

TALKS ABOUT EUROPE

European Year of Rail



European
Commission

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[2021 was the European Year of Rail](#) aimed to draw attention of Europeans to the fact that [railways are one of the safest, most sustainable, and an extremely innovative means of transport](#). This initiative is one of various actions within the European Green Deal (EGD) aimed at raising awareness and showing how the goal of climate neutrality in Europe by 2050 can be achieved. Renaissance of rail is one of the pathways to take. The events related to the European Year of Rail were therefore intended to encourage European citizens and European companies to use this mode of transport more often.

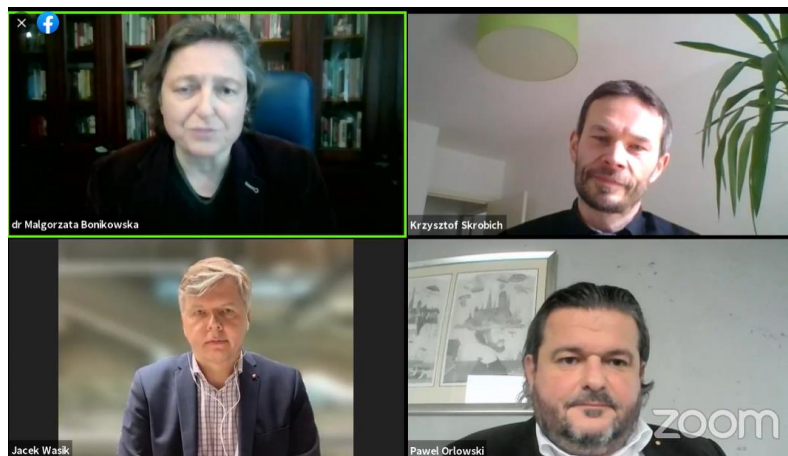
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The key issue for the future of railways is how Europeans will want to travel, and how transport translates into development conditions in particular regions of Poland. What role do local governments have to play in this regard? What is the current condition of Polish railways compared to other European countries? It is also important to balance the interests of various modes of transport: rail, air, and road transport, as well as ensure fair conditions of competition. The European Union has developed a single market for goods and services, and a common trade policy, so perhaps it is time to achieve the best possible compatibility of transport routes? Will large infrastructure projects still be financed by the European Union?

These topics (among others) were debated by the participants of an [on-line discussion organised on November 4, 2021](#) as part of the "Talks about Europe" series, conducted by the THINKTANK centre and the European Commission Representation in Poland: **Paweł Orłowski**, local government official, former Marshal of the Pomeranian Voivodeship in 2016-18, former Deputy Minister of Development; **Krzysztof Skrobich**, Project Director for investments co-financed from EU funds, Polish State Railways – PKP; and **Jacek Wasik**, Head of the Regional Representation of the European Commission in Wrocław. The debate was moderated by **Małgorzata Bonikowska**, president of THINKTANK, member of Team Europe.



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1. Railway as an indispensable part of the European Green Deal

The special train "[Connecting Europe Express](#)" which, from September 2 to October 7, 2021, travelled across 26 EU countries, stopping in over 100 cities and covering 20,000 kilometres. In Poland, the European Express visited Warsaw, Gdańsk, and Białystok, reminding passengers of the advantages of this mode of transport, which, along with the air transport, was particularly hard hit by the pandemic.

Due to electrification (75%), the rail sector emits significantly less CO2 than road or air transport. It was also the only mode of transport to consistently reduce greenhouse gas emissions and energy consumption between 1990 and 2017. It also steadily increases the use of renewable energy sources. It is the [safest form of land transport](#) with the lowest occurrence of fatal accidents. Therefore, increasing the share of rail transport is the primary goal towards decarbonization of the economies of the European Union and achieving the EU's climate goals. This is all the more important as [916,000 people work in the EU rail sector, of whom 21% are women](#).

Participants' comments

Jacek Wasik

The European Year of Rail was to show passengers that rail is not only an environmentally friendly mode of transport, but also comfortable and very safe compared to others. This is all the more important because in many countries the development of railways has been neglected, many sections have been closed, thus increasing the transport exclusion. In Poland, the main routes continue to be used, while in smaller towns the situation is worse. Although in the context of the European Green Deal we mostly talk about energy, transport is much more problematic. In the field of energy, thanks to the emissions trading system, it has been possible to reduce emissions by over 40% over the last dozen or so years. Meanwhile, emissions in transport are growing steadily and are now responsible for 25% of the EU's emissions, of which rail accounts for just 0.4%. Hence, in

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the coming years, the European Commission will place great emphasis on the development of railways.

Krzysztof Skrobich

For the PKP, the European Year of Rail has been an opportunity to be widely promoted as the safest, greenest means of transport. We have been organising debates on the role of railways in the regions as a development backbone, and how to improve the quality of customer experience, what the railways should be doing to attract as many passengers as possible. The European Year of Rail's train tour was a joint initiative of the European Commission and the rail sector. 40 railway companies and the Community of European Railway and Infrastructure Companies (CER) participated in this initiative. The events held in the places where the train stopped were important. The purpose was to promote railways, showing that it is worth using, even if we can cover the same distance by car in a shorter time, because the carbon footprint will be minimal. We wanted to convince the undecided to use the railways and change their habits.

Paweł Orłowski

The European Year of Rail train also visited Gdańsk. The city joined the initiative by organising the TRAKO railway fair as part of the International Gdańsk Fair. It was the largest economic event in Poland in 2021. This is owing to TRAKO, that the train of the European Year of Rail could come to Gdańsk.

Two main problems were discussed during the railway fair. The first was new technologies, especially those based on hydrogen. The other was the fourth railway package and the European Year of Rail itself. Thanks to the fair, Gdańsk hosted a forum of all the most important decision-makers in the Europe's railway industry.

Awareness of rail transport's advantages has increased significantly in Poland in recent years. A good example is the Pomeranian Metropolitan Railway, as it has also attracted those who used to commute in their cars in the past. Of course, the pandemic set this process back by a few years as

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people moved to cars again for safety reasons. However, once the pandemic is over or we adapt to it, passengers will return to trains.

Intermodality is of critical importance, combining the use of different means of transport in order to achieve higher efficiency.

2. The need to ensure fair competition

The European Commission is fully aware that railways are losing out to air and road transport. We most often and most willingly use road transport. Currently, only 7% of passenger trips are by rail, so there is a huge potential for development in terms of travel. In the area of freight transport, not much is transported by rail, just [11% of goods](#). Most goods are transported by road, which causes a continuous increase in emissions. Consequently, the EU has so far adopted four railway packages which aim to open up the rail market to competition, increase the interoperability of national rail systems and define the framework for the Single European Railway Area. The [fourth railway package](#) entered into force in 2021.

Participants' comments

Krzysztof Skrobich

The European Commission envisages a steady increase in rail traffic in its smart mobility strategy: a [50% increase in rail freight by 2030, and a 100% increase by 2050](#). It is important which mode of transport dominates this growth. The fundamental role of the European Commission should be to level the competitive edge of railways with other means of transport, and this is an area that has been neglected for many years. Road transport generates high external costs: serious air pollution, CO2 emissions, traffic congestion, noise. Meanwhile, external costs of rail traffic are fully covered by charges included in the price of rail transport. Rail is expensive due to the ground infrastructure,

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but it is important that conditions of competition are fair between transport modes. The European Commission should implement the “polluter pays” principle. Therefore, the issue of the euro-vignette should be finalised. Another important problem is the current exemptions from VAT on fuels in international air transport.

Jacek Wasik

The economies of our countries are developing, which drives the demand for transport that is most often carried out by trucks. Hence, the idea of the European Commission to shift the focus to railways. However, in order to achieve this, the railways must be competitive, as nowadays passenger travel by motorway is much faster. Therefore, the actions of the Commission for the coming years will focus on the development of rail in such a way that it is attractive in terms of travel time. In the case of passenger travel, it is primarily about the development of high-speed rail. The European Commission is planning to double the high-speed rail network. Other obstacles that hinder the growth of passenger traffic by rail are the price of the tickets and insufficient tools for buying tickets, especially when using services of several operators or international travel. That is why the European Commission proposes specific solutions. In July 2021, the ["Fit for 55"](#) package was presented which is expected to reduce emissions by 55% in 2030, and then to achieve climate neutrality in 2050. The European Commission proposes that from 2026 both air and road transport should be covered by the emissions permit system. These modes of transport were extremely competitive, among others, because they did not bear the cost of the emissions. Introduction of a system of emission permits in the energy sector has brought excellent results, as emissions over a period of several years in the energy sector fell by 40%. Introduction of a system of emission permits for air and road transport should lead to a shift to greener fuels and, on the other hand, make rail transport more competitive. This is linked to an increase in fuel prices, but our planet is so devastated, that decisive action must be taken. The next decade will be a decade of sacrifice necessary to protect the environment.

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3. Investments in sustainable railways are a priority of the European Union

[The European Commission assesses national recovery plans on the basis of 11 criteria](#), and 37% of funds must be allocated to environmental measures, including investments and reforms resulting in the reduction of greenhouse gas emissions. The remaining 63% may be allocated to investments that are at least environmentally neutral. This creates an opportunity for the development of the railway sector in Europe, including Poland. In June 2021, the Council adopted conclusions on rail, emphasising the will to put this mode of transport at the heart of an intelligent and sustainable mobility, and the need to further develop both passenger and freight rail transport in the EU. It was also decided to strengthen the resistance of the railways in the face of the Covid-19 crisis and [continue investment in national systems of interoperability and connectivity](#).

Participants' comments

Jacek Wasik

The multiannual budget of the European Union stipulates that the condition for receiving funds is to spend [37% of them on actions leading to the achievement of climate goals](#), and the rest must be at least climate-neutral, in accordance with the general principle of "No harm to climate". Therefore, in the current budget perspective, there will be no more funds for the construction of highways and airports, but there will be money for the development of railways. In the case of Poland, the Central Communication Port project may receive funding, but only for its railway component. Similarly, high-speed railways will be able to be co-financed – on the Warsaw-Łódź line, with branches to Wrocław and Poznań.

It is also worth mentioning the cooperation between railways and airlines. In Germany, with just one ticket, passengers can make their trips partly by train, for example, from Cologne to Frankfurt, and the rest of the journey by plane. Of course, the condition for such solutions is the proximity of railway stations and airports. France has decided to ban flights on shorter distances, where there

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is a train alternative, guaranteeing a journey of less than 2.5 hours. The European Commission wants to prioritise railways, but also to supplement it with other modes of transport.

Krzysztof Skrobich

In terms of developing the rail sector, infrastructure requires massive investment. The mere completion of the core rail network – the Trans-European core network – by 2030 will cost around 350-500 billion euro. The second issue is the legal aspect that allows fair competition. Finally, the third aspect is to secure financing and make rail a priority and the backbone of mass transport.

Based on the European Union funds, the PKP invests in its infrastructure. In the previous financial period 2014-2020, PLN 75 billion was available for the modernisation of the railway sector which had been neglected for many years. In 2010, it was assessed that only 36% of the infrastructure is in good condition, in 2013 – 47%. The scale of the needs of Polish railways is very large. We invest in infrastructure, trains that must be modern, air-conditioned, and provide appropriate quality and comfort of travel. Compared to railways in other countries, the condition of Polish railways is promising, because a lot is being done and has already been done in terms of modernisation. Important changes are visible: we travel more conveniently, more comfortably, and faster. As a result, the number of passengers is growing every year, which means that rail travel is attractive.

Rail has an advantage over airlines in that it connects primarily city centres and is not blocked by traffic density.

Paweł Orłowski

Railways are certainly a development bloodstream of the regions. A strong proof of the importance of railways is the Pomeranian Metropolitan Railway (PKM), the largest local government investment in the Pomerania region, and one of the largest local investments in the area of railways. PKM has a new infrastructure, new tracks.

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Local government does not have much decision-making power in the field of railway transport development, apart from metropolitan railways. But where there is such a possibility and power, local governments do make a difference, as can be seen in the Pomeranian Voivodeship. The PKM investment worth over [PLN 1 billion](#) is an example of thinking in multimodal terms, connection to the airport and connecting the districts of Gdańsk and Gdynia, as well as Kashubia not connected by the metropolitan railways.

4. Conclusions from the debate

- **The European Year of Rail promoted the advantages of this mode of transport in terms of travel safety, environmental performance, and innovation.** This initiative was particularly important due to the pandemic and its negative effects on rail traffic. The practical effects of the Year of Rail and related events can only be assessed in the longer term, after the Covid-19 crisis has ended.
- **The dynamics of the development of the rail industry** and the increased interest of passengers depend, among others, on factors such as **improvement and modernisation of railway infrastructure and legal regulations**. It is also essential to ensure **multi-functionality of tickets, enabling a specific intermodality, combining efficient movement by a passenger to his destination by rail, plane, bus, and metro**. The competitiveness of railways can be significantly increased by developing a high-speed rail network (approx. 220-250 km/h). **The European Commission wants to double the speed.**

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- Local governments can also play an important role in promoting rail transport. A good example is the **Pomeranian Metropolitan Railway (PKM) which is multimodal**: it is connected to the airport. At the same time, it is worth considering increasing the decision-making power of local governments in this area, as they are currently rather modest.
- **Awareness of the advantages of rail transport is growing**. It is especially important to win the hearts of young people, and it is happening. The younger generation is not so attached to having their own means of transport and is very environmentally conscious. Consequently, it can be particularly attractive for young people to travel by rail and bicycle.