



Factsheet, 20 December 2024

## Overland transport

### What is it about?

Switzerland is a transport hub and a bottleneck on the north-south axis in Europe and has already invested a great deal in a well-functioning transport infrastructure. Through its policy of shifting traffic from road to rail it is pursuing a strategic goal. Access to the EU transport market by road and rail is also important for the Swiss economy and the country's supply. It is therefore important that factors specific to Switzerland are taken into account and that its achievements and access to the EU market are safeguarded in the long term.

These aspects are regulated by the overland transport agreement with the EU. The overland transport agreement relates exclusively to cross-border passenger and freight transport, both by road and rail. Purely national transport (long-distance, regional and local transport) is not covered. The overland transport agreement makes it possible to coordinate transport policy with the EU and defines, for example, common technical standards, type approval and social regulations.

The overland transport agreement also secures important exemptions for Switzerland, such as the ban on lorries driving on Sundays and at night and the performance-related heavy goods vehicle charge (HGVC). This plays a part in shifting traffic from road to rail, which is enshrined in the constitution, and is important for financing rail infrastructure.

Due to unresolved institutional issues, the EU does not currently permit any long-term, in-depth cooperation between Switzerland and the European Union Agency for Railways (ERA). The aim of such cooperation is to facilitate the type approval of rolling stock in cross-border traffic.

### Outcome of the negotiations

The outcome of the negotiations is based on the Federal Council's negotiating mandate and fulfils its requirements. Switzerland was also able to achieve some additional points in the negotiations. In particular, the Swiss instruments for train path planning and safeguarding (network usage concept/network usage plans) were legally secured vis-à-vis the EU. It was also possible to ensure that Switzerland can continue to award cross-border rail tenders ordered on Swiss soil directly and that no public tenders need to be issued, as it will be mandatory in the EU from 2025.

The outcome of the negotiations means Switzerland will adopt the EU state aid rules for cross-border overland transport. However, it was able to secure important exceptions. Domestic public transport is exempt from the state aid rules.

The outcome of the negotiations also provides for important exceptions to the dynamic adoption of EU law. For example, Switzerland is prepared to open up international rail passenger transport in a controlled manner. This means that in future, foreign railway undertakings will be able to independently offer cross-border rail connections to Switzerland, provided they can find a free train path. At the same time, Swiss undertakings will be able to offer their own cross-border connections abroad. As part of the negotiations, it was ensured that foreign railway undertakings must comply with Swiss wage and working conditions for their activities on the sections of track in Switzerland.

The priority of the regular-interval timetable for public transport in Switzerland has also been secured vis-à-vis the EU in the allocation of train paths: foreign railway undertakings can only offer international connections to Switzerland if there are available train paths for the Swiss section of the route outside of the secured train paths for national regular-interval passenger trains and freight transport. In return, the EU member states can give their undertakings priority on their networks for such reasons.

In the annual timetable process, international passenger transport is prioritised when allocating remaining train path capacity in Switzerland. The aim is to promote international rail passenger transport, which should improve connections to other countries. The allocation of train paths remains in Swiss hands and cooperation in cross-border rail passenger transport (e.g. SBB with DB, SNCF or Trenitalia) is still possible.

Furthermore, foreign railway undertakings may also be obliged to integrate fares. This Swiss characteristic considerably simplifies ticket purchasing for Swiss customers. If foreign railway undertakings transport passengers with origin and destination in Switzerland, they must adhere to the Swiss fare system (i.e. recognising GA and half-fare travelcards, among other things).

The outcome of the negotiations protects the following exceptions for cross-border road transport:

- A maximum of 40-tonne HGVs will continue to be permitted in Switzerland.
- In commercial road transport, vehicles registered abroad may only continue to offer cross-border transport of passengers and goods and not those with origin and destination in Switzerland (cabotage ban).
- The ban on HGVs driving at night and on Sundays remains in place.
- The Alpine Initiative is supported (no expansion of road capacity through the Alps).
- The EU accepts the HGVC with defined maximum possible rates. In addition, Switzerland can further develop the HGVC without having to amend the overland transport agreement. This will strengthen the policy of shifting traffic from road to rail.

It was also agreed that cooperation with the EU Railway Agency (ERA) can be stepped up in future without the ERA becoming responsible for rail transport in Switzerland.

**The objectives of the negotiations were achieved.**

### **Importance for Switzerland**

The outcome of the negotiations makes it possible to safeguard Switzerland's achievements in public transport and its policy of shifting traffic from road to rail in the long term. It will also help to continuously develop the overland transport relationship between Switzerland and the EU to make it fit for the future. Access to the important EU market is therefore assured for Swiss companies by road and rail.

The opening of international rail passenger transport will take place under defined framework conditions so that the high quality of the Swiss public transport system is not impaired. At the same time, the opening will create the conditions for customers to benefit from additional cross-border transport services.