

UNECE

Capacity building workshop on

Strengthening Regional Rail Transport Connectivity

29. November 2018

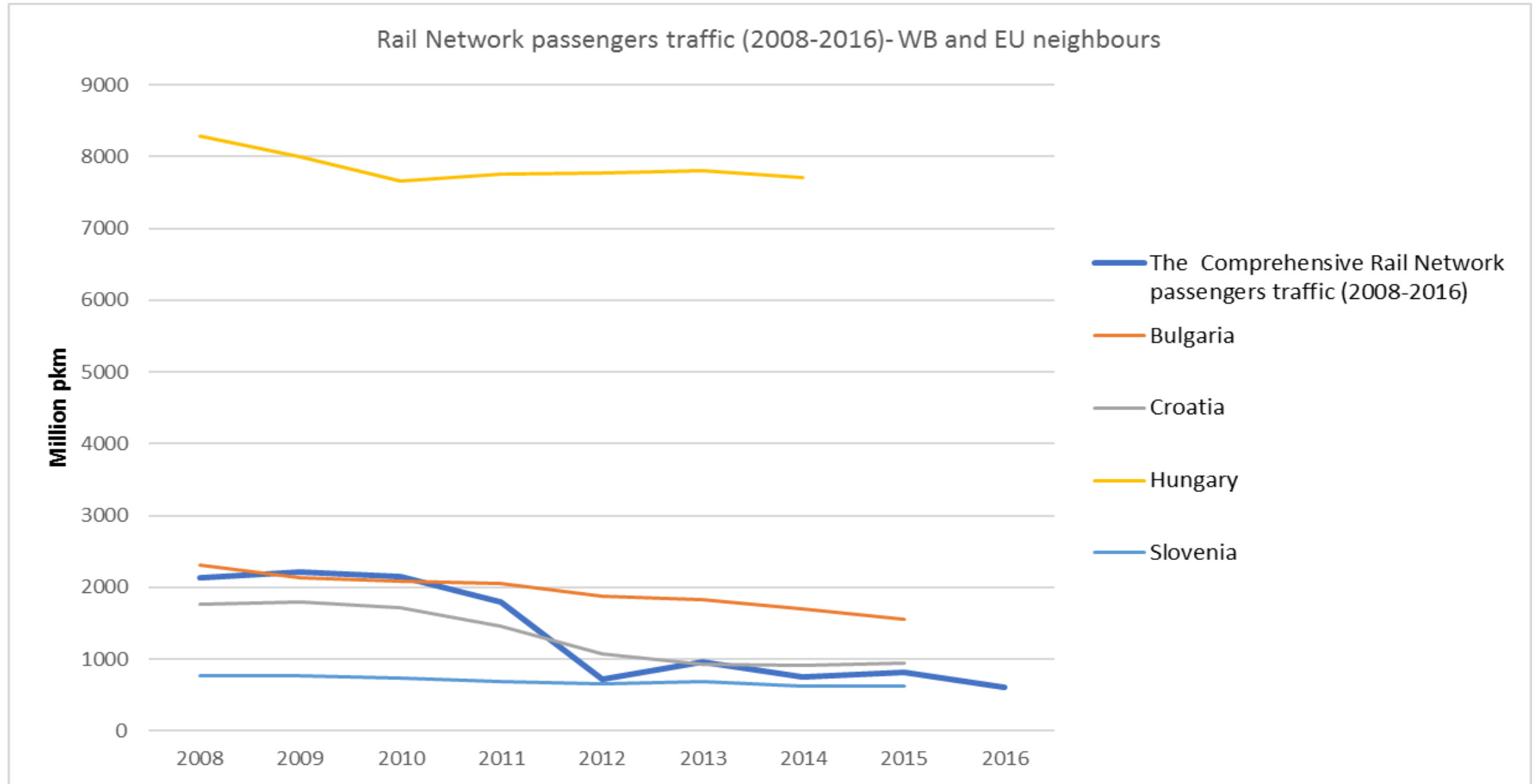
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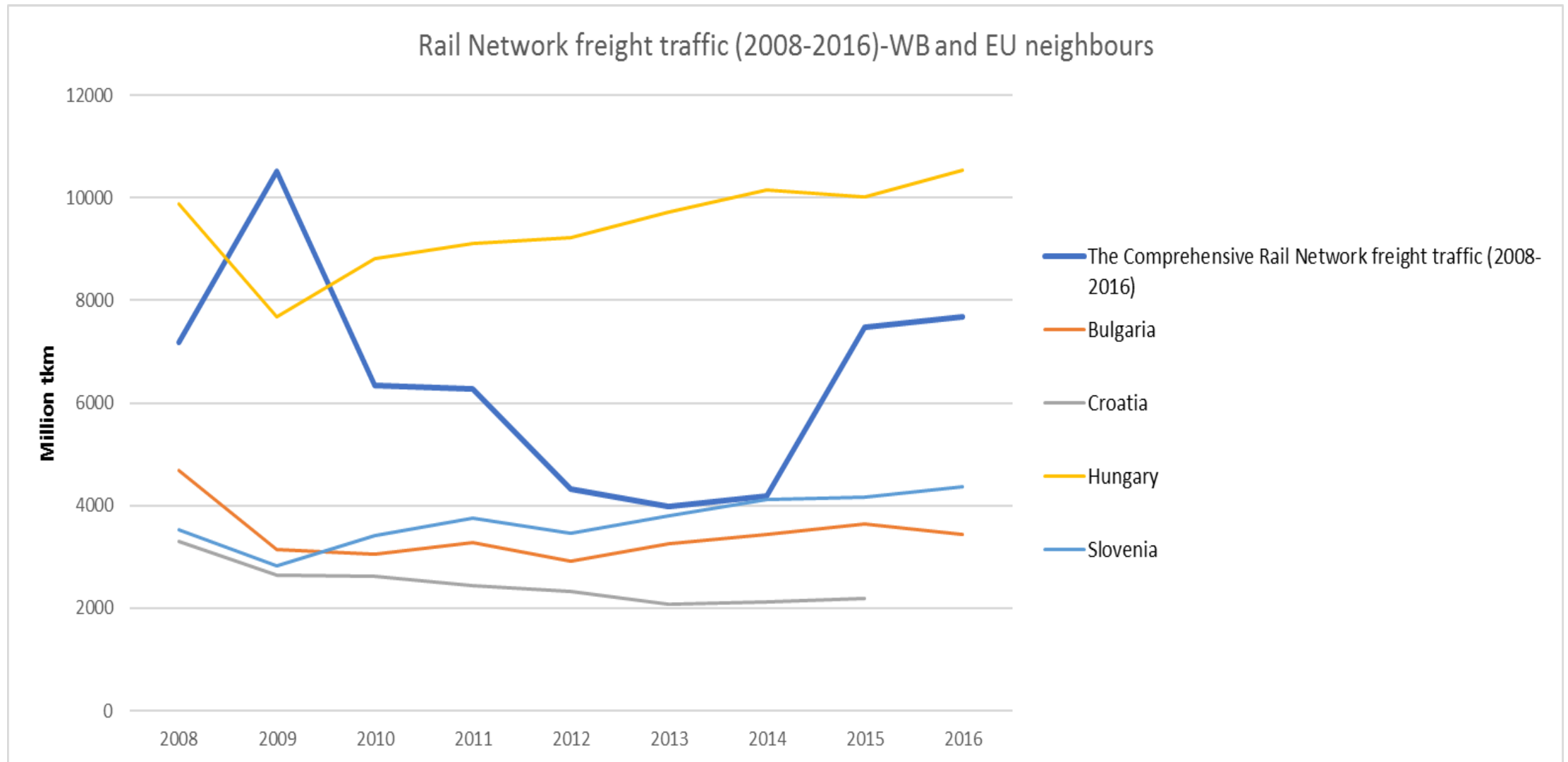
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2. Identified gaps and recommendations
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1. Introduction and current situation



1. Introduction and current situation



1. Introduction and current situation

➤ Condition

Lengths of sections in "very poor", "poor" and "medium" condition on the entire TEN-T C&CNWB (in kilometres)

	"Very poor"	"Poor"	"Medium"	TOTAL	% of network
Rails	914	841	375	2,130	56%
Sleepers & Fastenings	1,112	138	130	1,380	36%
Ballast	1,793	168	75	2,035	53%

2. Identified gaps and recommendations

Alignment of the legislation with the EU acquis

- Transposition of the recast of the 1st railway package and 4th railway package as well establishment of single railway area should be given very high priority
- Transposition (on good track) and implementation (slow) of the EU rail acquis
- Restructuring is ongoing in all national rail companies
- Rail market opening (current situation)

2. Identified gaps and recommendations

- **Operational aspects**

- **Financing gap**

- Investment gap for financing is 4.65 billion euros.
 - Preparatory projects - 3.5 billion and mature projects – 1,15 billion euros.
 - Insufficient maintenance

- **Operational constrains**

- Long duration of project preparation
 - Efficiency of using EU funds (IPA, WBIF, CEF)
 - Efficiency of using loans
 - Competitiveness

2. Identified gaps and recommendations

- **Bottlenecks**

- Maintenance

- REBIS - annual cost - €60 + €580 million.
- Connecta study - above 30% sections in poor condition

- Alignment with TEN-T standards

- Electrification, 78% of the OEM Corridor and 74% of the MED Corridor are compliant.
- Axle load (22,5 t), 87% OEM Corridor and 77% MED Corridor.
- 45% of the OEM Corridor and 12% of the MED Corridor are compliant in terms of maximum operating speed.
- **These results clearly indicate that a large percentage of the problems that the railway network in the region faces, are due to lack of proper maintenance.**

2. Identified gaps and recommendations

- **Bottlenecks**

- Lack of coordination between the operators or infrastructure managers

- Long term strategies, business plans and network statements.
- Maintenance plans.

- Interoperability issues

- Region needs to implement EU standards.
- Infrastructure planning and construction.
- Deployment of new systems (e.g ERTMS).
- BC and IT systems
- Mutual recognition of driver licences.

Indicative Extension of the TEN-T Rail
Comprehensive/Core Network to the Western Balkans



Comprehensive:
3.857 km

Core:
2.602 km

Indicative Extension of the TEN-T Road
Comprehensive/Core Network to the Western Balkans



Comprehensive:
5.463 km

Core:
3.522 km

3. Investment needs

SEETO MAP 2018

- The estimated investment required for the implementation of these 65 priority projects is approximately €13.9 billion
- Rail projects are represented in the priority project list with 18 out of 65 nominated priority projects
- Investment needs in railways amount to **€ 4.6 billion**

Comprehensive/Core	Length (km)	Length of sections under planned projects	Percentage of network covered by priority projects
Comprehensive network	3857	1.241	32%
Core network	2602	1.044	40%

3. Investment needs

Mature projects-SEETO MAP 2018

Mature Projects	Corridor/ Route/ Node	Regional Participant	Project name	SEETO Network	Length (km)	Total cost (M€)	
	Railway projects						
	Corridor Vc	BIH	Overhaul of the railway section Sarajevo-Podlugovi	Core	24	22,5	
		BIH	Overhaul of railway double track section Doboj - Maglaj and single track section Jelina - Zenica	Core	32,1	75,5	
	Corridor VIII	FYROM	Constuction of the railway section Beljakovce-Kriva Palanka- Border with Bulgaria	Core	57,4	470	
	Corridor X	SER	Reconstruction and modernization of the existing railway track and construction of a second track on the line Beograd – Nis, section Stalac – Djunis	Core	17,74	157	
SER		Construction of the by-pass railway line Beli Potok – Vinca – Pancevo with road-railway bridge over the Danube River near Vinca and highway By-pass of Belgrade section C	Core	31	430		
Total cost mature (M€)						1155	
Total length mature (km)					162		

3. Investment needs

Preparatory projects-SEETO MAP 2018

	Corridor/ Route/ Node	Regional Participant	Project name	SEETO Network	Length (km)	Total cost (M€)
Railway projects						
Preparatory	Corridor VIII	ALB	Development of the Corridor VIII - section Durres- Rrogzhine - Pogradec /MKD border	partly Core/Comprehensive	137	206
		ALB	Construction of the new railway Pogradec-Korca – border to Greece	Comprehensive	90	150
		ALB	The construction of railway line from Tirana Public Transport Terminal (PTT) to a new railway station in Tirana	Core	n/a	6
	Corridor X	SER	Reconstruction and modernization of sections on the railway line Nis - Preševo (section Brestovac - Vinarci, Djordjevo - Vranjska Banja, Ristovac -Bujanovac, Bukarevac - Presevo)	Core	88,14	160
		SER	Modernization for the contemporary double-track traffic of the single - track section of the railway line Resnik-Klenje-Mali Požarevac - Velika Plana,	Core	84	368
		SER	Modernization of section Velika Plana- Nis (without sections Gilje -Paracin and Stalac - Djunis)	Core	111	276
		SER	Construction and modernization of railway bypass around Niš	Core	22,4	90,7
	Corridor Xb	SER	Reconstruction and Modernization of the railway line Belgrade - Novi Sad - Subotica - border with Hungary (Kelebija)	Core	142	1.740
	Corridor Xc	SER	Modernization of the single-track railway line Nis – Dimitrovgrad – Bulgarian border, section Sicevo – Dimitrovgrad	Core	86	268
	Route 2	ALB	Improvement of the railway link Durres - Vora-Shkodra-Hani Hotit	Core	140	165
	Route 2	MNE	Reconstruction and modernization of railway section Podgorica - Tuzi	Core	24,7	35
	Route 4	MNE	Rail Route 4 (Bar-Vrbnica) - Reconstruction of railway line (sections: Trebješica - Lutovo - Bratonožići - Bioče - Podgorica)	Core	46,3	36
	Route 9a	SER	Reconstruction and modernization of the railway line Ruma-Šabac-Donja Borina - State Border with BIH	Comprehensive	107	24
Total cost preparatory (M€)						3.525
Total length preparatory (km)					1.079	

3. Maintenance needs

- The result from Connecta study shows, that without any prioritisation, the total volume of superstructure RIA renewal works (of any kind) that should be performed within the target period 2019-2023 amounts to **3468.76 km (out of 3857)**, for which the data were obtained from WB6 RPs, 2,499 km of rails, 2389 km of sleepers, 2457 km of fasteners and 2732 km of ballast have either exceeded their service lives (RSL ≤ 0) or are having less than 20% RSL (Residual Service Lives)
- Project aimed at sections in poor and very poor condition, hence sections with RSL ≤ 0 and $0 < \text{RSL} \leq 20\%$, i.e. effectively RSL $\leq 20\%$ were selected
- Therefore, only RIA with RSL $\leq 20\%$ represent “candidates for replacement” in the period 2019-2023

3. Maintenance needs

- Volume of M&R (Maintenance & Renewal) is extremely large and therefore, a strategy had to be devised as to how to prioritise
- For the purposes of establishing M&R plans for the 5-year period 2019-2023 analysis was undertaken under 3 distinct scenarios:
 - A. “Ideal/Maximum”,
 - B. “Medium” (roughly 50% of the “Ideal”) and
 - C. “Minimum” (roughly about 20% of the “Ideal”).
- Budget
 - Rail Infrastructure M&R Budget for “Ideal/Maximum” scenario – €2.914 billion
 - Rail Infrastructure M&R Budget for “Medium” scenario – €1.224 billion
 - Rail Infrastructure M&R Budget for “Minimum” scenario €566 million

4. Connectivity reform measures

- Vienna Summit measures
 - Rail market opening on the pilot basis on the Orient/East Med Corridor
 - Establishment of functioning maintenance system ensuring no section in poor/very poor condition by 2020
 - Cooperation frameworks such as RFC
 - Border crossings
- Intermodal issues

4. Vienna Summit CRM Mngmt Plan

Vienna Summit Soft Measures Management Plan

Medium-term Regional Actions (2020 Goals)	Short-term Regional Actions (2016 Goals)
1. Opening of the transport market	
1.1 Implementation of rail reform strategy	<ul style="list-style-type: none"> • Rail market opening on the pilot basis on the Orient/East Med corridor • Definition of a framework for implementation of EU Freight corridors extended to the Western Balkans
2. Establishment of competitive, reliable and safe transport system	
2.1 Improvement of road safety Targeting the reduction of fatalities by 20% compared to reference year 2014	<ul style="list-style-type: none"> • Adoption of Road Safety inspection (RSI) guidelines and curriculum and delivering of training
2.2 Trade and Transport Facilitation	<ul style="list-style-type: none"> • Development and implementation of System of Exchange Excise Data (SEED) Plus to support the CEFTA Framework Agreement on exchange of data and simplification of inspections <ul style="list-style-type: none"> ◦ Signature of a legally binding document-protocol on an exchange of transport data in cooperation with CEFTA
2.3 Intelligent Transport System (ITS) deployment on the Core Network	<ul style="list-style-type: none"> • Definition of strategic framework for implementation of ITS on the Core Network
2.4 Establishment of functioning maintenance system ensuring no section in poor/very poor condition	<ul style="list-style-type: none"> • Adoption of Maintenance Plan for 2016-2020 for the entire Core Network
3. Increasing effectiveness of Border Crossing Procedures	
3.1 Effective Border Crossing Agreements	<ul style="list-style-type: none"> • Implementation of the BCA between Serbia and the former Yugoslav Republic of Macedonia • Conclusion of negotiations between Bosnia and Herzegovina and Croatia for all BCs • Implementation of BCA between Montenegro and Albania as a part of Adriatic-Ionian highway project
3.2 Implementation of Integrated Border Management (IBM) strategy	<ul style="list-style-type: none"> • Implementation of IBM at Common Crossing Points (CCPs) between Serbia and Kosov <ul style="list-style-type: none"> ◦ Provide one parking lane on each side of the CCP of Merdare

4. Connectivity Measures Progress

- Railway market open for domestic carries
 - ✓ *In Albania, Kosovo, Montenegro, Serbia*
 - ✓ *5 private Rus in Serbia, 1 in Albania and 1 in Kosovo**
- Road safety inspections, ITS deployment, Road/rail maintenance and road border crossing facilitation
 - ✓ *Connecta started in January 2017*
 - ✓ *Final reports in October 2018*
- National Connectivity Reform Measures
 - ✓ *Joint operation in Tuzi started between Albania and Montenegro*



* This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

Rail market opening on the pilot basis on the Orient/East Med Corridor

- SA. 1 Legislative changes to allow market opening to domestic carriers
- SA. 2 Regular consultation platforms with forwarders and shippers established
- SA. 3 Mutual recognition of train driver license
- SA. 4: Review of national technical rules and safety rules for elimination or later reporting to ERA
- SA. 5 Network statement for the main infrastructure manager published
- SA. 6 Networks statements for rail freight terminals, including in sea ports and river ports published

Establishment of functioning maintenance system

- SA 3 - Change budgetary planning practice to introduce 5 year contracts
- SA 4 – Introduce asset management system
- SA 5- Rail Maintenance Plan for Core/Comprehensive Network for period from 2018, ensuring no section in poor/very poor condition by 2020
- SA 6- Coordination between the regional IM (neighboring IMs between themselves), consultation with interested parties before preparation of maintenance plans and the schedule for works and publication in the network statement

Rail Freight Corridors

- Coordination of planned temporary capacity restrictions
 - Coordination on traffic management
 - Coordination on works and possessions
 - Timeline for coordination
 - Management of conflicts between TCRs
- Capacity Allocation
- Quality Evaluation-Performance monitoring

BC agreements and joint stations establishment

- Implementation of the rail border crossing agreement between Serbia and the former Yugoslav Republic of Macedonia
- Conclusion of negotiations between Bosnia and Herzegovina and Croatia for all border-crossing points (BCPs)
- Implementation of the border crossing agreement between Montenegro and Albania as a part of Adriatic – Ionian Initiative project
- Revisiting the rail border crossing agreement between Serbia and Bulgaria
- Implementation of the border crossing agreement between Kosovo* and the former Yugoslav Republic of Macedonia
- Conclusion of negotiations and signing of rail border crossing agreement between the former Yugoslav Republic of Macedonia and Greece for border-crossing point (BCPs) on Corridor X

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Intermodal issues

- The favourable transit position of the region and existing SEETO Network offer great potential for the development of intermodal transport, both internally among the countries and internationally
- However, intermodality in the region is underdeveloped
- The main problems that the development of the intermodal transport in SEE region is facing refer to the following issues:
 - *Institutional issues* - weak institutions, inadequate organization, non-existence of relevant associations, limited strategic foresight.
 - *Planning process* - insufficient support to the comprehensive and wide-ranging planning process in the logistic transport chains.
 - *Operational issues*, which comprises weak coordination and cooperation among stakeholders in the transport chain, as well as a lack of policy initiatives by governments for intermodal transport organization.
 - *Lack of infrastructure facilities* - inadequate and weakly developed suitable infrastructure or superstructure, old mechanization and equipment.
 - *Economic constrains* – lack of the concentration of considerable transport volumes at a reduced number of terminals to enhance intermodality in the region.
 - *Tariff policy issues*, which do not stimulate the use of intermodal transport.
 - *Awareness issues* - underdeveloped awareness of the benefits which an intermodal transport system provides and inadequate marketing of the benefits.

5. How Transport Community could help

- Accelerating the process of EU acquis transposition
- Through TCT structures facilitated process of implementation of legislation and project preparation
- Through TCT structures enhanced possibilities for national capacity building and knowledge sharing, which should decrease needed time for project duration and preparation
- Creation of single Western Balkans railway area which would bring to higher railway competitiveness
- Rail freight Corridors
- Through Connectivity agenda, WBIF and Core Corridor mechanisms more streamlined investments in the railway sector

Conclusions

- Regional cooperation in all levels (G2G, B2B, etc)
- Common rail strategy
- Permanent consultation with neighbours (strategies, action plans, business plans)
- Market opening on regional level
- Corridor approach
- Support needed from EC (investment, TA)



**Thank you for your
attention!**