

Railway Reform in Serbia

SEETO Working Group Railway and Intermodality, 1st - 2nd of December 2011, Skoplje

I RAILWAY REFORM IN SERBIA

Legal status of the „Serbian Railways“:

In May 2011, the Government of the Republic of Serbia adopted two acts:

1. Decision on the transformation of the legal status of the Public Enterprise „Serbian Railways“ into the Joint Stock Company „Serbian Railways” and
2. Decision on amendment of the establishing act of the Public Enterprise „Serbian Railways“.

In accordance with the Law on Railways and mentioned two Decisions Serbian Railways will be organized as a holding company with four following daughter companies:

1. Infrastructure management;
2. Passenger transport and related maintenance;
3. Freight transport and related maintenance and
4. Assets management.

Establishment these four enterprises and full implementing a new organization structure are planning at the beginning 2012.

Legislation activities on the new laws:

1. **The Draft Law on Railways** is adopted by the Government and now is in parliamentary procedure.
The Draft Law on Railways seeks to transpose certain provisions of European Directives 91/440, 95/18, 95/19, 2001/12, 2001/13 and 2001/14 and with Council Regulation 1370/2007.
2. **The Draft Law on railway safety and interoperability** is finished by the Working group and now we collect opinions of relevant Ministries, agencies etc.
It seeks to transpose certain provisions European directives 2004/49, 2007/59 and 2008/57.
We expect to be adopted by the parliament to at the beginning of 2012.

II RAILWAY PROJECT IN SERBIA

In accordance with Law on Budget for 2011 JSC Serbian Railway have subsidy about € 145.824.000 for maintenance infrastructure and passenger transport.

Currently for Serbian Railways have the following projects financed through IFIs funds:

	Creditor	Requested value	Project proposal
1.	EUROPEAN INVESTMENT BANK (EIB II)	€ 80.000.000	Rehabilitation and modernization on the sections of the Corridor X network (Batajnica - Golubinci and Gilje - Cuprija - Paracin)
2.	EUROPEAN INVESTMENT BANK (EIB III)	€ 200.000.000	Modernization railway line on the section of the Corridor X (Stara Pazova – Novi Sad)
3	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD II)	€ 60.000.000	Procurement of 770 wagons, procurement supporting tyre lathe and reconstruction of the hall to accommodate lathe and procurement of related equipment for additional processing of wheels
4.	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD III)	€ 100.000.000	Procurement of 25 electric trains
5.	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD IV)	€ 100.000.000	Rehabilitation of key sections of Corridor X (total length of 112 k), including the procurement of mechanization of maintenance and procurement up to 15 multi-system locomotives
6.	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD V)	€ 95.000.000	Rehabilitation and modernization of the Corridor X network focussing on renewal of the section Belgrade - Rakovica - Resnik and rehabilitation of sections along Corridor X
7.	EUROFIMA	CHF 43.000.000	Procurement of 12 diesel engine sets
4.	CZECH REPUBLIC EXPORT BANK	€ 120.000.000	Reconstruction and modernization on the section of the Corridor X (railway line Niš - Dimitrovgrad)
8.	GOVERNMENT OF THE RUSSIAN FEDERATION	\$ 800.000.000	Construction of railway line Valjevo – Loznica , Building and Reconstruction Belgrade Railway Junction.
9.	KUWAIT FOND FOR ARAB ECONOMIC DEVELOPMENT	€ 25.000.000	The Phase 1 of construction of the Belgrade Center Railway Station

Also we have projects financed through IPA fund:

PROGRAM	SOURCE OF FUNDING	PROJECT TITLE	AMOUNT	REMARKS/PROJECT SCOPE
IPA	IPA-EC	Facilitation of Intermodal Transport in Serbia	€ 2.000.000	To establish the institutional framework for development of intermodal transport and logistics centers in the Republic of Serbia. To prepare documentation for construction of the intermodal centre on the selected location.
IPA 2008	IPA-EC	System of Analysis of Track Conditions	€ 3.000.000	To develop and introduce a track infrastructure survey and information system as assistance in planning of railway line maintenance and reconstruction and accurate monitoring of train movement, in accordance with EU standards.
IPA 2008	IPA-EC	Supervision of the Zezelj Bridge	€ 2.500.000	Supervision of works on the Zezelj bridge in Novi Sad
IPA 2009	IPA-EC	Žeželj Bridge – Rebuilding Serbian infrastructure	€ 31.200.000 + € 14.100.000 (co-financing)	Construction of the Zezelj Bridge in Novi Sad
IPA 2008	IPA-EC (PPF 3)	Project Preparation Facility	€ 448.000	Preparation of the FS and EIA for the modernization of the railway line Stara Pazova Novi Sad.
IPA 2008	IPA-EC	Technical assistance in reorganization of the PE Railways of Serbia	€ 500.000	ToR is finalized and approved by the relevant authorities and DEU. Procurement notice is published by the DEU on 30th of April. Finalized.
IPA 2010	IPA III (PPF4)	Support to the IPA III Component	est.€1.000.000	Preparation project documentation for the upgrade and modernization of the railway line Nis- Presevo
IPA 2011	IPA-EC	Modernization of the Railway Pan European Transport Corridor X	€ 8.300.000	To prepare project documentation for the upgrade and modernization of the railway line between Novi Sad–Subotica-Hungarian Border and construction of a rail bypass around City of Niš.

The Draft Law on railway safety and interoperability is finished by the Working group and now we are collecting opinions of relevant Ministries, agencies etc.

We expect Draft Law will be adopted by the parliament at the beginning of 2012.

In the first ten months of this year there was a growth of cargo transport by 3% in comparison the same period last year, and the passengers transport reduced by 16% in comparison the same period last year.

The Republic of Bulgaria, has prepared the proposals to amend the Agreement on Rail Border Crossing control and procedures in rail transport. We expect scheduling for a meeting between Serbia and Bulgaria, with representatives from the European Commission. The Serbian side believes that the agreement is amended in the manner as required by Bulgarian side, in fact a departure from the implementation of border controls in one place, and that means in the common border station Dimitrovgrad.

Situation for implementation of the Agreement on Rail Border Crossing control between the Government of the Republic of Serbia and the Government of Montenegro that we will adopt preliminary design for the premises of common railway station till end this year. After that Railway infrastructure of Montenegro can start with preparation of the main design and adaptation of railway station for accommodation Serbian border authorities.

Draft Agreement between the Government of the Republic of Serbia and the Republic of Hungary on the border railway transport and Rail Border Crossing control, submitted to the Hungarian side. We are waiting for reply Hungarian side.

Agreement on Rail Border Crossing control between R. Serbian and R. Croatia side, in August 2011 is submitted to the Croatian side, we are waiting for a response.

This new Draft Agreements are intended to have articles which provide border control of freight trains in marshalling yards within the state.

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