

**Platform of Rail Infrastructure Managers in Europe**

**20<sup>th</sup> Plenary Meeting,**

**24 November 2022, 09:00 – 13:00**

**Museo Nazionale Ferroviario Pietrarsa, Napoli**

**Draft Summary Record**

*Co-Chairs: Alain Quinet, Executive Director Strategy and Corporate Affairs, SNCF  
RESEAU & Kristian Schmidt, Director Land Transport, DG MOVE*

**1. Welcome**

Alain Quinet (AQ; SNCF Réseau) welcomed the participants and brought to the attention of the audience the following points:

- PRIME will soon publish its 5<sup>th</sup> benchmarking report, marking 5 years of reporting activities. The report will be the first in the series to include an assessment of the impacts of the COVID 19 crisis.
- PRIME recently completed a deep-dive study on night trains and a deep-dive study on the funding of infrastructure managers. PRIME is also currently conducting a deep-dive study on charging of international passenger trains.  
AQ would like to thank the Commission for providing funding support for these studies.
- In an effort to foster interoperability, PRIME continues its work on digital issues, in collaboration with RNE, CER and EIM.
- Following the start of Russia's war of aggression against Ukraine, PRIME members were among the parties who contributed to the first steps of the Solidarity Lanes.

The sector remains in a situation of crisis, and continuing to address the challenges this crisis situation has imposed on the rail sector is important.

**2. Adoption of agenda and approval of the summary of the 19<sup>th</sup> meeting**

The agenda was adopted and the summary record of the 19<sup>th</sup> meeting was approved.

**3. Upcoming Commission initiatives**

Kristian Schmidt (KS; DG MOVE) opened the session on upcoming Commission initiatives.

**3.1 Ukraine crisis**

Since the last plenary meeting held in June progress was made: at the time, Black Sea ports were closed and Ukraine grain exports were in serious peril. Today, exports are leaving Ukraine thanks to the Solidarity Lanes and the Black Sea ports agreement.

Solidarity Lanes are here to stay: they are not a mere crisis management tool but rather a new geopolitical reality in light of Ukraine's EU candidate status. Ukraine is ready to discuss its implementation of the Union's rail acquis, and has expressed its willingness to switch to standard European gauge. Regarding the latter, the Commission has launched a feasibility study.

The ongoing CEF call will give priority to rail projects which are of relevance for trade with Ukraine.

### 3.2 *Energy crisis*

The current situation is critical for the rail sector, as it is projected that electricity prices for traction might increase by as much as 400% next year.

The Union recently adopted a Commission proposal for addressing high energy prices as a whole; and, last October, the Commission revised the temporary crisis framework, which allows Member States to provide additional support to railway companies.

The Commission probably will not extend the current regime of reducing or waiving track access charges in light of the effects on the sector of the COVID pandemic – which expires at the end of the year – as it appears that rail traffic volumes have now rebounded. The Commission sees no legal basis for prolonging the scheme (which is specific to the COVID context) on the grounds of the ongoing energy crisis.

### 3.3 *TEN-T*

The revised TEN-T proposal, which is currently being negotiated by the co-legislators, is ambitious for rail and puts it in a very multimodal context. The key 'rail components' of the proposal should hold despite some natural pushback from Member States. TEN-T's ambitions for rail should be matched with adequate investments.

### 3.4 *Revision of Train Drivers Directive*

The ongoing revision of the Train Drivers Directive is relevant for a number of issues concerning train drivers, amongst these are the issues of the language regime and the ageing workforce.

### 3.5 *Revision of Technical Specifications for Interoperability (TSIs)*

Against the backdrop of the ongoing revision of TSIs, defining standard interfaces between components and replacing redundant national rules with common EU rules in an aim to promote the uptake of 'go-everywhere' rolling stock is of importance. The European Agency for Railways (ERA) delivered its draft recommendations on the revision of TSIs.

### 3.6 *Pilot Services for long-distance cross-border passenger rail*

The Commission has received a good number of proposals for pilot services. The geographical coverage of the proposals is quite diverse, a good number of the proposals were made by new entrants, and some of them are for night train services.

Results of the evaluation of the submitted proposals will be announced in January 2023.

### 3.7 *Launch of SERAF*

The Single European Railway Area Forum (SERAF), a newly-launched forum which gathers all relevant railway sector stakeholders in a common place, will become the key forum for ensuring that technical developments reflect the needs and aspirations of the rail community, allowing for exchanges on major technical developments with broad and significant economic impacts. SERAF will help break the silos and allow contributions of and exchanges between stakeholders representing different interests. PRIME will largely stay as it is.

#### **4. Strategic discussion on cross-border rail traffic – better capacity management and coordination**

##### *4.1 Presentation on the Commission's initiative to better manage and coordinate European rail capacity and traffic management*

The Commission shared a presentation on the ongoing Commission initiative on better capacity management.

The presentation highlighted the relevance for the EU Green Deal of this initiative on capacity, which is part of the Greening Freight Package – planned for Commission adoption in the second quarter of 2023. The corridor approach has been largely ineffective for boosting cross-border freight and the ongoing initiative on capacity will have a particular focus on cross-border rail. The current approach to capacity management is flawed in that it is *manual, annual and national*.

The presentation outlined the four policy options under consideration in this initiative and described the most important policy measures under discussion.

After the presentation, the floor was opened for questions. Concerns were raised about the timelines for implementation of the policy options presented by the Commission, with CER arguing that the sector needs quick action. IMs raised concerns regarding Policy Option 4 not taking into account national passenger trains as they represent the majority of the business of infrastructure managers. The commission acknowledged this but sees the lack of cross-border coordination as one of the reasons why such a significant share of infrastructure managers' revenues comes from national trains.

##### *4.2 Panel discussion*

The Commission presentation was followed by a moderated discussion. IMs highlighted:

- The RFCs were a layer on top. The new proposal should clearly specify responsibilities of the central entity and national organisations.
- The current TTR pilot showed that TTR strongly focuses on European cross-border capacity, before national capacity. The strategic phase of the project is now closed, and the next phase will be to identify the catalogue of capacity slots.
- Work is also ongoing on the commercial conditions and on a penalty system, which are very important aspects. This includes a penalty system to reduce dwelling times at border (max 30/60 minutes, depending on the border).
- Fitting together national capacity plans is too complicated, so simplification and European procedures are necessary. This would include the support of an operational entity providing data, PRIME as a strategic level and regulators to check. A kind of "Eurocontrol" for the rail sector is not supported.

- SE uses a system based on a set of socio-economic criteria, which works quite well. The European Union needs a common framework to improve cross-border rail.
- Without stable medium term funding IMs from different Member States cannot schedule coordinated works. The possibility to have a recognised European IMs body facilitating international capacity allocation would be supported.
- It would be useful to have priority rules in case of incidents/unplanned TCRs.
- When implementing new capacity management mechanisms, there should be balance between capacity and quality.

The European rail system was built as a public infrastructure and service, and now following a market approach, but it should still be possible to give priority to services of high socio-economic value and in situations of crises (e.g. war in Ukraine, the energy crisis).

With regard to TCRs: we need coordination on infrastructure works. It is crucial to make sure that TCRs do not come as surprises in cross border rail.

- Concluding remarks from PRIME co-chair Alain Quinet:

AQ concluded with the following remarks:

- Regarding the Commission's initiative on capacity and TTR, IMs feel empowered.
- The Commission is right in saying that the current capacity management system is *manual*, *annual* and *national*. We must recognise that capacity allocation choices have “externalities” on partners across the borders.
- We will need to invest more in infrastructure if we are to reach TEN-T goals, which means that there will be more TCRs. We are at a pivotal moment today, and as regards capacity management, we need a game changer.
- There are 4 points of general agreement among IMs:
  - Capacity management must be addressed at network level, not only on corridors;
  - High level of ambition regarding harmonising capacity management rules, such as priority rules. Better coordination between IMs through existing entity (PRIME or RNE), not through a new supranational entity;
  - High level support IM's for stronger economic incentives as regards capacity commitments;
  - Capacity planning, and planning of cross-border capacity, should rely on cooperative IT tools based on data exchanges between national IMs. Attention to TTR project.
- Regarding the ongoing Commission initiative for the better management of capacity, we see two main areas for further work:
  - First, how to determine how to allocate responsibility between national entities and entities at EU level when it comes to defining a new capacity management system;
  - Second, is the need to define the role of the central coordinating entity. How existing platforms such as PRIME or RNE can be strengthened and empowered.

A follow-up meeting of PRIME coordinators would be scheduled by mid-December 2022.

## **5. Deep-dive study on charging of long-distance cross-border passenger services**

Civity Management Consultants shared a presentation of the results of a recently-conducted deep-dive study on the potential to use track access charges as a tool to promote long-distance cross-border passenger services.

After the presentation, Civity opened the floor to the audience for comments:

- Wish for IMs to apply lower charges given that RUs bear additional costs when operating cross-border services. Lower TACs can help “grow the cake” and increase an IM’s absolute charging revenue by attracting new services.
- Reducing TAC often means IMs need a subsidy. The success of competition in Spain could be explained by the fact that it is the country with the lowest TACs in the EU.
- Cross-subsidising HSR with conventional services through TACs helped increase rail’s modal share and reduce that of air travel.
- SNCF Réseau applies high TACs on this segment, but in spite of this the cake is growing and services are increasing. Lowering TACs could attract more RUs, but SNCF Réseau concerned with the need to finance infrastructure.
- The Amsterdam Frankfurt and Amsterdam – Paris rail connections are more competitive in terms of charges than flights covering the same connection. Growing the pie has no impact on direct cost.

Conclusion: important to investigate the cases in which promotion measures work best, and that this study will inform the Commission’s preparatory work on Guidelines on charging.

Civity will work on an executive summary, which will be shared with PRIME members for comments and possible agreement for publication.

## **6. Charging of night trains**

Kathrin Obst (KO, DG MOVE), shared updates with the audience on the recent deep-dive study on night trains, which had been presented during the previous PRIME plenary meeting.

Following that discussion, the Commission and PRIME members had a meeting with RUs interested in operating night train services in September. The RUs present at the meeting welcomed the study on night trains and shared the following feedback:

- RUs expressed support for defining a specific charging segment for night trains, given the fact that there is a very particular cost structure to running night trains.
- RUs operating night train services also reported that TACs represent a higher proportion of their cost structure than the PRIME study assumes (based on input taken from another study).
- RUs feel that a reduction in charges would be beneficial and welcome.
- Where charges are already low, it does not create a big problem for RUs if night trains fall into differently defined marked segments in different countries. Main concern is the level of charges. However, for capacity planning, diverging definitions and priorities are more of a problem for RUs. Lower charges could negatively affect capacity allocation for night trains.
- The criteria developed in the study to define night trains work well for RUs.

A similar meeting will be planned with regulatory bodies.

RU raised the issue of planning of maintenance. Currently, most maintenance work is carried out at night, and it would be difficult to imagine scheduling maintenance work during the day. However, this study was focused on charges.

## **7. PRIME deliveries – Subgroup activities – Work Programme 2023**

The draft work programme 2023 had been shared with members ahead of the meeting. AQ noted that no comments were received regarding the work programme.

AQ then made the following remarks regarding PRIME subgroups:

- PRIME subgroups were created to be “mission-oriented”. No need to maintain subgroups if there is no longer a mission or an agenda at. Three PRIME subgroups will be closed: the financing subgroup, the implementing acts subgroup, and the subgroup on young professionals. AQ thanked the members of PRIME who chaired these three subgroups for their work.
- The agenda of the safety culture subgroup and the digitalisation subgroup should be aligned with ongoing EU initiatives, given their importance. Commission will have a stronger involvement in these subgroups and, therefore, will co-chair them.
- Suggested to set up a task force on climate change adaptation. This task force will not be a subgroup; it is also not related to future EU legislation, but the goal is to exchange good practices regarding the resilience of our rail networks in the face of extreme climate events and prepare a strategic discussion at the next plenary. Contact point is Olivier Trannoy in SNCF R.

CER: useful to be able to monitor the situation of multi-annual financing frameworks between IMs and Member States and suggested it to be a task for the KPIs subgroup.

AQ then invited the chairs of the KPIs, Digital, Safety and Charging subgroups to present their part of the work programme.

On digitalisation, KS concluded that in future, the management of capacity must be *digital* (instead of *manual*), *flexible* (instead of *annual*), and *European* (instead of *national*). On digitalisation, the EU is lagging behind, in particular compared to the United States which have a shared data space for rolling stock. Need to integrate national digital tools, support the rollout of TTR and its dedicated digital tools.

**The work programme for 2023 was adopted.**

## **8. Other business**

No other business was discussed.

## **9. Closure of meeting**

AQ and KS closed the meeting by thanking the participants to this plenary meeting and by thanking VF, the host of the meeting.

The next two PRIME Plenary meetings are planned for 22 June 2023 (in Brussels) and 1 December 2023 (hosted by ADIF in Madrid).