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Future Policy Options for the Review of the EU Air Services Regulation

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Highlights

Regulation 1008/2008 (the "Air Services Regulation") is the basic legal act organising the EU internal market for air services. It was adopted in 2008 as the legal successor of the three "aviation packages", which have progressively established the EU internal aviation market. It also codifies the rules of three Regulations from 1992 (on licensing of carriers, on access to the EU market and on air fares and rates). The Regulation's provisions therefore touch on a range of issues, including but not limited to: 1) Operating licences, including on EU carriers' principal place of business and temporary licence; 2) Ownership and control of EU air carriers; 3) Leasing; 4) Freedom to provide intra-EU air services; 5) Public service obligations; 6) Traffic distribution rules; and 7) Price transparency.

As announced in its 2015 Aviation Strategy, the European Commission carried out an evaluation of the Regulation and published in July 2019 a Commission report. The objective of this evaluation was to provide insight into the actual performance of the Air Services Regulation and its overall intended and unintended impacts. While the Regulation does not include any specific social provisions, the indirect impacts associated with its application and the liberalisation of the air services market on employment and working conditions of aircrews formed part of the analysis. The impacts on the environment and the ongoing initiatives to address concerns about CO_2 emissions and noise were also analysed.

The Evaluation report concluded that the Regulation and its predecessors have brought sizeable EU added value in creating the EU internal aviation market by removing barriers to competition, such as restrictions on the routes, increasing the number of flights, allowing entry of new market

operators, in particular in the low cost segment, and increasing the range of advertised fares. While it can be said that the Air Services Regulation has been effective in achieving its objectives (market efficiency, safety and consumer protection), it was revealed that there are still areas where some improvement would be beneficial.

As a follow up to this evaluation, the Commission's Directorate-General for Mobility and Transport (DG MOVE) launched a study aimed at assessing whether additional measures could further contribute to the well-functioning of the internal aviation market and its global competitiveness, while also contributing to the protection of consumer interest and to safeguarding high EU safety, social and environmental standards.

In this context, the 13th Florence Air Forum, co-organised by the Florence School of Regulation's Transport Area and the Commission's DG MOVE, sought to exchange views on the refined policy options for the revised Regulation. Discussions were sub-divided around the following thematic sessions: i) Ownership and control, ii) Operating license - principal place of business and temporary licence, iii) Applicable labour law and competent jurisdiction, iv) Leasing, v) Price transparency, vi) Traffic distribution rules and vii) Public service obligations. At the same time, the workshop provided an opportunity for a timely discussion on the Air Services Regulation in the context of the Commission's Green Deal.

Air Services Regulation: Some Need for Review

A comment by Matthias Finger and Juan Montero, Florence School of Regulation – Transport Area

On 25-26 February 2020, the Commission, together with the Florence School of Regulation's Transport Area, has co-organised a workshop with the main stakeholders, where the different Policy Options were presented and critically discussed. In this *Observer* we will not go through each of the seven topics, nor will we discuss which options were favored or disfavored by the stakeholders. Rather, we will crystallise the main four lessons learnt from these two days of intensive discussions. Indeed, most of these lessons inform most of the topics, and we will highlight which ones of them in particular.

Lesson No. 1: *"Back to the Essence"*

Overall, it appeared that, over the past 12 years, discussion about many of the provisions of the Regulation has become too convoluted, sometimes to the point that the initial intention of some of the provisions of the Regulation might have got lost in the process. Consequently, each of the provisions must be located back in its context 12 years ago; one must then ask what its intention was at that time, whether the Regulation's provisions have achieved their purpose, and therefore are still fit for their initial purpose or may no longer be needed. In addition, one would need to reflect whether, in today's context, this very intention is still valid or has become obsolete or even "replaced" by new objectives. And this process is certainly applicable to all of the seven topics. For some topics – such as "Ownership and Control", "Traffic Distribution Rules" "Leasing" and "Public Service Obligations" – one may indeed ask oneself whether such rules can be relaxed or are even outdated today. But for other topics – such as "Principal place of business". "Temporary licenses", "Applicable labor law and competent jurisdiction" and "Price transparency" – one may ask whether the original rules are still adapted to today's much more competitive environment and much more sophisticated firm behavior. And again reflect to what extent the initial objectives may have been "replaced" by newer concerns/public policy questions.

Lesson No. 2: *"Enforce Existing Rules Before Creating New Ones"*

It is not uncommon that EU Regulations take some time to be enforced. But for a legislation that is now over 10 years old, there are too many issues around enforcement. Some of these issues, maybe due to imprecise legislation to begin with, which is often the result of too many compromises in its formulation processes, itself the consequence of irreconcilable positions from the outset. These imprecisions should be addressed in the current revision, for example in the case of "Ownership and control", "Principal place of business" and "Traffic distribution rules". But it became clear from the discussions with the stakeholders that many of these enforcement issues were actually not the result of a lack of clarity, nor were they the consequence of some active obstruction by Member States. Rather they are the result of developments on the market and of a lack of powers, competence and resources of the respective regulatory authorities in the different Member States. A crosscutting focus during the current review of the Air Services Regulation should therefore pertain to the strengthening of the national supervisory or regulatory authorities, including monitoring on behalf of the Commission that such strengthening actually takes places.

Lesson No. 3: *"Consider the Current Revision to Be Part of An Ecosystem of Rules"*

Aviation is a system, covering not only airlines, but also airports and air traffic management. And ultimately the system should deliver also for the EU citizens as passengers or consumers. This calls for an ecosystem approach to regulate these. In the case of Europe, the revision of the Air Services Regulation is by far not the only ongoing revision. Simultaneously, the Commission is revising the slots regulation, the regulation of airport charges, not to mention the 20-year old process of revision of air traffic management regulation so as to create, hopefully one day a Single European Sky. And indeed, it appeared clearly that many of the Air Services Regulation's provisions actually relate or even directly impact other regulations, such as particularly those relating to slot allocation rules. This is particularly the case of "Temporary licenses" (important in the case of bankruptcies) or the determination who holds "Transport Operating Licenses" (in the

case of takeovers). But airport slots, and the airport slot regulation, are also directly affected by "Traffic Distribution Rules" and "Public Services Obligations". And this is just an example. It is therefore imperative that during this revision of the Air Services Regulation one asks oneself whether some of the existing rules should not better be placed in other aviation regulations. Sometimes these considerations go far beyond aviation regulation and pertain to State aid rules (e.g., "Temporary licenses" and "Public Service Obligations"), consumer protection (e.g., Price Transparency") or labor law (e.g., "Applicable Labor Law and Competent Jurisdiction" and "Principal Place of Business").

Lesson No. 4: *"Anticipate New Challenges"*

Aviation, like all the other infrastructures, face new challenges, namely decarbonisation and digitalisation. These challenges are in principle tackled separately, as the original focus of the Air Services Regulation, and of aviation regulation more generally, is on creating a Single European (internal) Market. There is the possibility to include in these revisions concerns stemming from digitalisation – such as for example rules about data sharing in the case of "Price Transparency" – as well as from decarbonisation, such as for example putting obligatory information on emissions onto websites, so as to have more transparency for the consumers.

Main Takeaways from the Discussion

By Teodora Serafimova, Florence School of Regulation – Transport Area

The findings of the European Commission's recent evaluation reveal that while the Air Services Regulation has been effective in achieving the objectives of market efficiency, consumer protection and safety, some revisions will be needed to further improve the functioning of the internal aviation market and its competitiveness. This message was echoed by representatives of concerned stakeholder groups at the 13th Florence Air Forum, which sought to discuss future policy options for the Regulation's reform and to feed into the Commission's Impact Assessment Report. The Impact Assessment will support the drafting process of the legislative proposal which the Commission will put forward in the latter part of 2020.

Summarised below are stakeholders' views on the future policy options for the following provisions of the Regulation: i) ownership and control, ii) operating license and principal place of business and temporary licence, iii) applicable labour law and competent jurisdiction, iv) leasing, v) price transparency, vi) traffic distribution rules, vii) public service obligations, and viii) the Air Services Regulation in the context of the Commission's Green Deal.

Operating License – Ownership & Control of EU Air Carriers

The application of the Ownership & Control (O&C) provisions of the Regulation has limited the pool of capital available to EU air carriers. Some air carriers pointed to recent difficulties in sourcing capital within the EEA only.

In light of this, many airlines as well as airport representatives expressed support for the removal of ownership restrictions for *all* investors while maintaining effective control rules. Under this approach, the ownership limits for all investors would be removed (including any non-EU investors, institutional, airlines or any other investors) and these would be able to control up to 100% of EU carriers. However, effective control rules would remain in the hands of EU nationals or Member States unless (as under the current rules) an agreement with a given third country allows for relaxation based on reciprocity. This, in turn, would need to be supported by an adequate definition and criteria for determining 'effective control'. This policy option received support by most stakeholders at the workshop, offering a 'middle ground' in terms of facilitating access to foreign capital without granting foreign investors access to internal market and control over EU air carriers. However, questions were raised as to whether non-EU investors would accept to invest massively without control of the company.

Some airline and airport stakeholders could also support an option that entails the full removal of ownership restrictions for institutional investors only (e.g., pension funds, mutual funds) while maintaining effective control rules. In such a scenario, a non-EU institutional investor would be able to own more than 50% of the shares of an EU carrier. Under this option, restrictions on ownership would be kept for non-EU air carrier investors. Here too, effective control would have to remain with EU nationals in all cases, criteria for determining control would need to be clarified and the same objection as above would apply.

The further liberalisation of ownership provisions was largely supported as a logical solution especially in the aftermath of Brexit, a consequence of which has been a reduction in available capital to EU air carriers. Having said that, participants emphasised the need for a long-term perspective considering the global context, in order to avoid granting access to capital merely for the purpose of temporarily saving an airline that is not financially viable in the long run.

The travel agents and tour operators, pointed out that the facilitation of easier access to capital and financing would alleviate issues only temporarily. Only enabling EU airlines to invest in other EU airlines could lead to further market consolidation at the expense of smaller airlines and consumers, who may be confronted with higher prices. Similarly, airport representatives cautioned against the risks of further market consolidation (via airline bankruptcies), which could translate into negative impacts for airport connectivity and consumer choice.

Furthermore, European aircrew associations stressed that liberalisation has indeed brought about significant

benefits for the industry and consumers. However, there is no guarantee that if control of airlines were to be left to third countries, workers' social rights would be respected. It was, moreover, pointed out that investments in EU airlines by non-EU investors could be motivated by strategic considerations and hidden agendas to gain market access. To address 'social dumping' concerns, European aircrew associations supported the idea of undertaking an assessment of the social, safety and environmental standards of foreign investors prior to granting foreign ownership. A vast majority of stakeholders were in favour of exploring the possible interplay between O&C rules liberalisation and the newly established EU framework for screening of foreign direct investment in the EU, a logic that could be expanded and reinforced.

The above concerns were shared by airline stakeholders, who underlined that if a relaxation of ownership provisions were to be chosen, measures would have to be put in place (e.g., via bilateral agreements or strategic screening) to guarantee reciprocity from third countries vis-à-vis EU investors. What is more, in light of the fact that the EU is not as homogeneous as the US, some air carriers flagged the need to consider the different levels of market maturity and anticipate the risk of that ownership liberalisation disproportionately affecting regions with underserved connectivity needs.

A number of stakeholders, in particular airlines, were in favour of a mere clarification of existing rules and criteria for determining O&C. Clarification of existing O&C rules was in fact referred to as a 'minimum requirement' to improve the legal certainty for air carriers and investors and to ensure consistent enforcement of the current O&C rules, while reducing enforcement costs. The clarification and proper enforcement of existing O&C provisions, it was argued, could also mitigate the risk of social dumping by foreign investors.

Stakeholders called on regulators to ensure that the reform of the Air Services Regulation be guided by the objective of safeguarding competition, while ensuring connectivity and consumer protection. In light of this, support was expressed for provisions that would enable larger access to capital while securing safeguards in order to preserve the EU internal market for aviation and to protect strategic EU interests. What is more, the opening up O&C provisions could require an assessment of a broader set of legislative pieces falling within the remit of not only DG MOVE, but possibly also DG COMP and DG JUST.

Operating License – EU carriers' Principal Place of Business

The evaluation showed that in light of a growing number of pan-European airlines that spread their operations across several Member States, establish subsidiaries, and hold multiple Air Operator Certificates (AOC) and Operating Licenses (OL) in different Member States, the effective and consistent financial monitoring of air carriers by the Member State of the principal place of business (PPoB) is becoming more challenging. In parallel, the question arises as to which functions should be exercised in the Member States of the PPoB and which competent authority is best placed to ensure the financial monitoring of air carriers without stifling their development if adequate monitoring can be ensured in other ways. What is more, the multiplication of operational bases outside the PPoB has brought about new challenges to aircrews and may have led to unintended consequences for their working and employment conditions. This, in turn, may have acted to undermine the level playing field between carriers.

Some airline stakeholders pointed out that the issue of fragmentation can be attributed to the fact that Member States have different interpretations of the Regulation's PPoB provisions. The cost of fragmented regulation has, in turn, been borne by the operators and passed on to consumers. A majority of airline representatives, therefore, called for a clarification of the definition of the PPoB and measures to enhance cooperation between Member States. Such an approach would also help to improve the implementation and enforcement of the existing regulatory framework. This would simplify the list of functions that need to be carried out in the Member State of the PPoB, which is responsible for granting the OL and for financial oversight, and link the air carrier to that Member State. This simplification of functions would, in turn, make it easier for carriers wishing to outsource functions and/or open multiple operational bases to organise their operations more efficiently. Some stakeholders, however, argued that there is no need to

change the current system as quality oversight is possible under existing rules.

What is more, this policy option would be accompanied by a clear obligation for the Member States in which the air carrier has operations to assist the authority responsible for the financial oversight to perform its functions effectively (along the model of "cooperative oversight" as provided for in Art. 6 of the Regulation). In other words, Member States, in which airlines have operations, would be required to facilitate the exchange of information where necessary.

Opponents of this approach, however, expressed concerns that simplifying further the list of functions could encourage rule-shopping in the absence of any requirement that operational activities link the carrier to the Member State of the PPoB. To avoid this, these participants instead called for the enactment of clear and objective rules.

Representatives of the travel agents and tour operators, on the other hand, noted that measures to improve financial monitoring need to be accompanied by the introduction of airline insolvency protection schemes, which, in turn, are crucial in ensuring consumer protection. A number of airline representatives were also in favour of providing for a greater concentration of functions in the Member State of the PPoB. This option would consist in modifying the definition of the PPoB to establish a list of more functions than under the current Regulation that airlines would be expected to carry out in the Member State of the PPoB. This option would aim at ensuring more clarity for air carriers thus making it easier for the Member State of oversight to perform its duties by requiring more functions to take place in the Member State.

Flexibility as well as efficient and consistent supervision were considered as crucial elements by the industry. Overall, the option to clarify the definition combined with more cooperation between the authorities received more support at the workshop.

Operating License - Temporary License

The existing temporary license system does not always provide an adequate framework for financial reorganisation or orderly market exit of air carriers. While the temporary license was identified as an important area of the Regulation needing improvement, some participants urged the need to consider whether carriers' market exit was more adequately addressed in the context of the Air Services Regulation or rather in the Slot Regulation.

To address shortcomings of the existing system, a significant proportion of airline representatives were in favour of retaining the temporary licence system for air carriers in financial difficulties provided it is combined with a structured dialogue between the air carrier and the Member State to facilitate restructuring or winding up an air carrier in financial difficulty. Under this policy option, priority would be given to structured dialogue but, if this fails, a temporary licence would be granted, six months later than currently foreseen. More specifically, this implies that an air carrier would be required to enter into a process of structured dialogue with the licencing authority from the moment that it cannot fulfil its financial obligations for the next 12 months. If after six months no adequate restructuring plan has been elaborated, and the air carrier cannot fulfil its financial obligations for the following six months, a temporary licence could be granted.

Under such an approach, the Slot Regulation would specify that air carriers that are in a process of structured dialogue may keep their slots for a period of 12-months even if they cannot fulfil the use-it-or-lose-it requirement of the Slot Regulation. As slots at congested airports are becoming more valuable, allowing airlines in financial difficulties to hold on to slots for a limited period of time, despite not fulfilling the use-it-or-lose-it rule, would prevent sudden interruption of all services and give airlines some breathing room to recover.

Proponents of this option argued that since temporary licences have not been widely used, giving more attention to an effective dialogue between the licensing authority and the air carrier in financial difficulties can lessen the drawbacks of bankruptcies in terms of stranded passengers, unemployment and inefficiently used slots. On the other hand, some licensing authorities have defended the temporary license as a tool enabling them to exert pressure on air carriers in financial difficulties to take corrective action. Therefore, a complete removal of temporary license system could result in these authorities losing some bargaining power with possible negative consequences for passengers, workers and safety.

Slot coordinators warned that a temporary license should only be granted if there is a realistic chance of satisfactory financial reconstruction of the air carrier in order to maintain its air transport activity. The license of an air carrier that stops its operations due to financial issues, they argued, should be as a minimum suspended or even revoked but the temporary license status should not be used when the carrier no longer operates, just for the sake that legally it can still hold or be allocated airport slots. Having said that, slot coordinators stressed that any process related to airport slots withdrawal from a failing company should strike a balance between the protection of this company's possible future and the best possible use of scarce airport capacity on which many other undertakings rely too.

Other stakeholders flagged a major issue: that the issuance of a temporary license acts to switch on a 'red light' warning to all other market players, which leads to many stakeholders to only require cash payment from the air carrier in financial difficulty or credit card companies being unwilling to release financial resources for already paid tickets, thus precipitating its market exit. With this in mind, many airline stakeholders were in favour of the more drastic approach to completely replace the system of temporary licences with a system based on a structured dialogue between the air carrier and the Member State to facilitate restructuring or winding up an air carrier in financial difficulty. Under this option, at a certain threshold of financial difficulty, the national licensing authority would increase the frequency of the monitoring and, at the same time, enter into a structured dialogue, meaning more frequent and regular contact with the air carrier to elaborate a realistic and clear framework for restructuring or wind-up within a definite timeline.

The licensing authority would have to inform the authority overseeing the AOC(s), as well as the CAAs in other Member States concerned (i.e., where the air carrier has operational bases), of the carrier's financial difficulties. The structured dialogue would also include contingency planning to reduce the impact on stranded passengers in case operations are disrupted or halted. During this period (maximum 12 months), the air carrier would be allowed to keep the operating licence. Furthermore, the Slot Regulation would have to specify that air carriers that face financial difficulties and are in a process of structured dialogue may keep their slots for a certain period even if they cannot fulfil the usage requirement of the Slot Regulation. Slot coordinators highlighted the need of cooperation between them and licensing authorities in other Member States involved. Some stakeholders, such as airports, questioned the fact that carriers in financial difficulties should be able to hold on to slots if this extends over a considerable amount of time.

Applicable Labour Law and Competent Jurisdiction

There is inconsistency in the interpretation and application of applicable labour law (by airlines) and their enforcement (by Member States) that leads to complexity for some aircrews and an uneven playing field for air carriers. This issue is becoming ever more relevant in light of increasing multinational operations by Pan-European airlines and the implications for the aircrews.

A majority of airlines and European aircrew representatives supported further clarity and guidance on the specific existing criteria for determining the competent jurisdiction and applicable mandatory labour law for aircrews but were more in favour of binding rules as these were considered more effective in ensuring existing rules are consistently and effectively applied and enforced in aviation. The rules applicable to cross-border employment contracts are harmonised at EU level and clarified by the CJEU in its case law. Without prejudice to the choice of the legal instrument, policy option SO2 would entail the codification of specific existing criteria for determining, in the case of aircrews assigned to a home base outside the PPoB of the carrier, the habitual place of work for the purpose of applying the rules of Brussels Ia (on competent jurisdiction) and Rome I (on the Member State whose mandatory labour law requirements are to be respected as minimum guarantee), in line with the case law of the CJEU. This policy option would apply to workers (i.e. all employed aircrews, including those hired by intermediaries). Some airlines raised the question whether there is a need to regulate on this topic and if so whether the Regulation 1008/2008 is the appropriate instrument to regulate on this.

A number of airlines and representatives of European travellers could also support SO1, i.e., the issuance of non-binding EU level guidance clarifying the criteria for determining in the case of aircrews assigned to a home

base outside the PPoB of the air carrier, the competent jurisdiction and the Member State whose mandatory labour law requirements are to be respected as minimum guarantee, in line with EU law as interpreted by the Court of Justice of the EU. This non-binding guidance would clarify existing EU rules but would not go beyond the case law of the CJEU.

In other words, under none of the above-mentioned policy options would the applicable rules (Brussels Ia and Rome I) change, meaning that employment legislations would remain primarily a national competence. As such, these two options would not ensure a "full" level playing among air carriers, which in turn is something that could only be achieved through full harmonisation of labour laws.

Both approaches would clarify the criteria, be it in the form of binding legislation or non-binding EU guidance, and help, albeit to varying degrees, in ensuring consistent interpretation and application of existing rules by airlines and relevant authorities, and thus contribute to a level playing field between airlines and the protection of aircrews' employment and working conditions.

However, the discussion also revealed that the issue in aviation may also be an issue of law enforcement by the authorities which may be more difficult in aviation than in other sectors since all authorities may not always be aware of the presence of aircrews on their territory. An additional requirement discussed was whether to include a systematic obligation for air carriers that assign aircrews to a home base outside their PPoB to inform the relevant authorities of which aircrew has been assigned to a home base on their territory. This obligation would cover both workers (i.e., all employed aircrews, including those hired by intermediaries) and self-employed.

Most of the airlines and European aircrew representatives were in favour of such a requirement which could contribute to improve enforcement, in particular if such an obligation should apply when an air carrier opens a new operational base. Additional costs of such a requirement were considered to be marginal.

Leasing

According to airlines' feedback, the existing prior approval requirement for intra-EEA dry-leasing hinders the efficiency of their operations unnecessarily, particularly for pan-European airlines holding multiple AOC and OL. While wet-leasing of third-country aircraft has been limited to date, arguments were made in favour of facilitating it in respect of like-minded third-countries (in terms of aligned safety and working conditions) allowing air carriers more flexibility in adapting their fleets to address seasonal capacity changes.

Airline representatives were overwhelmingly in support of removing the requirement in the Air Services Regulation for air carriers to gain prior approval for intra-EU wet-leasing and for dry-leasing (both infra- and extra-EU). Such a policy option would remove the requirement for prior approval for *all* dry-lease agreements and intra-EU wet-lease agreements, which duplicates a similar requirement within the framework of the EASA Basic Regulation. The prior approval requirements in the EASA Basic Regulation, however, would continue to apply. The removal of the prior approval requirement for dry-leasing, both intra- and extra-EU, was justified on grounds that exceptionally high and harmonised safety and social standards are being observed across the EU, as well as in a growing number of countries worldwide.

What is more, airline representatives underlined that leasing usually comes at a higher cost, which means that carriers usually resort to it only in exceptional circumstances in order to maintain services. The alternative to leasing would thus be flight cancellations, which comes at a disadvantage to consumers. Having said that, airlines stressed that the prime objective of the liberalisation of leasing, be it wet- or dry-, should be to provide flexibility for airlines to adapt to specific situations and spikes in demand, as opposed to cutting costs of operations. The necessity of extra-EU wet-leasing of aircraft was highlighted, in particular, in the case of cargo operations, where large aircraft are needed but not available in sufficient quantities in Europe.

With this in mind, some participants supported the idea of allowing wet-leasing from third countries provided EU standards on safety and social matters are maintained. Under such circumstances, the requirements for "exceptional needs" or that the lessee demonstrate that

the demand cannot be fulfilled through an intra-EU wet-leasing arrangement[1] and the time limits, would no longer apply. This approach could result in important savings benefits for air carriers as well as authorities, by removing the unnecessary burden and providing greater flexibility and thereby reducing operating costs.

This policy measure would, however, need to be tailored accordingly to address concerns expressed by European aircrew associations regarding the risk of social dumping and the legal uncertainty about non-EU crew on the aircraft operating in the EU. As a consequence of this measure, adjustments in employment may be expected, with EU carriers relying more on non-EU crew; but also a reciprocal change is to be expected, with non-EU carriers using EU crew more often. For longer term extra EU wet-leasing, it should be ensured that the crew has a strong connection with the labour law of one Member State. All in all, further liberalising extra-EU wet-leasing appeared to be the most contentious issue dividing participants, given the different social and safety standards in non-EU countries. Participants concluded that further reflection is needed on how to best approach the issue.

Price Transparency

Issues remain in the way air carriers break down taxes, fees charges and surcharges on websites resulting in sub-optimal price transparency for consumers. There is no requirement in the Air Services Regulation as to the labelling of the amount that is refundable in case of voluntary ticket cancellation. Moreover, differing practices and interpretations as to what constitutes a final price or optional supplements make effective price comparison difficult. With this in mind, enhancing price transparency is crucial to enabling passengers to make informed purchase and travel decisions, while maximising the quality of service provided.

To start with, stakeholders underlined that the increasing unbundling of services observed in the aviation industry is not to be seen as a negative trend only, given that it has enabled low fares for consumers. Price differentiation offers an opportunity for airlines to differentiate themselves on the basis of quality and type of service provided, while consumers are provided with the freedom to choose the services they value and are willing to pay for the most. However, the issue lies in the lack of transparency on the price and of what it includes, especially given that it has varied significantly from one airline to another, as well as from one channel to the other. Representatives of the European passengers highlighted that the addition of basic services (such as hand luggage and the guarantee of free seating together for families and passengers travelling together) could act to increase the advertised price, resulting in significant differences between the price initially displayed and the final price.

To address these shortcomings, representatives from the travel industry and from European aircrew associations were in support of setting the 'unavoidable' and 'foreseeable' elements that must always be included in the final price. For the Air Services Regulation, this would entail setting a precise definition under its Article 23(1) of the 'unavoidable and foreseeable' price elements in terms of minimum services (and conditions thereof) to be always included in the final price and which cannot be subject to optional price supplement. Proponents of imposing such an obligation on air carriers to include some services in the air fare instead of considering those as an optional price supplement argued that it could enable consumers to make better informed choices as regards the basic services included in the final price. What is more, a clear definition of 'unavoidable and foreseeable' price elements could enable easier price comparison between travel options, which, in turn, is an important pre-condition for effective competition.

While the definition of 'unavoidable and foreseeable' price elements enjoyed some support among participants, others outlined the challenging nature of agreeing on a definition that is future-proof in terms of accommodating the constantly changing travel habits and innovating environment. Airlines, in particular, expressed concerns that imposing a common definition of minimum services could act to hamper innovation, restrict carriers' pricing freedom and ultimately disadvantage consumers, by limiting choices. Opponents of the definition of 'minimum services' argued that the question the Regulation should instead be tackling, is that of how to ensure that the various options and services are displayed in a transparent manner, as opposed to determining consumers' choices.

1. In essence, Article 13(b)(i)-(iii) of the Air Services Regulation

Airline representatives were in favour of keeping the current TFCs obligation while displaying the reimbursable price elements in addition to it. This policy option would maintain the current price transparency elements regarding TFCs and ensure that reimbursable price elements in case of voluntary cancellation and no show are also displayed as a separate element. Information on the reimbursable price elements, they argued, would be an important additional element of enhanced price transparency. While TFCs may result in information overload for consumers, this price element is useful in enabling adequate monitoring and enforcement. What is more, without an indication of the TFC, the calculation and verification of the reimbursable amounts is burdensome.

Representatives of European passengers as well as of travel agents and tour operators, on the other hand, were in support of *only* displaying the reimbursable price elements, which they stressed is of greatest importance to consumers in case of voluntary flight cancellation or no-show. Passenger representatives noted that the display of TFCs today adds unnecessary complexity for consumers. This policy option would eliminate the current obligation in Article 23(1) of the Regulation to break down the final price into TFCs and require a breakdown into reimbursable and non-reimbursable price elements instead. Dropping the current TFCs display obligation, it was argued, would help to simplify the choice for consumers given that they are not able to influence these price elements anyway. On a more practical note, stakeholders representing European passengers also noted the uncertainty for consumers as regards the responsible reference point, be it the air carrier or consumer organisation, when faced with problems (e.g. flight cancellation).

The EU air sector has been at the forefront of data sharing and standardisation, notably thanks to its Code of Conduct on Computerised Reservation Systems (CRS) dating back from the 1990s, which mandated transparency and neutrality in the display of information by integrated transport platforms. As made evident in the Commission's recent European Data Strategy, questions of data standardisation and sharing will only gain in importance in the near future. The direction taken in the reform of the Air Services Regulation, especially as regards its price transparency provisions, will therefore likely shape developments in other sectors and industries. Travel and digital intermediaries stressed the importance of access to data – for all modes, including multi-modal travel, in order to ensure seamless travel. Moreover, while the growing role of digitalisation was highlighted in opening up new marketing opportunities (e.g., dynamic personalised pricing to benefit consumers by taking into account their previous purchase habits), participants concluded that this does not need to be regulated in a sector-specific manner, and that multimodal regulation other than a CRS Code of Conduct may instead be more appropriate.

Exceptions to the Freedom to Provide Air Services: Traffic Distribution Rules

Existing experience shows that the provisions on traffic distribution rules (TDR) have not been effective in minimising competitive distortions and do not sufficiently prevent the discriminatory effects of such rules. The root cause for this discussion has been the underlying lack of capacity at airports, whereby TDRs have offered a tool to manage air traffic distribution between airports. Stakeholders agreed that the purpose of TDRs should be to enhance connectivity and support the efficient use of airport capacity. Having said that, the Air Services Regulation presumes that airports are perfect substitutes whereas in reality this has not been the case, and thus puts into question the instrument's effectiveness in addressing connectivity and capacity issues.

Cases of TDRs to date have been rare, and the limited experience has been negative in most cases. Firstly, participants acknowledged that there is a clear conflict of philosophy between the provisions of the Air Services Regulation concerning TDR and those of the Slot Regulation. TDRs can 'de facto' force air carriers to give up slots at well-connected airports (thus interfering with their historic rights), and to hand them over for free to competitors. Due to the considerable value of slots at congested airports, the very possibility for Member States to provide for TDR has been strongly criticised by airlines as an interventionist measure, also given the possible impact on the application of the Slot Regulation. What is more, stakeholders noted that the TDR adoption process has lacked transparency. Finally, the discussion showed that TDR may also be used as a means to motivate air carriers to move from congested, often hub, airports to

alternative (non-perfect substitutes) airports, which has never been objective of the TDRs.

Airline stakeholders thus overwhelmingly supported a revision of existing rules in the Air Services Regulation, in order to preserve opportunities for air carriers to access the internal market freely, while addressing strains on airport capacity.

More concretely, a vast majority of airlines were in favour of completely abolishing TDRs through a deletion of the relevant Article 19 of the Regulation, in light of the existing provisions being discriminative of certain airline business models. The proposed amendment would result in Member States no longer being able to adopt decisions to regulate the distribution of traffic between airports. This would be left to market forces and the rules of the Slot Regulation.

This policy approach would involve no intervention to the freedom of air carriers to provide air services between the airports of their choice in the EU subject to the availability of slots. This would therefore remove the risk of air carriers having to give up valuable slots at congested airports to serve a secondary airport unless they take such a business decision. An abolition of TDRs would translate in Member States no longer being able to apply such rules to increase the efficiency in the use of airport infrastructure (e.g. to limit the use of smaller aircraft that disrupt the flow of air traffic at congested airports). However, airlines argued that alternative instruments exist for dealing with regional connectivity issues, namely public service obligations (PSOs). What is more, the management of air traffic distribution at airports, and in particular in the cases where new capacity is created, is also possible through the use of market based instruments. Congestion charging, for instance, could be applied to enable regulators to make use of differentiated charging to encourage airlines to move into less congested airports. Secondary trading, on the other hand, was referred to by airline stakeholders as another useful tool to ensure efficient use of airport infrastructure. However, slot auctioning was strongly opposed by many airlines.

On the other hand, other airline stakeholders, along with airport representatives and slot coordinators, were in favour of softer revision that would see an amendment of TDRs in order to clarify certain requirements to limit the scope of the rules' application (e.g., the criteria for distributing the traffic, the consultation procedure) based on the Commission's and Member States' experience with the rules. For example, Member States would have to justify why they do not take into account the position of interested stakeholders, when they do not amend the rules after consultation. Under this policy option, Member States would be required to systematically submit a sensitivity analysis carried out by independent consultants to show the different impacts of the requirements imposed by the TDRs. Greater transparency and contribution by interested parties to the process of drafting TDRs could generate better rules and increase acceptance of them.

Member States are indeed often involved in the large financing projects surrounding an airport or other transport infrastructure (e.g. high-speed train connecting to an airport). Proponents of retaining an amend version of TDR rules argued that the possibility to adopt TDRs is crucial in guaranteeing that a newly developed infrastructure will indeed be used and avoiding airport closure (i.e. capacity going to waste). TDRs are, moreover, instrumental in helping to offset congestion issues at a growing number of super-congested airports. TDRs, in theory, allow Member States to address concerns of connectivity and may intervene on destinations that are "overserved", thereby enabling governments to influence their region's connectivity taking into account strategic interests. TDRs are also of particular importance in securing the operation of general and business aviation as well as any operators relying on ad-hoc flights who are faced with increasing difficulties to access congested slot-coordinated airports.

In revising the Regulation, stakeholders were united in calling for a close alignment in the provisions of the Air Service Regulation and the Slot Regulation, together with a clear definition of the mandate of slot coordinators in this regard.

Exceptions to the Freedom to Provide Air Services: Public Service Obligations

The current legal framework is not always effective in ensuring that Public Service Obligations (PSOs) do not go beyond what is necessary to promote connectivity and social and economic development of peripheral and development regions and islands. This can, in part, be

attributed to the fact that PSO notions are very general in nature and the Air Services Regulation fails to further clarify these. This can lead to inconsistent and even improper application of PSO provisions. What is more, issues remain in the tendering process, whereas PSO contracts have been perceived as excessively complex procedures.

PSO routes in Europe today are marginal[2] and limited primarily to islands and isolated areas, which are oftentimes economically less developed regions. The purpose of a PSO is therefore usually to service a less developed area, where passengers are unable to pay for the air fare. In addition to retaining existing PSO provisions, airport stakeholders supported the establishment of a route development fund.

In light of the above arguments, airport representatives supported a clarification of PSO criteria and the introduction of more stringent criteria and procedures linked to the imposition of PSOs, so as to ensure that their use by Member States is limited to genuine routes only. This policy approach would involve a clarification of eligibility criteria (i.e. peripheral or development region and thin routes) and the adding of further specification to the necessity and adequacy criteria (e.g. in terms of frequency, capacity, fares, seasonality, targeted population and recourse to other transport modes). In addition, in order to improve the effectiveness of the PSO rules, the application of emergency procedure would be adjusted. Also the minimum period between publication of information notice and deadline for submission of tenders (current minimum period is two months) would be extended, as would the minimum period between publication of invitation to tender and start of new concession (current minimum period is six months). Last but not least, more information would be required from Member States and published in the Official Journal of the European Union. These measures are aimed at ensuring the tender process is more open and transparent.

A challenge when clarifying PSO criteria under the above option, would be to avoid being overly prescriptive which may hamper Member States' flexibility to apply provisions to their individual connectivity needs. When it comes to the tendering procedures, stakeholders recommended that two languages be permissible to answer the call to ensure best deal for both airlines and regions.

Airlines, on the other hand, were in favour of introducing a PSOs pre-approval procedure by the European Commission. Under such an option, a prior approval by the European Commission (or another responsible body) would be introduced for envisaged PSOs for routes above a certain traffic level (which would have to be determined). In this case, the Commission would assess, prior to its publication, the envisaged PSO in light of current provisions (taking into account its interpretative Guidelines, where relevant). Advocates of the approach argued that a prior-approval procedure would increase the stringency of the process for PSO imposition, address the risks of different interpretation of the rules and foster competition in PSO tender procedures. In addition, this policy option would be accompanied by the above-described measures aimed at improving the effectiveness of the PSO rules, relating to the application of the emergency procedure, the duration of tendering procedures, and the requirement for additional information from Member States.

Since the Article 9 of the Slot Regulation gives the possibility to a Member State to reserve slots at a coordinated airport for services with PSOs, slot coordinators underlined that here again it is important to consider the Air Services Regulation in close conjunction with the Slot Regulation. Due consideration should, in particular, be given to the situation where PSOs expire or where the route is no longer eligible for PSOs whereas slots were reserved at one airport. Slots reserved for expired PSO routes should be returned to the pool or reserved for other PSO routes at that airport. A time limit for this reassignment to another PSO route should be set in order to avoid wasting scarce capacity at that airport.

While PSOs have been instrumental in serving specific markets, stakeholders stressed that they are not the only solution. Airport representatives argued that the existing State Aid Guidelines would benefit from greater flexibility via for instance, the possibility to exceed 50% of total charges on a route, for specified reasons; the possibility to get funds for a route which is already served but only on a seasonal base and which should be served yearly, and the possibility to extend the 3-year period up to 5 years in some circumstances. In sum, stakeholders agreed that PSOs help to restore fair competition as

2. A total of 178 PSO routes, used by 12 countries, were recorded in the EU in 2018.

European territories are not equal, but these must be carefully reviewed in order to avoid abuses and ensure their application is limited to 'genuine' cases only.

The Air Services Regulation in the Context of the Commission's Green Deal

While aviation emissions only account for roughly 2% of global CO_2 emissions, their share has been growing steeply and alternative powertrain solutions have not enjoyed the same rate of advancement as in other sectors. In its European Green Deal, the von der Leyen Commission reaffirms the EU's commitment to achieving climate neutrality by 2050, and moreover promises to deliver a sustainable aviation fuels strategy by the end of 2020. Participants acknowledged that the effects of the Air Services Regulation are not fully in line with the EU's climate and sustainability objectives, however, they questioned whether it is the appropriate instrument to address these challenges, or whether EU efforts are instead better invested in other pieces of legislation with higher CO_2 mitigation potential.

While stakeholders agreed on the importance of stimulating the uptake of sustainable aviation fuels, in Europe, they underlined the need to provide necessary incentives for their production and deployment. This, in turn, would entail overcoming regulatory as well as technological barriers. Here, the upcoming recast of the Energy Taxation Directive was pointed out as an opportunity to close existing loopholes (i.e. current tax exemptions for aviation fuels) with a view to ensuring more efficient pricing of air travel and fostering a level playing field.

The uptake of sustainable aviation fuels could be further stimulated by empowering consumers to factor environmental criteria into their travel decisions. While some online travel companies already offer the possibility to compare airlines and flights on the basis of efforts to offset CO_2 emissions, participants put forward the idea of making this a binding requirement via an amendment of the price transparency provisions of the Air Services Regulation. Others urged the need to "think multimodal", in terms of acknowledging that air travel is not necessarily the best or the only travel option. As already acknowledged by a number of national governments, short haul flights can in some cases be substituted by rail trips, and the provision of multimodal travel information can therefore be instrumental in encouraging consumers to make these choices. Stakeholders stressed the importance of combatting consumer misinformation, while empowering them to choose the most sustainable option.

What is more, stakeholders raised the idea of conditioning PSOs on the use of "greener" aircrafts for instance. In other words, Member States and regions wishing to introduce PSO schemes would need to accept to introduce sustainability criteria into their tenders. Given the global nature of the aviation industry, airline companies also supported the idea of exporting the EU's sustainability values to third countries via the incorporation of more detailed sustainability provisions in international air services agreements.

Others were concerned with the idea of "forcing" sustainability commitments and criteria into the Air Services Regulation, arguing that perhaps we should be exploring more promising solutions elsewhere taking into account the global nature of the aviation industry. Indeed, a number of other initiatives at EU and international level aim at addressing the aviation industry's environmental impact. Today, intra-EU flights are included in the EU Emission Trading System (EU ETS), following a decision in 2012 to exclude international flights and allow the International Civil Aviation Organisation (ICAO), to work on a global mechanism. The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) has already gotten support and its trial phase is due to start next January. Recently, as part of its Green Deal communication, the Commission announced its vision to reduce the EU ETS allowances allocated for free to airlines, and a reform of the ETS is scheduled for 2021. This, too, will be coordinated with action at global level, notably at the ICAO.

Lastly, supporting the implementation of the Single European Sky (another commitment under the Green Deal), holds significant untapped potential for enhancing airspace efficiency and reducing CO_2 emissions. A modulation of airport charges on the basis of environmental criteria, by means of reforming the Airport Charges Directive, on the other hand, was also discussed as a means to offset the climate impact of aviation while helping to alleviate congestion at airports.

A New Flight Plan: Modernising the Air Services Regulation

A Comment by Guillaume Teissonniere, eDreams ODIGEO

The most important question to answer when reviewing the consumer provisions in the Air Services Regulation 2008/1008 is, what do air travelers want? The answer is straightforward. Air travelers want to compare apples with apples when they search for flights[1]. As an industry we provide people with clear information about flight routes, duration and layovers. What customers lack is transparency concerning which services are included in the price displayed and how good that price is compared to competing offers. Booking a flight can be a confusing experience if the basics are not clear. Is my cabin bag included in this price? Do I need to pay extra to choose a seat? How much do I get back if I cancel this flight?

Two sets of actions should be considered in order to revise and modernize the Air Services Regulation.

The first approach is based on standardization. It requires clear definition of what are the minimum services that must be included in the default fare displayed, and what are the core optional services to be displayed in order for consumers to compare offers and make an informed choice. The second approach pivots away from information standards and focuses on transparency by ensuring global access to carriers' data. With this second option, as long as travel intermediaries can get access to carrier's data, market forces will work to deliver transparency to consumers on the benefits and competitiveness of each alternative airline offer.

Let's investigate each regulatory option, bearing in mind that the most consumer-friendly answer will be a combination of both ideas.

Reform Option 1: Standardization

The concept of first price equating to the final price the customer sees is evolving as airlines unbundle fares and taxes from extra charges for bags, seats and boarding. Article 23 requires that customers see a price for all charges that are 'unavoidable and foreseeable'. This broad concept based on generic principles has the advantage of providing room for interpretation and preserving the ability of ticket vendors to implement innovative pricing strategies. However, room for interpretation also means uncertainty for consumers and ticket vendors based on the minimum rules for pricing display.

We believe pricing innovation is not incompatible with the imposition of minimum display requirements. A modern interpretation of Article 23 would consist of defining a minimum price required to take a flight. You'll always need to pay the fare, taxes, a place to sit and storage of a personal item (cabin size), so this becomes the 'minimum available package' to fly and the best price comparison tool.

A customer would see prices for:

Minimum available package		**Optional**
Basic	**Unavoidable and Foreseeable**	**Core Optional Supplements**
• Air Fare • Taxes	• Cabin luggage • PRM services • Seat allocation defined by the airline as long as minors are seated with their parent/ guardian	• Check-in baggage • Seat selection by passenger • Faster boarding • Ticket changes and cancellation

Standardized information around the amount of taxes refundable where a passenger does not board the flight would constitute real progress toward transparency for consumers. However, behind the good intentions, we must analyse the feasibility of such measures. The *arrêté* adopted in France on May 10, 2017 shows such measures raise complex implementation barriers, based on the fact that onboarding taxes are defined at national level and refund conditions rely on complex parameters. Authorities must ensure that ticket vendors, be it airlines or intermediaries, will be able to determine at scale and in advance the amount of refundable taxes for each segment of a flight journey. The question is particularly problematic for international flights.

1. As set out in Recital 16 'customers should be able to compare effectively the prices for sir services of different airlines'.

Reform Option 2: Access to carrier's Data

A laissez-faire alternative to defining and policing all costs visible to the customer, is to require and protect access to carrier's data and let the market forces build transparent comparison tools. This way, even with the airline industries dynamic pricing models, customers will access homogenous price details no matter what portal they choose to shop for their flight. Carriers changing prices for fares, extra bags etc. will be reflected in real time as customers pick and choose their travel options, and consumers will know the same price will appear in Search A as in Search B.

Total transparency on price means the best service provider wins the customer's business, promoting innovation and easy to use products for consumers.

This idea of free access to carrier's data is not novel even if limited to specific areas so far. The Computerised Reservation System Code of Conduct 80/2009 guarantees access to data in Article 9 and a similar approach has been adopted to promote multi-modal travel offers, even though it is limited to 'static data'. A global reflection around granting access to dynamic data, including airfares, should be launched as a real and ambitious "B2B open data policy", which is the key to fostering innovation in Europe, especially in the travel sector. This "B2B open data policy" is the most efficient way to foster innovation in Europe and avoid widening the gap even further with powerful digital players based in the USA and China.

Industry Standards and Enforcement

Setting an industry standard which defines 'minimum available package' and 'core optional supplements' will require consensus building, possibly facilitated by the European Commission, between carriers, ticket vendors and consumers.

Timely interventions on enforcement will be critical. If the stricter *definition* model is adopted a review mechanism will need to be built in to keep pace with industry developments. Enforcement would be simpler in the *definition* model as breaches will be clear-cut.

In an *access to data* model the timeliness of enforcement intervention would be key. We must remind ourselves that Article 23 of the Air Services Regulation is an anomaly. In a technically 'pure' aviation text that deals with slots, air traffic and crewing we find a clause for consumers. The current review must prevent the situation where Article 23 is doomed to fail consumers through lack of enforcement.

The Commission needs to hold Article 23 enforcement to the high standards of specifically drafted legislation for consumer protection and welfare on price transparency, that exist in Article 6(e) of the Consumer Rights Directive 2011/83.

Passengers Need Clear Information

A comment by Delphine Grandsart, European Passengers' Federation

One of the main objectives of the Air Services Regulation (Regulation (EC) 1008/2008) is to allow consumers to effectively compare prices among different providers and to ensure non-discriminatory access to air fares. Unfortunately, this has become more and more difficult.

Airlines increasingly unbundle and charge extra for ancillary services such as luggage, seat reservation etc. For passengers, it has become very unclear which services are included in the basic price, and which are optional. Additional fees for such services vary greatly across airlines and are often not included in the final price shown at the beginning of the booking process. In some cases, such practices can be seen as misleading, because passengers reasonably expect for example hand luggage to be included. In addition, carriers do not always share price information on ancillary services with travel intermediaries. As a result, passengers are often not able to effectively compare offers across carriers on a like-for-like basis. They need to consult multiple sources to get a good overview, which is complex and time-consuming – the opposite of what we would like: simplicity in booking.

In order to safeguard price transparency, the European Passengers' Federation (EPF) asks more clarity on what constitutes i) 'minimum services' that are 'unavoidable and foreseeable' and should therefore always be included in the basic price (e.g. hand luggage, children and people with reduced mobility seated together with an accompanying person); and ii) 'core ancillary services', the price of which should be clearly indicated next to the final price at the start of the booking process (e.g. checked in luggage, seat reservation). In addition, it would be useful to introduce common standards for size and weight for both cabin and hold luggage. Now rules differ, which makes it difficult to compare prices and creates problems in case of connecting flights with different airlines. EPF also suggests that carriers make available the basic air fare (which should include the 'minimum services' mentioned above) and the price for at least the most important 'ancillary services' (e.g. checked in luggage, seat reservation) to third party sites, which would enable those to provide passengers with the comprehensive, transparent and comparable information they need in order to be able to make an informed choice when searching for and booking their travel.

Another issue that needs to be addressed is that most passengers are not aware that, if they cancel a flight or do not show up at the gate, they are entitled to a reimbursement of passenger-bound airport taxes and charges. EPF therefore suggests that the revised Air Services Regulation should explicitly include a referral to this right; specify which price elements are reimbursable; oblige carriers and distributors to clearly inform passengers and to display at the time of booking which part of the price is reimbursable; and promote, where possible, automatic reimbursement of the relevant parts of the ticket price.

The Air Services Regulation aims to guarantee non-discrimination in access to fares and rates. There are however indications of an increased use of dynamic and personalised pricing in the air transport sector, meaning that prices may vary according to time, location or even device a person is using. What EPF demands is that carriers – and other distributors – disclose clearly what criteria and preferences a personalised or dynamic pricing mechanism is based on, and offer the passenger the option to turn off this functionality. Also, websites should be designed in such a way that they can be used by people with functional limitations, in accordance with the accessibility requirements of Directive (EU) 2019/882 (Accessibility Act).

Finally, more effective enforcement and consumer redress options are necessary. Currently, compliance with the EU rules is low. Additional price supplements are not always presented on an opt-in basis and the final price, including all 'unavoidable and foreseeable' surcharges, is not always indicated at the beginning of the booking process. These findings are confirmed by the work of European consumer organisation, BEUC, and its members, and by the sweeps – EU-wide screenings – focused on online travel services carried out by the European Commission in 2013 and 2016. In addition, for passengers, it is not clear who they should address with complaints. Therefore: i) adequate monitoring actions and effective, truly dissuasive sanction mechanisms are needed; ii) the competence of NEBs dealing with passenger rights (Regulation 261/2004) should be extended to include price transparency issues; and iii) the Regulation should

include a clear reference to passengers' options in the case of individual complaints, e.g. the right to terminate the contract, compensation for damages, alternative dispute resolution, collective redress.

From a broader perspective, also considering the Commission's 'Green Deal' objectives, it is important to ensure comparability not only between air carriers, but also across modes. The ultimate aim must be for passengers to be offered a complete multimodal and cross-modal overview of their door-to-door travel options including first and last mile, in terms of travel time and overall price, but also in terms of comfort and, where possible, environmental impact and CO_2 emissions. The European Commission can play an important role by creating a framework that encourages or even obliges transport service providers (all modes) to share data (on schedules, but also on fares). The case for multimodal information is really greater consumer choice, more competition, decarbonisation and modal shift.

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