

Press Release, 8 October 2009

Commission acts to ensure full implementation of rail legislation

Europe's independent rail infrastructure managers (EIM) welcome the European Commission's continued push to enforce EU railway laws, as the EU executive today sent formal letters to 21 countries requesting them to bring their railway systems into line with European rules.

EIM supports this demonstration of the Commission's will to act to ensure the implementation of legislation that is essential for creating competition in the European railway markets and ensuring that rail remains competitive during the economic downturn.

The First Railway Package was designed to liberalise international rail freight, to establish a transparent regulatory regime for the allocation of capacity and charging for access to rail infrastructure across the EU and to create a framework for the licensing of train operators in each Member State. The package thus forms the legal framework for the rail sector in Europe today, being the basis for the introduction of competition, the independence of Infrastructure Managers and the opening up of the freight market. All of which would lead to better rail transport which will create long term benefits for passengers, the environment and the market.

The Commission initially launched the so called "infringement procedures" in June 2009. Despite ongoing negotiations since then, the Commission feels that most Member States are not yet in compliance with the relevant legislation. The reasoned opinions sent today are a final written warning clearly and definitely setting out the reasons why the Commission considers EU law to have been infringed. Specific shortcomings identified by the Commission include:

- Lack of independence of the infrastructure manager in relation to railway operators;
- Insufficient implementation of the provisions of the Directive on track access charging, such as the absence of a performance regime to improve the performance of the railway network, the lack of incentives for the infrastructure manager to reduce costs and charges and of tariff systems based on the direct costs of rail services;
- Failure to set up an independent regulatory body with the necessary powers to remedy competition problems in the railway sector.

As EIM has often pointed out, the infringement procedures will help to ensure an effective regulatory framework. However, they are not enough to achieve a satisfactory functioning of the railway markets. A recast of the First Railway Package is necessary to tackle the market failures that have become apparent in recent years and cannot be corrected through application of the existing texts. EIM fully supports this initiative, and urges the Commission to ensure that the recast not only addresses the points raised in the infringement procedures, but includes provisions to address distortion of competition in the provision of rail related services.

EIM Secretary General Michael Robson said "The challenges posed to the railways by the current financial crisis make it even more vital that Europe act forcefully to ensure that rail operators can maintain their competitive edge. Across Europe, the rail freight sector has posted a fall of 36% compared to the same quarter in 2008. Action is needed to ensure that the most sustainable transport mode remains competitive."

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EIM, the association of European Rail Infrastructure Managers, was established to promote the interests and views of the independent infrastructure managers in Europe, following liberalisation of the railway market. It is a lobbying organisation which also provides technical expertise to the appropriate European bodies. To find out more about EIM, visit www.eimrail.org or follow us on Twitter: twitter.com/EIM_rail