

Licensing of railway undertakings

Excessive and arbitrary licensing conditions imposed for fear or to foreclose applicants can create damage to investors and constitute severe entry barriers to the market.

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Discrimination by licensing bodies

- Licensing authorities require **licenses from new entrants** while the incumbent RUs continue working without licenses (and safety certificates).
- **Procedural delays** which create capital costs to the applicant without producing income.
- Government Agencies employ **former or present state railway personnel** which apply the existing, sometimes outdated or inefficient rules and regulations of the state railways or UIC.
- Lack of harmonisation in **civil liability requirements** in international traffic.

Conclusion

- Some Member States do not support the entry of new companies, or even obstruct it by a newly-established railway bureaucracy.
- Some Member States transpose hesitantly or incompletely the EU directives.
- Some Member States transpose EU directives but they remain "Law on the books" and are not implemented.
- The motivation could be protection of their own state company or consideration for Trade Unions which have monopoly (and political) power in the state railways, in particular if the state railways are among the largest enterprises in the national economy.
- Although discriminatory action of rail bodies against IMs or RUs has not been included in current EU law, such behaviour has to be taken into account for future legislation.

Thank you.