

PRESS RELEASE

Paris, December 13th 2023

In 2022, rail transport prices rose slower than inflation

*The French Transport Regulatory Authority (ART) today released today its **report on the French passenger and freight rail transport market in 2022 (the "Essential")**. Rail transport experienced a marked upturn in 2022, highlighted by record passenger numbers, and 2023 shows a similar dynamic. Revenues for operators and infrastructure managers are growing moderately in relation to inflation. The state of the rail infrastructure continues to require greater funding for maintenance and renewal, in order to help improve rail transport service quality, which deteriorated in 2022 after improving during the health crisis.*

RIDERSHIP REACHES A RECORD 101 BILLION PASSENGER-KM

Ridership is increasing by more than 3 % in 2022 compared with 2019 and will maintain its dynamic in 2023. However, the trend observed between 2019 and 2022 hides a sharp contrast between, on the one hand, a strong 13 % increase in TER and Intercités ridership, and a 5 % rise in high-speed trains (TAGV), while on the other hand, Transilien and RER ridership fell sharply by 11 %. This drop, also observed for TER season ticket holders from regions bordering the Paris region, may be explained by a lasting decline in commuter mobility (such as the daily commute to and from work).

The rise in ridership, outstripping supply, has led to a domestic TAGV occupancy rate of 74 %, the highest since 2017.

FREIGHT TRAFFIC DECREASES FROM THE SECOND HALF OF 2022 ONWARDS

After a first-half 2022 that followed on from the recovery observed in 2021, rail freight traffic is declining in the second half of 2022. This trend is confirmed in the first half of 2023, with initial estimates showing a 23% drop in traffic compared with the first half of 2022, due in part to higher energy costs and social movements against the pension reform.

RAIL TRANSPORT PRICES ROSE AT A SLOWER RATE THAN INFLATION

Railway revenues in 2022 exceeded their 2019 level by 5% in current euros, but dropped by 3% in real terms if inflation is taken into account. Revenue per passenger.km remained stable between 2019 and 2022 for inOui services, but increased by 13% for Ouigo services. However, average revenue per passenger for domestic TAGVs fell due to the strong growth of low-cost Ouigo services, which accounted for 19% of ridership in 2019, compared with 24% in 2022.

THE YEAR 2022 WAS MARKED BY THE FIRST EFFECTS OF OPENING UP TO COMPETITION, WITH TRAFFIC GROWTH AND LOWER PRICES

Although the commercial passenger business remains, in France, largely dominated by SNCF Voyageurs, the opening up to competition has already had a visible impact on the level of rail services on commercial routes, with more than 10% additional traffic on the Paris-Lyon route, an increase in ridership and prices down by more than 10% by 2022 between Paris and Lyon.

All regions have also confirmed the process of opening up their contracted rail services to competition, leading to the competitive award, to date, of four "lots"¹, which have benefited from increased performance incentives for operators of regional contracted services (a 10% to 100% increase in offers with stable or very low costs, and higher service quality commitments).

INFRASTRUCTURE FUNDING REMAINS INSUFFICIENT TO COVER RAIL NETWORK MAINTENANCE AND INVESTMENT NEEDS

While the maintenance and upkeep of the rail network and the withdrawal from operation of the oldest sections had led to a significant rejuvenation of the network up to 2019, they will only stabilize the age at 28.4 years between 2021 and 2022. This is nevertheless almost three years more than SNCF Réseau's target of maintaining the average age of its infrastructure at half its theoretical lifespan.

Despite a 0.6% recovery in overall traffic compared with 2019, a significant drop in operating costs in constant euros has been noted for rail network maintenance and supervision, down 6.9% in 5 years.

SNCF Réseau's investments in 2022 are in line with the downward trend observed since 2015 in constant euros, and also remain limited to catch up with France's delay in deploying certain equipment (European traffic management system - ERTMS - and centralized network command).

RAIL SERVICE QUALITY DETERIORATED IN 2022

The completion rate (the number of trains that have actually run compared to the number of trains planned) for rail services is 5 points lower in 2022 than in 2017, affecting TER and Transilien services the most heavily.

¹ In the regions, 4 lots were allocated: i) for the Sud-PACA Region, the Azur lot (Nice) was awarded to SNCF Voyageurs and ii) the Inter-métropoles lot (Marseille-Nice) was awarded to Transdev, iii) for the Hauts-de-France Region, the Étoile d'Amiens lot was awarded to SNCF Voyageurs, iv) for the Pays de La Loire Region, the Tram-train and Sud-Loire lot was awarded to SNCF Voyageurs.

The train punctuality rate, which had risen sharply during the health crisis, has also fallen, due to the resumption of rail traffic, and has returned, on average, to its 2019 level. The causes of train delays point to a shared responsibility between railway companies (14% of delays are due to train-related failures) and infrastructure managers (delays largely associated with infrastructure failures as well as difficult traffic management in coordination with foreign infrastructure managers and RATP).

For further details (in French):

- [The French rail transport market in 2022 – The “Essentiel”](#)
- [Press release in English](#)
- [Digital dashboards in the French passenger and freight rail transport market](#)
- [Open data sets](#)

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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 4th August 2022 by Philippe Richert, Vice-President and Acting President.