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PRESS RELEASE

Protect the legal framework for public transport services or undermine the Green Deal

The PSO regulation (EC 1370/2007) is the legal framework for the public transport sector in Europe. In draft interpretative guidelines circulated in December 2021, the European Commission suggests the adoption of a new regime led by market-initiative.

With an open letter to the European Commission's Secretary General, the European Metropolitan Transport Authorities (EMTA) urge the Commission to refrain from this incomprehensible change of policy and to consult with all relevant stakeholders in a re-drafting process.

The draft guidelines as conveyed in the Commission's non paper of 2-Dec-2021, suggest a major shift away from the successful, current market structure for public transport in Europe. The draft guidelines do not capture of the specificities of the metropolitan public transport market. They disregard the fundamentals of induced demand and networked markets.

The letter provides evidence from European countries showing that market-initiative in public transport do not induce competition, continue to require high levels of public subsidy, fail to deliver a consistent service over time, fail to deliver adequate geographic coverage and lead to higher fares and complexity for passengers. Consequently, market-initiative translates into ridership decline.

The suggested limitation of authority-initiative contradicts the very nature of the PSO regulation, deprives cities and regions of an effective policy instrument and undermines efforts taken and successes booked by transport authorities to create a proper alternative for private car use. Public transport should indeed form the backbone of a sustainable, smart, and inclusive mobility system as the European Green Deal stipulates.

The letter elaborates on the specificities of metropolitan public transport. It makes the case for authority-initiative in the development of public transport services in Europe.

To join the press conference held on 18 May at the ITF Ministerial Summit: [Register to the press conference via Zoom](#)

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