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Mr George CRIN LAURENȚIU
ANTONESCU
President of the Senat
Calea 13 Septembrie nr. 1-3, sector 5
RO – 050711 BUCHAREST

Dear President,

The Commission would like to thank the Senat for its Reasoned Opinion concerning the Proposal for a Regulation on the European Union Agency for Railways {COM(2013) 27 final} and the Proposal for a Directive of the European Parliament and of the Council on railway safety (Recast) {COM(2013) 31 final}.

First and foremost, the Commission would like to reassure the Senat that the aforementioned proposals have been based on a thorough impact assessment in line with the Smart Regulation agenda. The impact assessments have relied on an in-depth analysis of the national railway markets and structures across Europe and, very importantly, on a broad consultation process with stakeholders, including social partners. The subsidiarity assessment of the proposals (necessity test and test of EU value added) has also been documented in the impact assessment report accompanying the proposal itself (Commission staff working document) and its annexes, and that for all options considered¹.

The Commission welcomes the Senat's general support for the 4th railway package and the assessment that the Commission's proposals will contribute to increase the competitiveness of railways, maintain a high level of safety, and increase the interoperability of trans-European networks and professional qualifications in these areas.

The Commission would like to emphasize that the proposals aim at improving the coordination between national safety authorities and the European Railway Agency. It is necessary to reinforce the role of the European Railway Agency in this coordination process as there are marked discrepancies between how national safety authorities deliver vehicle authorisation and conduct safety certification processes throughout the Member States. The established periods for issuing certificates are systematically circumvented by certain

¹ http://ec.europa.eu/commission_2010-2014/kallas/headlines/news/2013/01/fourth-railway-package_en.htm

national safety authorities through additional documents. In several Member States certain incompatible functions are exercised by the same persons or controlled by the same institutions, certification processes appear to be very costly² and there are burdensome requirements³, some of them affecting the ability to lease rolling stock, which is essential to reduce barriers to entry in rail services and lower the costs of public service contracts. The activity of supervision after issuing a single safety certificate will be carried out in close cooperation between the European Railway Agency and the national safety authorities.

In this context, the proposals create an institutional structure in railways akin to the one existing in air transport and would contribute to significantly simplify technical legislation and cut red tape.

Moreover, the Commission does not share the view of the Senat that the single safety certificate should be limited to international services. The Commission underlines that international services only represent 6% of all passenger-kilometres in the EU, while an estimated 70% of EU rolling stock runs at least partly on TEN-T network. The more that practices are differentiated, the more the market faced by railway undertakings, lessors and manufacturers will be fragmented. The excessive customisation of rolling stock adds to the costs to all railway systems, including those that are isolated, as railway manufacturers cannot reap the benefits of economies of scale. Lowering the costs of rolling stock is essential to increase the competitiveness of railways, and to maintain the viability of public service obligations.

The Commission hopes that these clarifications address the concerns raised by the Senat and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*

² According to the CEO of a private Romanian railway undertaking, AFER charges 100,000 € every two years. He considers this excessive given the short renewal periods.

³ In Romania, for instance, the authority inspects all locomotives of a railway undertaking before the safety certificate for the railway undertaking is renewed. Romanian railway undertakings perceive this as an unnecessary administrative burden given the strict maintenance and registration requirements as they exist separately from the certification procedure. The national safety authorities of some Member States (like Romania) require the renewal of certificates every two years, while others opted to use the five-year limit allowed by the current Directive 2004/49/EC on safety, and require annexing a list of vehicles to the safety certificate, making leasing of rolling stock impossible.