

# **The Autorité de la concurrence requested by the National Assembly's Finance Committee to investigate the competition situation in the motorway sector**

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On behalf of the National Assembly's Finance Committee, Mr Gilles Carrez and Mr Christian Eckert, respectively chairman and rapporteur of the Committee, recently asked the Autorité de la concurrence for an opinion concerning the privatised management of motorways by the toll road operators (concessions-holders).

## **Gaps in the regulatory system introduced between the State and the toll road operators**

In a report produced last July, the French Court of Auditors highlighted the unfavourable balance of power weighted against the Ministry of Transport in negotiating tolls with the toll road operators.

In view of this dysfunctional situation, the National Assembly Finance Committee asked the Autorité de la concurrence to review the implementation of the recommendations it had set out in its Opinion Nr 05-A-22<sup>1</sup> concerning the competition problems that might result from the privatisation of motorways.

As motorway privatisation resulted in the creation of private monopolies in the sections of motorway conceded, in its opinion the Autorité de la concurrence considered it indispensable to introduce an effective regulatory system. It stressed, in particular, the need to maintain tendering and publicity rules

regarding the performance of maintenance work or construction to extend the motorway network. In fact, the Autorité stressed the risk that toll road concession-holders, most of them active in the construction and public works sector, might give themselves preferential treatment for performing these tasks. The Autorité also recommended regulating the tolls charged by concession-holders so as to prevent a drift in prices.

**In this context, the Autorité de la concurrence will formulate recommendations designed to improve competition in the motorway infrastructure sector**

Through its opinion, the Autorité de la concurrence can issue any proposal suitable for improving competition and more specifically the effectiveness of the regulatory framework on tolls with respect to the obligations imposed on toll road operators.

The Autorité de la concurrence will study, in particular, the mechanisms for examining justification for price rises claimed by the toll road operators with respect to their costs and compliance with their obligations as concession-holders, as well as the interests of the state and the toll road users.

The Autorité de la concurrence will issue its opinion in the summer of 2014.

<sup>1</sup> See press release of 5 December 2005

> Consult the letter from the Finance Committee