

MFF and Recovery Plan – the rail sector view

Brussels, 20/05/2020

Ms Ursula von der Leyen

President of the European Commission

Copy to:

Mr Frans Timmermans

Executive Vice President

Ms Adina Vălean

Commissioner for Transport

Mr Thierry Breton

Commissioner for Internal Market

Mr Paolo Gentiloni

Commissioner for Economy

Mr Johannes Hahn

Commissioner for Budget and Administration

Dear Madam President,

The Covid-19 pandemic hit hard the entire EU economy, and railways are no exception, with figures dropping dramatically in all their market segments.

Restrictions of services and people's movements led to a decrease of passenger volumes by more than 80%, while international rail passenger services dropped by almost 100%. According to first rough estimates, the economic losses suffered by all passenger operators amount to € 900 million per week since the beginning of the crisis in March.

Rail freight witnessed a decline in revenues of 25% across the Union over March and April 2020. This represents an approximate estimated loss of about € 78 million per week over the same months. Since the beginning of the outbreak, the estimated total loss for EU27 amounts to close to € 1 billion.

Rail infrastructure managers across Europe are equally suffering, since the liquidity provided by track access charges decreased proportionally to the reduction of traffic.

Yet, in these dire conditions the European rail sector has been doing its best to continue providing essential services to European citizens, businesses and public bodies.

Further than that, the sector engaged over the last weeks in intense exchanges with several Commission Directorates-General, to provide to your services a number of suggestions on how to best manage the crisis and organize the recovery - for the sake of railways and of the EU economy in general.

Today, we look forward to reading the new Commission proposal for the next Multiannual Financial Framework and the Recovery Plan, which we expect for 27 May 2020.

We listened carefully to the speech you gave before the European Parliament on 13 May 2020, and we thank you for the words of hope you have been able to give us.

We understand very well the courage it takes to be hopeful. This courage is what make us proud of being citizens of this Union, responsible for services that are essential for its economy, leading companies that constitute the backbone of its mobility.

We expect the next Multiannual Financial Framework to reflect this. We expect that adequate financial resources will enable railways continue doing what they do best: transport passengers and goods in the safest, most sustainable way.

The European rail sector is ready to participate to the recovery of the EU economy by committing to invest to projects that are sustainable, that can contribute to job creation and that can be executed within both short- and long-term horizons. In this respect we do expect the Recovery plan to have a strong transport and - especially - rail component.

Given its economic size, its sustainability records and its cross-sectoral importance, a strong rail system is a necessary condition if we want both a fast European economic recovery and, at the same, insist on the path set by the European Green Deal.

There is not a chance that without strong railways our Union can hope to be the global champion against global warming that you so well outlined in your political guidelines of July 2019.

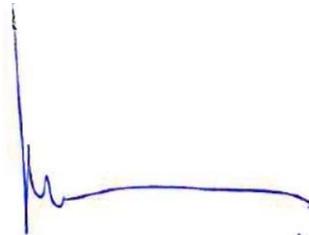
More than 2 million people work across all Member States in the rail value chain, and on their behalf, we confirm our commitment to serve - every day better - the citizens and the businesses of Europe.

We look forward to receiving your support in terms of sound policies and right investment decisions.

Sincerely yours,



Andreas Matthä
ÖBB Chairman
CER Chair



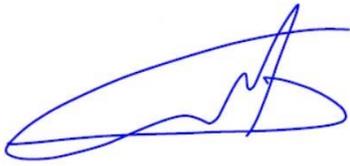
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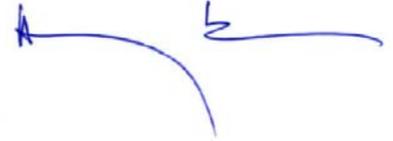
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