

## Track access charges for the Albanian railways with allocation of capacities and determining & collecting charges

SEETO 3 MARCH 2017, Tirana

### Independence of railway undertakings and infrastructure managers

- Albania has approved that, concerning management, administration and internal control over administrative, economic and accounting matters, undertakings directly or indirectly owned or controlled by the Ministry of Transport and Infrastructure (MoTI), have independent status with respect to property assets, budgets and accounts. The accounts are separate from those of the MoTI.
- While respecting the rules on charging and allocation framework and the format of payments for their use of infrastructure capacity, infrastructure managers are responsible for the management, administration and internal control of this infrastructure.

### Access to services and service facilities

- Albania has approved that Infrastructure manager supply to all railway undertakings, in a non-discriminatory, fair and transparent manner, the minimum access package.
- Operators of service facilities supply in a non-discriminatory manner, to all railway undertakings access to the facilities when they exist as well as to the additional services supplied in these facilities.
- Together with the MoTI our infrastructure management of Albanian railways started drafting in February 2017 the network statement which sets out in details the general rules, deadlines, procedures and criteria for charging system and capacity-allocation schemes of railway infrastructure.
- This document also contains such other necessary information to enable the application for the use of railway infrastructure.

### Infrastructure development plan

- In the framework of the new railway code, in Albania the rail infrastructure development strategy covers a period of at least five years and it is renewable.
- Infrastructure manager exercises independently the essential functions:
  - a) decision- making on the train path allocation, including both the determination and the assessment of availability and the allocation of individual train paths.
  - b) decision- making on infrastructure charging, including determination and collection of the charges.
- Infrastructure manager is responsible to ensure conditions determining equitable and non-discriminatory access to infrastructure.
- The MoTI is responsible for contributing to the development of the railway infrastructure through investment, maintenance and funding, in view of rail infrastructure development strategy.

### Determination & collection of charges

- Charging structure for use of our railway infrastructure applies to all applicants.
- Railway Infrastructure Manager ensures the implementation of the charging scheme based on the same principles throughout the entire network.
- This is for different rail undertakings which perform similar commercial activities and applicable charges must comply with the rules set out in the Network statement which is in drafting process.

### Charging principles

- The infrastructure manager and operators of service facilities indicate that service charges invoiced to railway undertakings are consistent with all the methodologies and rules set forth.
- The minimum package charges for access to infrastructure that relate to service facilities are determined on the direct costs incurred as a result of operating the train service.
- In accordance with international provisions, the cost structure, modalities for the calculation of the cost incurred directly as a result of operating the train from the administrator of infrastructure shall be developed.

### Costs and accounts of Infrastructure and quality

- Albanian has approved that contractual agreement includes also the following elements:
- the purpose of the agreement with regards to infrastructure and facilities service
- the structure of payments or funds given to infrastructure services
- useful performance objectives, in the form of quality indicators and criteria that cover elements such as: Train performance, in terms of line speed, reliability, and customer satisfaction, network capacity, assets administration, activity volume, safety level and environmental protection;
- corrective measures to be taken if either party is in breach of its contractual obligations, etc

### Cooperation in relation to charging systems on more than one network

- Infrastructure Manager cooperates with the infrastructure managers, to which they relate, in national and international networks
- This cooperation shall aim to achieve the optimal competitiveness of international rail services and ensure the efficient use of the railway networks.

### Railway Reform Legislation

- The National Transport Sector Strategy and Action Plan 2016 – 2020, approved within the context of the integration of Albania in the EU, that the rapid acceleration of the development of the transport system, including rail transport sector.
- The entire programme of the Albanian railway sector reform needs TAIEX/IPA and development through projects of technical assistance of the EC and co-funding from EU donors and international IFIs as well as state contributions is earmarked as priority railway projects of the Western Balkans WB6 process.

### Ministry of Transport and Infrastructure and Albanian Railways

- By order of the MoTI on 9 November 2016, the most recent common Working Group has already been established, mandated to develop all new laws and regulations on the railway reform, implement the new railway Code according to the National Integration Plan of Albania 2017-2020 by June 2017 latest. The New Rail code enters into force one year after its publication in the Official Gazette which is afterwards 12 January 2018
- New laws shall be on safety authority, regulatory, licensing, investigation authority, IM and RUs.
- Railway reform legislation has received the highest importance, since it is based on the main principles of European legislation

### Restructuring of Albanian Railways and rail sector in Albania and institutional separation of infrastructure management from transport operators

1. Railway companies that carry out simultaneously the management of infrastructure and transport operations shall ensure that their separate profits and losses accounts and balance sheets are kept and published, on the one hand, for business relating to the provision of transport services, and on the other, respectively for the business relating to the management of railway infrastructure. Public funds paid to one of these two areas of activity shall not be transferred to the other.
2. Implementation of paragraph 1 of this article by railway companies may also provide that this separation shall require the organization of distinct divisions within a single undertaking or that the infrastructure and transport services shall be managed by separate entities.

### Market opening for railway undertakings the licensed transport operators

- Administration of the railway undertakings is adopted according to commercial principles:
- 1. Railway undertakings exercise their activities adjusting to the market and manage these activities under the responsibility of their management bodies, in the interest of providing efficient and appropriate services at the possible lowest cost for the quality of the service required.
- 2. Railway undertakings shall be managed in their commercial activities according to the Albanian legislation principles which apply to commercial companies, irrespective of their ownership. This shall also apply to public service obligations, imposed by the MoTI and to public services contracts.

### Establishing of Railway Regulatory Authority

- RRA shall be established by law and will be responsible for market monitoring, organization and management of the railway market in Albania.
- R.R.A is the body responsible for the regulation of railway transport. Its organization, funding decisions, legal structure and its decision-making of this authority is independent from any state or private institution, including infrastructure manager, the body which determines the track access charges or the body responsible for allocation of infrastructure capacity

### Establishing the Railway Licensing Authority

- Licensing Authority shall not provide railway transport services itself and shall be independent of firms or entities that do so and hold the status of Railway Undertaking (and/or Infrastructure Manager) whereas the undertakings applying for a license shall be required to be able to meet the following requirements relating to:
  - good repute.
  - financial fitness.
  - professional competence.
  - cover for its civil liability

### Establishing of Railway Safety Authority

- Railway Safety Authority within the limits of its competences:
  - a) ensures that the railway safety is generally maintained and, where appropriate and possible, it is steadily improved, taking into account the development of international rules, technical and scientific progress, giving priority to prevention of accidents and incidents;
  - b) ensures that all applicable legislation is implemented in an open and non-discriminatory manner, fostering the development of a single system of European rail transport;
  - c) ensures that measures to develop and improve the railway safety take account of the need for a system-based approach including the interoperability department;

### According to this new legislation

- National Investigation Authority for Accidents and Incidents on the railways.
- The aim of the investigation is to improve, where possible, the railway safety preventing railway accidents and incidents
- Albania approved the solutions on administrative and technical matters with establishment and functioning on commercial basis the undertakings independently of Infrastructure Manager I.M separately from Railway Undertakings RUs
- Operation of the rail sector in business companies independently of one another, makes possible the partnerships of the operating trains as well as finding any possibilities of Public Private Partnerships investments towards improving the railway transport infrastructure.

### Granting the concession on the railways

- One of the Government's priorities for the development (in non-strategic parts of networks) is an opportunity to rehabilitate the Albanian railway networks, and become at present and in the future an acceptable alternative for economic – financial and environmental and social mitigation to increase transports in Albania.
- In 2016, an Agreement has been signed between the MoTI and a private Albanian consortium for granting a concession on the railway network in the southern part of Albanian network in the section Fier - Vlora and Fier - Ballshi.

- It is worth to be noted that:
  - The return of Albanian rail network in a railway with European standards,
  - The inclusion of this railway network in the SEETO core network and
  - Connection by rail of Western Balkan countries,
  - The implementation of the new Rail Code, requires an infrastructure administration relating to resources for managing in an efficient and modern and safer mode for the railway system.
  - This is one of the biggest challenges and progress in the future for our Albanian Railways.



THANK YOU!

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