

State of Railway Reform in Croatia

Railway Working Group meeting, 15 & 16 of March 2012, Sarajevo

After parliamentary election in Croatia which was held on Sunday, December 4, 2011, the new government was established with coalition of four parties, led by SDP. Due to the new organisation scheme, the former Ministry of the Sea, Transport and Infrastructure became the Ministry of Maritime Affairs, Transport and Infrastructure.

The new Government adopted a national budget for 2012 with projections for 2013 and 2014. Total budget expenditure are lower by HRK 3.5bn (1.5% of GDP) in 2012 relative to that in 2011, and amount to HRK 118.8bn. The most severe cuts have been made in operating expenditures, material expenditures and subsidies. The sharpest cuts in subsidies relate to agriculture and Croatian Railways. For the Croatian railway sector are foreseen about HRK 1.600 million (210 million €), with regard to 2011 the funds were cut by HRK 540 million (72 million €).

Regarding accident investigation body, in order to be fully in line with the relevant EU acquis, the Ministry is preparing the draft of a new law which will enable establishment of one common investigation body for air, rail and sea transport.

Rail Market Regulatory Agency (RMRA) has initiated by ex officio an assessment of the organization of the management in the integrated HŽ System with the regarding of verification of the independence of the infrastructure manager, as management of the HŽ Holding acts as an Assembly of the HŽ Infrastructure Ltd.. After data collection and analysis, RMRA on 18 January 2012., reached a decision declaring that structure of the management board is contrary to the Railway Act, as management of the affiliated companies could not be in the same time in the management board of controlling company, and orders the Assembly of HZ Holding Ltd. that in period of 30 days corrects this inconsistency. In meantime and due to decisions of the new elected government of Croatia, new members of Management board of HŽ Holding, not managers of affiliated companies, were appointed. The Agency submits an Annual report 2010 to the Croatian Parliament, which includes the overall situation of the Agency's activities, organization and responsibilities, and analysis of the market of railway services.

Croatian Railway Safety Agency currently has 5 employees, three engineers and two lawyers, and due to budget restrictions no further employments are foreseen in this year. This month one employee finished his traineeship in the European Safety Agency. The Agency started to perform tasks connected with granting of safety certificates and safety authorizations and issuance of the permission for testing of new equipment. The Agency will soon start keeping the national vehicle register.

Regarding the EU funded projects of railway infrastructure, the project of reconstruction of railway line on corridor X, section Vinkovci – Tovarnik (state border to Serbia) was finished in time at the end of 2011. Ministry issued the authorisation for putting into service for the control-command and signalling subsystem, other user permits were issued by competent ministry for construction.