

# Opening of the market for domestic passenger transport services by rail: award of public service contracts. 4th Railway Package

2013/0028(COD) - 16/01/2014 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Transport and Tourism adopted the report by Mathieu GROSCH (EPP, BE) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 1370/2007 concerning the opening of the market for domestic passenger transport services by rail.

The parliamentary committee recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should be to amend the Commission's proposal as follows:

**Multimodal and sustainable public transport plans and public service obligations:** these plans should promote social and territorial cohesion. The requirements for these transport plans **should not go beyond what is necessary**. Detailed requirements should remain at the **discretion of the competent authority** in accordance with the principle of subsidiarity. Transport plans should consist of:

- basic requirements to be fulfilled by public transport offer, including, inter alia, accessibility for persons with disabilities, and modal and intermodal interconnections at main connecting hubs;
- for public rail passenger transport, efficiency criteria including inter alia modal share of public transport, punctuality, cost-efficiency, frequency of services, customer satisfaction and the quality of rolling stock;
- quality and safety standards as well as control aspects regarding the rolling stock, infrastructure and services, including information;
- principles of tariff policy, such as the use of social tariffs;
- applicable rules regarding passenger rights, social and employment conditions, environmental protection and the establishment of environmental objectives.

**Volume of public service contracts for rail passenger transport:** the Commission proposed that the volume of public service contracts should not exceed 10 million train-kms or one-third of the total national public rail passenger transport volume under public service contract. Members suggested that this volume **should be from 1 to 4** depending on the volume of the national public rail passenger transport volume under public service contract: (i) does not exceed 20 million train-km; (ii) is between 20 and 100 million train-km; (iii) is between 100 and 200 million train-km; (iv) is over 200 million train-km.

**Compulsory content of public service contracts:** the competent authorities should require the selected public service operators to grant staff working conditions on the basis of binding national, regional or local social standards and/or to implement the compulsory transfer of staff in case of change of operator.

Public service operators would have to comply with the applicable representative collective agreements and ensure decent employment and working conditions.

**Award of public service contracts:** competent authorities responsible for establishing transport plans should be able to decide to proceed to the direct award of public service contracts concerning public rail passenger transport services, subject to certain conditions.

In particular, the public transport plan should contain requirements applicable for the entire duration of the contract concerning the following: (i) evolution of passenger volumes; (ii) punctuality of services; (iii) cost-efficiency in terms of capital productivity; (iv) frequency of train operations; (v) customer satisfaction; (vi) quality of rolling stock.

The award of public service contracts concerning transport by road and other track-based modes such as metro, tramways or tram-train systems should comply with the Regulation from **3 December 2019**.

By **3 December 2022**, the competent authorities responsible for establishing the public transport plans should be entrusted with all powers necessary for awarding public service contracts.

Public service contracts for public passenger transport by rail that do not comply with the Regulation, directly awarded before 3 December 2022, should in any event expire at the latest 10 years from the entry into force of the Regulation.