

Position Paper

29 September 2008

Development of Integrated Ticketing for Air and Rail Transport

The Association of European Airlines (AEA) recognises the importance of integrated ticketing for air and rail transport and welcomes the opportunity to comment on the Commission's consultation regarding its development. AEA has always welcomed initiatives and efforts to facilitate intermodal travel for its passengers. Indeed many AEA airlines are already involved in partnerships with their national train companies to develop complementary systems.

AEA understands the objective of the Commission's proposed initiative to provide better information on travel options and to widen the choice for consumers. However we fail to see the relevance of any intervention from the European regulators with regard to the development of an integrated ticketing system open to all operators and the sharing of information on schedules, tariffs and associated services.

In its paper the Commission quotes examples where integrated ticketing is done on the basis of a commercial agreement between airlines and train operators. These examples tend to demonstrate that where infrastructures are available and where there is a sufficient passenger flow, the integration between rail and air is done on a voluntary basis, triggered by the commercial interest of both parties.

Moreover, where this was possible, the IATA Travel Partners Standards Council (TPSC) has already developed standards for the use of the Global Distribution Systems (GDS) which allow the issuance of intermodal tickets. The specific example of Eurostar shows that there is no barrier to entry to the existing GDS system for train operators, if they have identified a commercial interest to do so.

These examples indicate that there is no real market failure to the disadvantage of the train. In this context, AEA fails to see the justification for the EU regulator to intervene in what is a commercial agreement in which both parties have equal interests.

It is true that train operators' information systems are not yet integrated but as the existing GDS system has proved to be suitable for train operations, they should be responsible for adapting their own systems.

- Adria Airways
- Aer Lingus
- AeroSvit
- Air France
- Air Malta
- Air One
- Alitalia
- Austrian
- bmi
- British Airways
- Brussels Airlines
- Cargolux
- Croatia Airlines
- Cyprus Airways
- Czech Airlines
- DHL
- Finnair
- Iberia
- Icelandair
- Jat Airways
- KLM
- LOT
- Lufthansa
- Luxair
- Malev
- Olympic Airlines
- SAS Scandinavian Airlines
- Spanair
- SWISS
- TAP Portugal
- TAROM
- TNT Airways
- Turkish Airlines
- Ukraine International Airlines
- Virgin Atlantic Airways

In addition, AEA would also like to stress some of the practical problems such integration would create. Firstly, train operators would also have to comply with the increasing number of requirements by third countries for the transmission of PNR and API data, which is sometimes also linked to vetting systems. Secondly, in case of disruption to the journey (missed connections, cancellation of one leg of the journey), the question of the operators' liability would have to be addressed if such integrated tickets were made available to passengers.

Other potential operational issues include:

- The technical point of view is one of the most critical ones - immense costs of aligning IT systems would occur with no direct ROI
- Fully integrated ticketing requires all possible participants of a journey to accept tickets of all other participants
- An integrated ticketing requires the acceptance of the stringent aviation standards by all other participants
- Legal issues with regard to liability
- Our view of the scope of air-rail integration differs from the proposal when considering luggage handling throughout the journey, because of the expensive infrastructure needed as well as the cost of security.

AEA therefore remains convinced that the practical integration of the air and rail journey is triggered naturally by the commercial interest of both airlines and train operators and that the main problem for this integration remains the lack of rail infrastructure at a number of airports in Europe. If the EU wishes to encourage the integration of air and rail transport, it should provide both regulatory and funding support for these projects, for example through greater attention to airport infrastructures in the framework of the Trans-European Networks.

AEA fully supports further integration of the air and rail networks and we would be ready to discuss with the Commission where EU intervention could best contribute to improving the intermodal travel of passengers in Europe.