



**Position of the association of European Metropolitan Transport Authorities (EMTA) on the project of new European Regulation on public service requirements and the award of public service contracts in passenger transport by rail, road and inland waterway (COM 2002-107 final).**

March 2003

The association of European Metropolitan Transport Authorities (EMTA) brings together 28 public authorities in charge of the public transport networks of the European largest cities. These authorities plan, co-ordinate, fund and improve constantly the quality of public transport systems serving more than 70 million European citizens.

The Members of EMTA feel very concerned by the project of new European Regulation on public service requirements in the field of passenger transport services first released in 2000 by the European Commission<sup>1</sup> and adopted in first reading by the European Parliament in November 2001. This new Regulation would indeed deeply influence the legal framework of public transport organisation and funding in the European cities, and thus the missions of the public transport authorities (PTAs) themselves. This is why EMTA Members have already reached several common positions on the draft new Regulation<sup>2</sup>.

This draft Regulation has received lots of attention from the main stakeholders in the field of public transport all over Europe, highlighting both how much it is needed, but also how different some positions can be. However, it hasn't made any progress since the European Commission released in February 2002 a modified draft taking into account some of the amendments adopted by the Parliament. And the Council of Ministers hasn't reached any formal position on this draft yet.

In this context, transport authorities would like to highlight that it is extremely important that a new legal framework for public transport operations in Europe can be adopted soon, for the following reasons :

- **There needs to be a harmonised legal framework for local and regional public transport operations in Europe.** This framework shall set some key principles and let local authorities adapt these rules to their local context, in coherence with the principle of subsidiarity. The key principles shall refer mostly to the need to provide public transport services of high quality at a reasonable price, to the possibility for public authorities to impose public service obligations on transport companies and to bring subsidies and compensations to public transport operations, and lastly to the scope of competition and in-house production.
- The legal framework shall **recognise the role of public transport authorities** for the definition of the necessary services, the objectives of quality, the setting of fares, and the integration of services provided by different operating companies.
- The **current legal framework for public transport** operations in the EU (Regulation 1191/69 modified by Regulation 1893/91) **needs to be updated** since it doesn't take into

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<sup>1</sup> COM(2000)-7 final – 2000/0212 (COD)

<sup>2</sup> First position on the original project of the Commission in January 2001, and revised positions in July 2001 and May 2002. These position statements can be downloaded from EMTA's website (<http://www.emta.com>)

account the evolutions which happened in the sector during the past decade, and it sets no specific rules for local and regional transport. Some authorities fear that their actions could be challenged by companies on the ground that they are not compatible with some European principles, and this legal uncertainty is a major threat, as illustrated by the Magdeburg-Altmark case at the European Court of Justice, which threatens the organisation of local transport in Germany.

- The public transport authorities have to plan for medium and long term development of their networks. They commit themselves, and the public money, into heavy decisions, and they need to have strong legal security for their actions in this context. They want to know how long the contracts with the companies can be, if they can operate some services themselves, if they can impose some quality obligations to companies to which they give no money, etc. **The current uncertainty about the future requirements that will be imposed on them, is not compatible with good policy making to improve the mobility conditions in the urban areas.**
- Public transport authorities think that decisions such as **the mode of organisation of public transport services and the possibility for authorities to operate some services themselves are political ones and should therefore be in the hands of the political authorities**, that is to say the Parliament and the Council of Ministers as far as the EU is concerned. Such important questions should not be left to judges only, and this is what might happen with the Magdeburg-Altmark case.

**For all these reasons, the transport authorities of the European metropolitan areas call the European authorities to resume the work on the drafty Regulation prepared by the Commission and to do their utmost to approve a new legal framework for local and regional public transport operations in Europe.**

Paris, 19 March 2003

**List of public transport authorities belonging to the association of European Metropolitan Transport Authorities (EMTA)**

AMSTERDAM (ROA)

ATHENS (OASA)

BARCELONA (ATM)

BIRMINGHAM-WEST MIDLANDS (Centro)

BILBAO (CTB)

BRUSSELS (Ministère de la Région de Bruxelles)

DUBLIN (DTO)

FRANKFURT (RMV)

GENEVA (Office des Transports et de la Circulation)

HELSINKI (YTV)

LISBON (Camara Municipal)

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MADRID (CTM)

MANCHESTER (GMPTE)

MILAN (Comune di Milano)

OSLO (AS Sporveier)

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PRAGUE (ROPID)

ROME (Comune di Roma)

SEVILLA (Consorcio de Transportes de Sevilla)

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