

PRESS RELEASE

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COVID-19 in AUSTRIA:

Temporary Public Service Obligation (PSO) contract for open access operators

➤ New reference model for the rest of Europe

Over the past decade, competition between different passenger rail operators and in the downstream rail ticket retail market has benefited passengers, taxpayers and the environment.

One of the models for this has been competition on the same tracks: between different, competing 'open access' rail companies operating on the same routes where - under normal circumstances - a service is economically viable without taxpayer subsidy. This is similar to how airlines compete with each other.

In cases where such open access competition has happened, it has led to an increased number of rail travellers – sometimes by more than 100% in a small number of years. This has both boosted regional economies and reduced the carbon footprint.

Alas, during this COVID-19 pandemic, we do not find ourselves under normal circumstances anymore. Confronted by the harsh economic impact, open access operators have experienced over a 95% drop in passengers.

It is no exaggeration to say that we might face the first wave of bankruptcies within the next few weeks - before the end of this month.

Under the EU Commission's Temporary Framework, EU Member States are allowed to use the full flexibility foreseen under State aid rules to support the economy.

Therefore, we welcome the Austrian government's new decision to award both open access operators between Vienna and Salzburg - WESTbahn and ÖBB - with a temporary PSO order for the route¹, **starting today.**

Austria has moved fast to secure rail as a basic service during the crisis - on a route that is otherwise commercially viable. It is also the 1st time that private operator WESTbahn & state-owned ÖBB have been treated equally by the government.

ALLRAIL Secretary General Nick Brooks states: **"This is the new reference model for the rest of Europe! We call on other EU Member States to urgently follow Austria's example and grant temporary PSO contracts to all open access operators on their territory, regardless whether privately or state-owned. By doing so, they will secure the growth of passenger rail once the pandemic is over."**

¹ <https://westbahn.at/en/timetable-info/>