South East Europe Transport Observatory (SEETO) is a regional transport organization established by the Memorandum of Understanding for the development of the Core Regional Transport Network (MoU) signed on June 11th, 2004.

SEETO Regional Participants: Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Kosovo*  
* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence

The aim of the SEETO is to promote cooperation on the development of the main and ancillary infrastructure on the multimodal SEETO Comprehensive Network, to improve and harmonise regional transport policies and technical standards for the SEETO Comprehensive Network development and to enhance local capacity for the implementation of investment programmes.

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SEETO Comprehensive Network
Development Plan

Five Year Multi – Annual Plan 2015
Common problems – Shared solutions
This year marks 10th anniversary of signing the Memorandum of Understanding for the Development of the Core Regional Transport Network, from 2012 recognized as SEETO Comprehensive Network and the 10th Multi Annual Plan, SEETO Comprehensive Network Development Plan for 2015, is in front of us.

The SEETO Comprehensive Network Development Plan 2015 makes another breakthrough in the multi-annual regional transport planning. Upon wide consultations with relevant stakeholders, the MAP 2015 is re-designed and re-structured to better present the policy information and infrastructure priority projects to the transport planning authorities and potential investors.

I am happy to announce many initiatives and projects of relevance for the improvement of the SEETO Comprehensive Network performance that are ongoing or coming to an end.

The outcome of the ongoing Flagship axes initiative that mainly focuses on activities for overcoming the non-physical barriers in a mid-run should result in regional actions, monitored by SEETO, related to border-crossings and overall corridor management for facilitating the transport along the selected axes.

Another important project soon to be completed is the Regional Transport Study (REBIS update). National transport authorities, expect quality Study as a key document that will set some priority plan for investments supported by new transport model. This will enable discussion for modalities for financing with all international stakeholders, including the EC, IFI's and the private sector, as well as to streamline the efforts under SEETO umbrella, in order to remain focused and efficient in using the available funds for infrastructure.

All these activities, alongside the needed financial support for national investment infrastructural plans, should facilitate transport operations and put forward remedial measures for reducing travel times, transport costs and increasing the safety of the transport systems.

I am personally satisfied to see a great deal of commitment from all parties involved in SEETO network, National Authorities, SEETO Secretariat and European Commission, as well as IFI’s, regional organizations, to work together in achieving the common aim of regional transport interconnectivity. In this occasion I would like to use this opportunity and to thank the European Commission for permanent support and proactive role. The synergy created between SEETO objectives and the objectives of all involved in SEETO cooperation can give further impetus for regional and transnational projects that can generate economic development and regional cohesion.

In my capacity as a SEETO Steering Committee Chairperson, I herewith endorse the content of the Multi-Annual Plan 2015. In my national capacity, I declare that the provisional reference as contained in the text of this document is not the name of my country and that its Constitutional name is the Republic of Macedonia.
2014 marks a turning point in cooperation when, under the Strategic Work Programme 2015-2017, a new Transport System Analysis will be adopted and gradually implemented in MAP 2015, paving the way for full implementation in next year’s MAP 2016. Accordingly, the main goal of MAP 2015 is to assess infrastructure and horizontal needs together with planned priority investments on the SEETO Comprehensive Network. Its purpose is to provide Regional Participants, the European Commission and the IFI’s with a basis for defining their strategic transport development orientation and actions in the South East European region.

To further cooperation, a long-term and strategic perspective in planning the SEETO Comprehensive Network is envisaged in the SEETO Strategic Work programme 2015-2017. It defines foundations for exploring new channels for transport development in South East Europe, to build on the successful Regional Participants – EU - IFIs cooperation, ensure continuous dynamic development of the forum, enhance coordination, and jointly uphold the interests of all participants.

The most recent SEETO cooperation work focused on the gradual realization of several very important projects and initiatives: the Flagship Axes Initiative, the South East Europe 2020 Strategy, Updating the Regional Balkans Infrastructure Study (REBIS update) and the EC Technical Assistance project “Support for the Implementation of the SEETO Strategic Work Programme 2012-2014”. Having started in 2013 and continued in 2014, these projects and initiatives brought significantly new level of quality to the work of SEETO, making the results more assertive and widening its engagement in certain policy areas in line with the MoU provisions. The results derived from the initiatives mentioned are presented in MAP 2015 and will form a basis for future interventions and investments, as well as for the definition of the main strategic directions for transport system development in South East Europe in the following 10 years.

The first chapter provides an in-depth overview of activities within SEETO cooperation in the last 10 years, presented in relation to their impact on transport development in South East Europe.

In the second chapter, physical and non-physical bottlenecks and barriers are evaluated together with their influence on regional traffic and on the TEN-T network following the current infrastructure capacity assessment and traffic projections for 2030. Correlation between gaps identified and investments required for their improvement is provided as an input and as a basis for the next chapter of MAP 2015.

The third chapter presents an investment review of projects executed in the SEETO Comprehensive Network in the last 10 years as well as prioritization of proposed priority projects for the next five years. Priority projects are ranked according to the SEETO rating methodology.

In the final chapter, future directions of the SEETO Comprehensive Network Transport policy development supported by the SEETO Strategic Work Programme 2015-2017 are presented.
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ABBREVIATIONS

AADT Average Annual Daily Traffic
AAEF Albanian-America Enterprise Fund
AMM Annual Meeting of Ministers
CEFTA Central European Free Trade Agreement
DAHAR Danube Inland Harbor Development
DEG Deutsche Infestations unter Entwicklungsylgesellschaft
DPA Durres Port Authority
EAR European Agency for Reconstruction
EBRD European Bank of Reconstruction and Development
EC European Commission
ECAA European Common Aviation Area
EMR Economic Internal rate of Return
ETMS European Rail Traffic Management System
EU European Union
EUSDR EU Strategy for the Danube Region
GIS Geographical Information System
GDP Gross Domestic Product
HEEP Hydroelectrical Power Plant
HGV Heavy Goods Vehicle
IDB Islamic Development Bank
IFI International Financial Institution
ILS Instrument Landing System
IPA Instrument for Pre-accession assistance
IPS Infrastructure Project Facility
ITSM Intelligent transport systems
IWW Inland waterway
JSPA Joint Service Provisional Area initiative
LoS Level of service
MAP Multi Annual Plan
MoU Memorandum of Understanding
MIPD Multi-annual Indicative Planning Document
NPV Net Present Value
RCC Regional Cooperation Council
REBIS Regional Balkan Infrastructure Study
RIS River Information Services
SEETO Comprehensive Network
SEE South East Europe
SEETO South East Europe Transport Observatory
SEETIS South East Europe Transport Information System
VTMIS Vessel Traffic Monitoring and Information System
TAV Yepe Akfen Ventures
TEN-T Trans-European Transport Network
TIA Tirana International Airport
WB World Bank
WBIF Western Balkan Investment Framework
1. BACKGROUND

2014 marks the 10-year anniversary of the signing of the Memorandum of Understanding for the Development of the Core Regional Transport Network (MoU), by seven Regional Participants and the European Commission, which lays the foundations of the entire regional transport cooperation and transport planning process. Throughout these years, the SEETO cooperation process has progressed from a pure orientation towards infrastructure development to the more ambitious goals of policy development stated in both the new Strategic Work Programme 2015-2017, and the previous one (2012-2014).

The multimodal regional transport network defined under the MoU and subsequently modified in 2009, represents a commonly agreed main and ancillary transport infrastructure in South East Europe (SEE), which is the base for the implementation of transport investment programmes. Since 2012, the Network has been recognized as the SEETO Comprehensive Network, and following the EU Regulation on the revised TEN-T Guidelines, it has been included in the TEN-T Comprehensive Network maps as an indicative TEN-T Comprehensive Network for South East Europe with defined interlinks. This has undoubtedly been the greatest achievement thus far, as it gives a clear sign that the SEETO Comprehensive Network is an inseparable part of the wider European transport network.

Upon accession of Croatia to the European Union on 1 July 2013, its formal participation as a party to the MoU ceased, and the layout of the SEETO Comprehensive Network was changed accordingly.

Regarding formal structures, according to the MoU, the South East Europe Transport Observatory (SEETO) was established to foster implementation of the MoU and to provide technical support to the Steering Committee (SC) which ensures co-ordination of the Regional Participants. The Steering Committee carried out a highly responsible role
in coordinating transport infrastructure planning, as well as promoting and conducting national reforms in line with the agreed EU and regional-driven approach. On the strategic level, the process was guided throughout by the Annual Ministerial Meetings (MMM), which have taken place every year since 2005 and by means of which the main policy recommendations were delivered and continuous commitment was upheld.

Even though noticeable progress has been made in the development of the SEETO Comprehensive Network, and notwithstanding the future perspectives for creation of a Transport Community in SEE, the following objectives defined under the MoU remain inspiring until now and constitute the basis for further integrated regional development:

- Developing the main and ancillary infrastructure on the multimodal SEETO Comprehensive Network and improving connections with TEN-T Network Developing,
- Implementation of a multi-annual rolling action plan (MAP) to provide a platform for the most efficient use of funds and know-how provided by public and private sources,
- Fostering the most efficient and environmentally friendly transport modes at regional level,
- Harmonising and standardising, wherever feasible, technical standards and regulatory or administrative provisions affecting the flow of transport in and across the region, in accordance with EU standards and directives,
- Promoting and enhancing local capacities for the implementation of investment programmes, management and data collection and analysis by Regional Participants.

One of the greatest results achieved during the SEETO cooperation process was the broad acceptance of the new SEETO Priority Projects Rating Methodology which was adopted in July 2012 in order to provide Regional Participants and potential external financiers with an objective and consistent view on the quality of the projects nominated for the implementation of the SEETO Comprehensive Network. On the basis of this methodology, the SEETO Priority Project list has advanced into a credible and reliable reference when it comes to infrastructure projects with regional significance and a cross-border dimension. In the last few years, the list has unambiguously become a strong reference point for eligible proposals under the Western Balkans Investment Framework (WBIF), evidenced by the increased number of approved WBIF applications for projects of SEETO relevance.

In order to provide the necessary analyses and information on transport development, SEETO introduced a data management system – the South East Europe Information System – which has been upgraded few times: the current one is SEETIS III. It is an internet-based GIS application which provides access and tools to geographical and textual information held by SEETO. The application allows remote users to enjoy the benefits of the SEETO Information System. It is embedded in the SEETO web site and acts as a portal for remote users and the public to submit and obtain information about the SEETO Comprehensive Network, infrastructure condition, traffic performance and investment projects. Although SEETIS III is a regional check-in point for all transport-related data and analysis and has been recognized as an extremely useful tool, it should be further systematically improved to be able to generate improved analysis, to include overall transport policy developments, and to present more comprehensive statistics relating to trade and other economic, financial and social indicators.

If one looks at the reforms made by the region in some key policy areas such as the railway sector, road safety, or harmonisation of regulatory and institutional frameworks in different transport modes, a modest but steady progress can be noted. It is clear that investing in soft measures and enabling transfer of knowledge and best practices through SEETO and the expert Working Group has brought multiple benefits. However, a lot more needs to be done, in order to achieve EU standards and service levels in the transport area, to improve operations and to make the market more efficient.

Therefore, in more recent times, the work of SEETO has been focused on the gradual realization of several very important projects and initiatives: the Flagship Axes Initiative, the South East Europe 2020 Strategy, updating the Regional Balkans Infrastructure Study (REBIS update) and the EC Technical Assistance project “Support for the Implementation of the SEETO Strategic Work Programme 2012-2014.” Having started in 2013 and continued in 2014, these projects and initiatives brought a significantly higher level of quality to the work of SEETO, making the results more assertive and widening its engagement in certain policy areas in line with MoU provisions. These results will provide an input for future interventions and investments, as well as for the definition of the main strategic directions for transport system development in South East Europe in the next 10 years.

The objective of the Flagship Axes Initiative is the identification of physical and non-physical barriers for selected multimodal axes (Corridors/Routes) from the SEETO Comprehensive Network, and the development and analysis of plausible remedial measures for reducing travel times and transport costs. From those measures, implementation should be sought for those with the highest cost-benefit ratio. The main idea is to provide a multimodal competitive analysis of selected axes to improve their attractiveness and lower administrative barriers.

Improvement of data collection and analysis mechanisms is one of the main SEETO tasks, along with support for the implementation of the Railway Addendum, harmonisation of transport related border-crossing procedures and for improving the road safety auditing programmes of the Regional Participants. The EC Technical Assistance project provided the required technical support for the implementation of these tasks.

The REBIS update will identify priority physical investments, as well as non-physical improvements including regulatory, institutional and managerial changes to reduce barriers impeding the performance of the SEETO Comprehensive Network, thereby enhancing the efficiency of the SEETO Comprehensive Network. The Study, led by the World Bank, commenced in October 2013.

On a more strategic level the SEE 2020 Strategy, developed under the auspices of the Regional Cooperation Council (RCC), highlights transport as one of the key sectors where greater regional cooperation can contribute to the socio-economic growth of the region and its greater integration with the EU.
2. NEEDS ASSESSMENT

2.1. ROAD CAPACITY ASSESSMENT

The development of road infrastructure should be in line with the implementation of horizontal measures of which the most important for the forthcoming period are the ones in the areas of Road Safety and Road Maintenance. The deteriorating condition of Road Safety has been evident despite national efforts apparent in defined national road safety strategies and the overall institutional set-up. Maintenance of roads has become the most important topic for all Regional Participants as the current condition is below required standards. As a result, additional expenses for road rehabilitation are generated across the region. To achieve comprehensive results, all Regional Participants need to define more detailed guidelines in terms of criteria and procedures for financing maintenance costs as well as the bodies in charge of maintenance.

Road safety and road maintenance are interconnected and have a combined impact on the SEETO Comprehensive Network road capacity which is the main indicator for implementation of future infrastructure projects on the SEETO Comprehensive network.

In 2014, two initiatives under SEETO auspices (REBIS Update study and Flagship Axes Report) delivered evaluations of the SEETO Comprehensive Network road capacity which are presented in this subchapter.

Four main categories defined under the REBIS Update study for road capacity assessment are the basis of recommendations for action required:

1. No immediate maintenance or upgrade requirements - The current road conditions and ongoing construction are considered to provide sufficient capacity to address road
traffic demands up to 2030 and no further immediate investments in terms of road maintenance, rehabilitation, upgrading, widening or new construction can be foreseen based on available information.

2. Requirement for immediate maintenance/rehabilitation - There are specific road sections where current road capacity can be considered to be adequate up to and beyond 2030 and no further investments in terms of upgrading, widening or new construction can be foreseen based on the available information, although there appears to be a need for road maintenance, rehabilitation or possibly pavement reconstruction, subject to more detailed examination.

3. Requirement for immediate upgrading to increase capacity - Current road conditions are considered to provide inadequate capacity to address the present road traffic demands and further investments in terms of both road maintenance and rehabilitation, as well as upgrading, widening and new construction are foreseen.

4. Requirement for future upgrading to increase capacity - There are specific sections where the current road conditions are considered to provide adequate capacity at present but by 2030 this is forecast to become inadequate for addressing future road traffic demands; further investments in upgrading, widening and new construction may become necessary in the future based on available information and SEETO 2030 traffic forecasts, and should therefore be subject to further studies in due course, in preparation for implementation at a later date.

Table 2.1: Types of interventions required per SEETO Comprehensive Network Road Corridor / Route until 2030

<table>
<thead>
<tr>
<th>Corridor / Route</th>
<th>Total Corridor Length (km)</th>
<th>No Immediate maintenance or upgrade requirements up until 2030 (km)</th>
<th>Requirement for immediate maintenance/rehabilitation ONLY (km)</th>
<th>Requirement for immediate upgrading to Increase capacity (km)</th>
<th>Requirement for future upgrading to Increase capacity (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corridor Vc</td>
<td>400</td>
<td>18</td>
<td>134</td>
<td>224</td>
<td>16</td>
</tr>
<tr>
<td>Corridor VIII</td>
<td>657</td>
<td>392</td>
<td>154</td>
<td>77</td>
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<tr>
<td>Corridor X</td>
<td>726</td>
<td>595</td>
<td>43</td>
<td>22</td>
<td>0</td>
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<tr>
<td>Corridor Xb</td>
<td>185</td>
<td>185</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Corridor Xc</td>
<td>110</td>
<td>19</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Corridor Xd</td>
<td>117</td>
<td>42</td>
<td>75</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Route 1</td>
<td>128</td>
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<td>47</td>
<td>34</td>
<td>28</td>
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<tr>
<td>Route 2a</td>
<td>228</td>
<td>80</td>
<td>37</td>
<td>111</td>
<td>0</td>
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<tr>
<td>Route 2b</td>
<td>395</td>
<td>108</td>
<td>212</td>
<td>34</td>
<td>28</td>
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<tr>
<td>Route 2c</td>
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<td>0</td>
<td>0</td>
</tr>
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<tr>
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<td>97</td>
<td>55</td>
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<tr>
<td>Route 6b</td>
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<tr>
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<td>0</td>
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<tr>
<td>Total</td>
<td>4925</td>
<td>2178</td>
<td>1495</td>
<td>719</td>
<td>162</td>
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</tbody>
</table>

Source: REBIS update – Road Capacity Report

From the table 2.1 it is apparent that the highest requirements - 30% of the total SEETO Comprehensive Network length - are identified for immediate maintenance or upgrade, while 44% of the Network is rated as satisfactory, with no maintenance or upgrade required until 2030.

Within the Flagship Axes Report elaborated by SEETO, the causes for limitation of transport along the axis on the side of infrastructure have been identified, taking into consideration two categories: infrastructure factors (main factors which directly affect transport and travel time, by creating infrastructure bottlenecks) and performance factors (factors whose influence is more on the performance of the Network and could contribute to creation of bottlenecks).

The following road characteristics have been analysed: road condition, level of service, speed limits, number of lanes (2012). In addition, investments in the examined sections have been presented. Where no ongoing or planned investments take place, and the potential for infrastructure limitation has been identified on a particular section, it is recommended as a priority for future intervention.

Table 2.2 presents sections on the SEETO Comprehensive Network that are marked as of the highest priority for investments in the following 5 years. Sections presented are a cross reference to the REBIS update study and Flagship Axes Initiative results and should be considered as imperative for the South East European region in the forthcoming period.

<table>
<thead>
<tr>
<th>Corridor / Route</th>
<th>RP</th>
<th>Node_Name1</th>
<th>Node_Name2</th>
<th>Requirement for immediate maintenance ONLY (km)</th>
<th>Requirement for immediate upgrading and widening measures to enhance capacity (km)</th>
<th>MAP 2015 priority project</th>
<th>Total Length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corridor VC</td>
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<td></td>
<td></td>
<td></td>
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<td></td>
<td>BIH</td>
<td>Kanuse</td>
<td>Maglaj</td>
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<td></td>
<td>Upgrading Kanuse - Banjolu section, 50 km</td>
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</tr>
<tr>
<td></td>
<td>BIH</td>
<td>Maglaj</td>
<td>Sarajevo</td>
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<td></td>
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<td>58</td>
</tr>
<tr>
<td></td>
<td>BIH</td>
<td>Lavia</td>
<td>Mostar bypass</td>
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<td></td>
<td>Upgrading Mostar bypass - Sarajevo section, 50 km</td>
<td>151</td>
</tr>
<tr>
<td></td>
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<td>Doljani</td>
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<td>8</td>
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<tr>
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<td>MKD</td>
<td>Struga</td>
<td>Pesocani</td>
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<tr>
<td></td>
<td>MKD</td>
<td>Pesocani</td>
<td>Botun</td>
<td>16</td>
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</tr>
<tr>
<td></td>
<td>MKD</td>
<td>Botun</td>
<td>Kicevo</td>
<td>39</td>
<td></td>
<td>No</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>MKD</td>
<td>Kicevo</td>
<td>Gostivar</td>
<td>48</td>
<td></td>
<td>No</td>
<td>48</td>
</tr>
<tr>
<td>Total (km) - Corridor VIII</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>158</td>
</tr>
<tr>
<td>Route 7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>118</td>
</tr>
<tr>
<td></td>
<td>KOS</td>
<td>Pristina</td>
<td>Merdare</td>
<td>33</td>
<td></td>
<td>Upgrading Pristina - Merdare section, 60 km</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>SER</td>
<td>Merdare</td>
<td>Doljievac</td>
<td>85</td>
<td></td>
<td>No</td>
<td>85</td>
</tr>
<tr>
<td>Total (km) - Route 7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>118</td>
</tr>
<tr>
<td>Corridor X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>43</td>
</tr>
<tr>
<td></td>
<td>MKD</td>
<td>Kumanovo</td>
<td>Miladinocni</td>
<td>43</td>
<td></td>
<td>Rehabilitation, Kumanovo - Miladinocni section, 23 km</td>
<td>43</td>
</tr>
<tr>
<td>Total (km) - Corridor X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>43</td>
</tr>
<tr>
<td>Route 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>198</td>
</tr>
<tr>
<td></td>
<td>SER</td>
<td>Pancevo</td>
<td>Orlovecari</td>
<td>27</td>
<td></td>
<td>Upgrading Strazovica - Bubanj potok section, 9.7km</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>SER</td>
<td>Pancevo</td>
<td>Novi Varos</td>
<td>88</td>
<td></td>
<td>No</td>
<td>88</td>
</tr>
<tr>
<td></td>
<td>MNG</td>
<td>Moskva</td>
<td>Vrapiayar</td>
<td>83</td>
<td></td>
<td>Upgrading, Podgorica - Malesa section, 50km</td>
<td>83</td>
</tr>
<tr>
<td>Total (km) - Route 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>198</td>
</tr>
</tbody>
</table>

Source: REBIS Update Road Capacity report and Flagship Axes Report
Nevertheless it is important to emphasize that additional sections marked as priority for investments until 2020, and further ones until 2030, are presented in Flagship Axes report and REBIS update reports.

Observing those sections listed as highest priority in the SEETO region until 2020, it is apparent that an equal proportion of investment is required for rehabilitation and for the widening/upgrade of the SEETO Comprehensive Network. This confirms the initial statement of the importance of maintenance expenditure in the region that provides sustainability of newly constructed infrastructure but also enables the fulfilment of basic requirements for the operation of road transport on the SCN.

Five listed sections in Table 2.2 (164 km total length) are presented on the priority project list; if these projects are implemented, the length of required priority sections would automatically be reduced by 20%.

In Corridor Vc urgent intervention is needed on the 8 km section Semizovac-Sarajevo which has the highest AADT on the whole corridor and the lowest operating speed of 40km/h.

Almost the entire length of Corridor X in Serbia and the former Yugoslav Republic of Macedonia will be constructed to motorway standard by 2016. Urgent investment is needed on the inter-urban ring road around Belgrade that is the most traffic-intensive and bottlenecked section on the entire Corridor X. The next priorities for this corridor, looking at the condition of roads, AADT and the potential for infrastructure limitations, would be the sections Kumanovo-Miladinovci, 43 km (MAP 2015 priority project), and Batocina-Paracin 46 km (not yet prioritised).

In Corridor VIII in the former Yugoslav Republic of Macedonia motorway construction has started on the section Kicevo – Ohrid. Funding is secured through a Chinese Bank loan (Exim) and the planned duration of project implementation is 45 months.

The entire Serbian part of Route 7 accounts for only 8% of traffic on this route whilst majority of traffic is accumulated on Albanian and Kosovo part. The section Milot-Rreshen (26 km) in Kosovo has capacity restraints (LoS = F), but no interventions are foreseen at the moment. The other bottlenecked section in Kosovo, Pristina-Merdare, is a priority investment planned in MAP 2015.

A large investment for the construction of the motorway Belgrade-Pozega on Route 4, planned in the next midterm period, will address most of the currently recorded bottlenecks along Route 4 expressed in the LoS F and D. In addition, the planned investment in MAP for the Podgorica-Matesevo motorway will alleviate conditions on the lengthy section Gostun-Vrpazar.

2.2. RAIL CAPACITY ASSESSMENT

Even though efforts have been made in the alignment of national legislation with the EU acquis communautaire, the railway sector is still moving at a slower pace. Many of the Regional Participants have adopted new safety and railway laws (Montenegro, Serbia) aligned with new EU railway legislation. Some RPs reported difficulties in setting the appropriate institutional capacities and implementing costly reform measures, especially given the constant decline in rail transport in previous years. The lack of new market entrants in the region influences to some extent the competitiveness of railways.

Rail capacity assessment is presented in this sub-chapter, based on the analysis of infrastructure limitations on the SEETO Comprehensive Rail Network produced under the Flagship Axes First Phase initiative and the Rail Capacity Report produced within the REBIS study.

In the REBIS Rail Capacity report, for each section, infrastructure and operations, capacity has been assessed and recommendations have been made for the following types of capacity constraints:

1. No capacity constraints related to infrastructure and thus no improvement needed: these are the links with less than 40% utilization

2. Minor capacity constraints in infrastructure that can be improved by some minor rehabilitation: these are assumed to be the links with average utilization 40-65%, which in peak periods may present perturbations of traffic with impact on capacity. For them a combination of solutions can be proposed following a site inspection and interview (e.g. improve the condition of the line, manage the number of subsections, provide overtaking facilities, arrange stations in a more efficient way, upgrade control and signalling, etc.)

3. Significant capacity constraints in infrastructure that need major rehabilitation: links with utilization 65-80%; for them a combination of solutions can be proposed following a site inspection and interview (e.g. increase the number of tracks, improve alignment, upgrade block and signalling system, etc.)

4. Significant capacity constraints in infrastructure that demand the construction of a new line: links with utilization above 80%, for which the above solutions are already exhausted and a new line is needed. Inspection and interview is needed and the SEETO Development Plan should be taken into account.

5. Existing missing link

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* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.

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Within the Flagship Axes Report elaborated by SEETO, the causes of limitation of transport along the axis have been identified, taking into consideration two categories: infrastructure factors (main factors which directly affect the transport and the travel time, by creating infrastructure bottlenecks) and performance factors (factors whose influence is more on the performance of the network and could contribute to the creation of bottlenecks).

The following infrastructure aspects have been analyzed: bottlenecks, condition, maximum allowed speed, speed limits, number of tracks and traction. Additionally, ongoing investments and those for which financial support has been secured on the flagship axes have been analyzed to determine for which sections infrastructure limitations have been addressed and for which sections immediate attention is needed. The sections with identified infrastructure limitations and without any secured investment have been recommended as priority ones for further intervention.3

In the table 2.4 cross-referenced sections between the REBIS update study and the Flagship Axes Initiative have been presented. These sections are marked as highest short term priority for investments and should be considered as imperative for the South East European region in the forthcoming period. Nevertheless it is important to emphasize that additional sections marked as priority for investments until 2020 and also until 2030 are presented in Flagship Axes report and REBIS update reports.

Rail Corridor Vc - The condition of the whole corridor is unsatisfactory. Speed restrictions (approx. 80km) and capacity constraints should be addressed in the southern part of Corridor Vc on the stretch between Sarajevo and the border with Croatia (Sarajevo-Capljina) to achieve better performance on this section.

Generally speaking further investment is needed to rehabilitate poor infrastructural sections with speed limits and to establish normal operations. However, to improve the performance of Corridor Vc more investments need to be realised in the reconstruction and modernisation of the railway lines.

Rail Corridor VIII - Corridor VIII, traversing Albania and the former Yugoslav Republic of Macedonia, is substandard with almost 97% of the track in unsatisfactory condition reducing operational speeds to a maximum of 60km/h. Additionally, further development is hindered because of missing links and an inability to establish an international railway transport.

The first steps towards improving Corridor VIII have been made, with investment in the missing link connecting the former Yugoslav Republic of Macedonia and Bulgaria as well as the planned investment in the link between Durres and Tirana.

Table 2.3: Types of interventions required per SCN Rail Corridor/Route until 2030

<table>
<thead>
<tr>
<th>Corridor / Route</th>
<th>Length with no capacity constraints (utilization less than 40%) (km)</th>
<th>Length with minor capacity constraints (utilization 40%-65%) (km)</th>
<th>Length with significant capacity constraints - major rehabilitation needed (utilization 65%-80%) (km)</th>
<th>Length with significant capacity constraints - construction of new line is needed (utilization more than 80%) (km)</th>
<th>Missing Links (km)</th>
<th>Length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corridor Vc</td>
<td>258</td>
<td>170</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>428</td>
</tr>
<tr>
<td>Corridor VIII</td>
<td>390</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>601</td>
</tr>
<tr>
<td>Corridor Xb</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>151</td>
</tr>
<tr>
<td>Corridor Xc</td>
<td>104</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>151</td>
</tr>
<tr>
<td>Corridor Xd</td>
<td>146</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>146</td>
</tr>
<tr>
<td>Route 2</td>
<td>144</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>144</td>
</tr>
<tr>
<td>Route 4</td>
<td>343</td>
<td>216</td>
<td>21</td>
<td>0</td>
<td>0</td>
<td>580</td>
</tr>
<tr>
<td>Route 9a</td>
<td>58</td>
<td>224</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>224</td>
</tr>
<tr>
<td>Route 10</td>
<td>256</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>256</td>
</tr>
<tr>
<td>Route 11</td>
<td>138</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>138</td>
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<tr>
<td>Route 13</td>
<td>28</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>28</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2262</strong></td>
<td><strong>788</strong></td>
<td><strong>178</strong></td>
<td><strong>149</strong></td>
<td><strong>211</strong></td>
<td><strong>3530</strong></td>
</tr>
</tbody>
</table>

Source: REBIS update - Road Capacity Report

Table 2.4: Main rail network investments that are listed as a priority in both projects - REBIS Update and Flagship Axes

<table>
<thead>
<tr>
<th>Corridor / Route</th>
<th>Regional Participant</th>
<th>Node_Name 1</th>
<th>Node_Name 2</th>
<th>Minor contraints - minor rehabilitation needed (utilisation 40%-65%) (km)</th>
<th>Significant contraints - construction of new line is needed (utilisation more than 80%) (km)</th>
<th>Missing Links (km)</th>
<th>MAP 2015 priority project</th>
<th>Total Length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corridor Vc</td>
<td>BIH</td>
<td>Sarajevo</td>
<td>Capljina</td>
<td>170</td>
<td></td>
<td></td>
<td>170</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Corridor Vc</strong></td>
<td></td>
<td></td>
<td></td>
<td>170</td>
<td></td>
<td></td>
<td><strong>170</strong></td>
<td><strong>170</strong></td>
</tr>
<tr>
<td>Corridor VIII</td>
<td>ALB</td>
<td>Pogradec</td>
<td>Korce</td>
<td>80</td>
<td></td>
<td></td>
<td>80</td>
<td></td>
</tr>
<tr>
<td>Corridor VIII</td>
<td>ALB</td>
<td>Lin</td>
<td>Qafe Thane</td>
<td>4</td>
<td></td>
<td></td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Corridor VIII</td>
<td>MKD</td>
<td>Kafasan</td>
<td>Kicevo</td>
<td>55</td>
<td></td>
<td></td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>Corridor VIII</td>
<td>MKD</td>
<td>Kumanovo</td>
<td>Dobroane</td>
<td>14</td>
<td></td>
<td></td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Corridor VIII</td>
<td>MKD</td>
<td>Dobroane</td>
<td>Dovedence</td>
<td>14</td>
<td></td>
<td></td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Corridor VIII</td>
<td>MKD</td>
<td>Dovedence</td>
<td>Beljakovci</td>
<td>8</td>
<td></td>
<td></td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Corridor VIII</td>
<td>MKD</td>
<td>Beljakovci</td>
<td>Kriva Palanka</td>
<td>35</td>
<td></td>
<td></td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>Corridor VIII</td>
<td>MKD</td>
<td>Kriva Palanka</td>
<td>Zedillo</td>
<td>1</td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Corridor VIII</strong></td>
<td></td>
<td></td>
<td></td>
<td>211</td>
<td></td>
<td></td>
<td><strong>211</strong></td>
<td><strong>211</strong></td>
</tr>
<tr>
<td>Corridor X</td>
<td>SER</td>
<td>Stara Pazova</td>
<td>Novi Beograd</td>
<td>30</td>
<td></td>
<td></td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Corridor X</td>
<td>SER</td>
<td>Beograd</td>
<td>Resnik</td>
<td>76</td>
<td></td>
<td></td>
<td>76</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Corridor X</strong></td>
<td></td>
<td></td>
<td></td>
<td>106</td>
<td></td>
<td></td>
<td><strong>106</strong></td>
<td><strong>106</strong></td>
</tr>
<tr>
<td>Route 4</td>
<td>SER</td>
<td>Resnik</td>
<td>Pozega</td>
<td>176</td>
<td></td>
<td></td>
<td>176</td>
<td></td>
</tr>
<tr>
<td>Route 4</td>
<td>MNG</td>
<td>Majkovac</td>
<td>Trebajlovo</td>
<td>11</td>
<td></td>
<td></td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Route 4</td>
<td>MNG</td>
<td>Virpazar</td>
<td>Bar</td>
<td>21</td>
<td></td>
<td></td>
<td>21</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Route 4</strong></td>
<td></td>
<td></td>
<td></td>
<td>208</td>
<td></td>
<td></td>
<td><strong>208</strong></td>
<td><strong>208</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td>463</td>
<td></td>
<td></td>
<td><strong>695</strong></td>
<td><strong>695</strong></td>
</tr>
</tbody>
</table>

Source

4 Very poor to medium condition, according to the SEETO classification
Due to poor infrastructure and decreasing traffic volumes, a limited number of sections with capacity problems are presented on the SEETO Comprehensive Network, however, to improve performance and accommodate market needs (punctuality, reliability, etc.) infrastructure constraints would have to be addressed.

2.3. AIRPORT CAPACITY ASSESSMENT

Air transport is the most progressive transport sector in South East Europe and has been recognized as one of the drivers of regional development within the South East Europe 2020 Strategy. All Regional Participants reported an increase in passenger transport: introduction of new regular lines and low-cost carriers, and several SEETO Comprehensive Network airports have completed or are undergoing major reconstruction and modernization (in some places with concession arrangements) in order to meet market needs. This infrastructure development is accompanied by adherence to international and EU regulations on navigation, safety, security and market liberalisation in line with the ECAA Agreement (European Common Aviation Area).

The need to further encourage Regional Participants to enhance mutual cooperation on a more practical level to deal with air transport issues more efficiently has been identified. As a result, more services to European hubs whereas Belgrade Airport could further reinforce its role as gateway to the SEETO area leveraging connections to other SEETO airports. As a result, more services from Belgrade to SEETO airports could be foreseen.

Most indirect traffic between SEETO airports and Europe currently connects through European hubs whereas Belgrade Airport could further reinforce its role as gateway to the SEETO area by developing connections to other SEETO airports. As a result, more services from Belgrade to SEETO airports could be foreseen.

Moreover, it has been found that a few new routes to Europe and the rest of the world could be envisaged in the medium-term from specific SEETO airports. At the same time, some air routes between the SEETO region and Europe have insufficient seat capacity. It is recommended that the opportunity to increase frequencies on these routes is examined.

Regarding existing airport infrastructure, some airports may be facing congestion issues in the short term due to insufficient terminal or apron capacity. Should these capacity issues be confirmed, an airport development plan should be prepared to increase airport capacity in line with traffic forecasts.

Finally, some of the examined airports may experience operational limitations in the medium-term due to the length of their runway being inadequate for use by wide-body aircraft. Although the current demand at these airports may not justify the use of such wide-body aircraft, the possibility of extending the runway should be studied for long-term development in conjunction with a traffic forecast.

Airports capacity overview

<table>
<thead>
<tr>
<th>Airport</th>
<th>Terminal</th>
<th>Runway</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tirana</td>
<td>Extension should be considered - current traffic is very close to the declared capacity</td>
<td>Extension should be studied for long-term development</td>
<td>Adequate</td>
</tr>
<tr>
<td>Banja Luka</td>
<td>Adequate</td>
<td>Adequate</td>
<td>Adequate</td>
</tr>
<tr>
<td>Sarajevo</td>
<td>Extension should be considered - current traffic is very close to the declared capacity</td>
<td>Adequate</td>
<td>Adequate</td>
</tr>
<tr>
<td>Ohrid</td>
<td>Adequate</td>
<td>Adequate</td>
<td>Adequate</td>
</tr>
<tr>
<td>Skopje</td>
<td>Adequate</td>
<td>Adequate</td>
<td>Adequate</td>
</tr>
<tr>
<td>Podgorica</td>
<td>Adequate</td>
<td>Adequate</td>
<td>Adequate</td>
</tr>
<tr>
<td>Tivat</td>
<td>Extension should be considered - current traffic is very close to the declared capacity</td>
<td>Adequate</td>
<td>Adequate</td>
</tr>
<tr>
<td>Belgrade</td>
<td>Adequate</td>
<td>Adequate</td>
<td>Adequate</td>
</tr>
<tr>
<td>Nis</td>
<td>Adequate</td>
<td>Adequate</td>
<td>Missing ILS</td>
</tr>
<tr>
<td>Pristina</td>
<td>Adequate</td>
<td>Extension should be studied for long-term development</td>
<td>Required increase in number of parking stands</td>
</tr>
</tbody>
</table>

Source: REBIS update

2.4. SEAPORT CAPACITY ASSESSMENT

The maritime sector registered some progress in the implementation of international and EU regulations concerning ships’ security and port facilities, registrations of ships and seafarers, and the establishment of the Vessel Traffic Monitoring and Information System (VTMIS). Substantial EU Technical assistance is being used for these developments. Further incorporation of technical standards for ships and the establishment of flag state control and port state control is needed.

The dredging of the channel and the basin of the Port of Durres is being carried out, financed with €16 million from Durres Port Authority (DPA), as well as the construction with concessions of specialized terminals for bulk cargo, cement etc. The port of Durres is well connected by road and is connected to the national rail network but only through the eastern terminal. Although there are other railway connections in the port area they are not linked to the national network.
The port of Vlora is the smallest port, and both rehabilitation and construction are required. The project for the rehabilitation of port infrastructure and superstructure, the construction of the new berth for the operation of Ro-Ro ships, and the cargo berth (financed by Italian cooperation to a total of €15.3 million) is ongoing.

The port of Bar has a loading capacity of 5 million tons, however it has not been utilized to its full capacity. Recently the container terminal was privatized in order to improve transport operations and increase cargo traffic, with 62.9% of shares bought by the Turkish company Global Ports Holding.

Based on the results from the WATERMODE project the main improvements to the port of Bar are related to investments in mechanical units, modernization of gantry cranes, reconstruction of the cold storage plant, building silos for bulk cement and the development of an environmental protection system, in order to enhance business operations and reduce issues with reliability and capacity. Furthermore, according to the REBIS study, widening the dry bulk terminal area could positively affect capacity.

### Table 2.6: SEETO Comprehensive Network

<table>
<thead>
<tr>
<th>Port</th>
<th>Terminal</th>
<th>Berth Max-depth</th>
<th>Storage facilities</th>
<th>Annual capacity</th>
<th>Capacity assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dry Bulk</td>
<td>B:3 MD:14m</td>
<td></td>
<td>Open storage area:</td>
<td>50.000 m²</td>
<td>The dry bulk terminal is narrow – widening of the area could positively affect capacity</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Silo: 3.000 t</td>
<td>Yard-side: 500.000 t/y</td>
<td></td>
</tr>
<tr>
<td>Container</td>
<td>B:2 MD:14m</td>
<td></td>
<td>Open storage area:</td>
<td>100.000 m²</td>
<td>Good condition</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>100.000 t/yard-side: 500.000 t/y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ro-Ro</td>
<td>B:2 (+1 Ro-Ro)</td>
<td></td>
<td>Open storage area:</td>
<td>22.000 m²</td>
<td>The yard-side storage restrictions will be resolved in upcoming extension - good condition upon completion</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(further extension to 66.000 m²)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liquid Cargo</td>
<td>MD:14</td>
<td></td>
<td>Reservoir: 115.000 m³</td>
<td>Yard-side: 500.000 t/y</td>
<td></td>
</tr>
<tr>
<td>Grain</td>
<td>B:4</td>
<td></td>
<td>Silo: 30.000 t</td>
<td>Yard-side: 500.000 t/y</td>
<td>Operations near maximum without problems</td>
</tr>
<tr>
<td>Container</td>
<td>B:2 MD:8.5m</td>
<td></td>
<td>Terminal surface:</td>
<td>65.000 m²</td>
<td>Expansion of the yard-side area of the terminal should be considered</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,600 t/yard-side: 150.000 t/y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bulb</td>
<td>B:3 MD:11m</td>
<td></td>
<td>Open storage area:</td>
<td>75.000 m²</td>
<td>Expansion of the quay could increase the maximum capacity as the yard-side is adequate to accommodate larger capacity</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Covered storage area:</td>
<td>75.000 t/y</td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>B:3 MD:11m</td>
<td></td>
<td>Open storage area:</td>
<td>70.000 m²</td>
<td>Expansion of the quay could increase the maximum capacity as the yard-side is adequate to accommodate larger capacity</td>
</tr>
<tr>
<td>Ro-Ro</td>
<td></td>
<td></td>
<td>Covered storage area:</td>
<td>70.000 t/y</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Seaside: 500.000 t/y</td>
<td>Yard-side: 810.000 t/y</td>
<td></td>
</tr>
<tr>
<td>Ro-pax</td>
<td>B:1</td>
<td></td>
<td>No storage area</td>
<td></td>
<td>The terminal serves Ro-pax. The waiting area for trucks is about 3.000 m² and no other storage area available</td>
</tr>
<tr>
<td>Liquid</td>
<td>B:1</td>
<td></td>
<td>Silo: 300.000 t/y</td>
<td>Seaside: 500.000 t/y</td>
<td>Restricted by seaside capacity. Wide yard-side area does not limit</td>
</tr>
</tbody>
</table>

Source: REBIS update

### 2.5. IWW CAPACITY ASSESSMENT

The SEETO Comprehensive Inland Waterway Network provides a distinct opportunity to connect the hinterland of ports and industrial areas in the SEE region to the European market. However, sustainable navigability of inland waterways has to be provided to accommodate market needs.

River ports of the SEETO Comprehensive Network have substantial capacity but the equipment and infrastructure in most of the ports requires reinvestment, which affects the utilisation of inland waterway ports as multimodal connecting points and logistical centres.

River Information Services have been already introduced on the Danube, while on the Sava the situation is a bit more complex. In Serbia, RIS has been introduced while in Bosnia and Herzegovina there was a problem with institutional establishment. Currently there is no institution which could manage the waterways and RIS, which is a precondition for the implementation work. The main design has been completed for the introduction of RIS on the whole stretch of the River Sava.

Furthermore several issues have emerged regarding the implementation of the MAP 2014 priority project ‘Sava River’. Negotiations with the WB for the implementation works (22.5 million €) have not succeeded, as the institutions within Bosnia and Herzegovina failed to reach agreement. As a consequence, preparation of project documentation for the Brcko – Belgrade section, financed from an IPA grant, has stopped.

As for capacity, the IWW port capacity assessment is based on the REBIS and inland port capacity estimation; more information is available in table 2.7.

### Table 2.7: SEETO Comprehensive Network

<table>
<thead>
<tr>
<th>Port</th>
<th>Terminal</th>
<th>Berth Max-depth</th>
<th>Storage facilities</th>
<th>Annual capacity</th>
<th>Capacity assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brcko</td>
<td>General and bulk cargo</td>
<td>Quay: 180m</td>
<td>Open storage: 16.000 m³</td>
<td>Covered storage: 11.100 m³</td>
<td>Riversides: 480.000 tons/year</td>
</tr>
<tr>
<td>Samac</td>
<td>Bulk cargo (steel and semi-finished products)</td>
<td>Quay: 150m</td>
<td>Open storage: 25.000 m³</td>
<td>Covered storage: 3.000 m³</td>
<td>9 gantry cranes</td>
</tr>
<tr>
<td>Belgrade</td>
<td>General cargo, bulk</td>
<td>Quay: 940m</td>
<td>Open storage: 71.000 m³</td>
<td>Covered storage: 30.100 m³</td>
<td>Riversides: 1,400.000 tons/year</td>
</tr>
<tr>
<td>Novi Sad</td>
<td>General cargo, bulk</td>
<td>Quay: 800m</td>
<td>Total area: 350.000 m²</td>
<td>Covered storage: 44.000 m³</td>
<td>Riversides: 700.000 tons/year</td>
</tr>
</tbody>
</table>

Source: REBIS update
Flagship Inland Waterways

**Port of Samac** - In order to have proper port operations, immediate rehabilitation efforts are necessary to preserve and restore the assets of Samac port to perform safe and efficient operations. The condition of the port is an obstacle to its establishment as a working terminal. Further infrastructure development should be considered.

**Port of Novi Sad** - In the next midterm period, expansion of the river side capacity for the general cargo and bulk terminal would potentially increase current port capacities, since current capacities have been exceeded for several years. Expansion of the yard side of the container terminal should be considered as well.

As for long-term plans to establish the port as a multimodal centre, several new transportation systems and pieces of equipment need to be introduced (container terminal and Ro-Ro terminal for mobile machines; system for grain storage and handling, capacity of 20 000 tons; modernisation and construction of storage systems; subsystem of logistical support and additional logistics services; transport infrastructure).

**Danube** - The water level on the Danube is influenced by the backwater of HEPP Oder I and HEPP Oder II. Within the backwater zone, sufficient navigational depth is available. Outside the backwater zone, the water level and consequently the available width and depth for navigation depend on the discharge of the river. During low flow conditions, certain river stretches may not be of sufficient navigational depth or width.

The majority of bottlenecks occur on the stretch between km 1430 and 1250 (from Hungarian border to a point near Backa Palanka). Most of them are due to sharp bends or narrow cross-sectional profiles. In addition to these bottlenecks, the railway bridge in Novi Sad is also a severe bottleneck due to limited navigable width combined with limited clearance. Downstream of km 1250 fewer problems are encountered, and after km 1198 until the beginning of the Oder Gorges no bottlenecks have been identified. Downstream of the Oder II dam there are no bottlenecks with regard to available width and depth of the fairway, except during extremely low water levels. When this happens a large number of sunken German WWII warships at Prahovo create hazardous situations for navigation as they narrow the fairway width substantially.

In conclusion, apart from the stretch at Prahovo which has nothing to do with geomorphologic conditions, the most critical sectors are bottlenecks located on the part of the Danube which forms the border between Serbia and Croatia. At certain points, such as at Apatin, navigation is carried out under difficult conditions and significant regulation works are necessary to provide safe navigation.

More investments need to be made for infrastructure upgrades. While severe weather conditions during winter months lead to the disruption of navigation due to river surface icing or thick fog, targeted large-scale investments in technology-intensive, innovative solutions and collaboration between the neighbouring countries could help overcome these obstacles. In addition, capital investments are needed in order to cover expenditures for modernisation of the river ports, aiming at enhancing trade.

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6. World Bank, Regional Transport Study (REBIS update), Maritime and inland port capacity estimation for the countries of Croatia, Bosnia and Herzegovina, Serbia, Montenegro and Albania, 2014
7. Regional Transport Study (REBIS update), Maritime and inland port capacity estimation for the countries of Croatia, Bosnia and Herzegovina, Serbia, Montenegro and Albania, 2014
8. SEE Transnational Cooperation Programme, Danube, Local Action Plan of the Port of Novi Sad, 2013
3. INFRASTRUCTURE INVESTMENT OVERVIEW

3.1. ECONOMIC OVERVIEW OF THE SOUTH EAST EUROPEAN REGION

Economic development and transport are closely correlated: transport is a driver for economic development, i.e. it creates growth potential by establishing connections that did not exist before or by improving the quality of existing connections. It can remove impediments to economic development by alleviating congestion and other service quality deficiencies in places where development potential already exists. Mobility potential is a key constituent of economic welfare and well-being.1

When studying the Regional Participants, it must be kept in mind that these are small economies and markets, which is important when analyzing transport indicators in correlation with global economic development. The recent global financial crisis and the present difficulties of the Eurozone have highlighted the interdependence of national economies both within and beyond the EU. Economic policy decisions might prioritize one set of objectives while working to the detriment of others2. Delivering economic growth, price stability, lowering the unemployment rate, a sustainable budget deficit and public debt are some of most important objectives. Obtaining economic growth and protecting the population by reducing inflation and limiting unemployment are considered to be of the highest importance.

1 International Transport Forum, Transport Outlook 2012
2 Macroeconomic Outlook for Western Balkans in the Context of the Global Economic Crises With focus on the Republic of Macedonia, Elsabeta Tosheva
The line graph above provides information about GDP percentage change. As can be seen, despite small deviations, all Regional Participants show a nearly equal growth trend. After the period of deceleration in 2009 there was a modest but significant recovery in 2010 and 2011. In 2012, GDP in almost all Regional Participants unexpectedly dropped again, almost reaching the 2009 level (except Albania and Kosovo*, where they remain positive; all others recorded negative GDP growth). After this, the region remains stable and shows a steady increase of approximately 0.5-1% a year.

Analysis based on data from World Economic Outlook Database, April 2014.

New growth projection shows a slight improvement but still remains weak compared to the data before the beginning of the crisis.

In developing countries, with relatively low domestic savings that cannot achieve current account surplus, the financing of infrastructure development is experiencing difficulties. The underlying question is the source of the required capital. International transfers, grants, and EU funds play an important role in the SEETO region. Most of these funds are tools for the modernization of institutions, strengthening the rule of law and trans-border cooperation.

These objectives are very important since they are able to improve the business environment indirectly, yet they are insufficient to launch a broader investment program. For the latter to take place, cheap loans and non-repayable transfers are needed as these are the most efficient resources, but they are usually sourced from FDI.

Due to the reduced possibilities for finance, SEETO Regional Participants increasingly turn to investors outside the EU – this strategy is similar to the attempts of several other countries in the Central European region. It is apparent from the fact that 16% of the total amount invested in the SEETO Comprehensive Network since 2004 is financed from different investors (other than EC, IFIs and national Budget). Turkey is becoming more and more active in the region while Russia is able to offer low-priced loans. Similarly, investors from the Middle East and Central Asia also exhibit increasing interest in the region. Interest of Chinese investors in infrastructure development projects is evident mostly in Serbia, Montenegro and the former Yugoslav Republic of Macedonia.

In order to perform additional analysis it is necessary to collect additional data on the current economic situation in the region as suggested in the “Support to the implementation of the Strategic Work Programme of the South East Europe Transport Observatory” Task A deliverable 1.

### 3.2. DECADE OF INVESTMENTS IN THE SEETO COMPREHENSIVE NETWORK

In the last 10 years, a total of €9.3 billion, both disbursements and commitments\(^4\) have been recorded on the SEETO Comprehensive Network.

There are two types of investments in the SEETO Comprehensive Network: i) in Priority Projects – infrastructure projects that were presented on at least one priority project list in any edition of the MAP; ii) in Non-Priority Projects – projects that were not presented on a priority project list in any edition of the MAP.

\(^4\) Investments that will be disbursed in 2013–2021
More than 59% of total investments were spent on Priority Projects. From last year’s priority project list (MAP 2014), the highest secured funds were recorded in Kosovo for the construction of Road Route 6a (€700 million) section Pristina – Hani i Elezit/Djeneral Jankovic. It should be noted that stated project was the highest ranked (93%) among road projects on last year’s list which shows the relevance of the applied methodology.

When observing SEETO Comprehensive Network investments by source of funding, IFI Loans’ (39%) and national budgets (39%) take the highest share. During the last decade, those two sources have always delivered the highest percentage. EU Funds (2%) are mostly used to finance capacity building which is not a subject of analysis. Concession is a source of funding present only in the financing of non-priority Projects (9% of total amount in financing non-priority projects and zero in financing priority projects). However, it is important to analyze the impact of Other sources (16% of the total amount directed for Priority and Non-Priority Projects, in total €1,534 million). Dissemination of the investments by source of funding can be seen in figure 3.4.

In all Regional Participants a tendency towards negotiations with investors outside the EU is perceived. It is expected that Turkey, Russia and China will become more prominent investors in South East Europe in the next five years, mainly because of easier and faster negotiations and lower interest rates. The main indicator of this trend is the road project in Montenegro, on Route 4, sector Podgorica-Mateo, signed in September 2014 financed by the Exim Bank of China to the amount of €810 million, and the project in the former Yugoslav Republic of Macedonia on Corridor VIII, Kicevo-Ohid, also expected to be signed this year and financed by the China Exim Bank. Additionally, Russian investments in Serbia and Bosnia and Herzegovina, and Turkish investments in Kosovo and the former Yugoslav Republic of Macedonia are expected in the next few years.

Investments under concession agreements are an alternative possibility for securing funds, mostly in the airport sector. In the former Yugoslav Republic of Macedonia two projects, the airports of Skopje and Ohrid, were completed as a part of a concession agreement with the Turkish company Tepa Afken Ventures (TAV), Pristina Airport has recently been rehabilitated with the building of a new terminal; the concession is from a Turkish – French Consortium. Extension and modernisation of Tirana Airport was conducted under a concession with a Turkish company Tepe Akfen Ventures (TAV). Pristina Airport has recently been rehabilitated with the building of a new terminal; the concession is from a Turkish – French Consortium. Extension and modernisation of Tirana Airport was conducted under a concession with a Turkish company Tepe Akfen Ventures (TAV). Pristina Airport has recently been rehabilitated with the building of a new terminal; the concession is from a Turkish – French Consortium. Extension and modernisation of Tirana Airport was conducted under a concession with a Turkish company Tepe Akfen Ventures (TAV). Pristina Airport has recently been rehabilitated with the building of a new terminal; the concession is from a Turkish – French Consortium. Extension and modernisation of Tirana Airport was conducted under a concession with a Turkish company Tepe Akfen Ventures (TAV). Pristina Airport has recently been rehabilitated with the building of a new terminal; the concession is from a Turkish – French Consortium. Extension and modernisation of Tirana Airport was conducted under a concession with a Turkish company Tepe Akfen Ventures (TAV).

Table 3.2 shows an overview of the total funds received through the IPA in the period from 2007 to 2013 and forecast for period 2014 to 2020, as well as part of the funds that had been allocated or foreseen for investments in transport. Comparing the data in the table above, the main conclusion is that despite a small increase in percentage (10-12-14) there is a significant increase in the total amount foreseen for Transport investment through IPA II. The Table indicates that during the first two periods there was a relatively constant level of funds dedicated for Transport (93.2 M€ and 110 M€). For the period 2014/2020 investments foreseen for transport in some Regional Participants are more than doubled and the total is almost five times higher (511 M€).
### Table 3.3: IPA II, Indicative Financial Allocation per Transport Sector, 2014/2020

<table>
<thead>
<tr>
<th>Regional Participant</th>
<th>6. Socio-economic and Regional development</th>
<th>2014/2017 (M€)</th>
<th>2018/2020 (M€)</th>
<th>Total/Transport/ (M€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>Transport</td>
<td>18</td>
<td>38</td>
<td>56</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Integrated local development</td>
<td>54</td>
<td>-</td>
<td>54</td>
</tr>
<tr>
<td>Former Yugoslav Republic of Macedonia</td>
<td>Transport</td>
<td>56.4</td>
<td>56.5</td>
<td>112.9</td>
</tr>
<tr>
<td>Montenegro</td>
<td>Transport</td>
<td>20.2</td>
<td>11.8</td>
<td>32.1</td>
</tr>
<tr>
<td>Serbia</td>
<td>Transport</td>
<td>90</td>
<td>85</td>
<td>175</td>
</tr>
<tr>
<td>Kosovo</td>
<td>Competitiveness and innovation</td>
<td>74.9</td>
<td>60.1</td>
<td>135</td>
</tr>
</tbody>
</table>


#### 3.3. PRIORITY PROJECTS

The following chapter distinguishes between two types of priority projects presented in two separate lists:

i) **Priority projects eligible for funding** – advanced projects for which a comprehensive evaluation is available, based on a completed feasibility study and, if available, all of the project documentation, in accordance with EU procedures for Programming and Procurement Rules.

ii) **Priority projects for preparation** – projects which require full project preparation and project evaluation to determine their feasibility. These projects are not ready for implementation but funding is required to carry out the necessary preparatory work. The estimates presented on the preparatory project list were derived from pre-feasibility studies and preliminary designs while funding is required for the preparation of feasibility studies and detailed designs.

SEETO priority projects rating methodology was adopted by the SEETO Steering Committee in July 2012 in order to provide Regional Participants and potential external financiers with an objective and consistent view on the suitability of the projects nominated for the implementation of the SEETO Comprehensive Network.

The rating mechanism was applied to 18 submitted priority projects eligible for funding that have a completed feasibility study and are sufficiently advanced to start the implementation process. Additionally, 13 priority projects that require preparatory activities are presented on a separate list.

The total required investment for the implementation of these 31 priority projects is 6.7 billion: a) eligible for funding: 4.5 billion, and b) preparatory: 2.2 billion. The number of priority projects is reduced compared to the previous year’s list (8 projects less) which is reflected in the reduced amount of required investment.

Eighteen (18) projects eligible for funding are presented on the priority project list out of which 14 were on last year’s list. 1 on last year’s preparatory list, while 3 advanced projects were introduced this year (Table 3.4). The reduced amount of required total investments compared to last year is evident. This is due firstly to Croatian accession to the European Union in July 2013 and accordingly the end of its participation in SEETO regional cooperation. Secondly, in year 2014, €700 million was secured from the Kosovo Government for the implementation of the project ‘Construction of Road Route 6 Pristina - Hani i Elezit/Djeneral Jankovic. Additionally, one Serbian project (Construction of motorway Belgrade – South Adriatic, Route 4) was not submitted for this year’s list due to changes in mid-term priorities.

The significant increase in the number of IWW projects shows its importance in the forthcoming period and the gradual redirection of investments towards environmentally friendly transport modes. Raising the awareness of the positive aspects of IWW transport will enable its further development and a potential increase of cargo transport with relatively small investments compared to other transport modes such as road and rail. It is in line with new project ideas on a regional level focusing on the development of intermodal transport in the region, which should contribute to the shift of container transport and support to environmentally friendly modes (such as IWW and railways).

The estimates presented in Table 3.5 are derived from pre-feasibility studies and preliminary designs, as investments for more detailed project documentation (feasibility studies and detailed designs) are still required in addition to those for project implementation. The required investments for the implementation of the preparatory stage priority projects is £2.2 billion, amounting to 32% of the total required investments for MAP 2014 priority projects (£6.7 billion).
### Table 3.4: Priority project list – Projects eligible for Funding

<table>
<thead>
<tr>
<th>Corridor/Route Node</th>
<th>Regional Participant</th>
<th>Reference to MAP 2013 priority project list</th>
<th>Project name</th>
<th>TOTAL COST (M€)</th>
<th>Length (km)</th>
<th>ERRI %</th>
<th>Economic criteria</th>
<th>Regulatory/Technical criteria</th>
<th>Environmental criteria</th>
<th>Total Average Scoring</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>40%</td>
<td>40%</td>
<td>10%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td><strong>Road projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corridor B:</td>
<td>BIH</td>
<td>MAP 2014</td>
<td>Completion of motorway section Vukovar-Jurjevo</td>
<td>356</td>
<td>50</td>
<td>13</td>
<td>40</td>
<td>12</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>BIH</td>
<td>MAP 2014</td>
<td>Completion of motorway section Karuse - Banovci</td>
<td>889</td>
<td>60</td>
<td>13</td>
<td>40</td>
<td>12</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Corridor X:</td>
<td>MKD</td>
<td>MAP 2014</td>
<td>Rehabilitation of the road section from Kumanovo to Mladonovo and Mladonovo to Kumanovo</td>
<td>17</td>
<td>44</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SER</td>
<td>MAP 2014</td>
<td>Rehabilitation project - Detailed Design completed</td>
<td>97</td>
<td>10</td>
<td>14</td>
<td>40</td>
<td>16</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Route 2b:</td>
<td>BIH</td>
<td>MAP 2014</td>
<td>Upgrade of Brod na Drini (Foca) - Hum (Secipan Polje)</td>
<td>45</td>
<td>25</td>
<td>7</td>
<td>0</td>
<td>20</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Route 2c:</td>
<td>ALB</td>
<td>MAP 2014</td>
<td>Construction of Central East Corridor and Central South Corridor (Barat to Topolcane)</td>
<td>210</td>
<td>44</td>
<td>11</td>
<td>20</td>
<td>16</td>
<td>-10</td>
<td>5</td>
</tr>
<tr>
<td>Route 4:</td>
<td>MON</td>
<td>MAP 2014</td>
<td>Road Route 4, section Podgorica-Matesevo</td>
<td>810</td>
<td>41</td>
<td>5</td>
<td>0</td>
<td>20</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Route 7:</td>
<td>KOS</td>
<td>MAP 2014</td>
<td>Construction section Pritista - Mordare</td>
<td>750</td>
<td>60</td>
<td>8</td>
<td>12</td>
<td>40</td>
<td>10</td>
<td>2.5</td>
</tr>
<tr>
<td><strong>Total cost road (M€)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>RAIL projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corridor VIII:</td>
<td>MKD</td>
<td>MAP 2014</td>
<td>Construction of the railway section Beljace-Kosova Palanka - Border with Bulgaria</td>
<td>470</td>
<td>12</td>
<td>40</td>
<td>40</td>
<td>7.5</td>
<td>5</td>
<td>95%</td>
</tr>
<tr>
<td></td>
<td>MKD</td>
<td>MAP 2014</td>
<td>Construction of new railway section Kicevo - border with Albania</td>
<td>470</td>
<td>63</td>
<td>7</td>
<td>20</td>
<td>40</td>
<td>7.5</td>
<td>10</td>
</tr>
<tr>
<td>Corridor X:</td>
<td>MKD</td>
<td>MAP 2014</td>
<td>Rehabilitation and reconstruction of Railway section Kumanovo-Deljadrovce</td>
<td>43</td>
<td>17</td>
<td>10</td>
<td>40</td>
<td>20</td>
<td>7.5</td>
<td>10</td>
</tr>
<tr>
<td>Route 10:</td>
<td>KOS</td>
<td>MAP 2014</td>
<td>Railway Route 10 from central station Fushe Kosove/Kosovo Polje to the Border Station with MKD</td>
<td>140</td>
<td>64</td>
<td>9</td>
<td>40</td>
<td>34</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total cost rail (M€)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>IWW projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>River Sava:</td>
<td>BIH</td>
<td>MAP 2014</td>
<td>Reconstruction and modernization of River Port of Brcko</td>
<td>7</td>
<td>/</td>
<td>12</td>
<td>40</td>
<td>16</td>
<td>5</td>
<td>-5</td>
</tr>
<tr>
<td>River Sava:</td>
<td>BIH</td>
<td>MAP 2014</td>
<td>Rehabilitation and Improvement of the Sava river waterway</td>
<td>21</td>
<td>56</td>
<td>20</td>
<td>40</td>
<td>30</td>
<td>NA</td>
<td>100%</td>
</tr>
<tr>
<td>River Sava:</td>
<td>SER</td>
<td>New</td>
<td>River training and dredging works on critical sectors on the Sava River</td>
<td>9</td>
<td>211</td>
<td>19</td>
<td>40</td>
<td>26</td>
<td>NA</td>
<td>10</td>
</tr>
<tr>
<td>River Danube:</td>
<td>SER</td>
<td>New</td>
<td>River training and dredging works on critical sectors on the SRB-CRO joint stretch of the Danube River</td>
<td>49</td>
<td>129</td>
<td>9</td>
<td>40</td>
<td>26</td>
<td>NA</td>
<td>10</td>
</tr>
<tr>
<td>River Danube:</td>
<td>SER</td>
<td>New</td>
<td>River training and dredging works on critical sectors on the Danube River in Serbia between Backa Palanka and Belgrade</td>
<td>14</td>
<td>92</td>
<td>9</td>
<td>40</td>
<td>26</td>
<td>NA</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total cost IWW (M€)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td><strong>TOTAL COST (M€)</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>AVERAGE SCORING</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From year to year an increase in the number of rail projects and consequent drop of road projects is evident, showing the direction of future transport development in the South East European region.

<table>
<thead>
<tr>
<th>Corridor/Route Node</th>
<th>Regional Participant</th>
<th>Reference to MAP 2013 priority project list</th>
<th>Name of the project</th>
<th>Total estimated cost (M€)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Road projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Route 1:</td>
<td>MON</td>
<td>MAP 2014</td>
<td>Road rehabilitation and widening on the section Debeli Brjeg-Petrovac-Bar</td>
<td>8</td>
</tr>
<tr>
<td>Route 3:</td>
<td>BIH</td>
<td>MAP 2014</td>
<td>Completion of bypass East Sarajevo</td>
<td>391</td>
</tr>
<tr>
<td><strong>Total estimated cost for project implementation (M€)</strong></td>
<td></td>
<td></td>
<td></td>
<td>399</td>
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<tr>
<td><strong>Railway projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corridor VIII:</td>
<td>SER</td>
<td>MAP 2014</td>
<td>Modernization of the Nis - Presevo (border with FYR Macedonia) railway line</td>
<td>265</td>
</tr>
<tr>
<td>Corridor X:</td>
<td>SER</td>
<td>MAP 2014</td>
<td>Reconstruction, modernization and construction of the second track on the section Stara - Očki of the railway line Beograd - Nis</td>
<td>106</td>
</tr>
<tr>
<td>Corridor Xb:</td>
<td>SER</td>
<td>MAP 2014</td>
<td>Modernization for the contemporary double-track traffic of the single-track section of the railway line Ruseil-Kërrie-Mall Porozevac - Velika Plana</td>
<td>368</td>
</tr>
<tr>
<td>Route 2:</td>
<td>ALB</td>
<td>New</td>
<td>Track renewal and signaling and communication systems for entire Albanian Railway network - segment of Vora-Shkodra-Hani Hotit</td>
<td>139</td>
</tr>
<tr>
<td>Route 4:</td>
<td>MON</td>
<td>MAP 2014</td>
<td>Rehabilitation of railway line Vlorë-Bar (Kos-Trbėljëka-Lotovo-Brotnadžë-Bëgëôte-Podgorica)</td>
<td>14</td>
</tr>
<tr>
<td><strong>Total estimated cost for project implementation (M€)</strong></td>
<td></td>
<td></td>
<td></td>
<td>1,763</td>
</tr>
<tr>
<td><strong>Airport projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tivat:</td>
<td>MON</td>
<td>MAP 2014</td>
<td>Construction of new passenger terminal</td>
<td>27</td>
</tr>
<tr>
<td>Tivat:</td>
<td>MON</td>
<td>MAP 2014</td>
<td>Reconstruction and rehabilitation of maneuvering area and apron</td>
<td>11</td>
</tr>
<tr>
<td>Nis:</td>
<td>SER</td>
<td>Now</td>
<td>Expansion of the passenger terminal, construction of a new rapid runway and aircraft parking apron expansion</td>
<td>38</td>
</tr>
<tr>
<td><strong>Total estimated cost for project implementation (M€)</strong></td>
<td></td>
<td></td>
<td></td>
<td>38</td>
</tr>
<tr>
<td><strong>Maritime projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Port of Bar:</td>
<td>MON</td>
<td>New</td>
<td>Reconstruction of the Velačica Quay in the Port of Bar</td>
<td>7</td>
</tr>
<tr>
<td><strong>TOTAL COST (M€)</strong></td>
<td></td>
<td></td>
<td></td>
<td>2,200</td>
</tr>
</tbody>
</table>

Table 3.5: Priority project list – Projects for preparation
3.4. PRESENTATION OF ROAD NETWORK PROJECTS PER CORRIDOR/ROUTE
### 3.4.1. ROAD - CORRIDOR VC

**Priority Project Name**

Completion of motorway section Vukosavlje – Karuse

<table>
<thead>
<tr>
<th>Regional Participant</th>
<th>Total score</th>
<th>EIRR</th>
<th>Total cost (mil Euro)</th>
<th>Length (km)</th>
<th>First time prioritized</th>
<th>Technical status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia and Herzegovina</td>
<td>84%</td>
<td>13.19%</td>
<td>356</td>
<td>50</td>
<td>MAP 2013</td>
<td>Feasibility Study, Detail Design</td>
</tr>
</tbody>
</table>

**Economic**

- Regulatory / Technical: 
- Regional: 
- Environmental: 

**Priority Project Name**

Completion of motorway section Karuse – Banlozi

<table>
<thead>
<tr>
<th>Regional Participant</th>
<th>Total score</th>
<th>EIRR</th>
<th>Total cost (mil Euro)</th>
<th>Length (km)</th>
<th>First time prioritized</th>
<th>Technical status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia and Herzegovina</td>
<td>84%</td>
<td>13.19%</td>
<td>889</td>
<td>60</td>
<td>MAP 2013</td>
<td>Feasibility Study, Detail Design</td>
</tr>
</tbody>
</table>

**Economic**

- Regulatory / Technical: 
- Regional: 
- Environmental: 

### 3.4.2. ROAD - CORRIDOR X

**Priority Project Name**

Rehabilitation of the road section from Kumanovo to Miladinovce and Miladinovce to Kumanovo

<table>
<thead>
<tr>
<th>Regional Participant</th>
<th>Total score</th>
<th>EIRR</th>
<th>Total cost (mil Euro)</th>
<th>Length (km)</th>
<th>First time prioritized</th>
<th>Technical status</th>
</tr>
</thead>
<tbody>
<tr>
<td>The former Yugoslav Republic of Macedonia</td>
<td>83%</td>
<td>14.4%</td>
<td>17</td>
<td>44</td>
<td>MAP 2013</td>
<td>Feasibility Study, Detail Design</td>
</tr>
</tbody>
</table>

**Economic**

- Regulatory / Technical: 
- Regional: 
- Environmental: 

**Priority Project Name**

Completion of Belgrade by pass, Sector 6: Strazevica- Bubanj Potok

<table>
<thead>
<tr>
<th>Regional Participant</th>
<th>Total score</th>
<th>EIRR</th>
<th>Total cost (mil Euro)</th>
<th>Length (km)</th>
<th>First time prioritized</th>
<th>Technical status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serbia</td>
<td>83%</td>
<td>14.4%</td>
<td>97</td>
<td>10</td>
<td>MAP 2013</td>
<td>Feasibility Study</td>
</tr>
</tbody>
</table>

**Economic**

- Regulatory / Technical: 
- Regional: 
- Environmental: 

---

**Regional Participants:**

- Bosnia and Herzegovina
- The former Yugoslav Republic of Macedonia, Serbia

**Total committed and disbursed investments until 2013:**

- Bosnia and Herzegovina: €774 million
- The former Yugoslav Republic of Macedonia, Serbia: €1,815 million

**Percentage of motorways:**

- Bosnia and Herzegovina: 10%
- The former Yugoslav Republic of Macedonia, Serbia: 76%

**Average Annual Daily Traffic:**

- Bosnia and Herzegovina: 9,703 veh/day
- The former Yugoslav Republic of Macedonia, Serbia: 18,845 veh/day

**Part of the Flagship Axis Initiative:**

- Yes
3.4.3. ROAD - CORRIDOR XD

Priority Project Name
Construction and reconstruction of sections Raec - Drenovo and Drenovo - Gradsko

- **Regional Participant**: The former Yugoslav Republic of Macedonia
- **Total score**: 44%
- **EIRR**: 7%
- **Total cost (mil Euro)**: 45
- **Length (km)**: 25
- **First time prioritized**: MAP 2013
- **Technical status**: Feasibility Study, Detail Design

3.4.4. ROAD – ROUTE 1

Priority Project for Preparation Name
Road rehabilitation and widening on the section Debli Brijeg – Petrovac - Bar

- **Regional Participant**: Montenegro
- **Total cost (mil Euro)**: 8

Regional Participants:
The former Yugoslav Republic of Macedonia
Montenegro

Total committed and disbursed investments until 2013
0
0

Percentage of motorways
0
10%

Average Annual Daily Traffic
3,624 veh/day
20,554 veh/day

Part of the Flagship Axis Initiative
No
No
Regional Participants:
Bosnia and Herzegovina

Total committed and disbursed investments until 2013
€74.94 million

Percentage of motorways
6%

Average Annual Daily Traffic
6,968 veh/day

Part of the Flagship Axis Initiative
No

Figure 3.13: Overview of priority project on the Route 2b

3.4.5. ROAD – ROUTE 2B

Priority Project Name
Upgrade of Brod na Drini (Foca) – Hum (Scepan Polje)

- Regional Participant: Bosnia and Herzegovina
- Total score: 55%
- EIRR: 8.45%
- Total cost (mil Euro): 62
- Length (km): 23.35
- First time prioritized: MAP 2013
- Technical status: Feasibility Study

Economic
Regulatory / Technical
Regional
Environmental

Figure 3.14: Overview of priority project on the Route 2c

3.4.6. ROAD - ROUTE 2C

Priority Project Name
Construction of central East Corridor and central South Corridor (Berat to Tepelene)

- Regional Participant: Albania
- Total score: 53%
- EIRR: 10.67%
- Total cost (mil Euro): 210
- Length (km): 44
- First time prioritized: MAP 2013
- Technical status: Feasibility Study

Economic
Regulatory / Technical
Regional
Environmental
Regional Participants:
Bosnia and Herzegovina, Serbia

Total committed and disbursed investments until 2013

Percentage of motorways 0%

Average Annual Daily Traffic 3,405 veh/day

Part of the Flagship Axis Initiative No

3.4.7. ROAD – ROUTE 3

Priority Project Name Completion of bypass East Sarajevo

Regional Participant Bosnia and Herzegovina

Total cost (mil Euro) 391

Figure 3.15: Overview of priority project for preparation on the Route 3

3.4.8. ROAD – ROUTE 4

Priority Project Name Road Route 4, section Podgorica-Matesevo

Regional Participant Montenegro

Total score 44%

EIRR 4.5%

Total cost (mil Euro) 810

Length (km) 41

First time prioritized MAP 2013

Technical status Feasibility Study, Detail Design

Economic

Regulatory / Technical

Regional

Environmental

Figure 3.16: Overview of priority project on the Route 4
3.4.9. ROAD - ROUTE 7

Priority Project Name

Construction section Pristina-Merdare

- Regional Participant: Kosovo
- Total score: 65%
- EIRR: 8.25%
- Total cost (mil Euro): 750
- Length (km): 60
- First time prioritized: MAP 2013
- Technical status: Feasibility study; Environmental Impact Assessment; Tendering procedure; Detailed design; Implementation schedule
Regional Participants:
The former Yugoslav Republic of Macedonia, Albania

Total committed and disbursed investments until 2013
€81.60 million

Percentage of double track sections
0%

Traffic flows:
25.32 million pkm
18.8 million tkm

Part of the Flagship Axis Initiative
Yes

### 3.5.1. RAIL - CORRIDOR VIII

**Priority Project Name**
Construction of the railway section Beljakovce-Kriva Palanka-Border with Bulgaria

- Regional Participant: The former Yugoslav Republic of Macedonia
- Total score: 95%
- EIRR: 11.84%
- Total cost (mil Euro): 470
- Length (km): 62.6
- First time prioritized: MAP 2013
- Technical status: Feasibility Study, Detail Design

#### Economic
- Regulatory / Technical
- Regional
- Environmental

#### Regulatory / Technical
- Economic
- Environmental

### 3.5.2. RAIL - CORRIDOR X

**Priority Project Name**
Rehabilitation and reconstruction of railway section Kumanovo - Deljadrovce

- Regional Participant: The former Yugoslav Republic of Macedonia
- Total score: 100%
- EIRR: 10.14%
- Total cost (mil Euro): 43
- Length (km): 17
- First time prioritized: MAP 2013
- Technical status: Feasibility Study

#### Economic
- Regulatory / Technical
- Regional
- Environmental

#### Regulatory / Technical
- Economic
- Environmental

### Priority Project for Preparation Name
Modernization for the contemporary double - track traffic of the single – track section of the railway line Resnik – Klenje – Mali Pozarevac – Velika plana

- Regional Participant: Serbia
- Total cost (mil Euro): 368

### Priority Project for Preparation Name
Reconstruction, modernization and construction of the second track on the section Stalac – Djunis of the railway line Belgrade - Nis

- Regional Participant: Serbia
- Total cost (mil Euro): 106
### 3.5.3. RAIL - CORRIDOR XB

**Priority Project for Preparation Name**
Reconstruction and Modernization of the railway line Belgrade – Novi Sad – Subotica – border with Hungary

- **Regional Participant**: Serbia
- **Total cost (mil Euro)**: 665

### 3.5.4. RAIL - ROUTE 2

**Priority Project Name**
Track renewal and signaling and communication systems for entire Albanian Railway network - segment of Vora-Shkodra-Hani Hotit

- **Regional Participant**: Albania
- **Total cost (mil Euro)**: 139
3.5.5. RAIL – ROUTE 4
Priority Project for Preparation Name
Rehabilitation of railway line Vrbnica – Bar
(Kos – Trebjesica – Lutovo – Bratonozići – Biševo – Podgorica)

- Regional Participant: Montenegro
- Total cost (mil Euro): 14

- Percentage of double track sections: 4%
- Traffic flows:
  - 246 million pkm
  - 265 million tkm
- Part of the Flagship Axis Initiative: No

3.5.6. RAIL - ROUTE 10
Priority Project Name
Railway Route 10 from central station Fushe Kosove/Kosovo Polje up to the Border Station with MKD

- Regional Participant: Kosovo
- Total score: 86%
- EIRR: 9.17%
- Total cost (mil Euro): 140
- Length (km): 64
- First time prioritized: MAP 2013
- Technical status:
  - Feasibility study; Environmental Impact Assessment; Tendering procedure; Detailed design
- Economic
  - Regulatory / Technical
  - Regional
  - Environmental

- Traffic flows:
  - 33 million pkm
  - 87 million tkm
- Part of the Flagship Axis Initiative: No

Figure 3.22: Overview of priority project on the Route 4
Figure 3.23: Overview of priority project on the Route 10
3.6. PRESENTATION OF IWW NETWORK AND RIVER PORT PROJECTS

3.6.1. IWW - RIVER SAVA

Priority Project Name
Reconstruction and modernization of River Port of Brcko

Regional Participants:
Bosnia and Herzegovina,
Serbia

Total committed and disbursed investments until 2013:
0

Part of the Flagship Axis Initiative:
No

Figure 3.24: Overview of priority project on the River Sava

3.6.2. IWW - RIVER DANUBE

Priority Project Name
River training and dredging works on critical sectors on the SRB-CRO joint stretch of the Danube River

Regional Participants:
Serbia

Total committed and disbursed investments until 2013:
€17.43 million

Part of the Flagship Axis Initiative:
Yes

Figure 3.25: Overview of priority project on the River Danube

Regional Participants:
Bosnia and Herzegovina,
Serbia

Total score:
64%

EIRR:
12%

Total cost (mil Euro):
7

Length (km):
56

First time prioritized:
MAP 2013

Technical status:
Feasibility Study

Regional Participants:
Bosnia and Herzegovina,
Serbia

Total score:
100%

EIRR:
20.2%

Total cost (mil Euro):
21

Length (km):
211

First time prioritized:
New

Technical status:
Feasibility Study

Regional Participants:
Serbia

Total score:
95%

EIRR:
9%

Total cost (mil Euro):
14

Length (km):
92

First time prioritized:
New

Technical status:
Feasibility study

Regional Participants:
Serbia

Total score:
95%

EIRR:
9%

Total cost (mil Euro):
14

Length (km):
92

First time prioritized:
New

Technical status:
Feasibility study
3.7. PRESENTATION OF AIRPORTS AND SEAPORTS PRIORITY PROJECTS

3.7.1. AIRPORTS

Tivat
Priority Project for Preparation Name
Construction of new passenger terminal

<table>
<thead>
<tr>
<th>Regional Participant</th>
<th>Montenegro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cost (mil Euro)</td>
<td>27</td>
</tr>
</tbody>
</table>

Priority Project for Preparation Name
Reconstruction and rehabilitation of maneuvering area and apron

<table>
<thead>
<tr>
<th>Regional Participant</th>
<th>Montenegro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cost (mil Euro)</td>
<td>27</td>
</tr>
</tbody>
</table>

Nis
Priority Project for Preparation Name
Expansion of the passenger terminal, construction of a new rapid runway and aircraft parking apron expansion

<table>
<thead>
<tr>
<th>Regional Participant</th>
<th>Serbia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cost (mil Euro)</td>
<td>11</td>
</tr>
</tbody>
</table>

3.7.2. SEAPORTS

Port of Bar
Priority Project for Preparation Name
Reconstruction of the Volujica Quay in the Port of Bar

<table>
<thead>
<tr>
<th>Regional Participant</th>
<th>Montenegro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cost (mil Euro)</td>
<td>7</td>
</tr>
</tbody>
</table>
While identification, preparation and implementation of transport investments is the underlying aim of the SEETO process in general, it has been reiterated by many policy documents, ministerial conclusions and the SEETO Strategic Work Programme that these investments must be reinforced by coherent and coordinated transport policy in line with EU Transport policy, to ensure overall development of the SEETO Comprehensive Network.

In that respect, SEETO structures must continue to pay greater attention to transport policy issues, irrespective of the legal outcome of the Transport Community Treaty, whose primary goal is to prepare the Regional Participants to better integrate into the common transport market.

As this overarching aim has been widely accepted, SEETO and the European Commission have been actively trying to find different tools and mechanisms to assist the Regional Participants in improving the efficiency of their transport systems and enabling institutional and regulatory reforms in certain transport fields. In addition to the assistance channelled through national systems, the latest EC assistance on the regional level for supporting the implementation of the Railway Addendum, addressing the non-physical barriers in transport and road safety auditing is the best example of the commitment of all sides in that long and demanding process.

The following sub-chapters give an overview of the transport policy principles to be met in the long term, based on already endorsed strategic papers, strategies and initiatives, paving the way for a comprehensive Regional Transport Strategy. The future work of SEETO in the policy strand will look at previous achievements during the 10 years of the MoU, but it will also take into account the postulates and the guidance from the Transport Community Treaty and the new SEETO Strategic Work Programme 2015-2017, as well as the more
operational commitments deriving from the Flagship Axes Initiative and Regional Transport Study dealing with the policy and non-physical measures.

Above all, SEETO’s priorities in this regard are compliant with the main priorities outlined in the largest regional strategy, the South East Europe 2020 Strategy “Jobs and Prosperity in a European Perspective”, where transport dimension is placed as a cornerstone for achieving sustainable growth of the Western Balkans’ economies.

4.1. ATTRACTING INTERNATIONAL TRANSPORT FLOWS AND INCREASING THE REGIONAL MOBILITY

Despite substantial progress in the acceptance of international and EU standards in transport, the different pace of alignment by the national legislations to EU standards creates gaps on a regional level including cumbersome border-crossing procedures which, although being simplified to a certain extent, require continuous attention. The level of infrastructure performance also severely affects business expansion and user choice relating to journeys.

The actions for addressing non-physical barriers to be followed from the priority plans of the Flagship Axes Initiative and Regional Transport Study will contribute towards creating the grounds for a common regional transport policy/strategy. By over viewing this process and assessing the progress, SEETO will streamline national policies and regulatory frameworks towards more coherent regional policy in line with the EU Common Transport Policy. This is likely to result in overcoming the legal, administrative and institutional bottlenecks in the long run which, if not addressed at a regional level, can create distortions and hinder the free flow of passenger and goods.

The objectives this entails are the following:

▸ Ensuring harmonisation with the EU transport regulatory framework for creating common market conditions and homogenous rules among the SEE Participants in order to allow a level playing field for transport carriers and enhanced transport operations.

▸ Addressing regional non-physical transport barriers affecting journey time and travel costs, including administrative and border-crossing procedures, to prevent further waste of time and revenue, as well as to increase the predictability and reliability of the system.

▸ Development of ancillary infrastructure and transport terminals, as well as strengthening logistic chains and interoperability in technical standards which will raise the quality of freight services along the transport network.

▸ Strengthening regional cooperation in air traffic in SEE with the aim of improved regional air inter-connectivity

In achieving these ambitious goals, SEETO and Regional Participants should rely on support from the EC and IFIs, but also work in close coordination with other regional organisations and related projects dealing with transport and trade facilitation. In that regard, institutional cooperation with CEFTA and other trade logistic projects should be fostered for establishing genuine cross-border competitive flagship corridors.

Moreover, synergy is needed in implementation of this regional transport strategy with other existing strategies, SEE 2020 and EU Strategy for the Danube Region.

4.2. OPTIMIZATION OF INDIVIDUAL TRANSPORT MODES AND PROMOTION OF GREEN & ENERGY EFFICIENT TRANSPORT

In the past period, investments in the SEE Comprehensive Road Network were predominant (75% of all transport investments). The next regional transport strategy should provide a justifiable cost-benefit analysis to shift the political commitment, previously exclusively oriented towards large road infrastructure projects, to environmentally friendly transport modes, in order to ensure sustainable mobility and connectivity in the region.

The railways already secured €1.2 billion investments to be implemented in 2013-2021 period; however, this should be coupled with actions for restructuring the sector and opening markets, in parallel to developing co-modality, as outlined below.

▸ Development of co-modal solutions with stronger focus on energy efficient and environmentally friendly transport modes, such as railways, inland waterways and maritime transport, which will improve user access and reduce dependence on traditional energy sources, subsequently leading to reduced carbon emissions from the transport sector.

▸ Creation of a Common Railway Area in the SEE region, in accordance with existing European legislation and regional documents (MoU Addendum), for fostering the operation and liberalisation of rail services.

▸ Comprehensive approach to development of the Danube and Sava rivers as the main waterborne arteries in the wider region, with cooperation and coordinated actions of all involved stakeholders (Danube and Sava Commissions, SEETO), taking into account the EU Strategy for the Danube region.

▸ Modernization of the vehicle fleet and stimulation of use of public urban transport aiming at decarbonisation.

The actions to be undertaken and the expected results should be brought into line with some of the EU policy/strategic sector documents relevant to the particular transport mode.

4.3. MODERNISATION OF ROBUST TRANSPORT SYSTEMS

Given the need to improve the efficiency of large infrastructure management systems and transport incumbents in the SEETO Regional Participants, this strives for:

▸ An independent performance based road management system, which will be able to deliver quality services to users through improved operations, maintenance and safety of the network, ease the implementation of investments and prevent further financial losses

The future action of the EU common transport policy is summarised in the White Paper on Transport and TEN-T Policy elaborated in the revised TEN-T Guidelines.

The sector specific EU documents include, though are not limited to the following:

▸ Greening Transport Package: a strategy to introduce more efficient and greener road tolls for lorries and reduce noise pollution from rail freight

▸ Keep Freight Moving: a strategy to promote freight transport logistics, deploy ERTMS along international freight-oriented corridors and to modernize European ports

▸ EU Maritime Strategy 2018: Key areas for developing Motorways of the Sea

▸ NAIADES Action Programme - a policy to promote inland waterway transport in Europe
Institutional restructuring of public entities, including capacity building and allowing dialogue with social stakeholders

Creating conditions and incentives for private sector investment in both infrastructure and operations

Application of transport telematics, including Intelligent Transport Systems (ITS), and integrated information solutions for seamless transport

Efficient use of resources is impossible without transformation and modernisation of the inherited massive systems, largely seen in the transport sub-sectors across the region. Hence, measures and subsequent actions under this priority should provide a stronger impetus for various transport public entities, but also transport industry and social partners to embrace the advances in knowledge, skills and technology as well as to introduce/re-orient their practices more towards consumers, ensuring better access and affordability of their services.

The application of “smart” technologies can significantly contribute to the fulfilment of these objectives, reduce burdensome systems and procedures, and make transport much safer. Actions, adapted to regional needs, should include most of the actions listed in the EU 2020 Flagship Initiative-Digital Agenda for Europe: Pillar VII- ICT-enabled benefits for the EU society.

CONCLUSIONS

The development of the SEETO Comprehensive Network up to TEN-T standards and further integration of the South East European Transport system in the European one remains a prevailing goal of regional transport cooperation conducted under the umbrella of SEETO and of any future Regional Transport Strategy. Therefore, the priorities mentioned correspond to a great extent to the EU Common Transport Policy’s fundamental principles and premises.

They should serve as an orientation for policy makers and executing agencies, but also for future tailoring of SEETO’s activities, and should be included in SEETO working programmes and action plans, as a basis for project proposals and designs as well as for seeking funds for implementation.

Looking at the three related priorities as the backbone of a long-term Regional Transport Strategy, as well as in relation to other sector priorities of the SEE 2020 Strategy for growth and prosperity, they clearly present a vision for a resource-efficient, safe and competitive transport system by 2030 that removes most of the obstacles from the transport market, promotes clean technologies, modernises transport systems and fully integrates the transport network.

These actions include the following:
- Action 70: Support partnerships between the ICT sector and major emitting sectors
- Action 92: Apply the Intelligent Transport System Directive in support of interoperability and rapid standardization
- Action 93: Adopt the Air Traffic Management Solutions for (SESAR)
- Action 94: Propose a directive for the deployment of e-Maritime services
- Action 95: Propose a directive setting out technical specifications for telematic applications for rail passenger services
- Action 96: Member States to fulfill obligations under European Rail Traffic Management System (ERTMS)

Annex 1: SEETO Comprehensive Network description

SEETO COMPREHENSIVE ROAD NETWORK

Corridor V (400 km):
Bosanski Samac (Croatian border) – Sarajevo (Bosnia and Herzegovina) – Doljani (Croatian border)

Corridor VII (657 km):
Tirane/ Durres/ Vlore (Albania) – Skopje (the former Yugoslav Republic of Macedonia) – Deve Bair (Bulgarian border)

Corridor X (726 km):
Bajakovo/ Batrovci (Croatian border) – Belgrade (Serbia) – Skopje (the former Yugoslav Republic of Macedonia) – Bogorodica (Greek border)

Corridor X B (185 km):
Horgos (Hungarian border) – Novi Belgrade (Serbia)

Corridor X C (110 km):
Nis (Serbia) – Gradina (Bulgarian border)

Corridor X D (117 km):
Veles (the former Yugoslav Republic of Macedonia) – Medzitlija (Greek border)

Route 1 (126 km):
Neum Northwest (Croatian border) – Neum (Bosnia and Herzegovina) – Bar (Montenegro)

Route 2 A (228 km):
Gradiska (Croatian border) – Banja Luka (Bosnia and Herzegovina) – Lasva (Bosnia and Herzegovina)

Route 2 B (395 km):
Sarajevo (Bosnia and Herzegovina) – Podgorica (Montenegro) – Vore (Albania)

Route 2 C (125 km):
Fier (Albania) – Kakavija (Greek border)
Route 3 (185 km):
Sarajevo (Bosnia and Herzegovina) — Uzice (Serbia)

Route 4 (601 km):
Vatin (Romanian border) — Belgrade (Serbia) — Podgorica (Montenegro) — Bar (Montenegro)

Route 5 (213 km):
Cacak (Serbia) — Krusevac (Serbia) — Paracin (Serbia) — Vrska Cuka (Bulgarian border)

Route 6 A (259 km):
Ribarevina (Montenegro) — Ribarice (Serbia) — Pristina (Kosovo) — Skopje (the former Yugoslav Republic of Macedonia)

Route 6 B (205 km):
Pristina (Kosovo) — Peji/Pec (Kosovo) — Skopje (the former Yugoslav Republic of Macedonia)

Route 7 (214 km):
Lezhe (Albania) — Pristina (Kosovo) — Doljevac (Serbia)

Route 8 (78 km):
Podmolje (the former Yugoslav Republic of Macedonia) — Bitola (the former Yugoslav Republic of Macedonia)

Corridor V C (428 km):
Bosanski Samac (Bosnia and Herzegovina) — Sarajevo — Capljina (Bosnia and Herzegovina)

Corridor VIII (426 km):
Tirana/ Durrës/ Vilore (Albania) — Liv/Pogradec (Albania) — Kicevo (the former Yugoslav Republic of Macedonia) — Skopje — Kumanovo (the former Yugoslav Republic of Macedonia) — Beljakovci (the former Yugoslav Republic of Macedonia)

Corridor X (730 km):
Sid (Serbia) — Belgrade — Skopje (the former Yugoslav Republic of Macedonia) — Gevgelija (Greek border)

Corridor X B (151 km):
Kelebija (Hungarian border) — Stara Pazova (Serbia)

Corridor X C (104 km):
Nis (Serbia) — Dimkovgrad (Bulgarian border)

Corridor X D (145 km):
Veles (the former Yugoslav Republic of Macedonia) — Kremenica (Greek border)

Route 2 (144 km):
Podgorica (Montenegro) — Vlore (Albania)

Route 4 (580 km):
Vrsac (Romanian border) — Belgrade (Serbia) — Bar (Montenegro)

Route 9 A (224 km):
Banja Luka (Bosnia and Herzegovina) — Doboj (Bosnia and Herzegovina) — Tuzla (Bosnia and Herzegovina) — Brcko (Bosnia and Herzegovina)

Route 10 (256 km):
Kraljevo (Serbia) — Pristina (Kosovo) — Gorce Petrov (the former Yugoslav Republic of Macedonia)

Route 11 (138 km):
Pozega (Serbia) — Stalac (Serbia).

Route 13 (28 km):
Horgos (Hungarian border) — Subotica (Serbia)
<table>
<thead>
<tr>
<th>Participant</th>
<th>Airport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>Tirane (TIA/LATI)</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Banja Luka (BNX/LQBK)</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Sarajevo (SJJ/LQSA)</td>
</tr>
<tr>
<td>the former Yugoslav Republic of Macedonia</td>
<td>Skopje (SKP/LWSK)</td>
</tr>
<tr>
<td>Montenegro</td>
<td>Podgorica (TGD/LYPG)</td>
</tr>
<tr>
<td>Montenegro</td>
<td>Tivat (LYT/TV)</td>
</tr>
<tr>
<td>Serbia</td>
<td>Belgrade (BEG/LYBE)</td>
</tr>
<tr>
<td>Serbia</td>
<td>Belgrade (BEG/LYBE)</td>
</tr>
<tr>
<td>Kosovo</td>
<td>Pristina (PRN/LYPR)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Participant</th>
<th>Seaport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>Durres</td>
</tr>
<tr>
<td>Albania</td>
<td>Vlore</td>
</tr>
<tr>
<td>Montenegro</td>
<td>Bar</td>
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</table>

<table>
<thead>
<tr>
<th>Participant</th>
<th>Port</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Brcko</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Samac</td>
</tr>
</tbody>
</table>

**SEETO COMPREHENSIVE INLAND WATERWAY NETWORK**

<table>
<thead>
<tr>
<th>Corridor VII Danube</th>
<th>Inland Waterway</th>
<th>Length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Croatia/Serbia</td>
<td>Batina / Bezdan – Ilak / Backa Palanka</td>
<td>137.5</td>
</tr>
<tr>
<td>Serbia</td>
<td>Backa Palanka – Ram / Nera river</td>
<td>220.5</td>
</tr>
<tr>
<td>Serbia/Romania</td>
<td>Ram / Nera river – Timok river / Pristol</td>
<td>230.0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>588.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sava River</th>
<th>Inland Waterway</th>
<th>Length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Croatia / Serbia</td>
<td>Belgrade – Sisak</td>
<td>593</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>593</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tisa River</th>
<th>Inland Waterway</th>
<th>Length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serbia</td>
<td>Hungarian border – Danube river</td>
<td>164</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>164</td>
</tr>
</tbody>
</table>

Figure A1-3: SEETO Comprehensive Network Airports, Seaports, IWW and IWW Ports
Feasibility Study
Title of study: Motorway in Corridor Vc – feasibility study
Prepared by: IPSA Institute, Sarajevo
Civil Engineering Institute of Croatia, Zagreb
Supervised by: Ministry of Transport and Communications, Bosnia and Herzegovina

Assumed values of time for the different user groups:
- Business related trips: 5.58€/h (10.91 BAM/h)
- Non-business related trips: 0.981€/h (1.92 BAM/h)

Assumed traffic growth per year: 5.7%–3.1% (year 2004–2042) without investments

Overall project objective:
The project aims to enhance the economic and social development of Bosnia and Herzegovina by satisfying the increasing demand for local transport, and the promotion of regional trade with North East Europe.

Project benefits:
Expected benefits include savings in travel time and in vehicle operation costs for all types of vehicle; better road safety and decreased environmental impact; displacement of traffic from the densely populated urban zones along the existing main road.

Planned project implementation chart:
- Detail design/tender preparation: January 2012–December 2013
- Implementation: January 2014–December 2017

Feasibility Study

Objectively verifiable indicators:
- EIRR: 13.19%
- Forecasted pax volume: Year 2047: 26,000 vehicles per year
- Forecasted cargo volume: Year 2047: 11,000 trucks per year
- Distance savings: 25 km
- Time savings: 120 min
- Operating cost savings: €4 million
- Accident cost savings: €11,281

Annex 2: Project Fiches - Priory projects eligible for funding

Priority Project Name
Completion of motorway section Vukosavlje - Karuse
ROAD
- Regional Participant: Bosnia and Herzegovina
- Total score: 84%
- Corridor/Route: Corridor Vc
- Total cost (mil Euro): 356
- Length (km): 50
- First time prioritized: MAP 2013
- Technical status: Feasibility Study, Detail Design

Feasibility Study

Overall project objective:
The project aims to enhance the economic and social development of Bosnia and Herzegovina by satisfying the increasing demand for local transport, and the promotion of regional trade with North East Europe.

Project benefits:
Expected benefits include savings in travel time and in vehicle operation costs for all types of vehicle; better road safety and decreased environmental impact; displacement of traffic from the densely populated urban zones along the existing main road.

Planned project implementation chart:
- Detail design/tender preparation: January 2012–December 2013
- Implementation: January 2014–December 2017

Feasibility Study

Objectively verifiable indicators:
- EIRR: 13.19%
- Forecasted pax volume: Year 2047: 26,000 vehicles per year
- Forecasted cargo volume: Year 2047: 11,000 trucks per year
- Distance savings: 25 km
- Time savings: 120 min
- Operating cost savings: €4 million
- Accident cost savings: €11,281
Feasibility Study

Title of study

Motorway in Corridor Vc – feasibility study

Prepared by

IPSA Institute, Sarajevo
Civil Engineering Institute of Croatia, Zagreb

Supervised by

Ministry of Transport and Communications, Bosnia and Herzegovina

Assumed values of time for the different user groups

Business related trips: 5.58€/h (10.91 BAM/h)
Non-business related trips: 0.981€/h (1.92 BAM/h)

Assumed traffic growth per year

5.8%–3.2% (year 2004–2042) network with investments
5.7%–3.1% (year 2004–2042) without investments

Overall project objective

The project aims to enhance the economic and social development of Bosnia and Herzegovina by satisfying the increasing demand for local transport, and the promotion of regional trade with North East Europe.

Project benefits

Expected benefits include savings in travel time and in vehicle operation costs for all types of vehicle; better road safety and decreased environmental impact; displacement of traffic from the densely populated urban zones along the existing main road.

Planned project implementation chart

Detail design/tender preparation: January 2012–December 2013
Implementation: January 2014–December 2017

Economically verifiable indicators

EIRR: 13.19%
Forecasted pax volume: Year 2047: 26,000 vehicles per year
Forecasted cargo volume: Year 2047: 11,000 trucks per year
Distance savings: 25 km
Time savings: 120 min
Operating cost savings: €4 million
Accident cost savings: €11.281

Objective project objective

Belgrade’s bypass highway is a motorway belt built around Belgrade. In size and significance it is one of the most important infrastructure projects in the Regional Participant. The main route of Corridor X was intersecting Belgrade’s metropolitan area, creating significant traffic problems and congestion on the inner city road network. The idea is to alleviate traffic problems by moving transit away from urban areas onto a new bypass highway. This bypass ring will intersect all motorways leading to Belgrade.

Project benefits

Expected benefits include significantly reduced vehicle travel time (international and cross Belgrade journeys), better level of service and less congestion in Belgrade city centre. It will have a great social and economic impact on the wider Belgrade area through improved accessibility and considerably improvement in road safety. The bypass passes through an environmentally sensitive area which will lead to better environmental protection.

Planned project implementation chart

Feasibility study: January 2003–December 2005
Feasibility Study
Title of study
Feasibility study and preliminary design Raec–Drenovo and Drenovo–Gradsko
Prepared by
"Prostor – Kumanovo"
Supervised by
Faculty of Civil Engineering – Skopje, Republic of Macedonia
Assumed values of time for the different user groups
For trips made in the framework of work and for professional drivers the value of time is 3,4 €/hour.
For trip purpose "to and from work" the value of time is considered to be 1,7 €/hour.
For trips with other purposes the value of time is considered to be 0,85 €/hour.
Assumed traffic growth per year
4%
Overall project objective
The starting node of the Corridor Xd in Veles in the former Yugoslav Republic of Macedonia and it stretches until Medzitlija (Greek border) in a total length of 117 km. Complete alignment is in a two lane road profile.
Objectively verifiable indicators
EIRR: 7%
NPV: 620,617 €

Feasibility Study
Title of study
Improvement of the Foca–Hum main road – Feasibility Study
Prepared by
WYG International Ltd, UK
Group of Sub-consultants – IPSA Institute, Sarajevo, B&H; Projekt, a.d.Banja Luka, B&H; Transportation Engineering Faculty, BU, Serbia
Supervised by
Ministry of Transport and Communications, Bosnia and Herzegovina
Assumed values of time for the different user groups
business related trips: for PA 3,78€/h (7,4 BAM/h), for BUS 3,4€/h (6,6 BAM/h)
non-business related trips: for PA 1,13€/h (2,2 BAM/h), for BUS 1,01€/h (2,0 BAM/h)
Assumed traffic growth per year
3.6%–2.4% (year 2010–2035) for commercial vehicles
3.9%–1.2% (year 2010–2035) for passenger cars
Overall project objective
The road from Brod na Drini (Foca) to Hum and into Montenegro (Scepan Polje–Pluzine) provides a direct connection between Bosnia and Herzegovina and Montenegro and is the shortest route from Albania via Montenegro and Bosnia and Herzegovina to Central Europe via Corridor Vc. The main traffic problems on the existing road, due to current traffic flows are: bottleneck, low road safety level, low average vehicle speeds, with lower than average speed limits due to poor road elements and conditions, increased vehicle operating cost (VOC) and travel time cost for passengers and goods due to very low speeds, environmental threat caused by increased pollution, especially emissions and noise.
Project benefits
Main benefits will be represented through reduced vehicle operating costs and time savings on new road, improved safety and higher environmental concerns. In addition, reduction of travel time and distance as well as reduction of generalised transport costs are expected.
Planned project implementation chart
Feasibility study
March 2010–March 2011
**Seeto Road Route 4 Investment Plan**

**Prepared by:** URS Environmental and Infrastructure UK Limited (former SCOTT – WILSON)

**Supervised by:** Ministry of Transport and Maritime Affairs and Ministry of Finance

**Assumed values of time for the different user groups:**

<table>
<thead>
<tr>
<th>Vehicle type</th>
<th>Occupancy/loading</th>
<th>Euro/person</th>
<th>Euro/vehicle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car</td>
<td>2.14 persons</td>
<td>1.55</td>
<td>0.333</td>
</tr>
<tr>
<td>LCV</td>
<td>3.6 tonnes</td>
<td>0.2662 / tonne</td>
<td>0.096</td>
</tr>
<tr>
<td>HCV</td>
<td>12.5 tonnes</td>
<td>0.2662 / tonne</td>
<td>0.333</td>
</tr>
</tbody>
</table>

**Overall project objective:**

Route 4 stretches from the Romanian border through Belgrade to the Adriatic Sea, providing an international connection from the port of Bar to Corridor X and further on to Romania. The total length of the route is 597 km, with 19 km of full motorway profile in Serbia. With regard to the condition of infrastructure, the state of the road varies widely due to the difficult terrain and mountainous areas.

**Project benefits:**

Time saving, operation cost saving, maintenance cost saving, VOC. Social economic developments of areas near the road. Reducing the travel distance from Tirana to the south of Albania. The total length of the Central South Corridor is about 180 km, of which about 10% consists of existing roads requiring no improvements, so no new ecological risks will occur. Upgrading is planned on 15% of the section while new construction will take place on 75%.

**Planned project implementation chart**

Feasibility study January 2007–December 2007

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**SEETO Comprehensive Network Development Plan 2015**

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**Title of study:** Pre-feasibility study for the Central South Corridor

**Prepared by:** Scot Wilson K Patrick, UK

**Supervised by:** Ministry of Transport

**Overall project objective:**

Road Route 2c is situated in Albania, from Fier in western Albania to the Greek border 125 km in length with 31 km of full motorway profile. The new planned branch Elbasan–Tepelene should provide a better connection between central and southern Albania.

**Project benefits:**

Time saving, operation cost saving, maintenance cost saving, VOC. Social economic developments of areas near the road. Reducing the travel distance from Tirana to the south of Albania. The total length of the Central South Corridor is about 180 km, of which about 10% consists of existing roads requiring no improvements, so no new ecological risks will occur. Upgrading is planned on 15% of the section while new construction will take place on 75%.

**Planned project implementation chart**

Feasibility study January 2007–December 2007

---

**Title of study:** SEETO Road Route 4 Investment Plan

**Prepared by:** URS Environmental and Infrastructure UK Limited (former SCOTT – WILSON)

**Supervised by:** Ministry of Transport and Maritime Affairs and Ministry of Finance

**Overall project objective:**

Route 4 stretches from the Romanian border through Belgrade to the Adriatic Sea, providing an international connection from the port of Bar to Corridor X and further on to Romania. The total length of the route is 597 km, with 19 km of full motorway profile in Serbia. With regard to the condition of infrastructure, the state of the road varies widely due to the difficult terrain and mountainous areas.

**Project benefits:**

Serbia is the main generator of HGV traffic with 40% of international HGV traffic coming from/going to Serbia. While this represents a large percentage of the HGV demand, it in fact represents less than 0.6% of the overall inter-municipal movements for all vehicles and only a small number of trips in absolute terms (369 trips). Even though these HGVs would profit hugely from the improvements to the SEETO Route 4 Corridor, the economic benefits linked to these would be minor within the wider economic context.

**Planned project implementation chart**

Feasibility study January 2007–December 2007
**Title of study**
Feasibility Study and Environmental Assessment for Two Main Road Axes in Kosovo

**Prepared by**
COWI

**Supervised by**
Ministry of Infrastructure

**Assumed values of time for the different user groups**
4%

**Overall project objective**
The Highway Merdare-Pristina–Kukes–Durrës (Route 7) creates the shortest connection between Kosovo and Albania with the European network of international roads. It is of great economic importance from the perspective of the transportation of goods and passengers within SEE countries, as well as being the shortest route to European and Mediterranean countries.

**Project benefits**
The main argument or reasoning behind Route 7 was based on advantages such as: reduction of travel time and expenditures as well as more secure travel. This change caused the discontinuation of the track of Route 7, having its impact on the effective function of the network when fully completed. The project supports the activation of natural and human resources and helps to overcome political and civil difficulties, offering economic, political and cultural cooperation among Regional Participants.

**Planned project implementation chart**
Feasibility study: January 2005–December 2006
### Feasibility Study

**Title of study**
Technical documentation at study level and preliminary design of railway line for Corridor VIII–Kicevo–border, Republic of Albania

**Prepared by**
EUROTRANSPROJECT LTD Sofia 1202, 108 'Tzar Samuil' str.

**Supervised by**
Faculty for Civil Engineering – Skopje, the former Yugoslav Republic of Macedonia

**Assumed values of time for the different user groups**
- Value of time for the base year in the former Yugoslav Republic of Macedonia: €7.34/passenger/hour
- Value of time for business trips: €7.34/passenger/hour
- Value of time for other trip purposes: €2.62/passenger/hour

**Assumed traffic growth per year**
Annual growth rate in the next five-year period is 8.80% from year 2015–2020

**Overall project objective**
Construction of new railway section Kicevo–border with Albania with a total length of 62.6 km. The project is fully in compliance and coherence with national policy, reflected in the National Transport Strategy 2007–2017 and with the recommendations of the study, Investment Options in the Transport Sector prepared by Louis Berger in 2002 (MAF710) financed by PHARE programme.

**Project benefits**
Improving the rail infrastructure along the East-West Europe core regional network by establishing an operational continuity of Rail Corridor VIII. The completion of Rail Corridor VIII between the former Yugoslav Republic of Macedonia and Albania will open new opportunities for the economic and social development of the region.

**Feasibility study**
January 2010–December 2011

**Environmental impact assessment**
January 2010–December 2011

**Detail design**
January 2013–December 2015

**Predicted implementation period**
January 2018–December 2020

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### Feasibility Study

**Title of study**
Feasibility Study for reconstruction of the railway section Kumanovo–Deljadrovce

**Prepared by**
Consortium ILF - ADT Omega - EUROTRANSPROEKT

**Supervised by**
Ministry of Transport and Communication

**Assumed traffic growth per year**
7.5%, on average, depending on the reconstruction scenario (90/120/160 km/h)

**Overall project objective**
Improving capacity and rail transport services performance for a better cohesion with the EU Member States and neighbouring countries. The project is to ensure a sustainable development through minimizing the adverse effects of transport on the environment and through improving transport safety.

**Project benefits**
Project implementation will give extended and equal accessibility for the people in the project area; will support the regional development and will encourage the balanced development of the regions in the country as well as growth of the transport sector contribution to GDP.

**Objectively verifiable indicators**
- EIRR: 9.10%
- Forecasted growth rate: 7.5%, on average, depending on the reconstruction scenario (90/120/160 km/h)
- Time savings: passenger - 0.17; freight - 0.15

**Importance of international demand**
Passenger traffic: 40%
Freight traffic: 100%

**Planned project implementation chart**
- Feasibility study: August 2012–July 2013
- Detail design: August 2013–June 2014
Title of study: Study for the Rehabilitation of Rail Route 10 (64 km)
Prepared by: COWI-IPF Consortium
Supervised by: Kosovo Railways JSC

Overall project objective:
The existing Rail Route 10 has a total length of 252 km and connects Kraljevo (SRB)–Pristina (KOS)–Gorce Petrov (MKD). By developing this project, Kosovo will have an inter-operable railway infrastructure through which domestic and regional railway operators will operate.

Project benefits:
This will help develop the Kosovo and regional economy providing to all interested parties safe, appropriate and essential services. The project will bring increased economic activity by the provision of regular and reliable services, as well as environmental benefits due to the shift of passengers and freight from the road sector to railways.

Objectively verifiable indicators:
- EIRR: 9.17%
- Forecasted traffic growth rate: 20%
- Importance of international demand:
  - Passenger traffic: 50%
  - Freight traffic: 90%

Feasibility study: January 2010–December 2010
Environmental impact assessment: January 2013–December 2013
Detail design: January 2014–December 2015
Forecasted implementation: January 2016–December 2018
Regional Participant
Bosnia and Herzegovina

First time prioritized
New

Technical status
Feasibility study

Priority Project Name
Rehabilitation and improvement of the Sava river waterway

IWV

IWW

Regional Participant
Serbia

First time prioritized
New

Technical status
Feasibility study

Overall project objective
Development of the Sava River waterway and structuring an appropriate economic and organizational framework for restoring trade and navigation (cargo and passengers) on the Sava River. At this moment the Sava River does not meet the required navigation parameters, set by the Sava Commission, for international waterway Class IV and Class Va, which would ensure a minimum depth of 2.5 m for 300 days per year (International waterway Class IV), and a minimum length km 586 (Sisak). Feasibility study showed that the Sava River offers valuable opportunities for development and commercialization.

Project benefits
The main benefit will be the upgrade of the Sava River waterway to a minimum navigability Class IV and Class Va, by ensuring a minimum depth of 2.5 m. Furthermore, the project includes the implementation of River Information Service, RIS, on the entire length of the Sava River. This will improve the connectivity and communication system for navigation, thus improving the safety of inland waterway vessels.

Planned project implementation chart
| Feasibility study | January 2007–December 2008 |
| Detail design | January 2012–December 2012 |
| Implementation | January 2012–December 2013 |

Feasibility Study
Title of study
Feasibility study and project documentation for the rehabilitation and development of transport and navigation on the Sava River waterway

Prepared by
Pacific Consultants International, Japan

Supervised by
International Sava River Basin Commission

Assumed traffic growth per year
On average 1 million tonnes for the five-year period for the whole stretch of the Sava River

Objective verifiable indicators
EIRR: 20.2% (For the Va Class of waterway, medium volume scenario)
NPV: 357.9 million euro at 6% discount rate

Proportion of international traffic ≥10%

Feasibility Study
Title of study
Feasibility Study and Project Documentation for the Rehabilitation and Development of Transport and Navigation on the Sava River Waterway

Prepared by
Pacific Consultants International (Japan), has been selected as the lead consultant in association with Witteveen+Bos (The Netherlands); NEA – Transport Research and Training (The Netherlands); CRUP – Inland Navigation Development Centre Ltd. (Croatia); and Dvokut – ECRO (Croatia).

Supervised by
The International Sava River Basin Commission

Assumed traffic growth per year
Feasibility Study Freight Transport Forecast, indicated in the “Base Case scenario” (annual tons of goods) is:
2015: 2,056,000 t
2020: 2,516,000 t

Objective verifiable indicators
EIRR: 19%
Proportion of international traffic 2% to 10%

Feasibility Study
Title of study
River training and dredging works on critical sectors on the Sava River

IWV

IWW

Regional Participant
Bosnia and Herzegovina

First time prioritized
New

Technical status
Feasibility study

Overall project objective
The purpose of the project is to insure minimum navigable depth and width of the fairway during the low water level periods on the Sava River. In this way, navigation on the Sava River will become more predictable in terms of availability of the fairway for vessels, more reliable in terms of logistics and transport planning, and more competitive in relation to other comparable modes of transport. The total number of 6 critical sectors for navigation exist at the Sava River.

Project benefits
Implementation of the project would contribute to the integration of the Sava River into the Pan-European transport network. Full utilization of project results is closely related to improvement of navigation conditions on the Sava River in all upstream countries. By doing so, the Sava River will become part of the integrated system of inland waterways and could greatly contribute to social and economic development of the whole Sava River Basin, including the Republic of Serbia.

Planned project implementation chart
| Feasibility study | January 2008–December 2009 |
Feasibility Study

Title of study
Preparation of necessary documentation for river training works on selected locations on the Danube River – Prefeasibility and Feasibility Study

Prepared by
Consortium Witteveen+Bos (Netherlands), DHI (Denmark) and Energoprojekt (Serbia)

Supervised by
Steering committee – Ministry responsible for transport

Assumed traffic growth per year
Based on an expected GDP growth rate for Serbia of 2.36%, the autonomous development can be assessed at 2.5% (for tonnes) and 4.8% (for tonkm).

A yearly growth rate of 1.0 to 1.5% is expected on the Rhine-Main-Danube link between the 2007-2025.

The cargo volume scenario for the “with project of rehabilitation” are ranged between 2.5%-5.5%. The medium scenario for transit, import-export and domestic is 4.0%.

Overall project objective
The purpose of the project is to insure minimum navigable depth and width of the fairway during the low water level periods at the SRB-CRO common stretch of the Danube River. In this way, Danube navigation will become more predictable in terms of fairway conditions, more reliable in terms of logistics and transport planning, and more competitive in relation to other comparable modes of transport.

Project benefits
Implementation of the project would create a long term perspectives for the future development of inland waterway transport on the whole Danube River. Full utilization of results is closely in relation to improvement of navigation conditions on the Danube River in all countries, both upstream and downstream of the Serbian stretch. Only in that way, will the Danube River become fully competitive on the Pan-European transportation market and could greatly contribute to social and economic development of the whole Danube region, including Republic of Serbia.

Objectively verifiable indicators
EIRR: 9%
Proportion of international traffic 2% to 10%

Feasibility Study

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Proportion of international traffic 2% to 10%
South East Europe Transport Observatory (SEETO) is a regional transport organization established by the Memorandum of Understanding for the development of the Core Regional Transport Network (MoU) signed on June 11th, 2004.

SEETO Regional Participants: Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Kosovo*

*This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.

The aim of the SEETO is to promote cooperation on the development of the main and ancillary infrastructure on the multimodal SEETO Comprehensive Network, to improve and harmonise regional transport policies and technical standards for the SEETO Comprehensive Network development and to enhance local capacity for the implementation of investment programmes.

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