kcw

New Long-distance Coach Stations and Licensing Practices

Opportunities for Municipalities

Commissioned by:

MEINFERNBUS.DE

ADAC Postbus
Der Bus für Deutschland

VDA Verband der Automobilindustrie

In cooperation with:

DTV
Deutscher Tourismusverband e.V.

Table of Contents

Prepared by
Katrin Augustin, René Naumann, Karen Wanner

1 Initial Situation

Until two years ago, long-distance coach services played a negligible role in getting from A to B in Germany. However, only a year after being liberalized, the market has become substantially more dynamic and significant.

Even in 2013 the number of scheduled kilometers tripled in comparison to the previous year. According to fernbusse.de, the number of passengers in the first year of market liberalization was estimated to be approximately 8.3 million (see Handelsblatt, January 17, 2014). New routes are being offered on an almost weekly basis. Many routes are meanwhile being traveled by multiple providers in parallel. According to the Federal Ministry of Transport and Digital Infrastructure (BMVI), 221 coach routes were registered within Germany in December 2013. In comparison, before the liberalization of the market the connections numbered merely 86.

In light of these rapid developments, coach operators and municipalities are being presented with new challenges. The opportunities that long-distance coach travel provides for municipalities have previously been given little consideration. Such opportunities largely arise from the improved accessibility of municipalities, especially in cases where a long-distance rail connection is no longer available. An economic benefit results from an increased number of visitors to these cities and also from the investments made on the part of coach service providers.

In order to capitalize on the potential that coach travel holds for municipalities, companies, and passengers, a joint cooperation between all relevant parties, companies and government offices, is meaningful.

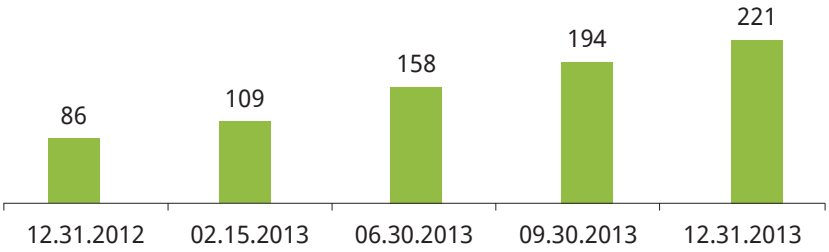
This study first examines the developments and modes of operation of this still emerging market. It then offers suggestions for addressing issues relevant to licensing and traffic planning for coach stations.

2 How Does the Long-distance Coach Market Work?

2.1 Current market developments

According to figures provided by the Federal Ministry of Transport and Digital Infrastructure (BMVI), the number of operating long-distance coach lines has increased steadily since the liberalization of the market, as illustrated by the following chart.

Figure 1: Developments in coach line licensing



Source: Press release of the BMVI dated February 26, 2014

A further increase in services offered and passengers can be expected for 2014, although to a lesser extent than in 2013. MeinFernbus, the market leader in 2013 providing some 30 million scheduled kilometers, announced its plans to increase its fleet by 100 buses in 2014. ADAC Postbus also expanded its range of services in March of this year and has doubled the frequency on many of its coach lines. In addition, the company plans to introduce faster express connections on the routes with the highest demand beginning in April. A number of companies are also introducing nighttime routes. A wealth of services has not only developed in terms of typical city-to-city routes, but also customers are being presented with new connections to areas beyond major urban centers. Long-distance coach travel provides access to regions that have poor or no rail connection and thus increases the accessibility of all cities, as demonstrated by the map below.

Figure 2: Coach lines in Germany

In addition to MeinFernbus and ADAC Postbus, the Deutsche Bahn (BerlinLinien Bus, IC Bus), National Express (city2city), Deutsche Touring, and Flixbus are among the largest service providers on the market.

Those profiting most from opening of the market are small and mid-size bus companies, which cooperate with coach operators. For example, MeinFernbus works with 56 mid-sized bus companies throughout Germany. As cooperation partners of larger service providers, these companies have contributed significantly to the success of these new transport services to date. Being able to use a network and the advantage of the larger size of providers increase the profit horizons for local companies. Especially in mid-size companies this is leading to the creation of numerous new jobs in various regions within Germany. There is a diverse range in the form of such cooperations, which also differ in terms of competencies and the distribution of risks between the contract partners.

One of the partners of MeinFernbus is Reisebüro & Omnibusbetrieb Karsten Brust, which has its headquarters in Panketal, Brandenburg, outside of Berlin. The company is a family owned business, now headed by the second generation, and since the summer of 2013 it has been operating the Chemnitz– Dresden–Berlin and Tübingen–Stuttgart–Berlin lines for MeinFernbus. "Due to the guaranteed, year-round trips for the MeinFernbus coach lines, we were able to hire a total of 14 new employees and incorporated six additional modern passenger coaches into our fleet," says Karsten Brust, owner and managing director of the travel agency and omnibus company bearing his name.
In terms of the total number of company employees this represents an increase of approximately fifty percent, which according to Brust consists of drivers and dispatchers. In this case, however, not merely the number of new jobs but the quality of the employment has made a difference. Before the liberalization of the market, Brust's business was largely based on tourist bus trips in the summer, and therefore many drivers only had limited contracts. The new buses, which drive intercity routes according to a given schedule and on a seven-day-a-week basis, offer security for business owners and guarantee them the ability to employ workers over the winter, thus enabling them to offer unlimited contracts. As a result, both employers and employees benefit from the reliability and long-term planning enabled by long-distance coach travel. (Source: MeinFernbus)

A comparison with other countries, such as England and Sweden, which opened their passenger transport markets for coach travel in 1980 and 1999 respectively, confirms additional potential for growth and demand in the German market. In Sweden, the 4.7 million coach passengers per annum in a country of 9 million inhabitants demonstrate the potential demand. Looking at England, one learns that it is possible to attract a broad ridership over the long term through innovative offerings and active marketing, for example of direct, express bus lines between two cities.

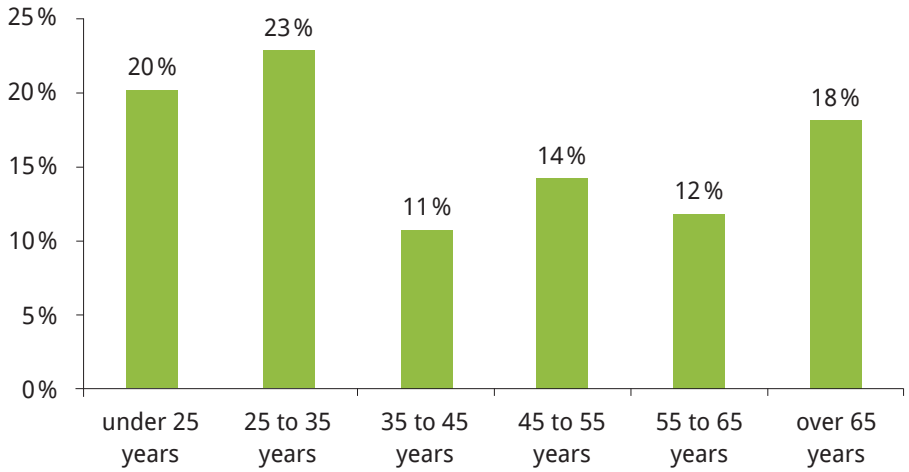
- → Market liberalization in coach transport leads to the improved accessibility of large cities and areas without convenient rail connections.
- → Prior to the opening of the market, critics invoked the potential danger of the "big players" dominating the market. Instead, a broad-based and healthy array of businesses has developed, which provides a range of sustained services and is based on a solid foundation of mid-sized companies.

2.2 Who uses coach transport, and what does this mean for municipalities?

Currently there is no data available on passenger numbers across all operators. However, the initial tallies made by individual service providers confirm that coach travel appeals to all age groups as well as a broad sector of the population. The numbers gathered by ADAC Postbus show that not only young people but also seniors and middle-aged travels are using coach services (fig. 3).

According to an analysis made by MeinFernbus on the professional status of its users, half of the passengers were employed or worked on a freelance basis. Other significant user groups were seniors and students. This confirms a generally tendency, in which coach travel is used by price-conscious passengers as well as by upper-income riders.

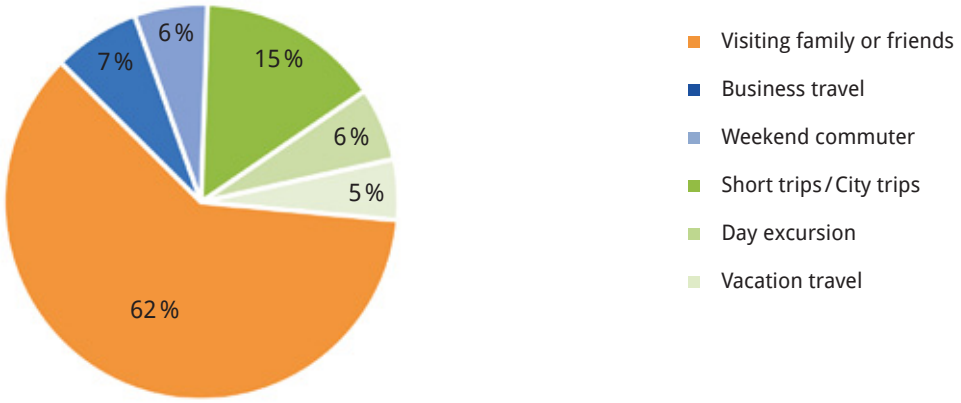
Figure 3: Age structure of coach passengers



Source: ADAC Postbus (between Nov. 2013 and Feb. 2014)

The majority of passengers (> 60 %) use coach travel to visit family or friends, as surveys of MeinFernbus passengers have indicated. Approximately a quarter of those surveyed named touristic destinations as their reason for travel (short trips, city tours, day excursions, or vacation travel), and 7 % of the passengers even use coach services for business travel.

Figure 4: Reasons for travel among coach passengers



Source: MeinFernbus (2013)

Many passengers would have not undertaken their journeys without the opportunity of coach travel, because there was no alternative transport — or the prices of other options were too high.

Coach travel fills this gap and thereby increases the transport possibilities of many cities and communities. Through new coach routes these municipalities are better linked to long-distance transport networks. The significance of such routes for intermodal transfers increases through the accompanying functional enhancement of existing traffic nodes. The majority of passengers travel to a coach station by public transport (see fig. 8). Coach services thereby are a new component within an intermodal chain of transport, as illustrated by figure 5.

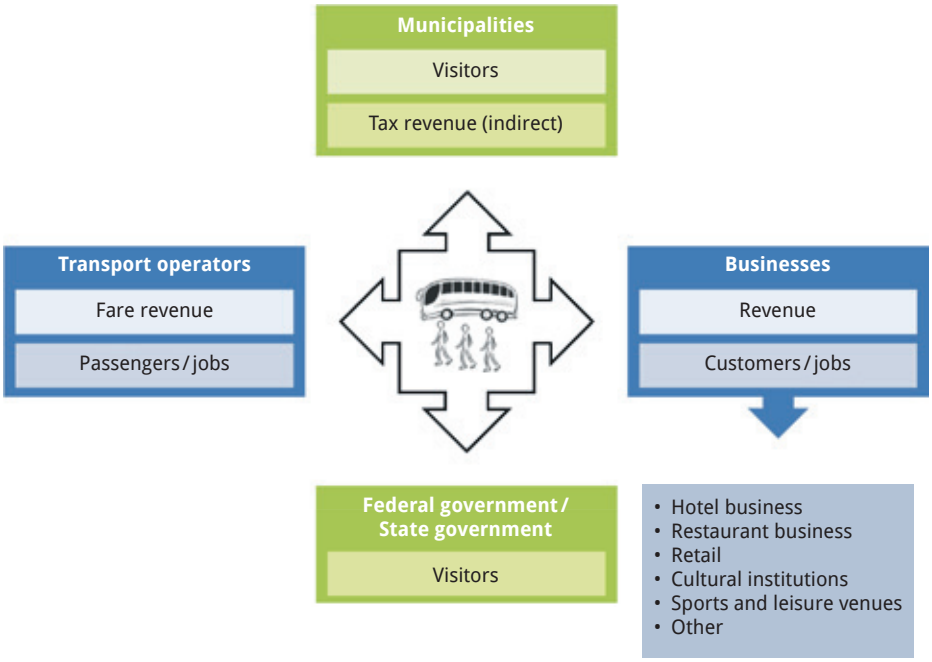
Figure 5: An intermodal transport chain

Source: KCW GmbH diagram

Given the enhancement of existing transport nodes through coach travel, an increased number of visitors to a municipality brings increased economic potential. Visitors require lodgings and make use of restaurants and cultural institutions. The retail sector also profits from more city visitors. According to a survey conducted by the tourism institute dwif e. V., people making day trips spend an average of 27.70 euro per person per day at their destination. Considering the some 2,845 billion individual day trips made in 2013, this group poses a significant economic factor for German municipalities.

In summary, the comprehensive accessibility for municipalities as a result of an increase in visitors, the creations of jobs, i.e. through cooperation with local bus companies, and (indirect) high tax revenue leads to value added on many levels (see figure 6).

Figure 6: Levels of value added in coach travel



Source: KCW GmbH diagram

→ Coach travel helps meet the growing need for mobility. As a new element within intermodal chains of transport, coach services facilitate travel for large portions of the population.

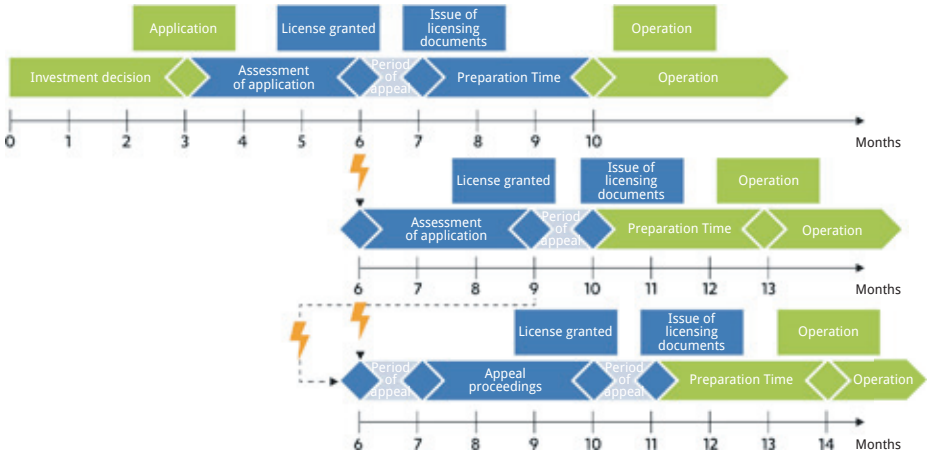
→ Enabling people to be more mobile also means an increased number of visitors for municipalities and their local economies (hotel and restaurant businesses, retail, etc.).

2.3 Legal framework and the licensing process

A license is granted or denied by the licensing authority to which the application is made. However, all of the municipalities, road construction authorities, and licensing authorities within the districts affected by the coach line requested are consulted over the course of the licensing process.

As a rule, the time period between the application for a license and the beginning of operation is three months (top timeline in fig. 7). In exceptional cases the period before the license is granted can be extended an additional three months, for example if further documentation is requested from the applicant or if the application is initially denied (middle and lower timelines in fig. 7).

Figures 7: Steps of the licensing process



Source: KCW GmbH diagram

Once a license is granted a coach service provider is obligated to operate according to the agreed schedule. Changes in the schedule must therefore be communicated to the licensing authority. Also, a coach operator must notify authorities at least three months in advance before any planned termination of services.

Companies generally need two or three months preparation time in order to acquire new buses and prepare for the recruitment of drivers or even make binding commitments in terms of recruitment. Only when investments are made before a license is granted, can a line go into operation quickly after being licensed. The licensing process is therefore of key importance.

The amount of investment in a coach line (length, frequency) can lie in the mid to upper six-figure range. If there are delays in the licensing process, it becomes difficult for a company to refinance the investments already made. For example, if a municipality contests a bus stop planned in its area of jurisdiction, the licensing process can be extended. Meanwhile, costs rise for the company due to investments made with capital that is no longer available.

It is certainly helpful if the relevant parties of a licensing procedure engage in dialogue at an early stage of the process. Usually difficulties and misunderstandings can be clarified in direct conversations and extended application processes can be avoided.

On the part of coach operators there is a wish to be able to enter into dialogue with authorities early in the process in the case of amendment requests, in order to find a manageable and fast solution. This particularly applies to cases in which changes are requested in terms of increasing the frequency of service or adaptations are necessitated by circumstances such as construction and the shutdown of certain routes.

Currently, once a licensing process has been completed, the authorities are not obligated to provide information to the other parties consulted, and this often results in information gaps. Ideally all parties consulted during a licensing process ought to be notified as to whether a license was granted or denied and as to which stops will be serviced by an operator in the future. The same applies to amendment requests. Relevant municipalities would thereby gain a solid basis for planning well in advance in terms of preparing coach station infrastructure and assessing future demand. This is also important in terms of the information flow in the direction of the responsible authority, since if an operator violates its service obligations, the parties consulted in the licensing process are then able to communicate this to the licensing authority.

Also helpful would be the standardization of licensing practices on a national level. However, different government agencies are responsible for licensing in each state (see chapter 5). Nevertheless, it would be advantageous, for example, if the records of an operator's proof of reliability and good repute could be maintained on a national level, so that they would not have to be submitted for every licensing application.

- → Expedited licensing processes are in the interest of coach operators as well as municipalities. A prompt dialogue between all relevant parties can optimize the process and lower the investment risk of the operator.

- → A positive innovation for the licensing process as a whole would be a central authority responsible for licensing applications and related questions.

3 Traffic Planning and Financial Considerations in Establishing and Operating a Coach Station

Important to the development of a coach terminal are not only the needs of the municipalities and coach service providers but also the passengers. A coach station must therefore meet a range of demands. For customers relevant needs fall under the categories of service and facilities, and for service providers under the category of operational management.

Crucial is the fact that coach travel is not part of the public transport network. For both users and operators coach terminals must meet different requirements than local public bus stations. Whereas local public transport only requires a short stop to allow passengers to board and disembark, long-distance coach travel requires stopping times of 5 to 15 minutes due to the necessity of loading and unloading baggage. These two segments complement each other, however, since many coach passengers use the public transport network before or after a coach journey. An interface between these two modes of transport can be assured, when the individual stops of a coach terminal are serviced by public transport and when coaches make stops at public transport stations.

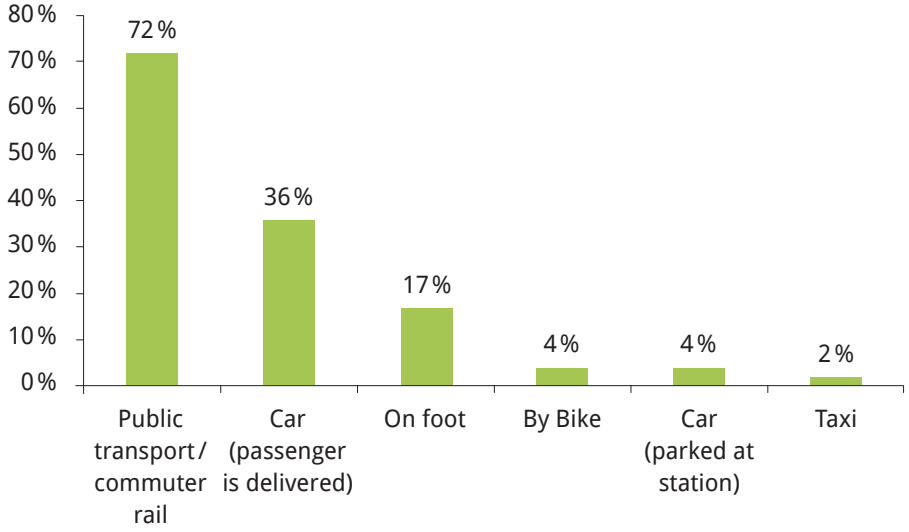
3.1 Geographic location

A coach terminal must fulfill two essential criteria in terms of accessibility:

- **local transport connection:** A long-distance coach terminal must primarily be accessible for passengers within the downtown area. Its location should be sufficiently central, so that passengers can reach it quickly. The majority of coach service users (almost three-fourths) arrive by public transport (see fig. 8), and therefore a good connection to a central public transport station is an imperative.

- **regional transport connection:** In order for coaches to be able to quickly access regional highways, a terminal should not only be reachable by public transport but should also be situated in close proximity to highways or be able to access the throughway via expedient access routes. A station situated on the highway does not serve the interests of passengers.

Figure 8: Arrival and departure from coach stations



Source: MeinFernbus (2013; participants were able to give multiple answers)

3.2 Size and planning

The size of a terminal should be determined in correspondence with its potential use. It must be large enough to easily accommodate peak traffic. These peaks can either be defined in terms certain times of day or in terms of major regional events (Christmas markets, special events, etc.). Terminals planned for construction should be conceived to allow for an increase in use. For this reason it is important to analyze future market developments (for example by surveying coach operators), before constructing or expanding a coach terminal.

The number and placement of the bus platforms should depend on the expected amount of traffic as well as operational requirements. The following factors should be taken into consideration:

- the number of bus stops should meet the traffic demands of a given bus station.
- individual bus platforms should be planned to accommodate standard coach sizes. There must be sufficient space for a bus length of at least 15 meters.
- a need-based placement of the bus platforms (parking slots):
  - Optimal for smaller terminals is the option of arranging bus stop parking in a fishbone pattern, so that buses can be serviced simultaneously without interference. This solution provides the greatest amount of safety for boarding passengers and loading and unloading baggage.

- Parallel parking slots and platforms (either set at a diagonal or a right angle to the terminal) as at the ZOB Berlin are preferred by bus drivers over platforms with head-in parking slots. The former solution does not require coaches to back up, which necessitates a signaler and increases the risk of accident. Such risk can be minimized by using safety light barriers in bus lanes of the kind employed at the ZOB Hamburg terminal.

Figure 9: Diagonal layout of the bus platforms at the Hamburg terminal

Source: MeinFernbus

In terms of the size and planning of the terminal it is not only important to consider how to best facilitate arrivals and departures. The following considerations are also relevant:

- a sufficient number of coach parking places, especially when the terminal is the final stop for multiple coach lines.
- a sufficient number of parking places for cars and enough space for transfers (e. g. to taxis). Following an arrival by public transport, taxis are the second most popular means of reaching a coach terminal.
- handicapped accessibility: The German Passenger Transportation Act stipulates that as of 2016 new buses (coaches as well as public buses) and as of 2019 all buses must be handicapped accessible (which includes providing space for two wheelchairs). In order to meet these criteria coach operators, bus manufacturers, and advocate groups are currently working closely together to produce a set of specifications.

→ In selecting a location it is important to consider the accessibility of the terminal in relation to local and long-distance transport.

→ A coach terminal must be large enough to easily accommodate future transport volumes.

3.3 Financing

Function is primary to a coach terminal. Location, size, and furnishings should be oriented towards function. Decisions that seem optimal in economic terms may not be meaningful in terms of transport.

Nevertheless, a coach terminal must be operated as economically as possible to minimize government liability. It is important to not only examine costs but also to consider the benefits of a coach terminal.

Who is responsible for the establishment, operation, and financing of a coach terminal? Are subsidies available?

In every city there is the option of doing everything oneself, from planning to construction and management. However, it is advisable, also as a means of fostering ecologically friendly coach travel, to finance the initiation of a coach terminal through public funds, as is generally the rule with rail services. Depending on the size of the terminal, investment costs can be born by private investors to a varying extent, for example through a mixed financing model. Also for this reason, it is important to involve coach service providers in the process early on. Depending on the specific local situation, the construction, operation, and financing can also be born solely by private investors.

The operation of the terminal can be managed by an independent organization (either private or belonging to the municipality). The operation of the terminal can be put out for tender, as in the case of the Hanover terminal.

Up until now the federal government has largely left such financing to the municipalities, and it affirmed this position in July 2013 in response to a financing request. If a coach terminal is also developed to include public transport, then under certain circumstances it is eligible for some funding programs (national and international). In order to clarify the situation for municipalities and terminal operators, the corresponding funding guidelines should be assessed and potentially even amended by lawmakers. In order to avoid being overly dependent on a funding framework, particularly with a view to pending reinvestments, one can consider the option of a capital contribution being made by the terminal operator.

What kinds of refinancing options exist for coach terminals?

For financing day-to-day operations and maintenance, the best solution is to cover as much of these costs as possible through the management of the terminal itself. A number of such financing sources include:

- fees for usage: A fee should be imposed for arrivals and departures. The fee structure should differ according to times of day in order to correspond to the different degrees in willingness to pay these fees and also in order to spread out users in terms of time. Often the schedule of fees provides for discounts relative to the frequency of arrivals and departures of coach operators. Fees vary in accordance with the importance of a managed terminal. At the major German coach stations in Hamburg, Munich, and Berlin these fees currently range between 7 and 13 euro (including value added tax.).

- revenue from renting and leasing shopping and service areas: This includes kiosks, cafés and restaurants, stores for travel needs, office and staff rooms for coach companies, car rental firms, paid parking, and baggage storage facilities. Alternates to fixed rents and leasing fees are profit-sharing models.

- revenue from surfaces available for advertising;

- leasing of toilet facility or charging for use;

- charging for waste removal (e. g. servicing bus toilets).

Additionally, operators are sometimes eligible to receive public subsidies in conjunction with a public management contract, which may be limited to certain purposes (for example, reinvestments) or may be allocated in conjunction with a fixed budget. In this case it is important to consult the laws governing state aid (see also chapter 5).

What features increase the frequency of use and willingness to pay among operators?

The better the location of a coach terminal, the more attractive it becomes to passengers and coach operators. Coach service providers are then more willing to stop at the terminal and pay the corresponding fees.

The most important features include:

- the national importance of the municipality for transport as well as its size and settlement structure (location within the coach network, suitability as a hub, catchment area of the terminal);
- the location of the coach terminal (accessibility by road and rail, and most importantly its proximity to a public transport interface);
- terminal capacity, the management of terminal capacity, and transport and operational procedures,
- the infrastructure and services available to passengers (e.g. waiting rooms, kiosk, and toilets) and coach operators (waiting area and toilets for service personnel, toilet waste removal, etc.),
- passenger information services,
- the number of stopping and parking possibilities.

Figure 10: Passenger facilities at the Mannheim coach terminal

Source: MeinFernbus

The following features are additional criteria that influence the choice of a station stop on the part of coach operators:

- waiting and boarding areas,
- standard elements of all coach terminals should be:
- weather barriers,
- seating,
- information services for passengers (e. g. posted information, dynamic display boards), and
- sanitary facilities directly at the terminal or alternately, in the case of small coach terminals, in the immediate vicinity.

Figure 11: Waiting and boarding area at the Saarbrucken coach station

Source: MeinFernbus

Optimal features, depending on the size of the terminal but important in large cities (100,000 inhabitants and above), are:

- service facilities for buses (toilet waste disposal),
- separate waiting rooms for passengers, and
- a manned service desk, or in some cases the reservation of ticket desks for individual operators.

In order to improve the quality of the stay at a terminal and simultaneously facilitate the (re-)financing of the terminal, in larger complexes it is meaningful to establish a "non-transport" area. The size of the area corresponds to demand and can range from a small kiosk (newspapers / magazines, snacks) to larger shopping and restaurant areas (as in Munich, for example). If such services are available in the immediate vicinity of the coach terminal, the non-transport areas in the actual terminal can be smaller in dimension. If there is a lack of offerings nearby, such a non-transport area offers additional advantages for those neighboring the terminal (e. g. shopping opportunities), and the range of services offered can be more extensive.

- → Municipalities should utilize opportunities to find the best solution for the city together with providers and participate in the planning of the coach terminal. They should plan in terms of need and in dialogue with coach service providers.

- → In every city an individual solution must be found in accordance with need. Particularly in small and mid-sized cities it is often sufficient to merely enhance existing bus stops through limited measures.

4 Conclusion

Coach travel leads to improved transport connections for many cities and regions. It can also meet the growing individual demand for mobility. Since the liberalization of the market in early 2013, services and the demand for services have multiplied. The market will continue to grow, also in the near future. This strengthens the network of ecologically friendly transport providers as a whole, since many coach passengers supplement their journeys through the use of public transport.

In addition, coach services are an economic growth factor, particularly in municipalities. They brings visitors into cites, who use local businesses, hotels and restaurants, and cultural institutions. In addition, this leads to higher tax revenue for municipalities. Given the structure of the market, small and mid-size bus companies are those that have particularly profited from market liberalization. One can continue to expect a dynamic market, in which providers will keep searching for innovative solutions.

First and foremost, coach transport offers the prospect of more visitors and a strengthening of local businesses for municipalities. This chance should be utilized in order to enable an optimal range of coach services in dialogue with coach line operators. Public authorities and coach operators therefore share a fundamental common interest.

This should be reflected in the licensing process. From the perspective of coach operators, drawn-out licensing processes pose a problem, leading to the possibility that the demand will not be met promptly and that coach operators face increased risk. A uniform licensing practice and a dialogue between relevant parties early on in the process can help minimize such risks.

The second important leveraging point for municipalities in terms of supporting coach travel lies in the coach terminals. An easily accessible, sufficiently sized, and well-equipped bus terminal is an advantage for coach travel. The first priority lies in undertaking “simple” measures to enhance existing terminal space. Coach operators are prepared to participate in the financing of coach travel infrastructure (for example, through usage fees), when such facilities are able to meet transport and passenger requirements.

5 Appendix – FAQs on Licensing Practices and Financing

1. Who issues the license to operate a coach line?

Individual state law designates the responsible licensing authority (§ 11 para. 1 PBefG). For modes of transport that will be operated in the districts of multiple authorities within a state or in multiple states, then according to § 11 para. 3 cl. 1 PBefG the responsible authority is the one with jurisdiction over the route starting point. Therefore, the choice of the starting point of a line has a certain influence on which licensing authority is responsible for an application. If a license is denied, the only recourse for applicants is to take steps provided by administrative law.

Each state allocates licensing responsibilities differently. Due to the abolishment of mid-level authorities over the course of administrative reform and "streamlining," there is a certain trend towards licensing on a state administrative level in larger states (Brandenburg, Mecklenburg-Western Pomerania, Lower Saxony, and Rhineland-Palatinate, which has three licensing offices, as well as Saarland, Saxony, and Thuringia). In others there is a trend towards decentralization (Saxony-Anhalt and Schleswig-Holstein, whereas in the case of the latter the licensing for two local districts is provided by the state capital Kiel per agreement). Only in Bavaria, Hesse, and North Rhine-Westphalia are mid-level authorities responsible for licensing. A unique situation exists in Baden-Württemberg, in which this responsibility is divided between lower administrative authorities (local districts) and high-level state offices.

The PBefG-Handbuch (German Passenger Transportation Act Handbook), volume 1, offers an overview of all licensing authorities.

2. How is the distance of 50 km between coach stops determined?

This question is best answered by examining two additional questions:

a) What is considered a relevant coach stop in determining the distance of 50 km?
b) How is the distance between two (relevant) stops measured?

The German Passenger Transportation Act (PBefG) does not specifically address these two questions and there has been no ruling made on this issue to date. For licensing authorities the instructions compiled by federal and state governments (i.e. by a state and federal expert committee or "Bundesländerfachausschuss," abbreviated as BLFA) for the implementation of the revised PBefG (Instructions for the Implementation of the Passenger Transportation Act, October 2013) serve as guidelines. It was agreed that licensing authorities should proceed in accordance with these instructions.

In terms of question a), under item 2.9 the interpretation of the term “Haltestelle” (coach stop) is described in such a manner as to permit both a narrow and broad interpretation of the term.

A narrow interpretation assumes that the physical location of a rail station is a decisive factor. If a coach station and a rail station are far apart, then the protective clause does not apply. A broad interpretation assumes that the protective clause only applies when the journey to the next town is possible by regional rail transport in less than an hour, independent of the physical location of the rail station. In this case the location of the coach stop is the decisive factor.

The BLFA committee views the broader interpretation as applicable, since it would reflect the purpose of the norm and the (would-be) interests of passengers. If the statute were to be interpreted more narrowly, it would lead to problems in the assessment of license applications in special cases, such as multiple regional rail transport nodes or twin cities. A narrow interpretation would also entail the possible risk of regulations being circumvented. For this reason, one should view the location of the coach stop as relevant. However, each situation must be assessed on an individual basis, since it is not possible to make a judgment that applies across the board.

On point b), the BLFA committee provides instructions under item 2.9 for two possibilities: either measuring the direct distance “as the crow flies” or using the shortest distance on the route driven by the coach. The most appropriate solution is to measure the distance by the shortest distance driven by the coach. However, one must ensure that the operator actually uses the shortest distance possible. In practice, sometimes the length of the relevant regional rail connection is used as orientation. However, since the rapid speed of regional rail transport usually covers distances of well over 50 km within an hour, this only seldom poses a distance problem. Usually the travel time by rail is the key factor.

3. What documents must be submitted for a licensing application in accordance with the Passenger Transportation Act (PBefG)?

The documents required when applying for a coach transport license are listed in § 12. Especially important are the following:

- Information on the applicant and the route in question, for example stops along the route, types of vehicles used (§ 12 para. 1 cl. 1 no. 1 and no. 3 as well as the relief provided by § 12 para. 1 cl. 2 of the PBefG),

- Proof of the reliability of the operator and the solidity and capacity of the company (§ 12 para. 2 of the PBefG).

4. Must the driver always carry the original license?

In accordance with § 17 para. 4 cl. 2 of the PBefG, the license, or an official abbreviated version thereof, must be carried in transport routes using motorized vehicles, if this is stipulated in the licensing document.

5. When does the exception rule described in § 42a of the PBefG apply?

The exception rule provides for stops at a distance less than 50 km apart. An application must be made for an exception, when a portion of a route does not meet the conditions stipulated in § 42a cl. 2.

An exception is to be granted, if

1. if existing local transport services are insufficient, and

2. if the number of passengers using existing transport services will not be significantly impacted.

In the instructions articulated in section 2.11, the BLFA committee states that the applicant must explain the facts underlying the need for an exception. However, the formulation of this passage is contradictory, since both stipulations determining the exception argue on the basis of a “negligible impairment” of other transport services. According to state law in this case it is necessary to consult not only the affected companies but also the responsible authorities.

In individual cases the BLFA committee considers it justifiable to grant and exception and then evaluate its impact. This could be applied to cases in which the arguments of the applicant cannot be thoroughly refuted by objections voiced by other transport companies or authorities and in which it is not possible to reach an agreement.

6. Does an operator have a legal right to certain station locations? How can one manage conflicts that arise from the joint use of existing public transport stations?

According to the German Passenger Transportation Act (PBefG) a license may be denied for a stop, if the capacity of the bus stop has been reached to the point that additional traffic would pose a safety risk. In practice this regulation is sometimes interpreted very broadly (impeding public transport buses is also considered a "traffic safety risk"), because lawmakers have not provided a specific list of safety criteria.

In actuality there is only seldom "competition" for bus stops as a limited resource, since licensing applications must not be submitted by all companies by a certain date but can be submitted individually at any time. However, it can occur that stops are crowded and that stopping options are limited during peak traffic hours.

The German Passenger Transportation Act (PBefG) does not have any provisions calling for the retroactive withdrawal of a license, if the capacity of a bus stop becomes limited. The decision as to the use of a bus stop is thus largely made in correspondence with the order in which applications are received.

7. Which legal subsidy requirements should be considered in terms of financing?

Laws governing state subsidies may apply to both the construction and operation of a terminal. Fundamentally, payments made by public authorities must be equivalently matched. In the case of tender being made for a service contract (e. g. for the operation of a coach terminal), it is reasonable to assume that the level of compensation is determined by competitive market forces and therefore can be deemed compatible with state aid rules. State aid may not fundamentally contradict the mechanisms of the market or hinder competition. If the situation is unclear, planned measures must be registered with the European Commission.

List of Illustrations