

PRESS RELEASE

UITP REACTS TO FOURTH RAILWAY PACKAGE READING IN THE EUROPEAN PARLIAMENT

BRUSSELS, 3 MARCH 2014

On 26 February 2014, the European Parliament adopted its first reading position on the Proposal for a modification of the PSO Regulation¹ in the framework of the Fourth Railway Package.

Following this vote, the way public service contracts for passenger rail services are awarded will depend on an evaluation of compliance with a list of criteria which will be subject to different interpretations.

UITP considers that the **establishment of a regime which insures a minimum level of legal security is an absolute priority**. This is especially true in the suburban and regional rail sector where economic cycles are very lengthy and not compatible with huge legal uncertainty which risks putting a brake on the substantial investments that are absolutely necessary for dealing with the growth in traffic.²

UITP is therefore strongly concerned about this position which allows discretionary award and which will lead without doubt to numerous and never-ending complaints. The European Parliament's position may not only jeopardise the opening of closed markets which is the key objective of this package, but also pose a threat to currently established and well-functioning markets at EU member state levels.

UITP also deeply regrets that its persistent call for the revision process of the PSO Regulation to be strictly limited to the minimum changes that are necessary to open domestic rail passenger markets to competition, without having any impact on urban and local public transport, has not been heard either by the European Commission or the European Parliament.

¹ Regulation (EC) N°1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport by rail and by road and repealing Council Regulation (EEC) N° 1191/69 and 1107/70

² From 2000 to 2012, the number of journeys in suburban and regional railways in the EU increased by about **25 to 30%** (figure based on data from 20 countries). This is **3** times more than the growth rate of the total number of urban and regional public transport journeys over the same period (in the EU28).



Considering that the PSO Regulation only entered into force in December 2009 with a 10-year transition period, UITP would like to remind the European institutions of an important reality: heavy investment in local public utilities is not compatible with legal uncertainty and a shifting legal context.

Note to Editors

The International Association of Public Transport (UITP) is a passionate champion of sustainable urban mobility and is the only worldwide network to bring together all public transport stakeholders and all sustainable transport modes. We have 1,300 member companies giving access to 14,000 contacts from 92 countries. Our members are public transport authorities and operators, policy decision-makers, research institutes and the public transport supply and service industry. Visit our website www.uitp.org. Follow us on Twitter: [@UITPpressoffice](https://twitter.com/UITPpressoffice)

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