

PRESS RELEASE

New articles by "Investigate Europe" reveal growth of cross-border rail is hampered by protectionism

BRUSSELS, November 23rd, 2021: in a major new set of articles¹, independent reporters from the team at "Investigate Europe (IE)" have revealed that the growth of European cross-border passenger rail is still severely hampered by many national governments protecting their state-owned railway companies.

The EU wants to double the number of rail passengers by 2030: there's about 98 months to almost halve emissions so as to avert a rolling global catastrophe. Furthermore: in the 6-7 countries where it has been allowed to happen so far, market liberalisation has really boosted modal shift to rail.

Yet in most of Europe we still see governments <u>deliberately</u> delaying rail liberalisation until the 2030s and <u>sabotaging</u> the goals of the EU Green Deal.

IE's new set of articles describe how: "The current state of European railways is that of a patchwork rather than a network". In addition, there is a "fortress mentality of national rail companies to liberalisation", preferring to "opt for a monopoly over domestic connections and a non-aggression pact with each other".

But the Status Quo does not work. After 70 years and billions of euros in taxpayer subsidy, the market share of cross-border rail remains small – still <u>less than 4%</u>. Citizens are being <u>denied</u> the benefits of a vibrant Single European Rail Area.

Meanwhile: in the few cases where they do compete with each other, the national rail companies **themselves prove** the environmental benefit of liberalisation:

Since SNCF began competing with Renfe between Madrid & Barcelona in May 2021, the total passenger numbers have already grown by 17% (versus <u>all</u> of 2019)².

ALLRAIL President Dr. Erich Forster says: "To claim that rail liberalisation has failed is nonsense – on the contrary: it has barely even been allowed to start yet!"

This is because too many European countries – such as Belgium³ & Norway⁴ – seek to maintain the Status Quo & give new 10-year direct awards to their state-owned national rail companies so they remain protected monopolies until the 2030s.

But this is <u>too late</u> for the EU Green Deal! The Single EU Rail Area will remain fragmented & small: a huge disadvantage for both passengers & the environment.

¹ https://www.investigate-europe.eu/en/2021/derailed-europe-railway/

² https://twitter.com/ALLRAIL_EU/status/1448977693526081550

³ https://newmobility.news/2021/11/22/nmbs-sncbs-monopoly-fixed-for-another-ten-years/

⁴ https://www.railjournal.com/policy/norwegian-government-halts-further-competitive-tendering-of-rail-services/