



Supporting Rail Freight—Waiving and Reducing Track Access Charges

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General



We represent the voice of private and independent rail freight companies in Europe



1 – REMOVE MARKET ACCESS BARRIERS

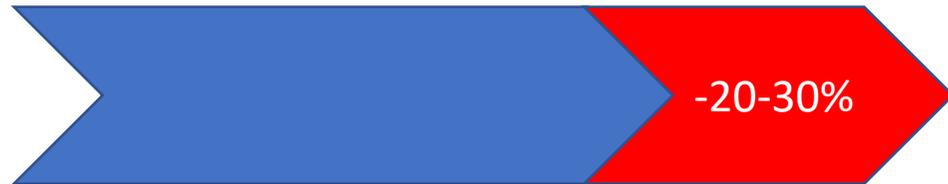
2 – IMPROVE THE QUALITY AND PERFORMANCE OF RAIL FREIGHT

3 – REDUCE THE COST OF RAIL

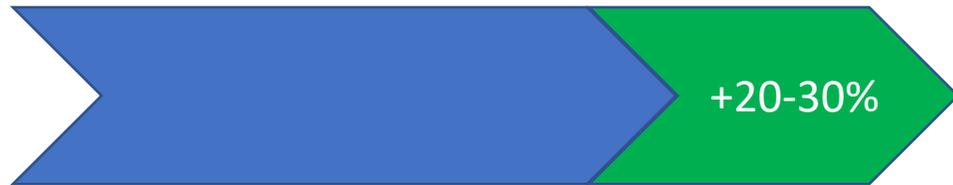
4 – CREATE A LEVEL PLAYING FIELD BETWEEN ROAD AND RAIL



FREIGHT VOLUMES/REVENUES



PUNCTUALITY



- Due to COVID rail freight volumes are down roughly 20-30% on expected volumes, esp. in March – June 2020, slight recovery now – impact of second wave yet to be seen
- During the COVID pandemic rail freight has proven to be reliable: punctuality increased from around 60% up to 80-90%
- Private and independent operators face financial difficulties:
 - Existential risk for companies
 - Market objective #30by2030 at risk

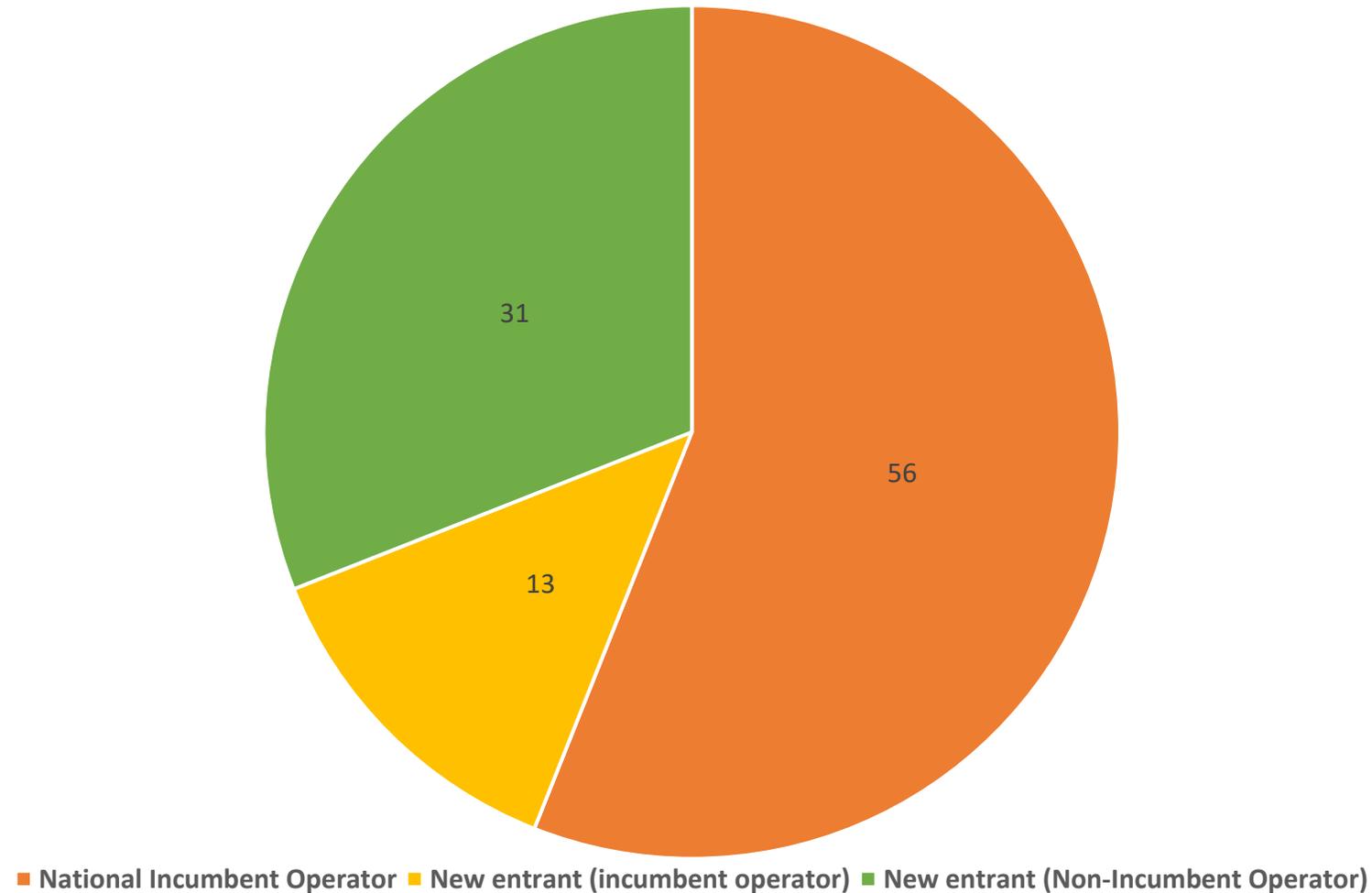


The EU has been proactive and responsive to the needs of the rail freight sector.

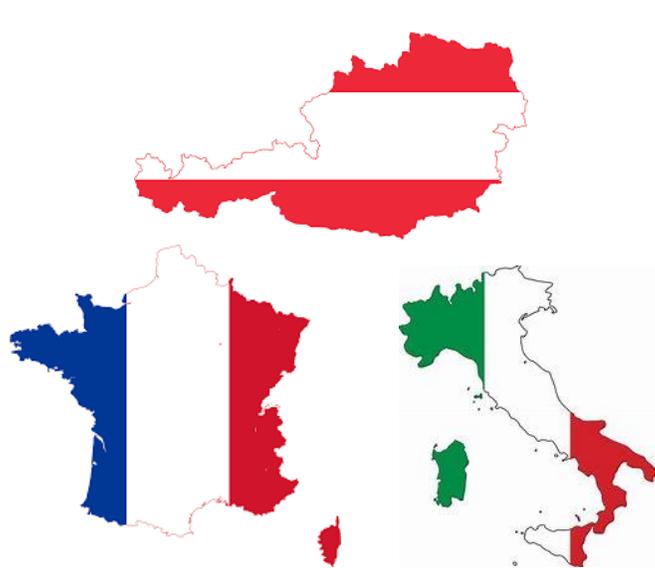
- **16 March:** EU Commission Guidelines for border management
- **23 March:** Communication on the implementation of Green Lanes
 - Ensuring mobility of essential workers
 - Ensuring that critical infrastructure remains open
- **19 March:** State Aid Temporary Framework
 - Enabling relieve measures
 - Aid must only be used for struggles directly related to the COVID-19!
- **19 June:** Proposal for a Regulation by the European Commission establishing measures for a sustainable rail market. Adopted in EU law in October



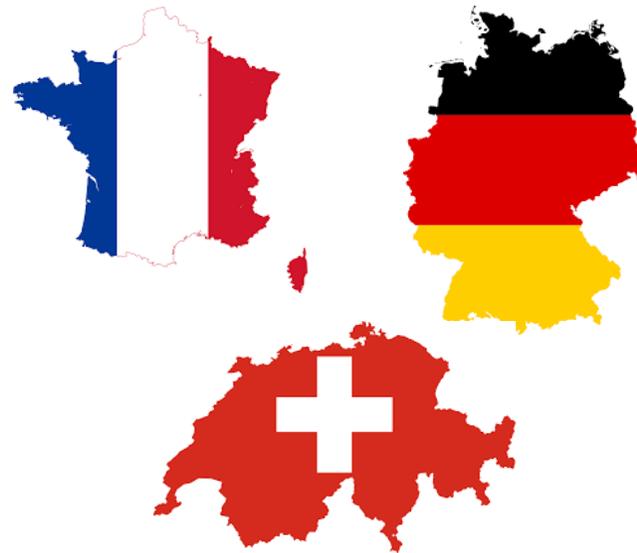
Average European national market share



ERFA welcomes national support measures, but they need to be fair, transparent and non-discriminatory



Waiver or Reduction of TACs



Financial Support for single wagon systems, recapitalisation of national companies, compensation of fixed cost for lost trains



Temporary Suspension of Cancellation Charges



- Temporary rules on charges for the use of railway infrastructure
 - derogating from Chapter IV of Directive 2012/34/EU
 - In the period from 1 March 2020 until 31 December 2020
 - Possibly to extend Regulation for up to 18 months
- Member States may authorise IM's to
 - reduce or waive charges
 - reassess the ability of the market segments to bear mark-ups
 - Waive cancellation charges
- This is not a legal obligation to do so. IM's shall be compensated.
- The EU Commission may extend the timeframe of the Regulation



- New entrants account for 44% rail freight in the EU (net-tonne km), 31% of all rail freight undertakings are non-incumbent
- A reduction of track access charges is the most appropriate mechanism by which Member States can support the entire industry
 - ensuring that all operators benefit equally – no cross-subsidization
 - Avoiding distortion of competition
- ERFA strongly calls on Member States to take actions in line with EU Regulation 2020/1429
- Lessons learnt from the crisis should be used to create a stronger rail freight system



The background of the slide is a blurred photograph of a freight train in motion. The train is moving from left to right, and the motion blur is most prominent on the tracks and the train's wheels. The train consists of several flatcars and boxcars. One of the flatcars has a large cylindrical tank with the word 'HUPAC' written on it. Another flatcar has a banner that says 'We shape the future'. A boxcar has the 'arcese kech' logo. The overall scene is industrial and dynamic.

COVID19 had a major impact on the rail freight sector.

The EU has been proactive and responsive to the needs of the rail freight sector.

All support measures need to be fair, transparent and non-discriminatory to ensure that the objective #30by2030 can be achieved.

