

European Commission DG Move
European Union Agency for Railways

Brussels, 21.09.2021

Open Public Consultation - Fees & charges payable to the EU Agency for Railways – updated rules

Considering the original aim of the Commission Implementing Regulation (EU) 2018/764 to boost the competitiveness of the railway sector by significantly reducing costs and administrative burden, inline with the objectives of the 4th Railway Package, **UIP**, **the International Union of Wagon Keepers** objects to a proposal, which contradicts this very goal and foresees a massive increase fees & charges scheme payable to the EU Agency for Railways.

As the representative body of freight wagon keepers, investing yearly more than 500mio€ in new rolling stock, we oppose the proposed new hourly rate of 235€, representing an 80% increase compared to the previous 130€. This new rate is way beyond the inflation rate and almost impossible to comprehend given the past calculation of the hourly rate discussed and agreed with the National Safety Authorities of 25 Member States back in 2017. This holds especially true as the proposal is not accompanied by a corresponding increase in the quality of the services delivered by the Agency. The only valid argument for such a cost increase would be a guarantee to implement quality improvements in the process which would lead to a significant reduction of the time needed for processing applications for vehicle authorisations.

In addition, we are astonished by the idea that the applicant should pay for the use of the OSS IT tool on top of the amount resulting from the hourly rate x labour hours spent. We **strongly believe that the applicants should not need to bear the significant development and maintenance costs of an IT system**, the OSS, not covered by the insufficient ERA budget.

While appreciating the fixed rate for conformity to type authorisations and the 20% reduction of the total final amount due for an application from micro, small or medium-sized enterprises, the main cost drivers are not addressed in the proposal, e.g. the costs of vehicles as well as the burden for conformity to type authorisations. This is especially true for freight wagons as a single authorisation delivered by a single Member State was already valid across Europe under the 3rd railway package.

As such for freight wagon keepers, **the 4th railway package**, and the new proposal on fees & charges payable to the EU Agency for Railways, generates now a financial and administrative burden which has never been there **before jeopardising further the competitiveness of the European railway sector and rail freight in particular.**

- Under the 3rd railway package, costs for a single type authorisation for a freight wagon in the Netherlands were amounting to 5-6 k€, for the same authorisation under the 4th Railway Package, and without the increased hourly rate, it is now 12-20 k€; without massive improvement in reducing the delay, it will amount newly to 20-35k€, multiplying by a factor 4 the costs experienced under the 3rd Railway Package
- As conformity to type did not exist under the 3rd RP, only the costs to register vehicles had to be paid and were amounting approximately 70€ per wagon. Under the 4th RP, the CTT comes on top of the registration costs generating again an additional financial and administrative burden for the same authorisation as delivered under the 3rd Railway Package.

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While we understand the challenges imposed to the Agency by a reduced budget, proposed and voted despite of the EU Year of Rail 2021, UIP calls for an amended ERA fees & charges scheme not solely putting the weight of a full cost recovery on the back of the applicants for ERA services to the detriment of the entire sector's competitiveness for the years to come. There is no doubt about the important role and work of the Agency but as the need to cover the full costs of the services provided comes for an underfunding of the Agency by the European institutions and the Member States, we can't accept the problem to be solved solely via an increase of fees & charges to be paid by the European railway sector. Consequently, we urge the European institutions and the representatives of the Member States to correct the wrong decision of the past and restore an adequate budgetary support reflecting the tremendous workload increase corresponding to the new tasks of the EU Agency for Railways agreed under the 4th Railway Package.

Kind regards,

Gilles Peterhans

UIP Secretary General

