

# **Passenger transport by rail, road, inland waterway: competition, public service exigences and contracts (repeal. Regulations (EEC) No 1191/69 and (EEC) No 1107/70)**

2000/0212(COD) - 10/10/2001

The committee adopted the report by Erik MEIJER (EUL/NGL, NL) amending the Commission proposal under the codecision procedure (1st reading). The committee felt that a key point was whether there would still be room, in addition to the multinational companies, for area-bound companies (often publicly-owned) in towns and regions. If the Commission proposal were adopted as it stood, the consequences for transport in these cities could be serious, as the area-bound companies often had a "public service" dimension, were important for the expansion of tram and metro services and had a key role to play in winning the "competition" with the car. The committee felt that more weight should be given to the principle of subsidiarity. As responsibility for local transport on the ground lay with local authorities, a competent authority should continue to have the right to provide transport services itself or with its own undertakings without an invitation to tender. Another amendment was adopted pointing out that longer contract periods created greater planning security for both operators and the authorities. Longer contracts could also result in more favourable tenders. To minimise the distortion of competition while protecting the quality of services, the duration of public service contracts should be up to eight years for bus services and fifteen years for rail services. Finally, the committee decided that competent authorities should be allowed to directly award public service contracts with an estimated average annual value of up to EUR 1 million (the Commission had proposed EUR 400 000). If all public services requirements were incorporated in a single contract, the ceiling should be EUR 3 million (rather than EUR 800 000 as stipulated in the Commission proposal).