

Rail Freight Declaration

**by the Community of European Railway and Infrastructure Companies (CER)
and the European Transport Workers' Federation (ETF),
European Railway Sector Social Partners**

1. More freight transport on rail is an essential element for achieving the 2011 Transport White Paper goals regarding lowering Europe's oil and gas dependency and reducing greenhouse gas emissions generated by the transport sector. Technological innovations in alternative propulsion systems and fuels, fuel efficiency or in Intelligent Transport Systems are not sufficient to achieve the objectives (*for some figures on the ecological footprint of rail, see Annex*).
2. Past EU policies to stimulate freight transport by rail and to promote a modal shift towards more environmentally friendly transport modes have had a limited effect so far. While twelve years of (gradual) liberalisation of the rail freight market in Europe, resulted in an increase in intra-sectorial competition, the EU has not on average shifted more freight to the rail sector. The economic crisis of 2008 hit the rail freight sector strongly and still today it has not fully recovered. The rail freight market share is falling dramatically in many countries. The whole rail freight market is suffering in most of the countries across the continent. In some countries, specific segments (for example, single wagonload, where this business model is still adopted) are particularly suffering and their future is jeopardised in many parts of Europe. According to the European Commission¹, the single wagonload share of rail traffic dropped from 50% in 2004 to 27% in 2012.
3. Despite efficiency-enhancing and cost-saving measures being set in place by railway companies in order to assert their position in intermodal competition, the situation in the rail freight sector is still critical. Some of these measures hit the railway workforce hard and employment is still falling in a number of Member States. Other measures are necessary that allow the rail freight sector to create new quality employment.
4. The European social partners deplore that the rail freight sector is repeatedly overlooked. 85% of EU Member State investments in inland transport infrastructure are spent on road transport infrastructure and only 15% on rail (and inland waterway) infrastructure with a dramatic decline of this share in Central and Eastern European countries.

¹ Study on Single Wagonload Traffic in Europe - challenges, prospects and policy options – report of PwC on behalf of the European Commission, February 2015, available at http://ec.europa.eu/transport/modes/rail/events/doc/2014-11-27-rail-freight-days/session_4_-_study_on_single_wagonload_traffic_in_europe_vs7.0_eu_freight_days.pdf.

Good rail infrastructure is decisive for reliable and punctual quality services but there is chronic underinvestment in rail infrastructure. More investment is therefore necessary to allow the rail freight sector to fully develop its potential.

5. There is a distinct lack of balance between the different transport modes with reference to the costs they generate for society and the extent to which these costs are borne by the end user. Furthermore, there are national tax regimes that create imbalances between the transport modes by favouring certain transport modes over others. This leads to a framework where specific modes of transport are artificially cheaper compared to competitors and prices do not reflect the real costs. In particular, it is necessary to ensure all external costs of transport are covered.
 6. Furthermore, there is a lack of recognition of the role of rail freight infrastructure in spatial and urban industrial planning to the detriment of a sustainable transport network. Maintaining and developing good rail infrastructure for freight is not only relevant for the inclusion of Europe's regions and sub-regions in the trans-European transport network. It is just as relevant for regional employment and a sustainable freight transport system.
 7. The European social partners express their deep concern about the future of rail freight transport. They are convinced that without decisive political decisions, the EU's climate targets for transport will not be achieved. Action is urgently needed to eliminate the unfavourable competitive conditions between modes that hamper the growth of the rail sector. The European social partners are therefore calling on the EU Institutions and national governments to devise a fairness and growth plan for rail freight in Europe.
- 8. Such a fairness and growth plan must include at least the following:**
- a. Ensure that Member States provide sufficient and reliable long-term funding to improvements of rail infrastructure quality and capacity to enable the provision of reliable and sustainable services by rail freight operators; earmark revenues from infrastructure user charges for investment in infrastructure for sustainable modes of transport;
 - b. Promote a better integration of rail in the logistics chain by connecting the rail network to industrial sites, warehousing facilities and urban distribution nodes; where appropriate, and according to specific national situations, maintain and establish a new offer and a new business proposition for single wagon load;
 - c. Enhance rail connections to seaports and hinterland terminals; promote combined transport;
 - d. Put transport at the heart of EU energy and climate policy;

- e. Take appropriate actions at EU and national level in order to achieve the modal shift targets indicated in the 2011 Transport White Paper; binding modal-shift targets should be defined at European level;
- f. Ensure that all transport modes are treated equally and that there is a level playing field for all transport modes, including when it comes to infrastructure user charging, taxation and full internalisation of all external costs;
- g. Ensure a fair social level playing field in all transport modes; competition between and within transport modes should be based upon sound business models and not upon social aspects such as a disregard of decent working conditions or a disrespect of working time rules;
- h. Ensure well-qualified transport professionals as well as appropriate lifelong learning and updates, allowing the transport professional to acquire the new skills and knowledge needed for a smooth career development;
- i. Remove technical and administrative bottlenecks while keeping a high level of qualification and occupational safety standards;
- j. Exclude any further liberalisation of road cabotage;
- k. Support the stabilisation of existing weights and dimensions of road vehicles and trailers, to avoid negative impacts on rail freight.

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Annex to the Declaration

Transport emissions: rail is part of the solution

Rail represents less than 1.5% of the EU transport sector's total CO₂ emissions but carries 18.1% of inland freight and 6.5% of passengers. Rail is the least CO₂ intensive transport mode (apart from urban cycling and walking).

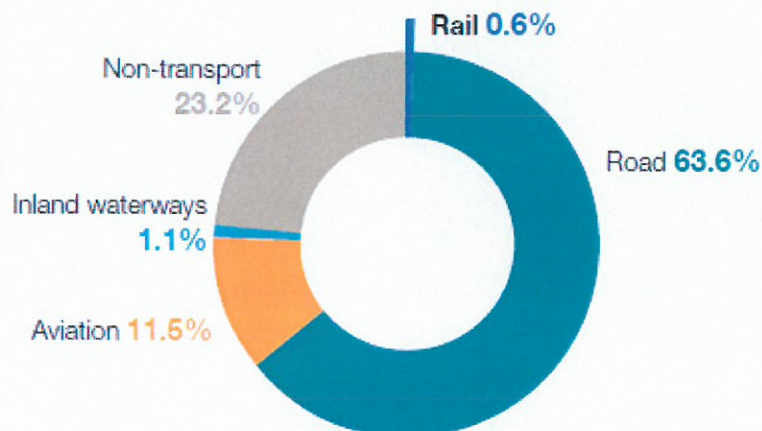
Specific CO₂ emissions by transport mode (freight):



Source: European Environment Agency, 2012

Rail has the smallest oil consumption of all major transport modes

The transport sector accounted for around three quarters of the EU's consumption of oil and oil products in 2013. Road transport alone is responsible for 63.6%, whereas the share of rail is just 0.6%.



Source: Eurostat energy statistics, 2015