

COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

FIFTH BIENNIAL REPORT

on the economic and financial situation of Railway undertakings
(Article 14 of Decision 75/327/EEC)

1981-1983

COM(86) 67 final

I. INTRODUCTION

1. Article 14 of the Council Decision of 20 May 1975 on the improvement of the situation of railway undertakings and the harmonization of rules governing relations between such undertakings and States (75/327 EEC)¹ provides

"Every two years, the Commission shall submit to the Council a report on the implementation by Member States of this Decision and of Regulations (EEC) No. 1191/69, (EEC) No. 1192/69 and (EEC) No. 1107/70. The report must clearly indicate the results achieved, with particular regard to any change in the financial situation of the railway undertakings."

2. To facilitate comprehension and maintain continuity, this report (covering the period 1981-83) follows the same format as previously.
3. Community rail policy continues to develop within the framework laid down in the Commission's policy document - Progress towards a Common Transport Policy (Inland Transport) of February 1983².
4. This policy document states that '... the challenge is to contribute, at the level of the Community, to the creation of conditions conducive to reducing the financial burdens of the railways while in turn allowing road transport and inland waterways to develop in accordance with their proper economic dynamics ... the railways are likely to be helped more by improving the efficiency and attractiveness of the railway services and in helping them to adjust to present and future market needs than by tightening or even maintaining the present restrictions on other forms of transport'.
5. To meet this challenge Community railway policy aims to :-
 - remove distortions between the different modes of land based transport

¹ OJ L 152 of 12.06.1975

² OJ C 154/1 of 13.06.1983

- make the relationship between governments and their national railway undertakings fully transparent
- improve co-operation between railway undertakings
- develop all forms of inter-modal co-operation
- develop railway infrastructure.

6. This report attempts to examine the extent to which these objectives are being attained and the economic and financial evolution of the railway's situation. The report is in two parts :-

- PART I reports upon the actions which have been taken and are currently being taken at both Community and national levels to eliminate distortions in the transport market, promote co-operation between railway undertakings, improve the railways' financial situation and improve transparency of State/Railway relationships.
- PART II is devoted to an analysis of the economic and financial evolution of railway undertakings over the period 1981-83.

PART I

(A) APPLICATION OF COMMUNITY REGULATIONS (EEC) No 1191/69¹,
(EEC) No 1192/69² AND (EEC) No 1107/70³.

7. These regulations provide the statutory framework for State financial interventions. They are also important instruments for neutralising distortions in the transport market and making the State/Railway relationship more transparent. A full breakdown of State financial interventions for the period of the report is provided in Annexe I (a).
8. There are no major changes either to the regulations or their methods of application since the last report. However the trend in Member States to impose tighter financial discipline on railway undertakings has continued.
9. The Council adopted in June 1982⁴ Regulation (EEC) No 1658/82 which amended Regulation (EEC) 1107/70 on Aids by specifically permitting aid to be granted, as a temporary measure, to facilitate the development of combined transport. The aid is limited to infrastructure and fixed and moveable facilities necessary for transshipment. These provisions are to be reviewed before the end of 1986 in the light of developments and contemporary conditions.

¹OJ No L 156/1 of 28.6.1969

²OJ No L 156/8 of 28.6.1969

³OJ No L 130/1 of 15.6.1970

⁴OJ No L 184/1 of 29.6.1982

(B) IMPLEMENTATION OF THE PROVISIONS OF DECISION 75/327/EEC

10. This section of the report covers the progress made to implement the specific provisions of the Decision by
- Member States
 - Community, Member States and National Bodies,
 - Community Bodies.

Actions undertaken by Member States

11. Implementation of the Decision

Article 16 provides that "as soon as possible and not later than 1.1.1977, Member States shall, after consultation with the Commission, give effect by law, regulation or administrative action, to such provisions as may be necessary for the implementation of this Decision". The Commission gave its opinion on the Italian Government's proposals for the reform of the "Ferrovie dello Stato" on March 4 1985. On March 17, 1985 the Italian Parliament adopted this law, giving new status and responsibilities to the Ferrovie dello Stato. There remains only Greece to conform with the provisions of Article 16 of Decision 75/327/EEC.

12. Business and Financial Programmes

Article 3 of the Decision provides : "... each railway undertaking shall ... submit its business plans, possibly covering a number of years, including its investment and financing programmes within the framework of the overall policies laid down by the State and taking account of national transport planning, particularly with regard to infrastructure". A summary of the essential features of the plans received by June 30, 1985 is given below :-

13. SOCIETE NATIONALE DES CHEMINS DE FER BELGES (SNCB)

The Belgian government is currently digesting the results of a wide ranging review of the SNCB's activities and organisation which was undertaken last year and therefore is unable to communicate specific details on future financial and activity programmes at the moment.

14. DEUTSCHE BUNDESBahn (DB)

A plan covering the period 1985-89, reaffirms the objectives set down in the DB's 90 strategy, namely, a joint effort by the undertaking and federal authorities to improve the financial situation and stability of the DB. DB's main efforts are directed towards a marked increase in productivity and forward-looking investment to assure more marketable services to meet the targets laid down in DB' 90 :-

- increase labour productivity by 40 % in real terms
- reduce staff costs by 30 % in real terms
- reduce total costs by 25 % in real terms.

The specific strategy adopted to meet these targets consists of :-

- (a) flexible arrangements to meet changes in market demand
- (b) reduction in costs for all factors of production
- (c) forward looking investment to consolidate (a) and (b).

(a) Market requirements

The aim is to improve the range of passenger services in remunerative sectors and cut back on certain unprofitable services. Passenger services have been divided into 3 categories - main line, regional and local services. Inter-city services have a long term future and shall be developed (new high speed services on new infrastructure). Other main line and regional services are to be redefined to meet specific market conditions whilst local rural services are to be reviewed in the light of local needs and how those needs can best be met - road or rail services or a combination the two.

On the freight side, two new systems are underway - restructuring of small load services and development of a high-standard inter-cargo

system linking major economic centres. Future plans are being built around measures to :-

- improve basic full wagon-load services (overnight services over 200 - 300 kilometres)
- develop private sidings
- develop combined transport services
- reorganize logistical functions and concentrate operations at freight centres and goods offices.

(b) Productivity improvements

To attain the 40 % improvement by 1990 DB plan to :-

- (a) Tailor available capacity to current and foreseeable demand e.g. reduce network by 11 % and points by 22 % and improved methods for making up and loading trains
- (b) Reduce labour force to 230 000 by 1990
- (c) Reduce fleet of goods waggons, passenger coaches and locomotives by 20 % by 1990 to meet operational needs by better utilization and loading.

Such measures will affect workshops and workforce equally.

(c) Investment strategy

Investment strategy is to concentrate the limited resources towards measures to make the railways more competitive and cost effective. Investments of some DM 41 000 million are planned between 1984 and 1990. DM 15 000 million (some 2 000 million each year) is earmarked for laying new track, extending the existing track, construction of transshipment terminals and improvement to marshalling yards.

From the remaining DM 26 000 million priority will be given to :-

- (i) maintaining performance and safety of rolling stock and plant
- (ii) rationalization of signalling, level crossings and permanent way
- (iii) improving the attractiveness of the service-stations, sidings, rolling stock etc. and new rolling stock for the H.S. service.

Throughout the period of the plan improvements in organizational structure and working methods will be made and priority given to marketing the service.

The DB 90 financial plans are based on the following macro-economic assumptions :-

- (i) an average increase in real GNP of 2 % per annum over 1985-89
- (ii) an average increase in real private sector consumption of 1.5 % per annum
- (iii) average general price increases of 3 % per annum
- (iv) an increase in national income of 4 % in 1985 and 45 % from 1986-89
- (v) an increase in personnel costs of 3.2 % in 1985 and of 40 % from 1986-89
- (vi) unemployment of 9.2 % in 1985 and 9.0 % for each year between 1986-89
- (vii) energy price rises of 3.5 % in 1985 and 4.0 % per annum between 1986-89.

On the basis of these macro-economic predictions DB's forecasted financial programmes are :-

(a) Operational Programme

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
<u>Income</u>					
Passenger	5 980	6 070	6 225	6 395	6 575
Freight	9 990	10 220	10 560	10 840	11 110
Other income	2 279	2 330	2 380	2 440	2 500
Other payments	9 611	9 459	9 487	9 631	9 631
Total	27 860	28 079	28 652	29 306	29 816
<u>Expenditure</u>					
Personnel	20 025	20 047	20 226	20 405	20 622
Operational	4 920	4 970	5 080	5 260	5 400
Provisions	2 772	2 890	3 025	3 200	3 430
Interest	3 055	3 140	3 340	3 570	3 660
Miscellaneous ¹⁾	288	189	205	267	257
Total	31 060	31 236	31 876	32 642	33 369
Deficit	3 200	3 157	3 224	3 336	3 553

¹⁾ includes set-offs

<u>(b) Financial needs</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
Profit and loss account	3 200	3 157	2 703	3 336	3 553
Depreciation etc.	2 617	2 710	2 815	2 965	3 165
Needs from P/L a/c	583	447	408	371	388
Repayments	3 572	3 680	4 300	4 060	4 440
Investments	5 880	6 618	6 676	5 923	6 103
Total	10 035	10 745	11 385	10 354	10 931

Financial resources

Own means	63	65	65	70	70
Contribution to investments	300	270	230	230	230
From the State capital	4 406	4 209	4 150	4 014	4 014
Borrowings	5 266	6 201	6 940	6 040	6 617
Total	10 035	10 745	11 385	10 354	10 931

Over the period of the plan operational income is forecast to rise by 10 % whilst state payments would increase by less than 0.5 %. Expenditure is forecast to increase by 7.4 % and the operating deficit to increase by 11 %. DB's financial budget forecasts an increase in capital employed of some 8.9 %. State contributions are expected to fall but external borrowings are forecast to increase by some 25 %. The DB's external debt is forecast to increase by 25 %, from 37.5 milliard DM to 46.9 milliard DM.

15. DE DANSKE STATSBANER (DSB)

In 1975 the DSB submitted its plan 1990. This plan was a contribution to the debate on the role of public transport in Denmark and set targets to be achieved. On the basis of this long term plan the DSB drew up five-year action programmes for each sector of their business activities.

Long Term Objectives

The objective for passenger transport is to offer a punctual, rapid, safe and comfortable service on the basis of a coherent traffic system

as an alternative to individual private transport. The public transport system must be a social commitment and not evaluated solely in terms of profitability.

The challenge for rail freight transport is to establish a countrywide system as an alternative to road transport, developing combined transport techniques and mechanization of freight handling. The long term plan forecasts the following increases in traffic - 25 % increase in suburban (S-train) traffic, 100 % increase in passenger (excluding S-trains) traffic, 125 % increase in freight traffic, 100 % increase in ferry crossings for private cars and 70 % increase for lorries.

Traffic Evolution

Unit \ Year	1974	1979	1981	1983	1985	1988
Passengers carried (mio)	85	116	134	133	132	132
Goods carried (mio t)	8.0	6.8	6.3	6.8	7.1	7.1
Passenger/km (mrd)	3.0	2.9	4.0	4.4	4.4	4.4
Freight/km (mrd)	2.0	1.7	1.5	1.6	1.7	1.7
Ferries (mio units)	3.4	4.0	4.0	4.1	4.2	4.2

Growth in traffic evolution has slowed down and is expected to increase at a lower rate than forecast.

DSB's operational budget is forecast, in running prices 85 at :-

Year	1985	1986	1987	1988
Operational Expenses	5 744	5 657	5 550	5 543
Operational Revenue	4 658	4 650	4 644	4 636
Operating Loss -	1 086	1 007	906	907
Interest	928	936	901	860
Depreciation	714	782	805	821
State support (operative)	2 728	2 725	2 612	2 688

From 1985 onwards, as part of the Government's plan to modernise the public sector, DSB's budgeting and accounting principles will change.

The Government shall in future change to resource budgeting, providing the DSB with a lump sum grant to be used at DSB's discretion with a view to improving performance by applying more industrial and commercial methods and practices.

DSB as a service industry is labour intensive (70 % of costs). When cash limits are reduced there are certainly implications for staff requirements e.g. a reduction of 2 % per annum represents a reduction in staff of 450. Natural wastage is running at 1 100 per annum and new staffing levels will be determined by the requirements of each service in the DSB.

DSB's investment plan (in DKR mio at 83 prices) is forecast

Item \ Year	1985	1986	1987	1988
Passenger	166	181	175	243
Freight	50	50	50	50
Ferries	457	61	95	108
Fixed Assets	408	338	309	176
Rolling Stock	208	127	169	169
Electrification	148	143	166	155
Others	89	86	99	81
Sub-Total	1 526	986	1 063	982
Metropolitan Area (Copenhagen)	250	265	221	221
TOTAL INVESTMENT	1 776	1 251	1 284	1 203

As part of the Danish Government's attempts to reduce the overall state deficit the Government is looking for a reduction in State support to DSB for 1985 of 227 mio DKR. Future savings shall come from increased fares and investments which do not affect operations directly (electrification and double-tracking) may be postponed.

16. SOCIETE NATIONALE DES CHEMINS DE FER FRANCAIS (SNCF)

On 26 April the French Government and the SNCF formally agreed the Business and Financial Plans of SNCF for the period 1985-89. Two main objectives are pursued : the financial improvement and modernization of the undertaking. It is recognised that financial balance will only be re-attained by a joint Government/Railway effort. Throughout the period of the plan State support for operational purposes shall remain at about 35 mrd FF (1985 prices) annually with additional amounts provided to reduce SNCF's financial charges (interest on debt). The additional support will amount to 3 250 mio FF in 1985, 3 000 mio in 1986 and for 1987-89 inclusive 3 450 mio FF.

SNCF, for its part, shall control its costs, improve its management and undertake to modernise its operations and improve its productivity. To attain this specific targets have been set :-

Main line passenger services are expected to achieve an increase in volume (passenger/km) of 5.3 % from 1985-89 (46.85 mrd passengers/km to 49.32 mrd) whilst regional services are expected to increase volume by 8 % (5.60 mrd in 1985 to 6.05 mrd in 1989).

Freight traffic, by adapting more to market requirements, is expected to increase in volume by 2.6 % between 1985-89 (54.8 mrd tonnes/km in 1985 to 56.2 mrd in 1989).

In financial terms the operating results of SNCF are expected to show a surplus of 5 400 mio FF in 1985 rising by an average 1 200 mio annually to 9 700 mio in 1989. The provisional results for SNCF, without making provisions for losses on currency exchange, are forecast as

Result (without provisions for losses of currency exchange)	1985	1986	1987	1988	1989
	- 4 600	- 3 800	- 2 200	- 1 200	0

Productivity objectives are a 2 % annual reduction (using constant francs) of the unit costs.

Over the period of the plan investment is forecast to amount to some 45 mrd francs. This figure includes financing the TGV-Atlantic in which the State shall pay 30 % of infrastructure costs and also subdivide electrification work to improve the links between Brittany and Massif Central relations and the rest of the network. 33 1/3 % of the costs of the Brittany link, Rennes-St Brieuc shall be subsidised by the State.

17. FERROVIE DELLO STATO (FS-ITALY)

The business and financial programmes of the FS are conceived within the national transport policy and therefore conform with economic and social criteria. However market research is constantly undertaken to ensure that demand and supply in both passenger and goods markets can be better approximated.

The FS has major investment programmes over the next two years. It is planned to invest some 2 792 mrd of LIT in 1985 (1 078.5 mrd in new lines and upgrading and maintaining existing lines, 578 mio on security, electrification and signalling, 333 mio on stations and marshalling yards and 802 mio on level crossings and other improvements. Planned investment for 1986 amounts to 2 878 mrd of LIT (1 189 mrd in new lines and upgrading and maintaining existing lines, 420 mio on security and signalling, 293 mio on stations and yards and 966 mio on level crossings and other improvements.

The FS is also following a 3 175 mrd investment programme (1982-86/87) for new rolling stock as well as investing, during 1985/86, some 600 mio LIT in telecommunications, computer technology and electrical equipment to modernise the network.

The year 1984 saw an increase of 2.4 % in passenger volume, 37 001 mio passengers/km from 36 132 mio passengers/km in 1983. This steady growth of + 2.5 % is forecast to continue over 1985/86. Volume of freight transported also increased in 1984. It increased from 16 746 mio tonnes/km in 1983 to 17 519 mio in 1984, a growth of 4.6 %. Again the forecast is for a steady increase of 4.5 % per annum.

It is forecast that in 1985 revenue on current account will amount to 11 bln LIT in 1985 of which 3.1 bln will come from railway services, capital resources available shall amount to 6.9 bln LIT and Government grants for investment will be 4.7 bln giving a total general disposable income of 22.6 bln LIT. Expenditure is forecast as 24.4 bln leaving an operating deficit of 1.8 bln. Financial compensation is forecast to be 6.1 bln LIT. The 1986 forecast provides for disposable income of 23.8 bln, expenditure of 25.6 bln and an operating deficit of 1.8 bln. Compensation is estimated at 6.3 bln LIT.

18. NEDERLANDSE SPOORWEGEN (NS)

The NS business and financial programme is prefaced by a statement that in view of the uncertain economic outlook and the serious budgetary situation of the Dutch Government some of the projected figures should be treated with reserve.

The plan covers the period 1984-1987 and is divided into two sections :- Passenger and Freight Services.

The volume of passenger transport services is expected to increase from 9.05 thousand mio passengers/km in 1984 to 9.4 mrd in 1987. Fare increases are expected to reflect rises in the cost of living over the period of the plan. Current estimates indicate (1984 prices) that revenue shall increase from 1 057 mio FL in 1984 to 1 109 mio FL in 1987 State support for passenger services is forecast to rise a little from 1 223 mio FL to 1 255 mio FL over the period. Investment expenditure in passenger services is estimated (mio FL at 1983 prices) as follows :-

NS financing (NS figures)	1984	1985	1986	1987
Rolling Stock	192	186	137	184
Infrastructure	359	362	356	306
Sub-total (1)	551	548	493	490
Government financing				
New lines and special projects	293	212	213	195
Bottlenecks	12	24	33	48
Sub-total (2)	305	236	246	243
TOTAL (1) + (2)	856	784	739	733

Freight volumes and operational finances are forecast as follows

Year	1984	1985	1986	1987	1988
Freight + Services					
Volume (mio tonnes)	18.2	18.4	18.4	18.6	18.6
Revenue (HFL mio at 83 prices)	287	280	280	283	283
Deficit (*) (" " ")	41	39	35	30	30

(*) Paid under Reg. 1107/70 and relate exclusively to the annuity of 42 mio HFL to cover losses in NS goods transport between 1973 and 1975.

Investment in goods transport is forecast (in HFL mio at /84 prices) at :-

Year	1984	1985	1986	1987	After 87
Investment					
Infrastructure	47	31	27	30	29
Rolling Stock (excluding diesel-electric locos)	2	8	12	1	-
	49	39	39	31	29

19. BRITISH RAILWAYS BOARD (BRB)

The Corporate plan covers the period 1985/86 to 1989/90 with 1984/85 as the base year. The plan is conceived within the objectives laid down by Central Government :-

- reduction in the Public Service Grant and removal of inter-city services from the Public Service Sector by 1988,
- restatement of the financial target for the freight business
- greater private sector finance and participation in development of stations and railway services
- vigorous policy of property development and disposal.

The Board's plan can be examined by reference to certain key issues.

- (a) The Public Service Obligation grant is forecast to fall, at 1984/85 prices, from over UKL 900 million to some UKL 700 million.
- (b) The external financing limit is expected to decrease from its current UKL 950 million to under UKL 750 million over the period of the plan.
- (c) Greater emphasis on market requirements - introduction of a Customer First programme, simpler fare structure, review of selling methods.
- (d) The 1984 plan provides for electrification of the East Coast main line and introduction of electric services in 1988.
- (e) Investment over the period of the plan is forecast to be UKL 2.2 bn. Major spending will be concentrated on renewing traction and rolling stock (UKL 673 million), infrastructure (UKL 962 million) and renewal of terminal and depot facilities (UKL 302 million).
- (f) Manpower is expected to be reduced from 185 000 in 1984 to 137 000 in 1990.

BRB's rail business is divided into three sectors : Passenger, Freight and Parcels :-

(i) Passenger Sector

Passenger services are further subdivided into 3 sectors:-

(a) Inter City

The commercial objective by Government is to earn a 5 % return on assets on a current cost accounting basis by 1988/89. At 1984/85 prices that means earning a profit of UKL 34 million.

The passenger volume is forecast to increase by 9 % to over 8 600 million passenger miles. Receipts are forecast to increase by 16 % with losses falling from UKL 188 million in 1984/85 to UKL 90 million in 1989/90.

(b) London and South East

The London and South East sector has been set the financial objective, by the Board, of reducing its grant requirement to

UKL 213 million (1984/85 prices) by 1986/87. Passenger volume is expected to increase to more than 8 600 million passenger miles and receipts per train mile are forecast to increase 11 %. Grant requirement is forecast to fall from UKL 255 million in 1984/85 to UKL 166 million in 1989/90 (using 1984/85 prices and existing infrastructure allocation conventions).

(c) Provincial Sector

This sector's objective is to reduce its grant requirement to UKL 426 million (at 1984/85 prices) by 1986/87. Over the period of the plan investment is forecast at UKL 480 million, overall demand is expected to increase by some 7 % to 3 200 million passenger miles, receipts are forecast to rise by UKL 13 million and grant requirement to fall from UKL 492 million to 434 million.

(ii) Freight Sector

The Freight sector's financial objective, set by Government, is to achieve a 5 % return in 1988/89 on its assets on a current cost accounting basis, equivalent to earning a profit of UKL 36 million (at 1984/85 prices)

Freight volume is forecast to remain steady at around 150 million tonnes with receipts of about UKL 565 million. The Government's target is expected to be met in 1988/89.

(iii) Parcels Sector

The Board has set the Parcels sector the financial target of making a profit, before interest, of UKL 16 million from 1986/87. Competition in this sector is intensive and significant improvements in marketing and product quality will be necessary to achieve the target set.

GENERAL COMMENTS ON THE BUSINESS PLANS

20. The Commission regrets the Belgian, Irish, Greek and Luxemburg Governments' failure to communicate their railway undertakings' Business and Financial Programmes. The difficulties of long term planning, against the background of major reviews of railway operations in certain Member States, are however recognised. The Commission hoped that, in view of the importance which it attaches to improved business and financial planning as a means of improving the railways' situation and the need for co-ordinated action and co-operation, Member States will make greater effort to give effect to Art. 14 § 2.

21. Of the programmes received the Commission notes, with exceptions,

- a general improvement of market and sectoral analysis
- a marked increase in future commitment and specific target setting
- a general clarification of the role of railways in the transport markets of the future

BUT - little reference to joint or co-ordinated action to exploit the transport market at the European level.

22. The Commission considers that, whilst the railways future role is under review, more positive action to examine market requirements, to treat Europe as one market, to promote joint/co-ordinated actions and define a strategic role for railways in the transport market, is essential if railways are to play their full role in tomorrow's transport market.

(C) ACTIONS UNDERTAKEN JOINTLY BY NATIONAL AND COMMUNITY BODIES

23. Article 11 § 1 provides that "Member States shall, in conjunction with the Commission, investigate measures likely to promote co-operation amongst railway undertakings. Since the last biennial report the Council, to promote closer co-operation through joint action to eliminate the obstacles to development of international rail traffic and improve both the quality of service and the undertakings' financial results, adopted a Recommendation in December 1984¹.
24. With a view to improving co-operation between railways and adopting a strategy whereby the undertakings can present themselves on the international market as a single carrier and the profitability of their services can be assessed in relation to the aggregate costs and revenue in respect of the traffic link concerned, the Council invited the Railway undertakings to take measures to improve co-operation in their marketing, operational, technical and social operations.
25. The undertakings are to report by 30 June 1985 to the Council and the Commission on a two year action programme in response to the above recommendation and by December 30 1986 on results achieved and difficulties met. These reports will then form the basis of future actions at Community level to maintain any momentum achieved.

¹ JO L 333 of 21.12.1984

(D) ACTIONS UNDERTAKEN BY COMMUNITY BODIES

26. In accordance with Art. 15 § 1 of the Council decision 75/327/EEC the Commission proposed in January 84 amendments to both this decision and Regulation 1107/70¹.
27. This proposal is to replace its January 1981 proposals² on the same issue which had failed to be adopted by the Council. The essential features of this new proposal are to :-
- introduce new arrangements to ensure the coverage of rail infrastructure expenditure and the charging for its use
 - introduce provisions for the capital restructuration of railway undertakings with a view to ensuring that these undertakings benefit from a capital structure more appropriate to their current activities, size and earning power.
 - ensure, where possible, the replacement of existing public service obligations by contractual arrangements between railway undertakings and national, regional and local authorities.
28. The proposal defines financial balance as "a situation in which, taking account of all its activities, the expenses of a railway undertaking are covered by its revenues ... over a period, which shall not exceed three years, to be set by the Member State concerned". Balancing subsidies would only be permissible to the extent that they are part of a financial strategy and programme to attain financial balance.
29. Both the ESC and EP have given favorable opinions on the general orientation of the proposal which is currently under discussion in the Transport Group of the Council.
30. The Commission presented the Fifth and Sixth Commission Reports on the Transposed Annual Accounts of Railway Undertakings³ covering covering years 1982 and 1983. The Seventh Annual Report will be presented later this year. The figures presented in Annexe I b are taken in large part from the Transposed Accounts.

¹ COM (83) 764 final

² OJ No C 37 of 20.2.81 Page 7

³ OJ No L 334 of 24.12.77

31. The Commission, working in close co-operation with the Accounting Advisory Committee can record certain achievements :
- transparency of railway accounts has improved. State financial interventions are now much more readily identifiable and assessable.
 - the financial situation of the railway undertakings is more easily assessed
 - data comparison is more readily available
 - performance evaluation is more reliable and quantifiable.
32. These developments are most encouraging as they provide the Commission with the necessary tools to fulfill its mandate under Art. 14 § 1 of Decision 75/327/EEC and indicate more clearly ... "the results achieved, with particular regard to any changes in the financial situation of the railway undertaking".
33. Regulation (EEC) 2183/78¹ on laying down some uniform costing principles for trainload traffic remains little used. The Commission is working with the Advisory Committee to examine the possibilities of improving its applicability. The discussions are concentrated on harmonizing the different costing methods on the basis of variable costs.

¹ OJ Vol. 258/1 of 21.9.1978

(D) SUPPORT FOR RAILWAY INFRASTRUCTURE PROJECTS OF COMMUNITY INTEREST

34. Community financial support for transport infrastructure is a relatively new instrument and to date has been on an ad hoc annual basis. The Commission hopes that in future a multiannual support programme will be approved by the Council.

The projects to be supported should be of community interest and comply with the following criteria :

- elimination of notorious bottlenecks within the Community or straddling its external frontiers.
- be an improvement of major traffic links between all Member States.

In 1982 ten million ECU were granted from the Community budget¹ of which 7 million were accorded to marshalling yard improvements at Domodossola. The latest Regulation granting financial support² allocated 15 million ECU for 1983 and 80 million ECU for 1984. Railway projects receiving support were :-

- Mulhouse marshalling yard (1983)	3.0 million ECU
- Chiasso-Milan line (1984)	8.5 million ECU
- Larissa - Plate line (Greece)	13.7 million ECU
- Nuremberg (Germany)	4.2 million ECU
- Harwich (UK)	2.5 million ECU
- Dordrecht Railway Bridge (Holland)	1.7 million ECU

Railway infrastructure projects have received 40 million ECU Community financial support out of a total 105 million ECU available over the three years 1982-1984. Financial support for rail projects in 1985 will probably be in the range 25 to 30 million ECU.

¹ Regulation (EEC) 3600/82 of 30.12.1982 - OJ L 376/10 of 31.12.1982

² " " 3620/84 of 19.12.1984 - OJ L 333/58 of 21.12.1984

PART II

ECONOMIC AND FINANCIAL SITUATION OF RAILWAYS
IN THE EUROPEAN ECONOMIC COMMUNITY
1981 - 1983

(A) MARKET EVOLUTION

35. The figures include, for all modes, national and international intra-community transport. For railways they also incorporate international extra-community transport and for inland waterways both international extra community and non community transporters.
36. Despite slight technical difficulties in collating the figures, the trends remain familiar. As shown in Annexe II road transport has increased its share of a rather static market at the expense of the other two modes. Over the period 1973-1983, as shown in Annexe II b, the total market increased by some 12 %. Road transport increased its share by 33 % whilst railways and inland waterways decreased by 20 % and 6 % respectively. However the most recent figures, taken from the Commission's Market Observation system, show that international freight transports between the 10 EEC countries (1 000 tonnes) increased 6.5 % in 1984 and is forecast to increase by 6.0 % in 1985. In 1984 international rail transport recorded a very strong growth + 15.0 % and the forecast for 1985 is an increase of some 10.6 %.

(B) FINANCIAL TRENDS OF RAILWAY UNDERTAKINGS

37. Annexes I (a) and (b) record :

- compensations, aids and other financial assistance granted by Member States to railway undertakings
- profiles of national railway undertakings which show the scale of operations of each network, their capital structures, operational expenses and financial results.

38. Annexe III analyses, using certain indicators, the trends in the financial situation and performance of railway undertakings. All figures have been taken from officially communicated data and where appropriate full explanation of the composition of the indications is provided. It is to be emphasized that the objective is not to provide an across the board comparison but rather to compare the evolution of each individual railway undertaking.

39. The following observations are discernable :-

- With the exception of OSE, SNCF, NS and CIE, railway undertakings have been able to keep expenditure in line or below the prevailing levels of inflation. Specific details are shown in Table I of Annexe III. The DSB figure results from the extraordinary depreciation provision, DKR 2 535 million of 1981, which if excluded from the calculation would result in DSB's expenditure increasing by 36 % over the period 1981-83, a full 18 % above the rise in the index for consumer prices.
- Personnel costs still represent a high percentage of operating expenditures (see Table II of Annexe III). Direct comparisons should not be made between railway undertakings on the basis of these figures since, for the DB, CFL and SNCB direct pension payments made by the company under Regulation 1192/69 have not been normalized, the CIE figure includes 58 % of staff not employed in railway activities and for DSB railway employees enjoy the benefits, as civil servants, of a non-contributory pension scheme.

- With exception of CIE, whose figures include 58 % of non railway activities, self-generated receipts (see Table III of Annexe III) have failed to keep pace with expenditures recorded in the profit and loss account. This trend is also reflected in ratio between self-generated revenue and total income of the undertaking shown in Table VI of Annexe III.
- Compensations and State Aids continue to increase in line with inflation, with the exception of CIE where a marked decrease for total operations is recorded and OSE where a marked increase is recorded.
- Interest payments, with the exceptions of BRB, CFL, DB and FS show a spectacular increase. This reflects the growing indebtedness of railways. Over the period under consideration :-
 - The accumulated deficit of CIE increased by 243 % and a long term debt increased by 251 %.
 - The Danish Government, in 1982, doubled the interest charged on Government loans from 4.5 % to 9 %.
 - Between 1981-83 the NS's long term debt increased by 24 % whilst short term debt was up by 42 %.
 - The SNCB witnessed a reduction of working capital of some 50 % whilst long term debt increased by 25 % and short term debt by 500 %.
 - In France the SNCF suffered a loss of some 53 % in working capital, a 70 % increase in long-term debt, its accumulated deficit increased by 300 % and their creditors increased by 67 %.
 - OSE's interest payments increased by 80 % over the period considered.

COMPENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

 SOCIETE NATIONALE DES CHEMINS DE FER BELGES (SNCB/NMBS)

(SOURCE : BELGIAN GOVERNMENT) (IN MIO NATIONAL CURRENCY)

ANNEX IA

A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS	1981	1982	1983
REGULATION (EEC) 1191/69			
OBLIGATION TO OPERATE			
CONTINUED OPERATION OF LINES	2 221	1 759	1 585
TARIFF OBLIGATION	20 319	20 096	19 300
STUDENT SEASON TICKETS	1 406	1 429	1 418
SEASON TICKETS FOR CERTAIN SOCIAL CATEGORIES	6 330	6 033	5 500
INDIVIDUAL REDUCTIONS	2 534	2 310	2 052
BELGIUM-LUXEMBURG TARIFFS	22	21	24
FLANDERS-ZEELAND TARIFFS	2	2	1
FULL FARE TICKETS (REFUSAL TO INCREASE FARE)	7 166	7 211	7 106
ORDINARY SEASON TICKETS	2 859	3 090	3 199
	22 540	21 855	20 885
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS			
REGULATION (EEC) 1192/69			
CLASS III - RETIREMENTS AND OTHER PENSIONS	14 178	15 325	16 657
CLASS IV - CROSSING FACILITIES	328	236	311
CLASS VIII - WAR DAMAGE	16	-	-
CLASS X - RECOGNITION FOR SERVICE TO COUNTRY	48	52	55
CLASS XI - ADDITIONAL FAMILY ALLOWANCES	25	26	25
CLASS XII - MEDICAL TREATMENT	2 232	2 633	3 193
- OCCUPATIONAL INJURIES	93	100	108
CLASS XV - LACK OF NORMALIZATION IN THE PAST	287	-	-
- SHORFALL IN PROVISIONS FOR RENEWAL	272	-	-
	17 479	18 372	20 349
C. AIDS TO TRANSPORT REGULATION (EEC) NO.1107/70			
ART.3.1B - INFRASTRUCTURE COSTS	4 132	3 313	6 759
ART.3.2 - ECSC TARIFFS (TOKEN ENTRY)	-	-	-
- REPLACEMENT BUS SERVICES	-	-	-
ART.4 - FINANCIAL INTERVENTIONS	2 129	-	-
- LOANS TO COVER ACCUMULATED DEFICITS AND DELAYED RENEWAL	4 270	-	-
- TAX EXEMPTIONS	-16	-16	-17
- FINANCIAL CHARGES	-	9 424	8 148
- BALANCING SUBSIDY	-	-	397
	10 515	12 721	15 287
TOTAL	50 534	52 948	56 521

COMPENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

DANSKE STATSBANER (DSB)

(SOURCE : DANISH GOVERNMENT) (IN MIC NATIONAL CURRENCY)

ANNEX IA

	1981	1982	1983
A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS			
REGULATION (EEC) 1191/69	1 410	1 977	1 991
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS			
REGULATION (EEC) 1192/69			
CLASS IX - STAFF SURPLUS TO REQUIREMENTS	-	-	-
CLASS X - RECOGNITION OF SERVICES TO THE COUNTRY	-	-	-
CLASS XI - ALLOWANCES TO STAFF	14	17	19
	14	17	19
C. AIDS TO TRANSPORT			
REGULATION (EEC) NO. 1107/70			
ART. 3, 1B - INFRASTRUCTURE COSTS	241	458	482
TOTAL	1 665	2 452	2 492

COMPENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

DEUTSCHE BUNDESBahn (DB)

(SOURCE : GERMAN FEDERAL GOVERNMENT) (IN MIO NATIONAL CURRENCY)

ANNEX IA

	1981	1982	1983
A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS			
REGULATION (EEC) 1191/69			
OBLIGATION TO OPERATE	3 365	3 400	3 447
CONTINUATION OF SHORT-DISTANCE PASSENGER TRANSPORT OPERATIONS	3 275	3 257	3 313
OPERATION OF LINES FOR WHICH CLOSURE HAS BEEN PROPOSED	1	25	13
COMBINED TRANSPORT	89	118	121
TARIFF OBLIGATION	108	120	112
REDUCTIONS FOR CERTAIN CATEGORIES OF PERSONS	76	81	79
LOSS OF RECEIPTS DUE TO THE SAAR TARIFFS FOR THE CARRIAGE OF ECSC PRODUCTS	32	39	33
LOSS OF RECEIPTS DUE TO DROUGHT	-	-	-
FREE TRANSPORT OF ITALIANS FOR ELECTION IN 1976	-	-	-
	3 473	3 520	3 559
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS			
REGULATION (EEC) 1192/69			
CLASS III - RETIREMENT	2 900	3 000	3 044
- PENSIONS	407	364	345
- SUPPLEMENTARY PENSION FOR WORKERS	697	692	763
CLASS IV - CROSSING FACILITIES	460	455	446
CLASS V - STAFF SURPLUS	49	29	15
CLASS XII - MEDICAL TREATMENT	1	2	3
	4 514	4 542	4 616
C. AIDS TO TRANSPORT			
REGULATION (EEC) NO.1107/70			
ART.3,2 - REPLACEMENT BUS SERVICES	86	123	118
ART.4 - REPAYMENT OF INTEREST ON LOANS CONTRACTED IN THE PAST FOR FINANCING PURPOSES (ALLOWANCE AS OWNER)	994	1 079	1 267
- CONTRIBUTION TO INVESTMENTS (INCREASE IN CAPITAL)	2 981	3 830	3 541
- ALLOWANCE FOR THE MAINTENANCE OF LIQUIDITY	396	515	604
EXEMPTION FROM FUEL TAX (RAILWAYS)	266	174	82
	4 723	5 721	5 612
TOTAL	12 710	13 783	13 787

COMPENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

SOCIETE NATIONALE DES CHEMINS DE FER FRANCAIS (SNCF)

(SOURCE : FRENCH GOVERNMENT) (IN MIO NATIONAL CURRENCY)

ANNEX IA

	1981	1982	1983
A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS			
REGULATION (EEC) 1191/69			
OBLIGATION TO OPERATE	3 056,5	3 496,8	4 041,6
FOR NATIONAL DEFENSE	5,1	5,1	5,3
UNPROFITABLE LOCAL SERVICES	2 120,7	2 318,3	2 842
UNPROFITABLE LOCAL SERVICES (REORGANISATION BY LOCAL AUTHORITIES)	308,2	336,4	312,6
PARIS SUBURBS	622,5	837	881,7
OBLIGATION TO CARRY	-	-	-
TARIFF OBLIGATION	2 230,4	2 633	2 868,2
REDUCTIONS FOR PASSENGERS			
- MEMBERS OF THE ARMED FORCES	1 051,3	1 243,3	1 301,2
- PRISONNERS UNDER ESCORT	5,6	6	6,8
- SPOUSE AND CHILDREN OF RETIRED PERSONS	18,8	22,1	24,8
- OTHER TARIFF REDUCTIONS	1 070,8	1 259,6	1 406,9
REDUCED TARIFFS ON NEWSPAPERS	83,9	102	128,5
	5 286,9	6 129,8	6 909,8
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS			
REGULATION (EEC) 1192/69			
CLASS III - RETIREMENTS AND OTHER PENSIONS	8 810,8	10 048	11 008
CLASS IV - CROSSING FACILITIES	498,7	544,7	-
	9 309,5	10 592,7	11 008
C. AIDS TO TRANSPORT			
REGULATION (EEC) NO.1107/70			
ART.3,1B - AIDS FOR INFRASTRUCTURE INVESTMENTS	4 509,4	5 070,1	9 144
ART.3,1C - GRANT TOWARD RESEARCH - COMBINED TRANSPORT	13,4	5,2	6,7
ART.3,2 - TARIFF OBLIGATIONS NOT COVERED BY REGULATION (EEC) NO 1191/69	470	328,5	-
ART.4 - BALANCING SUBSIDY	3 093,5	2 980	-
	8 086,3	8 383,8	9 150,7
TOTAL	22 682,7	25 106,3	27 068,5

COMPENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

CORAS IOMPAIR EIREANN (CIE)

(SOURCE : IRISH GOVERNMENT) (IN MIO NATIONAL CURRENCY)

ANNEX IA

	1981	1982	1983
A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS			
REGULATION (EEC) 1191/69			
OBLIGATION TO OPERATE			
RAILPASSENGER SERVICES	26,5	34	27
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS			
REGULATION (EEC) 1192/69			
CLASS III - RETIREMENTS AND OTHER PENSIONS	3,8	5,1	4
CLASS IV - CROSSING FACILITIES	,7	,9	,8
	4,5	6	4,8
C. AIDS TO TRANSPORT			
REGULATION (EEC) NO.1107/70			
ART.3,1B - 50 % INFRASTRUCTURE GRANT	3,9	4,8	5
ART.3,2 - GRANTS IN RESPECT OF CIE'S ROAD PASSENGER SERVICES	30,9	32,2	25
ART.4 - BALANCING SUBSIDY	19	18,7	24
	53,8	55,7	54
TOTAL	84,8	95,7	85,8

COMPENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

 AZIENDA AUTONOMA DELLE FERROVIE DELLO STATO (FS)

(SOURCE : ITALIAN GOVERNMENT) (IN MIO NATIONAL CURRENCY)

ANNEX IA

	1981	1982	1983
A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS			
REGULATION (EEC) 1191/69			
OBLIGATION TO OPERATE	978 825	1 259 562	1 101 562
LINES WITH LOW DENSITY TRAFFIC	910 646	1 158 895	990 828
NON PROFITABLE ACTIVITIES	25 783	39 991	44 689
SERVICE TO SARDINIA	41 811	59 244	64 776
ROAD REPLACEMENT SERVICES	585	1 432	1 269
OBLIGATION TO CARRY			
CARRIAGE OF MAIL	48 303	60 245	74 162
TARIFF OBLIGATION	1 186 585	1 354 020	1 460 361
- OTHER TARIFF OBLIGATIONS	315 041	234 171	249 632
- SOCIAL TARIFFS	871 544	1 119 849	1 210 729
	2 213 713	2 673 827	2 636 085
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS			
CLASS II - EXPENDITURE OF A SOCIAL NATURE	16 386	13 692	19 233
CLASS III - RETIREMENTS AND OTHER PENSIONS	28 703	101 103	82 489
CLASS IV - CROSSING FACILITIES	97 308	81 043	97 712
CLASS X - RECOGNITION FOR SERVICE TO COUNTRY	4 069	5 198	6 940
CLASS XIV - IMPOSED CONDITIONS	15 876	28 337	20 096
CLASS XV - LACK OF NORMALIZATION IN THE PAST	252 194	252 404	244 945
	414 536	481 777	471 415
C. AIDS TO TRANSPORT			
REGULATION (EEC) NO.1107/70			
ART.3,1B - INFRASTRUCTURE COSTS	-	1 139 589	1 431 137
ART.3,2 - INCREASE OF TARIFFS REFUSED	222 000	222 000	222 000
ART.4 - CAPITAL GRANT	65 585	50 000	361 000
- AIDS FOR AMORTIZATION OF INVESTMENT	315 999	388 239	446 599
LOANS			
- REIMBURSEMENT OF INTEREST ON THESE LOANS	-	74 972	467 033
- BALANCING SUBSIDY	1 647 158	1 478 866	2 022 450
- COMPENSATION FOR UNFORSEEN EXPENDITURES (STAFF COSTS, FLOOD AND EARTHQUAKE DAMAGE)	708 175	1 102 654	322 327
	3 142	7 258	16 910
EXEMPTION FROM FUEL TAX (RAILWAYS)			
	2 962 059	4 463 578	5 289 456
	5 590 308	7 619 182	8 396 956
TOTAL			

COMPENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

SOCIETE NATIONALE DES CHEMINS DE FER LUXEMBOURGEOIS (CFL)

(SOURCE : GOVERNMENT OF LUXEMBURG) (IN MIO NATIONAL CURRENCY)

ANNEX IA

	1981	1982	1983
A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS			
REGULATION (EEC) 1191/69			
OBLIGATION TO OPERATE			
CONTINUED OPERATION OF PASSENGER TRANSPORT	1 646	1 566,3	1 735,2
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS			
REGULATION (EEC) 1192/69			
CLASS II - EXPENDITURE OF A SOCIAL NATURE	34,4	-1,2	-,8
CLASS III - RETIREMENTS AND OTHER PENSIONS	1 691	1 857,3	2 018,8
CLASS IV - CROSSING FACILITIES	13,8	18,4	23
CLASS X - RECOGNITION FOR SERVICE TO COUNTRY	-	-	-
CLASS XV - LACK OF NORMALIZATION IN THE PAST	4,8	4,8	4,8
	1 744	1 879,3	2 045,8
C. AIDS TO TRANSPORT			
REGULATION (EEC) NO.1107/70			
ART.3,1B - INFRASTRUCTURE COSTS	-	100	100
ART.3,2 - TARIFF OBLIGATIONS NOT COVERED BY REGULATION (EEC) NO 1191/69	374	417,6	454
ART.4 - BALANCING SUBSIDY	1 332,5	1 730,9	1 853,8
	1 706,5	2 248,5	2 407,8
TOTAL	5 096,5	5 694,1	6 188,8

COMPENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

NAAMLOZE VENNOOTSCHAP NEDERLANDSE SPOORWEGEN (NS)

(SOURCE : DUTCH GOVERNMENT) (IN MIO NATIONAL CURRENCY)

ANNEX IA

	1981	1982	1983
A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS			
REGULATION (EEC) 1191/69			
CONTINUED OPERATION OF PASSENGER TRANSPORT	816,7	929,7	1 021,8
DIRECT GRANT FOR INVESTMENT IN NEW LINES	249,2	219,5	290,8
	1 065,9	1 149,2	1 312,6
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS			
REGULATION (EEC) 1192/69			
CLASS III - RETIREMENTS AND OTHER PENSIONS	188,7	188,7	173,9
CLASS IV - CROSSING FACILITIES	46,7	50,5	54
	235,4	239,2	227,9
C. AIDS TO TRANSPORT			
REGULATION (EEC) NO.1107/70			
ART.3,1B - AIDS FOR INFRASTRUCTURE INVESTMENTS	-	-	5,4
ART.4 - INTEREST ON DEBTS TO STATE UPTO AND INCLUDING 1972	50	45	41
- AMORTIZATION OF ABOVE DEBTS	60	51	67
- ACTIVITIES NOT COVERED BY P.S.O.'S	168,8	202,4	165,7
- LOSSES ON FREIGHT TRANSPORT DURING THE PERIOD 1973 - 1975	42,1	42,1	42,1
	320,9	340,5	321,2
TOTAL	1 622,2	1 728,9	1 861,7

COMPENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

BRITISH RAILWAYS BOARD (BRB)

(SOURCE : BRITISH GOVERNMENT) (IN MIO NATIONAL CURRENCY)

ANNEX IA

	1981	1982	1983
A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS			
REGULATION (EEC) 1191/69			
OBLIGATION TO OPERATE	812,2	887,2	933,4
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS			
REGULATION (EEC) 1192/69			
CLASS IV - CROSSING FACILITIES	16,9	18,6	18,9
C. AIDS TO TRANSPORT			
REGULATION (EEC) NO.1107/70			
ART.3,1C - AID FOR RESEARCH AND DEVELOPMENT	4	4,1	4
ART.3,2 - CAPITAL GRANTS TOWARDS PASSENGER TRANSPORT IMPROVEMENT SCHEMES	-	-	-
ART.4 - TRANSITIONAL DEFICIT GRANT	-	-	-
HISTORIC PENSION FUND OBLIGATION	-	-	-
	4	4,1	4
TOTAL	833,1	909,9	956,3

COMPENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

 NORTHERN IRELAND RAILWAYS (NIR)

(SOURCE : BRITISH GOVERNMENT) (IN MIO NATIONAL CURRENCY)

ANNEX IA

	1981	1982	1983
A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS -----			
REGULATION (EEC) 1191/69			
PAYMENT MADE BY THE N.I.HOLDING CO FOR MAINTENANCE OF PASSENGER SERVICES	-	-	-
COMPENSATING PAYMENT FOR OBLIGATIONS IMPOSED BY THE CENTRAL GOVERNMENT	3,57	4,28	4,58
	3,57	4,28	4,58
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS -----			
REGULATION (EEC) 1192/69			
CLASS IV - CROSSING FACILITIES	,05	,07	,15
C. AIDS TO TRANSPORT -----			
REGULATION (EEC) NO.1107/70			
- CENTRAL GOVERNMENT AIDS TO IMPROVE PASSENGER TRANSPORT	1,96	3,40	3,03
- AIDS TO THE NORTHERN IRELAND HOLDING COMPANY	-	-	,85
	1,96	3,40	3,88
TOTAL	5,58	7,75	8,61
	=====	=====	=====

COPEMENSATIONS, AIDS AND OTHER FINANCIAL INTERVENTIONS GRANTED BY THE STATE TO THE

 ORGANISMOS SIDERODHOMOS ELLADOS (OSE)

(SOURCE : GOVERNMENT OF GREECE) (IN MIO NATIONAL CURRENCY)

ANNEX IA

	1981	1982	1983
A. MAINTENANCE OF PUBLIC SERVICE OBLIGATIONS			
REGULATION (EEC) 1191/69	-	-	-
B. NORMALIZATION OF THE ACCOUNTS OF THE RAILWAYS			
REGULATION (EEC) 1192/69			
CLASS IV - CROSSING FACILITIES	282,2	313	370
C. AIDS TO TRANSPORT			
REGULATION (EEC) NO.1107/70			
ART.3,1D - INFRASTRUCTURE COSTS	1 459	1 387	1 630
ART.4 - FINANCIAL INTERVENTIONS	-	-	-
- CONTRIBUTION TO INVESTMENTS	1 041,4	1 680,1	2 677,6
- CAPITAL GRANT	370,3	445,7	308,4
- AMORTIZATION	-	-	-
- BALANCING SUBSIDY	2 554,8	4 900	6 900
	5 425,5	8 412,8	11 516
TOTAL	5 707,7	8 725,8	11 886

* ESTIMATES

- (1) ART.5, 1A, B, C, D OF THE DECISION OF 20.05.1975
 (2) ART.13 OF THE DECISION OF 20.5.1975

ANNEX 1B

INFORMATION CONCERNING : SNCB/NMBS

		1981	1982	1983
PROFILE IN FIGURES				
LENGTH OF LINES	000 KM	4	3,9	3,9
PERSONNEL	000	67,5	66,3	66,7
PASSENGERS CARRIED	MIO	167	163	156
GOODS CARRIED - T	MIO	70	62,7	63,6
PASSENGER/KM	MRD KM	7,1	6,9	6,6
FREIGHT T KM NET	MRD KM	7,5	6,8	6,9
REVENUE (MIO BFR)				
TRAFFIC REVENUE		23 973	24 819	25 670
- PASSENGER REVENUE		9 299	9 847	10 481
- FREIGHT REVENUE		14 210	14 513	14 708
OTHER REVENUE		30 677	31 242	30 106
SELF-GENERATED REVENUE		54 650	56 061	55 776
STATE PAYMENTS		48 302	50 316	54 711
OPERATING INCOME		102 952	106 377	110 487
EXPENSES (MIO BFR)				
OPERATING EXPENSES		92 933	96 894	97 324
- STAFF COSTS		61 443	64 204	65 219
DEPRECIATION		9 553	6 367	4 722
INTEREST		5 737	8 228	8 599
TOTAL EXPENDITURES		108 223	111 489	110 645
BALANCE FOR THE EXERCISE		-5 271	-5 112	- 158
ASSETS IN USE (MIO BFR)				
LONG-TERM ASSETS		109 575	167 874	183 898
- LAND AND FIXED INSTALLATIONS		55 748	74 307	79 878
- TRANSPORT STOCK		24 008	49 614	56 488
- OTHER ASSETS		29 819	43 953	47 532
WORKING CAPITAL		-1 917	-3 184	-4 245
- CURRENT ASSETS		34 297	39 672	40 785
- CURRENT LIABILITIES		36 214	42 856	45 030
TOTAL		107 658	164 690	179 653
FINANCED BY (MIO BFR)				
CAPITAL AND CAPITAL LIABILITIES		11 146	4 054	6 892
RESERVES		2 172	49 421	51 575
PROFIT AND LOSS ACCOUNT		-10 291	-7 284	-7 442
PROVISIONS		53 897	58 127	65 632
FUNDS FOR STAFF		1 019	1 123	1 152
LONG TERM DEBTS		49 715	59 249	61 844
CAPITAL EMPLOYED		107 658	164 690	179 653

ANNEX 1B

INFORMATION CONCERNING : DSB

	1981	1982	1983	
PROFILE IN FIGURES				
LENGTH OF LINES	000 KM	2,5	2,4	2,4
PERSONNEL	000	22,4	22,7	22,5
PASSENGERS CARRIED	MIO	134	135	133
GOODS CARRIED - T	MIO	6,3	6,8	6,8
PASSENGER/KM	MRD KM	3,6	4,5	4,4
FREIGHT T KM NET	MRD KM	1,5	1,6	1,6
REVENUE (MIO DKR)				
TRAFFIC REVENUE		2 873	3 322	3 698
- PASSENGER REVENUE		1 856	2 145	2 372
- FREIGHT REVENUE		927	1 079	1 217
OTHER REVENUE		468	546	596
SELF-GENERATED REVENUE		3 341	3 868	4 294
STATE PAYMENTS		4 200	2 452	2 492
OPERATING INCOME		7 541	6 320	6 786
EXPENSES (MIO DKR)				
OPERATING EXPENSES		4 368	5 162	5 463
- STAFF COSTS		2 798	3 214	3 448
DEPRECIATION		2 770	509	578
INTEREST		403	649	745
TOTAL EXPENDITURES		7 541	6 320	6 786
BALANCE FOR THE EXERCISE		-	-	-
ASSETS IN USE (MIO DKR)				
LONG-TERM ASSETS		7 066	8 048	9 064
- LAND AND FIXED INSTALLATIONS		3 836	4 262	4 920
- TRANSPORT STOCK		2 979	3 484	3 808
- OTHER ASSETS		251	302	336
WORKING CAPITAL		393	239	-
- CURRENT ASSETS		1 124	1 316	1 539
- CURRENT LIABILITIES		731	1 077	1 539
TOTAL		7 459	8 287	9 064
FINANCED BY (MIO DKR)				
CAPITAL AND CAPITAL LIABILITIES		7 459	8 287	9 064
RESERVES		-	-	-
PROFIT AND LOSS ACCOUNT		-	-	-
PROVISIONS		-	-	-
FUNDS FOR STAFF		-	-	-
LONG TERM DEBTS		-	-	-
CAPITAL EMPLOYED		7 459	8 287	9 064

ANNEX 1B

INFORMATION CONCERNING : DB

		1981	1982	1983
PROFILE IN FIGURES				
LENGTH OF LINES	000 KM	28,4	28,3	28,1
PERSONNEL	000	325	317	307
PASSENGERS CARRIED	MIO	1 109	1 068	1 085
GOODS CARRIED - T	MIO	334	307	299
PASSENGER/KM	MRD KM	39,8	38,1	37,8
FREIGHT T KM NET	MRD KM	60,9	56,4	55,1
REVENUE (MIO DM)				
TRAFFIC REVENUE		15 452	15 370	15 413
- PASSENGER REVENUE		5 298	5 512	5 699
- FREIGHT REVENUE		9 724	9 423	9 311
OTHER REVENUE		6 687	6 740	6 804
SELF-GENERATED REVENUE		22 139	22 110	22 217
STATE PAYMENTS		9 062	9 234	9 368
OPERATING INCOME		31 201	31 344	31 585
EXPENSES (MIO DM)				
OPERATING EXPENSES		30 640	30 695	30 632
- STAFF COSTS		20 605	20 651	20 605
DEPRECIATION		1 892	1 872	1 733
INTEREST		2 713	2 926	2 933
TOTAL EXPENDITURES		35 245	35 493	35 298
BALANCE FOR THE EXERCISE		-4 044	-4 149	-3 713
ASSETS IN USE (MIO DM)				
LONG-TERM ASSETS		54 764	56 003	57 644
- LAND AND FIXED INSTALLATIONS		32 680	33 507	35 132
- TRANSPORT STOCK		13 603	13 640	13 842
- OTHER ASSETS		8 481	8 856	8 670
WORKING CAPITAL		1 131	1 840	1 110
- CURRENT ASSETS		4 748	5 411	4 673
- CURRENT LIABILITIES		3 617	3 571	3 563
TOTAL		55 895	57 843	58 754
FINANCED BY (MIO DM)				
CAPITAL AND CAPITAL LIABILITIES		19 164	18 787	18 937
RESERVES		2 891	3 634	3 607
PROFIT AND LOSS ACCOUNT		-7 649	-8 193	-7 862
PROVISIONS		7 045	7 619	8 187
FUNDS FOR STAFF		-	-	-
LONG TERM DEBTS		34 444	35 996	35 885
CAPITAL EMPLOYED		55 895	57 843	58 754

ANNEX 1B

INFORMATION CONCERNING : SNCF

	1981	1982	1983	
PROFILE IN FIGURES				
LENGTH OF LINES	000 KM	34,4	34,6	34,6
PERSONNEL	000	248	252	252
PASSENGERS CARRIED	MIO	697	714	736
GOODS CARRIED - T	MIO	196	183	174
PASSENGER/KM	MFD KM	55,7	56,9	58,4
FREIGHT T KM NET	MFD KM	63,7	60,6	58,8
REVENUE (MIO FF)				
TRAFFIC REVENUE		28 456	31 596	34 352
- PASSENGER REVENUE		12 092	14 175	15 724
- FREIGHT REVENUE		15 898	16 838	17 988
OTHER REVENUE		7 692	7 392	8 476
SELF-GENERATED REVENUE		36 148	38 988	42 828
STATE PAYMENTS		15 408	16 919	17 808
OPERATING INCOME		51 556	55 907	60 636
EXPENSES (MIO FF)				
OPERATING EXPENSES		45 766	52 200	57 521
- STAFF COSTS		29 879	34 396	37 714
DEPRECIATION		3 750	4 442	4 758
INTEREST		4 060	5 423	6 738
TOTAL EXPENDITURES		53 576	62 065	69 017
BALANCE FOR THE EXERCISE		-2 020	-6 158	-8 381
ASSETS IN USE (MIO FF)				
LONG-TERM ASSETS		75 199	81 441	97 280
- LAND AND FIXED INSTALLATIONS		49 587	52 082	64 461
- TRANSPORT STOCK		14 725	15 050	15 807
- OTHER ASSETS		10 887	14 309	17 012
WORKING CAPITAL		-6 197	-5 505	-9 476
- CURRENT ASSETS		15 923	21 347	20 477
- CURRENT LIABILITIES		22 120	26 852	29 953
TOTAL		69 002	75 936	87 804
FINANCED BY (MIO FF)				
CAPITAL AND CAPITAL LIABILITIES		2 398	3 397	5 336
RESERVES		42 244	41 640	47 206
PROFIT AND LOSS ACCOUNT		-7 416	-13 574	-21 955
PROVISIONS		885	2 298	3 879
FUNDS FOR STAFF		-	-	-
LONG TERM DEBTS		30 891	42 175	53 338
CAPITAL EMPLOYED		69 002	75 936	87 804

ANNEX 1B

INFORMATION CONCERNING : CIE

		1981	1982	1983
PROFILE IN FIGURES				
LENGTH OF LINES	000 KM	2	2	2
PERSONNEL	000	18	17,80	16,90
PASSENGERS CARRIED	MIO	15,40	12,80	13
GOODS CARRIED - T	MIO	3,70	3,70	3,30
PASSENGER/KM	MRD KM	1	,89	,85
FREIGHT T KM NET	MRD KM	,69	,67	,58
REVENUE (MIO IRL)				
TRAFFIC REVENUE		133,90	171,40	189,70
- PASSENGER REVENUE		98,10	130,30	148,70
- FREIGHT REVENUE		33,40	38,40	38
OTHER REVENUE		53	59,50	72,70
SELF-GENERATED REVENUE		186,90	230,90	262,40
STATE PAYMENTS		85	96	86
OPERATING INCOME		271,90	326,90	348,40
EXPENSES (MIO IRL)				
OPERATING EXPENSES		258,30	313,20	335,40
- STAFF COSTS		149,80	169,30	171,30
DEPRECIATION		15,20	17	18,30
INTEREST		8,40	10,30	12,70
TOTAL EXPENDITURES		281,90	340,50	366,40
BALANCE FOR THE EXERCISE		-10	-13,60	-18
ASSETS IN USE (MIO IRL)				
LONG-TERM ASSETS		125,50	166,40	220
- LAND AND FIXED INSTALLATIONS		57,20	80,40	103,20
- TRANSPORT STOCK		62,60	80,60	111,30
- OTHER ASSETS		5,70	5,40	5,50
WORKING CAPITAL		-7,20	-30,40	-26,40
- CURRENT ASSETS		70,90	71,60	80,30
- CURRENT LIABILITIES		78,10	102	106,70
TOTAL		118,30	136	193,60
FINANCED BY (MIO IRL)				
CAPITAL AND CAPITAL LIABILITIES		37,50	44,50	44,40
RESERVES		15,50	17	24,20
PROFIT AND LOSS ACCOUNT		-22,20	-35,80	-53,90
PROVISIONS		39,60	49	58,50
FUNDS FOR STAFF		-	-	-
LONG TERM DEBTS		47,90	61,30	120,40
CAPITAL EMPLOYED		118,30	136	193,60

ANNEX 1B

INFORMATION CONCERNING : PS

		1981	1982	1983
PROFILE IN FIGURES				
LENGTH OF LINES	000 KM	16,2	16,1	16,1
PERSONNEL	000	225	224	224
PASSENGERS CARRIED	MIO	396	380	363
GOODS CARRIED - T	MIO	51	40,3	46,1
PASSENGER/KM	MRD KM	40,1	39,5	37,5
FREIGHT T KM NET	MRD KM	16,9	16,7	16,9
REVENUE (MRD LIT)				
TRAFFIC REVENUE		1 571	1 797	2 215
- PASSENGER REVENUE		977	1 136	1 393
- FREIGHT REVENUE		591	659	819
OTHER REVENUE		1 113	1 631	745
SELF-GENERATED REVENUE		2 684	3 428	2 960
STATE PAYMENTS		3 573	5 709	5 082
OPERATING INCOME		6 257	9 137	8 042
EXPENSES (MRD LIT)				
OPERATING EXPENSES		6 481	8 599	8 400
- STAFF COSTS		4 181	5 608	5 957
DEPRECIATION		774	1 200	1 019
INTEREST		649	817	645
TOTAL EXPENDITURES		7 904	10 616	10 064
BALANCE FOR THE EXERCISE		-1 647	-1 479	-2 022
ASSETS IN USE (MRD LIT)				
LONG-TERM ASSETS		8 397	10 465	13 248
- LAND AND FIXED INSTALLATIONS		4 324	5 243	6 755
- TRANSPORT STOCK		3 425	4 325	5 318
- OTHER ASSETS		648	897	1 175
WORKING CAPITAL		450	1 605	4 409
- CURRENT ASSETS		5 128	6 863	10 427
- CURRENT LIABILITIES		4 678	5 258	6 018
TOTAL		8 847	12 070	17 657
FINANCED BY (MRD LIT)				
CAPITAL AND CAPITAL LIABILITIES		9 756	10 694	12 636
RESERVES		2 378	2 894	3 314
PROFIT AND LOSS ACCOUNT		-11 518	-12 869	-14 755
PROVISIONS		3 873	4 891	6 121
FUNDS FOR STAFF		-	-	-
LONG TERM DEBTS		4 358	6 460	10 341
CAPITAL EMPLOYED		8 847	12 070	17 657

ANNEX 1B

INFORMATION CONCERNING : CFL

		1981	1982	1983
PROFILE IN FIGURES				
LENGTH OF LINES	000 KM	.27	.27	.27
PERSONNEL	000	4,22	4,12	4,01
PASSENGERS CARRIED	MIO	11,60	11,80	11,30
GOODS CARRIED - T	MIO	15,20	13,80	13
PASSENGER/KM	MRD KM	.25	.25	.24
FREIGHT T KM NET	MRD KM	.59	.55	.51
REVENUE (MIO LFR)				
TRAFFIC REVENUE		1 656	1 688	1 626
- PASSENGER REVENUE		260	279	311
- FREIGHT REVENUE		1 396	1 409	1 315
OTHER REVENUE		152	125	104
SELF-GENERATED REVENUE		1 808	1 813	1 730
STATE PAYMENTS		4 722	5 176	5 635
OPERATING INCOME		6 530	6 989	7 365
EXPENSES (MIO LFR)				
OPERATING EXPENSES		6 082	6 358	6 650
- STAFF COSTS		5 427	5 569	5 901
DEPRECIATION		646	665	737
INTEREST		203	194	205
TOTAL EXPENDITURES		6 931	7 217	7 592
BALANCE FOR THE EXERCISE		- 401	- 228	- 227
ASSETS IN USE (MIO LFR)				
LONG-TERM ASSETS		3 656	3 843	3 721
- LAND AND FIXED INSTALLATIONS		843	1 008	855
- TRANSPORT STOCK		1 422	1 500	1 429
- OTHER ASSETS		1 391	1 335	1 437
WORKING CAPITAL		291	27	371
- CURRENT ASSETS		1 566	1 374	1 619
- CURRENT LIABILITIES		1 275	1 347	1 248
TOTAL		3 947	3 870	4 092
FINANCED BY (MIO LFR)				
CAPITAL AND CAPITAL LIABILITIES		2 061	1 983	1 950
RESERVES		747	793	847
PROFIT AND LOSS ACCOUNT		- 119	- 111	- 146
PROVISIONS		336	357	428
FUNDS FOR STAFF		-	-	-
LONG TERM DEBTS		922	848	1 013
CAPITAL EMPLOYED		3 947	3 870	4 092

ANNEX 1B

INFORMATION CONCERNING : NS

		1981	1982	1983
PROFILE IN FIGURES				
LENGTH OF LINES	000 KM	3	2,9	2,9
PERSONNEL	000	27,8	27,6	27,2
PASSENGERS CARRIED	MIO	205	209	202
GOODS CARRIED - T	MIO	21,1	18,2	18
PASSENGER/KM	MRD KM	9,2	9,4	9,1
FREIGHT T KM NET	MRD KM	3,3	2,9	2,8
REVENUE (MIO HFL)				
TRAFFIC REVENUE		1 313	1 369	1 354
- PASSENGER REVENUE		963	1 045	1 025
- FREIGHT REVENUE		326	292	301
OTHER REVENUE		454	452	450
SELF-GENERATED REVENUE		1 767	1 821	1 804
STATE PAYMENTS		1 034	1 194	1 294
OPERATING INCOME		2 801	3 015	3 098
EXPENSES (MIO HFL)				
OPERATING EXPENSES		2 241	2 364	2 388
- STAFF COSTS		1 535	1 607	1 613
DEPRECIATION		408	453	474
INTEREST		182	228	262
TOTAL EXPENDITURES		2 831	3 045	3 124
BALANCE FOR THE EXERCISE		-30	-30	-26
ASSETS IN USE (MIO HFL)				
LONG-TERM ASSETS		5 423	5 878	6 375
- LAND AND FIXED INSTALLATIONS		2 426	2 541	3 107
- TRANSPORT STOCK		999	1 247	1 420
- OTHER ASSETS		1 998	2 090	1 848
WORKING CAPITAL		82	139	75
- CURRENT ASSETS		638	805	855
- CURRENT LIABILITIES		556	666	780
TOTAL		5 505	6 017	6 450
FINANCED BY (MIO HFL)				
CAPITAL AND CAPITAL LIABILITIES		516	510	504
RESERVES		1 885	1 922	1 934
PROFIT AND LOSS ACCOUNT		-30	-30	-26
PROVISIONS		936	1 079	1 341
FUNDS FOR STAFF		27	19	11
LONG TERM DEBTS		2 171	2 517	2 686
CAPITAL EMPLOYED		5 505	6 017	6 450

ANNEX 1B

INFORMATION CONCERNING : BRB

		1981	1982	1983
PROFILE IN FIGURES				
LENGTH OF LINES	000 KM	17,9	17,7	17,4
PERSONNEL	000	235	221	208
PASSENGERS CARRIED	MIO	724	635	701
GOODS CARRIED - T	MIO	155	142	145
PASSENGER/KM	MRD KM	30,7	27,4	30,1
FREIGHT T KM NET	MRD KM	17,5	15,9	17,1
REVENUE (MIO UKL)				
TRAFFIC REVENUE		1 757,3	1 605,8	1 914,6
- PASSENGER REVENUE		1 091,9	988,9	1 213,7
- FREIGHT REVENUE		613,7	575,3	644,9
OTHER REVENUE		359,9	307,9	310,3
SELF-GENERATED REVENUE		2 117,2	1 913,7	2 224,9
STATE PAYMENTS		831,1	908,9	957,9
OPERATING INCOME		2 948,3	2 822,6	3 182,8
EXPENSES (MIO UKL)				
OPERATING EXPENSES		2 778	2 765,3	2 941,4
- STAFF COSTS		1 663,2	1 762,8	1 817,7
DEPRECIATION		138,5	153,1	164,5
INTEREST		69	79,2	69,1
TOTAL EXPENDITURES		2 985,5	2 997,6	3 175
BALANCE FOR THE EXERCISE		-37,2	- 175	7,8
ASSETS IN USE (MIO UKL)				
LONG-TERM ASSETS		1 391,6	1 565,8	1 532,5
- LAND AND FIXED INSTALLATIONS		324,2	337,7	353,8
- TRANSPORT STOCK		618	582,4	640,2
- OTHER ASSETS		449,4	645,7	538,5
WORKING CAPITAL		- 136,3	- 242	-97,9
- CURRENT ASSETS		374,8	374,5	462,9
- CURRENT LIABILITIES		511,1	616,5	560,8
TOTAL		1 255,3	1 323,8	1 434,6
FINANCED BY (MIO UKL)				
CAPITAL AND CAPITAL LIABILITIES		460	457,8	435
RESERVES		668,2	896,7	1 012,7
PROFIT AND LOSS ACCOUNT		-72,1	- 249,5	- 241,7
PROVISIONS		-	-	-
FUNDS FOR STAFF		17,7	15,7	15,7
LONG TERM DEBTS		181,5	203,1	212,9
CAPITAL EMPLOYED		1 255,3	1 323,8	1 434,6

ANNEX 1B

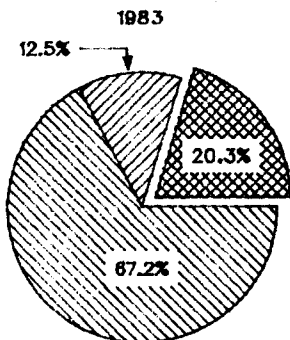
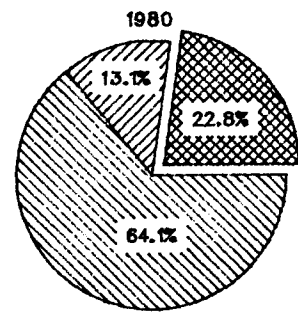
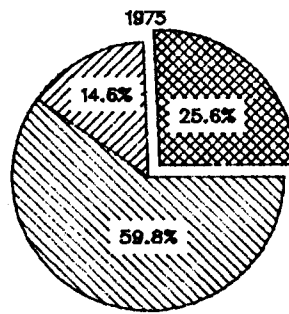
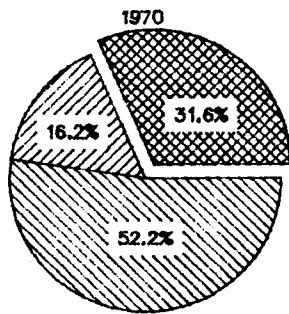
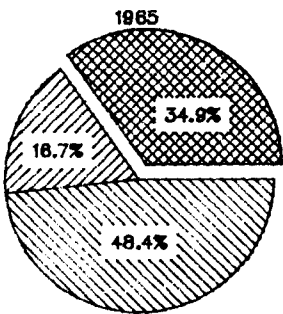
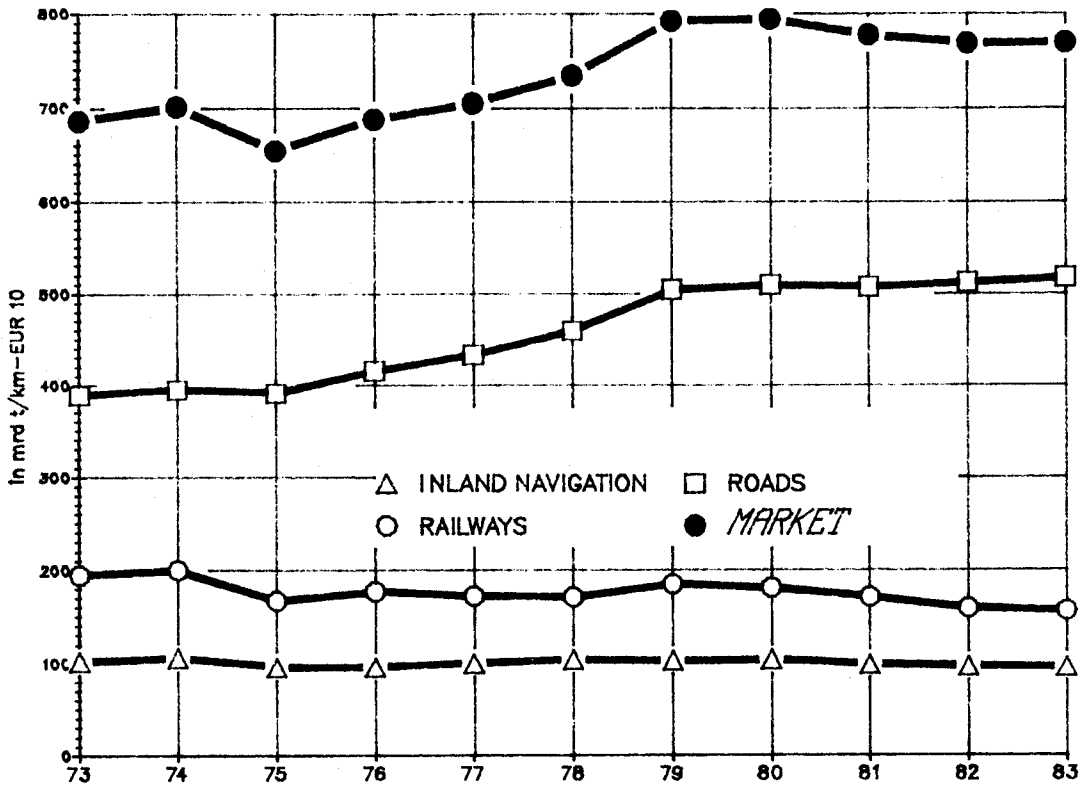
INFORMATION CONCERNING : OSE




		1981	1982	1983
PROFILE IN FIGURES				
LENGTH OF LINES	000 KM	2,50	2,50	2,50
PERSONNEL	000	12,10	11,90	12,20
PASSENGERS CARRIED	MIO	10,40	10,20	11,30
GOODS CARRIED - T	MIO	3	2,60	3,50
PASSENGER/KM	MRD KM	1,50	1,50	1,60
FREIGHT T KM NET	MRD KM	,69	,59	,67
REVENUE (MIO DRA)				
TRAFFIC REVENUE		4 402	4 631	5 675
- PASSENGER REVENUE		2 334	2 470	3 072
- FREIGHT REVENUE		2 044	2 133	2 574
OTHER REVENUE		957	1 498	1 624
SELF-GENERATED REVENUE		5 359	6 129	7 299
STATE PAYMENTS		4 965	7 439	8 768
OPERATING INCOME		10 324	13 568	16 067
EXPENSES (MIO DRA)				
OPERATING EXPENSES		9 501	12 488	14 839
- STAFF COSTS		6 991	9 247	11 187
DEPRECIATION		465	545	584
INTEREST		358	535	644
TOTAL EXPENDITURES		10 324	13 568	16 067
BALANCE FOR THE EXERCISE		-	-	-
ASSETS IN USE (MIO DRA)				
LONG-TERM ASSETS		30 384	33 196	35 885
- LAND AND FIXED INSTALLATIONS		22 835	23 892	24 476
- TRANSPORT STOCK		5 104	5 775	6 485
- OTHER ASSETS		2 445	3 529	4 924
WORKING CAPITAL		9 430	9 855	10 154
- CURRENT ASSETS		11 325	12 633	12 952
- CURRENT LIABILITIES		1 895	2 778	2 798
TOTAL		39 814	43 051	46 039
FINANCED BY (MIO DRA)				
CAPITAL AND CAPITAL LIABILITIES		29 347	29 350	29 351
RESERVES		-	-	-
PROFIT AND LOSS ACCOUNT		-	-	-
PROVISIONS		5 757	8 261	11 238
FUNDS FOR STAFF		-	-	-
LONG TERM DEBTS		4 710	5 440	5 450
CAPITAL EMPLOYED		39 814	43 051	46 039

MARKET TRENDS FOR THE GOODS MARKET 1965-1983
(IN MFD T/KM-LUR.10)

YEAR	MARKET SHARES							
	ROAD	INLAND NAVIGATION	RAILWAYS	MARKET	MKT. IND. 83/65	ROAD %	INLAND NAV. %	RAILWAYS %
1965	251,1	86,9	181,1	519,1	100	48,4	16,7	34,9
1970	326,5	101,6	197,6	625,7	121	52,2	16,2	31,6
1973	389,3	101,8	194,6	685,7	132	56,8	14,8	28,4
1974	394,8	105,7	200,3	700,8	135	56,3	15,1	28,6
1975	390,5	95,1	167,2	652,8	126	59,8	14,6	25,6
1976	414,8	96	177,4	688,2	133	60,3	13,9	25,8
1977	432,8	99,5	172,1	704,4	136	61,4	14,1	24,4
1978	458,8	104,4	171,4	734,6	142	62,5	14,2	23,3
1979	504,3	103,3	185	792,6	153	63,6	13	23,3
1980	508,9	104	180,8	793,7	153	64,1	13,1	22,8
1981	501,6	99,3	170,8	771,7	149	65	12,9	22,1
1982	512,1	96,5	158,5	767,1	148	66,8	12,6	20,7
1983	516,9	95,9	156,4	769,2	148	67,2	12,5	20,3
INDEX	206	110	86	148	INDEX	139	75	58
83/65				83/65				

MARKET TRENDS FOR THE GOODS MARKET



 RAILWAYS
 INLAND NAVIGATION
 ROADS

ANNEX III

FINANCIAL TRENDS

TABLE I : TOTAL EXPENDITURES BY RAILWAY UNDERTAKINGS
(IN MIO NATIONAL CURRENCY)

	BRB	CFL	CIE	DB	DSB	FS	NS	OSE	SNCB/ NMBS	SNCF
EXPENSES 1981	2 986	6 931	281,9	35 245	7 541	7 904	2 831	10 324	108 223	53 576
EXPENSES 1983	3 175	7 592	366,4	35 298	6 786	10 064	3 124	16 067	110 645	69 017
INDEX 1983 (1981 = 100)	106	110	130	100	90	127	110	156	102	129
INDEX OF CONSUMER PRICES	114	119	129	108	118	134	109	146	117	123

(1) MRD LIT

TABLE II : STAFF EXPENDITURE COMPARED WITH OPERATING EXPENDITURE (2)
(IN MIO NATIONAL CURRENCY)

1983	BRB	CFL	CIE	DB	DSB	FS	NS	OSE	SNCB/ NMBS	SNCF
STAFF COSTS	1 818	5 901	171,3	20 605	3 448	5 957	1 613	11 187	65 219	37 714
OPERATING EXPENSES	2 941	6 650	335,4	30 632	5 463	8 400	2 388	14 839	97 324	57 521
PERCENTAGE SHARE 1983	62	89	51	67	63	71	68	75	67	66
SHARE 1981	60	89	58	67	64	65	68	74	66	65

(1) MRL LIT

(2) INCLUDE DIRECT PENSION PAYMENTS MADE BY THE UNDERTAKING, SUBJECT TO NORMALIZATION UNDER CLASS III OF REGULATION (EEC) 1192/69

TABLE III : SELF-GENERATED REVENUE (IN MIO NATIONAL CURRENCY)

1983	BRB	CFL	CIE	DB	DSB	FS	NS	OSE	SNCB/ NMBS	SNCF
REVENUE 1981	2 117	1 808	186,9	22 139	3 341	2 684	1 767	5 359	54 650	36 148
REVENUE 1983	2 225	1 730	262,4	22 217	4 294	2 960	1 804	7 299	55 776	42 828
INDEX 1983	105	96	140	100	129	110	102	136	102	118
INDEX OF TOTAL EXPENDITURES 1983 (1981 = 100)	106	109	130	101	90	127	110	153	102	130

(1) MRD LIT

TABLE IV : COMPENSATIONS, AIDS AND OTHER FINANCIAL ASSISTANCE FROM THE STATE (2)
(IN MIO NATIONAL CURRENCY)

	BRB	CFL	CIE	DB	DSB	FS	NS	OSE	SNCB/ NMBS	SNCF
PAYMENTS 1981	833	5 097	84,8	12 710	1 665	5 590	1 622	5 708	50 534	22 683
PAYMENTS 1983	956	6 189	85,8	13 787	2 492	8 397	1 862	11 886	56 521	27 069
INDEX 1983 (1983 = 100)	115	121	101	108	150	150	115	208	112	119

(1) MRD LIT

(2) INCLUDES DIRECT PENSION PAYMENTS MADE BY THE UNDERTAKING, SUBJECT TO NORMALIZATION UNDER CLASS III OF REGULATION (EEC) 1192/69

TABLE V : RATIO BETWEEN SELF GENERATED REVENUE AND OPERATING INCOME 1983
(IN MIO NATIONAL CURRENCY)

1983	BRB	CFL	CIE	DB	DSB	FS	NS	OSE	SNCB/ NMBS	SNCF
(1) SELF-GENERATED REVENUE	2 225	1 730	262,4	22 217	4 294	2 960	1 804	7 299	55 776	42 828
(2) STATE PAYMENTS	958	5 635	86	9 368	2 492	5 082	1 294	8 768	54 711	17 808
(3) OPERATING INCOME	3 183	7 365	348,4	31 585	6 786	8 042	3 098	16 067	110 487	60 636
(1) . 100 ----- = % (1983) (3)	70	23	75	70	63	37	58	45	50	71
(1) . 100 ----- = % (1981) (3)	72	28	69	71	44	43	63	52	53	70

(1) MRD LIT

TABLE VI : RATIO BETWEEN SELF GENERATED REVENUE AND THE UNDERTAKINGS TOTAL INCOME 1983 (2)
(IN MIO NATIONAL CURRENCY)

1983	BRB	CFL	CIE	DB	DSB	FS	NS	OSE	SNCB/ NMBS	SNCF
(1) SELF-GENERATED REVENUE	2 225	1 730	262,4	22 217	4 294	2 960	1 804	7 299	55 776	42 828
(2) STATE PAYMENTS	956	6 189	85,8	13 787	2 492	8 397	1 862	11 886	56 521	27 069
(3) OPERATING INCOME	3 181	7 919	348,2	36 004	6 786	11 357	3 666	19 185	112 297	69 897
(1) . 100 ----- = % (1983) (3)	70	22	75	62	63	26	49	38	50	61
(1) . 100 ----- = % (1981) (3)	72	26	69	64	67	32	52	48	52	61

(1) MRD LIT

(2) FIGURES SUPPLIED BY MEMBER STATES (ANNEX IA) INCLUDING CAPITAL AIDS

TABLE VII : INTEREST CHARGES (IN MIO NATIONAL CURRENCY)

	BRB	CFL	CIE	DB	DSB	FS	NS	OSE	SNCB/ NMBS	SNCF
INTEREST 1981	69	203	8,4	2 713	403	649	182	358	5 737	4 060
INTEREST 1983	69	205	12,7	2 933	745	645	262	644	8 599	6 738
INDEX 1983 (1981 = 100)	100	101	151	108	185	99	144	180	150	166

(1) MRD LIT