
COMPETITION ON THE MARKET: HOW TO OPEN COMMERCIAL SERVICES?

Coexistence of open access and public service obligations



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TALK OUTLINE

- Introduction
- Open access
- Principles
- Public passenger transport services
- Competitive services

INTRODUCTION

Rail infrastructure



Rail infrastructure in Austria

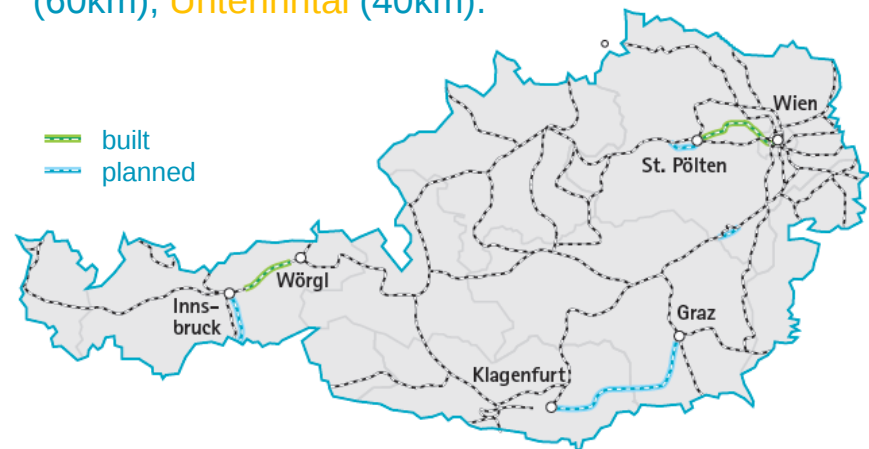


■ 766 km
regional- &
private railways

■ 4,894 km
ÖBB

By **2026** another **300 km of new infrastructure** will be finished, among those the 3 tunnels: **Koralmbahn** (130km), **Semmering** and **Brenner Base Tunnels**.

Since 2007 approx. **150 km of new infrastructure** have been opened, e.g., core network segments **Vienna – St. Pölten** (60km), **Unterinntal** (40km).



INTRODUCTION

High level public transport in AUT

Infrastructure:

- The Austrian rail network extends to approx. 5,900 km, including approx. 3,500 km of priority routes (high-quality, highly developed).
- Austria ranks second in terms of per capita investments in rail infrastructure behind Switzerland – but (far) ahead of other E.U.-member states.

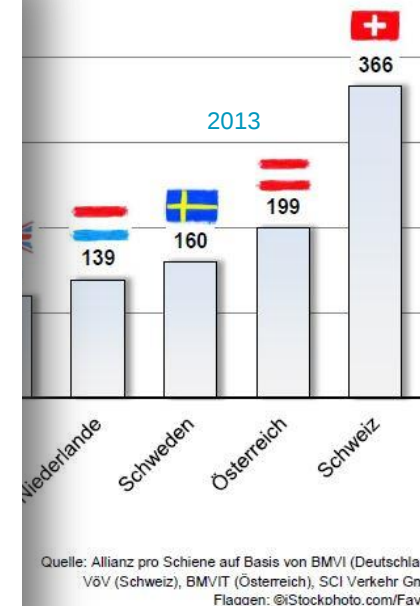
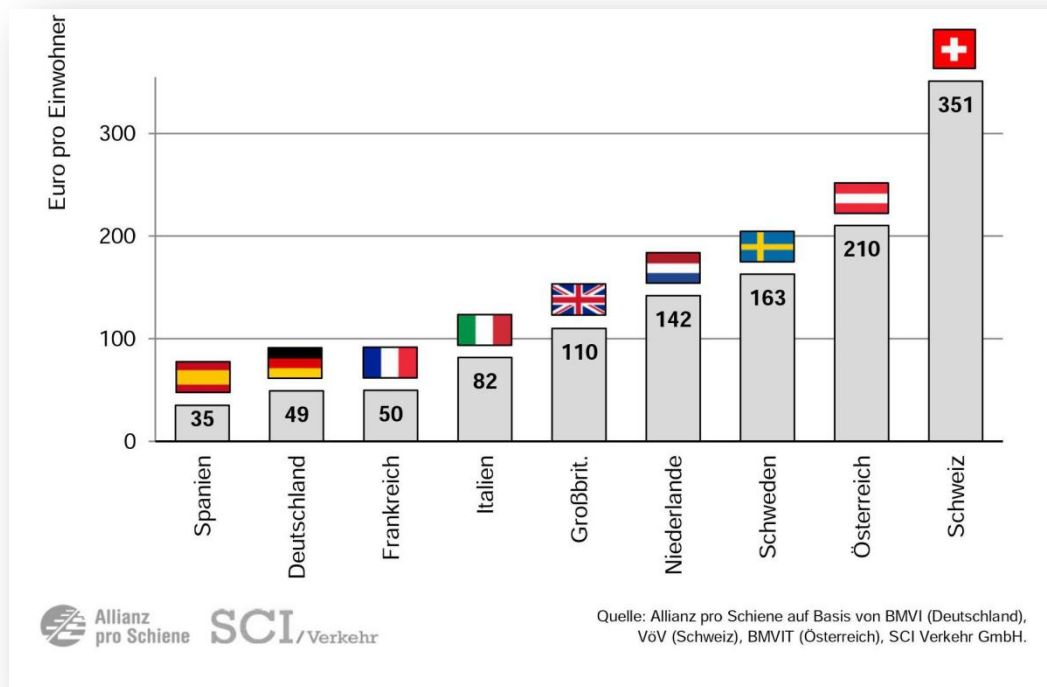
Public passenger transport:

- Austria ranks second within the E.U. (after CZ) in terms of passenger-kilometre and third including Switzerland.
- Public passenger transport denotes high modal split rates (22.4%²⁰¹⁴) and high per capita degrees of utilisation of rail transport.

INTRODUCTION

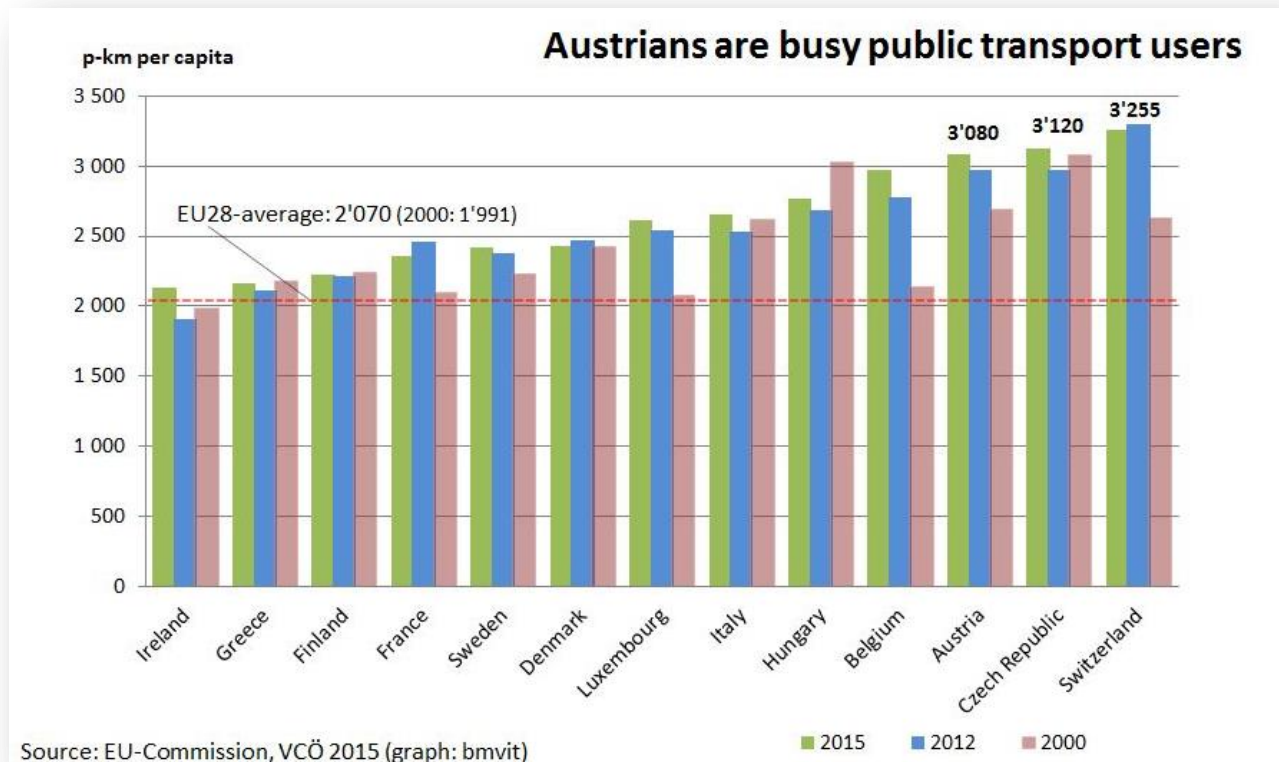
High level public transport in AUT

2014 per capita public investments in rail infrastructure [EUR]



INTRODUCTION

High level public transport in AUT



INTRODUCTION

High level public transport in AUT

perceptible success!

- Recent increases compared to road transport

2010-2014:	rail passenger-km	+ 12%
	rail passengers	+ 15%

	road transport service	+ 4%
	<i>(federal network + cat. B)</i>	

- Austria: “rail passenger nation n°1 of E.U.”

2014: 1,426 km

2015: 1,427 km



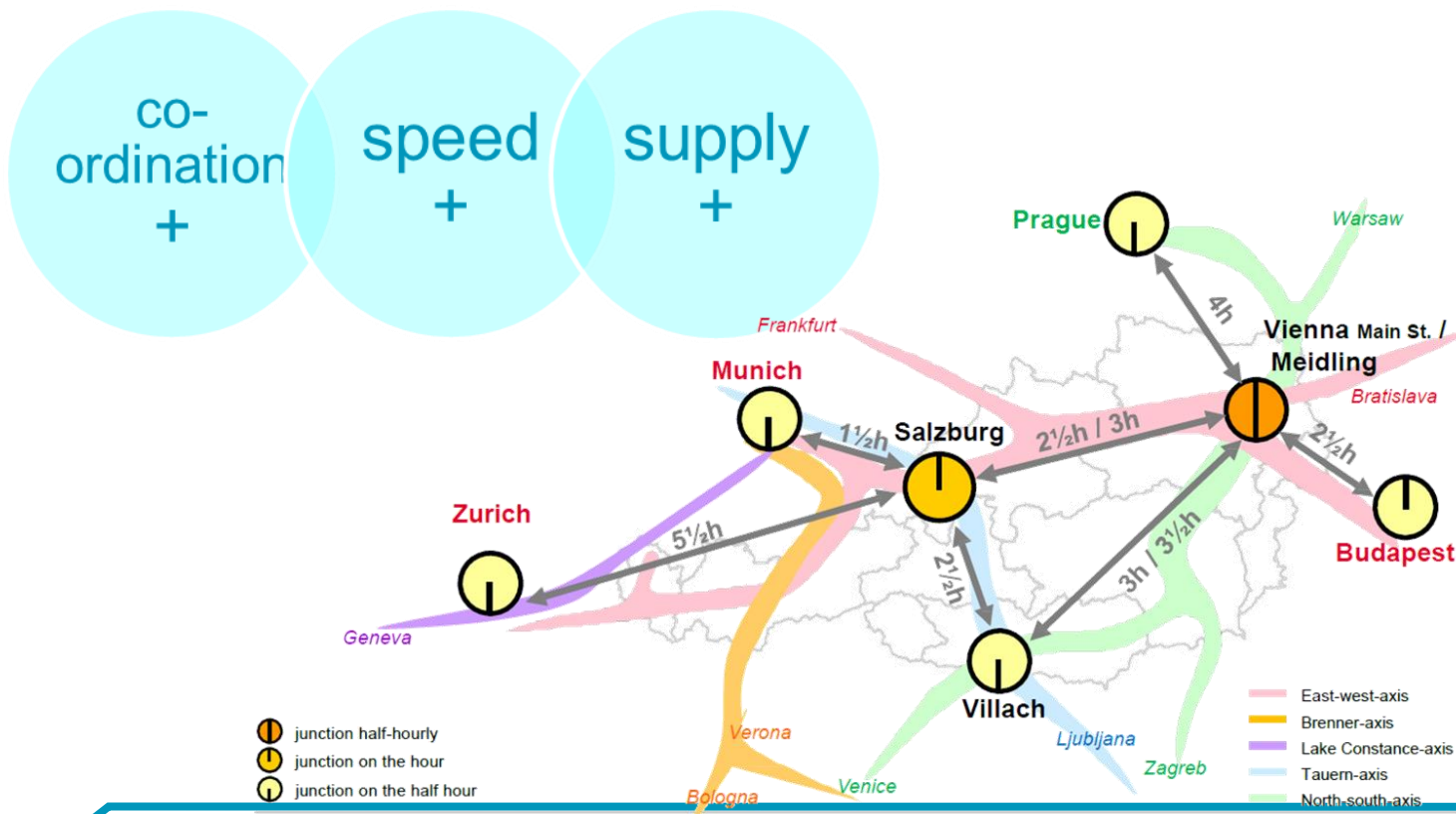
rail kilometres

E.U., km per person, 2013



INTRODUCTION

Integrated synchronised timetable (ITF)



OPEN ACCESS

Regulatory framework

Open access in Austria according to First Railway Directive 91/440/EC de jure since 1998

- According to Art. 57 para. 1 Railway Act, railway operator
 - has to be based in Austria *[in order to provide national passenger transport services]* OR
 - conduct international passenger transport services

[...]
- With implementation of the Fourth Railway Package the obligation of an Austrian office will be abolished and unlimited cabotage be enabled.

Source: [Eisenbahngesetz 1957](#) (Railway Act)

OPEN ACCESS

Regulatory framework

Allocation process

- Infrastructure manager allocates capacities to entitled applicants under reasonable, non discriminating and transparent conditions with a focus on an effective utilization of the existing infrastructure.
- In case of incompatibilities, a coordination procedure (involving the Austrian independent regulator – Schienen-Control GmbH) will be started.
- Without mutual agreements, final decision of the infrastructure manager.



OPEN ACCESS

Regulatory framework

Remedies

- Final decision of the infrastructure manager for lack of mutual agreement
- Appeal of decision to the independent regulatory board
[Schienen-Control Kommission – SCK](#)
- Further appeal stages: Federal Administrative Court and Higher Administrative Court



PRINCIPLES

Open access versus public service obligations

Open access

- Rail network in Austria open for access

PSO and NON-PSO public passenger transport services

- Public passenger transport services of general economic interest ...
 - ... provided by the market itself
 - ... provided only with intervention of competent authorities via public service obligations

PUBLIC PASSENGER TRANSPORT SERVICES

Regulatory framework

REGULATION (EC) No. 1370/2007 [*and REGULATION (EU) 2016/2338 to come*]

Local and Regional Public Passenger Transport Act 1999
(ÖPNRV-G 1999)

§ 48 Bundesbahngesetz (Federal Railway Act)

§ 4 Privatbahngesetz 2004 (Private Railway Act)

Bundesvergabegesetz 2006 (Public Procurement Act)

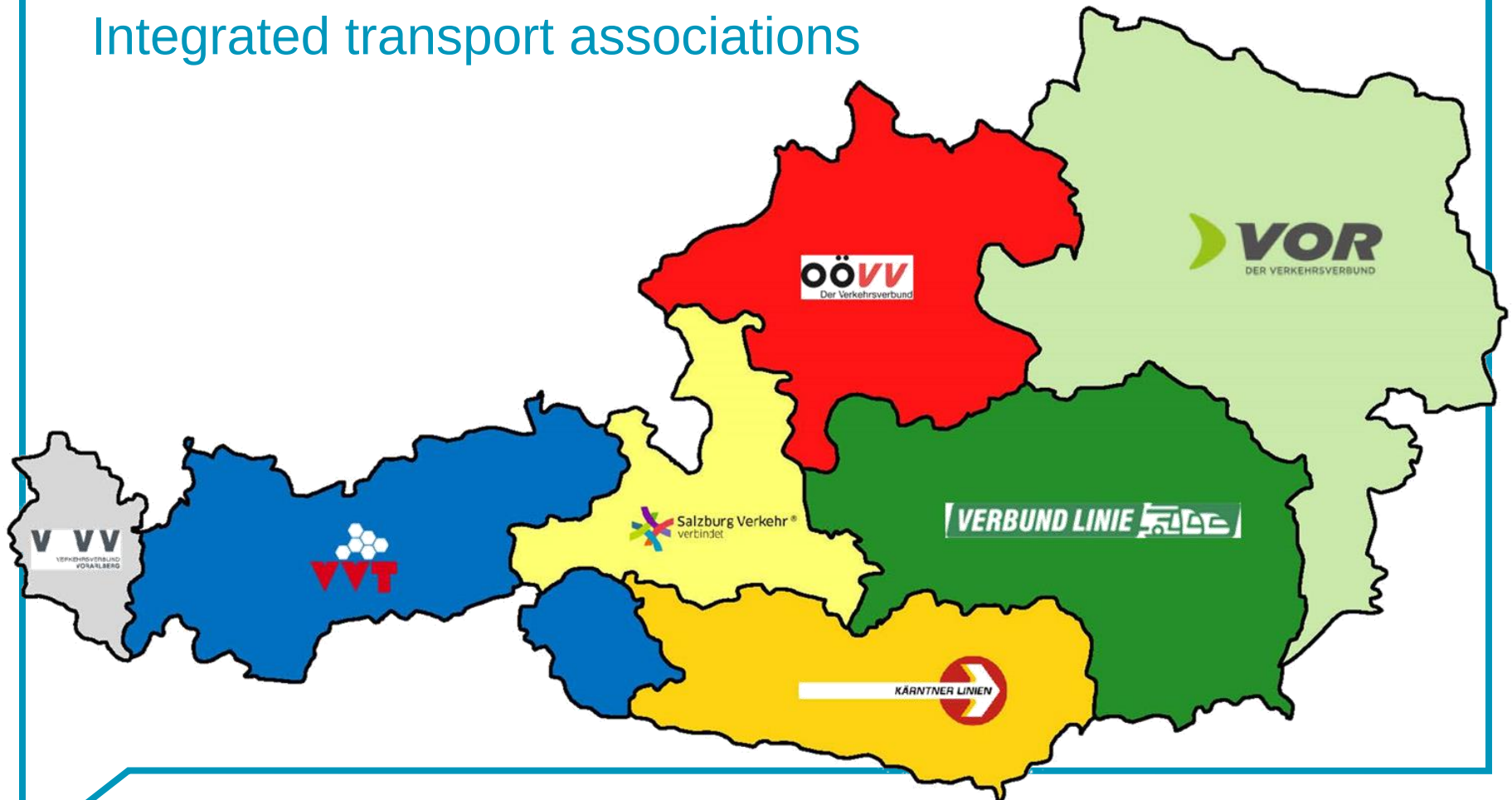
PUBLIC PASSENGER TRANSPORT SERVICES

Organisational conditions

- Dominance of unprofitable traffics and therefore necessity of public service obligations (psa)
- Duality of public authorities due to the Local and Regional Public Passenger Transport Act 1999
 - Responsibility of federal authority to guarantee a basic supply of services in local and regional public transport by rail.
 - Responsibility of regional and local authorities (provinces and municipalities) to plan demand-oriented transport services and organize additional services.

PUBLIC PASSENGER TRANSPORT SERVICES

Integrated transport associations

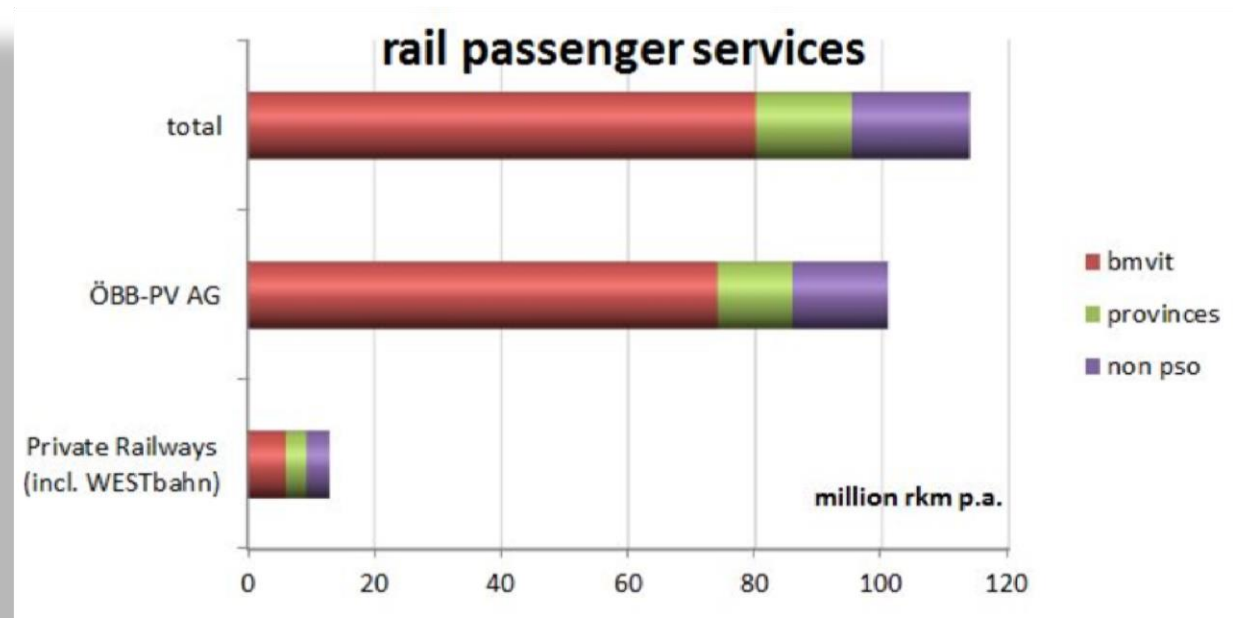


PUBLIC PASSENGER TRANSPORT SERVICES

Volumes

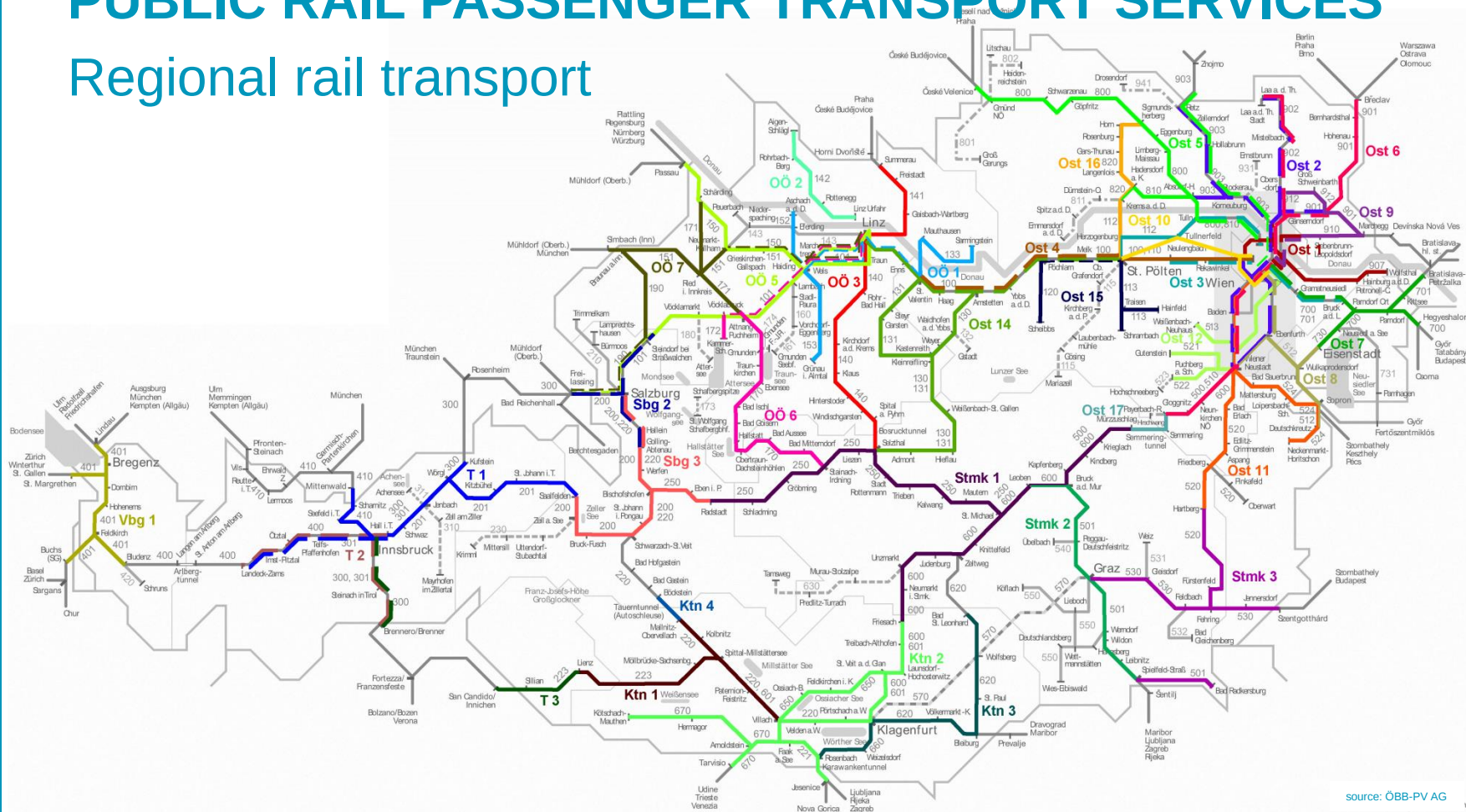
Volume of annual rail passenger services

(own estimates)



PUBLIC RAIL PASSENGER TRANSPORT SERVICES

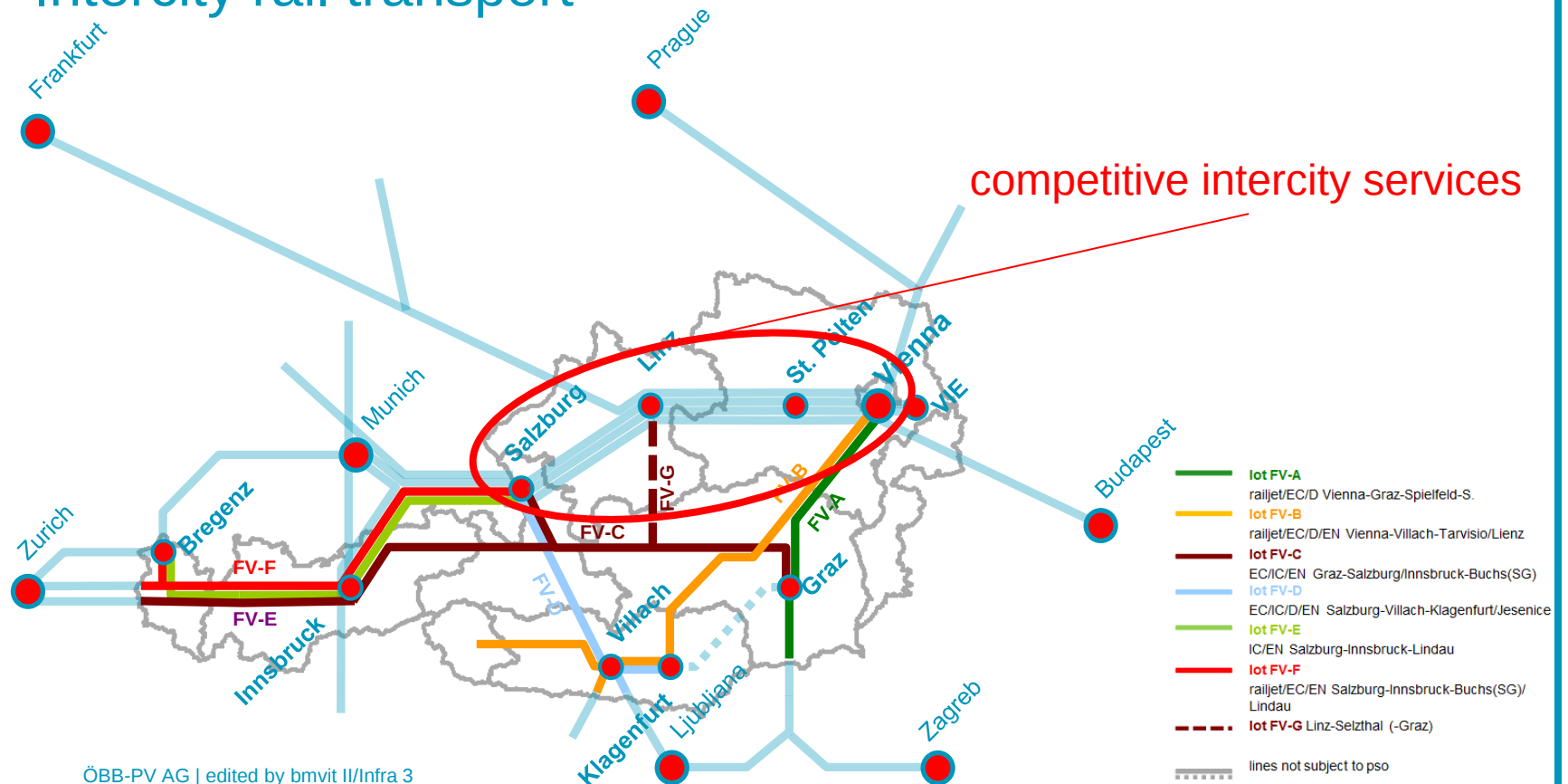
Regional rail transport



source: ÖBB-PV AG

PUBLIC RAIL PASSENGER TRANSPORT SERVICES

Intercity rail transport



ÖBB-PV AG | edited by bmvit II/Infra 3

COMPETITIVE SERVICES

Status quo

- Since December 2011 the “private” operator WESTbahn Management GmbH offers intercity transport services between Vienna and Salzburg
 - Commercial services (both, ÖBB-PV AG and WESTbahn) on this line
- WESTbahn:
 - Own tariff and ticketing system
 - No cross ticket acceptance except for tariffs (e.g., seasonal tickets) of local traffic in Upper Austria (member of transport alliance)
 - Cancelled membership in Eastern Region and Salzburg

Further entrants (e.g., Regiojet) in December 2017 and intensified services by WESTbahn

COMPETITIVE SERVICES

Experiences and challenges

- Incentive for incumbent
 - increased focus on efficiency and productivity
 - increased customer orientation
- Boost of supplied transport services
- Increased variety of ancillary services and tariffs
- Image revision

COMPETITIVE SERVICES

Experiences and challenges

- Conflicting interests: optimum (integrated) timetable vs. skimming services
- Constraints: network capacities and stability of services

Challenges:

- Balance of guarantee for integrated timetables and open routes (e.g. non-discriminating capacity allocation and rules for prioritization)
- Integration and transparency of tariffs (i.e., easy access for customers)

REFERENCES

Schienen Control:

<http://www.schienencontrol.gv.at/en/schienencontrol.html>

Study examining European experiences of public tenders of rail public passenger transport services

http://www.bmvit.gv.at/verkehr/nahverkehr/downloads/endbericht_spnv.pdf

Traffic Master Plan | Gesamtverkehrsplan:

<http://www.bmvit.gv.at/verkehr/gesamtverkehr/gvp/index.html>

Target Network 2025+, Integrated Timetable | Zielnetz 2025+, ITF 2025 et al.:

<http://www.bmvit.gv.at/verkehr/gesamtverkehr/ausbauplan/index.html>

<http://www.oebb.at/infrastruktur/>

Fact sheets:

<http://www.bmvit.gv.at/verkehr/gesamtverkehr/gvp/faktenblaetter/index.html>

Information on PSO et al.:

<http://www.bmvit.gv.at/verkehr/nahverkehr/finanzierung/vdv/index.html>

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