OUTLINE

1. INSTITUTIONAL STRUCTURE OF THE SECTOR
2. LEGISLATION FORCE
3. ROADMAP OF TURKEY FOR REFORMING THE SECTOR
INSTITUTIONAL STRUCTURE OF THE SECTOR

- THE AIM OF THE LEGISLATION
- INCREASEMENT OF COMPETITIVE POWER IN RAILWAYS
- RAILWAY REFORM IN REGIONAL COUNTRIES
THE AIM OF THE LEGISLATION

- To provide for users more effective and of quality services with reasonable price
- To revitalise railways by ensuring intramodal competition
- To increase competitive power of railways against other transport modes
- To establish a transparent, fair and independent regulatory & supervisory structure
- To harmonize legal and institutional structure with EU Acquis for full membership
RAILWAY REFORM IN REGIONAL COUNTRIES

Türkiye Avrupa Birliği Üyesi Ülkeler

Rusya

İran

Azerbaycan

Gürcistan

Ermenistan

İrak

Suriye

İsrail

Ürdün

Mısır

S. Arabistan

Fas

Cezayir

Avrupa Birliği Üyesi Ülkeler
Turkish Rail Sector Before Liberalisation

MINISTRY OF TRANSPORT, MARITIME AFFAIRS AND COMMUNICATIONS

Regulatory & Supervisory Body
Infrastructure Service Provider and User:
Turkish State Railways
(TCDD)
Owner: State
LEGISLATION IN FORCE IN TURKEY

Decree Law No. 655

Law No. 6461
RE-ORGANISATION OF RAILWAY SECTOR IN TURKEY

DECREE LAW NO. 655 (in 2011)

- Directorate General for Regulation of Railways
  - Regulatory Body
  - Safety Authority
  - Contract Manager for PSO
- Accident Search & Investigation Board
- DG for Infrastructure Investments
- DG for Regulation of Dangerous Goods and Combined Transport

For All Transport Modes
DUTIES OF DGRR

Directorate of Railway Regulations is responsible of regulating the railways by considering commercial, economical, social needs and technical developments. Also, DGRR provides an environment of free, fair and sustainable competition in railway sector by considering environment friendly and public benefits.

DGRR is the National Safety Authority of railway transportation and also standardization and licensing institution. Determining of all components for railways, elimination of their suitability and licencing process are also under the roles of DGRR.
RAILWAY SECTOR IN TURKEY AFTER DECREE LAW No:655

MINISTRY OF TRANSPORT, MARITIME AFFAIRS AND COMMUNICATIONS

Regulatory and Inspection Body
DG for REGULATION OF RAILWAYS
(National safety Authority)

Independent Examination & Advisory Unit
ACCIDENT SEARCH & INVESTIGATION BOARD
(for all transport modes)

Infrastructure Service Provider and User:
Turkish State Railways
(TCDD)
Owner: State

Owner: State

DG for REGULATION OF RAILWAYS
(National safety Authority)
The Law regarding the Liberalization of Railway Transportation in Turkey No. 6461 (the “Law No. 6461”)

1- Spin-off of the General Directorate of State Railways (“TCDD”)
   - Establishing TCDD as an Infrastructure Manager
   - Establishing “TCDD Transport JSC” as an Train Operator

2- Authorisation of Public Corporations and Companies

3- Public Service Obligations

4- Subsidizing of TCDD and TCDD Transport JSC
The Announced Law No. 6461 About Liberalization Of Turkish Railways

TCDD as Infrastructure Manager was charged to work on under National Railway Infrastructure Network with the following missions;

- Determining the traffic management fees as equitable.
- The fees should be collected from related Railway Train Operator.
The Announced Law No. 6461 About Liberalization Of Turkish Railways

- TCDD must reform, renew, enlarge and maintain the railway infrastructure.

- TCDD must build new tracks for High Speed Lines.

- TCDD must build, operate, enlarge and reform the communication stations.
The Announced Law No. 6461 About Liberalization Of Turkish Railways

- TCDD Transport JSC will be structured as a Railway Train Operator, that is responsible for freight and passenger transportation through on National Railway Infrastructure Network.

- TCDD Transport JSC is managed under the delegated law no. 233.
Statutory Bodies and Private Companies

- Construction of infrastructure for owning.
- Railway Infrastructure Operation of Railway Infrastructure belonging either to them or others.
- Ministries can authorize any companies to become Infrastructure Operator.
- Statutory bodies and private companies determine and apply the operation fees for all railway operators equally.
Public Service Obligation is determined by a contract between the Ministry and Railway Train Operator. Under this contract; the timeframe of the contract, the length of railway line for transportation, number of operating trains the ticket fees and payment conditions are identified.
5 years after the entry of the law into force, the fees below of TCDD are paid by Undersecretariat of Treasury;

A) Economical Gap resulted in Maintenance Budget

B) The gap resulted from fund transportation to TCDD Transport JSC
The Announced Law No. 6461 About Liberalization Of Turkish Railways

For TCDD Transport JSC

A) Construction Finance of Investment Programme

B) The Financial Gap of Operation Budget

C) The difference of Financial Gap and Operation Gap is paid by TCDD
Main Business Units of TCDD
(Infrastructure Manager)

TCDD

- Infrastructure Construction
- Infrastructure Maintenance
- Infrastructure Management
Main Business Units of TCDD Transport JSC (Railway Undertaking)

TCDD Transport JSC
- Freight Transport
- Passenger Transport
EXPECTATIONS OF FUTURE INSTITUTIONAL STRUCTURE OF THE SECTOR

PASSENGER

STATE

Public Service Obligation

Multi Annual Contract

Private Passenger Operator

Infrastructure Manager

Public Passenger Operator

Service Plan

Access Agreement

Infrastructure Plan+Investment

Customer
EXPECTATIONS OF FUTURE INSTITUTIONAL STRUCTURE OF THE SECTOR

FREIGHT

STATE

Multi Annual Contract

Infrastructure Manager

Access Agreement

Public Freight Operator

Private Freight Operator

Infrastructure Plan+Investment

Contract

Customer
ROADMAP of TURKEY
for THE SECTOR’S REFORMING
REGULATIONS PREPARED

For success of Turkish Railway Reform, taking into consideration of European examples
REGULATIONS SUBMITTED

1- Regulations for Level Crossings (where accidents occur quite often).

REGULATIONS; READY TO SUBMIT

1- Regulations of Capacity Allocation and Access which is about access to railway infrastructure, capacity allocation and access charging in environment of free, fair and sustainable competition.
STUDIES AT DGRR

❖ REGULATIONS; DRAFT STUDIES COMPLETED

1- Regulations for Railway Transportation which is defining rights, liabilities and responsibilities of those who produce services in railway transport business and those who use such services and authorizing these people.

2- Regulations for Safety which is about granting relevant safety certificates to railway infrastructure managers and authorizing railway undertakings.

3- Regulations of Registration and Recording which is about registering any kind of rolling stock, specifying principles and procedures on keeping their records.

4- Public Service Obligation Regulations.
IPA PROJECT

- The purposes of this project is as follows: to strengthen institutional, technical and administrative capacity of DGRR to improve the legislative and institutional harmonization in the railway sector with the EU acquis to facilitate formation of a competitive, transparent and efficient railway sector by increasing the capacity of the DGRR which is the railway’s regulatory body under the Ministry.

- The period of implementation of the project will be 24 months.
REGULATIONS WILL BE PREPARED

- Preparation of regulations about specifying principles and procedures for establishment and management of freight village, centres or bases and regarding minimum logistic costs, terms of reference of Turkey Logistics Master Plan consists of principles of planning location, establishment forms, management models, providing optimum integration between transport modes which provides a basis of Turkey Logistics Centres Map and logistics legislation. Tender process is still in operation.
REGULATIONS WILL BE PREPARED

- **RAILWAY PERSONNEL QUALIFICATION**
  ‘The regulation for personnel qualification’ Firstly considering the train drivers and all personnel related to safety critic jobs in Railway infrastructure, urban transportation and railway train operators

- **INTEROPERABILITY**
  ‘Interoperability in Railway Systems’: By aiming to create only one railway network and operating under one safety related rules in European Union

- Notified Bodies an Designated Bodies (NoBo and DeBo)
  Railway infrastructure construction and acceptene of railway vehicles and evaluating their compability with railway systems, plus authorising the ECM offices for maintaining railway vagons and the designation and authorisation of Notified Bodies and Designated Bodies by aiming the risk analysis in operation.
The separation of TCDD as TCDD and TCDD Transport JSC under the legislation law is at the final stage. The draft studies for regulations are going to be base for the legislation have been completed. The legislation of Turkey’s railway sector will be ended very soon.
2015 will be the year of railways legislation. The suitable companies and the statutory bodies under the Turkish Commercial Code are going to be able to operate their trains as a railway operator after they take the certificate of authority and the certificate of safety from Directorate of Railway Regulations. The authorised railway operators will be able to operate their trains in the National Railway Network after they take their slots from the railway line capacity from railway infrastructure manager.
THANKS FOR YOUR ATTENTION