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A sustainable future for transport: Towards an integrated, technology-led and user friendly system

Position paper of the Austrian Federal Railways (ÖBB)

1. Introduction

The Austrian Federal Railways (ÖBB) are offering an overall mobility package which includes clean, safe and sustainable transport for passengers and freight. The ÖBB group employs approximately 42.000 staff and generated revenues of about 5.8 billion EUR in 2008. Therefore, the Austrian Federal Railways are considered as an important economic player and one of the biggest employers in Austria. In 2008, the ÖBB group carried 456 million passengers and handled 98.5 million tons of cargo. The ÖBB-Holding AG is the strategic holding company of the ÖBB group.

ÖBB-Holding AG welcomes the Commission's invitation to the public consultation on the communication on a sustainable future for transport. The communication was subject to an internal discussion process which took place in August and September 2009 and involved all major companies of the ÖBB group.

2. General remarks

As a result of the internal discussion, three basic factors have been identified as decisive for accomplishing a sustainable future for transport:

- **Green transport:** There is no doubt that the negative effects of transport services have to be kept as low as possible. Compared with other modes of transport, rail provides environmentally friendly services for passengers and freight. At the moment, this advantage is not sufficiently reflected by the financial framework of the transport sector (i.e. taxes, subsidies).
- **Polluter-pays-principle:** The polluter-pays-principle, comprising all internal and/or external costs, has to be applied to all modes of transport. As opposed to most of them, the rail sector already pays a considerable proportion of its internal and external costs.
- **Level playing field:** Competition is considered as an important pillar of our economic system. It will only be fair if a level playing field is established. In the transport market, this target has not yet been achieved. The rail industry has to cope with a number of competitive disadvantages which have led to a relatively low market share.

These basic factors cannot be regarded as separate topics. As the following chapter will display, they are – in most cases – linked to each other.

3. Fields for possible intervention

The following chapter contains a number of concrete policy measures supporting the general objectives and priorities of the Commission's communication.

3.1 Infrastructure

- **Infrastructure access charges – level playing field required:** The market share of rail depends – among other things – on the extent of direct access to its network. In this context, local railways and private sidings play an important role. While their use is charged to the last metre, secondary road networks are in most member states free of charge. The introduction of infrastructure access charges for road transport on the whole network would support the creation of a level playing field and promote green transport (63).
- **Harmonised up-to-date criteria for infrastructure projects:** The competition between projects can only be decided on the basis of transparency and harmonised criteria. They should comprise economic, technical, environmental and social aspects. Standardised evaluation models which should especially promote green transport as an answer to climate change are a prerequisite for the creation of a level playing field (64, 65).
- **Enhancing infrastructure performance also by the introduction of pricing systems:** Upgrading and maintaining the existing infrastructure is not sufficient to enhance the overall performance of the transport system. Particularly in agglomerations, the introduction of flexible road pricing systems, which reflect an increase or decrease in demand for certain parts of the infrastructure, are urgently needed. Congestion would then be reduced, its costs be internalised, and the polluter-pays-principle be applied (66).
- **Passengers with reduced mobility – compensation for additional costs:** Those modes of transport which are legally obliged to provide general and unrestricted access to its infrastructure and/or vehicles have to be adequately compensated for additional costs.

3.2 Funding and pricing

- **Eurovignette – no further delays:** The Eurovignette initiative is a first step towards the creation of a level playing field between road and rail transport. It

would at least to some extent reflect the polluter-pays-principle and promote green transport. Therefore, its implementation should not be postponed due to the current economic situation (73).

- **Learning from Switzerland:** All modes of transport have to be evaluated on the basis of their environmental benefits and/or drawbacks. The outcome should serve as the basis for the creation of a comprehensive model of taxes and subsidies to promote green transport. Given the positive results of the “Leistungsabhängige Schwerverkehrsabgabe” in Switzerland, a legal framework allowing the shift of revenues from road to environmentally friendly modes of transport should be established in the EU 27, too.
- **Emission Trading System – no discrimination of the rail sector:** The directive on the greenhouse gas emission trading system (ETS) will create another competitive disadvantage for the rail sector and a further obstacle for the promotion of green transport. While the road and air sector will not be affected by the ETS, or only to a small extent, European railways will be charged with additional costs of more than 500 million EUR a year, because they are using the “wrong kind of fuel” (i.e. electricity mostly from renewable sources). All modes of transport should contribute to the reduction of greenhouse gas emissions on the basis of the polluter-pays-principle (74).

3.3 Technology

- **Standardisation only at a reasonable cost-benefit-ratio:** The setting of standards should aim at interoperable, safe and user-friendly transport systems. In certain cases, the introduction of new standards is very costly because well-established legacy systems have to be replaced. Therefore, additional costs as a consequence of standardisation have to be compared with economic, social and ecological benefits. To achieve a level playing field, the degree of standardisation should be equal for all modes of transport. Any initiative in this context should be based on scientific findings (78).

3.4 Legislative framework

- **New railway legislation only if required:** The promotion of market opening and the fostering of competition go along with numerous regulations and/or directives. In some cases, the full implementation takes years due to the complexity. In other cases, a revised version is already under way. Today, the legal burden imposed on the railway sector goes far beyond its technical, legal and economic capacities. For that reason, the European Commission should consider a kind of “moratorium” with regard to railway legislation. New initiatives should be launched only unless really required.

3.5 Behaviour

- **Ambitious information policy to support ambitious measures:** Education, information and awareness raising campaigns have not succeeded in considerably influencing consumer behaviour and/or facilitating sustainable mobility choices. To encourage green transport, the polluter-pays-principle has to be introduced. This process must be accompanied by the above-mentioned initiatives to create a better understanding of the challenges ahead (84).

4. Summary

The Austrian Federal Railways (ÖBB) consider the following factors as crucial to achieve a sustainable future for transport:

- Promotion of green transport
- Introduction of the polluter-pays-principle
- Establishment of level playing field

Therefore, the Austrian Federal Railways (ÖBB) propose the following concrete policy measures:

- Infrastructure access charges – level playing field required
- Harmonised up-to-date criteria for infrastructure projects
- Enhancing infrastructure performance also by the introduction of pricing systems
- Passengers with reduced mobility – compensation for additional costs
- Eurovignette – no further delays
- Learning from Switzerland
- Emission Trading System – no discrimination of the rail sector
- Standardisation only at a reasonable cost-benefit-ratio
- New railway legislation only if required
- Ambitious information policy to support ambitious measures