

INTERNATIONAL ACTIVITIES

In 2018, FPC provided direct and transit passenger services to 22 European and Asian countries, including Germany, France, Poland, Austria, the Czech Republic, Monaco, Italy, Finland, China, Mongolia, North Korea, Latvia, Lithuania, Estonia, Ukraine, Moldova, Belarus, Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and Azerbaijan.

In the reporting period, the Company saw a 4.9% decrease in passenger traffic on international routes year-on-year to 6.5 million passengers. At the same time, the direct passenger traffic between Russia and EU countries and between Russia and Central and East Asia grew by a total of 2.1%.

The increase in traffic on the above routes was driven by the Company's balanced marketing policy, efficient passenger service, and a stronger customer focus. This was also supported by a more extensive cooperation with other national operators within international industry associations (OSJD¹, UIC², CRT³, and CIT⁴).

In 2018, FPC's international activities followed corporate development plans and focused on strengthening its leading position in passenger service and improving its cost efficiency.

INTERNATIONAL COOPERATION IN EQUIPMENT AND TECHNOLOGY

In 2018, international cooperation in equipment and technology focused on the improvement of traffic safety, rolling stock servicing, and online sales.

In September 2018, Vienna hosted an annual international passenger train safety conference where European rolling stock experts discussed potential ways of improving traffic safety and passenger experience, in particular, technical condition of the rolling stock, updating the International Coach Regulations (RIC), and further cooperation prospects.

Participants of the conference noted the practical value of these discussions leading to a decrease in the number of registered faults for FPC's rolling stock travelling in Europe.

In 2018, organisational, technical, and technology initiatives were implemented to launch e-ticket sales for trains travelling to Mongolia and the Czech Republic. Since September 2018, passengers have been able to book tickets for trains travelling to Russia on the Mongolian Railways website, and tickets for trains going to the Czech Republic on Belarusian Railway, PKP Intercity, and České dráhy, a.s. websites. Furthermore, the operators working on routes to Europe signed an online ticketing cooperation agreement which can help expand online booking to cover all international trains crossing the Czech Republic, Poland, and Belarus.

Aiming to extend online ticketing cooperation with Asia Pacific countries in 2018 and as part of UIC initiatives, FPC continued the research on integrating booking systems, launched by FPC and supported by most members of the UIC Asia-Pacific Regional Assembly. The research focuses on finding a uniform solution for national rail passenger carriers to improve interoperability of online booking systems used in Asia Pacific countries.

In 2018, in line with the research plan, the Company developed a questionnaire and surveyed stakeholder companies in Asia Pacific countries to collect input data for assessment of the digital capability and the existing opportunities to standardise online ticket booking systems on international routes between member states of the UIC Asia-Pacific Regional Assembly.

¹ OSJD – International Organisation for Cooperation of Railways.

² UIC – International Union of Railways.

³ CRT – the Council for Rail Transport of the Commonwealth Member States.

⁴ CIT – International Rail Transport Committee.