

PRESS RELEASE

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ITALY: 7 years of NTV-Italo

Success - but only after significant regulatory challenges

Our passenger rail operator member NTV-Italo has just celebrated seven years of operations - competing against the market dominant operator Trenitalia in the Italian high-speed market. This intramodal competition has brought many benefits:

Average fares have fallen by 40%¹. They are now so affordable that small businesses, the self-employed and others can afford to make several trips a week.

The total high-speed rail market has doubled, to the detriment of airlines but to the benefit of both new entrant and incumbent operators. In turn, the infrastructure manager has also earned more income, resulting in lower taxpayer subsidy.

- **Better mobility options like this are crucial in making the economy grow.**
- **It is a Win-Win situation. Professor Andrea Guiricin emphasises:**
“No politician would consider going back to the situation before Italo”².

But it has not always been this way. In the first years, there were many barriers to entry, such as lack of access to popular train paths and placing Italo’s ticket counters at inferior locations. Indeed: in late 2013, the Competition Authority ruled the incumbent had “deliberately attempted to exclude Italo from the market”².

ALLRAIL’s rail operators still experience many barriers to entry elsewhere in Europe. For example: in Austria & Poland, a vast majority of the incumbents’ long distance trains are still directly subsidised by the taxpayer - without a competitive tender.

ALLRAIL Secretary General Nick Brooks says: “**surely Italy has shown that, with the right regulatory conditions now in place, intramodal competition can be done. It has also led to modal shift to Rail- away from less sustainable transport modes”.**



*A new “Evo”
high speed trainset of
NTV-Italo*

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¹ <https://mediarail.wordpress.com/ntv-italo-seven-years-and-now-success>

² https://www.railjournal.com/in_depth/italian-high-speed-success#.XMqlq2dFwDA.twitter