



Rail freight is instrumental to the industrial development of our Regions while addressing key societal challenges: road congestion, climate and energy transition

Rail connects our industry and ports to the rest of Europe and is part of their competitive advantage vs. Neighbours (France, Germany)

- Rail decongests roads being complementary to trucks that should concentrate more on first and last mile
 - 1 train takes 50 trucks away from the road
 - Rail is 80 to 100 times safer than trucks
 - Rail creates much more local employment than road for long distance trips
 - Trucking industry is still heavily subsidized irrespective of the type of trips they perform
- Developing rail freight is the easiest way to succeed energy transition in the transport sector
 - Rail consumes 6 times less energy and emits 6 times less CO₂ than road transport
 - Technology (electric and hybrid locomotives replacing diesel ones), infrastructure (88% of the network is electrified) and business model are available for a full carbon neutrality

Lineas is essential to the Region's rail freight strategy success

- Sole actor with focus and critical mass to serve Belgian industry and ports
 - Decision center in Belgium
 - 1700 employees (of which 1300 in Belgium) and most extensive network in Belgium necessary to maintain some companies/industries presence in Belgium
 - Capacity to operate domestic traffic (between ports and/or Belgian industrial sites) and international (connects our ports/industrial sites to neighboring countries)
- First and biggest privatized rail freight company in Europe clearly different from traditional State-owned competitors
 - Private management with a focus on customer excellence and performance
 - In the middle of an important turnaround plan started in 2022
 - Positive social climate (no single day of strike in 10 years)
 - Seen by European Commission DG Move as the reference of what rail liberalization should be

Five main actions to be taken to support shift from road to rail and secure level playing field

1. Secure competitive level playing field between Lineas and main State-owned rail competitors
Lineas' direct State-owned competitors continue to benefit from important illegal State aid (including cross-subsidization from public holding structures) and oriented public subsidies which hugely distort competition in the European market. Lineas introduced State aid claims at the European Commission (EC) against a State-owned competitor, resulting in an opening decision, but with no concrete results so far.
→ Federal Government to support fight against competition distortion benefitting State-owned competitors by:
 - ensuring illegal State aid is stopped.
 - ensuring country specific subsidies are not oriented towards State-owned actors (ex. SWL subsidy in Germany).
 - monitoring that restructuring plans proposed to EC by State-owned competitors to remedy for illegal State aid are proportionate and efficient.



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2. Eliminate distortion of competition that was created by granting unlimited access to essential facilities (shunting yards) in Antwerp while there is no reciprocity on similar facilities in Germany, Netherland and France

Previous Belgian Federal Government opened Antwerp shunting hill without restriction to all European rail freight companies. While they have full access on Belgian sites, German and French State-owned companies keep exclusivity to similar facilities in their country (shunting yards) giving them monopoly on some traffics. This has an important impact on Lineas' commercial and financial situation (-10 Mio EUR EBIT).

- Federal Government to require reciprocity in access to essential facilities in Europe.
- Until it is not solved, apply same principles in Belgium as in neighboring countries to restore level playing field.

3. Secure progress in establishing a level playing field between rail and road

It is estimated that road benefits from average 3 billion EUR support on a yearly basis in Belgium. At the same time, support to rail freight is almost inexistant while rail freight companies are obliged to install new expensive safety equipment on their locomotives. The transition to the new rail security system (ERTMS) will affect rail competitiveness vs. road as extra costs can hardly be passed on to clients because rail is already the safest transport mode. Moreover, Lineas is at a disadvantage due to the early Belgian implementation deadline (2025) compared to neighboring countries (2030).

- Federal Government to extend the current track access charge (TAC) reduction scheme beyond 2025 to support the modal shift.
- Federal Government to gradually decrease the support to road so that it can be reallocated to rail infrastructure and safety (ERTMS) projects and to other budgetary priorities.
- Federal Government to establish a pragmatic phase out plan for the current safety systems in function of a realistic upgrade deadline for all the locomotives.
- Federal government to introduce a support system for locomotive integrated safety equipment (ERTMS).
- Regional Governments to establish independent training centers for train drivers and ground personnel, similar to the existing ones for truck drivers and shipping crew.

4. Secure the necessary infrastructure for rail freight developments

For several years now, rail infrastructure has suffered from an important underinvestment, negatively impacting the reliability of the operations and limiting the capacity on rail infrastructure. Moreover, passenger transport is always prioritized to the detriment of rail freight transport.

- Federal Government to implement Infrabel's Multi Year investment plan (2023-2032).
- Federal Government to review priority rules and capacity allocation between passenger and freight trains to optimize flow management.
- Federal Government, National Safety Authority and Infrabel to harmonize and simplify local operating rules, in particular for port areas.
- Regional Governments to support innovative financing model and quick solutions for key bottle necks in ports, industrial and logistic zones (e.g. Lillobrug, Ijzeren Rijn, 740m tracks, L26B).

5. Promote multimodal freight transport

Transport is expected to grow in the coming years. Nevertheless, there is a huge lack of capacity of terminals in Belgium and, although complementary, road and rail are still in competition while they should better work together.

- Regional Governments to provide incentives for road transport companies to offer multimodal solutions by compensating transshipment costs to/from rail.

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