



Ευρωπαϊκή Ένωση
Ευρωπαϊκό Κοινωνικό Ταμείο



Με τη συγχρηματοδότηση της Ελλάδας και της Ευρωπαϊκής Ένωσης

Railway Licensing Guide



ΕΛΛΗΝΙΚΗ ΔΗΜΟΚΡΑΤΙΑ
HELLENIC REPUBLIC



ρυθμιστική αρχή
σιδηροδρόμων

regulatory
authority
for railways

Edition 1.07_2022

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1. Purpose of the Licensing Guide

The Railway Licensing Guide has been developed by the Railway Regulatory Authority (RAS), which acts as the designated Railway Licensing Authority, in order to support and guide interested companies in the process of receiving a railway undertaking license, according to the European and National Institutional Framework.

2. Current Legal Framework

Law 4408/2016 (A' 135)

«Legislative alignment with the Directive 2012/34/EE of the European Parliament and the Council of the 21st November 2012 for the development of a single European Railway Area (EE L343/32 of the 14.12.2012) and other provisions»

Law 4632/2019 (A' 159)

«Introduction into the Greek legislation of the directives 2016/797, 2016/798 and 2016/2370 of the European Parliament and the Council as well as other provisions».

COMMISSION REGULATION (EU) 2015/171

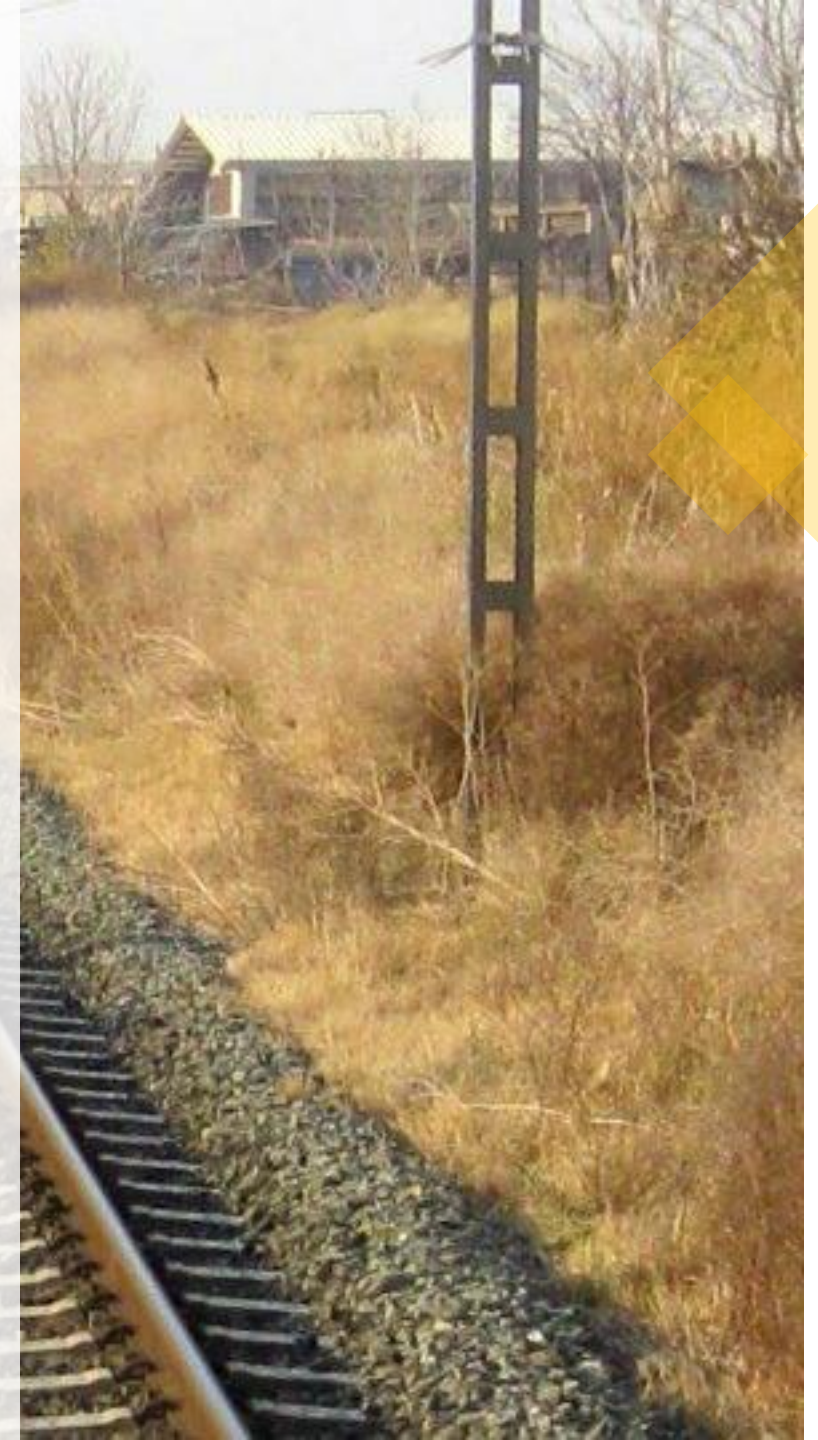
«Concerning certain aspects of the licensing process for railway undertaking» of the Directive 2012/34

EU DIRECTIVE 2012/34

«Establishing a single European railway area»

EU DIRECTIVE 2016/2370

«Directive (EU) 2016/2370 of the European Parliament and of the Council of 14 December 2016 amending Directive 2012/34/EU as regards the opening of the market for domestic passenger transport services by rail and the governance of the railway infrastructure»





3. Licensing Terms and Conditions

1. Every company established in Greece is entitled to apply for a Railway Undertaking licence.
2. The licence is non-transferable and its assignment is excluded.
3. The licence by itself does not guarantee access to the railway infrastructure. The issuance of the Single Safety Certificate by the Railway Safety Authority (p. 8, art. 62 of Law 4632/2019) or by the European Railway Agency (p. 5-7, art. 62, Law 4632/2019) is required as well as the permission of access by the Infrastructure Manager.
4. Any company which applies for a Railway Undertaking Licence must be able to demonstrate to RAS, before the commencement of its operations, that it is, at any time, of good repute, financially fit, professionally competent and adequately insured for civil liabilities.
5. The application for a license shall indicate, as a minimum, the type of transport services (passenger and / or freight) and the information on whether the business operation will concern the provision of traction to vehicles of other carriers or the provision of complete trains.



3. Licensing Terms and Conditions

6. In relation to financial fitness, the railway undertaking must demonstrate that it will be able to meet its actual and potential obligations for a period of 12 months.
7. RAS cannot demand the entry into force of the civil liability insurance before the railway undertaking commences its operations.
8. Every five (5) years, RAS is reviewing the granted licences, in order to verify that all terms and conditions are still met. In addition to the five-years' review, the licensing authority shall continuously monitor each company's compliance with the conditions under which its licence was granted.
9. The licensed railway undertaking is obliged to inform, by submitting the relevant additional information within thirty (30) days, the licensing authority, for any change in terms and conditions under which the license was granted, and in particular for the changes on the legal representatives, its financial information, its organization chart and its liability coverage scheme, as well as issues related to professional competence.

4. Licensing Application Process

1. It is required that a Licensing Application, in digital form, is submitted to RAS. It includes the Application (Annex I), the Legal Documents and Required Information (Annex II), as well as the Business Plan (Annex III) of the company.
2. The License Application is submitted by a single company, and it is signed by its Legal Representative (digital signature).
3. During the process of completing the Licensing Application, the interested parties can contact RAS for clarifications by email info@ras-el.gr and / or by tel +30 2103860142.
4. Within (1) month from the submission of the Licensing Application, RAS informs the company that the file is complete or requests additional information. This deadline may be extended by two (2) weeks in exceptional circumstances and the company is informed accordingly. Upon receipt of the additional information, RAS informs the company within a maximum period of one (1) month, if its file is complete.



4. Licensing Application Process

5. RAS decides on the licensing application as soon as possible and definitely within three (3) months from the submission of all necessary information. RAS takes into account all available information. The decision is communicated immediately to the company that submits the license application. In case of rejection of the licensing application, the relevant reasons are stated.
6. Details of the issued licence are published in RAS website - Register of Licensed Companies. The license is also posted in the ERADIS database (https://eradis.era.europa.eu/safety_docs/licences/default.aspx), which is updated by the European Railway Agency



5. Special Cases

- A railway company which has a valid European license (p.6, art. 23 Law 4408/2016) and wishes to operate in the Greek railway infrastructure must submit to RAS, before the beginning of its operation, the following documents:
 - Copy of the European licence
 - Third party liabilities insurance compliant with all requirements as in art.21 of Law 4408/2016
 - Short Business Plan according to App. II, chapters I and II
- If a railway company which is licensed and already active in the Greek railway infrastructure (p.6, art24, Law 4408/2016), wishes to change or expand its activity to a significant degree, such as a railway company that performs freight to operate in passenger transport, submits a complete licensing application.

6. Claims - Sanctions - Suspension - Revocation

- Licenses are not granted nor their validity is extended, if the requirements of article 17 of law 4408/2016 are not fulfilled.
- Companies are not allowed to provide railway services if they do not hold the appropriate license for these services .
- If RAS considers that the railway company can no longer meet the requirements of the its License, it suspends or revokes its license, informing the infrastructure manager and the Ministry of Infrastructure & Transports (art. 24, Law 4408/2016)
- RAS may, upon a documented report and after a prior hearing of the interested parties, request the cessation of the violation of the Railway Company either immediately or within a reasonable period of time and take appropriate and proportionate measures aimed at ensuring compliance and impose sanctions (art. 32, Law 3891/2010).





Annex I: Application



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Application

Company Information

Name:

VAT number:

Headquarters:

Telephone:

E-mail:

Website:

Legal Representative Information

Name/Surname:

ID:

VAT number:

Address:

Telephone:

E-mail:

Contact person (to be completed only if he is a different person from the Legal Representative)

Name/Surname:

Telephone:

E-mail:

TO THE RAILWAY REGULATORY AUTHORITY

Please approve our company's application for an operating license as a railway undertaking for:

- Passenger rail transport
- Freight rail transport
- Provide traction only

according to the provisions of the Institutional framework, as applicable and referred to in the Licensing Guide.

Attached, we submit all the legal documents and required information mentioned in the Licensing Guide, as well as the Business Plan of the company.

(Legal Representative Digital Signature)

Date:

...../...../.....



Annex II: Required Legal Documents & Information



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All documents and required information are submitted in Greek . For foreign legal documents, an official Greek translation is required.

REQUIREMENTS OF GOOD REPUTE
(according to the article 19, Law 4408/2016)

A complete set of legally validated legal documents of the applicant company, concerning its establishment and legal representation: Codified Articles of Association(registered in GEMI), Board Minutes regarding legal representation (registered in GEMI)

A copy of ID of the legal representatives of the applicant or in case of non Greek citizens a copy of their passport

Criminal record or equivalent document for all legal representatives, which must have been issued one (1) month before the submission of the Licensing Application

A certificate of Good Standing of the applicant company that has been issued one (1) month before the submission of the Licensing Application

Declaration digital signed by the legal representative in which it will be stated that the company complies with points a,c,d and e of the Article 19 Law 4408/2016.

REQUIREMENTS OF FINANCIAL FIT
(according to the articles 20 & 62, Law 4408/2016)

Tax clearance Certificate of the applicant company or Debt Certificate (in case of regulated debts) which has been issued by the designated Tax Office one month before the submission of the application.

Declaration digitally signed by legal representative for all the social security organizations to which the company has to pay contributions, for the staff employed, as well as a Social Security Contributions Clearance for each social security organization or Debt Certificate or equivalent document (in case of regulated debts) issued by the designated social security organizations, one month before the submission of the application.

Available financial resources of the company, such as petty cash, bank deposits, debt securities and credit lines from financial institutions which have been issued in the last two (2) months before the submission of the Licensing Application, accompanied by a Summary Statement.

Funds and assets available as security. A balance sheet that has been issued in the last two (2) months before the submission of the Licensing Application must be submitted.

Working capital (current assets and current liabilities). A balance sheet that has been issued in the last two (2) months before the submission of the Licensing Application must be submitted.

Relevant costs, including acquisition costs and advances on vehicles, land, buildings, installations and rolling stock, as the result from the last approved accounting period before the submission of the Licensing Application

Burdens-notes on the assets of the applicant which must be valid for the last two (2) months before the submission of the Licensing Application. A detailed report is submitted.

REQUIREMENTS OF FINANCIAL FIT
(according to the articles 20 & 62, Law 4408/2016)

Published annual financial statements - balance sheets, profit and loss account and reports audited by an independent chartered accountant for the three financial years prior to the application period. For companies that have not completed three full corporate years, all available data will be provided.

A business plan (BP) of the applicant company. The current situation, the projected financial statements, the tables of sources and uses of funds and cash plan, as well as the indicators, liquidity, structure funds, efficient use of resources, efficiency and growth should be analyzed and presented, for the next three years from the application period, per year, documenting in this way the financial capacity and its sustainable operation. Furthermore, the BP includes facts such as property and any investments projects, through which the applicant (will) provide the railway services. Also, the partners - shareholders, the legal representative, the Board of Directors, the participation in other companies, the organization chart with the organizational and administrative structure as well as the competitive position and strategy of the company are mentioned.

Any existing ties and participations in other companies or groups of companies are proved. A Shareholders' Chart is submitted, accompanied by extracts from the Shareholders' Books and, if any, consolidated financial statements. There is no obligation to show shareholdings less than 25%.

SPECIAL REQUIREMENTS OF FINANCIAL FIT

For newly established companies, the opening balance sheet or equivalent documents are required. The submitted financial statements are accompanied by the respective auditors' reports, as provided by the current legislation and the relevant audit certificates.

For companies with annual income of less than five million (5,000,000) Euros from railway activities, the requirement for their ability to meet their existing and potential obligations for a period of 12 months from the start of transport is met if the company is able to prove that its equity amounts to at least one hundred thousand (100,000) Euros.

PROFESSIONAL COMPETENCE REQUIREMENTS
(according to the article 21, Law 4408/2016)

Information on professional competence - management organization for the type of services defined in the license. This information is included in the Business Plan.

CIVIL LIABILITY INSURANCE REQUIREMENTS
(according to the article 22, Law 4408/2016)

Certified copies of insurance policies as proof of third parties liability coverage from which can result, at a minimum, the coverage of the liability claims of article 22 of law 4408/2016.

In case a third parties liability contract has not been issued when submitting the license application, it is required to submit a letter of intent, according to the template in App. IV of the Licensing Guide

LICENCING APPLICATION FEE
(according to the article 18 , Law 4408/2016)

Administrative fee to the State (code type 4484) amounting to three thousand (3,000) Euros (article 18 of law 4408/2016). It is published through the web portal of G.G.P.S (www.gsis.gr go to: Home Page/ Civil Services / e – fee)



Annex III: Business Plan Template



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(Executive Summary)

An executive summary of the business plan is submitted.

I. Current Company Status

A. General Company Information

1. Name
2. Industry
3. Scope of activity
4. Headquarters
5. Branches
6. Year of establishment

B. Other information

1. Shareholders
2. Legal Representative (Name/Surname, Address, ID Number)
3. Board of Directors
4. Participation in other companies (Name of the company, Shares, Industry)

I. Current Company Status

C. Company Presentation

1. Brief History

The applicant company is briefly presented, including its name, its subsidiaries, the details of the legal representative, the industry, its main milestones and its assets.

2. Activities – services

The activities and services provided by the company are presented with emphasis on services related to railway.

3. Organizational structure

The general organizational chart of the company is presented. In addition, the general management, the organization of accounting and cost analysis / cost control, marketing organization, sales and distribution network, the organization of safety issues, the organization of research and development are presented in detail. The activities and responsibilities performed by the Management and Departments of the company are briefly presented based on the aforementioned organization chart. In addition, reference is made to the information systems used by the company.

4. Human Resources

The human resources are presented in each department, by category of specialization and training.

I. Current Company Status

C. Company Presentation

5. Infrastructure (facilities, equipment)

The technical and production data of the last three years are presented through qualitative and quantitative presentation of the machinery, new technologies, the development of new and / or innovative production methods and quality assurance processes. (tables in Microsoft Excel)

6. Sales growth rates

The growth rates of the company's sales are presented (in total and specifically in transportation services), as well as the financing of the investments for the three, before the application period, financial years. (tables in Microsoft Excel)

7. Financial Data

The financial data of the last three years are presented and analyzed, ie the financial results and the profitability of the applicant company in relation to sales and equity. The statements used to represent the data are mainly the statements of the Greek Accounting Standards (EAS). (tables in Microsoft Excel)

II. Company Strategy and Presentation of railway transport activity

A. Presentation of the railway transport activity

Analysis of the services that the company will provide (eg international passenger rail transport) and how they turn into business, as well as an analysis of its competitive advantages. Detailed description of geographical coverage is required.

B. Competition Strategy

Based on the above analysis, the competition strategy of the company is presented, in order to evaluate its competitive position. In this context, the competitive environment and the factors that affect it, the economic environment, trends and prospects, weaknesses and threats and the dynamics of the rail transport market (eg sectors / customers, their economic course and prospects) are analysed. In addition, the technological and productive parameters that give a competitive advantage to the company are presented.

C. Organizational Structure

The organization chart of the company and its growth are presented, with emphasis on the provided railway transport services.

D. Human Resources

The human resources of the company are presented in relation to the railway transport sector (number, positions, distribution, etc.).

III. SWOT ANALYSIS

A. Strengths

B. Weaknesses

C. Opportunities

D. Threats

IV. Action Plans– Financial Projections

A. Goals of the applicant company – estimated date of activities commencement

The annual quantitative goals of the first three years after obtaining a license are presented.

B. Analysis of key assumptions of the business plan

C. Detailed action plans

Presentation of action plans related to: a) Services Development, b) Sales, marketing and distribution of products, c) Development of organizational structure, d) Supply of raw materials, inventory management, supply of materials and equipment. It is clarified that the action plans are accompanied by a detailed description of the planned actions, as well as a timetable for their implementation.


D. Required Investments

Potential investment plans of the applicant company related to the provision of railway company services are presented. For each one of them, detailed information for: a) Investment plan objectives, b) Financing sources, c) Implementation schedule, d) Description of investment plan, e) Presentation of benefits provided, g) Evaluation of investment plan based on the Net method Present Value and the Internal Rate of Return (IRR) are provided.

IV. Action Plans – Financial Results Forecasts

E. Financial Data

An analysis of the financial elements of the three-year business plan is included, based on the objectives, strategy and action plans. The statements used to represent the forecasted data are mainly the statements of the Greek Accounting Standards (EAS).(in Microsoft Excel file)



Annex IV: Template of Insurance Letter of Intent



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LETTER OF INTENT

THRID PARTIES LIABILITY INSURANCE

for the railway company

Dear Sir/Madam

We would like to confirm our intention to insure the railway company for third parties liability, according to art.22, Law 4408/2016, as described below:

- | Insurance Company | Items of Insurance | Insurance amount |
|-------------------|--------------------|------------------|
| | | |
| | | |
| | | |

Geographical coverage	
-----------------------	--

(signature / stamp)