

Tendering & (re)Bundling?

Rail Competition in NL

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Tendering & (re) bundling?

- NS in a nutshell & the NL mobility market
- Institutional framework & Results 20 years NL tendering
- Re-thinking Liberalization & Privatisation
- 4 NL (Re)-bundling examples
- Powers/impact of

Dutch competition authority (Nma)

Dutch Rail Regulator (Nma-Vervoerkamer)

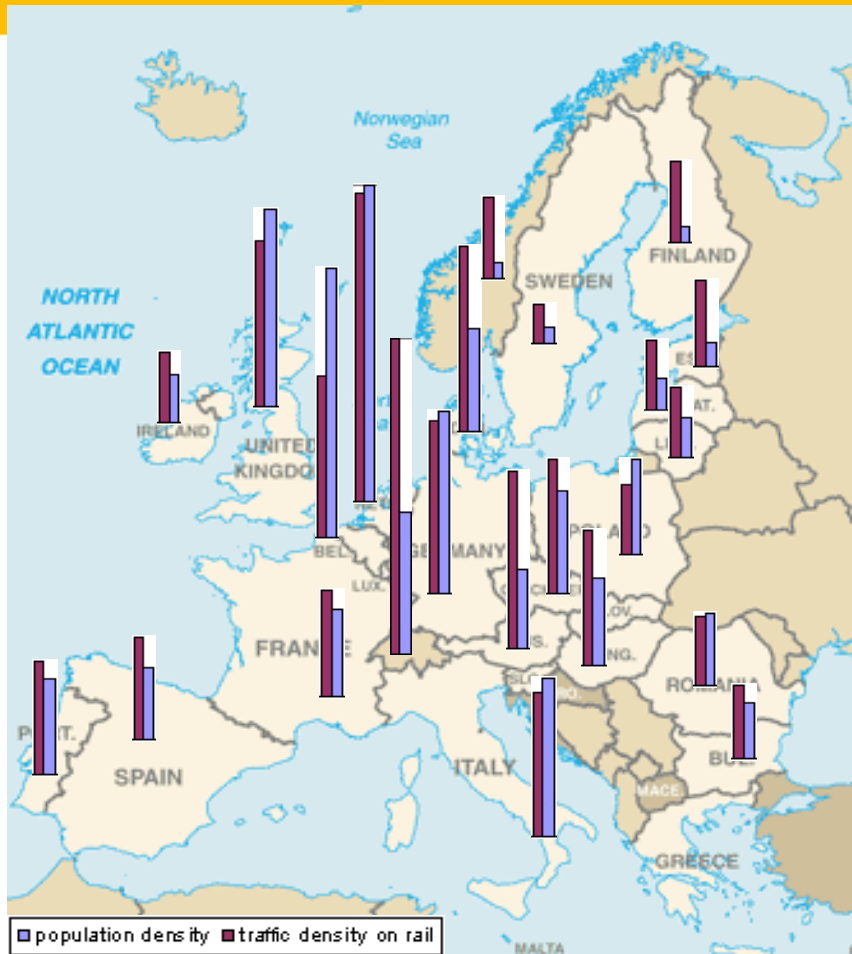
NS in a Nutshell (2011 figures)

390	Stations in operation in NL (700+ in UK);
4.800	Trains per working day in NL
29.000	Employees at NS & subsidiaries
268.000	Train seats in NL
1.000.000	OV-fiets rentals
1.200.000	Passengers/working day in NL (1.200.000 in UK)
211.000.000	Net profit in €
261.000.000	Profit before tax in €
430.000.000	Investments in €
3.628.000.000	Operating income in €
16.808.000.000	Passenger km per year

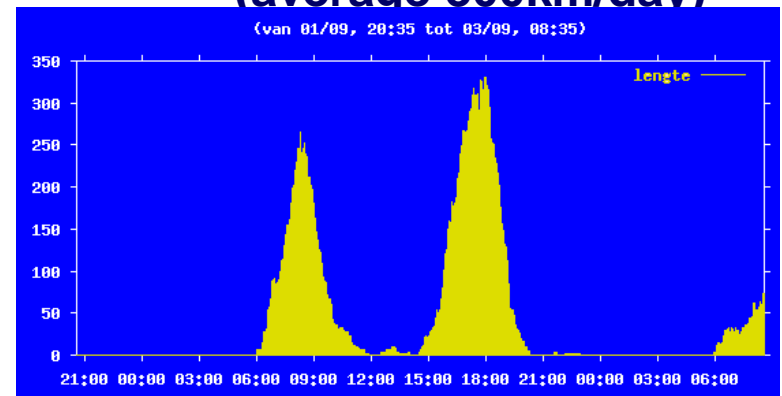


2011 cijfers

The Dutch mobility market



- #1 population density in Europe
- #2 traffic density on rail (trainkm / linekm)
- Road congestion (average 300km/day)



- ⇒ Sustainability challenges
- air quality, CO2, noise

14 Years Competitive Tendering in NL



NL Public Transport Operating Franchise/Concession

What's in it and why?

- (Exclusive) right to operate public transport under conditions

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Needs / values of authorities

Accessibility
of large cities
and country parts

Frequenty
Speed
⇒ Timetable

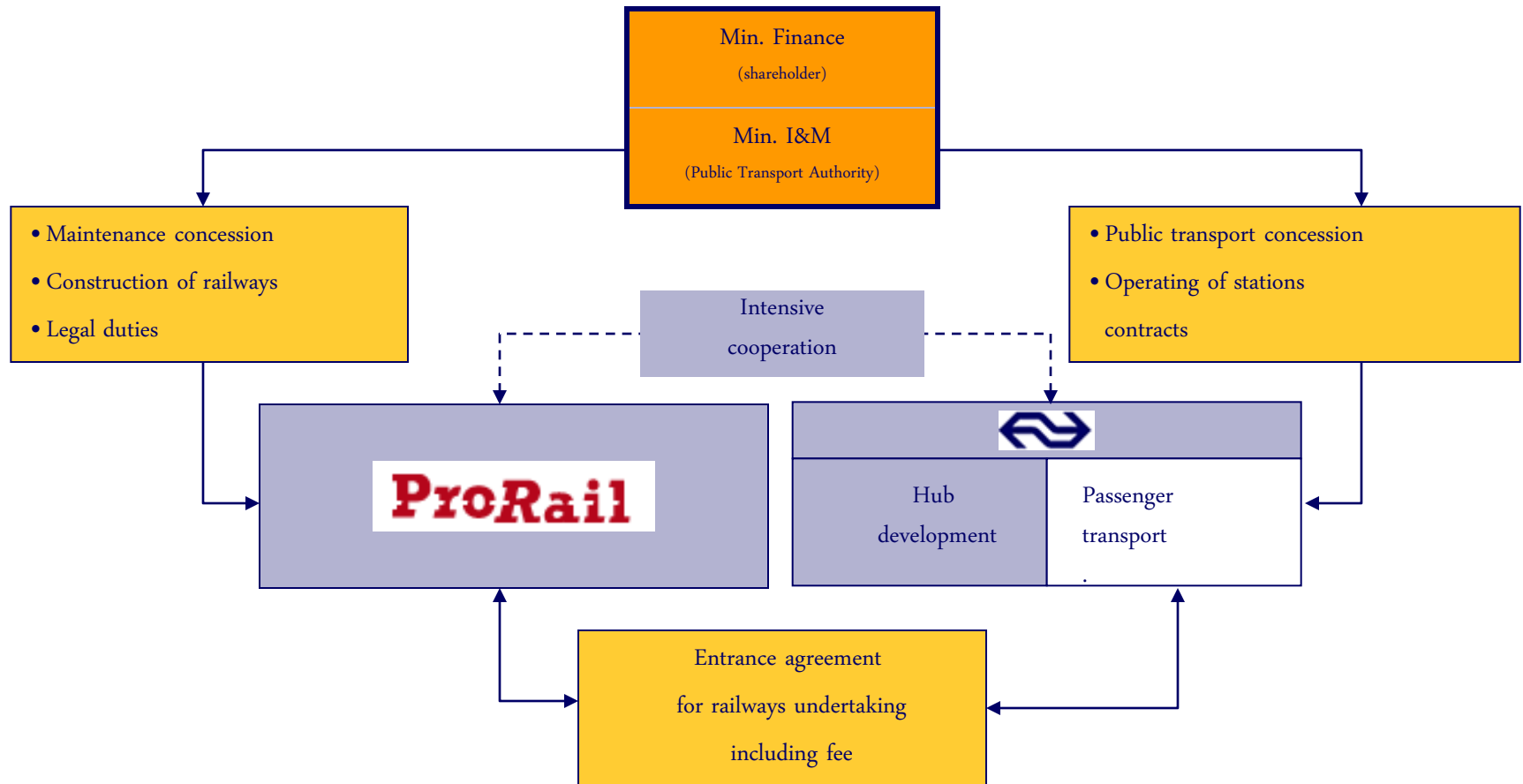
Care for passengers
⇒ tickets, fares and quality

Σ
Punctuality / cancellations
Passenger information
Seating capacity
Cleanliness (train, station)
Personal security
Accessibility (PRM)

Financial

Premium payment
or subsidy

The Result of Dutch liberalisation



Re-thinking Liberalisation & Tendering in NL

Actual TRENDS

1. Direct award of the *HSL-concession*
2. Direct award of **the core network** to NS
3. Act Monasch: 2 okt. 2012 passed in the Dutch Senate:
Direct award public transport contracts in the **BIG 4 cities**
(Amsterdam, Rotterdam, Utrecht, The Hague)
4. Report Leijnse Dutch Senate (okt 2012)
5. Initiative for a **New Public Transport authority** to align
some fragmentation issues

4 Re(bundling) results

1. *Energy Purchase Cooperation ViVENS (2006)*

Parties: **ProRail and RU's** Initiative: **Ministry of**

Transport Approved by **Regulator** (conditions)

2. *Rail/Infra Policy Platform ProRail – NS (2008)*

3. *Joint Traffic Control Centre (OCCR- 2010)*

Parties: **ProRail and RU's** Initiative: **NS and ProRail**

Approved by **Regulator** (conditions)

4. *(Re) Bundling of Travel information (2012)*

Party: **NS** Initiative: **Ministry of Transport** Approved by

Nma and Regulator (conditions)

Conclusions

1. Will there be competition at all?

* *Regulated Competition*

* *Competition for and not on the market seems to lead to lesser costs for the taxpayer and less fragmentation problems;*

2. Market opening via competitive tenders vs direct award ?

* *A combination of both seems an optimisation (hybride)*

* *Both can be severally criticized but also have strengths*

Conclusions

3. *Competitive tenders do **not** automatically lead to :*

overall **cost reduction, aligned traffic/travel information for the total network, to integrated timetables etc.** = leads to fragmentation and dis-alignment risks

4. *Success and/or failure factors of liberalisation and market opening ? We think we know them all*

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One Key: depends on the characteristics/conditions of the

Country/national markets (subsidiarity principle)

*Second Key: **NO “one size fits all”***

Enforcement of Competition in NL

Enforcement & Enhancing competition in NL

- Competition Enforcement: Nma of Nma Vervoerkamer
- Tendering procedures/outcome: Civil Action in Court
- Alignment of interests of regional authorities
new public transport authority?

Thank you for your attention