European Rail
Infrastructure Managers

EIM

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Position Paper

Freight Orientated Networks

Background

The European Rail Infrastructure Managers (EIM) fully supports the European Commissions initiative to develop Freight Orientated Networks. This is option B of the original consultation document from the European Commission on the progressive implementation of a rail freight-oriented network. This paper builds upon the EIM responses to the initial Commission consultation document, highlighting areas where action is still needed to implement a freight oriented network and to move the process forward.

The key areas for action still remain:

1. Competition Framework
2. Priority Rules and Path Allocation
3. Corridor Infrastructure Requirements
4. Interoperability
5. Charging and Financing
6. Terminal Operation
7. Quality of Service
8. Corridor Organisation
9. Information and Data Management
10. New Business Models

Each of these areas will be dealt with in this paper.

Key actions

1. Competition Framework

EIM still strongly believes in the creation of independent infrastructure managers whose role is to deliver safety and performance of the network to agreed levels in addition to looking at ways to develop and make best use of the network. The independent IM can also act as an impartial adviser for potential new entrants into the market by guiding them through the processes required to gain access to the network and providing non discriminatory access to the network facilities.

The EIM fully supports the notion of Authorised Applicants and believes that the recognition of an Authorised Applicant in one country should lead to its automatic acceptance in all EC members. A process similar to the Cross Acceptance proposals of the EC for Traction Units could be developed by the Commission.

In conclusion, the entry into the market of new RU's is to be encouraged and can be more easily facilitated where there is an independent IM and a strong Regulatory Body in place. EIM supports any initiatives taken by the Commission to speed-up the process, such as the launching of infringement procedures against Member States who have not (fully) implemented all legal provisions related to Directive 2001/14.

2. Priority Rules and Path Allocation

There are 2 distinct areas here which are often confused;
1. Allocation of decision criteria for path allocation,
2. Setting of priority rules or train regulation guidelines used to determine the priority of trains on the day.

In terms of Path Allocation for international traffic RailNet Europe (RNE) has a set of well established procedures for coordinating these using the Pathfinder tool. It should be remembered that currently an international path is the summation of a number of national paths, and therefore should an RU or Authorised Applicant wish to appeal against the allocation of a train path then the member state Regulatory body would investigate.
In terms of train running priority or regulation on the day EIM believes that these should be developed in all countries not just for domestic traffic but also on a corridor basis for international traffic. The UK example using The Network Code could be developed. For corridor use as a

minimum, train regulation priorities should be drawn up in all countries and harmonised along corridors.

3. Corridor Infrastructure Requirements

The information provided by the recent McKinsey, Diomis and ERIM studies together with national studies e.g. Route Utilisation Studies in the UK and the Commission to the Swedish rail authority to suggest an strategic network for combined terminals" project in Sweden should be used as an input in the assessment of future infrastructure requirements. These requirements must also reflect the types of traffic to be carried on these corridors and must cover such issues as axle loads, train length, loading gauge.

"The European Rail Technical Strategy", produced by EIM, would also be an input into this debate. It is available from the EIM website www.eimrail.org. The work carried out by the ERTMS Corridor A team and other teams provides a good example of the type of output required. The funding of these works would require a strong business case and could benefit from the synergy of carrying out the work as part of the works necessary for the implementation of ERTMS.

4. Interoperability

The development and putting into force of the TSI's is key to aid the development international traffic. The current consultation on Cross Acceptance of Traction units is another example of work which needs to be carried out. It must not be forgotten that operational rules also need to be harmonised and any bi-national agreements between former incumbent railways will need to be examined to ensure that they are not creating a barrier for entry into the market to the detriment of developing freight traffic on the Freight Orientated Networks. Developments in gauge changing systems need to be further explored and exploited to avoid un-necessary transhipment costs.

5. Charging and Financing

These are 2 sides of the same coin as how the network is financed, as the level of cost recovery required of the IM by the member states has an impact on the level of charges to the end user. An efficient charging system will lead to efficient use of scarce capacity available. The work to be carried out this year and next on charging will need to ensure that all costs are taken into account including the internalisation of external costs. This will also create incentives to invest in infrastructures only when this is cost-efficient and environmentally friendly.

Furthermore, it is important that ways are found to finance the work on the Freight Orientated Network using a variety of funds. The Commission should be mindful of the need in some circumstances for some Member States and/or IM's to invest for the benefit of those from other countries on a corridor (TEN-Ts financing rules). Suitable incentives should be provided to make this happen quickly and easily.

The EIM brochure "Finding the Funds" can help in this respect.

6. Terminal Operation

Non discriminatory access to terminals, marshalling yards and other facilities as described in annex 2 to Directive 2001/14 is essential for all operators especially those operating along Freight Orientated Networks. The terminal and marshalling yards perform an essential role in the smooth operation of the logistics chain which is vital if quality of service and cost efficiency is to be delivered and for the survival of the single wagon load business.

These facilities may be financed and operated by other than the infrastructure manager provided non discriminatory access is provided. Strategically placed intermodal terminals can be provided inland from the main ports as a way of reducing congestion in the ports. EIM believes in working closely with other infrastructure providers to facilitate the development of terminals as part of the overall logistics chain. EIM also believes that Infrastructure Managers have a key role in the development of their respective national networks, of which Freight Orientated Networks are part, as the life of infrastructure projects can be up to 100 years.

7. Quality of Service

EIM strongly believes that the market should set the Quality of Service requirements for the different flows of traffic as these can vary greatly and would not like to see the Commission legislate in this area. EIM however, strongly supports the implementation of Performance and Compensation Schemes as described in Directive 2001/14. The work carried out by a number of IM/RUs, in conjunction with UIC/RNE to develop a European Performance Regime could be a first step in moving the implementation of performance regimes forward.

A comparison of freight train performance in those countries with a performance regime and those without such a scheme could be carried out. This would illustrate the differences in freight train performance between those member states where a performance regime is in place for freight traffic and those where it is not. Apart from giving the industry a bad name poor performance is also very costly for RU's in terms of longer turn-arounds of locomotives and wagons which in turn requires more locomotives and wagons being available thus reducing productivity and increasing costs.

The sensible development of Key Performance Indicators as part of the Rail Market Monitoring Study (RMMS) is a way to build useful comparisons in this field.

8. Corridor Organisation

Corridor organisations have been set up on a number of corridors to develop these in preparation for the introduction of ERTMS coupled with other service improvements and infrastructure investment requirements. Corridor organisations have also been set up within RNE charged with dealing with the more operational type issues and these could be developed into a corridor organisation with responsibility for taking decisions along the whole corridor in a number of areas e.g. priority of international trains over each other and the allocation of short term paths for international traffic.

The development of these corridor organisations could lead to the creation of corridor operational centres staffed by RU and IM teams who had responsibility for the whole corridor liaising as necessary with the national RU/IMs. The use of modern technology e.g. Europtirails would greatly help in this area and would provide a one stop shop for customers pending the implementation of the TAF TSI.

9. Information and Data Management

Accurate data enable the tracking and tracing of wagons and trains is key piece of information for customers of the networks. The implementation of the Strategic Deployment Plan (SEDP) for the TAF TSI is a major project for the railways which will be supported by EIM members. The use of the latest technologies and the implementation of Europtirails need to be encouraged.

10. New Business Models

The use of Marco Polo and other initiatives e.g. PPP should be encouraged. The role of IMs in the development of terminal facilities as joint ventures with other infrastructure providers should also be explored. Innovative business solutions for use of existing infrastructure need to be explored to ensure that it is exploited to the maximum e.g. the use of temporary facilities and a process to bring currently unused facilities back on line quickly and cheaply, for example like the development of the "rolling road" concept between Luxembourg and Perpignan.

Conclusion

EIM remains committed to working with the European Commission, Member States and other stakeholders to bring about the realisation of Freight Orientated Networks which it believes to be a building block in the process of attracting freight traffic back to rail in accordance with the EC stated policy on modal shift.

EIM looks to the Commission to carry out the actions identified in the paper in connection with the EIM top 3 priorities

- Competition framework.
- Priority rules for track access allocation and train regulation.
- The alleviation of bottlenecks for international traffic.

In this context EIM is happy to provide experts and input into working groups looking at particular issues and to contribute and share best practices from its membership to other European countries.