

**Speech – Sustainable rail transport in the framework of the European Year of Rail and the Green Deal**

- Ladies and gentlemen, hyvät ystävät,
- First of all, I hope you are all well and coping with the current challenges. I would have so much liked to be here in person and to see you and hear you but instead I can only be with you today virtually. But there is a brighter weather in the horizon. I know that Finland is doing very well with vaccination being among the top three countries in this respect. There is a real chance that by the summer holidays we are already much more free to move and travel around and meet relatives and friends; something we are all looking forward to I am sure.
- It is with great pleasure to open today's event on sustainable rail transport. I would like to **thank the Commission Representation** in Finland for having put together such an excellent programme and for putting railways at the heart of our Europe Day celebrations.
- This year is 175 years since Brussels and Paris became the world's first capital cities to be connected by rail and rail continues to help Europe grow together.
- In fact, this touches the core of the European idea: railways have a long history of bringing us closer together, allowing us to connect and meet people from all over Europe – think about inter-railing and all the long-lasting friendships that have been made on board of trains.
- The pandemic has shown that, in times of crises, concerted, proportional and timely responses at the EU level are necessary. We need to set out respective reforms, implement policies and actions to support the transport sector in the twin sustainable and digital transitions, while at the same time boosting its

resilience against future shocks. In doing that, we must never lose the sight of the EU's crown jewel – a well-functioning **Single Market** that needs to be continuously developed, deepened and upgraded. We need to address the bottlenecks and missing links, so that its full potential can be realised. We need to make regulation efficient, remove barriers and create a genuine **Single European Transport Area**.

- Last December the Commission adopted new **Sustainable and Smart Mobility Strategy**, which sets out a roadmap for putting European transport firmly on the right track for the future. Its key objective is to make the European transport system sustainable, smart and resilient. Most importantly, it provides all players from the transport ecosystem with a long-term predictable framework.
- Transport and mobility is an enabler of our economic and social life. However, this Strategy recognises that while mobility offers users many benefits, it is not without costs for our society. A clear path is needed to achieve a **90% reduction in transport-related greenhouse gas emissions by 2050**. In short, greening mobility is the licence for the transport sector to grow in the future.
- To achieve these objectives, we need to make all transport modes more sustainable; we must make sustainable alternatives widely available in a multimodal transport system; and finally we must put in place the right incentives to drive this transition.
- As one of the most environmentally friendly and energy-efficient transport modes, rail will be a major contributor to our transition to a climate-neutral continent by 2050. This is why the Commission has introduced **ambitions goal for rail sector** in our Strategy.

- We want high-speed rail traffic to double across Europe by 2030 and to triple by 2050.
- At the same time, we want more goods to be transported by rail. Concretely, we want rail freight traffic to increase by at least 50% by 2030, and to double by 2050.
- To support this, we want rail to be able to compete on a level-playing field with other modes of transport by 2030 when it comes to the internalisation of external costs.
- We have a whole host of **initiatives** planned to work towards these ambitious milestones:
- For **passengers**, we will present an action plan to boost long-distance rail transport, and we will be looking closely at how barriers for competitive provision of rail services can be removed and ticketing and timetable information made more available.
- For **rail freight**, high on our to-do list is revising the Rail Freight Corridors Regulation, first to align it with the TEN-T Guidelines and, in a second stage, to improve the functioning of the corridors to deliver a more integrated operating network for competitive freight.
- In 2022, we will work on measures to better manage and coordinate international rail traffic, including if necessary through revised rules for capacity allocation and infrastructure charging.
- If we want to fully benefit from rail's outstanding sustainability potential, we need to foster **innovation and digitalisation in the sector**. This includes rapidly rolling out of the European signalling system, a precondition for digitalisation of rail - ERTMS and exploring other innovations, such as automatic train operations and traffic management, where we will build a common European approach on top of ERTMS.

- To ensure that our regulatory framework supports digitalisation and innovation in the rail sector, the 2022 major update of the **Technical Specifications for Interoperability** will introduce new functionalities to improve the system for example Automatic Train Operations and improve freight through Digital Automatic Coupling.
- This is also, where the future **Joint Undertaking**, Europe's Rail, will come in; it will play a key role in ensuring that we have innovative European solutions ready for deployment across the EU network.
- Building on the work initiated by Shift2Rail and the Fuel Cells and Hydrogen Joint Undertakings, we expect their successors to focus on pathways to deployment. **Hydrogen** technology has real potential for rail as a flexible, zero-emission and potentially cost-competitive replacement for diesel.
- It is no coincidence that the **European Year of Rail** takes place in the first year of our new Sustainable and Smart Mobility Strategy.
- Our **goal** is two-fold: promoting rail and its numerous benefits, but also shedding light on the challenges we still need to overcome for rail to realise its full potential.
- We want to help rail become more **attractive**, so that more people travel by train, more businesses ship their goods by rail and more (young) people choose to work in the rail industry.
- One major flagship of the Year will be the "**Connecting Europe Express**", a dedicated train running through Europe in autumn 2021, symbolising the unifying force of railways.
- I invite you all to visit our dedicated website, look at the calendar of events and activities and get involved! We are also very open to your ideas for events and activities, so feel free to get in touch!

- The year 2021 is not only the European Year of Rail, but also the first year of full implementation of the **Fourth Railway Package**. This implementation will bring us one-step closer to our ultimate goal: a **Single European Railway Area**, in which trains and companies can operate efficiently across borders.
- With its technical pillar, our EU **Agency for Railways** is now providing a single entry point for the certification of rail vehicles and railway traffic operators. This is an important change allowing for the significant reduction of the administrative burden and costs for rail manufacturers and railway operators. This is first time for pan-European approach in this area.
- I am happy to observe that Finland was the first EU Member State having transposed the Fourth Railway Package technical pillar already in 2019 and enabled the rail stakeholders to enjoy its benefits. Well done.

*[Investing in rail]*

- The COVID–pandemic has been difficult for the rail sector and transport in general. However, it has also shown the resilience of the rail sector, and rail freight in particular.
- The Commission is fully aware that the recovery of the rail sector will require substantial investments in the coming years. We will make sure that rail retains its central place in the new CEF budget. The **Recovery and Resilience Facility**, with its 37% green expenditure target, is another major opportunity for Member States to support the modernisation of rail.
- In this respect, I am somewhat discouraged to see that Finland has been very moderate on its plans to use these funds for rail initiatives. While I **fully support the Digirail** (Digirata) initiative, I would have **hoped to see more rail proposals**, in particular for upgrading primary connections such as

Päärata Helsinki-Tampere-Oulu. Nevertheless, now it is important for Finland to ensure that the Digirail proposal is well developed and becomes a reality.

- We have started looking at potential changes in transport and mobility needs that should be reflected in the **revised TEN-T** policy and maps. Based on an extensive consultation and evaluation exercise, the Commission plans to make a proposal for the revision of the TEN-T Regulation in the autumn of this year.
- One of the main goals of the revision will be to bring the TEN-T guidelines in line with the goals of the European Green Deal.
- Finland is one of the Member States with the highest ambitions in decarbonising transport. To achieve these goals, Finland needs concrete plans for investing in its rail network, paving the way to the high north. The Finnish main railway from Helsinki via Oulu to the border with Sweden will serve as direct continuation of Rail Baltica on the North Sea-Baltic Corridor
- **Rail Baltica** is a project of crucial importance for the connectivity of Finland, as a fast and reliable alternative to maritime transport connections, offering possibilities for developing alternative supply chains. It is clear that the Finnish industry, particularly the pulp and paper industry, has a keen interest in developing this land-based connection to the Finnish export markets in central and south-east Europe, and beyond. Finnish companies are also keen on transporting more time-sensitive products by rail to their factories and customers in Central and Eastern Europe and beyond EU borders.
- I am delighted to hear that just a few weeks ago, Finland and Estonia signed a new Memorandum of Understanding to improve cooperation on common transport initiatives, including Rail Baltica connection. However, I am still saddened that the Finnish Government backtracked the decision to join Rail

Baltica JV, as it is in the interest of Finland as much as it is in the interest of Baltic States, Poland and the whole of EU.

- The **Arctic** region is growing in importance and there is a need to ensure efficient connections to develop the untapped economic potential of the North, in a responsible manner.
- The Commission is following the growing interest in new Arctic sea routes and other developments related to maritime traffic in the Arctic area. The number of trans-Arctic passages are bound to increase. It will take time and we should not expect this to happen fast but we must be planning well ahead to be able to reap the benefits once it will start opening up.
- From the EU perspective, we have established a very clear European policy approach for connectivity towards the Arctic region through the TEN-T core and comprehensive network, including its strategic core network corridors.
- I am happy to see that the government's has already taken steps to improve this connectivity by improving the rail connection from Kemi to Haaparanta and Sweden. The importance of the Arctic connection via Narvik has been recognised also in the recent government proposal for the 12-year transport plan for Finland.

Ladies and gentlemen,

- The Green Deal and Sustainable and Smart Mobility Strategy objectives for transport are challenging but much needed to be achieved. The year 2021 is therefore a unique opportunity to promote the outstanding sustainability potential of rail, while pushing for the much-needed modernisation of the sector.
- Finally, I would like to conclude by inviting you to “hop on” and participate in the European Year of Rail to celebrate railways together with us!
- Kiitos tästä mahdollisuudesta puhua teille ja voikaa hyvin!