

Lutz Bertling, President of the European Rail Industry Association: "You move too slow, and the decision making process takes too long" (Ziarul Financiar)

(article translated from Romanian, published on 22 June)

"The Romanian "rail market" was "silent" in the recent years and it can only advance with the condition that it manages to absorb all the European money put at its disposal. It is equally important that the strategies remain stable, taking into account that this industry promotes long-term investments, which may take between 3 to 10 years, or even more", says Lutz Bertling, top manager in the Canadian group Bombardier and UNIFE President.

"Stability is important, therefore we hope that these changes do not affect the strategy," said Bertling, when asked about the impact of the frequent changes within the Ministry of Transport in recent years.

Only in the last three and a half, at the helm of the Ministry of Transport there have been five ministers appointed. The unfortunate situation was reflected in the upcoming strategies, once everyone came with its own plan. As regards the Transport Master Plan, it has changed several times already – firstly, Romania proposed fast speed roads, then highways, then they proposed a budget financing scheme followed by European financing schemes, as well as public-private partnership scheme, which eventually ended in a situation of abandoned or postponed projects. For example, there were many discussions regarding the Sibiu-Pitesti road, whether to transform it in a highway or express road, whether after 2020 or 2016. The same goes for Comarnic – Brasov route, priority which was eventually abandoned. In these circumstances, as one may observe and as Lutz Bertling underlined, there are flaws in the local market which are mostly reflected by the "slow decision making process".

Bertling had a meeting yesterday with President Klaus Johannis, discussing issues regarding the industry prospects in the new Transport Master Plan, now to be approved in Brussels.

On the other hand, the company managed by Bertling, had good income in Romania, most trains currently being used by Metrorex, with 62 electrical units being delivered by Bombardier.

Bucharest is hosting the general assembly of UNIFE, the organisation that represents the interests of the sector in Brussels since 1992, and whose members cover 84% of the European market, while providing almost 50% of equipment and services worldwide.

Henri Poupart-Lafarge, President of Alstom Transport, also present at the event organized yesterday by UNIFE declared to ZF: "The Romanian market is extremely promising. You have a combination of an urban market, and here I mean Bucharest, where there is a significant number of investments soon to be delivered, and a very promising 'mainland market' supported by all the investment projects regarding the European corridors that cross Romania. The latter supports the modernisation of the infrastructure and railway signalling system. Therefore, in Romania we have a key market for both segments. "

“The French group Alstom is actively involved in the Romania transport sector, in Bucharest, through a partnership with Metrorex, regarding maintenance and railway signalling” stressed the Alstom representative.

Alstom Transport has ended the financial year with a turnover of 530.6 million lei (120 million euros) in Romania, 17% higher than 2014. The company is present for more than two decades on the local market, and for 2003 it has signed a controversial maintenance contract with the Bucharest subway, valid for 15 years.

In the past six years, the company's turnover tripled, and the financial margin of last year's was mainly supported by the rehabilitation of the 4th pan-European section as well as the signing of an agreement for railway signalling on the Simeria–Sighisoara route.

The representatives of the local subsidiary of Alstom Transport have recently made some public statements to show their dissatisfaction regarding the poor organisation of certain railway tenders of over 2 billion euros for the same corridor. However, the allegations were rejected by the public railway administration.

"We don't gain all contracts, this is a clear fact," Poupart-Lafarge commented on this matter, adding however that the French group maintains its commitments and its confidence in the local market.

At the group level, the French transport sector generates revenues of almost EUR 6 billion.

There are approximately 50,000 people working in the rolling stock manufacturing industry in Romania, and 110,000 people employed in the entire railway sector, including infrastructure operators and managers. For the local segment production and maintenance of rolling stock, the active companies are: Astra Vagoane Calatori, Atelierele CFR Grivița, Electroputere VFU, Reloc, Reva Simeria and Softronic

<http://www.zf.ro/companii/va-miscati-greu-luarea-deciziilor-dureaza-prea-mult-14471474>