

B-Rail Position Paper on the proposal by the European Commission for a revision of the PSO interpretative guidelines concerning Regulation (EC) No 1370/2007 on public passenger transport services by rail and by road

Lisbon, 20 April 2002

The Portuguese Barraqueiro Group, one of the largest companies acting on the transport sector in the Iberian Peninsula, developed, over the last three years a detailed analysis of the Portuguese passenger rail transport sector, with the support of international consultants (Steer and LBC) with recognized knowledge of the transport and rail sector, having concluded by the feasibility and interest, from an economic, social and environmental point of view, in the development of rail passenger services in the railway Portuguese Atlantic axis (Braga-Porto-Lisboa-Faro) and also in the international connections Porto-Vigo and Lisbon- Madrid.

Following those analyses, it was created the Portuguese company B-Rail, Mobilidade Ferroviária, Lda. ("B-Rail"), with the main purpose of operating passenger rail transport services.

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It is therefore with satisfaction that B-Rail welcomes the European Commission's relevant and important initiative to revise the interpretative guidelines concerning Regulation (EC) No 1370/2007 on public passenger transport services by rail and by road.

The relevance of the Commission's initiative to provide updated guidelines on the PSO Regulation is beyond doubt.

Uniform and clear understanding and consistent application of the Common Rail Passenger Market legal framework by EU Member States is crucial for the functioning of the rail market.

It is fundamental to clarify the application of the criteria which justify the award of PSO when conditions exist for the development of open access services, and which are prevented from being developed by the existence of PSO contracts.

It is also essential that PSO contracts are used as a last resort, in a transparent and non-discriminatory way, and should not hinder or block the development and functioning of the internal market, especially when there are proven possibilities to have viable open access services.

Under the terms of the European legal framework applicable to the rail transport sector, the completion of the single market translates into equal access, and this is manifested, from the outset, in access to the service itself, in access to the railway infrastructure, in the access to non-unfavourable conditions for the supply of rolling stock. In addition, it is necessary to ensure that the imposition of PSO or its compensation does not cause distortions between operators.

As mentioned, B-Rail also intends to establish international rail passenger services, and therefore considers it essential for the development of international services that hybrid services are available in a transparent and non-discriminatory way to all operators, both incumbents and newcomers, as so far there are inconsistencies or inaccuracies that do not allow a favourable framework for the development of services by new entrants.

Although B-Rail does not belong to the ALIRAIL (Alliance of Passenger Rail New Entrants in Europe), we believe that the position expressed by this association in its document entitled



"Feedback on the draft Revised interpretative guidelines concerning Regulation (EC) No 1370/2007 on public passenger transport services by rail and by road" reflects the spirit and positions that B-Rail considers fundamental to take a path that ensures the development of open access operations and the consequent growth of the rail passenger market.

As mentioned, these guidelines are relevant and important, but we cannot fail to stress the need for changes and improvement in the existing legislation, to have a clearer regulatory framework that effectively allows a sustained development of the open access rail passenger market.

Sincerely,



Member of the Board