

## **2. Fair access to track infrastructure**

There is clear evidence that, in the limited cases where rail market opening has already occurred, results have benefited passengers, taxpayers, the sector and the environment. But private investors need predictable conditions (stability). Two measures should be taken to ensure market conditions that will be less prone to surprises

a) **Fees for the usage of state-owned track infrastructure should only be charged based upon direct costs (i.e. no mark ups).**

- Would **reduce the risk** for new operators; enable them to plan longer term
- Any reduced income for infrastructure managers ('IM's) in the initial period will ultimately be compensated by maximised capacity usage.
- This has been the case in Italian high-speed rail network. Since track access fees were reduced there, the additional traffic has actually increased the Italian rail infrastructure manager's total income<sup>1</sup>, not to mention the incredible modal shift that has come about – [see this recent article](#)<sup>2</sup>.

b) **Guaranteed access to state-owned infrastructure for private new entrant operators**

- If a state-owned incumbent – such as Germany's Deutsche Bahn ('DB')<sup>3</sup> – purchases new trains there is effectively never any risk that these will not be allowed to operate at exactly the times that DB wants.
- However, this implicit guarantee does not exist for newcomers – there is the **real and present risk** that private investors might buy rolling stock only to be told that there is no track capacity left available.
- If passenger volumes are predicted to increase in the future, then it should not be the case that incumbents are allowed to occupy the any new slots by default. For example, the Netherlands recently announced plans for higher frequency operations on trunk lines<sup>4</sup>, but Dutch Railways NS is lobbying for exclusivity in offering these new additional services.
- In short: there must be **continued, frequent redistribution of track access applications** by new entrants at the expense of incumbent operators - **until** the latter has reached a level in which they are no longer considered to be market dominant, i.e. less than 33% market share.

<sup>1</sup> <http://www.cesisp.unimib.it/en/la-storia-di-italo-e-i-benefici-della-concorrenza-nellalta-velocita-ferroviaria/>

<sup>2</sup> <https://www.railwaygazette.com/in-depth/italy-transformation-at-italo-ntv/54818.article>

<sup>3</sup> <https://railcolornews.com/2019/02/05/de-deutsch-bahn-to-ordwer-23-talgo-passenger-trains/>

<sup>4</sup> <https://www.railjournal.com/regions/europe/dutch-extend-plans-high-frequency-operations/>