13 January 2010: Transportation - Subject to various conditions, the Autorité de la concurrence authorizes the takeover of Keolis and Effia by the SNCF and the Caisse de dépôt et de Placement du Québec (CDPQ)

Published on February 12, 2010



On 29 October 2009, the European Commission deferred to the Autorité de la concurrence for the examination of the takeover of Keolis and Effia by the SNCF and the Caisse de dépôt et de Placement du Québec (CDPQ). The Autorité thoroughly examined this operation that involves the public transportation of passengers, as well as related activities such as consulting, audit and management of coach stations.

The SNCF is the incumbent operator for rail transportation, with this transport mode providing the linchpin for connecting urban and intercity passenger transport networks. By acquiring joint control of Keolis, the leading urban transport operator and second intercity transport operator in France, the SNCF is appreciably strengthening its presence throughout the entire public passenger transport chain. The operation also results in closer ties between Keolis and Effia, a company that notably provides consulting services in the area of public transport, the audit of public transport operators and the management of coach terminals.

Eventually, the *Autorité* authorized the operation subject to commitments intended to remedy the identified competition concerns. All of these

commitments will be monitored by a trustee independent of the SNCF group and of the CDPQ, who has been approved by the *Autorité de la concurrence*.

Commitments of the parties

· On the quality control services market

Effia provides quality control services relating to public transport networks, during which it gathers information that may be confidential.

To prevent Keolis from having access to confidential data relating to its competitors, the parties have undertaken that Effia will no longer respond to invitations to tender relating to quality control services involving urban and intercity public passenger transport networks operated by competitors of the Keolis company. Current contracts, 70% of which expire in 2010, will continue to their terms, but Keolis will not be able to bid for their renewal. Moreover, organizing authorities wishing to do so will be able to immediately interrupt their contracts with Effia without contractual penalty.

· On the urban and intercity road transport market

With regard to the guaranteed connection agreements

The guaranteed connection agreements signed between the SNCF and public transport operators notably define the provisions for shared information, as well as the conditions under which coaches will wait in the event that trains are delayed.

To prevent the SNCF from unduly favouring the guaranteed connection requests from Keolis, to the detriment of other public transport operators, the SNCF has undertaken to respond in a transparent and non-discriminatory manner to any request regarding the signing of a guaranteed connection agreement that would be made to it by any other passenger road transport operator.

Regarding access to forecasted schedules

Forecasted schedules are used by passenger public transport operators in order to build and modify their transport offers.

To prevent any risk of exclusion or discrimination regarding the access to such information, the SNCF has undertaken to provide, under transparent and non-discriminatory conditions, the forecasted schedule of its passenger public rail transport services for the coming year to any passenger public road transportation operator that would request this information.

Regarding access to schedule changes

In the event of maintenance operations or other works, modifications to the theoretical transport plan may be made by the infrastructure operator, Réseau Ferré de France (RFF).

To prevent the SNCF from delaying the transmission of information regarding schedule changes to competitors of Keolis or from altering the quality of the information provided, it has undertaken to provide, in a transparent and non-discriminatory manner, information relative to modifications made to the current theoretical transport plan by the infrastructure operator, to any passenger public transportation operator that would request this information.

· On the access to services in train stations

Through Gares et Connexions, the SNCF manages train stations. Given the central role of train stations as the linchpin between the various transport modes, users may wish to have access to information relative to the urban and intercity public transport networks that depart from a given train station.

To prevent the SNCF from favouring Keolis' requests regarding the set-up of passenger information services in train stations, the SNCF has undertaken to prepare, during the first half of 2010, a catalogue of the train station services that are available to all passenger road transport operators that provide connections to and from the train stations in question, and to award them in a fair and non-discriminatory manner.

> To consult the text of decision 10-DCC-02