

The document deals with the proposal for the new **EU Rail Infrastructure Capacity Management Regulation** and issues that should be addressed during the trilogue negotiations between the European Parliament (EP), the Council and the Commission to finalise this much anticipated new regulation:

Main Issue: The proposal for a Capacity Regulation by the EU Commission aims to support cross-border passenger and freight rail services. However, certain amendments in the Council's position have led to a stronger national focus, which contradicts the original goals of the proposed regulation. Sweden was the only Member State, which abstained from supporting the Council's General Approach.

The trilogue is expected to start in October or November 2024. Several industries are concerned that cross-border rail freight transports will be made more difficult if the Council's version of the text was to prevail.

The Commission originally proposed socio-economic and environmental cost-benefit analysis to support the capacity allocation decision-making of rail infrastructure managers.

Critical Points:

1. **National “strategic guidance”:** The Council's proposal for national “strategic guidance” gives governments in Member States more influence over how train paths are allocated and how maintenance works are planned, potentially prioritising domestic passenger trains over cross-border trains and freight trains in particular.
2. **Risk of fragmentation:** If the Council's position is maintained there is a risk that it will reduce the priority of cross-border freight trains, and this could negatively impact the railway's ability to support the EU internal market and economic growth.
3. **Trilogue negotiations:** The Commission points out the risk in the Council's position. Still, the Commission would accept a successfully concluded negotiation rather than threatening to withdraw the proposal. The European Parliament's position is more on the side of the Commission proposal of socio-economic and environmental cost-benefit analysis to be used as a basis for allocation.

What Needs to Be Done:

It is critical for the sector and European industry to send a strong message to the Parliament (rapporteurs and shadow rapporteurs) and the Council (Ministries of Transport and Transport Attachés for each Member State). The two most pressing messages are:

1. **Safeguard cross-border European train paths:** Highlight the importance of preserving the fundamental principles behind the Capacity Regulation that aim to safeguard enough capacity and quality of cross-border train paths. The Commission should be urged to declare its red lines towards the Council: without socio-economic and environmental cost-benefit analysis it will not sign off on the trilogue.
2. **Bridge the Two-Year Gap 2029/2031:** Solve the issue of transitioning from the existing EU Rail Freight Corridor regulation (RFC) to the new Capacity Regulation in order to avoid two years of legal uncertainty.

Supporting Arguments:

- **Competitiveness:** Focus on European industry competitiveness and therefore the socio-economic effects within the EU caused by inefficient cross-border rail freight traffic.
- **Infrastructure Projects:** Emphasize the importance of projects like the Fehmarn Belt, the Turin-Lyon Base Tunnel or the Brenner Base Tunnel and their connecting lines. The Council's proposal reduces the value of such new railway infrastructure.
- **Rail Market Functioning:** Many of the achievements in the past years including the 4th Railway Package, which lay the foundation for a European railway market, are at risk.
- **EU Internal Market:** The obvious value of well-functioning rail freight services is to support the EU internal market, economic growth, climate targets and resilience in times of crisis, in line with key documents such as the Draghi Report, the upcoming Commission's work plan for a competitive Europe, and the Clean Industrial Deal promoted by Ursula von der Leyen.

Summary: To achieve effective and harmonized rail infrastructure capacity management within the Single European Railway Area and to safeguard sufficient capacity and quality of international freight train paths, it is crucial for Member States to support a new European regulation that is not subordinated to national interests.