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LIMITE

TRANS 333 CODEC 1360

REPORT	
From:	General Secretariat
То:	Permanent Representatives Committee (Part 1)
No. prev. doc.:	12777/15 TRANS 317 CODEC 1308
No. Cion doc.:	5960/13 TRANS 35 CODEC 209
Subject:	4th Railway Package:
	Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1370/2007 concerning the opening of the market for domestic passenger transport services by rail.
	- Preparation of an informal trilogue

Delegations will find some Presidency compromise proposals in the fourth column of the table in annex with a view to the upcoming trilogue of 15 December 2015.

Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1370/2007 concerning the opening of the market for domestic passenger transport services by rail

2013/0028 (COD)

(Text with EEA relevance)

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
1.		D THE COUNCIL OF THE EUROPEAN tioning of the European Union, and in pa		
	Having regard to the proposal from the			
	After transmission of the draft legislativ			
	Having regard to the opinion of the Euro Having regard to the opinion of the Con	opean Economic and Social Committee ¹ , amittee of the Regions ²		
	Acting in accordance with the ordinary			
	Whereas:			
2.		Amendment 1 Recital 1		
3.	(1) Over the past decade, the growth	(1) Over the past decade, the growth	[Proposed recitals are not examined	
	of passenger traffic by rail has been	of passenger traffic by rail has been	in the general approach]	
	insufficient to increase its modal share	insufficient to increase its modal share		
	in comparison to cars and aviation. The 6% modal share of passenger	in comparison to cars and aviation. The 6% modal share of passenger		
	transport for rail in the European	transport for rail in the European		
	Union has remained fairly stable. Rail	Union has remained fairly stable. Rail		
	passenger services have not kept pace with evolving needs in terms of	passenger services have not kept pace		
	availability and quality.	with <i>the evolution of other modes of transport</i> in terms of availability,		
		price and quality. Bearing that in		

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	COM(2013)0028	mind, all relevant lessons need to be	51 12////15	
		learnt from the approach adopted by		
		the Union in the course of the last		
		three railway reforms.		
4.		Amendment 2		
		Recital 1a (new)		
5.		(1a) Rail transport plays a major role		
		socially and environmentally, and in		
		terms of mobility planning, and can		
		significantly increase its overall		
		share of European passenger		
		transport. In this regard, investment		
		in research as well as in		
		infrastructure and rolling stock can		
		make a significant contribution to		
		new growth, thereby boosting		
		employment directly in the railway		
		sector and indirectly by increasing		
		the mobility of employees of other		
		sectors. Rail transport has the		
		potential to develop into an important		
		modern branch of Union industry, provided that Member States agree		
6.		on greater cooperation.	(1a) A specific objective of this	
υ.			Regulation is to enhance the quality,	
			transparency, efficiency and	
			performance of public passenger	
			transport services by rail.	
7.	(2) The Union market for international			
	passenger transport services by rail			
	has been opened to competition since			
	2010. In addition, some Member			



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	States have opened their domestic passenger services to competition, by introducing open access rights or tendering for public service contracts or both.			
8.		Amendment 5		
		Recital 3		
9.	(3) In its White Paper on transport policy of 28 March 2011 ³ the Commission announced its intention to complete the internal railway market, allowing railway undertakings of the Union to provide all types of rail transport services without unnecessary technical and administrative barriers.	(3) In its White Paper on transport policy of 28 March 2011 the Commission announced its intention to complete the internal railway market, allowing railway undertakings of the Union to provide all types of rail transport services without unnecessary technical and administrative barriers. <i>In order to</i> <i>better achieve that objective, the</i> <i>current reform needs to be conceived</i> <i>in the light of the railway models</i> <i>which have proved to be effective in</i> <i>the Union.</i>		
10.		Amendment 6 Recital 3a (new)		
11.		(3a) The quality of public services for rail passenger transport should be improved and their efficiency increased, whilst existing public passenger transport services that function efficiently are maintained.		
12.		Amendment 7 Recital 3b (new)		

White Paper : Roadmap to a Single European Transport Area – Towards a competitive and resource efficient transport system ; COM(2011)144

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13.		(3b) The completion of the opening of the Union railway market should be considered to be essential in order for the railway to become a credible alternative to other modes of transport, in terms of price and quality.		
14.		Amendment 8 Recital 3c (new)		
15.		(3c) It is essential for the competent authorities to play a key role in the organisation of public passenger transport services. Such authorities have responsibility for planning public passenger transport services, including for identifying the routes to be designated for open access or awarded under public service contracts and for determining the award procedure. Furthermore, they should justify that viability, efficiency and quality targets can only be achieved by using the award procedure that they have chosen, and should publish this justification.		
16.		Amendment 9 Recital 4		
17.	(4) When competent authorities organise their public passenger transport services they need to ensure that public service obligations and the geographical scope of public service contracts are appropriate, necessary	(4) When competent authorities organise their public passenger transport services they need to ensure that public service obligations and the geographical scope of public service contracts are appropriate, necessary		

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	and proportionate to achieve the objectives of the public passenger transport policy in their territory. This	and proportionate to achieve the objectives of the public passenger transport policy in their territory. This		
	policy should be set out in public transport plans leaving scope for	policy should be set out in <i>sustainable</i> public transport plans leaving scope		
	market based transport solutions. The	for market based transport solutions.		
	process of defining public transport	The process of defining public		
	plans and public service obligations should be made transparent to relevant	transport plans and public service obligations should be made		
	stakeholders including potential	transparent to relevant stakeholders		
	market entrants.	including potential market entrants.		
18.			(4a) Public service obligations should be in line with public	
			transport policy. However, this does	
			not entitle the competent authorities	
			to receive a specific amount of funding.	
19.		Amendment 10	Tunung.	l
		Recital 5		
20.	(5) To ensure sound financing to meet	(5) To ensure sound financing to meet		
	the objectives of public transport plans, competent authorities need to	the objectives of <i>sustainable</i> public transport plans, competent authorities		
	design public service obligations to	need to design public service		
	attain public transport objectives in a	obligations to attain public transport		
	cost-effective manner taking account	objectives both in a high-quality and		
	of the compensation for the net financial effect of those obligations	in a cost-effective manner, taking account of the compensation for the		
	and they need to ensure long-term	net financial effect of those		
	financial sustainability of public	obligations and they need to ensure		
	transport provided under public service contracts.	long-term financial sustainability of public transport provided under public		
		service contracts. <i>That includes</i>		
		avoiding both over- and under-		

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		compensation, caused by the substance of the public service obligations, or the failure of the competent authority to meet its financial commitments. Public service obligations may refer to networks in which some services can be operated with a fair profit without financial compensation; the inclusion of such services within the scope of the public service obligations should not result in compensation payments exceeding the amount necessary for providing the whole range of network services.		
21.	(6) It is particularly important that competent authorities comply with these criteria for public service obligations and the scope of public service contracts if the market for public passenger transport by rail is to run smoothly, because open access transport operations need to be well coordinated with those under public service contract. For this reason, the independent rail regulatory body should ensure that this process is correctly applied and transparent.	the whole runge of network services.		
22.	concerty applied and transparent.		(6a) In order to take into account the diversity of the territorial and political organization of Member States, public service contract may be awarded by a competent	

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			authority that is a combination of public authorities. In such circumstances, clear rules should set the respective roles of each of them in the awarding process of public service contract.	
23.			(6b) Considering the diversity of administrative divisions existing in Member States, in case of contracts for the provision of public passenger transport services by rail directly awarded by a group of local competent authorities as referred to in Article 5(2), the determination of which local authorities are competent regarding the concerned "urban agglomerations" and "rural areas" remains at the discretion of Member States.	
24.		Amendment 64 Recital 7		
25.	(7) A maximum annual volume of a public service contract for passenger transport by rail needs to be set to facilitate competition for such contracts while allowing competent authorities some flexibility to optimise the volume according to economic and operational considerations.	(7) <i>The</i> volume of a public service contract for passenger transport by rail <i>which will be awarded on the basis of</i> <i>a competitive tendering procedure</i> needs to be set <i>in a way that</i> <i>facilitates</i> competition <i>between small</i> <i>bidders, new entrants and the</i> <i>incumbent operator</i> for such contracts while allowing competent authorities some flexibility to optimise the volume according to economic and operational considerations.		

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26.			(7a) A recital could be added to clarify the cases that are covered by Art 5(3a) (bridging contracts by direct awards in exceptional circumstances).	
27.		Amendment 12 Recital 8		
28.	(8) To facilitate the preparation of tenders, and hence enhance competition competent authorities need to ensure that all public service operators interested in making such a submission receive certain information on the transport services and infrastructure covered by the public service contract.	(8) To facilitate the preparation of tenders, and hence enhance competition competent authorities need to ensure that, <i>whilst protecting</i> <i>business secrets</i> , all public service operators interested in making such a submission receive certain information on the transport services and infrastructure covered by the public service contract <i>that prevents</i> <i>them from being deemed to have</i> <i>been discriminated against by the</i> <i>contracting authority with regard to</i> <i>other competitors</i> .		
29.	(9) Certain upper limits for the direct award of public service contracts need to be adapted for rail transport to the specific economic conditions under which tender procedures take place in this sector.			
30.			(9a) A recital could be included to clarify that the higher threshold applies to public passenger transport services by rail or to public passenger transport services where rail represents more than 50% of the value of the services in question.	

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31.		Amendment 65 Recital 9a (new)		
32.		(9a) The principle of reciprocity should be applied in order to ensure fair competition and to prevent the misuse of compensation. That principle should apply not only to Member States and companies established in the Union but also to companies from third countries that wish to participate in procurement procedures within the Union.		
33.		Amendment 14 Recital 10		
34.	(10) The establishment of an Internal Market for passenger transport services by rail requires common rules on competitive tendering for public service contracts in this sector to be applied in a harmonised manner in all Member States.	(10) The establishment of an Internal Market for passenger transport services by rail requires common rules on competitive tendering for public service contracts in this sector <i>which</i> <i>are applicable</i> in a harmonised manner in all Member States, <i>whilst</i> <i>taking into account the specific</i> <i>circumstances of each Member State.</i>		
35.		Amendment 16 Recital 11		
36.	(11) In view of creating framework conditions for enabling society to fully reap the benefits of effective opening of the market for domestic passenger transport services by rail it is important that Member States ensure an adequate level of social protection for the staff of public	(11) <i>With a</i> view <i>to</i> creating framework conditions for enabling society to fully reap the benefits of effective opening of the market for domestic passenger transport services by rail it is important that Member States ensure an adequate level of social protection for the staff of public		

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	service operators.	service operators.		
37.	(12) Where the market does not ensure it under suitable economic and non-discriminatory conditions, public service operators' access to rail rolling stock needs to be facilitated by competent authorities through adequate and effective measures.			
38.			(12a) A recital could be included to explain that the purpose of the provision on rail rolling stock is to ensure effective competition in the tendering process.	
39.	(13) Certain key features of upcoming tender procedures for public service contracts need to be fully transparent to enable a better organised market response.			
40.		Amendment 66 Recital 14		
41.	(14) Consistent with the internal logic of Regulation (EC) No 1370/2007, it should be made clear that the transitional period until 2 December 2019 refers only to the obligation to organise competitive tendering procedures for public service contracts.	[deleted]		
42.		Amendment 67 Recital 15		
43.	(15) Preparing railway undertakings for mandatory competitive tendering for public service contracts requires	[deleted]		

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	some extra time to allow effective and sustainable internal restructuring of companies to which such contracts were directly awarded in the past. Transitional measures are therefore necessary for contracts directly awarded between the date of entry into force of this Regulation and 3 December 2019.			
44.	(16) Once opening of the market for domestic passenger transport services by rail is achieved, as competent authorities may need to take measures to ensure a high level of competition by limiting the number of contracts that it awards to one railway undertaking, adequate provisions should be provided for.			
45.	 (17) In order to ensure uniform conditions for the implementation of Article 5a of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the 	(17) In order to ensure uniform conditions for the implementation <i>of</i> <i>this</i> Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the		

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	Member States of the Commission's exercise of implementing powers ⁴ .	Commission's exercise of implementing powers.		
46.	(18) In the context of amendments to the Regulation (EC) No 994/98 (Enabling Regulation) ⁵ , the Commission proposed also an amendment of Regulation (EC) No 1370/2007 (COM(2012) 730/3). In order to harmonize the approach to block exemption regulations in the field of State aid and, in accordance with the procedures foreseen in Articles 108(4) and 109 of the Treaty, aid for the coordination of transport or reimbursement for the discharge of certain obligations inherent in the concept of a public service as referred to in Article 93 of the Treaty should be brought under the scope of the Enabling Regulation.	(18) In the context of amendments to the Regulation (EC) No 994/98 (Enabling Regulation), the Commission proposed also an amendment <i>to</i> Regulation (EC) No 1370/2007 (COM(2012) 730/3). In order to harmonize the approach to block exemption regulations in the field of State aid and, in accordance with the procedures foreseen in Articles 108(4) and 109 of the Treaty, aid for the coordination of transport or reimbursement for the discharge of certain obligations inherent in the concept of a public service as referred to in Article 93 of the Treaty should be brought under the scope of the Enabling Regulation.		
47.	(19) Regulation (EC) No 1370/2007 should therefore be amended	~ ~		
	accordingly,			
48.				
<i>49</i> .	Article 1		Article 1	
50.		Amendment 17		

⁴ OJ L 55, 28.2.2011, p. 13

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⁵ Proposal for a COUNCIL REGULATION amending Council Regulation (EC) No 994/98 of 7 May 1998 on the application of Articles 92 and 93 of the Treaty establishing the European Community to certain categories of horizontal State aid and Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport services by rail and by road, COM(2012) 730 final of 5.12.2012

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		Article 1 – introductory part		
51.	Regulation (EC) No 1370/2007 is amended as follows:	Without prejudice to Directive 2014/25/EU of the European Parliament and of the Council, Regulation (EC) No 1370/2007 is hereby amended as follows:	Regulation (EC) No 1370/2007 is amended as follows:	EP amendment not acceptable This amendment would create legal uncertainty, as Directive 2014/25/EU does not prevail over the PSO Regulation. The PSO Regulation is a lex specialis to Directive 2014/25/EU. Furthermore, there is a large number of other related legislative acts which are applicable and are not mentioned here.
52.		Amendment 18 Article 1 – point 1 – point -a (new) Regulation (EC) No 1370/2007 Article 2 – point aa (new)		
53.	1 a) Doint (a) of Article 2 is realized	(-a) The following point is inserted: (aa) 'public rail passenger transport' means public passenger transport by rail, excluding passenger transport on other track- based modes, such as metros, tramways or, if Member States so decide, tram-train systems;';	1. The following point is inserted after point (a) of Article 2: "(aa) 'public passenger transport services by rail' means public passenger transport by rail, excluding passenger transport on other track-based modes, such as metros or tramways".	EP amendment not acceptable This amendment gives the possibility to MS to include tram-train systems or not, thereby creating a definition à la carte. Such definition creates legal uncertainty.
54.	1. a) Point (c) of Article 2 is replaced by the following:	Point (c) is replaced by the following	[deleted]	
55.		Amendment 19 Article 1 – point 1 – point a Regulation (EC) No 1370/2007 Article 2 – point c		
56.	"(c) "competent local authority" means any competent authority whose	(c) 'competent local authority' means any competent authority whose	[deleted]	EP amendment not acceptable The definition in force is already

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	geographical area of competence is not national and which covers the transport needs of an urban agglomeration or a rural district;"	geographical area of competence is not national and which covers, the transport needs of, <i>inter alia</i> , an urban agglomeration <i>and</i> /or a rural <i>area</i> , <i>or</i> <i>a region</i> , <i>including at cross-border</i> <i>level;</i> ';		transposed in the MS and the proposed changes are not necessary, nor justified. The addition of the word "inter alia" creates legal uncertainty as it opens the possibility of extending the definition of competent local authority too much. What is key is to avoid the risk of abuses in case of a grouping of competent local authorities providing public passenger transport services themselves (pt 125 - Article 5(2) GA).
57.	b) Point (e) of Article 2 is complemented by the following:	In point (e) the following subparagraph is added:	[deleted]	
58.		Amendment 20 Article 1 – point 1 – point b Regulation (EC) No 1370/2007 Article 2 – point e		
59.	"The scope of public service obligations shall exclude all public transport services that go beyond of what is necessary to reap local, regional or sub-national network effects.	'The scope of public service obligations shall <i>cover</i> public transport services that <i>are</i> necessary, <i>inter alia, for the benefits of</i> <i>economic, technical or geographical</i> <i>network effects</i> to <i>be reaped at</i> local, regional or sub-national <i>level. Such</i> <i>network effects arise through the</i> <i>integration of transport services,</i> <i>which makes public transport more</i> <i>attractive for passengers and more</i> <i>efficient for the public transport</i>	[deleted]	EP amendment not acceptable The impact of the proposed changes is not clear and maintaining the current definitions has allowed to reach a delicate balance between the MS. Definition of network effects is problematic. It is far too prescriptive and impossible to prove ex ante that public transport services are necessary to reap network effects.

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
		sector. Network effects may be generated both by services which attain break- even and by services which do not, as well as at various geographical-, train schedule- or tariff- levels.'.		
60.	2. The following Article 2a is inserted:		2. The following Article 2a is inserted:	
<i>61</i> .	"Article 2a		"Article 2a	
62.		Amendment 21 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – Title		
63.	Public transport plans and public service obligations	<i>Multimodal and sustainable</i> public transport plans and public service obligations	Specification of public service obligations	See comments on AM 22.
64.		Amendment 22 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 1 – subparagraph 1 – introductory part		
65.	1. Competent authorities shall establish and regularly update public passenger transport plans covering all relevant transport modes for the territory for which they are responsible. These public transport plans shall define the objectives of public transport policy and the means to implement them covering all relevant transport modes for the territory for which they are responsible. They shall at least	1. Competent authorities shall establish and regularly update <i>multimodal</i> public passenger transport plans covering all relevant transport modes for the territory for which they are responsible. These public transport plans shall define the objectives of public transport policy and the means to implement them covering all relevant transport modes for the territory for which they are responsible, <i>thereby promoting social</i>	 The competent authority shall define specifications for public service obligations in public passenger transport and the scope of their application in accordance with Article 2(e). Those specifications shall be consistent with the objectives of public transport policy. 	EP amendment not acceptable The requirement of public transport plans that are regularly updated by the competent authorities is considered highly disproportionate in terms of the administrative burden and the expected benefits. - Such a requirement would go against the principle of subsidiarity, as it is up to each MS to decide the most appropriate format/content of such national transport plans.

Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
include:	P7_TA(2014)0148 and territorial cohesion. It shall be possible for those plans to consist of information on public transport plans that already exists in the public domain. Where interregional services already exist, they shall be taken into account. Those plans shall at least include:	ST 12777/15	 Furthermore, the MS eligible for cohesion funding are already requested to produce similar plans. Such provision could constitute the legal basis for an applicant challenging the award decision before the national courts, as such an unsuccessful applicant could argue that the PSC is not perfectly in line with the public transport plans (which are, by essence, evolving over time to meet the users' needs). Finally, where a number of different competent authorities are cooperating and/or in federally organised MS, there are additional difficulties in applying such a requirement. MS wish to use documents existing in the MS, and not involving the creation of new documents. Their format and content should not be prescriptive. The Presidency believes that the following compromise proposal is appropriate to correctly reflect the diversity in approach of MS.
			 <u>Presidency compromise proposal</u> 1. The competent authority shall define specifications for public service obligations in public



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				passenger transport and the scope of their application in accordance with Article 2(e).
				When defining those specifications, the competent authority shall duly respect the principles of necessity and proportionality.
				Those specifications shall be consistent with the objectives of public transport policy outlined in policy documents. The content and format of such documents shall be determined by the competent authority.
66.	(a) the structure of the network or routes;		[deleted]	
67.		Amendment 23 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 1 – subparagraph 1 – point b		
68.	(b) basic requirements to be fulfilled by public transport offer such as accessibility, territorial connectivity, security, modal and intermodal interconnections at main connecting hubs, offer characteristics such as times of operation, frequency of services and minimum degree of capacity utilisation;	(b) basic requirements to be fulfilled by public transport offer, <i>including</i> , <i>inter alia</i> , accessibility <i>for persons</i> <i>with disabilities</i> , <i>and</i> modal and intermodal interconnections at main connecting <i>hubs</i> ;	[deleted]	See comments on AM 22.

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69.		Amendment 24 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 1 – subparagraph 1 – point ba (new)		
70.		(ba) for public rail passenger transport, efficiency criteria including inter alia modal share of public transport, punctuality, cost- efficiency, frequency of services, customer satisfaction and the quality of rolling stock;		See comments on AM 22.
71.		Amendment 25 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 1 – subparagraph 1 - point c		
72.	(c) quality standards related to items such as equipment features of stops and of rolling stock, punctuality and reliability, cleanliness, customer service and information, complaint handling and redress, monitoring of service quality;	(c) quality <i>and safety</i> standards <i>as</i> <i>well as control aspects regarding the</i> rolling stock, <i>infrastructure and</i> <i>services, including information</i> ;	[deleted]	See comments on AM 22.
73.		Amendment 26 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 1 – subparagraph 1 – point d		
74.	(d) principles of tariff policy;	(d) principles of tariff policy, <i>such as the use of social tariffs;</i>	[deleted]	See comments on AM 22.
75.		Amendment 27 Article 1 – point 2		

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		Regulation (EC) No 1370/2007 Article 2a – paragraph 1 – subparagraph 1 – point e		
76.	(e) operational requirements such as transport of bicycles, traffic management, contingency plan in case of disturbances.	(e) applicable rules regarding passenger rights, social and employment conditions, environmental protection and the establishment of environmental objectives.	[deleted]	See comments on AM 22.
77.		Amendment 28 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 1 – subparagraph 2		
78.	In establishing public transport plans, competent authorities shall have regard in particular to applicable rules regarding passenger rights, social, employment and environmental protection.	[deleted]	[deleted]	See comments on AM 22.
79.	^ 	Amendment 29 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 1 – subparagraph 3		
80.	The competent authorities shall adopt the public transport plans after consultation of relevant stakeholders and publish them. For the purpose of this Regulation, relevant stakeholders to be taken into consideration are at least transport operators, infrastructure managers if appropriate, and	The competent authorities shall adopt the public transport plans after consultation of relevant stakeholders, <i>including</i> at least transport operators, infrastructure <i>managers and</i> representative passenger and employee organisations, <i>and shall</i> <i>publish those plans.</i>	[deleted]	See comments on AM 22. Consultation also in AM 35 (pt 98)

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	representative passenger and employee organisations.			
81.	2. The establishment of public service obligations and the award of public service contracts shall be consistent with the applicable public transport plans.		[deleted]	
82.	3. The specifications of public service obligations for public passenger transport and the scope of their application shall be established as follows:		2. The specifications of public service obligations and the related compensation of the net financial effect of public service obligations shall:	
83.	(a) they shall be defined in accordance with Article 2 (e);		(a) achieve the objectives of the public transport policy in a cost- effective manner. This includes the possibility to group cost-covering services with not cost-covering services;	
84.		Amendment 30 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 3 – subparagraph 1 – point b		
85.	(b) they shall be appropriate to achieve the objectives of the public transport plan;	(b) they shall be appropriate to achieve the objectives of the public transport plan, <i>i.e. they shall</i> <i>determine the award procedure in</i> <i>terms of quality standards to be</i> <i>achieved and the appropriate means</i> <i>of doing so, in order to meet the</i> <i>objectives of the public transport</i> <i>plan</i> ;	(b) financially sustain the provision of public passenger transport in accordance to the requirements laid down in the public transport policy in the long term."	See comments on AM 22.
86.		Amendment 31		

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		Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 3 – subparagraph 1 – point c		
87.	(c) they shall not exceed what is necessary and proportionate to achieve the objectives of the public transport plan.	(c) they shall <i>be</i> necessary and proportionate to achieve the objectives of the public transport <i>plans and, in</i> <i>respect of public passenger transport</i> <i>by rail, they shall take into account</i> <i>Directive 2012/34/EU of the</i> <i>European Parliament and of the</i> <i>Council^{1a}.</i> ^{1a} Directive 2012/34/EU of the <i>European Parliament and of the</i> <i>Council of 21 November 2012</i> <i>establishing a single European</i> <i>railway area (OJ L 343, 14.12.2012, p. 32).</i>	[deleted]	See comments on AM 22.
88.		Amendment 32 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 3 – subparagraph 2		
89.	The assessment of appropriateness referred to in point (b) shall take into account whether a public intervention in the provision of passenger transport is a suitable means of achieving the objectives of the public transport plans.	[deleted]	[deleted]	See comments on AM 22.
90.		Amendment 33 Article 1 – point 2		

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
		Regulation (EC) No 1370/2007 Article 2a – paragraph 3 – subparagraph 3		
91.	For public passenger transport by rail the assessment of necessity and proportionality referred to in point (c) shall take into account the transport services provided under Article 10(2) of Directive 2012/34/EU of the European Parliament and of the Council of 21 November 2012 establishing a single European railway area (recast) ⁶ and consider all information given to the infrastructure managers and regulatory bodies pursuant to the first sentence of Article 38(4) of that Directive.	[deleted]	[deleted]	See comments on AM 22.
92.		Amendment 34 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 4		
93.	4. The specifications of public service obligations and the related compensation of the net financial effect of public service obligations shall:	The specifications of public service obligations and the related compensation of the net financial effect of public service obligations shall achieve the objectives of the public transport plan in <i>a</i> cost- effective manner <i>and shall</i> financially sustain the provision of public passenger transport in the long term.	[deleted]	See comments on AM 22.
94.	(a) achieve the objectives of the public	[deleted]	[deleted]	

⁶ OJ L 343 of 14.12.2012, p. 32

	Commission proposal COM(2013)0028	EP amendments P7 TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	transport plan in the most cost- effective manner;			
95.	(b) financially sustain the provision of public passenger transport in accordance to the requirements laid down in the public transport plan in the long term.	[deleted]	[deleted]	
96.	5. When preparing the specifications, the competent authority shall set out the draft specifications of public service obligations and their scope, the basic steps of the assessment of their compliance with the requirements laid down in paragraphs 2, 3 and 4, and the results of the assessment.		[deleted]	
97.		Amendment 35 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 5 – subparagraph 2		
98.	The competent authority shall in an appropriate manner consult relevant stakeholders such as a minimum, transport operators, infrastructure managers if appropriate and representative passenger and employee organisations on these specifications and take their positions into consideration.	The competent authority <i>shall consult</i> relevant stakeholders such <i>as</i> <i>transport</i> operators, infrastructure <i>managers and</i> representative passenger and employee organisations on these specifications and take their positions into consideration.	[deleted]	See comments on AM 22. Consultation also in AM 29 (pt 80)
99.	6. For public passenger transport by rail:		[deleted]	
100.		Amendment 36		

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
		Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 6 – point a		
101.	(a) compliance of the assessment and of the procedure set out in this Article shall be ensured by the regulatory body referred to in Art 55 of Directive 2012/34/EU including on its own initiative.	(a) compliance of the assessment and of the procedure set out in this Article shall be ensured by the regulatory body referred to in <i>Article</i> 55 of Directive 2012/34/EU <i>at the request</i> <i>of any stakeholder concerned;</i>	[deleted]	See comments on AM 22.
102.		Amendment 69 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 6 – point b		
103.	(b) the maximum annual volume of a public service contract in terms of train-km shall be the higher value of either 10 million train-km or one third of the total national public rail passenger transport volume under public service contract."	 (b) the minimum number of public service contracts for rail transport in a Member State shall be: - one, in the case of a national market volume of rail passenger transport under public service contract of up to 20 million train-km; - two in the case of a national market volume of rail passenger transport under public service contract of more than 20 million train-km and up to 100 million train- km, on condition that the size of one contract does not exceed 75% of the total market volume under public service contracts; 	[deleted]	 <u>EP AM covered</u> in Presidency compromise proposal in pt 65 through the inclusion of a reference to the necessity and proportionality principles, thereby providing a legal basis for intervention against possible abuses. <i>Purpose of the amendment is to</i> <i>introduce a limit on the volume of a</i> <i>public service contract (see also AM</i> 64 - pt 25). <i>This can have as a result that</i> <i>existing networks that are highly</i> <i>interlinked and efficient and that are</i> <i>covered by one public service</i> <i>contract have to be divided into two</i> <i>or three public service contracts.</i> <i>This would not contribute to the</i>
		– three in the case of a national		efficiency of the network and would

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		<i>market volume of</i> rail passenger transport <i>under public service</i> <i>contract of more than 100 million</i> <i>train-km and up to 200 million train- km, on condition that the size of one</i> <i>contract does not exceed 75% of the</i> <i>total market</i> volume under public service <i>contracts;</i> - <i>four in the case of a national</i> <i>market volume of rail passenger</i> <i>transport under public service</i> contract <i>of more than 200 million</i> <i>train-km, on condition that the size</i> <i>of one contract does not exceed 50%</i> <i>of the total market volume under</i> <i>public service contracts.</i>		bring additional costs. It should be left to the MS to decide on the volume of their public service contract. If the approach of the competent authority in this respect leads to possible abuses, it will be sanctioned by the judge anyway. It should also be noted that given the safeguard in Article 5(2) (pt 125), the risk of abuses is extremely limited.
104.		Amendment 38 Article 1 – point 2 Regulation (EC) No 1370/2007 Article 2a – paragraph 6 – point ba (new)		
105.		(ba) The competent authority shall determine the routes to be awarded under public service contracts in accordance with Directive 2012/34/EU.		EP AM not acceptable The determination of routes under a PSC is not a discretionary choice by the competent authorities. It should be justified by necessity and proportionality. The EP AM mixes two issues: - how to ensure and adequate scope for PSO - how to ensure open access

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106.	3. Article 4 is amended as follows:	17_1A(2014)0140	3. Article 4 is amended as follows:	
107.	(a) In paragraph 1, point (a) is		(0a) In paragraph 1, point (a) is	
1071	replaced by the following:		replaced by the following:	
108.		Amendment 39		
		Article 1 – point 3 – point a		
		Regulation (EC) No 1370/2007		
		Article 4 – paragraph 1 – point a		
109.	"(a) clearly define the public service	'(a) clearly define the public service	"(a) clearly define the public service	EP AM is best placed in pt 120
	obligations laid down in Article 2(e)	obligations laid down in Article 2(e)	obligations laid down in Article 2(e)	
	and Article 2a with which the public	and Article 2a with which the public	and Article 2a with which the public	
	service operator is to comply, and the	service operator is to comply, and the	service operator is to comply, and the	
	geographical areas concerned;"	transport networks concerned, and	geographical areas concerned;"	
		require the operator to provide the		
		competent authority with all the		
		information essential for the award		
		of public service contracts, whilst		
		protecting business secrets;';		
110.	1 0 1		(a) The last sentence of paragraph 1,	
	point (b) is replaced by the following:		point (b) is replaced by the following:	
111.		Amendment 40		
		Article 1 – point 3 – point b		
		Regulation (EC) No 1370/2007		
		Article 4 – paragraph 1 – point b –		
112	"In the case of multiple comics contracts	last sentence	"In the case of multiple comics contracts	ED AM not occurtable
112.	"In the case of public service contracts not awarded according to Article 5(3),	'In the case of public service contracts not awarded according to Article 5(3),	"In the case of public service contracts not awarded according to Article 5(1)	<u>EP AM not acceptable</u> <i>The concept of under-compensation</i>
	these parameters shall be determined	these parameters shall be determined	or (3), these parameters shall be	introduced in AM40 goes against
	in such a way that no compensation	in such a way <i>that compensation</i>	determined in such a way that no	the philosophy of the GA text. By
	payment may exceed the amount	shall neither exceed nor fall below	compensation payment may exceed	prohibiting under-compensation,
	required to cover the net financial	the amount required to cover the net	the amount required to cover the net	this AM transfers all the risk on
	effect on costs incurred and revenues	financial effect on costs incurred and	financial effect on costs incurred and	public authorities and introduces
	generated in discharging the public	revenues generated in discharging the	revenues generated in discharging the	situations in which public service
	service obligations, taking account of	public service obligations, taking	public service obligations, taking	operators might unlawfully claim for
	service congations, taking account of	puone service obligations, taking	public service boligations, taking	operators might and wjully claim jor

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	revenue relating thereto kept by the	account of revenue relating thereto	account of revenue relating thereto	higher levels of compensations on
	public service operator and a	kept by the public service operator	kept by the public service operator	this amendment.
110	reasonable profit;"	and a reasonable profit;';	and a reasonable profit;"	
113.		Amendment 41 Article 1 – point 3 – point ba (new)		
		Regulation (EC) No 1370/2007		
		Article 4 – paragraph 5		
114.	[Art 4(5) of Regulation 1370/2007	(ba) Paragraph 5 is replaced by the		Drafting depends on the outcome of
	wasn't modified by the Commission	following:		the discussions on social provisions.
	proposal - only by the EP	<i>J</i>		r i i i i i i i i i i i i i i i i i i i
	[ORIGINAL WORDING of Regulation	'5. Without prejudice to national and		A possible global compromise on
	1370/2007:]	Union law, including representative		social provisions could include the
	5. Without prejudice to national and	collective agreements between social		following elements:
	Community law, including collective	partners, competent authorities shall		
	agreements between social partners,	require the selected public service		- apply existing binding social
	competent authorities may require the	operator to grant staff <i>working</i>		standards at EU/national/regional
	selected public service operator to	conditions on the basis of binding		level, but do not create EU binding
	grant staff previously taken on to	national, regional or local social		standards
	provide services the rights to which	standards and/or to implement the		
	they would have been entitled if there had been a transfer within the	compulsory transfer of staff in case		- reference to rules under Directive
	meaning of Directive 2001/23/EC.	of change of operator. When such transfer occurs, the staff previously		2001/23 on transfer of staff
	Where competent authorities require	taken on by the previous operator to		- information on applicable social
	public service operators to comply	provide services <i>shall be granted</i> the		rules included in tender documents
	with certain social standards, tender	same rights to which they would have		and PSC
	documents and public service	been entitled if there had been a		
	contracts shall list the staff concerned	transfer within the meaning of		
	and give transparent details of their	Directive 2001/23/EC. Where		
	contractual rights and the conditions	competent authorities require public		
	under which employees are deemed to	service operators to comply with		
	be linked to the services.]	certain social standards, tender		
		documents and public service		
		contracts shall list the staff concerned		

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		and give <i>transparently</i> details of their contractual rights and the conditions under which employees are deemed to be linked to the services.';		
115.	(c) Paragraph 6 is replaced by the following:		(b) Paragraph 6 is replaced by the following:	
116.		Amendment 42 Article 1 – point 3 – point c Regulation (EC) No 1370/2007 Article 4 – paragraph 6		
117.	"Where competent authorities, in accordance with national law, require public service operators to comply with certain quality and social standards or establish social and qualitative criteria, these standards and criteria shall be included in the tender documents and in the public service contracts."	'6. In accordance with national law, the competent authorities shall set binding quality and social standards, lay down appropriate social and qualitative criteria, including the obligation of public service operators to comply with the applicable representative collective agreements and ensure decent employment and working conditions, including them or make reference thereto in the tender documents and in the public service contracts, regardless of the award procedure.';	"6. Where competent authorities, in accordance with national law, require public service operators to comply with certain quality and social standards or establish social and qualitative criteria, these standards and criteria shall be included in the tender documents and in the public service contracts."	Drafting depends on the outcome of the discussions on social provisions. Reference to "In accordance with national law" is to be kept.
118.	(d) The following paragraph 8 is added:		(c) The following paragraph 8 is added:	
119.		Amendment 43 Article 1 – point 3 – point d Regulation (EC) No 1370/2007 Article 4 – paragraph 8		
120.	"8. Competent authorities shall make available to all interested parties relevant information for the	'8. Competent authorities shall make available to all interested parties relevant information for the	"8. Competent authorities shall make available to all interested parties relevant information for the	Presidency compromise proposal "8. Public service contracts and general rules shall require the

Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
preparation of an offer under a competitive tender procedure. This shall include information on passenger demand, fares, costs and revenues related to the public passenger transport covered by the tender and details of the infrastructure specifications relevant for the operation of the required vehicles or rolling stock to enable them to draft well informed business plans. Rail infrastructure managers shall support competent authorities in providing all relevant infrastructure specifications. Non-compliance with the provisions set out above shall be subject to the legal review provided for in Article 5(7)."	preparation of an offer under a competitive tender procedure, <i>whilst</i> <i>protecting business secrets</i> . This shall include information on passenger demand, fares, costs and revenues related to the public passenger transport covered by the tender and details of the infrastructure specifications relevant for the operation of the required vehicles or rolling stock to enable them to draft well informed business plans. Rail infrastructure managers shall support competent authorities in providing all relevant infrastructure specifications. Non-compliance with the provisions set out above shall be subject to the legal review provided for in Article 5(7).'.	preparation of an offer under a competitive tender procedure while taking into consideration the legitimate protection of confidential business information. This shall include information on passenger demand, fares, costs and revenues related to the public passenger transport covered by the tender and details of the infrastructure specifications relevant for the operation of the required vehicles or rolling stock to enable them to draft well informed business plans. Rail infrastructure managers shall support competent authorities in providing all relevant infrastructure specifications. Non-compliance with the provisions set out above shall be subject to the legal review provided for in Article 5(7)."	operator to provide the competent authority with the information essential for the award of public service contracts, while taking into consideration ensuring the legitimate protection of confidential business information. Competent authorities shall make available to all interested parties relevant information, where that information exists, for the preparation of an offer under a competitive tender procedure while taking into consideration ensuring the legitimate protection of confidential business information. This shall include information on passenger demand, fares, costs and revenues related to the public passenger transport covered by the tender and details of the infrastructure specifications relevant for the operation of the required vehicles or rolling stock to enable them to draft well informed business plans. Rail infrastructure managers shall support competent authorities in providing all relevant infrastructure specifications. Non- compliance with the provisions set out above shall be subject to the legal review provided for in Article 5(7)."

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				NB: AM 39 (pt 109) included here
	4. Article 5 is amended as follows:		4. Article 5 is amended as follows:	
122.		Amendment 44 Article 1 – point 4 – point –a (new) Regulation (EC) No 1370/2007 Article 5 – paragraph 1a (new)		
123.		(-a) The following paragraph is inserted: '1a. Any competent authority, whether it is an individual authority or a group of authorities, including from more than one Member State, shall be entitled to award public service contracts in accordance with the rules laid down in this Regulation.';		EP AM not acceptable AM introduces the possibility for a group of competent authorities, including from different MS, to award public service contracts. This possibility is provided for in Article 5(2) of the GA text (pt 125). This AM is not in line with the subsidiarity principle. It shall remain in the competence of the MS to determine the competent authorities. It also creates legal uncertainty ("shall be entitled").
124.	[The first sentence of Art 5(2) of Regulation 1370/2007 wasn't modified by the Commission proposal – only by the CSL]		(0a) The first sentence of paragraph 2 is replaced by the following:	uncertainty (shall be entited).
125.	[ORIGINAL WORDING of Regulation 1370/2007:] Unless prohibited by national law, any competent local authority, whether or not it is an individual authority or a group of authorities providing integrated public passenger transport services, may decide to provide public		"Unless prohibited by national law, any competent local authority, whether or not it is an individual authority or a group of authorities providing integrated public passenger transport services may decide to provide public passenger transport services itself or to award public	

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	passenger transport services itself or to award public service contracts directly to a legally distinct entity over which the competent local authority, or in the case of a group of authorities at least one competent local authority, exercises control similar to that exercised over its own departments.		service contracts directly to a legally distinct entity over which the competent local authority, or, in the case of a group of authorities at least one competent local authority, exercises control similar to that exercised over its own departments. In case of public service in rail transport, the group of authorities referred to in the previous subparagraph may be composed only of local competent authorities whose geographical area of competence is not national. The public passenger transport service or the public service contract referred to in the previous	
			subparagraph may only cover the transport needs of urban agglomerations and/or rural areas."	
126.			(0aa) In Article 5(3), the words "specified in paragraphs 4, 5 and 6" are replaced by the words "specified in paragraphs 3a, 4, 4a, 5 and 6".	
127.			(0b) The following paragraph 3a is added:	
128.		Amendment 68 Article 1 – point 4 – point -aa (new) Regulation (EC) No 1370/2007 Article 5 – paragraphs 3a and 3b		
129.		(-aa) The following paragraphs are	"3a. Unless prohibited by national	EP AM not acceptable

Commission proposal COM(2013)0028	EP amendments P7 TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	inserted:	law, for public service contracts for	
		rail transport awarded on the basis	
	'3a. Until the end of the transitional	of a competitive tendering	
	period referred to in Article 8(2),	procedure, the competent authority	
	Member States and, if permitted by	may decide to temporarily award	
	national law, competent authorities	new contracts directly where the	
	may exclude from competitive	competent authority considers that	
	tendering procedures for the award	the direct award is justified by	
	of public service contracts by rail	exceptional circumstances. Such	
	organised by the competent	exceptional circumstances shall	
	authorities in their territory pursuant	include situations where:	
	to paragraph 3 of this Article, any		
	railway undertaking or operator or	- the quality and number of bids are	
	any subsidiary directly or indirectly	deemed to be insufficient to	
	controlled by a railway undertaking	guarantee good value for money, or	
	or its holding company if the		
	controlling railway undertaking, the	- there are a number of competitive	
	controlling holding company or their	tenders already being run by the	
	subsidiaries:	competent authority and/or other	
		competent authorities which could	
	(a) are licensed and operating	affect the number and quality of	
	domestic rail services in a Member	bids likely to be received if the	
	State in which the competent	contract is competitively tendered,	
	authorities are not permitted to	or	
	award public service contracts		
	through competitive tendering	- changes to the scope of one or	
	procedures, and	more public service contracts are	
		required in order to optimise the	
	(b) have benefitted from directly	provision of public services.	
	awarded public service contracts by		
	rail the share of which in terms of	The competent authority shall issue	
	value is higher than 50% of the total	a substantiated decision and shall	
	value of all public service contracts	inform the Commission thereof	

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		by rail awarded to that railway undertaking or holding company or their subsidiaries. For the purposes of this paragraph, 'control' means any rights, contracts or other means which, either separately or in combination, and having regard to any relevant considerations of fact or law, provide the opportunity to exert a decisive influence on an undertaking, in particular through: (a) ownership or the right to use all or part of the assets of an undertaking; (b) rights or contracts which confer the right to exert a decisive influence on the composition, voting or deliberations of the social organs of that undertaking.	without undue delay. Contracts awarded pursuant to this paragraph shall not exceed 7 years. Contracts awarded in accordance with this paragraph shall be published, while taking into consideration the legitimate protection of confidential business information and commercial interests."	
130.			(0c) The following paragraph 3b is added:	
131.		3b. Member States and, if permitted by national law, competent authorities may exclude from the competitive tendering procedures any operator or undertaking that is directly or indirectly controlled by a legal or natural person or by persons registered in a third country or third	"3b. In application of Article 5(3), competent authorities may decide to apply the following procedure: Competent authorities may make public their intentions to award a public service contract by rail through the publication of an	Drafting depends on the outcome of the discussions on reciprocity clauses.

Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	P7_TA(2014)0148 countries, save where that country or those countries have taken measures that allow public service contracts to be awarded through competitive tendering to railway undertakings licensed in a Member State.'	0 11	Remarks/compromise proposal
		c) the absence of competition is not the result of an artificial narrowing down of the parameters of the	

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
			procurement and d) when no reasonable alternative exists, the competent authorities may start negotiations with this operator in order to award the contract without further publication of an open tendering procedure."	
132.	(a) Paragraph 4 is replaced by the following:		(a) Paragraph 4 is replaced by the following:	
133.	"4. Unless prohibited by national law, the competent authorities may decide to award public service contracts directly:		"4. Unless prohibited by national law, the competent authority may decide to award public service contracts directly:	
134.	(a) where their average annual value is estimated at: less than EUR 1 000 000 or less than EUR 5 000 000 in the case of a public service contract including public transport by rail or,		(a) where their average annual value is estimated at: less than EUR 1 000 000 or less than EUR 7 500 000 in the case of a public service contract including public passenger transport services by rail or,	
135.		Amendment 47 Article 1 – point 4 – point a Regulation (EC) No 1370/2007 Article 5 – paragraph 4 – subparagraph 1 – point b		
136.	(b) where they concern the annual provision of less than 300 000 kilometres of public passenger transport services or less than 150 000 kilometres in the case of a public service contract including public	(b) where they concern the annual provision of less than 300 000 <i>vehicle-km</i> of public passenger transport services or less than <i>500 000</i> <i>vehicle-km</i> in the case of a public service contract including public	(b) where they concern the annual provision of less than 300 000 kilometres of public passenger transport services or less than 500 000 kilometres in the case of a public service contract including public	<u>EP AM not acceptable</u> For the sake of simplicity, existing text referring to kilometres to be kept.

COM(2013)0028 P/_1A(2014)0148 S112///115 transport by rail. transport by rail. passenger transport services by rail. 137. Amendment 75 Article 1 – point 4 – point a Regulation EC No 1370/2007 Article 5 – paragraph 4 – subparagraph 1 – point ba (new) 138. (ba) where the technical	oposal under Article
137. Amendment 75 Article 1 – point 4 – point a Regulation EC No 1370/2007 Article 5 – paragraph 4 – subparagraph 1 – point ba (new) 138. (ba) where the technical specifications of isolated rail systems in the field of public rail passenger transport differ significantly from the TSI of the main rail network of the respective Member State to which they are not connected. 139. Amendment 48 Article 1 – point 4 – point a	oposal under Article
Article 1 – point 4 – point a Regulation EC No 1370/2007 Article 5 – paragraph 4 – subparagraph 1 – point ba (new) 138. (ba) where the technical specifications of isolated rail systems in the field of public rail passenger transport differ significantly from the TSI of the main rail network of the respective Member State to which they are not connected. 139. Amendment 48 Article 1 – point 4 – point a	oposal under Article
Regulation EC No 1370/2007 Article 5 - paragraph 4 - subparagraph 1 - point ba (new) 138. (ba) where the technical specifications of isolated rail systems in the field of public rail passenger transport differ significantly from the TSI of the main rail network of the respective Member State to which they are not connected. EP AM covered compromise pro 5(4a)(a)(i) (pt 14) 139. Amendment 48 Article 1 - point 4 - point a	oposal under Article
Article 5 – paragraph 4 – subparagraph 1 – point ba (new) 138. (ba) where the technical specifications of isolated rail systems in the field of public rail passenger transport differ significantly from the TSI of the main rail network of the respective Member State to which they are not connected. EP AM covered compromise pro 5(4a)(a)(i) (pt 14) 139. Amendment 48 Article 1 – point 4 – point a	oposal under Article
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138. (ba) where the technical specifications of isolated rail systems in the field of public rail passenger transport differ significantly from the TSI of the main rail network of the respective Member State to which they are not connected. EP AM covered compromise pro 5(4a)(a)(i) (pt 14)	oposal under Article
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Article 1 – point 4 – point a	
Regulation (EC) No $1.570/2007$	
Article 5 – paragraph 4 –	
subparagraph 2	4 - 1- 1 -
140. In the case of a public service contract In the case of a public service contract In the case of a public service contract EP AM not accerding to a small or the service contract In the case of a public service contract EP AM not accerding to a small or the service contract In the case of a public service contract In	simplicity, existing
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an average annual value estimated at an average annual value estimated at an average annual value estimated at	
less than EUR 2 000 000 or to an less than EUR 2 000 000 or to an less than EUR 2 000 000 or to an	
annual provision of less than 600 000 annual provision of less than 600 000 annual provision of less than 600 000	
kilometres of public passenger vehicle-km of public passenger kilometres of public passenger	
transport services."	
141. (aa) The following paragraph 4a is	
added:	
142. "4a. Unless prohibited by national	
law, the competent authority may	
decide to award public service	

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
			contracts for public transport by rail directly:	
143.			(a) (i) where it considers that the direct award is justified by the relevant structural and geographical characteristics of the market and network concerned, in particular their size, demand characteristics, complexity of the network, its technical and geographical isolation and the services covered by the contract, and	Presidency compromise proposal (a) (i) where it considers that the direct award is justified by the relevant structural and geographical characteristics of the market and network concerned, in particular their size, demand characteristics, complexity of the network, its technical and/or geographical isolation from the main railway network covered by the TSI, and the services covered by the contract, and NB: Compromise proposal tabled to cover AM 75 (pt 138)
144.			(ii) where such a contract would result in an improvement in quality of services and/or cost-efficiency compared to the previously awarded public service contract.	
145.			On that basis, the competent authority shall issue a substantiated decision and shall inform the Commission thereof without undue delay.	
146.			Member States where, at the entry into force of this Regulation, the maximum annual volume is less than 23 million train-km and which have only one competent authority	

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	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
			at national level and one public	
			service contract covering the entire	
			network shall be deemed to fulfil	
			the conditions of point (i). Where	
			those Member States decide to	
			award a public service contract	
			directly, they shall inform the	
			Commission thereof. The United	
			Kingdom may decide to apply this	
			subparagraph to Northern Ireland.	
147.			Where the competent authority	
			decides to award a public service	
			contract directly, it shall define	
			measurable, transparent and	
			verifiable performance	
			requirements. Such requirements	
			shall be included in the contract.	
148.			The performance requirements	
			shall in particular cover punctuality	
			of services, frequency of train	
			operations, quality of rolling stock	
			and transport capacity for	
			passengers.	
149.			The contract shall include specific	
			performance indicators allowing for	
			periodic assessment by the	
			competent authority and shall	
			specify effective and deterrent	
			measures to be imposed in case the	
			railway undertaking fails to meet	
			the performance requirements.	
150.			The competent authority shall	
			periodically assess and make public	

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
			whether the railway undertaking has achieved its targets to meet the performance requirements as set in the contract. It shall take appropriate and timely measures, including effective and deterrent contractual penalties in case the required improvements in quality of services and/or cost-efficiency are not achieved. The competent authority may at any time wholly or partially suspend or terminate the contract awarded under this provision in case the operator fails	
			to meet the performance requirements.	
151.			(b) where they concern operating only passenger rail services by an operator which manages simultaneously the entire or the major part of the railway infrastructure on which the services are provided, which is excluded from the application of Article 7, 7a, 7b, 7c, 7d, 8, 13 and Chapter IV of Directive 2012/34/EU establishing a single European railway area in accordance with Article 2(3)(a) or (b) of Directive 2012/34/EU.	
152.			In derogation from Article 4(3), directly awarded contracts pursuant to this paragraph shall not exceed 10 years, except where	



	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
			Article 4(4) applies.	
153.			Contracts awarded in accordance	
			with this paragraph shall be	
			published while taking into	
			consideration the legitimate	
			protection of confidential business	
			information and commercial	
			interests."	
154.		Amendment 63		
		Article 1 – point 4 – point aa (new)		
		Regulation (EC) No 1370/2007		
155	$[4 + 5(5) - f P_{} + 1 + i + 1 + 270/2007]$	Article 5 – paragraph 5	(ab) Demograph 5 is nonload by the	
155.	[<i>Art 5(5) of Regulation 1370/2007</i> wasn't modified by the Commission	(aa) Paragraph 5 is replaced by the following:	(ab) Paragraph 5 is replaced by the following:	
	proposal – only by EP/CSL]	jouowing:	Tonowing:	
156	[ORIGINAL WORDING of Regulation	'5. In the event of a disruption of	"5. In the event of a disruption of	EP AM not acceptable
150.	1370/2007:]	services or the immediate risk of such	services or the immediate risk of such	Situations described in this AM
	5. In the event of a disruption of	a situation, the competent authority	a situation, the competent authority	covered in Article 5(3a) of GA text
	services or the immediate risk of such	may take an emergency measure. A	may take [] emergency measures.	(point 129).
	a situation, the competent authority	situation of emergency may include		(pom 12)).
	may take an emergency measure. This	the inability of the competent		
	emergency measure shall take the	authority to launch in good time a		
	form of a direct award or a formal	tender procedure for a public service		
	agreement to extend a public service	contract and/or to award that		
	contract or a requirement to provide	contract in good time to an operator.	This emergency measure shall take	
	certain public service obligations. The	This emergency measure shall take	the form of a direct award or a formal	
	public service operator shall have the	the form of a direct award or a formal	agreement to extend a public service	
	right to appeal against the decision to	agreement to extend a public service	contract or a requirement to provide	
	impose the provision of certain public	contract or a requirement to provide	certain public service obligations. The	
	service obligations. The award or	certain public service obligations. The	public service operator shall have the	
	extension of a public service contract	public service operator shall have the	right to appeal against the decision to	
	by emergency measure or the	right to appeal against the decision to	impose the provision of certain public	
	imposition of such a contract shall not	impose the provision of certain public	service obligations. The award or	

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	exceed two years	service obligations. The award or extension of a public service contract by emergency measure or the imposition of such a contract shall not exceed two years.'	extension of a public service contract by emergency measure or the imposition of such a contract shall not exceed two years."	
157.	(b) Paragraph 6 is replaced by the following:		[deleted]	
158.		Amendment 50 Article 1 – point 4 – point b Regulation (EC) No 1370/2007 Article 5 – paragraph 6		
159.	"Competent authorities may decide that, in order to increase competition between railway undertakings, contracts for public passenger transport by rail covering parts of the same network or package of routes shall be awarded to different railway undertakings. To this end the competent authorities may decide before launching the tender procedure to limit the number of contracts to be awarded to the same railway undertaking."	 '6. In accordance with Directive 2012/34/EU, and unless prohibited by national law, those competent authorities which are responsible for establishing public transport plans as referred to in Article 2a may decide to proceed to the direct award of public service contracts concerning public rail passenger transport services, subject to the following conditions: (a) the public transport plan contains requirements applicable for the entire duration of the contract concerning the following: - evolution of passenger volumes, - punctuality of services, cost-efficiency in terms of capital productivity, frequency of train operations, customer satisfaction, 	[deleted]	Aim of the GA text on the performance-based derogation (Article 5(4a)(a)) to the principle of competitive tendering is the improvement of quality and/or cost- efficiency of passenger rail services (pt 144). The principles underlying the Council performance-based derogation have the same objectives as the EP's ideas outlined in AM 50: - requirements in point (a) EP AM = pt 148 GA - publication assessment in point (b) EP AM = pt 153 GA - periodic assessment in point (b) EP AM = pt 149 and 150 GA - penalties in point (c) EP AM = pt 149 and 150 GA - role of regulatory body to assess compliance in point (b) and (c) EP

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
		- quality of rolling stock.		$AM = pt \ 145 \ GA$ - duration of contracts (9 years) in
		(b) the competent authority publishes		point (c) of $EPAM = pt 152 GA$ (10
		no later than 18 months before the		years)
		start of the contract how the		
		requirements set out in point (a) of this paragraph are to be complied		Parts of EP AM not acceptable
		with through the direct award of a		- public transport plans
		with inrough the airect awara of a public service contract and regularly		- public transport plans - delegated acts
		evaluates compliance with these		- delegated acts - deletion of Article 5(6)
		requirements in the annual report		- role of the regulatory body
		referred to in Article 7(1). If a		- too many requirements listed, and
		complaint of an interested railway		improvement necessary on each of
		operator or undertaking regarding		them
		the direct award of the contract is		them.
		filed, the regulatory body evaluates		
		the reasons provided by the		
		competent authority and takes a		
		decision no later than two months		
		after the complaint was filed. The		
		regulatory body may also act on its		
		own initiative.		
		(c) the regulatory body evaluates no		
1		later than 24 months before the end		
		of the current contract whether the		
1		requirements set out in point (a) of		
1		this paragraph and assessed in		
1		accordance with Article 7(1) have		
		been complied with. The competent		
		authority shall provide to the		
		regulatory body all data necessary		
		for its evaluation.		

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
		 Where the regulatory body concludes that the requirements set out in point (a) of this paragraph have not been complied with, it shall without delay oblige the competent authority to award any new public service contract in accordance with paragraph 3 of this Article. The decision of the independent regulatory authority shall be binding and immediately applicable. By way of derogation to Article 4(3), the duration of such contracts shall not exceed nine years. The Commission shall adopt delegated acts detailing the requirements set out in point (a) of this paragraph.'. 		
160.			(b) The following paragraph 6a is added:	
161.			"6a. Competent authorities may decide that, in order to increase competition between railway undertakings, contracts for public passenger transport by rail covering parts of the same network or package of routes shall be awarded to different railway undertakings. To this end the competent	

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	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
			authorities may decide before launching the tender procedure to limit the number of contracts to be awarded to the same railway undertaking."	
162.	5. The following Article 5a is inserted:		5. The following Article 5a is inserted:	
163.	"Article 5a		"Article 5a	"Article 5a
164.	Rolling stock		Rail rolling stock	Rail rolling stock
165.		Amendment 51 Article 1 – point 5 Regulation (EC) No 1370/2007 Article 5 a – paragraph 1		
166.	1. Member States shall in compliance with State aid rules take the necessary measures to ensure effective and non- discriminatory access to suitable rolling stock for public passenger transport by rail for operators wishing to provide public passenger transport services by rail under public service contract.	1. <i>The competent authorities</i> shall, in compliance with State aid rules, take the necessary measures to ensure effective and non-discriminatory access <i>conditions</i> to suitable rolling stock for public passenger transport by rail for operators wishing to provide public passenger transport services by rail under <i>a</i> public service contract.	In a view of a competitive award procedure competent authorities shall assess whether measures are necessary to ensure effective and non-discriminatory access to suitable rolling stock."	[moved to pt 169]
167.	2. Where rolling stock leasing companies which provide for the leasing of rolling stock referred to in paragraph 1 under non-discriminatory and commercially viable conditions to all of the public rail passenger transport operators concerned do not exist in the relevant market, Member States shall ensure that the residual value risk of the rolling stock is borne		[deleted]	

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	by the competent authority in compliance with State aid rules, when operators intending and able to participate in tendering procedures for public service contracts so request in order to be able to participate in			
	tendering procedures.			
168.		Amendment 52 Article 1 – point 5 Regulation (EC) No 1370/2007 Article 5a – paragraph 2 – subparagraph 2 – introductory part		
169.	The competent authority may comply with the requirement set out in the first subparagraph in one of the following ways:	The competent authority may comply with the requirement set out in the first subparagraph in <i>various</i> ways <i>that facilitate economies of scale,</i> <i>such as</i> :	[deleted]	Presidency compromise proposal: 1. In view of a competitive award procedure, competent authorities may decide, in accordance with national law and in compliance with State aid rules, to take any measure to ensure effective and non-discriminatory access to suitable rolling stock. Such measures may include:
170.		Amendment 53 Article 1 – point 5 Regulation (EC) No 1370/2007 Article 5a – paragraph 2 – subparagraph 2 – point a		Such measures may menue.
171.	(a) by acquiring itself the rolling stock used for the execution of the public service contract with a view to making it available to the selected public service operator at market price or as part of the public service contract	(a) by acquiring, itself, <i>at market</i> <i>price</i> , the rolling stock used for the execution of the public service contract with a view to making it available to the selected public service operator at market price or as part of	[deleted]	Presidency compromise proposal: (a) acquire itself the rolling stock used for the execution of the public service contract with a view to making it available to the selected public service operator at

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	pursuant to Article 4(1)(b), Article 6 and, if applicable, to the Annex,	the public service contract pursuant to Article 4(1)(b), Article 6 and, if applicable, to the Annex,		market price or as part of the public service contract pursuant to Article 4(1)(b), Article 6 and, if applicable, to the Annex, or
	(b) by providing a guarantee for the financing of the rolling stock used for the execution of the public service contract at market price or as part of the public service contract pursuant to Article 4(1)(b), Article 6 and, if applicable, to the Annex. Such a guarantee may cover the residual value risk while respecting the relevant state aid rules when applicable,		[deleted]	 <u>Presidency compromise proposal:</u> (b) provide a guarantee for the financing of the rolling stock used for the execution of the public service contract at market price or as part of the public service contract pursuant to Article 4(1)(b), Article 6 and, if applicable, to the Annex. Such a guarantee may cover the residual value risk, or
173.	(c) by committing in the public service contract to take over of the rolling stock at the end of the contract at market price.		[deleted]	Presidency compromise proposal: (c) commit in the public service contract to take over the rolling stock at predefined financial conditions at the end of the contract at market price, or
174.		Amendment 54 Article 1 – point 5 Regulation (EC) No 1370/2007 Article 5a – paragraph 2 – subparagraph 2 – point ca (new)		
175.		(ca) by cooperating with neighbouring local authorities in order to create a larger pool of rolling stock.		Presidency compromise proposal: (ca) cooperate with neighbouring competent authorities in order to create a larger pool of rolling stock.
176.		Amendment 55 Article 1 – point 5		



	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
		Regulation (EC) No 1370/2007 Article 5a – paragraph 2 – subparagraph 3		
177.	In the cases referred to in points (b) and (c), the competent authority shall have the right to require the public service operator to transfer the rolling stock after the expiry of the public service contract to the new operator to whom a contract is awarded. The competent authority may oblige the new public transport operator to take the rolling stock over. The transfer shall be done at market rates.	3. In the cases referred to in points (b) and (c) of the second subparagraph of paragraph 2, the competent authority shall have the right to require the public service operator to transfer the rolling stock after the expiry of the public service contract to the new operator to whom a contract is awarded. The competent authority may oblige the new public transport operator to take the rolling stock over. The transfer shall be done at market rates.	[deleted]	EP AM not acceptable Presidency compromise proposal 2. Paragraph 1 shall not apply where rolling stock leasing companies or other market actors provide for the leasing of rolling stock referred to in paragraph 1 under non-discriminatory and commercially viable conditions to all of the public passenger transport services by rail operators concerned in the relevant market.
178.		Amendment 56 Article 1 – point 5 Regulation (EC) No 1370/2007 Article 5a – paragraph 3		
179.	3. If the rolling stock is transferred to a new public transport operator the competent authority shall make available in the tender documents detailed information about the cost of maintenance of the rolling stock and about its physical condition.	4. If the rolling stock is transferred to a new public transport operator the competent authority shall make available in the tender documents detailed information about the cost of maintenance of the rolling stock and about its physical condition.	[deleted]	Presidency compromise proposal 3. If the rolling stock is made available to a new public transport operator the competent authority shall include in the tender documents detailed information about the cost of maintenance of the rolling stock and about its physical condition.
180.		Amendments 57 and 82 Article 1 – point 5 Regulation (EC) No 1370/2007		

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
		Article 5a – paragraph 4		
181.	4. By [18 months after the date of	[deleted]	[deleted]	EP AM acceptable
	entry into force of this Regulation] the			-
	Commission shall adopt measures			
	setting out the details of the procedure			
	to be followed for the application of			
	paragraphs 2 and 3 of this Article.			
	Those implementing acts shall be			
	adopted in accordance with the			
	examination procedure referred to in			
	Article 9a(2)."			
182.	6. In Article 6 paragraph 1 is replaced		6. In Article 6, paragraph 1 is replaced	
	by the following:		by the following:	
183.	"1. All compensation connected with		"1. All compensation connected	
1001	a general rule or a public service		with a general rule or a public service	
	contract shall comply with Article 4,		contract shall comply with Article 4,	
	irrespective of how the contract was		irrespective of how the contract was	
	awarded. All compensation of		awarded. All compensation of	
	whatever nature connected with a		whatever nature connected with a	
	public service contract not awarded		public service contract not awarded	
	according to Article 5(3) or connected		according to Article 5(1) or (3) or	
	with a general rule shall also comply		connected with a general rule shall	
	with the provisions laid down in the		also comply with the provisions laid	
	Annex. "		down in the Annex."	
184.	7. Article 7 is amended as follows:		7. Article 7 is amended as follows:	
185.			(a) Paragraph 1 is replaced by the	
105.	following:		following:	
186.	10110 mmg.	Amendment 58	Tono mig.	1
1000		Article 1 – point 7 – point a		
		Regulation (EC) 1370/2007		
		Article 7 – paragraph 1		
187.	"1. Each competent authority shall	'1. Each competent authority shall	"1. Each competent authority shall	EP AM not acceptable
10/1	make public once a year an	make public once a year an	make public once a year an	AM goes too far in the information
	make public once a year an	make public once a year an	make public once a year an	



	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	aggregated report on the public service obligations for which it is responsible, the starting date and duration of the public service contracts, the selected public service operators and the compensation payments and exclusive rights granted to the said public service operators by way of reimbursement. The report shall distinguish between bus transport and rail transport, allow the performance, quality and financing of the public transport network to be monitored and assessed and, if appropriate, provide information on the nature and extent of any exclusive rights granted. Member States shall facilitate central access to these reports, for instance through a common web portal."	aggregated report on the public service obligations for which it is responsible, the starting date and duration of the public service contracts, the selected public service operators and the compensation payments and exclusive rights granted to the said public service operators by way of reimbursement. <i>The report</i> <i>shall assess performance in terms of</i> <i>compliance and specify all transport</i> <i>service indicators, including</i> <i>punctuality, reliability, cleanness,</i> <i>user satisfaction as measured by</i> <i>public opinion polls, and the</i> <i>minimum capacity utilisation rate.</i> The report shall distinguish between bus transport and rail transport, allow the performance, quality and financing of the public transport network to be monitored and assessed and, if appropriate, provide information on the nature and extent of any exclusive rights granted. Member States shall facilitate central access to these reports, for instance through a common web portal. <i>The</i> <i>Commission shall prepare a</i> <i>summary of these reports and submit</i> <i>it, in all working languages, to the</i> <i>European Parliament and the</i> <i>Council.</i> ';	aggregated report on the public service obligations for which it is responsible, the starting date and duration of the public service contracts, the selected public service operators and the compensation payments and exclusive rights granted to the said public service operators by way of reimbursement. The report shall distinguish between bus transport and rail transport, allow the performance, quality and financing of the public transport network to be monitored and assessed and, if appropriate, provide information on the nature and extent of any exclusive rights granted. Member States shall facilitate central access to these reports, for instance through a common web portal."	that shall be included in the reports (administrative burden with no identifiable benefits). Furthermore, some of the notions introduced by this AM such as "user satisfaction as measured by opinion polls", "cleanness" are very subjective.
188.	(b) In paragraph 2, the following point		(b) In paragraph 2, the following point	



	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	is added:		is added:	
189.	"(d) the envisaged starting date and		"(d) the envisaged starting date and	
	duration of the public service		duration of the public service	
	contract."		contract."	
190.	8. Article 8 is amended as follows:		8. Article 8 is amended as follows:	
191.	(a) The first subparagraph of		(a) The first sentence of paragraph	
	paragraph 2 is replaced by the		2 is replaced by the following:	
	following:		1 7 8	
192.		Amendment 59		
		Article 1 – point 8 – point a		
		Regulation (EC) No 1370/2007		
		Article 8 – paragraph 2 –		
		subparagraph 1		
193.	"2. Without prejudice to paragraph 3,	'2. Without prejudice to paragraph 3,	"2. Without prejudice to paragraph	EP AM not acceptable
	the award of public service contracts	the award of public service contracts	3,	2 issues at stake:
	by rail with the exception of other	concerning transport by road and		1) political decision by the co-
	track-based modes such as metro or	other track-based modes such as	i) Article 5 shall apply to the	legislators as to the duration of the
	tramways shall comply with Article	metro, tramways <i>or tram-train</i>	award of public service contracts	transition period (to be decided at
	5(3) as from 3 December 2019. All	systems shall comply with Article 5	for passenger transport services by	the end of the negotiations). See also
	public service contracts by other	from 3 December 2019. Public	road and by track-based modes	pt 198
	track-based modes and by road must	service contracts concerning public	other than rail such as metro or	2) architecture of that provision
	have been awarded in compliance	passenger transport by rail shall be	tramways as from 3 December	making sure it is legally sound and
	with Article 5(3) by 3 December 2019	awarded from 3 December 2022 in	2019.	does not create legal voids
	at the latest. During the transitional	compliance with Article 5. By 3		
	period running until 3 December	December 2022 the competent	ii) Article 5, with exception of	
	2019, Member States shall take	authorities responsible for	paragraph 4a, shall apply to	
	measures to gradually comply with	establishing the public transport	passenger transport services by rail	
	Article $5(3)$ in order to avoid serious	plans referred to in Article 2a shall	as from 3 December 2019.	
	structural problems in particular	be entrusted with all powers		
	relating to transport capacity."	necessary for awarding public service	iii) Article 5(4a) shall apply to	
		contracts in accordance with Article	passenger transport services by rail	
		5. During the transitional <i>periods</i> ,	as from 10 years after the date of	
		Member States shall take measures to	entry into force of this Regulation.	

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
		gradually comply with Article 5(3) in order to avoid serious structural problems in particular relating to transport capacity.';	 iv) Article 5(6) and Article 7(3) shall cease to apply as from 10 years after the date of entry into force of this Regulation. Public service contracts for public passenger transport services by rail directly awarded in accordance with Article 5(6) may continue until their expiry date." 	
194.	[Art 8(2)subpar 2 of Reg 1370/2007 wasn't modified by the Commission proposal – only by EP] [ORIGINAL WORDING of Regulation 1370/2007:]	Amendment 60 Article 1 – point 8 – point a Regulation (EC) No 1370/2007 Article 8 – paragraph 2 – subparagraph 1a (new)		
195.	Within six months after the first half of the transitional period, Member States shall provide the Commission with a progress report, highlighting the implementation of any gradual award of public service contracts in line with Article 5. On the basis of the Member States' progress reports, the Commission may propose appropriate measures addressed to Member States.	Within six months after the first half of the transitional periods , Member States shall provide the Commission with a progress report, highlighting the implementation of any gradual award of public service contracts that comply with Article 5. On the basis of the Member States' progress reports, the Commission may propose appropriate measures addressed to Member States.';		<u>Presidency compromise proposal</u> Within six months after the first half of the transitional period, Member States shall provide the Commission with a progress report, highlighting the implementation of any gradual award of public service contracts that comply with Article 5. On the basis of the Member States' progress reports, the Commission may propose appropriate measures addressed to Member States.';
196.	(b) The following paragraph 2a is inserted:		(b) The following paragraph 2a is inserted:	
197.		Amendment 61 Article 1 - point 8 – point b Regulation (EC) No 1370/2007		

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
		Article 8 – paragraph 2a		
198.	"2a. Public service contracts for public passenger transport by rail directly awarded between 1 January 2013 and 2 December 2019 may continue until their expiry date. However they shall, in any event, not continue after 31 December 2022."	 '2a. Public service contracts for public passenger transport by rail <i>that do not comply with Article 5</i>, directly awarded <i>before 3</i> December 2022, <i>shall in</i> any event <i>expire at the latest on</i>*.'; * OJ: please insert the date 10 years after the entry into force of this Regulation (i.e. of the amending act - 2013/0028(COD)) 	"2a. Public service contracts for public passenger transport services by rail directly awarded on the basis of a procedure other than a fair competitive procedure as of the date of entry into force of this Regulation until 3 December 2019 may continue until their expiry date. In derogation from Article 4(3), the duration of such contracts shall not exceed 10 years, except where Article 4(4) applies."	Political decision by the co- legislators as to the duration of the transition period (to be decided at the end of the negotiations). See also pt 193.
199.	(c) In paragraph 3, the last sentence of the second subparagraph is replaced by the following:		(c) In paragraph 3, letter (d) is replaced by the following:	
200.	"The contracts referred to in (d) may continue until they expire, provided they are of limited duration similar to the durations specified in Article 4."		"(d) as from 26 July 2000 and before [the entry into force of this Regulation] on the basis of a procedure other than a fair competitive tendering procedure".	
201.	9. "The following Article 9a is inserted:			
202.	Article 9a		[deleted]	
203.	Committee procedure		[deleted]	
204.	1. The Commission shall be assisted by the Single European Railway Area Committee established by Article 62 of Directive 2012/34/EU of the European parliament and of the Council of 21 November 2012		[deleted]	

	Commission proposal COM(2013)0028	EP amendments P7_TA(2014)0148	Council general approach ST 12777/15	Remarks/compromise proposal
	establishing a single European railway area $(recast)^7$. That committee shall be			
	a committee within the meaning of			
	Regulation (EU) No 182/2011.			
205.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply."		[deleted]	
206.	Article 2		Article 2	
207.		Amendment 62		
		Article 2		
208.	e	This Regulation shall enter into force	This Regulation shall enter into force	Useful in principle but:
	on the day following that of its	on the day following its publication in	on the day following that of its	- consolidated version has no legal
	publication in the Official Journal of	the Official Journal of the European	publication in the Official Journal of	value
	the European Union.	Union. It shall be made available in	the European Union.	- 3 months for COM to prepare it is
		the form of a text consolidated with		a short deadline
		Regulation (EC) No 1370/2007,		- OPOCE is providing that service
		which it shall amend within three		
		months of its publication.		
209.	For the European Parliament		For the Council	
210.	The President		The President	

⁷ OJ L343/32 of 14.12.2012