

PRESS RELEASE

EU Commission's new Action Plan Shows Urgent Change is Necessary – but by 2024 and not 2030

BRUSSELS, December 15th 2021: Yesterday, the EU Commission (EC) published a new Action Plan to grow long-distance & cross-border passenger rail in Europe, which aims to increase the very low modal share of rail passenger traffic¹.

The main barriers have been identified, and it is clear that the EC understands that urgent change is necessary. For example: in ticketing, where cross-border rail journeys should become easier to book and entail less risk for passengers, and we should not need to wait until 2030 in order for this to happen.

Indeed: Part 3.7 of the new Action Plan is about ticketing reform. It correctly identifies that *“sector-driven initiatives are very slow to mature, due to vested interests and the unwillingness to embrace benefits that market opening can bring”*.

These vested interests are the historical national rail incumbents that still have 92% market share in Europe. This dominance extends into the downstream rail ticket sales market as well, resulting in the fragmentation of cross-border ticketing.

Furthermore, the large majority of their so-called ‘business’ and ‘profits’ come from taxpayer subsidised Public Service Obligations (PSOs), most often as a direct award where no competitive tender took place. Take Dutch Railways NS as an example: it receives a direct contract to operate 95% of passenger trains in the Netherlands.

Therefore, it is incredulous that such incumbents often resist ticketing reform by arguing that it should be a *“commercial decision”*. On the contrary: **taxpayers pay for the large majority of EU passenger rail**. Thus, EU citizens must have the right to:

1. **Transparent impartial ticket sales:** all rail operators' services must be bookable at all sales channels, both at incumbent in-house and third party ticket sellers.
2. **Missed connection protection:** passengers combining separate tickets of any operator into one journey must not risk being stranded if one of the trains is late.

ALLRAIL President Dr Erich Forster stresses: *“Rail operators should compete in terms of better fares & on board product and not who inherited dominant control of the downstream sales market or who offers exclusive missed connection protection. Meanwhile, all ticket sellers should receive the same data on fair, reasonable and non-discriminatory commercial terms and compete for the benefit of passengers”*.

The changes above are political and not technical. The EC must have the ambition to achieve them by the end of its current term in 2024 – and not wait until 2030.

¹ https://transport.ec.europa.eu/news/action-plan-boost-passenger-rail-2021-12-14_en