Mobility - the Autorité starts proceedings ex officio to analyse the competitive functioning in the land passenger transport sector

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Background

The *Autorité de la concurrence* has decided to start ex officio proceedings in order to analyse the competitive functioning of land passenger transport.

This opinion will provide an opportunity to evaluate its previous work and examine the land passenger transport sector through the prism of intermodality and sustainable development.

To complete its work, the *Autorité* will organise a public consultation in the first quarter of 2023, which will feed into this draft opinion and may result in new recommendations.

The diversity, efficiency and cost of land passenger transport are essential for the proper functioning of the French production system and employment market, for access to education, training and health, and for social cohesion. In addition, the work to reduce greenhouse gas emissions included in the French National Low Carbon Strategy relies critically on the transport sector, the main emitter of greenhouse gases, with a goal of carbon neutrality by 2050.

The land passenger transport sector is well monitored by the *Autorité*

Since its creation, the *Autorité de la concurrence* has made numerous recommendations to Government and other stakeholders in the land passenger transport sector, developing its recommendations in line with regulatory changes and identifying the specific characteristics of each of the markets under consideration, whether rail transport, urban public transport, interurban road transport or private public transport.

It has analysed the competitive issues of calls for tender for contracted transportation, identified barriers to entry in non-contracted markets and made recommendations for stimulating competition in these two different market situations in the interest of passengers. It has also repeatedly emphasised the challenge represented by operators' access to and management of bus and rail stations and their role in interconnecting modes of transport. Lastly, it has consistently supported the strengthening of the sector-specific regulator's powers.

The large number of opinions issued and the changes in the legal framework of the sector have led the *Autorité* to question the compliance of the published texts and the behaviour of operators with its recommendations, the relevance of these recommendations with regard to the current situation of the markets concerned, and their economic impact, at a time when some of these markets are opening up to competition.

A public consultation will take place during the first quarter of 2023

In accordance with the provisions of Article L. 462-4 of the French Commercial Code (*Code de commerce*), the *Autorité* has therefore decided to issue an opinion on its own initiative.

This opinion will be an opportunity for the *Autorité,* in cooperation with the relevant authorities, to take stock of its previous work and adapt or propose new recommendations that are better suited to current situations and future developments in the sector. In particular, it will address the sector from the perspective of intermodality and sustainable development, contributing to the work undertaken by the *Autorité* on the link between competition law and environmental concerns.

The *Autorité de la concurrence* will hold a public consultation this winter before issuing its opinion, which may include new recommendations.

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