

Press Release
Brussels, 3 June 2013

CER shares MEPs' concerns over Commission proposal for a Fourth Railway Package

On 29 and 30 May the European Parliament's TRAN Committee held exchanges of views on the Technical Pillar of the Fourth Railway Package, namely the Interoperability Directive, the Safety Directive and the ERA Regulation, and on the Governance and PSO parts of the Package. The Community of European Railway and Infrastructure Companies (CER) shares many of the goals and concerns expressed by TRAN members. Europe needs stronger regulatory bodies, a stronger network of regulatory bodies, and a stronger European Railway Agency. On the other hand, more flexibility is needed regarding public service obligations and governance issues.

In particular, CER shares the opinion of the necessity for a stronger European Railway Agency (ERA) acting as a one-stop-shop for vehicles authorisation and safety certification, cooperating closely with the national safety agencies and fully relying on their competences. CER also welcomes the MEPs' interventions concerning the need for transparency of national rules, all of which will have to be notified in order to be binding.

Moreover, CER understands and shares TRAN members' worries concerning certain national specifics (like non-standard gauges and specific operational rules), which need to be taken into account and integrated when shaping a single European railway area.

On another note, CER welcomes the exchange of views on the governance and PSO (public service obligations) parts of the Fourth Railway Package that took place on 30 May.

CER notes that several MEPs expressed doubts regarding the suitability of the proposed size thresholds for PSO contracts. A number of MEPs also stressed that PSOs should not be used to foreclose domestic passenger markets.

CER reiterates its view that competent authorities should retain the right to determine freely the size and the award mechanism for PSO contracts. On the other hand, open access services should be allowed to develop further, and their economic viability should be protected in a manner analogous to the existing and proposed measures for the economic equilibrium of PSO contracts. CER thus supports safeguards both for PSO contracts and for open access services.

It is also essential to attract new investment in rail and to give the right incentives to entrepreneurs. The right balance between PSO and open access and sufficiently attractive PSO contracts in terms of volumes, duration and size will contribute to the attractiveness of investing in the sector. Introducing more competition in the rail sector will not be successful if these preconditions, among others, are not met.

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On governance, CER associates itself with the doubts expressed by many MEPs regarding the inconsistencies inherent to the Commission's proposals on vertical separation, and with the serious concerns regarding the comprehensiveness of the Commission's Impact Assessment on this topic.

CER also strongly supports the numerous calls that were made in favour of ensuring non-discriminatory access to the network for all market players in a cost-efficient manner. In support of this goal, CER has put forward a proposal which strengthens national regulatory bodies and the European network of regulatory bodies far beyond what is foreseen by the Commission draft legislation.

CER Executive Director Libor Lochman said: *"As expressed by some MEPs, the regulatory bodies and their network must become the central actors in the emerging single European Railway Area."*

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The Community of European Railway and Infrastructure Companies (CER) brings together more than 70 European railway undertakings and infrastructure companies. CER represents the interests of its members towards the European institutions as well as other policy makers and transport actors. CER's main focus is promoting the strengthening of rail as essential to the creation of a sustainable transport system which is efficient, effective and environmentally sound. For more information, see www.cer.be

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