Norwich - Ely rail passengers to be protected by fare caps

Earlier this year, Abellio was awarded the East Midlands rail franchise by the Department of Transport. The Competition and Markets Authority (CMA) subsequently reviewed whether any competition issues arose from this award as part of its mergers work.

This <u>investigation</u> identified competition concerns on the Norwich and Ely and Thetford and Ely routes, as Abellio would operate both East Midlands Trains and Greater Anglia, and so provide the only services on this line. The CMA was concerned this could reduce competition, as passengers would have no other rail options, which could lead to higher fares. The CMA has found no competition concerns on the other routes Abellio would operate.

After careful consideration, the CMA has now accepted proposals from Abellio, called Undertakings in Lieu, to overcome its concerns. These measures include inflation-linked fare caps on advance fares on the Norwich to Ely route, and on all unregulated fares on the Thetford to Ely route. The operators have also agreed to maintain the availability of advance fares on both routes at existing levels. They will be required to submit regular reports to the CMA to show they are complying.

Colin Raftery, Senior Director of Mergers at the CMA, said:

Thousands of people use this route, so it's vital they don't lose out due to reduced competition.

We've thoroughly examined Abellio's proposals to make sure they address all of our concerns, and believe these price caps will protect passengers from potentially facing higher fares.

These measures mean the award of the franchise is able to go ahead without a more in-depth merger investigation, referred to as a 'Phase 2' investigation.

All information relating to this case can be found on the <u>Abellio East Midlands Limited / East Midlands rail franchise page</u>.

Notes to editors

- 1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law.
- 2. Earlier this year, the Department for Transport awarded the East Midlands rail franchise to Abellio East Midlands Limited (AEML), a subsidiary of Abellio Transport Group Limited (Abellio).
- 3. The CMA investigates possible competition concerns that could arise from

the award of a rail franchise to a particular operator. It does not review the franchise award process.

4. For CMA updates, follow us on <u>Twitter</u>, <u>Facebook</u>, and <u>LinkedIn</u>.