



A closer look at the railways
Annual Report 2009-2010



COMMUNITY OF EUROPEAN RAILWAY AND INFRASTRUCTURE COMPANIES

Design and production: ESN, European Service Network - www.esn.eu

Photos: Kindly provided by CER members, Georges de Kinder - www.georgesdekinder.com

Printed in Belgium in May 2010

Publisher: Community of European Railway and Infrastructure Companies (CER)
Avenue des Arts 53, 1000 Brussels - Belgium - www.cer.be

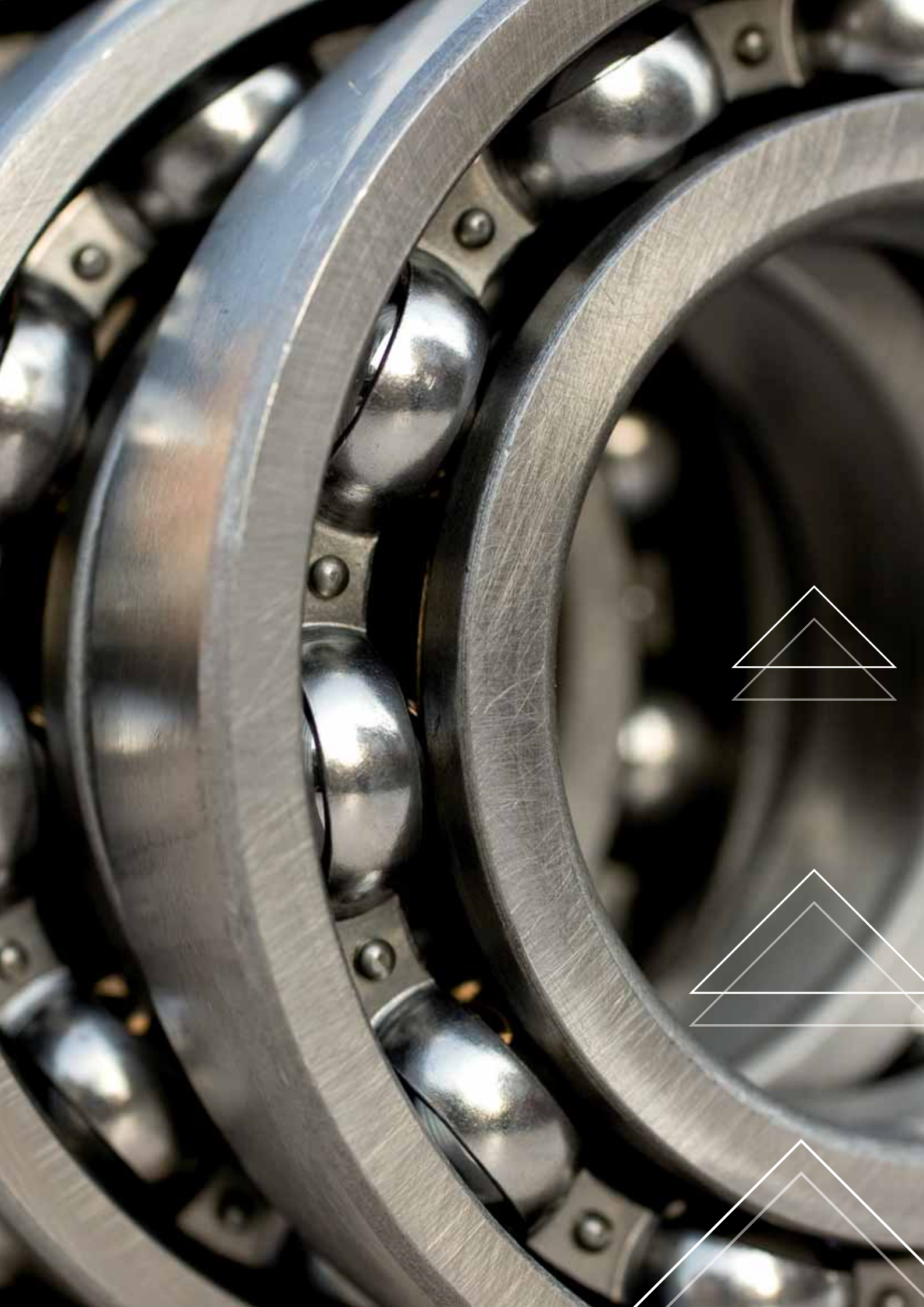
Disclaimer

CER, nor any person acting on its behalf, may be held responsible for the use to which information contained in this publication may be put, nor for any errors which may appear despite careful preparation and checking.

Reproduction is authorised, provided the source is acknowledged.

CONTENTS

FOREWORD	3
Guest contributions	4
<i>Siim Kallas, European Commission Vice-President and Transport Commissioner</i>	4
<i>José Blanco López, Spanish Minister for Public Works and current Chairman of the Transport Council</i>	5
CHAPTER 1	
INTRODUCING CER	7
The voice of European Railways	7
CHAPTER 2	
IMPROVING THE BUSINESS ENVIRONMENT FOR RAILWAYS	11
Tackling the economic crisis	11
Recasting rail's financial architecture	16
Making rail in Europe more customer-oriented	19
Prioritising an efficient rail network	22
Towards a safer and more efficient rail system	25
Social dialogue in the crisis	28
CHAPTER 3	
MAKING EUROPEAN TRANSPORT SUSTAINABLE	31
EU transport at a crossroads: rail offers solutions	31
Getting the price right – the route to greener transport	33
Driving gigaliners out of focus	36
Good practice: Spain to UK intermodal service	38
CHAPTER 4	
CER IN 2009/2010	41
How does CER work?	41
List of CER publications	48
List of political events	50
List of CER events	52
CER member statistics	57
ABBREVIATIONS	61
GLOSSARY	62



FOREWORD

In the last year, European politics has turned out both better and worse than expected for the railways. It was better because the aim of decarbonising transport has finally become mainstream, putting railways at the centre of the future European transport system. It was worse because nothing much has happened in terms of concrete and actual policy measures: the railways were mostly left alone to overcome the economic crisis and are still often put at a disadvantage to other transport modes. In the months to come, policy-makers will have to take a closer look at the potential of rail to make European transport more sustainable, efficient and safer.

Uncertainties over the introduction of the new Lisbon Treaty, resulting in a caretaker European Commission, brought European politics to an almost complete halt for much of the last year. At a time when European leadership was needed most to turn the economic recession and the environmental crisis into an opportunity to create a more efficient and greener transport system, not much was achieved. The political machinery of the EU was too busy reorganising itself.

In February 2010, the rail sector bid a warm farewell to European Commission Vice-President Antonio Tajani at the European Railway Award, and the Estonian Siim Kallas took over as the new European Commissioner responsible for transport. Early on, Vice-President Kallas met with top representatives of CER and chief executives of rail companies, who provided him with a memorandum on transport policy. Soon after, a dedicated European Commission Directorate-General for Transport and Mobility (DG MOVE) was established, headed by Matthias Ruete. After months of caretaking, all now seems set for a fresh start and a more productive second half of 2010.

The challenges ahead are huge. No less than a complete turnaround in European Union transport policy is needed to make real progress in reducing transport emissions. Reduction targets for absolute emissions should be established for the transport sector, with further targets set for each mode, taking into account the role modal shift should play. The rail sector is leading by example and has already agreed on a voluntary target to reduce specific emissions from rail traction by 30% over the period 1990 to 2020. All reduction targets should be demanding and the Commission needs to develop wide-ranging, ambitious and radical plans to enable these targets to actually be met.

Prices must play a key role in achieving the targets. Concretely, pricing mechanisms should be used to develop a more level playing field between modes, based on a consistent infrastructure charging policy across all modes and the progressive internalisation of external costs of transport – starting with an urgent revision of the Eurovignette Directive. The railways, supported by the European Parliament, were more than disappointed by how this important issue was handled by the Swedish and Spanish presidencies in the Council.

But railways do not simply rely on public support. We are constantly stepping up our own efforts to overcome the effects of the recession, which saw the rail freight business slump to more than 30% below the level of 2008 and also affected rail passenger transport heavily. Nevertheless, when a volcanic ash cloud grounded European air traffic in April 2010, we showed

that the railways are a flexible, efficient and convenient alternative on both short- and long-haul distances for passenger and freight transport. At the same time, this incident demonstrated the need and the potential of interconnecting the main European rail high-speed lines. Rail infrastructure has to be properly financed in order to make railways able to better exploit their potential.

In the coming months, the Community of European Railway and Infrastructure Companies (CER) will continue driving the debate on a more sustainable future for transport in times of a still wary economic uptake. We will strongly articulate the case for rail as the Commission considers proposals to decarbonise transport and prepares to publish a new White Book on transport. We will also raise the key issues of financing rail infrastructure and homogenising access rules to tracks and facilities, in particular when the Commission takes a closer look at the First Railway Package again.

We believe that the recent opening of the international rail passenger market and wider passenger rights will only bring true benefits to passengers and railway undertakings if common regulations are applied throughout Europe. Moreover, we will be proactive in stressing the need for sound financial support for the TEN-T network in view of the next revision of the EU financial perspectives. And we will further aim to increase awareness of the crucial problems faced by rail transport in Central and Eastern Europe.

Last but not least, CER will reinforce its co-operation with the European Railway Agency and other rail sector associations on technical issues to maintain rail transport's safety record and make it more interoperable. In a joint sector strategy paper, CER has recently outlined a number of key issues which need to be tackled by the European Railway Agency and the sector in coming years. Closer co-operation within the sector has already improved our input to the work of the European Railway Agency.

In all these activities, alongside our members, we as well as our members will only succeed if we work in close co-operation with our partners, the European institutions and national governments. Let us use this opportunity to thank you sincerely for your support throughout the last year.



Mauro Moretti
CER Chairman



Johannes Ludewig
CER Executive Director

GUEST CONTRIBUTIONS

Guest contribution by Siim Kallas

European Commission Vice-President and Transport Commissioner

Like all transport sectors – and indeed the rest of the economy – the rail sector, and especially freight – has endured a very difficult time during the recent recession.

However, the European Commission is committed to continuing policies intended to stimulate the modernisation and improvement of railways, building on the success of its current policies. These are based on market opening, promoting interoperability, ensuring a common safety approach across the EU, and the development of high-quality European rail infrastructure and rolling stock.

In the area of market opening, we pursued our efforts in 2009 to complete and deepen the establishment of the rail internal market, culminating in the opening of international passenger rail to competition. I have high hopes for this, but I am afraid that market opening in freight has not yet achieved all we had hoped: we will continue to monitor this closely.

More generally, I am concerned about the difficulties of rail freight to offer an effective alternative to road on many international routes, where distance should give it a competitive advantage. We tried to address some of the issues via last year's Commission proposal to establish rail freight corridors. This would greatly improve the conditions

for using rail infrastructure and accelerate the recovery of the freight sector, so I hope the European Parliament and Council's deliberations will reach a successful conclusion soon. Similarly, European rail corridors should be further improved by ensuring ERTMS deployment.

Achievements in the field of interoperability and safety have been based on solid co-operation with the European Rail Agency. Over the coming years, I intend to develop this work further, to ensure there are no unnecessary delays in introducing expensive new rolling stock, nor any hidden or unnecessary barriers to using equipment throughout Europe.

Over the coming months, we will be developing the Commission's White Paper on the Future of Transport, in which we will set out a vision for the development of transport in Europe over the next ten years and beyond. We aim to achieve an approach which is balanced between all transport modes, and which recognises and develops transport as a vital component of Europe's competitive strength, while at the same time addressing the environmental and climate change challenges transport poses. I look forward to discussing our ideas with the railways and other stakeholders in the months ahead.



Guest contribution by José Blanco López

Spanish Minister for Public Works and current Chairman of the Transport Council

The large-scale evolution that has taken place in its transport system is one of the factors that have driven Spain's huge social and economic progress over the last few decades.

Throughout this time, the railways have played a vital role in the push for progress, as was recognised when CER, EIM and UNIFE gave Felipe González the European Railway Award in acknowledgement of his backing for high-speed rail to stimulate Spain's modernisation and economic development.

Spain is a world leader in transport infrastructure: we have one of the largest high-capacity rail networks in Europe, It is one of the countries with the highest number of kilometres of high-speed rail in the world, and our companies are also global leaders in the infrastructure sector.

Looking to the future, the transport system still has a vital role to play in the economic recovery and modernisation that will lead Spain to a more sustainable future, economically, socially, and environmentally.

With this goal in mind, rail transport continues to be the Spanish government's preferred option.

From 2004 to 2009, we invested 42 billion euros in boosting rail transport – that is to say, more than half the total amount invested by the government in improvements to the country's transport infrastructure as a whole.

That investment, which was made with the aim of completely transforming our transport system, has already begun to bear fruit.

In 2010, we are celebrating the 18th anniversary of high-speed rail in our country; before the end of the year, with the opening of the Madrid-Valencia line, Spain will become the country with the highest number of kilometres of high-speed rail in Europe, with close to 2000 kilometres.

By 2008, one year after the opening of the high-speed lines to Barcelona, Malaga, and Valladolid, long-distance rail traffic had grown by 24%.

At the same time, on the Madrid-Barcelona route, rail reached a similar level of demand as air transport.

But let us not forget that high-speed rail not only means progress in terms of saving time and improving comfort and safety. It is also one of the cleanest means of transport which is, as for each passenger-kilometre it produces six times fewer carbon dioxide emissions than a car and seven times fewer emissions than an airliner.

At the same time, the Spanish government is putting a lot of effort into achieving sustainable transport in urban and metropolitan areas by boosting local rail transport.

Spain currently has 2 138 km. of local train network, which is used by one and a half million passengers every day.



In 2009, the Ministry of Development set in motion the Local Trains Plans with a view to improving and expanding the networks in Madrid and Barcelona. This will mean a joint investment of 9 billion euros over the next six years.

Added to those two projects is the Valencia Community Local Trains Plan, which will lead to the Spanish government investing 3.4 billion euros over the next ten years.

Improving the competitiveness of the rail freight industry is another of the Development Ministry's objectives. To achieve this, one of our priorities is to link up the rail freight network to ports and logistics platforms.

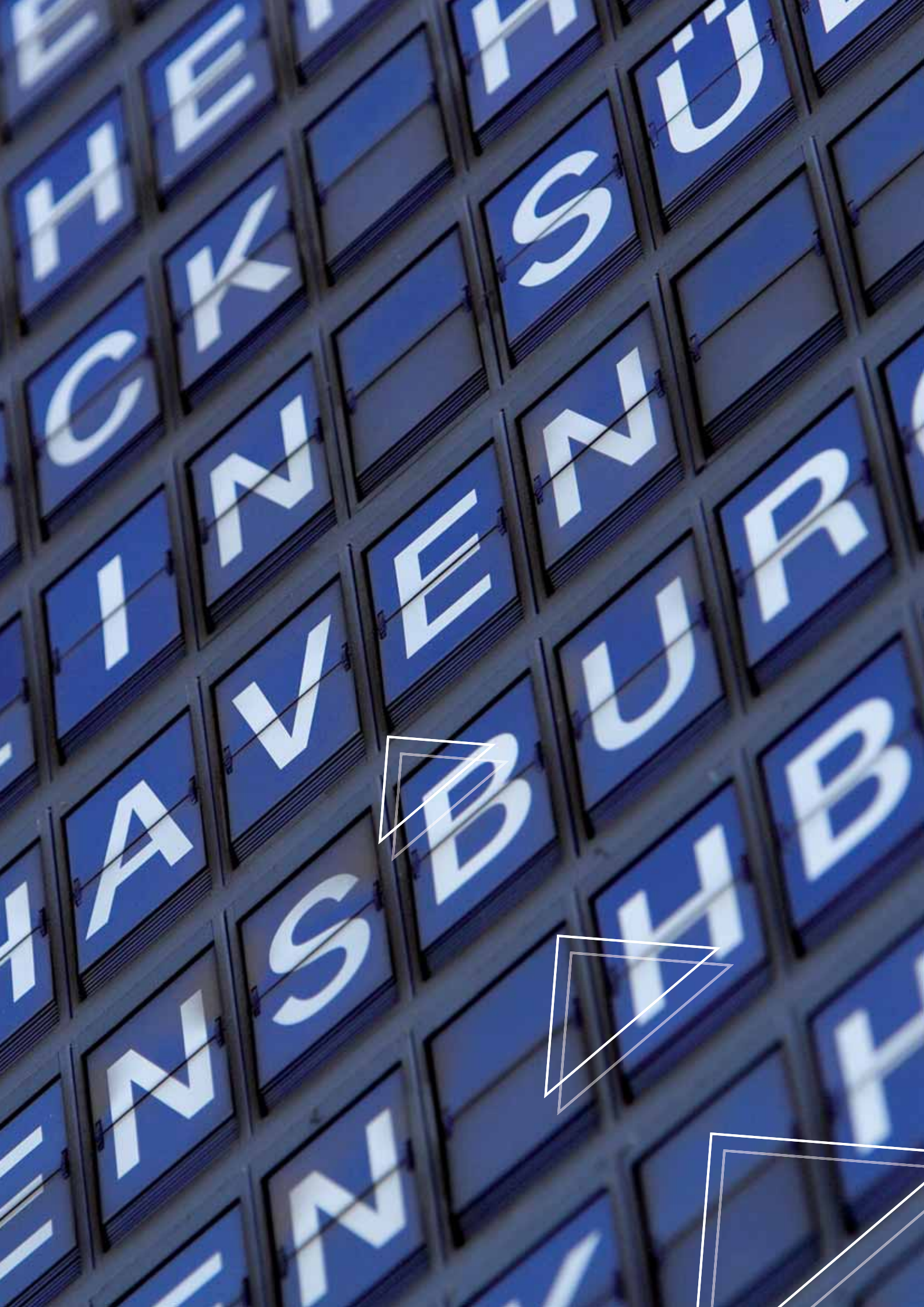
With the aim of boosting rail freight, we will make agreements with all of the country's autonomous communities on a plan enabling us to promote this clean and sustainable means of transport.

But we are also aware that we will only be able to boost freight transport if there is a joint and coordinated effort by the rest of Europe. For that reason, one of our priorities during the Spanish Presidency of the European Union, in the first six months of 2010, is to give a stimulus to the Trans-European Transport Networks.

That is why we are attaching particular importance to the approval of a methodology for the review process of the Trans-European Networks, including, as a priority, the Mediterranean Corridor.

All in all, the Spanish government is giving a strong boost to all aspects of rail transport.

Furthermore, between 23 and 27 February 2011, in Valencia, we will be hosting an international forum on Infrastructures and transport which will, of course, include railways. The aim will be to show the latest advances in this sector and its capacity to face the challenges of sustainability, safety, and interoperability which developments over the coming years will bring.



CHAPTER 1

INTRODUCING CER

The voice of European Railways

Around 15000 lobbyists and more than 2000 lobby organisations are based in Brussels. All of them are trying to articulate and represent various interests during the political decision-making process. For 22 years, CER has been recognised as the voice of European railways – delivering practical and reliable information to European institutions in the debate about the future of transport.

The Community of European Railway and Infrastructure Companies (CER) is the leading European railway organisation. It was founded in 1988 with 12 members and now brings together **75 infrastructure companies and railway undertakings** – private and state-owned, large and small. Members come from the European Union, the candidate countries (Croatia, Macedonia and Turkey) as well as from the Western Balkan countries, Norway and Switzerland. Among these 75 companies, 73 have full membership status. JR East (the railway company of the East of Japan) and Georgian Railway Ltd are CER partners and collaborate with CER on a number of issues. CER is based in Brussels and represents the interests of its members to the European Parliament, Commission and Council of Ministers as well as to other policy-makers and transport actors. CER's main focus is to **promote a strong rail industry** that is essential to the creation of a sustainable European transport system which is **efficient, effective and environmentally sound**.

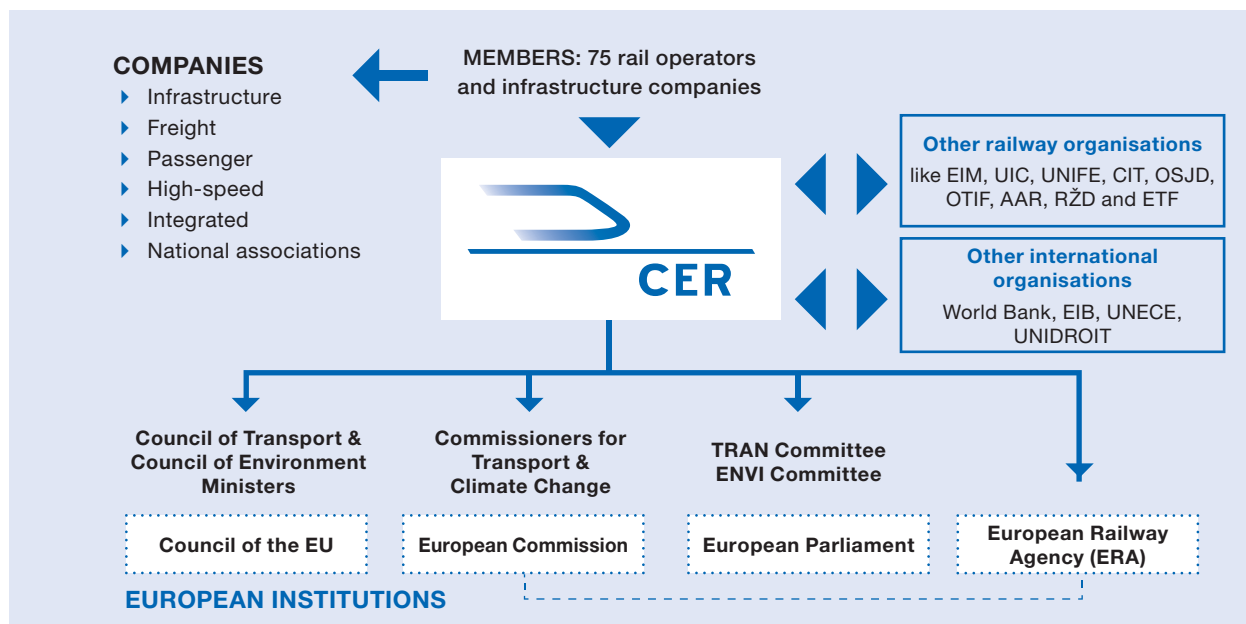
Lobbying by quality

A key priority for CER is to achieve a more balanced split between the different modes of transport. The railways believe a better modal split will eliminate high external costs to society and improve economic efficiency. In parallel to the railways' own initiatives for improving the quality of rail services, CER sees mobilising adequate investments in rail infrastructure as a prerequisite for achieving a sustainable modal split.

CER joined the European Commission's online register of interest representatives. By registering, CER enhanced the transparency of its relations with the Commission as it has done with other European institutions before. CER's interests cover all policy areas that have the potential to impact on railway transport. In close co-operation with its members, CER **monitors and evaluates the implementation of policies.**

Through our permanent dialogue with policy-makers we propose adjustments to legislation to address open problems.

Who we work with



Communicate the railways

Using a wide range of communication tools, CER aims to present the positions of railways to European institutions and the public and to inform CER members about recent developments in European transport policy.

The main challenges for communications are **building the reputation** of CER as a competent and reliable partner and **bringing the railway messages to the fore** in a differentiated environment. Events and media relations are used to raise awareness of CER positions, while publications provide essential information on many issues. Internal communications tools, like the weekly newsletter, *CER Monitor*, ensure that CER members are kept up to date on recent transport developments in the EU.

During the economic crisis, the number of journalists in Brussels was decreased to just over 750 – almost 200 left in 2009 alone. Those who stayed have continued to make an impact on influencers and decision-makers. However, with the need to cover more and more sectors they have become more selective than ever. To meet the needs of news-hungry people, CER has revamped some communication basics and has become increasingly targeted towards how and when it engages with the media and other dialogue groups. The relaunched CER website (www.cer.be) provides an easy way to access position papers, brochures, press releases, event information and much more. A **new electronic newsletter**, *CER Newstrack*, is sent on a regular basis to keep all stakeholders up to date on European rail transport policy and the rail business.

Dialogue with partners

CER wants to be a reliable, competent and committed partner, building stable relationships on the principle of **active and transparent dialogue** between the industry and the European institutions. To achieve this aim, we are fostering a common and united European railway community. Recent activities have led to much closer co-operation between rail associations on technical issues (see article page 25).

Other rail organisations are regularly invited to **participate in CER working groups**. Discussions on infrastructure, freight, and passenger issues are frequently held between CER's experts from the Brussels office and CER members (see article page 41) and representatives from the European Rail Infrastructure Managers (EIM), the International Union of Railways (UIC), the European Rail Industry (UNIFE), and the International Union of Public Transport (UITP). Since its establishment by the EU in 2004, the European Railway Agency (ERA) has become another key partner in almost all technical harmonisation issues.

CER also maintains close relationships with the European Federation of Railway Trackworks Contractors (EFRTC), the European Transport Workers' Federation (ETF), and the International Union of combined Road-Rail transport companies (UIRR), among others. On specific issues, CER liaises with non-rail organisations, too, including non-governmental organisations, such as Transport and Environment (T&E), and road lobby organisations, such as the International Road Transport Union (IRU) or the Federation Internationale de l'Automobile (FIA).

Event: Felipe González and Roland Heinisch receive European Railway Award

The European Railway Award 2010 was presented on 3 February to former Spanish Prime Minister Felipe González for political achievements and to former Deutsche Bahn Board Member Roland Heinisch for technical achievements. Since 2007, the European rail sector, including CER, has honoured outstanding achievements in the development of competitive and environmentally sustainable rail transport. The European Railway Award 2010 attracted more than 450 guests from all over Europe, including high-level politicians and transport stakeholders.



More than 450 guests attended the European Railway Award 2010 and the Annual Reception in the Museum of Art and History in Brussels.

The former Spanish Prime Minister Felipe González received the European Railway Award 2010 for his decision to make large investments in high-speed-rail infrastructure. The prize was handed over by the European Commission's Vice-President Antonio Tajani. In his laudatory speech, Mr Tajani underlined the personal role Felipe González had played in transforming the Spanish rail infrastructure into one of the most modern systems in Europe. Vice-President Tajani said: "Giving the 'European Railway Award' to Felipe González is a recognition of the effort undertaken by a whole country, Spain, to join with other EU Member States in the field of high-speed trains. This modernisation project was also constructed thanks to the intelligent and extensive use of EU Structural and Cohesion Funds."

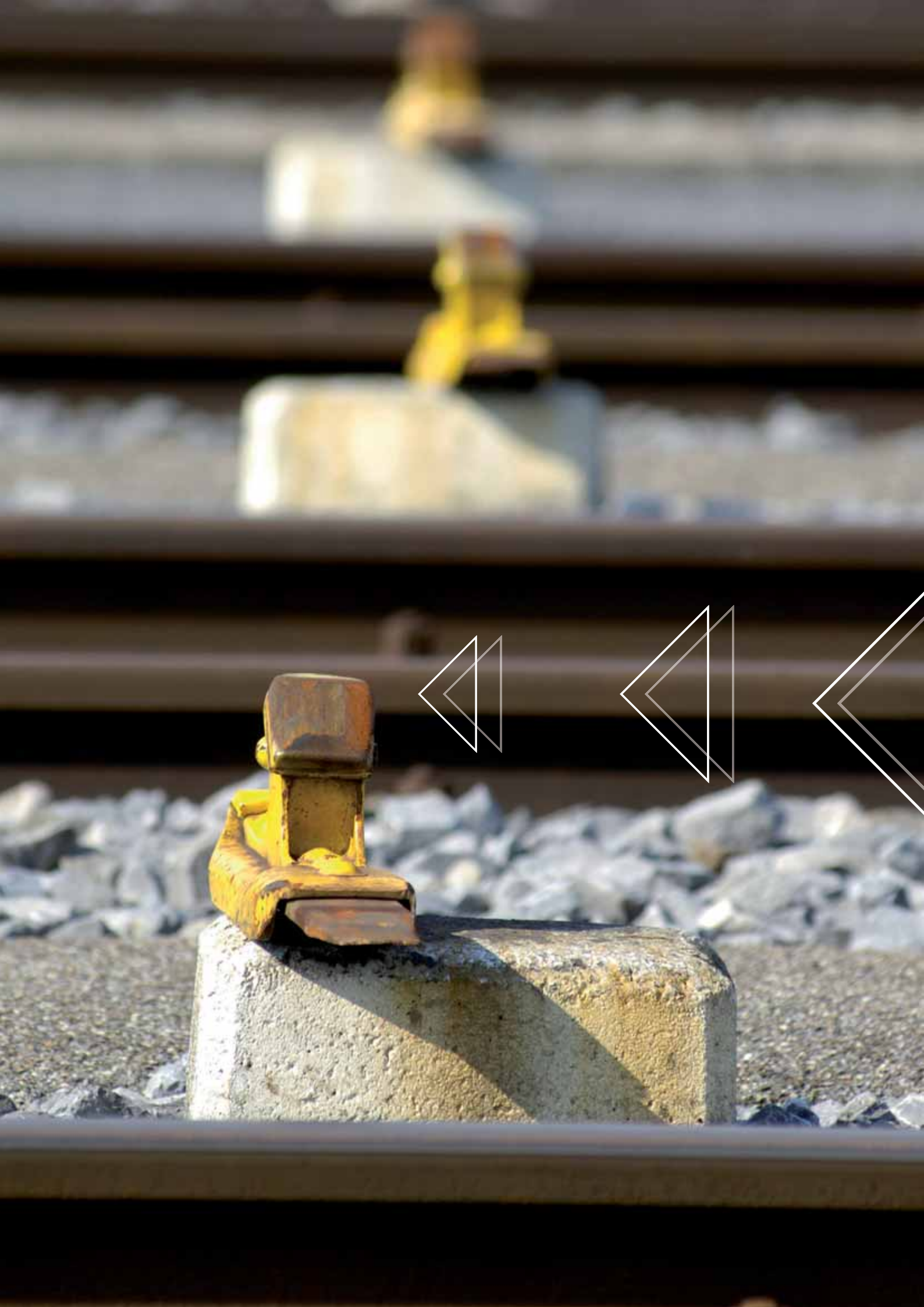
Prime Minister Felipe González, who regretted not being able to attend the ceremony in person, said in his video message that the future of Europe will depend much on the future of the railways: "The idea was to transform Spain. It was a project of the modernisation of Spain to gain in efficiency and productivity, to change from more polluting transport modes to a much more environmentally friendly mode."

The European Railway Award 2010 for technical achievements was presented to the German rail engineer Roland Heinisch by Karel Vinck, European ERTMS coordinator. In his laudatory speech, Vinck said: "The reason why rail has such a potential today is because people like Roland Heinisch have contributed so much, without respite, by their creativity, their innovative capability, their common sense and their extraordinary knowledge accumulated during their long careers. Let us hope that the decision-making stakeholders will build on this experience and set the right priorities and commit the necessary means to give the railway sector a chance to unfold its economic and environmental potential." As a long-standing member of the executive board of Deutsche Bahn AG and head of the German infrastructure manager, Roland Heinisch has contributed significantly to the technical development of railways on both a national and international level, not least by driving the implementation of high-speed connections between France, Belgium and Germany.

The European Railway Award is organised by the CER in co-operation with the Association of the European Rail Industry (UNIFE), and the European Rail Infrastructure Managers (EIM). Pictures of the European Railway Award 2010 and the CER, UNIFE and EIM Annual Reception are available at www.annualreception.eu.



CER Chairman Mauro Moretti (right) thanks Vice-President Antonio Tajani for the support of railways during his term as Transport Commissioner.



CHAPTER 2

IMPROVING THE BUSINESS ENVIRONMENT FOR RAILWAYS

Tackling the economic crisis	11
Recasting rail's financial architecture	16
Making rail in Europe more customer-oriented	19
Prioritising an efficient rail network	22
Towards a safer and more efficient rail system	25
Social dialogue in the crisis	28

Tackling the economic crisis

The economic downturn had a profound impact on all transport modes in 2009.

The impact was hardest in the rail freight business. The rail passenger market was also affected, but to a lesser degree. However, while rail freight is beginning to show signs of recovery, passenger-kilometres continue to decline. Throughout the crisis, CER has been collecting data and suggesting measures to the European Commission and national governments to try and help the railways. Nevertheless, many companies were forced to lay off staff and cut back on rolling-stock investment.

Since the onset of the economic crisis in the middle of 2008, the performance of the rail sector has deteriorated rapidly. This is particularly true on the freight side of the business, where CER members saw **tonne-kilometres decline at a staggering pace of 30% in the first half of 2009** compared to the same period in the previous year. The third quarter of 2009 witnessed the first signs of a slight improvement, with a reduced decline in tonne-kilometres of around 20%. This trend continued in the fourth quarter of 2009 which, although still in decline, proved to be the best quarter in 2009 for freight companies. For the whole of 2009, tonne-kilometres declined by almost 20% in Western Europe and 24% in Central and Eastern Europe. These developments can be seen in Figures 1 and 2.

Although the decline in tonne-kilometres in 2009 followed a similar path in Western and Eastern Europe, the financial impact of the resulting revenue loss has been more severe in the latter. Here, tonne-kilometres were already declining in early 2008 and the financial situation of rail companies has been critical for years. As a consequence, some railways in Eastern Europe have been unable to pay their staff in full, and suppliers are not being paid and are charging penalties. Services have had to be cut, too. A CER survey conducted in late 2009 showed that almost half of all rail freight in the 'new' EU Member States (EU-12) will be unable to meet their financial obligations in the coming three to 12 months if the crisis continues.

The impact of the economic crisis on rail passenger services became visible in the first quarter of 2009 and has been much more pronounced in Central and Eastern Europe than in Western Europe. The **fall in passenger-kilometres continued to grow steadily each quarter** and, unlike the freight business, does not appear to have peaked yet. For the year 2009, passenger-kilometres declined by almost 8% in Central and Eastern Europe. In the 'old' EU Member States (EU-15), the decline in passenger-kilometres has been

less dramatic, amounting to almost 2% for 2009 as a whole. Despite the low impact on volumes, operators in Western Europe are faced with dwindling operational revenues as

Study: Public infrastructure investments pay off in many ways

Each publically invested euro in rail infrastructure brings an added value of two euros for national economies, according to a study carried out by the Institute for Advanced Studies (IHS), the Austrian Institute of Economic Research (WIFO) and Joanneum Research in Vienna, Austria. In addition, just over half of the investments would be returned to the state in the form of taxes and social contributions.

Until 2014, the Austrian federal railways (ÖBB) plan to invest around 34 billion euros in the construction and operation of rail infrastructure. The IHS study, presented on 24 February 2010, now indicates that this investment can bring benefits of up to 72 billion euros to the Austrian economy in the long term – due to positive effects on GDP and a multiplier effect on the economy. Furthermore, an investment of 1 billion euros in rail infrastructure will create 17 000 jobs in the construction period and more jobs in the operating period.

High tax returns support investing in environmentally sustainable rail transport: "We will accelerate the expansion of modern rail infrastructure in Austria because we need a strong rail network," said Austrian Transport Minister Doris Bures when presenting the study in Vienna. "These investments will create the basis for an efficient and environmentally friendly mobility of tomorrow," she added.

An English executive summary of the study is available at www.cer.be/publications/studies

Economic expectations for 2010

In a CER survey conducted in late 2009, CER members were asked to assess how output performance in their company is expected to develop in 2010. They replied as follows:

Rail Freight Companies (tonne-km)			Rail Passenger Companies (pass-km)		
	EU12	EU15		EU12	EU15
better	33%	38%	better	25%	37%
same	56%	50%	same	63%	37%
worse	11%	12%	worse	12%	26%
* none answered 'much better' or 'much worse'			* none answered 'much better' or 'much worse'		

Furthermore, half of the CER members in Central and Eastern Europe stated that they would no longer be able to meet their financial obligations in the coming months if the crisis continues.

Source: CER data

customers search for increasingly cheaper travel solutions (such as switching from first- to second-class tickets). These developments can be seen in Figures 3 and 4.

Rail more vulnerable to economic downturn

All transport modes have been deeply affected by the economic crisis, but many rail companies, especially in Central and Eastern Europe, have been hit even harder and are expected to take longer than other modes to recover. As a capital-intensive industry, **railways are unable to reduce capacity (especially for passenger services) or cut costs as rapidly** as some of its competitors.

In addition to such structural elements which are inherent in the rail sector, some of the framework conditions under which rail and infrastructure companies are supposed to operate are not being properly implemented in each Member State. In contravention of Directive 2001/14 and the Public Service Regulation 1370/2007, many rail and infrastructure companies, especially in Central and Eastern Europe, are chronically underfinanced. Public sector contributions to expenditure in rail infrastructure have been insufficient to allow infrastructure managers to meet maintenance and renewal costs, and rail operators are not sufficiently compensated for public service obligations. All this has led to a **deepening downward spiral of debt**.

As a result, in Central and Eastern Europe, track access charges are generally much higher than in western Europe, and the quality of the rail infrastructure network and rolling stock continues to deteriorate rapidly. In particular, rail freight access charges in these countries appear to be disproportionately high when compared to passenger charging. All these factors have contributed to making rail transport in this region less competitive, not only compared to other transport modes but also compared to rail activities in the rest of Europe.

In the EU-15, most rail and infrastructure companies enjoy a significantly better financial situation, although even there the treatment of historic debt varies from country to country. Public expenditure on rail infrastructure and public service financing has also been less than adequate, albeit on a different scale.

Rail's reaction to the economic crisis

Rail companies were forced to react to the economic crisis mainly by staff lay-offs (or early retirements), cutting back on investment in rolling stock and generally reducing capacity as much as possible. These measures will weaken the railways in the long term and may cause them permanent damage.

CER has repeatedly suggested a list of measures

which Member States could implement relatively quickly to make it easier for the railway sector to cope with and recover from the economic crisis. Many meetings and extensive correspondence have been carried out with high-ranking individuals at European institutions and national governments to discuss and explain these suggestions.

With regard to track access charges, which on average account for 30% to 40% of total operating costs among rail operators, a moratorium on any planned increases in freight and passenger track access charges in 2010 could be envisioned. Furthermore, the CER advocated an emergency reduction of track access charges by 50% on very sensitive services (such as intermodal and single wagonload freight transport). Last but not least, Member States should commit to compensating infrastructure managers for the revenue loss incurred.

Other measures suggested to help the railways in the crisis included:

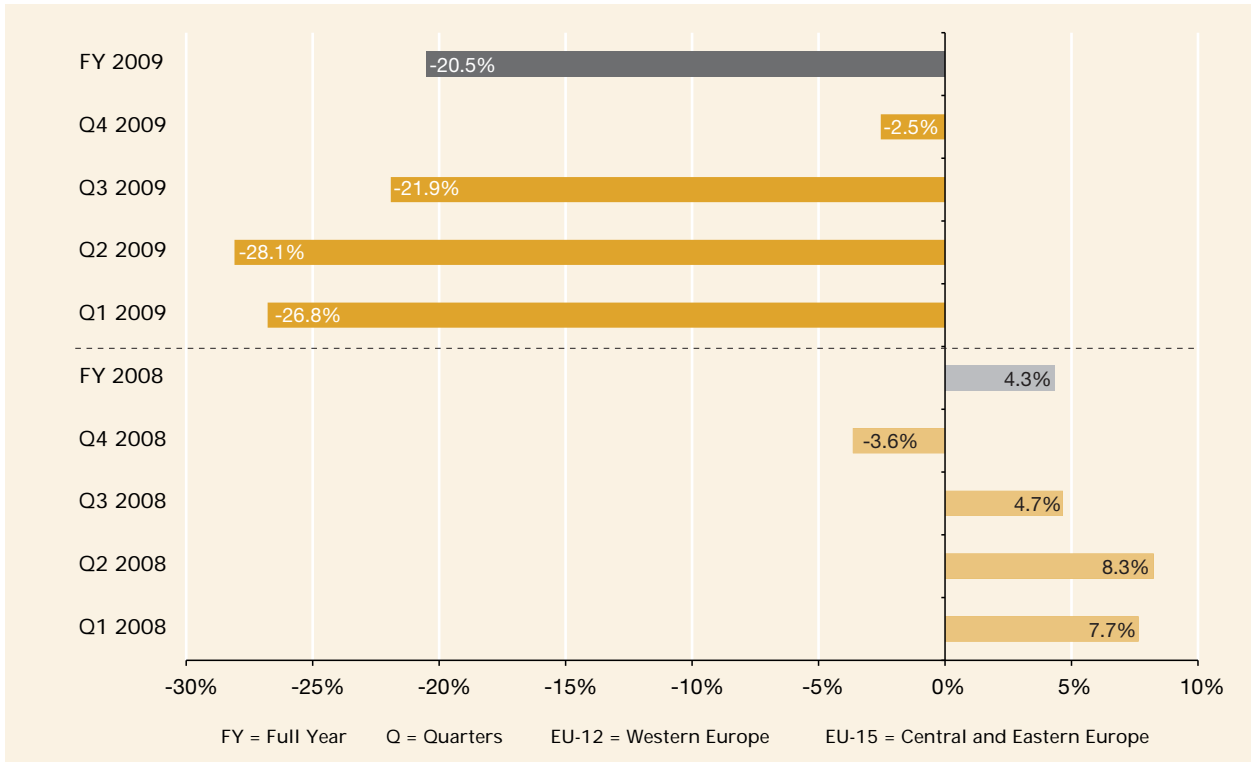
- ▶ state compensation for part-time work
- ▶ adequate compensation of public service obligations as requested by EU legislation
- ▶ increase in financial support by the EU and Member States for investments in listed high-priority infrastructure projects
- ▶ preferential interest rates on (inter)national loans to finance the renewal of aged assets.

Following a stakeholder meeting organised by the European Commission during which these measures were discussed, Commission Vice-President Antonio Tajani sent a letter to each EU transport minister on 16 December 2009. In this letter he reminded them to uphold their obligations with respect to properly financing public service obligations, to set track access charges at the level of direct costs, and to avoid mark-ups in times of crisis. A CER survey conducted in March 2010 revealed that only a handful of Member

States had reacted to the Tajani letter, and that only one had decided to decrease track access charges as a result of the communication. While some Member States changed their

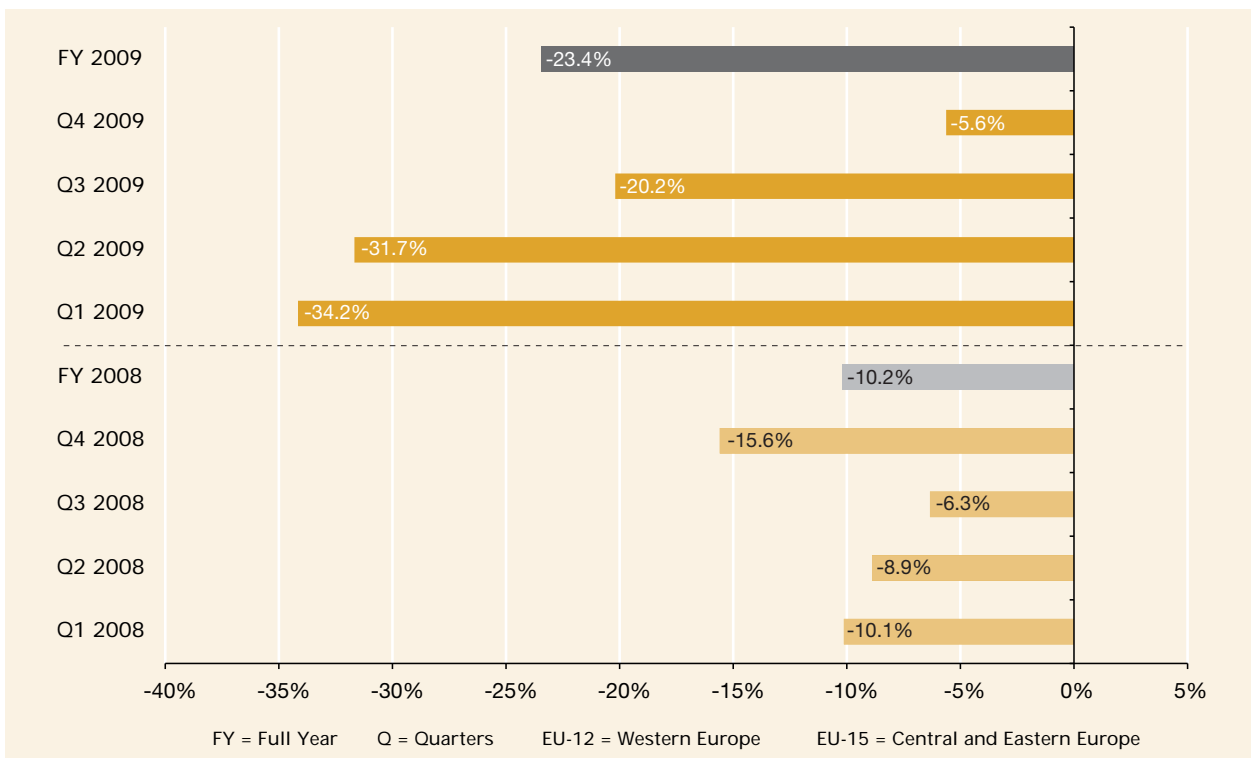
policy towards infrastructure financing in 2010 irrespective of the letter, the overall net effect so far in 2010 has been an increase in average track access charged by over 2.5%.

Figure 1: Rail freight development in Western Europe
(tonne-km growth compared to previous year in percent)



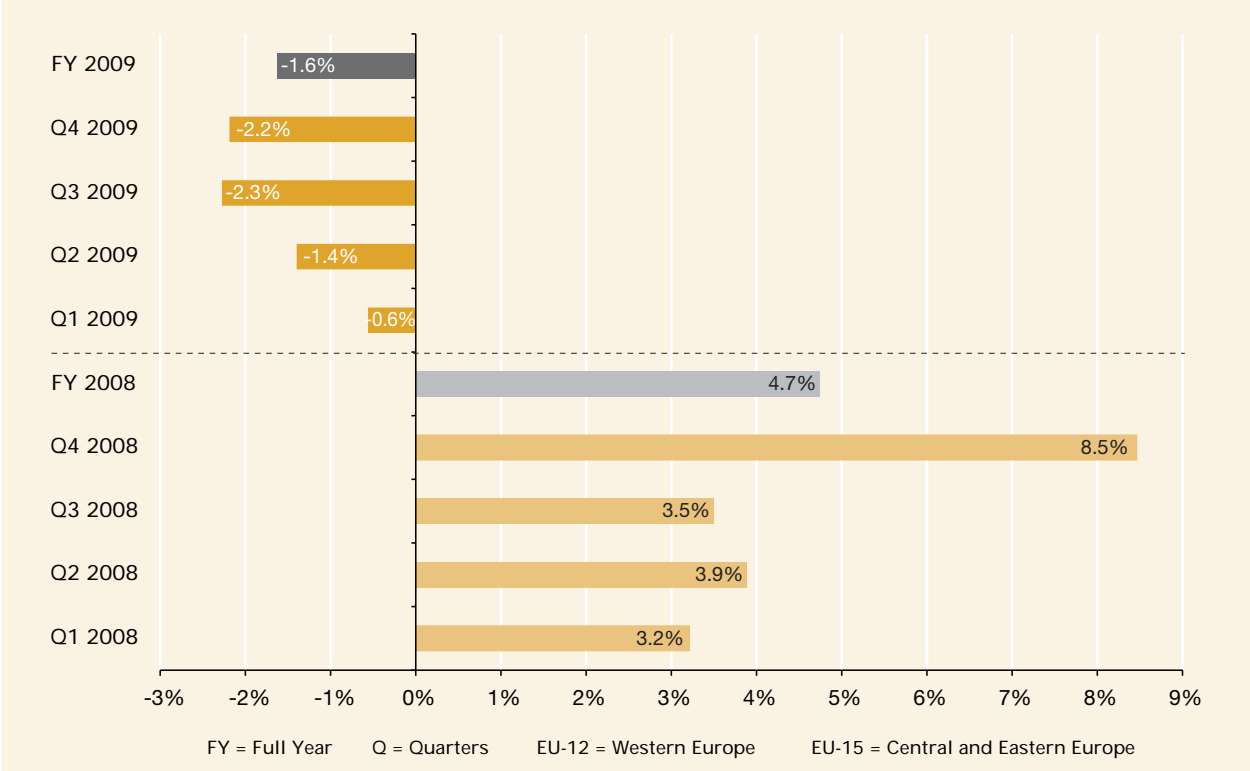
Source: CER data

Figure 2: Rail freight development in Central and Eastern Europe
(tonne-km growth compared to previous year in percent)



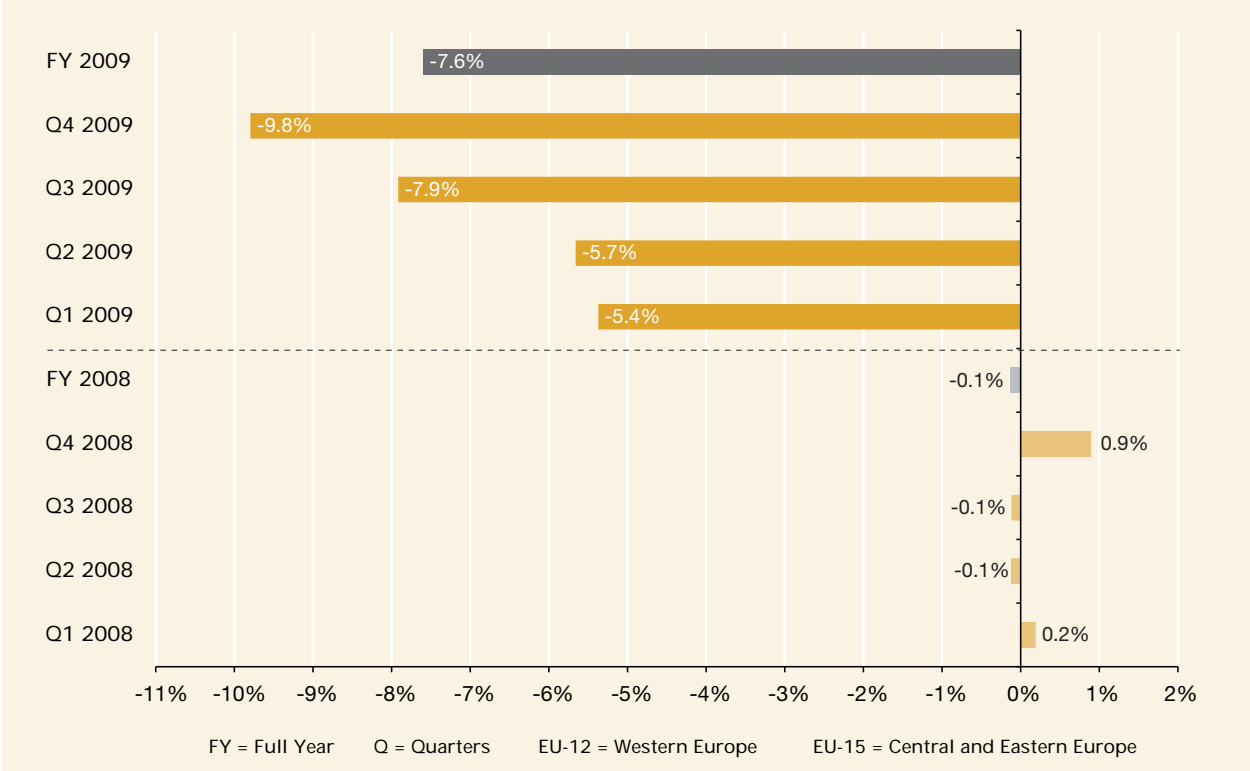
Source: CER data

Figure 3: Rail passenger development in Western Europe
 (passenger-km growth compared to previous year in percent)



Source: CER data

Figure 4: Rail passenger development in Central and Eastern Europe
 (passenger-km growth compared to previous year in percent)



Source: CER data



CHAPTER 2

IMPROVING THE BUSINESS ENVIRONMENT FOR RAILWAYS

Tackling the economic crisis	11
Recasting rail's financial architecture	16
Making rail in Europe more customer-oriented	19
Prioritising an efficient rail network	22
Towards a safer and more efficient rail system	25
Social dialogue in the crisis	28

Recasting rail's financial architecture

A 'recast' of the First Railway Package of 2001 will be proposed by the European Commission in 2010. Over the past months, discussions in Brussels have intensified. Stakeholders and institutions argued whether this closer look at basics of the European railway system should focus more on structure or on financing. CER has argued that have sound financial architecture and fair competition must be provided to achieve sustainable growth.

The year 1991 marked a turning point for European railways: foundations for a Europe-wide market opening were set out in the 'Mother Directive' 91/440. Ambitious plans to build a successful single European railway area and for improving the business environment were later laid down in the European Commission's 2001 Transport White Paper. What has happened since? **Three railway packages have been adopted and competition is still striving to develop.** The European Commission is now determined to revisit the First Railway Package and the railway sector is pinning high hopes on those plans.

The European Commission has been planning to remodel the First Railway Package (technically, to recast the package) by merging all four texts of the package into one single railway code which should constitute the 'bible' for competitive rail transport. Within this process, the Commission intends to reinforce and clarify some provisions with a view to filling in the loopholes that have been misused by many to slow down market opening.

40%

Average of PSO compensation not paid in CEE.

CER is striving to ensure that the recast will tackle the right problems, thereby putting in place everything required to favour the development of fair competition on the market and a modal shift towards environmentally friendly modes of transport. The heart of the matter lies in the financial framework conditions which CER has pointed out to political decision-makers by means of personal meetings, letters and other activities. The so-called "Financial Architecture" constitutes the cement keeping together the building blocks put in place by the EU with the aim of opening rail transport to competition.

Indeed, while market liberalisation measures are clearly needed **to encourage competition, it should be stressed that liberalisation alone is not sufficient** to obtain the desired results for the industry. Other elements are needed in parallel, in particular the creation of a healthy and sustainable financial architecture for both operators and infrastructure managers alike.

"Without proper financial and regulatory framework conditions on rail, including non-discriminatory, independent regulation with stable charging mechanisms and fair, transparent public service requirements, competition will not be able to develop at the expected pace nor will the EU's transport economic and environmental policy objectives be achieved."

Roger Cobbe

Policy Director of private rail passenger operator
Arriva UK Trains and CER Vice-Chairman

Lagging behind

While the basic rules for transforming market liberalisation into a success story throughout the EU have been carved in stone in European legislation, public authorities, both at national and at European level, have failed to take up their respective responsibilities with regard to the financial architecture.

In contravention of the wording and the spirit of European legislation (Directive 2001/14 and Public Service Regulation 1370/2007), many national railways and infrastructure managers remain chronically underfinanced. This is particularly the case in the Central and Eastern Member States. Public sector contributions have been insufficient to allow infrastructure managers to meet maintenance and

Background: Infringement procedures on First Railway Package

The European Commission sent 'Reasoned Opinions' to 21 Member States on 8 October 2009, regarding an incomplete implementation of the First Railway Package.

The rail sector hopes that the procedures will help to ensure an effective regulatory framework. Johannes Ludewig, CER Executive Director, also reminded the Commission that: "It is not sufficient to look into the formal organisational aspects outlined in the First Railway Package alone. The Commission should also tackle substantial questions which have been left out of the infringement procedures. It has to ensure that Member States meet their financial obligations as laid down in the legislation."

According to Directive 2001/14 and Regulation 1370/2007 respectively, governments have to adequately invest in rail infrastructure and compensate railways for public service obligations. In many EU Member States, and in the Central Eastern European countries in particular, this is not done sufficiently. As a guardian of the Treaty, the Commission should put more pressure on the Member States to eliminate these essential shortcomings.

More information is available in the press section of www.cer.be.

renewal costs, and operators are not being sufficiently compensated for the provision of socially necessary passenger services operated under a public service obligation. Other factors, such as the weight of historical debt, have added to the deepening financial distress of rail operators and infrastructure managers.

Both operators and infrastructure managers suffer from chronicle under-compensation in quite a few member states. Moreover, the solutions found to tackle under-compensation often negatively affect the railways' competitiveness and can eventually create artificial market-entry barriers: track access charges are raised to excessively high levels to compensate for the absence of, or only limited, public funding, while the quality of the infrastructure and rolling stock continues to deteriorate rapidly. Quality and the reliability of public services transport suffer equally, thereby inexorably pushing passengers towards other transport modes which benefit from more favourable financial conditions. This trend is particularly striking in the new EU member states.

A level playing field?

Reaching the objectives laid down in the 2001 White Paper requires member states to provide railways with the right tools to create a fair competitive environment.

It seems that European Commission plans to recast the First Railway Package will address the financial architecture together with other regulatory aspects. Measures really



CER Position Papers:

Recast of the First Railway Package

CER has produced a series of position papers covering the wide range of issues expected to be dealt with in the recast. An umbrella paper provides a summary of all positions and a global overview of the CER views on a successful recast of the rail sector.

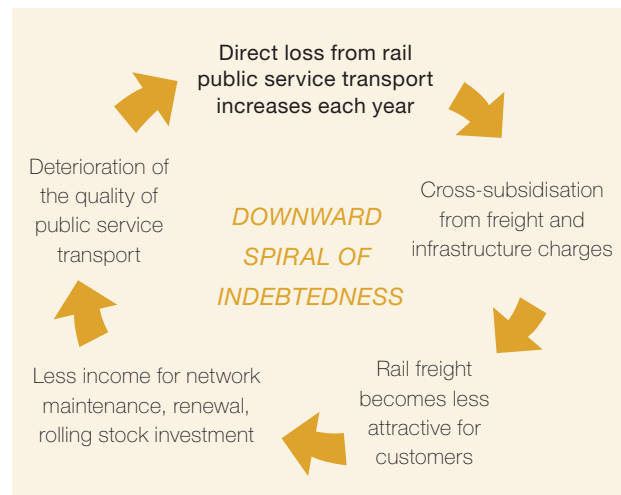
The individual position papers concentrate on the necessity to reinforce the existing financial architecture (in particular, the position papers on financial architecture, multi-annual contracts, track-access charges and noise-related track access charges). They provide input on how to further enhance competition within the rail sector by addressing the issues of access to rail-related services, the need for enhanced transparency of network statements and strong and well-staffed regulatory bodies as guardians of fair competition on the market.

All position papers are available in the publications section of www.cer.be.

obliging member states to provide the right financial means to rail infrastructure by, amongst others, concluding binding multiannual contracts with the infrastructure manager must be put into place and their proper application must be monitored by the European Commission. Similarly, member states public service obligations must be fulfilled. The weight of historical debt must be adequately dealt with so as not to harm the often weak financial situation of railway undertakings and infrastructure managers. Without such basic financial measures, competition will be unable to develop properly on the market.

Other measures are also important in helping to recast the financial architecture of railways, such as enhanced transparency of track access charging mechanisms, of network statements and of rail-related services available on the market. However, these new measures should not have the perverse effect of strangling market initiatives. In other words, the very difficult task of legislating without over-regulating now awaits policy-makers.

CER's price-level-adjusted data (in euros per track length) for 2007 shows that average investment in running expenditures is almost 60% higher in the EU-15 than in the EU-12. Similarly, for existing rail infrastructure it is almost 80% higher in the EU-15 than in the EU-12. Even more striking, investment in new infrastructure is **53 times** larger in the EU-15 than in the EU-12.



CHAPTER 2

IMPROVING THE BUSINESS ENVIRONMENT FOR RAILWAYS

Tackling the economic crisis	11
Recasting rail's financial architecture	16
Making rail in Europe more customer-oriented	19
Prioritising an efficient rail network	22
Towards a safer and more efficient rail system	25
Social dialogue in the crisis	28

Making rail in Europe more customer-oriented

The year 2009 was marked by the entry into force on 3 December of Regulation 1371/2007 on rail passengers' rights and obligations. This **EU framework of rights for rail passengers** includes customer information, compensation in the event of delay, and assistance for disabled and elderly people. Among all transport modes, rail now offers the most comprehensive set of rights to passengers travelling across Europe.

The new European Regulation provides a harmonised European framework for rail passenger rights. But European railways have not waited for a European framework to be in place to guarantee customers specific rights at national level. In some countries, rail passenger rights actually already exceed the rights foreseen by the new Regulation, for example in terms of compensation for delays. And, at European level, the CER Passenger Charter developed together with the passenger associations in 2002 already provided a set of uniform rights which largely inspired the Regulation.

CER and the European Commission are monitoring the implementation of the new rights in Europe and, as requested by the Regulation, the railways have started to inform passengers at the national level. In addition, the European Commission will launch a pan-European campaign on passenger rights in summer 2010.

Better rights require proper financing

The introduction of passenger rights does not come for free. The ability of the railways to guarantee the rights of passengers is dependent on their financial situation and capability, not only at the operational level but also at the infrastructure level.

Like road, harbour and airport infrastructures, rail infrastructure partly relies on public funding. Insufficient financing of maintenance and renewal often leads to congestion and delays. Facilities in train stations have to be adapted to the needs of people with reduced mobility, and communication systems have to be maintained or introduced to provide journey information to passengers. Similarly, an appropriate level of compensation from competent authorities to operators must be guaranteed to allow them to perform public service

Background: Regulation 1371/2007

With Regulation 1371/2007, six fundamental rights are now uniformly guaranteed throughout the European Union on all types of passenger services (regional, national and international):

- ▶ Availability of tickets in stations, at selling machines and travel agents and, in most cases, via the internet;
- ▶ Compensation for personal injury and death in case of an accident;
- ▶ Railway undertakings' insurance to compensate for liability;
- ▶ Non-discriminatory access rules for the transport of passengers with reduced mobility;
- ▶ Information on the accessibility of rail services;
- ▶ Passenger's personal security in stations and onboard trains.

In addition, more rights are guaranteed on international services, among which are:

- ▶ Compensation of 25% of the fare for 60 minutes delay;
- ▶ Compensation of 50% of the fare for 120 minutes delay;
- ▶ Provision of hotel accommodation when last connection of the day is missed;
- ▶ Various alternatives for refund or rerouting must be offered in case of delay or cancellation.

Member states may choose to apply the same rights as those applicable to international services on domestic services.

The full text of the Regulation may be downloaded from the European Commission website:

http://ec.europa.eu/transport/passengers/index_en.htm

obligations in the best possible conditions for passengers. In this context, CER welcomed Regulation 1370/2007 on public passenger transport services by rail and by road (the so-called Public Service Obligation Regulation or PSO Regulation), which also entered into force on 3 December 2009. It foresees proper compensation of public service operators by the public authorities concerned. CER will continue to encourage the European Commission to make every effort to ensure that this Regulation on public service obligations will be properly implemented in all member states and that a transparent monitoring scheme is put in place.

Furthermore, EU-wide differences in levels of infrastructure financing and track-access charges must be tackled as they have a direct impact on ticket prices and available services.

Time to harmonise passenger rights across all modes

When using buses, ships, or planes, travellers still face situations completely different to that of rail. Passenger rights have not yet been harmonised across all modes of transport. While all stakeholders and European institutions favour a level regulatory playing field for all means of transport, the outcome of recent discussions among member states on a proposal for European bus and coach passenger rights fell below expectations.

Therefore, CER demands a broader harmonisation of passenger rights across all modes to bring transport users a comparable level of compensation and assistance. The upcoming passenger rights legislation package, putting together all legislation into one single document, including a recast of air passenger rights, should thus be consistent with rail transport legislation.

European Court of Justice: long delays equal cancellations

In November 2009, the European Court of Justice issued a ruling stating that airline passengers who are delayed by more than three hours should get the same compensation as if their flights had been cancelled. With this ruling, the judges tighten existing European legislation in the interest of travellers. Regulation 261/2004 on air passengers' compensation and assistance currently only foresees a refund after a five-hour delay. The ruling can be downloaded here: <http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=EN&Submit=recherche&numaff=C-402/07>

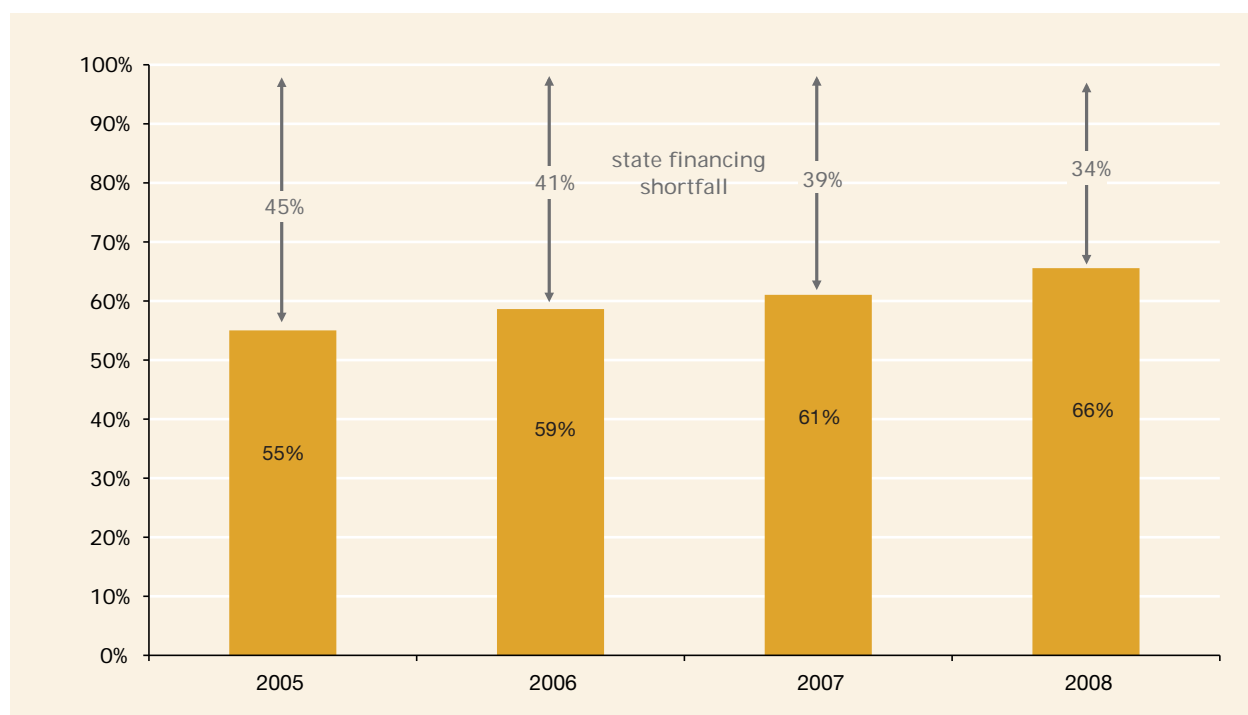
An open international rail passenger market

The implementation of the European framework for rail passenger rights was soon followed by the opening of the international rail passenger market on 1 January 2010. Since January, any European railway company can access rail infrastructure in any country to operate international passenger services, provided that they have a licence and all the required safety certificates. This includes the right to perform cabotage, which means that international trains can pick up or set off passengers at stations located in another member state. However, the provisions covering the cabotage aspects of cross-border services give the relevant regulatory body the possibility to limit access rights, if these would compromise the equilibrium of public service contracts.

While the European Commission is convinced that international market opening alone will result in better quality

Approximately 35% of public service obligations not compensated in Central and Eastern Europe

Average Central and Eastern Europe State Compensation (as % of difference between expenses and ticket revenue)



Source: CER data



European Commission Vice-President Antonio Tajani (left) and CER Vice-Chairman Antoine Hurel (right) at a joint press conference on 3 December 2009.

and productivity of services, it is difficult to predict what will effectively change for train users. Well before the market opening of international passenger services, a number of operators have already started to cooperate and offer 'premium' cross-border connections. These services (such as Thalys, Eurostar, Lyria and others, part of the RailTeam Alliance) are widely recognised for their high quality.

An open domestic rail passenger market

Although originally planned for 2012, discussions on the liberalisation of domestic passenger services have recently emerged, encouraged by stakeholders both within and outside the railway sector. Last year, Transport Commissioner Antonio Tajani announced his intention to make a proposal on liberalising the domestic rail passenger market in 2010.

“Reliable passenger rights offer the railways a competitive advantage over other transport modes. But, regardless of regulations, passenger railways have been doing better and better in recent years because we are service companies that care about our customers.”

Antoine Hurel
CEO of Veolia Transport and CER Vice-Chairman

The EU-wide market opening of rail freight and the unilateral introduction of competition on rail passenger services in some countries have shown that liberalisation has contributed to a positive development of railway services in a number of countries. At the same time, development in other EU member states has shown that market opening alone is not sufficient and, in some extreme cases, can lead to serious difficulties.

In this context, it is important to remember that the 2001 White Paper rightly listed a number of complementary conditions (infrastructure financing; establishing a level playing field between modes; cancellation of the historic debt; proper compensation for public service obligations) for sound rail development. In a number of meetings with the Transport Commissioner’s Cabinet and representatives of the Directorate-General for Mobility and Transport, CER reiterated that, as a basic condition for better rail services, market opening needs to coincide with other complementary conditions to make it a true success story. An analysis of EU data, gathered by CER in February 2010, highlights in particular the major role played by fair infrastructure charging and the proper financing of infrastructure and public service obligations.

“Liberalisation is highly likely to bring about positive effects for rail transport in those EU member states where the complementary conditions are adequately realised,” CER Executive Director Johannes Ludewig reiterates. “While the results of the analysis do not suggest that there are any preconditions to liberalisation, it clearly shows that all conditions should ideally be met at the same time to increase the market share of rail transport.”

CHAPTER 2

IMPROVING THE BUSINESS ENVIRONMENT FOR RAILWAYS

Tackling the economic crisis	11
Recasting rail's financial architecture	16
Making rail in Europe more customer-oriented	19
Prioritising an efficient rail network	22
Towards a safer and more efficient rail system	25
Social dialogue in the crisis	28

Prioritising an efficient rail network

The Trans-European Transport Network (TEN-T) and international rail freight corridors are important **building blocks for an efficient and sustainable European transport network**. In discussions around a revision of the TEN-T, CER has advocated environmental criteria for European infrastructure funding. The sector has also remained a key supporter of rail freight corridors despite a somewhat problematic legislation proposal from the European Commission.

Aiming to keep its promise made in the 2001 White Paper on Transport and to introduce a dedicated European rail freight network, late in 2008 the European Commission adopted a Regulation Proposal on a European rail network for competitive freight. The proposal intends to **increase the commercial speed and capacity of rail freight** and to improve its reliability by developing international rail freight corridors – with the ultimate aim of reducing costs and increasing competitiveness.

A good idea with severe deficiencies

The Commission's 'Regulation Proposal concerning a European Rail Network for Competitive Freight' was given a first reading in the European Parliament and the European Council during 2009, followed by a second reading in 2010. CER, uniting the perspectives of infrastructure managers, rail freight operators and rail passenger companies, welcomed the proposal but criticised its rigidity on many points.

Important concerns raised by CER members were communicated to both the Parliament and Council:

- ▶ **Corridor governance:** Being the main users of the corridors, railway undertakings should have an active role to play in the decision-making process on corridor improvements, together with the infrastructure managers.
- ▶ **Creation of one-stop shops for corridors:** New one-stop shops for ordering international rail freight paths would add an unnecessary additional administrative layer. Existing national and international one-stop shops are more appropriate for acting as a front office to handle local customer requests.
- ▶ **Priority rules:** In case of disruption in the network, it should be left to the infrastructure manager to take the necessary measures to ensure that the traffic returns to normal as quickly as possible; therefore it does not seem appropriate to impose priority rules at European level.

The European Parliament and the Council completed their first readings in April and September 2009. Each institution

endorsed different parts of the CER's position. Both institutions aimed to make the Commission's proposal more flexible and less bureaucratic, which was strongly supported by the CER and its members, also in second reading.

To highlight the complexity of managing priority rules during peak times, on 30 November 2009 the CER invited policy-makers to visit the Belgian dispatch centre, located at the Brussels Midi station. Members of both the transport and the environment committees of the European Parliament, as well as high-level representatives from the European Commission and heads of the member states' Permanent Representations in Brussels had the occasion to see, during one of the busiest times of the day, **what it means in practice to manage a network**. Sometimes decisions have to be taken as quickly as possible, be it giving priority to one train or another, while minimising overall delay on the network.

The second reading began in Parliament in early 2010, with members of the transport committee discussing the Council's common position in March. Negotiations between the two institutions and discussions within CER have focused on key elements for the rail sector. These include the selection of rail corridors, the role of railway undertakings, capacity reserves, priority rules, the introduction of one-stop shops, and the concept of authorised applicants. During the discussions, CER and its members have constantly updated and adapted their position.

Besides European top-down legislation for corridors, CER continues to argue for its idea of **ministerial conferences mobilising transport ministries**. These are seen as essential to ensure the development of a competitive rail freight network. Meetings at ministerial level were encouraged and supported by the CER throughout last year. On 15 October 2009, CER promoted the development of the ERTMS Corridor F from the Netherlands to Poland during a ministerial conference in Warsaw involving the transport minister Camiel Eurlings from the Netherlands

Background: Infrastructure investment in rail and road

CER has long been advocating the necessity to invest in new rail infrastructure for freight to increase rail's modal share and, hence, to contribute to reducing CO₂ emissions from transport. Back in 2007, McKinsey developed a business case study which showed that 72% more freight could be accommodated in six existing ERTMS corridors. This could be achieved through relatively low investments of 10 billion euros per year, spread over 17 countries, until 2020.

With limited investments, substantial capacity increase is possible for rail freight.

72% MORE rail freight possible

By investing in:

- ▶ Bottleneck removal
- ▶ Train length increase (750m)
- ▶ Terminal capacity increase
- ▶ ERTMS*

Time horizon: 2020

- Cost: ▶ 10 billion euros/year**
 ▶ spread over 17 countries

*ERTMS: European Rail Transport Management System

** 10 billion euros/year, of which around one-third already budgeted

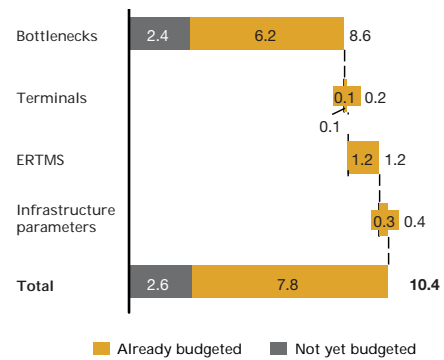


72% growth on rail is possible by 2020 for 10 billion euros per year over 14 years...

- ▶ avoiding external costs of 19 billion euros per annum for freight only;
- ▶ reducing CO₂ emissions by 2,85 million tonnes per annum;
- ▶ avoiding additional investments into road infrastructure.

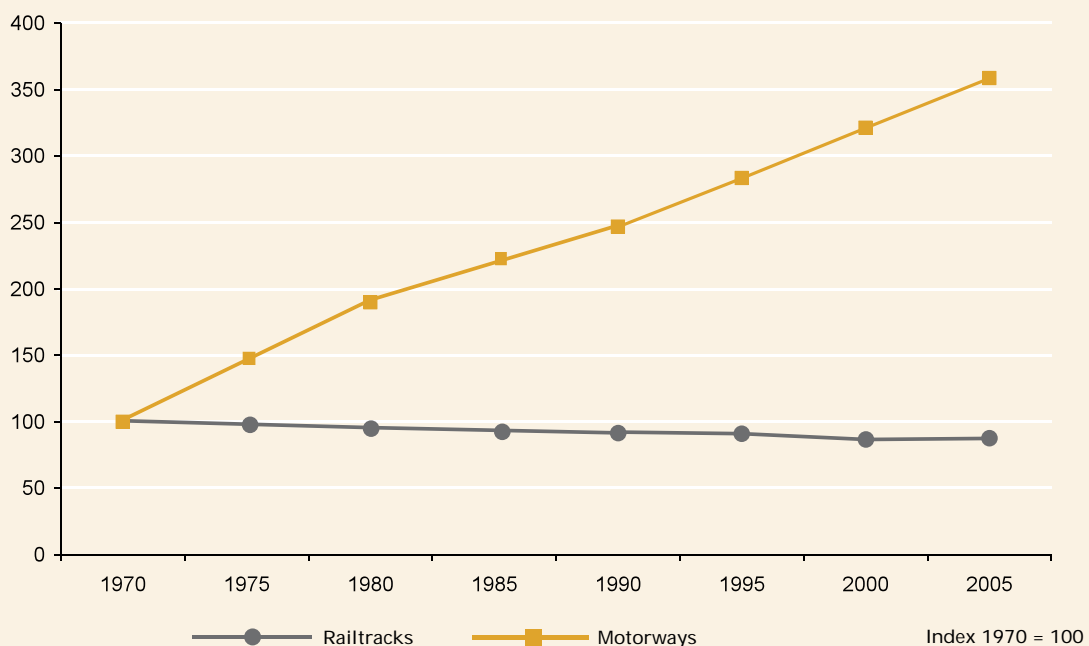
This investment intensity corresponds to:

- ▶ 0.81 billion euros for France: 4% of France's yearly investment into road infrastructure;
- ▶ 2.36 billion euros for Germany: 18% of Germany's investment into road infrastructure;
- ▶ 1/3 of the planned annual investment of China into railway bottleneck relief (31 billion euros).



Development of railway lines and motorways (in km)

Higher investment in rail infrastructure is no 'luxury' request by the railways. In the last 35 years (more precisely between 1970 and 2005), road freight has more than tripled in the European Union. At the same time, **the length of motorways was multiplied by 3.5** while **the length of rail tracks decreased by 14%**.



and Juliusz Engelhardt from Poland. More of such meetings would certainly help in setting up new corridor structures or improving existing ones in the most efficient way. Therefore, CER will take part in a conference organised by the Dutch transport minister in Rotterdam on 14 June 2010, covering a total of four ERTMS corridors from the Netherlands to France, Italy, Poland and Spain.

Revisiting TEN-T

In February 2009, the European Commission launched a discussion on how to revise existing legislation on the Trans-European Transport Networks (i.e. the so-called TEN-T guidelines and the TEN-T financial regulation) in the form of a Green Paper, including a stakeholder consultation.

In the TEN-T Green Paper, the Commission outlines its intention to **modernise TEN-T by making it more environmentally friendly and improving connections in the EU**. More specifically, the paper highlights climate change, infrastructure bottlenecks, rail freight and ports as critical issues for the transport sector. As a new initiative, the Commission proposed to test the idea of a core network made up of a geographical network ("priority network") and a conceptual pillar, to link priority projects currently under way.

In its response to the Green Paper, CER proposed that the future TEN-T policy should promote environmentally friendly modes of transport, for instance, by applying stricter environmental criteria for the selection of TEN-T projects. CER also supports the idea of a conceptual pillar because it allows the TEN-T network to be expanded flexibly over time according to market needs.

At the TEN-T Days in Naples, a conference organised by the Commission in October 2009, high-ranking government officials, delegates from European institutions, stakeholders and other interested parties had the opportunity to exchange views and put forward ideas and suggestions on how to shape the future TEN-T policy. The discussions revealed that decarbonisation should be an essential element of the revised TEN-T. Furthermore, funding was confirmed as a main problem to be overcome, and a small core network was seen as the most realistic starting point.

The upcoming TEN-T Days in Zaragoza in June 2010 will give the same group the opportunity to discuss a Commission document on the future methodology of TEN-T, which is scheduled to be published by the end of May 2010. This will also be the occasion to learn more about the so-called Margerita fund proposed last year by former Transport Commissioner Tajani, and mentioned again by his successor Commissioner Kallas, intended to finance energy, climate change and infrastructure projects in the European Union.

Modal shift: new Marco Polo rules

The aim of the Marco Polo programme is to shift the aggregate growth of international road transport in Europe (which is estimated to be 12 billion tonne-km every year) on to more sustainable transport modes such as rail. However, the objectives of the Marco Polo I programme were not reached because not enough contracts have been signed, or objectives of contracts have not been met.

Following a public consultation in 2008, the Marco Polo II Regulation was amended to:

- ▶ Make participation easier for small and micro enterprises, i.e. single undertakings are allowed to apply for funding;
- ▶ Lower threshold for eligibility, i.e. from 250 to 60 million tonne-kilometres of modal shift per year;
- ▶ Increased funding intensity, i.e. from 1 euro to 2 euros for each shift of 500 tonne-kilometres of road freight; and
- ▶ Make administrative procedures easier.

The 2010 call for applications was open from March to May 2010. The CER believes that financial incentives such as Marco Polo intended to boost operational innovations cannot replace much more crucial actions to improve the framework conditions for rail freight (see article on page 16).

CHAPTER 2

IMPROVING THE BUSINESS ENVIRONMENT FOR RAILWAYS

Tackling the economic crisis	11
Recasting rail's financial architecture	16
Making rail in Europe more customer-oriented	19
Prioritising an efficient rail network	22
Towards a safer and more efficient rail system	25
Social dialogue in the crisis	28

Towards a safer and more efficient rail system

Since 2009, safety has ranked high on the political agenda. Although rail is the safest transport mode, important steps to improve this record further were taken following an accident in Italy. CER contributed to European activities on safety and interoperability, and continued to provide expertise to the European Railway Agency, increasingly coordinated with other rail associations.

Following the tragic derailment of a freight train in Viareggio (Italy) on 29 June 2009, the European Commission and the European Railway Agency (ERA) organised a stakeholder conference 'Railway Safety: The Way Forward' in Brussels on 8 September. CER actively supported the conference and its results. It emphasised that it is absolutely necessary to follow a **European approach towards safety** and to discourage individual initiatives aiming to introduce more severe rules on axle maintenance and checks in some member states only. Individual national safety measures would lead to an immediate halt to all seamless cross-border rail freight traffic, which is about 50% of the total freight traffic in Europe. In this context, CER also advises national safety authorities directly in bilateral meetings.

CER is playing a leading role in the newly established joint rail sector task force on wheel-set and axle maintenance for freight wagons, chaired by the European Railway Agency. The task force is focusing on **visual inspection of the European axle fleet**, a more in-depth investigation of axles operating in defined domains (e.g. corrosive environments), and the European-wide implementation of a **systematic traceability of wheel-set maintenance data**. In the second phase 2010, the ERA task force will regularly evaluate the experience gained from these measures and decide on potential further actions.

TSIs and other technical milestones

With regard to interoperability, CER has been actively involved in the development of the first complete set of conventional rail Technical Specifications for Interoperability (TSIs). These technical standards cover areas such as infrastructure, energy, locomotives and passenger carriages, and telematic applications. Speakers, acting on behalf of the CER community, contributed significantly to the revisions of TSIs on wagons, control command and signalling, and noise. They were also active on the definition of the Register of Infrastructure and the European Register of Authorised Types of Vehicles, as requested by the Interoperability Directive (2008/57/EC).

The main challenges for the future include extending the scope of TSIs from the trans-European network (TEN) to the whole European network, and a merger of the TSIs for both high-speed and conventional rail. Furthermore, many points concerning the TSIs remain open because of the unavailability of a unified technical specification – and need to be closed. The process of vehicle authorisation must be more efficient, so the role of registers like the Infrastructure Register (RINF) and the European Register of Authorised Types of Vehicle (ERATV) will be further clarified in 2010.

Railways and ERA: improving co-operation

Railway companies have repeatedly requested stronger co-operation between European railway associations and the European Railway Agency (ERA). In September 2009, this led to the creation of the Network of Representative Bodies (NRB), bringing together the top management of ERA and all railway representative bodies including CER. To make coordination between the sector associations themselves more efficient, a Group of Representative Bodies (GRB) and a Coordination Technical Group (CTG) were founded soon after. The CTG consists of technical experts from CER and EIM (supported by UIC Europe) while the GRB assembles a wider circle of railway representatives in Brussels.

The objective of the CTG is to coordinate the technical expertise of the participating railway associations in order to reduce costs for companies, to improve the definition of joint positions related to the ERA Work Programme, and to avoid a duplication of work. Five permanent CTG coordinators (including two from CER) are constantly working to that end. The CTG presented an annual work programme 2010 in order to improve visibility and transparency with regard to future ERA-related tasks. CER members are also provided with a monthly CER Technical Monitor.

In addition, CER's experts are actively working to support the tasks requested by the Safety Directive. The objective is to draft a recommendation on the Common Safety Methods (CSM) and the Common Safety Targets (CST) for the European railway network, and to harmonise the decision-making criteria regarding the procedures for safety certification of railway undertakings and safety authorisation of infrastructure managers (SafeCert).

“The certification of international trains today takes between one and three years and costs some ten million euros per country. Procedures for authorising rolling stock used in international traffic must be accelerated to enable the railways to fully profit from liberalisation.”

Guillaume Pépy
CEO of SNCF and member of
the CER Management Committee

Existing national rules for putting vehicles into service are expected to amount to up to several tens of thousands. These national rules need to be made transparent, compared with each other and cleaned up to ensure time- and cost-efficient 'cross acceptance' of vehicles today, whereas the TSIs describe a future target system to be fully implemented in the mid-term. The first task of the newly established ERA Cross-Acceptance Unit was therefore to provide an updated list of parameters for putting vehicles into service (Annex VII of Interoperability Directive 2008/57/EC). This task received a huge amount of support from CER experts and was finalised in June 2009 – now available as Commission Decision C(2009)8680. In 2010, CER's experts are supporting the collection of national rules for putting vehicles into service.

A Coordination Technical Group (CTG, see box on page 25) was built up during 2009 to coordinate the input of CER economic and technical experts and EIM members on ERA activities. In view of the impact assessments that are necessary for each new document produced by ERA, the associations will be able to follow up on new ERA recommendations in the Economic Survey Group (ESG) and all other technical groups in a more consistent way.

ERTMS deployment plan

As a unified European command and control system for railways, **European Rail Traffic Management System (ERTMS)** is designed to gradually replace the existing national and incompatible train-protection systems throughout Europe. **ERTMS will bring considerable benefits in terms of interoperability.** On the other hand, especially during transition periods from legacy signalling systems to unified ERTMS equipment, ERTMS implementation represents a significant cost increase both to infrastructure managers as well as railway undertakings. It is therefore crucial to develop a business model that will make the transition cost-effective, especially for rail freight operating companies.

The first step in this direction was taken by the European Commission when the updated ERTMS deployment plan for ERTMS was adopted in July 2009. The deployment plan amends the implementation chapter of the technical specifications for interoperability for control-command and signalling subsystems (TSI CCS), and defines the deployment strategy. It recognises the importance of coordinating investments by gradually making ERTMS mandatory along the six ERTMS freight corridors, in addition to a designated list of busy routes and freight terminals across Europe. Depending on the sections, **ERTMS will have to be installed along the principal European corridors by 2015; the major part of the European backbone network should be equipped by 2020.** Such a coordinated approach will ensure that investments by different countries are made in a similar time frame and that interoperability can be achieved on the busiest railway routes in Europe within a clearly defined timeframe.

In a similar manner, the ERTMS deployment plan sets the strategy for ERTMS implementation onboard vehicles. It prescribes **equipping all new railway vehicles for international services with ERTMS** if they are ordered after January 2012 or put into service after January 2015. The existing vehicles will be gradually retrofitted in accordance with their operational use.

Good practice: **Level Crossing Awareness Day**

In Europe, at least 600 people fall victim of accidents at level crossings every year. According to rail sector calculations, 95% of these accidents are caused by road users. This is why the rail and road sectors jointly organised the pan-European 'Level Crossing Awareness Day' on 25 June 2009.

The European Level Crossing Awareness Day 2009 focused on educational measures and the promotion of safe behaviour at and around level crossings. It was built on existing national events which were held jointly at various locations in every participating member state on 25 June and constructed around the common message "Stop accidents! Europe for Safer Level Crossings!".

To show its support for this initiative, the European Commission Directorate-General for Transport and Energy (DG TREN) hosted a press conference in Brussels, which was attended by CER Executive Director Johannes Ludewig and Deputy Executive Director Libor Lochman.

The International Level Crossing Awareness Day 2010 will take place on 22 June. For more information see www.ilcad.com.



CHAPTER 2

IMPROVING THE BUSINESS ENVIRONMENT FOR RAILWAYS

Tackling the economic crisis	11
Recasting rail's financial architecture	16
Making rail in Europe more customer-oriented	19
Prioritising an efficient rail network	22
Towards a safer and more efficient rail system	25
Social dialogue in the crisis	28

Social dialogue in the crisis

The rail sector needs more than just high-quality locomotives, wagons or tracks. Railways in Europe also build on **1 million employees taking the business a step further ahead each day**. Under the cloud of the severe recession forcing many companies to temporarily adjust or reduce their staff numbers, CER and European trade unions continued their social partnership in order to help railways become more competitive and to offer improved job perspectives.

In 2009, the European social dialogue started with a stuttering engine. **Negotiations on the revision of an agreement on working conditions finally came to a halt** in March, when the European Transport Workers' Federation (ETF) refused to allow more than two rests away from home for train drivers in cross-border rail services, despite extensive compensation offered by the railway companies.

Limiting working conditions remain

According to the existing CER-ETF agreement on working conditions of mobile staff in cross-border services from 2004 (now Directive 2005/47/EC), a daily rest away from home has to be followed by a daily rest at home. While there is the possibility to include a second rest away from home through agreements between social partners at the national or company level, railway companies have already asked CER (in 2006) to negotiate a limited extension of this clause.

With longer international routes, resulting partly from the complete opening of the rail freight market since 2007, it is sometimes necessary to use the same train drivers for more than two rests away from home. **A strict limit of two days may otherwise affect the competitiveness of railway undertakings** and is not comparable with the freedom of movement seen in other transport sectors.

Following the failed negotiations within the framework of the social dialogue, CER asked the European Commission to improve the flexibility of mobile railway staff through normal legislative procedures. At the same time, however, a CER-ETF working group continued to conduct an analysis of the issue. The aim was to **jointly identify critical aspects and needs reported by companies and trade unions** in relation to the development of interoperable cross-border transport. The group also evaluated initial experiences of the implementation of provisions of the existing agreement.

Employment in the crisis

When the recession hit the rail sector hardest in early 2009, human resources directors from European railway companies, and representatives from the ETF and the European Commission discussed the status quo and examined different perceptions of the impact of the crisis on railway business and railway staff, respectively. The European social dialogue committee also decided to launch a study on insecurity and the feeling of insecurity in rail transport.

A changing workforce

Apart from the immediate impacts of the economic crisis, European railway companies find themselves exposed to mid-term processes of economic and social change. **New trends and developments in employment** have to be recognised at an early stage, and both companies and trade unions need to continuously involve themselves in the design of these processes.

Demographic change is the major challenge at stake. The average age of workers in European railway companies is rising constantly. As in previous years, the possibility of early retirement will decrease. Recruiting young staff will become increasingly difficult because of low birth rates, which exacerbates the competitive situation. **Competition**

Member states should open the possibility of part-time work for railway workers, with unemployment benefit allocated to part-time workers on non-worked hours.

Declaration of CEOs of European rail freight companies in the context of the current economic crisis, 24 April 2009, Vienna.

for suitable employees will intensify. Employees will have to continuously further their education with a view to their professional prospects. In the context of global competition, it will also become increasingly important for the companies to be able to retain highly qualified staff on a long-term basis. The changing employment situation is jointly examined in a new working party developed by the European social partners. This project is based on the 'CER-ETF recommendations on the concept of employability in the railway sector' (2007). Employability is a strategic concept that aims to create a working environment which maintains and improves the qualifications and competences of workers while maintaining their health and fitness so that they remain employable. A first questionnaire was sent in March 2010 to railway companies to find out the specific general conditions and situations in European railways under which employability in the demographic shift is discussed.

Other important issues discussed by CER and trade unions in the European social dialogue included a **better representation of women in railways**, and joint studies on the effects of the reorganisation of freight services on employment.





CHAPTER 3

MAKING EUROPEAN TRANSPORT SUSTAINABLE

EU transport at a crossroads: rail offers solutions	31
Getting the price right – the route to greener transport	33
Driving gigaliners out of focus	36
Good practice: Spain to UK intermodal service	38

EU transport at a crossroads: rail offers solutions

Over the past decade, climate change has become a key driver of European policy-making. At the UN Climate Change Conference in Copenhagen in December 2009, the EU confirmed its aim to reduce overall greenhouse gases (GHG) by at least 20% across the Union by 2020. With transport causing almost 25% of current GHG emissions, CER has often highlighted the need for the transport sector to actively contribute if these targets are to be achieved.

In 2009, the European Environment Agency's (EEA) latest data showed little change happening in the transport sector: emissions of greenhouse gases continue to grow and **'decoupling' transport impacts from economic activity is still in its infancy.** National and international authorities have been devoting increasing attention to identifying ways of reducing the transport sector's greenhouse gas impact so that the 2020 targets should not be prejudiced.

However, the continued **failure to adopt policies such as the internalisation of external costs** on high-emission modes, and the limited impact of technological solutions all suggest that reducing greenhouse gas emissions in transport will be extremely challenging. Unless action is taken on a number of fronts, CER warned throughout last year that growth in CO₂ emissions from transport will develop into an insurmountable obstacle to meeting the EU's current and future climate targets.

Good practice: Train to Copenhagen

On 5 December 2009, the railway sector demonstrated how rail could be part of the solution in the fight against climate change by taking more than 400 business leaders, politicians, environmental activists and journalists on the carbon neutral *Climate Express* train from Brussels to Copenhagen. The special train supported the railways' call to make transport more sustainable and showcased rail as a safe, efficient and sustainable mode of transportation. Respected climate scientists, national and international political figures and leaders from the railway industry participated in a series of onboard conferences and workshops dealing with transport and climate change. On its journey to Copenhagen, the *Climate Express* did not produce any CO₂ emissions – the train was powered by electricity coming from 100% renewable energy sources. The energy needed for the journey was calculated in advance, and the railways purchased this energy from renewable sources in Germany and fed it into its distribution network.

50%

of the EU rail network is electrified and 80% of rail traffic is hauled using electric power.

The 2009 'Future for a Sustainable Transport' Communication from the Commission, which is intended to form the basis of the next Transport White Paper, demonstrated that the Commission is increasingly aware of the need to tackle the issue properly – after years of largely ignoring the climate impact of transport. It warned that there is "a growing urgency for the transport sector to mitigate its negative impact on the environment", and this would require "an inversion of some of the current trends". Among the policy changes that would help, it also acknowledged CER's conviction that the transport system "would particularly benefit from better price signals".

Routes to 2050

Yet there is still **no coherent strategy for addressing overall transport GHG emissions.** Nor is a vision of the approach needed to ensure the compatibility of transport's GHG emissions with the EU's long-term climate goals in sight. To address this dilemma, the Commission's DG Environment set up a study entitled 'EU Transport GHG: Routes to 2050?' as a first step in developing such a long-term strategic approach. The study has sought to decide what level of GHG emissions from the transport sector is acceptable, how much emission-reduction technology is likely to be able to deliver, and what policy framework is needed over the short, medium and longer term to ensure the compatibility of EU transport sector emissions with long-term climate goals.

CER has been actively engaging with the study to demonstrate clearly what the rail sector can do to help to reduce emissions. Having already agreed in 2008 to commit to reducing the specific CO₂ emissions of the rail sector by 30% over the 1990 to 2020 period, CER has also sought to emphasise the role that rail can play through modal shift as

“While transport emissions still continue to rise, the rail sector is leading by example: chief executives of European railway and infrastructure companies committed themselves to a 30% cut in the specific CO₂ emissions for trains by 2020.”

Francisco José Cardoso dos Reis
 President of CP – Comboios de Portugal and associated member of the CER Management Committee

part of any package of measures that will be pursued. Demand management, particularly modal shift to less-polluting transport modes such as rail, must be a key element of any future strategy, otherwise growth in traffic of the most polluting modes will continue to offset the effect of other measures. To reduce transport emissions, investment should be made in rail electrification so as to increase the share of rail transport powered by electricity. While 97% of transport still relies on fossil fuels, rail is the only mode which can already use renewable electricity for most traction power. Indeed, the Swedish railway sector already uses 100% renewable sources for electric power in their system.

The emissions gap

In order to assess the likely consequences of adopting specific transport targets, CER assessed what could be achieved if all current plans for innovative technologies are introduced as compared to what must be achieved by 2020. The result was an obvious gap: even with a target of reducing transport emissions between 2005 and 2020 by 10% (which is the existing target under the 2008 “effort-sharing” Decision for those sectors, such as transport, that are not covered by the EU Emissions Trading System), an emissions gap of between 13% and 26% would remain for transport. Clearly, much more comprehensive, coherent and ambitious measures are required, and all measures, including the charging of all transport modes for their full internal and external costs, and managing demand for transport must be considered if this gap is to be filled.

Political progress in a package

The move towards prioritising the tackling of emissions from transport was given a boost in September 2009 when the ‘Political Guidelines for the next Commission’ were set out by Commission President José Manuel Barroso. He made it clear that more work on lowering carbon emissions and tackling those from transport in particular was necessary, and that the next Commission would have to work towards “decarbonising our electricity supply and the transport sector”.

Following the Copenhagen climate summit, Jos Delbeke, the then Deputy Director-General of DG Environment (subsequently appointed as the Director-General of the new DG Climate Action) gave a special debriefing on the conference in the European Parliament, which was organised by CER. Delbeke said that a **transport and climate legislation package, similar to the one agreed by the EU on energy and climate** at the end of 2008, was needed. Tackling emissions from transport had to be a top priority he argued. “The gains in industry and the power sector are being replaced by emissions from the growth in transport,” he said. “There is a lot of work waiting to be done in the transport sector.”

These views were echoed by two of the new Commissioners at their inaugural hearings in the European Parliament. Vice-President Siim Kallas, the new Commissioner for Transport, made it clear that decarbonisation was the ultimate goal, saying “this is not debatable”. Connie Hedegaard, the new Commissioner for Climate Action, stated that she would work towards a comprehensive transport and climate package: “We can’t hope to meet targets unless we address transport in a much more efficient way,” she stated.

The next step in deciding just what policies are needed to decarbonise transport has to be made with the new Transport White Paper, due out towards the end of 2010. Along with the proposed transport and climate change package, it will shape the future path for reducing the environmental impact of transport. CER will continue to champion the role that an expanded rail sector can play in meeting these challenges, and will help to shape a lower-carbon future for transport.

Study: Progress and prospects of EU transport policy

European policy-makers largely failed to deliver the political targets set out in the European Commission’s Transport White Paper from 2001, a study launched by the CER in the European Parliament in October 2009 concluded.

In the study ‘European Transport Policy – Progress and Prospects’, Professor Chris Nash of the Institute for Transport Studies (ITS) at the University of Leeds (UK), found that there had been little progress in developing efficient competition between modes, partly because Eurovignette legislation to allow the internalisation of external costs for heavy goods vehicles has still not been passed. Rail transport would be unable to play its full role as long as prices of other transport modes remain artificially cheap, the study suggested.

The study proposes a range of policy actions for a more sustainable future of transport. Recommendations include the introduction of fair charging schemes across all modes, adequate investment in infrastructure, and the monitoring and enforcement of existing legislation.

Getting the price right – the route to greener transport

The importance of getting prices right in the transport sector was recognised by the European Commission in its 2001 White Paper. But not much has been achieved since. The proposal to revise the Eurovignette Directive is still stuck in Council granting lorries a continued free ride regarding external costs. Further, the revised **EU Emissions Trading System (ETS) fails to reduce emissions from transport** by putting a major burden on rail only.

Much CER activity over the past year has again revolved around pricing issues. There is general agreement amongst policy-makers that transport needs to become greener, particularly to address the problem of climate change. At the same time, the importance of prices in achieving this is not always recognised. **Costs for local air pollution, congestion, CO₂ emissions, noise and accidents must be paid for by the polluter**, to moderate the growing overall demand for transport and to encourage a shift of traffic to more sustainable modes. The internalisation of external costs is also crucial for encouraging innovation and new technologies which occur largely in response to changes in prices, opening up attractive rates of return on the invested capital.

General debate on prices

In order to prepare for the upcoming new White Paper on Transport, **CER commissioned the Institute for Transport Studies at the University of Leeds to carry out a study on ‘European Transport Policy - Progress and Prospects’**, which was presented at a major event in Parliament. One of the main themes of the report was the role that prices play in establishing a level playing field between modes, and the importance of including external costs in those prices. The study noted that fuel taxes do not currently cover all the external costs of HGVs and provided strong arguments in favour of revising the Eurovignette Directive.

In July 2009, the Commission (DG TREN) issued a Communication, ‘A Sustainable Future for Transport’, which is expected to lead to a new White Paper in 2010. CER’s response to this document argued that insufficient weight was given to environmental issues. CER also argued that **prices were given less attention than technology and standards as a means of reducing emissions problems, disregarding the empirical fact that in a market economy innovation and new technologies do not arise by themselves or by political declaration, but are driven by prices and perspectives to achieve an attractive return on the capital invested**. CER continues to

emphasise these fundamental points in discussions with the Commission and other decision-makers. CER also published a joint position paper on the Communication with EIM and UNIFE in spring 2010.

Another relevant Commission initiative was the consulting study on ‘EU Greenhouse Gases (GHG) – Routes to 2050’ (discussed on page 32) which also strongly supported the internalisation of external costs. CER’s contribution to this study noted that the EU Emissions Trading System (ETS – see page 35), as it is currently designed, works against its objectives by increasing rail costs and encouraging traffic to switch to other, more polluting modes. CER further emphasised the importance of modal shift to sustainable modes in reducing CO₂ emissions and the key role of prices in promoting that shift.

CER also used its contribution to the study as an opportunity to correct some errors concerning rail subsidies, another factor determining transport prices and the level playing field. The study used data from the European Environment Agency (EEA) which estimated the total subsidy for EU railways at 73 billion euros. We noted that, according to data presented by the European Commission, total public financing to EU railways is 46.5 billion euros, less than two-thirds of the figure estimated by EEA. We also noted that much of this is not subsidy, but compensation for meeting service or other obligations required by Member States or regional/local governments.

Eurovignette

Whilst fuel taxes generally affect all road vehicle types, Eurovignette charges can be targeted at the heaviest polluters for which emissions are growing fastest – this should make it easier to gain political and public acceptance.

Although charging for external cost would be limited to heavy-goods vehicles (HGVs) for reasons of subsidiarity (charges for other vehicles are a matter for Member States), there is another reason why the focus should be on HGVs: they

have higher external costs than other vehicles and these are growing rapidly. To illustrate this, the following table gives trends and projections in CO₂ emissions by type of road vehicle for the period 1995-2030:

HGVs are estimated to represent 25% of CO₂ emissions on the road in 2010, a far higher proportion than the proportion of vehicles (3%). Also, the proportion of CO₂ emissions is growing, increasing from 21% in 1995 to an expected 29% in 2030. This is partly because HGV traffic is growing more rapidly than other types of road traffic.

In 2008, under the Greening Transport Package, the Commission adopted a proposal to revise the Eurovignette Directive to allow Member States to charge HGVs for the external costs they impose on society. **Currently, member states are forbidden from doing so, i.e. today's prices for road freight transport do not reflect their full costs!** In March 2009, the proposal passed its first reading in Parliament, leaving the Commission's proposals largely intact. At a Council meeting, the Czech presidency proposed compromises to try to reconcile the differences between member states. These included the removal of earmarking, which was not accepted by many member states. However, the Czech presidency could not obtain agreement on a number of issues, including congestion, and left the proposal to the incoming Swedish presidency.

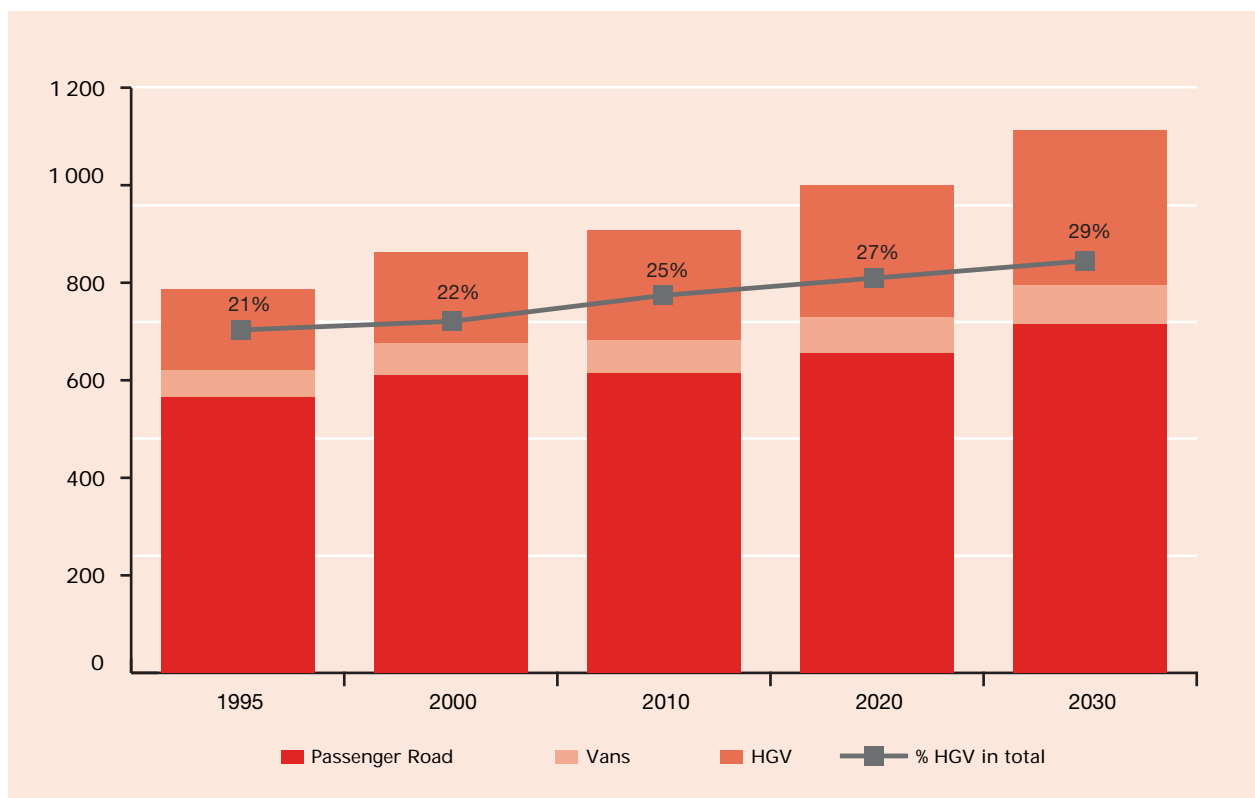
No progress was then made during either the **Swedish or Spanish** presidencies as their governments **completely**

ignored the dossier, in spite of strong statements that they were in favour of measures to address climate change and environmental issues. Also, some member states argued that the economic crisis made action in this area difficult. CER wrote letters to the Swedish and Spanish presidencies highlighting the importance of this revised directive to reducing carbon emissions and other environmental impacts, but no action was taken.

However, the Commission has meanwhile been making some progress. A study by the Commission's **Joint Research Centre (JRC) showed the minimal impact that the proposed charges would have on consumer costs**, confirming an earlier CER analysis. The study also showed how the benefits from Eurovignette are mainly from modal shift and efficiency gains and that these far outweigh the costs to consumers. CER has also learnt from the Commission that its discussions with the insurance industry, to determine if the external costs of accidents might be recovered through insurance premiums, were making little progress (accidents had been left out of the Commission's proposals in the hope that this could be covered by more extended insurance).

CER hopes that the discussion on Eurovignette will resume in Council in the second half of 2010, following the announcement by the Belgian government that it wishes to seek an agreement on the proposals during its presidency. This should be facilitated by most member states emerging from the economic crisis and looking for sustainable ways to finance the transport sector.

CO₂ emissions of road transport (millions of tons)



Source: CE Delft, 2009, *The Truth about Trucks*, Annex A.



“Polluting modes continue to benefit from a whole variety of advantages: all road transport is exempt from the ETS, lorries enjoy little or no infrastructure access charges in many member states, aviation will not have to pay for 85% of its ETS permits when it joins the system in 2012, and international aviation is exempt from VAT and kerosene duty. Rail, in contrast, though it is the least polluting mode, is the only mode included in the ETS.”

Mauro Moretti
CEO FS and CER Chairman

EU Emissions Trading System

The main tool being used to tackle CO₂ emissions (but not other external costs) is trading. Unlike charges, which are predetermined, the price of CO₂ under trading is determined by the market, i.e. the supply and demand for emissions allowances.

Under the EU Emissions Trading System (ETS), **rail is the only mode affected, because of its use of electricity which is included in the system.** CER has made the point in position papers and discussions with the Commission that rail should be compensated for its costs under ETS. Such measures may consist of a compulsory reduction in energy taxes, or the introduction of free allowances for those sectors, such as railways, which are unintentionally burdened by the ETS.

It has been suggested that ETS could be extended to other modes of transport. However, this may be problematic because the transport sector is likely to buy emissions permits from other sectors which can move their activities to other countries – the net impact on global emissions would then be minimal and the transport sector would be little affected and make little contribution to reducing global emissions. So if the ETS is to be extended to transport, there also needs to be measures to ensure reduced emissions in the sector itself. Another concern is that the inclusion of other modes in **ETS may be seen as an excuse for doing nothing else to reduce CO₂ emissions from transport.**

ETS is a complex area and CER is actively involved in debates and discussions with decision-makers on these issues, in responding to consultations, in its meetings with the Commission and in its formulation of proposals. The main focus at present is seeking compensation for the costs of ETS.

CHAPTER 3

MAKING EUROPEAN TRANSPORT SUSTAINABLE

EU transport at a crossroads: rail offers solutions	31
Getting the price right – the route to greener transport	33
Driving gigaliners out of focus	36
Good practice: Spain to UK intermodal service	38

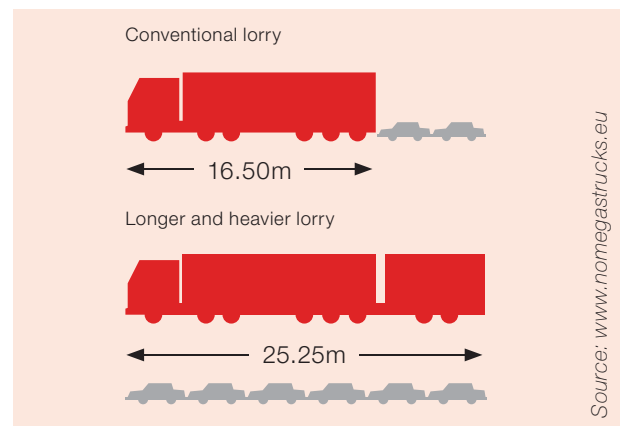
Driving gigaliners out of focus

The issue of whether lorries up to 25.25 metres long and 60 tonnes in weight should be allowed to operate across the whole of the European Union continues to rumble on. Gigaliners carry the promise of more environmentally friendly road transport, but recent research suggests that this is wishful thinking. In 2009, CER drove the debate mainly by providing research data on the negative dynamic effects on the rail sector when gigaliners are introduced.

The study 'Long-Term Climate Impacts of the Introduction of Megatrucks' was published by the Fraunhofer Institute for Systems and Innovation Research in May 2009. It revealed how introducing longer and heavier trucks on European roads would cause far more environmental damage than previously expected. The results of model simulations showed that the use of gigaliners across the EU cannot be considered a suitable means of lowering the environmental impact of transport: gigaliners would replace up to 30% of high-value and container transport volumes on rail. They would also produce an additional 2 million tonnes of CO₂ each year.

Shortly after publication of the study, the Commission's DG Transport and Energy (TREN) organised a workshop in June 2009 to consider a new analysis of the implications of gigaliners undertaken by its Joint Research Centre (JRC). CER was pleased to hear that, for the first time, the Commission has accepted the need to explore properly the medium- and long-term dynamic effects on the rail sector caused by the introduction of gigaliners – a key concern CER has consistently warned about.

A new Commission study has now been commissioned to examine both the economic and technical implications of gigaliners. This study, being carried out by consultants Transport Research Laboratory (TRL) and NEA Transport



Research and Training, will develop a European assessment based on a common set of scenarios. Due to be completed by the end of 2010, one of its main tasks is to properly assess the effects on other modes of transport rather than only considering those on the road sector.

What impact the new Commissioner for Transport, Siim Kallas, will have on the issue remains to be seen. Antonio Preto, Chef de Cabinet for the outgoing Transport Commissioner, Antonio Tajani, made it clear at a meeting in the European Parliament in November 2009 that Commissioner Tajani was in no way convinced of the need to change the existing regulations on weights and measures. No proposal to amend the existing Directive 96/53 on megatrucks would be put forward before 2011 at the earliest, Mr Preto said. He added that Commissioner Tajani was opposed to "bilateral agreements" that would permit their use between adjacent countries, saying that these would distort competition and undermine the single market.

However, the arrival of Commissioner Kallas has raised the question of whether there will be any change of policy views at the top. At his hearing in January 2010, when pressed on the issue Kallas stated that he felt "uncomfortable" when he saw a big truck coming along the road, although he added that other people were very enthusiastic about them.

Background: Commission to take action against cross-border use

In answer to a written question by German Green MEP Michael Cramer on 16 March 2010, Transport Commissioner Siim Kallas confirmed that the Commission considers the cross-border use of gigaliners in several European countries as a breach of Directive 96/53/EC on the definition of the maximum authorised dimensions and weights in national and international traffic. Mr Kallas announced that the European Commission will look into such transport and prosecute any violation of the provisions of the Directive.

Interview: Dirk Flege, Executive Director of the Pro-Rail Alliance

CER continues to work with other groups to ensure that the full implications of gigaliners, for the rail sector and for society as a whole, are properly heard. In the following interview, we asked Dirk Flege, Executive Director of Allianz pro Schiene, to summarise the situation in Germany.

What have the trials with gigaliners in European countries shown us so far?

Not too much, but enough to know that further trials are pointless. The difference between trials and the actual transport market is substantial. Long-term market changes with modal shift from the railways and inland waterways back to the roads cannot be simulated. Neither do we learn anything about long-term safety risks. In reality, these trials are not intended to help us gain knowledge but to establish megatrucks through the back door.

How broad is the opposition to the introduction of megatrucks?

The opposition is huge. The Europe-wide campaign No Megatrucks (www.nomegatrucks.eu) is already supported by more than 200 organisations from 24 European countries. The vast majority of people in Europe also oppose them: representative polls from France, the UK, Germany and Switzerland have shown that between 73% and 81% of people do not want any megatrucks.

How has the situation in Germany concerning gigaliners developed since the federal elections in 2009?

German federal elections changed the case of megatrucks fundamentally. While the former grand-coalition government clearly opposed megatrucks, the new conservative-liberal government made a U-turn on the issue. The first measure the new government took in the case of megatrucks was to announce a trial with longer, heavier trucks as part of its coalition agreement. Nevertheless, the details of the announced trial remain unclear.

Some improvements to infrastructure will be required because of gigaliners. Have these costs been properly assessed?

Not yet. But first estimations show that the follow-up costs for infrastructure adaptations will be tremendous. The German Ministry of Transport has estimated the additional costs for bridges just for the German motorway network of up to 8 billion euros. If this consideration is extended to the



European motorway network, the enormous sum of 46 billion euros appears. Just to make this clear: these figures refer to additional costs only for the adaptation of the bridges. Not yet assessed are costs for adapting roundabouts, crossroads, railway-crossings, tunnels and parking places. At the same time, funding for the extension of more environmentally friendly alternatives, such as railway transport, is missing.

What are the implications for the safety of other road users?

Gigaliners contradict any effort to make our roads safer. Their use would not just mean more trucks but also more dangerous ones. They are a danger to other road users: they threaten pedestrians and cyclists while turning, overtaking a megatruck takes longer than overtaking an ordinary HGVs, they are incompatible with switching times at crossroads and railway crossings, and no safety barrier is able to stop them.

CHAPTER 3

MAKING EUROPEAN TRANSPORT SUSTAINABLE

EU transport at a crossroads: rail offers solutions	31
Getting the price right – the route to greener transport	33
Driving gigaliners out of focus	36
Good practice: Spain to UK intermodal service	38

Good practice: Spain to UK intermodal service

During October last year, DB Schenker and the Stobart Group introduced a weekly train service carrying refrigerated fresh produce from Spain to the UK. This service is currently the longest rail freight journey in Europe under the operation and direct control of a single operator.

The seasonality of fruit and salad production has long been a barrier to the development of effective leading-edge transport solutions between Spanish fruit and salad growers and their UK market place. In the past, it was impractical for growers to maintain their own transport capability to service the limited season, which meant that they had to rely on expensive short-term transport contracts.

The new rail service operated by DB Schenker and the Stobart Group offers maximum flexibility. By working together, both companies are able to provide full road and rail facilities for their customers from the packing plant to the final destination. Customers can place regular bookings of full or multiple loads to match their specific requirements, paying only for the space they use.

Rather than being customer-specific, the service offers a shared multi-client train for new and existing customers of both DB Schenker Rail and the Stobart Group. All road and rail assets achieve high levels of use, thereby enabling a commercially sustainable door-to-door solution for companies involved in the export of fresh products.

All rail traction is provided by a single rail freight operator across Spain, France and the UK: DB Schenker Rail with its Spanish and French subsidiary company Euro Cargo Rail. The Stobart Group provides road haulage operations from growers and packing plants in Spain, making the final deliveries in London and to retailers and distribution warehouses across the UK.

High-tech satellite-based planning infrastructure and capability for the fresh and chilled food sector ensures that products are monitored from the packing plant to the shop and are delivered on time and in optimum condition. Customers can also view the status of their cargo by using a track-and-trace facility on the internet.

The service is currently operating once a week but it is planned to operate it three times a week from this autumn. The train service has the following benefits:

- ▶ 30 intermodal reefer boxes;
- ▶ Avoids 13.7 million road kms per annum between the UK and Spain;
- ▶ Reduces CO₂ emissions by 8 625 tonnes per annum.







CHAPTER 4

CER IN 2009/2010

How does CER work?	41
List of CER publications	48
List of political events	50
List of CER events	52
CER member statistics	57

How does CER work?

CER is the only organisation in the EU to represent the entire European railway system. Its diverse membership includes railway operators and infrastructure managers across Europe. The CER represents private operators and state-owned railways irrespective of their size, structure, or main business area. It currently has 74 members.

The governance structure of CER rests with three main bodies, ensuring a steady flow of communication between CER and its members.

General Assembly

The General Assembly is the **decision-making body** of CER. All member companies take one seat and are represented by their chief executive or director general. The assembly gives the CER team guidance by taking decisions on how to advance on specific policy dossiers.

Management Committee

The Management Committee **prepares the decisions** of the General Assembly. It consists of the CER chairman, three vice-chairmen and further members elected by the General Assembly. The size of the Management Committee is limited to a maximum of 14 members.

Assistants Group

CER members are represented by their international/European affairs managers in the CER Assistants Group. This **liaison group** helps to facilitate the continuous exchange of information between CER and its members.

Besides these internal bodies, the CER also establishes further meetings and working groups to discuss specific issues. Affected members are invited to take part in these discussions.

High-level meetings

At least once a year, separate meetings are held with chief executives from passenger, freight and infrastructure companies to discuss specific issues affecting their business areas. There is also a separate meeting for chief executives from Central and Eastern European companies.

Working groups

The working groups in CER are made up of members of the CER Assistants Group or other experts delegated from member companies. The most important working groups are (in alphabetical order):

- ▶ Customs Group
- ▶ Directors of Communications Group (DCG)
- ▶ Environment Support Group
- ▶ ERA Steering Unit (and various working groups on interoperability, safety)
- ▶ ERTMS Platform
- ▶ Freight Focus Group (FFG)
- ▶ Human Resources Directors (HRD)
- ▶ Infrastructure Interest Group (IIG)
- ▶ IT Manager Group
- ▶ Passenger Working Group (PWG)

All groups meet on a regular basis.

Building bridges

Internally, CER follows the principle that all opinions are taken into account and that no member should feel dominated by others. It believes that there is always a way to evaluate arguments properly and, if necessary, to find compromises in mutual respect. In the same spirit, every member has access to every working group in our association. CER is always open to new members.

73 member railway and infrastructure companies (as of 1 May 2010)

COUNTRY	Logo	Name <i>English Name</i>	Abbreviation	CER General Assembly Representative	Website
ALBANIA		Hekurudha Shqiptare <i>Albanian Railways</i>	HSH	Zamir RAMADANI	www.hsh.com.al
AUSTRIA		Österreichische Bundesbahnen <i>Austrian Federal Railways</i>	ÖBB	Peter KLUGAR	www.oebb.at
AUSTRIA		Salzburger Lokalbahn <i>Salzburg Regional Railway</i>	SLB	Gunter MACKINGER	www.slb.at
BELGIUM		Société Nationale des Chemins de Fer Belges /Nationale Maatschappij der Belgische Spoorwegen <i>Belgian National Railways</i>	SNCB/NMBS	Marc DESCHEEMAECCKER	www.b-rail.be
BELGIUM		SNCB/NMBS Holding <i>Belgian National Railways Holding</i>	SNCB/NMBS Holding	Jannie HAEK	www.sncb.be www.nmbs.be
BELGIUM		Thalys International <i>Thalys International</i>	Thalys	Olivier POITRENAUD	www.thalys.com
BOSNIA- HERZEGOVINA		Željeznice Federacije Bosne i Hercegovine <i>Railways of the Federation of Bosnia-Herzegovina</i>	ŽFBH	Nedžad OSMANAGIĆ	www.zfbh.ba
BOSNIA- HERZEGOVINA		Željeznice Republike Srpske <i>Railways of the Republic of Srpska</i>	ŽRS	Petko STANOJEVIĆ	www.zrs-rs.com
BULGARIA		Balgarski Daržavni Železnitsi <i>Bulgarian State Railways</i>	BDŽ	Pencho POPOV	www.bdž.bg
BULGARIA		Bulgarian Railway Company <i>Bulgarian Railway Company</i>	BRC	Vladimir DUNCHEV	www.brc-bg.com
BULGARIA		Bulmarket <i>Bulmarket</i>	Bulmarket	Stanko Dobrev STANKOV	www.bulmarket.bg
BULGARIA		Nacionalna Kompania Železopatna Infrastruktura <i>Bulgarian National Railway Infrastructure Company</i>	NRIC	Milcho LAMBREV	www.rail-infra.bg
CROATIA		Hrvatske Željeznice <i>Croatian Railway Company</i>	HŽ	Zoran POPOVAC	www.hznet.hr
CZECH REPUBLIC		Advanced World Transport <i>Advanced World Transport</i>	AWT	Attila BOROS	www.awt.eu
CZECH REPUBLIC		České Dráhy <i>Czech Railways</i>	ČD	Petr ŽALUDA	www.ceskedrahy.cz
CZECH REPUBLIC		Správa Železniční Dopravní Cesty <i>Czech Railway Infrastructure Administration</i>	SŽDC	Jan KOMÁREK	www.szdc.cz
DENMARK		Danske Statsbaner <i>Danish State Railways</i>	DSB	Søren ERIKSEN	www.dsb.dk
DENMARK		DB Schenker Rail Danmark <i>DB Schenker Rail Denmark</i>	DB Schenker (DK)	Stig KYSTER-HANSEN	www.rail. dbschenker.dk
ESTONIA		Eesti Raudtee <i>Estonian Railways</i>	EVR	Kaido SIMMERMANN	www.evr.ee
FINLAND		VR-Yhtymä Oy <i>VR-Group- Finnish Railways</i>	VR	Mikael ARO	www.vr.fi

COUNTRY	Logo	Name <i>English Name</i>	Abbreviation	CER General Assembly Representative	Website
FRANCE		Société Nationale des Chemins de Fer Français <i>French National Railway Company</i>	SNCF	Guillaume PEPY	www.sncf.fr
FRANCE		Veolia Transport <i>Veolia Transport</i>	Veolia Transport	Antoine HUREL	www.veolia-transport.com
GERMANY		Deutsche Bahn <i>German Railway Group</i>	DB	Rüdiger GRUBE	www.deutschebahn.com
GERMANY		TX Logistik <i>TX Logistik</i>	TX Logistik	Karl MOHNSEN	www.txlogistik.de
GREAT BRITAIN		Association of Train Operating Companies <i>Association of Train Operating Companies</i>	ATOC	Roger COBBE	www.atoc.org
GREAT BRITAIN		DB Schenker Rail UK <i>DB Schenker Rail UK</i>	DB Schenker (UK)	Alain THAUVERTE	www.rail.dbschenker.co.uk
GREAT BRITAIN		Eurostar (UK) <i>Eurostar (UK)</i>	Eurostar	Nicolas PETROVIC	www.eurostar.com
GREECE		Organismo Siderodromôn Elladas <i>Hellenic Railways Organisation</i>	OSE	Georgios YANNOUSSIS	www.ose.gr
GREECE		TRAINOSE <i>TRAINOSE - Greek National Passenger Train Operating Company</i>	TRAINOSE	Athanassios ZILIASKOPOULOS	www.trainose.com
HUNGARY		Central-European Railway <i>CER Central European Railway Transport, Trading and Service Company</i>	CER	István BÁRÁNY	www.cer.hu
HUNGARY		Magyar Vasúti Fuvarozói Egyesülés <i>Hungarian Railway Association</i>	HUNGRAIL	János BERÉNYI	www.hungrail.hu
HUNGARY		Magyar Államvasutak <i>Hungarian State Railways</i>	MÁV	Miklós ANDRÁSI	www.mav.hu
HUNGARY		Rail Cargo Hungaria <i>Rail Cargo Hungaria</i>	Rail Cargo Hungaria	Imre KOVÁCS	www.railcargo.hu
HUNGARY		Vasúti Pályakapacitás-Elosztó <i>Hungarian Railway Capacity Allocator</i>	VPE	István PÁKOZDI	www.vpe.hu
HUNGARY/ AUSTRIA		Győr-Sopron-Ebenfurth Vasút/Raab- Oedenburg-Ebenfurter Eisenbahn <i>Győr-Sopron-Ebenfurth Railway Company</i>	GySEV/RoeEE	Csaba SZÉKELY	www.gysev.hu
IRELAND		Iarnród Éireann <i>Irish Rail</i>	IÉ	Richard FEARN	www.irishrail.ie
ITALY		Ferrovie dello Stato <i>Italian Railway Group</i>	FS	Mauro MORETTI	www.ferroviedellostato.it
LATVIA		Baltijas Ekspresis <i>Baltic Rail Freight Company</i>	BE	Janis BLAZE	www.asbe.lv
LATVIA		Baltijas Transita Serviss <i>Baltic Transit Services</i>	BTS	Ivars SORMULIS	www.rto.lv/en/services/railways
LATVIA		Latvijas Dzelzceļš <i>Latvian Railways</i>	LDz	Uģis MAGONIS	www.ldz.lv

COUNTRY	Logo	Name <i>English Name</i>	Abbreviation	CER General Assembly Representative	Website
LITHUANIA		Lietuvos Geležinkeliai <i>Lithuanian Railways</i>	LG	Stasys DAILYDKA	www.litrail.lt
LUXEMBOURG		Alpha Trains International <i>Alpha Trains International</i>	Alpha Trains	Hayden ABBOTT	www.alphatrains.eu
LUXEMBOURG		Société Nationale des Chemins de Fer Luxembourgeois <i>Luxembourg National Railway Company</i>	CFL	Alex KREMER	www.cfl.lu
LUXEMBOURG		CFL Cargo <i>Luxembourg Cargo Company</i>	CFL Cargo	Fernand RIPPINGER	www.cflcargo.eu
MACEDONIA		Makedonski Železnici Infrastructure <i>Railways of the Former Yugoslav Republic of Macedonia Infrastructure</i>	RFYMI	Besir DEARI	www.mz.com.mk
MACEDONIA		Makedonski Železnici Transport <i>Railways of the Former Yugoslav Republic of Macedonia Transport</i>	RFYMT	Blagoja KRSTEVSKI	Mz-transport.uuuq.com/Index-en.html
MONTENEGRO		Željeznicka Infrastruktura Crne Gore <i>Rail Infrastructure Montenegro</i>	ZICG	Branislav FILIPOVIĆ	www.zicg.me
NETHERLANDS		Nederlandse Spoorwegen <i>Dutch Railways</i>	NS	Bert MEERSTADT	www.ns.nl
NETHERLANDS		DB Schenker Rail Nederland <i>DB Schenker Rail Nederland</i>	DB Schenker	Aart KLOMPE	www.dbschenker.nl
NORWAY		Norges Statssbaner <i>Norwegian State Railways</i>	NSB	Einar ENGER	www.nsb.no
POLAND		CTL Logistics <i>CTL Logistics</i>	CTL	Krzysztof NIEMIEC	www.ctl.pl
POLAND		Polskie Koleje Państwowe <i>Polish State Railways</i>	PKP	Andrzej WACH	www.pkp.pl
POLAND		Rail Polska <i>Rail Poland</i>	Rail Polska	Timothy HOLLAWAY	www.railpolska.pl
PORTUGAL		CP - Comboios de Portugal, E.P.E. <i>Portuguese Railway Company</i>	CP	Francisco José CARDOSO DOS REIS	www.cp.pt
ROMANIA		Compania Națională de Cai Ferate <i>Romanian National Infrastructure Company</i>	CFR	Emil SABO	www.cfr.ro
ROMANIA		Societatea Națională de Transport Feroviar de Călători <i>Romanian National Passenger Train Operating Company</i>	CFR Călători	Liviu PESCĂRAȘU	www.cfr.ro/calatori
ROMANIA		Societatea Națională de Transport Feroviar de Marfă <i>Romanian National Freight Operating Train Company</i>	CFR Marfă	Mihai FRĂSINOI	www.cfrmarfa.cfr.ro
ROMANIA		Grup Feroviar Roman <i>Romanian Railway Group</i>	GFR	Sorin CHINDE	www.gfr.ro

COUNTRY	Logo	Name <i>English Name</i>	Abbreviation	CER General Assembly Representative	Website
ROMANIA		RegioTrans Brasov <i>Romanian Transport Brasov</i>	RegioTrans Brasov	Costel COMANA	www.regiotrans.ro
ROMANIA		Servtrans Invest <i>Servtrans Invest</i>	Servtrans Invest	George BURUIANĂ	www.servtrans- invest.com
SERBIA		Železnice Srbije <i>Serbian Railways</i>	ŽS	Milovan MARKOVIĆ	www. serbianrailways.com
SLOVAKIA		Bratislavská Regionálna Koľajová Spoločnosť, a.s. <i>Bratislava Regional Railway Company</i>	BRKS	Roman FILISTEIN	www.brks.sk
SLOVAKIA		Železnice Slovenskej Republiky <i>Slovak Infrastructure Company</i>	ŽSR	Štefan HLINKA	www.zsr.sk
SLOVAKIA		Železničná Spoločnosť Slovensko <i>Slovak Rail Passenger Operator</i>	ZSSK	Milan CHÚPEK	www.slovakrail.sk
SLOVAKIA		Železničná Spoločnosť Cargo Slovakia <i>Slovak Rail Freight Company</i>	ZSSK Cargo	Matej AUGUSTÍN	www.zscargo.sk
SLOVENIA		Slovenske Železnice <i>Slovenian Railways</i>	SŽ	Goran BRANKOVIC	www.slo-zeleznice.si
SPAIN		Administrador de Infraestructuras Ferrovias <i>Spanish Railway infrastructure Manager</i>	ADIF	Antonio GONZÁLEZ MARÍN	www.adif.es
SPAIN		Ferrocarriles Españoles de Vía Estrecha <i>Spanish Narrow Gauge Railways</i>	FEVE	Amador ROBLES TASCÓN	www.feve.es
SPAIN		RENFE Operadora <i>National Spanish Railway Operator</i>	RENFE Operadora	Téofilo SERRANO BELTRÁN	www.renfe.es
SWEDEN		Sveriges Branschföreningen Tågoperatörerna <i>Association of Swedish Train Operators</i>	ASTOC	Jan SUNDLING	www. tagoperatorerna.se
SWITZERLAND		BLS Lötschbergbahn <i>Lötschberg Railway Company</i>	BLS	Bernard GUILLELMO	www.bls.ch
SWITZERLAND		Schweizerische Bundesbahnen/Chemins de Fer Fédéraux Suisses/Ferrovie Federali Svizzere <i>Swiss Federal Railways</i>	SBB/CFF/FFS	Andreas MEYER	www.sbb.ch
TURKEY		Türkiye Cumhuriyeti Devlet Demiryolları <i>Turkish State Railway</i>	TCDD	Süleyman KARAMAN	www.tcdd.gov.tr

2 partners (as of 1 May 2010)

GEORGIA		Saqartvelos Rkinigza <i>Georgian Railway</i>	GR	Irakli EZUGBAYA	www.railway.ge
JAPAN		East Japan Railway Company <i>East Japan Railway Company</i>	JR East	Yoshio ISHIDA	www.jreast.co.jp

CER governance

CER Chairman & Management Committee



Mauro MORETTI
FS, Ferrovie dello Stato
CER Chairman



Jan KOMÁREK
SŽDC, Správa Železniční Dopravní Cesty
CER Vice-Chairman



Guillaume PEPY
SNCF, Société Nationale des Chemins
de Fer Français
Board Member



Andrzej WACH
PKP, Polskie Koleje Państwowe
CER Vice-Chairman



Jan SUNDLING
ASTOC, Branschföreningen
Tågoperatörerna
Board Member



Roger COBBE
ATOC, Association of Train Operating
Companies
CER Vice-Chairman as of February 2010
Board Member during 2009



Rüdiger GRUBE
DB, Deutsche Bahn
Board Member as of June 2009



Jannie HAEK
SNCB /NMBS Holding
Board Member



János BERÉNYI
HUNGRAIL, HUNGRAIL Magyar Vasúti
Egyesülés
Board Member as of February 2010



Antoine HUREL
Veolia, Veolia Transport
Board Member



Kaido SIMMERMANN
EVR, Aktsiaselts Eesti Raudtee
Board Member as of February 2010



Peter KLUGAR
ÖBB, Österreichische Bundesbahnen
Board Member



Francisco José CARDOSO DOS REIS
CP, Comboios de Portugal
Associated Member

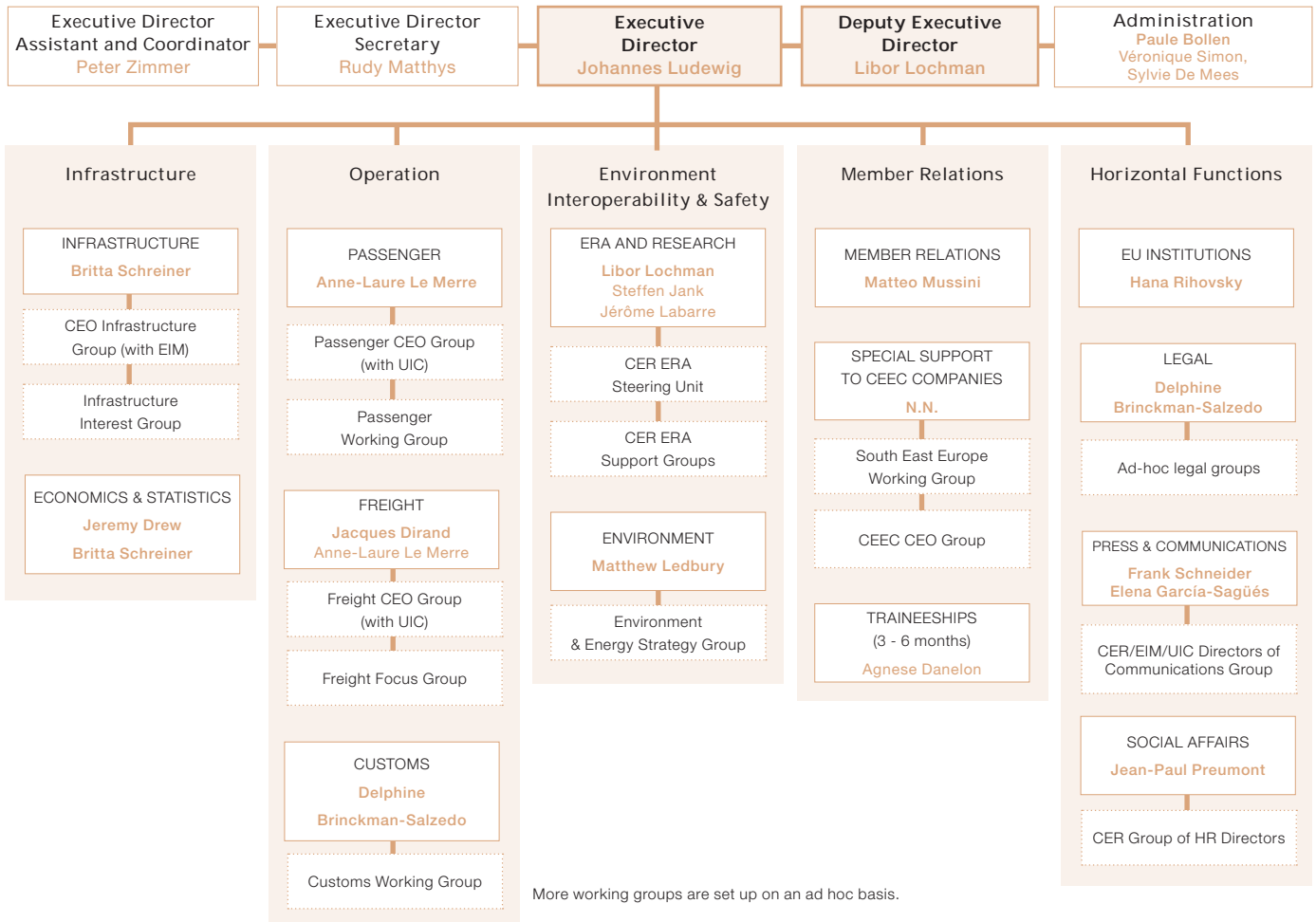


Andreas MEYER
SBB/CFF/FFS, Schweizerische
Bundesbahnen/Chemins de Fer Fédéraux
Suisses/Ferrovie Federali Svizzere
Board Member



István HEINCZINGER
MÁV, Magyar Államvasutak
Board Member until February 2010

CER working structure



CER team



Front row, from left to right: Paule Bollen, Elena García Sagüés, Jacques Dirand, Delphine Brinckman-Salzedo, Sylvie De Mees, Johannes Ludewig, Hana Rihovsky, Agnese Danelon, Matteo Mussini, Libor Lochman, Philippe De Smeyter, Véronique Simon. Second row, from left to right: Jérôme Labarre, Eva Böckle, Frank Schneider, Steffen Jank, Rudy Matthys, Peter Zimmer, Jean-Paul Preumont, Anne-Laure Le Merre, Matthew Ledbury, Britta Schreiner. (missing from the picture: Jeremy Drew)

CHAPTER 4

CER IN 2009/2010

How does CER work?	41
List of CER publications	48
List of political events	50
List of CER events	52
CER member statistics	57

List of CER publications

From May 2009 to May 2010, CER produced various kinds of publications on a regular basis, including 12 position papers and three studies on European rail policy issues. In addition, several articles in books and newspapers provided readers with specific background information. The list below only comprises the most important publications. It does not take into account fact sheets, ad-hoc papers, or presentations which CER regularly produces to cover in full the various information levels of all stakeholders in order to efficiently support the lobbying activities at the European level.

All publications can be ordered from the CER office or downloaded at www.cer.be. You will also find further documents such as press releases or fact sheets and publications from previous years on the website.

CER Brochures

Conference Report on Employability – an HR Strategy for Shaping Change in the Railway Sector – September 2009

This brochure is a summary of the discussions at the social partners' conference on "Employability – an HR strategy for shaping change in the railway sector", which took place in Potsdam in October 2008. The conference was an activity designed to implement the joint recommendations on the "Concept of employability in the railway sector" that had been approved by the European social partners: CER, EIM and the railway section of the European Transport Workers' Federation (ETF) in October 2007. It also contains interesting points for further discussion between the social partners in the member states, the railway companies and at European level.



CER Studies

European Transport Policy – Progress and Prospects – October 2009

Conducted by the Institute for Transport Studies (ITS) at the University of Leeds, this study outlines progress with European transport policy since 2001, and suggests policy actions for a more sustainable future of transport. Recommendations include introducing fair charging schemes across all modes, ensuring adequate investment in infrastructure, and monitoring and enforcing already existing legislation.



- › *Study on the Impact of the Internalisation of External Costs of Road Transport, July 2009*
- › *Study: Long-Term Climate Impacts of the Introduction of Megatrucks, May 2009*

CER Position Papers

Joint Railway Position Paper on the Future of Transport – March 2010

This Joint Position Paper summarises the vision of CER, EIM and UNIFE concerning the future of transport. It outlines the key elements needed to achieve a sustainable transport policy: providing customers with the best possible mobility choice, setting concrete and overall emissions reduction targets and internalising external costs. The liberalisation of the rail sector and the adoption of innovative and environmentally friendly transport technology are also crucial to accomplish this aim.



- › Market opening of domestic passenger traffic and further European integration of railway markets, March 2010
- › CER Memorandum: "Is enough being done to create a sustainable and economic transport system?", February 2010
- › CER Reaction to "EUROPE 2020" Strategy, January 2010
- › CER Position to Commission Study "EU Transport Greenhouse Gases (GHG): Routes to 2050", January 2010
- › CER Response to the Commission Communication "A Sustainable Future for Transport", October 2009
- › CER Position to Draft 3 of Recommendation on CSM for Conformity Assessment, September 2009
- › CER Position to Modules for Conformity Assessment, September 2009
- › CER Response to the TEN-T Green Paper, April 2009
- › CER Position on the Commission's document "Future of Transport" published in February 2009, April 2009
- › CER & UNIFE Position on the Extension of Field of Application of TSIs, April 2009
- › CER and EIM Position on Intelligent Transport Systems (ITS), February 2009
- › CER Position on the Rail Freight Corridor Regulation, February 2009

Book Articles

- › *Developing and Safeguarding Competitive Rail Transport*, by Johannes Ludewig and Jeremy Drew in "Railway Transformation", Martin Streichfuss (Ed.), January 2010. ISBN 978-3-7771-0406-5

CHAPTER 4

CER IN 2009/2010

How does CER work?	41
List of CER publications	48
List of political events	50
List of CER events	52
CER member statistics	57

List of political events

2009

1 January

Start of Czech EU presidency

21 January

Parliament's TRAN Committee starts debate on revision of TEN-T financing mechanism

29 January

Commission and stakeholders further debate the future of transport

30 January

European Commission and the railways organise joint workshop to promote PPPs in rail infrastructure

4 February

European Commission publishes Green Paper on the future challenges of the policy for the Trans-European Transport Network (TEN-T) and opens public consultation

4 February

European Parliament resolution urges 80% cut in greenhouse gas emissions by 2050

4 February

European Commission Marco Polo Information Day: presentation of key to a successful Marco Polo application

11 February

European Commission decides to include aviation in the ETS

17 February

European Parliament's TRAN Committee opens discussion on the passenger rights package

18 February

Czech Ministry, SZDC and CER organise ERTMS conference confirming EU priorities on European railway corridors

11 March

European Parliament votes for revision of Eurovignette Directive in favour of reducing the environmental impact of road transport

11 March

European Parliament report calls for investments in TEN-T in order to relaunch the European economy

11 March

European Parliament report criticises Commission for lack of "greening of transport" strategy

31 March

Calls for tender for TEN-T network funding launched: almost 1 billion euros available in 2009

29 April

Transport ministers meet for informal Council meeting and endorse EU-wide framework for deploying Intelligent Transport Systems (ITS)

29 April

ERA evaluation unit organises conference analysing the economic aspects of railway safety

5-6 May

Joint United Nations ECE, ITS and World Bank seminar to discuss policy challenges for the removal of border-crossing obstacles

27 May

At the International Transport Forum – (ITF) in Leipzig, transport minister, rail CEOs and academic experts meet to discuss investment in rail to support economic recovery

28–29 May

Latvian ministerial conference debates role of the Baltic transport system for EU-Asia trade

9 June

European Commission invites CER to brainstorm on strategic vision for the next legislative term

17 June

European Commission Communication on the Future for Transport states that "right price signals" are needed to make transport sustainable

23–26 June

Green Week 2009: climate change – act and adapt!

25 June

First European Level Crossing Awareness Day

1 July

Start of Swedish EU presidency

14 July

Jerzy Buzek becomes first President of the European Parliament from a Central and Eastern European member state (Poland)

17 July

European Commission and EU transport ministers visit St Gotthard tunnel in Switzerland

22 July

Mandates of TEN-T coordinators renewed

22 July

ERTMS deployment plan adopted by European Commission

28 July

European Commission Vice-President Tajani discusses with CER the impact of the economic crisis

8 September

European Commission will review safety rules and monitor their implementation following the Viareggio accident

16 September

Commission and CER launch co-operation on European passenger rights communications campaign

16 September

José Manuel Barroso re-elected as Commission President by 'Lisbon-majority'

23 September

ERA and the rail sector start formal networking meetings

30 September

European Commission Action Plan on Urban Mobility is published

6 October

TEN-T coordinators present their annual report and a common position paper

15 October

Copenhagen climate negotiations

21 October

European Commission TEN-T Days: EU reveals projects which will receive additional funding from 500-million-euros grant

20 November

At second stakeholders' meeting on the Sustainable Future for Transport Communication, Commissioner Tajani unveils plans for European infrastructure fund which should be a key element for future European transport policy

2010**1 January**

International rail passenger transport market open to competition

1 January

Start of Spanish EU presidency

14 January

During his Parliamentary hearing as Commissioner-designate, Siim Kallas confirms decarbonisation of transport as an ultimate objective

27 January

European Parliament's TRAN Committee confirms adaptation of transport infrastructure to climate change as a priority

9 February

New European Commission takes over; Vice-President Siim Kallas (Estonia) becomes new Transport Commissioner

25 February

In an exchange of views with the European Parliament's TRAN Committee, the European Commission presents the "financial architecture" of the railways as a key concern

3 March

European Commission proposes new 2020 economic strategy for Europe

31 March

Commission adopts 2010 work programme

19 April

A volcanic ash cloud from Iceland grounds flights all over Europe and EU transport ministers meet for an extraordinary video conference to agree on a European approach. The railways prove to be an efficient alternative and the European Parliament demands investments in rail transport be prioritised.

CHAPTER 4

CER IN 2009/2010

How does CER work?	41
List of CER publications	48
List of political events	50
List of CER events	52
CER member statistics	57

List of CER events

2009

5 January

Czech EU presidency and CER exchange views on transport issues

9 January

CER hosts meeting on Luxemburg Railway Protocol

20 January

CER and UNIFE celebrate European Railway Award 2009 and Annual Reception.

Laureates are the Swiss Transport Minister Moritz Leuenberger for political achievements, and Bengt Sterner for technical achievements

21 January

Mauro Moretti becomes new CER Chairman taking over a half-term from Aad Veenman, who retired from NS

5 February

CER discusses developments in transport policy with the Director-General of DG TREN, Mathias Ruete

18 February

CER meets the new Czech Transport Minister, Gustáv Slameka

18 February

CER supports the ERTMS corridor conference in Prague

20 February

CER discusses activities of the European Railway Agency (ERA) with DG TREN

24 February

CEOs of Central and Eastern European railways meet with the Commission in Brussels and request that it pushes member states to improve the financial situation of railways

26 February

CER organises a best-practice visit to Japan for a number of European CEOs and presents lessons learnt from Japanese passenger rail services



From left: Enrico Grillo Pasquarelli (DG TREN), Mathias Ruete (DG TREN), Johannes Ludewig, Maurizio Castelletti (DG TREN)

6 March

CER meets the Bulgarian Ministers of Transport, Peter Mutafchiev, and of Finance, Plamen Oresharski, in Sofia



Transport Minister Mutafchiev (left) and Finance Minister Oresharski (right), in discussions with Johannes Ludewig

13 March

Lithuanian Minister Eligijus Masiulis and CER discuss transport developments at the European level



Johannes Ludewig (left) shaking hands with the Lithuanian Transport Minister Eligijus Masiulis

20 March

Safety experts from rail and road organisations including CER sign the European Road Safety Charter



Libor Lochman (right) signed the European Road Safety Charter for CER in the presence of Enrico Grillo Pasquarelli from DG TREN

24 March

European Railway Agency (ERA) and the railway sector formally recognise need to improve co-operation

1 April

CER enters into closer co-operation with the German pro-rail group Allianz pro Schiene, the European environmental campaigning group Transport and Environment (T&E), as well as the European Automobile Clubs to strengthen the fight against gigaliners

2 April

CER informs the European Commission about the impact of the economic crisis on the railway sector

23-24 April

European rail freight CEOs meet in Vienna and call for more support under the pressure of the economic crisis (CER High Level Freight Meeting)



From left to right: Oliver Sellnick, UIC, Ferdinand Schmidt, Rail Cargo Austria (chair of the meeting), and Johannes Ludewig, CER

5 May

Heads of European Affairs of European rail companies meet in Paris (CER Assistants Meeting)

6-7 May

European customs officials meet freight railway customs experts in Oslo

7 May

CER presents sector position on rail freight corridor regulation to the Czech Transport Ministry in Prague

4-5 June

European rail infrastructure CEOs meet in Warsaw and affirm that investment in rail can help bring the economy back on track (CER High Level Infrastructure Meeting)



Jonathan Scheele from the European Commission with Jacques Dirand (CER) and Zbigniew Szafranski (PKP PLK)

15 June

CER General Assembly in Paris

19 June

European rail passenger CEOs meet in Rome and call for proper compensation of public services (CER High Level Passenger Meeting)



Group picture of CER's rail passenger CEOs with Commission Vice-President Tajani in Rome

30 June

Derailed freight train in Viareggio causes explosion and fire in Italian train station leading to a number of CER activities regarding safety

2 July

CER meets the new Latvian Minister of Transport, Kaspars Gerhards



From left to right: Ugis Magonis, Kaspars Gerhards, and Johannes Ludewig

9 July

Johannes Ludewig exchanges views with the Serbian Deputy Prime Minister and Minister of Economy, Mladjan Dinkic, the Deputy Prime Minister for European Integration, Božidar Djelić, and the Minister for Infrastructure, Milutin Mrkonjic in Belgrade



Johannes Ludewig in the meeting with Serbian Deputy Prime Minister Dinkic (left)

13 July

Johannes Ludewig meets in Sarajevo with the Minister of Transport and Communications of Bosnia and Herzegovina, Rudo Vidović, the Minister of Transport and Communications of the Federation of Bosnia and Herzegovina, Nail Šećkanović, the Minister of Transport of Communications of Republic of Srpska, Nedeljko Čubrilović, the Minister of Finance of Bosnia and Herzegovina, Dragan Vrankić, the Minister of Finance of the Federation of Bosnia and Herzegovina Vjekoslav Bevanda, and the Minister of Finance of the Republic of Srpska, Aleksandar Džombić

20 July

CER meets with DG TREN Director-General Matthias Ruete

4 September

First joint meeting of the CER Management Committee and the EIM Board in Berlin

4–5 September

European railway and infrastructure CEOs emphasise rail's role for future transport in a high-level meeting in Berlin

11 September

Heads of European Affairs discuss current EU policies concerning the railways in Brussels (CER Assistants Meeting)

17–18 September

CIT starts a discussion on common rules and procedures to improve railways' commercial relationship

21–25 September

CER organises a rail session at the ITS World Congress, which attracts numerous transport policy-makers in Stockholm

1 October

CER launches a study by the Institute for Transport Studies (ITS) on the progress and prospects of the European transport policy since 2001, in the European Parliament. The study suggests concrete policy actions for a more sustainable future of transport



Prof. Chris Nash presenting his study at the European Parliament

14 October

CER General Assembly in Gdansk



Johannes Ludewig (left) and Mauro Moretti

20 October

CER and UNIFE seminar in Warsaw presents ways for rolling stock modernisation in Central and Eastern Europe

30 October

CER discusses recast of First Railway Package with Cabinet of Commission Vice-President Tajani

9–10 November

CIT finalises the 'Accord International de Voyage' (AIV) agreement on the relationship between carriers of international passenger traffic

11 November

CER co-organises a conference with the Swedish presidency: 'EU policy needs dialogue and trust in sector initiatives'



The concluding panel discussion with (from left to right) Björn Östlund, Jan Sundling, Leif Zetterberg, Robert Wright, Benoit Le Bret, Johannes Ludewig, and Marianne Klingbeil

30 November

Johannes Ludewig meets with the Spanish Minister for Transport and future chairman of the EU Transport Council, José Blanco



Johannes Ludewig with the Spanish Minister for Transport (left)

1 December

European rail freight CEOs meet in Brussels to discuss financial difficulties in the sector (CER High Level Freight Meeting)

5 December

More than 400 business leaders, politicians, environmental activists and journalists travel together onboard the carbon-neutral *Climate Express* train from Brussels to Copenhagen to attend the United Nations Climate Change Conference



The train to Copenhagen attracted huge media interest

7–8 December

Heads of European Affairs discuss CER positions on the recast of First Railway Package (CER Assistants Meeting)

16 December

CER meets the Bulgarian Transport Minister Aleksandar Tsvetkov



Johannes Ludewig (left) with Bulgarian Transport Minister Tsvetkov

22 December

Director-General of DG TREN, Matthias Ruete and Johannes Ludewig discuss EU transport plans for 2010

2010

10 January

CER organises a debriefing on the Copenhagen Climate Change Conference in the European Parliament. The speaker is Jos Delbeke, Deputy Director-General of DG Environment



From left to right: Jos Delbeke, MEP Gesine Meissner and Johannes Ludewig

3 February

Felipe González and Roland Heinisch receive European Railway Award 2010



At the European Railway Award, CER Chairman Moretti (right) thanked Vice-President Tajani for the support of railways during his term as Transport Commissioner

4 February

CER General Assembly re-elects Mauro Moretti as CER Chairman for a full two-year term

12 February

CER submits a memorandum to Siim Kallas which outlines recommendations for the policy of the new European Commission. The European Commissioner responsible for climate action, Connie Hedegaard, was presented with a similar briefing

12 March

CER meets with the Cabinet of the new Transport Commissioner Siim Kallas and asserts that the opening of national rail markets will help to improve passenger services

23 March

CER meets with Belgian Transport State Secretary Etienne Schouppe and, in a separate meeting, with DG MOVE Director-General Matthias Ruete

26 March

Heads of European affairs departments meet in Paris (CER Assistants Meeting)

15 April

Winner of the European Railway Award 2010, Roland Heinisch, donates prize money to "Aktion Deutschland Hilft"



From left to right: Rüdiger Gruebe, CEO of DB, Wolfgang Thierse, Vice-President of the German Bundestag, Roland Heinisch, Johannes Ludwig, CEO of CER, Carl Siebel from Aktion Deutschland Hilft

CHAPTER 4

CER IN 2009/2010

How does CER work?	41
List of CER publications	48
List of political events	50
List of CER events	52
CER member statistics	57

CER member statistics

CER publishes simple railway statistics of its members every year in order to give the reader a better overview of the activities of each member. The statistics table on the following page shows at one glance the broad range of CER's membership base, which consists mainly of infrastructure managers, integrated railway companies and railway undertakings of various sizes, including private freight and passenger operators, and others, in Europe.

Infrastructure

CER member companies managed 206 742 kilometres of railway lines in 2009, which is 0.3% more than in the previous year. Of that, 84% (174 272 kilometres) are located within the EU-25 (Malta and Cyprus do not have railway lines). In 2009, CER member companies represented 82% of all railway lines in the European Union.

Freight

The economic crisis was felt more strongly in the freight sector. The total number of freight tonnes carried decreased by 17%, from 1.5 billion tonnes in 2008 to 1.2 billion tonnes in 2009. Likewise, tonne-kilometres decreased by 20%, from 437 billion tonne-kilometres in 2008 to 249 billion tonne-kilometres in 2009.

Operating results of CER members

Passenger and freight operations

	2008 millions	2009 millions	Δ% 09/08
Tonnes carried	1,463.0	1,220.0	-16.6%
Tonne-kilometres	436,963	349,167	-20.1%
Passengers carried	7,936	7,242	-8.7%
Passenger-kilometres	423,121	417,028	-1.4%

Employment

The total number of employees in CER member companies decreased by 2% in 2009, from 1.284 million in 2008 to 1.260 million in 2009. This is an impressive number of jobs depending directly on the railways: the number of staff employed by CER member companies is similar to that of the population of Estonia, which counted 1.340 million in 2009. Taking into account jobs which depend directly on the railways, such as the rail supply industry or track maintenance companies, this number can probably be doubled. The railways clearly remain an important employer in Europe.

Passenger

The economic crisis in 2009 had a dramatic impact on the performance of the transport sector in Europe. This is also reflected in the statistics collected by CER from all its members. The total number of passengers carried by CER member companies declined by 9%, from 7.9 billion passengers in 2008 to 7.2 billion passengers in 2009. Passenger-kilometres declined by 1%, from 423 billion passenger-kilometres to 417 billion in 2009.

2009 CER member statistics

CER Member	COUNTRY	Length of lines		Staff number		Passengers carried		Passenger-kilometres		Freight tonnes carried		Freight tonne-km		Turnover		EBIT	
		in km		Δ% 08/09	millions	Δ% 08/09	millions	Δ% 08/09	millions	Δ% 08/09	millions	Δ% 08/09	€	Δ% 08/09	€	Δ% 08/09	€
ADIF	ES	13 354	14 020	1%	-	-	-	-	-	-	-	-	-	1 963,0 ^P	9%	7,0 ^P	▼
ASTOC	SE	-	10 800	-4%	n/a	n/a	10 500 ^P	2%	n/a	n/a	14 600 ^P	-16%	n/a	n/a	n/a	n/a	n/a
ATOC	GB (UK)	15 814	51 102	n/a	1 223,7 ^P	-4%	50 281 ^P	-1%	-	-	-	-	6 390,0 ^V	-5%	n/a	n/a	n/a
BDŽ	BG	-	15 439	-9%	31,4	-7%	2 144	-8%	10,6	-40%	2 265,8	-44%	137,1	-35%	-66,5	▼	
BE	LV	-	134	2%	-	-	-	-	2,9	-21%	1 146	12%	22,2 ^P	30%	2,86 ^P	▲	
BLS	CH	434	2 800	10%	47,9	2%	788	6%	12,0	-20%	2 981	-19%	869,0	62%	12,9	▲	
BRC	BG	-	271	29%	-	-	-	-	2,3	40%	807	26%	15,9	35%	n/a	n/a	
BRKS	SK	-	79 ^a	n/a	-	-	-	-	0,7 ^a	n/a	n/a	n/a	6,8 ^a	n/a	n/a	n/a	
BTS	LV	-	108	69%	-	-	-	-	9,4	194%	2 929	251%	47,9	263%		n/a	
Bulmarket	BG	-	n/a	n/a	-	-	-	-	0,4 ^u	-25%	79 ^u	n/a	n/a	n/a	n/a	n/a	
ČD ^d	CZ	-	38 947 ^P	-20%	163,0	-7%	6 462 ^P	-4%	68 ^P	-21%	12 616 ^P	-21%	1 038,0 ^P	n/a	-44,2 ^P	n/a	
CER	HU	-	n/a	n/a	-	-	-	-	n/a	n/a	365	-24%	n/a	n/a	n/a	n/a	
CFL	LU	275	3 038	2%	17,0	-4%	333	-3%	0,4	30%	12	24%	467,4 ^P	9%	-4,8	▼	
CFL Cargo	LU	-	534	0%	-	-	-	-	6,0	-28%	189	-30%	105,6 ^P	-21%	n/a	n/a	
CFR	RO	10 776	26 596	-6%	-	-	-	-	-	-	-	-	253,7 ^t	-11%	-200,0	▼	
CFR Călători	RO	-	16 588	-3%	65,5	-13%	5 975,0	-13%	-	-	-	-	464,6	-20%	-59,4 ^P	▲	
CFR Marfă	RO	-	15 992	-11%	-	-	-	-	29,5	-34%	5 394	-40%	250,4	-46%	-74,0 ^P	▼	
CP	PT	-	3 808	-9%	131,3	-3%	3 766	-1%	4,9 ^t	-53%	1 177 ^t	-54%	163,6	-44%	-144,3 ^t	▼	
CTL	PL	101 ^a	2 500 ^a	n/a	-	-	-	-	19,3	5%	4 542	12%	n/a	n/a	n/a	n/a	
DB	DE	33 721	239 382	0%	1 908,0	-1%	76 772	-1%	341,0	-10%	93 948	-17%	29 335,0	-12%	1 685,0	▼	
DB Schenker DK ^j	DK	-	282	-9%	-	-	-	-	5,8	-12%	3 708	107%	n/a	n/a	n/a	n/a	
DB Schenker NL ^k	NL	-	783	-12%	-	-	-	-	23,1	-26%	3 786	-22%	n/a	n/a	n/a	n/a	
DB Schenker UK ^l	GB (UK)	-	4 000 ⁱ	n/a	-	-	-	-	n/a ^l	n/a	n/a ^l	n/a	n/a	n/a	n/a	n/a	
DSB	DK	1 688 ^m	9 308	1%	194,8	11%	7 300	22%	-	-	-	-	1 451,0	-1%	113,1	▼	
Eurostar	UK	109	1 386	-18%	9,2	1%	1 014	2%	-	-	-	-	316,0 ^c	-60%	n/a	n/a	
EVR	EE	1 280	1 693	-7%	-	-	-	-	25,4	-3%	5 590	0%	96,9 ^P	-8%	8,0 ^P	▼	
FEVE	ES	1 200 ^a	1 972 ^a	n/a	9,7 ^u	-7%	196 ^u	-6%	2,8 ^u	-7%	339 ^u	-21%	n/a	n/a	n/a	n/a	
FS ⁿ	IT		16 685	-4%	n/a	n/a	44 405	-3%	n/a	n/a	21 358	-25%	9 625,0	-6%	236,0	▲	
GFR	RO	-	1 609	19%	-	-	-	-	7,8	14%	1 871	13%	425,0	15%	27,3	▼	
GySEV/RoeEE	HU/AT	288	1 691	-11%	4,7	-6%	191	-2%	4,9	-23%	599	-15%	96,2 ^P	-19%	-0,8 ^P	▲	
HUNGRAIL	HU	7 913	29 616	n/a	146,6	n/a	8 726	n/a	44,4	n/a	7 889	n/a	n/a	n/a	n/a	n/a	
HSH	AL	423 ^u	1 882 ^u	-1%	0,6 ^u	-22%	32 ^u	-21%	0,3 ^u	-2%	46 ^u	-11%	n/a	n/a	n/a	n/a	
HŽ	HR	2 722	12 931	-3%	73,5	4%	1 835	1%	11,7	-21%	2 641	-20%	472,5	-4%	-2,6	▲	
IÉ	IE	1 723	4 499 ^f	-8%	38,9	-13%	1 683	-15%	0,6	-14%	79	-23%	197	-11%	-204,0 ^g	▼	
LDz	LV	1 884	12 215	-10%	0,3	-99%	75	-90%	54,0 ^P	-4%	15 000 ^P	-15%	n/a	n/a	n/a	n/a	
LG	LT	1 767	10 506	-2%	4,4	-14%	357	-10%	42,7	-22%	11 888	-19%	342,8 ^P	-26%	3,6 ^P	▼	
MÁV	HU	7 509	19 868	-3%	0,4	8%	4	0%	-	-	-	-	641,6	-19%	-120,9	▼	
MÁV-Start	HU	-	7 224	3%	106,2	-2%	5 517	-3%	-	-	-	-	231,6	-10%	1,0	▲	
NRIC	BG	4 150	15 528	-5%	-	-	-	-	-	-	-	-	149,3	7%	-27,1	▲	
NS	NL	-	20 518	21%	328,3 ^u	-5%	16 315	1%	-	-	-	-	2 699,0 ^w	9%	116,0	▼	

2009 CER member statistics

CER Member	COUNTRY	Length of lines		Staff number		Passengers carried		Passenger-kilometres		Freight tonnes carried		Freight tonne-km		Turnover		EBIT	
		in km		Δ% 08/09	millions	Δ% 08/09	millions	Δ% 08/09	millions	Δ% 08/09	millions €	Δ% 08/09	millions €	Δ% 08/09	millions €	Δ% 08/09	
NSB	NO	3 900 ^s	2 565	7%	51,0	-2%	2 736	-1%	-	-	-	-	548,0	26%	5,5	▼	
ÖBB	AT	5 664	46 098 ^h	0%	205,8	-1%	10 088	-1%	105,0 ^h	-19%	20 278 ^h	-20%	n/a	n/a	n/a	n/a	
OKD	CZ	21	1 475	11%	0,1	-9%	1	-8%	9,5	-6%	689,5	31%	n/a	n/a	n/a	n/a	
OSE	EL	2 552	4 608	-7%	-	-	-	-	-	-	-	-	n/a	n/a	n/a	n/a	
PKP	PL	19 764	113 107	-8%	210,7	-6%	16 454	-8%	110,1	-22%	29 940	-24%	n/a	n/a	n/a	n/a	
Rail Cargo Hungaria ^e	HU	-	3 038	-3%	-	-	-	-	31,9	-24%	6 237	-26%	n/a	n/a	n/a	n/a	
Rail Polska	PL	-	280	n/a	-	-	-	-	2	n/a	283	n/a	n/a	n/a	n/a	n/a	
RENFE Operadora	ES	-	14 080 ^p	-2%	466,8	-7%	21 729	-2%	16,5	-25%	6 973 ^p	-28%	1 896,2 ^p	-2%	-165,4 ^p	▼	
RegioTrans Brasov	RO	543 ^b	293 ^b	n/a	2,4 ^b	n/a	56 ^b	n/a	-	-	-	-	n/a	n/a	n/a	n/a	
RFYMI	MK	699	1 512	-1%	-	-	-	-	-	-	-	-	1 086,1	10%	-799,4	▲	
RFYMT	MK	-	1 366	-2%	1,5	6%	155	4%	2,9	-30%	497	-33%	2 295,1	6%	52,3	▲	
SBB/CFF/FFS	CH	2 992	27 978	1%	327,5	2%	16 677	3%	49,3	-9%	11 674	-7%	5 271,6	2%	347,0	▲	
Servtrans Invest	RO	64	927	1%	0,1	-11%	2	-9%	4,3	-16%	1 019	-20%	37,4	-25%	2,5	▼	
SLB	AT	35	138	0%	4,8	0%	58	0%	1,8	22%	210	150%	n/a	n/a	n/a	▼	
SNCB/NMBS Holding	BE	3 578	37 154	0%	220,4	2%	10 493	1%	36,5	-34%	5 439	-31%	3 189,9	-8%	-107,0 ^q	▼	
SNCB/NMBS	BE	-	20 255 ⁱ	1%	220,4	2%	10 493	1%	36,5	-34%	5 439	-31%	2 184,8 ^p	-1%	-444 ^p	▼	
SNCF	FR	-	156 435	-1%	1 086,8	0%	83 276	-2%	77,2	-20%	29 551	-20%	18 525,0	0%	-382,1	▼	
SŽ	SI	1 228	7 728	-3%	16,4	-2%	840	1%	13,1	-24%	2 668	-24%	346,4	-13%	-28,0	▼	
SŽDC	CZ	9 479	9 929	-6%	-	-	-	-	-	-	-	-	359,0	-2%	28,0	▼	
TCDD	TR	8 699 ^a	30 617 ^a	n/a	80,1 ^u	1%	5 374 ^u	4%	21,3 ^u	-7%	10 163 ^u	-3%	n/a	n/a	n/a	n/a	
Thalys	BE/FR	-	n/a	n/a	6,1	-4%	2 224	-3%	-	-	-	-	382,0	-3%	n/a	n/a	
TRAINOSE	EL	-	1 677	n/a	15,3	-5%	1 414	-15%	3,4	-19%	538	-32%	-	-	-	-	
TX Logistik	DE	-	195	12%	-	-	-	-	2,5	4%	1 828,1	15%	125,0	n/a	n/a	n/a	
Veolia Transport	FR	-	1 570	4%	60,8	0%	1 970	3%	-	-	-	-	n/a	n/a	n/a	n/a	
VPE	HU	-	29	53%	-	-	-	-	-	-	-	-	2,5	35%	0,6	▲	
VR	FI	5 919	7 295	-2%	67,6	-3%	3 876	-4%	32,9	-21%	8 872	-18%	757,1	-8%	31,5	▲	
ŽCG	ME	249 ^u	961 ^u		1,2 ^b	n/a	135 ^b	n/a	1,8 ^b	n/a	183 ^b	n/a	n/a	n/a	n/a	n/a	
ŽFBH	BA	601	3 973	-2%	0,5	-99%	34	-14%	7,2	-14%	703	-23%	51,6	-25%	n/a	n/a	
ŽRS	BA	416 ^a	3 553 ^a	n/a	0,4 ^u	-39%	27 ^u	-30%	4,0 ^u	-19%	323 ^u	-10%	n/a	n/a	n/a	n/a	
ŽS	RS	3 809	19 249	-4%	8,4	-5%	582	-10%	10,4	-26%	2 967	-32%	n/a	n/a	n/a	n/a	
ŽSR	SK	3 623	17 070	-3%	-	-	-	-	-	-	-	-	283,5	-9%	-90,9	▼	
ZSSK	SK	-	4 966	0%	45,1	-4%	2 247	-1%	-	-	-	-	309,2 ^p	6%	-13,65 ^p	▲	
ZSSK Cargo	SK	-	9 826	-6%	-	-	-	-	34,0	-23%	6 485	-27%	339,2 ^p	-26%	-114,4 ^p	▼	
GR	GE	1 566 ^u	n/a	n/a	3,1 ^u	-9%	626 ^u	-7%	17,1 ^u	-19%	5 417 ^u	-17%	n/a	n/a	n/a	n/a	
JR EAST ^o	Japan	7 527	61 040	-1%	n/a	n/a	n/a	n/a	-	-	-	-	14 108,2	-9%	1 266,3	▼	

n/a Not available
- Not applicable

▲ Increase
▼ Decrease

- a 2008 data.
- b 2007 data.
- c Turnover 2009 Originating Revenue only. 2008 figure (793.0) may be overstated.
- d 2009 data is provisional (i.e. unconsolidated and unaudited). 2009 financial data can therefore not be compared to 2008 financial data, which is consolidated and audited.
- e Rail Cargo Hungaria, formerly known as MÁV Cargo, is a wholly owned subsidiary of ÖBB.
- f Active lines only.
- g Excludes grants of 203m euros (2008) and 171m euros (2009).
- h Since 2009, data on staff, freight transport volume and freight transport performance of former MAV Cargo is officially included in ÖBB data. For the year 2008, MAV-Cargo data is added to ÖBB data to get meaningful results of the differences between 2008 and 2009.
- i Transfer of activities from Infrabel (IM) to SNCB.
- j DB Schenker Rail Danmark, formerly known as Railion Scandinavia, is a wholly owned subsidiary of DB AG.
- k DB Schenker Rail Nederland, formerly known as Railion Nederland, is a wholly owned subsidiary of DB AG.
- l DB Schenker Rail (UK), formerly known as English, Welsh and Scottish Railway (EWS), is a wholly owned subsidiary of DB AG. 2009 freight data for DB Schenker UK was unfortunately not yet available at the time of publication. Staff number provided refers to the average figure for 2009.
- m Length of lines only refers to lines served by DSB.
- n Including traffic from subsidiaries.
- o The JR East figures depicted here are for the fiscal year 2009, which refer to the period 1 April 2009 to 31 March 2010.
- p Provisional.
- q 2009 and 2008 data refers to EBT and not EBIT.
- r Since October 2008, LDZ has been responsible for only international passenger traffic.
- s Refers to lines with regular traffic only. The length of the total network is 4 195 kilometres.
- t Spin-off of the company CP Carga (Freight Transport) on 1 August 2009.
- u UIC data 2009.
- v Decrease in turnover since 2008 because of GBP/EUR currency exchange rate fluctuations.
- w Passenger service operations only.

ABBREVIATIONS

CEE	Central and Eastern European
CER	Community of European Railway and Infrastructure Companies
CO₂	Carbon Dioxide
CO	Carbon Monoxide
CSM	Common Safety Methods
CST	Common Safety Targets
CTG	Coordination Technical Group
EC	European Commission
EEA	European Environment Agency
EFRTC	European Federation of Railway Trackworks Contractors
EIM	European Rail Infrastructure Managers
ELCF	European Level Crossing Forum
ERA	European Railway Agency
ERATV	European Register of Authorised Types of Vehicle
ERTMS	European Rail Traffic Management System
ETCS	European Train Control System
ETF	European Transport Workers' Federation
EU	European Union
FIA	Federation Internationale de l'Automobile
GRB	Group of Representative Bodies
IRU	International Road Transport Union
MEP	Member of the European Parliament
MoU	Memorandum of Understanding
NRB	Network of Representative Bodies
PSO	Public Service Obligations
RINF	Infrastructure Register
RMMS	Rail Market Monitoring System
TAF TSI	Technical Specification for Interoperability on Telematic Applications for Rail Freight Transport
TAP TSI	Technical Specification for Interoperability on Telematic Applications for Rail Passenger Transport
T&E	Transport and Environment
TEN-T	Trans-European Transport Network
TGV	Train à Grande Vitesse / High-Speed Train
TRAN	Committee on Transport and Tourism in the European Parliament
TSI	Technical Specifications for Interoperability
UIC	International Union of Railways
UIRR	International Union of combined Road-Rail transport companies
UITP	International Union of Public Transport
UNIFE	European Railway Supply Industry

GLOSSARY

Directive 91/440

Mother Directive “on the development of the Community’s railways”, which laid down the foundations for the creation of a European railway market.

First Railway Package

First step towards rail market opening: international freight. Directive 2001/12/EC revises Dir 91/440, Directive 2001/13/EC revises Dir 95/18, Directive 2001/14/EC repeals Dir 95/19, Directive 2001/16/EC deals with interoperability of the conventional rail system.

Second Railway Package

Second step towards market opening – entire freight market. Directive 2004/51/EC revises Dir 91/440 ff, Directive 2004/49/EC on safety revises Dir 95/18 ff, Directive 2004/50/EC combines the high-speed and conventional interoperability Directives, Regulation (EC) 881/2004 establishes the European Railway Agency ERA.

Third Railway Package

Third step towards rail market opening – for passenger market. Regulation 1371/2007 on Passenger rights, Passenger liberalisation Directive 2007/58 and Train crew certification Directive 2007/59.

Technical Railway Package

New interoperability Directive 2008/57/EC, revision of the safety Directive 2008/11/EC amending Directive 2004/49/EC and Agency Regulation (EC) 1335/2008 amending Regulation 881/2004 establishing a European Railway Agency.

Greening Transport Package

It aims to move transport further towards sustainability. It has five parts: the Greening Transport Communication, the Greening Transport Inventory, the Strategy to Internalise the External Costs of Transport, the Proposal for a Directive on road tolls for lorries, and the Rail Transport and Interoperability communication.

CER

AVENUE DES ARTS 53 - B - 1000 BRUSSELS - BELGIUM

T: +32 2 213 08 70 - F: +32 2 512 52 31

CONTACT@CER.BE - WWW.CER.BE

