



Mr Maurizio Lupi
Minister of Infrastructure and Transport
Ministry of Infrastructure and Transport
Piazzale di Porta Pia 1
IT-00198 Rome
ITALY

C.c.: Members of the Transport Council

6 October 2014

Re: Your discussions on the 4th Railway Package at the next Transport Council on 8 October 2014 in Luxembourg

Dear Minister, *Dear Mr. Lupi,*

The cost and efficiency of transport services and the quality of Europe's infrastructure networks directly affect trade flows, mobility and the competitiveness of European companies as users of these services. In this context, BUSINESSEUROPE strives to remove technical, regulatory and administrative barriers in all modes of transport and improve the interoperability between national networks.

The 4th Railway Package contains important proposals that can improve quality, provide more choice and reduce costs of railway services in Europe and can contribute to creating a true single market for transport.

Therefore, ahead of the meeting of the Transport Ministers on 8 October, BUSINESSEUROPE urges political leaders to make significant and swift progress to enhance efficiency and create growth.

We acknowledge the significant progress made in the Council on the "technical pillar" on important elements such as interoperability, certification of rail vehicles and standards. Based on the agreement in the Council and in the European Parliament, BUSINESSEUROPE urges political leaders to start trilogue negotiations on the technical pillar now. Only when technical barriers are rapidly removed the European rail sector can unlock its full potential.



Apart from that, progress should be made on the political pillar of the package dealing with key elements such as competition, further opening of domestic markets and governance issues.

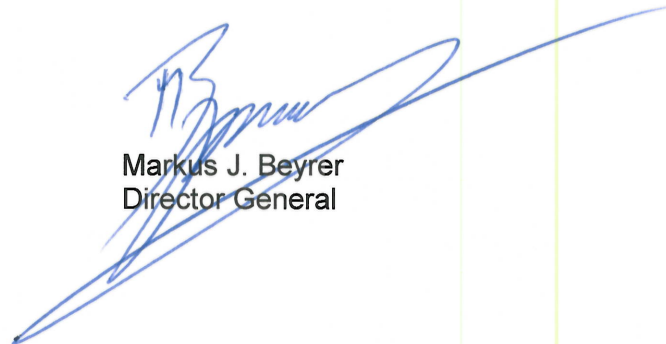
Please find more detailed remarks in the annex to this letter.

We trust that you will take our views into account and wish you a successful meeting on 8 October. The business community is counting on you.

Yours sincerely,



Emma Marcegaglia
President



Markus J. Beyrer
Director General



ANNEX – Specific comments to the 4th Railway Package

- We fully support the opening up of passenger services to new entrants from 2019, both in commercial services, such as high speed, and public service obligations. It should become possible for several railway undertakings to operate in parallel on national lines. More competition will lead to lower prices for customers and lower costs for the rail industry, more efficiency, promote innovation and improve quality.
- When removing remaining barriers and further opening up to competition, it is fundamental to also ensure a level-playing field between Member States during the transitional period until the EU market is fully liberalised. This is necessary to avoid a distortion of competition between railway operators. It is also important to consider this vis-à-vis companies coming from outside Europe.
- To improve interoperability, clear and transparent requirements are needed, harmonised as much as possible at European level and implemented similarly across the EU. Therefore, we fully support an enhanced role for the European Railway Agency (ERA), also giving new tasks in terms of safety certification and vehicle authorisation for cross-border operations. These measures would allow a 20% reduction in the time to market for new railway undertakings and a 20% reduction of the costs and duration for the authorisation of rolling stock. The Commission estimates a saving for companies of €500 million by 2025.
- As vehicles and railway undertakings solely involved in national transport would have the choice between submitting a request for authorisation or certification to ERA or the national safety authority, it will be crucial to oversee the number of applications and try to ensure that the workload is divided appropriately, avoiding unacceptable backlogs.
- The “technical pillar” of the package should remain ambitious as this will increase economies of scale for railway undertakings and reduce administrative costs, introducing EU-wide standards. It will also help to avoid discrimination and speed up existing procedures. We expect the EU Italian Presidency to finalise the talks on this part of the package by the end of December 2014.
- Better implementation of former Railway Packages is fundamental to address many of the outstanding challenges, such as diverse national requirements, and to ensure access of foreign rail freight providers to national networks.

* * *