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***Unofficial Translation of the
Railway Law of Montenegro***

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MONTENEGRIN LAW ON RAILWAYS

I GENERAL PROVISIONS	3
II INFRASTRUCTURE	5
<i>Infrastructure Financing</i>	6
<i>Usage Of The Infrastructure</i>	7
<i>Infrastructure Construction, Reconstruction And Modernization</i>	9
<i>Infrastructure Maintenance</i>	14
<i>Infrastructure Protection</i>	15
<i>Industrial Railway And Industrial Truck</i>	16
III RAILWAY TRAFFIC TRANSPORT	16
<i>Public interest activity</i>	18
IV INSPECTION	19
V PENALTY PROVISIONS	23
VI TEMPORARY AND FINAL PROVISIONS	26

I GENERAL PROVISIONS

Article 1

This law defines managing railway infrastructure (hereinafter referred to as: infrastructure) and operating in railway traffic.

Infrastructure is, except private sidings, asset in general use, state owned and is available for use, under equal conditions, to all interested operators and enterprises that perform transport for their own needs.

Article 2

Railways infrastructure management in terms of this law, shall include: infrastructure maintenance, organization and regulation of railway traffic, infrastructure modernization, infrastructure protection, and execution of investment functions related to infrastructure construction and reconstruction.

Transportation of passengers and goods in railway traffic can be done as public transportation or as transportation for its own needs.

Article 3

Specific terms used in this law have the following meaning:

- 1) “Public transport”, is a transport of passengers and goods, available to all users under equal conditions;
- 2) “Transport for one’s own needs” is a transport of individuals and goods that an operator, i.e. an enterprise, owner of rolling stock, performs with that rolling stock for the purpose of satisfying the needs of its activities;
- 3) “Operator” is an enterprise registered for performing railway transport activities, which guarantees train haulage;
- 4) “Timetable” is an instruction prepared by infrastructure management, which sets a railway traffic plan for transport of passengers and goods, as well as for own needs in infrastructure;
- 5) “Transport license” is a certificate issued by authority of state management competent for traffic (hereinafter referred to as: competent authority of state management) to an operator, i.e. to enterprise, on acquiring the right to performing all or specific types of transport in railway traffic;

- 6) “Transport safety certificate” is a document issued by competent authority of state management to an operator, i.e. to enterprise, on meeting the conditions set for railway traffic to operate in a safe manner;
- 7) “Infrastructure management license” is a document issued by competent authority of state management to an enterprise on acquiring the right to infrastructure management;
- 8) “Infrastructure safety management certificate” is a document issued by competent authority of state management to an enterprise on meeting the safety conditions set for infrastructure;
- 9) “Rolling stock” is hauling and hauled vehicles;
- 10) “Route” is a train operation plan between two official railway locations, within specified time, and under strict technical and technological conditions set for infrastructure;
- 11) “Shunting track” is a part of infrastructure that is used for transporting goods for the needs of the enterprise, when needed and without timetable set;
- 12) “Route allocation” is allocation of route to use in coordination with law that regulates private sector participation in doing public services.
- 13) “Route user” is operator that wants to use railway infrastructure and he is ready to be charged for that.
- 14) “Contract on Usage of infrastructure” is contract that defines mutual rights and duties between Manager and operator.
- 15) “Service siding” is a railway track which links up with infrastructure and serves for supplying and freighting goods for owner, i.e. use titleholder of that track.
- 16) “Railway range” is the space between the tracks, as well as the space within at least 8 m away from the external tracks, and if a railway line passes through an inhabited area – it is the space within at least 6 m away from the external tracks, measured from the axes of the external track.
- 17) “Protective railway range” is the land on the both sides of the railway line, within the distance of 200 m from the axes of the external track.

II INFRASTRUCTURE

Article 4

Infrastructure shall include: substructure and superstructure, track facilities, railway station tracks, telecommunication, signaling and safety, electric-power and other plants and installations, track equipment, railway administration buildings and other buildings on official railway locations that are in function of organizing and regulating railway traffic, together with land that is used for those buildings, track zone and air space 12 meters above the track, i.e. 14 meters in the case of power-transmission line of over 220 KV, measuring from upper edge of a rail.

Service siding, in terms of this law, shall be the infrastructure used by an operator, i.e. enterprise, to transport goods and individuals for own needs, between their premises and the main network.

Article 5

Infrastructure management shall be an activity of general interest.

The activity from paragraph 1 of this Article shall be performed by an enterprise, (hereinafter referred to as: Manager).

An enterprise, in addition to general conditions, defined by the Law, shall meet specific conditions as well: to own an infrastructure management license and infrastructure safety management certificate issued by the competent authority of state management for infrastructure management and infrastructure safety management certificate.

In addition to conditions from paragraph 3 of this article the Manager shall fulfill the following conditions as well:

- Appropriate technical conditions and conditions for organizing and regulating of railway transport;
- That infrastructure which is managed meets the conditions prescribed by law which regulates safety in railway transport and by other regulations;
- That the staff employed is trained for organization and regulation of railway transport, modernization and maintenance of infrastructure in accordance to valid regulations.

Article 6

The Manager must ensure ongoing, continuous, and quality infrastructure maintenance and protection, unobstructed use of infrastructure facilities and other work instruments for railway transport, as well as organization and regulation of safe and unhindered railway transport.

The Manager must take care of environment protection when performing the activity, in accordance with the law and other regulations, particularly in coordination with Strategic Environmental Analysis, to develop Trans European Network (TEN Network).

The Manager shall be accountable for damage made to transport users due to failure to carry out its duties from paragraph 2 of this Article.

Article 7

Infrastructure shall be used under conditions and in the way defined by this law.

The railway transport shall operate along infrastructure under conditions defined by rules that regulate railway transport safety.

Article 8

A local or international legal entity may be given a concession under conditions set by the law that regulates concessions.

Infrastructure Financing

Article 9

Infrastructure building, maintaining, reconstruction and modernization financing is provided from:

- The Budget
- Domestic or foreign bodies investments
- The Loans
- Another resources which are in accordance with law

Usage of the Infrastructure

Article 10

Infrastructure may be used by an operator for public transportation, as well as by an enterprise, that performs transport for its own needs, if it has:

- 1) A Transport License; and
- 2) Transport Safety Certificate,

issued by the competent authority of state management in the State Union of Serbia and Montenegro, i.e. in other country on the reciprocity basis, and

- 3) Contract on Use of Infrastructure.

The Contract on Use of Infrastructure shall more precisely regulate mutual rights and responsibilities between the Manager and the entity from paragraph 1 of this Article, regarding guarantees for providing technical and other conditions for safe railway traffic operations, as well as fee payment for use of infrastructure, organization and regulation of railway traffic.

The Contract on Use of Infrastructure must be signed no later than six months before new timetable comes into effect.

Article 11

Infrastructure shall be given for utilization by allocating a route in accordance with Law which regulates participation of private sector in performing public services.

Entities from Article 10 of this law shall submit the request for route allocation one year before the new timetable comes into effect.

Requests for route allocations may be submitted and Contracts on Use of Infrastructure may be concluded during the timetable validity period.

Article 12

A request for route allocation shall specifically include:

- 1) Traffic distance (departure and arrival location);
- 2) Train departure time from departure location and train arrival time to arrival location;
- 3) Transport track;
- 4) Technological operation time (official railway locations, stopping and stopping time) and type of operation (composition change, passengers manipulation, goods manipulation, change of traction vehicle);
- 5) Type of train;
- 6) Train composition;
- 7) Train weight;
- 8) Traction vehicle serial number.

Article 13

Route allocation request shall be considered as an offer for concluding the Contract on Use of Infrastructure.

The offer from paragraph 1 of this Article, amended or supplemented by the Manager, shall be considered as another offer made to the entity that submitted the request.

The offer from paragraphs 1 and 2 of this Article shall be considered as accepted once the Contract on Use of Infrastructure is concluded between the Manager and an operator, as well as enterprise that performs transport for its own needs (hereinafter referred to as: Route User).

In relation to contract implementation and cancellation, indemnity and other issues, provisions of the Law on contracts and torts shall be used.

Article 14

Route allocation shall be performed under equal conditions set by this law.

In the procedure that follows the route allocation request, a Manager must apply the following criteria:

- 1) Transport scale;
- 2) Infrastructure degree of utilization;
- 3) Scale of ancillary services that the Manager provides in relation to transport along the route;
- 4) Business reputation;
- 5) Activity of general interest in transport.

The Manager shall define a methodology for evaluating criteria from paragraph 2 of this Article.

The Manager shall, by rule, allocate routes once a year after coordinating route allocation requests during the timetable development procedure.

Article 15

The Route User shall pay a fee for using infrastructure, organizing and regulating railway traffic.

Article 16

The fee rate for using infrastructure, organization and regulation of railway transport shall be defined by the Manager on the basis of the following criteria:

- 1) Costs of infrastructure maintenance, organization and regulation of railway transport;
- 2) Use of traffic infrastructure for other forms of transport, especially road transport;
- 3) Length of infrastructure network used by Route User;
- 4) Number of railway vehicles in the rolling stock used by Route User for transport;
- 5) Type of railway vehicles in the rolling stock used by Route User for transport;
- 6) Train composition;
- 7) Train mileage;
- 8) capacity passenger's coaches
- 9) freight wagon payload
- 10) Energy consumption;
- 11) Time period of using infrastructure;
- 12) Transport direction;
- 13) Train speed;
- 14) Train category;
- 15) Quantity discounts; and
- 16) Railway traffic development strategy.

Infrastructure Construction, Reconstruction and Modernization

Article 17

Infrastructure construction shall be carried out in compliance with corresponding regional and planning and on the basis of construction approval.

The approval from paragraph 1 of this Article shall be issued by the competent Ministry, in accordance with the law that regulates construction.

The Government of Montenegro shall define construction, maintenance, reconstruction and modernization of infrastructure program.

Article 18

Before starting with construction works, and at least 30 days earlier, the Manager shall announce the beginning of infrastructure construction in daily newspapers or some other common way, so that an enterprise taking care of facilities built within railway area (water pipe line, plumbing, electrical and communication air lines and underground cables, and other similar installations and machines), as well as in cases when it plans to build those facilities, may coordinate works on those facilities with infrastructure construction works.

The Manager and the enterprise from paragraph 1 of this Article shall regulate mutual rights and responsibilities in relation to infrastructure construction works and works on facilities built or to be built within railway area.

Article 19

If the Infrastructure is to be rebuilt due to construction of other structures (public road, mine, rock-quarry, Reservoir Lake, airport, etc), part of infrastructure that is being rebuilt must be built with elements that correspond to infrastructure category, regardless of its real condition at the moment of rebuilding.

Costs of Infrastructure rebuilding from Paragraph 1 of this Article shall be met by the investor of structure whose construction causes infrastructure rebuilding, unless the investor and Manager reach different agreement.

Article 20

Infrastructure intersection with public roads outside regions with urban development plans shall normally be carried out with their reduction to the most essential number, by routing two or more public roads to joint intersection location.

The crossings between the infrastructure and the public roads at the level shall not be allowed within the entering signalization of the station.

The distance between two intersections of infrastructure and public road cannot be less than 2000 meters.

Infrastructure intersection with non-categorized roads shall be carried out by routing those roads to the nearest public road that intersects with the given infrastructure. If that is not possible, non-categorized roads should be grouped and intersection with infrastructure carried out on a joint location.

Article 21

If infrastructure and road intersection takes place due to construction of new infrastructure, or if it is requested by a local government or an enterprise, the costs of building an underpass, an overpass, i.e. railway crossing, as well as costs of installing equipment and

machinery and other costs of ensuring safe and unobstructed traffic at the railway crossing, shall be met by new infrastructure manager, i.e. entity that submitted the request.

Article 22

If infrastructure and road intersection is built at the same level, the railway crossing shall be considered as an integral part of infrastructure on both sides of track in width, three meters starting from the track axis.

The Manager shall take care of maintaining railway crossing from paragraph 1 of this Article, as well as of ensuring safe and unobstructed traffic at the railway crossing, having in mind that the road surface on the railway crossing must be maintained in a way which ensures safe and unobstructed road traffic operations.

Other parts of the road on both sides of a track shall be maintained by road manager, in a way which ensures safe and unobstructed railway traffic operations.

Article 23

Costs of maintaining a railway crossing and costs of ensuring safe and unobstructed traffic at a railway crossing shall be met by:

- 1) Costs of maintaining the track and other parts of infrastructure on a railway crossing, signalization equipment and signs that warn a train crew about the crossing, railway telephone lines with the road crossings – the Manager;
- 2) Costs of maintaining road surface at a railway crossing and road signs that warn drivers about the railway crossing – road manager;
- 3) Costs of maintaining instruments for signaling drivers about a train approaching a railway crossing and equipment for closing the traffic at a railway crossing, costs of handling the equipment for closing the traffic at a railway crossing and other immediate costs for ensuring safe and unobstructed traffic shall be met jointly and shared evenly by Manager and road manager.

The Manager shall cover all the expenses accrued by central railway office used for regulating the railway transport, or official railway offices that have an immediate role in railway operations, due to regulation of train movements and execution of other activities, and in relation to ensuring safe and unobstructed traffic at a railway crossing.

If a non-categorized road is used mainly by an enterprise, the costs of maintaining the road surface and ensuring safe and unobstructed traffic at a railway crossing, from paragraph 1 and 2 of this Article, shall be completely met by the enterprise.

Article 24

The Manager and road manager shall conclude an agreement which more closely defines their mutual relations regarding railway crossings and within that framework set the following: type and extent of road surface maintenance works and time of carrying out those works, costs for ensuring safe and unobstructed traffic at a railway crossing, costs payment procedures, as well as other issues resulting from their relation.

Article 25

If a railway crossing is to be replaced by an underpass or an overpass or if a railway crossing is to be eliminated due to road routing, costs of changes made to infrastructure and road shall be met by:

- 1) The Manager, if the change results mainly from railway traffic needs;
- 2) Road manager, if that change results mainly from road traffic needs, and in the case of non-categorized road used mainly by a specific enterprise, costs of any change on infrastructure and road shall be completely met by that enterprise.

In case of all other changes related to crossings, including adjustment and improvement of safety and other devices, infrastructure and road change costs from paragraph 1 line 1. and 2. of this article shall defray mutually infrastructure Manager, road Manager and enterprise proportionally to needs of railway and road traffic that caused this changes, unless they do not agree otherwise.

**UNOFFICIAL
TRANSLATION**

Article 26

The railway crossing that serves exclusively for pedestrians may be built and used on the basis of Manager's approval.

Costs of construction, installing special equipment and signs and maintenance of railway crossing from Paragraph 1 of this Article shall be met by the enterprise that requested construction of the crossing.

A complaint may be submitted against Manager's approval from Paragraph 1 of this Article to competent authority of state management.

Article 27

The road manager must put cobblestones over a dirt road that intersects the infrastructure at the same level.

If infrastructure construction results in its intersection with the road from Paragraph 1 of this Article, the costs of putting cobblestones over the dirt road shall be met by the Manager.

Article 28

Infrastructure reconstruction, in terms of this law, shall imply modifications (repairs) that change its basic construction and elements and technical characteristics, works that may influence railway track stability (improvement), stability of structures built along the railway track and rolling stock, construction works on structure that differs from conditions under which the construction was approved, as well as changes of basic route characteristics while relocating position of railway track route within the area of its basic direction.

Infrastructure reconstruction shall be carried out with reconstruction approval.

The approval from Paragraph 2 of this Article shall be issued by competent authority of state management.

Article 29

Infrastructure modernization, in terms of this law, shall imply introduction of new technical systems or technologies in railway operations or replacement of existing technical systems and technologies with more up to date ones.

**UNOFFICIAL
TRANSLATION**

Article 30

Infrastructure construction, reconstruction, and modernization shall be carried out in accordance with standards and technical regulation, materials, and spare parts with factory certificates issued by the competent manufacturer.

Article 31

When constructing, i.e. reconstructing overpasses, tunnels, galleries, viaducts, pedestrian crossings, etc, over electrified railway tracks or railway tracks that are planned to be electrified, the Manager, road manager, and Railway Industry owner must ensure those structures are waterproof for the purpose of protecting the contact system.

When cleaning the snow from overpasses over electrified railway tracks, adequate mechanical protection from snow falling on the contact system must be in place.

Approval for overpass construction, i.e. reconstruction, over electrified railway tracks shall be issued by competent authority of state management upon prior consent obtained from the Manager.

Infrastructure Maintenance

Article 32

The Infrastructure must be maintained in the condition that ensures safe and undisturbed, as well as high quality and accurate transport. For this purpose, ongoing supervisions and periodical inspections must be carried out and all faults eliminated.

Article 33

Maintenance works shall specifically include: maintenance, replacement and renovation of railway track’s superstructure (switches, rail tracks, and rail track links), with the same or other type which enables maintenance of railway track parameters on the planned level; works on railway track substructure (drainage and slope improvement); renovation with same or other materials or replacement of culverts and bridges up to 10 meters long, if their open end is not to be changed; replacement and addition of elements of signalization safety telecommunication equipment and facilities; replacement and addition of elements of solid facilities, electric traction, as well as other electric facilities; adaptation and repair of official railway buildings and premises and other structures on official railway locations in function of the railway traffic which do not change their construction and exterior.

UNOFFICIAL TRANSLATION

Article 34

Maintenance of common pillars and common constructions on a bridge built for infrastructure and public road shall be performed by the Manager in accordance with traffic and technical standards and regulations.

Costs of maintaining common pillars and constructions on the bridge from paragraph 1 of this Article shall be met equally by the Manager and road manager.

Article 35

If the railway transport interruption on infrastructure takes place due to natural disasters, and Manager is not able to eliminate arising difficulties and restore railway traffic as soon as possible, local government on whose territory railway traffic interruption takes place shall help and cooperate with Manager on defining measures to eliminate difficulties and restore the traffic as soon as possible.

In case services of physical persons and legal entities, technical means and materials are used for eliminating difficulties from paragraph 1 of this Article, an adequate compensation shall be met by the Manager.

Infrastructure Protection

Article 36

Within the protection railway zone, no buildings may be built, facilities and equipment installed and other structures constructed at the distance less than 25 meters from axis of ultimate tracks, except structures used for railway traffic.

Exceptionally from paragraph 1 of this Article, cables, low voltage power lines for lighting, telegraph and telephone overhead lines, tram-car and trolley-bus contact lines and facilities, sewage, pipelines and other lines and similar structures and facilities may be installed in railway traffic zone, in accordance with Manager’s approval.

Within the protection railway zone, buildings may be built, facilities and equipment installed and other structures constructed at the distance greater than 25 meters from axis of ultimate tracks, only in accordance with Manager’s approval.

A Complaint may be submitted against decisions from paragraphs 2 and 3 of the article to the competent authority of state management.

UNOFFICIAL Article 37

Enterprises that perform reforestation of bare countryside and flood control within protection railway zone and a Manager shall determine their shares in expenses of reforesting bare countryside and flood control and water-worn ravines’ improvement by mutual consent, taking into consideration the importance and scope of these works for infrastructure protection.

Article 38

In places where a railway track goes through a forest or by a forest, i.e. by agricultural land with easily inflammable crops, the Manager must take adequate fire protection measures within railway track zone, as well as fire protection measures on rolling stock.

Beneficiaries, i.e. owners of forests and land from paragraph 1 of this Article, shall regularly remove trees, vegetation and leafs within 10 meters wide area, and remove timely ripen agricultural products within 5 meters wide area and if necessary take other fire protection measures, and if they do not do that it will be done by infrastructure Manager and charge it to user, i.e. owner.

The width of protection area from paragraph 2 of this Article shall be measured from the outside edge of railway track zone.

Industrial Railway and Industrial Truck

Article 39

Provisions of this law that refer to infrastructure construction, reconstruction, modernization and protection shall be relevant for industrial railway as well.

Industrial railway may be linked up to Manager’s infrastructure.

An enterprise may have a service siding linked up to Manager’s infrastructure, as well as service sidings, facilities, equipment and structures on those sidings, rolling stock and other facilities built according to special technical standards and regulations.

Linking up industrial railways from paragraph 2 of this Article and service sidings from paragraph 3 of this Article shall be regulated through a contract between the Manager and enterprise whose industrial railway, i.e. service siding is to be linked up.

An enterprise, i.e. owner of service siding, must develop a document on construction, reconstruction, maintenance and protection of the service siding, rolling stock and other facilities built in accordance with technical standards and regulations for organizing and regulating railway traffic on a service siding, upon being given an approval from the competent authority of state management.

III RAILWAY TRAFFIC TRANSPORT

Article 40

Railway transport of passengers and goods by means of using infrastructure may be performed by an enterprise that owns a transport license and transport safety certificate issued by the competent authority of state management, i.e. in other states on the reciprocity basis, and Contract on Use of Infrastructure.

An enterprise that performs transport of passengers and goods only by means of using industrial railways infrastructure must develop rules on conditions and ways of performing that kind of transport, with previous approval given by competent authority of state management.

Article 41

License and certificate that allows transport operation in railway transport shall be issued by competent authority of state management.

Obtaining license and certificate, from paragraph 1 of this article enterprise shall meet the following conditions:

- to be registered for transport operation in railway transport (with or without rolling stock or only rolling stock)
- that it is not in the procedure of bankruptcy or overtaken measures for bankruptcy
- that member of its management is not legally convicted on one or more years for criminal act in commerce business, criminal act against general safety of people and property and safety in railway transport, violation of labor rights and other rights on labor basis
- that is financially capable, which means that its existing and future obligations can be fulfilled under normal circumstances in specific term
- that it has competent employees that can ensure transport safety in railway transport
- that owns quality transport assets and appropriate technical equipment
- that is insured at insurance company and capable to reimburse prospective damage occurred on the basis of responsibility in business officiating, and that it can offer guarantee for damage reimbursement in case of accident regarding passengers, luggage, cargo, third parties and environment in coordination with the Law and other regulations, so as with contracts that are obliged for the Republic of Montenegro.

Article 42

An enterprise whose transport license or transport safety certificate is temporarily or permanently revoked, shall not perform transport of passengers, individuals and goods by railway.

Article 43

Traction vehicle used for transport of passengers, individuals and goods must have the following for the whole time of transport:

- 1) Certified copy of valid transport license;
- 2) Certified copy of valid transport safety certificate;
- 3) Certified copy of valid Contract on Use of railway Infrastructure; and
- 4) Other documents, in accordance with regulations on railway traffic safety.

Traction vehicle used for public transport of goods shall have, for the whole time of transport, a bill of lading as well, i.e. some other document that has all the data such as bill of lading.

Traction vehicle used for transport of individuals and goods for one's own needs, for the whole time of transport, shall also have: certified copy of valid court registration decision, i.e. decision on activity registration, list of workers and other individuals certified by rolling

stock owner or some other evidence proving the right of those workers and individuals to transport, i.e. a document that shows who is the owner and what kind of goods is being transported.

Article 44

A timetable, i.e. amendments of the timetable for transport of passengers shall be made public in public media or in some other common way.

Operators that perform transport from paragraph 1 of this Article must observe the published timetable and regularly and correctly maintain traffic for the period the timetable is valid, except in cases of significant traffic disorder caused by natural disasters, serious accidents or severe infrastructure damage.

Article 45

Boarding and disembarking of passengers and individuals shall be performed on railway stations and other official railway locations listed in the train timetable.

Article 46

When performing transport for own needs, an operator, i.e. an enterprise, may transport individuals and goods that are in function of carrying out activities they are registered for.

Article 47

In case of big natural disasters, jeopardy of life and health, environment, distortion and pause in functioning of commerce and traffic, the Government of Montenegro, beside measures defined in the particular Law, can specify other measures which are obliged to be overtaken by Manager and Operator for the purpose of protection of public interest.

Public interest activity

Article 48

An activity of general interest in public transport of passengers and goods by railway shall be:

- 1) Public transport of passengers; and
- 2) Public transport of goods which is in immediate function of performing the activity of general interest.

Article 49

The activity of public interest may be performed by an enterprise that signs a contract with competent authority of state management on rights and duties in performing the activity of public interest.

The contract from paragraph 1 of this article shall have:

- contract parties,
- transport users (pupils, students, invalids and handicapped persons, workers etc.),
- way of cost subsidizing and its amount,
- scope of public interest,
- contract duration,
- other questions.

IV INSPECTION

Article 50

Inspection over implementation of this law and regulations enacted in accordance with this Law, shall be performed by the Ministry competent for transport affairs.

Article 51

Activities of inspection supervision from article 50 of this Law shall be done by the Republic Inspector for Railway Transport (hereinafter referred to as: The Inspector) in accordance with law.

Article 52

The Inspector may not develop or participate in development of technical documentation and technical control of technical documentation for structures that are subject to inspection and perform professional inspection over construction, i.e. works on structures that are subject to inspection.

Article 53

Beside authorities defined with Law on Inspection Supervision the Inspector shall be authorized and under obligation to control:

- 1) Works on infrastructure reconstruction, modernization and maintenance;
- 2) Technical documentation for infrastructure reconstruction, modernization and maintenance;
- 3) Infrastructure condition, correct infrastructure maintenance, condition and maintenance of the rolling stock in accordance with traffic and technical conditions and regulation on railway transport safety, for the purpose of

- providing infrastructure and rolling stock for safe and unobstructed railway operations;
- 4) Organization and regulation of railway traffic in accordance with traffic and technical conditions and regulation on railway safety, for the purpose of providing safe and unobstructed railway operations;
 - 5) Fulfillment of conditions for infrastructure management;
 - 6) Fulfillment of conditions for railway transport of passengers, individuals and goods;
 - 7) Railway transport of passengers, individuals, and goods in the way and under conditions set by this law and regulations on railway transport safety;
 - 8) If defined and published railway transport timetable is implemented correctly and on schedule;
 - 9) If railway transport is performed in the way and under conditions set by the law, other regulations, and general decrees on railway transport safety and if measures related to safety of railway operations are implemented;
 - 10) If an operator, i.e. enterprise, has established internal control over safe railway operations and if that control is carried out on a regular and efficient basis, as well as whether it employs well-organized people, property and environment in the field of railway transport, in accordance with the law, other regulations, and general decrees on railway transport safety;
 - 11) If regulations on managing trains and hauling vehicles over to railway workers are correctly implemented and whether those workers meet conditions in relation to skill and training or health capability for carrying out activities and tasks, as well as whether regulations on total work hours, total shift duration and driving train hauling vehicle, vacations and shift plan for train and station staff, as well as for staff in other official railway locations, are correctly implemented.
 - 12) If measures set for making traffic on railway crossings and railway tracks intersection safe are correctly implemented;
 - 13) If established internal order in railway transport is correctly implemented;
 - 14) Implementation of measures for technical and physical infrastructure protection that have specific significance for safe railway transport operation and functioning and measures for protection from landslides, torrents and other natural disasters, as well as measures for ensuring railway transport in winter;

- 15) If safety measures defined by the Law on Safety of Railway Operations are correctly implemented.

Article 54

Due to removing defined irregularities, the Inspector shall be, beside obligations and authorizations or administrative measures defined by the Law on Inspection Supervision, authorized and under obligation to:

- 1) Ban, i.e. call off works carried out against the law and other regulations, technical standards and rules for construction works and use of materials for infrastructure reconstruction, modernization and maintenance, against conditions on safety of railway operations on infrastructure or against measures for infrastructure protection, as well as when maintaining rolling stock.
- 2) Order temporary exclusion from traffic of rolling stock and infrastructure that are not in line with defined technical and other conditions, if there is an estimation that their further use would jeopardize safety of railway operations;
- 3) Order elimination of defects on infrastructure and rolling stock which jeopardize or may jeopardize safety of railway operations and, if necessary, define ways and measures for eliminating those defects;
- 4) Order demolition and removal of buildings, facilities, equipment and other structures and materials built i.e. installed within railway protection zone against provisions of this Law;
- 5) Ban temporarily railway transport operations on a newly built or reconstructed infrastructure, as well as ban temporarily use of a newly made or reconstructed vehicle, unless previous technical check has been carried out and decision issued which allows its use;
- 6) Order elimination of irregularities in railway traffic organization and regulation that jeopardize or may jeopardize safety of railway operations and, if necessary, define ways and measures for eliminating irregularities in railway traffic organization;
- 7) Order temporary cancellation of works carried out in railway area or near the infrastructure, if there is an estimation that those works jeopardize safety of railway operations;
- 8) Ban infrastructure management, if conditions from Article 5 of this law have not been met;
- 9) Ban use of infrastructure, if conditions for transport of passengers, individuals and goods in railway traffic, from Article 40 paragraph 1 of this law, have not been met;

- 10) Order demolition of infrastructure or its part for which building permission, i.e. reconstruction permission, has not been issued;
- 11) Order covering of road surface with cobblestones, on a dirt road that intersects infrastructure at the same level, within railway crossing zone;
- 12) Order elimination of deficiencies related to infrastructure maintenance, i.e. rolling stock, and organization and regulation of railway traffic and, if necessary, define ways and measures for eliminating those deficiencies;
- 13) Ban transport of passengers, individuals and goods performed against provisions set in this law;
- 14) Ban execution of orders that are against the law, other regulation and general decrees which define safety of railway operations;
- 15) Ban work on carrying out their activities and tasks to rolling stock and station staff who do not meet required conditions in relation to skills and training or mental and physical capability for carrying out their work activities and tasks and to a an individual who does not have a required license for driving a hauling vehicle, i.e. for regulation railway operations on infrastructure;
- 16) Ban rolling stock and station staff to carry out their activities and tasks, if he/she concludes that their further work on carrying out activities and regulating railway traffic might jeopardize safety of railway operations (fatigue, alcohol, working longer hours than required, etc);
- 17) Temporarily dismiss a railway employee or authorized personnel from their activities and tasks, if he/she concludes that they jeopardize safety of railway operations;
- 18) Temporarily dismiss from operations a railway employee in cases defined by the Law on Safety of Railway Operations.

V PENALTY PROVISIONS

Article 55

An enterprise or some other legal entity shall be fined with a penalty ranging from tenfold to three hundredfold amount of minimal salary in the Republic:

- 1) If it does not ensure infrastructure maintenance and protection, use of infrastructure facilities and other means of work for railway transport, as well as organization and regulation of railway operations in the way defined in Article 6, paragraph 1 of this law;
- 2) If railway transport operates against regulations on safety of railway operations (Article 7, paragraph 2);
- 3) If it uses infrastructure without contract signed (Article 10, paragraph 1);
- 4) If it signs the Contract on Use of Infrastructure after the deadline from Article 10, paragraph 4 of this law;
- 5) If it does not allocate routes under equal conditions (Article 15, paragraph 1);
- 6) If during the route allocation procedure does not apply criteria from Article 14, paragraph 2 of this law;
- 7) If it does not evaluate criteria, in the procedure upon request for route allocation, according to the methodology (Article 14, paragraph 3);
- 8) If it sets a fee for use of infrastructure, organization and regulation of railway transport without applying criteria from Article 16, paragraph 1, of this law;
- 9) If it does not evaluate criteria for determining a fee rate for use of infrastructure, organization and regulation of railway transport according to the methodology (Article 16, paragraph 2);
- 10) If it does not reconstruct infrastructure with elements from article 19, paragraph 1, of this law;
- 11) If it does not sign the agreement from article 24 of this law;
- 12) If it reconstructs infrastructure without previously obtaining reconstruction approval (Article 28, paragraph 2);
- 13) If it constructs, reconstructs, and modernizes infrastructure against Article 31 of this law;

- 14) If, when constructing or reconstructing structures over electrified railway tracks or railway tracks planned to be electrified, does not ensure waterproof quality of those structures (Article 31, paragraph 1);
- 15) If it, when cleaning snow from overpasses over electrified railway tracks, does not provide adequate mechanical protection from snow falling onto contact network (Article 31, paragraph 2);
- 16) If it does not maintain infrastructure in a way which ensures safe and unobstructed railway transport, as well as high quality and reliable transport and if, for that purpose, does not perform regular inspection and occasional checks and does not eliminate identified deficiencies (Article 32);
- 17) If it does not develop a document from Article 40, paragraph 1, of this Law;
- 18) If it does not perform transport under conditions and in the way set by the document from Article 40, paragraph 2, of this law;
- 19) If it performs transport when its transport license or transport safety certificate has temporarily or permanently been revoked (Article 42);
- 20) If it does not respect published timetable and if it does not maintain regular and correct transport for the period timetable is valid (Article 44, paragraph 2);
- 21) If boarding and disembarking of passengers is performed against Article 45 of this law;
- 22) If it performs transport for its own needs against Article 46 of this law;

Person in charge of an enterprise or some other legal entity shall also be fined with a penalty ranging from a half to twenty-fold amount of minimal salary in the Republic for activity from paragraph 1 of this Article.

An entrepreneur shall be fined with a penalty ranging from tenfold to hundredfold amount of minimal salary in the Republic for activity from paragraph 1 line 1 to 23.

Article 56

An enterprise or some other legal entity shall be fined with a penalty ranging from tenfold to two hundredfold amount of minimal salary in the Republic:

- 1) If it does not make beginning of works public, as given in Article 18, paragraph 1 of this law;

- 2) If it does not maintain railway crossing and other parts of a road in the way from Article 22, paragraphs 2 and 3, of this law;
- 3) If it does not cover with cobblestones part of a dirt road that intersects with infrastructure (Article 27, paragraph 1);
- 4) If it does not maintain mutual pillars and mutual structure on the bridge built for infrastructure and a public road in the way and under conditions from Article 34, paragraph 1, of this law;
- 5) If it constructs buildings, installs facilities, equipment and other structures within the railway protection zone, against Article 36, paragraphs 1 and 3, of this law;
- 6) If within railway area installs cables, low voltage power lines for lighting, telegraph and telephone overhead lines, tram-car and trolley-bus contact lines and facilities, sewage, pipelines and other lines and similar structures and facilities without Manager’s approval (Article 36, paragraph 2);
- 7) If it does not take measures for fire protection within the railway area, as well as fire protection measures on the rolling stock (Article 38, paragraph 1);
- 8) If it does not regularly remove trees, vegetation and leafs and timely remove ripen agricultural products and does not, if necessary, take other fire protection measures within defined area (Article 38, paragraph 2).
- 9) If a hauling vehicle of a train used for transporting passengers, individuals and goods does not have documentation listed in Article 43 of this law;
- 10) If it does not make the timetable public and its amendments in public media or in some other common way (Article 44, paragraph 1);
- 11) If it does not execute inspector’s order from Article 53 of this law.

Person in charge in an enterprise or some other legal entity shall also be fined with a penalty ranging from a half to fifteen-fold amount of minimal salary in the Republic for offence from paragraph 1 of this Article.

An entrepreneur shall be fined with a penalty ranging from tenfold to hundredfold amount of minimal salary in the Republic for activity from paragraph 1 line 1 to 10.

Article 57

A physical person who does not regularly remove trees, vegetation and leafs and timely remove ripen agricultural products and does not, if necessary, take other fire protection measures within defined area (Article 39, paragraph 2) shall be fined with a penalty ranging from a half to twenty-fold amount of minimal salary in the Republic.

VI TEMPORARY AND FINAL PROVISIONS

Article 58

Secondary legislation predicted with this Law will be carried out within six months from the day of ratification.

Railway Montenegro AD Podgorica will coordinate its organization to day when this Law will be applied.

Article 59

On the day this law becomes effective, the Law on Railways (“Official Gazette of the Republic of Montenegro” no: 39/89 and 13/91) shall cease to be valid.

Article 60

This law shall come into effect eight days after being published in the “Official Gazette of the Republic of Montenegro”, and it will be enforced as of 1 January 2005.

**UNOFFICIAL
TRANSLATION**