

## Railway Market Monitoring

The correct understanding of what is happening in the European rail sector is an essential input to devising the adequate regulatory framework for it - this has been a message voiced by UIRR whether participating in the Rail Market Monitoring Scheme (RMMS)<sup>1</sup> meeting of the European Commission, or just talking to legislators over the past years. The present data-collection is slow, limited and frequently incomplete due to - among others - the lack of cooperation from Member States. Subsequently a major overhaul of the activity is very much necessary:

- **The Recast of the First Railway Package** (Directive 2012/34 on the Single European Railway Area): responding to the RMMS data collection is becoming compulsory for Member States, and European Commission is empowered to adopt an implementing act to revise (and broaden) the questionnaire itself.
- **The revision of the Rail Transport Statistics Regulation** (91/2003): it is presently on the table of the European legislator, with the intention to upgrade the legal basis of the Eurostat data collection.
- **The Rail Freight Corridor Regulation** (913/2010): it foresees the regular collection and publication of performance indicators for specifically the nine European Rail Freight Corridors.

The above listed EU-level efforts are all very much welcomed and encouraged by UIRR, which decided to complement this effort by upgrading its own **UIRR statistics service** - focusing on rail freight and Combined Transport (CT) data - by the inclusion of terminal-related indicators, and an extended quality performance data collection.

### Upgrade of the RMMS questionnaire

UIRR enthusiastically greets the efforts of the European Commission to revise the RMMS questionnaire. It is vitally important that the European lawmaker is provided with data that accurately reflect the situation within the railway sector, and especially of the aspects that are important from a regulatory framework perspective.

**Private investment into rolling stock, and locomotives in particular**, is an indicator that UIRR believes can provide a good signal for a level playing field to exist in a particular Member State, since private investors will want to see clearly for the expected lifetime of the asset (25-30 years) before ensuring the financing needed for its acquisition. Monitoring of the **number (proportion) of locomotives certified to circulate on the rail infrastructure network of a Member State** and falling under the control (ownership) of state-owned/incumbent railway(s) is an equally useful indicator to gauge the degree of newcomers' penetration into the railway market. Many newcomers in rail freight are small to medium size undertakings which heavily rely on purchased rail traction services - for them a choice; i.e. adequate competition in traction services, is vital to guaranty the competitiveness of their products (traction services are by far their largest cost element).

The required data can be relatively simply extracted from the national vehicle registers, which databases were demanded to be opened by the railway sector participants, who pay for their upkeep. The European Railway Agency, which oversees all these registers, could also be required to provide this information to RMMS.

**The quality performance of rail freight** is equally important to measure, which can best be done through the systematic monitoring of the **timetable speed and the punctuality** of actual freight trains travelling along well chosen relations.

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<sup>1</sup> The **Railway Market Monitoring Scheme** ([http://ec.europa.eu/transport/modes/rail/market/market\\_monitoring\\_en.htm](http://ec.europa.eu/transport/modes/rail/market/market_monitoring_en.htm)) was created in 2001 with the First Railway Package as the voluntary rail market development monitoring exercise of the Member States. The status of the RMMS was elevated in the Recast of the First Railway Package (Directive 2012/34) obliging Member States to respond to the RMMS questionnaire that is to be upgraded according to a delegated act to be adopted by the European Commission in the first half of 2014.

Rail freight, and Combined Transport in particular, is in direct competition with (longer distance) road haulage since consignors regularly compare the performance of the two; therefore it is imperative that every shipper has access to reliable performance data for concrete freight trains travelling on longer distances. The data can be collected from rail infrastructure managers' IT systems used to support rail traffic management.

Finally, it is strongly hoped that as responding has become an obligation, Member States will wholeheartedly collaborate through providing all the data requested within the new RMMS regime.

## Revision of the Rail Transport Statistics Regulation

Changes in the aims of European transport politics - as expressed for instance in the latest EU Transport White Paper - as well as the need for stakeholders to receive better quality data motivated the European Commission's proposal to amend the Rail Transport Statistics Regulation (91/2003), which essentially governs the rail related data collection activities of Eurostat. UIRR welcomes this proposal as well, since it is also viewed as an opportunity to improve the transparency of the sector.

UIRR recommends for the European lawmaker to consider the following enhancements to the proposal by which the nature of European rail freight traffic could be far better understood:

- **Traffic should be separated into three categories: national** (traffic, which takes place entirely on the rail infrastructure network of a single Member State), **cross-border** (traffic, which takes place within the Union, only crossing internal Member State borders, or borders of contracted EU partners such as Switzerland and Norway), and **international** (traffic which originates or terminates within the Union, however which crosses an external border of the Union). The performance of freight trains - as measured in ton-kilometres and train-kilometres - should be expressed in this breakdown.
- Rail freight traffic should be analysed from the perspective of the total distance covered by the train in the following breakdown: **under 300km / over 300km but less than 800km / over 800km**.
- **The safety performance of freight trains** should be reported separately from passenger trains by the European Railway Agency, with a special attention to dangerous goods transports, and as expressed in accidents per million ton-kilometres.

## Quality monitoring under the Rail Freight Corridor Regulation

The Regulation on Rail Freight Corridors (913/2010) contains provisions that oblige the Corridor Management Entities to set key performance indicators (KPI) for, and then systematically monitor the quality performance of their Corridors. The European Commission has been empowered in the Regulation to adopt an Implementation Guideline (Handbook) to guide the implementation of the Corridors.

UIRR encourages the European Commission to refine and further enhance the section of the Implementation Handbook pertaining to quality monitoring/reporting along the following considerations:

- Punctuality data for departure should also be systematically collected, and the punctuality ratio of trains that departed in time also shown.
- The Corridors should adopt KPIs linked to their traffic management priorities, whereby it can be demonstrated that a delay incurred in one section of the Corridor is attempted to be corrected (and not penalised) in the later sections to deliver the best possible punctuality-upon-arrival performance on the entire route.
- A KPI for average (timetable) speed for the Corridor (OSS) train paths should be adopted, and its fulfilment reported.

## The UIRR statistics service

UIRR has been publishing statistics since 1970, which form part of the Eurostat Transport Statistics Pocket Book. In 1999 the systematic monitoring of punctuality of UIRR members' (CT) trains started, which reflects the actual punctuality performance of between 10.000 - 25.000 trains annually. As of 2012 UIRR's statistics programme was extended to include certain performance characteristics of transshipment terminals operated by UIRR members.

Statistics compiled by industry associations, such as UIRR, are a vitally important completer of government or EC data. Subsequently UIRR will continue to improve its statistics service, and deliver data to better inform the European audience.