market development

Three problems of the European rail industry

In June, representatives of UNIFE, the European Rail Supply Industry Association reuniting 100 rail manufacturers and decision-makers, signed a declaration during the 28th General Assembly of UNIFE, in Dublin, Ireland. In the declaration, UNIFE says the industry is dealing with three categories of problems.

by Doru Cireasa

More than 200 leaders of the European rail industry gathered in Dublin for the 28th General Assembly of UNIFE. The EU suppliers and decision-makers have approached the current challenges of the railway industry focusing on correct competition, human resources and development.

According to UNIFE, participants have reaffirmed the strategic importance of the production sector and the necessity of acting without delay to guarantee that large European companies in the railway industry maintain their global leadership in the context of the fierce international competition growth.

UNIFE Board Members signed the Dublin Declaration whose objective is to raise the awareness of the EU and national decision factors on the crucial importance of the European industry for the sustainable development of Europe and of the world, in general.

The six discussion topics

During the first day, the event agenda included debates regarding six major topics in the rail sector, namely: quality, digitisation and innovation, human resources, public procurement and investments, interoperability & harmonisation and trade.

“UNIFE will continue to plead for fair competition, rules and regulations that favour innovation, and which attract good people towards a sustainable industry”, said Sabrina Soussan, UNIFE Chair and CEO Siemens Mobility.

The list of interventions included officials from the European Commission, the European Parliament, European Investment Bank (EIB), Shift2Rail PI, European Union Agency for Railways, Irish Ministry of Transport, Tourism and Sports, National Transport Authority and the executive directors of Irish Rail and Transdev Luas (light rail Ireland).

One of the intense topics approached has been the methods through which the European industry and European suppliers can maintain industrial leadership. Solutions include accentuating the role of innovation, attracting young talents, selecting necessary work force skills, the central role of the public procurement sector, free, non-discriminatory access on international markets and implication of SMEs.

Another interest topic was providing a sustainable, interoperable and digital transport system in Europe where railways are the backbone. According to Shane Ross, Ireland’s Minister of Transport, Tourism and Sports, his country considers investments of several billions of euros in heavy rail transport, light rail transport and metro transport and sustainable mobility is one of the ten key priorities of “Ireland 2040” Plan.

The European Commission’s priorities over the next years are sustainability and digitalisation, with ERTMS as backbone of digitalisation, said Henrik Hololei, Director-General for Mobility and Transport (DG MOVE) within the European Commission. According to Philippe Citroën, Director General UNIFE, the European Commission has to establish a European platform regarding digitalisation in the railway sector.

UNIFE welcomed new members

During his reunion, UNIFE officially accepted nine new members in the association: Dutch Analytics BV (Netherlands), Elcowire Rail GmbH (Germany), IVM Srl (Italy), Konux (Germany), Leonardo SpA (Italy), RideOnTrack (Belgium), STIMIO (France), Triorail Bahnfunk (Germany) and Wenzel Elektronik GmbH (Germany).

The third session provided participants with a general
presentation of the main rail evolutions and projects in Ireland with presentations of Anne Graham (CEO, National Transport Authority), Michael Nolan (CEO, Ireland Transport Infrastructure), Jim Meade (CEO, Irish Rail) and Dave Rooney (Luas Central Control Room Manager, Transdev).

Dublin Declaration of the European rail industry

In the declaration elaborated during the event, participants underlined the fact that rail transport and the rail industry are not just the “greenest” and non-polluting, but also some of the biggest employers. “It is a fact: rail is the greenest and safest mode of mass transportation. With its high energy efficiency, its low emissions of CO2 and its capacity to safely move millions of people and tonnes of goods all over the world, rail is definitely the solution to meet the challenges facing our planet: from globalisation to urbanisation and, of course, climate change. And we are not only good for climate, we are also key for securing jobs and growth in Europe! We are a world-leading industry which provides more than 400 000 direct and indirect jobs throughout Europe; with supply chains made of thousands of innovative companies – from SMEs to major industrial players – all striving to deliver European industrial excellence all over the world”, the document states.

The document also refers to the critical conditions of international markets, especially Asian markets, which is a challenge for the European industry. “Nevertheless, we know that we are now in a turbulent era where, on the one hand, we face a very fierce industrial competition from Asia, and where, on the other hand, we increasingly face difficulties to access international markets due to rising protectionist trends”.

The EU member states and the European Commission have to act in three main directions, namely fair competition and business environment, innovations and investments and human resources.

- Level playing field and business environment – where we call for the swift implementation of the Technical Pillar of the Fourth Railway Package, for the promotion of the Best Price-Quality Ratio in Public Procurement and for securing international market access as well as fair global competition based on the principle of reciprocity;
- Innovation and investment – where we call for the extension of the Shift2Rail Programme for Research & Innovation in the framework of Horizon Europe and for making rail the backbone of the Trans-European Transport Network with ambitious EU funds – in particular the Connecting Europe Facility (CEF) and the Structural Funds – for rail infrastructure and ERTMS deployment;
- People – where we call for a dedicated EU initiative to improve skills intelligence and address skills shortages in our industry.

What is the technical pillar of the Fourth Railway Package?

The 4th Railway Package (4RP) is a set of legislative texts designed to complete the single market for rail services (Single European Railway Area). It should revitalise the rail sector and make it more efficient and more competitive vis-à-vis other modes of transport. The 4RP comprises a technical pillar and a market pillar.

The ‘technical pillar’, which was adopted by the European Parliament and the Council in April 2016, enhances the role of the EU Agency for Railways (‘the Agency’) by introducing new tasks to ensure a uniform implementation of the EU framework.

What are the benefits of the 4RP technical pillar? The technical pillar is designed to boost the competitiveness of the European railway sector by significantly reducing the costs and the administrative burden for cross-border rail services. In particular, it will:

- save businesses from having to file costly multiple applications for vehicle authorisations and safety certificates in the case of operations beyond one single member state
- create a ‘one-stop shop’ IT tool which will act as a single entry point for all such applications, using easy, transparent and consistent procedures
- ensure that European Rail Traffic Management System (ERTMS) equipment is interoperable
- reduce the large number of remaining national rules, which create a risk of insufficient transparency and disguised discrimination against new railway undertakings.

The next General Assembly of UNIFE will be held in Berlin, on 24-26 June 2020.