

Rail transport in South East Europe

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CER membership



Geographical scope of CER membership

1988

12 EU
Member
States

14 Founding
CER
Members

1998

15 EU
Member
States

32 CER
Members

2008

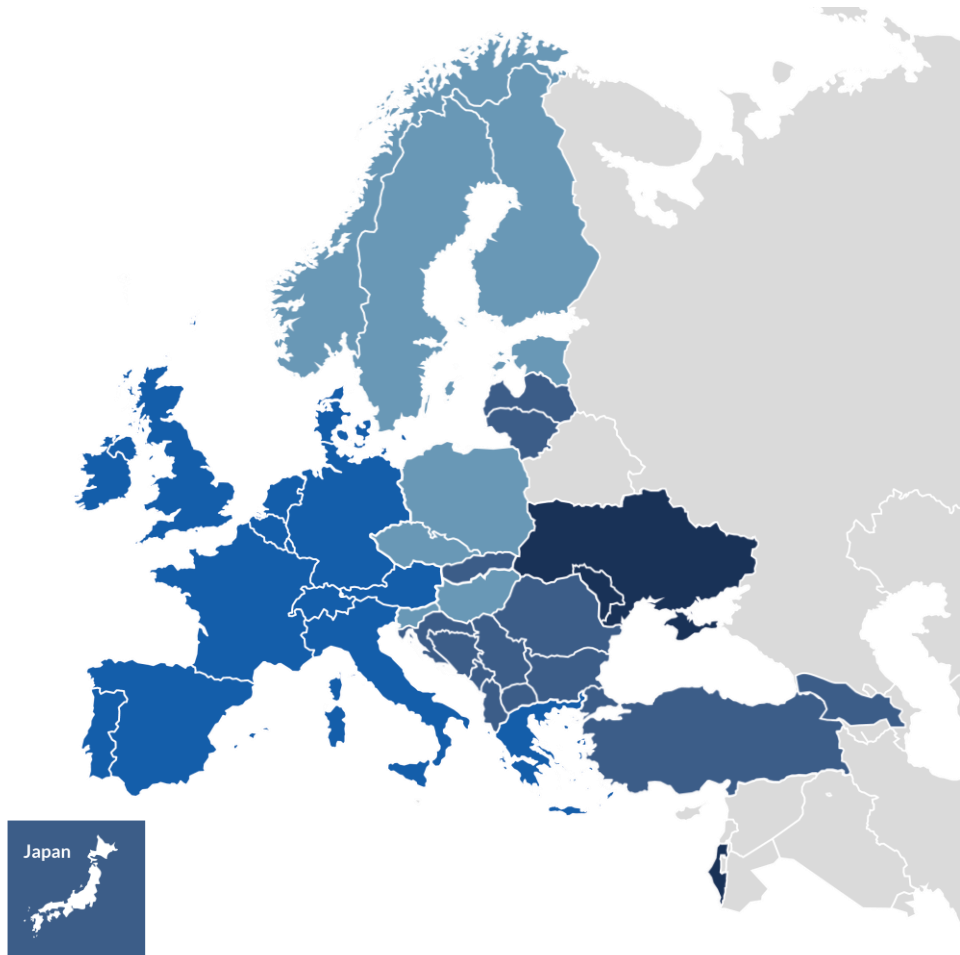
27 EU
Member
States

68 CER
Members

2018

28 EU
Member
States

74 CER
Members

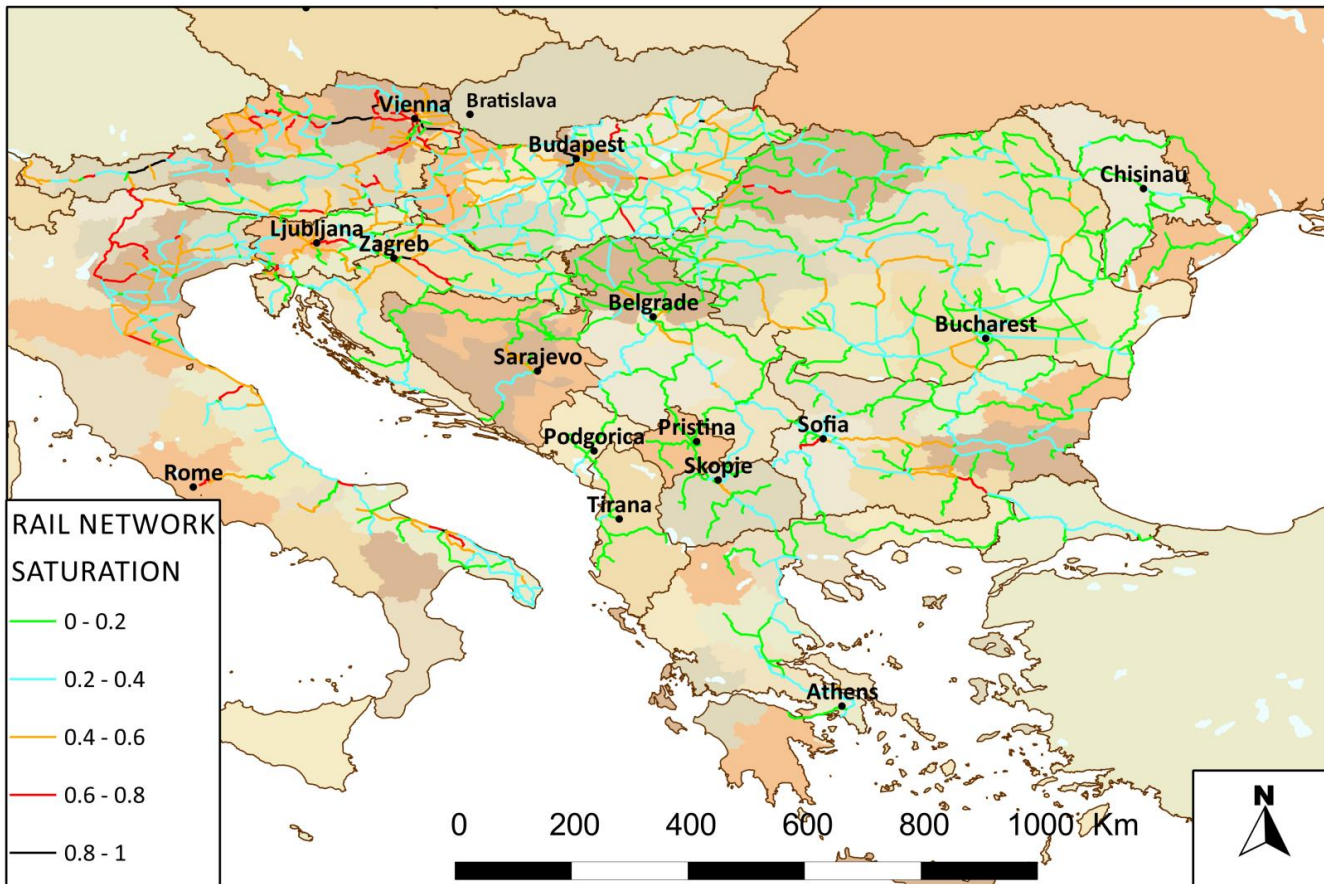


Strategic position for Eurasian traffic



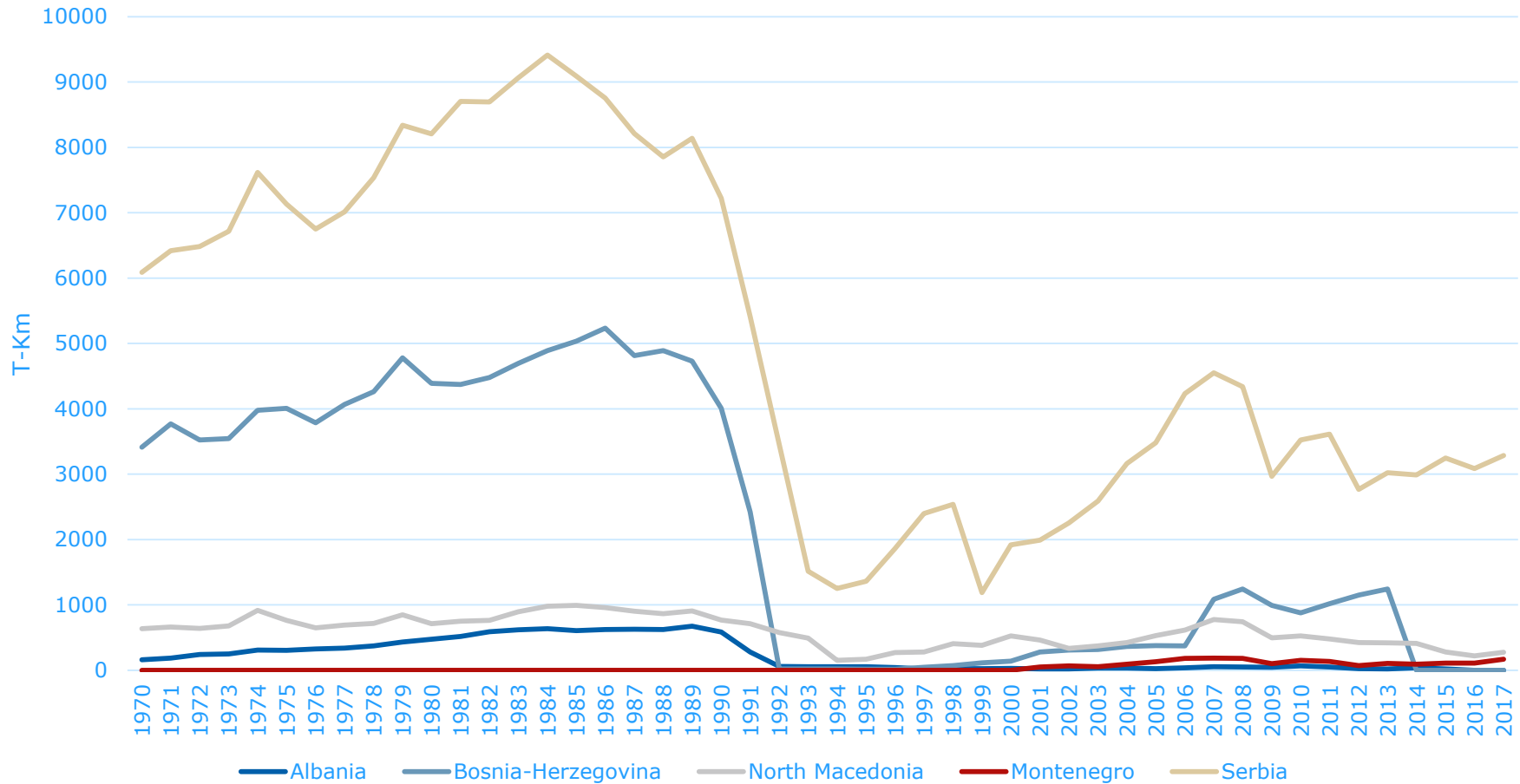
- ✓ €1.5 trillion in annual trade between Europe and Asia
- ✓ Europe and Asia account for over 60% of the world's GDP
- ✓ Connection to China-Europe rail/multimodal land bridge
- ✓ Link with European Rail Freight Corridors (via the Alpine-Western Balkan corridor)
- ✓ EU-WB connectivity agenda as a key support factor

Untapped rail traffic in the WB



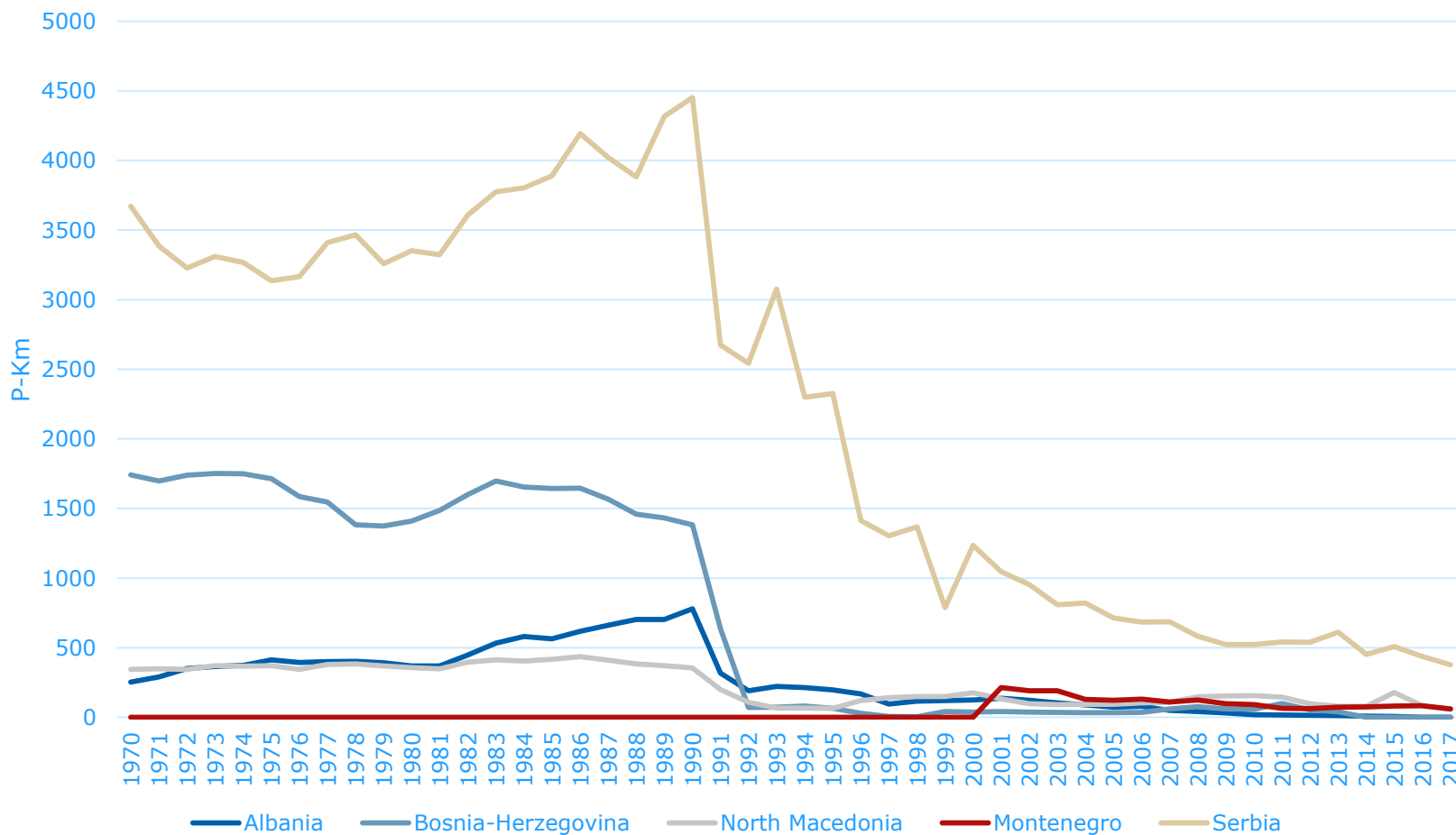
- Demand for East-West freight transport /logistics
- Sufficient infrastructure capacity
- Currently low passenger and freight volumes

WB Rail Freight development



- Negative Rail Freight development

WB Rail Passenger development



- Negative Rail Passenger development

CER supports the EU/WB6 shared goals

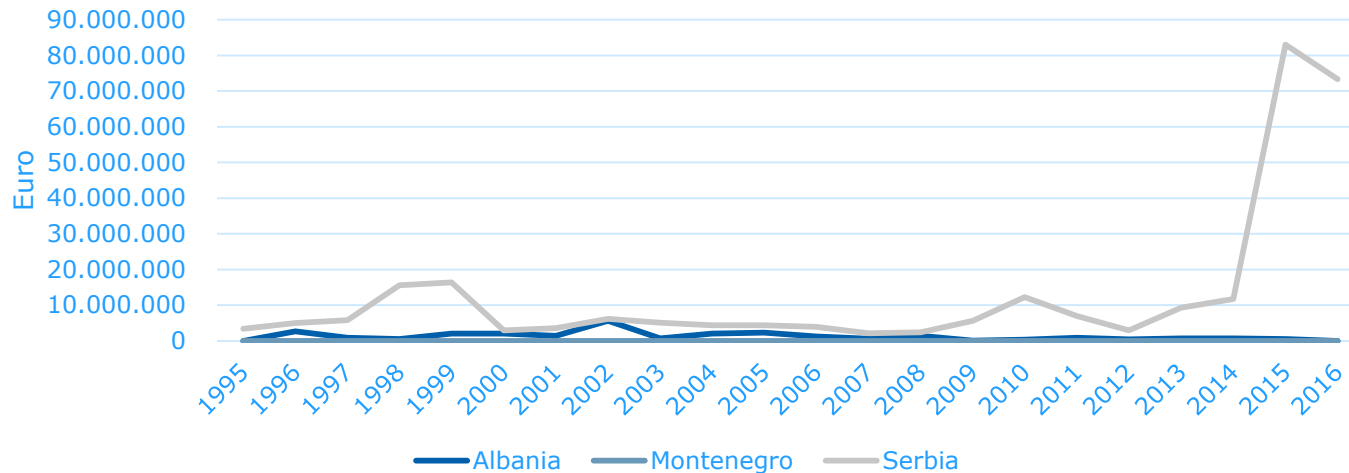
- 2018 joint EU-WB6 declaration for a new regional rail strategy, aimed at boosting international rail transport services (both freight and passengers), within and across the Western Balkans
- Expected actions on:
 - ✓ Market opening
 - ✓ Implementation of EU Rail Freight Corridors in the WBs
 - ✓ Implementation of Digital solutions (ERTMS, registers, etc.)
 - ✓ Development and maintenance of the TEN-T Infrastructure
 - ✓ Improving rail border-crossing operations

Three priorities to increase rail competitiveness

- More investment in infrastructure quality:
 - ✓ urgent need for rail rehabilitation and proper maintenance: multi-annual contracts and proper financing (regular and backlog)
- A truly “common” regional approach for authorities and railways
 - ✓ Enhancing and speeding up train handling (and customs) procedures in border stations
 - ✓ Keeping harmonized technical and operational rules ensuring interoperability on cross-border sections
 - ✓ Harmonised quality and performance monitoring and traffic management across corridors
- Intelligent approach to implementation of the EU rail acquis

WB Infra investment and maintenance

Rail Infra Investment



- Available data (ITF/OECD) seem to be scarce and patchy for most of the countries in the region

Rail Infra maintenance



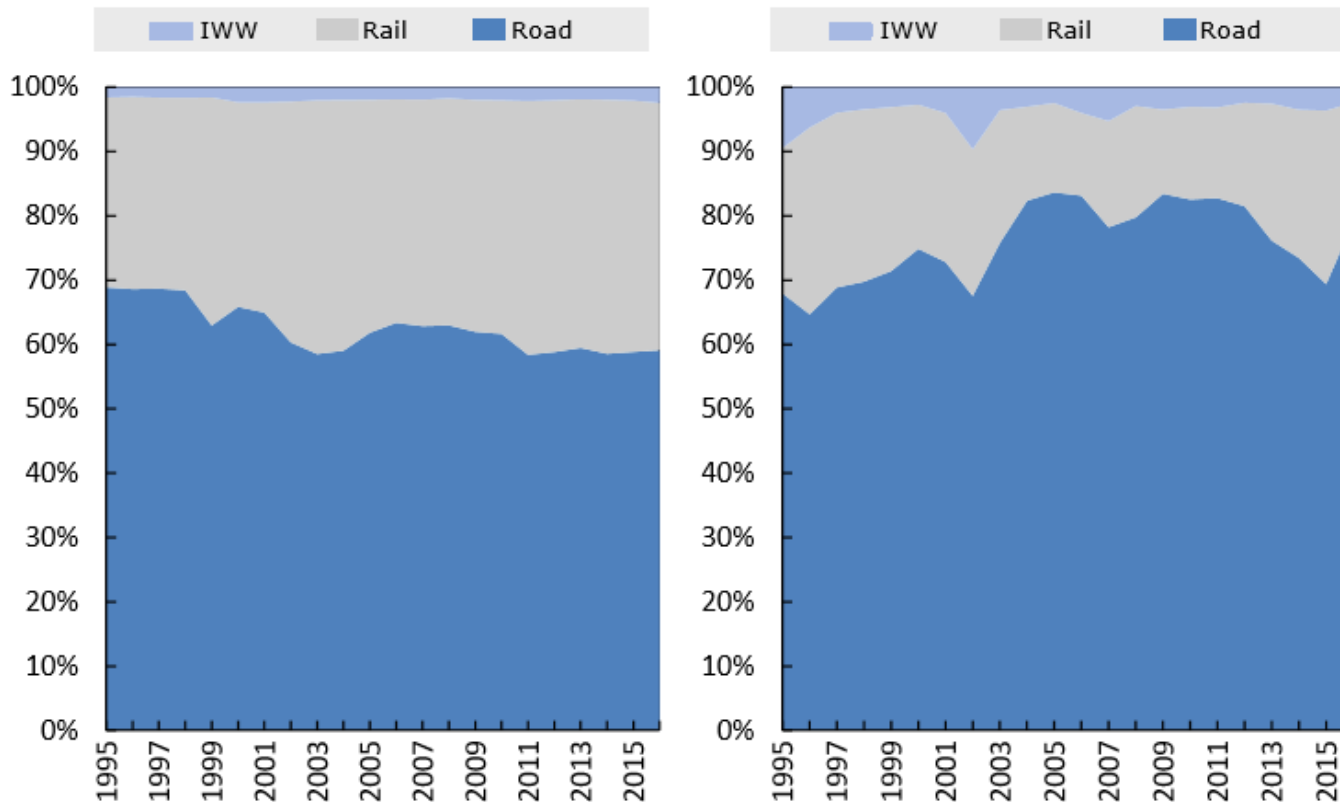
Stop the re-shrinking investments in rail

Figure 3. **Distribution of infrastructure investment across rail, road and inland waterways 1995-2016**

Current prices, current exchange rates (%)

Western European Countries (19)

Central/Eastern Europ. Countries (15)

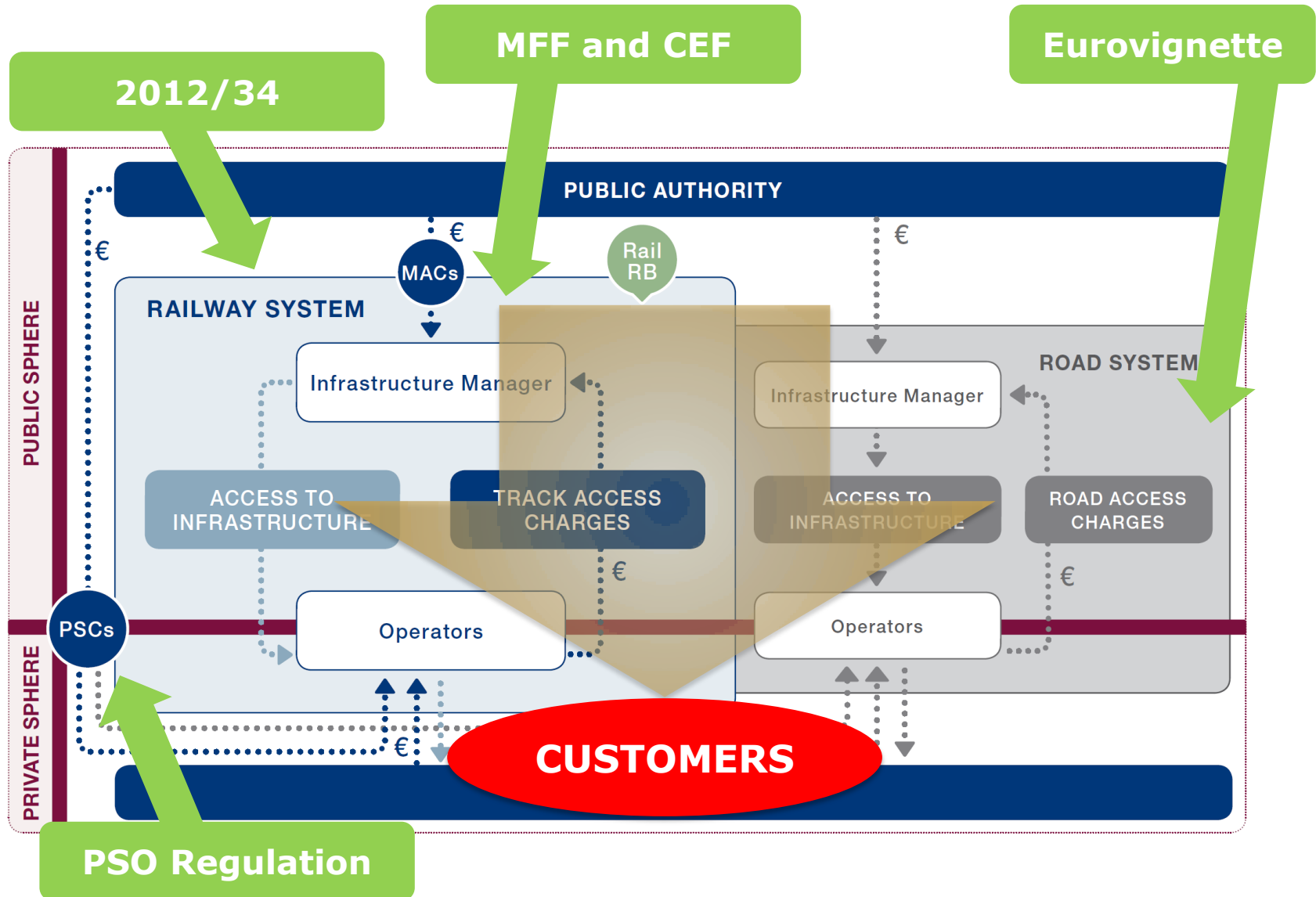


- Since 1995, CEECs shift money into roads
- Trend reversal following the financial crisis 2008-2014
- From 2014, distribution shifts back to pre-crisis trend of more spending on roads and less on railways

Regional cooperation and coordination are needed

- ✓ Rail is vital for ensuring proper regional integration and **trigger the potential for regional traffic**. This is true for both passenger and freight
- ✓ Most of the SEE area is a potentially **single job market**: commuter traffic can and will grow
- ✓ Coordination of national economies and the interplay of the comparative advantages should and eventually will **restructure subregional economies along a coherent value chain**
- ✓ **Administrative cooperation from different governmental branches is also needed** (i.e. to speed up Border Crossing Procedures!)

The EU rail acquis covers a complex rail system which must be customer centric



Lesson learned: Market opening necessary but not sufficient!

- Market liberalisation has to be implemented in a context where:
 - ✓ Infrastructure & Public Service Contracts are adequately financed
 - ✓ All types of services (freight, PSO, open access) are properly accommodated
 - ✓ Intermodal level playing field is guaranteed

How will CER support the process

- ✓ Full support from the European railway community to the permanent secretariat of the Community Treaty
- ✓ Readiness to mobilise and involve South-East European railway stakeholders
- ✓ Facilitating contacts and exchanges with (and within) CER membership, with experiences in implementing the EU rail technical acquis
- ✓ Continuing advocacy activities to support financial instruments that can impact investments in the region (CEF, TEN-T/RFCs, etc.)

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For regular updates on CER activities,
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