



IA support study for a proposal addressing market challenges for MDMS and a CBA for revising the MMTIS Delegated Regulation

1st Stakeholder workshop, 22 February 2022

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- Welcome and project summary
- Summary of the Inception Impact Assessment feedback
- Presentation of the problem, drivers and root causes
- Overview of engagement activities, including requests for information
- Closing

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Study objectives and background



- Support the Commission in further strengthening the legal framework to facilitate the deployment and operational use of multi-modal transport across the EU
 - Impact assessment (IA) – **New proposal addressing market challenges for the development of Multimodal Digital Mobility Services (MDMS)**
 - Cost-benefit analysis (CBA) - Revision of Delegated Regulation (EU) 2017/1926 on Multimodal Transport Information Services (MMTIS)
- This legal framework should **improve the functioning of the transport system** and enhance interfaces between **all modes of transport** – traditional and novel ones – and, in doing so, reduce the negative external effects of road transport and benefit all transport users
- The proposed new initiative on MDMS will clearly help to support, and contribute to implementing, the Sustainable and Smart Mobility Strategy’s Flagship 6 on “*making connected and automated multimodal mobility a reality*”
- **Definition of MDMS** aligned with the definition used in the revised ITS Directive (plus consideration of digital mobility services offering the same services for one mode of transport only):
 - *MDMS means a service providing information on traffic and travel data such as location of transport facilities, schedules, availability or fares for more than one transport mode, which may include features enabling the making of reservations, bookings or payments or the issuing of tickets.*

Study timeline

- **Inception phase (Jan-Feb 2022)**
 - Draft problem definition
 - Initial list of measures
- **Analytical phase (Feb-Apr 2022)**
 - Problem definition (final)
 - Baseline development
 - Policy measures/options (final)
- **Assessment of impacts (May-Jul 2022)**
 - Impact assessment (incl. modelling of options)
 - Comparison of options
- **Stakeholder consultation (throughout the study)**
 - Survey
 - Interviews
 - Workshops / Expert Group meetings
 - Case studies / Data requests
 - Inception Impact Assessment (closed) / Open Public Consultation (open)

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Inception Impact Assessment: Introduction

Commission identified three key problem drivers, three specific objectives and three policy options

Problem drivers	Specific objectives	Policy options
<ol style="list-style-type: none"> 1. Opaque conditions for combining and re-selling mobility products in land based modes, waterborne and maritime transport 2. Difficulty to ensure that incumbent MDMS do not adopt anti-competitive practices or that deployment of MDMS is not limited by anti-competitive practices 3. Difficulty to ensure that multimodal digital mobility services support transport sustainability 	<p>SO1: provide certainty and transparency for business-to-business commercial agreements for services re-selling mobility products for land-based modes, waterborne and maritime transport, as well as for agreements on journey continuation.</p> <p>SO2: Prevent harmful market effects which may arise from discriminatory behaviour of MDMS against operators, and ensure that the deployment of MDMS is not hampered by discriminatory practices.</p> <p>SO3: ensure that MDMS enhance the efficiency and sustainability of the transport system</p>	<ol style="list-style-type: none"> 1. Provide certainty and transparency for business-to-business commercial agreements for services re-selling mobility products for land-based modes, waterborne and maritime transport, as well as for agreements on journey continuation 2. Prevent harmful market effects which may arise from discriminatory behaviour of MDMS against operators, and ensure that the deployment of MDMS is not hampered by discriminatory practices 3. Ensure that MDMS enhance the efficiency and sustainability of the transport system

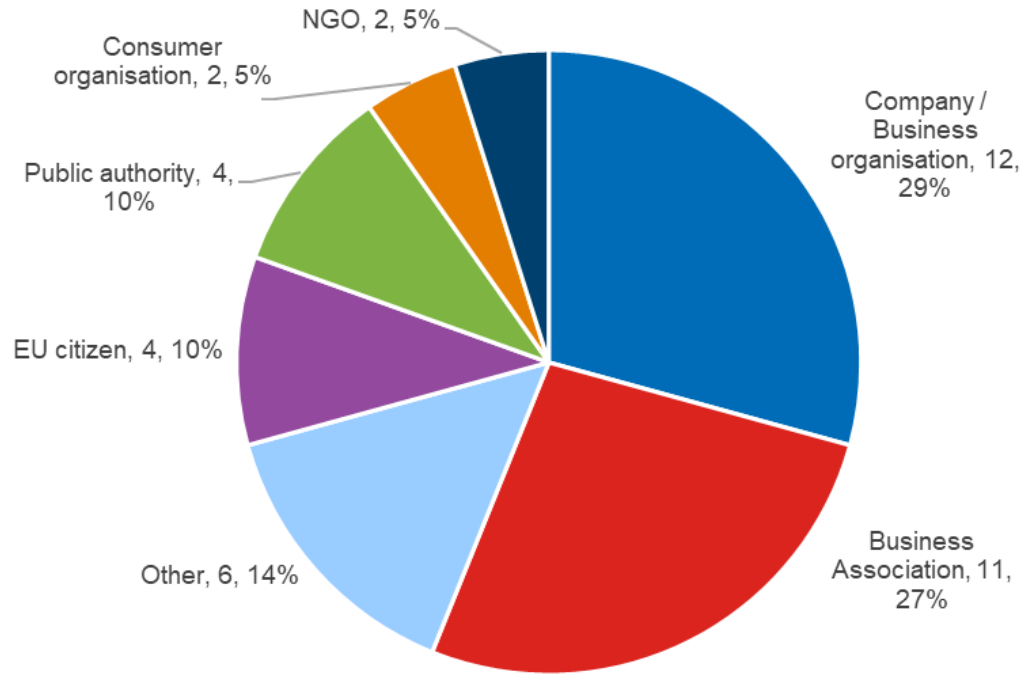
Inception Impact Assessment: Responses

The aim of the following summary is to provide and indication of the responses received.

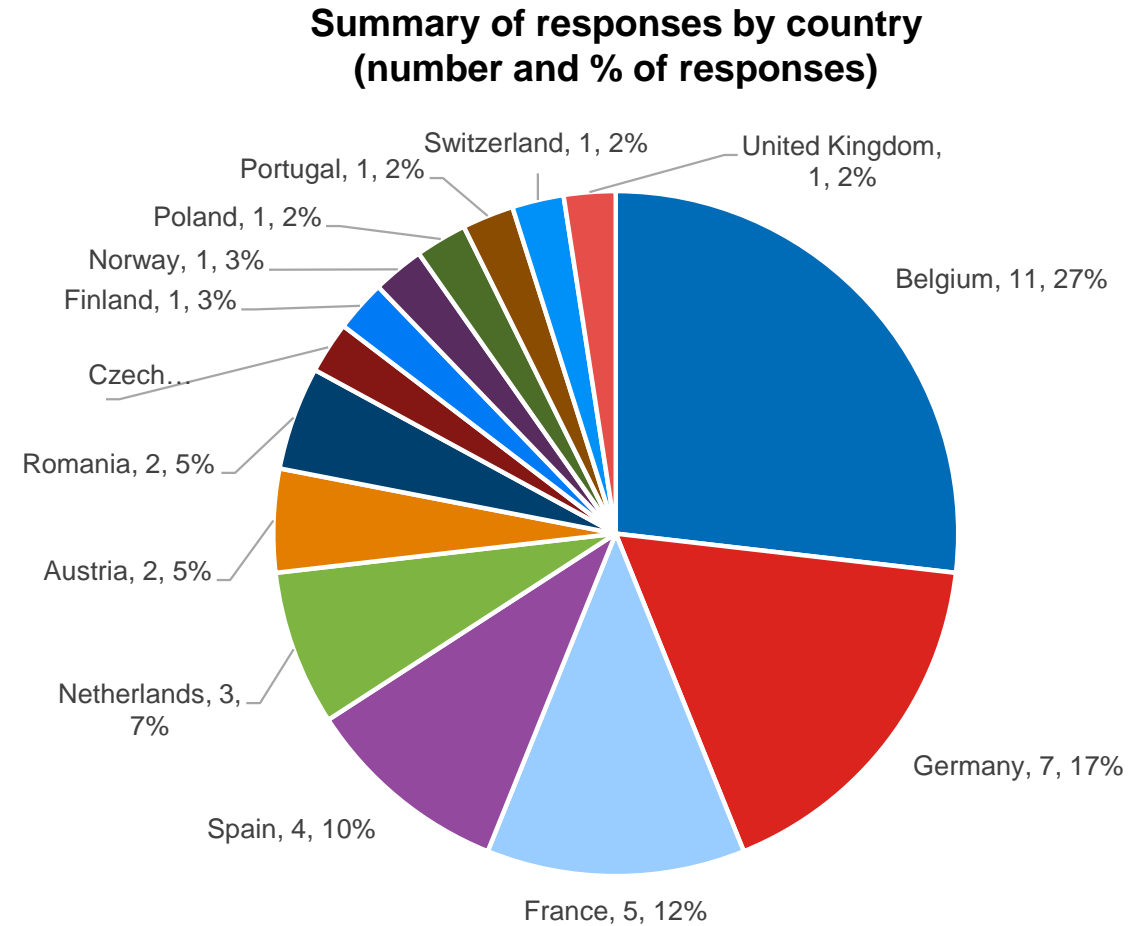
Where a sector is mentioned, the response should not be taken as being necessarily representative of the views of that sector.

**Stakeholder input is from the
Inception Impact Assessment
only
These are not study findings**

Inception Impact Assessment: Overview of respondents



Summary of responses by stakeholder type (number and % of responses)



Summary of responses by country (number and % of responses)

Feedback period: 05 October 2021 – 02 November 2021

Problem driver 1: opaque conditions for combining and reselling mobility products

- Authorities identified issues with **compliance with regional/national policy**
- Operators noted ticket resellers who **disproportionately increase ticket prices** or manipulate them unjustifiably
- Contrasting views on **liability**:
 - **Should fall to the causer of the delay**
 - Provisions should be **appropriate and reasonable**
 - **Adequate protection is needed for passengers** using combinations of different transport modes

Problem driver 2: difficulty with preventing anti-competitive practices (1)

- Challenge in creating a **fair ecosystem with both public and private companies**
 - Relationship between MDMS with (subsidised) public operators needs to be clearly defined, including on matters of **(1) use of travel information and commercial data, (2) capacity for integration, (3) capacity for rules for the sale of transport tickets**
- **Access to data is key:**
 - Including **real time information for passengers**
 - Harmonisation is needed regarding **data protection and commercial information of operators** towards MDMS platforms
 - **Access to mobility data is the main challenge for suppliers** – helps secure investments and also will help authorities and public entities to enable journey continuation
 - **MDMS need to give up on the data asymmetry** and the possibility to hold market players and authorities 'hostage' for their access to data
 - **Discriminatory practices in withdrawing / withholding data reduces competition** and prevent market entry and smaller transport service providers to compete
 - **Discriminatory behaviour of MDMS cannot be ruled out by laws alone.** The digital manipulation possibilities for passing on data with a time delay or in a restricted manner are too diverse

Problem driver 2: difficulty with preventing anti-competitive practices (2)

- **Unbundling of fares is a barrier** as intermediaries need access to information on different price components for consumers to effectively compare options
- **Free and fair market access and competition principles needed** to overcome fragmentation
- **Power asymmetry in negotiation** prevents entry/development and innovation of MDMS providers
- **Independent distributors should be free to market and price who they wish**, as long they take part of economic risk
- **Operator-owned MDMS should be focus of regulatory thrust** regarding self-preferencing and neutral display
- **Need to avoid the creation of only one or two online MMDMS platforms**
 - They would automatically become *gatekeepers*, resulting in a platform economy with the risk of (paid) algorithms deciding which is the preferred mobility solution.

Problem driver 3: difficulty with ensuring support for transport sustainability

- Making **consumers aware of CO2 emissions alone is unlikely to impact decision making** –
 - **Behavioural aspects** need to be considered
 - *Real* sustainability requires **passengers to have clear complete comparisons on GHGs**
- MDMS must **promote alternatives to private car**
 - Including in **supporting sustainable surface access to airports**

Policy objectives (1)



- **General support of the objective to enhance the efficiency and sustainability of the transport system**
 - **Promote active mobility,**
 - Do not allow **economic considerations at the expense of society and environment**
 - Support, rather than undermine, **the key role of public transport** as the backbone of urban mobility
 - **Air travel must be given increased consideration** – to facilitate modal shift travellers must be free to compare all options
- **Information to passengers** was highlighted by a few stakeholders:
 - Rail sector stakeholders indicated that **informing passengers of the impact of their mobility choices** is something their sector has been long advocating for
 - **Show the passengers how they are contributing to the reduction of the CO2 emission**, when using public transport and soft modes

Policy objectives (2)



- **Passenger rights** also highlighted:
 - Need for **continuous and extended protection of passenger rights** as an essential aspect of easy, safe and attractive cross-border rail services and multimodal journeys
 - Ensure the **rights of all citizens to affordable and accessible transport services**
 - **Purchasing a ticket from MDMS operator should not lead to the loss of rail passengers' rights**
- **Contrarian views**
 - **Issue of subsidiarity:** local transport falls within the competence of Member States. Particularly strong arguments to justify EU intervention in this field is required
 - Establishing **regulation might kill innovation and interaction** in the field of MaaS

Policy measures/options (1)



- Minimum requirements for **interoperability of ticketing-related APIs**
- In rail, the **through-ticketing obligation for operators should cover all segments of the journey**
- **Sector-based solutions should be supported** and considered as the starting point
- **Contractual aspects:**
 - Guidelines to encourage and guide operators to facilitate the conclusion of **agreements when it comes to fair and non-discriminatory competition between parties**
 - **Mobility providers should be allowed to freely negotiate their pricing policy** and we do not agree that tickets could be re-sold at different prices without prior agreement
 - But... free negotiation of **pricing policy is likely to conflict with national policy** and the achievement of sustainability goals
 - **Every service provider has to integrate the same information** about other transport providers
- **Distinct views on data:**
 - **Data exchange should continue to rely on voluntary contractual agreements** (operators)
 - Ensure that **all market players have access to the same quality of static and dynamic data** on fair conditions (passenger organisations)

Policy measures/options (2)



- **Passengers:**
 - **Passenger rights** (sectorial or multimodal) should not be determined by “continuation agreements”, but by a **binding legislative framework** establishing clear liability rules for all operators
 - Common methodology to **inform consumers about the environmental impact of their trip**
- **Other aspects to consider:**
 - Approach to business models
 - Inclusion of infrastructure use aspects into the ecosystem (e.g. road pricing/congestion charging)
 - Enabling supporting technologies that are needed
 - Integrated planning for mobility, including coordinated timetabling (indirectly related to journey continuation) as well as roaming for inter-city and cross-border travel
 - Issues on digital divide mitigation
 - Integrated customer support, incident management, insurance and monitoring standards for multimodal offers

Thank you!

Original responses at:

https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13133-Multimodal-digital-mobility-services_en

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Problem definition



- Three problem drivers (draft version):
 - Driver A: Lack of willingness to cooperate between MDMS and transport operators
 - Driver B: Commercial and technical challenges to establish viable, scalable and high quality MDMS
 - Driver C: Misalignment of MDMS priorities with public policy sustainability goals
- Leading to the main identified problem:
“Limited use of digital mobility services to improve the performance of the transport system through effective multimodality”
- Benefits to be gained from an **enhanced integration** of a multimodal transport offering in MDMS:
 - Modal integration (long- and short- distance, micro-mobility, active modes etc.)
 - Geographical integration (urban, rural, regional, national, cross-border)
 - Service integration (booking/payment, common service offer, societal goals)
- **Use the online poll to confirm our understanding**

Problem definition



A1: **MDMS platforms** not willing to integrate all operators' offers

A2: **Operators** reluctant to integrate their offers in MDMS platforms

B1: **Diverse commercial and legal conditions** for selling and re-selling mobility offers

B2: Lack of **common standards** for booking and payment interfaces

B3: Lack of **accessible, quality, real-time data**, necessary to deliver quality MDMS services

C1: Lack of incentive to integrate and promote the use of more **sustainable transport modes**

C2: Lack of incentive to share data that can be used to **optimize transport system** operation and/or support **public policy design**

Driver A: Lack of willingness to cooperate between MDMS and transport operators

Driver B: Commercial and technical challenges to establish viable, scalable and high quality MDMS

Driver C: Lack of commercial incentives to help improve the performance of the transport system through effective multimodality

Limited use of digital mobility services to improve the performance of the transport system through effective multimodality

Consumer/ internal market
 Limited competition leading to missed opportunities and limited consumer choice with passengers not finding / being able to access through digital services: all transport offers / at the best prices / prioritization of sustainable offers.

Internal market:
 the resilience, efficiency, comfort and sustainability of the transport system

Environmental:
 Limited shift towards sustainable modes with negative impacts on GHG and pollutant reduction

Problem Driver A



A1: **MDMS platforms** not willing to integrate all operators' offers

A2: **Operators** reluctant to integrate their offers in MDMS platforms

B3: Lack of **accessible, quality, real-time data**, necessary to deliver quality MDMS services

C2: Lack of incentive to share data that can be used to **optimize transport system** operation and/or support **public policy design**

Driver A: Lack of willingness to cooperate between MDMS and transport operators

Limited use of digital mobility services to improve the performance of the transport system through effective multimodality

Problem Driver B



A1: **MDMS platforms** not willing to integrate all operators' offers

A2: **Operators** reluctant to integrate their offers in MDMS platforms

B1: **Diverse commercial and legal conditions** for selling and re-selling mobility offers

B2: Lack of **common standards** for booking and payment interfaces

B3: Lack of **accessible, quality, real-time data**, necessary to deliver quality MDMS services

C1: Lack of incentive to integrate and promote the use of more **sustainable transport modes**

Driver B: Commercial and technical challenges to establish viable, scalable and high quality MDMS

Limited use of digital mobility services to improve the performance of the transport system through effective multimodality

Problem Driver C



C1: Lack of incentive to integrate and promote the use of more **sustainable transport modes**

C2: Lack of incentive to share data that can be used to **optimize transport system** operation and/or support **public policy design**

Driver C:
Lack of commercial incentives to help improve the performance of the transport system through effective multimodality

Limited use of digital mobility services to improve the performance of the transport system through effective multimodality

Policy objectives



- Set of general and specific objectives of the intervention are matched against the problem drivers so that there is a clear logical link between the two (draft)

Problem definition	Objective
<p>Overall problem</p> <p><i>Limited use of digital mobility services to improve the performance of the transport system through effective multimodality.</i></p>	<p>General objective</p> <p><i>Unleash the potential of MDMS to improve the performance of the transport system developing an effective multimodality offering</i></p>
<p>Driver A</p> <p>Lack of willingness to cooperate between MDMS and transport operators</p>	<p>Specific objective 1</p> <p>Enhance cooperation and fair competition between MDMS platforms and transport operators</p>
<p>Driver B</p> <p>Commercial and technical challenges to establish viable, scalable and high quality MDMS</p>	<p>Specific objective 2</p> <p>Facilitate the re-sell and integration of all mobility offers in MDMS by tackling commercial and technical challenges and establishing fair competition principles</p>
<p>Driver C</p> <p>Lack of commercial incentives to help improve the performance of the transport system through effective multimodality</p>	<p>Specific objective 3</p> <p>Ensure that digital mobility services support the efficiency and sustainability of the transport system and societal goals</p>

Poll results



- Reflection on results

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Stakeholder engagement tools to be used and their relevance



- **Exploratory interviews:** Provide inputs for the early development of the problem definition, policy objectives and policy measures/options
- **Targeted surveys:** Gather information to validate the problem definition and the objectives of the policy options, obtain input to define further the policy measures/options, and provide data needed to support the assessment of impacts of measures and expected costs
- **Stakeholder interviews:** Explore in-depth the relevant topics for each stakeholder group; up to 80 interviews (plus 7 exploratory, as above)
- **Case studies:** 10 case studies with representatives of selected European multimodal digital mobility services platforms, to support baseline development and assessment of impacts
- **Data requests:** Enable gap-filling of any data gaps that emerge after the desk research and other field research activities are conducted
- **Stakeholder workshops/expert group meetings:** Commission-organised events where relevant parts of the study will be discussed
- **OPC/request written contributions:** Provide an overview of stakeholder views with inputs mainly relevant for the problem definition, policy options and analysis of impacts.

Stakeholder engagement tools to be used and their relevance



- **Exploratory interviews:** Provide inputs for the early development of the problem definition, policy objectives and policy measures/options **DONE**
- **Targeted surveys:** Gather information to validate the problem definition and the objectives of the policy options, obtain input to define further the policy measures/options, and provide data needed to support the assessment of impacts of measures and expected costs **Under development**
- **Stakeholder interviews:** Explore in-depth the relevant topics for each stakeholder group; up to 80 interviews (plus 7 exploratory, as above) **Under development**
- **Case studies:** 10 case studies with representatives of selected European multimodal digital mobility services platforms, to support baseline development and assessment of impacts **Under development**
- **Data requests:** Enable gap-filling of any data gaps that emerge after the desk research and other field research activities are conducted
- **Stakeholder workshops/expert group meetings:** Commission-organised events where relevant parts of the study will be discussed **This is the first workshop**
- **OPC/request written contributions:** Provide an overview of stakeholder views with inputs mainly relevant for the problem definition, policy options and analysis of impacts. **Live on the Commission's website – closes tomorrow!**

Stakeholder engagement: Targeted surveys

- Survey aimed at:
 - Public authorities (including national transport authorities, other regional, local, public authorities, competition authorities, data privacy authorities);
 - Transport operators (all modes, traditional and novel ones);
 - Platform providers (MDMS and MaaS operators); and
 - Other stakeholders (Standardisation, Digital maps, Infrastructure managers, Consumers, employees and trade unions, disability/elderly, research, technology providers)
- Survey will seek information on:
 - Problem definition and objectives
 - Barriers for sharing of data and deployment of MDMS
 - Impacts
 - Costs
- *Would like member-based organisations to circulate the survey to their relevant members*
- Survey open for 6 weeks (from early March to mid April)
 - **Questions are currently under development**

Stakeholder engagement: Targeted interviews

- Engaging with, primarily:
 - National authorities in all Member States (also as part of exploratory interviews)
 - Transport operators and associations (also as part of exploratory interviews)
 - MDMS providers (also as part of exploratory interviews and the case studies – see next slide)
 - Regional and local public authorities
 - Also: Digital map providers; consumer bodies; EU institutions; standardisation bodies
- Survey will seek information on:
 - Problem definition and objectives
 - Barriers for sharing of data and deployment of MDMS
 - Impacts
 - Costs
- Interviews will be undertaken in parallel to the survey (from early March to mid April)
 - **Questions are currently under development**

Stakeholder engagement: Case studies



- Ten case studies focusing on European multimodal digital mobility services platforms **have been selected** covering a wide variety of platform types (see below).
- Aim to obtain insights into the platforms' development, problems identified in relation with the deployment of services of higher levels and impacts achieved through their functioning in terms of transport activity effects
- Involve desk-based research, plus interviews

Name	MDMS provided	Geographical Scale	Transport modes
Trainline	Information, booking, ticketing	International, National	rail, coach
AccessRail	Information, booking, ticketing	International, National	rail, air
Eurail	Information, ticketing	International, National	rail, ferries
Omio	Information, booking, ticketing	International, National	rail, air, public transport, ferries, rental car, car sharing
Rome2Rio	Information, booking	International, National	rail, air, public transport, ferries, rental car, car sharing
OV-chipkaart	Ticketing	National	rail, public transport
CityMapper	Information, booking, ticketing	Local	rail, public transport, bike, e-scooters, mopeds, carsharing
Moovit	MaaS	Local	rail, public transport
Whim	MaaS	Local	rail, public transport, taxis, bikes, e-scooters, rental car
Jelbi	Information, booking, payment	Local	rail, public transport, e-moped, e-scooter, bike, car, taxi and ridesh

- **Have begun desk research** and will continue in parallel to the survey (from early March to mid April)

Stakeholder engagement: Workshops and expert group (EG) meetings

- **First workshop and EG meeting planned:**
 - 22/02 (14.00-17.00): Workshop 1. **NOW**
 - 23/02 (09.00-12.00): 1st MMTIS EG meeting

- In addition, there will be **two further stakeholder workshops:**
 - Workshop 2 (w/b 04/04): Focus on emerging draft policy measures and bundling these into policy options; start discussion on impacts of policy options on the deployment and use of MDMS
 - Workshop 3 (w/b 23/05): Focus on draft final results from the IA; confirm the preferred policy options including their legal, political and technical feasibility

- Representatives of the project team will also be present at **MMTIS Expert Groups** and some **MPMF meetings**

Stakeholder engagement: Summary timings



	February				March				April				May				June				July				August				September							
Interviews																																				
Surveys																																				
Case studies																																				
Data requests																																				
OPC																																				
Workshop																																				
MMTIS EG																																				
Reporting																																				
Key:								Engagement								Analysis																				

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