they are needed most, namely for the removal of bottlenecks on the corridors of the highest strategic importance. It will avoid funds being wasted on a patchwork of individual projects that are rendered inefficient because the necessary connections between them are missing.

However, investing in regional rail transport is equally important, especially in countries where such investments have been neglected for decades. CER recognises the importance of key regional rail links into urban centres, which are mostly part of the comprehensive network but may make use of parts of the core network. These lines are of strategic importance for national business development and play a key role as feeder services into the TEN-T rail network. Therefore, CER believes that a flexible approach is needed in the management of the ring-fenced EUR 10 billion, where a significant part of this amount may be spent, if necessary, on regional rail infrastructure projects which are part of the comprehensive network and are of key importance for the entire national rail network.

Furthermore, CER calls upon the Commission to ensure that additional financing incentives are provided for such regional rail projects in cohesion countries through other measures, such as the cohesion fund, ERDF etc.

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Disclaimer

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