

SUPERVISORY BOARD

**Meeting 7 July 2022
14h30 – 16h30**

Minutes of the Meeting

List of participants

ALARCON ESPINOSA Manuel (Europe's Rail)	FEIGHAN Conor	LIPKA Andreas
BANNHOLZER Constanze	FITCH Keir (DG MOVE)	PETERHANS Gilles
BORGHINI Carlo (Europe's Rail)	GOHEL Nicolas (EY)	QUESNEL Gilles
DE ROSE Antonio (EY)	HENON Frederic	TOPAL Mark
DOKLESTIC Niko (EY)	HUELIN Ignacio	VAN BALEN Mitchell (EY)
DONGIOVANNI Leonardo (DG MOVE)	KANIA Magdalena (Europe's Rail)	VANHEES Stijn
ENGELMANN Jens	KUPFER David	WIEBE Enno

1. Introduction, Welcome, adoption of the Agenda

On behalf of the European Commission, Keir FITCH welcomed the participants to the EDDP Supervisory Board meeting. He thanked the Programme Managers for their work to prepare the meeting.

He informed the Supervisory Board that the first call for proposals to launch the programme activities of the Europe's Rail had been closed and the proposals were in the process of evaluation. He stressed that with an awarding decision, a new FA5 consortium would work on issues related to the EDDP.

The Supervisory Board was informed about the Commission's engagement in support provided to Ukraine due to Russian aggression. The strategic role of railway sector was mentioned in this respect.

In terms of the Commission's activities, the Supervisory Board was informed about continuation of the work on the TEN-T proposal, with intensive discussion in the Council. As the procedure was ongoing, the report of the European Parliament was expected to be released in September 2022.

In terms of the EDDP objectives, Keir FITCH reminded about the pressure from the sector to progress with the DAC. To fulfil the expectations, a set of credible and realistic analyses would be required, including the CBA and migration plan. He reminded that the Commission would not fund the entire transition to DAC, therefore, the investments would be needed also from other relevant stakeholders (e.g. Member States or private investments). He pointed to necessity of addressing the gaps in the current analyses.

In terms of authorization and standardization, the Board was informed about finalization of the TSI revision package. As reminded, no final specification for the DAC had been developed. As soon as specifications would be ready (expectably by 2024), the TSI would be reopened for revision.

Keir FITCH discussed the role of the sector community to achieve the objectives of the DAC programme.

The Agenda was presented to the Board.

Enno WIEBE (CER) commented on Agenda. He pointed out that the agendas for Supervisory Board meetings were packed to the extent which did not allow to fully cover all points before the meeting.

Firstly, he requested to convene a dedicated session on financial and investment-related issue.

Secondly, he commented on the distinction between the Programme Board and Supervisory Board. As stressed, the Programme Board was of technical nature, therefore, was in a better position to decide on technical items. The Supervisory Board, in contrast, should focus on a bigger picture (e.g. migration, authorization, investments). The agendas and presentations should reflect these functions.

The Executive Director, Carlo BORGHINI informed that a dedicated session on financial aspects would be organized on 15 July 2022.

In terms of structure of agendas, he proposed to move the items where convergence had been achieved at the Programme Board level to the information points for the Supervisory Board. The presentations would be distributed in advance of the meetings. If the Supervisory Board detect the necessity to discuss any of the items agreed by the Programme Board in detail, it would be noted and discussed during the Supervisory Board meeting.

Keir FITCH commented on the role of the Supervisor Board as a representative body of the railway sector in Europe. He supported the distinction between the Agenda items in terms of decisions with discussions and decisions with no discussions (for items on which the Programme Board decided and there was no objection from the Supervisory Board after the delivery of Agenda/presentation).

Mark TOPAL added that the Supervisory Board may also make proposals to the agendas (e.g. new points).

Carlo BORGHINI informed the Supervisory Board about the DAC event in Switzerland. As stressed, neither EDDP nor JU/Commission were informed about the event in advance. Due to lack of the EDDP/JU/EC presence, many questions remained unanswered (e.g. concerning CBA, migration).

Mark TOPAL commented on the lack of communication and its potential negative consequences. He requested the EDDP participants to share information regarding DAC-related events to the Programme Managers and JU/Commission in advance.

2. Review of actions since the last PB

Refer to the presentation

3. EDDP overall participation & new members

Jens ENGELMANN presented the latest update on the participation to the DAC programme. He informed that stakeholder from Greece joined the programme. As indicated, the network of partners was increasing.

Keir FTCH pointed to the lack of representatives from Romania and Bulgaria.

Enno WIEBE (CER) requested the Board to engage in the promotion activities to reach out to the partners from the Eastern Europe. He mentioned the activities of Libor Lochman in this respect.

Mark TOPAL agreed. He expressed his wish to address widely the sector.

4. Decision points:

DAC energy system

Keir FITCH introduced the item for decision. As stressed, the item was presented before to the Supervisory Board with different potential solutions. Based on the state-of-art assessment, the new approach was to adopt a 400V dual phase as an energy system for DAC.

Jens ENGELMANN provided the Supervisory Board with overview of the selection process (*for details, please refer to the presentation*). He indicated that the final results would also fit to both of the communication systems pre-selected (to be discussed in the next decision point). He also added that the dual phase 400V was also supported by the CD Cargo. The Programme Board recommended the energy system with no objection.

→ The Supervisory Board endorsed the recommendation of the Programme Board in terms of the DAC energy system. The 400V dual phase is selected.

DAC data/communication system

Jens ENGELMANN introduced the item for decision. He discussed the selection process with the procedures behind and options available. He informed the Supervisory Board that no final solution had been recommended by the Programme Board due to lack of available testing data. The Programme Board recommended to continue parallel work on two systems until the reliability data would be available.

Mark TOPAL added that among the FA5 consortium there was a clear push towards the SPE system. The additional tests would be performed to prove that the SPE fulfil all requirement in terms of reliability. By this point of time, the selection of communication system was narrowed down to two solutions.

→ The Supervisory Board endorsed the recommendation to follow two communication systems in parallel until more data would be available.

Migration roadmap (draft)

Keir FITCH introduced the migration item. He reminded about the pressure coming from the sector to progress on DAC, with "big bang" to achieve deployment by 2030. He briefly discussed the work done by consultants in their analysis of migration scenarios. He commented on the necessity to cooperate with different stakeholders, including the ERA, to achieve the results and specifications.

Carlo BORGHINI added that the study presented risks and opportunities related to different migration scenarios. It showed all elements to be considered in decision-

making process. He discussed the necessity to move from the study to definition of actions and milestone to be achieved (e.g. workshops capacity). This would require an appropriate structure.

Andreas LIPKA complemented that a target to be achieved was set on 2030 (finalization of migration). He suggested to avoid communication that would point to period beyond 2030. He stressed that many stakeholders were interested in earlier deployment of DAC. The migration would not be a blocking point in this respect.

Jens ENGELMANN presented a proposed structure for the migration roadmap with distinction to tasks and stakeholders engaged (*for details, please refer to presentation*).

Enno WIEBE asked about the authorization and its timeline. He also pointed to the necessity of coordination and division of tasks between the Programme Board and the Supervisory Board to avoid duplication of work.

Jens ENGELMANN added that timeline was to be discussed.

Mark TOPAL added that it would be important to have a clear strategy related to the procedure and content of tasks. He agreed that coordination would be needed.

Conor FEIGHAN asked about locos and involvement of loco companies in the process. He pointed out that loco would have to address specific issues, different from the wagons.

Jens ENGELMANN agreed that two workstreams would be needed – one for locos, one for wagons. This would need organization of companies, wagon keepers and other relevant stakeholders.

Keir FITCH posed a question related to financing the work if two workstreams needed. He stressed that clarity would be needed in order to know if manufacturers should cover the costs themselves or any support would be available.

David KUPFER (UNIFE) asked about division of tasks between the EDDP (WP3), SP and the future FA5 consortium.

Carlo BORGHINI explained that the presented structure was a first proposal with a broad range of stakeholders involved. In the next weeks, the structure should be narrowed down in terms of who does what. He emphasized that the EDDP would continue with role of monitoring of activities.

→ The Supervisory Board took note of the migration study and proposed structure to deliver a roadmap based on the study. The work would continue as proposed with attention to raised concerns (e.g. specific migration for locos).

CBA updated

Keir FITCH introduced the item on CBA. He stressed that the work was ongoing, analysing various technological packages. He underlined that the selected technological package should be realistic in terms of availability of technology and its deployment.

Mitchel VAN BALEN presented the preliminary results of the CBA study. In case of further questions, he invited the Board to contact him directly. He discussed main changes compared with the version presented at the previous meeting (*for details, please refer to the presentation*).

Mark TOPAL thanked Leonardo, Nicolas, and Mitchell for their work. He emphasized that in terms of communication it should be clear that the 10-year perspective was critical for the business and sector.

Keir FITCH summarized that the study showed strong societal benefits of DAC. Nevertheless, in a short-term the DAC would not present an attractive business case. Therefore, investment would be needed. As stressed, this should be also discussed with the Members States via working groups in the Council.

Gilles PETERHANS referred to the wording of increased revenues. He indicated that this could be misleading and more appropriate wording would be needed. He also commented on the reallocation of economic surplus and pointed to the necessity to go into details in this respect. He added that these two aspects would be important when looking for external investments.

He also considered to focus on railway as an energy-sufficient mode of transport as one of the societal benefits to be presented to future investors. He also indicated that some stakeholders referred to safety and health at work as selling arguments.

Jens ENGELMANN informed the Supervisory Board that the Programme Board decided to postpone the sector consultation on CBA until September 2022.

Enno WIEBE (CER) asked about procedure behind the consultation.

Leonardo DONGIOVANNI (MOVE) explained that consultation would take place in a form of a structure discussion with dedicated questions.

Carlo BORGHINI proposed to publish the minutes of the Supervisory Board meeting on the Europe's Rail website. As stressed, this would ensure transparency.

- **The Supervisory Board took note of the CBA preliminary results. The work would continue.**
- **The Supervisory Board endorsed the recommendation to postpone the sector consultation to September.**
- **The Supervisory Board agreed to publish minutes of the meetings on the JU website.**

6. Action points:

None

7. Information points:

EDDP Governance in relation to EU-Rail R&I activities

Carlo BORGHINI reminded that with award of the grant to FA5 consortium a new governing structure would come to existence. He pointed to the necessity of coordinate the tasks between different bodies, including the Innovation Pillar and System Pillar. He ensured that the EDDP would be still working as a body consisting of a wide spectrum of stakeholders to ensure the oversight, consistency and coherence of all works done in the context of DAC by System Pillar, Innovation Pillar and EDDP WPs. Any issue will be brought by the EDDP PB to the attention of the ED, who will take the responsibility for follow up via the necessary contractual arrangements.

He underlined that the current composition of the Supervisory Board of EDDP would resemble the structure of System Pillar Steering Group (SP STG) in terms of

participants. Therefore, he proposed that by end of 2022/early 2023, the future of the EDDP Steering Board would be reassessed, e.g. possible incorporation in the SP STG. Having only one group would lead to more efficiency and avoid duplication of work by the same people.

Status European Investment Plan – first draft

Carlo BORGHINI informed that the presentation was a first step to open a discussion on the investment plan. He informed about the special session dedicated to the investment to be held on 15 July. He invited the Supervisory Board to attend the session.

Antonio DE ROSE (EY) presented the preliminary ideas behind the European Investment Plan (*for details, please refer to the presentation*). He also invited the Board to take part in the deep dive session on 15 July 2022.

David KUPFER asked about the potential involvement of CINEA.

→ The Supervisory Board was invited to participate in the dedicated session on 15 July 2022.

Critical issues - state of play

For details, please refer to the presentation.

Dissemination & event plan 2022

For details, please refer to the presentation.

8. AOB and closing