

Summary: Intervention & Options		
Department /Agency: Transport	Title: Impact Assessment of Directive 2007/58/EC on rail passenger liberalisation	
Stage: Implementation	Version:	Date 23 April 2009
Related Publications:		

Available to view or download at:

<http://www.dft.gov.uk>

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What is the problem under consideration? Why is Government intervention necessary?

Directive 2007/58/EC addresses liberalisation of international passenger services and is one of the latest in a series of directives designed to revitalise the railways and take forward the creation of an integrated European railway area.

To comply with Directive 2007/58/EC, it is necessary to amend secondary legislation extending current legislation on international rail freight to international passenger services.

What are the policy objectives and the intended effects?

The Directive's objectives address opening the market for provision of train services, and harmonising regulation of the rail sector in order to facilitate use of rights of access and reduce the costs of providing train services.

What policy options have been considered? Please justify any preferred option.

1. Do nothing
2. Do the minimum needed to give effect to the Directive in Great Britain.
This is the preferred option as it meets our Community obligations while minimising the impact on industry.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?

The European Commission will review the impact of the Directive by 1 January 2009, and produce a second review on market development by 31 December 2012.

Ministerial Sign-off For final proposal/implementation stage Impact Assessments

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister:

.....Date:

Summary: Analysis & Evidence	
Policy Option: 2	Description: Do the minimum needed to give effect to the Directive in Great Britain

COSTS	ANNUAL COSTS		Description and scale of key monetised costs by 'main affected groups'
	One-off (Transition)	Yrs	
	£		
	Average Annual Cost (excluding one-off)		
	£		
○	Other key non-monetised costs by 'main affected groups' It is impossible to predict at this stage whether new international passenger operators will enter the market to and from the UK. Were they to do so, this could have an adverse on Eurostar's revenues. There may also be a very small increase in costs to the ORR.		

BENEFITS	ANNUAL BENEFITS		Description and scale of key monetised benefits by 'main affected groups'
	One-off	Yrs	
	£		
	Average Annual Benefit (excluding one-off)		
	£		
○	Other key non-monetised benefits by 'main affected groups' Should new international operators enter the market, there may be benefits to passengers from increased competition and greater choice. The entrance of new operators might also increase the access charge revenue of GB infrastructure managers in particular the manager of the High Speed 1 railway.		

Key Assumptions/Sensitivities/Risks

Price Base	Time Period	Net Benefit Range (NPV) £	NET BENEFIT (NPV Best estimate) £ Not known
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What is the geographic coverage of the policy/option?	Great Britain
On what date will the policy be implemented?	3 June 2009
Which organisation(s) will enforce the policy?	ORR
What is the total annual cost of enforcement for these	£ Unknown, v small
Does enforcement comply with Hampton principles?	Yes
Will implementation go beyond minimum EU requirements?	No
What is the value of the proposed offsetting measure per year?	£ N/A

What is the value of changes in greenhouse gas emissions?				£ Unknown	
Will the proposal have a significant impact on competition?				No	
Annual cost (£-£) per organisation (excluding one-off)	Micro N/A	Small N/A	Medium N/A	Large Unknown	
Are any of these organisations exempt?	No	No	N/A	N/A	
Impact on Admin Burdens Baseline (2005 Prices)					(Increase -
Increase	£	Decreases	£	Net	£ Unknown

Key:

Annual costs and benefits: Constant Prices

(Net) Present Value