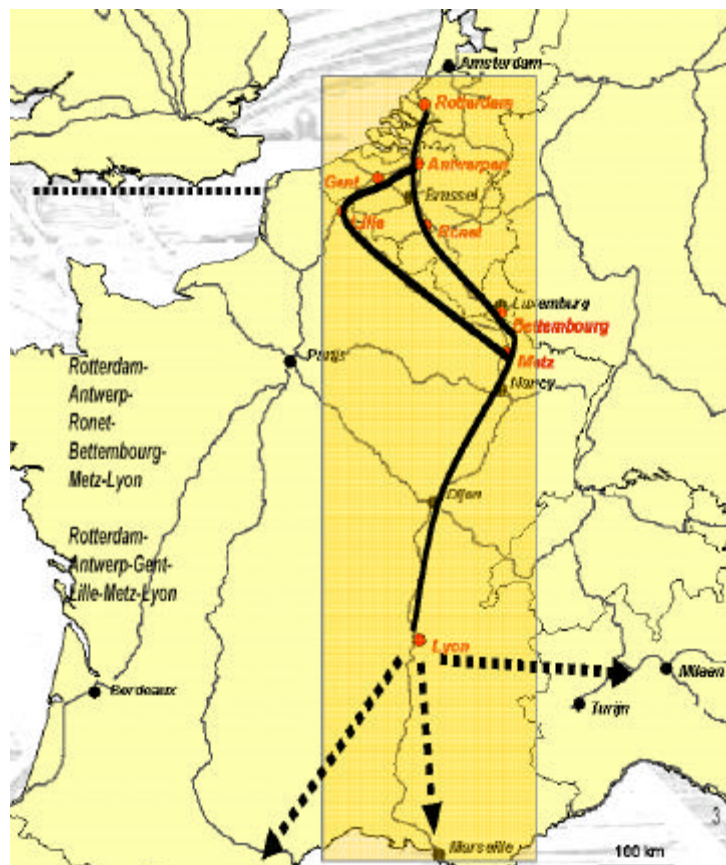


Rail Freight Corridor Rotterdam - Lyon Interim Report 2007 - 2008



I – The context and process

Responding to demand from the transport and logistics sector, the Dutch and French Ministries of Transport agreed in 2004 to begin joint work on an international freight corridor between Rotterdam and Lyon.

We began by noting how little railway traffic there is on the Rotterdam-Lyon axis, despite excess short-term capacity on several parts of the infrastructure (particularly the partially dedicated freight infrastructure of the northeast French artery) and capacity expansion in Luxembourg. We took account of the potential for growth, notably due to the arrival of new rail sector players. On this basis, we set our common objectives:

- to examine the market potential of such a route and the conditions required to facilitate market development;
- to define and put in place a short-term and medium-term (five year) action plan in the areas in which the public authorities are competent to act.

The Belgian and Luxembourg ministries were invited from the beginning to join in the Franco-Dutch project. The four partner countries – France, the Netherlands, Belgium and Luxembourg – considered the development of rail freight traffic in the corridor a matter of common interest.

The ministries' commitment was given concrete form with the signature of a Memorandum of Understanding (MoU) by the four ministers at a Transport, Telecommunications and Energy Council meeting on 10 December 2004. The MoU was to remain in effect for an initial period of two years: 2005 and 2006.

On the basis of a study of the potential market in this railway corridor and the obstacles to its development, a strategic Action Plan was adopted. Its priorities were harmonising regulations, so as to facilitate access to the railway market, and improving the situation at border crossings. It also aimed to improve the supply of services, working together with all the parties concerned (railway undertakings, shippers and logistics services providers) with the ultimate goal of making rail transport more attractive. The intention was to address questions linked to infrastructure reinforcement only at a later date.

On 27 June 2005, the transport ministers of the four partner countries approved the Action Plan for the Rotterdam-Lyon (ROLY) corridor project. This plan included measures in three areas:

- infrastructure and capacity management;
- safety and interoperability;
- regulation of access to the railway market.

Measures were to be taken mainly:

- in the first area by infrastructure managers;
- in the second area by safety authorities;
- in the third area by regulatory bodies.

An interim report was drawn up and issued at the end of 2006, making a balance sheet of what had been achieved and updating the Action Plan to clarify the work ahead in 2007 and 2008.

II – Progress made in 2007-2008

The ROLY Steering Committee issued a statement on 31 January 2007 containing its recommendations for 2007 and 2008.

The delegations from the four countries confirmed that the ROLY project is primarily an initiative of the four states and ministries. It accordingly mandated the Steering Committee, made up of their representatives, to carry on with the tasks undertaken in the Action Plan, focusing mainly on issues of safety and interoperability.

To move ahead on the Action Plan, the Steering Committee relied on the expertise and competence of the national safety authorities, the infrastructure managers (particularly RailNetEurope) and the regulatory bodies. It made presentations to the market players (railway undertakings, combined transport operators and shippers' associations) at meetings in 2007-2008 in several countries.

The main advances made by the end of 2008 in each of the three fields are as follows.

A/ Infrastructure management

Considerable work was done in 2007 and 2008 on infrastructure management. Several points in the ROLY action plan were also being tackled by working groups formed at the initiative of other organisations, like the infrastructure managers' association RailNetEurope (RNE) or the International Union of Railways (UIC), or as part of the European Union's European Rail Traffic Management System (ERTMS) corridors project. This has created a risk of duplication or triplication of efforts.

Measure 1: Implement pragmatic solutions to optimise train length, axle load and free space profile

More progress still needs to be made, particularly on harmonising train length. For example, Belgium cannot join in adopting a consistent maximum length of 750 metres.

The Corridor C European Economic Interest Grouping (EEIG) is also pursuing this same goal.

Measure 2: Establish suitable and connecting preconstructed paths that match demand

The infrastructure managers are cooperating bi- and multilaterally and with their clients to identify the best paths. Substantial resources are needed to choose the paths, due particularly to the numerous international coordinating bodies that exist.

One practical outcome of this cooperation has been RNE's publication of a catalogue of preconstructed paths for ROLY routes.

Nevertheless, the infrastructure managers responsible for the ROLY routes have reached the conclusion that it is not possible to build train paths independently of traction type, due to the great variation in the features of locomotives. Forcing train paths to fit a single pattern could thus lead to inappropriate use of rail traction. The goal of building train paths independently of traction type is therefore not on the agenda at the moment. It remains the case, however, that only a structured timetable will make it possible to meet the rapidly growing demand for train paths and to avoid gridlock. Corridor C is currently doing an in-depth study of this question. In line with the European intention of encouraging the development of freight corridors in a competitive European rail freight network, guaranteeing high-quality international freight train paths is more than ever the main objective.

At the same time, short-term improvement in the processing of train path requests is still a topical issue. In France, for example, the change in procedures for building and allocating train paths, jointly planned for 2009 by the SNCF and the French rail infrastructure manager RFF, should make the situation better.

Measure 3: Improve communication and information exchange at rail path level

RNE has a tool called Pathfinder to process international train path requests. However, railway undertakings are still not using it for freight in all EU countries, chiefly because some of them are still using their own, incompatible systems. The infrastructure managers are endeavouring through RNE to convince their clients to use this tool and improve non-discriminatory access to it.

The train tracking and follow-up tool Europtirails is employed in Belgium, France and the Netherlands; Luxembourg will adopt it in 2009. The different methods of real-time train number management by the different ROLY infrastructure managers nonetheless make it difficult to ensure the quality of the data gathered through train follow-up. In 2009 RNE will propose ways of improving data quality and will improve the provision of information on the benefits of Europtirails.

Measure 4: Agree and implement performance clauses for infrastructure services

Performance clauses can be implemented using Europtirails data. However, this can only be done once a sufficient quantity of data is assembled, and this will only be possible once various aspects of Measure 3 are carried out. RNE and the UIC plan to do feasibility tests in the second half of 2009.

Measure 5: Develop a non-discriminatory and transparent corridor charging approach

Each infrastructure manager will attain the goals of transparency and non-discrimination by setting clear charges and publishing them annually in its network reference document.

At the international operational level, RNE is making the tool European Infrastructure Charging Information System (EICIS) available without charge so that it can be used to indicate the train path usage price for various routes, including the ROLY routes. However,

problems with data quality and availability are undermining the accuracy of the results supplied by EICIS. It is also difficult for the various infrastructure managers to standardise their invoicing methods. Nonetheless, note should be taken of the progress the infrastructure managers are making in working together to set more realistic prices.

Measure 6: Create a one stop shop web portal with accessible and relevant corridor information

RNE is working now on harmonised introductory booklets on each corridor. Since each corridor has its own specific needs, these booklets are not yet available.

RNE has considerably improved the presentation of the corridors on its website. This is true particularly of Corridor 5, which includes the ROLY routes.

B/ Safety and cross acceptance

Safety issues were a priority for ROLY in 2007 and 2008, as part of a European effort to develop a common regulatory framework. The following three subjects have received special attention:

- cross acceptance of locomotives and other rolling stock throughout the corridor;
- safety certificates;
- non-discriminatory access by train drivers to training and examination centres.

These points are closely related to three EU directives:

- the interoperability directive (2008/57/EC) for cross acceptance of rolling stock;
- the directive on railway safety (2004/49/EC) for safety certification;
- the directive on the certification of train drivers (2007/59/EC) for driver training.

The directives only establish a framework; the ministers are responsible for transposing them into national legislation. The European Railway Authority (ERA) will develop the tools and methods that the national safety authorities need to harmonise their participation in this framework. This legislation has made progress possible on issues affecting ROLY, as discussed below.

Measure 7: Simplify and harmonise technical and administrative cross-border issues at operational level

As European projects have moved forward, legislation is gradually being adopted, notably to establish a two-part security certificate, to agree on cross acceptance of rolling stock in several different countries, to establish a European train driver's licence and to gradually apply the technical interoperability specifications to train operation. In this framework, railway undertakings have also concluded cooperation agreements that facilitate exchanges at the borders. Exchanges and visits between national safety authorities have taken place with a view to resolving cross-border issues.

Measure 8: Agree and use a common insurance coverage approach across the corridor

The countries involved in ROLY have very different insurance requirements. This measure was aimed at establishing a common minimum level of coverage to be used by all the partner countries, so as to bring about consistent coverage of insured risks. In practice the current situation causes no difficulties for the railway undertakings. This measure should therefore be dropped.

Measure 9: Mutually accept locomotives across the corridor

Directive 2008/57/EC on interoperability lays the basis for cross acceptance of vehicles. However, the ROLY countries' national safety authorities anticipated the directive's provisions on cross acceptance of vehicles, particularly freight wagons and locomotives. The fruits of their labour were manifested in the signature on 22 December 2008 of a protocol on cross acceptance of locomotives by Belgium, France, Luxembourg and the Netherlands. This protocol, applicable to both new and existing locomotives, is a major step forward for the ROLY corridor, as it makes international acceptance of rolling stock easier and therefore less costly. Twice-yearly updates of this agreement are planned to take account of technological developments and of the test of experience in the approval of locomotives.

In short, thanks to this protocol, for ROLY the question of cross acceptance of locomotives is largely resolved. In addition, work has already begun on integrating Switzerland into this agreement.

The work already accomplished by national experts in the framework of this agreement will facilitate ERA's efforts for cross acceptance of vehicles at European level, which should

result in a list of basic criteria for authorisation of rolling stock. In this way each member state will have the list it should use as a matrix for its rules. This matrix will eventually allow states to compare their rules to other states' rules and see if they are equivalent, thus limiting the number of rules with which compliance must be verified. This information could also be used by the railway industry for studies, production, testing and approval.

All the participating countries' national safety authorities were expected to put the draft agreements on their internet sites before the summer of 2009. The draft agreements are already on the site of the French safety authority EPSF, with the list of points on which national rules may or may not be considered equivalent. The technical documents that give the details are available from the EPSF on request.

In addition, in September 2008 Belgium, France and Luxembourg signed a protocol on wagons. The Netherlands is expected to accede to it in 2009.

Measure 10: Simplify and modernise cross-border safety certification procedures

The European safety directive established a two-part safety certificate, the first part of which is issued in the country of origin and valid throughout the EU, while the second part is linked strictly to the specificities of the country in which the undertaking would subsequently like to operate. The European Railway Agency (ERA) is currently developing a set of documents that will allow the national safety authorities to use the same methods to process applications. In addition, several national safety authorities have begun reviewing their procedures for processing applications for safety certificates, in order to move towards harmonised procedures and mutual recognition. These reviews should soon be carried out by all EU member states.

As the issue of harmonising safety certificates has thus been taken up at European level, it now goes beyond the ROLY framework and should not be addressed within it.

Measure 11: Mutually accept train drivers across the corridor

Directive 2007/59/EC on the certification of train drivers establishes a 'driving licence' for train drivers. This licence is divided into two parts: one part, dealing with general requirements, is granted by the national safety authority or by a body it designates; the other part, dealing with requirements related to rolling stock and infrastructure, is granted by the railway undertaking. This licence is valid throughout Europe. Every driver operating cross-border train services will need to obtain one by the end of 2012.

Train drivers on the ROLY routes did more cross-border work in 2007 and 2008, because the national safety authorities were anticipating the new licensing directive (2007/59/EC). Nevertheless some problems have arisen and cross acceptance of train drivers is still not complete. This unresolved issue will thus demand special attention in the coming months.

In addition, Directive 2004/49/EC on railway safety requires member states to ensure free access to training courses for train drivers. The ROLY partner countries have made progress in improving the diversity of, and access to, training centres.

C/ Regulation of the market

Representatives of the various ROLY countries' regulatory bodies have continued to monitor market access conditions on the Rotterdam-Lyon axis and to make progress in promoting more competition and haulage on the routes.

Measure 12: Effectuate neutral corridor monitoring, primarily for non-discriminatory access and fair treatment

Judging by the oversight of the market in 2007 and 2008, most of the railway undertakings active in the ROLY corridor countries believe that there is a potential market for exchanges between the four countries and have expressed interest in developing it, as well as in exploring opportunities to extend it to Italy and Spain. Despite this potential, the volume of exchanges did not grow significantly in 2007 and 2008 in the ROLY corridor. Combined transport operators established rail freight transport services between the Netherlands and France in recent years, but experienced difficulty in sustaining these services, chiefly because of insufficient quality and regularity of the train paths. In addition, the economic crisis resulted in a fallback in haulage from November 2008.

The model based on cooperation between the traditional national firms has continued to exist in the ROLY corridor countries (as the multinational freight project SIBELIT shows), but has shifted little by little towards a model based on competition among railway undertakings offering international transport services. However, the railway undertakings still face obstacles in organising their haulage in the corridor countries.

In France, the language barrier makes it harder for railway undertakings to obtain information from the RFF. They also have difficulty in obtaining reliable, high quality train paths, mainly because of lack of coordination between train path planning and track maintenance planning. With regard to the issue of language, however, it should be noted that the infrastructure managers in the ROLY corridor have made network reference documents available in languages other than their national languages (mainly in English).

The regulatory bodies' representatives have reported progress in promoting cooperation among infrastructure managers. Each infrastructure manager now has the capacity to publish a catalogue of train paths. This means that the 2010 schedules for all the routes in the corridor have been made available to operators active in it.

With regard to safety and interoperability, the regulatory bodies' representatives welcomed the signature in Brussels on 22 December 2008, by the directors of the four ROLY countries' national safety authorities, of the protocol on cross acceptance of locomotives. This agreement manifests the desire of the national safety authorities and their countries to find practical, joint solutions that will foster interoperability between the four countries and dynamic growth of their rail market, particularly in the ROLY corridor. Nonetheless, the railway undertakings continue to complain of several persistent barriers to interoperability, notably the complexity of the procedures for obtaining access to rolling stock maintenance services.

Major regulatory developments took place in France in 2008. A new Decree was issued, no. 2008-148 of 18 February 2008, amending Decree no. 2003-194 of 7 March 2003. Among other things, it allows operators of combined transport, as well as port authorities that manage railway lines linked to their national rail net, to apply directly for train paths and put them at the disposal of railway undertakings so that they can supply transport services. Until now only railway undertakings could apply directly for train paths. In addition, in 2009, responding to demand from most of the market players, a bill has been drafted to establish a true rail services regulatory authority (ARAF), which will have more extensive powers than the existing Mission de Contrôle des Activités Ferroviaires.

As of the end of 2008, eight railway undertakings were operating in France and doing freight transport; new undertakings controlled about 10% of the market. In the Netherlands, 15 railway undertakings are active and have safety certificates for freight transport; new players have a market share of about 25%. In Belgium as of the end of 2008, eight railway undertakings have safety certificates, of which six are operating on the Belgian network; new undertakings have a market share of about 5.5%.

Following up the European Commission's remarks and pursuant to Directive 2007/58/EC, the Belgian regulatory body will be granted more autonomy in the next few years, and eventually will probably become completely independent from the ministry.

D/ Conclusion

The national safety authorities' efforts to promote cross acceptance of rolling stock were particularly fruitful in 2007 and 2008, in keeping with the priorities set by the ROLY Steering Committee. These efforts demonstrate the national safety authorities' commitment to increase mutual cooperation.

The infrastructure managers also made substantial progress, notably in publishing train path catalogues and coordinating haulage regulation through their Europtirails project.

Measures 5, 8 and 10 have been terminated, either because their goals had been attained or because they have been taken off the agenda.

As laid out in detail below, the implementation of the other measures needs to continue. A proposal is made in section III below for assigning responsibility for them. In the meantime, the ROLY Steering Committee will continue to be in charge of implementing them.

III – Prospects for 2009 and beyond

The following initiatives concerning rail freight had been launched by late 2008 and early 2009 in corridors linking Belgium, France, Luxembourg and the Netherlands.

1. RNE Corridor 5 (Marseilles-Basel-Antwerp-Rotterdam)

Corridor 5, an initiative of RNE, links Rotterdam and Antwerp to Paris, Marseilles and Basel, and also includes branches connecting Rotterdam, Zeebrugge and Paris to a number of rail hubs. A Steering Committee chaired by a corridor manager is in charge of this initiative, which is aimed at promoting efficient allotment of capacity and improving traffic conditions. The corridor manager supervises the annual publication of a catalogue of train paths. An initiative is being launched to improve performance in the corridor.

2. ERMTS Corridor C (Antwerp-Lyon-Basel)

Corridor C, linking Antwerp to Basel and Lyon, is the product of an MoU signed on 17 March 2005 by the European Commission and a number of European rail organisations: the Community of European Railway and Infrastructure Companies (CER), the European Rail Infrastructure Managers (EIM), the UIC and the Association of the European Rail Industry (UNIFE). The Corridor C EEIG, formed on 16 March 2007 by the French, Belgian and Luxembourg infrastructure managers RFF, Infrabel and CFL, coordinates the work on the corridor. The Swiss infrastructure manager SBB has been associated with the project since 24 October 2007. The Corridor C Executive Committee, made up of representatives of the four countries' transport ministries and infrastructure managers, supervises the EEIG's work; the European Commission and ERA are also invited to its meetings. The Corridor C EEIG is aimed, as article 2 of its statutes provides, to promote measures in its member countries to improve interoperability, in particular by installing European Train Control System (ETCS) equipment all along the track and on the engines. The European Commission's ultimate objective, as expressed in the ERTMS MoU, is the growth of goods haulage on the priority axes as part of a global policy of sustainable transport.

3. And of course the ROLY (Rotterdam-Lyon) corridor described in the previous section.

There are substantial convergences among these three corridors, which are prompting efforts at rationalisation. The measures already undertaken in the different corridors can be grouped under four major headings:

- infrastructure management;
- safety certification and interoperability;
- regulation of the market (by representatives of regulatory authorities);

- installation of ERTMS (only in ERTMS Corridor C).

In some cases these measures accelerate the implementation of EU directives. They sometimes improve cooperation among partner countries on specific issues and contribute to corridor development.

The general orientation of the European Union is to organise corridor initiatives around ERTMS corridor EEIGs. For example, RNE decided at its General Assembly on 26 November 2008 that, where corridor EEIGs have already been established, it will transfer its corridor managers to the ERTMS EEIGs covering roughly the same geographic areas. Specifically, the corridor manager of RNE Corridor 2 will be transferred to the Corridor A EEIG, and the corridor manager of RNE Corridor 5 will be transferred to the Corridor C EEIG. Given the high quality dialogue that began at an early stage between RNE and the Corridor C EEIG, it seemed desirable to clarify and rationalise their relations and respective missions for the development of trans-European freight corridor projects.

As RNE corridor managers are responsible for substantially larger areas than the ERTMS corridors, the EEIGs are now being called upon to undertake a whole set of wider tasks. The Corridor C EEIG agreed at its Assembly on 5 December 2008 to accept this wider mission.

All four countries involved in the ROLY corridor support this approach. They are therefore planning to explore the possibilities of integrating the measures already undertaken in the ROLY corridor into the Corridor C project. The task now is to find the most effective way of capitalising on the achievements made so far in the ROLY corridor while harmonising them with the work in Corridor C.

The Corridor C EEIG, in support of RNE initiatives that are being applied to the ROLY corridor among others, is active in the field that falls under the infrastructure managers. It is thus an entirely suitable forum to take up the objectives and tasks in the ROLY corridor for the lines that are part of Corridor C. As for the lines that fall outside Corridor C narrowly defined, as mentioned above, the Corridor C EEIG Assembly on 5 December 2008 decided to take on all the tasks previously handled by the corridor manager of RNE Corridor 5. In addition, the EEIG agrees that the quality and interoperability working groups and the ETCS are open to participation by Dutch experts.

The transport ministries of the ROLY partner countries request that the Corridor C EEIG and Prorail lay out how they will work together to organise the transfer of RNE Corridor 5

activities. The transport ministries of the ROLY countries and the Corridor C countries will decide how to reorganise the tasks previously carried out by ROLY – as detailed in this interim report – of coordinating the work of their national safety authorities and regulatory bodies. The ministries will also decide how to structure the participation in the Corridor C Executive Committee of a representative of the Dutch ministry.

The ROLY ministries consider it advisable to amend the Corridor C Letter of Intent (LoI) in order to attain the ERTMS development goals and enhance performance on the Rotterdam-Antwerp line. Belgium and the Netherlands will do an ETCS feasibility study between Rotterdam and Antwerp, under the direction of the EEIG and in cooperation with the ETCS working groups.

In conclusion, we propose to move towards unifying ERMTS Corridor C, RNE Corridor 5 and the ROLY corridor within the Corridor C EEIG, under the supervision of Corridor C's ministry-level Executive Committee. This unification should make it possible to avoid any duplication of effort and avoid wasted energy, while preserving the previous achievements of these three corridors. We must now focus efficiently on the objective of a high-performance European rail freight network.