
**COMPREHENSIVE RESOLUTION No. 23 ON SHORT-TERM MEASURES
TO IMPROVE INTERNATIONAL RAIL SERVICES**

[CM(85)4 Final]

The Council of Ministers of Transport, meeting in Rome on 29th and 30th May 1985,

HAVING REGARD TO:

- Reports CM(83)6 and CM(84)9 on commercial action relevant to rail traffic in the passenger and freight sector;
- Reports CM(84)10 and CM(84)29 on ways in which international passenger and freight transport by rail might be improved;

CONSIDERING THAT:

- European railways are at present in a particularly difficult competitive situation which could become almost desperate unless vigorous action is taken immediately;
- While some railways have achieved technological and commercial successes in a few market slots where rail has undeniable advantages, it would be a mistake to set too much store by progress that is limited to particular sectors;
- The European railways' overall share of the international transport market for both passenger and freight traffic has been diminishing continuously;
- The reasons for this decline are known and have been analysed at length in the four reports referred to above;
- The railways are by and large victims of their own past development, since in Europe they are from 100 to 150 years old and were clearly marked in the 19th and 20th centuries with national characteristics from the geographical, technical and legal standpoints, their role ending at the frontiers of each country;
- The railways are, moreover, particularly sensitive to the structural changes taking place in the European economies;
- The measures taken by the public authorities, usually prompted by consideration of national interest, may have hampered international action by the railways, a fact that has led to many technical incompatibilities between railways and differences in structure and organisation. As a general rule the immediate financial interest of each railway has taken precedence over their common interest, resulting among other things in difficulties of communication between rail authorities in the different countries;

- There are, moreover, two characteristics of the operation of railway undertakings which have major implications for their management:
 - The survival of the undertaking is in any event ensured by the public purse;
 - Financial incentives are inadequate;
- These difficulties are aggravated in the case of international traffic by a lack of co-operation between the railways themselves and by an unduly passive attitude with respect to such traffic;
- The growing indebtedness of the railways and the financial burden that national authorities assume to ensure their operation may very well soon become intolerable.

BELIEVES that the need now is for deeds rather than words;

EMPHASIZES that the revival of international rail traffic calls for parallel and concomitant action by both the railways and governments, since the common resolve of the railways to improve the situation in this connection is a necessary but insufficient condition for success and the clear-cut political will of governments will also be decisive;

ACCORDINGLY MAKES THE FOLLOWING RECOMMENDATIONS:

A. Measures relevant to the railways

In order to improve the situation as regards international rail traffic, railway policy should be shaped with a view to:

- Promoting the common interest whenever possible rather than the interests of each individual railway;
- Selecting transport market slots that are particularly suitable insofar as they make use of rail's specific advantages: long-distance bulk and heavy products traffic in the freight sector, and passenger traffic on links where the potential volume of traffic is high and rail is competitive with the airlines;
- Contributing to the improvement of the environment by developing combined transport throughout Europe, and especially the piggyback system, so as to reduce the disamenities caused by road transport, particularly in countries with heavy transit traffic;
- Improving the quality of services offered, paying particular attention to the competitive situation vis-à-vis other modes and the wishes expressed by customers;
- Keeping tight control of costs in developing traffic so as to ensure that, other than in the case of selective promotional measures, only profitable traffic is in fact carried;
- Stepping up as quickly as possible the international co-operation among the railways which are most interested and best equipped, so that such co-operation may lead to a gradual process of integration.

With a view to achieving these objectives, the railway authorities should adopt the following methodological bases:

- Think in terms of profitability over the total length of the journey instead of having each railway assess the situation solely from the standpoint of the part of the journey on its national territory;
- Harmonize methods of calculating costs, a pre-requisite to the harmonization of tariff structures;
- Select the most appropriate criteria for routing international traffic;
- Adopt common methods, not only for settling railway accounts but also for sharing the advantages and sacrifices;
- Act as a single operator towards customers, assuming responsibility for the transport operation from the point of departure to the destination;
- Handle the transport operation as a whole, incorporating allied services as the customer wishes, insofar as warranted from a commercial standpoint;
- Harmonize methods of obtaining information about the market by adopting a common approach to market research and marketing;
- Assign to marketing the role it deserves in business strategy so as to ensure that technical and commercial requirements are evenly balanced;
- Separate international traffic from domestic traffic by reviewing the network of passenger trains and freight routing plans and by simplifying or, where appropriate, unifying the tariff system;
- Take more vigorous measures to resolve the difficulties caused by technical incompatibilities between railways as regards:
 - . Type of electric current,
 - . Track gauge,
 - . Signalling systems,
 - . Braking systems,
 - . Running speed,
 - . Loading gauge,
 - . Axle weight,
 - . Technical norms for wagons, etc.;
- Ensure the optimum utilisation of available capacities, exploiting the possibilities offered by combined transport in particular;
- Improve the infrastructure of heavy traffic lines and eliminate bottlenecks where feasible in economic terms;

- Reduce journey times by eliminating “unnecessary” stops for passenger trains and introducing more through trains for freight, raising maximum speeds, reducing delays at frontiers by appropriate measures relevant to rail operations, such as the use of multi-system locomotives, the reorganisation of marshalling operations and broader use of the so-called “trust” scheme for wagons.

B. Recommendations to governments:

It is essentially for governments to:

- a) Take the railways international services towards integration, the sole means of ensuring the community of aims and methods prerequisite to effective international co-operation;
- b) Clarify their financial relations with the railways, where this has not already been done, by laying down precise rules for the compensation of public service obligations and the normalization of accounts so as to enable the railways to assume sole responsibility for managing their own business;
- c) Respect the right of the railways to self-management, where this already exists, and grant them this right in cases where this has not as yet been done;
- d) Seek effective harmonization of the terms of competition;
- e) Eliminate external obstacles to the smooth flow of rail traffic, particularly where frontier crossings are concerned;
- f) Establish, if necessary, the appropriate conditions to enable the railways to carry out the investment projects required in order to operate properly;

AGREES:

1. To draw the attention of the government of all ECMT Member countries to the urgency of the decisions to be taken;
2. To communicate this Resolution to the railways authorities of those countries, inviting them to give immediate consideration to the recommendations and report by 31st December 1986 on the measures taken;

INSTRUCTS the Committee of Deputies to keep informed of the action taken to implement this Resolution and report in two years' time on the progress made.