

PRESS RELEASE

State incumbents fail at cross-border high speed rail – unless they compete with each other.

BRUSSELS, May 23rd 2022: Thalys, the rail operator belonging to both French and Belgian state-owned incumbents (SNCF & SNCB/NMBS), has once again shown that it is unable to maximise the potential of cross-border high speed rail.

How? – Thalys is now closing down its in-house low-cost high-speed operator Izy¹, which was occasionally allowed to offer lower fares on the same Paris-Brussels route as the parent brand. Coming just weeks after the merger of Thalys and Eurostar was approved, high speed rail passengers in North-West Europe are now destined for higher fares and fewer departures. It is bad news for modal shift to rail.

Izy¹ was never intended to be a series competitor to Thalys. It had few departures and little awareness. It did not grow the high speed rail market between Paris and Brussels.

Contrast this to Italy: since 2012, there has been competition on the same high speed routes between two operators **with different owners**. With remarkable results: average fare dropped 35%² with frequencies as often as every five minutes³. Passenger numbers have grown by 120%². The total market has boomed to 168 high speed departures a day.

- After just 10 years, the new high-speed operator Italo has 52 trainsets and 20 million passengers per year – more than Thalys & Eurostar together (that are 27 years old!).
- Not forgetting: the state-owned high speed competitor FS has many more trainsets.

At the same time, North-West Europe has even greater potential than Italy for supporting two or more competing high-speed operators **with different owners**. After all: the cities that Thalys and Eurostar serve are bigger and have higher GDP per capita.

ALLRAIL Secretary General Nick Brooks states: *"Competition keeps fares low and grows the market, whereas incumbent collusions keep fares high and the total market small"*.

This applies to both domestic and cross-border rail. **Since the Italian & French state high speed incumbents FS & SNCF started competing – not colluding – between Milan and Paris in late 2021, there are 20% more seats, lower fares & higher frequencies.**⁴

Political stakeholders must now act fast, breaking down barriers to entry for new high speed competitors in North West Europe. Top problems are the lack of access to usable rolling stock and high track access fees. **Otherwise** we risk a super dominant operator that severely underutilises the infrastructure. High speed rail between Paris, Brussels & London will remain a service only for wealthy travellers – and not for society as a whole.

¹ Click on this article in: [The Brussels Times](#)

² <https://headtopics.com/nl/europa-s-voorbeeld-168-snelle-treinen-tussen-milaan-en-rome-per-dag-26368449>

³ Click on this LinkedIn post: [Post | Feed | LinkedIn](#)

⁴ <https://twitter.com/AfraRail/status/1511387540468736003>