



ANNUAL REPORT 2013-2014



COMMUNITY OF EUROPEAN RAILWAY
AND INFRASTRUCTURE COMPANIES

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FOREWORD

CER foreword

With a new European Parliament elected in May and newly appointed European Commissioners to take office in autumn, 2014 will bring a lot of changes to the European institutions. This is a good moment to reflect on the past, the present and the future.

The past five years can well be considered as one of the most intensive law-making periods for the railway sector. Many proposals have been presented by the European Commission and discussed by the European Parliament and by the Council. A large number of legislative proposals have been adopted, transposed and implemented at national level.

In 2011, the European Commission published a White Paper setting out the EU transport policy for the next ten years including perspectives up to 2050. Rail will play a key role to achieve the Commission's goals: 30% of road freight over 300km should shift to rail or waterways by 2030, and 50% by 2050; while high-speed should connect all major European agglomerations.

The European transport network has been re-designed with the revision of the guidelines on the Trans-European Transport Network (TEN-T) and the related financial instrument, the Connecting Europe Facility (CEF). Rail freight corridors have been established with the aim to re-vitalise rail freight transport in a time where the consequences of the 2009 economic crisis are still weighing on the European industry. Moreover, a first complete set of conventional TSIs has been completed, passenger rights in all modes of transport have been strengthened and the First Railway Package has been recast, responding to the needs of an ever more open rail market, where 'old' and 'new' rail operators – both in passenger and in freight – are competing between each other as well as with other transport modes for bigger market shares.

Today, we are in the middle of the discussions around the Fourth Railway Package: domestic rail passenger markets will be made more open to competition, thus completing the broader process of rail market opening, which started in 2001 with international rail freight. Also, the European Railway Agency will be strengthened with new competences which will enable all railway undertakings to count on better, faster and more effective procedures for vehicle authorisations and safety certifications.

CER calls upon all actors to complete these discussions as soon as possible, so that we can focus during the next five years on the transposition and implementation of the new pieces of the rail legislation. Five years which should provide a stable legal framework to the rail sector. Five years in which rail efficiency barriers will be further removed, in order to respond to the transport needs of European citizens while contributing to Europe's energy independence.

During this upcoming legislative period, CER will continue its dialogue with all the EU institutions: with the European Commission, with the European Parliament, with the Council of Ministers and with the European Railway Agency. The sector and the policy makers must use this period to work hard, hand in hand, for the sake of making the Single European Railway Area a reality, for the sake of the European economy.



Christian Kern,
CER Chairman



Libor Lochman,
CER Executive Director



GUEST CONTRIBUTIONS

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Vice-President Siim Kallas

These are interesting and important times for Europe's railways, which stand on the brink of perhaps the most comprehensive changes ever. After so many years, we are in a position to create a truly unified rail network to span our continent.

Today, rail is a split and fragmented sector. It has to cope with diverging national rules, standards and a history of protected markets. More than 20 years after the first EU rail initiative, we still lack a genuine internal market for railways.

Rail needs to be revitalised so that it achieves its full potential. We can do this by raising its market share of transport use, through attracting more companies and improving rail service quality and efficiency, to make it faster, more punctual, efficient and reliable.

The European Commission's proposals on interoperability, market access and governance – the Fourth Railway Package – will put in place the regulatory structure we need. They follow a well-trodden EU path of gradual market opening as the way to promote rail's efficiency and competitiveness.

Some in the rail industry see this as a threat and unnecessary intervention. Nothing could be further from the truth. These changes are a vital – perhaps a last – new opportunity. The plan is certainly not to disrupt business models that work well, but to ensure equal conditions for all: for existing companies and for newcomers keen to run rail services. In the 21st century, Europe needs a rail market that works efficiently and boosts the European economy. It needs open and fair competition for everybody.

It's also not about liberalising the market for the sake of it. Our proposals aim to benefit the sector as a whole, leading to a shift away from road and therefore, more business for passengers and freight.

Today, rail is without doubt one of the last bastions of vested interests in transport. I find it hard to see how one can be a hard-hitting commercial operator and at the same time seek maximum protection from competitive pressures. Now is surely the time to think beyond national or individual interests, so that we have more cross-border, business-based rail activities all over Europe.

The alternative is not so palatable. With rising constraints over state budgets, our railways would fade away as a serious alternative to road and air transport, becoming an almost unaffordable luxury toy for a few rich countries.



We face a clear choice. If rail is made more attractive, this will lead to more traffic growth, more employment opportunities and better conditions – for everyone, industry included.

**Siim Kallas,
Vice-President of the European Commission
responsible for transport**

Minister Michalis Chrisochoidis

The Greek Presidency – putting railways and innovation at the heart of EU transport policy reform for the benefit of citizens.



The Greek Presidency continues the intensive discussions on rail issues, sharing the common vision for completing the Single European Railway Area and revitalizing the EU railway sector. The Fourth Railway Package signifies an opportunity towards an interoperable, safe, competitive and integrated market, while Shift2Rail forms a springboard for a technological advanced rail system by making more use of research and innovation. Overall, these two 'components' are the indispensable basis that will help to deliver better quality and more choice in railway services in Europe, so that customers (citizens and firms) have an attractive choice.

While common EU rules on interoperability and safety have been established in the last decade, the interoperability and safety requirements in the EU Member States still diverge significantly, creating excessive administrative costs and market access barriers, especially for new entrants and rail vehicle manufacturers. The existing costly and long procedures are important factors hindering the development of the EU railway market and its efficient functioning.

Together with the recast of the Directive on the interoperability of the rail system and the recast of the Directive on railway safety, the agreement on the ERA Regulation helps to remove the remaining barriers to the completion of the Single European Railway Area and thus, improve the competitiveness of the rail sector vis-à-vis other transport modes. With the completion of the technical pillar of the fourth railway package, economies of scale for railway undertakings across the EU are expected to increase, administrative costs will

decrease and the level playing field in the EU will improve, through the reduction of disguised discrimination in relation to the issuing of safety certificates and vehicle authorisations.

The second component, the so-called 'Shift2Rail' initiative, will help to develop technological advances that will be critical for the completion of the Single European Railway Area, as it aims to introduce new technologies for rolling stock, infrastructure and traffic management systems, that substantially reduce operational and infrastructure costs, and significantly improve the capacity of the system and the perceived level of service. It is essential to mix policy, science and technical innovation in order to produce and deliver a balanced set of incentives and measures for both states and stakeholders.

European railways are at a crossroads, while, the Greek railway system is in a transition period; the infrastructure and functioning of the system should be improved, operations for freight and passengers should become efficient, railway undertakings should be weaned from the State and market access for all interested parties should be ensured. Having made considerable efforts in this direction during the last years, Greece is using the Presidency to achieve progress and consensus on those elements of the Railway Agenda where tangible results towards transport integration and creation of a Single European Railway Area, could be achieved. The establishment of this Area will allow rail to compete with other means of transport, on the basis of a modern, high quality, reliable, efficient and environmental friendly mode. Our focus, the focus of our Presidency, is to make the 'shift' from other modes to a new generation and innovative rail, having removed administrative, operational and technical barriers.

We share and promote the vision for a new era in the European railways.

**Michalis Chrisochoidis,
Greek Minister for Infrastructure, Transport and Networks**

Former CER Chairman Mauro Moretti

As CER Chairman until December 2013, I would like to thank all member companies for the trust accorded to me several times since 2009, when I was elected and then confirmed as CER Chairman for more than one mandate.



The most important aspect of our work at CER is the quality of the outputs produced and the ability to keep a high level of dialogue with policy makers. It is important that despite the different points of view which may exist, CER is now seen not only as the 'Voice of European Railways' but also as a producer of content, studies and advice to let institutional partners better understand

the complexities of the rail industry and then take more informed political decisions. Being a credible and reliable interlocutor is the prerequisite for an effective dialogue and for being heard by the EU policy makers. I myself experienced dealing with three different transport Commissioners, each with his own views and ideas on railways.

Let me take as an example the Fourth Railway Package, a historical reform which will deeply change our industry in the future, but where all members were able to reach an agreement in order to allow CER to have a common say. Our compromises within CER are the example that negotiations can be productive and that deals can be made in order to produce better legislation for railways and for the EU Single Market.

2014 is a year of change not only for CER's leadership but also for me since I am leaving the rail industry. In fact, I was appointed in May as CEO of Finmeccanica, an important international group active worldwide in different sectors such as aerospace, defense, helicopters as well as rail manufacturing and signalling through the subsidiaries AnsaldoBreda and Ansaldo STS.

Therefore I am taking on a new challenge, after spending my entire career at the Italian railways where I joined in 1977 working as an electrical engineer until 2006 when I became CEO of FS Italiane Group for three consecutive mandates. I am of course leaving my current position with a degree of emotion.

For many years the European rail industry has been experiencing huge reforms which are bringing about a rail renaissance in Europe and I hope that some stability will be given to the rail industry, in order to adapt to a constantly changing legislative framework. Railways can indeed be key actors for the future of transport in Europe and I am sure FS Italiane as well as CER will continue to be at the forefront of the debate.

Mauro Moretti,
CER Chairman (2009-2013)
CEO Ferrovie dello Stato Italiane (2006-2014)





CHAPTER 1

CER AT A GLANCE

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The voice of European railways

Recognised as the voice of European railways for twenty-five years, CER represents the interests of its members by actively providing an input to EU policy. It delivers practical and reliable information to EU stakeholders, in particular **to support an improved business and regulatory environment** for European train operators and railway infrastructure companies.

The Community of European Railway and Infrastructure Companies (CER) is the leading European railway association. It was founded in 1988 with twelve members and now brings together seventy-four European railway undertakings, their national associations as well as infrastructure companies and vehicle leasing companies. Among these seventy-four companies, sixty-nine have full or associate membership status and five enjoy partnership status. The membership is made up of long-established bodies, new entrants and both private and public enterprises.

In Europe, CER members represent about 61% of the rail network length, more than 84% of the rail freight business and over 99% of rail passenger operations. CER members directly provide more than a million jobs.

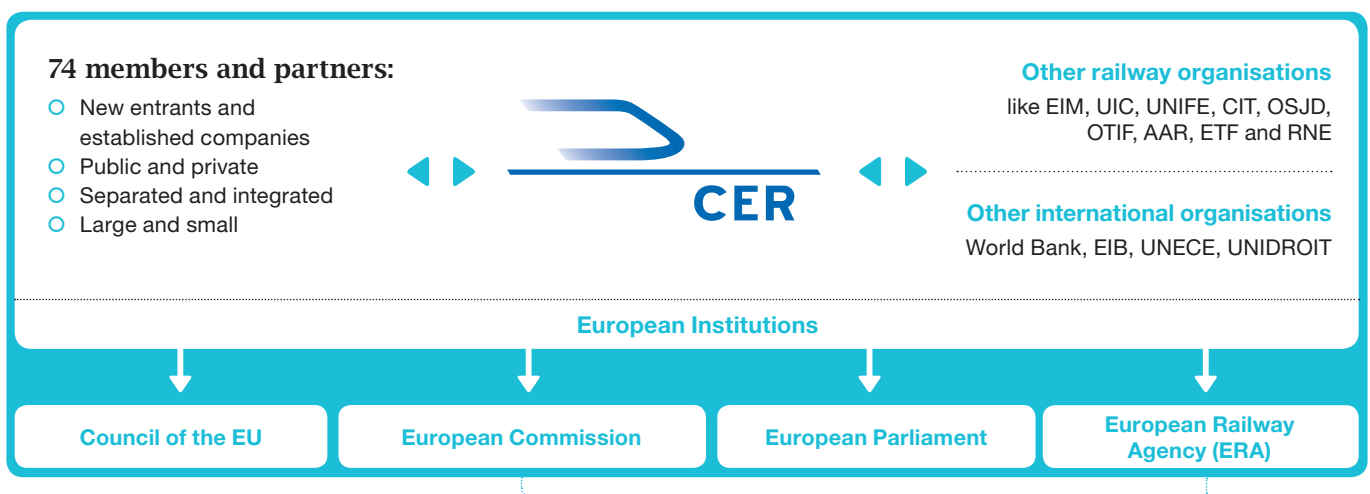
Geographically, CER members come from the European Union, Norway, Switzerland, Moldova, the candidate countries (Macedonia, Montenegro, Serbia and Turkey) as well as from the Western Balkan countries.

Lobbying by quality

CER is based in Brussels and represents the interests of its members to the European Parliament, European Commission and Council of Ministers, as well as to other policy makers and transport stakeholders. CER's objectives are **to contribute to a regulatory environment enhancing business opportunities for European railway and railway infrastructure companies.**

CER's interests cover all policy areas that have the potential to impact on transport by rail. CER monitors and evaluates the implementation of policies in close cooperation with its members. Through our permanent dialogue with policy makers we propose new legislation and amendments to the existing laws and aim to address all issues affecting the railway sector in Europe.

Figure 1: Who we work with



Communicating the railways

Communication is the key to CER's activities. CER uses a **wide range of communication tools** to inform the European institutions, journalists, CER members and other important stakeholders about the sector's position and activities.

The main challenges for communications are building CER's reputation as a competent and reliable partner and bringing the railway message to the fore in a differentiated environment.

Good relations with the media and presentations are used to raise awareness of CER's position on individual issues, whilst publications provide essential information on many fundamental issues. Internal communication tools, like the weekly newsletter, *CER Monitor*, keep CER members up to date on recent transport developments in the EU. In addition, the *CER Technical Monitor* informs members about ERA-related activities, the *CER Environment Monitor* focuses on rail-related environment issues and the *Legal Monitor* informs about relevant cases in the field of legislation.

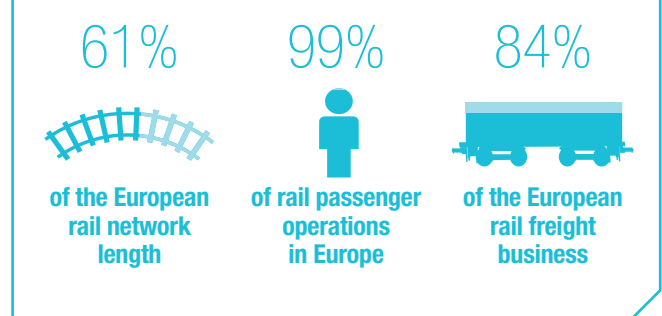
The CER website (www.cer.be), which is regularly updated, provides easy access to position papers, brochures, press releases, events, factsheets and much more. CER's latest publication *The future of rail distribution* gives a snapshot of the breadth of innovation in the field of rail ticket distribution. The **newly created CER Twitter account @CER_railways** provides up-to-date information about the activities of CER and its members.

Dialogue with partners

CER constantly strives to be a **reliable, competent and committed partner**, building stable relationships based on active and transparent dialogue between the sector and the European institutions. To achieve this, CER is fostering a common and united European railway community.

Other rail organisations are regularly invited to **participate in CER working groups**. Discussions on infrastructure, freight, and passenger issues are frequently held between CER experts from the Brussels office and CER members and representatives from the European Rail Infrastructure Managers (EIM), the International Union of Railways (UIC), the Association of the European Rail Industry (UNIFE), the International Union of Wagon Keepers (UIP) and the International Union of Public Transport (UITP). Recent activities have also led to close cooperation between rail associations on technical issues. Since its creation by the EU in 2004, the European Railway Agency (ERA) has become another key partner in most technical harmonisation issues.

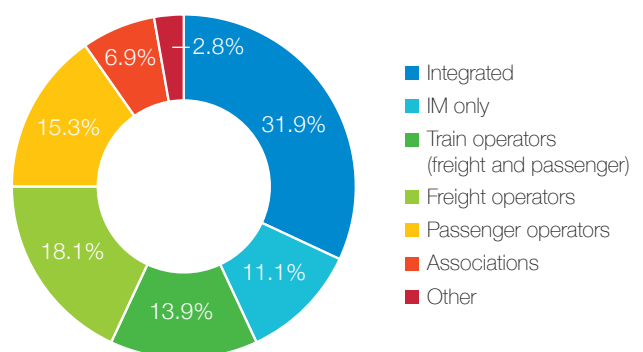
Figure 2: CER members represent



Source: CER statistics

CER also maintains close relationships with the European Federation of Railway Trackworks Contractors (EFRTC), the European Transport Workers' Federation (ETF), European Passengers' Federation (EPF), the International Union of combined Road-Rail transport companies (UIRR), RailNetEurope (RNE), the International Rail Transport Committee (CIT), the European Rail Freight Association (ERFA), the European Centre of Employers and Enterprises providing Public Services (CEEP) amongst others. On specific issues, CER liaises with non-rail organisations too, including NGOs, such as Transport and Environment (T&E), road lobbying organisations, such as the International Road Transport Union (IRU) or the European Association with tolled motorways, bridges and tunnels (ASECAP), regional transport organisations, like the South-East Europe Transport Observatory (SEETO), as well as financial bodies, such as the European Investment Bank (EIB), the World Bank (WB) and the European Bank for Reconstruction and Development (EBRD).

Figure 3: CER members diversity

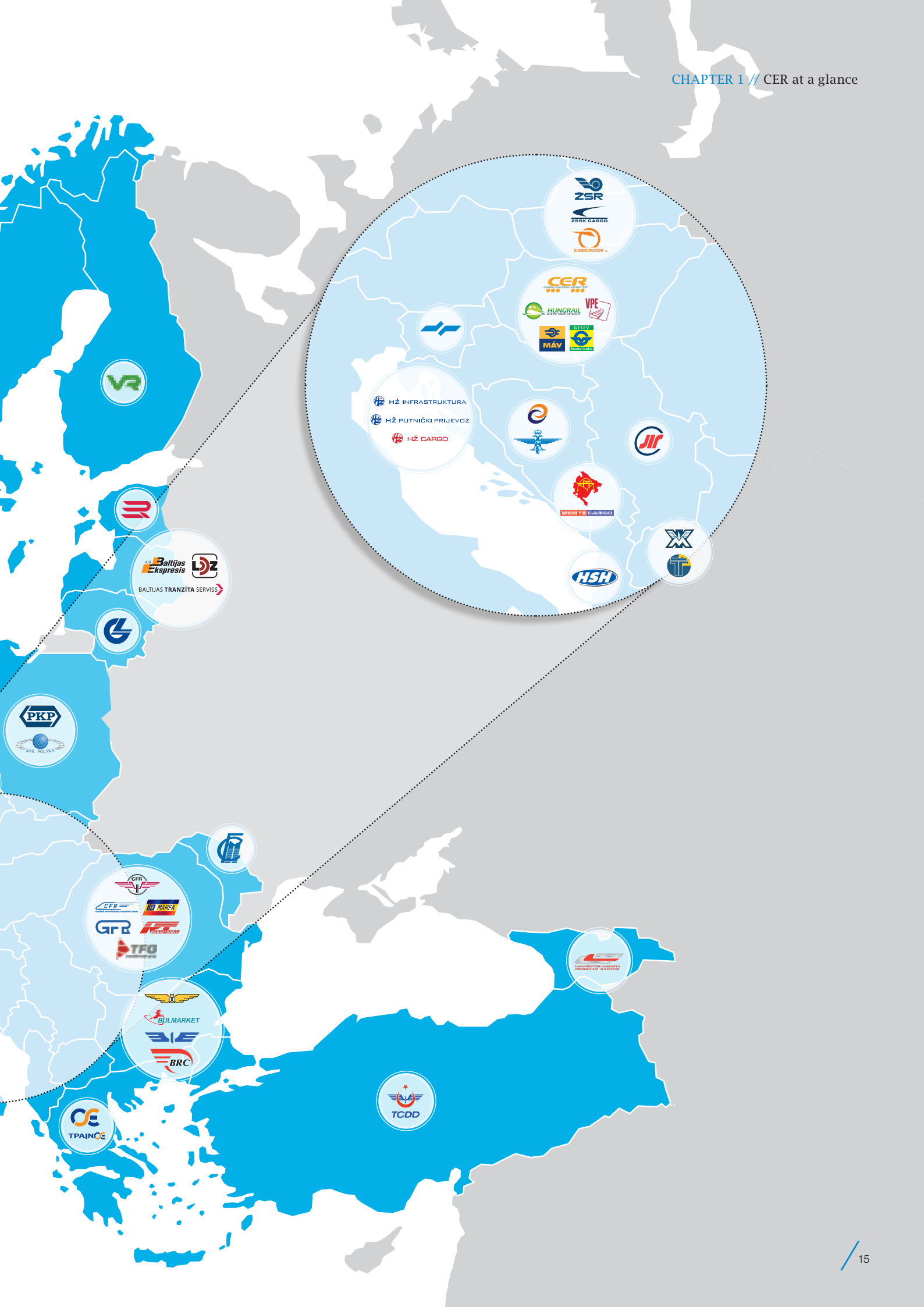


CER members (as of April 2014)

CER has seventy-four members, coming from the European Union, Norway, Switzerland, Moldova, the candidate countries (Macedonia, Montenegro, Serbia, Turkey), Western Balkan countries, Japan and Georgia. Among these companies, sixty-nine have full membership status, and five enjoy partnership status.

This map depicts the location of CER members' headquarters.



















Country	Logo	Name English Name	Abbreviation
ALBANIA		Hekurudha Shqiptare <i>Albanian Railways</i>	HSH
AUSTRIA		Fachverband der Schienenbahnen <i>Austrian Railway Association</i>	WKO
AUSTRIA		Österreichische Bundesbahnen <i>Austrian Federal Railways</i>	ÖBB
AUSTRIA		Salzburger Lokalbahn <i>Salzburg Regional Railways</i>	SLB
AUSTRIA		WESTbahn <i>WESTbahn</i>	WESTbahn
BELGIUM		Société Nationale des Chemins de Fer Belges / Nationale Maatschappij der Belgische Spoorwegen <i>Belgian National Railways</i>	SNCB/NMBS
BELGIUM		Thalys International <i>Thalys International</i>	Thalys
BOSNIA-HERZEGOVINA		Željeznice Federacije Bosne i Hercegovine <i>Railways of the Federation of Bosnia-Herzegovina</i>	ŽFBH
BOSNIA-HERZEGOVINA		Željeznice Republike Srpske <i>Railways of the Republic of Srpska</i>	ŽRS
BULGARIA		Balgarski Daržavni Železnitsi <i>Bulgarian Rail Operator</i>	BDŽ Holding
BULGARIA		Bulgarian Railway Company <i>Bulgarian Railway Company</i>	BRC
BULGARIA		Bulmarket <i>Bulmarket</i>	Bulmarket
BULGARIA		Nacionalna Kompania Železopatna Infrastruktura <i>Bulgarian National Railway Infrastructure Company</i>	NRIC
CROATIA		Hrvatske Željeznice Putnički Prijevoz <i>Croatian Railway Passenger Company</i>	HŽ Putnički Prijevoz
CROATIA		Hrvatske Željeznice Cargo <i>Croatian Cargo Railway Company</i>	HŽ Cargo
CROATIA		Hrvatske Željeznice Infrastruktura <i>Croatian Infrastructure Railway Company</i>	HŽ Infrastruktura
CZECH REPUBLIC		České Dráhy <i>Czech Railways</i>	ČD
CZECH REPUBLIC		Regiojet <i>Regiojet</i>	Regiojet
CZECH REPUBLIC		Správa Železniční Dopravní Cesty <i>Czech Railway Infrastructure Administration</i>	SŽDC
DENMARK		Danske Statsbaner <i>Danish State Railways</i>	DSB

Country	Logo	Name English Name	Abbreviation
ESTONIA		Eesti Raudtee <i>Estonian Railways</i>	EVR
FINLAND		VR-Yhtymä Oy <i>VR-Group- Finnish Railways</i>	VR Group
FRANCE		Société Nationale des Chemins de Fer Français <i>French National Railway Company</i>	SNCF
FRANCE		Transdev <i>Transdev</i>	Transdev
GERMANY		Deutsche Bahn <i>German Railway Group</i>	DB
GERMANY		Verband Deutscher Verkehrsunternehmen <i>German Railway Association</i>	VDV
GREAT BRITAIN		Association of Train Operating Companies <i>Association of Train Operating Companies</i>	ATOC
GREAT BRITAIN		Eurostar (UK) <i>Eurostar (UK)</i>	Eurostar
GREAT BRITAIN		High Speed Two <i>High Speed Two</i>	HS2
GREECE		Organismo Siderodromôn Elladas <i>Hellenic Railways Organisation</i>	OSE
GREECE		TRAINOSE <i>Greek National Passenger Train Operating Company</i>	TRAINOSE
HUNGARY		Central-European Railway <i>Central European Railway Transport, Trading and Service Company</i>	CER Cargo
HUNGARY		Magyar Vasúti Fuvarozói Egyesülés <i>Hungarian Railway Association</i>	HUNGRAIL
HUNGARY		Magyar Államvasutak <i>Hungarian State Railways</i>	MÁV
HUNGARY		Győr-Sopron-Ebenfurth Vasút <i>Raabodenburg-Ebenfurter Eisenbahn</i>	GySEv
IRELAND		Iarnród Éireann <i>Irish Rail</i>	IÉ
ITALY		Ferrovie dello Stato Italiane <i>Italian Railway Group</i>	FS Italiane
LATVIA		Baltijas Ekspresis <i>Baltic Rail Freight Company</i>	BE
LATVIA		Baltijas Transita Serviss <i>Baltic Transit Services</i>	BTS
LATVIA		Latvijas Dzelzceļš <i>Latvian Railways</i>	LDZ

Country	Logo	Name <i>English Name</i>	Abbreviation
LITHUANIA		Lietuvos Geležinkeliai <i>Lithuanian Railways</i>	LG
LUXEMBOURG		Société Nationale des Chemins de Fer Luxembourgeois <i>Luxembourg National Railway Company</i>	CFL
LUXEMBOURG		CFL Cargo <i>Luxembourg Cargo Company</i>	CFL Cargo
MACEDONIA		Makedonski Železnici Infrastruktura <i>Railways of the Former Yugoslav Republic of Macedonia Infrastructure</i>	PE MZ Infrastructure
MACEDONIA		Makedonski Železnici Transport <i>Railways of the Former Yugoslav Republic of Macedonia Transport</i>	PE MZ Transport
MOLDOVA		Calea Ferată din Moldova <i>Moldovan Railways</i>	CFM
MONTENEGRO		Montecargo <i>Montenegro National Freight Operating Train Company</i>	Montecargo
MONTENEGRO		Željeznicka Infrastruktura Crne Gore <i>Rail Infrastructure Montenegro</i>	ZICG
NETHERLANDS		Nederlandse Spoorwegen <i>Dutch Railways</i>	NS
NORWAY		Norges Statssbaner <i>Norwegian State Railways</i>	NSB
POLAND		Polskie Koleje Państwowe <i>Polish State Railways</i>	PKP
POLAND		Rail Polska <i>Rail Poland</i>	Rail Polska
PORTUGAL		Comboios de Portugal <i>Portuguese Railway Company</i>	CP
ROMANIA		Compania Națională de Cai Ferate <i>Romanian National Infrastructure Company</i>	CFR
ROMANIA		Societatea Națională de transport Feroviar de Călători <i>Romanian National Passenger Train Operating Company</i>	CFR Călători
ROMANIA		Societatea Națională de Transport Feroviar de Marfă <i>Romanian National Freight Operating Train Company</i>	CFR Marfă
ROMANIA		Grup Feroviar Roman <i>Romanian Railway Group</i>	GFR
ROMANIA		Regiotrans Brasov <i>Romanian Transport Brasov</i>	Regiotrans Brasov
ROMANIA		SC Transferoviar Grup SA <i>Romanian Railway Company</i>	TFG
SERBIA		Železnice Srbije <i>Serbian Railways</i>	ŽS

Country	Logo	Name English Name	Abbreviation
SLOVAKIA		Železnice Slovenskej Republiky <i>Slovak Infrastructure Company</i>	ŽSR
SLOVAKIA		Železničná Spoločnosť Slovensko <i>Slovak Rail Passenger Operator</i>	ZSSK
SLOVAKIA		Železničná Spoločnosť Cargo Slovakia <i>Slovak Rail Freight Company</i>	ZSSK Cargo
SLOVENIA		Slovenske Železnice <i>Slovenian Railways</i>	SŽ
SPAIN		RENFE Operadora <i>National Spanish Railway Operator</i>	RENFE Operadora
SWEDEN		Sveriges Branschföreningen Tågoperatörerna <i>Association of Swedish Train Operators</i>	ASTOC
SWITZERLAND		BLS <i>Swiss Railway Company</i>	BLS
SWITZERLAND		Schweizerische Bundesbahnen / Chemins de Fer Fédéraux Suisses / Ferrovie Federali Svizzere <i>Swiss Federal Railways</i>	SBB/CFF/FFS
TURKEY		Türkiye Cumhuriyeti Devlet Demiryolları <i>Turkish State Railway</i>	TCDD

Partners

JAPAN		East Japan Railway Company <i>East Japan Railway Company</i>	JR East
GEORGIA		Saqartvelos Rkinigza <i>Georgian Railway</i>	GR
HUNGARY		Vasúti Pályakapacitás-Elosztó <i>Hungarian Railway Capacity Allocator</i>	VPE
NETHERLANDS		Mitsui Rail Capital Europe <i>Locomotive Leasing Company</i>	MRCE Dispolok
SWITZERLAND		Trasse Schweiz AG <i>Swiss Train Path allocating Body</i>	Trasse Schweiz

CER Management Committee (as of April 2014)



Christian KERN
ÖBB-Holding, ÖBB
CER Chairman



Rüdiger GRUBE
Deutsche Bahn, DB
Vice-Chairman



Andreas MEYER
Schweizerische Bundesbahnen / Chemins de Fer
Fédéraux Suisses / Ferrovie Federali Svizzere, SBB/
CFF/FFS
Vice-Chairman



Jiří KOLÁŘ
Správa Železniční Dopravní Cesty, SŽDC
Vice-Chairman



Guillaume PEPY
Société Nationale des Chemins de Fer
Français, SNCF
Vice-Chairman



Ahti ASMANN
Aktsiaselts Eesti Raudtee, EVR
Member



Jo CORNU
Société Nationale des Chemins de fer Belges /
Nationale Maatschappij der Belgische Spoorwegen,
SNCB/NMBS
Member



Erich FORSTER
WESTbahn
Member



Timo HUGES
Nederlandse Spoorwegen, NS
Member



Dušan MES
Slovenske železnice, SŽ
Member



Oliver WOLFF
Verband Deutscher Verkehrsunternehmen, VDV
Member



Roger COBBE
Association of Train Operating Companies,
ATOC
Member



Ilona DÁVID
Magyar Államvasutak, MÁV
Member



Crister FRITZSON
Branschföreningen Tågoperatörerna, ASTOC
Member



Jakub KARNOWSKI
Polskie Koleje Państwowe, PKP
Member



Mauro MORETTI
Ferrovie dello Stato Italiane, FS Italiane
Member

Chief Executive Officers from CER member companies, who are elected as members of the Management Committee of UIC Europe but who are not members of the CER Management Committee are automatically associated to the CER Management Committee.



Mr Bernard GUILLELMON
BLS
Associated Member



Mr Manuel QUEIRÓ
Comboios de Portugal, CP
Associated Member

CER activities & political events (May 2013 - April 2014)

POLITICAL EVENTS

7 May

CER Chairman Mauro Moretti participated in the public hearing organised by the European Parliament's TRAN Committee on the revision of Directive 2012/34/EU and of Regulation 1370/2007/EC.

27 May

Representatives from European railway companies, national safety agencies, major European railway associations (including CER), the European Railway Agency and Keir Fitch, Deputy Head of Cabinet for Vice-President Siim Kallas, met for an exchange on the opportunities and challenges of the Fourth Railway Package's Technical Pillar in the framework of the sixth European Rail Transport Regulation Forum in Florence.



17 June: CER 25th anniversary

From left to right: CER Chairman Mauro Moretti, Chairman of the European Parliament Transport and Tourism Committee Brian Simpson (S&D, UK), European Commission Vice-President Siim Kallas, CER Executive Director Libor Lochman, former CER Chairman Karel Vinck, former CER Executive Director Johannes Ludewig

11 June

The Council of Transport Ministers, led by the Irish Presidency of the European Union, reached a general approach on the Interoperability Directive.

27 June

The European Parliament, the Council and the European Commission reached a political agreement on the Multiannual Financial Framework (MFF) 2014-2020 as well as the Connecting Europe Facility (CEF).

1 July

Croatia became the twenty-eighth Member State of the European Union.

Lithuania took over the rotating Presidency of the Council of the European Union from Ireland.

2013

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CER ACTIVITIES

14 May

The forty-ninth CER General Assembly, hosted by the CER Chairman and CEO of Ferrovie dello Stato Italiane Mauro Moretti, met in Rome and approved the appointment of Jean-Marc Janailac (Transdev, France) and Ahti Asmann (EVR, Estonia) as new Management Committee Administrators.

22-23 May

Over 25 customs delegates, 2 representatives from the European Commission's Directorate General for Taxation and Customs Union (DG TAXUD) and 20 railway delegates, including CER Executive Director Libor Lochman, met in Prague for the annual Joint Customs-Railways Meeting, hosted by ČD Cargo.

5 June

CER Executive Director Libor Lochman met Dragoljub Simonović, Director General of the Serbian Railways (ŽS), on the occasion of the *South-East Europe Rail & Public Transport Development* conference in Belgrade.

6-7 June

The CER Human Resource Directors Group met in Berlin.

11-12 June

CER and the European Rail Infrastructure Managers (EIM) co-organised their annual High Level Infrastructure Meeting, hosted by the Swiss Federal Railways (SBB) in Zürich.

13 June

CEOs of European rail passenger companies met at the annual High-Level Passenger Meeting hosted by BLS in Spiez.

17 June

CER celebrated its 25th anniversary together with experts from the European rail sector, policy makers and key figures who have contributed to the development of CER and transport policy throughout the last 25 years. The keynote speech was delivered by CER Chairman Mauro Moretti. European Commission Vice-President Siim Kallas, responsible for transport, outlined that CER has grown in influence and importance, even outside the European Union's borders.

20 June

CER and UNIFE held a workshop in Zagreb entitled *European funds – Capacity building in South-East Europe*.

4-5 July

Thirty rail CEOs, including CER Chairman Mauro Moretti and CER Executive Director Libor Lochman, met in Vienna to discuss the future of rail transport in Europe.

9 July

CER and the Lithuanian Presidency of the European Union jointly organised an event in Brussels entitled *Trans-European rail freight transport – What future lies ahead?* Lithuanian Transport and Communications Minister Rimantas Sinkevičius gave the keynote speech of the event.

12-14 August

CER Executive Director Libor Lochman visited the headquarters of East Japan Railway Company (JR East) in Tokyo and met JR East Vice-President Masaki Ogata.



9 July: *Trans-European rail freight event with the Lithuanian Presidency of the EU*
Lithuanian Transport and Communications Minister Rimantas Sinkevičius and CER Executive Director Libor Lochman



3 September: Event on PSO
CER Executive Director Libor Lochman and European Parliament Vice-President Isabelle Durant (Greens/EFA, BE)

15 October: CER-CIT workshop with NEBs
From left to right: MEP Georges Bach (EPP, LUX), Libor Lochman (CER), Cesare Brand (CIT), Ralf Schweinsberg (EBA)



7 October

Vice-President Kallas convened the Rail Strategy Platform to discuss critical topics for the development of the European rail sector. Rüdiger Grube (CEO of Deutsche Bahn), Guillaume Pepy (President of SNCF) as well as CER Executive Director Libor Lochman took part in the Platform.

10 October

The first six out of a total of nine rail freight corridors became operational, in accordance with Regulation 913/2010/EU concerning a European rail network for competitive freight.

The Council of Transport Ministers reached a general approach on the Safety Directive.

17 October

During the *TEN-T Days 2013* in Tallinn, the European Commission published new maps showing the nine major corridors which will act as a backbone for transportation in Europe's single market and announced that EU financing for transport infrastructure would be tripled for the period 2014–2020 to EUR 26 billion.

2013

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3 September

CER and the European Economic and Social Committee (EESC) organised a seminar on the impact of the Fourth Railway Package on the PSO Regulation.

6-7 September

On the occasion of the 11th Transportation, Maritime Affairs and Communication Forum organised by the Turkish Ministry of Transport, CER Executive Director Libor Lochman gave a speech on the European railway legislative agenda.

13-14 September

CER Executive Director Libor Lochman attended the festivities organised for the 165th anniversary of Slovak railways, co-organised by ZSSK Cargo, ŽSR and ZSSK.

20 September

CER Executive Director Libor Lochman visited the Railways of the Federation of Bosnia and Herzegovina (ZFBH) in Sarajevo and met ZFBH Director General Nijaz Puzić.

24 September

CER and the European Transport Workers' Federation (ETF) organised the final conference of the project *Social aspects and protection of staff in case of change of railway operator*. The event brought together Laszlo Andor, European Commissioner for Employment, Social Affairs and Inclusion, Keir Fitch, Deputy Head of Cabinet of the European Commission, Vice-President Siim Kallas, MEP Mathieu Grosch (EPP, BE), MEP Boguslaw Liberadzki (S&D, PL) and MEP Karim Zéribi (Greens/EFA, FR), among others.

26 September

CER Executive Director Libor Lochman and Dragan Savanović, CEO of the Railways of Republika Srpska (ŽRS), addressed the Bosnian Minister of Transport at a seminar organised by ŽRS in Banja Luka.

27 September

The fiftieth CER General Assembly, hosted by HŽ, was held in Zagreb. The Assembly approved the new composition of the CER Management Committee for 2014-2015 and appointed Christian Kern, Chief Executive Officer of ÖBB, as the new Chairman of CER.

30 September

European passenger rail operators, members of CER and ticket vendors active on the European territory formally committed to a joint initiative to radically enhance rail booking opportunities: the Full Service Model (FSM).

1 October

CER Executive Director Libor Lochman met the Bulgarian Minister of Transport Danail Papazov, BDZ Holding CEO Hristiyan Krastev and NRIC CEO Miltcho Lambrev in Sofia where they discussed the future developments of the railways in Bulgaria.

8 October

CER Executive Director Libor Lochman outlined rail freight market developments in South-East Europe during the Railway Days Summit, organised in Bucharest by Club Feroviar and the Romanian Railway Industry Association (AIF), with the support of CER, UNIFE and the Intergovernmental Organisation for International Carriage by Rail (OTIF).

15 October

CER and the International Rail Transport Committee (CIT) organised the second railways-NEB workshop on rail passengers' rights in Brussels, gathering more than 90 experts from railway undertakings, national enforcement bodies, European institutions, passenger associations and other transport stakeholders.

24-25 October

The CER Human Resources Directors Group met in Vilnius.



8 January: Event on ERA regulation

From left to right: Transport Attaché of the Greek Presidency of the EU Christos Dionelis, CER Executive Director Libor Lochman, UNIFE Director General Philippe Citroën, former ERA Executive Director Marcel Verslype



1 January: Christian Kern took office as the CER Chairman
CER Executive Director Libor Lochman and new CER Chairman Christian Kern

6 November

CER Executive Director Libor Lochman participated in a lunch event on weights and dimensions of road vehicles, organised by MEP Jörg Leichtfried (S&D, AT).

21 November

The European Parliament adopted Horizon 2020, the next European Union research and innovation programme.

28-29 November

The third Eastern Partnership Summit was held in Vilnius.

5 December

The Council of the European Union took the last legislative step in the adoption of the Trans-European Transport Network (TEN-T) Guidelines and their related financial instrument, the Connecting Europe Facility (CEF).

1 January

Greece took over the rotating Presidency of the Council of the European Union from Lithuania.

Latvia adopted the Euro currency and became the eighteenth country to join the Eurozone.

15 January

The European Parliament adopted the public procurement legislative package.

22 January

The European Commission published its 2030 Framework for Climate and Energy Policies

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2014

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5 November

CER, together with the other members of the European Forum for Spectrum Coexistence (EFSC) organised a lunch debate on radio interference at the European Parliament. The event was hosted and moderated by MEP Catherine Trautmann (S&D, FR).

12 November

CER launched its Twitter account. Members and partners can now follow @CER_railways to receive regular updates on CER activities.

18-19 November

The 2013 annual meeting of the G4 Railways, a special UIC/CER regional group gathering top executives of rail operators and infrastructure managers from Slovakia, Austria, Slovenia, Bosnia and Herzegovina, Hungary and Croatia, was held in Portorož, Slovenia.

1 January

Christian Kern took office as the CER Chairman for a two-year term, succeeding Mauro Moretti, CEO of Italian State Railways (FSI), who held the position since 2009.

8 January

CER, together with UNIFE and with the cooperation of the Greek Presidency of the Council of the European Union, hosted a lunch event in Brussels focusing on the revision of the Regulation establishing a European Rail Agency.

20 January

CER Executive Director Libor Lochman met Nikolaos Stathopoulos, Secretary General of the Greek Ministry of Infrastructure, Transport and Networks to discuss the plans of the Greek Presidency of the European Union regarding transport.

28 January

The joint CER-UNIFE European Railway Award 2014 was presented to Jacques Barrot, European Commissioner for Transport from 2004 to 2008, in the political category, and to Giorgio Diana, Researcher and Professor of Mechanical Engineering at Politecnico di Milano, in the technical category. Keynote speeches were delivered by European Commission Vice-President Siim Kallas, MEP Brian Simpson (S&D, UK), and Nikolaos Stathopoulos, Secretary General of the Greek Ministry of Infrastructure, Transport and Networks.

29 January

The fifty-first CER General Assembly met in Brussels and approved the application of WESTBahn Managing Director Erich Forster and SNCB Managing Director Jo Cornu as CER Management Committee Administrators for the term 2014–2015.

POLITICAL EVENTS



..... 28 January: European Railway Award
600 guests attended the European Railway Award 2014

19 February

At a conference on Shift2Rail hosted by the Greek Presidency of the European Union in Athens, CER Executive Director Libor Lochman took part in a panel discussion with President and CEO of Trainose Athanasios Ziliaskopoulos, UIC Director General Jean-Pierre Loubinoux and ERA Executive Director Marcel Verslype.

26 February

The European Parliament adopted its first reading position on the Fourth Railway Package.

14 March

The Council of Transport Ministers reached a general approach on the ERA Regulation and adopted the Shift2Rail Council Regulation.

27 March

At the second *Transport Business Summit*, focussing on how transport can contribute to Europe's goals for jobs and growth, CER Chairman Christian Kern took part in the panel discussion 'Making the most of transport: opportunities for European business' where he stressed the necessity to invest in rail infrastructure as the precondition for a competitive rail sector.

15 April

The European Parliament voted against the European Commission's attempt to liberalise the use of longer and heavier vehicles without any prior impact assessment.

The European Parliament voted on the first reading agreement on Clean Power for Transport package.

2014

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CER ACTIVITIES

11 February

CER organised a lunch debate at the European Parliament, hosted by MEP Werner Kuhn (EPP, DE), to exchange views on the revision of Directive 2012/34 ahead of the European Parliament's vote on the Fourth Railway Package. CER Chairman Christian Kern, DB CEO Rüdiger Grube, Lithuanian Railways CEO Stasys Dailydka, Latvian Railways CEO Ugis Magonis and GySEV CEO Szilard Kovessi highlighted the main concerns of the sector.

25 February

During a workshop on TEN-T organised in Warsaw, Libor Lochman met Zbigniew Klepacki, Deputy Minister of Infrastructure and Development in Poland, and discussed with him the Shift2Rail regulation.

26 February

Libor Lochman met Timothy Hollaway, CEO of Rail Polska, and visited the facilities of the company.

7 March

CER Executive Director Libor Lochman spoke at the *Berner Tage* conference organised by CIT in Bern, reporting on the latest developments around the Fourth Railway Package.

14-16 March

The 12th Conference and Annual General Meeting of the European Passengers' Federation took place in Milan, where CER Executive Director Libor Lochman gave a presentation on the challenges of high-speed rail.

24 March

CER Executive Director Libor Lochman met with a delegation from the Independent Rail Regulators' Group (IRG-Rail), including their new Chairman, Mr Jacques Prost.

28 April

Former CER Chairman and CEO of FS Italiane Mauro Moretti welcomed CER Executive Director Libor Lochman at FSI premises in Rome.



..... 11 February: Event on Fourth Railway Package
MEP Werner Kuhn (EPP, DE) hosted the debate

..... From left to right: CER Executive Director Libor Lochman, International Affairs Senior Vice President of FS Italiane Alberto Mazzola, CEO of FS Italiane Mauro Moretti



The European Railway Award 2014

Jointly organised by CER and UNIFE, the European Railway Award 2014 was presented on 28 January to **Jacques Barrot, former European Commissioner for Transport, for political achievements** and to **Giorgio Diana, Researcher and Professor of Mechanical Engineering at Politecnico di Milano, for technical achievements**. The European Railway Award 2014 attracted more than 600 guests from all over Europe, including high-level politicians and transport stakeholders.

The keynote speaker of the gala evening was **European Commission Vice-President Siim Kallas**, who congratulated the winners and reflected on his work as Transport Commissioner during the past five years: 'Throughout this time, my aim has been to find and deliver the best combination between policy and technical innovation: the two categories for the European Railway Award.' Representing the European Parliament, **MEP Brian Simpson (S&D, UK)**, Chairman of the Committee on Transport and Tourism, remarked that 'Europe still leads the way in railway technology and research. Yes, we still have our problems, but that cannot stop us forging ahead in our dream to build a viable, safe, efficient, sustainable rail network that covers the whole of the Union, and one that delivers for its customers.'

Political Award

Political Award winner Jacques Barrot had a major influence on the development of the European rail system. As European Commissioner for Transport from 2004 to 2008, he shed light on public passenger transport services by rail and by road to the fore, and contributed to strengthening passengers' rights across Europe. Furthermore, Jacques Barrot supported the liberalisation of the rail transport sector and the development of sustainable mobility through a number of types of aid.

Sophie Boissard, Vice-President Business Strategy & Development at SNCF Group, gave the laudatory speech for Jacques Barrot.

Technical Award

The laureate for the **Technical Award 2014, Giorgio Diana**, is a world-renowned specialist of rail vehicle dynamics. In the past 30 years, he contributed to the advancement of knowledge regarding the running dynamics of rail vehicles and their interaction with the infrastructure, leading to practical implementations in several new-generation trains including the new Frecciarossa 1000.

The laudatory speech for Giorgio Diana was given by **Michele Mario Elia, the CEO of Rete Ferroviaria Italiana**.



From left to right: CER Executive Director Libor Lochman, CER Chairman Christian Kern, Greek Secretary General for Transport Nikolas Stathopoulos, Political Award Winner Jacques Barrot, UNIFE Director-General Philippe Citroën, Maria Teresa Letta (Red Cross Italy), Technical Award Winner Giorgio Diana, MEP Brian Simpson, Daniel Exbrayat (Burkina sans Frontières), RFI CEO Michele Mario Elia, UNIFE Chairman Henri Poupart-Lafarge, and Jean-Pierre Barthelemy (Burkina sans Frontières)

The European Railway Award honours outstanding political and technical achievements in the development of economically and environmentally sustainable rail transport. The award comes with prize money, which is donated to charity organisations of the laureates' choice. The jury for the European Railway Award 2014 consisted of CEOs of railway and rail industry companies as well as stakeholders from the transport sector and the EU institutions.

Pictures of the European Railway Award 2014 and the CER and UNIFE Annual Reception are available at www.europeanrailwayaward.eu.

European Railway Award winners

The European Railway Award was initiated by CER in 2007. It is now organised jointly with the Association of the European Rail Industry (UNIFE).



Political Award Winner 2007
Karel van Miert
Former European Commissioner
for Transport



Technical Award Winner 2007
Jean Dupuy
Former Director General of SNCF



Political Award Winner 2009
Moritz Leuenberger
Former Swiss Transport Minister



Technical Award Winner 2009
Bengt Sterner
Inventor of the electronic train control
system ETCS



Political Award Winner 2010
Felipe González
Former Spanish Prime Minister



Technical Award Winner 2010
Roland Heinisch
Former Member of the Board of DB and
former Chairman of DB Netz



Political Award Winner 2011
Ken Livingstone
British Labour politician and former
mayor of London



Technical Award Winner 2011
Stefan Haas
Managing Director Knorr Bremse
Austria



Political Award Winner 2012
Karel Vinck
European ERTMS Coordinator



Technical Award Winner 2012
François Lacôte
Senior Vice President and Technical
Advisor Alstom



Political Award Winner 2013
Benedikt Weibel
Former CEO of the Swiss Federal
Railways (SBB)



Technical Award Winner 2013
Johannes Nicolin
Technical Director,
AAE Holding AG



Political Award Winner 2014
Jacques Barrot
Former European Commissioner
for Transport



Technical Award Winner 2014
Giorgio Diana
Researcher and Professor
of Mechanical Engineering at
Politecnico di Milano

European Railway Award 2014 – picture gallery



Vice-President Kallas giving his keynote address



MEP Brian Simpson (S&D, UK) delivering his speech



CER Chairman Christian Kern addressing the audience



600 guests attended the European Railway Award 2014



Jacques Barrot receiving the Political Award 2014



Giorgio Diana, awarded in the technical category, donated his prize to the Italian Red Cross

CER publications (May 2013 – April 2014)

Brochures



The future of rail distribution - October 2013

This brochure outlines the trends and developments defining the future of rail distribution, and showcases the collaborative spirit of railway undertakings in this field.

› **5 years of CER and EU transport policy** – June 2013

This brochure, published on the occasion of the 25th anniversary of CER, outlines the major legislative milestones which marked the history of CER and EU transport policy during the last two and a half decades.

› **Social aspects and the protection of staff in case of change of railway operator - The current situation** – October 2013

With an increasing number of public service contracts being tendered out in passenger rail transport and in light of growing competition, this brochure, developed by the social partners CER and ETF, aims to assess the social aspects of tendering in the award of contracts for passenger rail service.

› **A guide to identifying and preventing psychosocial risks at work in the railway sector** – October 2013

This guide is the result of a joint project carried out by CER and ETF in 2012. It serves as an instrument for management, trade unions and workers' representatives in the railway sector to increase their awareness and understanding of work-related psychosocial risks and draw their attention to signs indicative of risk.

› **Megatrucks versus rail freight?** – January 2014

This brochure, jointly produced with UNIFE and UIC, analyses the dynamic effects of megatrucks and their impact on the transport system as a whole, outlining why attempts to liberalise their use in Europe should be opposed.

› **Rail Technical Strategy Europe** – February 2014

The *Rail Technical Strategy Europe* was developed by the railway community under the coordination of UIC to address the technical challenges defined in the brochure *Challenge 2050 – The rail sector vision*, published in March 2013. It aims to support change towards a cohesive rail system.

CER position papers

› **A vision for rail standardisation in Europe** – April 2013

› **Commission's proposal on measures to ensure a high common level of network and information security across the Union** – May 2013

› **Proposal amending Directive 96/53/EC on weights and dimensions for certain road vehicles in national and international traffic** – July 2013

› **The economic equilibrium test** – September 2013

› **Scarcity charging in rail** – September 2013

› **Policy principles for rail freight noise mitigation** – September 2013

› **Consultation on the revision of technical specifications of interoperability relating telematics applications for freight TAF TSI** – October 2013

- › *European rail system subsystem traffic operation and management 'OPE TSI' - Ongoing OPE TSI revision* – October 2013
- › *Modalities for the determination and computation of direct cost* – October 2013
- › *Commission proposal 2013/0297 on rail transport statistics as regards the collection of data on goods, passenger, and accidents* – November 2013
- › *CER position on single wagonload* – November 2013
- › *Revision of Directive 97/68/EC on emissions from nonroad mobile machinery engines* – November 2013
- › *Proposal for clarification of TSI INF* – December 2013
- › *Register of Infrastructure - Request to adopt the principles of an industry standardised data exchange format for RINF* – December 2013
- › *Common statement: road legislation harms intermodality* – January 2014
- › *Proposal for a Council Regulation establishing the Shift2Rail joint undertaking* – February 2014
- › *Consultation - Draft guidelines on environmental and energy aid for 2014-2020* – March 2014
- › *Consultation - State aid - Draft communication on state aid to promote important projects of common European interest* – March 2014
- › *The principal purpose test* – March 2014
- › *A funding scheme supporting sustainable and efficient freight transport services* – April 2014
- › *CCS TSI progress* – April 2014
- › *The vision for roles and responsibilities in the European safety regulatory framework* – April 2014
- › *Benchmark report on first aid operating procedures* – April 2014

CER studies

- › *Results of the 2013 questionnaire on the development of women employment in the railway sector in Europe* – January 2014

Charters and agreements

- › *Joint declaration of the PSEF - Re-building confidence in Europe requires sound public services* – March 2014
- › *Joint recommendations of the European Social Partners - Identify and prevent psychosocial risks within the railway sector* – March 2014

Factsheets

- › *ERA as one-stop-shop for vehicle authorisation and safety certification* – September 2013
- › *Interference in railway telecommunications* – November 2013

Contests

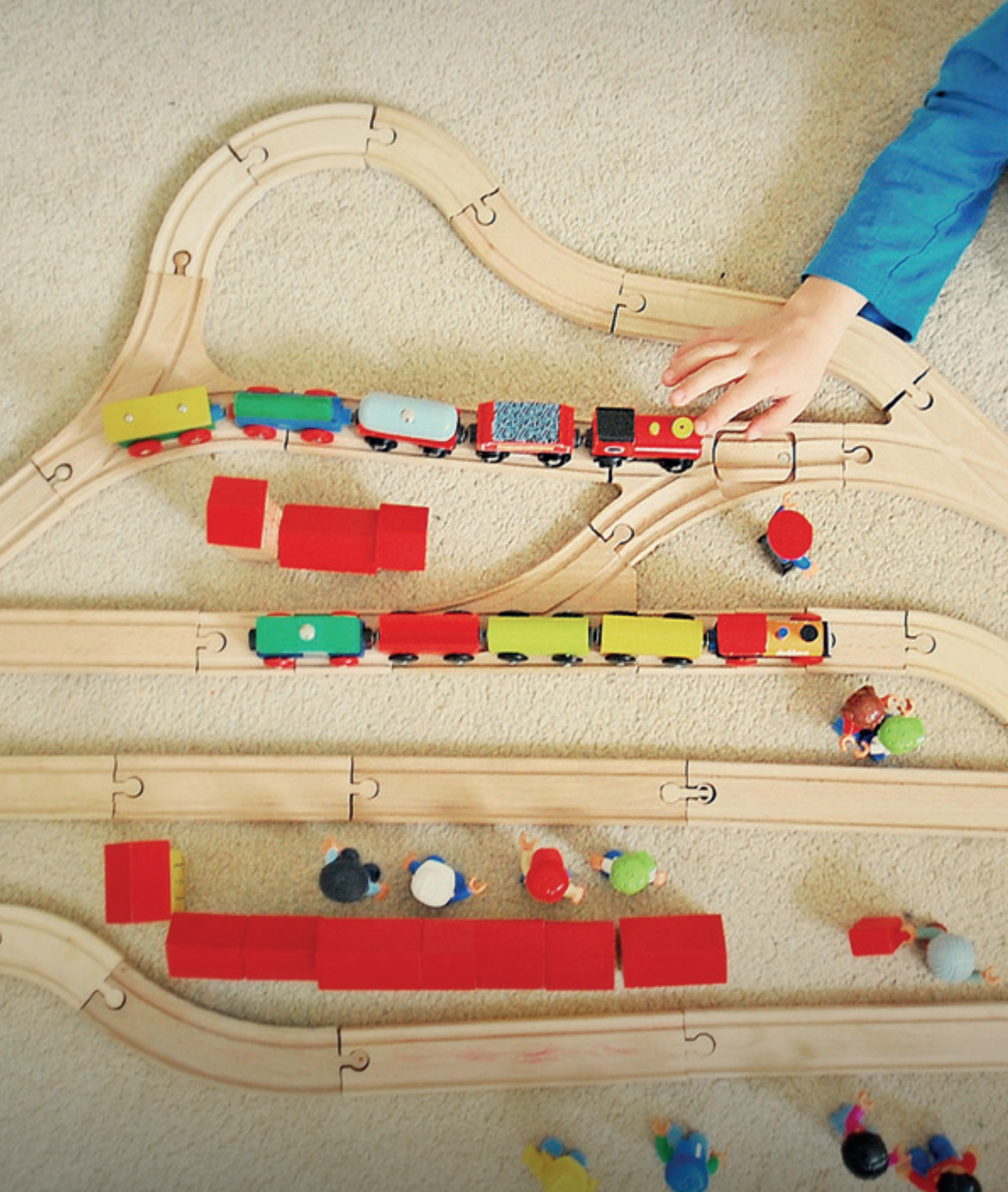
› CER Railway Photography Contest 2013

Over 400 pictures coming from more than 20 countries across Europe were submitted. 12 pictures were selected to illustrate the CER calendar 2014.



CER Christmas Drawing Contest 2013

260 drawings were submitted, among which 5 winners were selected.





CHAPTER 2

CORE ACTIVITIES

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Decline in 2013 takes an upward turn in last quarter

A survey¹ conducted by CER shows that the performance of the European rail sector declined in 2013. Whilst the European rail passenger sector experienced a small decline of 0.3%, European rail freight operators saw their performance decrease by 2.4% compared to 2012. This shows nonetheless an improved result compared to 2012, when the European rail freight sector declined by 6.7%.

Decline in rail freight performance across Europe

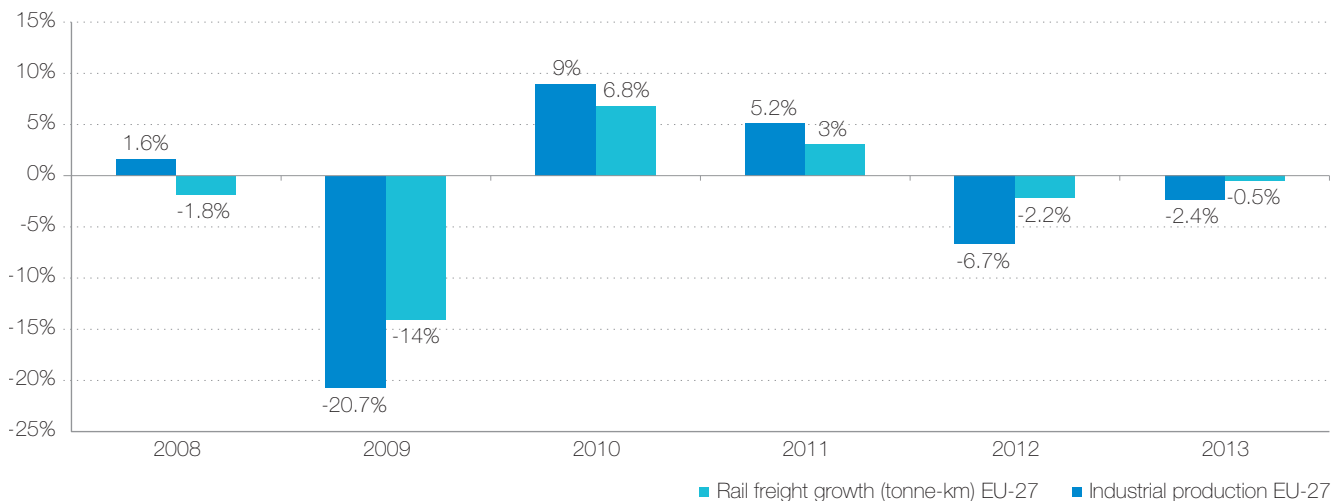
Following the decline in rail freight traffic recorded in 2012 (-6.7%) after a brief period of recovery in 2010 and 2011, the results for the full year 2013 show a continued, albeit smaller, decline in tonne-kilometres. However, as the economy improved towards the second half of 2013, so did the performance of the rail freight sector.

As indicated in Figure 4, tonne-kilometres in Europe in 2013 decreased by 2.4% compared to 2012 and thus fell more sharply than industrial production², which declined by 0.5% compared to the

previous year. The decline was, however, turned around in the second half of 2013, in which tonne-kilometres grew by 1.2% compared to a drop of 5.8% in the first half. Figure 6 shows that rail freight growth in Europe underperformed compared to industrial production for the first half of 2013, but performed better in the second half of 2013.

As shown in Figure 5, tonne-kilometres in the EU-15 (+CH) decreased by 1.7% in 2013 compared to the previous year. The decline was slightly higher in the CEEC, where tonne-kilometres decreased by 3.4% over the same period. Tonne-kilometres in 2013 were 17.2% lower in the EU-15 and CEEC compared to 2008, the year before the first impact of the economic crisis was felt by the freight sector.

Figure 4: Annual rail freight (% based on tonne-km) and industrial growth (%)



¹ CER conducts regular surveys among its members on the performance of the rail passenger and freight sectors.

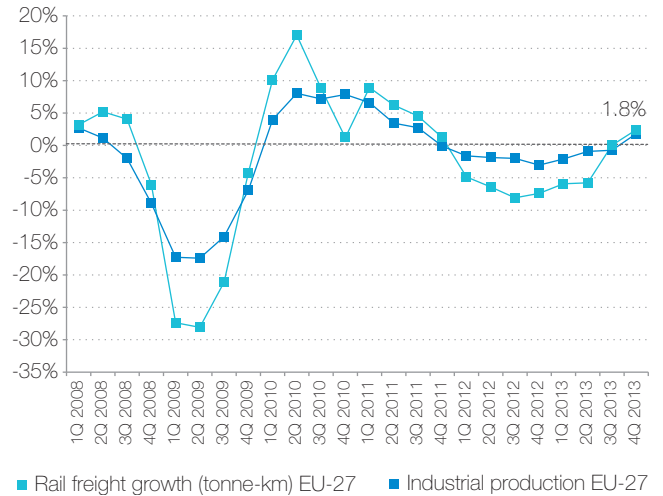
² Industry Production Index (which includes mining and quarrying, manufacturing, electricity, gas, steam and air conditioning supply), Eurostat, April 2014

³ Unemployment rate, Eurostat, April 2014

Figure 5: Annual rail freight development in Europe (million tonne-km)



Figure 6: Quarterly rail freight development (% based on tonne-km)



Decrease in rail passenger traffic in CEEC

The performance of the rail passenger sector in Europe continued to stagnate in 2013. Compared to the previous year, passenger-kilometres in Europe decreased by 0.3% in 2013. During the same period, the unemployment rate³ for the EU-27 increased by 3.8%, from 10.4% in 2012 to 10.8% in 2013.

As shown in Figure 7, passenger-kilometres in the EU-15 (+CH) increased slightly by 0.3% in 2013 compared to 2012. This follows a long period of small but steady growth, which was only interrupted in 2009 as a result of the economic crisis.

Despite small improvements in the CEEC rail passenger market in 2011, when passenger-kilometres fell by only 0.2%, the upward trend was unfortunately not sustained in 2012 and 2013. Rail passenger-kilometres in the CEEC declined by 6.1% in 2013.

The rail passenger sector in the EU-15 showed slight improvements in the second half of 2013 compared to the first, unlike the rail passenger sector in the CEEC which experienced the opposite trend.

Figure 7: Annual rail passenger development (million passenger-km)

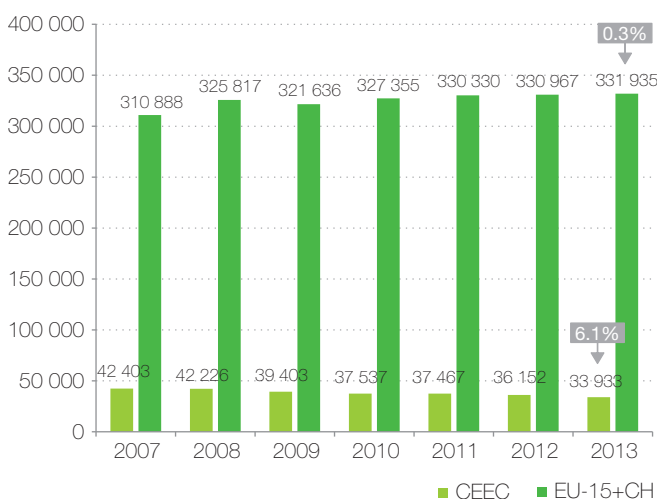
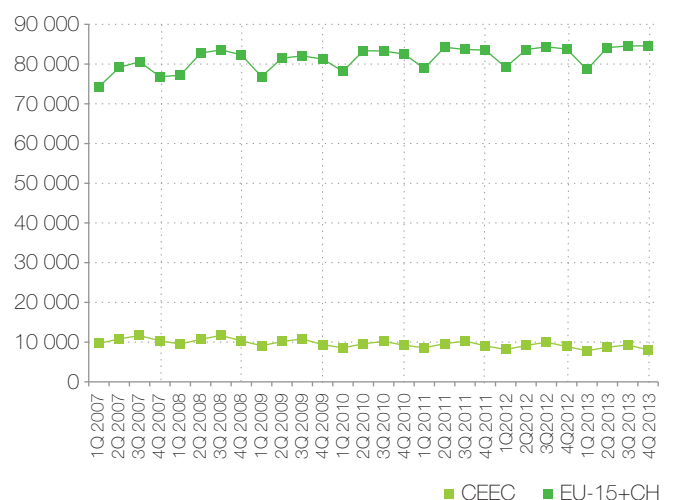


Figure 8: Quarterly rail passenger development (million passenger-km)



The Fourth Railway Package

The Fourth Railway Package is a comprehensive package of measures aiming to deliver better quality and more choice in railway services in Europe. Rail is a vital part of EU transport, with a key role to play in addressing rising traffic demand, congestion, fuel security and decarbonisation.

The European Commission adopted its proposals for a Fourth Railway Package on 30 January 2013. The Package proposes modifications concerning a number of acts:

- The **technical pillar** made up of the **Interoperability Directive**, the **Safety Directive**, and the **ERA Regulation**, with proposed measures to streamline the authorisation of railway vehicles and the safety certification of railway undertakings, based on an extension of the European Railway Agency's role;
- The **Recast Directive**, with proposed measures on the governance of the railway sector and on open access competition including domestic passenger markets;
- The **PSO Regulation**, with proposed measures on public service obligations (including the introduction of transport plans, the imposition of open tendering, and the definition of size thresholds for PSO contracts);
- The repeal of **Regulation n° 1192/69/EEC** on the normalisation of accounts of railway undertakings.

On 26 February 2014, the European Parliament voted on the entire Package. The texts that had been approved by the Transport and Tourism Committee were mostly confirmed with the exception of the revisions to the Recast Directive (Directive 2012/34/EU), for which substantial changes regarding governance were voted through. The Council has only dealt with the technical pillar so far. The Irish Presidency of the EU managed to reach a provisional agreement on the Interoperability Directive on 11 June 2013. Then, on 10 October 2013, the Lithuanian Presidency concluded a provisional agreement on the Safety Directive. The Greek Presidency successfully closed the technical pillar's first reading in the Council with the ERA Regulation.

The technical pillar

CER believes that the Fourth Railway Package's technical pillar **will revitalise European railways by reducing the administrative burdens for all actors in the railway sector**, setting up faster processes (faster availability of safety certificates and ready-to-use vehicles) and reducing the costs related to vehicles and infrastructure.



'ERA's role should be enhanced, so as to accelerate and streamline the process of certifying rolling stock and railway undertakings.'

European Commission Vice-President Siim Kallas at the CER 25 year anniversary event

The agreement on the **Interoperability Directive is a major step in the right direction, although some aspects still do not fully satisfy the needs of European railway undertakings and infrastructure managers.**

In general, the Interoperability Directive sets the right framework for an even more streamlined vehicle authorisation process.

CER has been insisting that authorised vehicles should be provided 'fit-for-purpose' to railway undertakings, without them having to perform additional checks once the rolling stock is purchased from the manufacturers. Technical specifications for interoperability (TSI) and notified national rules should be the only rules to follow, without exception. The European vehicle register should be the only reference database and ERA should be responsible for authorising trackside ERTMS installed and operated throughout the Union's network. Last but not least, the definition of isolated networks should be adapted so as to allow broad-gauge countries (geographically independent from the Union's main network) to address their own NSA and not apply TSIs for vehicles coming from or going to third countries with a track gauge that is different from that of the main rail network within the Union.

With regard to the Safety Directive, CER welcomed the general approach agreed: it represents a step forward in the elimination of the burdensome administrative procedures

currently weighing on the sector's shoulders and undermining the rail business. This approach assigned the European Railway Agency (ERA) the role of issuing the single safety certificate. However, CER strongly objects to the standardisation of any part of the safety management system (SMS) as inappropriate for the complex safety-related interfaces in the railway system.

The **ERA Regulation** describes the legal framework for the new European Railway Agency with an extension of its mandate to vehicle authorisation and safety certification. CER welcomed this breakthrough approach and sees this measure as a milestone for delivering better quality and more choice in railway services in Europe. The new Regulation establishing the Rail Agency was almost fully satisfactory in its Parliamentary version, although CER disagreed with the approach to certification of all 'safety-relevant' staff. The draft regulation positively paves the way towards turning the Agency from a purely regulatory institution into the European railway authority responsible for vehicle authorisation and safety certification. ERA shall be the final decision-making body with an independent Board of Appeal taking final and binding decisions.

The Council's decision deleting the coordination of spare parts standardisation was a mistake from CER's point of view. Standardisation is not a step backwards but a leap forward into a competitive European railway market. The standardisation of spare parts would increase the interoperability, cost effectiveness and efficiency of European railway operations.

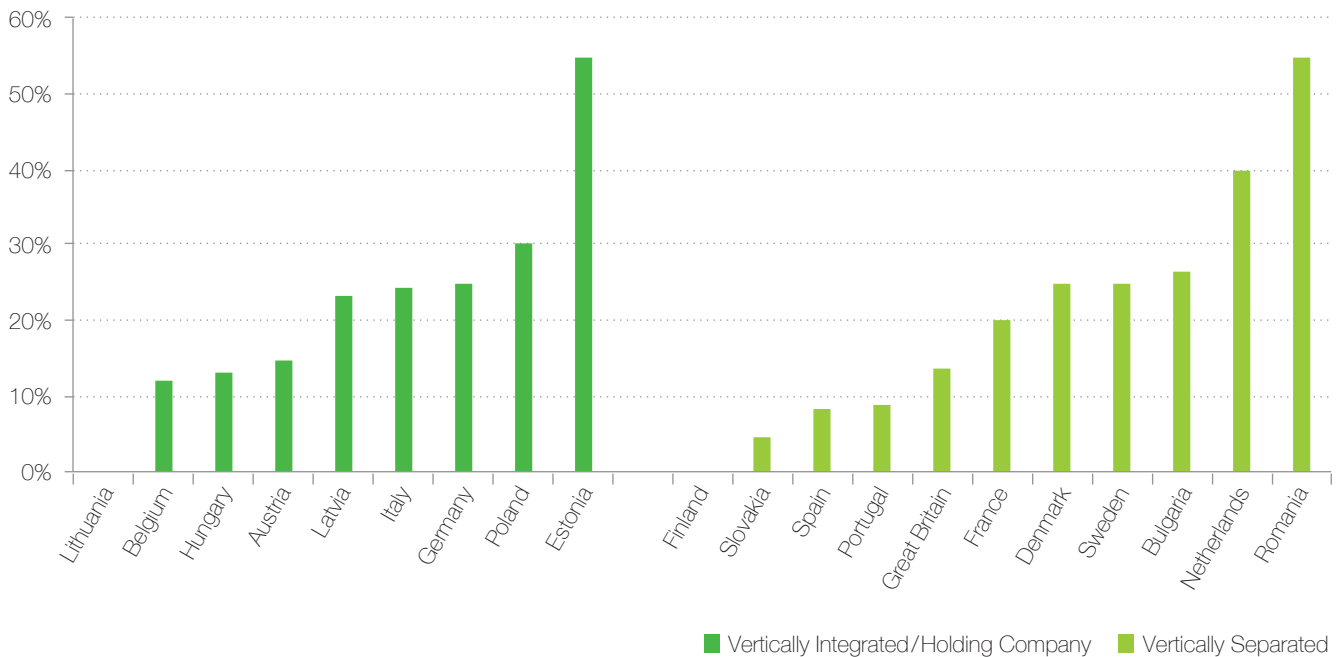
Market opening

The European Parliament text takes into account most of CER's suggestions for model flexibility, financial transparency and for the reinforcement of the regulatory bodies.

There will be more flexible and more generally-applicable provisions on voluntary cooperation agreements between infrastructure managers and one or more applicants. Financial separation criteria are now clearer and more effective. Holding structures are explicitly legal and the provision for the compulsory establishment of a Supervisory Body for the infrastructure manager was removed.

Figure 9: Market share of new entrants in the freight market, selected countries, 2010

This graph shows that there is no relation between the governance model chosen for the infrastructure manager and the share of new entrants in the freight market (as an indication of the degree of market openness). Variations in the share of new entrants can be seen both in integrated and separated models. New entrants are defined here as operators that were private when their activities first started. De facto successors of historical incumbents are not considered to be 'new entrants' in this definition.



Source: EVES – Rail, Economic effects of Vertical Separation in the railway sector, inno-V, November 2012

The Commission had proposed the creation of a compulsory network of infrastructure managers (ENIM); a compromise text very close to the Commission proposal was adopted by Parliament.

The text of the articles on open access rights is fully compatible with the CER position, which aimed at striking a careful balance between the needs of open access operators and PSO operators.

The Commission's proposals also included an article on integrated ticketing which was supported, with some modifications, by the Parliament. This text however presents significant problems from CER's perspective. Further work will be necessary on this issue.

The PSO Regulation

With the current Regulation n° 1370/2007/EC having entered into force only very recently in many Member States, CER expressed the opinion that more time was needed to be able to learn from the experiences of its application before undertaking any changes.

However the European Parliament considered that a revision of the Regulation was needed in order to adapt PSO provisions to a liberalised market.

In the end the dialogue between the sector and the MEPs produced a generally satisfactory text which was adopted in February 2014.

Next steps

After the European Parliament elections in May 2014, CER hopes that the trialogue negotiations on the technical pillar will start as soon as the new MEPs are settled in. Then as from July, CER looks forward to working with the Italian Presidency of the Council of the EU on the PSO Regulation and on the Recast Directive..



- Good EP texts on the Recast Directive and the PSO Regulation can be further improved by the Council.
- The large majority of the EP Plenary that supported model flexibility for the governance of infrastructure managers should find in the Council a strong ally.
- Trialogues on the technical pillar will start as soon as possible: the texts of the legislators are already advanced, although some fine-tuning is needed in order to avoid misunderstandings and inconsistencies.

2013 – a transition year

After publication of the Recast of the First Railway Package at the end of 2012, **the European Commission immediately started its work related to implementing acts and delegated acts.** In the course of 2013, several meetings of the SERAC, the committee in charge of the adoption of the implementing acts of the Recast, took place.

On 14 December 2012, the European Commission presented to the SERAC a rolling plan for each implementing act it is empowered to adopt. **The Commission initiated its work on several of these measures in 2013, with a view to finalising them in the course of 2014. Work on the remaining acts will stretch into 2015.**

CER has worked on the implementation measures concerning the following eight points:

- Criteria for authorised applicants;
- Common templates and procedures for EU licences;
- Procedures and criteria for framework agreements;
- New passenger services (economic equilibrium test and principal purpose test);
- Track access charges: cost directly incurred and scarcity charging;
- Track access charges: noise-differentiated track access charges;
- Track access charges: modulation to incentivise ETCS adoption;
- Rail Market Monitoring Scheme (RMMS).

Criteria for authorised applicants

The aim of this implementing act, as defined by the Recast, is to establish the requirements infrastructure managers may ask applicants to meet in order to be able to complete an application for infrastructure capacity. CER mainly criticises **the tight deadlines imposed to adapt to the implementing act.** CER also expressed its views on financial guarantees and the need to take them into consideration as an application requirement.

Common templates and procedures for EU licences

CER's main concern on this point is the introduction of new procedural provisions which bring more legal uncertainty and red tape. CER believes that **this implementing act is not limited to the essential harmonisation needed** and deprives public authorities of the flexibility needed both organisationally and financially to deal with operator licencing. CER therefore prepared a position paper and presented its viewpoint to the European Commission and the Council.

Procedures and criteria for framework agreements

CER is mainly concerned about the section related to capacity reservation and the new administrative transparency measures proposed in this implementing act which aims to define commonalities in the application of framework agreements within the EU. That is why CER expressed its doubts **about the expected added value of introducing a compulsory item in network statements detailing framework capacity.**

CER furthermore expressed concrete and grounded doubts about the consequences this implementing act would have in practice and questioned whether all the proposed measures would not destroy capacity by restricting its availability in a counterproductive manner.

CER suggested that the measures be further assessed from an operational and systemic but also from an economic and legal viewpoint. In addition, CER put forward a completely different approach whereby rules would be kept to the minimum required for a smoother functioning of the rail system.

New passenger services

With this act the Commission seeks to specify the criteria and modalities for two economic tests: the ‘principal purpose test’ and the ‘economic equilibrium test’. The principal purpose test aims at determining whether a new cross-border passenger service is mainly geared to the transportation of passengers across a border, rather than to the transportation of passengers within the Member State of establishment of the regulatory body carrying out the test. The economic equilibrium test aims at determining whether a new open access passenger service may cause a significant economic prejudice to a public service obligation already in place. **For both tests CER carried out detailed internal discussions, leading to two CER position papers.** CER also approached Commission officials for discussions. Overall, **the Commission’s work took a direction that was mostly as expected and in line with a reasonable balance between the interests of different types of operators.**

Cost directly incurred and scarcity charging

Agreeing on modalities for track access charges (TAC) is always a delicate matter, as **this requires a fair balance between the interests and concerns of operators and those of infrastructure managers.** Regarding the concept of ‘cost directly incurred’, CER discussions at working group level led to a compromise position and a **CER position paper that promotes a ‘positive definition’** (i.e. what ‘cost directly incurred’ should include in a conceptual sense) as opposed to the ‘negative definition’ traditionally advocated by the European Commission, based on a list of individual accounting cost items that should be excluded. In parallel, **CER joined forces with EIM for technical discussions with the Commission.** There is still some distance between what will likely be proposed in the draft act and CER’s preferred approach. CER will continue its work with EIM and other stakeholders in pushing for greater flexibility with the proposed arrangements. Regarding scarcity charging (extra charges that may be applied when a section is congested), CER anticipated the possible addition of this topic into the implementing act and produced a position paper on it.

Figure 10: SERAC timeline

Implementing Act	Expected vote (‘opinion’) in SERAC
Criteria for authorised applicants	June 2014
Common templates and procedures for EU licences	June 2014
Procedures and criteria for framework agreements	October 2014
New passenger services (economic equilibrium test and principal purpose test)	June 2014
Track access charges: cost directly incurred and scarcity charging	February 2015
Track access charges: noise-differentiated track access charges	February 2015
Track access charges: modulation to incentivise ETCS adoption	June 2015
Rail Market Monitoring Scheme (RMMS)	February 2015

Noise-differentiated track access charges

Noise-differentiated track access charges (NDTAC) are **one possible instrument to incentivise operators and/or wagon keepers to retrofit wagons with composite brake blocks**. In the Recast Directive, such charging is possible but not mandatory. The legal basis obligates the Commission to come forward with an implementing measure taking into account existing schemes (in Germany and in the Netherlands), and at the same time ensuring cost neutrality for the infrastructure manager, no distortions to competition, and no loss of competitiveness for the rail sector. **CER produced a general position paper on 'policy principles' for rail freight noise mitigation**, while also participating in the SERAC working group meetings alongside other rail stakeholders.

Modulation to incentivise ETCS adoption

Contrary to the case of NDTAC, **modulation of track access charges to incentivise the adoption of ETCS (on board) is binding on all Member States**. Furthermore the sums necessary for ETCS are of an altogether greater order of magnitude. Fortunately a full-scale impact assessment is compulsory in this case and a corresponding study was launched by the Commission in early 2014. **CER has been liaising closely with the consultant and with the Commission**, in the first instance with respect to data collection. In a second stage CER staff will work closely with members, with the consultant and with the Commission to discuss feasible policy options.

Rail Market Monitoring Scheme (RMMS)

The RMMS implementing act foreseen under Article 15 of Directive 2012/34/EU **will introduce statistical obligations on Member States**. To discuss and help shape a non-paper aimed at defining the draft act, the European Commission held several meetings between 2013 and 2014.

The content of the discussions included statistics on the development of prices, rail freight and passenger punctuality indicators, statistics related to public service obligations, indicators required for observing the degree of market opening, rail transport staff figures, as well as indicators for measuring infrastructure charges, capacity allocation, and rail infrastructure investments.

During this process, the European Commission consulted with delegates from Member States, regulatory bodies, the rail sector and social partners as foreseen by Directive 2012/34/EU.

Looking at the timeline, the first reading of the draft legal text of the RMMS implementing act is scheduled for October 2014, with the adoption of the implementing act foreseen for February 2015.

Even though the work in SERAC is well advanced, CER believes that it is necessary, before adopting any implementing act on the Recast, to give time to the Member States to start transposing the Directive into their respective national law. **This will allow any issues arising from the national transpositions to be taken into consideration in the implementing acts**. Also, it is important to keep the implementation of the Recast in a bundle in order to maximise the synergy between the different implementation exercises and to ensure a high level of coherence.



- The relevance of the implementation process is high and CER needs to focus on delivering positive implementing acts.
- More cooperation and exchange between the European Commission, Member States and CER will bring better rules and better results.
- There is no hurry in this matter and taking a bit more time before adopting the acts would be beneficial to all.

TEN-T and CEF – time to deliver!

On 19 October 2011, the European Commission unveiled its proposal for a revision of the guidelines on the Trans-European Transport Network (TEN-T) and the related financial instrument, the Connecting Europe Facility (CEF). Two years later, on 19 November 2013, the European Parliament adopted the TEN-T Guidelines and the CEF. After adoption in the Council on 5 December 2013, **the new Regulations entered into force on 1 January 2014.**

TEN-T Regulation

The TEN-T Regulation defines the geographic layout and technical requirements for the future European transport network for all transport modes until 2050, and identifies the priorities for its development. These include focusing on projects of high European added value, such as the removal of bottlenecks and the construction of missing links, as well as improving the interoperability and interconnections between transport modes and removing disparities between and within Member States.

One of the central elements of the TEN-T Regulation concerns the technical standards for rail infrastructure, over which CER engaged in intensive discussions with relevant policy makers throughout the political process in order to ensure that the proposed specifications were in line with the current INF TSI, and that those proposals which went beyond the current specifications were upheld and in some cases even improved. As a result, CER welcomed the TEN-T technical standards as they would allow rail to increase its capacity and efficiency. It also welcomed the requirement to electrify railway lines on the TEN-T core network. This will lead to greater efficiency and will help to further reduce CO₂ emissions from the rail sector.

Multimodal core network corridors (CNC) are another important aspect of the new TEN-T Regulation. CNCs were introduced to facilitate the coordinated implementation of the core network. They bring together public and private resources and concentrate EU support from the CEF on the TEN-T priorities outlined above. Throughout the political process, CER had strong concerns about the lack of physical and governance alignment between the CNCs and the already existing rail freight corridors (RFC) as established by Regulation 913/2010/EU. Thankfully, after constructive discussions with policy makers, the adopted TEN-T Regulation has established this link, and has ensured that there is proper coordination between the two 'sets' of corridors.

A work plan will be drawn up for each corridor that will set out the current status of its infrastructure, a schedule for removing physical, technical, operational and administrative bottlenecks, and an overview of the financial resources. To ensure the efficient and effective development of the CNCs, each corridor will be led by a European Coordinator, supported by a consultative forum (the *Corridor Forum*).

Technical Standards for Rail on the TEN-T Network

Member states must ensure that by 31 December 2050 the railway infrastructure on the comprehensive network is:

- Fully compliant with the Technical Specification for Rail Infrastructure (INF TSI);
- Equipped with ERTMS;
- Fully electrified.

Furthermore, by 31 December 2030, the railway infrastructure of the core network, must fulfil the following requirements:

- Be fully compliant with the Technical Specification for Rail Infrastructure (INF TSI);
- Full electrification of the line tracks, and as far as necessary for electric train operation, of the sidings;
- Full deployment of ERTMS;
- For freight lines: at least 22.5 t axle load, 100 km/h line speed, and the possibility of running trains with a length of 740 m;
- A nominal track gauge of 1435 mm except in cases where the new line is an extension on a network for which the track gauge is different and detached from the main lines in the EU.

Only isolated networks are exempted from the above-mentioned technical requirements.

CER believes **that the multimodal core network corridors could lead to better coordination and integration of different transport modes within the core network** and could help to secure public funds and attract private capital for the benefit of all customers. The CNCs present an opportunity to better organise long-distance rail transport in Europe utilising principles set in the Regulation 913/2010/EU on rail freight corridors, for which the rail sector has devoted significant resources to enable their successful implementation.

Connecting Europe Facility

The CEF Regulation defines, as a common financial framework, the conditions, methods and procedures for providing Union financial aid to support projects in the transport, energy and telecommunication infrastructure. It falls under the Multiannual Financial Framework (MFF) 2014-2020 which entered into force on 1 January 2014 and **which allocated EUR 23.2 billion⁴ (in 2011 prices) to transport.**

The new CEF budget is a clear improvement on the EUR 8 billion allocated to the TEN-T budget under the last financial period 2007-2013. The rail sector feels particularly grateful for the support received by the European Parliament defending the proposed budget, and for the financial commitment made by Member States to finance the future TEN-T network.

CER is also pleased with the favourable co-financing rates for rail projects contained in the CEF Regulation.

The co-financing rate for eligible costs of rail projects may not exceed 20% but can be increased to 30% for rail projects addressing bottlenecks and to 40% for rail projects concerning cross-border sections. CER lobbied successfully for the inclusion of a 20% co-financing rate up to a combined ceiling of 1% of the CEF budget to be granted for actions to reduce rail freight noise, including the retrofitting of existing rolling stock. CER was also successful in obtaining a 10% co-financing rate of the total eligible costs and 30% of the eligible cost of adaptation works for creating better accessibility to transport infrastructure for disabled persons. The new CEF Regulation continues to provide a 50% co-financing rate of the eligible costs for trackside and on-board components of ERTMS.

Overview – European Coordinators

European Coordinators are chosen based on their knowledge of issues related to transport and financing, as well as on their experience with European institutions. As a general rule, they are not nationals of Member States whose territory is directly affected by a corridor. The following European Coordinators were appointed by the European Union in March 2014:

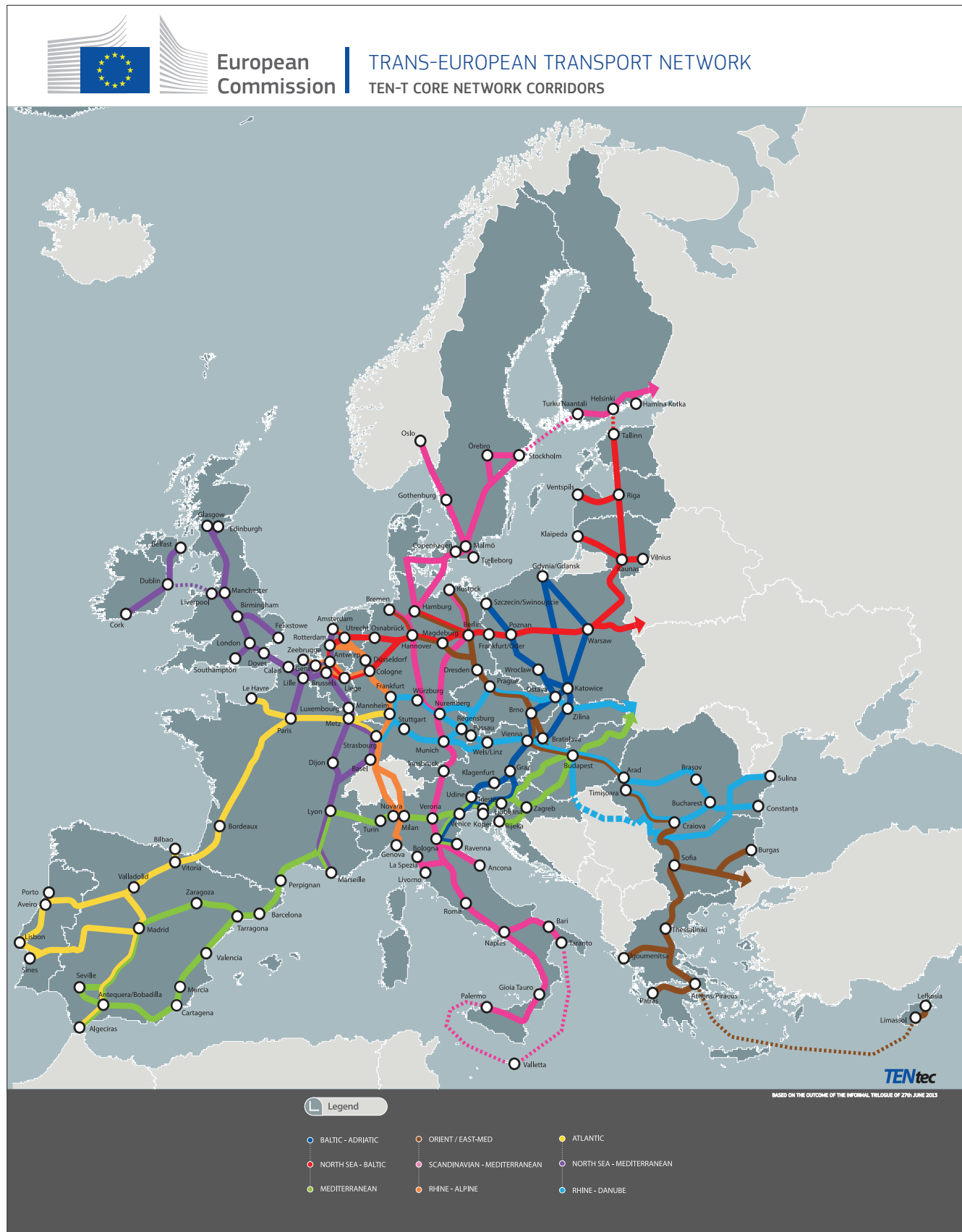
Péter Balázs (HU)	North-Sea – Mediterranean Corridor
Kurt Bodewig (DE)	Baltic – Adriatic Corridor
Laurens Jan Brinkhorst (NL)	Mediterranean Corridor
Pat Cox (IE)	Scandinavian – Mediterranean Corridor
Luis Valente de Oliveira (PT) (until 30/06/2014, followed by Brian Simpson)	Motorways of the Sea
Ana de Palacio (ES)	Rhine – Alpine Corridor
Mathieu Grosch (BE) (as of 1/7/2014)	Orient/East–Med Corridor
Karla Peijs (NL)	Rhine – Danube Corridor
Carlo Secchi (IT)	Atlantic Corridor
Brian Simpson (UK) (as of 1/7/2014)	Motorways of the Sea
Pavel Telička (CZ)	North Sea – Baltic Corridor
Karel Vinck (BE)	ERTMS (and Orient/East-Med Corridor until 30 June 2014)



- The new TEN-T Regulation focuses on projects of high European added value.
- Technical standards for rail infrastructure and the multimodal core network corridors will help the rail sector improve its efficiency and to further reduce CO₂ emissions in Europe.
- The CEF Regulation has set aside EUR 23.2 billion for transport and has introduced favourable co-financing rates for rail.
- CER and its members are committed to mobilising the necessary efforts together with member states for a successful implementation of the TEN-T network. We are ready to deliver!

⁴ In current prices, this is equivalent to EUR 26.3 billion, of which EUR 11.3 billion are earmarked for cohesion countries.

Figure 11: TEN-T core network corridors based on the Regulation 1315/2013/EU



Source: European Commission

Putting passengers first

Throughout the past year, the railways continued working towards increased passenger care and better customer service. The collaborative spirit of railway undertakings, constructively working together as well as with passenger associations, other modes and third party providers, **allows the sector to embrace technological and societal changes in order to better meet the needs and expectations of its customers.**

Taking rail ticket distribution to the next level

On 30 September 2013, ticket vendors (members of the associations ECTAA and ETTSA) and European passenger rail operators (members of CER) **formally committed to a joint initiative to radically enhance rail booking opportunities: the Full Service Model (FSM)**. This launch followed a decision by rail passenger CEOs at their 2013 High-Level Passenger Meeting in Spiez, Switzerland, to work with ticket vendors on the definition of an open IT framework for rail distribution.

Over a period of 18 months, the FSM initiative will concentrate on the functional requirements and specifications for an open, interoperable IT framework designed to be used by a wide number of applications and software developers. Building on modern IT developments, FSM will strengthen business partnerships by making it easier for both railways and ticket vendors to provide accurate and transparent information about available rail products, for the benefit of their customers.

Passengers will get easier and faster access to end-to-end journey information. FSM will also improve the consumer's shopping experience, regardless of where and how they buy their tickets, and will help deliver more choice in terms of sales channels and transparent prices and services. For instance, FSM will provide for the display of dynamically-priced products through online interfaces, allowing consumers to get the same level of information through all available sales channels, from railway undertakings' websites to high-street travel agencies and online booking engines.

FSM will follow a step-wise approach, first focusing on rail products and covering all key distribution functions from the initial display of timetable information to settlement. Ongoing developments in other modes will then be considered, allowing for the future enhancement of FSM to cover multimodal distribution as a second step.



Kick-off meeting of the FSM initiative on 30 September 2013: Christoph Klenner (ETTSA), Ron Heeren (BeNeRail), Rob Parkinson (Trainline Company), Tom Jones (Amadeus), Samuel Schauss (SNCF), David Mapp (ATOC), Rütger Fenkes (DB), Pauline Bastidon (CER), Jacques Dirand (CER), Ewa Olszewska (PKP Intercity), Chris Queree (ATOC), Christina Russe (ECTAA), Giancarlo Buontempo (Trenitalia)

The future of rail distribution

Rail ticketing has come a long way in the last decade, from tickets typically sold at station counters, to more and more virtual solutions allowing paperless ticketing. These changes are the outcome of substantial investment in innovative products by railway undertakings in response to changing consumer trends and technological developments. The brochure *The future of rail distribution* published by CER in October 2013 outlines the trends and developments defining the future of rail distribution and gives a snapshot of the breadth of innovation in this field.



The CER brochure *The future of rail distribution* can be found on the CER website: www.cer.be

Railways deliver on passenger rights

The Rail Passengers' Rights Regulation 1371/2007 entered into force in 2009. Four years on, railways have effectively implemented the requirements of the Regulation, notably on accessibility and assistance to persons with reduced mobility (PRM) and disabled passengers, and on passenger reimbursement and compensation. This is the main result of the Commission's report on the implementation of Regulation 1371/2007/EC, published on 14 August 2013. **The report highlights that some railway undertakings provide an even better service than required,** where the framework conditions allow.

The report also highlights the lack of coordination between the competent national authorities which leads to a non-harmonised interpretation of the Regulation across the EU, to the detriment of both passengers and railway undertakings. In this regard, CER has continued to reinforce its cooperation with decision makers in Brussels and with the competent authorities in Member States to achieve a common interpretation of the Regulation's key elements.

Railways and NEBs reinforce their cooperation

The second workshop of railways (associated within CER and CIT) and National Enforcement Bodies (NEBs) on rail passenger rights, held on 15 October 2013, was another milestone in reinforcing the cooperation between all the stakeholders involved in achieving a uniform, pragmatic and customer-friendly approach to the implementation of passenger rights across Europe. Roughly 100 experts from railway undertakings, NEBs, the European institutions, passenger associations and other transport stakeholders outlined their experience with the day-to-day implementation of Regulation n° 1371/2007/EC.

The debate focused on practical examples of how to handle passengers' claims, the information and assistance to be given to passengers, and the added value of having alternative dispute resolution (ADR) schemes in place. The **future publication of the European Commission's interpretative guidelines on Regulation 1371/2007/EC could play a key role** in ensuring a more harmonised application of the Regulation across the EU.



On 17 April 2013, CER and SNCB organised a visit for representatives of railway undertakings and passenger associations, as well as decision makers from the European Commission and the European Parliament, to the SNCB and INFRABEL rail traffic control centre at the *Gare du Midi* station in Brussels. The visit provided an opportunity for the participants to grasp the complexity of the railway's day-to-day business and to learn about the challenges of rail traffic management in a highly dense network such as the Belgian one.

Focus on customer needs

The constructive working relations between CER and passenger associations on several policy subjects is set to continue, building on the ongoing discussions held in the CER Customer Liaison Group. **Representatives from railway undertakings and passenger associations are continuing to regularly discuss practical problems** experienced by passengers and to identify possible solutions to improve the customer experience when travelling by rail.

The participants of the Customer Liaison Group share common priorities with regard to the EU transport policy agenda, including

- More consistency in the way NEBs exercise their responsibilities;
- Greater use of alternative dispute resolutions (ADR);
- Fair competition between modes, which also gives passengers a fair choice;
- Comparable obligations among different transport modes, including in terms of passenger rights (e.g. 'force majeure' cases).

Against this backdrop, CER warmly welcomes passenger associations' calls for a level playing field among the different transport modes to be reflected in EU legislation on passenger rights, in particular as some aspects of the current framework go against this principle. For example, following the 26 September 2013 ruling of the Court of Justice of the EU, the railway sector remains the only transport mode obliged to pay compensation for delays in case of 'extraordinary circumstances', which once again puts the railways at a competitive disadvantage vis-à-vis the other transport modes, such as buses and planes, which are exonerated from such an obligation.

On 14-16 March 2014, CER participated in the twelfth annual conference of the European Passenger Federation (EPF), which took place in Milan. CER Executive Director Libor Lochman presented *The Challenge of High Speed Rail* and discussed with EPF's members the key role of financing infrastructure and maintenance, in terms of further developing the high speed network and upgrading the conventional railway network, as well as in terms of further enhancing passenger services across the EU.

Crisis management: serving customers in spite of extreme conditions

Following the ash cloud crisis in 2010, CER developed a set of recommended practices to enhance cooperation in case of major traffic disruptions, not only within the rail sector but also between rail and aviation. In February 2013, CER conducted a membership survey in order to provide input to the European Commission for its Communication *Mobility Continuity Plans in case of major traffic disruption*. This provided an opportunity to assess the state of implementation of the CER Recommended Practices.

CER and a delegation of its members were also invited as observers to take part in a crisis simulation exercise organised by EUROCONTROL on 29 and 30 May 2013. The exercise aimed to recreate a cyber-attack situation. The usefulness of this simulation for the rail sector was twofold:

- CER members observing the proceedings were able to assess how their colleagues in the aviation sector would handle a cyber-attack and learn useful lessons that could potentially be transferred to the rail sector;
- Given that one of the consequences of a cyber-attack would be a paralysis of at least part of the air traffic, CER members following the exercise were able to assess the potential impact of such a crisis on rail services in the countries concerned and on their own companies.



- Railways deliver on passenger rights.
- Railways cooperate with passenger associations and national authorities to enhance passengers' experience with rail.
- With the Full Service Model, railways and ticket vendors take another step in the right direction for passengers by improving end-to-end journey information and making it easier to book train tickets through a range of distribution channels, from operators' websites to high-street and online travel agencies.

Getting freight on rail: time to act!

Rail freight is particularly well placed to reduce Europe's dependence on imported fuels, due to its high energy efficiency and reliance on non-fossil energy sources. However, in spite of the sector's continued efforts, the modal share of rail freight is dropping and specific services on which a number of industries deeply rely, such as single wagonload, risk disappearing. **There is no time to waste to turn the situation of rail freight around.**

Rail freight – what future lies ahead?

On 9 July, CER and the Lithuanian Presidency of the Council of the European Union jointly organised a political debate on the future of trans-European rail freight transport entitled *Trans-European rail freight transport – What future lies ahead?*

In his keynote speech, Lithuanian Transport and Communications Minister Rimantas Sinkevičius insisted on **the need to keep investing in energy-efficient and environmentally-friendly modes of transport such as rail to realise the vision of the European Commission 2011 Transport White Paper.**

Building on the 2013 CER *Rail Freight Status Report*, CER Executive Director Libor Lochman presented the obstacles preventing rail freight from fulfilling its full potential, among which **the lack of appropriate investment in rail infrastructure, the absence of a level playing field between modes and technical and administrative bottlenecks.** He went on to put forward concrete recommendations to overcome these obstacles and make the most of rail freight's assets.

A panel discussion followed, moderated by Railway Gazette International Senior Editor Nick Kingsley.

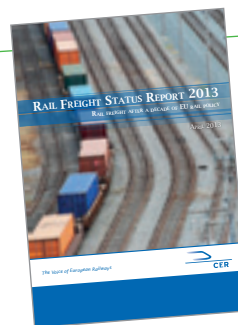
The debate that came next focused on **how to better integrate rail into the logistics chain and how to turn it into an attractive solution for shippers – whether alone or in combination with other modes.** It touched, among other elements, upon the necessity to guarantee efficient hinterland links for European ports and to provide green and efficient solutions for the shipping of goods heading to or coming from overseas, notably Asia.



The panel discussion included the following speakers (from left): Former Director of DG MOVE European Mobility Network Directorate Jean-Eric Paquet, Railway Gazette International Senior Editor Nick Kingsley, Turkish State Railways Deputy Head of Freight Department Kamil Kahyaoğlu, Lithuanian Railways Deputy Director General Albertas Šimėnas, CER Executive Director Libor Lochman, TXLOGISTIK Chief Executive Officer Karl M. Mohnsen.

Single wagonload

In 2013, the European Commission's DG MOVE decided to commission the study *Prospect and Policy Options for Single Wagonload in Europe*. The project officially started at the end of July 2013. Led by PricewaterhouseCoopers (PwC), the exercise ran in two phases until May/June 2014: a fact-finding phase, followed by a second phase focused on policy recommendations to the European Commission.



The CER *Rail Freight Status Report*, officially released in April 2013, is available on the CER website www.cer.be. Chapter 6 of the report contains a list of policy recommendations to achieve the full potential of rail freight and reach the ambitious targets set by the European Commission in its 2011 Transport White Paper.



In 2012, CER organised a visit to the Port of Antwerp in order to demonstrate the importance of single wagonload in the transport of goods.

In Autumn 2013, CER adopted recommendations for the revival of single wagonload, among which the need to provide appropriate funding for essential infrastructure, including private sidings, and to facilitate the cross-border operations of wagonload companies by achieving a single European Railway Area through the harmonisation of technical requirements. These recommendations were shared with DG MOVE and the single wagonload study provider. CER also met several times with DG MOVE and the study provider throughout 2013 and 2014 and contributed to various stakeholders' consultations on the topic.



CER adopted its position paper on single wagonload in November 2013. The paper, which contains concrete recommendations for single wagonload, can be accessed on the CER website: www.cer.be

Road legislation should support inter-modality

European associations in the combined transport, inland waterway, and rail sectors have expressed their concern over **the revision of Directive 96/53/EC on the weights and dimensions of trucks and its possible consequences for intermodal transport.**

More specifically, the revision involves the introduction of a new definition for 'intermodal transport' as well as particular rules for short sea shipping, which would adversely affect the delicate balance of modes in longer-distance land transport.

High concern has also been expressed about the attempt to reinterpret Directive 96/53/EC, aiming at permitting cross-border use of 'megatrucks' between two member states that approve their use within their own borders.

The **UIC/CER/UNIFE brochure *Megatrucks versus rail freight?***, published in January 2014, **outlines why attempts to further liberalise the use of megatrucks should be put on hold** until a proper and comprehensive impact assessment has been carried out.

In general, stakeholders from the intermodal sector, inland waterways, motorway managers and railways believe that allowing any wider use of megatrucks will inevitably lead to a domino effect, resulting over time in their general use across Europe. This would be contrary to the Commission's own agenda for modal shift from road to rail and for significantly reducing greenhouse gas emissions from transport.

Instead, one of the primary political concerns should be to create a level playing field among all modes of transport. Today such fair competition is distorted, among other factors, by the lack of transparency into the societal costs of each mode, such as pollution, noise, congestion or accidents.



The UIC/CER/UNIFE brochure *Megatrucks versus rail freight?* published in January 2014 can be found on the CER website: www.cer.be



- Establishing a level playing field among transport modes is the top priority to achieve the 2011 White Paper objectives.
- Survival of single wagonload depends on maintenance and development of rail connections to industrial sites ('private sidings').
- More than ever, EU ports need robust rail infrastructure connections to their hinterland.
- There should be no wider acceptance of longer and heavier vehicles on European roads without a comprehensive impact assessment (and proper consultation of all stakeholders).

A research strategy for the future

European rail research is an important tool to prepare railway undertakings and infrastructure managers for the challenges of the future, including increases in customer demand, societal changes, scarcity of natural resources and energy prices, among others.

CER closely monitors the major European rail research activities – Shift2Rail, FOSTER RAIL, ERRAC and FP7 collaborative rail research projects. At the beginning of 2014, in order to ensure an appropriate level of involvement from the rail operating community, CER proposed amendments to the Shift2Rail draft Regulation.

Shift2Rail

On 16 December 2013, the European Commission adopted its proposal for a Council Regulation establishing the Shift2Rail Joint Undertaking and the corresponding annex. The Shift2Rail Joint Undertaking was developed with the aim to:

- Facilitate joint vision development and strategic agenda setting;
- Develop a programming approach in European research and innovation so as to realise a broad-based focus embracing all potential partners;
- Build critical mass ensuring the scale and scope required;
- Ensure an efficient use of public and private resources.

CER had been supporting a breakthrough approach to rail research in Europe with a Joint Technology Initiative (JTI) as instrument but underlined that all R&D results from the Shift2Rail initiative needed to be implementable in the existing rail system. CER further emphasised that rail research must lead to an improvement of the railway system as a whole and help all actors involved to face the challenges of the future. CER, strongly supported by its members, insisted on a sound balance between the railway industry and the rail operating community.

CER therefore proposed to change the membership category for associate members of Shift2Rail, allowing easy access for the rail operating community and the establishment of a Rail Representative Group (RRG) to ensure their proper and broad involvement. CER also stated that any regulation-related outcome of Shift2Rail (e.g. closing Open Points in TSIs) must pass via the existing ERA Working Parties. Bypassing the processes laid down in the ERA Regulation is to be avoided.

Rail Technical Strategy Europe

In order to describe the challenges of the future, the railway sector developed the business-led vision *Challenge 2050* that was published in 2013. *Challenge 2050* highlights what Europe's

Shift2Rail Joint Undertaking

The Shift2Rail Joint Undertaking (S2R JU) will be a public-private partnership, providing a platform for the rail sector to work together with a view to driving innovation in the years to come.

The main bodies of the S2R JU will be the Governing Board, in charge of strategic decision-making, and the Executive Director, responsible for day-to-day management of the S2R JU. There will also be two advisory bodies: a Scientific Committee and a States' Representatives Group.

Similarly to the Joint Technology Initiatives set up under the Horizon 2020 Framework Programme the S2R JU will seek to pursue research and innovation activities in support of European competitiveness. However, an essential role of the S2R JU will also be to act as the technological arm of the Single European Railway Area (SERA).

interoperable railway should look like in 2050. As a follow-up, UIC published the *Rail Technical Strategy Europe*, fully endorsed by CER and EIM, describing how a dynamic and successful rail sector can be innovative, increase its ability to compete and retain existing customers while attracting new ones both for passenger and freight services. This analysis is the rail operating community's strategic input for drafting the Shift2Rail master plan.



The brochures *Challenge 2050* and *Rail Technical Strategy Europe* are both available at www.cer.be



The FOSTER RAIL project was launched in May 2013 under the seventh Framework Programme of the European Commission. This research action is a 'level 1 Coordination and Support Action' **aiming at supporting the activities of the land transport European Technology Platforms.**

This action assists ERRAC and the other transport-related European Technology Platforms in defining research needs for their strategies and programmes in order to realise the objectives of the Europe 2020 strategy and further the vision of the 2011 White Paper for a competitive and resource-efficient future transport system. This is done in consultation with the European Commission and Member States as well as Associated States.

The FOSTER RAIL work plan has been structured into 8 work packages which correspond to a series of logical steps with a certain degree of inter-relation that will ensure the successful outcome of the project.

More specifically, the project integrates the work done so far by ERRAC and its working groups and develops it further. **FOSTER RAIL is building on ERRAC-ROADMAPS and continues to support and enhance cooperation between stakeholders, including decision makers, and better define strategic research and innovation needs.** As regards research and innovation targeting co-modality and other multi-modal issues, FOSTER RAIL is addressing them in supportive cooperation with other transport modes.

Finally, this project will be an essential support tool to provide a relevant Strategic Rail Research and Innovation Agenda as well as a Rail Business Scenario for 2050. **This Rail Business Scenario will be the reference for future research agendas and technology roadmaps to be developed in the timeframe from now until 2050.**

The dedicated website www.errac.org provides additional details as well as more information about the project partners.

CER is responsible for the dissemination of the results to the European institutions and all stakeholders concerned.



ERRAC

The European Rail Research Advisory Council (ERRAC) was set up in 2001 with the ambitious goal of creating a single European body with both the competence and capability to help revitalise the European rail sector and make it more competitive by fostering increased innovation and guiding research efforts at European level. All the main rail stakeholders are gathered within ERRAC, which comprises 45 representatives from each of the major European rail research stakeholders: manufacturers, operators, infrastructure managers, the European Commission, EU Member States, academics and users' groups. ERRAC covers all forms of rail transport: from conventional, high speed and freight applications to urban and regional services.

CER closely monitors all ERRAC activities.



- Rail research will lead to an improvement of the railway system as a whole.
- *Challenge 2050* highlights what Europe's interoperable railway should look like in 2050.
- *Challenge 2050*, along with the *Rail Technical Strategy Europe*, constitutes the rail operating community's strategic input for drafting the Shift2Rail master plan.

ERA – defining the regulatory framework for railways

The European Railway Agency (ERA) was established to provide the EU Member States and the European Commission with technical assistance in the fields of railway safety and interoperability. **CER as a representative body actively contributes to the establishment and shaping of a common approach to safety and interoperability** in Europe by promoting and defending its members' interests.

ERA's work involves the development and implementation of technical specifications for interoperability (TSIs) and a common approach to questions concerning railway safety. The Agency's main task is to manage the preparation of these measures.

CER's work on ERA-related issues

In accordance with Article 34 of the Regulation on the European Union Agency for Railways, the European Railway Agency (ERA) has established a network of representative bodies from the railway sector acting at EU level. **CER is an active part of this network contributing to and facilitating the exchange of information related to railway safety and interoperability**, and promoting good practices and the provision of data on railway safety to the Agency. In line with Article 4 of the Regulation, CER sends its most qualified experts with an agreed CER position to the ERA Working Parties that draw up recommendations, in particular related to technical specifications for interoperability, common safety targets (CSTs) and common safety methods (CSMs).

Internal organisation

In order to ensure CER's smooth communication with the Agency and CER's proper positioning on the topics ERA addresses, **CER monitors all ERA Working Parties and hosts mirror groups, known as CER Support Groups, to shape a common position**. Some of these Support Groups comprise CER and EIM members, thus ensuring the whole rail operating community's positions are reflected properly.

The work of the CER Support Groups is steered and monitored by the CER ERA Steering Unit, which is the CER decision-making body for technical matters, and coordinated by three CER technical advisors.

2013 ERA-related work at a glance

- 4 CER ERA Steering Unit meetings per year;
- 4 CER Speakers meetings per year;
- 60 ERA Working Parties monitored;
- 300 Support Group meetings and workshops coordinated;
- 500 experts registered in the CER Technical Monitor;
- 50 position papers or official letters published;
- Hundreds of amendments proposed to the TSIs.

Interoperability

The CER Support Groups, represented by the CER Speakers at the ERA Working Parties, **have been very active during the past year promoting the interests of the rail operating community at ERA level**. Hundreds of amendments were proposed and discussed. CER actively contributed

- To the work on several TSIs allowing the Agency to merge the former TSIs for conventional and high speed rail services;
- To the drafting of a new set of TSIs allowing the European Commission to close the discussions.

The following TSIs were positively voted on and are about to enter into force:

- TSI LOC & PAS (Locomotives and passenger rolling stock);
- TSI WAG (Wagons);
- TSI ENE (Energy);
- TSI INF (Infrastructure);
- TSI SRT (Safety in railway tunnels);
- TSI PRM (Persons with reduced mobility).

Safety

The joint UIC/CER Safety System Management Group (SSMG) supports safety-related activities. The Speakers involved in this group represent CER in ERA Working Parties and workshops on common safety methods (CSM), risk acceptance criteria (RAC), as well as common safety indicators and targets (CSI and CST). In 2013, CER contributed to the development of safety regulations and an application guide. Moreover, CER participated in a task force to develop a quick-response process and followed the development of the issues dealt with in the Joint Network Secretariat.

A major challenge has been to develop a common understanding and harmonised approach to safety.

Cross acceptance (XA)

CER has been influencing ERA's activities to facilitate cross acceptance. It supported the collection of national rules as well as the equivalence check carried out by the national safety authorities (NSAs) in the Geographical Interest Groups (GIG). As the clean-up of national rules has recently become a high priority, CER has been contributing to getting a common understanding about the parameters used in XA and TSIs. In particular, **the review of the Fourth Railway Package for matters concerning XA of vehicles was a major activity in 2013.**



The CER Technical Monitor is a monthly newsletter informing about all CER work related to technical issues. E.g. ERA-related issues like interoperability, safety, cross acceptance, control command and signalling among others; research including ERRAC, FOSTER RAIL and Shift2Rail; and the Fourth Railway Package's technical pillar.

The CER Technical Monitor provides a complete overview of the CER members involved in the technical work as well as the Speakers and Deputies acting at ERA level.

Registers

CER has been supporting the set-up of various ERA registers (e.g. the Reference Document Database (RDD), the European Register of Authorised Types of Vehicles (ERATV) listing the types of vehicle authorised in the different Member States or the Register of Infrastructure (RINF) providing infrastructure parameters). CER closely monitors ERA's work so that European registers are defined in a practical, efficient and user-friendly format to support business needs. A strong focus has been on the Reference Document Database (RDD), intended to provide access to national rules applied for the authorisation of railway vehicles, their equivalence and the national legal frameworks applied in the Member States of the European Union including Norway and Switzerland.

CER's Register of Railway Infrastructure Support Group (RINF SG) has been collecting expertise in order to contribute additional information to the drafting of the Application Guide, which provides clarification on the interpretation of the TSIs. Through its participation in the Working Parties, CER has been influencing the drafting of the detailed specifications, as well as the governance and implementation plan for the development, testing, deployment and operation of a common user interface required for data collection at Member State level.

ERTMS

The Control Command and Signalling Support Group (CCS SG) gathers once a month in order to prepare all ERTMS-related meetings. In 2013 most of the work was dedicated to the CCS TSI revision. **CER's aim is to achieve a stable and interoperable ERTMS baseline.** The revised CCS TSI will be proposed to the Rail Interoperability and Safety Committee (RISC) for a vote in June 2014. During the last year CER, together with four other associations, has asked for more transparency and ERA's efficient project management of ERTMS baseline releases.

Interference in the Global System for Mobile Communications for Railway (GSM-R) is another important issue dealt with by the CCS SG. GSM-R secures voice communication between drivers and traffic management centres. CER, together with the European Commission (DG MOVE, DG CONNECT), ERA, manufacturers, infrastructure managers, UIC and other rail stakeholder associations, is working on solutions to reduce the risk of a loss of communication during train operations. In 2013, the stakeholders involved collected relevant evidence and are now preparing solutions to be published in 2014.



CER, together with EFSC, APWPT, CABLE EUROPE, Kathrein, Panasonic Europe, PEARLE, SES and ZVEI, organised an event in the European Parliament on Europe's need for coexistence between new and existing technologies. Kindly hosted by MEP Catherine Trautmann (S&D, FR), the event gathered experts from the European Commission's DG CONNECT, MEPs and businesses experiencing the effects of interferences. This event was organised in the framework of the new telecommunications rules.

Extension of TSI applicability beyond the EU

CER works closely with OTIF (Intergovernmental Organisation for International Carriage by Rail); in 2013 most of OTIF's work centred on transposing European regulation to make it applicable for all OTIF contracting States (States in or outside the EU). In particular the LOC and PAS TSIs were transposed in uniform technical prescriptions and ATMF (procedure for the technical admission of railway vehicles and other railway material used in international traffic) was revised to take into account the new actors defined in EU legislation (ECM, Keepers). The CUV (contracts of use of vehicles) rules also came under discussion to clarify the role of the actors and are still pending. Finally work was initiated to develop requirements to facilitate passenger coach interchangeability.

Fourth Railway Package

CER's Technical Department also worked intensively on the technical pillar of the Fourth Railway Package (see article on page 34).



The Fourth Railway Package's technical pillar Main achievements

- Establishment of ERA as the railway authority in Europe;
- Streamlined process for vehicle authorisation in Europe;
- Single safety certificate with the 'area of operation';
- Harmonisation of technical rules at European level;
- Fair and transparent appeal process.

Rail standardisation in Europe for the sector by the sector

Standardisation in the railway sector describes the process of developing and implementing rail **technical standards** for the railway system as a whole. **Rail standardisation makes it possible to maximise compatibility, interoperability, safety, repeatability and quality.**

Vision for rail standardisation

In April 2013, CER and UIC published their *Vision for rail standardisation in Europe* aiming at balancing the needs of the rail operating community and the manufacturers. This paper reflects on the current framework within which rail standardisation is undertaken today, highlights a number of points of concern and sets out some possible remedies. The paper was addressed to relevant EU stakeholders but also designed **to have an influence on the content of the proposed CEN/CENELEC European standardisation strategy 2020**. Railway standardisation in Europe needs to take into account that **the railway system is defined by the interplay between technology and operations**. With its vast experience, CEN/CENELEC and ETSI can cover the technical issues appropriately, but for the interplay between technology and operations, a dedicated railway standardisation body such as the UIC is needed. As the railway sector is constantly challenged by various and sometimes unexpected factors, standards have to be drafted, adapted and implemented efficiently and quickly and should directly answer the needs of the European rail sector.

Standardisation, regulation and climate change

In the framework of a Workshop entitled *Climate Change, Railways and Standardisation* jointly organised by CER and the European Commission in Brussels on 24 April 2013, and after the official roll-out of the European Commission's strategy on adaptation to climate change, CER underlined that no changes in the present

regulatory framework are needed to effectively address climate change challenges. **Any adaptation of the European rail standardisation landscape, including defining a target system with design parameters and limit values, should be based upon well-focused research and development activities agreed by the rail sector** (e.g. ERRAC ROADMAPS and Shift2Rail). The existing rail standardisation framework should only be revised to take climate change resilience into account. A manual could be developed in order to incorporate the climate change aspect into the drafting and revision of standards.

The CEN/CENELEC/ETSI Joint Programming Committee Rail (JPCR)

The JPCR is a joint coordination group made up of CEN, CENELEC and ETSI with the participation of the major railway stakeholder organisations (CER, EIM, UIC, UNIFE, etc.) and in cooperation with the European Commission, its Railway Agency (ERA), and EFTA.

CEN, CENELEC, ETSI and the railway stakeholder organisations aim at ensuring a consistent and complete set of standards in the field of railway standardisation. The railway stakeholder organisations act as a coordination platform between CEN, CENELEC and ETSI, and have good working relations with the European Standards Organisations (ESOs) and ERA, as well as the European Commission.



The CER and UIC Vision for Rail Standardisation in Europe (italique) can be found on the CER website: www.cer.be



- Railway standardisation in Europe needs to take into account the interplay between technology and operations in the rail sector.
- No changes in the present regulatory framework are necessary to deal with foreseeable climate changes.
- CEN, CENELEC, ETSI and the railway stakeholder organisations aim at ensuring a consistent and complete set of standards.

A new European legal framework for public procurement and customs

After years of negotiations among the EU Institutions, the **new legislative frameworks for public procurement and customs rules have been adopted**. The new customs rules will allow a simpler and more flexible approach to existing legislation and a consequent increase of their efficiency. The new public procurement rules are designed to make the procurement process easier for public entities and increase legal certainty.

Public procurement

In December 2011, as announced in the Single Market Act, the European Commission launched three proposals on public procurement. These proposals are part of an overall programme aiming for the in-depth modernisation of public procurement in the European Union. This programme includes the revision of Directive 2004/17/EC (procurement in the water, energy, transport and postal services sectors – the ‘Utilities’ Directive) and Directive 2004/18/EC (public works, supply and service contracts – the ‘Classic’ Directive), as well as the adoption of a new Directive on concessions, which so far are only partially regulated at European level.

The public procurement package of Directives is **important** for CER members as many **railway undertakings and infrastructure managers** are public undertakings and will have to apply any new rules stated in the revised Utilities Directive.

Over the past year, the European co-legislators have been working hard to reach a first-reading agreement on the whole package, mainly focussing on the adoption of the new Concession Directive and the revisions to the ‘Classic’ Directive.

However CER has been drawing the legislators’ attention to concerns over the Utilities Directive too. Together with representatives from other sectors (such as energy and other modes of transport) impacted by this particular Directive, CER promoted a joint position. Bolstered by CER’s constant lobbying efforts, this allowed the rail sector to achieve very positive results.



- The public procurement package was formally adopted in early 2014. All major concerns raised by CER were addressed.
- In 2013, the new Union Customs Code (UCC) was adopted and the UCC Regulation entered into force.
- The UCC will serve as the new framework Regulation on the rules and procedures for customs throughout the EU.

The package was formally adopted by the European Parliament and the General Affairs Ministerial Council in January and February 2014 respectively. It is expected to enter into force on 17 May 2014.

Customs

On 20 February 2012, the European Commission proposed to recast the Modernised Customs Code into the Union Customs Code. One and a half years later **the new Union Customs Code (UCC) was adopted by the Council and the European Parliament.** The UCC Regulation was officially published in the EU Official Journal on 10 October 2013, entering into force at the end of that same month. It will be applied as of May 2016.

The UCC will serve as the **new framework Regulation on the rules and procedures for customs throughout the EU.** The new code streamlines and simplifies customs rules and procedures, and facilitates more efficient customs transactions. Addressing the challenges of the modern trade environment, it will legislate on a number of important practices which, up to now, have been implemented on a case-by-case basis. As a result, businesses can expect greater legal certainty and customs officials can count on increased clarity throughout the EU.

Among the improvements that will be introduced with the new code are **measures to complete the shift to a paperless, fully electronic environment in customs**, and provisions to reinforce swifter customs procedures for reliable traders (Authorised Economic Operators).

Throughout the recast exercise, CER focused its activities **on preserving the current, easy-to-apply transit procedure for rail transportation.** Special attention was also given to the need to ensure a smooth transition to a paperless procedure that will ensure a coordinated approach with other relevant rail projects like the e-consignment note or e-rail freight.

In 2014, CER will continue its effort to preserve easy-to-apply transit procedures. In terms of customs-related administrative formalities, CER will work to ensure a level playing field between all transport modes.

Rail: the key to delivering on 2030 climate and energy goals

The Framework announced by the European Commission on 22 January 2014 is an important first step in the definition of strong European climate and energy policies for 2030. **Transport is the Achilles' heel of Europe's climate and energy policies.** Reduction of transport emissions therefore needs strong action from policymakers. Expanding the share of railway transport would favourably support the achievement of the EU's goals for 2030 and beyond.

Europe's transport system has so far failed to keep up with the other main sectors of the economy in terms of decarbonisation. According to Eurostat energy statistics, in 2011 **the transport sector accounted for 20% of total emissions as opposed to just 14% in 1990.** Transport emissions are fast becoming a significant obstacle to Europe's climate policy goals. A major re-orientation of the transport system is therefore essential if long-term carbon reduction targets are to be achieved.

Railway transport's performance in terms of greenhouse gas (GHG) emissions is well documented. Average specific emissions per passenger-kilometre, and respectively per tonne-kilometre for freight, are substantially lower in rail transport as compared to road transport.

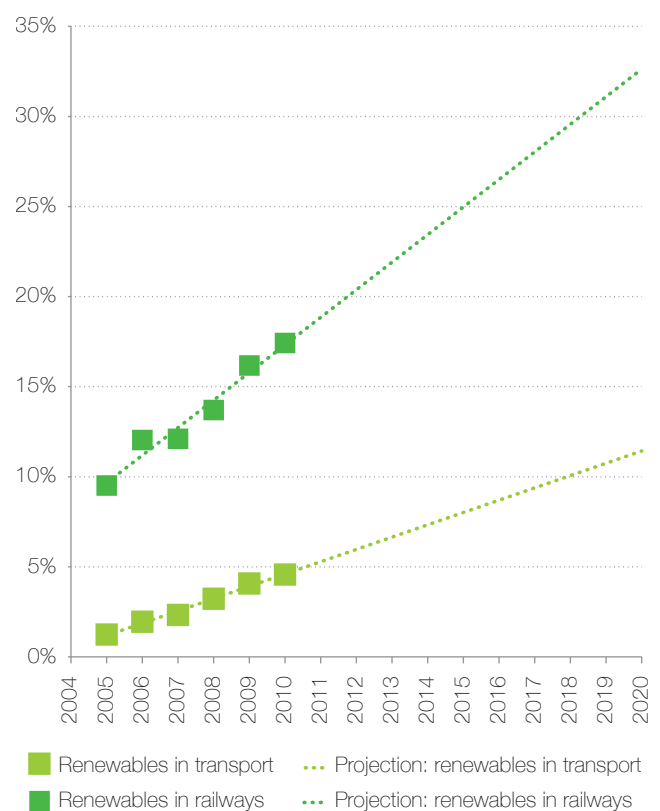
Rail can contribute to cutting EU dependence on foreign oil

Transport also remains overwhelmingly dependent on oil. **The transport sector accounted for around three quarters of the EU's final consumption of oil and oil products** in 2011 (up from 62% in 1990). Road transport alone is responsible for 64% of final consumption (up from 53% in 1990), whereas the share of rail is just 0.6% (down from 0.9% in 1990). In sum, economic dependence on road transport constitutes Europe's dominant weakness with respect to oil price shocks – as well as a major source of greenhouse gas emissions. Europe needs to reduce its import dependence for all fossil fuels. Transforming the transport system can play a key role in this respect, provided that low fossil fuel modes and vehicles are supported.

Rail transport has experienced a considerable growth in the use of renewable energy. Thanks to a very high share of electrification, much of rail may thus become increasingly both zero carbon and renewables-based. Other transport modes have much more limited possibilities in this regard.

Figure 12: Forecast of the share of renewables in transport and in railways in EU-27, 2005-2020

Rail transport experienced a considerable growth in the use of renewable energy. European railways are continuing to increase their energy mix in favour of renewables. If the trends of past years continue, the European railway sector will reach 35% of renewables in 2020.



Source: IEA and UIC Railway Handbook, 2013

Time to revitalise internalisation of external costs

European policy makers are focussing on the pricing of external costs with a view to internalising them into the price of transport.

The internalisation of external costs is de facto the centrepiece of the European Commission's efforts in making external costs part of the decision-making process of transport users. Railways have a strong profile compared to other modes in terms of their total and average external costs.

From the economic viewpoint, CER promotes a full internalisation of external costs, i.e. pricing in external costs so that they are reflected in final prices, in line with the 'polluter pays' principle.

A recent report by the Commission examined the existing pricing instruments. However, due to the preference currently given by politicians to regulatory mitigation policies, CER was disappointed to see that the internalisation of external costs has taken a back seat even though it is widely accepted among experts to be the most effective and fairest policy approach. CER will therefore continue to promote **the revitalisation of the concept of internalisation of external costs.**

Internalisation of external costs

Most Member States apply charges for heavy goods vehicles following the rules that are envisaged according to the Eurovignette Directive. However a significant number of Member States apply time-based vignettes, which hinder the relationship between what is paid and the infrastructure and external costs that are actually caused. Private vehicles furthermore often pay no charges at all.

Actions that need to be taken

On 22 January 2014, the European Commission unveiled its 2030 Framework for Climate and Energy Policies. The main pillars of the new Framework include:

- A reduction in GHG emissions by 40% below the 1990 level;
- An EU-level binding target for renewable energy of at least 27%;
- Energy efficiency policies.

What is missing so far from the new Framework is **a principled and binding inclusion of transport, so that the GHG emissions goal for 2030 is actually met.** As for road pricing, proposals to switch to distance-based charging and to a systematic policy of internalisation of local external costs need to be adopted by the European Commission.

Transport has so far been the only major sector of the economy to contribute negatively to the EU's decarbonisation and energy security needs. Within that context, **rail can play a constructive role through a policy of modal shift.** CER advocates joined-up thinking to ensure that the EU's transport policies are fully aligned with the EU's climate and energy policy objectives so as to guarantee that the sector can play its full role in supporting the EU's common goals.

Figure 13: Greenhouse gas emissions (thousand tonnes)

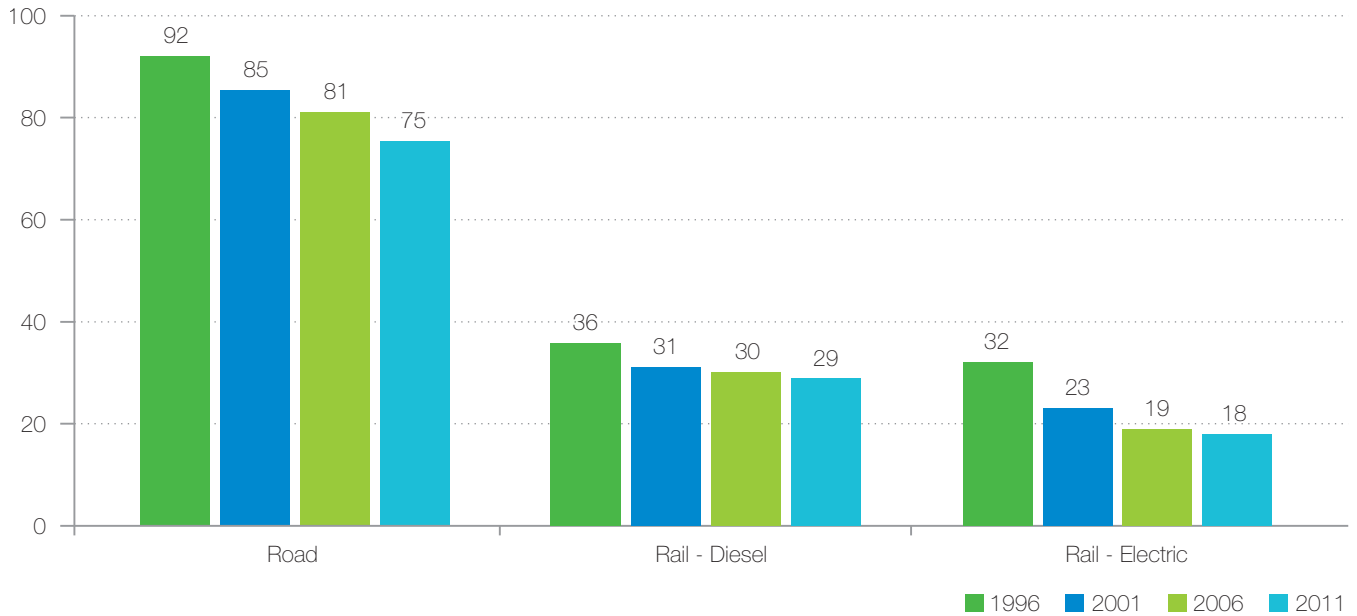
The EU's total greenhouse gas (GHG) emissions were roughly 18% lower in 2011 compared to 1990, a positive development in line with the EU's 20% reduction target by 2020. The total level of GHG emissions fell by 34% in manufacturing and construction, by 23% in agriculture and by 16% in the energy industry between 1990 and 2011. Emissions from transport, on the other hand, were 19% higher in 2011 compared to 1990.

	1990	2011	
Total emissions	5 606 072	4 578 469	-18%
Energy	4 319 605	3 634 727	-16%
Manufacturing industries and construction	859 818	567 158	-34%
Transport	778 344	926 442	19%
Agriculture	604 008	464 332	-23%

Source: EEA, 2013

Figure 14: Specific CO₂ emissions per tonne-km by mode of transport in Europe, 1996-2011

For freight, emissions per tonne-kilometre are roughly four times lower for electric rail transport as compared to road. Furthermore the relative performance improvement has been stronger in rail: from 1996 to 2011, specific emissions for electric rail freight transport decreased by 44% as compared to 18% for road transport.



Source: EEA, 2013



- Rail can play a constructive role for both climate change and energy security goals through a policy of modal shift.
- The European Commission should design clear actions for transport within the 2030 Framework for Energy and Climate Policies.
- Commission action is also required in the area of transport infrastructure charging in order to ensure that all modes pay a fair share of their infrastructure and external costs.

Security: identifying the EU added value

In its 2011 Transport White Paper, the European Commission expressed the need to find an appropriate European approach to land transport security. As a first step, the Commission created a permanent Expert Group aiming at developing policy on land transport security and exchanging relevant experiences, policies and practices between the Member States and relevant stakeholders.

The establishment of the Schengen area and abolition of internal border control in the 1990s enabled free movement of persons, goods and services. In order to ensure an open and secure Europe, and prevent terrorists and criminals from acting all over the European Union, the Member States laid down rules improving cooperation and coordination between police and judicial authorities.

Although national security remains the sole responsibility of each Member State, and the competence of the European Union regarding police cooperation is very limited, 'Justice and Home affairs' has been one of the fastest-growing policy areas of the European Union for the last two decades. Especially after 9/11 the Member States intensified their activities. Looking at terrorism and other security-related risks, they focused on protection, preparedness and consequence management, and developed comprehensive security requirements for the aviation and maritime transport systems. In 2010, the Commission's Communication *The EU Internal Security Strategy in Action: Five steps towards a more secure Europe* called for a more active European approach to land transport security, which was further emphasized in the 2011 Transport White Paper.

Potential areas of interest for rail security

A year later, the Commission published a Staff Working Document on transport security, proposing 10 potential areas relating to the railway sector for development of common security requirements:

- Security of transport interchanges and mass transit security;
- Rail security;
- Training of staff;
- Planning for the aftermath of an incident;
- Technology and equipment;
- Research on transport security;
- Better communication and sharing of classified information;
- Security of the supply chain;
- Cybercrime against transport;
- International activity.

In January 2013, the European Commission established the Expert Group on Land Transport Security (LANDSEC), bringing together the Member States and various stakeholders, in order to exchange relevant experiences, policies and practices, but also to develop EU policy in the ten proposed areas.



The CER position paper *CER comments on the Commission Staff Working Document on Transport Security* of March 2013 is available at www.cer.be

CER Security Working Group

CER, being **in favour of sharing best practice and intelligence across Europe**, supported the establishment of the Expert Group and became an active member of it. In order to provide high-quality input to LANDSEC, CER created an ad-hoc Working Group on security and produced a position paper on the Commission Staff Working Document commenting on all the above-mentioned areas.

Even though in CER's opinion international coordination and cooperation between and amongst security authorities, police forces and transport operators plays a key role in transport security and should be intensified and extended, **CER does not believe that new and additional security requirements resulting in legislative measures in those areas would generate any added value for the transport sector** as a whole and consequently objected to such potential measures. Eventually, CER, together with other representatives of transport interests, suggested that the Commission **address other security issues that would be much more relevant to the transport sector, such as metal theft and vandalism**.

LANDSEC's programme for 2013-2014

After examination of all the potential areas identified in its Staff Working Document, taking into account the views of the Member States, and that of stakeholders, the Commission emphasised at the second meeting of the Expert Group on Land Transport Security of July 2013 that the exchange of best practices was the most appropriate approach to land transport security at EU level, and put the following issues forward for discussion within the Expert Group in the years 2013-2014:

- Training of staff;
- Cyber-crime against transport;
- Risk assessment;
- Copper theft from rail networks.

During the third LANDSEC meeting, that was dedicated to rail security, the Commission invited CER, EIM and UIC to give a joint presentation on metal theft. Explaining the cross-border dimension of organised metal theft crime and how it affects services essential to the maintenance of vital societal functions, above all, rail services, the presentation also showed some practical examples of measures that had been implemented by railways in order to protect their infrastructure. Finally, the associations emphasised that **international coordination and cooperation between and amongst security authorities, police forces, transport operators, as well as other market operators, should be intensified and extended at EU level, as this plays a key role in ensuring security within the European Union**.

Security – main objectives

- Favouring voluntary measures;
- Supporting the exchange of best practices and experiences;
- Welcoming stronger European coordination and cooperation;
- Opposing new EU legislation;
- Focusing on metal theft and vandalism.

Social affairs and industrial relations

The creation of a single European rail transport market cannot exclude the social dimension. Proper social standards are necessary to deliver good quality services as well as to maintain and improve the attractiveness of jobs in the railway sector. In this regard, social dialogue is considered to be an essential pillar for sustainable rail transport in Europe.

CER and the European trade unions are continuously working on their social partnership in order to help railways to become more competitive and offer improved job perspectives. CER also plays an active part in the work of the European Social Dialogue Committee for Railways.

CER-ETF Agreement on working conditions – not yet flexible enough!

The Agreement on working conditions of mobile workers in cross-border services, signed in 2004 between CER and the European Transport Workers' Federation (ETF), was turned into European legislation and is now known as Directive 2005/47/EC defining minimum working conditions for mobile staff.

Despite long discussions back in 2008, it was not possible to agree on more flexible conditions with our social partner. As this flexibility needs to be increased through a new agreement, CER and ETF kicked-off discussions on desirable changes in 2013.



The joint recommendations of the European social partners on the identification and prevention of psycho-social risks within the railway sector were signed by CER and ETF on 11 March 2014 and can be downloaded at www.cer.be

Protection of staff in case of change of rail operator

Looking at the legislative developments in the Fourth Railway Package, CER and ETF set up a joint project to assess the social dimension of the Package and to get reliable information on social aspects and the protection of staff in case of change of railway operator. The project partners also evaluated the current situation in various EU Member States in terms of providing a level playing field for social issues:

- In advance of the opening of domestic railway markets;
- During the competitive tendering processes.

The results of the evaluation highlighted that the situation varies from one Member State to another. The study also showed that there are countries that have already created such social rules by national law or by establishing a framework for the social partners to conclude agreements for adequate social standards in the sector. In other Member States, the social aspects of market opening seem to be insufficient or not at all taken into account.

On 24 September 2013, CER and ETF organised the final conference of the project *Social aspects and protection of staff in case of change of railway operator*. The organisers highlighted that proper social standards are necessary for good quality services as well as for the attractiveness of jobs. The conference gathered experts and politicians to exchange views on the topic. The closing remarks were delivered by László Andor, European Commissioner for Employment, Social Affairs and Inclusion.



The European Social partners in the railway sector CER and ETF share the opinion that a healthy work environment taking both physical and mental aspects into account is important for ensuring good quality of work and thus high-quality services. Well-being at work is a condition for both productivity and service quality.

Having this in mind, awareness is also rising in our sector about the potential dangerous and damaging effects of unidentified and un-tackled psychosocial risks (PSR) in the work setting. These can be damaging for the safety and health of the workers concerned, they can be detrimental to a motivating and supportive work environment and they can produce high and often hidden costs for the companies as they cause between 50% and 60% of lost working days in the EU. Psychosocial risks include work-related stress, harassment and violence within the company, as well as violence and assaults against workers by third parties, customers and passengers.

The *Guide to identifying and preventing psycho-social risks at work in the railway sector* can be downloaded at www.cer.be

Equal opportunities

In 2011, a project called *Women in rail* examined the development of female representation in the rail sector as well as the implementation of the *Joint recommendations for a better representation and integration of women in the railway sector*, signed by CER and ETF in 2007. The European social partners continue to pursue the goal of a **better representation and integration of women in the railway sector**, fundamentally supporting equal opportunities and furthermore taking into account demographic developments and the attractiveness of the sector for women workers.

The **first annual review** of the development of women employment in European railway companies was presented in January 2014. The results show that **the average share of women working in the rail sector remains constant at around 20%**. Overall, women are still underrepresented in technical professions. Equality measures focus on the improvement of the work-life balance.

Social dialogue in Croatia and in candidate countries of South-East Europe

The European social partners of the railway sector **want to contribute to the development of the social dialogue in the new EU Member States** as well as in the candidate countries of **South-East Europe**. A new joint project has therefore been launched, which will strengthen the capacity of the social partners in these countries. This will help to establish a national social dialogue and ultimately to contribute to the European social dialogue. A conference is scheduled to take place in Croatia in June 2014 to gather the social partners of Croatia, Macedonia, Montenegro and Serbia.

CER has implemented similar projects with new EU Member States and accession countries in the past. Such seminars took place in Budapest and Bratislava in 2004 and in Tallinn and Bucharest in 2006.

In order to organise the conference in an effective way, the objectives and format need to be clear for all parties involved. This is why representatives of CER and ETF have visited the national railway undertakings, the national infrastructure managers and the trade unions of each country to prepare this important meeting.



This study on protection of staff in case of change of railway operator aims to get reliable information on social aspects and the protection of staff in case of change of railway operator. It also evaluates the current situation in the EU Member States in terms of providing a level playing field for social issues both ahead of the opening of the domestic railway market and during the competitive tendering processes.

The CER/ETF study gives a broad overview of the existent rules dealing with social standards and transfers of staff and determines the extent to which they set a binding frame of reference applying to all potential operators.

The report *Social aspects and the protection of staff in case of change of railway operator: The current situation* can be downloaded at www.cer.be



- The working conditions of mobile workers in cross-border services (Directive 2005/47/EC) need to be adjusted.
- CER and ETF set up a joint project in 2013 to assess the social dimension in case of change of railway operator.
- ETF and CER join forces to trigger a rail-related social dialogue in new EU Member State Croatia and the neighbouring EU candidate countries.





CHAPTER 3

CER GOVERNANCE

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How does CER work?

CER is the only organisation in the EU representing the entire European railway system. Its diverse membership includes railway undertakings, infrastructure companies, path allocating bodies and vehicle leasing companies, including long-established companies, new entrants, and both private and public-sector organisations. CER currently has sixty-nine members and five partners.

The governance structure of CER is composed of three main bodies, ensuring a steady flow of communication between CER and its members. These bodies are supported by regular meetings at chief executive and working levels.

CER General Assembly

The General Assembly is the CER's decision-making body. All member organisations take one seat and are represented by their chief executive or director general. The General Assembly gives the CER team guidance by taking decisions on how to advance on specific policy issues. Furthermore, it approves budgets, and accounts and the rules for calculating member fees, it elects the Management Committee and the Executive Director and decides on the admission and expulsion of members, the amendments of the statutes and the winding-up of the association.

CER Management Committee

The Management Committee makes recommendations to the General Assembly. It consists of the CER Chairman, four Vice-Chairmen and further members elected by the General Assembly. The size of the Management Committee is limited to a maximum of 16 members.

CER Assistants

CER members are represented by their International or European Affairs Managers in the CER Assistants group. This liaison group helps to facilitate the continuous exchange of information between CER and its members.

Beside these internal bodies, CER also arranges further meetings and working groups to discuss specific issues. Members affected are invited to take part in these discussions.

High Level Meetings

Separate meetings are held at least once a year, with chief executives from passenger, freight and infrastructure companies to discuss specific issues affecting their business areas. There are also separate meetings for regional groups of chief executives such as those from Central and Eastern Europe.

Working groups

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

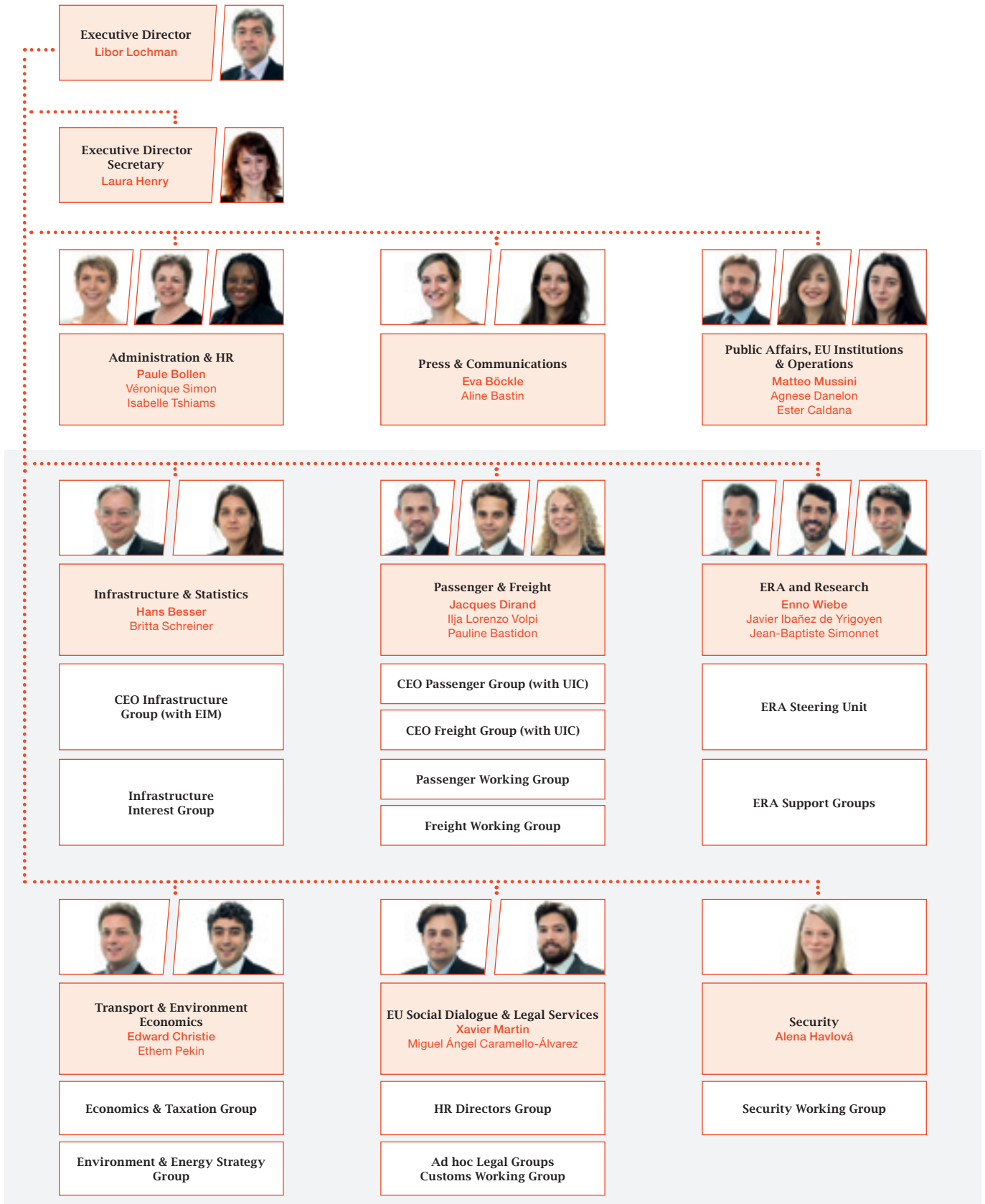
- Customs Working Group;
- Economics and Taxation Group;
- Environment & Energy Strategy Group;
- CER ERA Steering Unit (and various working groups on interoperability and safety);
- Freight Working Group;
- Human Resources Directors Group;
- Infrastructure Interest Group;
- Passenger Working Group;
- Security Working Group.

All groups meet on a regular and ad-hoc basis.

Building bridges

Internally CER follows the principle that all opinions are taken into account and that no member should feel dominated by others. CER 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.

CER working structure (as of April 2014)



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 mostly consists of integrated railway companies and railway undertakings of various sizes, including private freight and passenger operators, and others, in Europe.

Did you know, that...

CER member companies were responsible for 159 103 kilometres or railway lines in 2013. This is equivalent to travelling around the Earth four and a half times.



159 103 km

1584 million tonnes of cargo were transported by CER members in 2013. If this freight were transported by road, it would require over 100 million truck journeys.



1584 million tonnes cargo

CER member companies carried 13.2 billion passengers in 2013. This is twice the entire population of the Earth.



13.2 billion
passengers

1.3 million jobs are directly created by CER members. This equals 0.4% of the EU's working population.



1.3 million
jobs

2013 railway statistics

CER Member ^{a, b, c}	COUNTRY	Length of lines	Staff number		Passengers carried		Passenger-kilometres		Freight tonnes carried		Freight Tonne-km		Train-km (IM only)		Turnover		EBITDA ^e
		in km	FTE ^d	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions €	Δ% 12/13	millions €
ASTOC	SE	-	10 744 ^t	n/a	201	4%	11 842	0%	66.9	2%	21 729	-1%	-	-	n/a	n/a	n/a
ATOC/RDG	GB (UK)	-	n/a	n/a	n/a		59 507.2	1%	-	-	-	-	-	-	n/a	n/a	n/a
BDŽ Holding	BG	-	10 096	-2%	26.1	-1%	1 826	-2%	8.9	-9%	1 806	-10%	-	-	429.6	3%	121.2
BE	LV	-	176	4%	-	-	-	-	4.1	37%	1 598.8	34%	-	-	23 ^P	30%	4 ^P
BLS	CH	520 ^t	2 750 ^t	n/a	53.8 ^t	n/a	905 ^t	n/a	12.8 ^t	n/a	3 313 ^t	n/a	13.8 ^t	n/a	n/a	n/a	n/a
BRC	BG	-	n/a	n/a	-	-	-	-	2.5	54%	785	33%	-	-	17.1	-1%	0.7
BTS	LV	-	135 ^r	n/a	-	-	-	-	9.4 ^r	n/a	2 857 ^r	n/a	-	-	n/a	n/a	n/a
Bulmarket	BG	17	98 ^t	n/a	-	-	-	-	0.7 ^t	n/a	180 ^t	n/a	0.4 ^t	n/a	6.7 ^t	n/a	n/a
ČD	CZ	-	23 635	-5%	169.3	0%	6 924	0%	70 ^P	-4%	12 276 ^P	-6%	-	-	1 242.8 ^P	-4%	214.1 ^P
CER	HU	-	15 ^t	n/a	-	-	-	-	1.9 ^t	n/a	492.9 ^t	n/a	-	-	10.7 ^t	n/a	0.7 ^t
CFL	LU	275 ^s	2 895 ^s	n/a	19.7 ^t	8%	373 ^t	7%	-	-	-	-	8.6 ^t	-2%	n/a	n/a	n/a
CFL Cargo	LU	-	482 ^s	n/a	-	-	-	-	7.8 ^s	n/a	739 ^s	n/a	-	-	n/a	n/a	n/a
CFM	MD	1 157 ^s	10 963 ^s	n/a	4.7 ^s	n/a	363 ^s	n/a	4.6 ^s	n/a	1 172 ^s	n/a	3.6	n/a	n/a	n/a	n/a
CFR	RO	10 777 ^t	23 091 ^t	n/a	-	-	-	-	-	-	-	-	85.2 ^t	n/a	n/a	n/a	n/a
CFR Călători	RO	-	13 692	0%	48.5	0%	3 988.3	-4%	-	-	-	-	-	-	83.1	-1%	-19.6
CFR Marfă	RO	-	8 696	3%	-	-	-	-	27.6	-12%	5 489.5	-7%	-	-	208.8	-4%	-10
CP	PT	-	2 783	-5%	107.2	-4%	3 310.7	-4%	8.7 ^t	n/a	2 020 ^t	n/a	-	-	229.8	-3%	22
DB	DE	33 448	295 653	3%	2 016.2	-1%	80 437	-2%	390.1	-2%	104 259	-2%	1 035	0%	39 119	0%	5 139
DSB	DK	-	8 818 ^t	n/a	207.2 ^t	n/a	7 644 ^t	n/a	-	-	-	-	-	-	1 628.2 ^t	n/a	316.5 ^t
Eurostar	GB (UK)	-	1 414 ^s	n/a	10.1	4%	n/a	n/a	-	-	-	-	-	-	1 009.1	2%	n/a
EVR	EE	1 226	835	-55%	4.2	-5%	224.9	-5%	24.3	-7%	4 402	-9%	6	-4%	63.9	-3%	32.2
FS Italiane	IT	16 752	71 031	-2%	n/a	n/a	37 752	1%	n/a	n/a	10 520.9	-6%	331.6	5%	8 329	1%	2 030
GFR	RO	169	2 284	-9%	-	-	-	-	12.4	-8%	3 603	-11%	0.3	-22%	165.6 ^P	-9%	26.2 ^P
GySEv	HU/AT	509	2 240	0%	7.3	6%	289	9%	7.9	-6%	705	2%	7.3	-1%	98.7 ^P	-24%	18.2
HSH	AL	424 ^t	1 334 ^t	n/a	0.4 ^t	n/a	15.9 ^t	n/a	0.1 ^t	n/a	15.3 ^t	n/a	0.8 ^t	n/a	6.3 ^t	n/a	2.7 ^t
HUNGRAIL	HU	-	2 ^t	n/a	-	-	-	-	n/a	n/a	0.6 ^t	n/a	-	-	n/a	n/a	n/a
HŽ Cargo	HR	-	2 722	0%	-	-	-	-	10.7	-6%	2 086	-14%	-	-	n/a	n/a	n/a
HŽ Infrastruktura	HR	2 722	5 438	-16%	-	-	-	-	-	-	-	-	22	-9%	178.3 ^P	14%	9.4 ^P
HŽ Putnički Prijevoz	HR	-	2 028	-7%	24.3	-12%	857.9	-22%	-	-	-	-	-	-	115.6 ^P	-7%	-1.1 ^P
IÉ	IE	2 400 ^t	3 814 ^t	n/a	37.1 ^u	1%	1 566 ^u	-1%	1.4 ^t	n/a	229.6 ^t	n/a	17.1 ^t	n/a	n/a	n/a	n/a
LDZ	LV	1 859	11 754	-1%	19.8	0%	729	0%	55.8	-8%	14 991	-11%	18.9	-7%	440.5	-8%	104.1
LG	LT	1 767 ^t	10 601 ^t	n/a	4.8 ^u	1%	391 ^u	-3%	48 ^u	-3%	13 344 ^u	-6%			n/a	n/a	n/a

CHAPTER 3 // CER governance

CER Member ^{a, b, c}	COUNTRY	Length of lines	Staff number		Passengers carried		Passenger-kilometres		Freight tonnes carried		Freight Tonne-km		Train-km (IM only)		Turnover		EBITDA ^e
		in km	FTE ^d	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions €	Δ% 12/13	millions €
MÁV	HU	7 385	37 103	0%	111	0%	5 512	-2%	-	-	-	-	97	0%	453.4 ^p	1%	157.1 ^p
Montecargo	ME	-	204 ^r	n/a	-	-	-	-	1.2 ^r	n/a	151 ^r	n/a	-	-	n/a		n/a
NRIC	BG	4 032	12 150	-5%	-	-	-	-	-	-	-	-	28.2	1%	157.1	-6%	-11.3
NS	NL	-	9 383 ^s	n/a	313.6 ^s	n/a	16 808 ^s	n/a	-	-	-	-	-	-	n/a		n/a
NSB	NO	-	11 191	3%	59.2	7%	2 867	5%	-	-	-	-	-	-	1 811.9	3%	409.4
ÖBB	AT	4 859	39 513	6%	469	1%	10 300	1%	109.3	3%	25 900	1%	142.8	1%	5 239.2	0%	1 584
OSE	EL	2 554 ^t	2 401 ^t	-9%	-	-	-	-	-	-	-	-	12.3 ^t	-2%	66.2 ^t		29.7 ^t
PKP	PL	18 959	93 138	-6%	150.5	-13%	12 941	-12%	123.5	-3%	33 256	1%	144.5	-10%	n/a	n/a	n/a
Rail Polska	PL	28	n/a	n/a	-	-	-	-	4	26%	1 049.9	40%	1.7	65%	n/a	n/a	n/a
Regiojet	CZ	-	n/a	n/a	n/a	n/a	228 ^t	n/a	n/a	n/a	-	-	-	-	18	n/a	n/a
Regiotrans Brasov	RO	-	1 005	5%	7.9	2%	392.9	0%	-	-	-	-	-	-	50.7	n/a	0.2
RENFE Operadora	ES	-	13 893 ^t	n/a	466.1 ^u	1%	22 560 ^u	7%	19.2 ^u	12%	7 347 ^u	4%	-	-	n/a	n/a	n/a
RFYMI	MK	699	1 342	4%	-	-	-	-	-	-	-	-	2.4	-2%	20.6	29%	2.6
RFYMT	MK	-	1 295 ^t	n/a	1 ^t	n/a	99.2 ^t	n/a	2.5 ^t	n/a	423 ^t	n/a	-	-	18 ^t	n/a	-2.7 ^t
SBB/CFF/FFS	CH	3 175	30 977	6%	366	3%	17 773	1%	48	10%	12 317	2%	175	3%	6 007.6	-1%	1 670.1
SLB	AT	-	138 ^t	n/a	4.7 ^t	n/a	58 ^t	n/a	2.5 ^t	n/a	225 ^t	n/a	-	-	n/a		n/a
SNCB/NMBS	BE	-	18 235	-2%	232.4	1%	10 886	0%	29.2 ^g	-15%	4 941.5 ^g	-5%	-	-	n/a	n/a	n/a
SNCF	FR	-	150 070	0%	1 126	1%	84 777	-1%	50.7	-7%	19 498.4	-7%	-	-	20 117	1%	1 888
SŽ	SI	1 209	8 099	-1%	16.4	6%	760	2%	16.1	9%	3 534	10%	19	0%	497.8 ^p	11%	56.5 ^p
SŽDC	CZ	9 459	17 245	-1%	-	-	-	-	-	-	-	-	160.9	0%	261.9	-5%	90.8
TCDD	TR	9 718	24 487	-6%	47 ^p	-33%	3 731	-19%	26.4	3%	11 177	-4%	28	-20%	313	-8%	337.1
TFG	RO	-	135 ^q	n/a	-	-	-	-	0.7 ^q	n/a	319 ^q	n/a	-	-	n/a	n/a	n/a
Thalys	BE	-	n/a	n/a	6.6 ^t	n/a	2 410 ^t	n/a	-	-	-	-	-	-	475.6 ^t	n/a	n/a
TRAI NOSE	EL	-	1 532 ^r	n/a	15.3 ^r	n/a	1 414 ^r	n/a	3.2 ^r	n/a	393 ^r	n/a	-	-	108.6 ^r	n/a	n/a
Transdev	FR	-	2 736 ^t	n/a	100.9 ^t	n/a	4 251 ^t	n/a	-	-	-	-	-	-	515.1 ^t	n/a	n/a
VDV ^f	DE	37 877 ^t	127 107 ^t	n/a	2 253 ^t	n/a	84 456 ^t	n/a	604.8 ^t	n/a	101 500 ^t	n/a	n/a	n/a	n/a	n/a	n/a
VR Group	FI	-	8 097	-8%	69.3	0%	4 053	0%	36.4	3%	9 470	2%	-	-	880.9	-10%	165.8
WESTbahn	AT	316	181	-5%	4.7	n/a	669	32%	-	-	-	-	3.1	6%	n/a	n/a	n/a
WKO	AT	475	n/a	n/a	23	0%	n/a	n/a	3	-33%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ŽFBH	BA	601	3 716	-2%	0.4	-21%	25	-28%	8.3	0%	802.8	7%	2.2	-18%	60.6	-12%	5.9
ŽICG	ME	249 ^s	812 ^s	n/a	-	-	-	-	-	-	-	-	0.6 ^u	-25%	n/a	n/a	n/a
ŽRS	BA	426	3 397	-1%	0.2	-33%	14.8	-33%	5.1	-4%	451.3	0%	1.7	-18%	35.7	-2%	0.04
ŽS	RS	3 809	18 047	-2%	18.1	9%	776.7	11%	10.5	11%	3 022	9%	21.7	14%	92.8	12%	-37.5
ŽSR	SK	3 631 ^t	14 474 ^t	n/a	-	-	-	-	-	-	-	-	45.6 ^u	1%	n/a	n/a	n/a

CER Member ^{a, b, c}	COUNTRY	Length of lines		Staff number		Passengers carried		Passenger-kilometres		Freight tonnes carried		Freight Tonne-km		Train-km (IM only)		Turnover		EBITDA ^e	
		in km	FTE ^d	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	millions	Δ% 12/13	€	Δ% 12/13	millions €
ZSSK	SK	-	5 725	-2%	44.3	2%	2 421	0%	-	-	-	-	-	-	-	-	288.8	4%	-7.1 ^p
ZSSK Cargo	SK	-	6 331	-7%	-	-	-	-	36.3	3%	6 810.4	-1%	-	-	-	-	369.1	17%	115.3

GR	GE	1 566 ^r	n/a	-	3.1 ^r	n/a	626 ^r	n/a	17.1 ^r	n/a	5 417 ^r	n/a	-	-	n/a	n/a	n/a	
JR East ^k	Japan	7 513	59 370 ^h	0%	6 056 ⁱ	0%	125 534 ⁱ	0%	-	-	-	-	-	-	-	20 846.2 ^j	-20%	n/a
TS	CH	-	10	0%	-	-	-	-	-	-	-	-	170	3%	1.7	1%	0.02	
VPE ^v	HU	-	34 ^t	n/a	-	-	-	-	-	-	-	-	-	-	-	2.2 ^t	n/a	0.5 ^t

- Not applicable

n/a Not available

- a MRCE Dispolok (NL) is member of CER, but as rolling stock leasing company, it is not listed in the table.
- b High Speed 2 (HS2) is a member of CER but cannot be listed in the table since operations have not yet begun.
- c DB Schenker (DK), DB Schenker (GB), DB Schenker (NL), Rail Cargo Hungaria (RCH), and TX Logistik, which are members of CER, belong to the group of a larger company listed in the table. Their traffic information is represented in the table through their group.
- d Full Time Equivalents
- e Earnings Before Interest, Taxes, Depreciation and Amortization
- f The Association of German Transport Companies – VDV – is the organisation for Germany's public transport companies and rail freight transport companies
- g SNCB Logistics
- h Staff number is as of April 1, 2013
- i The passenger data corresponds to the fiscal year 2013, which refers to the period 1 April 2012 to 31 March 2013.
- j 'Turnover' data corresponds to the fiscal year 2014, which refers to the period 1 April 2013 to 31 March 2014.
- k The 20% drop in turnover compared to the previous fiscal year is mainly due to exchange rate fluctuations.
- p provisional
- q 2009 data
- r 2010 data
- s 2011 data
- t 2012 data
- u UIC 2013
- v VPE is an independent capacity allocation body and therefore cannot present traffic data.



ABBREVIATIONS & GLOSSARY

Abbreviations

ASECAP	European Association with Toll Motorways, Bridges and Tunnels
CEEC	Central and Eastern European Countries
CEF	Connecting Europe Facility
CER	Community of European Railway and Infrastructure Companies
CIT	International Rail Transport Committee
CO2	Carbon Dioxide
CNCs	Core network corridors
DG MOVE	Directorate-General Mobility and Transport, European Commission
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EDF	European Disability Forum
EEA	European Environment Agency
EESC	The European Economic and Social Committee
EFRTC	European Federation of Railway Trackworks Contractors
EIA	Environment Impact Assessment
EIB	European Investment Bank
EIM	European Rail Infrastructure Managers
EPF	European Passenger Federation
EPP	European People's Party, European Parliament Political Group
ERA	European Railway Agency
ERTMS	European Rail Traffic Management System
ETCS	European Train Control System
ETF	European Transport Worker's Federation
ETRA	European Tyre recycling Association
EU	European Union
FFG	Freight Focus Group
GRB	Group of Representative Bodies
GHG	Green House Gases
HLGL	High Level Group on Logistics
HRD	Human Resource Directors
IIG	Infrastructure Interest Group
IM	Infrastructure Manager
IMCO	Committee on Internal Market and Consumer Affairs in the European Parliament

INF TSI	Technical Specifications of Interoperability for Infrastructure
LHV	Longer and/or Heavier Vehicles
MEP	Member of the European Parliament
MMF	Multiannual Financial Framework
MoU	Memorandum of Understanding
NEBs	National Enforcement Bodies
NRMM	Non Road Mobile Machinery (NRMM)
NOx	Nitrogen Oxides
NSA	National Safety Authority
PSO	Public Service Obligations
PWG	Passenger Working Group
RFCs	Rail freight corridors
RISC	Railway Interoperability and Safety Committee
RNE	RailNetEurope
S&D	Progressive Alliance of Socialists and Democrats, European Parliament Political Group
TAG	Terminals Advisory Group
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
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 Industry Association
WB	World Bank

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 Directive 91/440, Directive 2001/13/EC revises Directive 95/18, Directive 2001/14/EC repeals Directive 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 Directive 91/440 ff, Directive 2004/49/EC on safety revises Directive 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.

Recast of the First Railway Package

The Recast of the First Railway Package (now Directive 2012/34/EU), was approved by the Council of the EU on 21 November 2012, and published in the Official Journal of the EU on 14 December 2012. The new directive repeals Directives 91/440/EEC, 95/18/EC and 2001/14/EC.

Fourth Railway Package

The European Commission adopted the Fourth Railway Package on 30 January 2013. The Package consists of three pillars: governance of the railway system, market opening, and a technical pillar.

Transport White Paper

Commission Communication setting out the EU transport policy for the next ten years, including perspectives up to 2050.

TEN-T Guidelines

European Commission proposal that sets the strategic framework for transport infrastructure investment until 2050.

Connecting Europe Facility

Related to TEN-T, new integrated financial instrument which defines, as a common financial framework and part of the Multiannual Financial Framework (MFF) 2014-2020, the conditions, the methods and the procedures for providing European Union financial aid to support projects in the transport, energy and telecommunication infrastructures.

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