Factsheet 58/2017

16.6.2017

## **Public transport in the Act on Transport Services**

Transport market legislation will be reformed. The objective of the reform is to promote the creation of new service models, ease market access, dismantle national regulation that limits competition and reduce the level of public guidance. New provisions will be compiled into the Act on Transport Services, which will be extended in stages to cover all forms of transport. This fact sheet describes changes to public transport services.

## **Operating permit**

**Current situation:** In addition to a public transport licence, Finland requires a route-specific scheduled transport licence and, where necessary, a demandresponsive transport licence for market-based transport services. These are not stipulated in EU regulations. Transport operator training is compulsory.

**Change:** The public transport licence will be replaced with a passenger transport licence, which will also allow transport providers to operate taxi services. The licence will be valid for 10 years. The use of scheduled transport and demand-responsive transport licences will be terminated. The requirement of transport operator training will be terminated.

**Impact**: Access to the field is simpler for operators. Companies can expand and diversify their business activities.

## **Transport information, ticket and payment systems**

**Current situation:** Section 57 of the Public Transport Act states that the authorities must be provided information on routes, stops and timetables.

**Change:** Essential travel and timetable information will be supplied directly via technical interfaces. Ticket and payment systems will be made interoperable. Interoperability will become a criterion for public procurements.



**Impact:** Travel chains are easier to form. Third-party operators (for example MaaS operators) are able to sell tickets.

## **EU** Regulation on public service obligation **PSO**

**Current situation:** According to the PSO, competent authorities will be able to pay compensation to public transport operators and/or award an operator exclusive rights to operate transport services in a certain area. The obligation does not take a stand on the procedures used to guarantee exclusive rights in Member States. Finland has also had national regulations on market-based transport (scheduled transport licence requirement), which have safeguarded transport services provided under the PSO.

**Change:** Authorities can continue to organise transport services in accordance with the public service obligation. Requirement for scheduled transport licences will be terminated and possible exclusive



Factsheet 58/2017

16.6.2017

rights will, in future, be enforced with an administrative decision. A notification on the launch of activities and changes to activities will have to be submitted to the Finnish Transport Agency 60 days prior to implementation.

**Impact**: Access to the market becomes easier and administrative burden is alleviated.