## **PRESS RELEASE**



Wednesday 3rd September, Brussels

## Rail regulatory conditions strangle new entrants

ERFA today organized a seminar with MEPs in the European Parliament, presenting its rail vision for growth, jobs and sustainability.

Hosted by Michael Cramer MEP, the Chair of the European Parliament's Transport Committee, the event was an opportunity to highlight the added value new entrants bring to the rail market.

ERFA members from across Europe spoke at the event to explain how they can contribute to the development of the rail sector as a whole, to the benefit of the environment and wider society.

A more competitive rail sector can incentivize the transportation of freight away from the roads and onto the more sustainable rail network; improve the quality of services for passengers; and be an important generator of jobs across Europe.

However ERFA stressed that all these benefits could not happen if the present regulatory framework and structure was left unchanged.

The EU and its Member States have paved the way for new entrants, but have left incumbent operators with the power to block and hinder the smaller players on the market.

In essence this means that a handful of dominant rail operators across Europe use their control to diminish and even push new entrants off the market. There are many examples in the paper, particularly over infrastructure, regulatory and non-transparent finance issues.

This stranglehold in which new entrants find themselves, simply works to the detriment of the rail growth, jobs and sustainability targets.

Presenting a long list of the types of discrimination faced by new entrants in their day-to day business, ERFA stressed the damaging impact these have on newcomers to the rail market and in attracting muchneeded private investment to the rail sector.

If now with the 4<sup>th</sup> Railway Package the opportunity is not used to establish a level playing field and fair conditions for all railway undertakings, the rail sector will continue to stagnate or even worse decline across Europe.

With the 4<sup>th</sup> Railway Package in mind ERFA reiterated its call for fair competition, transparency and strong regulation.

## **PRESS RELEASE**



Attachment – ERFA Input Paper – Private investments into rail – what framework conditions?

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ERFA - European Rail Freight Association - represents new entrants, i.e. all those operators who want open access and fair market conditions, and sustains their role of pushing forward the development of the railway market. The Association is very much a spin-off of the First Railway Package, adopted by the EU in 2001, and its vision of creating an open and competitive European rail market.

In 2014, ERFA represents 31 members from 16 countries. The members of ERFA all share a commitment to work towards a competitive and innovative single European railway market by promoting attractive, fair and transparent market conditions for all railway companies.

The members of ERFA represent the entire value chain of rail transportation: rail freight operators, wagon keepers, service providers, forwarders, passenger operators and national rail freight associations.