

PRESS RELEASE

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ERFA supports the European Commission's intervention and its initiative to crack-down on anti-competitive practices in the rail sector

ERFA strongly welcomes the decision by the European Commission to fine the Lithuanian incumbent rail company 28 million Euros for an unprecedented case of anti-competitive behavior that took place in 2008: dismantling public rail infrastructure in order to penalise a rail customer!

ERFA strongly supports the European Commission's intervention and its initiative to crack-down on anti-competitive practices in the rail sector.

The extreme actions taken by the state-owned company to prevent one of their major customers from using the rail services of competitors not only caused significant economic damage but also led to severe delays to rail services. Over the same period the use of road transport was on the increase.

As ERFA has long highlighted, anti-competitive practices undermine all efforts to get more freight off the roads and to create a more competitive rail sector to boost rail's growth and attractiveness. This type of protectionist behaviour by a state incumbent is sadly not an isolated case in the rail sector.

The Lithuanian incumbent, a vertically integrated company which manages the infrastructure and also provides rail services, dismantled 19 km of railway track connecting Lithuania to Latvia, following the decision of one of its major customer to choose another rail company for the transport of its goods to Latvia.

In fining the Lithuanian incumbent the European Commission clearly found that the aim of the action was to penalise its former customer and to prevent the use of the tracks for any other competitor.

But the time taken between the dismantling of the tracks in 2008 and a legal decision almost 10 years later is too long for a sector that faces steep and ever-growing competition from road. The competing and more polluting modes of transport are the only winners from rail's self-destructive behaviour.

ERFA urges greater efforts on the part of the Member States to support a competitive European rail sector, building a coherent rail network, which includes key trans-European corridors and also secondary lines to feed them. ERFA also encourages the European Commission to pursue the anti-competitive cases without delay.

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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 2017, ERFA represents 32 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.