

## PRESS RELEASE

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### **ART publishes its report on SNCF Réseau's code of conduct and on its independence: guarantees to be strengthened to boost players' confidence and encourage market entry**

*The success of opening the French rail transport market to competition depends in part on stakeholders' confidence in the independence of the infrastructure manager, SNCF Réseau, particularly in the context of its vertical integration with the incumbent railway undertakings within the SNCF group. In this context, the French Transport Regulatory Authority (ART) today publishes a report that takes stock of SNCF Réseau's implementation of and compliance with the code of conduct. It makes recommendations to the infrastructure manager and public authorities, aimed at reinforcing the independence of SNCF Réseau and its subsidiary SNCF Gares & Connexions within the public rail group.*

#### **SNCF RÉSEAU MUST SET UP A PROCEDURE TO ENSURE COMPLIANCE WITH THE CODE OF CONDUCT**

**To date, SNCF Réseau has not set up an organization and processes to guarantee compliance with its code of conduct.** Two elements in particular are lacking:

- An internal compliance system to ensure adherence with the commitments outlined in the code of conduct;
- An operational organization to ensure compliance with the code of conduct by its staff, particularly those performing the essential functions of infrastructure charging and rail capacity allocation.

**In light of these findings, ART makes three main recommendations to SNCF Réseau:**

- **Establish a robust control environment to ensure compliance with the code of conduct**, which could include the appointment of a "compliance" officer reporting directly to the chief executive officer;

- **Improve the way in which the code of conduct is drawn up, and make it better known to stakeholders by strengthening its visibility;** and
- **Formalize a method for identifying staff responsible for essential functions** and keep an up-to-date list of these staff.

## **STRENGTHENING THE LEGAL FRAMEWORK GOVERNING THE INDEPENDENCE OF THE INFRASTRUCTURE MANAGER WOULD BOOST THE CONFIDENCE OF RAILWAY COMPANIES**

ART notes that the obligations currently imposed on SNCF Réseau, and in some cases on the other entities of the SNCF group, are not sufficient to spread a culture of independence and effectively guarantee it within infrastructure managers.

ART therefore recommends strengthening the legal framework to guarantee the independence of infrastructure managers, using three main levers:

- **Extend the scope of independence guarantees beyond the infrastructure manager's core functions.** This extension should concern:
  - On the one hand, functions such as traffic management, scheduling of network works, and support to the regions in the organization of tenders for public service obligations, which are strategic for guaranteeing access to infrastructure under transparent, fair and non-discriminatory conditions for all railway undertakings;
  - On the other hand, the passenger stations manager, SNCF Gares & Connexions, a subsidiary of SNCF Réseau;
- **A strengthening of the regulator's powers** to complement SNCF Réseau's compliance system with a supervisory role entrusted to ART in this area;
- **A change in the ethical control procedures for SNCF Réseau employees' mobility projects**, to prevent the risk of conflicts of interest and the disclosure of confidential information.

Moreover, ART stresses the importance of ensuring that the communication strategy of the SNCF group entities respects and promotes the independence of vertically integrated essential infrastructure managers.

### **Consult (in French):**

- [Report on the code of conduct and independence of infrastructure manager SNCF Réseau](#)

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### **About the French Transport Regulatory Authority (ART)**

Since 2010, the French railway sector has had an independent authority to accompany its gradual opening to competition: the Autorité de régulation des activités ferroviaires (Araf). Law 2015-990 of 6 August 2015 on growth, activity and equal economic opportunity extended the regulator's powers to road activities - coach transport and motorways. On 15 October 2015, Araf became the Autorité de régulation des activités ferroviaires

et routières (Arafer), with the mission to contribute to the proper functioning of public service and competitive activities for the benefit of rail and road transport customers.

With competence for the regulation of airport charges since 1 October 2019, Arafer became the Transport Regulatory Authority (ART) on that date. Lastly, Law No. 2019-1428 of 24 December 2019 -mobility act- extended ART's powers and missions to the opening up of mobility and ticketing data, as well as to the regulation of infrastructure manager activities and security activities carried out by RATP in Île-de-France. Its opinions and decisions are adopted by a college of five independent members chosen for their economic, legal or technical skills in the field of digital services or transport, or for their expertise in competition matters. It is chaired since 29th December 2023 by Thierry Guimbaud.