

Platform of Rail Infrastructure Managers in Europe

12th Plenary Meeting, 15 June 2018, 09:00 – 13:00

Summary Record

Host: ProRail

Venue: Railcenter, Soesterweg 244, 3812, Amersfoort – Netherlands

1. Welcome

Alain Quinet (SNCF Réseau) and Matthew Baldwin (DG MOVE), PRIME co-chairs, welcomed the participants and in particular the six new members

- MAV from Hungary
- Sprava Zeleznicni Dopravní Cesty (SZDC) from Czech Republic
- Zeleznice Slovenskej republiky (ZSR) from Slovakia
- Société Nationale des Chemins de Fer Luxembourgeois (CFL) from Luxemburg
- Latvijas Dzelzceļš from Latvia (excused)
- Hellenic Railways Organisation (OSE) from Greece (excused)

By mid-June 2018 only the main infrastructure managers from Croatia and Slovenia had not yet joined PRIME.

2. Adoption of agenda

The agenda was adopted without comments.

3. Approval of the summary of the 11th meeting

The summary of the 11th meeting was approved with the minor comments previously received from ProRail.

4. Strategic discussions I: Infrastructure financing

- *Next MFF and traditional infrastructure financing*
- *Financing the last mile infrastructure and connections with other modes*

AQ moderated the panel discussion which included Olivier Silla (DG MOVE, PRIME financing subgroup co-chair), Carles Rúa (Port of Barcelona), Luigi Contestabile (RFI), Paul Mazataud (SNCF Réseau, PRIME financing subgroup co-chair) and Vytautas Radzevičius (Lithuanian Railways).

1/ EC Financial tools for railways

The first issue discussed was: in addition to the CEF, what are the different instruments that the European Commission can use to support the railway sector?

Olivier Silla presented the proposal for the next CEF programme (2021-2027) which in the current political context comes with new priorities, such as security and defense. The total CEF envelope foreseen for transport is EUR 30.65 billion, 14% more than the current

programme. Transport continues to be fed prominently into three out of the six top EU priorities:

- 1) **single market and investment**, focusing on strategic infrastructure. It concerns network, energy and digital, and includes the CEF, the new Digital Europe programme and the new investment programme “InvestEU”. EUR 12.85 billion are dedicated to CEF Transport - General Envelope.
- 2) **territorial cohesion**, which remains a key priority of the EU budget, with two important components for transport Cohesion Fund (CF) and European Regional Development Fund (ERDF). As with the current CEF, a part of the CF would be transferred to the next CEF (EUR 11.3 billion). Based on a thematic concentration, the ERDF will be dedicated to smart and sustainable finance in the EU's less developed regions.
- 3) **new dimension** - defense with EUR 6.5 billion to promote military mobility by developing and adapting civilian transport infrastructure (ports, terminals, railways) to a possible military use where needed.

In line with the Paris agreement, 25% of the overall expenditure of the next EU long term budget should be climate oriented (20% under current period). For the new CEF the respective threshold is 60% giving higher chances to rail projects since these are assumed to be 100% climate oriented.

In terms of content, digital transformation, including ERTMS, will be prominent in all programmes. Within CEF the EC has re-balanced between the classical and digitalisation related investments. Digital programmes, such as Digital Europe or CEF Digital, even if not directly linked to transport, would nevertheless benefit the transport system.

2/ Case Study

The second issue concerned whether the new CEF Regulation would facilitate the implementation of Rail Baltica and how.

Vytautas Radzevičius considered that this proposal together with the military mobility pillar, is a good opportunity to maintain the same financial intensity for Rail Baltica- i.e. up to 85% of level of EU financing under the cohesion envelop for such cross-border link. There is also possibility to obtain private financing on top of the public funding. The only problem that he raised is that some ancillary parts of the project might not be eligible for CEF funding.

3/ On multimodality, "last mile" and relationship with other modes

It was noted that the word “multimodal” only appears once in the 61-page CEF proposal. The panel was asked if they felt that multimodality is well supported by this proposal and how? What are the main investments that are required to develop multimodality? Could you please give some examples? Are there any financing difficulties that are specific to multimodal transport?

a) *for rail/sea*. Carles Rúa illustrated the importance of the last mile infrastructure and of connections between ports and railway terminals. Dedicating a higher budget to terminal development, including accessibility to 750 meter trains, would allow improvements in the coordination and integration of ports with the rail network. However, the current CEF cannot fund access lines to terminals unless they are on main lines.

The digital transformation is also a key element as it can resolve the issue of complexity for infrastructures with multiple installations like ports. For more effective management the

information flows have to go along all users (terminals, RUs, port authorities, marshalling yards, etc.).

Olivier Silla confirmed that the need to invest into last mile infrastructure and digitalisation is well identified in the EU financial programmes. Multimodal connections are recognized within the scope of the CEF open call running until October 2018. EC has proposed that under the next CEF, investments into the comprehensive network, which are in line with horizontal priorities such as multimodality and digitalisation, would also be eligible.

b) *For rail/urban transports.* Luigi Contestabile, (RFI) brought the point of view of a station manager. In Italy the rail infrastructure manager does not manage the other transport modes present in station areas (bikes, buses, car sharing, etc.) and there is a lack of dialogue between rail infrastructure and cities, which can undermine multimodality. The squares around the stations belong to railways, but are managed by cities. Implementing “Mobility as a Service” is not hindered by digital issues but rather by a shortage of available space in stations and beyond. A possible solution would be a special fund for the cities designated to developing railway connections with other modes.

4/ Digitalisation & ERTMS

Finally, it was asked whether the new CEF would facilitate the deployment of ERTMS and other digital equipment.

Paul Mazataud reported that the PRIME Financing subgroup has identified the main IM challenges in a long-term perspective. The first pillar of the new CEF proposal, focused on new lines and major upgrades, concerns the traditional type of development projects as conducted in many European countries in past and to be continued in the future. In contrast, the second pillar, about digitalisation, is a more recent trend and is gaining momentum. It is illustrated by some ongoing national programmes such as Smart Rail (CH), Digital Rail (UK), *Réseau à Haute Performance* (FR), based on a more automated concept of infrastructure (ERTMS, ATM, ATO etc.) demonstrating a strong will to progress on digitalisation as a mean to achieve better performance, productivity and efficiency.

In this context, it is important to find the right balance between the two pillars in terms of earmarked funds. The CEF proposal foresees around 60% for the first pillar and 40% for the second, however swapping these ratios could be relevant. For example, ERTMS would need to compete in CEF with digital and smart systems of other modes within the 40%-pillar which means that in the most optimistic scenario it could get half of the second pillar (i.e. roughly EUR 5 billion), while the investment gap is more than EUR 100 billion until 2030. Given that ERTMS is an EU priority project, a different balance should be considered.

Reactions from other members of PRIME highlighted other issues which still need to be addressed:

- 1) Combining financing with legislative actions aiming at removing operational barriers that currently impede multimodality. Josef Doppelbauer (ERA) announced that the ERA report on the combined transport would be shortly published, which concluded that there are still issues with the intermodal loading units and the authorisation of those loading units.
- 2) The need to have a third pillar within the CEF proposal, focused on financing multimodal connectivity and coordinating private and public funds where there is a feasible business case. Such investments will also benefit railways.

AQ concluded that the Plenary seemed generally satisfied with the total envelop of the new CEF. However, more emphasis would be needed on 1) multimodality; 2) digitalisation and ERTMS projects; 3) ways to attract private investment; 4) financing models for innovation.

5. Strategic discussion II: Research & Innovation

– *Including ATO, ERTMS level 3, geo-positioning, European rail test facility, Shift2Rail*

MB moderated the second panel on Research & Innovation, which included Joaquin Jiménez Otero (ADIF), Chris Verstegen (ProRail), Henk Samson (Stukton) and Carlo Borghini (Shift2Rail).

1/ Views on the role of Shift2Rail

Noting the general will from the sector to continue joint research activities that started in 2014 under Shift2Rail Joint Undertaking, MB asked the panelists to provide their assessment on the two possible extreme scenarios:

a) What would be the consequences if Shift2Rail would not continue?

b) Which two priorities would allow the rail sector to maximise the effects of available EU funds for rail research?

Joaquin Jiménez Otero replied that through past investments ADIF has gained a strong experience in three domains: high speed rail control centers, ERTMS and handling of different gauges. These innovative approaches have been replicated by ADIF in projects outside Europe (Saudi Arabia, Mexico, Turkey, India). To maximise return on investment, it is important to pool the resources for research, share results in Europe and sell them beyond. Attention in Europe should move from physical infrastructure to intelligent infrastructure, which involves enhancing connectivity, accessibility and cooperation with start-up companies.

Chris Verstegen highlighted the importance of building a community where all players take the steps together while combining private and public resources. Continuity of Shift2Rail allows to connect the industry actors.

Carlo Borghini noted that there are different speeds and needs in Europe, some projects would be inside Shift2Rail and others not. Shift2Rail allows to avoid duplication of efforts, combine expertise and to share the results inside the community so that everyone can benefit. This would result in a much higher leverage of the effects of investments. Research priorities should be set according to market needs.

Henk Samson noted that a broader, EU wide investment base is necessary for giving private companies assurance to invest into selected technologies.

2/ EU testing facility

MB then asked the panelists' views on setting up a recognised EU rail infrastructure test facility, on what should be its capabilities and how to manage it to maximise benefits? For example, should test facilities for infrastructure, traffic management and rolling stock be bundled together?

Carlo Borghini explained that an integrated testing facility, which allows to test and certify different components at the same time can significantly accelerate deployment of innovative solutions.

Chris Verstegen noted that a shift in mindset is needed towards fewer discussions and more testing. He suggested that there should first be an assessment of which facilities are already available and whether these can be effectively shared between IMs.

Carlo Borghini agreed that pooling would be useful; however this would still not allow to test different components simultaneously, which is essential to reduce the time for placing on the market. He also recalled that other modes are moving away from the physical test to simulations in order to reduce costs.

3/ Priorities for EU level research activities

Finally MB asked the participants to mention their one priority for research in railways.

The panelists noted reduction of operational and maintenance costs, sustainable (low carbon and low cost) solutions and holistic approach as their priorities. The highest level of ERTMS and ATO would need to be deployed to achieve these objectives.

MB suggested that PRIME could follow up this panel discussion by drafting an industry paper on Research & Innovation priorities in the rail sector.

6. Subgroup and meetings – feedback and plans

KPIs & Benchmarking (IP)

Rui Coutinho (IP, KPI subgroup chair) presented the achievements of the subgroup and feedback of the KPI High Level meeting which took place in Paris on 17 May. Five proposals for Plenary were discussed in detail at this meeting, concerning:

- Transparency,
- Publication of the PRIME 2016 Benchmarking Report,
- KPI collection and delivery,
- KPI in-depth analyses,
- Governance mechanism.

The KPI High Level Meeting concluded that the full PRIME 2016 Benchmarking Report would not be made available to the public, since some KPIs are not mature enough. However, an extract of the report with mature indicators (about 70% - 35 KPIs) would be published along with an executive introduction explaining the background of the work, its success factors as well as its limitations at this stage.

The Plenary approved the proposals as prepared by the KPI High Level Meeting with one amendment as regards publication of the PRIME 2016 Benchmarking Report: SBB asked to remove its data from this report.

RC presented the recommended topics for in-depth analysis from which the Plenary should select one for 2018-19:

- Punctuality: preferred option, but with limited experts available;
- IM financing model: alternative option, with more experts available and more robust data.

Both topics were considered important, however it would be difficult to address both because of resource constraints. It was agreed that a pragmatic solution should be found, such as that the KPI subgroup focuses on punctuality due to the importance of this KPI in terms of communication. Possibly, in parallel, the Financing subgroup or the Charging subgroup could carry out the analysis for the financing models.

Carlo Borghini (Shift2Rail) thanked PRIME for the close cooperation on KPIs and said that Shift2Rail could support the PRIME work on punctuality.

AQ concluded that process of carrying out in-depth analyses will be further fine-tuned and suggested to invite also experts and other stakeholders to the respective PRIME workshops.

Charging (EC and ADIF)

Maria Alvarez (ADIF), the subgroup co-chair, provided a feedback on the Charging subgroup activities. The group was established in June 2017 with the objective to have a better understanding of the legal framework in terms of charging policies. The subgroup has met twice to discuss and share IM experiences on the implementation of direct costs. The interpretation and scope of minimum access package, cost base and cost drivers, mark-ups, performance schemes and charging of service facilities have all been identified as possible topics for the future activities of the subgroup.

MA also announced that the subgroup foresees to cooperate with KPI subgroup on financing related issues, as well as with ENRRB. The next subgroup meeting will be organised in autumn in Brussels (date tbc).

Safety Culture (ProRail)

Following the conclusion of the PRIME safety Twinning Programme under the chairmanship of Network Rail, the lead of the subgroup was as from the beginning of 2018 taken over by Menno Rook from ProRail. Depending on availability of EC funds, the group intends to set up a second Twinning programme where more IMs will be able to participate. Other topics for subgroup work in 2018 and beyond include safety leadership, promoting a learning culture, applying rules and serious gaming approach.

Plenary participants suggested that the group identifies what IMs have already taken on board from the first twinning programme, to share practices not only among IMs but also with other modes/sectors dealing with high risks (i.e. nuclear) where safety culture has been applied to encourage pro-active and not only reactive thinking as well as responsible behaviour along with staff engagement.

Josef Doppelbauer recalled that the Agency in collaboration with the EC organised a first European Rail Safety Summit in April 2018 in Dubrovnik, where the value of safety culture was recognised by the signature of the EU Railway Safety Declaration.

7. New members

The representatives of four new PRIME industry members attending the Plenary were welcomed to present their company:

Péter Rónai from MAV; Anna Kodysova Sprava Zeleznicni from Dopravní Cesty; Peter Sisolak from Zeleznice Slovenskej republiky; Henri Werdel from the Société Nationale des Chemins de Fer Luxembourgeois (CFL).

8. Follow-up on PRIME 11 discussion on multimodality

Hans Ring (Trafikverket) presented the PRIME strategic industry paper on multimodality, a living document, containing business cases and examples of multimodality achievements on which PRIME members are invited to propose amendments. It will be published on the PRIME website.

MB and AQ, who participated in the Sofia Multimodality Conference, reported that digitalisation would be the key in improving multimodality with a clear benefit for railways. The conclusions of PRIME 12 panel discussions should be reflected in Version 2 of the PRIME multimodality paper.

9. Follow-up on PRIME-RUD activities on interoperability

1/ Endorsement of the Contingency plan Handbook

J. Kroll (RNE) made a presentation of the Handbook on international contingency management, set up following the Rastatt incident under the umbrella of PRIME and RU Dialogue and unanimously endorsed by RNE General Assembly of 16th May.

The approach will be developed further, given that an update of the Handbook is foreseen in June 2019. PRIME and RUD are working with the RFCs and RNE on a feasibility study of contingency procedures for the disruptions shorter than three days, which is one of the main remaining requirements of the RUs.

Participants noted that some issues on the Handbook, like the involvement of clients and the entire transport chain, still need to be solved. Also, RUs should develop their part of contingency planning.

MB thanked DB Netz and the whole sector for outstanding work done in less than six months.

He added that for future developments of the Handbook the EC together with Member States' ministries will look together to see whether "allocation rules" can be altered in case of major disruptions in order to achieve more rapid recovery.

The Handbook was officially endorsed by the PRIME Plenary.

2/ Operational language

Paul Mazataud (SNCF Réseau) presented the programme on operational language, started in May 2017 to improve the communication between IMs and RUs. The programme aims at improving interoperability and reducing operational costs for RUs while not compromising safety.

It is based on a combination of predefined messages and automatic translation tools. RNE is working on the technical solution which should be ready by 31/12/2020. Pilot projects will be launched on the basis of this technical solution. Annex VI of the Train Driver Directive needs to be modified to allow pilots to run. Keir Fitch (DG MOVE) indicated that such modification would possibly be adopted by the end of 2018 for implementation in 2019. The draft will be discussed in the RISC Committee at the end of June. He added that a prerequisite for assessing the case to allow the tests is that at least one IM and one RU present the case together. According to the proposal, EC would authorize the pilots after consulting ERA and relevant NSAs.

3/ New approach to solving operational problems

MB presented the operational priorities identified within the Issues Logbook and asked which of those can be solved within PRIME and RUD, involving the other relevant parties. He recalled that the Issues Logbook is a list of the most pressing interoperability challenges identified by the sector and established by the EC and ERA. After discussion with stakeholders on 15/5, three topics were chosen as initial priorities:

- Braking sheets and performance (Issues 1 & 2)
- Issues related to train composition and technical checks at border stations (Issues 4 to 8)
- Real time communication about the train composition (Issue 15)

It was noted that discussions are currently going on to identify who will lead and coordinate the work on each topic.

Participants discussed the potential involvement of PRIME members in some topics as a leader or coordinator. RNE noted that, subject to the approval of its General Assembly, it would be ready to take the lead on Issue 15 by extending its TIS system. First step would be to conduct a feasibility study. In the next few weeks, EC will continue these discussions with all interested parties at PRIME and in the rest of the rail sector.

10. Information points

Joaquim Kroll (RNE) provided an update on the Redesign of the International Timetabling Process (TTR) project in particular as regards planned pilot projects. The topic had been discussed more thoroughly during the HLIM meeting on the previous day.

Joaquim Jimenez Otero expressed the support of ADIF to TTR, which is essential for meeting customer needs on the Atlantic rail freight corridor.

11. Date and venue of next meeting

ProRail's hospitality in hosting PRIME 12 was warmly applauded. PRIME 13 will take place on 15 November in Brussels and PRIME 14 in Switzerland in June 2019 (precise time and location tbc).

AQ announced that an ad hoc meeting between the subgroup chairs and PRIME co-chairs will be organised in autumn (possibly in September) in order to coordinate the efforts of the subgroups and to prepare for the next (Nov) Plenary meeting.

ATO and ERTMS demonstrations on the site were kindly offered by ProRail

Annex – List of participating organisations

ADIF
BANEDANMARK
BANENOR
BLS
CFL
DB NETZ AG
EVR
FTA
GYSEV
INFRABEL
INFRAESTRUTURAS PORT.
LISEA
LITHUANIAN RAILWAYS
MÁV
NETWORKRAIL
NRIC
PKP PLK
PRORAIL
RFI
SBB
SNCF RÉSEAU
SZDC
TRAFIVERKET
TRASSE SCHWEIZ
ZSR
EC

Observers:

CER
EIM
RNE
ERA
SHIFT2RAIL

Visitors for panels:

Strukton
Port de Barcelona
RFI