Boosting cross-border rail traffic
PRIME, 24 November 2022

Better manage and coordinate
European rail capacity and traffic management

European Commission, DG MOVE C3

Overall context

- Political context

    - **European Green Deal and Sustainable and smart mobility strategy**
    - **Action plan to boost long distance and cross-border passenger rail**
    - **Ex-post evaluation of RFC Regulation**
    - **Revision of TEN-T Guidelines**: merges RFC and TEN-T corridors

- Economic context: growing demand, different requirements of RUs, cross-border traffic

- Legal context: Recast Directive, RFC Regulation, TEN-T Regulation

- Next step: A proposal to help optimising management of capacity, especially for cross-border use

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The situation today:
Capacity management is …

Manual

6 out of **35**

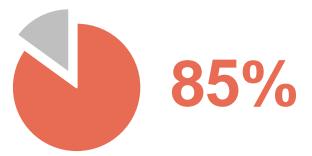Number of IMs with IT interface to European capacity booking system

Annual

up to 80%

Train paths changed **after publication of annual timetable,**

+25% admin. cost increase per path change

National

85%

Share of cross-border freight traffic **allocated nationally** (one-stop shops: 15%),

nearly 9 in 10

cross-border trains use lines outside Rail Freight Corridors

Four problem areas in the current regulatory framework

1. **Legal and procedural obstacles** to a more effective and market-oriented capacity management and allocation.

2. **Lack of economic incentives** that support a more efficient process of capacity management (KPIs, respect of commitments, socio-economic criteria for capacity allocation).

3. **Insufficient mechanisms for coordination** between stakeholders, which includes coordination between IMs, but also between operators in the multimodal chain (e.g. terminal operators).

4. **Lack of digital tools** that improve and support the process of capacity management and allocation.
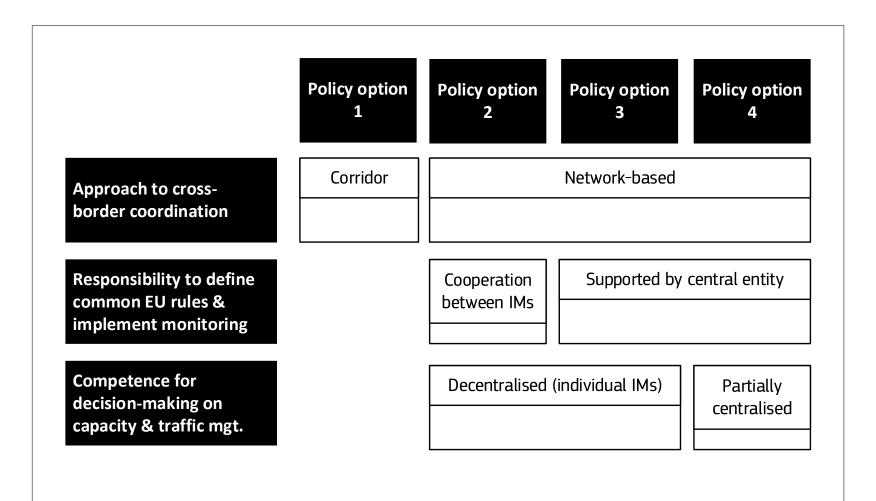
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Key measures under discussion

- Many proposed measures are closely inspired by the sector's Timetable Redesign for Better Capacity Managements initiative (TTR).

- Other measures complement TTR in order to close gaps with respect to the objectives of the Commission's initiative.

+3% to +6% capacity increase

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Policy options

	Policy option 1	Policy option 2	Policy option 3	Policy option 4
Approach to cross-border coordination	Corridor	Network-based		
Responsibility to define common EU rules & implement monitoring		Cooperation between IMs	Supported by central entity	
Competence for decision-making on capacity & traffic mgt.		Decentralised (individual IMs)		Partially centralised

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Measures targeted at specific objective 1:
Enable more effective capacity management procedures

Revision of the legal framework for rail capacity management to allow:

- Introduction of a **strategic capacity management phase** in the capacity allocation cycle
  - Multi-annual planning to optimize quantity and quality of the capacity supply
  - Covers capacity available for traffic and for infrastructure works
  - Provides for close consultation of infrastructure users (applicants) and scrutiny by regulatory bodies

- **New and revised procedures** for **market-driven capacity allocation**
  - Flexible allocation procedures for volatile rail transport (freight)
  - Early-on and long-time allocation for stable traffic (passenger, intermodal freight)

- Transparent and harmonized **methodologies** to **manage scarce capacity**
  - Could be applied as part of strategic management phase and capacity allocation
  - Partition / allocation of capacity based on socio-economic and environmental criteria. Methodologies to be developed based on existing models

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Measures targeted at specific objective 1:
Enable more effective capacity management procedures

- New and revised **mechanisms and procedures** to **ensure traffic continuity**
  - Purpose: ensure reliability of rail transport both during unplanned disruptions / crises and during planned non-availability of network (infrastructure works)
  - Mechanism 1: procedures to manage capacity on alternative routes during the entire capacity and traffic management process, from strategic management to operations.
  - Mechanism 2 (option for future): procedures to re-allocate capacity during major network disruptions, subject to transparent & fair rules and processes.

- A '**European network statement**' as framework for common rules & procedures
  - Provides further technical details (beyond legislation) on the common, harmonised rules and procedures for rail capacity and traffic management applicable on the entire EU rail network
  - To be adopted jointly by all main IMs (single coordination entity)
  - Network statements of individual IMs need to be consistent with European network statement

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Measures targeted at specific objective 2:
Strengthen incentives to improve performance

- **Economic incentives** to strengthen **respect for commitments related to capacity** by all stakeholders
  - Avoid as far as possible changes to capacity commitments with negative impacts on other stakeholders

- Strengthen **capacity-related rights of applicants** (RUs)
  - Implementation: various changes to provisions defining the rights of applicants (RUs), in particular in the event of changes after allocation (e.g. rescheduling by IM, incidents etc.)

- Introduce an **independent expert body** reviewing the **performance of rail infrastructure and transport services**
  - Purpose: support transparency on performance as 'reputational incentive' and provide neutral advice
  - Group of experienced individuals with demonstrable expertise ('elder statemen'), acting in a personal capacity (model: 'performance review body' of single European sky)
  - Tasks: (i) identify priorities for performance improvements ('pain points'); (ii) provide guidance on performance monitoring; (iii) provide advice on measures to improve performance

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Measures targeted at specific objective 3:
More effective mechanisms for stakeholder coordination

- Designate an **IM coordination entity at EU level**

  - Tasks
    - Define harmonized rules and procedures
    - Monitor implementation of harmonized rules and procedures, ensuring interoperability
    - Resolve non-alignment between infrastructure managers relating to capacity management
    - Conduct continuous transport market monitoring and analysis at European level

  - Setup and organisation
    - Governance layer: PRIME with extended legal mandate, i.e. IMs and Commission
    - Operational layer: body designated by Commission following call or proposal by IMs

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Measures targeted at specific objective 3:
More effective mechanisms for stakeholder coordination

- **Strengthen competences** of the **European network of regulatory bodies**
    - Purpose: regulatory counterpart at EU level to IM coordination entity
    - Complements national RBs; binding decisions on cross-border capacity and traffic management
    - Final instance to resolve conflicts / non-alignment across borders (between IMs)

- A high-level **advisory platform at European level** involving **all stakeholders** involved in multimodal freight
    - Purpose: inclusive platform for stakeholder involvement
    - Tasks: identify priorities for improvement; mandate working groups for specific issues

- European framework for **cross-border coordination** of **traffic management** and for integrating rail in **multimodal logistics operations**, focus on terminals
    - Based on 'collaborative decision-making' (common agreed framework but no single entity in charge)
    - Focus 1: common rules and procedures for coordinating traffic management
    - Focus 2: improving coordination between operations of rail traffic and other modes of transport (terminals)

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Measures targeted at specific objective 4:
Clarify requirements for deployment of digital tools

- Legal requirements on standardised exchange of digital information supporting capacity & traffic management and customer information
  - Mandatory requirements for TAF TSI and RINF implementation, including deadlines

- Digitalisation and automation of capacity and traffic management
  - Functional requirements: single interfaces at EU level providing seamless end-to-end services for applicants
  - Further development of relevant technical legislation (TAF TSI; RINF); single IM coordination entity to provide input to ERA and to cooperate with Europe's Rail JU
  - Implementation in gradual, modular manner with possibility to build on existing systems ('federated systems' approach)

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Thank you

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