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## NO SHIFT FROM ROAD TO RAIL WITHOUT LIBERALISATION

UNICE calls on the Council of Transport Ministers, meeting on 26 March, to make real progress in its work on further railway liberalization, based on the European Commission's proposals from last January (second railway package).

With an anticipated 38% growth in demand for freight transport over the next ten years, Europe will clearly need <u>well-functioning railway transport services</u>. This is why European business fully supports the Commission's proposals to liberalise domestic rail freight transport.

It is equally important to make swift progress to improve connections between the different national networks and to give greater priority to slots allocated to freight trains.

The Commission's proposals would bring about completion of the internal railway market by 2006, and UNICE calls on the Transport Council to adopt them swiftly, without extending this deadline.

Already in Gothenburg, the European Council called for a shift from road to rail transport. UNICE stresses that any such modal shift will not occur unless the price/quality ratio of railway services improves significantly. Liberalisation of railway freight transport is crucial to this. It can break the vicious circle of high tariffs, low quality, falling market share, continuing financial losses, postponement of necessary investments and the threat of job losses.

UNICE also notes with concern the continuing disruption to rail freight services through the Channel Tunnel as a result of incursions by asylum seekers. The European business community welcomes the recent restoration of some services, but urges the French and UK Government to find a solution to permit services to fully return to normal. If this disruption continues there is a very real danger that confidence in rail freight, on a vital international route, will be damaged permanently, undermining the EU's target for the growth in rail freight.

## Note to the editor:

UNICE is the official voice of more than 16 million small, medium and large companies active in Europe, employing over 106 million people. Active in European affairs since 1958, UNICE's members are 34 central industrial and employers' federations from 27 countries, working together to achieve growth and competitiveness in Europe.

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