PRESS RELEASE

The CNMC launches a public consultation on intercity coach services in Spain

- The CNMC will carry out a study which will analyze the competitive environment of intercity passenger transport by coach in Spain.
- The public consultation accessible on the website and it is directed at consumers, undertakings, regulators, experts, and concerned agents.

Madrid, 16 December 2019. – The CNMC (National Commission of Markets and Competition) has launched a study on the competitive environment of intercity passenger transport by coach in Spain. The first phase of this process is a public consultation (accessible on this <u>link</u>) which aims to gather contributions from undertakings, regulators, consumers and experts related to this sector.

<u>CNMC's Action Plan for 2019</u> (in its strategic action 6.1) includes the commitment to carry out studies on sectors that make a direct contribution to the welfare of citizens, such as all modes for passenger transport. The study on intercity coach services responds to that commitment, and follows the stream of recent works advocating competition in passenger transport, such as <u>private hire vehicle or taxi</u> <u>services</u>, or <u>commercial passenger transport services by rail</u>.

Intercity coaches are one of the most widely used means of transport among passengers in Spain, especially among low-income users. Under Spain's concession system, private companies are granted exclusive rights to operate the service in certain routes through an administrative license.

Although this system may have improved the spatial coverage of the transport network, numerous experts and authorities have identified several deficiencies in its functioning. Meanwhile, the European Union is promoting the liberalization of intercity passenger transport services by coach, following the positive experiences of those Member States that have deregulated their coach services. This context calls for a reassessment of the concession system.

The study aims to analyze the sector of intercity passenger transport by coach in Spain, assessing the impact of the concession system on the competition conditions of the sector and the welfare of consumers, and studying previous European experiences of deregulation and their possible implementation in Spain.

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For this purpose, the public consultation launched by the CNMC (accessible through this <u>link</u>) raises a series of questions and requests the contribution of the different agents involved in the sector. In order to ensure a transparent and well-organized set of contributions, those interested in participating will be able to send their comments through the specific website facilitated by the CNMC until February the 7th 2020. The contributions may be published and will be taken into account in the preparation of the study.

Once the consultation phase is completed, the CNMC, within the framework of the study, may consider meetings with relevant stakeholders or requests for information. After analyzing all gathered information, the CNMC will elaborate a document including the main conclusions drawn from the analysis.

The CNMC, under the provisions of Article 5.1.h of Law 3/2013, of June 4, on the creation of the National Commission of Markets and Competition, has among its functions the promotion of effective competition in markets through, among others, the elaboration of studies and research work in the field of competition, as well as general reports on economic sectors, where appropriate, with proposals for liberalization, deregulation or regulatory modification.

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