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Railways



## Press Release

### UITP, CER, EMTA and EPTO call upon European Parliament and member states to take action to preserve the PSO Regulation

Brussels, 29 January 2013

The International Association of Public Transport (UITP), the Community of European Railway and Infrastructure Companies (CER), the European Metropolitan Transport Authorities (EMTA) and European Passenger Transport Operators (EPTO) today announced their concerns with the so-called state aids Block Exemption Regulations.

The proposal includes a change to the public service obligations (PSO) regulation for land passenger transport which induces legal uncertainty. UITP, CER, EMTA and EPTO now call upon the European Parliament and the European Council to take action to withdraw the PSO part of this proposal in order to preserve the special needs of the land transport sector.

UITP, CER, EMTA and EPTO consider that this Proposal for a Regulation is unacceptable for the following reasons:

1. The Proposal for a Council Regulation would introduce major legal uncertainty for all public service contracts in the inland passenger transport sector;
2. The Proposal would create an unacceptable democratic deficit as it would remove both the European Parliament and the Member State governments from having a future significant role in deciding on how funding for public transport complies with European law.
3. Contrary to what is asserted by the European Commission, the current regime regulating public service compensation in the inland transport sector is not contradictory to the TFEU (Treaty on the Functioning of the European Union).
4. The PSO Regulation in force since 2009 is the result of a long and difficult legislative process, a well reflected fine-tuned political equilibrium which should not be changed so easily.

UITP, CER, EMTA and EPTO hope that both the European Parliament and the European Council will share these concerns and convince the European Commission to re-think this part of the proposal.

#### Notes to the editor:

On 5 December 2012, the European Commission adopted a "Proposal for a Council Regulation" modifying Regulation 994/98 on horizontal State aid (also called "Enabling Regulation") and modifying Regulation 1370/07 on public passenger transport services by rail and by road. This proposal is currently being assessed by the Council under the specific legislative process where the European Parliament can only provide an opinion, contrary to the ordinary procedure ('co-decision').

UITP, CER, EMTA and EPTO are the main associations representing the different stakeholders involved in the urban, suburban and regional public passenger transport sector. Together, these associations have followed and actively participated in the various stages of modernisation of the legislative framework relating to public service

obligations and public service contracts in passenger transport by rail and by road.

After almost ten years of intensive discussions and debate inside the Council and the European Parliament, this long process finally led to the adoption of Regulation 1370/07 which entered into force in December 2009.

**For further information, please contact:**

UITP

Andrew Canning  
Press & Media Manager  
phone +32 2 6636639  
e-mail : [andrew.canning@uitp.org](mailto:andrew.canning@uitp.org)

UITP is the international network for public transport authorities and operators, policy decision-makers, scientific institutes and the public transport supply and service industry. It is a platform for worldwide cooperation, business development and the sharing of know-how between its 3,400 members from 92 countries. UITP is the global advocate of public transport and sustainable mobility, and the promoter of innovations in the sector. [www.uitp.org](http://www.uitp.org)

CER

Eva Böckle  
Press and Communications Manager  
phone +32 2 213 08 90  
mobile +32 473 32 20 94  
e-mail [eva.boeckle@cer.be](mailto:eva.boeckle@cer.be)

The Community of European Railway and Infrastructure Companies (CER) brings together 80 European railway undertakings and infrastructure companies. CER represents the interests of its members towards the European institutions as well as other policy makers and transport actors. CER's main focus is promoting the strengthening of rail as essential to the creation of a sustainable transport system which is efficient, effective and environmentally sound. For more information, see [www.cer.be](http://www.cer.be)

EPTO

Jan M. Möllmann - Secretary General -  
Phone: +32-477-909126  
mobile: +49-151-42635679  
fax +49-3212-6655626

EPTO is the association of the European Passenger Transport Operators, whose members are the 9 largest public transport Groups in Europe. EPTO promotes the development of a competitive market structure for the supply of public transport services and supports the opening of the passenger transport markets in Europe. For more information see [www.epto.net](http://www.epto.net)

EMTA

Sabine Avril Secretary General  
Ruud Van der Ploeg Secretary General elect (1 February 2013)  
Phone: +31 631924117  
mobile: +31655890365  
Email: [ruud.vanderploeg@emta.com](mailto:ruud.vanderploeg@emta.com)

EMTA is the association of Public Transport Authorities in charge of organising , planning and financing the urban transport networks of the major metropolitan areas across Europe with a view to achieve sustainable mobility while ensuring social cohesion and supporting economic growth.