Brussels, 09 September 2022



Strategy needed to protect affordable energy supply to Europe's railways

The ongoing crisis in European energy markets, triggered by the Russian invasion of Ukraine will have a significant impact on all sectors. Despite its energy-efficiency rail transportation is no exemption. The European railway sector, represented by the Community of European Railway and Infrastructure Companies (CER), together with European Rail Freight Association (ERFA) call upon the European Commission and Member States to develop a strategy which protects the European Union's modal shift objectives and ensures uninterrupted affordable energy supply for rail transportation.

The EU Green Deal climate neutrality target foresees a stronger role for railways, as defined in the modal shift goals of the EU Sustainable and Smart Mobility Strategy. Rail is indeed the closest mode to achieve net zero emissions before the mid-century. In addition to mitigating climate change, railways are also playing a vital role in addressing other global challenges, such as travel of refugees and grain transportation from Ukraine. Nevertheless, rail's modal share is at serious risk due to energy price developments. Energy amounts to approximately 10-20% of rail undertakings' cost base and traction electricity prices in rail freight and passenger doubled for the period 2021 and 2022 with some countries even experiencing a tenfold price increase.

Railway operators will not be able to maintain their ticket prices and shipping rates unless support measures, such as price caps for energy and state aids are introduced. The policy makers should adopt a multimodal approach in support measures and avoid competition distortion between modes of transport.

CER Executive Director Alberto Mazzola said: "Railways should be identified as a strategic service, which should be prioritised in the supply of affordable energy as a short-term measure. More freight and passengers on rail will improve the EU's energy balance. This is important in the current energy crisis and to help lower the EU's energy dependency on imported fossil fuels ".

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About CER

The Community of European Railway and Infrastructure Companies (CER) brings together around 70 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 79% of the rail network length, 77% of the rail freight business and about 90% of rail passenger operations in EU, EFTA and EU accession countries. CER represents the interests of its members towards EU policymakers 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 us on Twitter @CER railways or LinkedIn.