

PRESS RELEASE

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ALLRAIL: Switzerland should introduce competition in long distance passenger rail:

For many decades, the Swiss Federal Transport Office BAV has provided some of the best long-term development concepts for public transport in Europe.

Next priority should be to open up the domestic passenger rail market up to competition. **Competitive bidding should be introduced for all long-distance rail concessions. By doing so, Swiss rail operators would learn how to better compete and passengers would benefit.**

The evidence is clear: recently, Switzerland's second biggest rail operator BLS applied to run five long-distance routes, offering new rolling stock and better quality. BAV itself noted that: **"competition for the concession has resulted in a better offer for passengers, suggesting that taxpayers will benefit from savings worth millions of francs in double figures"**.¹

The involvement of more than one operator in long-distance rail *has already achieved positive effects*. For example: smaller Swiss operator SOB will soon be running the historic Gotthard mainline with new improved rolling stock, albeit still under concession to incumbent SBB.²

However, the Swiss rail incumbent SBB is lobbying hard to stop BLS. SBB's CEO Andreas Meyer has declared that BLS' recent bid will cause fares to rise³. For ALLRAIL, this is hard to imagine, considering that competitive bidding in Europe has achieved 20-30% in taxpayer savings.⁴

Furthermore, Andreas Meyer warns that competitive bidding runs the risk of European transport groups entering the market⁵. However, he fails to mention that SBB itself already operates concessions outside of Switzerland that it "won through competitive bidding"!⁶

Last but not least: in an act of particular heavy-handedness, SBB has already promised further legal action should BAV award the concession to BLS.⁷

Nick Brooks, Secretary General of ALLRAIL, says: **"the stakes are very high. If the second biggest rail operator in the country is denied a fair chance to operate long-distance trains, then the monopoly will be enshrined."**

BAV should welcome competitive bids and treat them on a fair and equitable basis, without being intimidated. Brooks says further: **"the greatest risk is for passengers – Switzerland should not miss the next step in becoming a modern and sustainable rail market."**

Further information: Nick Brooks, Secretary General, ALLRAIL Alliance of Rail New Entrants asbl info@allrail.eu
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1 www.railwaygazette.com/news/passenger/single-view/view/competition-comes-to-swiss-long-distance-network.html

2 <https://www.luzernerzeitung.ch/zentralschweiz/uri/gotthardlinie-sob-erhaelt-breite-unterstuetzung-ld.113839>

3 <https://www.nzz.ch/schweiz/sbb-ceo-meyer-erhebt-schwere-vorwuerfe-gegen-bundesamt-fuer-verkehr-ld.1383159>

4 Matthew Baldwin, Deputy Director General of DG Mobility and Transport at the European Commission at workshop "Tendering of Public Service Contracts for Rail Passenger Transport", that took place on May 30th 2018 in Brussels

5 <https://www.aargauerzeitung.ch/wirtschaft/die-sbb-haben-angst-vor-dem-wettbewerb-mit-der-bls-132531908>

6 <http://sbb-deutschland.de/strecken/s-bahn-schaffhausen/>

7 <https://www.cash.ch/news/die-sbb-wollen-sich-mit-einer-beschwerde-gegen-linienvergaben-die-bls-wehren-1170350>