



**EUROPEAN COMMISSION**  
Impact Assessment Board

Brussels,  
D(2013)

**Opinion**

**Title**        **DG MOVE - Impact assessment on an EU coordinated approach to Research and Innovation in the rail sector under Horizon 2020 in support of completion of the Single European Railway Area**

(draft version of 24 September 2013)\*

**(A) Context**

In the White Paper on a Roadmap to a Single European Transport Area, adopted on 28 March 2011 the Commission stresses the need to create a Single European Railway Area (SERA) to achieve a more competitive and resource-efficient European transport system, and to address major societal issues such as rising traffic demand, congestion, security of energy supply and climate change. In this context, the 4th Railway Package aims at removing administrative, technical and regulatory obstacles for market opening and interoperability in the rail sector, to increase the efficiency of rail transport and facilitate cross-border activities. Establishing an internal market for rail services will also imply the emergence of innovative approaches in business models, services and products, throughout the whole rail value chain, for which a significant increase in research and innovation efforts will be needed. The EU's new programme for research and innovation (R&I), Horizon 2020, will run from 2014 to 2020 with an estimated total budget of EUR 70.2 billion, of which roughly 8% would go towards support for smart, green and integrated transport. A key objective of H2020 is to improve the efficiency of EU funding and better address societal challenges by pooling together existing R&I efforts and expertise, through Public-Private Partnerships (PPPs).

**(B) Overall opinion: POSITIVE**

The report provides an adequate overview of the main issues concerning a coordinated EU approach to R&I in the rail sector, but should be improved in a number of respects. Firstly, the report should better present the scope of the intervention, by explaining which elements have already been determined under Horizon 2020 and what remains to be decided. Secondly, it should better describe the components that make up the different policy options, particularly as regards governance. Thirdly, the report should give a clear and factual assessment of expected impacts, and distinguish between administrative costs for operators and implementation costs for public authorities. Finally, more references to the views of different stakeholder groups should be provided throughout the report.

\* Note that this opinion concerns a draft impact assessment report which may differ from the one adopted.

### **(C) Main recommendations for improvements**

**(1) Better present the problems.** The report should explain in a more detailed manner which elements, e.g. on the scope and purposes of rail R&I, on the desirable format of coordinating mechanisms, on funding etc., have already been determined in the Horizon 2020 framework. On that basis it should make clear which elements (i.e. governance) remains to be decided under the current initiative. It should further concentrate on the governance structure of the future R&I activities and explain how lessons learned and evaluations of existing programmes have been taken into account. Furthermore, the report should establish the logical link between R&I efforts and the envisaged completion of the Single European Railway Area (SERA), indicating how the low market uptake would be overcome, and explaining competitiveness problems that are R&I related and that characterise the EU rail industry.

**(2) Better present the policy options.** The report should state more explicitly that the available policy options within the Horizon 2020 framework are limited to alternative governance regimes, and better describe their content and components. The different modalities within the iPPP option, i.e. joint undertaking and joint technology initiative, should be more clearly distinguished. In doing so, the report should also provide more information on the views of relevant categories of stakeholders in order to better identify the expected advantages and drawbacks of these two formats for the different actors in the rail industry.

**(3) Better explain the impacts.** The report should better explain how the impacts have been estimated and what methodology has been used to arrive at these results. It should indicate the expected direct benefits and should differentiate between administrative costs for market operators and implementation costs for public authorities. In this context the report should make clear if and how certain providers, regions and/or Member States might benefit more from the initiative than others. Quantitative evidence and studies should be used to support the argumentation, whenever available.

*Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report*

### **(D) Procedure and presentation**

The report should provide more systematic references to input received from different stakeholder groups throughout the key sections of the report, with direct reference to their actual statements rather than these being only implied in the presented percentages.

### **(E) IAB scrutiny process**

Reference number	2013/MOVE/040
External expertise used	No
Date of IAB meeting	Written procedure (16 October 2013)