



## RAIL TRANSPORT

EU rail transport policy is geared towards the creation of a Single European Railway Area. Three packages and a recast were adopted in the space of 10 years following the opening-up of the railway sector to competition in 2001. A fourth package, designed to complete the Single European Railway Area, was adopted in April 2016 (the technical pillar) and in December 2016 (the market pillar).

### LEGAL BASIS AND OBJECTIVES

Article 100(1) of the Treaty on the Functioning of the European Union. The aim of a common transport policy is to safeguard both competition and the freedom to provide services. This necessitates the harmonisation of technical, administrative and safety rules, which is essential if there is to be interoperability between national rail systems. Environmental and consumer protection measures may also have to be harmonised to some extent in order to prevent distortions of competition and make it easier for new companies to enter the market.

In its 2011 white paper entitled 'Roadmap to a Single European Transport Area — Towards a competitive and resource efficient transport system' ([COM\(2011\)0144](#)), the Commission set the goal of ensuring that the majority of medium-haul passenger transport is carried out by rail by 2050. In the medium term (by 2030), the length of the existing high-speed network should be tripled and a dense rail network in all Member States maintained. In the long term, a European high-speed rail network should be completed.

### ACHIEVEMENTS

#### A. Interoperability

Through the adoption of [Directive 96/48/EC](#) of 23 July 1996 on the interoperability of the trans-European high-speed rail system and [Directive 2001/16/EC](#) of 19 March 2001 on the interoperability of the trans-European conventional rail system, the EU began a process designed to ensure that trains can transit smoothly and safely from one Member State rail network to another. A number of technical solutions (known as 'Technical Specifications for Interoperability' or TSIs) were drawn up as part of these directives. The technical solutions focus primarily on key aspects such as control systems, safety, signalling, telematics applications for freight services, training for staff engaged in international transport operations, freight wagons and noise abatement.



The two directives were amended and updated by [Directive 2004/50/EC](#) of 29 April 2004. The scope of the directive on the conventional rail system was extended to cover the whole of the European rail network, in order to meet the demands created by the full opening-up of the rail network to national and international freight transport services (in January 2007) and international passenger transport services (in January 2010). [Directive 2008/57/EC](#) of 17 June 2008 — later amended by [Directives 2009/131/EC](#) and [2011/18/EU](#) — recast the earlier directives into a single text. As part of the Fourth Railway Package, Directive 2008/57/EC was then itself also recast by [Directive \(EU\) 2016/797](#) of 11 May 2016 on the interoperability of the rail system within the European Union.

In 2005, 2008 and 2012, in order to reduce technical barriers to interoperability, representatives of the rail industry and the Commission signed memoranda of understanding on the deployment and development of the European Rail Traffic Management System (ERTMS). More recently, in 2016, a new memorandum of understanding fixed the main objectives of the cooperation and commitment between the signatories from 2016 onwards. All four ERTMS memoranda of understanding can be found [here](#).

Since 1 January 2007, national and international freight transport has been entirely open to competition. In an attempt to make better use of the international freight network and improve its interoperability, the EU mapped out nine competitive European freight corridors in [Regulation \(EU\) No 913/2010](#) of 22 September 2010 concerning a European rail network for competitive freight. The objective was to make the railways more competitive in relation to other modes of transport for goods that have to cross several Member States. Regulation (EU) No 913/2010 was amended by [Regulation \(EU\) No 1316/2013](#) of 11 December 2013 establishing the Connecting Europe Facility for the years 2014 to 2020. In 2015, Regulation (EU) No 1316/2013 was amended by [Regulation \(EU\) No 2015/1017](#) of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal. Commission proposal [COM\(2016\)0597](#) sought the extension of the duration of the European Fund for Strategic Investments, as well as the introduction of technical enhancements for that Fund and the European Investment Advisory Hub. This proposal was voted on in the Committee on Transport and Tourism (TRAN Committee) on 23 March 2017 and entered into force on 16 October 2017 following the interinstitutional negotiations.

Through the Fourth Railway Package, [Regulation \(EEC\) No 1192/69](#) of 26 June 1969 on common rules for the normalisation of the accounts of railway undertakings has been repealed and replaced by [Regulation \(EU\) 2016/2337](#) of 14 December 2016. [Regulation \(EC\) No 1370/2007](#) of 23 October 2007 on public service obligations (PSO) for passenger rail transport was also amended thanks to the Fourth Railway Package. Also known as the PSO Regulation, [Regulation \(EU\) 2016/2338](#) of 14 December 2016 amends [Regulation \(EC\) No 1370/2007](#), addressing the opening of the market for domestic passenger transport services by rail.



## B. European Railway Agency

The European Railway Agency (ERA) — with headquarters in Lille and Valenciennes, France — was set up by means of [Regulation \(EC\) No 881/2004](#) of 29 April 2004 with the aim of improving the interoperability and safety of the European rail network. The agency's main task was established as harmonising, registering and monitoring TSIs across the entire European rail network and setting common safety targets for European railways. The agency itself has no decision-making powers, but it helps the Commission to draw up proposals for decisions. On 16 December 2008, [Regulation \(EC\) No 1335/2008](#) assigned new tasks to the ERA. On 11 May 2016, as part of the Fourth Railway Package, [Regulation \(EU\) 2016/796](#) on the European Union Agency for Railways repealed and replaced Regulation (EC) No 881/2004, with a view to contributing to the further development and effective functioning of a Single European Railway Area, guaranteeing a high level of railway safety and interoperability, and improving the competitiveness of railways. The ERA is now the only authority with the power to issue vehicle authorisations (for locomotives and wagons) used for cross-border operations and single safety certificates for railway undertakings operating in several Member States.

## C. Social harmonisation

[Council Directive 2005/47/EC](#) of 18 July 2005 lays down working conditions for mobile workers engaged in interoperable cross-border services in the railway sector. It is based on an agreement between the European social partners in the rail industry. Furthermore, [Directive 2007/59/EC](#) of 23 October 2007 aims to harmonise the minimum qualification requirements and the certification of locomotive and train drivers in the EU. It stipulates that all train drivers must hold a licence and a harmonised further training certificate. On that basis, the directive provides for mutual recognition of documents. Since October 2011, certificates or licences have been issued to drivers performing cross-border services, cabotage services or freight transport services in another Member State, or working in at least two Member States.

## D. Access to infrastructure for railway undertakings

[Directive 95/18/EC](#) of 19 June 1995 on the licensing of railway undertakings provides that, in order to gain access to the infrastructure of all the Member States, a railway undertaking must hold an operating licence. The licence is issued by the Member State in which the company is established, provided that certain common conditions (good repute, financial fitness and professional competence) are met. The directive was amended by [Directive 2001/13/EC](#) of 26 February 2001, which laid down rail sector operating conditions (safety, technical, economic and financial) applicable throughout the EU and established a freight service authorisation procedure for the European cross-border network.

[Directive 2012/34/EU](#) of 21 November 2012 establishing a single European railway area then replaced and repealed [Directives 95/18/EC](#) and [2001/13/EC](#). It brought together in a single text the main principles governing rail development (focusing, *inter alia*, on the separation of infrastructure management and transport activities), the granting of licences to railway undertakings and the levying of charges for the use of infrastructure. Generally speaking, the directive stimulates competition by making



market access conditions more transparent, providing for clear separation of accounts and strengthening national regulatory bodies. It lays down the network and service access conditions and the rules governing the levying of charges in greater detail.

The Fourth Railway Package was designed to complete the Single European Railway Area and improve interoperability. Its aim was to open up domestic public rail service contracts to competition, with a view to enhancing the quality and efficiency of national passenger transport services. On 14 December 2016, [Directive \(EU\) 2016/2370](#) (also known as the Governance Directive) was adopted, amending Directive 2012/34/EU as regards the opening of the market for domestic passenger transport services by rail and the governance of the railway infrastructure.

[Directive 95/18/EC](#) of 19 June 1995 on the licensing of railway undertakings was also amended by [Directive 2004/49/EC](#) of 29 April 2004 requiring all railway undertakings to obtain the safety certificate in order to gain access to infrastructure. [Directive 2008/110/EC](#) of 16 December 2008, also known as the Railway Safety Directive, amended Directive 2004/49/EC. As part of the Fourth Railway Package, [Directive \(EU\) 2016/798](#) of 11 May 2016 on railway safety repealed Directive 2008/110/EC.

#### E. Railway noise

[Directive 2002/49/EC](#) of 25 June 2002 relating to the assessment and management of environmental noise (the Environmental Noise Directive) provides a basis for the adoption of EU measures designed to reduce noise emissions from rail vehicles and infrastructure. Accordingly, in 2003 guidelines were adopted on computation methods for railway noise, and noise emission limits for rolling stock used in the EU entered into force in June 2006. In April 2011, a further Commission decision revised the TSIs for railway system rolling stock. On 8 July 2008, the Commission published a communication entitled 'Rail noise abatement measures addressing the existing fleet' ([COM\(2008\)0432](#)), in which it set the goal of retrofitting all freight wagons by 2015. In an attempt to encourage rail companies to retrofit their wagons with low-noise brakes, [Directive 2012/34/EU](#) also provides for a new, noise-differentiated charge collection system (European Train Control System (ETCS)). As a priority, the noise-differentiated infrastructure charges are intended to target freight wagons that do not meet the requirements of the TSIs relating to 'rolling stock – noise' of the trans-European conventional rail system. As discussed above, Directive 2012/34/EU was amended by the Fourth Railway Package, namely [Directive \(EU\) 2016/2370](#) of 14 December 2016 as regards the opening of the market for domestic passenger transport services by rail and the governance of the railway infrastructure.

## ROLE OF THE EUROPEAN PARLIAMENT

The European Parliament has used its legislative powers to support most of the Commission's proposals for harmonisation, while at the same time emphasising certain specific aspects:

1. In its [resolution of 11 March 2008](#) on sustainable transport policy, Parliament explicitly supported the introduction of the ERTMS/ETCS rail safety, control and signalling system with a view to eliminating technical obstacles, and called for moves to be made towards establishing a Single European Railway Area;



2. In its [resolution of 11 March 2009](#) on the greening of transport and the internalisation of external costs, Parliament called on the Commission to take steps without delay to produce specific proposals for all modes of transport. It also asked the Commission to submit a comprehensive plan for calculating and charging external costs and assessing their impact on the basis of a comprehensible model. Parliament then called on the Commission to draw up a proposal for a directive with a view to introducing noise-related track access charges for locomotives and wagons in order to provide incentives for railway undertakings to retrofit their fleets rapidly with low-noise vehicles;
3. In its [resolution of 9 September 2015](#) entitled 'Implementation of the 2011 [White Paper](#) on Transport: taking stock and the way forward towards sustainable mobility', Parliament called, with regard to rail transport, for the swift adoption of the Fourth Railway Package. Its aim was to ensure a balanced opening-up of the domestic rail passenger market, independence of infrastructure managers, competitive tendering for public service contracts, the highest level of rail safety and interoperability, and sufficient human and financial resources to enable the ERA to act as a one-stop shop for vehicle authorisation and safety certification.

The TRAN Committee has examined a recast proposal for a regulation of the European Parliament and of the Council on rail passengers' rights and obligations ([COM\(2017\)0548](#)). In November 2018, the European Parliament adopted a resolution on the proposal. However, the co-decision process is still ongoing and final solutions are yet to be agreed between Parliament and the Council of the EU.

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