



## Joint Statement – Short-term Measures Needed to Protect European Supply Chains from Unsustainable Energy Price Increases

20 October 2022

**The functioning of European supply chains is being put at risk by increasing energy prices. There is a significant risk of a collapse of supply chains which rely heavily on rail freight for transportation due to unsustainable energy and transportation costs. The informal meeting of the Council of European Transport Ministers of 20-21 October should agree that Regulation (EU) 2022/1854 on an emergency intervention to address high energy prices will be applied to traction electricity used by freight trains.**

The recently adopted Council Regulation (EU) 2022/1854 on capping energy prices allows Member States to use surplus revenues resulting from the application of the cap on market revenues to finance **measures in support of final electricity customers that act in the greater interest of society and the economy.**

Rail freight competes with long-distance trucks. The price of diesel fuel used in these trucks increased by 70%, whereas the cost of electricity that powers freight trains has gone up 300-1000% depending on the Member State. Considering the superior energy efficiency of electric freight trains as compared to long-distance trucks, and the benefits of the resulting very small carbon footprint, **the need to designate electric rail freight as a final consumer group to be supported under Regulation (EU) 2022/1854 is essential.**

It must be recognized that rail transport is one of the biggest consumers of electricity in Europe. Rail freight is particularly exposed to increased electricity prices compared to other modes of transportation and the current energy crisis is threatening the existence of the railway sector and their customers.

Without further action by the European Institutions and Member States, it is expected that prices for rail freight will experience a significant double digit price increase over the coming weeks. This will undermine Europe's modal shift objectives and damage the functioning of critical rail freight supply chains which are dependent on a stable price and supply of electricity.

A further compensatory opportunity is offered by extending Regulation (EU) 2020/1429 on measures for a sustainable rail market in view of the COVID-19 outbreak, or alternative measures, which allows Member States to waive, reduce and defer track access charges until



the end of 2024. Such measures could also assist rail freight undertakings in compensating for increased energy prices. The European Commission should explore options to ensure there is a European roll-out of reduced infrastructure charges with appropriate compensation by Member States towards infrastructure managers.

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#### **About ERFA**

ERFA – European Rail Freight Association - is the European Association representing European private and independent rail freight companies. ERFA members share a commitment to work towards a non-discriminatory, competitive and innovative Single European Railway area. For more information, visit [www.erfarail.eu](http://www.erfarail.eu) or follow on [@erfa\\_rail](https://twitter.com/erfa_rail) on Twitter or [LinkedIn](https://www.linkedin.com/company/erfa)

#### **About UIP**

UIP – International Union of Wagon Keepers - is the umbrella association of national associations from 14 European countries, thus representing more than 250 freight wagon keepers and Entities in Charge of Maintenance (ECMs). As the voice for more than 230,000 rail freight wagons which perform 50 % of the rail freight tons-kilometers throughout Europe, UIP represents half of the whole European wagon fleet and one of the most important resources for rail freight transportation in Europe. By means of participation in many working groups and committees at European and international level, the UIP brings the perspective and interests of wagon keepers to the table and works in cooperation with all interested parties to secure the future of rail freight transport in the long term. For more information, visit [www.uiprail.org](http://www.uiprail.org).

#### **About UIRR**

UIRR – Founded in 1970, the International Union for Road-Rail Combined Transport represents the interests of European road-rail Combined Transport Operators and Transshipment Terminal Managers. Road-Rail Combined Transport (CT) is a system of freight forwarding which is based on efficiently and economically inserting electric rail into long-distance (road) transport chains through the use of intermodal loading units (ILU).