



Long-distance Passenger Transport: Geography, Infrastructure, Competition



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Regulation of long distance passenger market in France

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1) Regulation against competition!

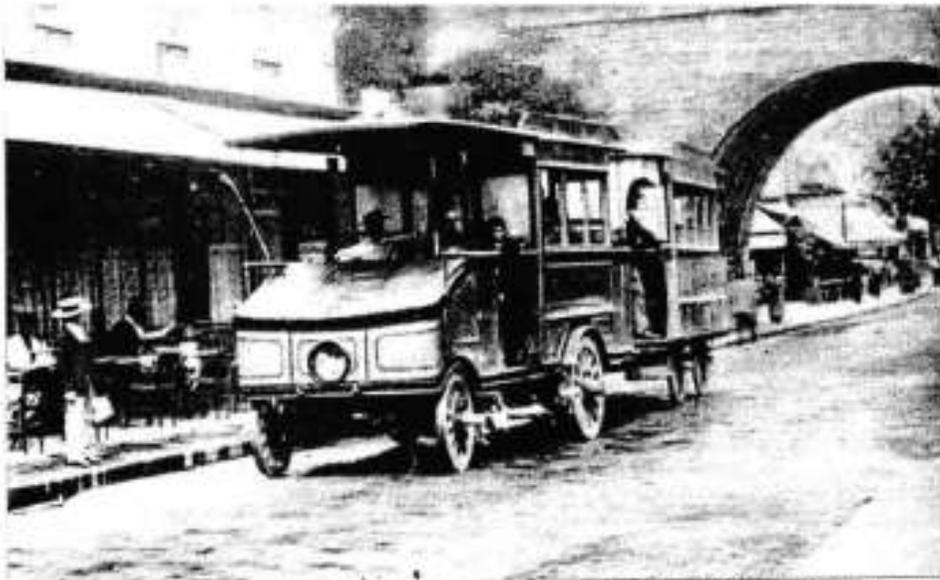
- The long distance passenger market in France
- Intermodal competition

2) Regulation in favour of competition?

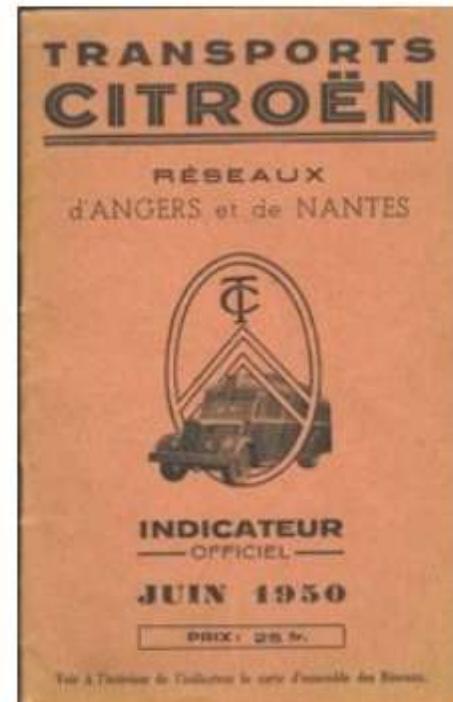
3) Conclusion

A brief history

- 19th century, the domination rail, a lot of private companies
- 1900-1930, development of private coach services (Citroën)
- 1934: Decree Raoul Dautrey: coach services have to be organized in relation with train services: i.e. short and medium distances
- 1937: Nationalisation of rail => SNCF (1938)
- 1982:
 - Confirmation of SNCF as a public monopoly
 - Coach services must be organized by public authorities



De Courbevoie à Colombes en 1887-1896 : un épisode remarquable mais éphémère des transports en commun.



Motorways and high speed rail

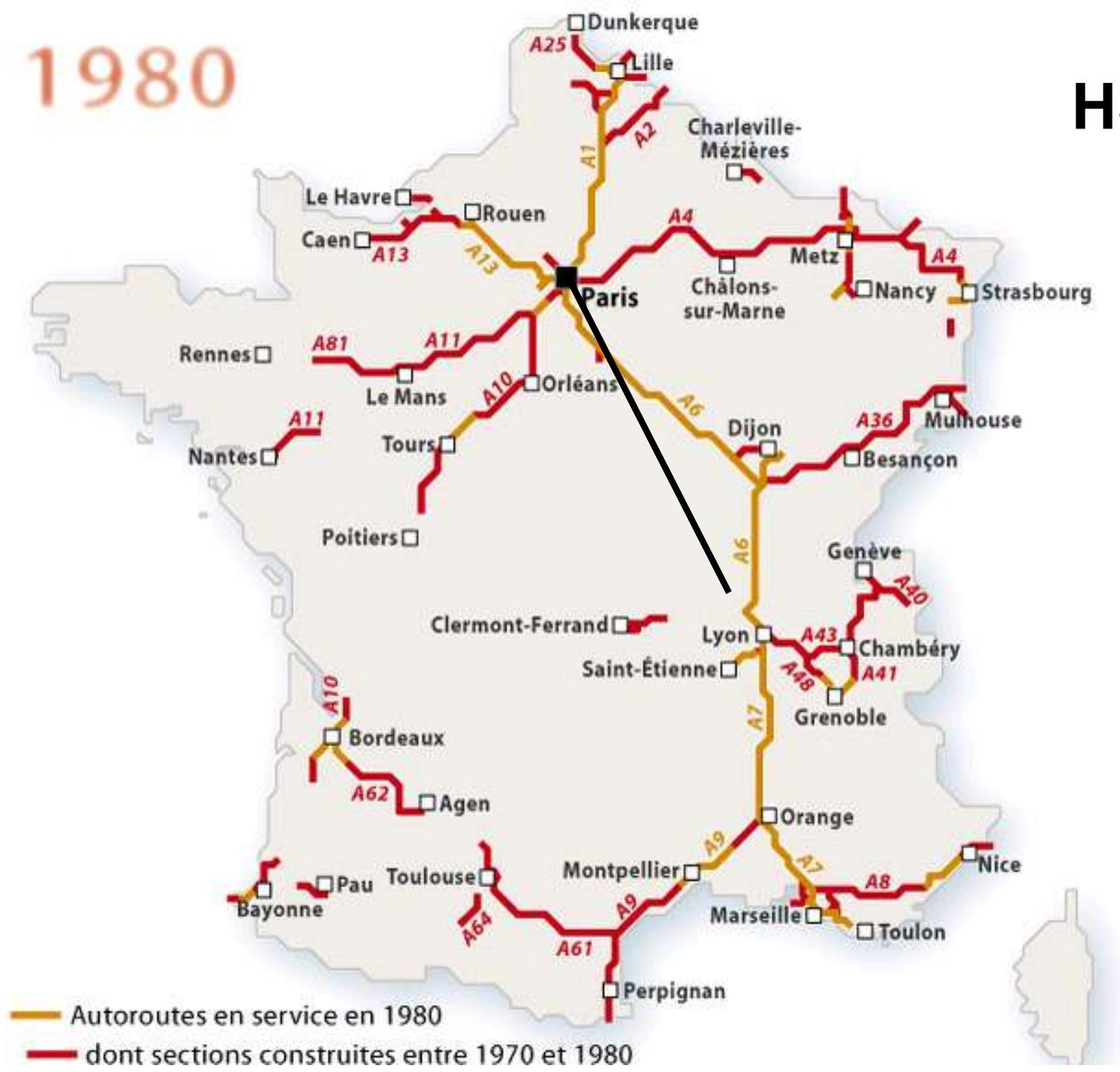
- 1955: a new law in favour of tolled motorways
- 1975: The first high speed line is decided
- 2018: a motorway network of 10 000 km and a high speed rail network of 2600 km.
- Passenger traffic (Billion of passenger-km):
 - Cars: 674 (tolled motorways = 170)
 - Rail: 105 (Long distance = 60, high speed rail 54)
 - Air: 15 (domestic traffic)
 - Coaches ?

1970



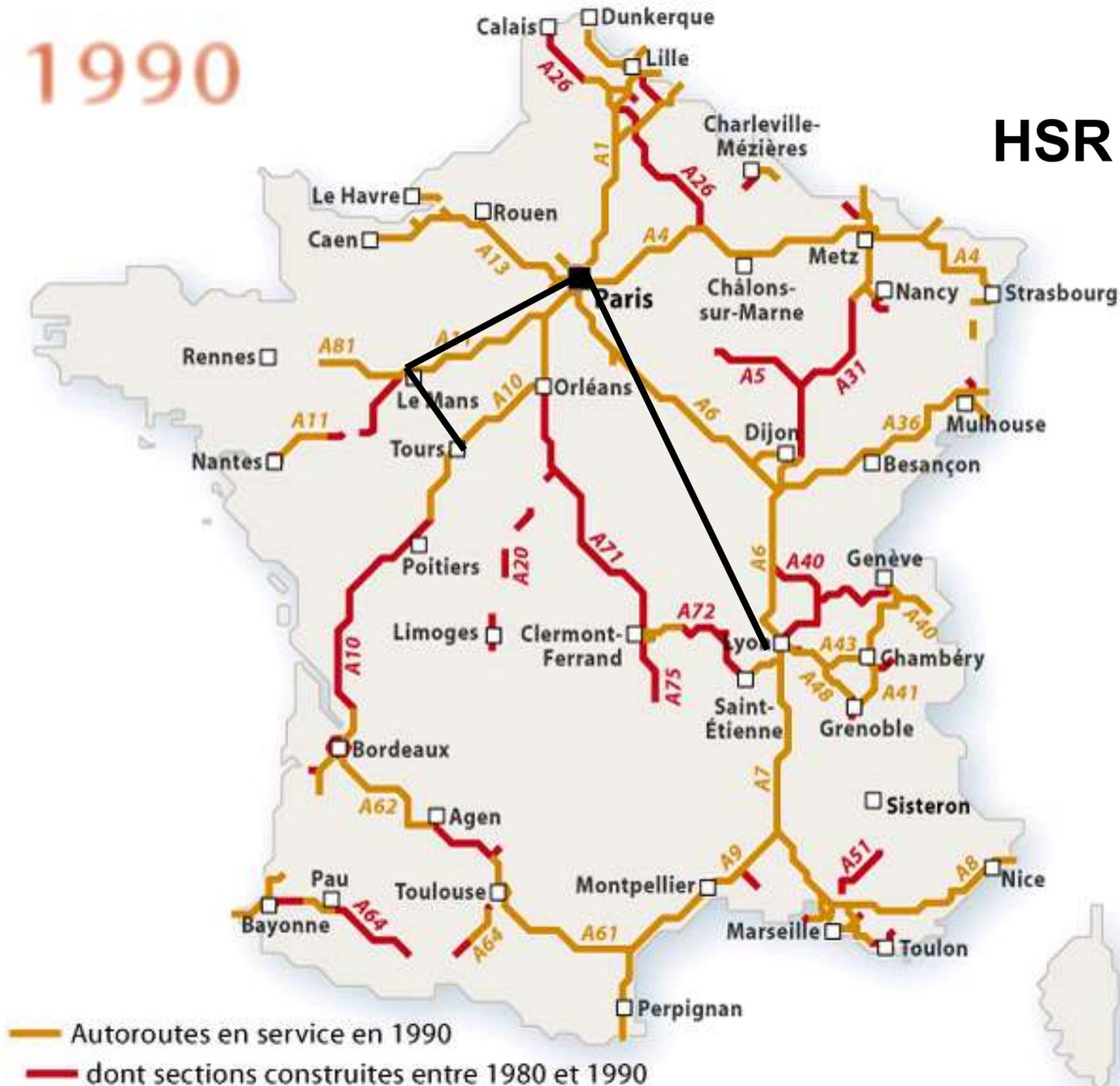
1980

HSR -1981



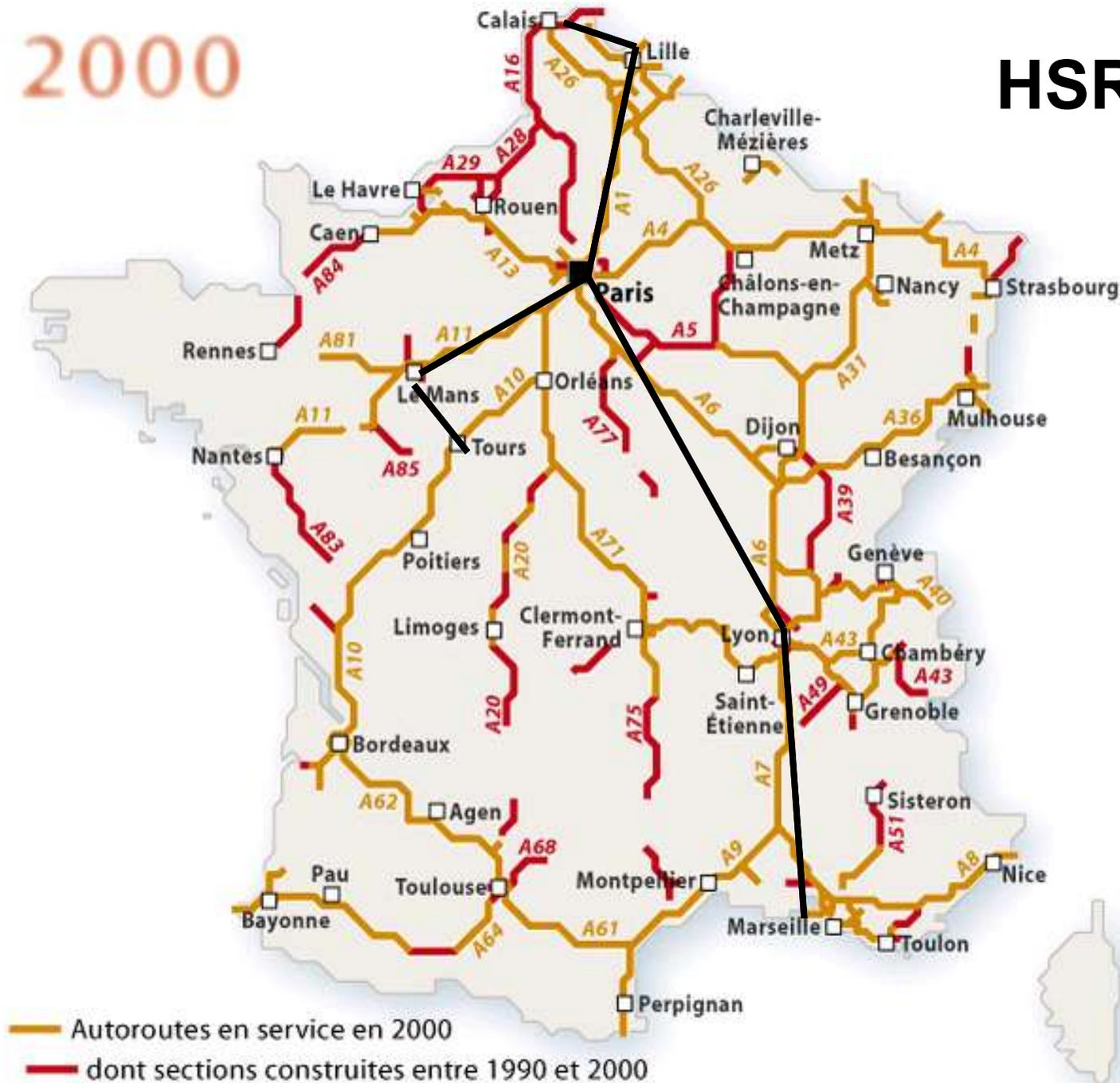
1990

HSR -1989

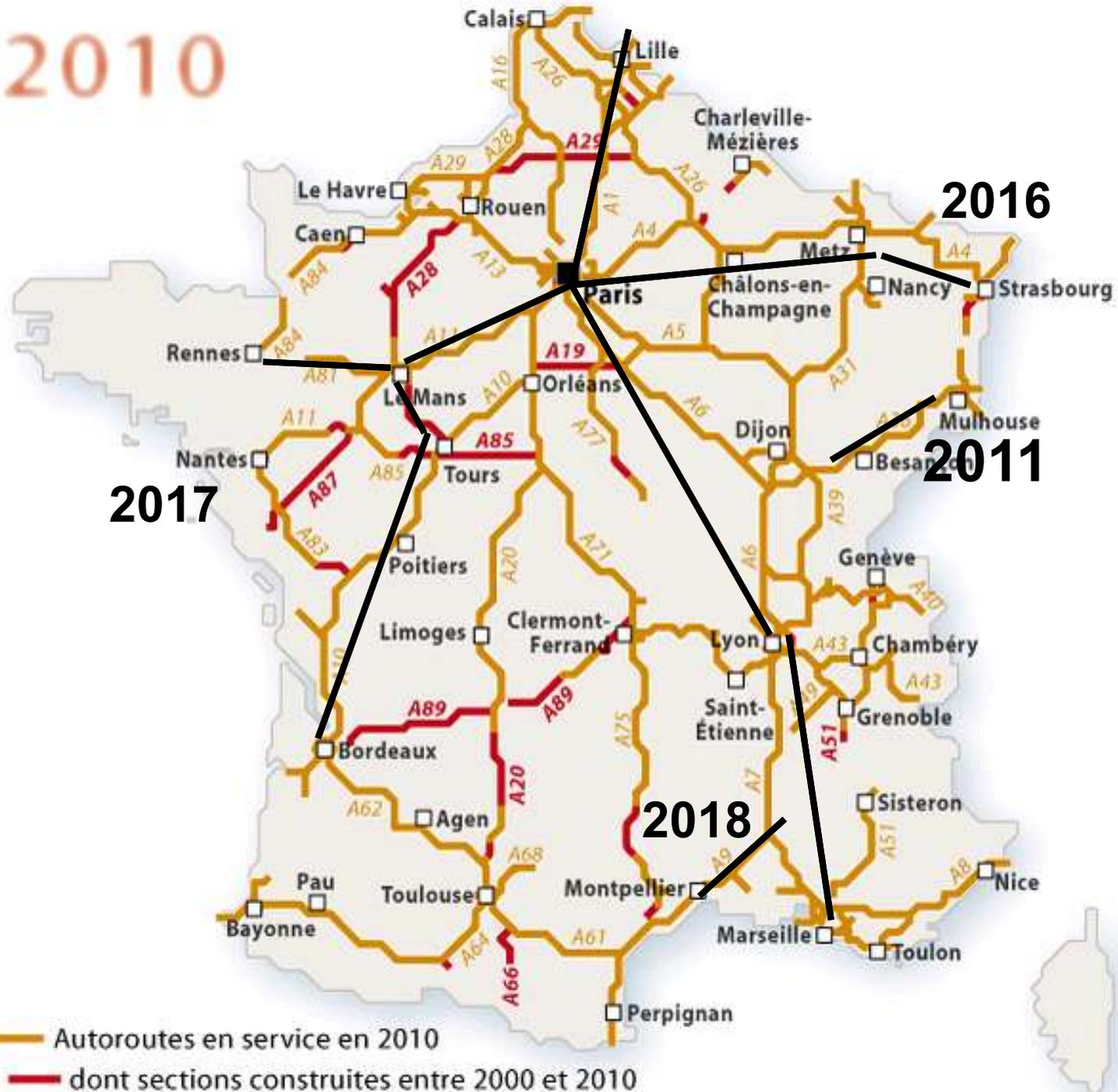


2000

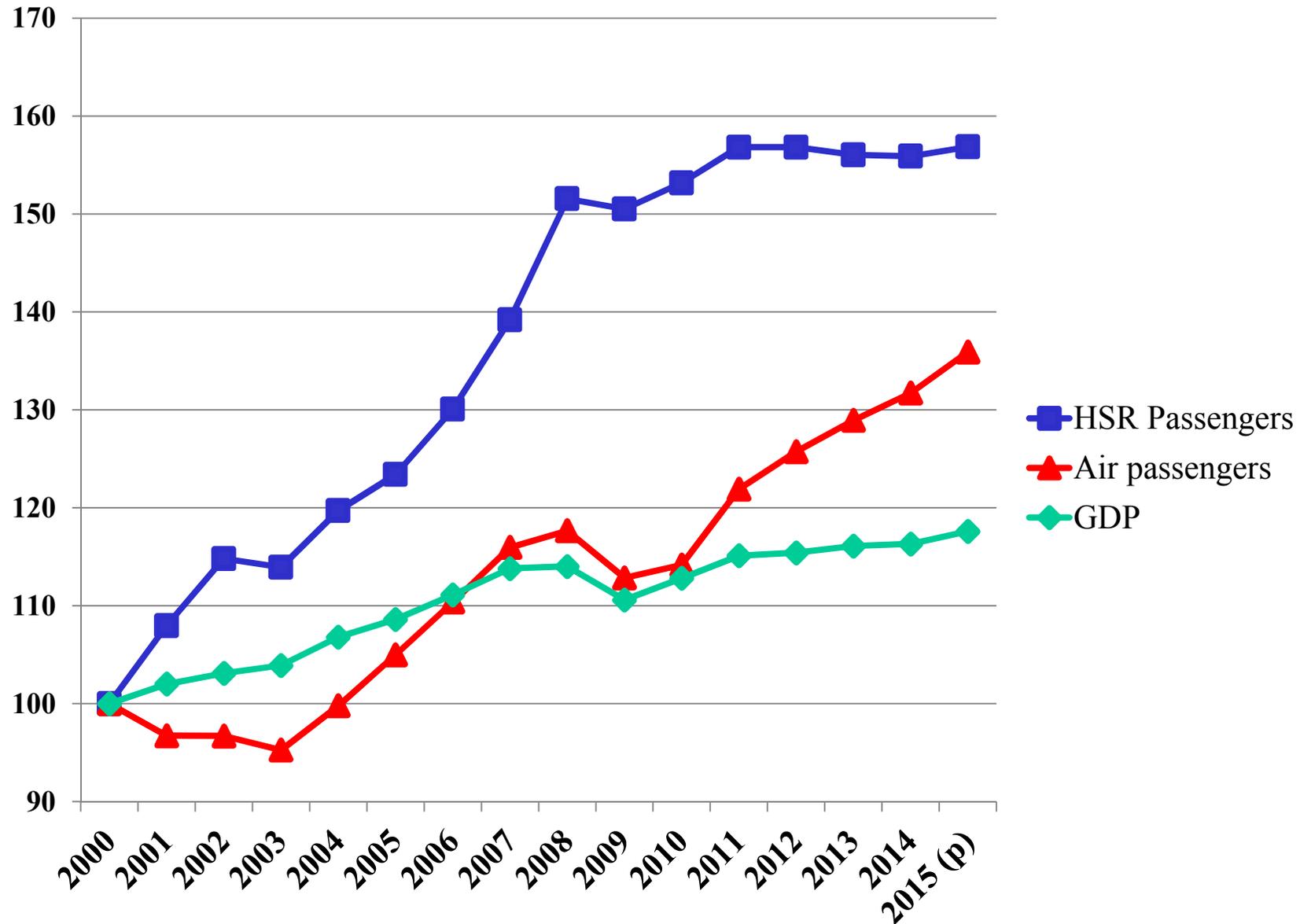
HSR 2001



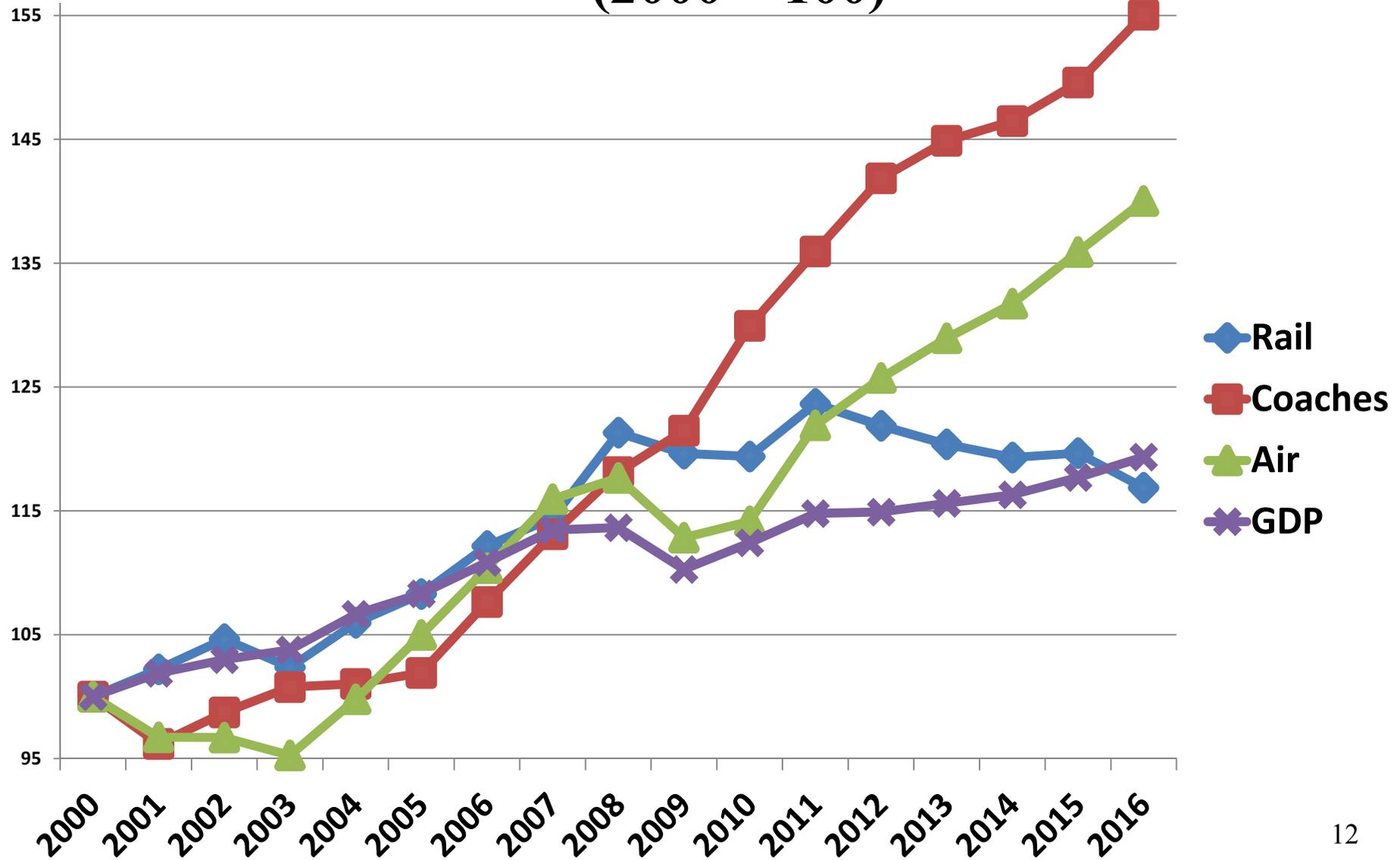
2010



High speed rail: the disenchantment

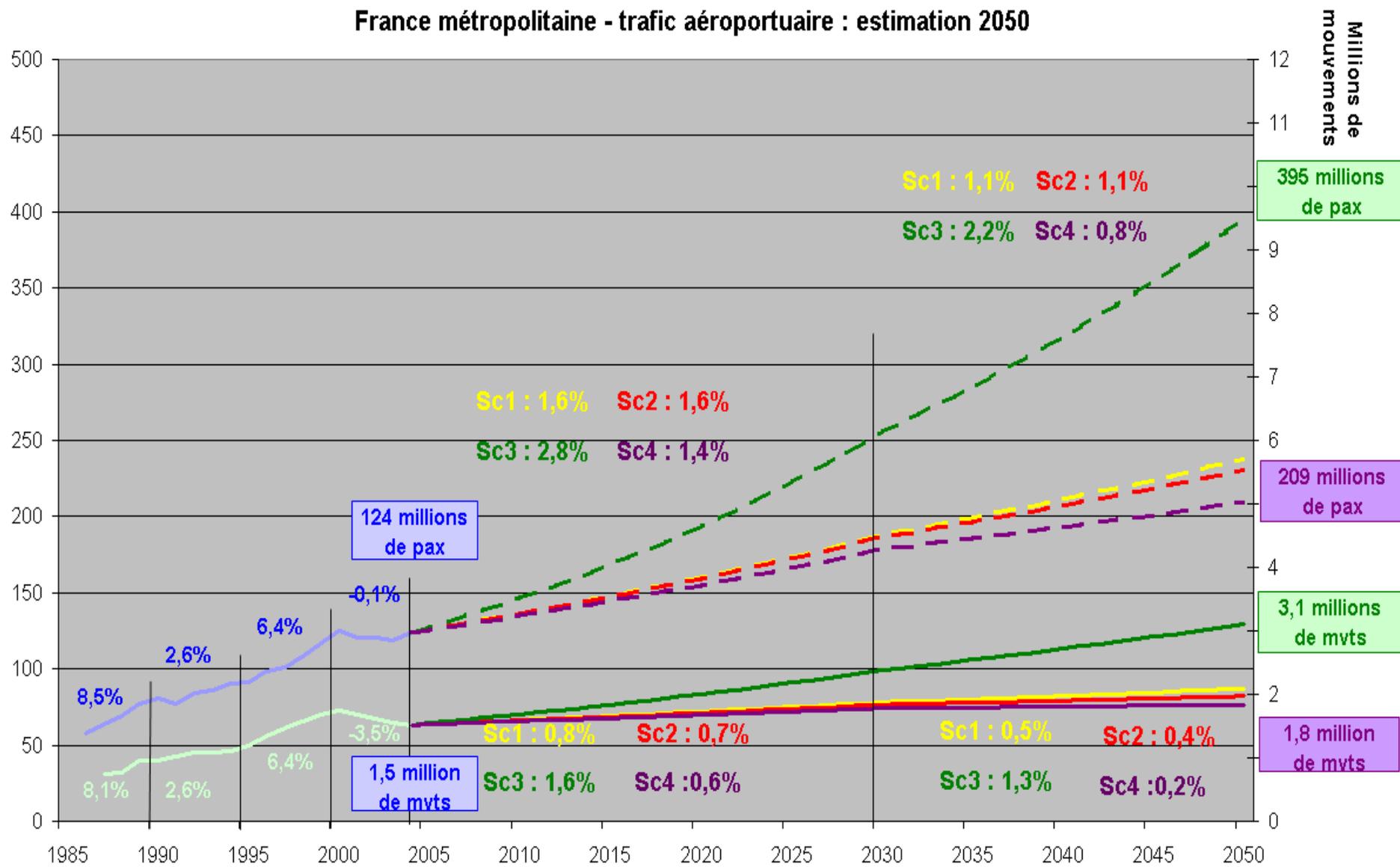


GDP and long distance passenger traffics in France (2000 = 100)

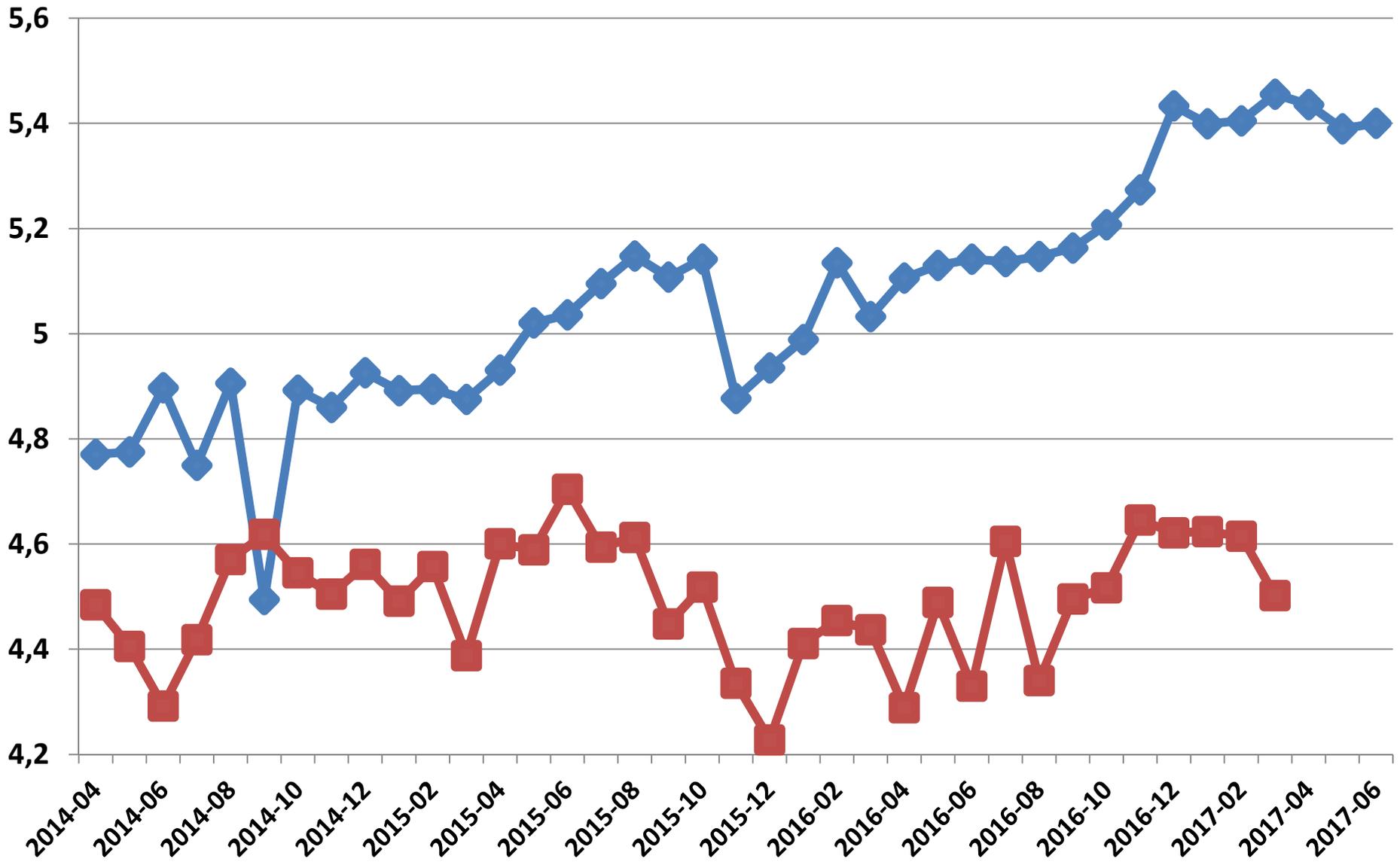


Air passengers in France

France métropolitaine - trafic aéroportuaire : estimation 2050



◆ Air Passengers/2 ■ HSR passengers



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Liberalisation of coach services

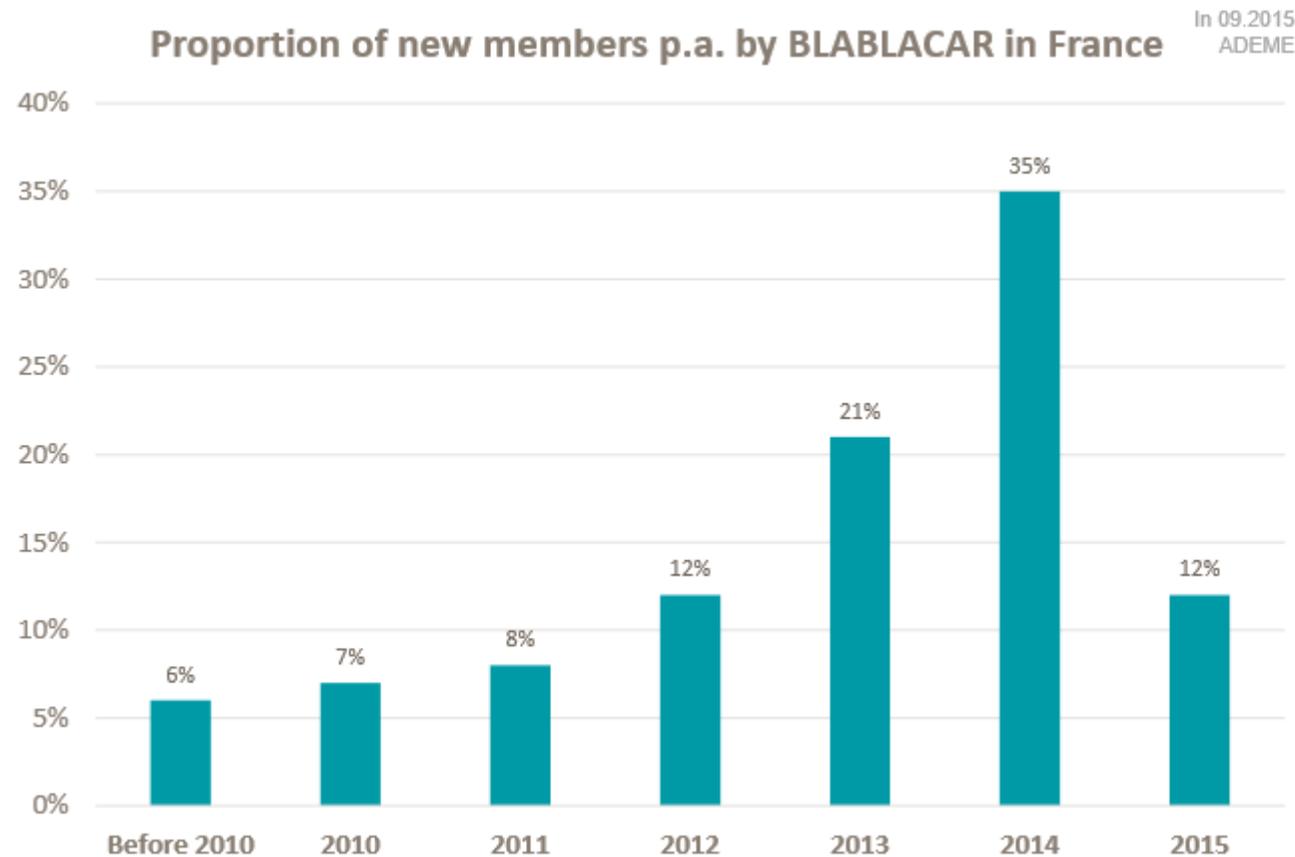
- New regulation in 2015
- Long distance coach services (> 100 km) are opened to competition
- Medium and short distances (<100 km) are also opened but the regional transport authority can ask the opinion of the regulator
- ARAFER (2015) is the new regulator for rail and road services

Appendix



Bla Bla Car

Ride-sharing is competing with coach services



3,4
People per car
(average for car : 2,2)

70%
Filling rate for
carsharing seats

15 M
Travellers p.a.

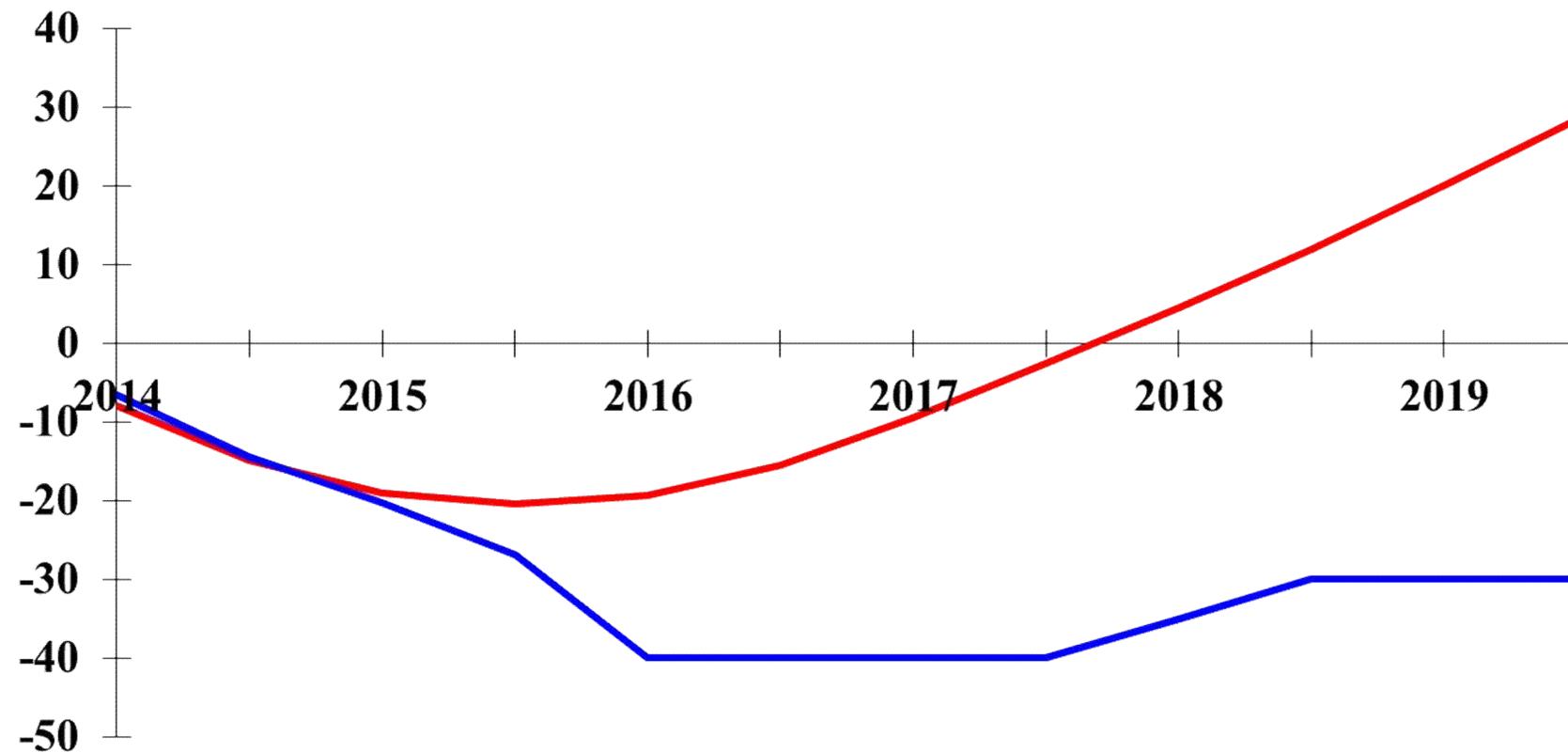
Coach services: key figures (ARAFER)

	2016-T1	2016-T2	2016-T3	2016-T4	2017-T1	2017-T2	2017-T3	2017-T4
Passenger (million)	1,081	1,5	1,991	1,548	1,339	1,652	2,133	1,8800
Turnover (million €)	12,2	19	27,7	24,2	18,508	25,688	34,05	26,343
Turnover/passenger (€)	11,29	12,67	13,91	15,63	13,9	15,5	15,9	14
Turnover/pass-km (€)	0,033	0,037	0,04	0,047	0,042	0,048	0,049	0,046
Passenger-km (million)	370	513	692,5	515	434,7	531,5	699	573
Coach-km (million)	24,48	25,23	29,72	28,53	19,84	23,55	23,55	23,55
Load factor national	30,2	40,7	46,6	36,1	39,1	43,4	47,6	46
Load factor total	na	na	na	na	44	44,7	56,2	53,8
Coach-km (million)	15,1	20,3	23,3	18,1	21,9	22,6	29,5	24,3
Turnover/coach-km (€)	0,46	0,73	0,88	0,84	0,87	1,08	1,21	1,09

A deceiving market

- Only 3 operators in 2017
- Market shares: FlixBus 45%, Ouibus 33%, Isilines 22%
- Megabus and Starshipper out of the market
- The three remaining operators are making losses..
- Example: Ouibus, 45 million € in 2017 for a turnover of 45 million
- a loss of 20 € / passenger!

The cash-flow curve: a lose-lose game?



Demand forecast at the horizon of 2030

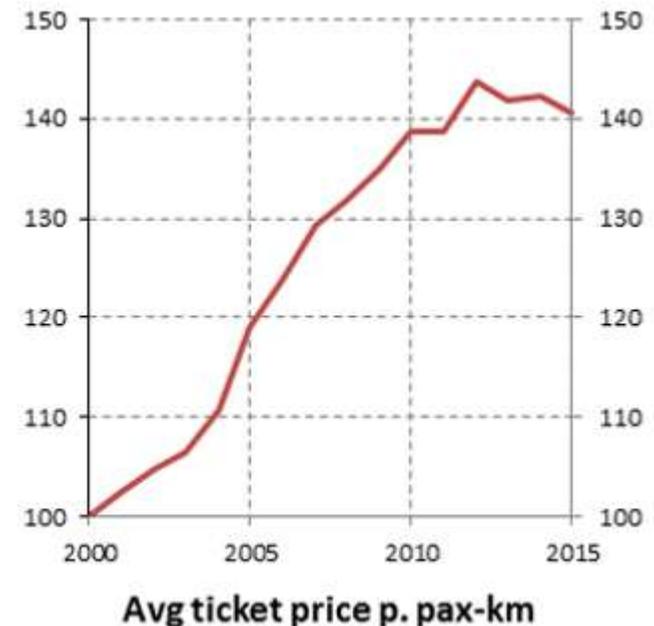
	FRANCE	Bordeaux – Toulouse	Paris – Limoges	Paris – Lyon
CARSHARING	3%	3,1%	2,8%	1,6%
BUS	3%	3,1%	3,3%	3,9%
RAIL	23%	4,4%	31,8%	74,3%
CAR	73%	89,4%	62,2%	20,1%

Source : Ministry of transport

Source : SNCF Reseau

Intra and intermodal competition: the strategy of SNCF

- SNCF is subsidizing OUIBUS
- SNCF has organized an internal intra-modal competition with OUIGO
- SNCF is developing a smart yield management system to reduce the attractiveness of ride-sharing and coach services
- Open access on high speed rail will be the rule but.....



Conclusion

Long distance passenger traffic (Bi. Pkm)

