

Meeting documentation

Session 1/Presentation 3

Trends and perspectives of international railway policy

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The emergence of rail transport enabled mankind to solve many problems which arose because of long distances between towns, countries and regions. Rapid development of rail transport brought significant improvements to people's standard of living and quality of life. It also stimulated the economic growth of countries and created better conditions for improving safety at national level.

Every improvement in rail transport technology and service quality provided a new incentive for the development of civilisation. On the other hand, at every stage, these processes in turn set the requirements for the development of railway services.

For a certain period of time, rail transport played the main role in the transport services market among the other modes of transport. However, together with the further development of road transport, which proved to be more competitive, the role of rail transport decreased, and at present, attempts are being made to revitalise the railways and regenerate this mode of transport.

There are certain requirements that have been present throughout all the years: rail transport has efficiently and rapidly to meet the demands of customers; it has also to seek improvements in its financial status. These requirements have become especially important in those countries which have rejected a centrally planned economy by shifting to a market-based economy. At present, in the era of globalisation, the carrier who is able to offer better prices, speed and reliability, will be the winner.

With regard to long distance transport, the railways may only achieve such an effect through efficient interoperability and close association with other transport modes (multimodal approach). Realisation of pan-European and transcontinental projects is becoming a realistic basis for the development of the global economy.

The integration process now taking place in Europe requires a wider view on the complex of problems that are arising, with the aim of amalgamating potential opportunities and achieving a synergistic effect in the realisation of national policies. Here I have in mind not only the future enlargement of the EU, but also the processes of economic and political integration of other countries into regional and global organisations.

At the end of 2001, the European Commission approved the “European transport policy for 2010 – time to decide” White Paper, in which the interoperability of different transport modes and the development of multimodal transport are considered as priority development trends. In addition, a financial instrument was set up to help achieve these objectives – the Marco Polo programme; new incentive EU legislation is also being prepared.

At present in the EU Member States, the railways' share of the freight transport market is 8%, and in passenger transport, 6%. In candidate countries this share is much higher and in Lithuania, the railway transport share is 43%. One of the tasks of rail transport policy is therefore to retain this proportion, and Lithuania has set an objective to create a modern multimodal transport system by 2015 which, from the point of view of its technical dimensions and service quality, ought to be compatible with the transport systems of European countries, and be capable of being integrated into the EU transport system and serve the interests of EU enlargement effectively, enhancing Lithuania's competitiveness in the international markets.

A good example of successful co-operation is the first train in Lithuania for combined transport (“Viking”) on the Odessa-Klaipeda-Odessa route. This has proved that the aim may be reached by the efforts of several countries (in this case – by the efforts of the Ukraine, Belarus and Lithuania), providing an opportunity for the creation of good conditions for the railways to compete with road transport.

I have talked about the modern requirements inspired by the processes of integration. However, conversely, these processes create great additional stimuli for the development of railways.

Enlargement of the EU will fundamentally alter the operation of railways and will provide new opportunities and perspectives for international co-operation.

The transport system is dedicated to ensuring the implementation of one of the main objectives of the European Union, i.e. to ensure the free movement of people and goods in the integral economic area. In order to achieve this, constant improvements in infrastructure are required, as well as improved efficiency in making use of the railways' potential, reducing

transportation times, simplifying related procedures, improving quality and widening the package of services.

Nowadays, the quantitative growth of transport should flow into the qualitative growth, with a view to avoiding congestion on the main transport arteries and the increasing environmental pollution. Rail transport is the mode which best meets these requirements/principles. Therefore, States are putting their efforts into stimulating the shift of freight from road transport to rail transport. In the EU Member States and candidate countries, huge sums are granted for investments in modernisation and development of the trans-European railway networks, for the improvement of technical standards and technical interoperability. With the aim of radically improving use of the railways' potential, the restructuring of the national railway companies is currently approaching completion. New, equal, non-discriminated railway companies are being set up, as well as equal and non-discriminatory conditions for new private companies. The reform of the railway sector in Lithuania is planned to be completed by 2006.

Under such conditions, it is only the joint efforts of States and efficient co-operation that will decide whether the railways will be able to use the new opportunities. Therefore, I again wish to underline the importance of interaction between and interoperability of the railways in Eurasia. This may be attained by gradually overcoming not only technical, but also organisational and legal differences.

Within the framework of reducing the role of the State in the management of railway enterprises and market liberalisation, the role of the State comprises not only investments, but also the creation of positive legal instruments regulating the sector's activities and those surrounding transport, and co-operation between States aiming at the improvement of the international legal regulations becomes one of the main trends of international rail transport development policy.

In Eurasia, there have already existed for half a century two large international organisations in close proximity – OSZhD and OTIF, the objectives of which are the creation and improvement of common/unified (for members of each organisation) international regulations on railway transport.

At present in the EU Member States, the railways' share of the freight transport market is 8%, and in passenger transport, 6%. The White Paper referred to above defines certain measures, the realisation of which will make possible the revitalisation and significant enlargement of this sector. Of this amount, the candidate countries have the experience of servicing a wider part of the transport market (for example, in Lithuania in 2002, 44% of the

total amount of goods was carried by rail, and transit by rail was 3.7 times larger than by road). These countries are members of both organisations and they will become reliable partners in the aim of achieving this objective. It is therefore necessary to facilitate by all means the application of both legal systems, especially in the places where the areas of their activities overlap. It is also necessary to make efforts to achieve implementation of simplified customs clearance procedures.

In Lithuania, SMGS and SMPS have been applied since 1992. From 1 September 2003, the SMGS consignment note may be used as a customs document, but after joining the EU, it will only be possible to practice the simplified procedures with the CIM consignment note.

Lithuania became a member of OTIF in 1995. Lithuanian Railways have performed international transport according to CIM since December 1997. Documentation is prepared in Sestokai (21.8 km from the border with Poland). Before integration into the EU, the Baltic countries have to widen the application of CIM and make preparations to apply CIV to the whole transport Corridor I – Warsaw-Kaunas-Riga-Tallinn. In September 2002, the relevant agreement of the Ministers of transport was reached, and in April 2003, a special project, “Corridor I+”, was established to resolve the organisational, technical and legal problems arising from duplicate membership, and to create conditions for the development of transport throughout the whole length of Corridor I under the unified CIM requirements. The following are taking part in the project: the Central Office of OTIF, the ministries of transport and railways of Lithuania, Poland, Latvia, Estonia and Finland. As an interested country, we hope that the OSZhD Committee will be able to give us support in carrying out this project.

For us, it was very important that the Council of Ministers of OSZhD in June 2003 approved the principles presented in the document “Co-operation between OSZhD and OTIF. Common Position”, and also adopted a resolution for the preparation of the programme of joint work with OTIF, which is to be approved in December 2003 at the Meeting of Representative Members of the Council of Ministers. Such resolutions make a great input, demonstrating the efforts to observe the interests of all members of the organisation and the serious intention of reaching significant progress in co-operation with OTIF, to act systematically, which will result in efficient interaction.

Representatives of Lithuania have always actively supported co-operation between the two organisations. In this context, the issues surrounding harmonisation of the CIM and SMGS consignment notes have always been and still are of particular importance to us, as well as the issues surrounding unification of the rules on freight transport and the

improvement of SMGS Annex 2 on the basis of the RID regulations on the transport of dangerous goods.

We believe that the “Corridor I+” project will prove to be a practical example and an additional stimulus from OTIF and participating countries, which will induce co-operation between the two organisations, alignment/approximation of the two legal systems, simplification of railway traffic/transport in the whole of Eurasia and increased competitiveness of rail transport.