

Confident but prepared:

European rail supply industry looks to strengthen position as leader of the world rail supply market amid increasing global competition

by Philippe Citroën

As an innovation driven industry, the global rail supply market is dynamic and constantly changing. It is no surprise that European rail suppliers lead this market considering their significant investments in research over the years and their development of some of the game changing technologies we see on the rails today, including ERTMS, driverless metro systems, and the modern (very) high speed train.

With its solid tradition of quality and innovation, the European rail supply industry will continue to lead in the world, but it is taking action to ensure a level playing field on global markets as well as the necessary steps to hone its competitiveness especially with the rise of powerful industrial giants from Asia (and notably China). The European rail supply industry is an important export-oriented segment of the EU economy, employing 400.000 people throughout Europe and accounting for 46% of the accessible market for rail equipment. However, the percentage of the global market that is accessible to EU suppliers has been shrinking in recent years, especially as key countries such as China are now protecting their market and aggressively supporting their own state-owned industry's ambitions on the global market. Furthermore, despite intense and difficult free trade agreement negotiations between the EU and Japan, the Japanese rail supply market is still almost entirely closed to European companies. All the while, the European market remains one of the most accessible in the world. As the rail industry is increasingly called upon to meet the growing need for efficient and reliable sustainable mobility, fair competition on the global market is especially essential.

Therefore, UNIFE (European rail supply industry association) was especially heartened by the overwhelming support of the European Parliament for our industry in the form of its Resolution on the

Competitiveness of the European Rail Supply Industry, unanimously adopted in the European Parliament plenary session on 9 June. This Resolution, drafted by rapporteur German MEP Martina Werner, reflects the European Parliament's ambition to set up with the Commission and the Member States a coordinated European industrial strategy for the rail supply industry with concrete recommendations covering all topics of EU competence impacting industrial competitiveness including: research and innovation, skills and training, internal market, public procurement, trade/access to foreign markets, SME policy and demand stimulation. Effectively, this Resolution will further strengthen the European rail industry's offer, improve the EU and global market environment so that European suppliers can sell their products in fair market conditions, and help stimulate the global demand for European rail supplies. UNIFE is now working with the Parliament to ensure that the European Commission and the Member States will act on and implement the Resolution's recommendations in order to equip European rail suppliers to continue to thrive both in Europe and globally. We are especially grateful for the robust collaboration with the EU institutions and with their continued help, I am confident that the European rail industry will not only maintain the leadership of the global market but also continue to build a more attractive railway system that encourages a shift to rail transport around the world. With such a modal shift, the environmentally-friendly and societal virtues of rail can be fully realised and play a central role in the reduction of transport CO2 emissions while meeting the world's insatiable demand for efficient mobility.

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