

Reviving international passenger rail in Europe



Backed by young rail professionals and environmental groups, the Train2EU coalition launched in Brussels on November 18 has developed a youth-orientated manifesto aimed at growing rail's share of the international passenger transport market in Europe.

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A truly pan-European railway network characterised by high technology, entrepreneurial spirit and effective marketing. That is the vision for Train2EU, an international 'railway company' established as a result of co-operation between Jonge Veranderaars, the association for young transport professionals in the Netherlands, and Dutch environmental organisation Natuur & Milieu. Other supporting partners include engineering consultancy RoyalHaskoningDHV, Dutch journey planning specialist 9292 and the UK's Young Rail Professionals.

All the parties realised they share an interest in rail policy and are keen to see rail increase its modal share in the European transport sector. And all were

utterly surprised by the inefficient and outdated practices they observed across Europe's nationally-orientated railways. The resulting Train2EU campaign is intended to show how our modal aspirations can become reality; and how the rail mode might become more relevant and more international to a younger generation of travellers brought up in the 1980s and 1990s.

We are...

We love to travel through Europe by train. Some call us rail nerds, which we consider an adequate description of

what is wrong with European rail travel. Because of the way things are today, you need to be a devoted enthusiast as well as an established expert in order to benefit from Europe's fragmented, old-fashioned and non-user-friendly rail services.

We are young professionals involved in and interacting with railways every day: infrastructure managers, passengers' associations, train operators, civil and maintenance engineers, environmental organisations, travel agencies, IT providers and so on. In short, we are the ones who will be running and using the European rail system in the next 20 years. We

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Welcome to Brussels: the Train2EU partners met MEPs and policy organisations at a launch event on November 18.

are children of the post-Cold War era, raised in an age of technological progress, wealth and peace in a Europe without borders. And we believe European rail travel can and should be organised better.

We see...

We see a planet that requires us to re-think transport. We are the first generation to face the full consequences of mankind's mindless exploitation of natural resources, changing our environment and climate into something we cannot in good conscience pass on to our children.

Technological innovation and efficiency measures offer hope to mitigate much pollution and energy waste. But even with the best available technology, modern travel behaviour makes the transport sector particularly hard to turn green. Land-based transport has the option of being electrified, drastically reducing traffic noise, eliminating urban air pollution and greatly reducing energy demand for vehicles. The rise of electric cars, however, is unlikely to substitute for the increasing numbers of car-kilometres in the EU.

There is a general consensus that making the growing volume of air travel truly sustainable is impossible, as aviation remains dependent on hydrocarbons as a lightweight energy source. Heavy batteries are obviously not an option for aircraft. For many European trips, rail, with its expanding electrification, could offer good value in a transition to a more environmentally-friendly energy and transport mix. Yet rail's current share of the international passenger transport market is as low as 4%.

Time for reinvention

Behind the scenes, we see underlying causes for rail's limited share of European travel. The main market for train operators is still domestic. Yet, this was not always the case; the work by Kees van Goeverden at the Technical University of Delft has shown us that international rail travel has decreased over the last 40 years in both quality and quantity.

External factors have played a role, such as the emergence of the internet, political change in Eastern Europe, the push for free markets by the European Union, diminishing governmental support, and the (indirectly-subsidised) rise of low-cost air travel. But there have also been significant changes to the structure of Europe's railways too, with a push to liberalisation and on-rail competition in the past two decades which has had a series of unintended consequences. Not least has been the rise of a conservative risk mitigation culture that has inhibited rail's ability to capture new markets.

As a result, the international rail

sector nowadays seems to be in survival mode. There are bright spots of course — the intermodal freight market and some regional passenger routes. But overall we see a market segment where actors are scared to take risks and are wary of competition. Infrastructure management, booking processes and security arrangements are poorly harmonised, and there is no European public transport authority with ownership over the problem and a mandate to fix it.

From the passenger's perspective, the most obvious problems are:

- the difficulty in booking any international journey that is not between capitals or major cities (the existence of the specialist travel agency Treinreiswinkel in the Netherlands and the acclaimed Seat 61.com website in the UK are evidence of this, as passengers need to dive into various planning and booking tools to find the right connection for the best price);
- rail's competitive position. In 2009 the European Environment Agency presented an outlook on the modal split of passenger transport in the EU. This forecast an increase in the modal share of aviation from 8.7% in 2005 to 12.2% in 2030, while rail's share would decrease from 7.7% to 7.5%;
- the increasing price of tickets, especially in an era of generally falling air fares. In some cases this has been exacerbated by an imbalance in service provision where major upgrading or new high speed line construction has skewed the market towards premium pricing and high-yield selling;
- inflexible ticketing policies. Yield management techniques, often drawn from other transport sectors, have increased the propensity for obligatory reservations and reduced the 'walk-on' flexibility of many rail routes. This has been matched by the growing need to book in advance and the elimination of free ticket cancellations.



Growth potential proven

Nevertheless, we see great potential, both to improve the supply of rail services and in terms of unmet demand. Taking the example of international rail services in the Netherlands, improvements in rail services have been shown to attract more passengers. Between 2006 and 2012, the Amsterdam – Paris Thalys service grew from six to 10 trains daily, reduced travel times with the opening of the HSL-Zuid high speed line and saw passenger ridership increase by 50%. In the regional market, the Enschede – Gronau line reopened in 2001 attracts 2000 passengers every weekday and typically 3000 on a Saturday. Arriva saw its passenger numbers on the Groningen – Leer route grow by 50% when the frequency was increased from every 2 h to hourly in 2013.

On the distribution side, technology suppliers are starting to challenge the orthodoxy of how train operators retail their product. Companies like Amadeus are seeking to leverage their data handling skills to develop more integrated back office systems that offer multimodal journey planning and booking services (RG 1.13 p55).

Research in the Netherlands undertaken both by Treinreiswinkel and

The Train2EU partners say they have taken a deliberately idealistic stance in framing their international passenger vision, to distinguish it from what they see as the 'technocratic' approach of existing policy.

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RAIL'S PROJECTED PERCENTAGE SHARE OF PASSENGER TRANSPORT IN THE EU IN 2030

Train2EU encouraged transport professionals at the annual RailForum Congress in Den Haag on November 13 to place pins on a map indicating destinations they would like to visit in a 'Europe without railway borders'.



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'International rail travel has decreased in the last 40 years in both quality and quantity'

national operator NS suggests that significant unmet demand may exist for leisure travel, which is the market segment that has underpinned the expansion of low-cost flying in Europe. The surveys found that between 20% and 30% of car or air travellers would like to switch to rail if access and affordability issues could be addressed; currently only 5% of Dutch holidaymakers use rail to get to their destination.

We dream...

We dream of a rail travel experience which is as easy and seamless as using our smartphones to get in touch with friends and colleagues across the globe. We believe that European rail is the best travelling experience one can have on the 'old continent', with the least impact on environment, resources and climate change.

Our mission is to provide Europe with a seamless, borderless travelling experience by rail, meeting the demands of a 21st century society. We wish to do this by encouraging all Europe's railway companies to unite behind the

Train2EU vision, and work together to provide more and better cross-border rail services.

Train operating companies. We need a bold sector with the guts to invest in what passengers want: attractive train services, easy access, affordable tickets, cross-border connections and in general a hassle-free travel experience. We invite all parties in the railway industry to identify and create opportunities to improve the quality of international train services.

Infrastructure managers. Their priority should be the provision of capacity, not only for domestic but also for international traffic, and the delivery of technical interoperability. Adoption of the technical pillar of the 4th Railway Package (p26) should help greatly in this regard.

Governments. The main role of governments is to create a conducive business climate. EU policymakers for transport and regional development and national transport ministers should work together to foster a market for travellers, not trains, and intervene only where the market fails.

At the European level especially, there is an opportunity to create policy instruments to place greater emphasis on rail growth, in keeping with the modal shift aspirations outlined in the 2011 white paper (p29). Meanwhile, national governments have a unique role in influencing international traffic: they are the controlling shareholders of



the major national operators and/or infrastructure managers, and are crucial in the European decision-making process. This requires them to become much more pro-active in giving international rail links more impetus.

The supply industry. Involving the various branches of the railway supply sector in the Train2EU vision is essential as a means to ensure innovation is encouraged and novel business practices adopted. It is important that the whole spectrum of railway suppliers are involved, from established railway engineering businesses through to newcomers offering information, data and technology services. All have an interest in expanding the market for international rail travel.

Environmental organisations. Environmental and consumer organisations have a role to inform and educate the public about the environmental benefits of rail compared to road and air travel. With a massive membership base as their constituency, they may also be able to help kick-start the expansion of the international passenger rail market. NGOs also often have a strong influence on domestic policy while also being affiliated with international partners, again giving a networking spine through which knowledge can be disseminated.

Consumer bodies. Passenger representative groups and transport users' organisations around Europe could further leverage the appeal of rail as a leisure travel option; rail is a leisure experience in itself rather than just a means to get from A to B. Bodies such as ANVR in the Netherlands or *Which?* in the UK could hold the railway industry to account to ensure that the rights and needs of international passengers are met, and that train operators and infrastructure managers treat customer satisfaction as their core business.

The opening of the HSL-Zuid high speed line through Belgium and the Netherlands has delivered a sharp increase in Thalys ridership, but the two countries have struggled to find the optimal balance between high speed and conventional services following the collapse of the ill-fated Fyra venture.





Photo: Didier Delattre

The Train2EU partners believe that market liberalisation has not yet delivered the benefits its promoters had hoped for. RENFE's services in France operate in partnership with incumbent SNCF.

We act...

We intend that the Train2EU action plan will unfold in three phases over time, building up towards the final goal of more and better cross-border rail services in Europe. The coalition's first objective is to 'share the dream', the second is to improve the quality of existing international rail services, and the third would be to increase the supply of such services and exploit their commercial potential to the fullest extent.

Concrete steps have already been taken to ensure that policymakers and the rail industry alike can engage with Train2EU. Digital and social media presence is obviously essential to give momentum to our agenda, but this has been supported by two high-profile launch events. The first took place on November 13 at the annual RailForum Congress in the Netherlands, while the second saw the Train2EU campaign formally launched at a European level in Brussels on November 18.

We are already embarking on the second and third phases of the vision. The first practical issue we seek to tackle is the complexity of rail ticket distribution. We believe every European country should share a standardised platform, offering the same services with access to the same fare basket, eliminating price discrepancies between retail outlets.

This tool would then be made available in all languages and through both the Train2EU portal and operator sites. Web and smartphone apps are essential in this. From the passenger perspective, the platform would engender trust by being easy to use and transparent.

There can be no doubt that such a retail architecture will be challenging to deliver given the myriad of existing interfaces; this was one of the factors in the failure of the Railteam Broker concept. But the returns on investment are significant, and emerging technologies could make the task less onerous. One

asset is the potential for 'big data' mining, from which more insights could be collected into the search requests of potential passengers, their needs, travel information queries, travel habits and so on. Train2EU intends to commission market research to explore this area further.

The results of this second phase would give an indication of the unmet market demand: unattractive offers with long travel times and many changes, or enquiries for direct connections which are not established yet.

In a joint venture with operators, we intend to identify missing links and poor quality connections in the international network. We regard these as

business opportunities and we intend to propose to the operators how they might best be exploited. Some examples exist already: Dutch passenger advocacy group Rover has outlined the potential for introducing higher-quality inter-city services over the Dutch-German border at Venlo by extending long-distance trains in both countries.

We hope that this will be seen as the start of a new movement for rail in Europe, and we urge the whole industry to get on board. ■

For further information about Train2EU, contact the author at voorzitter@jongeveranderaars.nl or follow @Train2EU on Twitter.