

PRESS RELEASE



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4th Railway Package - a missed opportunity to create a competitive level playing field between rail and other modes of transport.

ERFA, representing new entrants in the rail market, regrets that the adoption of the political pillar of the 4th Railway Package postpones the urgent and much-needed reforms of the rail sector, endangering the attractiveness of rail for passengers and customers.

Although the technical pillar of the 4th Railway Package is an important and overall positive step forward for the rail sector, the political pillar has been dominated by national and monopoly player egoisms, reinforcing the state-run rail companies' position to the detriment of passengers and customers.

Incumbent operators successfully managed to water down many of the safeguards against competitive distortions and conflict of interests. The failure of the 4th Railway Package to effectively separate trains and tracks prevents the completion of the Single European Railway Area, where all rail businesses should be able to compete fairly and on the same level playing field.

Again, the winner of the 4th Railway Package is the road sector, which successfully attracts investments, innovation and political attention, driving forward an ambitious modernisation agenda in the form of truck platooning and road electrification. Ironically, the lack of reform of the rail sector is a major opportunity for the road sector to appear at the forefront of the decarbonisation agenda.

ERFA is still convinced that an open and business-orientated framework is the prime and urgent condition in order to really enable rail to compete with other modes of transport.

Now that the legislative process has come to an end, ERFA will actively work on the proper, full and timely enforcement of EU rules in order to best ensure that the basic conditions for an open rail market are met. ERFA will also continue to pursue a strong dialogue with Regulatory Bodies, who have a major role to play in safeguarding the right environment for competitive railways.

Rail new entrants bring much-needed fresh blood and innovation into the sector. Despite a difficult climate, they have generated new traffic across Europe and attracted new customers and passengers onto rail, showing that fair competition is a key driver to enable rail to deliver on the EU's modal shift goals.

However, new entrants still face significant anti-competitive practises and obstacles, limiting the ability of the rail sector to grow. Incumbent operators are often more creative in shutting out competition than in improving rail's competitiveness vis-à-vis other modes.

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The recent investigations launched by the European Commission against the Czech Rail incumbent, České dráhy, were a strong signal that anti-competitive practices cannot be accepted in the European rail market.

ERFA will continue to strongly raise its voice against unlawful state aid and abuse of dominant position in the rail sector and will strengthen its cooperation with the European Commission and competition authorities to bridge the existing gaps in the legislation in order to improve rail's performance.

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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 2016, ERFA represents 36 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.