

Rail transport

Parliament could shake up internal organisation of railways

By Isabelle Smets | Tuesday 04 January 2011

Heated debates and possibly even something of a revolution in the organisation of Europe's railways may be on the horizon: the European Parliament could demand the full separation of infrastructure operators from incumbent rail companies. The European Commission went to pains to avoid this subject in its draft recast of the first railway package, considering it too controversial. MEPs could nevertheless add it to the text with their first-reading report (co-decision procedure). This is apparently the intention of the working draft – which has not been made public yet – by rapporteur Debora Serracchiani (S&D, Italy), set to be debated by the Committee on Transport (TRAN), on 25 January.

At present, EU legislation does not impose total separation between transport and infrastructure management activities. The infrastructure operator may, for example, form part of a holding company that also includes one or more railway companies. However, Parliament has often voiced concerns about the lack of real independence of infrastructure operators from the incumbent railway companies. The European Commission did not tackle this issue in its proposal for recast of the first railway package, presented in September 2010, taking the view that infringement procedures under way would suffice to solve the problem. In her working draft, Serracchiani nevertheless states that the lack of independence of infrastructure operators hampers competition in a large number of states and that “it is time now for the European Parliament to consider in which way and under which form unbundling [separation between infrastructure operators and railway companies] can be achieved”. She argues that “only fully legally, organisationally and institutionally independent infrastructure managers should be authorised”.

If Parliament adopts measures to this effect, fierce opposition can be expected in Council from certain member states, especially Germany.

Last September, when the European Commission presented its proposal for recast of the first railway package, Keir Fitch, deputy head of cabinet to Transport Commissioner Siim Kallas, assured that the question of separation of infrastructure operators from railway companies had “not yet been decided”. However, a draft white paper on the future transport policy, to be presented by the EU executive in 2011, plans to introduce new rules on the internal organisation of railways, with “full separation” between the two types of companies. Parliament's report could bring about such requirements sooner than expected.