



4th European Rail Transport Regulation Forum

20 years of rail liberalisation in Europe: key lessons and future prospects

Introduction
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Retrospective

- FSR-T sees itself as a contribution to the ongoing debate about the de- and re-regulation of the European transport sectors; in this case railways
- So far, we have held 3 European Rail Transport Regulation Fora, each time on particular aspects of European railways regulation:
 - 2010-11-15: Aims, models, and powers of European Rail Regulators
 - 2011-5-23: Governance and performance in railway market
 - 2011-12-5: Railways – between sector specific and competition regulation

Today

- Today, we reflect upon the past 20 years of European railways liberalization and regulation
 - Indeed, the first railway package is now over 20 years old
 - ... and a “Recast” of this first package is under way
 - ... along with numerous infringement procedures
 - At the same time, the European Commission is preparing a Fourth railway package
 - In parallel, some countries have themselves initiated reflections about their respective railway systems (e.g., France, Netherlands)
- This may be a good moment to take stock of the evolution of the past 20 years in the European railway sector

Critical observations after 20 years of European railway liberalization

- The modal split is only slowly changing to the better, and by far not as fast as it should
- Liberalization is progressing slowly
- Though competition exists, it mostly occurs between former state railway companies and their subsidiaries; most railway companies are now State-owned again
- Countries are still experimenting with railway governance systems; no real stable railway governance has yet emerged
- Regulators and IRG-Rail are getting under way ... to regulate what exactly?
- Financing of infrastructures by public authorities at risk
- Companies have more and more difficulties to finance their activities

Against this background ... some questions

- What degree of competition has emerged over the past 20 years and can realistically be expected in the railway sector?
- Which are the competitors that will realistically exist in Europe in the years to come?
- What are the likely evolutions of the historical operators? What will be their likely roles given the broad public policy constraints?
- Which market structures are likely to emerge in the future?
- ... And which governance structures are likely to emerge?

Structure and principles of the day

- Position of the European Commission (Mr. Fitch)
- Positions of the operators
- Positions of the regulators
- Academic input (Prof. Nash)

- Short presentations; room for discussion
- Chatham rules
- Slides and report available afterwards