



27.7.2020

NOTICE TO MEMBERS

Subject: Petition No 0411/2019 by Florian Herzberg (German) on improving cross-national train connections

1. Summary of petition

The petitioner calls for an improvement of cross-national train connections in the European Union. In his view, such an enhanced international railway system would contribute to the fight against climate change. The petitioner also asks for more favourable and competitive conditions compared to air travel, e.g. with regard to booking tickets and taxation.

2. Admissibility

Declared admissible on 12 November 2019. Information requested from Commission under Rule 227(6).

3. Commission reply, received on 27 July 2020

The Commission sees rail as a sustainable transport mode and considers it an important part of its strategy for decarbonising the European economy. With regard to infrastructure, the EU has adopted guidelines for the Trans-European Transport Network (TEN-T)¹. These define a network of priority infrastructure (the so-called core network, linking the most important nodes in the EU) and set out minimum infrastructure parameters for these lines, which Member States are to implement by 2030. For rail, these comprise electrification and equipment of the line with the European Rail Traffic Management System (ERTMS). The Commission is currently

¹ Regulation (EU) No 1315/2013 of the European Parliament and of the Council of 11 December 2013 on Union guidelines for the development of the trans-European transport network and repealing Decision No 661/2010/EU, OJ L348, 20.12.2013, p. 1.

reviewing the TEN-T guidelines to see whether they are still fit for purpose and may propose modifications depending on the outcome of this evaluation.

The Commission believes that the Connecting Europe Facility (CEF)² helped Member States address the issue of rail cross-border connections. In order to enhance this positive effect, in March 2019 the European Parliament and the Council of the EU reached a Common Understanding³ on the CEF 2021-2027. The agreement increases the maximum CEF co-funding rate for actions related to cross-border links to 50% in the general envelope and 85% in the cohesion envelope. Final adoption of the CEF 2021-2027 will take place once the overall EU long-term budget⁴ has been agreed.

In order to encourage efficiency and improve service quality, the recently adopted European legal framework called 4th Railway Package provides that rail services in Member States should see an increase in quality, including through an opening up to competition. As a result, new operators might enter the market and offer services that have never been provided by incumbent companies or been abandoned years ago.

In this context, it should be pointed out that in accordance with Directive 2012/34/EU⁵ concerning the creation of a single European railway area, there is in principle no obligation for railway undertakings to provide rail transport services or to offer them at a given fare unless it is contractually bound by public service obligations. In particular, the Commission does not have any legal basis to interfere in business arrangements by insisting that a railway undertaking maintains or creates connections, which the undertaking deems unprofitable. There is no legal basis for the Commission to decide which rail lines in the Member States are in use and how intensive this use is. According to Regulation (EC) No 1370/2007⁶ as amended⁷, on public passenger transport services by rail and by road, it is up to one or several competent authority/ies designated by the Member States to organise public passenger transport including across several Member States through the award of public service contracts. These contracts determine the conditions of granting compensation for the discharge of public service obligations, in case the transport offer provided by operators on commercial grounds is deemed not to be sufficient or to be too expensive.

The Commission considers that, similar to how it evolved in the air sector, the rail sector should develop e-ticketing. In general, there is a growing number of sector initiatives e.g. FSM (Full Service Model), Electronic Ticket Control Database (ETCD) and Travel Companion being developed in the framework of Shift2Rail, which allow or facilitate e-ticketing and trips involving more than one operator or mode. To a certain extent, these initiatives cover through-ticketing as well. However, due to lacking commercial agreements between railway

² Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connectivity Europe Facility, amending Regulation (EU) No 910/2010 and repealing Regulation (EC) No 680/2007 and (EC) No 67/2010, OJ L348, 20.12.2013, p. 129.

³ <https://www.consilium.europa.eu/media/38507/st07207-re01-en19.pdf>

⁴ https://ec.europa.eu/info/strategy/eu-budget/eu-long-term-budget/2021-2027_en

⁵ Directive 2012/34/EU of the European Parliament and of the Council of 21 November 2012 establishing a single European railway area, OJ L343, 14.12.2012, p. 32.

⁶ Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport services by rail and by road and repealing Council Regulation (EEC) Nos 1191/69 and 1107/70, OJ L315, 3.12.2007, p. 1.

⁷ Regulation (EU) 2016/2338 of the European Parliament and of the Council of 14 December 2016, OJ L354, 23.12.2016, p.22.

undertakings or other railway undertakings and specialised ticket-vendors, a widespread availability of through-tickets has not materialised yet. This aspect will be analysed by the Commission in the framework of a dedicated pilot project initiated by the European Parliament.

The Commission is financially supporting technical developments in this domain through co-funding offered under Shift2Rail. The Commission proposed legislation in this area in the 4th Railway Package, but the co-legislators preferred that a solution was left to the sector. In 2017 the Commission also proposed amendments to the Rail Passenger Rights Regulation⁸ where passengers would be informed if the tickets sold to them in case of connection are through-tickets or not. Negotiations on the Rail Passenger Rights Regulation are at the advanced stage and should be finalised still in 2020. As regards higher taxes on air transport, the Commission is of the view that efforts should be made in order to internalise externalities. In July 2019, the Commission published a comprehensive study assessing the current state-of-play of the internalisation of external and infrastructure costs. The study estimates that in 2016 the total external costs of transport amounts to some EUR 1,000 billion annually, almost 7% of EU gross domestic product. It should be noted that rail accounts for less than EUR 20 billion of those externalities, the biggest being noise.

The Green Deal as outlined by the Commission's President seeks a 90% reduction in transport greenhouse gas emissions by 2050. In the context of the revision of the Energy Taxation Directive⁹, the Commission will look closely at the current tax exemptions including for aviation and maritime fuels. Other measures are also studied such as reducing carbon dioxide (CO₂) emissions in the aviation sector through reduced free emission allowances in the Emission Trading System.

Conclusion

The measures outlined above demonstrate the full commitment of the Commission to support rail traffic in the European Union, including cross-border connections. In the coming years, the Commission will continue to verify the transposition of the existing *aquis* in the Member States and bring forward new legislative initiatives in this respect as also mentioned in the Green Deal Communication¹⁰. In particular, the Commission will adopt a strategy for sustainable and smart mobility during 2020. Furthermore, the Commission will publish an evaluation of the White Paper for Transport of 2011¹¹, in which several elements requested by the petitioner are already included.

⁸ Regulation (EC) No 1371/2007 of the European Parliament and of the Council of 23 October 2007 on rail passengers' rights and obligations, *OJL 315*, 3.12.2007, p. 14–41.

⁹ <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12227-Revision-of-the-Energy-Tax-Directive>

¹⁰ COM(2019) 640 final.

¹¹ COM(2011) 144 final.