

Cutting Costs in Rail – 4-5 November

Presidency Summary

Date: 6 November 2025

Ministry of Transport
Frederiksholms Kanal 27F
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On 4 and 5 November 2025, the conference *Cutting Costs in Rail* was hosted by the Danish Presidency of the Council of the EU together with the European Commission, the European Union Agency for Railways, and Europe's Rail. In the conference, the overarching theme of high costs of establishing, maintaining, and running railway services was dissected and discussed among high-level participants from European governments, EU institutions, and the railway sector.

After a site visit to the Fehmarn Belt Fixed Link construction site on 4 November, the conference opened on 5 November with feature presentations on *The Costs of Rail* and *The Costs of Non-Interoperability*, focusing on some of the heaviest cost carriers in the rail sector; A heavily regulated, but also non-harmonised, rail sector, a compromised market, and an intrinsically high cost of railway infrastructure.

An overarching theme of the discussions was the need for simplification of technical requirements, standardisation of railway products, further harmonisation of the core network, and a lesser focus on regional and local lines, where the benefits of cross-border interoperability are much smaller.

TSIs carry significant administrative and technical burdens, and when introduced and amended requires an upturn in administrative effort by the NSAs, Infrastructure Managers, and supply market actors. TSIs need to be stable over longer periods of time, e.g., 10-15 years, and must focus mainly on key interoperability requirements for the core TEN-T network.

Further, TSIs must seek a balance between excellency principles and cost-efficiency. The marginal safety gains must be proportional to the administrative and technical burdens imposed on NSAs and Infrastructure Managers.

At the same time, national rules adding more requirements than the TSIs must be removed. There is a floor for safety standards; but there is no ceiling. This renders TSIs inadequate in terms of securing interoperability, and national rules must therefore be fully aligned with TSIs.

ERTMS deployment needs to be fully harmonised. Besides European deployment being massively delayed, the different ERTMS systems across Member States cannot communicate effectively.

Vehicle Authorisation processes add unnecessary levels of bureaucracy, and must be simplified. Fewer authorising bodies and increased use of type authorisations, as well as not requiring a new vehicle approval when a vehicle is sold from one Member State to another, are important steps to take. Exploring the implementation of AI in parts of the authorisations process can also help cut costs and authorisation time.

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Standardisation of train vehicles is also an important factor in cutting costs. Currently, railway undertakings can purchase a train project, designing train vehicles to go into production with a train vehicle manufacturer. Having standardised options of trains to choose from, allowing for the purchasing of an already designed product, will lower costs significantly for purchasers while allowing for increased scales of production for manufacturers. This will allow railway undertakings to purchase a product rather than a project.

Establishing a European Forum for Cost-Efficiency, where best practices can be shared among Member States, ERA, and the railway industry, can also help enact the cost cutting agenda.