

Railway reform in Finland

Brussels

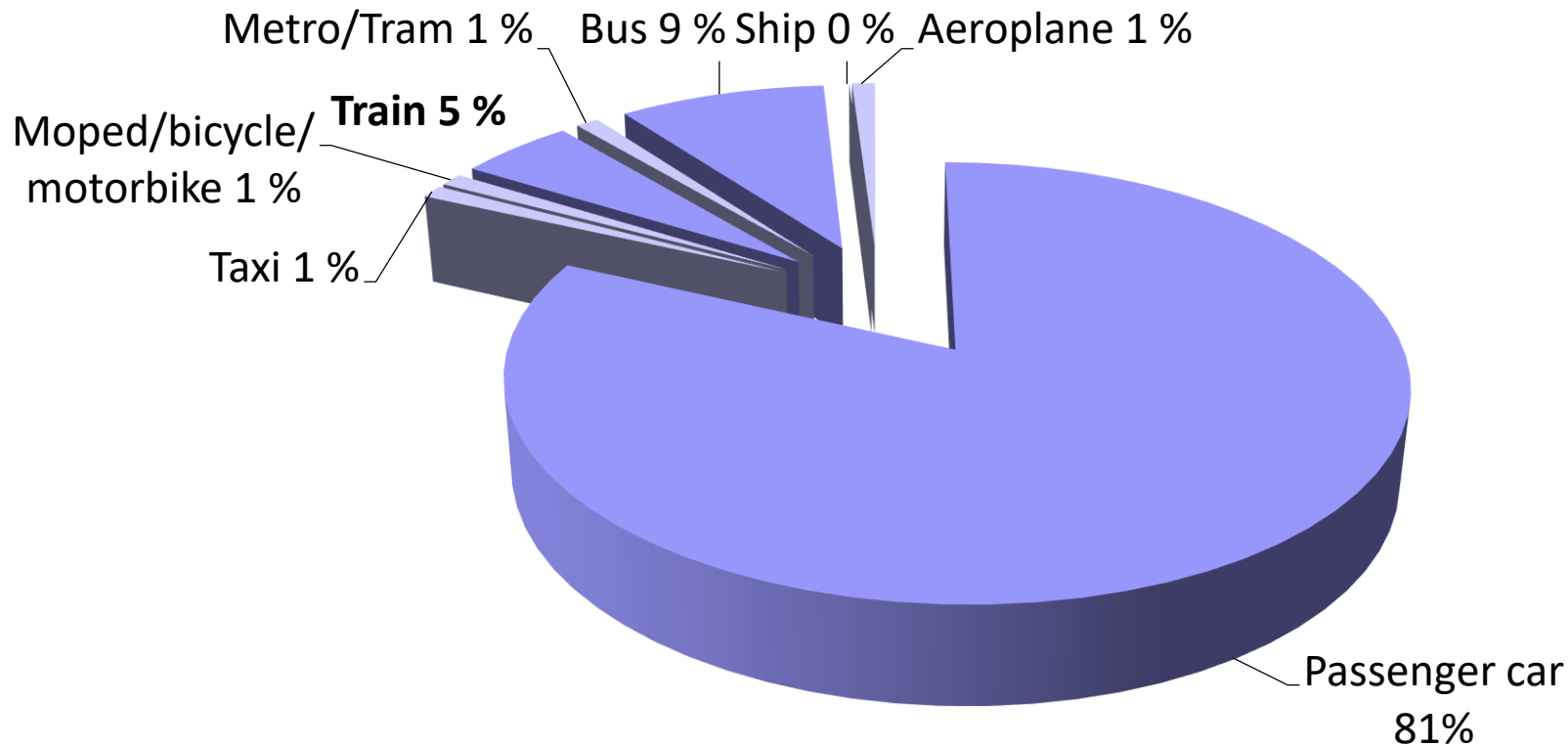
30 May 2018

Current passenger rail transport arrangements in Finland

- Ministry of Transport and Communications
 - Ministry – VR agreement: exclusive right for VR to provide passenger rail services until the end of 2024
- Helsinki Region Transport (HSL)
 - HSL – VR agreement: exclusive right for VR until June 2021 (commuter rail services in the Helsinki region)

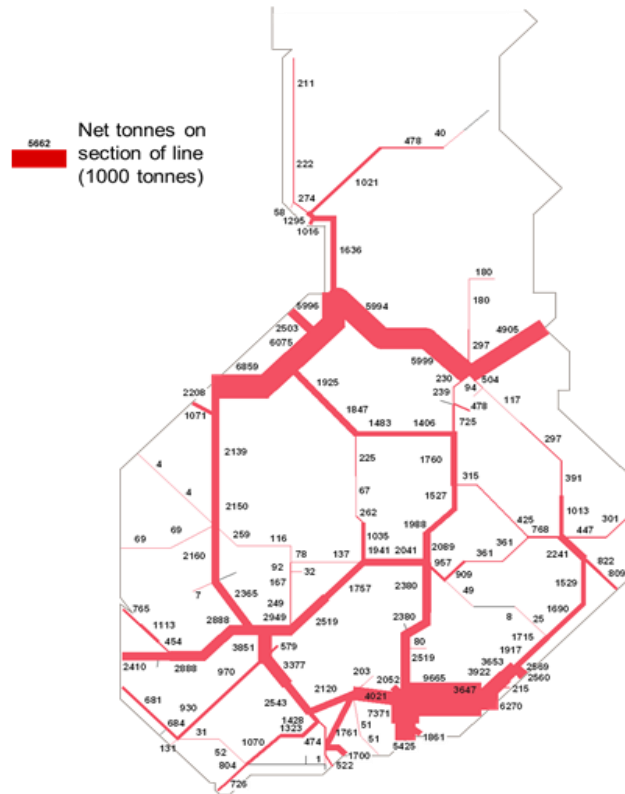
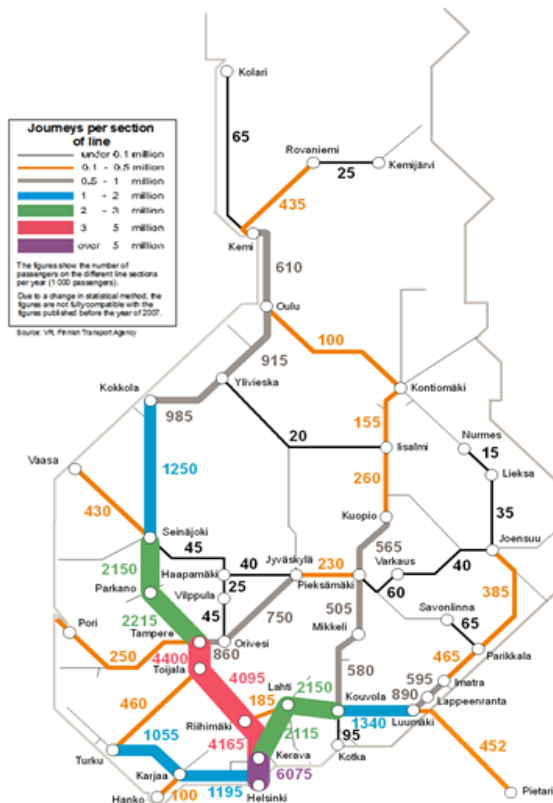


Division of passenger transport in Finland



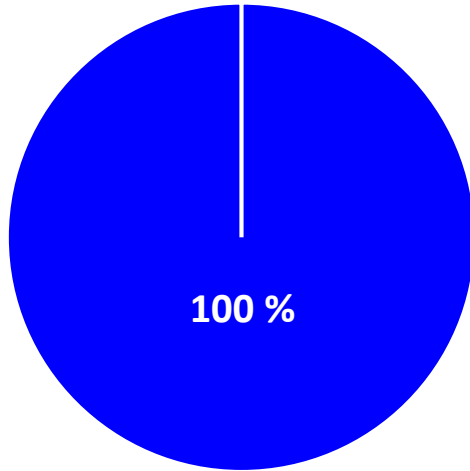
Passenger and freight volumes 2016

- 82 million passenger rail journeys
- Over 85 % commuter or regional rail transport



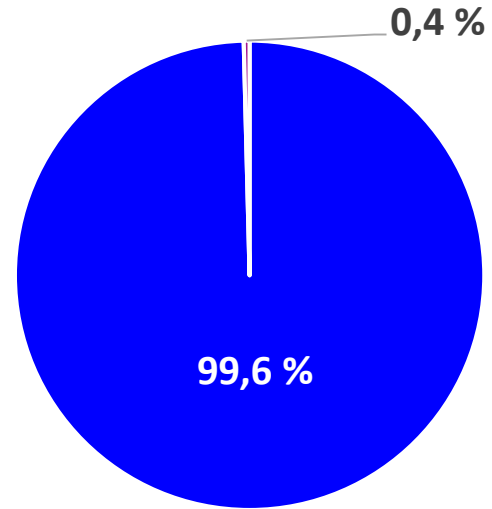
Market shares of railway operators

Passenger rail services
(2017)



■ VR

Rail freight services
(2017, ton kilometres)



■ VR ■ Fenniarail

Rail transport services

- **Purchased services:** state support EUR 32.2 million a year
- **Rail transport services under public service obligation:** no state support, obligation to provide services in return to the exclusive right to provide rail transport services (max. EUR 20 million a year).
- green: overnight train service



Purchased services



Rail transport services under public service obligation

Objectives of the railway reform

- Increase and diversify the supply of rail transport services
- Promote fare competition
- Increase the share of rail transport
- Improve the efficiency of service provision – more transport services in return for public support
- Create favourable conditions for economic growth

Government's railway reform: key decisions

1. Opening passenger rail services for competition

- Passenger rail services will be opened to competition in stages
- First contract to be tendered out: Southern Finland regional rail services

2. Creating a level playing field

- Three different state-owned companies will be separated from VR-Group.
- These are: a rolling stock company, a maintenance company and a real estate company

Southern Finland regional rail services



Key lessons learned so far

1. Create a level playing field for all operators
2. Determine key goals for your tender
3. Plan and create your tender according to the goals you want to achieve

Thank you!

