

Exploratory Study on passenger rights in the multimodal context

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77/SI2.760997

“Multimodal transport – towards the future”:
passenger multimodality workshop on
studies

Brussels, 26 February 2019



The better the question. The better the answer.
The better the world works.

AGENDA

INTRODUCTION

SCOPE AND METHODOLOGY OF THE STUDY

MARKET SIZE, LEGAL GAPS AND PROBLEMS

POTENTIAL SOLUTIONS

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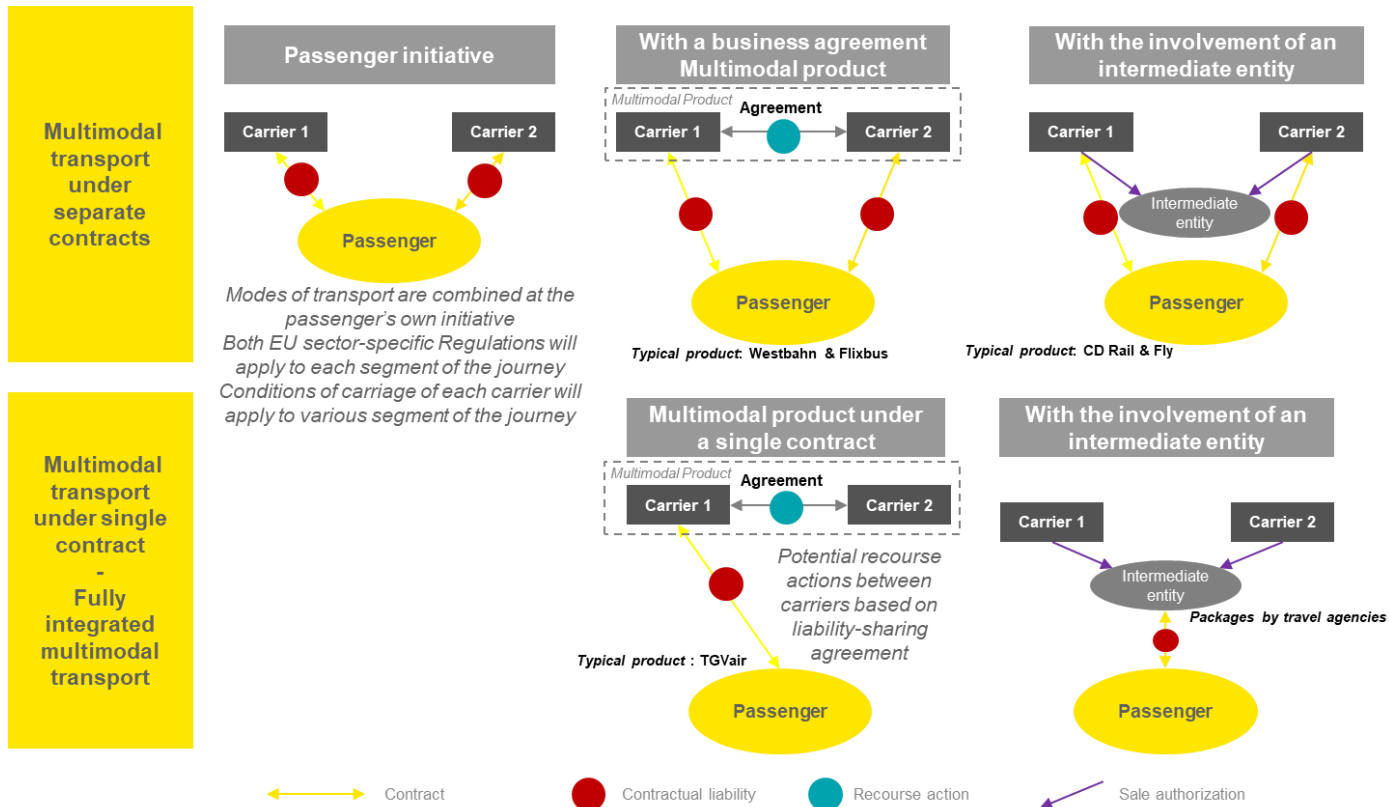
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SCOPE OF THE STUDY

This study focuses on the problems faced by passengers in case of multimodal journeys



Urban and local transport services are excluded from the scope of the analysis.

METHODOLOGY OF THE STUDY : 4 steps inspired by the Better Regulation Guidelines

4 steps based on the Better Regulation Guidelines	Various tools & assessment methods
<ul style="list-style-type: none"> ✓ Problem definition ✓ Identification of policy packages ✓ Policy packages analysis ✓ Comparison of policy packages 	<ul style="list-style-type: none"> ✓ Data collection tools ✓ Specific consultation aimed at the validation of assumptions ✓ Targeted desk research conducted in Member States



-  61 interviews
-  101 contributions to the online survey
-  Specific stakeholders' consultation
-  12 Targeted Member States Fiches

Quantitative data

- ▶ Robust and comprehensive for market sizing
- ▶ Insufficient to support robust findings on the effects of policy packages



Data on legal frameworks

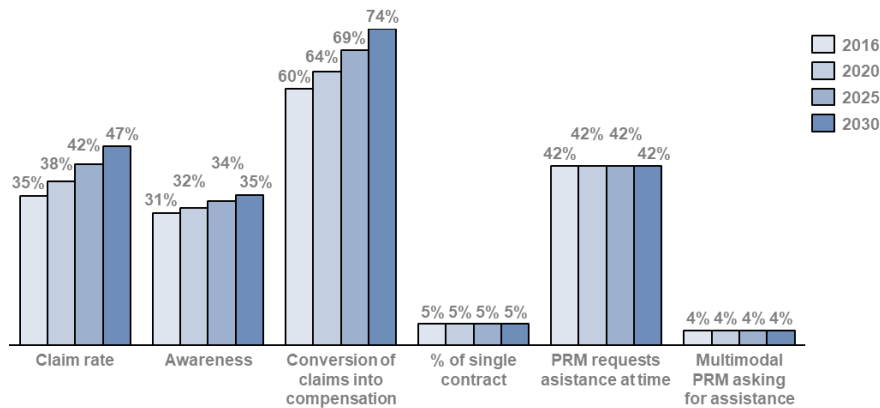
- ▶ European and national mapping
- ▶ Comparative analysis of respective scope of applications

MAIN ASSUMPTIONS USED IN THE CALCULATOR

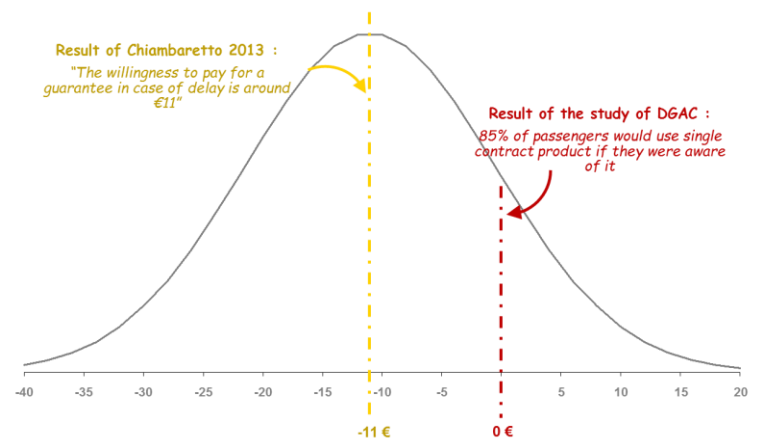
▶ Key parameters:

- ▶ Market share for single contracts
- ▶ # of disruptions
- ▶ Awareness, elasticity of claims related to awareness, conversion of claims into compensation
- ▶ For PRM: decrease of deterrent ratio, % of PRM asking for assistance on time
- ▶ Methodology to calculate compensation

Examples of parameters for the baseline



Distribution law of multimodal passenger using separated contract
The willingness to pay for a guarantee in case of delay



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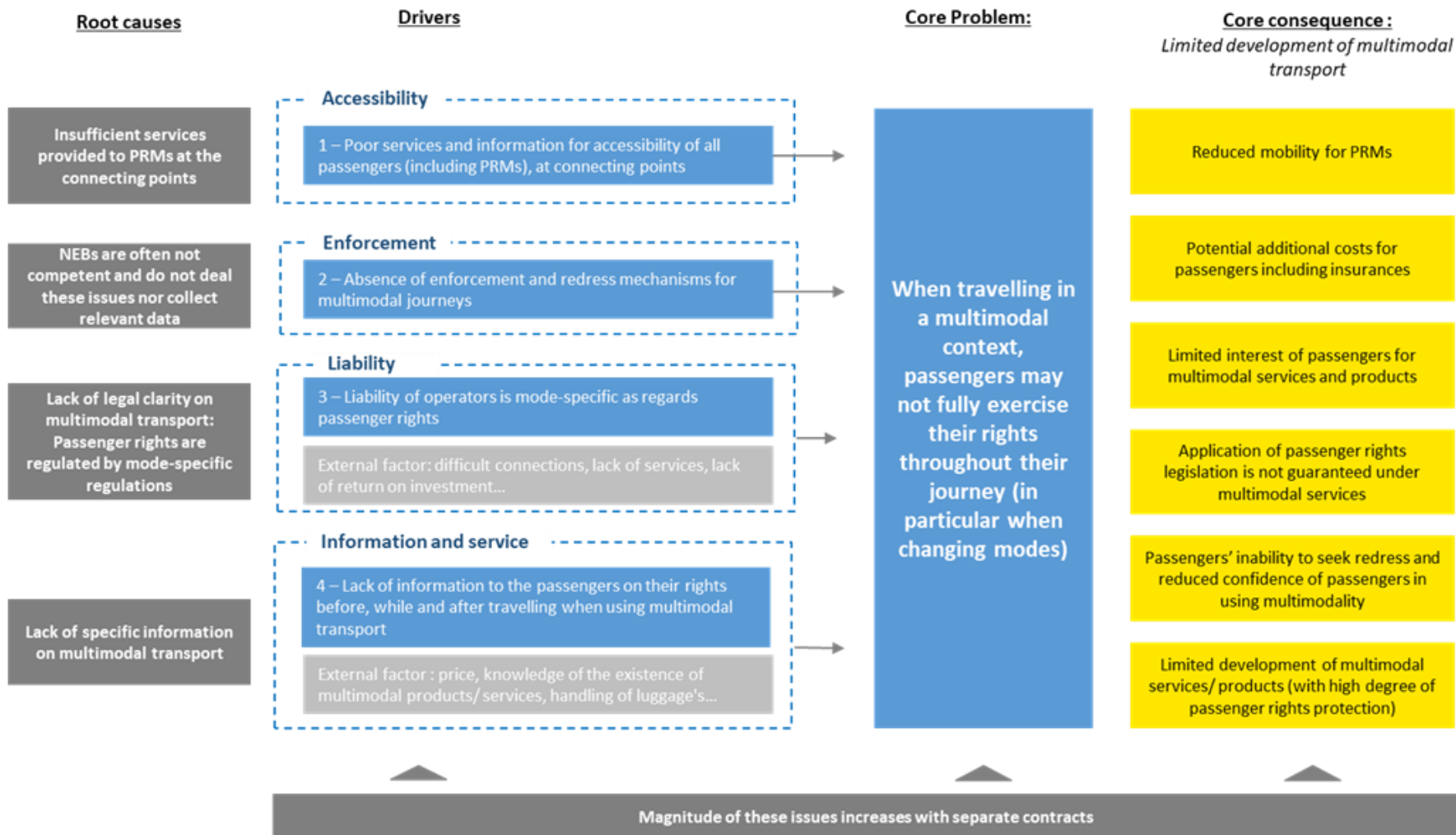
MARKET SIZE AND LEGAL GAPS

Market estimated at 65.7 million PAX in 2016 (mostly air-rail). Single contracts = 5% of the market; separate contracts 95% of the market in 2016:

Segment	Air – Rail	Air – Coach	Rail – coach	Ferry + X	Total
Multimodal products based on single contracts	2.1	1.1	0,0	~0	3.3
Multimodality based on separate contracts	40.6	20.9	0.9	~0	62.4
Total	42.7	22.1	0.9	~0	65.7
Expected annual growth from 2016-2030 (in %)	2.9%	2.8%	0.8%	~0	2.8%
Total expected in 2030	63.7	32.3	1.1	NA	97.0

Legal gaps on PRMs' right to information and assistance, right to redress and enforcement, absence of harmonised standards between existing regulations, right to information.

PROBLEMS



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1 First policy package based on self-regulation

2 Second policy package based on soft-law measures

3 Third policy package consisting of a mix between soft-law measures and the revision of existing passenger rights regulations

4 Fourth policy package based on a mix between soft-law measures and the adoption of a new legislative instrument specific to multimodal journeys

All the policy packages have been compared to two baselines:

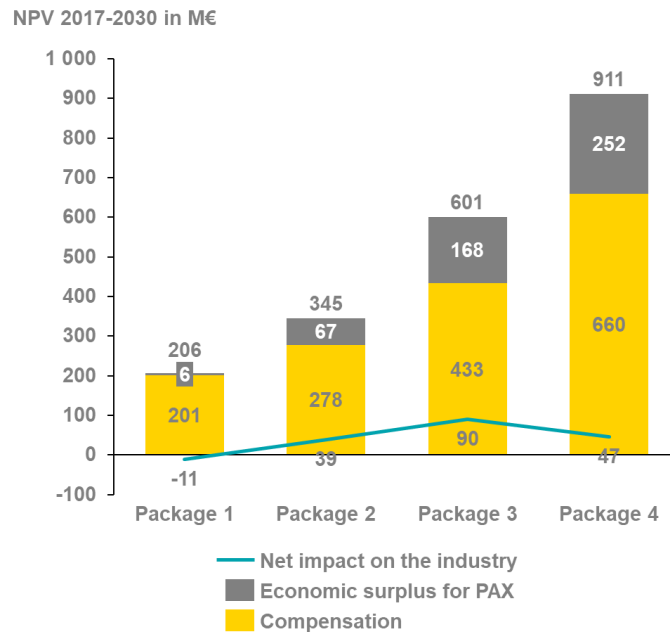
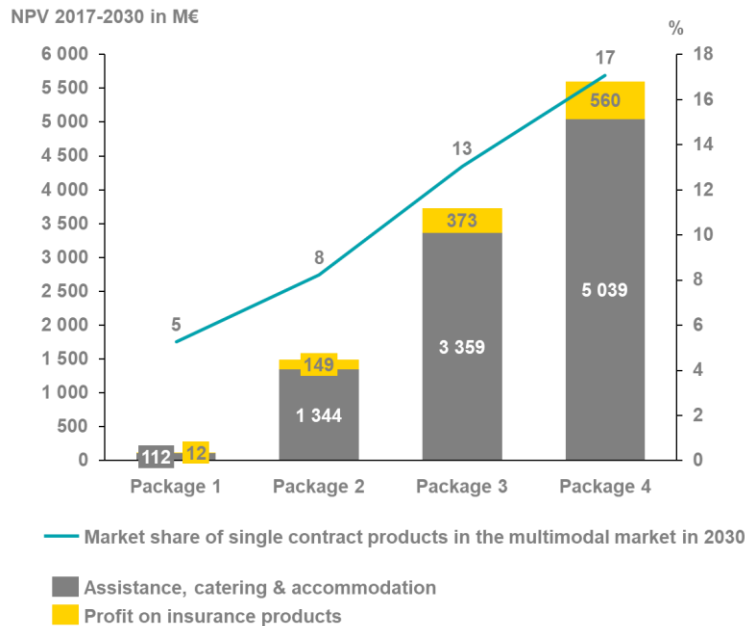
- Main baseline assumes that the legislative proposal to modernize Regulation (EC) No 261/2004 on air passenger rights is adopted with its components on multimodal transport
- Alternative baseline without the adoption of the proposed revision of Regulation (EC) No 261/2004

CONCLUSIONS AND RECOMMENDATION

MAIN BASELINE

Proposal to modernise Regulation (EC) No 261/2004 is adopted

With the main baseline, policy package 4 looks like the best option:



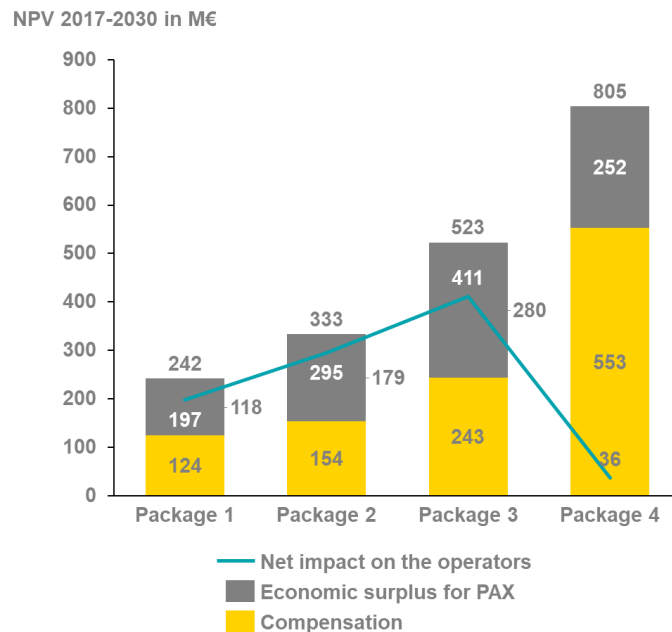
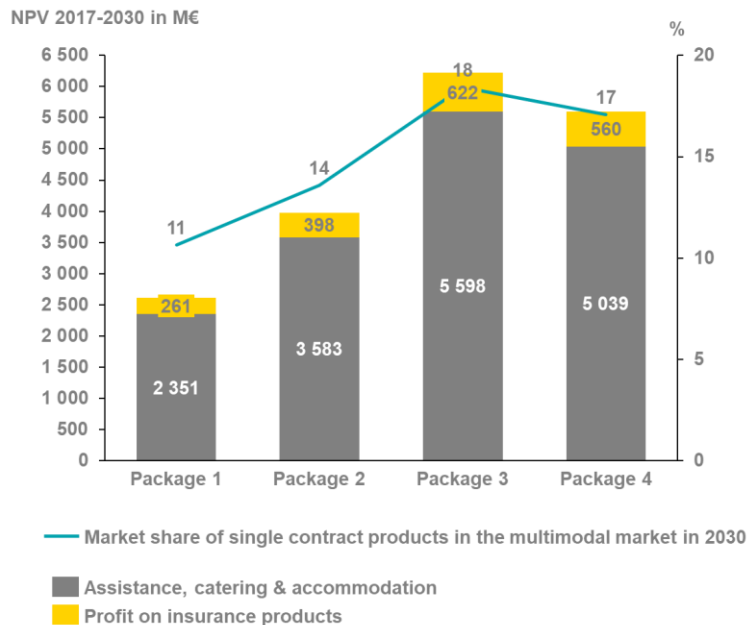
- ▶ Main difference between all options is the level of awareness of passengers, which is linked to the measures on information.
- ▶ As policy package 4 is expected to have the highest impact on this aspect, by creating a dedicated regulation on multimodal transport, it is in the end the best option considering as well the sum of all impacts on stakeholders.

CONCLUSIONS AND RECOMMENDATION

ALTERNATIVE BASELINE

Proposal to modernise Regulation (EC) No 261/2004 is **not** adopted

With the alternative baseline, policy package 3 looks like the best option:



- ▶ With the alternative baseline, policy package 3 is expected to provide the best environment for the development of single contract products offering the best protection to passengers while leaving a substantial profit for operators.

IN A NUTSHELL...

- 1** The analysis of impacts of policy packages remains too uncertain to support definitive findings

- 2** Therefore, as we cannot be sure that an action at European level would not hinder the development of multimodal transport today, the main conclusion that we can draw from this analysis is that it is better to wait and monitor closely the evolution of the market in the coming years, before taking any legislative action

Thank you for your attention