

Press Release

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Value for money in the railways - what Europe can learn from Great Britain

Britain's experience in developing Europe's first liberalised passenger rail market can help inform rail policy for other EU countries, a conference at the European Parliament will hear.

A conference being jointly held at the European Parliament by the Association of Train Operating Companies (ATOC) and the Community of European Railway and Infrastructure Companies (CER) will explore how [Sir Roy McNulty's May 2011 report](#) into value for money in Britain's railway can provide lessons for other European countries on infrastructure reform.

EU stakeholders will hear how Britain's experience of operating in a liberalised environment on rail for more than 15 years can play an important role in the European Commission's consideration of new legislation on rail market opening and on the sensitive question of structural models, which is due by the end of 2012.

Britain is known for having implemented a strict separation between infrastructure and operations in the 1990s. While Sir Roy McNulty's report highlighted the considerable successes of the Great Britain (GB) model, it also identified where the sector lacks efficiency which has led to infrastructure costs that are on average 30% higher than those in the rest of Europe. One notable recommendation of the report is to carry out a "re-alignment" between operators and the infrastructure manager - thus suggesting that Europe's search for truly efficient models for a competitive rail sector is far from over.

ATOC Chief Executive Michael Roberts said: *"The McNulty report highlights that much has been achieved by Britain's railways since privatisation, such as major growth in ridership, and historic levels of safety, punctuality and passenger satisfaction.*

"But the whole industry has recognised for some time that costs need to come down. Sir Roy rightly identified the current barriers to efficiency such as the lack of alignment on objectives and incentives, and too much government involvement in the detail of the industry's affairs.

"The way forward now for railways in Britain is to improve on the GB model of liberalisation, not least through reforms which lead to smarter, more output-based franchises.»

CER Executive Director Libor Lochman said: *"The McNulty report raises questions that are important for all European countries. What steps can be taken to achieve greater cost efficiency? How can one ensure that the incentives of infrastructure managers and operators are effectively aligned so as to improve the efficiency of the rail sector as a whole?*

"The case of Great Britain demonstrates the need for sufficient flexibility to allow Member States to develop national rail sector models that truly deliver."

'Britain's Rail Value for Money report - An inspiration for future EU Rail Policy?' will be held on Wednesday 1 February from 18:00-19:45 at the European Parliament. Hosted by MEP Brian Simpson (S&D, UK), Chair of the EP TRAN Committee, the event offers an opportunity to hear from Sir Roy

McNulty on the conclusions of his report and what the report's implications could be for the Commission's forthcoming proposals.

In addition to presentations from Sir Roy, Michael Roberts and Libor Lochman, the conference will hear from Keir Fitch, Deputy Head of Cabinet of Commission for Vice-President Siim Kallas, responsible for transport, outlining the Commission's response to the report.

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The Community of European Railway and Infrastructure Companies (CER) brings together more than 70 European railway undertakings and infrastructure companies. CER represents the interests of its members towards the European institutions as well as other policy makers and transport actors. CER's main focus is promoting the strengthening of rail as essential to the creation of a sustainable transport system which is efficient, effective and environmentally sound. For more information, see www.cer.be

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ATOC's mission is to work for passenger rail operators in serving customers and supporting a prosperous railway. Set up after privatisation in 1993, ATOC brings together all train companies to preserve and enhance the benefits for passengers of Britain's national rail network.

www.atoc.org