

CER Position Paper

Brussels, 8 December 2016

Fees and charges

1. References

[1] Steer Davies Gleave/ European Union Agency for Railways - Fees and Charges Study - Final Report – October 2016

2. Summary

The Community of European Railway and Infrastructure Companies (CER) is concerned of a cost increase to the sector for safety certification, vehicle authorisation and ERTMS trackside approval. CER reiterates that the original intention of the 4th Railway Package's Technical Pillar is to make safety certification and vehicle authorisation faster and cheaper. A cost increase would endanger the implementation of the 4th Railway Package's Technical Pillar becoming a success and put the sector's competitiveness at a disadvantage compared to other transport modes.

3. General Comments

CER's main concern is that future fees and charges will be much higher compared to today's situation. The document fully focuses on an EU perspective and does not reflect the specificities of the Member States and their different situations.

Apart from maintaining the existing level of fees and charges for the ERTMS pre-authorization, the number and complexity of the project undertaken by the IM concerned (preferentiality) shall be considered.

An indication of the maximum level of fees and charges is needed.

In addition, if there is a need for translation in relation to the activities of the authorising entity, it should not be included in the fees.

In order to budget the anticipated costs, it is necessary as a first step to define all the different fees & charges in the specific processes.

4. Detailed comments

- The recommendation essentially only covers the Agency and the NSAs in terms of financial arrangements.
- If, as it is indicated, the process should not be more expensive for stakeholders, we fear that it will increase the total costs as the Agency must have additional resources and competences whilst NSAs will not decrease their own staff in parallel.
- An important point not explained in the document is the assessment duration. We fear that the assessment period of 4 months, even if respected, will never be shortened.
- In conclusion, this new process should not extend the duration of the assessment process, nor import additional costs on the sector. There is a big risk remaining to

jeopardise the competitiveness of the railway sector (less flexibility, more time and increasing cost).

In order to be able to estimate the upcoming costs, it is in a first step necessary to define all the different fees & charges in the specific processes:

- Defining the different fees & charges
 - OSS usage
 - Pre engagement assessment, main application and notification
 - Ratification costs
 - Costs for updates – working hours
 - Working hours for each single process step
- Display of all specific costs per each process
 - Working hours for each single process step
- Calculation models
 - Display of application models for SSC/VA in one country
 - Display of application models for SSC/VA in more than one country (There should not be double fees & charges for the same process)
 - Applications in more than one country are concerned with a high cost effectiveness because of (necessary) double process steps. For that it has to be clarified if the costs will be charged for each process step even though if it is just repeated. Notification/ratification costs?
- Processing hours for application
 - Display of processing hours per process step
 - It is not clarified yet and there are also massive deviations concerning the different NSAs.
- Hourly rate for the member states
 - Different income rates in the MS
 - Different structure of fees & charges at the NSAs
 - The average value cannot be taken as reference rate
 - It is necessary to implement clear, transparent and fair rates
 - The process for raising fees and charges must be clear and transparent
- Board of appeal
 - Display of all costs
 - Display of all costs per process step
 - Transparent calculation model
 - Fees and charges for appeals
 - Costs for experts in the BoA (salary, travel costs,...)

Only if all the above mentioned points are clarified, a specific and detailed display of all fees and charges will be possible.

Due to the current missing calculation models, cost positions and different salary rates in the EU, it must be assumed that all the associated costs will raise and lead to a significant increase in total costs on the sector. This is in contradiction to the stated purpose of the Fourth Railway Package.

5. Conclusion

At the current stage CER cannot see the necessary efforts by the European Commission, the European Union Agency for Railways and the NSAs to keep at least the baseline of today's fees and charges. Following the outlined concept, CER is convinced that cost will inevitable increase.

CER avers its objection to any costs increase for safety certification, vehicle authorisation and ERTMS approval since this is contradictory to the stated purpose of the 4th Railway Package's Technical Pillar.

About CER

The Community of European Railway and Infrastructure Companies (CER) brings together more than 70 railway undertakings, their national associations as well as infrastructure managers and vehicle leasing companies. The membership is made up of long-established bodies, new entrants and both private and public enterprises, representing 73% of the rail network length, 80% of the rail freight business and about 96% of rail passenger operations in EU, EFTA and EU accession countries. CER represents the interests of its members towards EU policy makers and transport stakeholders, advocating rail as the backbone of a competitive and sustainable transport system in Europe. For more information, visit www.cer.be or follow us via Twitter at @CER_railways.

This CER document is for public information.
Although every effort is made to ensure the accuracy of the information in this document, CER cannot be held responsible for any information from external sources, technical inaccuracies, typographical errors or other errors herein. Information and links may have changed without notice.