

European Union Agency for Railways. 4th Railway Package

2013/0014(COD) - 30/01/2013 - Legislative proposal

PURPOSE: to replace the original founding Regulation of the European Railway Agency, and add new important tasks to the Agency making it a truly European Railway Authority in the field of interoperability and safety (**fourth railway package**).

PROPOSED ACT: Regulation of the European Parliament and of the Council (new proposal).

PARLIAMENT'S ROLE: Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: in the last decade, the EU railway market has witnessed profound changes, gradually introduced by three legislative 'railway packages' intended to open up the national markets and make railways more competitive and interoperable at the EU level, while maintaining high level of safety. However, the modal share of rail in intra-EU transport has remained modest. This is why the Commission has put forward the **Fourth Railway Package in order to enhance the quality and efficiency of rail services by removing the remaining market obstacles**.

This proposal for a Regulation, along with the [proposal to recast Directive 2004/49/EC on rail safety](#) and the [proposal to recast Directive 2008/57/EC](#) (interoperability) are part of this fourth package which focuses on the removal of remaining administrative and technical barriers by:

- establishing a common approach to safety and interoperability rules to increase economies of scale for railway undertakings active across the EU;
- decreasing administrative costs,
- accelerating administrative procedures, as well as avoiding disguised discrimination,
- relying on the European Railways Agency.

IMPACT ASSESSMENT: in addition to the baseline scenario (Option 1), the Commission identified five options:

- **Option 2:** greater coordination role for the Agency in ensuring a consistent approach to certification of railway undertakings and vehicle authorisation;
- **Option 3:** European Railways Agency (ERA) as a one-stop-shop, where the final decision on certification and authorisation remains with the national safety agencies (NSAs) but ERA performs entry and exit checks of applications and of the decisions;
- **Option 4:** ERA and NSAs share competencies, where the final decision on certification and authorisation is taken by the Agency;
- **Option 5:** ERA takes over activities of NSAs in relation to certification of railway undertakings and vehicle authorisation;
- **Option 6:** horizontal measures that could be implemented to improve the competitiveness of the rail sector.

The environmental impact of all the options was assessed as positive, though low. The social impact of all the options was assessed as low/marginal. It was concluded that **Option 4 (combined with Option 6) was the preferred option as it provides the best balance of outcomes**.

LEGAL BASIS: Article 91(1) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the proposal for a Regulation seeks to **add new tasks to the European Railway Agency** making it a truly European Railway Authority in the field of interoperability and safety.

The Agency should in particular:

- play the role of **European authority responsible** for issuing authorisations for placing on the market for railway vehicles and for types of vehicles, safety certificates for railway undertakings and authorisations for placing in service of trackside control-command and signalling sub-systems;
- **monitor national railway rules** and the performance of national authorities acting in the railway interoperability and safety fields;
- provide **independent and objective technical support**, predominantly to the Commission;
- have a strengthened role in the field of **telematics applications** to ensure their consistent development and swift deployment;
- be given a more important role to ensure the consistent **development of the European Rail Traffic Management System (ERTMS)**.

The proposal also provides for the establishment of an appeal mechanism so that decisions of the Executive Director can be subject to appeal to a **specialised Board of Appeal**, whose decisions are, in turn, open to action before the Court of Justice.

Lastly, in order to perform its tasks properly, the Agency should have legal personality and an autonomous budget funded mainly through a contribution by the Union and through **fees and charges** paid by applicants.

It should be noted that the fourth railway package also includes: (i) [a proposal to amend Regulation \(EC\) No 1370/2007](#) concerning the opening of the market for domestic passenger transport services by rail and (ii) [a proposal amending Directive 2012/34/EU](#) establishing a single European railway area.

BUDGETARY IMPLICATIONS: the new proposal for a Regulation constitutes a legislative basis for commitments in terms of budget and staff for the Agency. The implication for expenditure is estimated at **EUR 161.118 million for the period 2015-2020**. These figures are provisional because they depend on the adoption of the Multiannual Financial Framework for 2014-2020 by the budgetary authority.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.