

Economic Assessment

Brussels, July 2026

CER Economic Assessment of the Passenger Package

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Executive Summary

CER has carried out an economic assessment of the European Commission's analysis¹ of the Passenger Package. The assessment finds that, in line with concerns raised by the Commission's own Regulatory Scrutiny Board, the Impact Assessment relies on limited evidence and overly optimistic assumptions. CER estimates that, in a worst-case scenario, the Passenger Package could impose up to €57 billion in additional costs on railway undertakings between 2028 and 2050, mainly through commission fees paid to third-party platforms and higher passenger compensation and rerouting costs. A part of these costs is likely to be passed on to passengers through higher ticket prices. The main conclusions of the economic assessment are as follows:

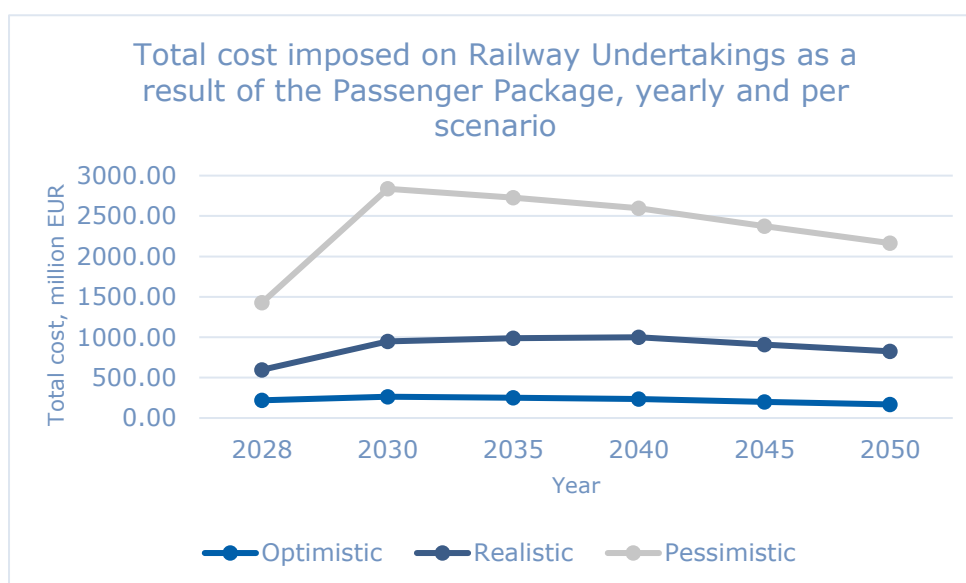
- **Limited market failure:** The IA does not demonstrate a clear welfare-reducing market failure in rail ticketing. It largely describes consumer inconvenience, while overlooking the rapid progress already delivered by sector-led initiatives such as the progress made on the **CER Ticketing Roadmap**, the wide-spread use of the Open Sales Distribution Model², as well as the **Agreement on Journey Continuation**³. Furthermore, the IA provides limited evidence that ticketing friction materially affects the modal choice of consumers.
- **Proposal on Rail Ticketing:** The Rail Ticketing proposal would shift more sales towards commission-based third-party platforms, increasing distribution costs for RUs and transferring value away from European railway operators. As more tickets flow through platforms such as Trainline and Omio, RUs would face additional distribution fees, typically **3–10% per ticket**. Depending on platform commission rates and market share assumptions, this could shift **€2.9 billion–€37.9 billion** away from European railway operators and towards third-party platforms that have significantly higher operating margins compared to rail companies (to illustrate, Trainline had a 27% operating margin in FY 2025, while Deutsche Bahn had 1.1%, SNCF 4.1% and FS 2.0%).

¹ Impact Assessment (SWD 2026 300 final), available at [IMPACT ASSESSMENT REPORT Accompanying the documents Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on multimodal booking and repealing Regulation \(EC\) No 80/2009 and Staff Working Document \(SWD 2026 233 final\)](#), available at [COMMISSION STAFF WORKING DOCUMENT Accompanying the document Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND THE COUNCIL amending Regulation \(EU\) 2021/782 as regards the protection of passengers with single tickets](#).

² Our largest CER members are adding over 8000 destinations Europe-wide to their offer.

³ The Agreement on Journey Continuation currently has 23 railway undertaking members, representing appr. 90% of European rail passengers in 2023, hence demonstrating a broad market coverage, Source: CER assessment based on Eurostat and CER member data.

- **Proposal on Passenger Rights:** The Passenger Rights proposal would impose significantly higher costs on railway undertakings than estimated by the Commission. Adjusting only four assumptions—the number of affected passengers, rerouting costs, claim rates and average ticket prices—raises total RU costs from the Commission’s €2.1 billion estimate to €9.6 billion in the realistic scenario and **€19.2 billion** in the pessimistic scenario for 2028–2050. These costs would outweigh the Commission’s estimated passenger benefits of €7.8 billion and, given inelastic supply and constrained margins, could lead to **ticket price increases of up to 4.4%** for multi-leg journeys involving multiple operators.



- **Limited network effects and modal shift:** The Impact Assessment overstates both the likely modal-shift effects and the competitive benefits of the Package. Rail capacity remains constrained, and passengers generally give greater weight⁴ to price and travel time than to ticketing convenience when deciding whether to travel by rail. As a result, any ticket price increases triggered by the Package would offset the potential demand gains from more seamless ticketing and could ultimately undermine, rather than support, the Commission’s modal-shift objectives. Similarly, the network effects anticipated by the Impact Assessment are more likely to strengthen third-party ticketing platforms and facilitate the emergence of a small number of dominant intermediaries than to enhance competition.

⁴ When asked about the most important factors to consider when planning a regional or long-distance journey, 61% of passengers cite the cost and 47% the total travel duration, while only 16% mention the ease of booking tickets and 8% passenger rights. Source: Q3, Flash Eurobarometer 551 – Multimodal Digital Mobility Service, 2024, available at [Multimodal Digital Mobility Service - April 2025 - Eurobarometer survey](#)

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1. Introduction and Context

The European Commission's Passenger Package⁵ seeks to reduce ticketing friction, introduce harmonised passenger rights for European rail journeys, and stimulate rail demand through greater transparency and interoperability. The accompanying Impact Assessment (SWD 2026 300 final) on rail ticketing argues that incumbent Railway Undertakings (RUs) limit competition by operating vertically integrated ticketing systems and by not making all offers available on their platforms. The Commission Staff Working Document (SWD 2026 233 final) on the protection of passenger rights with single tickets further claims that harmonised passenger rights for single tickets will strengthen consumer confidence. The main logic is that the proposals taken together would encourage a modal shift towards rail, a more sustainable transport options.

This CER paper assesses the economic reasoning behind these claims. It finds that both the IA and the SWD provide limited evidence of a genuine market failure in rail ticketing, significantly underestimate the costs the proposals would impose on RUs, and rely on an overly optimistic modal shift estimate. Given fixed rail infrastructure capacity in the short and medium term and already constrained margins of commercially viable rail services, these additional costs are likely to be passed on to consumers through higher ticket prices. Since price is a primary determinant of modal choice⁶, this effect would most probably offset demand gains from reduced ticketing friction, ultimately undermining the Commission's modal shift objectives.

2. Limited evidence for a market failure in rail ticketing

2.1. Baseline scenario assumptions

The IA's baseline scenario assumes that voluntary market developments have not delivered an effective digital ticketing experience and that incumbent railway undertakings have limited incentives to improve ticketing, including for cross-border connections. However, this assumption is not fully supported by observed market developments.

First, the assumption that ticketing friction is a major passenger concern and a primary determinant of modal choice requires further substantiation. According to a recent Eurobarometer survey, 73% of European citizens who attempted to book two or more connecting trains operated by different undertakings found the process easy. Moreover, when respondents were asked about the most important factors considered when planning a regional or long-distance journey, 61% cited cost and 47% total travel time, while only 16% mentioned ease of ticket booking and 8% passenger rights. This suggests that the Commission's legislative focus is directed at issues that are important to a comparatively

⁵ This includes the proposal on 1) Multimodal booking 2) Rail ticketing and 3) Protection of passengers with single tickets.

⁶ 61% of European passengers consider price to be an important factor when planning a regional or long-distance journey. Source: Q3, Flash Eurobarometer 551 – Multimodal Digital Mobility Service, 2024, available at [Multimodal Digital Mobility Service - April 2025 - - Eurobarometer survey](#)

small share of passengers, rather than at measures that could more directly address the factors most relevant to modal choice, namely price and journey time.

European passengers' broad satisfaction with rail ticketing on multi-operator journeys has been achieved because, in recent years, the European rail sector has made substantial progress in digitalisation, including in cross-border rail ticketing. A key element of this has been the widespread adoption of the Open Sales and Distribution Model (OSDM), which enables operators to sell each other's tickets on their own platforms. Using this standard, the largest CER members have already added more than 8,000 destinations across Europe to their offer. Thanks to the wider availability of international destinations, in early 2026 some members recorded increases in international digital rail ticket sales of up to 75% compared with 2025. Regarding passenger rights, European railways have agreed common rerouting obligations through the Agreement on Journey Continuation (AJC), which covers more than 90% of European passenger traffic. These developments show that the rail ticketing market is evolving more rapidly than suggested by the IA's portrayal of a sector requiring strict regulatory intervention of this scope and magnitude.

2.2. Market failure

More importantly, the Impact Assessment (IA) does not sufficiently demonstrate the existence of a welfare-reducing market failure that would justify regulatory intervention, as also outlined by the Commission's own Regulatory Scrutiny Board. In its opinion SEC (2026) 300, the RSB issued reservations regarding the Impact Assessment, including that the 'existence and magnitude of alleged market failure(s) of "uneven playing field in the online ticketing market" and "incomplete offer of rail tickets on (rail) platforms" are not sufficiently demonstrated'. While the Impact Assessment identifies certain market frictions, such as the incomplete availability of rail offers on some ticketing platforms, it does not quantify resulting consumer deadweight loss, provide evidence of systematic price distortions, or establish that the current market structure leads to lower overall social welfare. The existence of frictions alone does not necessarily imply market failure, particularly where consumers continue to have access to tickets through operators' own channels and where competing distribution models coexist.

The IA also gives limited consideration to the potential benefits of vertical integration between railway undertakings (RUs) and their sales channels. Such integration can generate economic efficiencies by reducing distribution costs (for example, by avoiding commissions paid to third-party vendors), which may ultimately translate into lower ticket prices for passengers. It can also facilitate more integrated customer offerings, including the bundling of subscriptions, loyalty schemes, multimodal services and operator-specific discounts. Furthermore, allowing RUs to retain the benefits of these investments can strengthen incentives to develop innovative digital platforms and improve the overall passenger experience.

In the context of cross-border rail services, operator-led distribution can also be particularly efficient. Railway undertakings are directly responsible for operating the services and therefore have a detailed understanding of route-specific conditions, such as temporary capacity restrictions, engineering works, operational disruptions, or connection

buffers that exceed the minimum transfer times set by station operators. This operational perspective can help operators construct more reliable itineraries beyond simply considering minimum connecting times (e.g. requiring the passenger to take an earlier train to ensure feasible connections) and manage passenger rights and rebooking arrangements effectively, especially where journey planning depends on service-specific operational constraints.

Taken together, these considerations suggest that the IA has not adequately examined whether the perceived shortcomings in rail ticket distribution reflect a genuine market failure or merely characteristics of a competitive market in which different business models coexist and generate different efficiencies. Notably, this concern was also raised by the Commission's own Regulatory Scrutiny Board (RSB), which in both its first and second opinions concluded that the existence and magnitude of the alleged market failure had not been sufficiently demonstrated. This further weakens the case for such an ambitious regulatory intervention based on the evidence currently presented.

2.3. Underlying evidence

To establish the market failure in rail ticketing, the Impact Assessment mainly relies on the 2025 Eurobarometer survey, a 100 origin-destination route analysis, as well as to some extent on literature review and relevant competition cases. While these sources may highlight areas where passengers encounter difficulties when searching for or purchasing rail tickets, their ability to demonstrate a structural and welfare-reducing market failure is less clear. In particular, questions remain as to whether the evidence presented is sufficiently robust, representative and economically grounded to show that the identified frictions lead to measurable harm to competition, consumer welfare or rail demand.

Firstly, the Impact Assessment's reliance on survey evidence does not, on its own, establish the existence of a welfare-reducing market failure in online rail ticketing. Consumer dissatisfaction may indicate inconvenience, but it does not demonstrate that ticketing friction is a binding constraint on rail demand or modal choice. Indeed, the IA itself acknowledges that price, travel time and service frequency are the primary determinants of passengers' transport choices, suggesting that ticketing is a secondary factor⁷. Moreover, survey responses capture stated preferences rather than actual behaviour and therefore cannot show whether passengers abandon rail journeys, switch modes, or face measurable welfare losses as a result of ticketing difficulties. To demonstrate market failure, evidence would typically need to show quantifiable effects such as reduced competition, higher prices, consumer deadweight loss, or significant reductions in rail demand. By contrast, the evidence cited in the IA largely points to consumer inconvenience and incomplete offer visibility on certain platforms, without

⁷When respondents were asked about the most important factors considered when planning a regional or long-distance journey, 61% cited cost and 47% total travel time, while only 16% mentioned ease of ticket booking and 8% passenger rights. Source: Flash Eurobarometer 551 – Multimodal Digital Mobility Service, 2025, available at [Multimodal Digital Mobility Service - April 2025 - - Eurobarometer survey](#)

demonstrating that these issues materially distort market outcomes or reduce overall welfare.

Secondly, the 100 origin-destination route analysis in the Impact Assessment compares the options displayed on one platform, Omio, with a broader set of travel possibilities identified through Google Maps for land and sea transport. The IA finds that rail options were absent from Omio in 29% of cases, while they were available on at least one railway undertaking's own platform, and uses this finding as evidence of market failure in rail ticketing. However, this conclusion is not sufficiently robust. The analysis focuses on a single third-party platform and does not consider whether other independent retailers, such as Trainline, Interrail or Rail Europe, offered more complete rail options. It also does not sufficiently assess the availability of cross-border and multi-operator connections on railway undertakings' own distribution channels, where recent progress through OSDM has expanded the range of international journeys available to passengers.

The Brussels-Budapest route illustrates this limitation: while Omio shows no rail option, Trainline displays both rail-only and multimodal itineraries while Rail Europe also shows many potential rail-only itineraries, including connections involving different railway operators. In addition, searches on railway undertaking platforms - namely DB, SNCF, SNCB and MÁV examined in this case - show several rail connections for the same route, even though DB and SNCF are not the main operators in either the origin or destination country. This example underlines the broader methodological concern used in the Impact Assessment: an assessment based on the availability of rail options on only one platform cannot, on its own, demonstrate a general market failure in rail ticketing.

3. Additional costs on railway undertakings due to the Passenger Package

Having shown that the Impact Assessment provides only limited evidence of a market failure in online rail ticketing, this section assesses whether the proposed measures on rail ticketing and passenger rights are proportionate to the alleged market failure it seeks to address. It examines the additional costs these proposals would impose on railway undertakings, compares these costs with the Commission's own estimates, and considers the resulting implications for net societal benefits, ticket prices and competition.

3.1. Rail ticketing

The sharing obligation included in the legislative proposal on rail ticketing would shift more ticket purchases from railway undertakings' own sales channels to third-party platforms, such as Trainline, Omio, Rail Europe and Booking.com. Under CER's scenario analysis, this could transfer up to **€37.9 billion** from European railways to third-party platforms over the period 2028–2050.

Once railway undertakings are required to share their ticket offers with third-party platforms that request access and conclude negotiations on FRAND terms, these platforms will be able to aggregate rail offers more easily and compete more directly with RU-owned sales channels. Unlike direct sales, these intermediaries charge commission fees—for example, Trainline's rate is around 4–5%—which railway undertakings avoid when selling

through their own platforms. According to CER member estimates, these commission rates could rise to 8–10%. As platform use increases, railway undertakings' distribution costs would rise significantly, creating a particular burden for operators with already thin margins and for high-volume, higher-value long-distance services, which are likely to be especially attractive to intermediaries. Experience in markets such as the United Kingdom, where Trainline already captures a large share of online rail sales, and Spain, where a sharing obligation already exists, shows that platforms can increase their market share by up to 25% within only 2–3 years. Greater reliance on commission-based platforms would therefore place upward pressure on fares and/or reduce railway undertakings' ability to invest in their own platforms and efficiency improvements.

The scenario analysis below shows that the financial impact on railway undertakings depends mainly on two variables: (1) the commission rate charged by third-party platforms and (2) the additional market share gained by these platforms under the proposal. Even in the optimistic scenario, which assumes a 3% commission rate and only a moderate increase in third-party platform market share compared with the Commission baseline, the proposal would generate **€2.9 billion** in additional distribution costs for European railway undertakings over 2028–2050. In the realistic scenario, with a 5% commission rate and a stronger shift towards intermediaries, these costs rise to **€11.6 billion**. In the pessimistic scenario, where commissions reach 10% and third-party platforms capture a larger share of sales, the total cost could reach **€37.9 billion**. These amounts should be understood as additional distribution costs that reduce railway undertakings' net revenues while strengthening intermediaries that typically operate with much higher profit margins. To illustrate, Trainline had a 27% operating margin in FY 2025, compared with 1.1% for Deutsche Bahn, 4.1% for SNCF and 2.0% for FS. Overall, the results show that greater reliance on commission-based ticketing platforms would not be cost-neutral: it would reduce railway undertakings' revenues, increase upward pressure on fares, and weaken operators' ability to invest in their own platforms and service quality.

Table 1: Assumptions and scenarios, Rail Ticketing

<i>Scenario //</i> <i>Alternative assumptions</i>	Reasoning	Optimistic	Realistic	Pessimistic
Commission rate charged by third-party platforms	Flat rate over time FRAND conditions imposed	3%	5%	10%
Market share of third-party platforms (baseline)	Numbers borrowed from Commission Impact Assessment	2028: 3.4% 2030: 4.1% 2040: 5.7% 2050: 7.3%		

Market share of third-party platforms (preferred policy option)	Shift to third-party platforms over time	2028: 5.0%	2028: 8.0%	2028: 12.0%
	CER assumptions	2030: 9.0%	2030: 18.0%	2030: 35.0%
		2040: 17.0%	2040: 32.0%	2040: 45.0%
		2050: 20.0%	2050: 36.0%	2050: 50.0%

The alternative assumptions would translate into the following total costs for RUs:

Table 2: Total cost for RUs, 2028-2050, 3% discount rate, Rail Ticketing

Scenario //	Optimistic	Realistic	Pessimistic
Year			
Total cost imposed on European RUs and transferred to third-party platforms (2028–2050)	2.9 B EUR	11.6 B EUR	37.9 B EUR

The logic underpinning the assumption about the increasing market share of third-party platforms under the preferred policy option is based on experience from other transport and digital distribution markets. Evidence suggests that once platforms gain access to comprehensive inventory and can aggregate competing offers in a single interface, market shares can increase rapidly due to economies of scale, brand recognition and customer convenience. In rail, evidence from markets such as the United Kingdom and Spain indicates that ticketing platforms have been able to expand their share of online sales substantially within only a few years after gaining broader access to operators' inventory. This dynamic can be self-reinforcing: a larger customer base attracts more operators and ticket offers, which in turn attracts more customers. As a result, a relatively small number of intermediary platforms may come to dominate ticket distribution, increasing railway undertakings' dependence on commission-based sales channels and strengthening the bargaining position of intermediaries over time.

Additionally, vertical integration between railway undertakings and their own ticketing channels can generate important efficiencies for both operators and passengers. By selling directly, railway undertakings avoid paying commissions to third-party distributors, reducing distribution costs and helping to preserve revenue that can be reinvested in service quality, rolling stock and digital innovation. Direct distribution also enables operators to offer more integrated customer services, including loyalty programmes, rail passes, subscriptions, and operator-specific discounts. In addition, railway undertakings are often best placed to combine ticket sales with operational knowledge, customer service and disruption management within a single ecosystem, thereby improving the overall passenger experience and supporting more efficient handling of journey changes, delays and rebooking arrangements.

3.2. Passenger rights

The European rail sector has made significant progress in recent years to strengthen passenger protection on cross-border journeys involving multiple operators through the Agreement on Journey Continuation (AJC), a voluntary, Europe-wide arrangement that helps passengers continue their journey when they miss a connection between participating railway undertakings. The AJC provides practical benefits where current passenger rights rules do not fully apply, offering guaranteed re-routing on the next available train and assistance in the event of disruptions across different operators. With 23 participating railway undertakings representing around 90% of European passenger rail traffic⁸, the scheme demonstrates that the sector is already delivering concrete improvements to passenger rights through cooperation and interoperability, without the need for mandatory single-ticket liability across all operators, as called for in the proposal.

Regarding the proposal on single tickets, the Commission estimates that RU costs will increase by €2.15 billion due to enhanced passenger rights between 2028 and 2050, but this figure rests on assumptions that significantly understate the true financial burden for railway operators, specifically through the following elements used in the estimation:

- **The number of passengers qualifying for passenger rights:** the number of passengers qualifying for passenger rights is underestimated because the Commission counts only passengers whose train was cancelled or whose delay on a single leg exceeded 60 minutes. This excludes passengers whose combined delays exceed 60 minutes, as well as those who miss a connection because of a shorter delay and arrive at their final destination more than 60 minutes late.
- **Rerouting costs:** The SWD assumes that 90% of delayed passengers will choose rerouting and that the cost of rerouting is effectively zero because passengers can simply board the next available train. However, rerouting costs are often not zero, as the case of high-occupancy routes illustrates, where spare capacity is limited and rerouting may require operators to reserve seats in advance for rerouted passengers. Doing so would prevent RUs from selling last-minute tickets for empty seats, which are often the most profitable, creating a significant opportunity cost—particularly on high-speed and commercially saturated routes (our members reported rerouting costs of up to 45 EUR per rerouted passenger in these cases). The assumption also overlooks the uneven distribution of rerouted passengers across operators. In practice, some RUs—especially those running regional services with lower occupancy rates—are likely to absorb a disproportionate share of rerouted travellers. This would place a heavier operational and financial burden on these operators that would have to be financially compensated for between RUs.
- **Reimbursement and compensation costs:** The SWD also underestimates reimbursement and compensation costs by assuming an average fare per passenger of €22, based on historical data. However, under the proposed regulation, single tickets must be sold that will often combine multiple legs and multiple operators, significantly increasing the resulting average fare price, up to

⁸ CER estimate

€40-100 according to estimations by our members. Compensation obligations will therefore increase proportionally, yet the SWD does not account for this structural shift in average ticket value.

- **Share of passengers filing a claim for reimbursement:** The SWD further assumes that, of the eligible passengers who will request reimbursement rather than rerouting, only 38% will file a claim — a figure based on outdated 2018 data. Information from our members suggests that this rate now approaches 50%, and the introduction of pre-filled claim forms, encouraged by the Commission within the proposal, could push this figure even higher, to 70–90%. Underestimating claim rates leads to a significant underestimation of administrative and compensation costs.

Considering the aspects described above, to provide a better estimate of the costs that RUs are expected to incur due to the passenger rights proposal, we considered **3 scenarios**:

Table 2: Alternative assumptions under 3 scenarios, Passenger Rights

<i>Scenario //</i> <i>Alternative assumptions</i>	Optimistic	Realistic	Pessimistic
Number of affected passengers	24.5m-15.9m	44.9m-42.1m	55.1m-55.2m
Rerouting costs/passenger	0 EUR	5-11 EUR	10-16 EUR
Share of passengers filing a claim for reimbursement⁹	38%	50%-62%	72%-87% ¹⁰
Average ticket price	22 EUR	40 EUR	60 EUR

It is important to note that these alternative assumptions represent European averages and can vary greatly according to the specific member state or specific route. To illustrate, rerouting costs on high-occupancy high-speed lines can be substantially higher than assumed above.

The alternative assumptions would translate into the following total costs for RUs¹¹, 2028-2050, assuming a 3% discount rate (in line with the SWD estimates):

Table 2: Total cost for RUs, 2028-2050, Passenger Rights

<i>Scenario //</i>	Optimistic	Realistic	Pessimistic

⁹ Assumption: share of passengers filing a claim will increase over time due to improvements, resulting in more seamless claiming methods.

¹⁰ Assumption: pre-filled forms sent to eligible passengers as encouraged by the Commission.

¹¹ Detailed annual calculations can be found in Table 4, in the Appendix.

Year	(Closest to the Commission estimates)		
Total cost (2028-2050)	2.3 B EUR	9.6 B EUR	19.2 B EUR

As the table above shows, adjusting only four assumptions — the number of affected passengers, rerouting costs, the share of passengers filing a claim, and the average ticket price — leads to a substantial increase in the total cost of the passenger rights proposal. Based on input from CER members, the total cost could realistically reach €9.6 billion, and in a pessimistic scenario as much as €19.2 billion. Given that the Commission estimates total passenger benefits at €7.8 billion over the same period, net benefits would occur only under the optimistic scenario. In the realistic and pessimistic scenarios, which are better supported by CER member data, the costs imposed on RUs exceed the benefits received by passengers.

4. Increased costs are expected to lead to higher ticket prices

Given fixed rail capacity and constrained margins, RUs have limited ability to absorb new regulatory costs. Economic theory predicts high pass-through rates when supply is inelastic, as is the case in European rail. Supply is inelastic in rail because capacity is relatively fixed in the short and medium term, and any infrastructure projects or upgrades take at least 5–10 years.

Depending on market structure, pass-through rates can range from 50% in conservative scenarios to 70% in central estimates and up to 90% in capacity-constrained markets. Subsidised services may exhibit lower pass-through (30–40%), but commercial high-speed and open-access routes—where operators behave as profit-maximising firms—are likely to pass through 70–100% of additional costs. On saturated routes, where trains already operate at or near full capacity, pass-through rates can approach 100%. To estimate the effect on ticket prices, we used 3 scenarios again:

Table 3: Pass-through to ticket prices for passengers taking multi-leg journeys with multiple railways operators under 3 scenarios, Passenger Rights

	Optimistic	Realistic	Pessimistic
<i>Scenario: optimistic cost estimate (2028, 192.8M EUR)</i>			
Pass-through rate	50%	60%	75%
Estimated total pass-through	96.4 M EUR	115.7 M EUR	144.6 M EUR
% price increase per ticket	0.59%	0.70%	0.88%
<i>Scenario: realistic cost estimate (2028, 474.95M EUR)</i>			

Pass-through rate	50%	60%	75%
Estimated total pass-through	237.48 M EUR	284.97 M EUR	356.2 M EUR
% price increase per ticket	1.44%	1.73%	2.16%
<i>Scenario: pessimistic cost estimate (2028, 970.96M EUR)</i>			
Pass-through rate	50%	60%	75%
Estimated total pass-through	485.48 M EUR	582.57 M EUR	728.22 M EUR
% price increase per ticket	2.95%	3.54%	4.43%

As seen from the table above, the expected % increase in ticket prices can range from:

- Best case scenario (assuming the lowest cost imposed on RUs and the lowest pass-through rate): 0.59%
- Worst case scenario (assuming the highest cost imposed on RUs and the highest pass-through rate): 4.43%

It is important to note that these estimated percentage increases in ticket prices represent a European average; in practice, the impact can vary significantly depending on national and local conditions. At the Member State level, pass-through rates depend on factors such as the degree of competition in the domestic market, price regulation, state intervention (including subsidies), the RU's revenue management and pricing model (e.g., subscriptions or national rail passes), and operator efficiency. At the level of individual routes, pass-through is influenced by the number of operators competing on that corridor, occupancy rates, and other operational constraints.

In summary, higher regulatory costs are likely to translate into higher ticket prices. This effect is likely to outweigh any potential price-reducing impact from increased competition, particularly because ticketing friction is not a major driver of demand. Price remains one of the strongest determinants of mode choice, especially for leisure travellers. The IA's assumption that increased competition will fully offset cost-driven price increases is therefore optimistic. Based on available evidence, a price increase of up to **4.43%** as a result of the passenger rights proposal can be expected.

5. The Impact Assessment overestimated modal shift potential & positive competitive effects of the Passenger Package

5.1. Modal shift estimation

The IA's estimate of a potential 1.7% modal shift is derived almost entirely from survey data, specifically the share of respondents who could not buy all tickets in one place. The IA assumes that removing this barrier directly changes mode choice, despite acknowledging that price and travel time are far more important determinants of how

consumers choose to travel (results illustrated in the Eurobarometer survey). This assumption lacks empirical grounding. Ticketing convenience may improve user experience, but it is unlikely to drive substantial modal shift in the absence of competitive travel times and prices. According to the opinion issued by the Regulatory Scrutiny Board, the report does not take into account the limitations of the methodology for establishing the modal shift which drive the estimation of the benefits and the identification of the preferred policy option.

5.2. Effects on competition, network effects

Moreover, the IA's claim that the proposed legislation will strengthen competition through network effects is unconvincing. The Commission argues that competition will increase in two ways. First, smaller and new railway undertakings (RUs) would gain visibility on digital platforms when their services are bundled with those of larger operators in a single ticket. In theory, including more operators in a single ticketing system makes the platform more attractive to customers. Second, the Commission suggests that harmonised passenger rights for single tickets would create network effects that benefit smaller RUs, since current agreements on passenger rights are largely controlled by major incumbents.

However, these arguments about network effects are rather weak. Network effects occur when the value of a service increases as more users or providers join the system — a phenomenon typical of digital platforms such as marketplaces or social networks.

More importantly, strong network effects tend to reduce, not increase, competition. They favour the emergence of one or a few dominant intermediaries. This is visible in other sectors:

- **Ticketing:** Ticketmaster controls over 70% of the US concert ticketing market due to strong network effects and exclusive contracts.¹²
- **Accommodation:** Booking.com and Airbnb dominate online accommodation booking in Europe for the same reason.
- **Ride-sharing:** Uber's early network effects allowed it to capture large market shares rapidly.

If we accept the IA's own logic — that the value of a rail ticketing platform increases with each additional RU or customer — then the likely outcome is not a more competitive ticketing ecosystem, but the consolidation of ticket sales into one or a few powerful digital platforms. This is what is already happening, for instance in the UK, where Trainline made up for 72% of the independent online retail rail market in 2025¹³, making it a dominant online ticket aggregator platform. Hence, it can be concluded that network effects would

¹² BBC News. Available at: [Ticketmaster-owner Live Nation ran a monopoly and overcharged fans, jury finds](#)

¹³ The Independent. Rail ticket fees and fares: The Trainline and pricing practices. Available at: <https://www.independent.co.uk/travel/news-and-advice/rail-ticket-trainline-cheap-fares-fees-b2699505.html>

reduce competition among intermediaries and increase dependency of RUs on dominant distributors, rather than strengthening competition in the rail market.

6. Appendix

CER member data and internal estimates

The estimations for the average cost of rerouting, the share of passengers filing a reimbursement claim, the average ticket price, and the expected pass-through rate were derived from an internal consultation of CER passenger railway undertaking members, followed by a targeted data request. Through this process, members provided their own best estimates, which were subsequently aggregated to produce indicative values. It should be underlined that generating precise and robust estimates in this area is inherently challenging, given the significant variability across markets and operational contexts. As a result, all figures should be interpreted as indicative European averages only; they may differ substantially depending on the member state and specific local circumstances and should not be understood as precise or representative benchmarks.

About CER

The Community of European Railway and Infrastructure Companies (CER) brings together railway undertakings, their national associations as well as infrastructure managers and vehicle leasing companies. The diverse and comprehensive membership made up of long-established bodies, new entrants and both private and public enterprises, covers the large majority of the rail infrastructure network, rail freight business and rail passenger operations in EU, EFTA and EU accession countries. CER represents the interests of its members towards EU policy makers and transport stakeholders, advocating rail as the backbone of a resilient, competitive, and sustainable transport system in Europe. For more information, visit www.cer.be or follow us on social media.

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