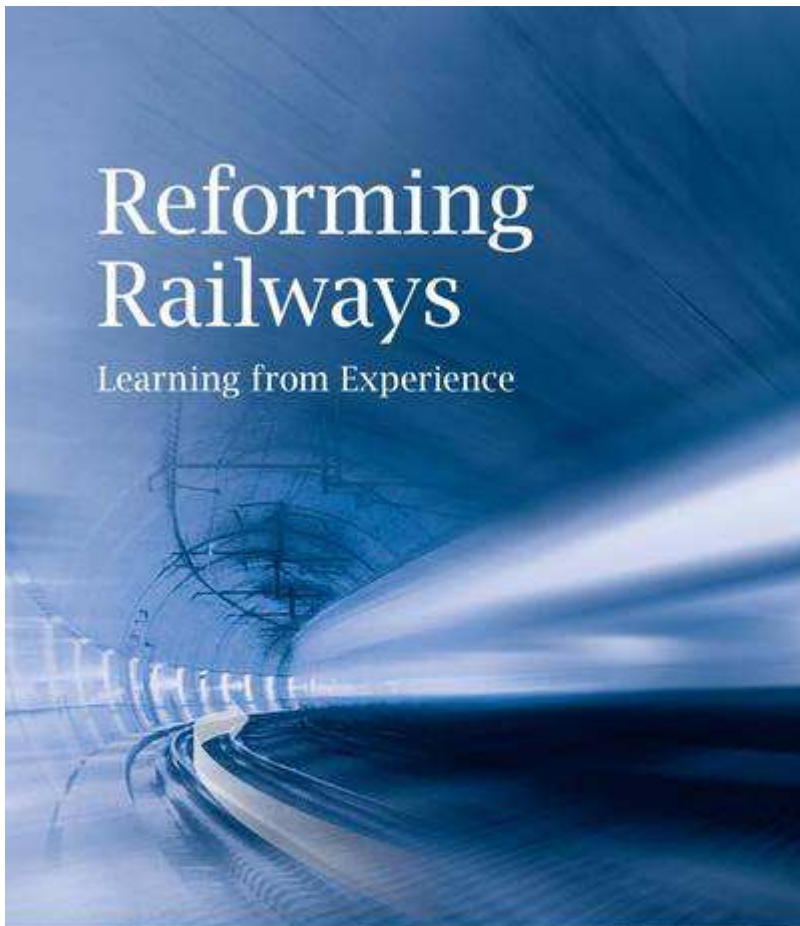


Reforming Railways

Learning from Experience



Eurail
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Foreword

The European rail market has been the subject of major reform over the last two decades. But there are major differences across Europe. Some countries started on this process almost 20 years ago whilst, in others, reforms have begun only recently. Also, several different basic models are emerging and there are many contrasting views on what remains to be done to create a competitive rail sector.

In our daily work in Brussels, we regularly meet national rail experts. But there are few people who have a comprehensive overview of developments across Europe as a whole. The sheer pace of reform and the fact that much material only appears in the national language make it difficult to keep up.


In this book, we try to bridge this gap, by inviting distinguished national experts to write an overview on reforms within their country. In particular, we asked them for their opinion on what has worked, and what has not. We are honoured to publish the work of one CEO, the Chairman of UIC, two former ministers of transport, two senior administrators, ten senior academics and five consultants of international repute. Inevitably, given the differences in backgrounds and cultures, the chapters differ in emphasis, approach and conclusions. Such diversity only reinforces the importance of countries organizing their rail markets based on their own political and commercial realities.

We are pleased to include four chapters on reforms outside the European Union. The greatest successes of reform have arguably been in the United States and Japan, whilst Latin America has the most experience in concessioning. With the exception of Russia, the reforms in these countries are all based on strikingly different models of reforms to those being applied in the European Union.

Within Europe, this book also shows the differences in the political and economic conditions between member states – particularly between East and West. These have led to a variety of solutions and results. To recognize these differences is the first step towards making reforms which suit all conditions, not just those in Western Europe.

This book is relevant to the European political process. Our view – also reflected in many of the chapters below – is that whilst much progress has been made on introducing competition within the European rail freight market, far less progress has been made in introducing a socially efficient pricing system across the transport modes. Indeed, important amendments to the principles of tolling trucks in Europe (Eurovignette Directive) were first discussed in the 1990s and included in the Commission's 2001 White Paper on transport, but member states are still not allowed to charge heavy goods vehicles for the external costs that they cause. Also, in many member states, there is inadequate investment in rail infrastructure.

Despite these problems, we remain confident in the future of the European rail industry. It will take time – but the pressure to serve the customer, and to reduce the influence of governments on internal management processes, will translate into better products provided at lower cost. Increasing road congestion and concern about climate change will also favour rail. Moreover, the enlargement of Europe creates new opportunities for the rail freight market as trade grows based on a new division of labour in Europe. If complemented by a more modern infrastructure and proper pricing between the modes, rail will play a central role in the European transport market of the future.



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