

PRESS RELEASE

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The Two Faces of Netherlands Railways (Nederlandse Spoorwegen):

Earlier this month, it was reminded in the news again how the German rail operator Abellio - a wholly owned subsidiary of the Netherlands Railways (NS) – has been successful in its legal action against directly awarded taxpayer subsidy being paid to German Railways ('DB') for providing some long distance Intercity train services in Germany¹.

NS Abellio's complaint was the right thing to do: after all, it is estimated that competitive tendering for subsidised rail services leads to a "20-30% saving for the taxpayer (vis-à-vis direct awards), with better quality trains too"². Such savings can be then invested in other projects that make rail more attractive (e.g. new infrastructure) & help the EU Green Deal. For this reason, it is astonishing that just across the border in the Netherlands, Abellio's parent company NS is doing the opposite, lobbying for a directly awarded concession to run trains on the Dutch main rail network (including everything from small branch lines and regional trains to Intercity & international high speed) from 2025 until 2035.

That the government is planning for such a large concession - 85% of the market³ – is beyond doubt. In a letter to parliament on November 18th 2018, State Secretary Stienjtte van Veldhoven referred to the new main rail network concession from 2025 onwards.

That state-owned NS will be given this direct award is also beyond doubt – who else has 900 trains available? After all: four months ago Mrs van Veldhoven announced a new direct award to NS to start a night train cartel with ÖBB Nightjet – there is a precedent.

It appears that NS has two faces: on the one hand, its subsidiary NS Abellio sues against direct awards in Germany⁴. On the other hand, it welcomes them in the Netherlands⁵.

- How is this double standard compatible with the single European market?
- How can the Dutch government claim it is at the heart of Europe if it tolerates such economic nationalism and cherry-picking by one of its own companies?"

The "level playing field" is often mentioned as a major policy priority for the European Union⁶. So why should 85% of Dutch passenger rail be exempted from this - until 2035?

ALLRAIL Secretary General Nick Brooks sums up: "NS is clearly capable of doing competition. For example: it has many years of experience competing against DB in Germany's North-Rhine Westphalia – a federal state that is densely populated with high frequencies- similar to the Netherlands." For the sake of the EU level playing field, NS' home market must be opened to the same extent.

¹ <https://www.come-on.de/lennetal/werdohl/faehrt-bald-flixtrain-lenne-13514334.html>

² M. Baldwin, Deputy Dir EU Commission DG MOVE at Workshop "Tendering of PSCs", 30th May 2018

³ NS' current main rail network ("HRN")concession is 85% of Dutch train market measured in train-km & 95% of market measured in passenger-km, according to Dutch Competition Authority ACM's "Spoormonitor" (Rail Monitor) of 2018.


⁴ <https://www.abellio.de/de/deutschland/unternehmen-news/media-center/presse/abellio-begruessst-entscheidung-der-vergabekammer>

⁵ <https://nieuws.ns.nl/nachttrein-keert-eind-2020-terug-in-nederland/>

⁶ <https://www.ft.com/content/30a1b750-1d36-11ea-97df-cc63de1d73f4>

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