

**Support for Implementing Measures for the South East  
Core Regional Transport Network Multi Annual Plan  
(EuropeAid/125783/C/SER/MULTI)**

**CURRENT PRACTICES FOR ACCESS  
CHARGES AND RAILWAY REGULATORS IN  
SEETO PARTICIPANTS**

prepared by

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**PRESENT SITUATION**

- Since 2005 after Incorporation process Kosovo Railways is organized as one Joint Stock Company with two main divisions ,Infrastructure and Commercial (train operations).
- Company structure is organized with one CEO for entire company and one board of directors.
- Two divisions within company are organized as per EU practices concerning the operational work performed but still have one account and no user charges are applied.
- The present setup of the company is used as a transitional phase for further development into new phase of creation of two separate companies as per new railway law and EU legislation.

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**PRESENT SITUATION**

- On June 2008 new railway law and law on public companies have been adopted and entered into force.
- Railway law covers the bodies and technical part of the railway system in Kosovo.
- Law on public companies covers legal and financial part of Kosovo Railways as public company and other public companies which can be created.
- Through railway law, Kosovo Railways are subordinated to Ministry of Transport and Telecommunications as policy maker and supervisor of the RRA .
- Through law on public companies, Kosovo Railways are subordinated to Ministry of Economy and Finance as owner.

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**Law on Railways (1)**

- 4.2 In accordance with this Law, **the Authority shall:**
- a) issue, revoke and monitor compliance with Licenses, Safety Certificates and Permits;
  - b) issue rules and prescribed forms relating to applications for, and conditions of, Licenses, Safety Certificates and Permits;
  - c) approve railway equipment with respect to safety and Interoperability;
  - d) issue rules for the safety and Interoperability of the railway system and monitor compliance with such rules;
  - e) conduct and report on safety inspections;
  - f) **consider and determine appeals made by a Train Operator with respect to a decision of the Infrastructure Manager and issue procedures for such appeals;**

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**Law on Railways (1)**

- g) conduct and report on accident investigations and issue procedures governing the conduct of accident investigations;
- h) monitor and provide information to the public, the Assembly and the Ministry of Transport and Communications (the "Ministry") about the development of the railway sector, related safety issues and the market conditions for railways in Kosovo with a view to introducing competition between Train Operators; and
- i) make recommendations to the Assembly and the Ministry with regard to the development of the railway sector, including legislation to promote fair and nondiscriminatory competition and provide the Assembly and the Ministry with all information relevant and necessary to evaluate such recommendations.

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**Law on Railways (2)**

Article 5

**Organizational Structure of the Authority**

The Authority shall have a Governing Board (the "Board"), a Director-General of Railways (the "Director-General"), a Deputy Director-General of Railways (the "Deputy Director-General"), as well as other professional and administrative staff as set out in this Law.

Article 6

The Board

6.1 All powers of the Authority shall be vested in the Board, which shall have four (4) members, including the Chairperson, the Vice Chairperson and the Director-General.

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## ACTIONS TAKEN

- An EU Funded Project Managed by the European Commission Liaison Office in Kosovo was approved
- A Project name is TECHNICAL ASSISTANCE FOR THE ESTABLISHMENT OF RAILWAY REGULATORY AUTHORITY.
- Project will be implemented by **Vienna Consult**.
- A kick off meeting was held on 11 of December 2008.
- A project has three tasks identified
- A project team is consisted from three international experts



## Team of experts

- Expert 1: Team Leader, Klaus-Juergen Uhl
- Expert 2: Legal Expert, Uwe Boeing
- Expert 3: Railway Expert, Wolfgang Schausberger



## Project objectives

- The global objective of the project is to support the reform implementation in the Kosovo railways sector in compliance with the Memorandum of understanding (MoU) for the development of the SEE Railway Transport Area.
- The specific objective of this project is to support the Government of Kosovo on setting up the Railway Regulatory Authority (RRA) as required by the Law on Railways.



## Project activities

- Task 1: Relevant background review
- Task 2: Design of an organisational structure for the Regulatory Authority for Railways (RRA)
- Task 3: Support on the operational establishment of RRA



## Tentative time schedule

- Task 1 Report: 30.01.2009
- Task 2 Report: 30.01.2009
- Rules (Task 3): February – May 2009
- Draft Final Report: 31.07.2009



## Basic procedure



## Basic legal requirements for successful regulation

- Guarantee of legal certainty
- Guarantee for existing and potential investors of their investment in rail infrastructure and rail operations
- Improvement of the competitiveness of rail
- Improvement of the modal share of rail sector
- Optimal use of the framework conditions resulting from the EU directives to open up the railway market in a non-discriminatory way with fairest competitive conditions
- Integration in a multimodal transport policy of the SEETO Region



## Compliance with EU directives

- Directive 2001/12/EC on the Development of the Community's Railways
- Directive 2001/13/EC on the Licensing of Railway Undertakings
- Directive 2001/14/EC on the Allocation of Railway Infrastructure Capacity and the Levying of Charges for the Use of Railway Infrastructure and Safety Certification
- Directive 2004/49/EC on Safety on the Community's Railways and Amending Directives 95/18/EC on the Licensing of Railway Undertakings and Directive 2001/14/EC
- The new directives of 2008 on interoperability
- Other relevant EC directives



## SUMMARY

- No access charges are applied presently in Kosovo rail sector
- Establishment of RRA is under process
- Estimated time to have established RRA is last quarter of 2009.
- Estimated time to have split off the present company into two new companies is end of 2009 /beginning of 2010 and also system of access charges should be on place at this time.



Thank you for your attention.

