## European Passengers' Federation Policy Speech, ANNUAL CONFERENCE, SALZBURG Christopher Irwin, Vice Chair, EPF 10<sup>th</sup> March 2012

We've made good progress this year; by concentrating on our priorities at European level EPF has helped secure some important 'wins' for passengers.

Let recall the priorities that we set out at last year's in Barcelona - the annual conference where EPF was honoured by the presence of Meglena Kuneva, the former Commissioner for consumer protection. Mrs Kuneva was there as the special adviser on passenger rights to Vice-President Kallas, the EU Transport Commissioner.

We said that there was still more to be done on passengers' rights. We wanted a start made on developing common principles that can be applied across all modes. We pointed out that this would help create a 'level playing field' for operators and – more importantly – make it easier for everyone, passengers and operators, to understand the protections available.

The European Commission was listening: at the end of 2011 it presented *A European vision for passengers*. This Communication summarised the rights and principles running through the passenger rights' *acquis*, identifying the loopholes emphasising the need for consistent enforcement across the EU.

The Commission now accepts the case for a set of common principles applicable to all modes – air, rail, bus and coach and waterborne traffic. Passengers should be more easily aware of their rights when something goes wrong. The Communication identifies the three corner-stones: non-discrimination – for example on grounds of nationality or reduced mobility; access to accurate and timely information and the provision of immediate and proportionate assistance.

It accepts that enforcement must be effective, consistent and responsive to passengers' needs.

There is still far to go: a number of air carriers and *some* railway undertakings give the impression that they haven't yet accepted the case for consumer

protection, for decent treatment of passengers when things go wrong. Talk, for example, to Rian van der Borgt who represents EPF's views to CIT, or to Bob Hex, the chair of our associate member, the Association of European Rail Travel Agents, or to Julia Lamb in Brian Simpson's office in the European Parliament. They can list operators' blatant non-compliance.

The Commission agrees with our call for more adequate monitoring and for uniform enforcement by National Enforcement Bodies. We'd like NEBs in other member states to learn from Austria's Rail Regulatory body: Schienen-Control has initiated a review to see if the Conditions of Carriage applied by different undertakings in Austria are compliant with the Rail Passenger Rights' legislation. Where they are non-compliant the Austrian NEB is demanding corrective action. This useful initiative should fast-track the enforcement of passengers' rights, resolving issues that would otherwise get caught in the time-consuming processes of the European Court of Justice. We have suggested that other NEBs should follow the Austrian example.

The helpful team responsible for passengers' rights in the Commission accepts that passengers' representatives have a contribution to make to the development of enforcement: Willy Smeulders represented EPF at an initial joint meeting with NEBs, organised by the Commission, on draft guidelines for the application of the Regulation concerning the rights of disabled people and persons with reduced mobility when travelling by air. This sort of work, far away from the excitement of transport operations, requires patience and commitment. We owe a debt to Willy for his readiness to pick up these tasks.

Willy, Rian and Kurt Hultgren have given their time to the work of the European Railway Agency in developing, reviewing and overseeing the implementation of some of the Technical Standards for Interoperability. This is vital. We can help shape legislation that will be binding across the European railway area, whether in relation to the review of the PRM-TSI – in which Kurt is involved – or in furthering a particular concern of which we spoke last year in relation to the Passenger Applications Telematics-TSI.

We said then that passengers think in terms of end-to-end journeys. These often involve more than one mode. The different modes and operators must exchange data so that passengers get reliable end-to-end journey information,

for timetables, ticketing and service characteristics. We have long argued that we need a smart information platform for passengers, irrespective of mode or territory. The good news is that Vice-President Kallas accepts EPF's argument. He has sponsored a challenge to stimulate the development of a Multi-Modal Journey Planner that covers all countries and all transport modes – the results of which will be announced on Monday (12<sup>th</sup> March), work to which we were proud to contribute.

Not all our work is behind the scenes: in Barcelona we spoke of our concern that at least one key player in the rail sector – Deutsche Bahn to name names – appears resistant to the principles enshrined in the drafts of the recast First Railway Package. The recast emphasises effective independent regulation, transparency and fair competition in the European railway market. We have pursued these issues over the last year as the struggle to achieve consensus on legislation has raged in the halls and corridors of the Parliament, the Council and the Commission. Trevor Garrod led a small delegation to meet key members of the Parliament's Transport Committee and their staff in the summer.

This was a valuable opportunity to explain our thinking on both the recast and on wider passenger concerns. Unfortunately the meeting started a little late: MEPs had been delayed by an extended lunch laid on for them by Guillaume Pepy, the boss of SNCF. It was a salutary reminder of the David and Goliath terms under which we users must compete. No one should underestimate the power of the rail industry's voice.

Nevertheless, we are being heard more and more. Separately I addressed policy makers in the Parliament and in the Economic & Social Committee in workshops on priorities for the air sector and on our response to the White Paper. Josef Schneider successfully negotiated our participation in Rail Forum Europe, of which – just like SNCF, DB, ÖBB and others – we are an Associate Member. The Forum's members comprise 15 MEPs from across the parliamentary committees. It was established to achieve a better understanding of rail related issues.

And we are working more and more closely with the operators. Josef and Rian meet regularly with CER; I addressed the European Civil Aviation Conference,

debating passenger rights with Willie Walsh, the boss of IAG, and Michael O'Leary of Ryanair; Trevor, Josef and Willy have maintained a close and constructive dialogue with Railteam and Janet, Pierre and I have regular working sessions with Eurostar, Pierre maintaining continuity through the liaison meetings that he leads with Thalys. There are many other examples of EPF's extensive activity on the web-site, of our work with other representative bodies. The important thing is that we have established our priorities; we have concentrated on them and now we are beginning to see the fruits.

Let me give an illustration of this. Last year at Barcelona I emphasised the importance of passenger satisfaction. I explained that it is the best measure of all the European initiatives: there is not much point in market opening if it reduces users' satisfaction with the service. This was a message that we have delivered consistently to DG MOVE. We can take pride in the fact that it commissioned and then published research on rail passenger satisfaction in each of the 25 member states with a rail system. Policy makers can now make informed comparative evaluations of the rail system across Europe. The value of this research will grow if it can be repeated, year after year.

We know from the EU's 2011 consumer satisfaction scoreboard - commissioned by DG SANCO - that rail, tram, bus and metro services perform poorly compared with most other service sectors. Rail scores somewhere between the levels achieved by real estate services and banks – just above the bottom of the chart, the worst place being occupied by those selling pensions. Tram, bus and metro services do a little better, rubbing shoulders with second-hand car salesmen and courier services, but still near the bottom of the satisfaction league. In contrast, airlines, organisations selling package travel tours and those selling new cars are right up at the top. There is a message there: passengers' needs require attention; the airlines have shown that it can be done. EPF can help deliver it.

The Transport White Paper, *Towards a competitive and resource efficient transport system*, has an implicit challenge at its core. It is a challenge that can only be met if service providers start listening more effectively.

The White Paper is a roadmap of 40 initiatives for the next ten years, providing the basis for increased mobility and substantially reduced carbon emissions by

2050. It sets the goal for rail whereby the majority – more than half – of medium-distance passenger transport should go by rail. Rail's current share is less than 10%. Increasing this five or six-fold to a majority share for rail by 2050 is a breath-taking challenge – as well as a great opportunity if rail can get it right.

But the challenge is even bigger than that. The demand for travel isn't going to get less. The White Paper foresees passenger traffic growing by over 50% during that time, and freight growing by 80%. So even before considering the implications of a five-to six-fold increase in market share we have to consider that of a massive increase in overall volumes – in absolute terms people expect the rail system to be handling ten to fifteen times the volume of traffic in 2050 that it handles today.

Two big issues need addressing: first, how can the infrastructure cope? Fortunately the European Commission has recognised that money is going to be needed, to secure the key corridors for the European rail network of the future, to address bottlenecks, build new lines, install high capacity traffic management systems and develop High Speed as well as to relieve congestion through the co-modality and the complementary exploitation of each mode's strengths. It reckons that it will cost 1.5 *trillion* Euros to match the growth in demand just to 2030.

But there is an even bigger challenge to be addressed, one that money alone can't buy. Rail is seen as central to the new transport economy. But if it is to deliver a ten to fifteen-fold increase in traffic by 2050 it can't go on too often being a distressed purchase — a purchase where a person buys something only because there is no other option. It has to become the mode of choice for the majority of journeys. That is a radical change. It requires a transformation in traditional railway culture. It means listening to passengers, understanding their needs and shaping investment to meet what users want. Bodies like EPF and its constituent organisations can help deliver that change.

It means giving priority to performance and reliability. It means ensuring that people get a seat when the need one. It means transforming the travel experience for everybody, not just the first class passengers in high speed trains. It means ensuring seamless links between modes. It means managing

right when things go wrong, ensuring a flow of information, providing timely assistance and work-around solutions. It means improving the travelling environment, whether in stations, outside stations or in trains and buses. It means ensuring that the way we plan our communities reflects the travel needs of those to whom they provide homes, services and jobs. It means making rail 'good value'. It means transforming the attitudes of those in the industry and of the policy makers who set the framework in which it operates. It means putting users first.

There is not long to do it. 2050 is as far in the future as the start of the network of *les lignes à grande vitesse* is in the past. Trains built today should still be in service in 2050. We need to start the transformation now. And that means starting with a vision.

Some of the pieces are already in place. We need a European railway area in reality as well as in theory – an integrated network where it is possible, time-effective and pleasant to make through journeys from one major conurbation to another. But – as we see on a small scale with the failure to deliver Railteam's original vision of integrated high-speed rail travel – its realisation is held back by national interests and the attempts of incumbent operators and infrastructure managers to protect their legacy investments and to preserve their dominant positions.

Market opening and greater competition is a two-edged development. Yes, it should be a stimulus to innovation and enhanced consumer choice. But this doesn't necessarily follow if all that is achieved is the spread of an ever smaller number of dominant operators. Markets aren't really opened for users when operators use their protected national bases as spring-boards from which to cherry-picking across frontiers.

If market opening is to succeed this year's promised Fourth Railway Package must promote effective new user-focussed measures:

First, we would like to see greater formal engagement with users' representatives. The sector's network of Representative Bodies, established by under the Interoperability Directive 96/48/EC does not include users' representatives. Its membership is determined by the member states in the Rail Interoperability & Steering Committee – known as RISC. Yet without their

formal inclusion in the Group of Representative Bodies, users' interests are less well heard at European level and their concerns inevitably become secondary to those of the operators, infrastructure managers and others like the local authorities represented in UITP in the task of building a European Railway area. The Commission should use the proposed Fourth Railway Package to ensure that users' interests are heard more systematically.

Secondly, while EPF welcomes market opening – we believe that greater competition should reduce costs and therefore make travel cheaper for passengers – we are also keen to see rail's network benefits maintained. Railways are best when they are viewed as a network. A way has to be found to ensure that network benefits such as through ticketing and connections between services provided by different rail operators and with other modes – effectively extending the rail network – are maintained and developed. Last year we issued a challenge to CER: we invited the rail operators to work with us in preparing the terms of reference for collaboration on standards that might enable a European system for electronic ticketing distribution.

Unfortunately, CER did not take up our offer. It seems that some of their members are fighting to protect their legacy investments. They seem less interested in building the foundations for a common, passenger-friendly future than in defending their separate incompatible technologies. The logic of this situation is that binding European common standards will have to be imposed. Through, inter-available ticketing is vital to personal mobility. We would like to see a European initiative to this end. If the railway undertakings can't rise to this challenge now may be the time to separate train operations from travel retailing. Meeting customers' needs in an expert activity: if that weren't the case we would all still be buying our eggs from the farm gate, not from the supermarket.

Our activity – and this is the third priority – can be more effective when we work closely with others. For example, there is wide respect for the achievements of the European Disability Forum. But advocacy of the part of Persons of Reduced Mobility brings benefits for the wider travelling community. What is good for PRMs is almost always good for the wider travelling public. We can work with EDF and others to spearhead action on the needs of PRMs, to the benefit of all travellers.

Fourth, we need to do more to promote the idea of public transport as a multimodal, inter-connected network whose successful evolution is central to meeting the challenge of climate change. The Transport White Paper envisages a future in which, by 2050, conventionally-fuelled cars will have been eliminated from our cities. But, contrary to received wisdom, that cannot be achieved through investment in, and reliance on, e-cars. Urban space is a precious commodity. Urban congestion jeopardises economic growth and can decimate communities. According to UITP, a journey from home to work by car consumes ninety times more urban space than the same journey by metro, and twenty times more than if it is by bus or tram. Personal transport absorbs unacceptable levels of scarce resource. We have to get the message across that the future lies, not with e-cars, but with investment in modern, attractive public transport.

And this leads naturally to my final point. When one looks around crisis-threatened Europe one is struck by the contrasting approaches of member states to investment in their public transport networks. It is with some pride – but also, I confess, surprise – that I note that the British Government is engaged in a greater level of investment in public transport infrastructure than at any other time in Britain's history. It sees this investment as central to the UK's long-term growth prospects. And Britain is not alone: even the new technocratic government in Italy is standing by the need for such investment.

Contrast this to the situation in Greece and in Portugal where public transport provision is one of the first victims of the Euro crisis. We have to get an important message across to the EU's policy-makers: a sustainable future depends on investment in a modern, efficient and attractive public transport network, both at European level and in our conurbations. That is the only way to achieve the goals of the Commission's Transport White Paper.

Public transport has to be attractive to users – more attractive than the private car. It can no longer be the distressed purchase; it needs to be transformed into the mode of choice. That means understanding what users want, listening to passengers. It is EPF's job to get that message across.