



Plenary sitting

A8-0073/2016

31.3.2016

*****II**

RECOMMENDATION FOR SECOND READING

on the Council position at first reading with a view to the adoption of a regulation of the European Parliament and of the Council on the European Union Agency for Railways and repealing Regulation (EC)No 881/2004 (10578/1/2015 – C8-0415/2015 – 2013/0014(COD))

Committee on Transport and Tourism

Rapporteur: Roberts Zīle

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the Council position at first reading with a view to the adoption of a regulation of the European Parliament and of the Council on the European Union Agency for Railways and repealing Regulation (EC)No 881/2004 (10578/1/2015 – C8-0415/2015 – 2013/0014(COD))

(Ordinary legislative procedure: second reading)

The European Parliament,

- having regard to the Council position at first reading (10578/1/2015 – C8-0415/2015),
 - having regard to the reasoned opinions submitted, within the framework of Protocol No 2 on the application of the principles of subsidiarity and proportionality, by the Lithuanian Parliament, the Romanian Senate and the Swedish Parliament, asserting that the draft legislative act does not comply with the principle of subsidiarity,
 - having regard to the opinion of the European Economic and Social Committee of 11 July 2013¹,
 - having regard to the opinion of the Committee of the Regions of 8 October 2013²,
 - having regard to its position at first reading³ on the Commission proposal to Parliament and the Council (COM(2013)0027),
 - having regard to Article 294(7) of the Treaty on the Functioning of the European Union,
 - having regard to Rule 76 of its Rules of Procedure,
 - having regard to the recommendation for second reading of the Committee on Transport and Tourism (A8-0073/2016),
1. Approves the Council position at first reading;
 2. Takes note of the Commission statements annexed to this resolution;
 3. Notes that the act is adopted in accordance with the Council position;
 4. Suggests that the act be cited as 'the Zīle-Matīss Regulation on the European Union Agency for Railways and repealing Regulation (EC) No 881/2004'⁴;
 5. Instructs its President to sign the act with the President of the Council, in accordance with Article 297(1) of the Treaty on the Functioning of the European Union

¹ OJ C 327, 12.11.2013, p. 122.

² OJ C 356, 5.12.2013, p. 92.

³ Texts adopted of 26.2.2014, P7_TA(2014)0151.

⁴ Roberts Zīle and Anrijs Matīss led the negotiations on the act on behalf of Parliament and the Council respectively.

6. Instructs its Secretary-General to sign the act, once it has been verified that all the procedures have been duly completed, and, in agreement with the Secretary-General of the Council, to arrange for its publication in the *Official Journal of the European Union*;
7. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

ANNEX TO THE LEGISLATIVE RESOLUTION

Statement by the Commission on the ERA management board and the selection and dismissal procedure of the executive director

The Commission regrets the fact that compared to the original proposal presented by the Commission, the agreed text on the new ERA Regulation deviates from the key provisions agreed under the Common Approach on EU decentralised agencies, by the European Parliament, the Council and the Commission in 2012. This concerns the number of representatives of the Commission within the Management Board and the selection and dismissal procedure of the executive director. The Commission emphasises in particular that the appointment of an observer among the members of the Management board to follow the selection procedure applied by the Commission for the appointment of the executive director should not result in a duplication of roles in the selection and appointment procedures (Article 51(1)).

Statement by the Commission on necessary budget resources

The 4th Railway Package gives ERA new competences, in particular the power to issue vehicle authorisations and safety certificates directly to the sector. It cannot be excluded that in the transition period fees and charges are not yet available to ERA while the staff needs to be recruited and trained. In order to avoid disruption to the railway market, the Commission will endeavour to reserve the necessary budget in order to cover the costs of relevant staff.

EXPLANATORY STATEMENT

1. The technical pillar of the fourth railway package

The previous three ‘railway packages’ had already brought about substantial changes that aimed to make European railways more competitive and interoperable, while maintaining a high level of safety. However, the sector continues to face barriers to competition, discrimination and the lack of a liberalised, dynamic and business-friendly environment. Too many different national rules exist, with procedures and standards that lack transparency.

To improve the industry’s performance and competitiveness and to enhance the quality and efficiency of rail services, the Commission put forward this fourth railway package. The proposal for a Regulation on the European Union Agency for Railways (ERA), together with the proposed recasts of Directive 2004/49/EC on rail safety and Directive 2008/57/EC (interoperability), make up the technical pillar of this package.

This pillar seeks to improve the technical compatibility of infrastructure, rolling stock, signalling and other parts of the rail system, as well as to simplify the procedures for approving rolling stock for use across the European rail network. The three proposals are closely linked, not least because many of ERA’s tasks are set out in the Directives.

2. Parliament’s priorities

Parliament has consistently supported greater integration of the European rail area, seeing this form of transport as providing a more sustainable contribution to jobs and growth. At its first reading, Parliament sought to clarify the ERA’s role, looking for solutions that would reduce costs and red tape while offering benefits for all stakeholders. The aim was to ensure better business conditions and competitive opportunities for all market players and thus provide higher quality, cheaper services for end-users, whether involving cargo or passengers.

Parliament’s amendments therefore sought to:

- establish a common approach to safety and interoperability rules to increase economies of scale for railway undertakings active across the EU;
- allow ERA to offer efficient and client-friendly authorisation and certification procedures including a one-stop-shop;
- ensure that the method of authorising elements of the European Rail Traffic Management System (ERTMS) would produce a single European system rather than a multitude of national ones;
- address potential conflicts of interest; and
- accelerate administrative procedures, while avoiding disguised discrimination.

There was also concern that the package should take into account the specific situation of rail networks with a track gauge that differs from the standard 1 435 mm Union gauge, particularly those of the Baltic States and Finland. These networks are well-integrated as part of the 1 520 mm gauge which covers Russia and CIS countries, but are isolated from the main EU rail network.

In addition, the three Rapporteurs endeavoured to adopt a consistent approach given the many interactions between the three proposals.

3. A hard-fought agreement

At the end of informal negotiations between Parliament and Council stretching over nine months, an agreement was reached which will:

- eliminate the need for multiple applications: ERA will issue all authorisations for vehicles intended for cross-border operations and all safety certificates to railway companies running cross-border services. For vehicles and operators involved only in national transport, the applicant will be able to choose whether the Agency or the national authority processes its application;
- give ERA a greater role in the development of ERTMS. To ensure that projects are interoperable, ERA will assess the technical solutions envisaged before any call for tenders relating to ERTMS track-side equipment is issued;
- enable ERA to set up a "one-stop-shop" which will act as a single entry point for all applications. This information and communication system will make the procedures easy and transparent. It will allow both the Agency and the national safety authorities to follow the different stages of the application throughout the procedure;
- lead to cooperation agreements between ERA and national safety authorities. Together with the one-stop-shop, these agreements will ensure a clear division of tasks between the European and national authorities. They will also ensure consistency in the case of different applications for similar authorisations or certifications; and
- require ERA's board to adopt rules for the prevention and management of conflicts of interest and procedures for cooperation with national judicial authorities.

4. The way forward

This agreement is expected to increase economies of scale for railway undertakings and manufacturers across the EU. It will cut administrative costs and speed up procedures, while maintaining the current high level of safety. At the same time it will help avoid any covert discrimination, in particular against new companies wishing to enter a market. It will also significantly reduce the number of national rules in areas where harmonised EU-level regulation is being introduced.

However, to ensure its full effectiveness, ERA and national authorities will need to work closely together, sharing expertise and information. While a strong, well-equipped and efficient railway agency is a precondition for the development and functioning of the European railway market, ERA will have not be able to try and do everything.

At the same time, national authorities will need to recognise the importance of working with ERA and each other to create an integrated, dynamic, cross-border rail system. This need for cooperation is even greater in the case of countries using the 1 520 mm track gauge as they have to conclude a multilateral agreement with ERA defining the conditions under which a vehicle authorisation is also valid for the other Member States concerned. Only once this multilateral agreement has been established will it be possible for the region to take full advantage of the additional flexibilities the technical pillar offers with the aim of reducing the financial and administrative burden for the applicant in such cases.

PROCEDURE – COMMITTEE RESPONSIBLE

Title	European Union Agency for Railways and repeal of Regulation (EC) No 881/2004
References	10578/1/2015 – C8-0415/2015 – 2013/0014(COD)
Date of Parliament’s first reading – P number	26.2.2014 T7-0151/2014
Commission proposal	COM(2013)0027 - C7-0029/2013
Receipt of Council position at first reading announced in plenary	4.2.2016
Committee responsible Date announced in plenary	TRAN 4.2.2016
Rapporteurs Date appointed	Roberts Zīle 16.7.2014
Discussed in committee	16.2.2016
Date adopted	15.3.2016
Result of final vote	+: 38 -: 2 0: 2
Members present for the final vote	Lucy Anderson, Inés Ayala Sender, Georges Bach, Izaskun Bilbao Barandica, Deirdre Clune, Michael Cramer, Luis de Grandes Pascual, Andor Deli, Karima Delli, Isabella De Monte, Ismail Ertug, Dieter-Lebrecht Koch, Stelios Kouloglou, Merja Kyllönen, Miltiadis Kyrkos, Peter Lundgren, Marian-Jean Marinescu, Georg Mayer, Gesine Meissner, Cláudia Monteiro de Aguiar, Jens Nilsson, Markus Pieper, Salvatore Domenico Pogliese, Tomasz Piotr Poręba, Gabriele Preuß, Dominique Riquet, Massimiliano Salini, David-Maria Sassoli, Claudia Schmidt, Jill Seymour, Keith Taylor, Pavel Telička, Peter van Dalen, Wim van de Camp, Kosma Złotowski, Elżbieta Katarzyna Łukacjewska
Substitutes present for the final vote	Francisco Assis, Rosa D’Amato, Karoline Graswander-Hainz, Werner Kuhn, Franck Proust
Substitutes under Rule 200(2) present for the final vote	Mylène Troszczynski
Date tabled	31.3.2016