



10th March 2015

Open letter to Council urging ambition in transforming rail into a customer-friendly sector

The undersigned Associations support simple changes to the rail sector that will help the transition from monopoly service provider to a rail sector that is innovative, attractive and dynamic.

Rail does not exist in a vacuum. It competes with other modes, particularly road and aviation for customers.

Principles of transparency, non-discrimination and fair and equal access, that are taken for granted in the other modes of transport, have not yet been achieved in the rail sector.

A rail sector that obstinately refuses to adapt to a market driven view is one that loses market share to the road and aviation sectors, while wasting scarce public money instead of contributing to reach the EU modal shift targets.

For the sake of bringing rail into the modern transport world, the undersigned urge EU Member States to keep the package together and push through changes in the Market pillar of the 4th Railway Package. More particularly we draw your attention to the following:

➤ **More cooperation and coordination in the rail sector**

We strongly support the Coordination Committees, as envisaged by the original proposals in the 4th Railway Package, which bring together all the users, including the customers of the rail network to work together with the infrastructure manager in improving the performance and customer-orientation of the rail network.

The Coordination Committee is a chance to establish a platform for all users to advise the infrastructure manager on issues such as intermodality and the needs of users related to maintenance and development of infrastructure capacity.

We stress that today's rail sector has moved beyond the interests of an incumbent providing a monopoly service, and is reliant on cooperation and coordination between the relevant actors in order to increase investment, efficiency, performance and growth.

➤ **A real level playing field for those that play by the rules**

It is important that Member States are able to protect their own operators from unfair competition. The present court cases against Austria and Germany for failure to ensure financial transparency underline the importance of this principle.

The verification clause (*Article 7c* of the original Commission proposal) can be a powerful tool for Member States. It empowers Member States to close their markets should they have evidence to suggest that rail operators are competing with an unfair advantage over national operators.

We support that fair competition is the way forward for a healthy rail sector.

➤ **An infrastructure that supports efficient rail services**

It is vital that customer choice should not be undermined by the structure of the railway sector: new entrants must not be inhibited, or their business prospects weakened, by monopolistic structures or even the potential for other discriminatory arrangements between infrastructure managers and incumbent railway undertakings.

It is for that reason that we support changes to strengthen the responsibilities of the infrastructure manager and to enhance its independence, in the interest of an open, competitive market.

Although it can be argued that outsourcing and contracting out of certain tasks is necessary, the essential necessities of infrastructure management must remain under the control of the infrastructure manager. This concerns not only allocation of capacity and charging of undertakings, but the full life cycle of investment, planning, maintenance and traffic management.

We thank you for the attention to our views.

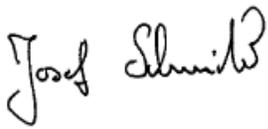
Yours sincerely,



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About CLECAT, ERFA, EPF, ESC ,T&E and UIRR

CLECAT is the leading voice on freight forwarding and logistics in Europe. Established in 1958, CLECAT represents and are supported by 25 member organisations working to promote a sound approach to transport and logistics across Europe, in support of the competitiveness of our industry.

ERFA, the 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. ERFA's 33 Members from across Europe share a commitment to work towards a competitive and innovative single European railway market by promoting fair and transparent market conditions for all railway companies.

Founded 2002, **EPF** is the European umbrella organization of national and regional passengers' organisations. 35 member organizations from 20 countries ensure a real European view on passengers' needs.

The European Shippers' Council (ESC) represents cargo owners i.e. freight transport interests (import and export and intra-continental, by all modes of transport) of some 100,000 companies throughout Europe, whether manufacturers, retailers or wholesalers, which are collectively referred to as "shippers".

Transport & Environment is a federation of around 50 organisations around Europe with a mission to promote, at EU and global level, a transport policy based on the principles of sustainable development. It focuses on policies that have the potential to achieve the greatest environmental benefits. These include transport pricing so that polluters, not society, pay for pollution, setting standards for the cleanest possible cars, vans, lorries, ships, planes, and fuels, and greening EU investment in transport.

Founded in 1970, the **International Union for Road-Rail Combined Transport (UIRR)** 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).