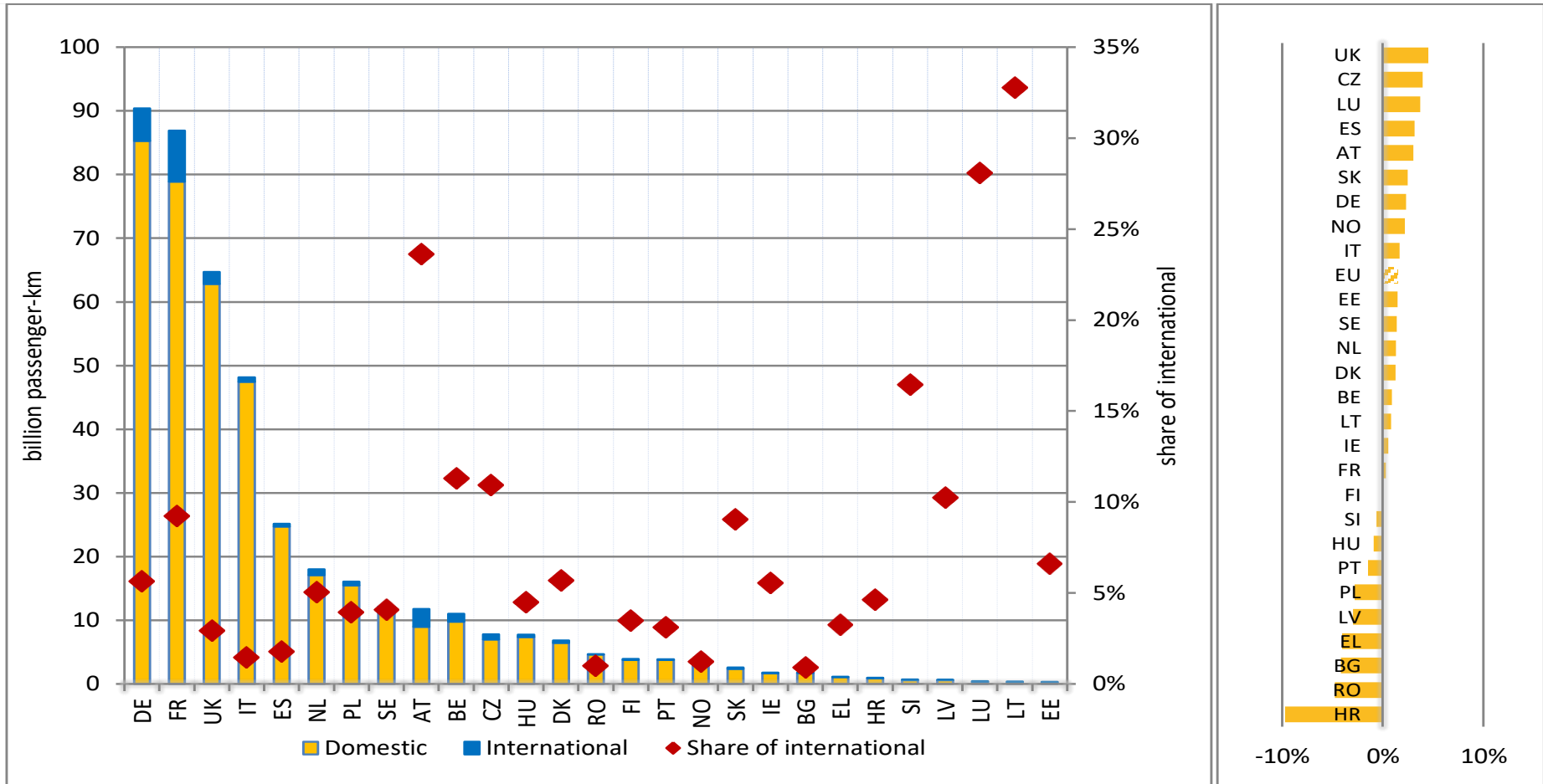




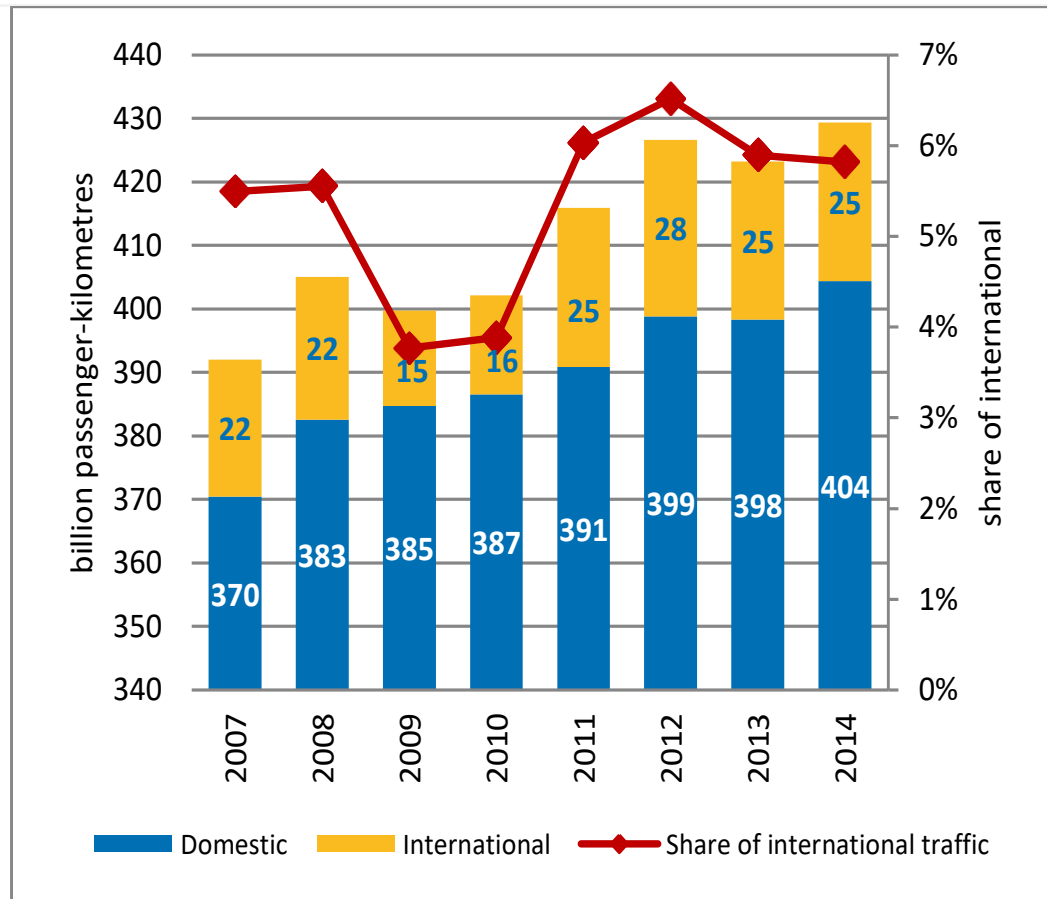
# **Charging systems for cross border services by rail**

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**Figure 1 – Passenger traffic volumes by Member State (p-km, 2014), proportion of international traffic (%) and average annual change of volumes since 2009 (%)**



**Figure 1 – Evolution of rail passenger traffic volumes**



Source: RMMS except EL, ES, IE where a mixture of Eurostat data and estimates is used

**Figure 1 – Freight traffic volumes (t-km) by Member State (t-km, 2014), proportion of international traffic (%) and average annual change of volumes since 2009 (%)**

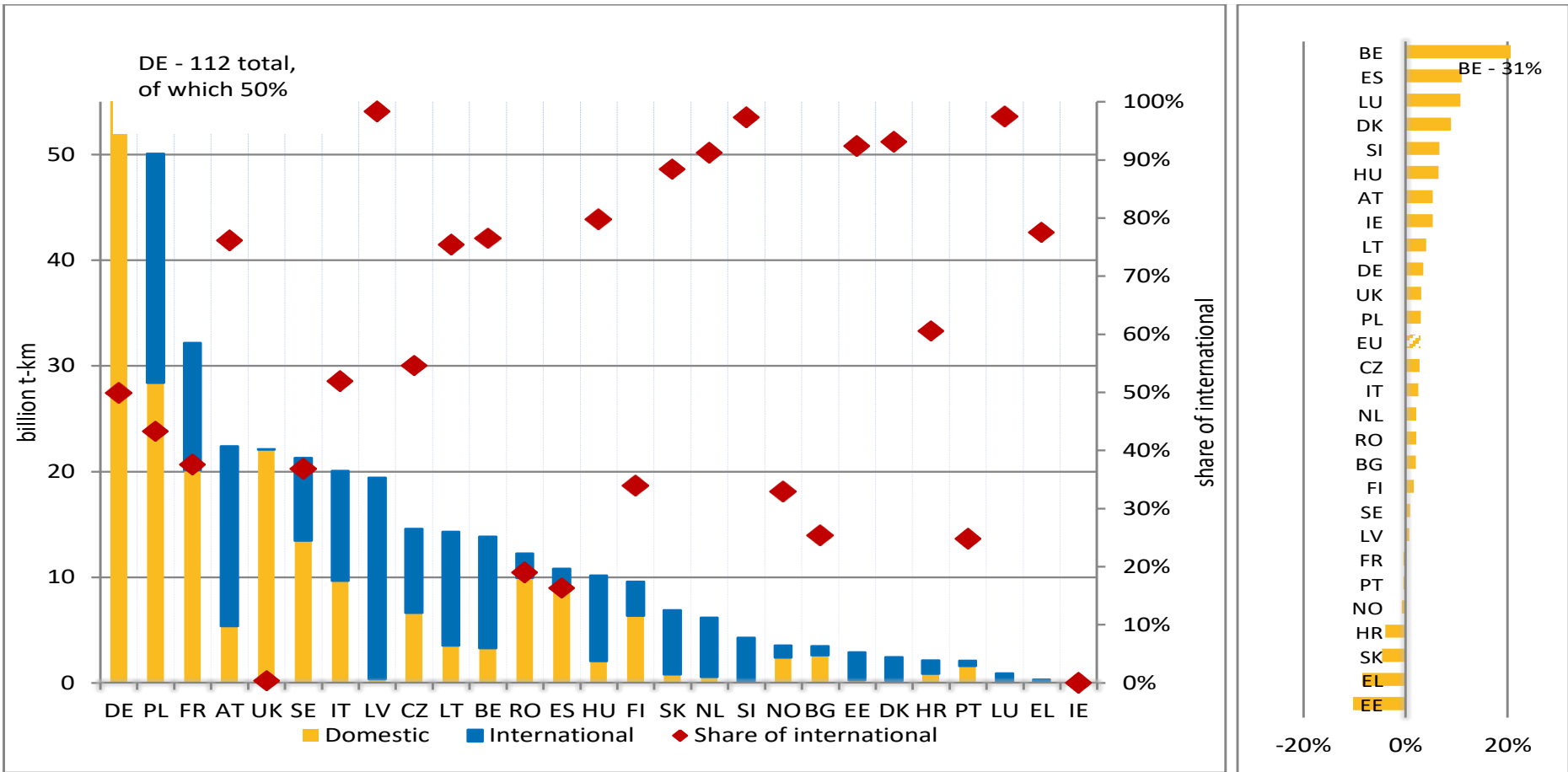
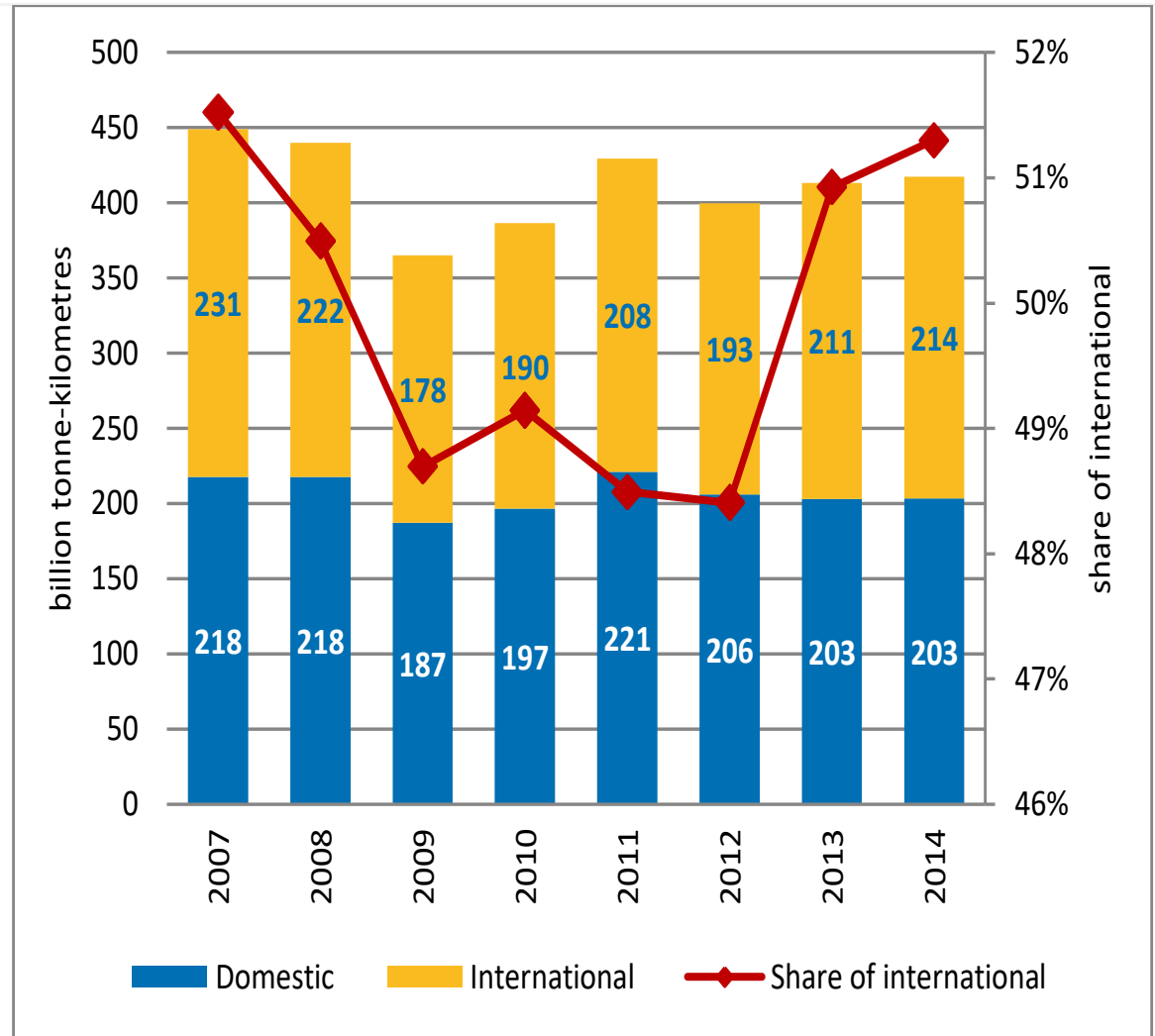


Figure 1 – Evolution of rail freight traffic volumes



Source: RMMS

# Legal basis for infrastructure managers and railway undertakings

*IMs shall coordinate on  
the level of mark-ups to recover full costs,  
their performance schemes.*

*Special market segments for international  
transport, at least one shall be considered*

*No obligations for facility operators*

## Mark – ups – the factors

*Quality of service: Reliability and travel time across borders (20km/h) much lower than for domestic services (equals that of the truck)*

*Waiting time of freight trains at borders: 2 hours*

*Higher costs of rolling stock and driver due to lack of interoperability (traction current, axle weights, loop lengths, signalling, languages)*

# Mark-ups and incentives

*Only the domestic leg is considered:*

*elasticity is underestimated – ability to pay is overestimated – charges rise*

*National ownerships creates biased incentives for infrastructure managers – intl traffic neglected*

*Intl traffic not under PSO, thus no PSO incentives*

*Border stop works like an additional facility*



# Performance schemes

*Delay classes are harmonised*

*Parameters need to be negotiated (value of delay minutes, minimum thresholds, caps)*

*Domestic services -> at least 2 partners*

*International services -> at least 4 or 6 partners.*

## Performance schemes

*IMs consider train paths cancelled in case of short delays at border -> double payment for cancellation charge*

*Delays on the other network are not correctly treated – double counting, responsibility not considered,*

*Service quality at borders is not monitored, not transparent, thus forwarders chose trucks.  
Travellers chose coaches*

# Legal Basis for Regulatory bodies

*Consultation among RBs*

*Complaint or own-initiative*

*Right to request and obligation to transfer information*

*Common principles and practices for decision making*

# Regulatory bodies inactive

*No complaints - no own initiative procedures*

*Reports of IRG do not address special problems of cross border trains*

*PSO authorities rarely cooperate across borders*

*Economic equilibrium: extra burden to foreclose new entrants.*

# Symptoms

*decline in the east and South east of the Union*

*Reliability remains low*

*Long travel times*

*Road and sea ships prevail*

## Remedy

*In general, no mark-ups for international trains*

*Synchronising the review of charging systems for international services*

*Foster the competition between corridors*

*Involve facility operators*

*Coordination of infrastructure managers on mark-ups and performance schemes*

*Get incentives right on IMs*

*More proactive regulators, complaints by railway undertakings*

*Restrictive use of economic equilibrium*

*Thank you for your attention*

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