

BRUSSELS RAIL TRANSPORT BRIEF: APRIL–JUNE 2021

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European Regulatory Newsletter

By: Miguel A. Caramello Alvarez, Philip Torbøl, Alessandro Di Mario, Inês Mendes

RAIL REGULATORY AND POLICY

New European Commission's Proposals

In the fall of 2021, the European Commission (Commission) expects to put forward a set of proposals covering intelligent transport systems (ITS), Trans-European transport network (TEN-T), rail freight corridors, and passenger rail.

According to Transport Commissioner Adina Vălean, the ITS framework must be updated to pay more attention to multimodal transport. Similarly, a rethink of the TEN-T framework is supposed to support a shift to more sustainable modes of transport. The TEN-T framework is meant to bridge gaps and remove barriers in the EU's network of roads, railways, inland waterways, and shipping routes.

The Commission also intends to present the result of an evaluation of the bloc's rail freight corridors regulation in the coming months. The goal, according to Commissioner Vălean, is to align these corridors with the TEN-T network, "ensuring that key lines used by international freight are included at least in the comprehensive network and prioritized for investment."

New Faces in DG Move

On 23 April, it was announced that two new directors are joining the senior management of the European Commission's directorate-general for mobility.

Starting on 16 June, Mona Björklund will take up a role as director of the policy coordination department, while Kristian Schmidt, formerly the EU ambassador to Myanmar, will be the new director overseeing work on land transport.

Rail Projects Top Recovery Fund Spending Plans

EU member states are putting forward their EU Recovery and Resilience Facility spending proposals and a lot of spending will be directed towards mobility.

Just a couple of examples: Hydrogen projects are a big part of the French plan, which includes support for state railway Société nationale des chemins de fer français (SNCF). In Germany, €500 million will be directed towards railway tech programs like new signaling systems. In Italy, the big focus is the spending of around €24.77 billion on decarbonisation and reduction of emissions through the transfer of passenger traffic and goods from road to rail and increasing the competitiveness of the production systems, particularly in the south, through improvement of railway connections.

New Rights for Rail Passengers

On 28 April, the European Parliament took the final step at modernizing rail passenger rights within the European Union by adopting a new legal framework for rail passenger right. The new set of rules will strengthen passengers' protection in case of disruptions.

The European Commissioner for Mobility and Transport Adina Vălean welcomed the agreement reached and stated that the new rules will significantly improve rail passengers' protection in case of delays, cancellations, or missed connections. Strong rail passenger rights are essential to improving the sector's image and attracting more people to rail, two of the objectives for the European Year of Rail.

The new rules include a strengthened complaint-handling mechanism, and reinforce the obligation for the National Enforcement Bodies to cooperate. Passengers with reduced mobility will also have more flexibility when making travel arrangements, as they will only be obliged to notify the operator of their travel plans 24 hours in advance instead of currently 48h hours and if they require an accompanying person, they will travel free of charge. Passengers with reduced mobility using an assistance dog will also be given assurances that the animal can travel with them.

The new regulation was published in the Official Journal of the European Union on 12 May. It entered into force on 1 June and will become applicable as of 6 June 2023.

British Plan for Major Railway Sector Reform

The Williams-Shapps Plan for Rail, announced on 19 May, outlines the plans for Great British Railways.

A new public body, the Great British Railways, which will assimilate the country's railways by owning the infrastructure, collecting fares revenue, running and planning the network, and setting most fares and timetables, is set to be established as part of sweeping reforms included in the long-awaited plan for rail.

The government describes the creation of the Great British Railways as the biggest change to the sector in the past 25 years, and according to the press statement, the plan will set out the path towards a truly passenger-focused railway, underpinned by new contracts that prioritize punctual and reliable service.

Additionally, the plan includes a comprehensive environment plan, to be delivered by 2022, as the railway targets becoming carbon neutral. The government says national coordination will give freight operators greater flexibility and responsiveness. There will also be the first national accessibility audit to ensure the railway works for everyone.

The Trans-European Transport Network (TEN-T) Promise for People with Disability

The European Commission is preparing to rethink TEN-T by November 2021, to align it with the Commission's long-term mobility strategy.

The goal is to expand the requirements for EU countries to build urban infrastructure but the Commission also wants cities to design "Sustainable Urban Mobility Plans," which would have to include measures to make transport systems accessible to all, the greening of transport and digitization.

Infrastructure however remains a major issue for people with disabilities because the railways do not always own it. Infrastructure can be owned by a municipality, which makes uniform standards more difficult to achieve and makes upgrades vulnerable to cooperation gaps.

ANTITRUST AND COMPETITION

European Commission Fines Rail Freight Cartel

On 20 April, the European Commission fined German, Belgian, and Austrian railway companies; Deutsche Bahn (DB); Société Nationale des Chemins de fer belges (SNCB); and the Austrian Federal Railways (ÖBB), for allocating customers between themselves for transporting cargo across EU borders. DB and SNCB were fined a total of €48.5 million. Austrian ÖBB brought the cartel to the Commission's attention, under a leniency application, and got full immunity, avoiding a €37 million fine. The three railway companies admitted their involvement in the cartel and benefited from a 10 percent reduction of their respective fine. Under the settlement procedure, parties to a cartel that acknowledge their participation in the cartel and their liability for it can benefit from a 10 percent reduction of their fine as well as a simplified and shortened procedure.

According to the Commission, for a period of six years, between 2008 and 2014, the companies participated in a customer allocation cartel, which concerned cross-border rail cargo transport services on block trains on key rail corridors in the European Union. Block trains are cargo trains shipping goods from one site, such as the production site of the vendor of the transported goods to another site, such as a warehouse, without stopping on the way.

The investigation revealed that the railway companies exchanged information on customer requests and agreed to provide higher quotes to prospective clients. Article 101(1) of the Treaty on the Functioning of the EU (TFEU) prohibits all agreements between companies or associations, which may have as their object or effect the prevention, restriction, or distortion of competition within the EU. The list of anticompetitive agreements under Article 101(1) TFEU is very broad. Customer allocation between competitors is a restriction of competition by object (i.e., no need to demonstrate anticompetitive effects on the market) and is regarded as one of the worst offenses under EU competition rules (so-called "cartel").

In setting the fines, the Commission took into account the sales value achieved by the cartel participants for the services in question in the last full year of infringement, the serious nature of the infringement, the geographic scope, and the duration of each undertaking's participation in the infringement. The fine for DB was increased by 50 percent since it had previously been held liable for another cartel and was considered a repeat offender. In particular, DB was fined by the Commission in 2012 for participating in three price fixing cartels in the freight forwarding market. Under its guidelines on fines, the Commission can increase the basic amount of a fine where there are aggravating circumstances. One such aggravating circumstance is when a company repeats the same or a similar infringement after the Commission or a national competition authority of an EU Member State has already found that it has infringed competition rules in that regard.

European Commission Approves State Aid for Polish Regional Railways

Polish Regional Railways (Przewozy Regionalne) is the sole provider of public passenger rail transport in seven regions, and thus the largest regional passenger rail operator in Poland. The aid was approved because the collapse of the operator would have had serious consequences for travel in Poland.

The European Commission opened a formal investigation in January 2018 after the Polish government proposed restructuring aid worth €167 million in 2015 and found that the measures to support the restructuring of Polish Regional Railways were in line with EU state aid rules.

The Commission concluded that the measures were both proportionate and necessary to ensure the viability of the operator, as the collapse of the operator would have had serious consequences for travel in Poland.

Commission Approves Hungarian State Aid Scheme

On 3 June, the European Commission approved an €82 million Hungarian aid scheme to support single wagon transport in Hungary, where 10 to 12 million tons of goods are transported per year with single wagon transport. Single wagon transport is a form of freight transport, smaller and with less capacity than a full train and that requires the switching of wagons at departure or destination stations and at any intermediate station.

The Commission assessed the measure under EU state aid rules, in particular Article 93 of the Treaty on the Functioning of the European Union and the 2008 Commission guidelines on state aid for railway undertakings and found that the scheme is necessary and proportionate to promote the use of rail transport.

The scheme will run until 31 December 2025 and will be open to railway companies active in the single wagon transport sector and the support will take the form of direct grants.

PUBLIC PROCUREMENT AND NEW PROJECTS

Cross-Border Irish Rail Review

On 8 April, Irish Minister for Transport Eamon Ryan and Minister for Infrastructure Nichola Mallon announced that a strategic rail review is to be commissioned in order to examine the potential for enhancing and expanding Ireland's rail networks. Welcoming the announcement, Martina Anderson, from the Sinn Féin party, called for a feasibility study into an extension of the network to Letterkenny and beyond, improving access to the northwest region.

Both the Department of Transport and Department for Infrastructure have jointly issued an OJEU notice inviting expressions of interest from external consultants to undertake the review. The consultants will be supported by key stakeholders, including the Commission for Rail Regulation, the National Transport Authority, Iarnród Éireann (the Irish rail), and Translink, a public corporation in Northern Ireland that provides public transport in the region.

RDC Delays Launch of Summer Overnight Service

German operator RDC has announced on 9 April that it is postponing the introduction of its summer overnight services linking Northern Germany with Salzburg, Austria, and Lake Constance.

The Alpen-Sylt Night Express between Westerland (Sylt)/Hamburg and Salzburg/Konstanz is now due to start on 15 July, after RDC originally planned to start the service on 25 March. The service was intended to run once or twice a week between 20 May and 7 November, but the COVID-19 restrictions across Germany to reduce the spread of a third wave of infections have halted the plans.

RENFE Announces Possible Expansion

Spanish operator Red Nacional de los Ferrocarriles Españoles (RENFE) announced on 8 April that its new Avlo low-cost high-speed service, which is due to launch on the Madrid-Barcelona route on 23 June, could be expanded to add a Madrid-Seville service in 2022.

Five class 112 Talgo AVE trains have been converted to the new Avlo specification. The conversion includes 20 percent more seating with 438 seats per train and vending machines replacing the previous buffet bar service. A demonstration service for the Spanish media operated between Madrid and Barcelona in late March.

RENFE has already sold 200,000 Avlo tickets for the Madrid-Barcelona service with fares starting at €7.

German Expansion Program

German DB Cargo, a state-owned rail freight company, and German intermodal operator Kombiverkehr have agreed to an expansion program to move more freight by rail rather than road. The program includes new products and network expansion, joint terminal activities, and digitization.

The plans, which have the backing of the German federal transport minister, Andreas Scheuer, are expected to lead to CO₂ reductions of 50 million tons over the next decade.

The German government considers intermodal transport as key to switching freight from road to rail for longer distance movement, thus reducing carbon emissions. According to the German Federal Statistical Office, rail has a 36 percent share of German intermodal transport. The government also hopes moving more freight by rail rather than road will reduce CO₂ emissions by 50 million tons in the next decade.

Mörkö, the Finnish Super Train

VR Transpoint, the Finnish freight logistics company, began the regular operation of 7,000 tonne trains carrying transit freight from Russia to the port of Hamina in Finland. The one km long trains with 80 wagons and the capacity of 92 lorries have been branded Mörkö (a giant monster/bogeyman).

The Mörkö freight train is the equivalent of almost 100 trucks. This increase in train size enhances freight train traffic, reduces emissions, and improves the competitiveness of Finland's transit traffic. Train traffic is already one of the cleanest ways of transporting goods and the good energy efficiency of train traffic is based on its great freight capacity.

The start of regular operations will follow the successful trials that began in 2020 to assess performance under various weather conditions.

Passenger Trains Return in Sweden

After a 29-year gap, the regional passenger trains between Boden and Haparanda in northern Sweden have resumed on 1 April. The previous service, which extended over the border with Finland to Tornio, ended in August 1992, when the line was closed for extensive rebuilding with those sections retained being electrified.

Norwegian state rail operator Vy is now operating the service via its Swedish Vy Tåg subsidiary, which operates the Norrtåg concession on behalf of regional governments in the north of Sweden. The service consists of three trains a day on the 158km route between Boden and Haparanda.

Eurostar Strikes Deal with Lenders to Refinance Debt

The rail operator Eurostar secured a commitment from banks to refinance its debt, which was due to be repaid this summer. The hope is that this will make it easier to secure state aid, which Eurostar has claimed is necessary to help avoid its collapse after the COVID-19 outbreak.

A group of banks, including state-backed NatWest, have agreed to refinance £400 million (€553 million) of loans.

The operator, which runs services between London, Paris, Brussels, and Amsterdam, carried 11 million passengers in 2019, but it is believed Eurostar has already faced a 95 percent fall in demand because of the travel restrictions linked to the coronavirus pandemic.

SJ Expands Destinations

The Swedish national operator SJ announced plans to introduce additional services to new destinations in the 2022 timetable due to start in December 2021, including new direct connections from Stockholm to Borås and Trollhättan in western Sweden. The new timetable represents a significant increase in resources as it offers non-stop journeys on the Stockholm–Uppsala route, unlike other operators.

The new Trollhättan connection will be made possible by re-routing the existing Uddevalla–Stockholm service via Gothenburg. This will not change the overall journey time between Uddevalla and Stockholm. The intermediate stations at Vänersborg and Vara, which were previously served, will continue to be served by the seasonal Stockholm–Strömstad train.

Funding Agreed for New Côte d'Azur Line

The new Ligne Nouvelle Provence Côte-d'Azur (LNPCA) will relieve congestion in and around Marseille, Nice and Toulon, and the upgrades will help to improve capacity on the congested Nice–Marseille line.

The French government announced that additional consultations between stakeholders on the new project are complete and that the central and local governments have agreed on financing for the €3.5 billion cost of the project's phases 1 and 2.

The route is part of the Trans-European Transport Network (TEN-T) and European Union's funds are expected to cover 20 percent of the cost of the project. Central and local governments will both contribute 40 percent, equal to €1.383 billion at 2020 prices.

German Plan to Switch Domestic Air Passengers to Rail

The German Federal Association of the German Aviation Industry (BDL) and Deutsche Bahn (DB) believe they can convert 4.3 million passengers from air to rail and that new check-in procedures at Frankfurt airport station will improve the transfer process for passengers.

BDL and DB launched a joint action plan to strengthen transport integration between air and rail, which will encourage more people to use rail, helping to reduce overall greenhouse gas emissions in the transport sector.

The joint action plan acknowledges that rail CO₂ emissions are significantly lower than aviation and that improved integration of the two transport modes will result in a substantial reduction in the greenhouse gases. The aviation industry forecasts a 1.5 percent annual increase in fuel efficiency between now and 2021, partly achieved by the retirement of older aircraft during the pandemic.

Czechia Unveils Further HSR Plans

The Czech railway infrastructure manager Správa železnic (SZ) presented the status of the preparation of Czechian high-speed rail plans.

SZ will submit the documentation for the territorial management of individual sections of the high-speed lines and the plan is expected to be approved after the feasibility studies, commissioned by the Central Commission of the Ministry of Transport, have been completed. Public consultation on the high-speed rail routes with municipalities and citizens will be organized when the current lockdown situation eases.

In 2017, a governmental resolution for Czechian high-speed rail plans was issued and the rail infrastructure manager started the preparation to implement the strategy, based on the strategic document called the Territorial Development Policy, which included high-speed transport corridors. The relevant territorial and technical studies were also carried out during that period.

Baltic Transport Cooperation

On 26 April, Finland's Minister of Transport and Communications Timo Harakka and Estonia's Minister of Economic Affairs and Infrastructure Taavi Aas, signed a Memorandum of Understanding (MoU) to boost cooperation on large-scale transport projects. The projects include a railway tunnel between Helsinki and Tallinn and the Rail Baltica project, which aims to connect the Baltic states to the rail network in Central Europe.

The purpose of the MoU is to cooperate in the transport sector and exchange of information between the countries regarding several large railway projects. The MoU provides an improved environment for applying for EU funding for the projects.

According to Taavi Aas, integrating the tunnel to TEN-T will serve as a new freight gateway to Europe and make Finland's and Estonia's capitals twin cities.

Le Train Eyes Arcachon–La Rochelle TGVs

Open access operator Le Train has applied to the French transport regulation authority Autorité de Régulation des Activités Ferroviaires (ART) for powers to run regional high-speed services in the southwest of France.

Le Train is the second private company to enter France's open-access passenger market after Railcoop, and the first to propose operating TGV services. National operators Trenitalia (Italy) and Renfe (Spain) also intend to run high-speed services in France, but the introduction of these trains is being delayed by COVID-19.

The operator plans to avoid direct competition with SNCF (Société nationale des chemins de fer français) when it introduces services in December 2022 by offering new inter-regional trains on the Arcachon–Bordeaux–Angoulême–Poitiers–La Rochelle corridor, which is not currently served with services extending to Nantes and Rennes on the weekends. This would involve operating along the high-speed Bordeaux–Paris line between Bordeaux and Poitiers.

As said before, other operators have also registered their interest in entering the French high speed market, including Trenitalia on the Paris–Lyon–Milano corridor and Renfe on the Paris–Barcelona and Lyon–Marseille routes. Trenitalia-backed Spanish operator ILSA is also bidding to run a Madrid–Montpellier service.

Lineas Acquires Dutch Operator Independent Rail Partner

The Belgian freight operator Lineas has acquired Independent Rail Partner (IRP), based in Zwijndrecht. IRP was founded in 2011 and has 35 employees and 12 locomotives. It provides first and last mile services in the port of Rotterdam and offers extensive coverage of the Dutch market.

The move is an important step in Linea's strategy to partner with or acquire 'dynamic' private operators to build a 'true European rail freight backbone' to drive modal shift.

Lineas said that Rotterdam is of significant strategic importance in its Green Xpress Network and combining IRP's strong local expertise with Lineas' European network would enable it to offer customers shorter transit times, additional operational capabilities and new connections from western European ports.

SNCF to Sell Ermewa Leasing Business

Following an auction, SNCF has entered into exclusive negotiations for the sale of its Ermewa transport asset leasing business to a consortium of Caisse de dépôt et placement du Québec and a fund managed by DWS Group

On 23 April 2021, SNCF Chairman & CEO Jean-Pierre Farando explained that the planned sale of Ermewa is fully in line with the SNCF group's strategy to become a world leader in sustainable mobility for passengers and goods, adding that the group would then have a core rail business and two strategic assets, Keolis and Geodis. Ermewa has 42,000 wagons, 1,200 employees and operates in 80 countries. It reported revenues of €489 million and an EBITDA of €271 million for 2020.

German Government Offers Funding for 2020 and 2021 Access Charges

The German parliament approved the plans presented by the federal government to waive or refund up to 98 percent of track access charges paid by commercial rail operators since March last year, with the arrangement extended to December 2021 for freight and into 2022 for long-distance passenger operators.

The decision comes a year into the coronavirus pandemic, which saw long-distance passenger numbers in Germany fall by 46 percent whilst freight traffic has been disrupted by lockdowns, personnel shortages, and other issues. The German and the European rail industries have largely welcomed the German government's decision.

The main beneficiary will be German national railway Deutsche Bahn (DB). Infrastructure manager DB Networks will be reimbursed for the loss of track access revenues in line with the emergency provisions agreed by the European Union in June 2020, while DB Long Distance and DB Cargo will be the biggest operators to benefit.

The planned reductions and refunds only apply to commercial activities and most freight operators and long-distance passenger operators, including DB Long Distance, FlixTrain and other more niche open access operators, will be eligible for the refund.

Portuguese Rail Revival

Twelve years after it was shut down, the portion of Portugal's Beira Baixa railway line connecting the cities of Covilhã and Guarda reopened on 3 May. After the requalification works on the Beira Baixa line, which were completed at the beginning of the year, the route is once again open to commercial exploitation.

Modernization work included, among other works, the complete renovation of 36 of the 46 kilometers of the section, as well as the rehabilitation of six centuries-old bridges; the remodeling of stations, steps, and drainage; the stabilization of slopes and lighting; and automation and suppression of level crossings.

Lisbon suspended transit on the line in 2009, with the goal of renovating and electrifying it, but the project froze during the economic crisis. While funds for the scheme were reallocated in 2017, construction only finished in April this year.

New Madrid-Barcelona Train Services

On 7 May, Ouigo España, a Spanish subsidiary of Société nationale des chemins de fer français (SNCF), started its low-cost high-speed train services on the Madrid-Barcelona route with a special train carrying invited guests, public competition winners, and media representatives. It ran between Madrid Atocha and Barcelona Sants, becoming the first open access passenger service to operate in the country.

SNCF invested €600 million in setting up the Ouigo España operation, it being its first use of the brand outside France. In December 2020, Ouigo España launched its tickets sales for €9 for its low-cost high-speed train and for an extra €9 it offers a package that includes extra services such as choosing a seat, reserving a larger seat, an extra piece of luggage, and access to OuiFun—the on-board entertainment service.

A fleet of 14 Alstom Euroduplex high-speed trains has been allocated, each with capacity for 509 passengers. The line will provide in total 10 daily departures linking Madrid and Barcelona with a time trip of two and a half hours, with stops in Zaragoza and Tarragona. More than 1,300 jobs have been created and the hope is that the new service will generate around €150 million in revenues per year.

The National Network of Spanish Railways (RENFE) is also reportedly considering appealing to France's regulatory transport authority (Autorité de Régulation des Activités Ferroviaires) over SNCF receiving public aid since the operator appears to suspect SNCF is using such funds to finance entry into third markets, such as SNCF's investment in its low-cost Ouigo España service in Spain. Operation of these services got underway between Barcelona and Madrid using TGV Duplex sets on 7 May and SNCF plans to extend the service to other routes.

Eurostar Survives

The French state railway Société nationale des chemins de fer français (SNCF) and other shareholders, of Eurostar such as the National Railway Company of Belgium, Société Nationale des Chemins de fer belges (SNCFB), were able to guarantee financing to make sure the cross-Channel service continues operating.

Eurostar's shareholders are French national railway group SNCF (55 percent), the Patina Rail consortium of Canadian investor Caisse de dépôt et placement du Québec (30 percent), funds managed by the infrastructure team of Federated Hermes (10 percent), and Belgian national passenger operator SNCB (5 percent).

Back in January 2021, Eurostar warned it was running out of cash due to the COVID-19 pandemic's impact on travel and tourism. The company had called for state support to get through the crisis, but the authorities in the United Kingdom were cautious about committing to any kind of refinancing.

SNCF and other investors stepped in to inject £50 million in new equity into the company, along with £150 million in shareholder guaranteed loans. Banks have agreed to restructure a further £50 million in loans.

Eurostar stated its focus would now be on restoring demand on its core routes from London to Paris, Brussels, and Amsterdam—maintaining rigorous cost control to ensure loan repayments and completing the planned merger with Thalys (the Green Speed merger) announced in 2019 that largely stalled during the pandemic.

Operating Contract Tender Cancelled in Slovakia

The Slovakian Ministry of Transport cancelled a public tender for the operation of passenger services on the 95 km Bratislava–Komárno line, after the only bidder was national passenger operator Železničná spoločnosť Slovensko (ZSSK), which offered a price that exceeded the ministry's expectations. A direct award is now planned, but more information is still to be released.

The services were operated by Czech company RegioJet from March 2012 to December 2020, and in September 2020, the ministry selected ZSSK and Austrian Federal Railways for an interim contract to operate the services for two years, allowing time for the tendering of a contract to run the route for 10 years from December 2022. Unlike ZSSK, RegioJet did not submit a bid for the 10-year contract.

Agilis Awarded Regensburg/Donautal Operating Contract

The German railway agency Bayerische Eisenbahngesellschaft, the passenger transport company for regional railways in Bavaria, awarded Agilis, a subsidiary of BeNEX GmbH and the Hamburger Hochbahn, the next contract to operate Regensburg/Donautal passenger services.

The contract covering the Ulm–Ingolstadt–Regensburg and Neumarkt–Regensburg–Plattling routes will run for 14 years starting in December 2022.

The current fleet of Alstom Coradia Continental electric multiple units (EMUs) will be expanded with the procurement of Siemens Mobility Mireo EMUs to operate the Nürnberg–Regensburg and Neumarkt–Plattling service, and free Wi-Fi will be provided on all trains.

SNCB Reservation System

Belgian rail operator SNCB is launching a reservation system for trains headed to the coast to prevent overcrowding. The pilot project ran during the weekend of 5–6 June 2021.

The direct trains with reservations supplement the usual offerings and do not stop before their final destination. This new product answers the demand from day-trippers who want to plan their trip to the coast in advance and be sure of their place on a direct train.

Twenty reservation trains ran on both 5 and 6 June (Saturday and Sunday respectively), with 10 trains in the morning heading toward the coast and 10 trains in the evening leaving from the coast. The trains departed in the morning from Antwerp-Central, Brussels-South, Gent-Sint-Pieters, and Liège-Guillemins (four stations from which a large number of travelers take the train toward the coast) and arrived in Blankenberge, De Panne, Knokke, and Ostend, from which the trains also leave in the evening.

Reservations for direct trains can now be made on the SNCB website. Only with a reservation, travelers are sure of their seat on the train, although they remain free to choose where on the train they will sit.

High-speed Services to Madrid Barajas Revived

According to Transport Minister José Luis Ábalos' statement at the international trade fair, which was held in Madrid on 19–23 May, the Spanish government intends to bring back to life the proposals to run high-speed passenger services to and from Madrid's main airport of Barajas. These plans have been on the agenda for over 10 years.

In 2011, a 4.7 km line was completed between the suburban network at Fuente de la Mora and Barajas Terminal 4, serving an intermediate station at Valdebebas. The tunnel section features dual-gauge slab track that was intended to enable 1.435 mm gauge high-speed services to run to the airport and catenary that can be energized at 25 kV AC as well as 3 kV DC. However, the regular operation of high-speed services over this route was dependent on completion of a 1.435 mm gauge link between Chamartín station in the city center and Hortaleza, which was never finalized.

The transport ministry added that the plan is to call tenders during 2022 for the infrastructure modifications to enable regular services to be operated over the dual-gauge section of line, initially sharing tracks with RENFE's (Red nacional de los ferrocarriles españoles) suburban services.

Spain's Investment to Improve Intermodal Freight

The Spanish Ministry of Transport, Mobility, and Urban Affairs announced plans to spend €1.5 billion through the European Union's Recovery, Transformation, and Resilience Plan to improve freight movements in the country, with a major focus on shifting freight from road to rail.

The plan includes a major focus on increasing rail's market share since the improvements will contribute to the country's Freight 30 Initiative, which aims to increase rail's market share from four percent of net tonne-km to 10 percent by 2030.

A total investment of €1 billion will be allocated to improve efficiency in the freight distribution network through the development of multi-modal systems and the modernization of distribution centres, with an emphasis on the railway network. Of this total, €222 million will be spent in developing four rail freight terminals in Vicálvaro (Madrid), La Llagosta (Barcelona), Fuente de San Luis (Valencia), and Júndiz (Álava). Another €403 million will be used to improve intermodality at the ports, with the construction and improvement of rail links with the wider network, including major European corridors. The road access to the tracks will also be improved through a €43 million investment.

KEY CONTACTS



MIGUEL A. CARMELLO ALVAREZ
COUNSEL

BRUSSELS
+32.(0)2.336.1946
MIGUEL.CARMELLOALVAREZ@KLGATE
S.COM



PHILIP TORBØL
PARTNER

BRUSSELS
+32.(0)2.336.1903
PHILIP.TORBOL@KLGATES.COM



ALESSANDRO DI MARIO
SENIOR ASSOCIATE

BRUSSELS, MILAN
+32.(0)2.336.1938
ALESSANDRO.DIMARIO@KLGATES.COM

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