



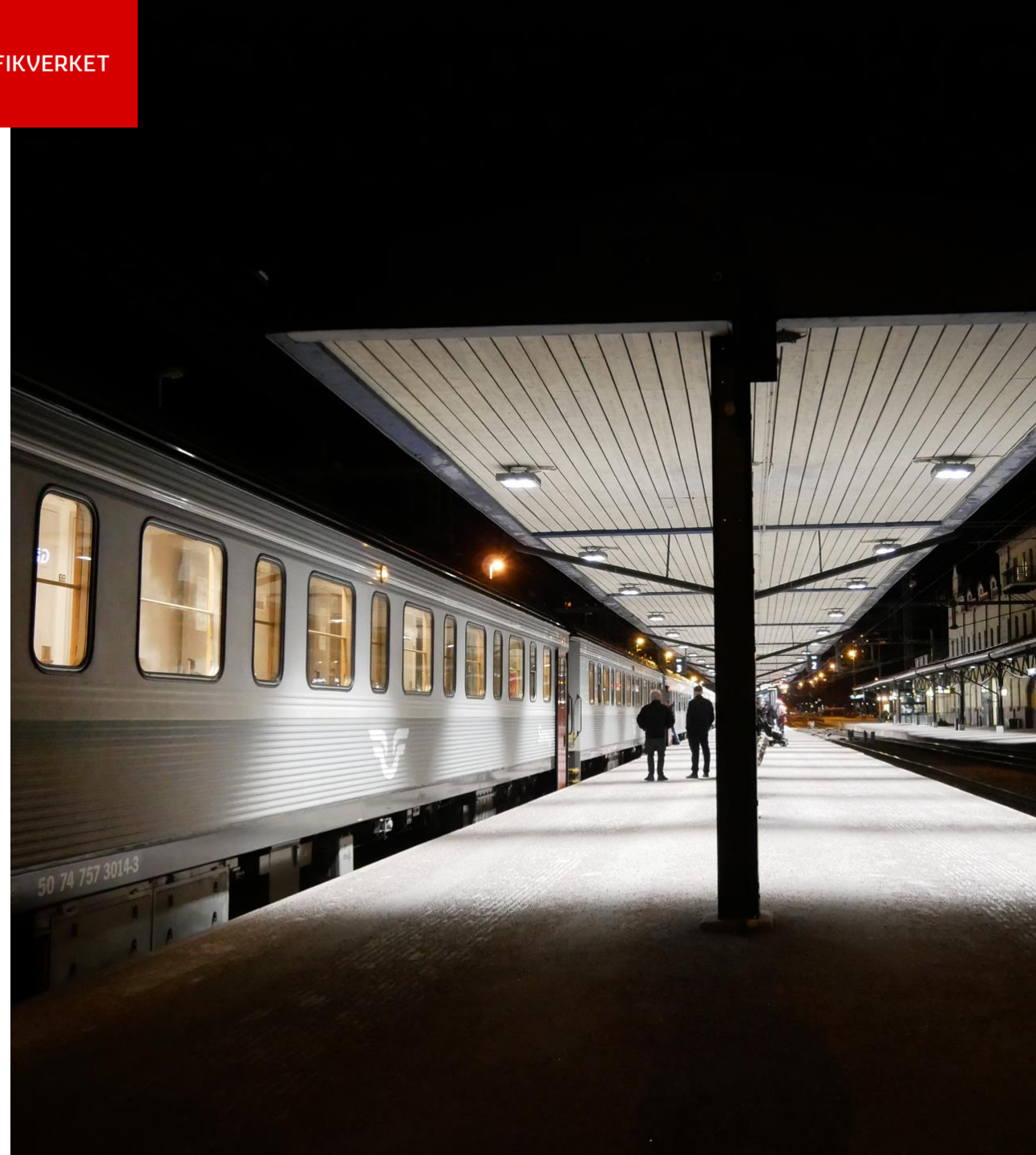
TRAFIKVERKET

Public Procurement of night trains from Sweden to Europe.

Bosse Andersson

The first assignment, July 2019

- Analyse the conditions to procure night train services with daily departures between Sweden and European cities on the continent.
- Present other possibilities to support the traffic.
- Suggest what services should be procured, along with timetables and costs.
- Present advantages and disadvantages regarding the state as owner of the rolling stock.



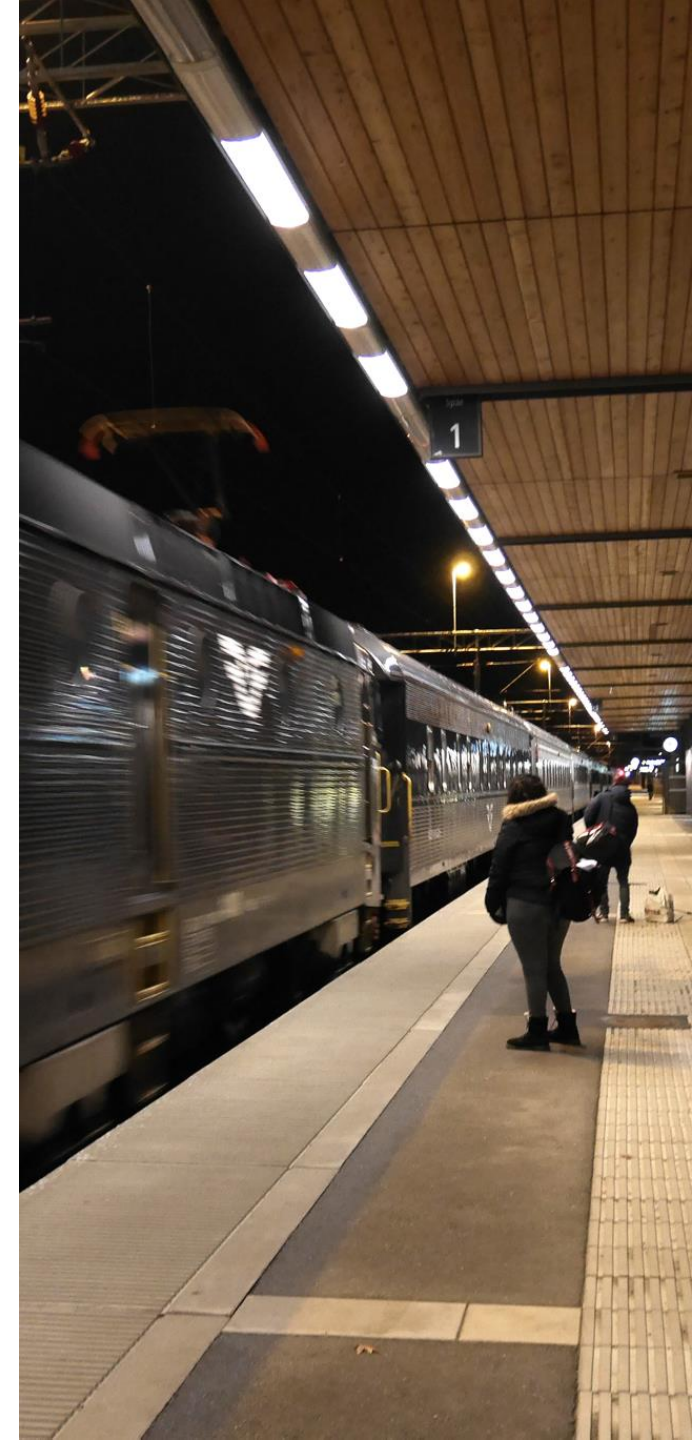
Conclusions

- There are some technical challenges, e.g. different electrical systems and signalling systems, but they can be managed.
- There are currently no opportunities to procure services which extend to/through Germany.
- Public Service Obligation (PSO) in Germany only exist on a local and regional level. A national competent authority does not exist. We have not been able to reach an agreement to procure services in Germany.
- It is unclear whether it is possible according to EU rules to procure in another country without an agreement.
- It may be possible to apply a solution whereby a public service obligation is only approved in Sweden and Denmark and that the service thereafter becomes commercial.



Cont. Conclusions

- Procurement Malmö–Cologne–Brussels is suggested as a first step, if necessary agreements with concerned countries can be concluded.
- Start in Stockholm is desirable but it may be difficult to achieve reasonable departure and arrival times in Stockholm and Cologne.
- Stockholm–Hamburg possible as a second step, but competition with Snälltågets plans must be avoided.
- If the legal questions can be solved, start of the traffic is theoretically possible at the earliest in 2022-2023.



Cont. Conclusions

- It is difficult to make night train services profitable and the suggested traffic will need public support, at least in the short term.
- The easiest way to a quick start of the traffic would be to procure an operator which provides the rolling stock themselves.
- If the state owns the rolling stock, competition in the procurement will be reached to a larger extent.
- Procurement can be carried out in two steps – at first with a contract covering 4 years and then next step with the purpose to act on basis of evaluation of the first years of traffic.



The second assignment (1)

- The task to procure night train services to the border between Denmark and Germany was given to the Swedish Transport Administration July 2020.
- Daily night train services from
 - Malmö to the border between Denmark and Germany, with a commercial extension which should ensure that the travel time without any changes amounts to at least eight hours. Final destination should preferably be Brussels.
 - Stockholm to the border between Denmark and Germany, with a commercial extension which should ensure that the travel time without any changes amounts to at least eleven hours. Final destination should preferably be Hamburg.



The second assignment (2)

- The traffic should last for a maximum of four years with the possibility of extension for another two years.
- The traffic shall start no later than 1 August 2022.
- If the Swedish Transport Administration deems that the traffic cannot continue on commercial terms, the procurement must be suspended.
- For the Stockholm route, one additional condition is that daily night train traffic should be procured, but not for those parts of the year where there already is commercial traffic.



Description of implementation

- RFI – Request For Information
- Agreement with Denmark on cross-border PSO
- Investigation work and preparation of tender documents prior to the procurement



Agreement with Denmark

- Requirements according to the EU Public Transport Regulation
- Principles
 - Only what is necessary
 - The PSO is introduced through the agreement
 - Should not entail obligations towards Denmark for the Swedish Transport Administration
 - The condition that the necessary change in the law is implemented in Denmark will take place in March 2021
- The Swedish Transport Administration's competence
 - The Government's responsibility to ensure that the agreement does not require the participation of the Swedish Parliament or the Foreign Affairs Committee



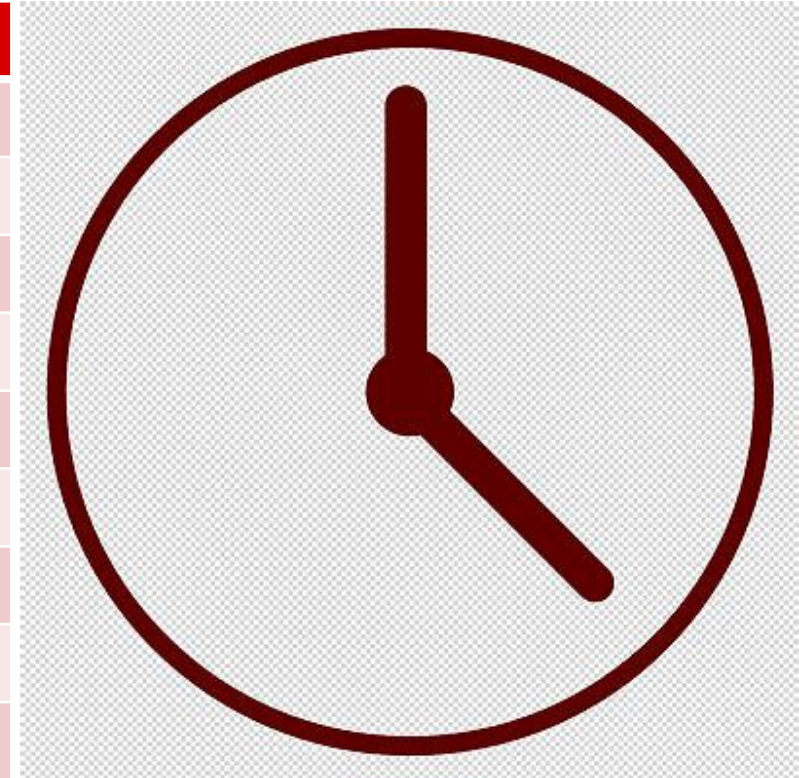
Estimation of traffic costs

- Cost for the route Malmö-Padborg and Stockholm-
Padborg
- Cost = the compensation that can be paid to an
operator
 - In accordance with the rules of the EU Public Transport
Regulation
- Stockholm-Padborg is estimated at approximately
SEK 40-50 million per year
 - The cost is affected by the existing commercial traffic
that runs when demand is greatest
 - The traffic is procured for about 240 days
- Malmö-Padborg is estimated at approximately SEK
10-20 million per year



Time schedule

Activity	Completed
Information on intended direct award published	August 28, 2020
Interim report to the government	January 15, 2021
Signing of agreement with Denmark	January 29
Dispatch of tender documents	February 2
Last day to apply for train paths	April 12
Last day for tender	April 19
Evaluation of tenders including negotiation	<i>April-June</i>
Award of contract	August 29
The start of the traffic	August 1, 2022



Thank you for your attention!

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