RESPONSE TO THE PUBLIC CONSULTATION ON THE
"DEVELOPMENT OF INTEGRATED TICKETING FOR AIR AND RAIL
TRANSPORT"

UNIFE Contribution

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UNIFE, the Association of the European Rail Industry, represents 62 of Europe's leading large and medium-sized rail supply companies active in the design, manufacture, maintenance and refurbishment of rail transport systems, subsystems and related equipment. A further one thousand suppliers of railway equipment partake in UNIFE activities through 18 national rail industry associations. UNIFE members have an 80% market share in Europe and supply more than 50% of the worldwide production of rail equipment and services.

UNIFE represents its members' interests at the level of both European and international institutions. On the technical side, UNIFE is also committed to creating a truly European railway system: the association works on the setting of interoperability standards and coordinates EU-funded research projects that aim at the technical harmonisation of railway systems.

UNIFE's mission is to pro-actively develop an environment in which UNIFE members can provide competitive railway systems for increased rail traffic.

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Introduction

UNIFE as the representative of the European Rail Industry welcomes the opportunity to contribute to Commission's consultation on the "Development of Integrated Ticketing for Air and Rail Transport".

UNIFE would like to contribute to the debate on integrated ticketing for air and rail transport by delivering the following key message:

> Integrated ticketing for air and rail transport via independent distribution channels allows for a better combination of different modes of transport, namely air and rail. This can serve as a highly effective tool for increasing the attractiveness and accessibility of rail also via third parties such as travel agents or internet platforms. It would also raise the attractiveness of combining air and rail transport and thus decrease the need for short-haul connecting flights on long distance journeys.

Scope of air-rail integrated ticketing:

Question 1: What is in your opinion the market potential for these services?

UNIFE considers that there is, in fact, considerable market potential for integrated air-rail ticketing as existing examples demonstrate. A number of factors play an important role in this aspect:

Airports serve as hubs, either for relatively large geographic areas or for long-distance passenger transport. A transparent and effective integrated ticketing system would allow for better information on rail access and for direct comparisons of prices and travelling connections. This would lead to higher comfort when booking and travelling.

Such systems would also enhance the comparative attractiveness of using rail to accede airports in comparison to other modes, such as private cars. By increasing rail access and decreasing the need for short haul flights, such systems would also have the positive side-effect of deflecting transport to a more environmentally-friendly mode of transport and thus decreasing CO_2 emissions. The choice of rail and air operators to provide travellers with viable offers can thus serve as an incentive to choose rail.

In fact, the market potential of rail travel is not fully exploited at present because rail tickets are not offered through the platforms most frequently used by passengers (e.g. Expedia, Opodo, etc.) and travel agents (such as Amadeus) when planning journeys. Therefore, a lack of transparency on timing and pricing in comparison to air, especially on cross border journeys, exists. Today, passengers need to purchase train and air tickets in two separate steps and price information on trains other than the country of purchase is often not available. Integrated ticketing systems could remedy this situation.

Integrated ticketing systems may actually also serve to increase competition in rail transport. There is considerable market potential for new entrants that specialise in providing transport services to, from and between airports. Some air carriers have, in fact, already demonstrated some interest in providing such services.

Furthermore, there is, of course, considerable market potential for those companies involved in the design and installation of systems. These could also provide Europe with a new competitive edge in the transport sector as a whole.

Question 2: What are your comments on the scope of integrated ticketing as proposed, as a first step in 5.1? Do you think the scope should be extended to other modes of public transport?

UNIFE considers the scope proposed as a first step to be appropriate. These developments should, however, go hand in hand with a further improvement of international ticketing of rail operators. The Railteam cooperation of seven European rail operators is already an important step in the right direction. However, so far passengers still have to choose a specific carrier in order to purchase their tickets, a centralised system or the participation of other platforms (such as Expedia, Opodo etc.) is not announced. Therefore, much more could be done to improve the quality of international train connections and ticketing. Especially in smaller Member States, the quality of cross-border high-speed connections is vital to enhance the use of trains also in combination with long-distance air travel. In combination with an efficient platform for transport, the attractiveness and competitiveness of European high-speed rail in comparison to the plane would become much more prominent.

Furthermore, UNIFE would like to point out, that technically it is feasible to include urban public transport in the scope of such an initiative as e.g. the German initiative "Fahren und Fliegen" (www.fahren-fliegen.de) of the VDV demonstrates this. The inclusion of urban public transport would also allow the system to cover "the last mile" and to provide integrated ticketing from door to door.

In addition, UNIFE favours a harmonisation of contractual provisions applicable by the various carriers and in particular rules on responsibility. This would result in more reliable services to passengers.

Question 3: What are, according to you, the connections on which air-rail services are possible, in particular in relation to the criterion of the quality of the airport/railway station interface?

As pointed out by the European Commission in its consultation paper, especially those airports where a high-speed train connection exists are particularly viable for offering integrated air-rail tickets. In its consultation paper, the European Commission mentions two scenarios where such a scheme should be applied. This should be airports where high-speed connections exist at the airport itself (such as Frankfurt-Airport, Cologne/Bonn airport, Paris Charles-de-Gaulle, Amsterdam-Schiphol, etc.) or where there is a high quality connection between the airport and a high-speed train station (e.g. Brussels, Madrid).

UNIFE welcomes these two scenarios, but would like to see other connections included in such a scheme.

- ▪ **Urban city centre to airport:** Integrated ticketing should not only apply to the high-speed connection but also to simplify transport from the city centre to the

airport. Where good train connections between the city and the airport exist, they provide the fastest, safest and most environmentally friendly means of transport to and from the airport. Therefore, their use should be encouraged through integrated ticketing. Furthermore, in this segment, there is no direct competition between air and rail transport. Cooperation could thus be easily envisaged and integrated ticketing would also ease passengers' access to and from airports via public transport. The London airports would be a good example.

- **Urban public transport to airport:** At airports where urban public transport is available, a similar argument applies as above. The abovementioned initiative "Fahren und Fliegen" is a good example of the feasibility of such schemes.
- **Regional trains to airport:** Airports usually do not only serve a city but wider regions. It is therefore desirable to encourage rail travel to airports not only from urban city centres but also from smaller cities and towns in the region. Good examples are Prestwick airport or Brussels airport once the Diabolo project is completed.
- **Medium-distance (high speed) trains to airport:** These connections have the potential to serve entire countries, and given better cross border connections between rail operators even several countries, and will thus decrease the need for short-haul flights, just as envisaged by the European Commission in its consultation paper. This effects have already become visible between e.g. Madrid and Barcelona; London, Paris and Brussels.

Institutional Framework

Question 4: What is your opinion on the feasibility and the contents of the voluntary agreement as proposed at point 5.2? Would you be ready to take part in it?

UNIFE welcomes the introduction of a voluntary scheme to foster integrated air-rail ticketing, but remains doubtful that such a system will have any considerable effects. Much of its effectiveness depends on the willingness of both air and rail operators to provide such services. Especially in rail transport there have so far not been any major attempts to open distribution channels to other platforms apart from those of operators and travel agencies. If rail operators do not consider such ticketing systems to be in their business interest, such systems will not have the desired effect. Thus the Commission should be prepared to draw up more binding measures in the future in order to allow passengers high quality access to information on different offers, time tables and particularly prices.

Technical aspects:

Question 5: What are your comments on the technical solution proposed for the integrated air-rail ticketing and the operating mode of the system as described at point 5.3? Do you see any problems related to it and if so, which ones? Can you envisage any alternative solution which could be satisfactory as far as a swift and economical implementation is concerned?

UNIFE considers the technical solution proposed for integrated air-rail ticketing to be feasible. A number of standards already exist in rail and especially in air travel that could incorporate such integration. Existing rail codes would only have to be extended to include airports and planes. Conversely, the Amadeus system already allows for the inclusion of train companies and is presently used by the SNCF.

In this context, the elaboration of the TAP TSI as foreseen should be strongly supported as this will eventually facilitate the exchange of information between air and rail, different rail operators, and carriers and distribution platforms even further.

Furthermore, when developing such standards, technical developments and the systems preferred by operators should be taken into account.

Project Management:

Question 6: Which is the most appropriate management structure for the first phase of this project?

In terms of the most appropriate project management, UNIFE would like to point out, that a transparent structure is needed that involves all the concerned actors and ensure accessibility to all market participants, including third parties such as internet platforms. Furthermore, UNIFE would like to reiterate that a more formal structure would be helpful. UNIFE considers it unlikely that the actors involved will shoulder the cost for the development of the above standards by themselves. Therefore, political pressure and financing from the European Commission will be necessary in order to advance integrated air-rail ticketing. Experience from the rail sector has shown that standardisation not only increases compliance but also competition. Such a move needs to be encouraged politically as well as financially in order to strengthen rail passenger transport as the safest and most environmentally friendly mode of transport.

Operational aspects:

Question 7: Are the problems involved in air-rail integration mainly of an *operational* nature or are they rather related to the *distribution* of the product? In the first case, please specify.

The problems of air-rail integration are mainly of an operational nature. It is the commitment of both air and rail operators that is needed in order to proceed with the integration of these two modes. In order to achieve such systems, particularly rail operators will have to allow for wider distribution of their tickets, including via

independent platforms. If no attractive or easily accessible offer exists, then passengers will not choose it. Once such an offer exists, the distribution of the product as such is not a problem. The modern distribution techniques are available. Such wider distribution may ultimately also help increase rail transport and thus to optimise the use of rail infrastructure as a public good.

Question 8: How important is it to travel with registered luggage on the entirety of the intermodal journey? Which solutions do you envisage?

UNIFE acknowledges that it would be desirable but not necessary to have the possibility to register luggage on the entirety of all intermodal journeys. While this offer is available for some, this is not so for the majority of European train lines. Making this a requirement could delay the success of the project more than considerably.

Also, the differences in security requirements between air and rail pose a problem. As a first step, UNIFE suggests not to require luggage handling on the entirety of the journey in order to be able to proceed with the integration swiftly. Due to their nature, urban public transport would have to be excluded from such schemes altogether, if they were mandatory.

This should, of course, not preclude those cases where such offer already exists or where there is a strong case for introducing such an offer.

UNIFE suggestions:

Do you have any further comments on the text of the document? Do you have suggestions regarding action at Community level which was not mentioned in this document?

UNIFE would like to reiterate that it supports all action that enhances the sustainability of transport in Europe. Integrated air-rail provides an interesting opportunity to decrease the need of short haul flights and to enhance the integration of European rail transport. The distribution of rail tickets independent of their operators – just as in air transport - also has the potential of making rail travel in Europe more competitive.