



European Commission - DGTREN F4
Integrated Ticketing Consultation
Rue De Mot 24 5/92
B-1049 Brussels

4 September 2008

Subject: Consultation on Integrated Ticketing for Air and Rail Transport

The International Air Transport Association (IATA) represents 230 airlines comprising approximately 93% of scheduled international air traffic.

For many years IATA has been strongly promoting the concept of air-surface intermodality as being an important component of our efforts to simplify passenger travel. As DG TREN services know, IATA has been actively involved in the discussions of the RAIFF (the Rail Air Intermodality Facilitation Forum), together with other experts.

This consultation therefore comes as a surprise to IATA as Integrated Ticketing standards have been in place and in use for a number of years. The IATA-led Travel Partners Standards Council (TPSC), has brought together airlines and surface transportation companies to develop and maintain standards that facilitate the exchange of passengers between different modes of transportation. The TPSC has developed standards for reservations, ticketing and documentation of passengers for use by the Global Distribution Systems (GDSs), Airlines and Travel Agents. These standards include the processes for Travel Agents to issue Intermodal tickets and report their sales through the IATA Billing and Settlement Plans (BSPs). IATA publishes these agreed standards in the Travel Partners Standards Council Manual.

Participation in the TPSC is voluntary and is open to IATA Member airlines and surface transportation companies. *European* non-airline members of the TPSC include: AccesRail, Deutsche Bahn, Eurostar Group Limited, Société Nationale des Chemins de fer Français and Stena Line Limited.

In addition IATA's Passenger Services Conference has adopted a Recommended Practice¹ that sets out the ground rules for 'interlining' between air transport and surface transportation providers. The Recommended Practice includes standards for Intermodal transfer of baggage for those providers that are willing and able to do so.

¹ PSC Recommended Practice 1780e IATA Intermodal Interline Traffic Agreement – Passenger, attached

AccesRail² is a valid example of how the IATA-developed Intermodal interline standards are applied. AccesRail is an alliance of railway companies created to provide railways with an interface to the GDS companies using standard airline systems. Railroads are displayed on the primary screen of GDS airline displays using Abacus, Apollo, Amadeus, Axess, Sabre, Worldspan and Galileo, providing airlines and travel agents with a user-friendly method of selling rail, or joint air-rail, journeys to their customers.

IATA considers integrated ticketing to be important. However we do not realistically see it as being achievable to the extent suggested in the European Commission's consultation document. Fully integrated ticketing does not even exist within the air transport sector today where the system does not require participants to accept tickets issued by *all* other airlines. The IATA system (which is also open to non-member airlines) is a voluntary system concurred to by the individual participating companies. Air France, as an example, has concurred with 146 other scheduled airlines to accept each other's tickets while bmi has done so with 99³ airlines. Some airlines, for example the so-called LCCs (Low Cost Carriers), have consciously decided not to use GDSs to distribute their products. Such airlines do not accept *any* other airline's tickets and many of these will not even issue a single ticket involving flight connections between their own flights.

Beyond the economic aspects, legal and operational considerations join to limit the application of integrated ticketing. From a legal liability standpoint, the international carriage of passengers and their baggage by air and by rail are subject to entirely different legal regimes⁴. An integrated ticket also implies a single contract with the customer that raises serious uncertainty over the applicable liability regime. Such uncertainty would not only have consequences for the airlines and railways respective insurance requirements but also for the rights of passengers in the event of injury, delay or damage to baggage.

Additionally, airlines (but not railways) must obtain, and convey to immigration and customs officials, as many as 57 distinct data elements⁵ for each passenger. Failure to collect and report these elements can result in heavy fines, diversion of the aircraft or the passenger being denied entry. To overcome such operational and legal constraints, an integrated ticket that includes transportation by air, regardless of who issues the ticket must meet the much more stringent aviation standards. For these reasons IATA and its Members have chosen a more practical solution: to adapt the existing airline system to accommodate surface transport, when such demand exists.

A number of other technical and practical issues stand in the way of a single-ticket solution for Intermodal transport. Identification codes required for aviation and used in the GDS are very limited⁶. Expanding the number of codes has been considered, however the reprogramming of airline and GDS reservations systems to handle this would not be cost effective and would likely take many years to design and implement. However, despite the limitations, IATA has found solutions that give rail companies a reasonable number of codes facilitating sales of their services through the GDSs.

² See: <http://www.accesrail.com/>

³ Source: IATA Multilateral Interline Traffic Agreements Manual (MITA) 80th Edition, 1 June 2008 – 30 November 2008.

⁴ International carriage by air is governed by the Warsaw Convention 1929 / Montreal Convention 1999 regime but no such equivalent exists for international carriage by rail.

⁵ These include elements such as passenger name, passport type and number but also include elements such as the passenger address in the 3rd country, baggage tag number, form of payment, etc.

⁶ As an example only 6,000 or so 'location identifier codes' are unassigned. Germany alone has more than 5,700 rail stations.


The European Commission's paper appears to stray from its remit on integrated ticketing into matters such as obligations to share information, including proprietary or competition-law sensitive information, baggage handling, GDS displays and pricing.

Another factor not mentioned in the consultation paper is the effect the forthcoming deregulation of rail services within the European Union will have. Deregulation may have a significant impact on European rail services and the market-driven changes that will result could have a significant effect on intermodality. The deregulation process has just begun and we are of the view that as this progresses air and rail providers will be seeking market-based solutions which will improve the travelling experiences of our joint customers.

Additionally air/rail intermodality requires that the necessary infrastructure must be in place. Connections that involve rail stations even a short distance from the arrivals hall at the airport are unlikely to attract the interest of the passengers. Today, as mentioned in the paper, only five EU airports provide connections to High Speed Train Services. This is unlikely to increase significantly in the near term. However IATA is confident that the integrated system already in place will meet the needs as the infrastructure and connectivity between air and rail is improved over the coming years.

In conclusion IATA, its Members and Partners have already successfully delivered an integrated ticketing system based, for the reasons stated above, on the airline system. As rail operators, and in particular, high-speed rail operators, have increased their capabilities the number of markets where this is available has increased and this trend continues. Against this background IATA considers this consultation process unnecessary and considers any regulatory intervention to be unwarranted.

With best regards,



Monique DE SMET
Regional Director, Europe
European Regional Office
Tel +32 626 1820
Fax +32 648 5135
desmetm@iata.org

Attachment : 1