

## **Position Paper**

Brussels, 1 February 2023

# **Multimodal Digital Mobility Services Initiative**

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## 1. Key Messages

- **Passengers prioritize time, quality and price when choosing their transportation options** – The main focus of all entrepreneurial and political activities should always be on guaranteeing and expanding high-quality rail services in Europe. Central building blocks for such an offer are sufficient infrastructure capacity and the improvement of interoperability. This must be the background for reflection of all other European initiatives, including MDMS.
- **Sector solutions are the fastest** – The CER Ticketing Roadmap presents the sector vision and commitments to respond to customer's needs in international ticketing. It is the fastest, comprehensive and most efficient way to reach a seamless experience for the passenger. The sector is fully committed to implementing this roadmap and to bringing true improvements in the passenger experience. The MDMS legal framework should foster that transport operators can innovate and have ownership of the proprietary solutions.
- **No obligation to sell competitors' tickets** – Railway undertakings need the entrepreneurial freedom while developing their businesses. This includes the freedom to engage in commercial agreements with ticket vendors and other transport operators to develop and improve their services. The main purpose of such agreements is to outline the various legal obligations and to protect the passenger when there is a disruption and to ensure appropriate after-sales service.
- **Well-defined FRAND principles** – CER supports FRAND conditions in commercial agreements. However, it is solely up to the individual contract parties (i.e. RUs and TVs) to agree on specific terms. Such FRAND principles should be based on existing best practices in the railway sector and strike a balance between the interests of the distributors and of the railway operators. Their interpretation for contracts should be clearly defined, avoiding uncertainty and costs of potential litigation.
- **No additional cost for passengers' tickets** – The economics of transport operators and ticket vendors needs to be properly considered to avoid undermining the economic viability of transport services or substantially increasing ticket prices. Transport operators run services with very small profit margins, but bearing full operational cost, while ticket vendors focus only on a single sales channel with high margins and limited costs for their services. The MDMS Regulation should not have the effect of increasing ticket prices, thus threatening the modal shift objective.
- **Avoid dominance of digital platforms** – For the sake of an open market structure and effective competition, the emergence of only one or two online MDMS platforms, owned by well-funded tech giants outside Europe, which would automatically become gatekeepers. The Commission should keep in mind the importance of encouraging the development of existing and future EU actors, in line with the EU industrial strategy and the concept of Open Strategic Autonomy.
- **Protect non-digital ticket sales** – Physical service still accounts for a meaningful share of distribution. Ticket booths are an important public service offered by railway undertakings and constitute a vital facility for some vulnerable customers. This kind of service cannot be addressed by online MDMS platforms.
- **Data reciprocity matters** – The MDMS initiative must ensure that transport companies and authorities have full access at all times to any data on inquiries and usage received by the sales platforms. The mobility market is developing highly dynamically, thus, RUs need to constantly innovate their products to best serve the customers' needs and expectations.