

MARKET STUDY |

COMPETITION

IN THE RAIL PASSENGER

AND FREIGHT

TRANSPORT SECTOR

IN PORTUGAL

AUGUST 2026



19 recommendations from the Portuguese Competition Authority

to the **Government**, **AMT (NRA)**, **IP (infrastructure manager)**, and **rail passenger transport operators**:

- # 1 | to the **Government** – Drafting a Railway Code
- # 2 | to **IP** – Best practices for the design of tender procedures for the acquisition of railway equipment
- # 3 | to the **Government** – Review of the license validity and of the civil liability coverage regimes
- # 4 | to the **Government** – Recommendations to the State-CP contract during its duration
- # 5 | to the **Government** – Recommendations for new awards upon expiry of the State-CP contract
- # 6 | to the **Government** – Recommendations for new awards upon expiry of the State-Fertagus contract
- # 7 | to the **Government** – Review of the legal provisions regulating the capacity allocation procedure
- # 8 | to **IP** – Review of the capacity allocation criteria included in the Network Statement
- # 9 | to **IP** – Best practices in concluding framework agreements for capacity allocation
- # 10 | to the **AMT** – Consider regulating the prior hearing of candidates for framework agreements

- # 11 | to the **Government** – Ensure competition neutrality in strategic guidance provided for capacity allocation
- # 12 | to **IP** – Establish a methodology for allocating congested capacity in accordance with non-discriminatory, equitable and transparent conditions
- # 13 | to **IP** – Timely implementation of the ERTMS
- # 14 | to the **Government** – Recommendations to mitigate barriers to the access to rolling stock arising from the specificities of the national railway network
- # 15 | to the **Government** – Recommendations for access to rolling stock in future public service contracts (PSC)
- # 16 | to **IP** – Implementation of a liberalised model in the contracting of electricity for traction
- # 17 | to the **Government** – Recommendations for access to human resources in future PSC
- # 18 | to the **Government** – Recommendations to mitigate barriers in the provision of ticketing services
- # 19 | to **passenger operators** – Best practices in the contracting of third-party ticketing services



Rail transport plays an essential role in the economy and decarbonisation of the transport sector, due to its lower environmental impact than road transport. The electrification of a significant part of the national rail network contributes to the further reduction of emissions.

To exploit rail capacity to its full potential, it is crucial to promote competition. The liberalisation of rail transport in several EU countries demonstrates substantial benefits, such as lower prices, higher quality of service, more supply and innovation. These effects are seen in rail passenger transport, including on high-speed routes where there is competition *in* the market, as well as in public service contracts (PSC), with competition *for* the market through competitive and open tendering procedures. In rail freight transport, the promotion of competition has contributed to greater operational efficiency and lower prices.

Given the relevance of the railway sector and the significant investments underway, namely in the construction of high-speed lines and the acquisition of rolling stock, the Portuguese Competition Authority (AdC) carried out a comprehensive analysis of the sector.

Contracting of public service for passenger transport



In view of the costs associated with delaying the liberalisation of rail passenger transport, awarding a new PSC to the internal operator should be considered as an exceptional mechanism. A set of measures related to the contract in force between the State and CP is proposed to the [Government](#) in order to promote competition.

Recommendations to the State-CP PSC (2019-2029/2034) during its duration:

- Limit the extension of the contract to the period necessary to amortize investments;
- Elimination of the Alfa Pendular long-haul commercial service minimum offer obligations in the PSC;
- Strengthening the objectivity and transparency of the contract's cost accounting;
- Reassessment of the adequacy of the methodology for calculating financial compensations;
- Strengthening the effective implementation of a financial sanctions' mechanism; and
- Promote the calculation of the real cost of each route included in the "Passe Ferroviário Verde" pass.

The AdC aims to contribute to the preparation of the award of new PSC, issuing the following recommendations to the [Government](#) to mitigate barriers to entry of operators in the award of new PSC for passenger rail transport.

Recommendations upon termination of the State-CP contract (2019-2029/2034) for a new award:

- Assessment of the need for public service on each of the routes included in the contract;
- Amendment of article 1 of Decree-Law no. 73/2024, which created the Green Rail Pass (Passe Ferroviário Verde), to make the measure neutral from a competition point of view;
- Promotion of international public tenders for the award of new contracts;
- Assessment of the adequacy of division into lots of different routes;
- Assessment of the adequacy of measures for access to rolling stock;
- Assessment of the adequacy of measures for access to service facilities;
- Assessment of the adequacy of measures for access to human resources; and
- Not to determine minimum offer obligations associated with commercial services.

Recommendations upon termination of the State-Fertagus contract (1999-2031) for a new award:

- Upon its term, no extension of the duration of the Concession Contract
- Assessment of the necessity for public service on the North-South railway axis
- Autonomous contracting of services ancillary to the main object of a new contract



Access to rolling stock and human resources are significant barriers to entry for rail operators in the market. To that extent, it is crucial that tendering procedures for new PSC include measures that ensure effective and non-discriminatory access to the necessary rolling stock and to human resources.

The AdC issues the following set of recommendations to the Government to mitigate access to rolling stock and human resources in tender procedures for the award of new PSC.

Recommendations for access to rolling stock in future PSC:

Include, in the tendering procedures, measures to ensure effective and non-discriminatory access by third parties to the necessary rolling stock, to be made available to future concessionaires. The following shall be specified: the material available for rental; pre-defined financial conditions with cost-oriented prices at market prices; and an indication of its rental duration equivalent to the duration of the contract.

Recommendations for access to human resources in future PSC:

Assess the adequacy of adopting measures to ensure access to specialised human resources, in future tendering procedures, where the continuity of employment contracts does not result from the application of the economic unit transfer regime and where such measures are deemed necessary to promote participation in the tendering procedures.

The current specificities of the national railway network exacerbate the difficulties in accessing rolling stock, arising, inter alia, from the need for rolling stock to be compatible with the Iberian gauge and the CONVEL signalling system.

The AdC proposes the following measures to the Government and IP to mitigate barriers to access to rolling stock arising from the specificities of the railway network.

Recommendation to IP: Ensure a timely implementation of the ERTMS.

Recommendations to the Government: To consider the impact on competition of opting for Iberian gauge on high-speed lines; and to provide a system allows for transitory integration with CONVEL

Access to the infrastructure and access to service facilities



It is also identified barriers that entrants may face in accessing the infrastructure – the national rail network and service facilities connected to this network – necessary for the provision of commercial services, in particular long-distance passenger transport.

The AdC issues recommendations to the Government, the AMT and IP to mitigate these barriers.

Recommendations to the Government: Review of the legal provisions governing capacity allocation; and ensuring competitive neutrality in future strategic guidance provided for capacity allocation.

Recommendations to IP: Review of the capacity allocation criteria in the Network Statement; and the definition of a transparent and equitable methodology for the allocation of congested capacity.

Recommendation to IP and AMT for best practices in concluding framework agreements for capacity allocation

- Not allocating an excessively high proportion of the rail capacity to a single undertaking;
- Make the capacity allocated under framework agreements subject to its actual use;
- Consultation of all potential candidates prior to the conclusion of the framework agreement;
- In the event that several applicants show an interest in a particular route, consider an international call for tenders for the purpose of allocating capacity; and
- Ensure, if possible, the simultaneous expiry of all framework agreements on the same route.

Recommendation to the AMT: Consider regulating the prior hearing for framework agreements.



The AdC also highlight to IP, as infrastructure manager, the importance of implementing a liberalised model of electric energy supply for rail traction which is more efficient than the current model that limits the freedom of choice of energy suppliers by railway companies. The liberalisation of the market for this input may contribute to the emergence of differentiated commercial offerings, particularly in the rail freight transport segment.

Implementation of a liberalised model in the contracting of electricity

IP is recommended to accelerate the implementation of a new model for contracting electric energy for rail traction that allows railway operators to, as soon as possible, contract directly with third-party energy suppliers.

Provision of ticketing services



It is crucial to ensure effective and non-discriminatory access to ticketing information by alternative ticketing platforms, for the benefit of consumers.

The AdC recommends a set of recommendations to the Government to mitigate barriers to the provision of ticketing services, as well as best practices for railway passenger transport operators.

Recommendations to mitigate barriers to the provision of ticketing services:

- Elimination of the request for exemption from the obligation to transmit minimum travel information on regional, urban and suburban services, made by Portugal to the European Commission, within the scope of Article 10(2) of Regulation (EU) no. 2021/782;
- Adoption of the relevant provisions on penalties and administrative offences, at national level, for breaches of Article 10 of Regulation (EU) no. 2021/782; and
- Amending the wording of Article 13-A(1) of Decree-Law no. 217/2015, to make express reference to compliance with the provisions contained in Regulation (EU) no. 2021/782.

Best practices in contracting ticketing services with alternative providers:

- Ensure fair and non-discriminatory treatment to rival ticketing services;
- Provide access to all data relevant to the provision of this type of services;
- Provide the full range of commercial solutions offered by the rail operator;
- Do not include restrictive contractual clauses; and
- Ensure that technical conditions do not limit competition in the ticketing market.

Other recommendations



Finally, the Market Study also examines a number of other relevant areas of the railway sector, such as, for example, licensing for the purpose of operating railway services.

Recommendations to the Government:

- Drafting a Railway Sector Legal Code.
- Review of the regime for the validity of railway undertakings' licences and reassessment of the minimum amount and regulation of the criteria associated with civil liability coverage.

Recommendation to IP: Best practices in the design of tender procedures for the acquisition of railway equipment to maximize competition.