

Position Paper

The sector's views on Rail Freight Corridors Regulation 913/2010

17 July 2020

CER/EIM Position Paper on Rail Freight Corridors Regulation 913/2010

1. Introduction

In light of the European Green Deal and the Commission's goal to reach climate-neutrality by 2050, European rail freight plays an important role. The Rail Freight Corridors are the backbone of the sustainable movement of goods across Europe, and are also fundamental for a connected European economy.

After ten years of implementation the sector would like to take this opportunity to share its experiences of the Regulation. Overall, the Regulation has brought a host of positive developments for European rail freight transport, especially for implementing European interoperability. The RFCs have helped in interconnecting railway infrastructure and implementing a centralized platform for all stakeholders; offering to Railway Undertakings a tool to facilitate communication with railway infrastructure managers; creating a platform for cross-border harmonization; strengthening the focus on international traffic flows; contributing in establishing international processes and IT applications together with RailNetEurope (RNE) and creating legal structures for capacity allocations and facilitating pilot projects.

There is still fundamental room for improvement. The upcoming revision of the Regulation, as an important prerequisite for competitive freight and modal shift, should be shifting more from a corridor-focus to a European Rail Freight Corridor Network. Hence, the significance and relatively successful implementation of the RFCs should be supported by a flexible and enhanced European legislation. This European legislation should take the market needs of the sector sufficiently into account.

Therefore, CER and EIM warmly welcome the opportunity to take part in the revision process and would like to propose possible solutions and recommendations for the European Commission's evaluation and revision of Rail Freight Regulation 913/2010. These solutions and recommendations aim at creating unified quality services for customers and boosting rail freight competitiveness.

2. Capacity Management

The current Regulation foresees several provisions on the capacity management of RFCs. The capacity management should focus on satisfying customer demand for corridor products in international rail freight while considering all types of traffic in respect of timetable planning for the intermodal transport network. Optimal capacity usage is based on balancing the requirements of all traffic segments, passenger and freight, national and international, long-distance and short-distance.

2.1 Better quality for RUs and applicants

In order to improve a better quality of the capacity, corridors should get involved from X-60 onwards to contribute, by including international freight traffic needs, to the definition of the TTR capacity strategy (X-60 to X-36) and capacity model (X-36 to X-18) foreseen by the redesign of the international timetabling process ("TTR"). In this context, the corridors should:

- Provide their knowledge of the market to define the volume and capacity characteristics required for international freight;
- Contribute to the construction, with the IMs concerned, of a coherent route planning, balancing the different capacity needs (passengers, freight, and works) for trains that run on successive multiple corridors.

Given its privileged interface position with the customers, the Management Board (MB) should play a strong role of market intelligence: providing market indications to the IMs that are as much as possible aligned to final customers' needs.

2.2 Corridor One-Stop-Shop (C-OSS)

- The C-OSS concept, as one face to the customer, needs to be improved to support all international rail freight. An enhanced harmonisation of the capacity provided by the IMs to RFCs is needed in order to create high quality capacity.
- The C-OSS should ensure the required international perspective of the path (from construction of path, to offer and via request to allocation and the use of the capacity incl. performance monitoring), and strengthen the ties to and among the national IMs. The C-OSS should act as market intelligence provider, customer interface and facilitator of international freight traffic (e.g. in terms of network access, marketing services; provision of corridor market intelligence to the IMs could concern: market evolution, changes in the legal framework for transport, changes in transport quality requirements, requests by logistic operators in the corridors catchment area, significant changes in other transport modes, sensitivity analysis in respect to sensitive parameters and support the IMs in the definition of their capacity model)
- The C-OSS and the MB should ensure the international perspective of the path (from the capacity modelling, the construction of pre-arranged path, to offer and via request to allocation and performance monitoring), while establishing close ties to and among the national IMs and thereby create acceptance and support for the RFCs at national levels.
- With the aim at ensuring a more market-oriented approach, the cooperation and integration among C-OSSs must be strengthened for better fulfilling the customers' needs to have one face to the customer also for the coordination of the multi-corridor capacity application.
- Only one IT tool has to be used at European Level for International Rail Freight capacity Booking and Management.

- Alternatively, the aim should be that the different IT tools for booking, modification and cancellation of paths are connected in a way that there is one front-end for the complete booking management. The link between the corridors' IT tool (PCS) and the national ordering tools has been achieved by several IMs. Lack of harmonization of national processes, stability of the tools and problem of investment are the main reason why the IT tools are not working yet together properly.

2.3. Capacity products

- International capacity products coordinated and supported by RFCs have to become more attractive and have to be better tailored to the needs of the customers.
- Ad hoc demand for international paths could also be met by digital solutions for path constructions in the framework of PCS as a single European Interface.
- Some of the wording used in the current Regulation should be rephrased to allow more room and flexibility for necessary product development. For instance, "PaP" should be replaced by "long-medium-term capacity".
- Some European countries have positive experience with safeguarding freight capacity from dimensioning to planning and allocating in the timetable in order to plan investments for international rail freight at an early stage. This deserves to be explored further in order to achieve modal shift to rail freight.
- The intended redesign of the international timetabling process ("TTR") will result in uniform capacity products for international and national transport with products for the annual timetable, intra-year orders and ad hoc services. In our view, this is the future of timetabling.

3. Investment Planning, ERTMS, coordination of temporary capacity restrictions (TCR) and KPIs

In many cases, investment decisions are largely taken at national level often without proper coordination across borders. International coordination of investments is currently undertaken at the CNC level. RFCs are not responsible for it. However, a clear input from an international point of view towards decision makers is essential. This input should include feedback from the RFC users related to market needs. EU work plans made by the CNCs, should take input provided by the RFCs into account. Therefore, the revision of the TEN-T Regulation should foresee that RFCs have a say providing rail freight market input to the development of the work plans made by the CNCs.

- The aim should be to use the further implementation of ERTMS and other measures to improve interoperability to facilitate the closer interlinking of the rail freight corridors. This means in particular the transparent linking of national implementation plans and the joint communication of the infrastructure managers with the railway undertakings.

- When it comes to works and possession planning, as well as the execution of the planning, MBs should act, when necessary, as facilitators in the coordination of these works so that TCRs would have lesser impact on ongoing international traffic. This coordination should be reflected in a concerted process involving both IMs and RUs, in accordance with Annex VII (9), Directive 2012/34/EU.
- The role of RFCs in the consultation process on investment planning should be strengthened in line with existing legislation. Precondition is the multi-year financing of the infrastructure managers through member states, which enables long-term planning of maintenance and expansion activities and thus stable construction work schedules. This provides reliable information for railway operators and their customers, as well as allows for better international coordination of construction works. The legal basis for implementing multi-year financing is Directive 2012/34/EU.
- Coordinated engineering works should be published in a joint IT platform (e.g. RNE-TCR Tool).
- Common RFC Key Performance Indicators for measuring and improving international rail freight performance should be refined year over year in dialogue with RAGs/TAGS and coordinated by RNE.
- It is also essential that other partners in the logistics chain (RUs and Terminals) act as contributor in data collection, calculation and analysis of KPIs. The set of KPIs should be stable for a long timeframe in order to improve the reliability.
- There is a need to fine-tune the geographic definition of the RFCs as there are several RFCs with overlapping sections, where a new market-driven alignment should be considered.

4. Traffic Management

We would like the Regulation to envisage for the long term a more structured form of cooperation among all the actors of the logistic chain with the final aim to improve performance and the reliability of the international rail freight transport. In the short term the cooperation can be improved: the legal requirements set by the Freight Regulation related to Traffic Management are sometimes too vague.

Traffic management is the area which could play a key role in strengthening the competitiveness of international rail freight transport by ensuring better cooperation among the actors. The sector examines possibilities of improved cooperation between traffic control centers of individual IMs. This could lead to a reflection of a gradual process of integrated coordination of traffic supervision and monitoring at corridor level (e.g. by performing pilots), in a first phase, followed by a second phase and with a longer perspective, regarding the principle of aggregating the function of international rail traffic supervision and monitoring at European level, by strengthening cooperation among national traffic management centers also with the use of IT communication tools, always with respect for the IM's individual autonomy and responsibility on traffic management.

4. Governance of Rail Freight Corridors (RFCs)

Article 8 in Regulation 913/2010 sets the rules for the governance of Rail Freight Corridors. This includes the competences of the Executive Board (EB), the Management Board (MB), the Railway Undertaking advisory group (RAG), as well as the advisory group of Managers and Owners of the terminals (TAG). Practice has shown that the aforementioned actors of the RFC governance have made different experiences at each corridor and at each level – internally, as well as in coordination with each other.

Since many freight trains run one more than one single corridor, a reflection should be made on how to boost the relationship between the different corridors. In that regard, in order to have a more enhanced and integrated cooperation, further development of the network community can be envisaged, that executes certain tasks of corridors in a more collective manner.

Besides, we would like to propose the following recommendations for the revised Regulation in order to strengthen the governance structure in corridors where improvement is needed:

4.1 Executive Board

- A more structured collaboration between the Executive Boards (EBs) of the RFCs is strongly desired to achieve the necessary results and to boost rail freight.
- The role of the EBs has to be strengthened and more clearly defined by setting up specific objectives and responsibilities. Today, EBs have only some obligations such as implementing the freight corridor implementation plan, approving of the investment plan proposed by the management board, defining the framework for the allocation of the infrastructure capacity of the corridor and producing a report presenting the results of the implementation plan. In addition, EBs need to follow their commitments to foster rail freight (such as the Rotterdam, Vienna and Graz declaration and the European Green Deal).
- Stronger involvement and more support from Transport Ministries and Member States for MBs. Especially to help overcome national barriers to harmonisation and providing a better balance between national and European level. More generally speaking, this concerns the harmonisation/standardization of national laws regarding rail freight transport, the financing of infrastructure development, as well as the interaction with and support from National Safety Authorities (NSAs) and Regulatory Bodies (RBs) in the corridors.
- Even though Core Network Corridors are not part of the RFC Regulation, it is essential to take into consideration the links between RFC und CNCs. The Coordinator of the respective TEN-T Core Network Corridor (CNC) should be more involved in the EB:
 - The cooperation between the CNC Coordinator and the EB and MB should be strengthened to address the missing alignment between infrastructure planning/investment (CNC) and capacity planning (RFC). Different forms of cooperation between the CNC Coordinator and RFC are possible. For instance, CNC Coordinators could be more involved in RFC EBs, whereas

representatives of RFCs could become more involved in CNC forums and WGs.

- The EB has to be consulted and its opinions on CNC work plan should be attentively considered. By this way, RFCs can provide their knowledge of the rail freight market to the CNCs. This ensures that the investment planning on CNCs takes into consideration the market needs of rail freight traffic.

4.2 Management Board

- Management Boards should have more enhanced and clearer commitments. The enhanced commitments shall include especially the following fields:
 - Strong involvement of the MB to contribute to the definition and harmonisation at corridor level of the capacity strategies and the capacity models.
 - Prominent role of the MBs in the harmonised definition of the products also at RNE/FTE in order to better meet the needs of the market.
 - In the end, the MBs' role should be broadened on the basis of the intended redesign of the international timetabling process (when enforced).
 - Set a focus on harmonisation and standardisation of national rules and processes as it has been widely acknowledged that national technical rules hamper the development rail freight.
 - Ensuring sufficient EU funding both for common and individual tasks of RFCs.
 - Finally, IMs should retain final responsibility regarding RFC decision making process.

4.3 RAGs/TAGs

An effective dialogue and strong cooperation between RAGs/TAGs and the Management Boards and Executive Boards is essential for the success of the RFCs.

This cooperation is in general already on a good track. Nevertheless, it should be further improved to increase the market and customer orientation.

- RAG/TAG spokespersons could be invited systematically to meetings to better integrate the "market voice" into MBs and EBs.
- The RAG/TAG speaker should make effective use of the mandate to represent the RUs and Terminals. Non-RU applicants in all corridors and end users should be also consulted by MBs.

- To support ongoing information sharing between both governance levels, the participation of the Executive Chair (Executive Board) should be encouraged in the meetings of the Railway Undertaking Advisory Group (RAG).
- The planning processes and timetables of the terminals are very different from those of IMs. MBs and customers would welcome for the EBs to provide a slot for TAG Speakers at the EB meetings, as is already common practice in some RFCs. However, the role of terminals should be enhanced in the Regulation, in particular by encouraging them to cooperate in capacity related topics (products and allocation) and in traffic management as well as providing the description of their operational characteristics in conformity with the implementing Act on Access to Rail Service Facilities. An effective inclusion of terminals might also imply an involvement of their customers, the intermodal operators and/or shippers.
- The RUs advisory group should be reinforced. The RUs' advisory group should have the same prerogatives and obligations as the Terminals managers' advisory group (art. 8.7), as in the event of disagreement between the RAG and the MB, the RAG should also be able to refer the matter to the Executive board.

About CER

The Community of European Railway and Infrastructure Companies (CER) brings together railway undertakings, their national associations as well as infrastructure managers and vehicle leasing companies. The membership is made up of long-established bodies, new entrants and both private and public enterprises, representing 71% of the rail network length, 76% of the rail freight business and about 92% of rail passenger operations in EU, EFTA and EU accession countries. CER represents the interests of its members towards EU policy makers and transport stakeholders, advocating rail as the backbone of a competitive and sustainable transport system in Europe. For more information, visit www.cer.be or follow [@CER_railways](https://twitter.com/CER_railways) on Twitter.

About EIM

EIM, the association of European Rail Infrastructure Managers, was established in 2002 to promote the interests and views of independent infrastructure managers in Europe, following the liberalisation of the EU railway market. It also provides technical expertise to the appropriate European bodies such as the European Railway Agency. EIM's primary goal is promoting growth of rail traffic and the development of an open sustainable, efficient, customer orientated rail network in Europe. For more information, visit www.eimrail.org.

This document is for public information.

Although every effort is made to ensure the accuracy of the information in this document, the above associations cannot be held responsible for any information from external sources, technical inaccuracies, typographical errors or other errors herein. Information and links may have changed without notice.