

## WHY RAILWAYS ARE THE RIGHT CHOICE FOR THE FUTURE OF EUROPE: THE CER POLICY AGENDA FOR 2024-2029

Our vision for well-functioning rail passenger and freight services and a high-capacity rail infrastructure shares the modal shift objectives of the EU Strategy for Sustainable and Smart Mobility and aims to foster Europe's green and digital transitions.

We believe future policy actions should be based on four fundamental pillars:

## A. FAIR COMPETITION BETWEEN MODES

Today the regulatory framework is not fair, and past attempts to redress it have failed. The conditions and pricing to access infrastructure differ from rail to road; energy taxation is uneven and favours aviation in particular; VAT rules too are applied unfairly; social conditions also differ, thereby allowing social dumping practices in the road sector. Much remains to be done in this field and concrete policy actions must be priorities for the next legislature.

## **B. ADEQUATE FINANCING OF RAILWAYS**

Railways need fair, long-term, comprehensive financing. Meeting the huge infrastructure investment needs of the sector will require a bigger CEF budget line in a scaled-up MFF, where ETS revenues should be earmarked and EU Green Bonds made standard for supplementary sustainable projects. Multiannual Contracts between governments and infrastructure managers must be drawn up and applied correctly and for a duration of no less than five years. In addition, private resources may be attracted complementarily in certain Member States thanks to the tools provided by the EU Strategy on Sustainable Finance. At a broader level, European Semester recommendations will have to affirmatively promote the green transition, coupling macroeconomic stability with the prioritisation of sustainable investments.

With concrete policy suggestions for each of these pillars, the CER manifesto shows what is needed to allow rail to further develop and Europe to benefit from the system's full potential. We hope it will serve as inspiration for meaningful policy initiatives as of the first day of the new legislative term.

Discover our full manifesto at www.cer.be/ontrackforeurope.

FOR THE NEW LEGISLATURE, RAILWAYS HAVE SET OUT THE POLICY PRIORITIES WE BELIEVE WILL GET US

CER invites EU policymakers to position railways at the centre of any array of policy tools promoting Europe's sustainability and prosperity because of three main features:

Railways are by far the most sustainable mode of transport;

Railways' energy efficiency will help decrease Europe's energy consumption, increase Europe's share of renewable energy sources, and increase Europe's independence from non-EU energy sources;

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Railways are efficient investors and contribute to the creation of sustainable economic ecosystems.

Founded in Brussels in 1988, the Community of European Railway and Infrastructure Companies (CER) is the voice of European railways in Brussels bringing together close to 70 railway undertakings, their national associations as well as infrastructure managers and vehicle leasing companies.

www.cer.be

## C. DEPLOYMENT OF RAIL'S KEY DIGITAL ENABLERS

Accomplishing the digital transition means for rail to deploy its enabling technologies within the shortest possible delay. ERTMS, the Future Railway Mobile Communication System (FRMCS), Digital Capacity Management (DCM) and Digital Automatic Coupling (DAC) in freight are all potential game changers. A new governance should be designed to coordinate ERTMS, DAC and FRMCS investments & deployment to finally unlock the benefits of these key technologies, including better data exchange, optimised capacity and ultimately more trains, also cross-border.

## D. GREENER APPROACH TO MARKET AND **COMPETITION POLICIES**

EU market and competition policies must better take into account EU climate objectives and in fact be re-designed to facilitate their achievement. For example State aid rules should be fit to ensure support for Single Wagon Load and for the technologies that are key to the future development of the rail system. At the same time, the creation of a Sovereignty Fund could be a way to re-balance the spending capabilities of Member States.





