

THE FEDERATION OF INDEPENDENT RAIL OPERATORS

Warsaw, April 7, 2009

Independent operators protest against the market situation

The fact that Polish State Railways, as a result of their bad condition, demand, more and more strongly, a subsidy from the State Budget and the fact that the Polish market is being entered by Deutsche Bahn evoked a serious alarm among private freight transport operators. In order to defend free competition in the sector, companies set up The Federation of Independent Rail Operators (Związek Niezależnych Przewoźników Kolejowych - ZNPK).

ZNPK was set up on April 2, 2009, and is to constitute a response to monopolistic practices of PKP and the threat coming from Deutsche Bahn, a company which enters the Polish market as a result of taking over PCC. Therefore, the Federation aims at protecting free competition on the freight railway transport market, supporting its liberalization and representing interests of independent operators.

“On one hand, we have PKP Cargo, a company which offers dumping prices, generates losses and asks State Treasury to cover them, on the other, we have Deutsche Bahn, another company supported by a state treasury. This may lead to the situation where state-owned operators, will start, with state money, a price war on the market and make private competition disappear. We have united our forces in order not to let this happen.”, Rafał Milczarski, the President of the Federation and the Managing Director of Freightliner PL, says. *“We also want to attract attention to other problems of the sector, for example, to the lack of well-thought-through transport policy. It accounts for restrictions in access to some infrastructure elements and very high charges for access to railway lines, even though, at the same time, they are in poor condition.”*, Timothy Hollaway, the President of the Board in Rail Polska, adds.

Among the federation members there are CTL Logistics Sp. z o.o., Freightliner PL sp. z o.o., LOTOS Kolej Sp. z o.o., Pol-Miedź Trans Sp. z o.o., PTK Holding S.A, Rail Polska Sp. z o.o. and RCO S.A..

“So far, in the debate about situation on the railway transport market, one has been able to hear mainly what PKP Cargo, politicians and trade unions have to say. We want to change this – we have been in the sector for years, we know it, we can see its shortcomings, threats and opportunities and we want to talk about them. We hope that the Federation will be able to solve a few urgent problems of the sector, among others, to remove barriers making efficient competition on the market difficult”.

Krzysztof Sędzikowski, the Board Member of the Federation and the President of CTL Logistics, says. The Federation will make attempts to remove the provision referring to conditions under which PKP Cargo can go bankrupt, will cooperate with EU and national institutions, will aim at obtaining equal access to infrastructure, express opinions in legislative processes concerning railway issues, make attempts to create instruments of supervision over accuracy of PKP PLK S.A. functioning (as long as it stays within PKP S.A. Group), will aim at changing preferences in the state transport policy to the benefit of railway transport by significant reduction of railway infrastructure access charges, will make attempts to write down, among UTK aims, care about proper market functioning and its competitiveness and will fight against actions taken in order to create a dominant pan-european entity, occupying a privileged position in the area of trans-border cooperation with other entities from outside EU. *“We will publicize all actions of dishonest competition that we will hear of”*, Rafał Milczarski portends. Apart from him, the Federation Board consists of Krzysztof Sędzikowski (CTL Logistics), Paweł Pucek (PTK Holding) and Timothy Hollaway (Rail Polska).

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