

# PRESS RELEASE

## **PORTUGAL: What a disappointing start to the EU Year of Rail 2021**

**LISBON, 8th January 2021: Since 2011, the gradual opening of the EU Single Rail Market has benefited users, taxpayers & the environment. Evidence shows this has led to an increased number of rail travellers – sometimes by more than 100% in just five years. This has boosted regional economies while reducing the carbon footprint.**

➤ **Therefore, faster market opening is crucial to both the EU Green Deal & Year of Rail. Now, in the 1<sup>st</sup> half of EU Year of Rail (2021), Portugal has taken over the presidency of the EU. Yet sadly, it is acting as if it were not part of this single market. The Portuguese government's behaviour is detrimental to any green recovery after COVID-19.**

How? : There is a lot of evidence that the government is against market opening:

1. Despite there being popular domestic routes with plenty of cars, flights & buses (e.g. Porto-Lisbon), when it comes to rail, the government is stuck to a failed model of the past: a continued direct award to the state incumbent operator CP. Without the innovation that comes from competition, people will not flock to rail after COVID-19.
2. Meanwhile, any COVID-19 state financial help for rail is only for services under a “Public Service Agreement”, in other words: **only for CP**. By contrast, Portugal still refuses to reduce Track Access Charges (as made possible by the EU's emergency COVID Regulation 1429 of 2020) that would help all rail operators fairly<sup>1</sup>.
3. Then, in the middle of the pandemic, the government gifted CP with 22 new Flirt trains and announced an additional investment in rolling stock: more than 129 trains worth up to €1 billion<sup>2</sup>. Allegedly this will be part of a Recovery Plan supported by EU funds. Then why is it only being made available to the state incumbent operator?

ALLRAIL President Dr. Erich Forster states: *„by clinging to the failed monopolistic model of the past, Portugal will not achieve any modal shift to rail”.*

**During its EU presidency, we urge Portugal to take measures that will expedite market opening. How about putting the new rolling stock into a pool that all operators can access fairly? This would show real commitment to the EU Year of Rail.**

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<sup>1</sup> <https://www.dinheirovivo.pt/empresas/governo-adianta-73-milhoes-a-cp-por-causa-da-pandemia-13126528.html>

<sup>2</sup> <https://www.publico.pt/2020/09/25/economia/noticia/cp-prepara-concurso-mil-milhoes-comprar-129-novos-comboios-1932725>