

# PRESS RELEASE

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## **Proposed Eurostar and Thalys merger will NOT help modal shift to rail – another solution is necessary**

This month, the proposed merger of North-West Europe's two high-speed operators - Eurostar and Thalys – was again in the news, with the working name "Green Speed<sup>1</sup>. By giving itself such a name, the merger purports to champion the environment.

However, we warn against any consolidation of these two high speed operators: it would be damaging to the EU's climate change goals. The evidence for this is compelling:

North-West Europe's dedicated high speed rail network encompasses London-Paris-Brussels-Amsterdam-Cologne and is roughly as extensive as the dedicated high-speed rail network in Italy (Turin-Milan-Venice-Bologna-Rome-Salerno).

Yet it is Italy that has led the way in modal shift to high speed rail, where there is competition on the same tracks between two operators with different owners:

- ☐ Since competition between newcomer Italo & state incumbent FS Trenitalia began in 2012, the average fare paid by passengers has decreased 40% and passenger numbers have grown 100%<sup>2</sup>. Rail market share on key routes has grown to circa 70%
- ☐ Despite being just 8 years old, private operator Italo will have 47 high-speed train sets in service this year, while competitor FS Trenitalia has many more

Compare this success to the high speed network in North-West Europe: carved up into separate routes that Thalys and Eurostar have each dominated for the past 25 years, the 2 operators – together – still only have a few more trains sets than Italo **on its own(!)**

It makes no sense at all: the cities are larger & more concentrated than in Italy and more suited to high speed. ALLRAIL Secretary General Nick Brooks sums up: "we can see that market dominant operators clearly underserve the full potential of passenger rail. The merger of two existing monopolies to make one super-monopoly will make the situation worse – this is the least attractive option for passengers and for the environment."

The solution is more competition, not less. For example: Eurostar is the only high-speed operator with special rolling stock for the Channel Tunnel. It is happy to make its (state funded) 2nd hand 1990s built train sets available to a low-cost high speed operator within the same transport group – Izy<sup>3</sup> – that does not even use the Channel Tunnel. But in order to stimulate modal shift to rail, dominant players should be required to rent their underutilised fleet to independent newcomers - at the same commercial terms.

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<sup>1</sup> <https://www.politico.eu/article/eurostar-takes-on-airplanes-in-green-travel-push/>

<sup>2</sup> [https://www.railjournal.com/in\\_depth/italian-high-speed-success#.XMqlq2dFwDA.twitter](https://www.railjournal.com/in_depth/italian-high-speed-success#.XMqlq2dFwDA.twitter)

<sup>3</sup> <https://twitter.com/ElBricou/status/1063778885047853057>