At a glance

Plenary – 25 April 2016



The fourth railway package: 'Technical pillar'

Running a train from one country to another is fairly complex and costly as it requires technical compatibility of different railway systems and infrastructure, as well as a common approach to safety. Despite the noteworthy achievements made by the EU since the late 1980s to harmonise rail systems and to create an integrated EU railway area, improvement is still needed to streamline the procedures and the management of technical systems and rules.

Background

Over recent decades, the European Commission has worked to address the issue of EU rail fragmentation, due to self-regulated national systems. Starting in 1996, it has sought to ensure the technical compatibility, i.e. *interoperability*, first of high-speed.networks, then of conventional rail in 2001. The EU has also established common safety objectives and procedures through the requirement for safety certificates for all rail companies. Most importantly, a European Railway Agency (ERA) was set up in 2004. It is tasked with the elimination of operational and regulatory differences across the EU rail systems, thereby contributing to their interoperability, and with the promotion of common safety-management procedures for all stakeholders. Today, the technical framework for EU railways still needs further improvement. The management of technical and safety requirements is split between the ERA and national authorities, adding red tape and costs for, particularly new, rail companies and industry. In the Commission's view, the issuance of authorisations and safety certificates is too long, complex and expensive.

The Commission proposals

In January 2013, the Commission put forward six legislative proposals forming the fourth railway package. Three of these proposals, known as the 'technical pillar', seek to accelerate the administrative procedures and reduce their costs, with a view to facilitating the access of rail companies to the EU rail market. They aim to amend the ERA Regulation and to recast the safety and interoperability Directives. ERA's powers would be strengthened: it would become a 'one-stop shop' for the issue of authorisations for control-command and signalling systems, EU-wide vehicle authorisations and single safety certificates. ERA would have an enhanced role in the development of the ERTMS, the European Rail Traffic Management System. It would also have more powers over national safety authorities (NSAs), through monitoring their performance. The proposals include improving ERA's governance, setting up an Executive Board assisting the Management (previously Administrative) Board, and establishing an independent Board of Appeal. According to the Commission, the whole package of measures should allow, by 2025, a 20% time reduction for new entrants and a 20% reduction in cost and duration for rolling stock authorisations, leading to €500 million savings.

The European Parliament and the legislative process

The European Parliament (EP) adopted its first reading position on the three proposals of the technical pillar in February 2014. The legislative resolutions were adopted with large majorities. On <u>safety</u>, the tabled amendments underlined the need to distinguish clearly between ERA's and NSAs' tasks but, in case of isolated rail networks, the possibility was given to apply to either ERA or the NSA for safety certificates. After nine trilogue rounds, the Parliament and Council <u>reached</u> a political agreement in June 2015. To issue <u>vehicle</u> <u>authorisations</u> and <u>safety</u> certificates for rail companies, the Council proposed a dual system with ERA being responsible for rail cross-border operations and a choice between the NSA or ERA for national traffic. It also proposed the conclusion of cooperation agreements between the ERA and NSA in the context of the new certification and vehicle authorisations and set a maximum transitional period of four years. On 14 March 2016, the EP's Transport Committee <u>endorsed</u> the agreement reached with the Council. The second reading vote in plenary is scheduled for the April II session.

