



**CCFE·CER·GEB**

**EU Commission's Hearing on Passenger Rights 15.11.2002**

**Statement by CER Executive Director Johannes Ludewig**

- We strongly support the objective to promote Passenger Rights and to develop the quality of railway services
- This is not only a general statement but to this purpose CER/UIC have developed a "Passenger Charter".  
This Passenger Charter covers more or less the areas dealt with in the Commission's paper

This project "Passenger Charter" was discussed 2 times with Commission's representatives, their comments were taken into account.

- Having discussed the P.C. in our General Assembly 2 weeks ago we are now in a position to discuss this with Consumer/Passenger organisations.  
Invitations will be sent out shortly,  
objective will be to establish close cooperation in implementing the P.C. in order to achieve further improvements in service quality.
- Some of the major points of the Passenger Charter are:
  - Information on passenger services and travel tickets will be provided at all relevant points of sale and through the appropriate information channels which are specified, i.e. information on the lowest fare in relation to customer requirements
  - Specific commitments on handling of complaints and claims
  - Details on the reimbursement of refundable tickets
  - Specific commitments on punctuality and delays including compensation schemes

- Monitoring and consultation procedures with organisations representing customers.

These are a few out of altogether 19 points which have also the advantage to cover not only international passenger transport but also equivalent national services.

- On this background one has to see that this approach of a voluntary commitment is not compatible with a regulation approach as it is described in the Commission's paper.

Reasons:

1. Regulation approach means loosing 1 or 1 ½ year before such a regulation becomes effective.

Consequence: everybody will wait for the final version before taking measures.

Thus motivation for those active in the market will be reduced considerably,

In other words: if the public side declares the intention to regulate the matter – the players in the market will say: o.k., let's wait and see.

2. There are substantial risks involved in a legislative approach: simply for the reason that nobody can say what the outcome of such a one year legislative procedure in the EU Council and in the European Parliament will be, and what areas and questions actually will be regulated in the directive.

Once again, the reaction will be: let's wait and see.

3. If you finally end up in a legislative procedure with a certain regulation – this will in the best case reflect the best possible solution at this precise point of time without offering the possibility to be adjusted to changing market conditions and hopefully improving passenger service quality.

You cannot adjust a regulation every half a year,

but you can develop a P.C. and its implementation on a more or less permanent basis, preferably in a close cooperation with consumer/passenger organisations.

4. A regulatory approach would be a clear contradiction to the principle of subsidiarity.

There is no need to get the public side formally involved if the sector itself is ready to do the job.

It would be normal to start working on the basis of a voluntary commitment. After a year or so everybody can see how it works and can draw his conclusions.

5. A regulatory approach does intervene in a relationship which is in the first place a business relationship between railway undertaking and passenger.

To a certain extent a limited regulatory framework is certainly necessary taking into account the big number of individual passengers vis à vis a limited number of railway undertakings.

But what is necessary has already been done by COTIF. The CIV has been adapted in 1999 (Vilnius Protocol) and is now in the process of ratification by the member states which is expected to be finalised in 2004 –

at about the same time when a regulation could become effective.

To summarize:

- The railway sector is very much in favour of promoting Passenger Rights – this could help to improve service quality in a permanent process
- We do want to organize this with a commitment on a voluntary basis in close cooperation with those who represent passenger/customers.

- We would like to underline the special advantage that our P.C. approach covers both national and international passenger transport – contrary to a regulation. A voluntary P.C. can avoid difficulties and even unacceptable interactions with national public service contracts.
- There has been a strong motivation to work on the P.C. in the last months on the side of the railway companies and we would like to keep this momentum now.
- Therefore we would like to ask the Commission to support a voluntary approach and not to intervene now with a regulatory proposal – at least not before having seen the first results of this initiative from the railway sector.