



To: Mr. Prime Minister Victor PONTA
Mr. Deputy Prime Minister, Minister of Regional Development and Public Administration,
Liviu DRAGNEA,
Mr. Minister of Transport, Ioan RUS,
Mr. Minister of European Funds, Eugen TEODOROVICI
Mr. Minister of Environment and Climate Change, Attila KORODI

Ref. The Romanian Government's General Transport Master Plan (Master Planul General de
Transport al Romaniei)
Memoriu privind rolul căii ferate și viitorul acestei industrii în România (from Club
Feroviar Roman – 12.08.2014)

Dear Sirs,

We, the undersigned associations representing European and international stakeholders from the surface transport sector, would like to express our deepest concern regarding the planned closure of a large part of the Romanian Railway infrastructure (over 30%), as outlined in the Romanian Government's General Transport Master Plan. This decision comes as a surprise especially given the acknowledged progress recorded by the wider Romanian Railway sector – upgrading a part of its infrastructure, investments in new urban rail (metro) lines, the development of modern rolling stock (trams, locomotives, etc.).

First of all, we would like to draw your attention to the EU targets concerning both the mobility and economic development outlined in the 2011 European Commission White Paper on Transport, and the climate targets under the EU climate and energy package. Policies to which Romania has agreed to and adhered. The rail sector had been mentioned and recognized among the main solutions for achieving these major targets; consequently the Romanian Government should strive to develop it, not downgrade it.

Secondly, we are concerned by the inaccurate financial and economic figures presented within both the Romanian Government's General Transport Master Plan and the consultant's report that lays at its basis. There are important EU funds available in the coming EU financial exercise which, if well absorbed, managed and supported by the Government, are sufficient for both the regeneration of the existing rail network and also its upgrading on some of its main parts.



Moreover, the Romanian Government should be informed of the two main priorities of the new European Commission. The first is the topic of “Jobs and Growth”. Under this initiative, the European Commission and the European Central Bank are setting the framework for mobilizing up to €300 billion in public and private investments in key European sectors. The second EC priority concerns the EU Climate & Energy Package, which also deals with policy and financial measures in relevant economic areas. Since the Railway sector is an important economic sector for both EC priorities, it could become an expensive mistake for the Romanian state not to be able to benefit from these opportunities.

The reduction of the Romanian rail network will represent a major blow to the social and economic development and well-being of its citizens or enterprises (either local or acting in cross-border global intermodal supply chains). The Railway operators, just as any public transport operator, are one of the few economic factors which provide jobs that cannot be delocalized, which in turn help create and maintain other jobs and even entire industrial branches (rail manufacturers, different logistic services, etc), thus contributing to the local, regional and national economy.

A smaller railway network will lead to the overall reduction of citizens’ and goods mobility. It will mean the isolation and impoverishment of smaller communities and regions, while for the big cities it will translate into increased pollution, traffic congestion (the negative impact of traffic congestion at the EU level is currently calculated at over 1% of its GDP) and decreased transport safety or urban planning and development options. Rail investments are also an added value for road freight, especially when embedded in the modern intermodal port-hinterland concepts, taking care of the pre/end haulage and the “last mile” sections. Since the railways contribute to the social inclusiveness and economic balance of a society, all socio-economic consequences should be weighted carefully before any action is taken.

We would like to remind that for almost two centuries the railways have been part of an organic development and modernization of European countries, Romania included, and it is still the case nowadays. Therefore it would be a major strategic error to deny this path of economic growth for the Romanian economy, especially given the economic potential in S-E Europe.

Given the country’s proud railway past, its favourable geographic position in Europe and its access to the wider Black Sea region – and, by extension, the new “Silk Road” trade route –, the quality of its engineers, the number of existing rail operators doing a good job with limited means and also potential operators, the available passenger links with the neighbouring countries, the on-going sector’s reform, the Romanian Government must be aware that the railway system offers major benefits for the economic and social development, especially for the Romanian people, but also for the entire region.

Last but not least, we also express our availability for a meeting with the Romanian officials, the Romanian railway stakeholders, EC representatives, potential industrial rail users and other rail Associations (e.g. CER) who are interested in this topic, in order to discuss the solutions for the



rejuvenation of the Romanian Railway sector. We remain at your disposal for further questions and look forward to your response.

Yours sincerely,

Julia Lamb
ERFA Secretary-General

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Alain Flausch
UITP Secretary-General

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Peter Wolters,
EIA Secretary-General

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