

Presentation of Albania at the 14th Meeting of the RWG

As a part of Technical Assistance to the Ministry of Public Works and Transports a study has been performed by Luis Berger having as an overall objective the reviewing and drafting of a new legislation in rail transport to achieve an efficient transport sector, and ease the process of Albania's accession to the European Union.

The first draft of the new law was submitted to us by the mid of January, but it lacked the most important part, the Chapter on Safety. According to LB consultants, part of the law relating to safety of railway traffic should remain on the existing level and the Ministry should be looking for a special project to create a new Law on safety, because it is a big job and requires experts of different profiles.

According to our opinion such a mutilated law, with the old safety part will not be functional.

Approval as soon as possible of a new and complete railway law is indispensable, since there are three years now that HSH organization has been preparing for the future situation, however without the institutional changes that are required to complete the restructuring.

Regarding safety, a twinning project has been proposed under IPA 2012 funds to support the Ministry in reforming the regulatory environment. This is to be achieved through the creation of a Railways Safety Regulatory Unit within the Ministry and the implementation of an overall Safety management system at Albanian Railways . Safety reforms will be implemented by approximating existing safety systems and procedures (to the extent feasible) to relevant EU Directives.

The project will be divided in 4 components

1. Preparation of an Action Plan for a new operating model
2. Creation of a Railway Safety Regulator Unit and Setting up of an Accident Investigation Body
3. Implementation within HSH of a safety Management System
4. Training regarding safety at all levels.

Regarding the border crossing agreement with Montenegro, the first preliminary draft of new agreement, according to recommendations of SEETO, has been negotiated by all actors and a common action plan has been produced to be implemented by experts of both sides regarding mainly the technical questions.

Also, by the end of May a meeting was held with the Macedonian experts to discuss the technical matters concerning the railway connection between two countries.

The final draft of Regulation on Licensing the Railway Undertakings has been finalised.

Referring to IPF projects, the Project funded under IPF1 concerning Infrastructure and Signalling Improvement in the core network, assessed the existing condition of the railway infrastructure and recommended remedial measures to bring it to an acceptable

standard suitable for modern trains and signalling to operate at the required speeds and to enable eventual European interoperability.

The second project funded under IPF2 is composed of two components

- Preparation of detailed design for the railway section Tirana – Durres
- Preparation of a full economic and financial appraisal in line with IFIs requirements.

The detailed design will be financed by EBRD. Actually the EU experts are preparing the TOR of the said project and by mid of June it will be submitted for approval to EBRD and all actors

As regards the market, worthy of mention is that freight international transport by rail, via Bajza border station, has continued normally and is experiencing growth from year to year. The main import goods are industrial goods and foodstuff, while export goods are cement and Virginia oil.

The main clients of HSH for 2011 remain ARMO oil company Tirane, KURUM company Elbasan and Cement factory , Fushe Kruje.

Although the crises these companies have experienced in previous years, they are now working to find new markets for exportation of their products.

- ARMO company envisages to export about 20.000tons of Virginia oil.
- Kurum company, despite import of scrap, envisages the export of its products towards Montenegro and Serbia.
- Cement factory, Fushe Kruje envisages increase of export of palletized cement not only towards Montenegro but also towards Serbia.