“Railway in Serbia – part of regional transportation market”

The second stakeholder conference of the Danube strategy (EUSDR)
Belgrade, 03.10.2013.
The main goals:

- High level of safety
- Improving quality of transport services
- Stimulating economic growth through more efficient and cost effective transportation
- Integration into the EU transport system
- Minimizing negative impact to the nature and environment.
• European Agreement on Main International Railway Lines (AGC)

• European Agreement on Important International Combined Transport Lines (AGTC)

• Agreement on the cooperation progress in South East Europe (SEECP)

• European technical specifications for interoperability (TSI)
Republic of Serbia
Ministry of Transport

Railroad Corridor X

• The ultimate goal is double track, electrified railway suitable for speed limit of 160 km/h

• Integration of Serbian railways in the transport map of Europe

• Safe, efficient and customer adjusted transportation system
Republic of Serbia
Ministry of Transport

SOUTH EAST EUROPE
Core Network Links
Railways

Corridors and Routes
- Corridor X
- Corridor Xb
- Corridor Xc
- Corridor Xd
- Corridor Vb
- Corridor Vc
- Corridor VIII
- Route 1
- Route 2
- Route 4
- Route 9
- Route 10
- Route 11

South East Europe Core Regional Network Development Plan, Five Year Multi-annual Plan 2008 - 2013
July 2008
Republic of Serbia
Ministry of Transport

General Transport Master Plan to 2027

Projekti razvoja

- Stara Pazova – Subotica
- Velika Plana – Stalač
- Đunis – Trupale
- Stara Pazova – Šid
- Resnik – Klenje – Mali Požarevac – Velika Plana
- Stalač – Đunis
- Niš – Preševo
- Niš – Dimitrovgrad
- Resnik – Mladenovac – Velika Plana
- Rehabilitacija regionalne železnice
- Valjevo – Loznica
- Beograd – Vrbnica (Bar)
- Beograd – Aerođrom – Batajnica
- Beograd – Vršac
<table>
<thead>
<tr>
<th>Br.</th>
<th>Železnička deonica</th>
<th>Vrsta projekta</th>
<th>Dužina (km)</th>
<th>Invest.troškovi ovi</th>
<th>Održavanje</th>
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<tbody>
<tr>
<td>1</td>
<td>Stara Pazova - Subotica</td>
<td>Dvokolosečna pruga 160 km/h &amp; ERTMS</td>
<td>185</td>
<td>555</td>
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<td>Regionalne pruge</td>
<td>Rehabilitation projekovane brzine</td>
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<td>Valjevo - Loznica</td>
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The Main Challenges

• Railway infrastructure development in collaboration with the neighboring countries
• Border procedures in railway transport
• Institutional Reform
• The liberalization of railway transportation market
• The joint approach to customers (Cargo 10)
Railway Infrastructure Development

• Harmonization of national development plans is of great importance because the same criteria must be used in all the Western Balkans countries.

• Criteria related to the parameters used in the design and construction process (speed, curve-radius, axle weight, etc) to maximize the quality of transport services being offered.

• Balkan countries are small, they must work together, therefore must develop railroad infrastructure for themselves, because it is a luxury that only large and rich countries can afford.
Border procedures in railway transport

• The infrastructure development is not the only requirement for improving the quality of services in railway transport.

• Border agreements between the countries is mighty tool for shortening the time spent on the borders to the point of entry into the EU. Those agreements are made in cooperation with the following institution: Police, Custom, Inspection, and Railway.

• Serbia has an agreement with Bulgaria, Montenegro, and agreement with Macedonia is being finalized.
Institutional Reform

- The Law on Railways
- Draft Law on Safety and Interoperability
- Change of legal form from government-owned corporation (GOC) to joint-stock company (JSC) "Serbian Railways"
- The new Articles of Association of JSC "Serbian Railways"
- Establishment of subsidiaries
- Separate accounts
- Contractual relationship with the Government
- Directorate for Railways
- Safety authority
- The regulatory body
- Market liberalization
The liberalization of railway transportation market

- Certainly the biggest challenge for all countries in the Western Balkans
- Monopoly is now spread everywhere throughout the Western Balkans
- The three stages of opening
- Interoperability is an important advantage in the Western Balkans
The common approach to customers (Cargo 10)

• Joint sales tool

• Nowadays, it takes up to seven days for a potential client to collect three bids for transportation and in the mean time the freight gets transported by the alternative method.

• The Government of Serbia adopted the Founding Act for Cargo 10 JVC.

• It is expected in forthcoming period this company to start being operate.
EU Strategy for Danube Region
Study on inclusion of a new RAIL corridor linking together the EU and non-EU member states

• All of the above mentioned challenges will have great support through the EU project

• Market aspekt:
  • Analyze the transport demands in the Danube Region and further along South Eastern axis
  • Analyze current cross-border rail transport and transit times,
  • Identify non-infrastructure bottlenecks,
  • Asses level of reforms of the railway companies in the Region, achieved level of interoperability and open market in individual countries,
  • Based on the results define recommendations 1.
Infrastructure aspect

- Estimation of the condition of current rail network on the Corridor X
- Define scenarios of investments (minimal and maximum)
- Identify current infrastructure bottlenecks and potential bottlenecks due to future traffic increase
- Identify priority projects with required investments
- Based on the results define recommendations 2.
Benefits

• Transnational dimension, shared experience between stakeholders

Project results

• Overview of current situation (operation and infrastructure)
• Market demand of the Danube region countries and real needs based on interviews and questionnaires. Forecasting of rail transport flows, updated status on the development of the Rail Corridor X.
• Basis for a future comprehensive study of the Rail Corridors crossing the Danube Region.
• Based on project results, the decision makers (GMs, railway companies, MoT, MoF, IFI-s, etc.) will have benefits and good ground for investment planning and forecasting
The infrastructure projects

- EIB II - € 50M
- EBRD IV- € 35M
- IPA – Zezelj Bridge - € 45,3M
- EBRD V- € 95M
- Kuwaiti loan - € 27M
- Russian loan - $ 800M
- IPA 2008 - € 3M
- PPF4: Nis – Brestovac - € 1M
- IPA 2011- € 8,3M
- Czech credit - € 120M
• Project: Facilitating intermodal transport in Serbia: €2M IPA 2008
• The construction of the intermodal terminal in Belgrade
• EU/IPA 2013, RS budget and the budget of the City of Belgrade: €19M
Modernization of the rolling stock

- EBRD II - € 60M
- Eurofima - 43 mill CHF
- Domestic wagon production revitalization program
- EBRD III- € 100M
- EBRD IV- € 65M
- Russian credit - $100 M
Conclusions

• The Danube Strategy is a strong support to the regional rail network linking
• Efficient use of investment is preconditioned by the railways reform
• Expanded, improved and safe railroad network with market access
Conclusions

Through the traffic management policies in the field of rail transport, the MoT will continue to support the development of the railway through investments and reform of the railways, in order to obtain:

- Improvement and expansion of the railway network
- Improvement of the railway transport vehicles quality
- Traffic safety increase
- Increase of the average speed and reduction of travel time
- Integrated system in European Railways
- Meeting the needs of modern transport market
- Improvement of the quality of life in Serbia

Once we fulfill all of the above-mentioned aims, we will achieve a modern rail system adapted to the users in passenger and freight transport.
Thank you for your attention!