



European Rail
Infrastructure Managers



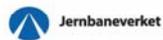
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On track for a sustainable future



EIM response to the public consultation on the Communication on a Sustainable Future for Transport



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1. **Infrastructure.** What can the EU do to promote the integration of modal networks as well as their maintenance and upgrade? What should be the priorities for investment? Which measures would allow a better exploitation of the networks and a balanced use of the different modes?

Integration and modal shift

The association of European rail infrastructure managers (EIM) supports the integration of transport modes. For example, the relationship between rail and road transport will be increasingly complementary in the future, with rail using its obvious strengths over long distances and road freight playing its critical role for regional feeders and distribution. Enhanced integration between rail and air through the connection of airports to high speed lines and between maritime transport and rail in the ports is also desirable. However, EIM believes that a shift to environmentally friendly transport modes, such as rail, should be encouraged by the use of the polluter pays principle in order to meet the Climate Package's ambitious objectives of 20% reduction in energy consumption, cutting greenhouse gases by 20% and 20% supply of renewable energy by 2020.

Such an approach would help to reduce pollutant emissions from transport and energy use, as called for in the Sustainable Development Strategy (SDS)² and to meet the objectives of the EU Climate package adopted in December 2008³ and Transport Goals.

EIM supports a pragmatic approach to **Green Corridors** in order to put the co-modality concept into practice and make the transport system as a whole more efficient. These corridors should have the following characteristics:

- Sustainable logistics solutions with documented reduced environmental and climate impact, high security, high quality and efficiency;
- Integrated logistics concepts with optimal utilisation of the different modes of transport
- Harmonised system of rules with openness for all actors;
- A concentration of national and international goods traffic on relatively long transport stretches;
- Effective and strategically placed transshipment points and adapted and supportive infrastructure;
- A platform for development and demonstration of innovative logistics solutions (information systems, collaboration models and technology).

¹ At present Banverket is not in a position to support EIM's response to the public consultation

² Current Sustainable Development Strategy (July 2009) <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0400:FIN:EN:PDF>

³ <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=20081217&secondRef=TOC&language=EN>

The Port of Gothenburg (Sweden) is a good example of intermodal connection for freight transport. It has the most frequently operated goods tracks in Sweden. The electrified port railway provides environmentally sound transportation; 25 train shuttles connect the so-called RailPort Terminals with the most important logistics centres around Scandinavia. On top of its environmental benefits, such a system leads to increased competitiveness and efficiency. Despite the recession, in May 2009, 31280 Twenty-foot Equivalent Units (TEUs) passed through the rail terminal, which is 10% more than last year and an all-time best performance.

The communication does not mention possible ways of addressing a shift of freight transport towards more environmentally friendly modes. EIM's proposals to make rail freight more attractive are:

- Developing a **broader network** of market based rail freight corridors and putting into practice a **smart freight corridor regulation**. In this regard, the successful experience of the Rotterdam-Genoa rail freight corridor is a best practice in terms of interoperability and coordinated deployment. Therefore, the freight corridors regulation should ideally encompass:
 - A procedure encouraging the creation of rail freight corridors from a business perspective.
 - An efficient governance body for these corridors.
 - The definition of flexible but harmonised priority rules for capacity reserves and traffic management
 - Long term and medium term coordination of investments by the infrastructure managers along a corridor.
 - Availability of and connection to intermodal services, such as terminals and hubs.
- **Setting interoperability standards**. The implementation of the Interoperability Directive 57/2008 along with the development of the Technical Specifications for Interoperability (TSIs) will increase the coordination/operation process between all the member states. The European Commission feels that this is needed to achieve an integrated and interoperable Trans-European network, as well an improved interface with the other transport modes. Sustainable and efficient inter-modality could provide a solution for the future of rail freight transport, by combining the various modes of transport within a single transport chain.
- Creating cross-border solutions for rail freight transport, based on the following key points:
 - **Co-ordination policy** at different levels for better defining and understanding the roles and responsibilities of each actor in the rail system (infrastructure managers, rail operators, industry, national safety authorities, etc.). A good example of such coordination is communication between traffic control centres at borders, as proposed by the EIM-CER European Infrastructure and Interoperability task force.
 - **Safety** must be developed in a way that it is consistent with interoperability targets. It must be a key point of coordination policy of cross-border operations and be based on sound risk assessment principles.
 - **Speeding up cross border transit** of freight trains by using IT solutions and removing red tape.
- Promoting the use of **High Speed Lines for high value freight transport** during off-peak hours. This would result in a more efficient use of High Speed Lines and in a quicker and more reliable transport of goods by train.

- Fostering the use of the **Marco Polo II programme** to improve the environmental performance of the freight transport system.

Investment

Considerable investments in transport infrastructure are required and public funds are the main source of financing. This means that currently all citizens pay transport infrastructures, while the polluter pays principle is not respected.

- As Trans European Networks for Transport are a key driver to improving the EU transport system and stimulating the EU economy, EIM supports any additional process aiming at funding the TEN-T projects as well as a substantial increase in the funds allocated to modal shift and the growth of environmentally friendly transport modes, with an emphasis on railway infrastructure projects.
- The granting of Community financial aid to projects of common interest should be conditional to compliance with relevant Community law, in order to stimulate market opening.
- Reinforcing the participation of the private sector in the financing of large investments, namely through PPPs.
- **Investing in rail would help accommodating growing transport demand and reducing transport greenhouse gas emissions.** This is even more evident as long as all transport modes are not obliged to internalise their external costs. Investment should prioritise the most environmentally friendly transport modes, such as railways, especially on long distance connections and for modal shift of freight and passengers.
- Another decisive factor is **reducing bottlenecks**. EIM appreciates the need to make better use of the existing infrastructure by increasing capacity and reducing bottlenecks, rather than building new infrastructure, as pointed out in the communication. However, in the long term the expected need for increased capacity will require the construction of new infrastructure. Furthermore, the challenge of capacity growth should be a key factor when shaping the future EU transport policy.

EIM members have already been taking innovative actions on reducing bottlenecks on the European rail network. For example, Infrabel has contributed to improving the situation at the **Aachen-Monzen** bottleneck: the electrification of the missing section of the line and the use of the same train numbering on the whole section are the first steps to a final solution.

2. **Funding and pricing. What can the EU do to ensure that prices in transport correctly reflect costs to society? What actions should be considered for implementing the 'polluter-pays' and 'user-pays' principles in transport? What should be done with the revenues thus obtained?**

Internalisation of external costs

EIM welcomes the intention of the Commission to set price signals to reflect the internal and external costs and to change the behaviour of EU citizens.

The “**polluter pays principle**” should apply to all modes of transport in order to remove the current inequalities. EIM also welcomes the intention of the Commission to ensure pricing differentiation between peak and off-peak hours.

According to a recent study by NESTEAR and IWW *"about 60% of all land-born traffic over distances exceeding 700 km could be carried by rail"(...) "For the whole network, the results show that 24% of non-local freight could be carried by rail in 2020 (...) if trucks had to pay the full price for air pollution, noise, congestion, accidents and CO2 emissions they cause" (...) "Full internalisation of external costs combined with a substantially higher efficiency of the railways could result in a market share of rail of more than 30% in long distance freight transport."*⁴

The report also refers to pricing differentiation between peak and off-peak hours. This concept has also been advocated by the railway sector in the discussions on the revision of the Eurovignette Directive, which is still of utmost importance for EIM.

In order to ensure that prices in transport correctly reflect the costs to society and to implement the ‘polluter-pays’ and ‘user-pays’ principles in transport, EIM suggests the urgent adoption of the revised Eurovignette Directive. A quick adoption of the Directive is necessary to allow Member States to internalise the external costs of heavy good vehicles and charge road transport for its real costs.⁵

EIM believes that the following key points should be the basis for an effective implementation of the Eurovignette Directive:

- The revised Eurovignette Directive should allow the internalisation of external costs in road freight transport, which is explicitly prohibited in the current Directive, whereas Directive 2001/14 allows it for rail.
- Specific climate targets or market-based instruments to achieve concrete reductions in GHG emissions should be defined for road transport.
- The scope of the Directive should include the external costs of noise, pollution, congestion, CO2 emissions and accidents.
- In order to offset the negative externalities, revenues should be invested to improve the offer of sustainable transport.

Rail infrastructure managers are keen to make optimal use of their financial resources in order to maintain and develop the European railway network. In the current financial climate, the best possible use of available funds is required.

The Commission should therefore consider the use of revenues from the internalisation of external costs as a source of project funding. The Eurovignette Directive proposal (Charging of Heavy Goods Vehicles) as amended by the European Parliament on 11 March 2009, and in particular its new article 9 states: *“As from 2011, at least 15% of the revenues generated by external cost and infrastructure charge in each Member States shall be dedicated to the financial support on TEN-T projects to increase transport sustainability. This percentage shall gradually increase over the years.”*⁶

Revenues should be earmarked to finance projects aimed at making the EU’s transport system more sustainable. In addition, funds should be further allocated to the

⁴ http://www.cer.be/index.php?option=com_publications&task=view&id=1936&Itemid=71

⁵ The current Eurovignette Directive makes road freight transport the only mode for which the internalisation of external costs is explicitly prohibited, whereas Directive 2001/14 allows it for rail.

Road and maritime transport are the only modes without specific climate targets or market-based instruments to achieve concrete reductions in GHG emissions. Airlines will be covered by the Emissions Trading Scheme (ETS) as of 2011-2012, while railways (with 80% of total traffic powered by electric traction) already participate today through the inclusion of the electricity generating sector in the ETS.

⁶ <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P6-TA-2009-0113>

implementation of the Trans-European Transport Network (including interoperability and ERTMS).

EIM recommends the "IMPACT handbook" published by the Commission in January 2008 as a tool for the internalisation of external costs. It is a consistent, comprehensive and solid model for calculating external costs for all modes of transport, finally consolidating all the scientific knowledge available on this complex subject.⁷

3. Technology. Many technologies are being developed or are already available to improve the environmental performance of transport, increase safety and reduce congestion and dependence on oil. What can the EU do to accelerate the development and deployment of these new technologies?

The EU should promote the development of innovative and environmentally friendly transport solutions, such as **tram-trains**. In order to achieve these objectives, complicated requirements for tram train products should be avoided, as they will hinder the development of urban public transport and seamless mobility. At the same time, adequate level of safety should always be ensured, based on sound risk assessment principles.

Introducing new technology takes a long time in the rail sector because of the long lifetime of the assets. State aid rules for new technologies should not lead to distortion of competition.

High Speed

High Speed rolling stock will run for the most part on specially designed dedicated track.

- Command, control and signalling will require a minimum of trackside infrastructure.
- The European Train Control System (ETCS) will provide in-cab signalling, with the train reporting location itself.
- The Control Centre will regulate services to minimise deviation from the timetable.
- Rolling stock technology may continue to be steel wheels running on steel rails, but other technologies may be introduced if there is a good business case for doing so. It will generally be electric on the high speed and core networks. A shift to renewable energies can reasonably be expected in order to meet the EU climate targets.
- Regarding information technology, the emphasis will be on using telematics to generate railway specific information merged with other intelligent sources, and applying advanced mobile telecommunications and information technology to direct information to the passengers. Operators including maintenance staff will benefit from information gathered from intelligent infrastructure and intelligent trains. Passengers will be able to use their own devices to access entertainment and business services provided by the railway.
- The TSIs for Conventional and High Speed rail will have been implemented by all Member States. This means that the target systems, with minor exceptions, will be in place on the TEN-T network.

A global approach to ITS

New technologies can enhance multi-modality and help make transport sustainable, efficient and safe.

⁷ Transport sector position paper on the Eurovignette Directive
(http://www.eimrail.org/JointPositionpaperonEurovignette090119_VP.pdf.pdf)

EIM believes that a deployment of interoperable Intelligent Transport Systems (ITS) across *all transport modes* can help to reduce CO2 emissions, congestion and energy consumption as well as increase safety. Currently there is no coherent European framework for connecting transport modes using information and communication technologies. EIM would like to stress that ITS should not only be applied to road but also coordinated across all transport modes, in order to ensure a seamless traffic flow for both passengers and freight. Freight should be identifiable and locatable regardless of the transport mode used. This requires standard information flows and traffic interfaces between the various transport modes.

The first step in putting such an integrated approach into practice should be the setting up of an ad-hoc EU inter-modal platform, to which the various transport modes should provide information. In order to facilitate the electronic exchange of information between modes, standardised information should be compatible with railway Technical Specification for Interoperability for Telematic Applications for Freight and Passengers (TSI TAF and TAP), which are mandatory at European level. A coordinated approach to RFID and EGNOS/Galileo technologies is required to avoid incompatibilities amongst various transport modes.

Environmental funding

The EU can contribute to an accelerated deployment of sustainable technological solutions resulting from EU-funded R&D projects. Financial support for a specific upgrading/replacement of current rail technologies is a logical follow-up to current research and transport policy goals.

Energy efficiency, reduction of GHG emissions, noise abatement and reduction of the overall carbon footprint should be primary objectives of EU research programmes, such as the **7th Framework Programme**.

Transport is in fact the only sector where greenhouse gas emissions continue to rise (by 26% in the EU-15 between 1990 and 2005), while in all other sectors they fell. Therefore, financial instruments supporting environmental and nature conservation projects, such as the **LIFE + Programme** supporting environmental and nature conservation projects should become more attractive and targeted for the transport sector.

4. Legislative framework. What can the EU do to further improve working conditions, health, safety and security standards in transport and the rights of passengers? In which sectors should market opening be pushed forward and how? What measures of a regulatory nature should be considered to reduce the transport sector's environmental impact?

Safety and security standards – passenger rights and standards

Railway safety and security standards, as well as passengers' rights standards are already very advanced. Further work needs to be done on bus and coach passengers' rights. In particular, a regulatory level playing field on passenger rights for all transport modes would be highly desirable as well as a common definition of delay.

Market opening

Independent rail infrastructure managers support market opening to ensure that new entrants have non-discriminatory access to the network and services. To help open up markets, well co-ordinated and independently managed national infrastructure managers can manage the expansion in international traffic that is expected to continue. Recent experience shows that market opening has enhanced growth in rail traffic.

EIM suggests the following means to push forward market opening in the railway sector:

- Foster open access to **rail operators and remove the barriers to market opening**. New operators face barriers to entry and to operation mainly represented by unfair pricing, restricted or no access to services, lack of information and transparency. EIM believes that these barriers should be dealt with in the Recast of the First Railway Package as well as the implementation of the three existing railway packages (if need be via infringement procedures).
- **Ensure full independence of infrastructure from operations**. The communication suggests the creation of trans-national infrastructure managers as a way to facilitate third-party access to infrastructure. However, full liberalisation of the market will not take place before a full de facto independence of IMs from RUs is ensured in all member states.
Independent IMs are able to allow and facilitate the access to new entrants in fair conditions. This open access entails more offers and diversification as well as increased rail traffic, that is to say, more options for passengers and shippers and higher quality of the services. Moreover, according to the Commission's communication COM(2006) 189, on the implementation of the first railway package "it should be stressed that the proper implementation of the provisions of both the first and the second packages is a sine qua non for the successful opening up of the market in international passenger services. The experience gained in managing the access of a number of different operators to the infrastructure will also benefit passenger transport as there will be an increase in the range of services provided."⁸
- **Enhance the role of regulatory bodies (RB)**. RBs should be adequately staffed and competent, independent from RUs, IMs and Ministries, and play a stronger role. Regulators should monitor the market and ensure non-discrimination towards new entrant operators not only in relation to infrastructure access, path allocation and charging, but also with regard to rail related services.
- **Increase information in network statements**. According to EU law, the contents of network statements cover only infrastructure, charging and capacity allocation. Directive 2001/14 does not require the inclusion of information on rail related services in network statements. This lack of information can prevent transparency in the market. EIM therefore recommends that network statements be more comprehensive and include information on those rail related services provided by the Infrastructure Manager, with details on the kind of service, availability and pricing. The fact that some infrastructure managers form an integral part of national railway undertakings threatens also the Europe-wide non-discriminatory access to rail related services and facilities. In the case of heavily used services particularly, there are concerns regarding the preference shown by service providers towards the railway undertakings operated by themselves. Transparency and separation of functions are therefore vital to ensure the equal treatment of all railway undertakings as regards access to the rail infrastructure and to service facilities in order to optimize their use at a European level.⁹
- **Technical harmonisation** should be the first step to interoperability, the key to market opening. For example, in the Iberian Peninsula infrastructure managers would have to alter the rails physically in order to match the standard gauge.

⁸ REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS on the implementation of the first railway package | http://eur-lex.europa.eu/LexUriServ/site/en/com/2006/com2006_0189en01.pdf, pages 6 and 7.

⁹ Annexes to the Communication on the implementation of the railway infrastructure package directives ('First Railway Package') (COM(2006) 189 final), page 40

Measures to reduce environmental impact

The EU Emissions Trading System (**EU ETS**) is the cornerstone of the EU's strategy for fighting climate change. It is meant to help EU member states achieve their commitments to limit or reduce greenhouse gas emissions in a cost-effective way. Allowing participating companies to buy or sell emission allowances means that emission cuts can be achieved at a lower cost.

Around 50% of railway lines and 80% of traffic are electrified. Therefore, the railways, as an electricity-intensive sector, already indirectly participate in the Emission Trading Scheme (ETS), as electricity generators pass on the cost of acquiring carbon allowances.

With reference to the regulatory measures to reduce the transport sector's environmental impact, EIM stresses the need to urgently revise the **Eurovignette Directive**.

In order to reduce GHG emissions, regulatory measures must foster the use of railway transport. While the Commission communication criticises the transport sector for being over reliant on fossil fuels, electric trains have a very low carbon footprint. Continuing programmes by infrastructure managers across the EU to electrify railway lines, and to reduce energy consumption, will offer significant environmental benefits while emissions from other sectors continue to grow.

The opening of the international passengers market in 2010 could also have environmental benefits as short-haul flights are likely to be converted into rail journeys. For example, high-speed rail in the form of Eurostar achieves an immediate 90% cut in journey emissions, based on research which has shown that a Eurostar trip generates just 10% of the CO₂ emissions of an equivalent flight.¹¹

Given that electric power may be produced by a number of sources, some of them with a very low carbon footprint, the use of electric power increases rail's environmental advantages. A good example of this is **Infrabel's 'wind farm'** to power the High Speed Line between Leuven and Liege. Apart from the environmental benefits this project generates, the wind farm will also promote more rational use of public funds. The electricity will cost around 30% less than the current market price¹⁰.

In addition, electrified rail transport provides a solution to the growing concern of oil dependency.

Moreover, **ProRail** has signed an agreement with an energy company to develop Railwind, a unique concept involving wind turbines above railway tracks. Apart from the obvious and substantial environmental benefits of the project, **Railwind** also contributes to better and efficient use of space and existing infrastructure. It is expected that the first energy generated from this project will be available in 2012.

¹⁰ EIM brochure 'On track to a greener rail network', September 2008.
(http://www.eimrail.org/EIM_ENVI_Best_Practice_final.pdf.pdf)

¹¹ Research carried out by a consortium of Paul Watkiss Associates and AEA Technology Environment. (Source: www.eurostar.com)

5. Behaviour. Sustainability of transport also depends on sound planning and on a change in transport habits. Are there measures that can be taken at EU level to improve accessibility and modify transport needs and behaviour?

The internalisation of external costs should be the first step in order to trigger a behavioural change amongst EU citizens. Transport prices should enable users to identify which transport mode is best for society and the environment.

In order to boost intermodal transport and to let people make the best possible mobility choice, the EU should encourage the use of public transport, in particular rail transport. For example, more parking lots for cars and bikes at rail stations will make rail transport more attractive and life simpler for passengers. Furthermore, stimulating e-ticketing would be a way to improve access to public transport and to contribute to a paperless society.

Greater involvement of the public sector should be properly regulated so as not to cause delays in realising a project and not to prevent growth in transport.

Finally, urban planning should consider transport not only as an opportunity, but also as a possible source of issues for citizens. In this regard, EIM would like to highlight that rail infrastructure managers are already implementing several measures to promote the use of “silent” trains and abate rail noise.¹²

Urban planning should therefore follow an integrated approach and take issues related to rail noise seriously, especially in sensitive areas (e.g. near hospitals and schools).

6. Coordinated action. Effective action requires coordination between different levels of government: what can the EU do to facilitate this process and avoid inconsistent approaches? Many of the challenges for transport will be in the urban environment: are there specific measures the EU could take to help local authorities?

A modern urban transport system requires clear, accurate, and common cross modal systems to provide travellers with information. While there is some good practice in many major European cities, large provincial towns are not so well equipped. The European Commission should support funding of research and development in cross modal information technologies for travellers.

When it comes to passenger transport, integration could be achieved through the realization of intermodal stations where different subsystems of public passenger transport and personal vehicles meet. Therefore, modern intermodal stations should include car parking areas, bicycle racks, bus stops as well as integrated automatic machines for ticketing and information points. Intermodal tickets and passes for urban and interurban transport should also be promoted.

Until the full internalisation of external costs is achieved, the EC should promote the use of alternative measures other than direct pricing schemes. For instance, compensation schemes could be introduced for sustainable transport modes. The Commission should

¹² EIM brochure ‘On track to a greener rail network’, September 2008.
(http://www.eimrail.org/EIM_ENVI_Best_Practice_final.pdf.pdf), pages 13-14

however require member states to adapt these schemes to their national situation¹³. Better interchanges and border formalities also need to be put in place in order for rail transport to improve its competitiveness compared to other transport modes.

Therefore, the harmonization of principles and procedures (i.e. track access, charging scheme) should be further promoted, as well as international cooperation and coordination of infrastructure managers, railway undertakings, member states and regulatory bodies.

Investment must also be better coordinated. For example, TEN-T funding should continue to foster market-based rail projects and regional aid should be better targeted to environmentally friendly transport modes, in order to enhance the EU territorial cohesion. The EU should strike a balance between Structural Funds and TEN-T budget.. As another concrete action, the EU should not provide funds for road projects where a viable rail alternative already exists.

EIM believes in an Action Plan on Urban Mobility which encourages the optimisation of various modes of transport by improving urban travel plans and incentivising sustainable mobility in urban areas. Therefore, EIM supports the European Parliament's resolution on an Action Plan on Urban Mobility. The report also calls for accelerating European research and innovation in the field of urban mobility with a European internet portal and forum on urban mobility.

EIM acknowledges that urban areas are inter-modal and interconnection poles for TEN-T Networks, which should favour sustainable mobility and competitiveness of European urban networks. In addition, EIM welcomes the 'urban travel systems approach' linking soft modes of transport (cycling, walking, etc) with diversified and complementary transport modes.

Even though urban transport is subject to the subsidiarity principle, local authorities cannot meet its challenges without European coordination. The Commission should publish its Action Plan on Urban Mobility as planned and coordinate all its activities in the urban mobility field.

7. The external dimension. The transport sector is increasingly becoming more international. Which actions in the transport sector can help to foster relations with our neighbouring countries and encourage sustainable growth there? What measures can help the EU industry and transport operators to thrive in the international context? How can the Union better contribute to sustainable global governance?

Some actions can contribute to fostering relations with our neighbouring countries:

- Exchange of best practice
- Coordination regarding cross border solutions
- Cooperation on Climate Change issues
- Technical harmonisation
- Coordination on infrastructure maintenance work and investment.
- Establishment of communication language in international rail transport.

For example, reaching an ambitious deal in December 2009 in Copenhagen will certainly push some countries to invest in rail, given the significant share of transport-related greenhouse gas emissions in many regions of the world.

¹³ EIM response to the Public Consultation on the Green Paper: "Towards a new culture for urban mobility" March 2008 (<http://www.eimrail.org/pdf/otherpapers/EIM%20replies%20to%20TEN-T%20Questionnaire%20Apr%2009.pdf>)

8. Additional comments

While the Commission initiative to state a list of questions is welcome, EIM also would like to put forward the following points:

- **Multi Annual Contracts and Agreements:** EIM welcomes the communication's reference to the need for policy makers to provide sound planning and adequate funding. Multi Annual Contracts and Agreements can increase the financial stability of the infrastructure manager. Planning helps the Infrastructure Manager to achieve efficiency in the long term. This also helps to maximise socio-economic benefits since it is easier to take into account current and future possible externalities. For this purpose, it is therefore important to develop national operational programmes. However, to account for specific national circumstances, legislation should provide a minimum level of flexibility in terms of content and duration of the contract. Thus, EIM believes that mandatory EU legislation (ideally a directive) to implement Multi Annual Contracts and Agreements in all EU member states is necessary since it guarantees a common framework for Multi Annual Contracts and Agreements throughout Europe.¹⁴

This will ensure the building blocks of a fully functioning infrastructure capable of dealing with the demands placed upon it in an efficient and safe manner.

- **Implementation of the Trans-European Transport Network projects based on the following key criteria:**
 - In order to increase the overall efficiency of the EU transport system, projects should be identified on a market-oriented basis taking into account sustainability (including economic, social and environmental aspects).
 - In order to ensure a homogeneous development across the EU, territorial cohesion should be a major driver in shaping the TEN-T network.
 - Clear priority should be given to environmentally friendly and safer transport modes, such as rail, and their hinterland connections.
 - Alleviating bottlenecks and eliminating "missing links" should be key criteria when assessing TEN-T projects.
 - The deployment of the Intelligent Transport Systems (ITS) should be coordinated across all transport modes in order to ensure seamless transport for both passengers and freight¹⁵.
 - The granting of Community financial aid to projects of common interest should be conditional to compliance with relevant Community law, including the First Railway Package.
 - The European Commission should look into new financial solutions to ensure a timely implementation of TEN-T projects, such as Eurobonds and revenues from internalisation of external costs. Combination of EU funds and further involvement of private investors are key to reach this objective. Non-financial instruments should be further developed.

¹⁴ EIM response to Commission Consultation Document Multi Annual Contracts for rail infrastructure quality September 2007 (http://www.eimrail.org/documents/EIM_Answers_EC_consultation_MACs_Final_11_Sep.pdf)

¹⁵ See EIM-CER position on "the Action Plan for the Deployment of ITS in Europe" (<http://www.eimrail.org/EIM-CERpositiononITS.pdf.pdf>)