

Renfe is now required to publish in advance the supply of locomotives available for rent by its freight transport competitors

- Freight transport companies must rent locomotives from Renfe Alquiler (Renfe Rental) to be able to operate their trains.
- To date, the rental system has been inefficient and locomotives have been allocated by lottery.
- The CNMC has required Renfe Alquiler to publish its rental projections on its website at the end of each year and until 2025.

Madrid. May 23, 2022.- The CNMC has established a series of requirements by which Renfe Alquiler will now have to publish in advance the list of locomotives available for rent by freight transport companies. ([STP/DTSP/024/21](#))

The rental of Renfe's locomotives is essential for these companies to be able to operate. The new locomotive leasing procedure implemented this past year has proven to be inefficient.

In fact, due to the shortage of locomotives and the uncertainty regarding when Renfe would put them on the market, on many occasions, the locomotives were allocated by lottery and at a higher price.

Specifically, of the eight locomotives allocated in the leasing procedures held in May, June and November 2021, seven were allocated by lottery, and five of them at a price 20% higher than the price resulting from the previous allocation mechanism.

Shortage of locomotives

The CNMC considers that the shortage of locomotives will continue or could even worsen in the future due to the measures implemented to stimulate rail freight transport. In fact, the Mercancías 30 initiative (Rail Freight 30 initiative)¹ of the Ministry of Transport aims to double the modal share of the railway in freight transport in Spain.

¹ <https://www.mitma.gob.es/ferrocarriles/mercancias-30>

Given all of the above, the number of locomotives available for rent should be increased, these locomotives should be made available to companies in a transparent manner, and their availability should be announced with sufficient notice.

Requirements imposed by the CNMC

To improve transparency in the locomotive rental market, the CNMC has required Renfe Alquiler to publish on its website, at the end of each calendar year, the projection of the number of locomotives that will be put up for rent during, at least, the next year.

In order for Renfe Alquiler to effectively fulfil its obligation of transparency, Renfe Mercancías (Renfe Freight) must report in advance the number of locomotives it plans to provide, as this subsidiary of the Renfe Group is the one that sells the locomotives that are later put up for rent.

Transparency obligations have been established until January 1, 2025, at which point the situation will be reassessed in light of the outcome of the current investment cycle.