

Project overview prepared for SEETO

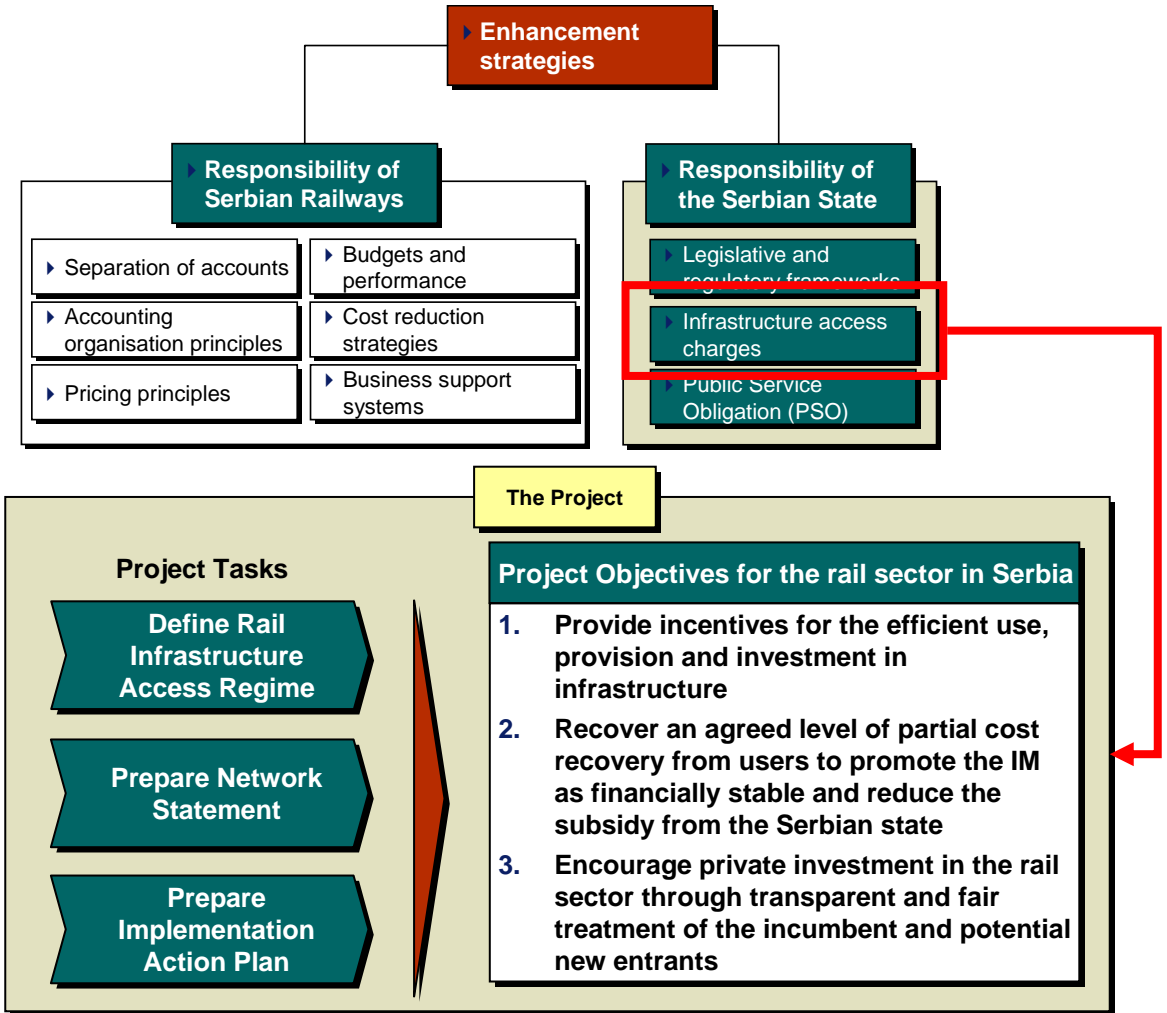
Designing an infrastructure access regime and network statement for the rail sector in Serbia (“The Project”)

Belgrade
25 April 2007

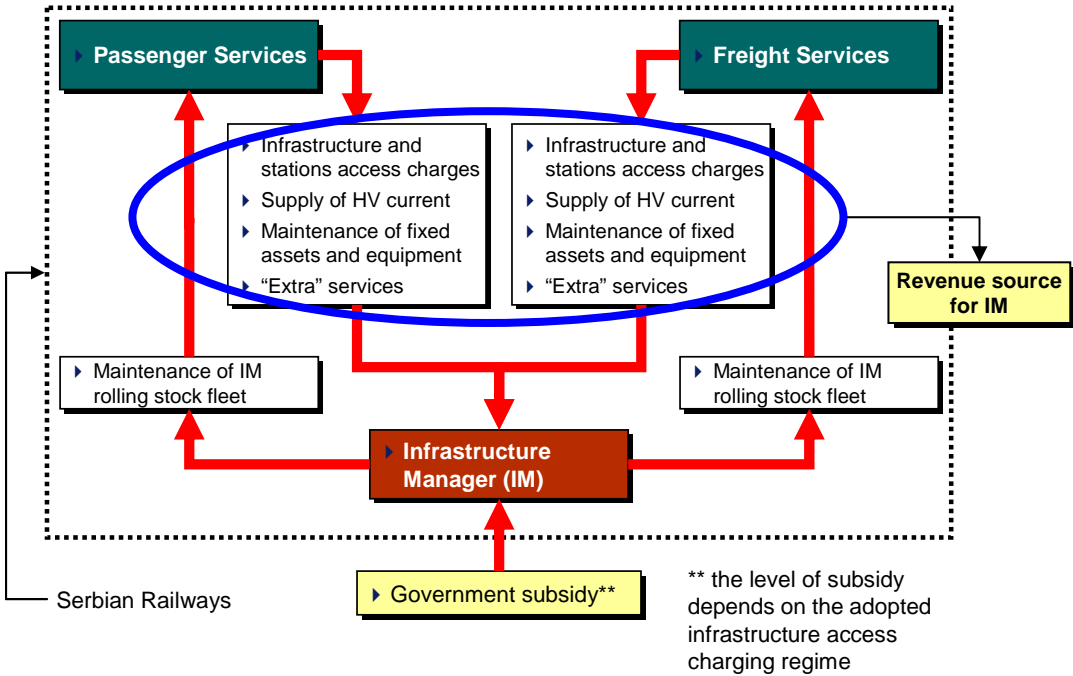
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The Project is one of the key components in the continued institutional development of the rail sector in Serbia



The rail infrastructure access and pricing regime is the necessary step in establishing the Infrastructure Manager as an independent business

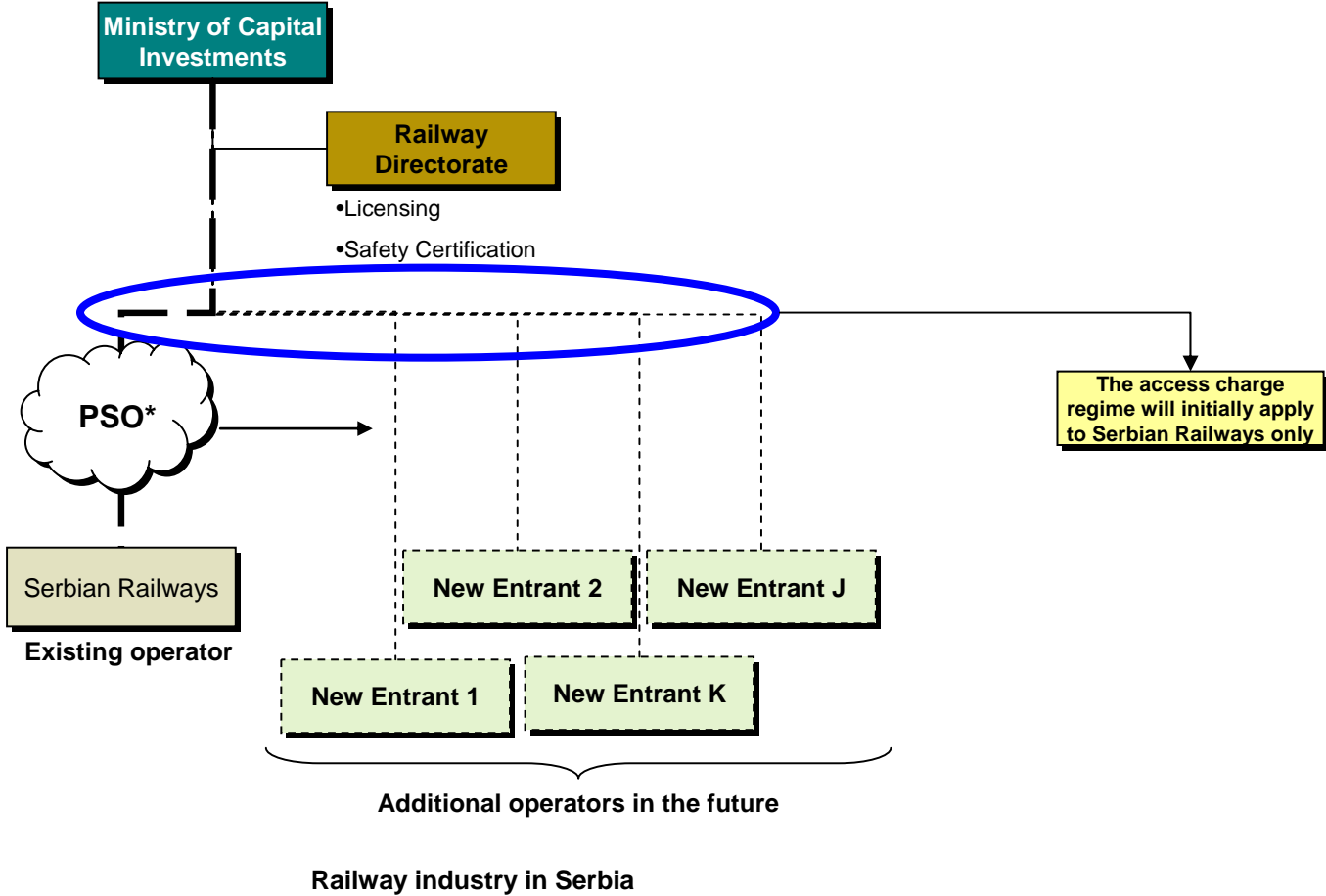


New financial flows related to Infrastructure Manager (red arrows indicate the flow of funds)

- ▶ Introduction of different businesses, in a previously integrated railway structure, creates the need for a variety of services and transactions performed between the different businesses.
- ▶ In case of the Infrastructure Manager, these services are in addition to its basic role of managing the infrastructure.
- ▶ Adoption of the infrastructure access and pricing regime is a vital step in the process of establishing the Infrastructure Manager as an independent business.
- ▶ It also provides the Government with an increased level of transparency in allocation of subsidy to Serbian Railways

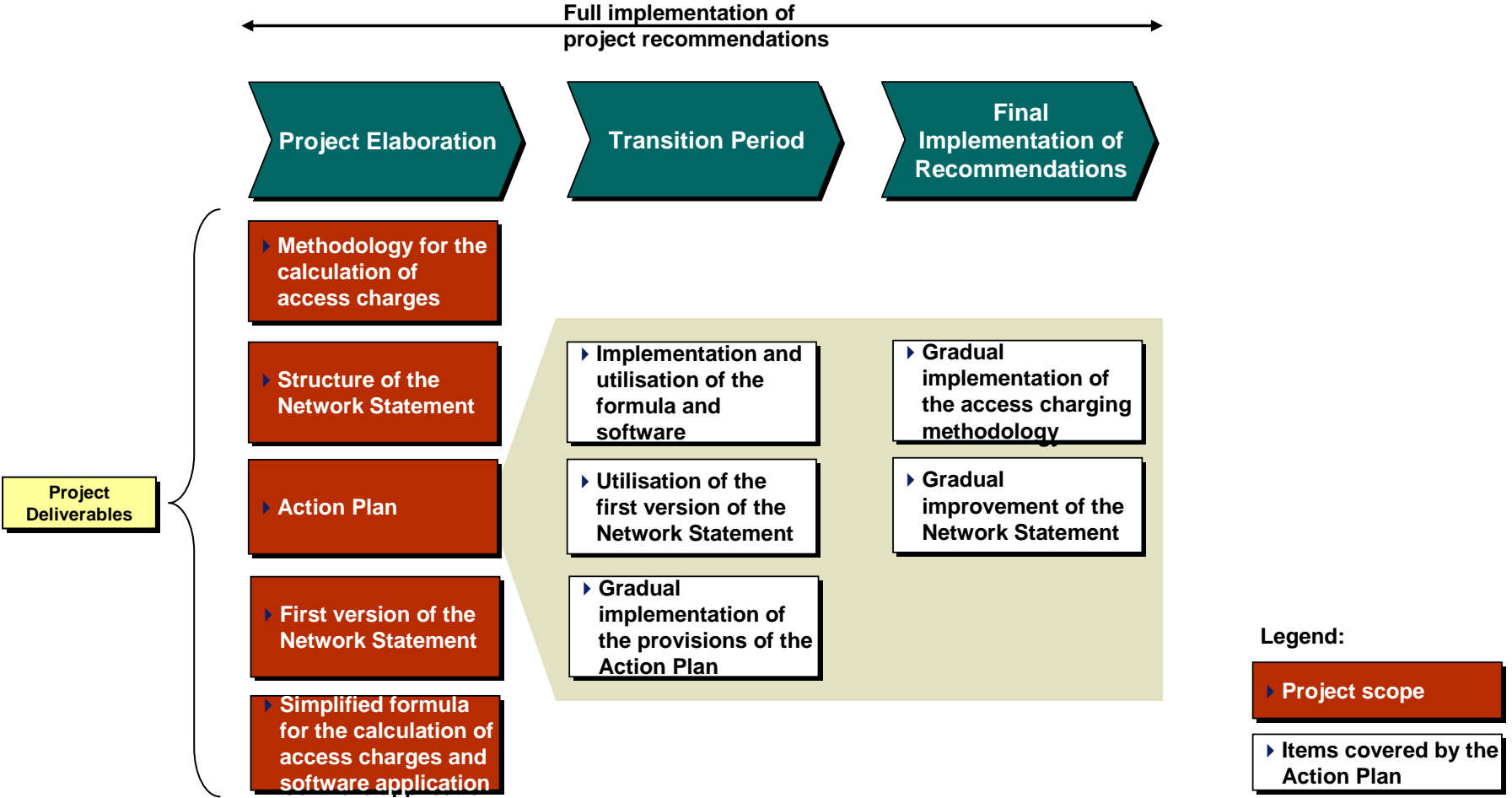


Adoption of an access charging regime is also required as part of Serbia's compliance with the EU Directives for the railway sector



* The Public Service Obligation (PSO) will be developed as part of a separate consulting assignment

The scope of Project work includes development of the methodology for rail infrastructure access and pricing, preparation of the Network Statement for Serbian Railways, and development of an Action Plan



Completion of all deliverables within eight months from the start assumes timely support from the key stakeholders* to the Consultant

**Kick-off meeting
19 March 2007**

TASK	ACTIVITY	M1	M2	M3	M4	M5	M6	M7	M8
1	Diagnostics	Kick off meeting							
	1a. Review legal and institutional frameworks								
	1b. Conduct interviews with key stakeholders								
	1c. Review available studies								
2	Review main approaches		Inception Report						
3	Formulate rail infrastructure access regime methodology (RIAR)			Draft RIAR methodology					
4	Prepare Network Statement for ZS						Network Statement (First Draft)		
							Network Statement (Draft Final)		
								Network Statement (Final)	
5	Prepare outline of the Regulatory Manual					Draft section of RM on the RIAR on rate base and tariff calculation			
							Draft Outline Regulatory Manual		
								Outline Regulatory Manual	
6	Organise workshops				Workshop 1				
							Workshop 2		
7	Prepare Implementation Action Plan					Implementation Action Plan (Draft)			
							Implementation Action Plan (Final)		
								Risk Register	
							Policy Summary		

**Completion
16 November 2007**

Deliverable

* Ministry of Capital Investments, Railway Directorate, Serbian Railways

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