# Office of Rail Transport

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# Great interest of entrepreneurs in obtaining a railway carrier license

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In 2023, the President of the Office of Rail Transport (UTK) received 31 applications for granting a railway carrier license. At the end of last year, 139 carriers were licensed.

In 2023, most entrepreneurs applied for a license to perform rail transport of goods and provide traction services. 18 such applications were submitted. Details in the table:

License type	Number of applications
rail transport of goods	8
rail passenger transport	2
provision of traction services	0
rail transport of goods and provision of traction services	18
rail transport of goods and passengers and the provision of traction services 3	

#### **STATISTICS**

31 applications for a carrier license is a big jump compared to previous years. Over the previous three years, the President of UTK received annually an average of 10 applications for a carrier license (2022 – 10 applications, 2021 – 9 applications, 2020 – 11 applications).

At the end of 2023, the number of licensed railway carriers with an active license was at the level of 139 (leading passenger transport license – 19, leading goods transport license – 120). However, at the end of 2022, there were 125 carriers with an active license (leading license for the transport of passengers – 19, leading license for the transport of goods – 106).

Since 2014, one has observed increases in passenger transport every year (except for the pandemic period) – both in transport performance and in the number of passengers. However, the rail freight transport market, despite many new railway carriers, has not recorded significant growth. Transport performance in the last 10 years has ranged from 50 to 62 billion tonne-kilometers, while the weight of transported goods ranged from 222 to 248 million tonnes.

Summary forecasts for 2023 compared to 2022 indicate a drop of several million tonnes in the weight of transported goods.

## HOW TO OBTAIN A LICENSE

To obtain a railway carrier's license, an entrepreneur must meet the requirements specified in art. 46 of the Act on Railway Transport. They concern 4 areas:

- good reputation,
- financial credibility,
- professional qualifications,
- financial security for civil liability.

Entities interested in obtaining a railway operator's license can obtain more information on the dedicated <u>UTK's website</u> (Polish version only).

### **OBLIGATIONS OF A LICENSED CARRIER**

An entrepreneur which already holds a railway operator's license is obliged to systematically submit periodic (monthly, quarterly, annual) reports. The reports concern activities on the rail transport market.

If the carrier fails to fulfil the reporting obligation, ex officio proceedings may be initiated (pursuant to art. 66 of the Act on Railway Transport). A fine of up to 2% of the entrepreneur's annual revenue generated in the previous calendar year may be imposed on the carrier. Additionally, a fine of up to 300% of the monthly remuneration may be imposed on the manager of the railway carrier (president of the management board).

If the carrier does not carry out the licensed activity (rail transport of goods or passengers or the provision of traction services) for 6 months or does not undertake this activity within 6 months from the date of obtaining of the license, the President of UTK may decide to suspend the railway operator's license (pursuant to art. 48 section 4 of the Act on Railway Transport).

The President of UTK carries out periodic inspections of the railway carriers in terms of compliance with the conditions specified in the license and the requirements arising from the Act on Railway Transport. Such an inspection takes place at least once every 5 years. The President of UTK may also inspect a railway carrier when there are justified doubts as to whether the railway carrier meets the conditions specified in the license or the requirements arising from the Act.