10th ITF Statistics meeting
ERA Task Force on Standard Inputs for Economic Analyses in rail

Giacomo Potenza| 11 April 2024 | Paris

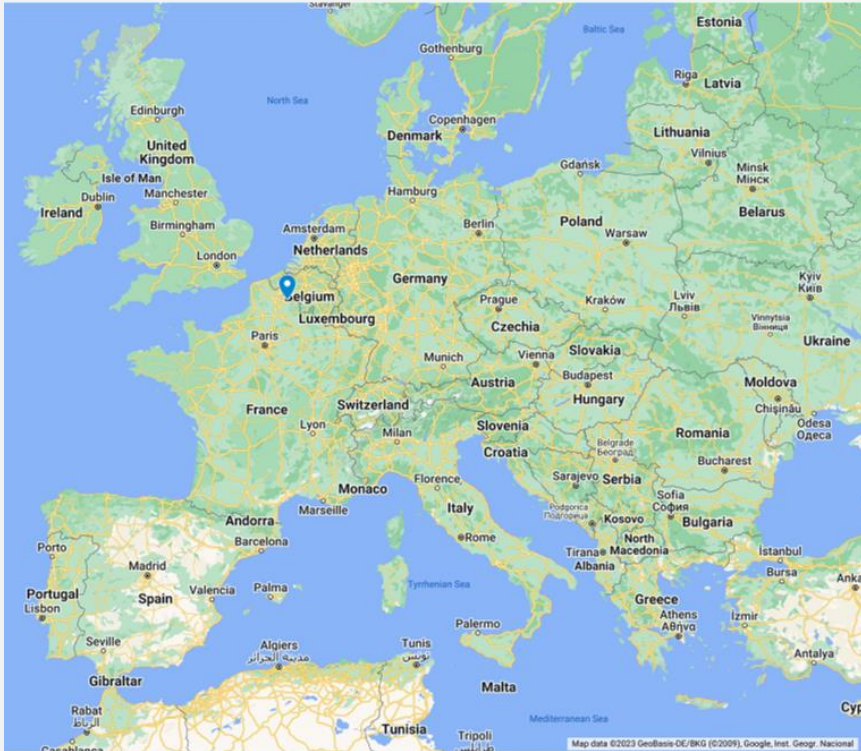

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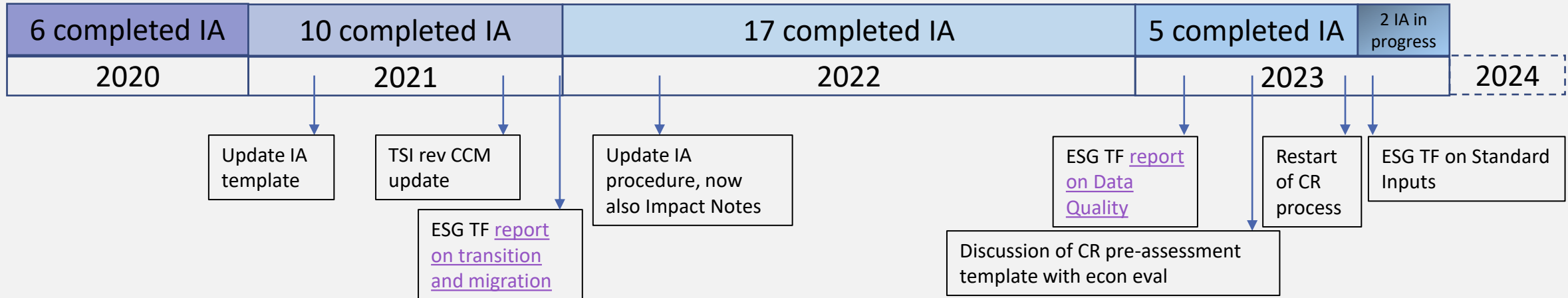
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Who is ERA

The European Union Agency for Railways:
➢ Founded in 2004 and based in Valenciennes, France
➢ Approximately 200 staff members
➢ Operating according to Regulation (EU) 2016/796 and performing tasks such as:
  ➢ Devise the technical and legal framework to remove technical barriers for rail interoperability;
  ➢ Promoting, monitoring and auditing a harmonised approach to rail safety;
  ➢ Issuing vehicle authorisations, single safety certificates of railway undertakings and approvals for track-side deployment of the ERTMS signalling system
➢ Maintaining 13 registers of rail-related data and documents, including the Register of Infrastructure (RINF) and the European Vehicle Register (EVR)
➢ Publishing studies and reports on railways, including statistics to monitor interoperability and safety in the EU

The practice of ERA's Impact Assessments

Art. 8 of Regulation (EU) 2016/796 requiring IA for all ERA REC and OPI

6 completed IA	10 completed IA	17 completed IA	5 completed IA	2 IA in progress	
2020	2021	2022	2023		2024

Update IA template

TSI rev CCM update

Update IA procedure, now also Impact Notes

ESG TF report on transition and migration

ESG TF report on Data Quality

Restart of CR process

ESG TF on Standard Inputs

Discussion of CR pre-assessment template with econ eval

- ➢ Impact notes, LIA, FIA are the foreseen deliverables
- ➢ Scope of ERA IA (all made in-house) covering all TSI, safety and NR assessment (art. 25-26 of ERA Regulation)
- ➢ IA on new TSIs, specific CRs, major programmes (e.g. CBA for DAC)
- ➢ However, CRs often not submitted with economic pre-evaluation
- ➢ **Experience with the 2023 TSI revision:**
  - ➢ Overlapping IA demanded by several TWG
  - ➢ Tight schedule for IAs and sector consultation
  - ➢ **Demand by MS and rail sector for more quantitative IA**

ERA SPDs: FTE allocation for IA, ESG, TF, Ex-post evaluations

Year	Value
2020	2.5
2021	1.42
2022	1.58
2023	1.53
2024	1.55
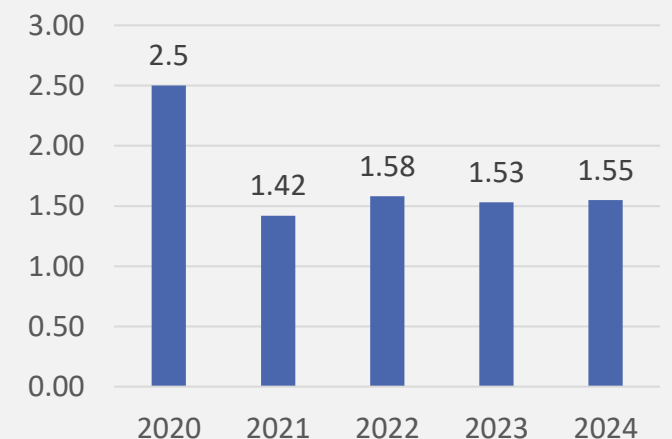
What are the challenges today for economic analyses in rail?

1. Public data are scarce or unreliable and ad hoc broad surveys are:
- ➢ Time-consuming;
- ➢ With varying level of responsiveness;
- ➢ Slow;
- ➢ Rarely statistically significant.

2. Secondary sources are often partial, outdated, national or company-focused instead of EU-focused.

Economists have to:
- ➢ Fill data gaps with unclear/bold interpolation;
- ➢ Choose model assumptions not always clear or robust;
- ➢ Rely on surveys with small sample of respondents

Some reports are robust, however often:
- ➢ The basic models, datasets and results of surveys are proprietary
- ➢ Models and datasets are hard to retrieve when projects are closed

What does it mean Standard inputs for Economic Analyses

Other network industries have developed standard inputs:

Regular updates of a list of cost and other reference values (also as live list) based on public sources and industry feedback

mandated by EU law, publishes unit investment cost based on industry surveys

Standard inputs for rail would be published EU reference values:
➢ Indicative and not statistically significant
➢ Covering a partial scope of the industry
➢ Quoted or even amended, with justification, in individual assignments

Standard inputs data will ideally be:

➢ EU averages (single values or ranges) of unit costs of specific assets, equipment, operations or other metrics
➢ Primarily sourced from literature but validated by industry partners (expert feedback or voluntary survey)
➢ Regularly updated, revised, expanded according to needs/data availability
➢ Relying on stated methodology and assumptions/sampling techniques

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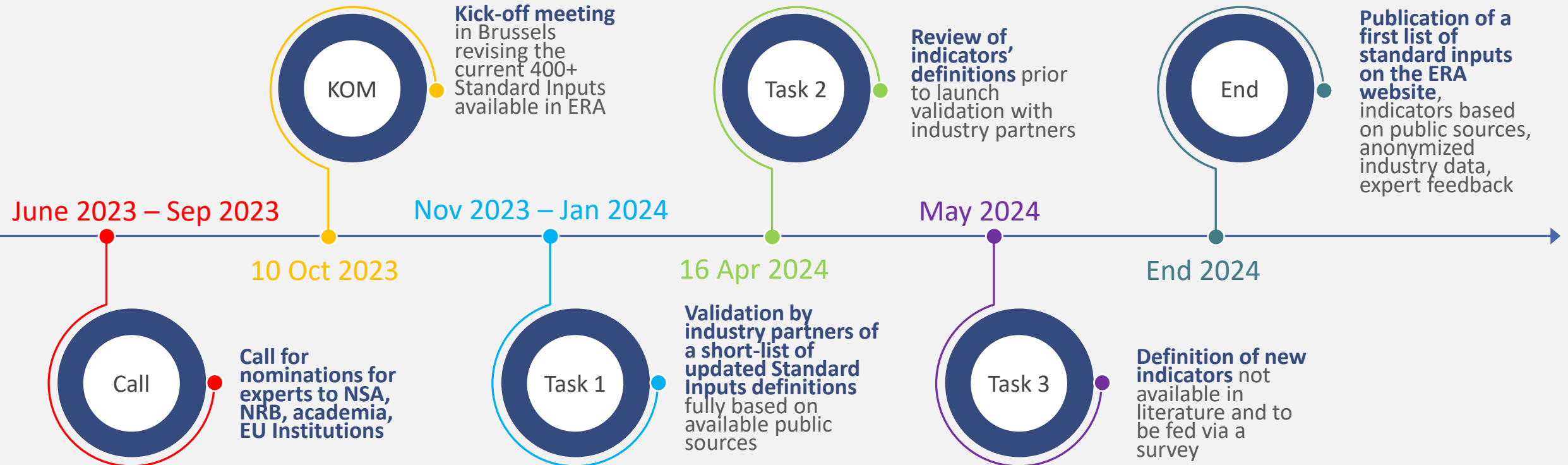# Why do we need Standard Inputs for economic analyses in rail

1. To create a central repository of indicative but robust EU reference values, a further upgrade of our toolbox after the ERA Factsheets
2. To focus time on targeted shorter surveys
3. To increase transparency of models and CBAs
4. To increase efficiency of time available for economic analyses

Potential users of Standard Inputs:

➢ **ERA**, to produce more quantitative impact assessments on safety and interoperability
➢ **The European Commission and other EU/national Institutions**, to optimise resources for policy studies and impact assessments
➢ **Consultancies, academia, associations** to have a new official source of input data for assignments
➢ **Financing entities** to perform counterfactual assessments of CBAs and financing decisions
➢ **Rail sector companies**, to be able to better perform:
   ➢ More robust Change Requests in the field of TSIs
   ➢ Market assessments in sales, procurement, business intelligence
   ➢ Comparative analyses of performance and benchmarking

The ESG Task Force on Standard Inputs for Economic Analyses

A varied and broad membership of the TF from industry, international organisations, NSA, academia

Kick-off meeting in Brussels revising the current 400+ Standard Inputs available in ERA

KOM

Review of indicators' definitions prior to launch validation with industry partners

Task 2

Publication of a first list of standard inputs on the ERA website, indicators based on public sources, anonymized industry data, expert feedback

End

June 2023 – Sep 2023

Nov 2023 – Jan 2024

May 2024

10 Oct 2023

16 Apr 2024

End 2024

Call for nominations for experts to NSA, NRB, academia, EU Institutions

Call

Validation by industry partners of a short-list of updated Standard Inputs definitions fully based on available public sources

Task 1

Definition of new indicators not available in literature and to be fed via a survey

Task 3

THANK YOU

Moving Europe towards a sustainable and safe railway system without frontiers.

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