

## Press Release – ERFA Supports Commission Proposal to Allow Waiving or Reduction of Track Access Charges

23 June 2020

ERFA strongly supports the proposal for a Regulation by the European Commission establishing measures for a sustainable rail market in view of the COVID-19 pandemic. ERFA believes the proposal will give Member States the necessary flexibility to take concrete actions to assist the rail freight sector during the ongoing COVID crisis.

The <u>proposal by the European Commission</u> will allow Member States and infrastructure managers (IMs) to waive or reduce track access charges as well as reservation charges. ERFA believes these are appropriate and necessary measures as they will provide support to the rail freight industry in an open, non-discriminatory and transparent manner.

This is especially true in regards to private and independent rail freight undertakings. Rail freight volumes are currently experiencing a reduction of roughly 25% of normal and expected volumes. With access charges accounting for between 20%-35% of total operational costs borne by rail freight undertakings, the sharp reduction in volumes is impacting on the viability of running services. Without support, there is a risk that some private and independent railway undertakings will not survive the crisis. This would lead to a less competitive and customer orientated rail freight market and undermine Europe's modal shift objectives. This proposal will allow Member States to provide the necessary support without introducing market distortion.

ERFA has previously called for the European Commission to propose such support measures in ERFA's communication of 02 April on <u>Creating a Fair and Balanced Temporary State Aid Framework for Rail Freight</u>. ERFA also welcomes the holistic nature of the proposed Regulation in that it foresees the possibility of infrastructure managers being refunded by Member States for lost income.

**ERFA President, Dirk Stahl**, commented, "we welcome the proposal and initiative of the European Commission. If adopted, the Regulation will provide the necessary flexibility for Member States and infrastructure managers to take concrete actions to support the rail freight industry. Support measures such as a temporary waiving or reduction of track access charges will provide an appropriate relief during the ongoing crisis."

**ERFA Secretary General, Conor Feighan,** said "what is now important is that the proposal for a Regulation is adopted by the European Parliament and European Council. ERFA therefore calls for Member States and MEPs to support the proposal in the upcoming legislative process".