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Concept Note for Informal Council of Transport Ministers

21 October 2022, Prague

Morning Session – Further development of high-speed lines and international connectivity

The Sustainable and Smart Mobility Strategy outlines ambitious milestones for increasing the number of passengers travelling by high-speed rail (doubling by 2030 and tripling by 2050). While the current high-speed lines (HSL) network still provides some capacity margins for intensifying existing services or introducing new connections on existing lines, these milestones will not be achieved without the development of new rail infrastructure and a significant geographical expansion of HSL. The emphasis on HSL development and better performance of the main conventional lines is an important part of the TEN-T Regulation revision that is currently under discussion.

Railways already play a key role on many major European routes and have significant potential for growth as demonstrated recently by increasing passenger numbers. They connect major metropolitan areas as well as regional centres, providing an alternative not only to air but also to road transport. In order to gain additional market share, railways must offer frequent connections, including cross-border ones, more adapted to customers' needs. This means services with attractive travel times, which are easily accessible and affordable for a wide range of passengers. Travel time up to 4-5 hours (600-1 000 km depending on the speed) is competitive with air transport for business trips, while in the case of tourist/leisure trips the time may rise up to 6 hours.

However, air and rail transport should not be pitted against each other, but considered complementary transport offers, which make the whole transport system more efficient. It is therefore important to connect airports to the railway network in a way that creates those desired synergies. The level and parameters of rail connections should reflect the importance of the airport. Although the aspect of a modal shift from air transport is



currently being emphasized, the opportunities to attract new passengers from individual road transport should not be underestimated. This particularly applies to medium distance journeys where the car is often the preferred option due to the inadequate rail alternative. In this context, it is important to work in parallel on solutions supporting easier interconnectivity of rail offer with other transport modes and services to enable seamless door-to-door experience for the whole itinerary.

High-speed rail is not necessarily just to cover long distances but can also be a tool for territorial cohesion. It brings the main population centres closer together while, at the same time, contributing to the economic development of the areas between them. There are several options for integrating high-speed lines into the way how such territories are served. For example, some Member States develop regional hubs enabling easier combination of local and high-speed services, strengthening their regional economic centres. Others use the HSL for fast commuter trains or other long-distance trains. These tools allow easier commuting for work, education, or leisure activities. As a result, they serve as one of the tools to address the current issue of urban overpopulation and outflow of population from rural areas.

Most passenger transport by rail is domestic. Therefore, it is logical that Member States pay the greatest attention to these sections. In overcoming the patchwork of national networks when seen together, the EU's added value lies in the long-term emphasis on removing bottlenecks and filling in missing lines, especially between EU Member States. The aim should be a single pan-European network that meets the needs and conditions of Member States and their citizens, rather than separate national networks. The TEN-T Regulation sees the transport network from a European perspective. Its ongoing review places great emphasis on improving rail travel, both on conventional and high-speed lines. The European Commission has proposed to increase the parameters of the TEN-T core network so that even the sections that are not HSL are of adequate quality and usable for long-distance rail transport. The Commission also adopted an Action Plan to boost



long-distance and cross-border passenger rail services, which, combined with the TEN-T revision, will help the EU meet its strategic milestones for high-speed rail traffic.

Financial support plays a crucial role in the emergence of a truly European rail network. The development of transport infrastructure and HSL is a costly undertaking. However, these investments are worthwhile if done in an economically viable way because their benefits go far beyond the purely transport-related aspects. High-speed rail stations play a part in urban redevelopment plans and forms new hubs for the development of businesses, services and human interaction. They help to create new city centres, as examples across Europe show (e.g. Lyon, Vienna, Naples or Warsaw). Support in the form of grants, guarantees or loans can enable or significantly accelerate the implementation of the HSL and subsequently development of these complementary projects. These synergies are vital for achieving the objectives set out in the Sustainable and Smart Mobility Strategy and for meeting climate targets, as well as for the general rise in the standard of living of EU citizens.

The preparation of projects, especially international ones, is time-consuming. The revision of the TEN-T Regulation offers the possibility of joint legal entities to enhance coordination and make cross-border projects easier to implement. Each major project of an international nature is specific, and it is not appropriate to deal with all of them in the same manner. At the same time, efforts should be made to simplify the whole process at the European level and to avoid creating time-consuming additional obstacles in the preparatory process. The Streamlining TEN-T Directive of 2021 aims to address this objective, providing a legal framework for a smoother implementation of the TEN-T network.

Already during the preparation phase, it is also necessary to focus on the suitable rolling stock, appropriate operational concepts and transport policy objectives to be met by these new lines. Here, too, approaches differ: Some Member States operate HSL exclusively for long-distance services under market conditions and in some cases with multiple carriers. Others combine long-distance services with public service obligation



(PSO) trains, with the aim of serving smaller settlements along the route or using HSL only on certain sections.

This July, the Commission adopted a revised TEN-T proposal that reacts on Russia's war of aggression in Ukraine. It proposes to integrate Ukraine and Republic of Moldova into European Transport Corridors providing a clear signal for further enhanced cooperation. This proposal also put emphasis on Member States' migration plans towards the UIC standard rail gauge that should help overcome barriers and facilitate cross-border connections within the EU, including high-speed rail. Different railway gauge is also one of the biggest barriers preventing further integration of Ukraine and Republic of Moldova into European railway network. However, the measure itself is costly and may have impact on interoperability during the regauging process, especially if special rolling stock is not used.

Questions for discussion

1. *What are the main obstacles to the development of high-speed lines? What are the specific problems faced by Member States in large cross-border projects (also with regard to the conventional network)? How can the EU level contribute to minimizing these obstacles and problems?*
2. *In order to achieve milestones of the Sustainable and Smart Mobility Strategy, what are the ways to stimulate the passenger demand for high-speed lines, especially on the cross-border sections?*
3. *Do you consider migration towards the standard UIC rail gauge on particular routes beneficial for international connectivity? Should it become one of the flagship projects for integration of Ukraine and Republic of Moldova into European Transport Corridors?*



Afternoon session – Challenges for European rail

Following the lifting of most of the travel restrictions, this summer has allowed people to travel abroad again. Initiatives such as the 50% discount on Interrail tickets and other special offers have also contributed to boost rail passenger travels. However, passengers often had to face travel delays or even cancellations, overcrowded trains and a lack of information. The causes of delays mainly included construction works or technical faults of various origins on infrastructure or rolling stock. Contrasting the good pick-up of demand, the problems of rail transport, particularly international rail transport, received a great deal of media attention.

Those problems are deeply rooted. The number of international connections, according to the study prepared by the Commission for the Action Plan¹ to promote long-distance and cross-border passenger rail transport, has been stagnating since 2001 and there has been a concentration of connections on high-speed lines, which means a reduction in connections on other lines in the case of international transport. At the same time, between 2007 and 2018, cross-border passenger kilometres rose from 20 to 28 billion, which is an increase of 40%.²

While the number of domestic connections which are often operated at regular intervals is increasing, many cross-border connections are running only few times a day only. In addition, timetables are not always coordinated, and cross-border services do not always connect into the interior regions. Regional and long-distance cross-border trains also tend to have more expensive fares, which discourages mainly regular passengers. These differences between national and international transport show untapped potential. Examples of good practice show ways of improvement, e.g. when infrastructure managers coordinate train paths to improve journey times or when competent authorities from

¹ Long-distance cross-border passenger rail services Final report, Study Contract, MOVE/2020/OP/0013.

² Report from the Commission to the European Parliament and the Council: Seventh monitoring report on the development of the rail market under Article 15(4) of Directive 2012/34/EU of the European Parliament and of the Council, SWD(2021) 1 final



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both sides of the border coordinate to offer attractive and affordable travel instruments, so that cross-border rail transport can become part of the everyday life of EU citizens.

Rail problems cannot be reduced to the poor state of infrastructure. Further obstacles have been extensively identified, analysed and assessed thanks to the work of the Platform for the Development of International Rail Passenger Transport, which involves representatives of EU Member States and a wide range of rail stakeholders. The issues of rail transport were also addressed at the Informal Council of Transport Ministers held in Portugal in March 2021 during the European Year of Rail, which provided an appropriate opportunity for an exchange of views leading to the adoption of the Council's conclusions. The work of the Platform was followed up by the Action Plan to promote long-distance and cross-border passenger rail transport, adopted by the European Commission in December 2021. The actions presented in the Action plan will be implemented in the next two years and include initiatives for infrastructure (in the TEN-T proposal), capacity planning (considered to be part of the greening freight package), ticketing (envisaged as part of the Multimodal Digital Mobility Services initiative), train drivers (through the revision of the Train Drivers Directive) and track access charges (through guidelines prepared in cooperation with infrastructure managers). In the light of the European Green Deal, the Sustainable and Smart Mobility Strategy and other EU activities leading to climate neutrality in 2050, rail stakeholders and the public expect tangible steps to make rail a full-fledged transport option for the 21st century.

As part of this Action Plan, the Commission launched an invitation to submit proposals for pilot projects in June 2022. These projects are intended to be a practical test of the measures proposed in the Action Plan. The Commission has pledged its full support for the implementation of these projects also by offering its help in identifying relevant existing support tools, including financial. Stakeholders can submit projects until the end of October this year. By mid-January, the Commission will present the result of the evaluation of the proposals.



Passengers are asking for easier purchase of international travel options, better information in the event of emergencies and delays, and adequate compensation. This will be partly addressed by the revised Passenger Rights Regulation, which will apply from 7 June 2023. Passengers perceive how easy it is to buy an air ticket and expect rail transport, especially over longer distances, to operate in a similarly intuitive way. In this respect, the potential for air and rail cooperation is not being realized either. The different legal frameworks and the lack of agreements between rail and air carriers in each mode of transport make it very difficult to combine tickets from different modes into a single transport contract, but there has been an increase in the offer of such connections by carriers in recent years.

However, buying a rail transport service relies on a more complex system than is the case in air transport, with different types of services (high-speed long-distance, other long-distance, inter-regional and regional services), different types of passengers and different fare systems. In addition, there are fully open systems with flexible tickets without compulsory reservations as well as closed systems with a ticket linked to the specific connection and with compulsory reservations. In some cases, these different systems operate even on the same line, especially when served by multiple carriers. Due to the different operating systems on railways and the change of carrier at the border (which occurs often for railways, but not for air transport), requires a shared stakeholder effort to find an optimal solution for ticketing, and air transport can be an inspiration but cannot be copied.

The forthcoming proposal on multimodal digital mobility services could be a first step towards greater use of multimodal travel instruments, providing the passenger with a better overview of connections and fares. The initiative aims at creating a framework for distribution of tickets and mobility products by third parties, facilitating integration and access to data, in particular with the development of fair, reasonable and non-discriminatory principles for commercial agreements between operators and Multimodal Digital Mobility Services (MDMS) providers, with the possibility to integrate and open



distribution interfaces, which are key gateway for users. To cover longer distances in rail, it is often necessary to combine tickets from different operators. The Commission is therefore also assessing the need for rules on journey continuation agreements between rail operators to ensure that passengers are not stranded as a result of cancellation of or delay on a certain leg of their journey.

Technical differences caused by historical developments are a long-standing problem for railways as well, mainly related to signalling and other safety equipment, power systems, track gauge, and rolling stock certification. Technical barriers remain today, although with full implementation of the 4th railway package and ERTMS, this problem should become less significant over time. The pending revision of the TEN-T Regulation should be an important piece in this complex puzzle. Simplification of vehicle approvals or a single signalling system can make the introduction of cross-border connections much easier, for example by extending existing national connections.

Finally yet importantly, timetabling is a jigsaw, and currently it suits neither passenger nor freight operators. Long-distance freight and passenger trains are often unable to obtain competitive routes, making them even less attractive than other modes of transport. The Commission has acknowledged in the Action Plan that the current capacity allocation rules do not meet current needs. Experts from the Eurolink project have been working on the development of a European timetable for several years and infrastructure managers are gradually joining the project. This is a very complex process, and the interests of various actors may differ. A Timetable redesign (TTR) is expected to provide a pan-European framework and, even relying only on existing infrastructure, to improve timetabling for both passenger and freight operators. Better use of the existing capacity could thus enable new connections to be established and make services timetables more adapted to real needs attracting new customers. The programme would give infrastructure managers additional instruments to optimize utilization of available capacity through a long-term strategic planning and through more flexible allocation of capacity for passenger and freight. TTR is a major endeavour: its development started



8 years ago and its roll-out across Europe will take until the late 2020s. One of the key challenges is its incompatibility with existing European legislation. Therefore, the Commission is having a close look to what extent TTR objectives can be achieved while safeguarding fair and non-discriminatory access for rail operators. The results of these considerations will be reflected in a legislative proposal on better management and coordination of cross-border rail traffic. This proposal will also be the continuation of the evaluation of the Rail Freight Corridors Regulation and address problems identified in the evaluation.

The informal meeting of Transport Ministers is intended to take advantage of the current favourable momentum for rail, when passengers, freight customers and society at large are interested in finding sustainable forms of transport, while expecting solutions to long-term problems. Thanks to the work of all actors so far, we are now in a situation where the problems have been named and the will to solve them exists. The European Commission is preparing important legislative proposals and the informal discussion of Transport Ministers could provide the necessary guidance to the Commission for finalizing the proposals and moving forward with the implementation of the Action Plan, with a view to making the European rail sector more competitive and efficient in the future.

Questions for discussion

1. *Which actions from the Action Plan do you consider having the highest added value? What topics should the Commission emphasize beyond the Action Plan?*
2. *While considering the diverse roles that railways play, to what extent could aviation be an inspiration for rail ticketing? How could ticketing be linked across various transport modes?*
3. *How do we improve cooperation between Member States in capacity allocation and timetabling to make cross-border rail transport more efficient? What do Member States think of sector initiatives (Timetable redesign project) in this field?*