



BOOSTING CROSS-BORDER REGIONS THROUGH BETTER TRANSPORT

14 NOVEMBER 2019 | BRUSSELS, BELGIUM



#EUBorderRegions

Regional and
Urban Policy

BARBORA MIČKOVÁ

Cross-border rail transport:

on the bumpy road to Single European Rail Area

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ABOUT LEO EXPRESS

Established in 2010 as an **open-access** rail operator with first train connections in 2012, started bus operations in 2014 (Ostrava, CZ – Krakow, PL).

In The main rail connections in the **Czech Republic**, **Slovakia**, **Germany** and **Poland** are complemented with a network of bus feeders reaching further markets such as **Austria** and the **Ukraine**.

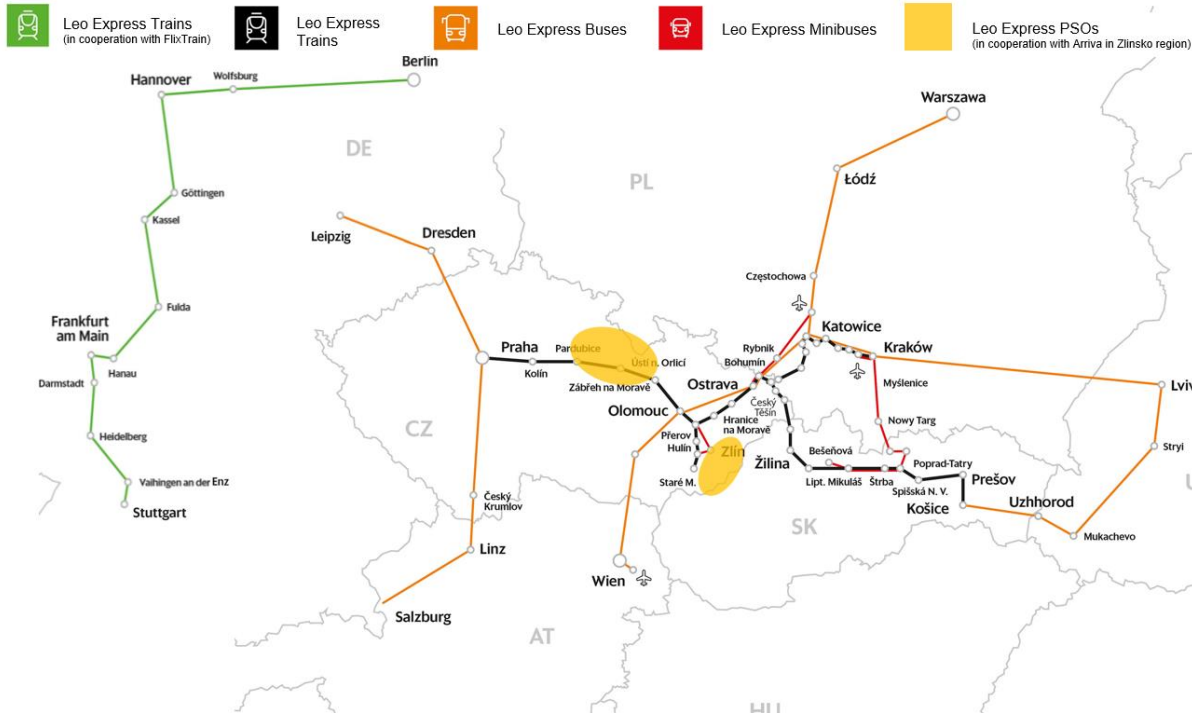
Currently operates **5 Stadler FLIRT** trains that are homologated for operations in the Czech Republic, Slovakia and Poland. The trains have the lowest operating costs per train-kilometer in the region.

Operates 200km/h open-access train line in **Germany** connecting Berlin and Stuttgart with leased locomotive and coaches.

3 CRRC Sirius trains (and another 30 EMUs framework option contract) are currently tested, **15 Alstom Lint** DMUs for PSC in Pardubice (Dolno Slaskie) and Zlin region (since December 2019)

Currently operates 10+ contracted third party **buses** and another 10+ owned/leased **minibuses**. Company is offering multi-modal travel connection, combining minibus, bus and train combination with piloting door-to-door services in several regions.





Multimodality:

- Trains
- Buses
- Minibuses
- Carsharing HoppyGo

Europe:

- 6 countries
- Commercial rail operations in **CZ**, **SR**, **DE**, **PL**
- Commercial bus operations in **CZ**, **SR**, **GE**, **PL**, **AU** and **UA**

Czech Republic:

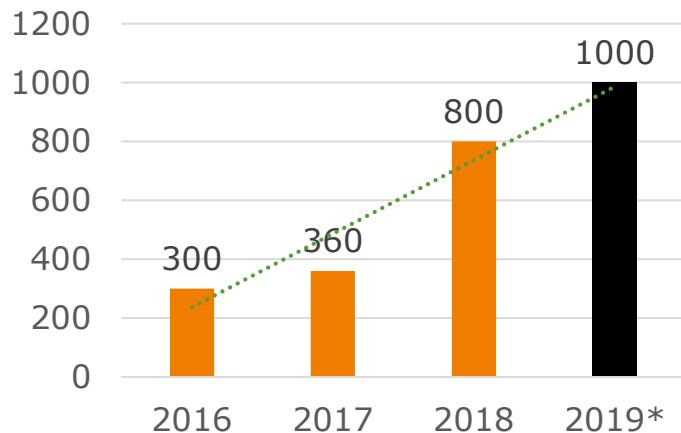
- 8 regions
- 1 650 000 passengers
- 3 million train-km
- Regional PSOs from December 2019

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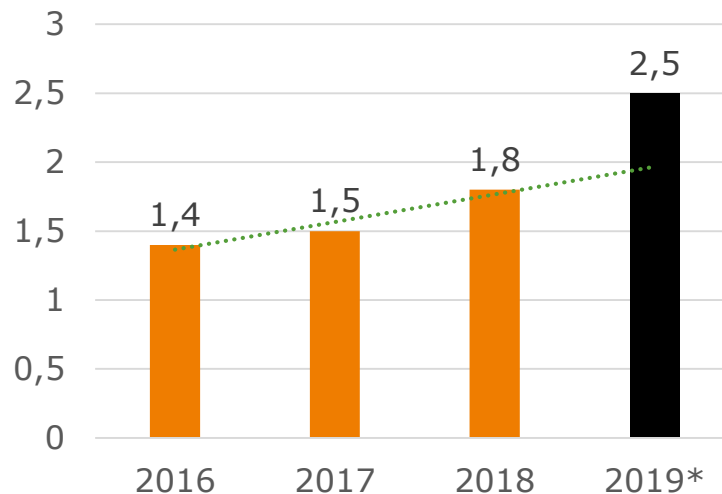


RESULTS

Turnover of Leo Express (mil. CZK)



Passengers (mil.)

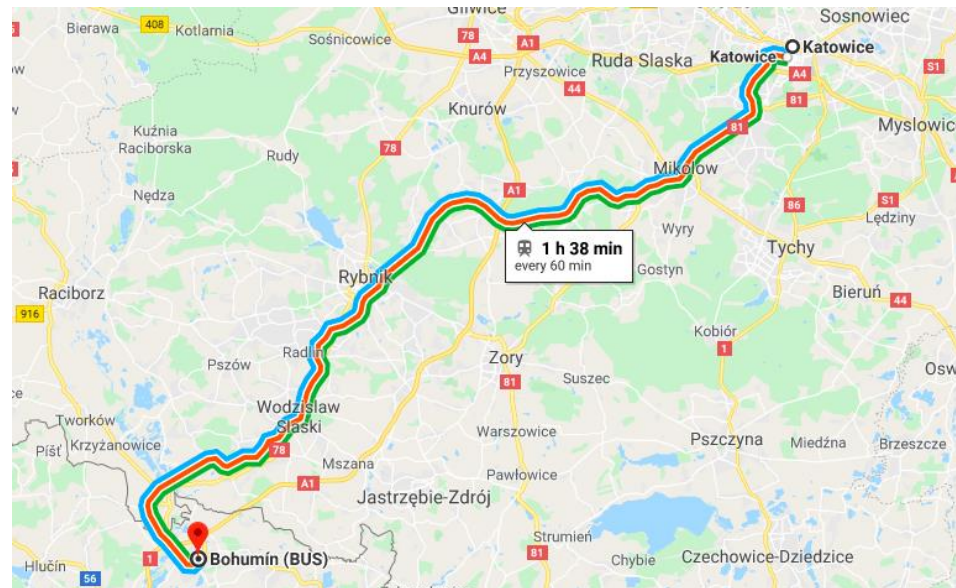
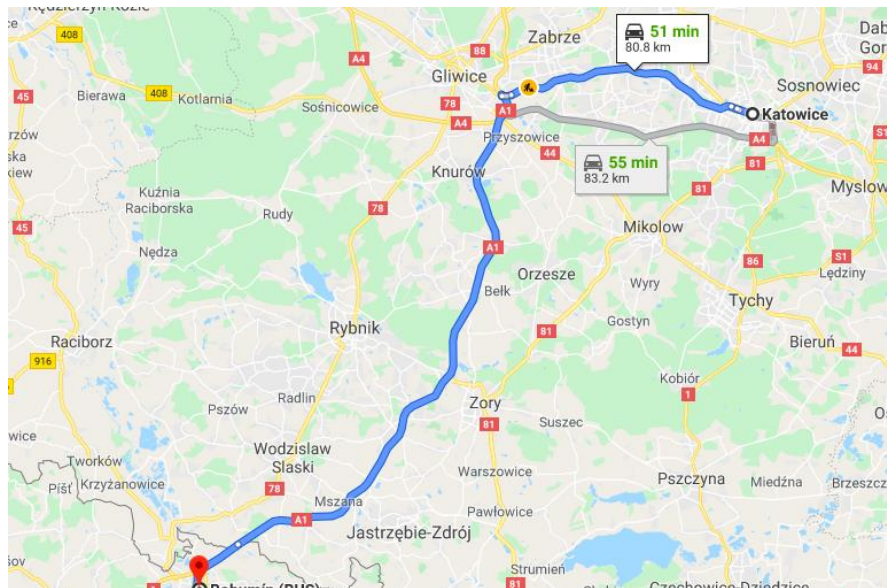


CZECH-POLISH CONNECTION: 2014

- Leo Express started to operate a bus connection to Katowice and Krakow in 2014 from the Czech Rep.
 - Because of administrative / regulatory barriers it was impossible to start with a direct train connection
 - Buses served as feeders



CZECH-POLISH CONNECTION



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CZECH-POLISH CONNECTION: 2018

- In July 2018, after lengthy administrative procedures, we started operations on the Prague – Krakow railway route, becoming the first passenger commercial carrier on Polish railways
- Number of LE passengers crossing the border increased by **120 %** since the start of the rail operation



CZECH-POLISH CONNECTION: ONGOING ISSUES

- Infrastructure (not sufficient for multimodal competition, maintenance)
- Unpredictable regulation
- Timetable is changed 5 times a year in Poland,
 - It is difficult to make any long-term plans (ticket pre-sales)
- Technical requirements are entirely different from CZ
 - One cross-border train must fulfil both Czech and Polish specs at once
 - Single European Railway Market seems to work only as a dream written on the paper.
- Rail Infrastructure Manager (PKP PLK) prioritize state-owned operator (PKP IC)
- PKP Energetyka unpredictably changes prices of electricity

Regulation should not benefit only the state incumbents, but passenger and regions.



OTHER SUCCESSFUL EXAMPLES

- Czech-Slovak train connection

- Due to common history and similar regulations it is easier to operate in CZ/SK
- Since 2014, we operate a direct train connection between Prague and Košice, successfully creating links between former federated states
- PSO vs Open-access overlap

- Czech – Ukraine connection

- Leo Express provides bus feeders to city of Lviv and to Zakarpattia Oblast
- Very successful project – increase of Czech tourism in Ukraine and Ukrainian employment in the Czech Republic
- Direct train connection is almost impossible due to different gauges and regulation obstacles



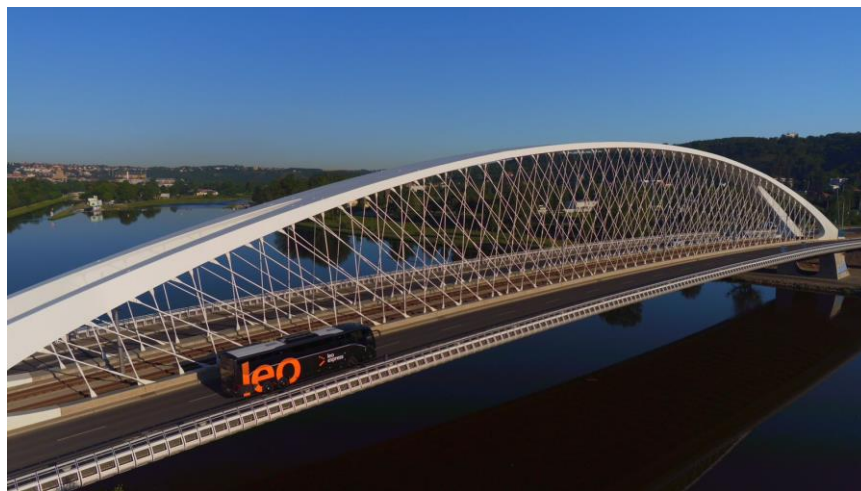
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POSITIVE EFFECTS

The service is at still at the beginning but we already see:

- Bringing regions closer
- Employment incentives
- Business opportunities



CHALLENGES & OPPORTUNITIES OF BORDER EFFECT

- Domestic issue in EU vs MS perspective -> who is the key stakeholder?
- Infrastructure (issue: new / lack of capacity, construction, maintenance)
- National regulation & interoperability
- Single European Railway area: role of PSO and open-access in cross-border rail transport
- Multimodality
- Ticketing – integrated ticketing

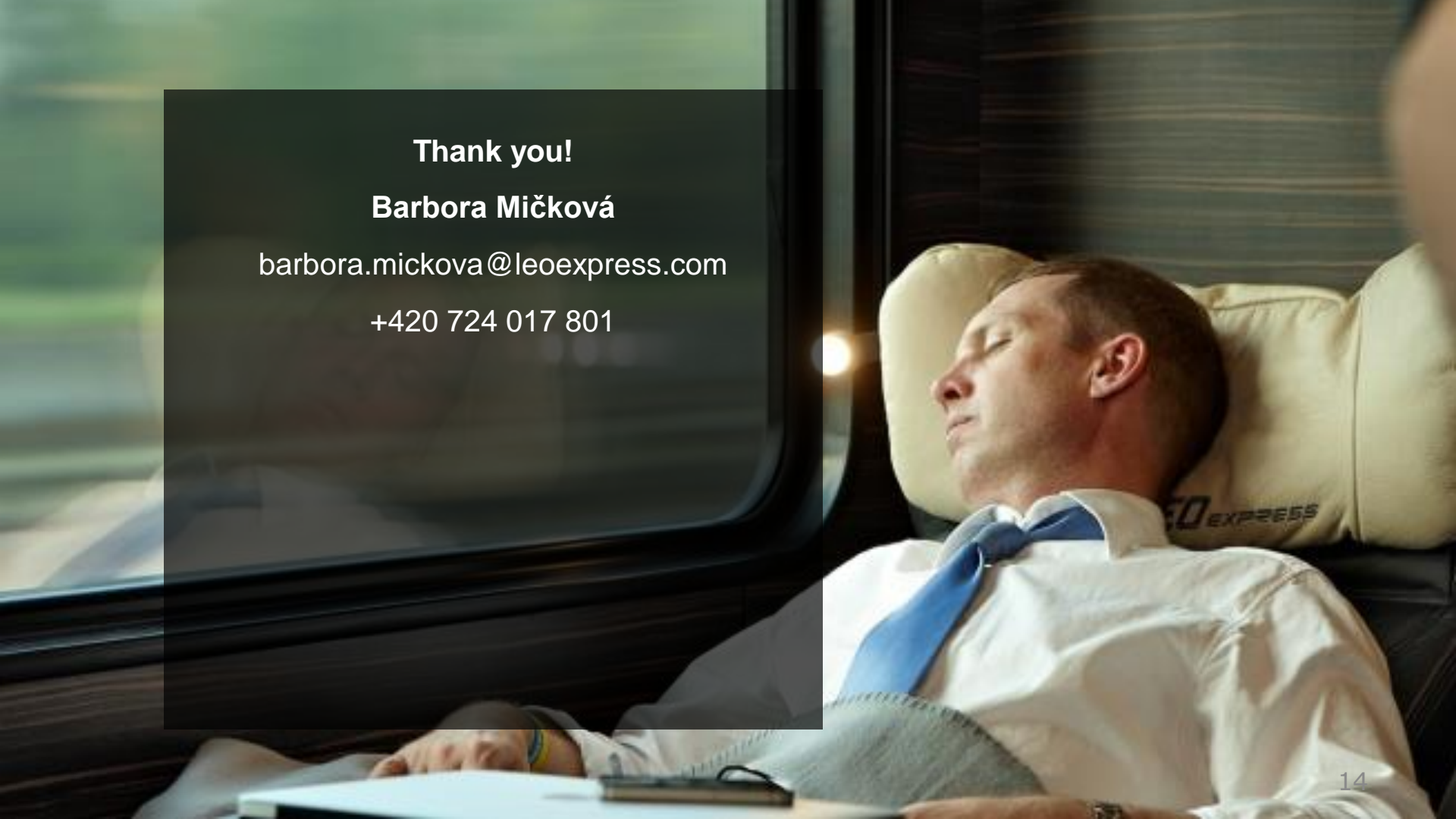


Thank you!

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