



Five-year Rolling Work Plan for Development of the Indicative TEN-T Extension

of the Comprehensive and
Core Network in Western Balkans

FOREWORD

Preparation of the 5-year rolling work plan represents yet another key milestone for the implementation of the Transport Community Treaty and the achievement of its broad political objectives, laying a sound basis for a common, more focused approach to regional connectivity.

As stated in the Brdo Declaration of 06 October 2021, “sustainable transport is a cornerstone of the economic and social integration of the EU and the Western Balkans”. Connectivity lies at the very heart of our societies and economies. It fuels growth and prosperity while easing political tensions and supporting the swift integration of the region into the EU. In recent years, significant financial support from the EU for the region’s transport infrastructure has been channelled under the connectivity agenda umbrella, to ensure seamless connections between regional partners and with neighbouring Member States, alongside the indicative extension of the TEN-T Network in the Western Balkans.

However, while significant progress has been made, there is still plenty of work ahead. Compliance with TEN-T standards is far from complete, while non-physical barriers continue to hamper the seamless flow of transport and trade in the region.

While all regional partners are actively pursuing their own connectivity goals, additional effort will be required to ensure coordinated development of the TEN-T in the region and achieve transition from a patchwork to a network. The existing infrastructure gaps and limited (though substantial) available funding, call for more coherent and focused strategic planning at the regional level to increase the network’s overall efficiency.

Green and digital transition will define all sectors of the economy, including transport. Building on the European Green Deal and Sustainable and Smart Mobility Strategy, the newly proposed TEN-T package puts additional focus on the network’s quality, efficiency and sustainability. The major shift towards sustainable and zero-emission mobility in the EU requires fundamental re-thinking of transport policy in the region, as pollution knows no borders and there is a limit to what can be achieved at local/domestic level alone.

Infrastructure investments should go hand-in-hand with policy reforms if the full potential of a common transport market is to be realised. The Action Plans for the railway, road, road safety, transport facilitation and waterborne transport and multimodality set an ambitious reform agenda that will enhance and multiply the effects of infrastructure improvement.

The stakes are high, and the region simply cannot afford to be left behind. The time has now come to align our agendas in pursuit of a wider, common goal.

Together, we can do more!

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LIST OF ABBREVIATIONS

AND	European Agreement concerning the International Carriage of Dangerous Goods by Inland Waterways
ADR	Agreement concerning the International Carriage of Dangerous Goods by Road
AGN	European Agreement on Main Inland Waterways of International Importance
AIS	Automatic Identification System
Annex 1	Annex 1 of the Transport Community Treaty
BHMAC	Bosnia and Herzegovina Mine Action Centre
CBA	Cost Benefit Analysis
CEF	Connecting Europe Facility
CEFTA	Central European Free Trade Agreement
CEMT / ECMT	European Conference of Ministers of Transport
CEN	European Committee for Standardization
CESNI	European Committee for drawing up standards in the field of inland navigation
COTIF	Convention concerning International Carriage by Railway
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EIA	Environmental Impact Assessment
EIB	European Investment Bank
EIP	EU's Economic and Investment Plan for the Western Balkans
ERTMS	European Railway Traffic Management System
ETCS	European Train Control System
EU	European Union
EUSAIR	EU Strategy for the Adriatic – Ionian Region
IPA	Instrument for Pre-Accession
ITS	Intelligent Transport Systems
IWW	Inland Waterways
JBCP	Joint Border Crossing Points
LNG	Liquefied Natural Gas
NAIADES	Navigation and Inland Waterway Action and Development in Europe
RID	Regulations concerning the International Carriage of Dangerous Goods by Railway
RIS	River Information System
RP	Regional Partners (Albania, Bosnia and Herzegovina, Kosovo* North Macedonia, Montenegro, Serbia)
RSC	Regional Steering Committee
SEE	South East Europe
SLA	Service Level Agreement
SPP	Single Project Pipeline
TC	Transport Community
TCPS	The Transport Community Permanent Secretariat
TEN-T	Trans-European Networks Transport
VHF	Very High Frequency
VTMIS	Vessel Traffic Management Information System
WB	Western Balkans
WBIF	<i>Western Balkans Investment Framework</i>

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence



EXECUTIVE SUMMARY AND RECOMMENDATIONS

- 1. Much has been done in recent years for TEN-T Network development in the region.** 44.86% of Core and 51.89% of Comprehensive Network roads are currently compliant with basic TEN-T standards on infrastructure profile and condition. Railway compliance rates vary significantly with regard to criteria. Electrification and freight axle load compliance percentages are high (73/54% and 87/72% respectively for Core and Comprehensive Networks) while only 15/13% of the network complies with the operating speed criterion, and ERTMS deployment is zero. In inland waterways, seaports and airports, TEN-T compliance rates are satisfactory, especially when compared with performance in other modes.
- 2. However, there is still considerable work ahead and challenging deadlines to be observed.** Regulation 1315/2013 requires the Core Network to be completed by 2030, while the deadline for the Comprehensive Network is 2050. Overall, approximately 2,800 km of roads require various forms of upgrade, of which almost 2,000 on the Core Network. Lack of railway maintenance results in only 30% of the Core Network and 28% of the Comprehensive Network being currently in a very good to good condition. Compliance with key TEN-T standards such as alternative fuels deployment, ERTMS and train length is close to zero, while meeting certain criteria such as road safety, ITS or tolling compliance requires acquis transposition and institutional reform.
- 3. The region's current spending on TEN-T development is significant.** Under the Connectivity Agenda umbrella, substantial EU support has been channelled towards TEN-T projects since 2015. EU grants amounting to approx. € 1 billion leveraged additional investment of EUR 3.7 billion under the WBIF framework. The Regional Partners have also mobilized additional resources in this regard (mostly in forms of loans from 3rd parties or own-budget spending) with a combined value of approx. EUR 4.6 billion for on-going TEN-T projects. Overall, financing is currently secured for a total of 62 TEN-T projects in the region, with a combined value of almost € 12 billion.
- 4. Overall spending for TEN-T infrastructure development in the region is expected to remain high over the next years.** No less than EUR 9 billion in grant funding, potentially mobilising an additional EUR 20 billion in investment in the next decade, has been pledged under the Economic and Investment Plan for the Western Balkans. Of this, around EUR 5 billion (of which EUR 2 billion in grants) will be channelled towards transport to meet TEN-T standards and to address the objectives of the Green Agenda in the Western Balkans. If the development or preparation of flagship projects progresses according to plan, further EU funds could be mobilized.
- 5. Besides projects already being implemented, significant investment portfolios have been assembled by each Regional Partner, under the methodological framework of Single Project Pipelines.** SPPs include priority projects of each Regional Partner, based on national and sectoral development strategies. The total number of transport projects included in the most recent versions of the SPPs is 77, of which 43 for roads, 26 for the railway, 2 for ports, 4 for IWW and 2 for airports. The total investment needed is €22.5 billion, €7.66 billion for mature projects and EUR 14.87 billion for projects under preparation. In terms of modal share, funding needs in road sector amount to EUR 14.28 billion, followed by rail projects with EUR 7.84 billion, inland waterways with EUR 245.9 million, ports EUR 26.3 million and airports with EUR 138.4 million.
- 6. These projects have been prioritised and ranked based on a consistent methodology, mirroring the same strategic documents and principles across all Regional Partners.** SPPs are the result of a thorough screening, appraisal and prioritisation exercise that started with projects identification, followed by strategic relevance and quality/maturity assessment. Strategic

relevance was assessed based on criteria such as demand/supply analysis, relation to other corridors/routes, safety or economic growth potential. The maturity assessment was made with reference to the quality and completeness of project documentation, in order to identify any possible gaps.

7. **Implementation of on-going and mature projects is likely to result in significant improvements in TEN-T compliance rates by 2030.** Road Core Network compliance is expected to grow to 60% in 2027 and 77% in 2030. Compliance rate for the Comprehensive Network will also increase, though at a slower pace, from almost 52% (current) to 57% in 2027 and 62% in 2030. On railways, the compliance growth forecast varies between criteria. Electrification is likely to be achieved for 86% of the Core Network and 61% of the Comprehensive Network. The already high axle load compliance will reach 91% on the Core and 74% on the Comprehensive, while ERTMS is expected to jump from 0 to 10%. Minimum operating speed compliance will also grow to 44% on Core and 32% on Comprehensive Network, which is expected to have a positive impact on rail transport competitiveness and attractiveness.
8. **However, despite the progress, full compliance of the Core Network will still not be achieved, even in a best-case scenario with all projects completed on time.** Besides infrastructure profile and condition criterion (still not hitting 100%), road TEN-T standards include alternative fuels availability, ITS, tolling and safety compliance. The railway compliance forecast for train length, operating speed or ERTMS is particularly worrying, while no projects are currently addressing availability of alternative fuels at either inland or maritime Core Network ports.
9. **Above and beyond infrastructure development, TEN-T compliance is also about policy reform and capacity development.** Regional Partners have committed to adopting in full the EU transport *acquis*, with Action Plans rolled-out by the TCT entailing the highest-ranked priorities in this regard. EU *acquis* transposition is the first step towards achieving full compliance with certain TEN-T standards, but actual implementation also requires institutional and capacity building.
10. **While the potential financial resources to be mobilized for TEN-T Network improvements are high, a financing gap nonetheless remains.** The estimated value of the projects currently in Regional Partners' portfolios largely exceeds the amount of financing available under WBIF framework. Regional Partners' capacity to mobilize ad-

ditional resources in this respect (mostly in the form of budget funding and commercial/3rd party loans) is also limited and uneven, as GDP/debt ratios in the region vary significantly.

11. **The above calls for a more focused approach at regional level, to ensure optimal use of the available resources and maximize benefits (buying more for less).** Besides focusing on the highest-ranked priorities, this would include proper infrastructure dimensioning based on forecasted demand and project economic performance, maximizing the use of grant funding and payment-structuring over time (with due consideration given to increased funding needed for maintaining newly-built assets). There should also be more focus on well-targeted small-scale interventions, likely to bring rapid gains and tangible benefits in terms of TEN-T compliance at a fractions of the costs typically required by large infrastructure projects.
12. **There is an overall necessity to improve planning and prioritization at regional level.** There has been significant progress in recent years in prioritisation and ranking at national level, through Regional Partner Strategies and SPPs. However, this has not been systematically mirrored at regional level when prioritising projects of importance for regional and EU connectivity, and cooperation between Regional Partners has sometimes been suboptimal. Adequate cooperation structures and mechanisms have been set under the WBIF framework and strategic orientation and priorities for TEN-T development are clear. Having a rolling plan with a prioritised project list is a further step towards tighter cooperation and improved regional planning.
13. **As for highest-ranked priority projects only, their timely implementation still requires considerable institutional and financial resources, as well as firm political commitment.** Ensuring progress of these initiatives that would also maximise the available grant financing is therefore of the essence. Pursuing parallel/alternative strategic objectives and routes would only put additional strain on the limited resources available and might also alter the economic performance of future projects for which grant financing is being sought.
14. **Revision of TEN-T Regulation puts more focus on the green and digital transformation of the transport sector, and this will have to be mirrored by the Regional Partners.** There is still imbalance between transport modes, as clearly shown by actual TEN-T compliance rates and the priority projects currently in the pipe-

line. More should be invested in ITS (particularly in ERTMS) and alternative fuels should be made available for all modes of transport. Single project pipelines should be updated to reflect transport sustainability and include green and digital elements based on the Smart and Sustainable Strategy for the Western Balkans. This should also be backed by dedicated financing schemes for small-scale interventions targeting non-physical barrier removal, safety improvement, and green and digital transformation. Targeted support as well as technical assistance from EU, TCPS and IFIs to address these issues will be of a paramount importance for the region to leapfrog in decarbonisation of the transport sector.

15. Given the complexity of implementing ERTMS, a regional action plan should be developed. This plan should cover the line where priority ERTMS should be implemented as well as the related technical and administrative needs that regional partners will have to deal with in the coming years. The possibility to mutualize some resources (technical ones / testing equipment) could also be explored.

16. Project implementing capacity should also increase. Persistent problems are still hindering transport development in the Western Balkans. Issues such as lack of human capacity and resources, lengthy development of project documentation (approx. half the time it takes to carry out the works), an equally long grant approval process by all stakeholders etc. are contributing to the region's poor project implementation record. Finally, more cooperation is needed at regional level, especially on cross border and corridor projects at all stages: project documentation development, project execution, operation and maintenance. The region will further benefit from substantial technical assistance resources for project preparation, implementation and institutional support. Dedicated project preparation facilities such as IPF and CONNECTA will remain active, with JASPERS also offering advisory support for capacity building and closing project maturity gaps. The Transport Community will be providing targeted assistance in the areas covered by the Treaty, while European Commission instruments such as TAIEX may be used for institutional support. Making the best use of such resources is one of the keys to success!

BACKGROUND

The signing of the Treaty establishing the Transport Community by the six South East European Parties and the European Union on behalf of all EU Member States has boosted the regional dimension of transport cooperation, accelerating reforms and strengthening the European perspective for the entire region. Building on previous work carried out under the Memorandum of Understanding on the Development of the South East Europe Core Regional Transport Network, the Transport Community Treaty is the ultimate expression of the signatories' determination and firm commitment to a united and better-connected Europe.

The core obligation to which the parties have committed under the Treaty is the creation of a Transport Community in road, railway, inland waterway and maritime transport based on progressive transposition by the Regional Partners of the relevant EU *acquis*. Policy reforms targeting market opening and removal of non-physical barriers to transport and trade are complemented by infrastructure development alongside the indicative extensions of TEN-T Comprehensive and Core networks in the Western Balkans.

The institutional framework set up under the Treaty has proved instrumental for the overall achievement of its broad political objectives. In pursuit of its mandate to help the parties achieve their common connectivity goals, the Permanent Secretariat of the Transport Community has rolled out dedicated Action Plans for roads, railways, road safety, waterborne transport and transport facilitation. The plans contain concrete measures whose implementation will likely ensure the achievement of the core policy objectives contained in the Treaty. Approval of the Action Plans by all six South East European Parties and the effective start of their implementation has helped policy reform to gain momentum, marking a new milestone on the region's European path.

The Regional Partners' commitment to the development of the indicative TEN-T extensions on their territory (previously followed through the Connec-

tivity Agenda, rolled out under the Berlin Process) is embedded in the Treaty, together with adequate planning, monitoring and follow-up institutional mechanisms. The recently adopted Economic and Investment Plan for the Western Balkans, with its unprecedented financial stimulus, confirms the European Union's commitment, responding to the region's well-documented need for high-quality infrastructure and the closing of development gaps.

The indicative extension of the TEN-T Core and Comprehensive Networks in Western Balkans as provided for by the Commission Delegated Regulation (EU) 2016/758¹ and included in Annex I.1 of the Treaty establishing the Transport Community is given below.

The Treaty includes dedicated provisions on the preparation and biannual revision of a strategic plan for the development of the TEN-T network in the Western Balkans and identification of priority projects of regional interest (***the 5-year rolling work plan***). This plan should contribute to the region's sustainable development and improve connectivity between the South East European Parties and with the EU, while giving due consideration to the environmental and social dimensions. As per the provisions of article 9 of the Treaty, the five-year rolling work plan shall:

- „Comply with the relevant legislation of the European Union as set out in Annex I, in particular when funding of the European Union is envisaged;
- Demonstrate best-value-for-money and broader socio-economic impacts, following donors' funding rules and best international standards and practices;
- Give special attention to global climate change and environmental sustainability at the stage of project definition and analysis;
- Include the funding opportunities from donors and international financial institutions, in particular through the Western Balkans Investment Framework.”

¹ Commission Delegated Regulation (EU) 2016/758 of 4 February 2016 amending Regulation (EU) No 1315/2013 of the European Parliament and of the Council as regards adapting Annex III thereto (OJ EU L 126, 14.5.2016, p. 3).

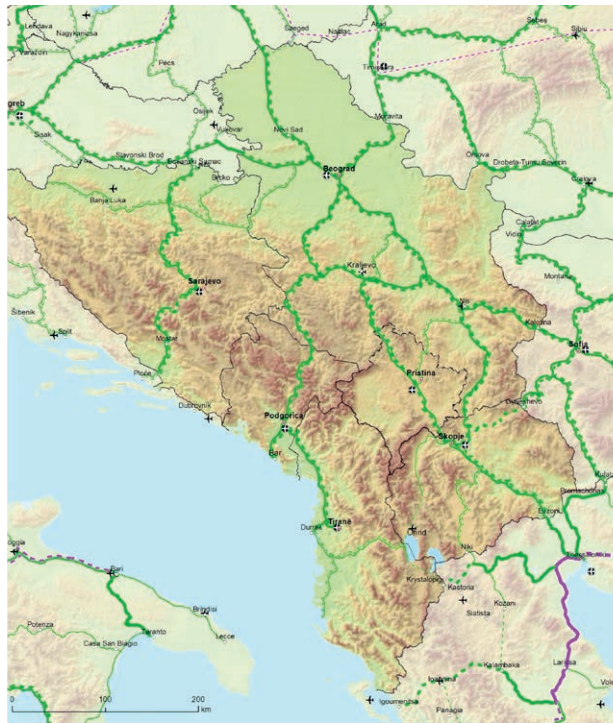
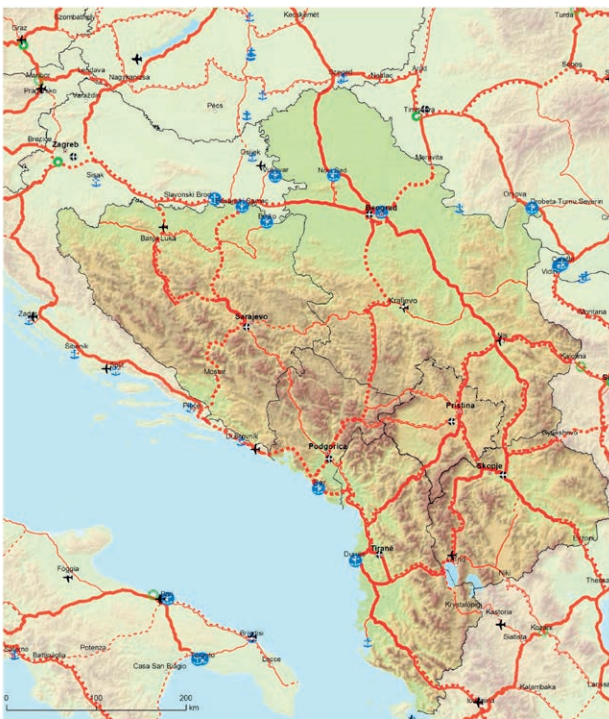
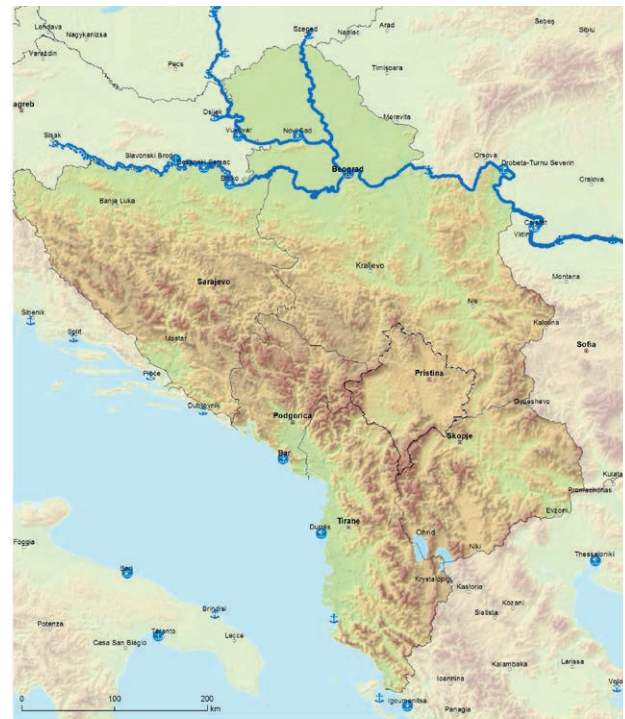


Figure 1.
The indicative trans-European transport network (TEN-T) extension of Comprehensive and Core Networks to the Western Balkans

Comprehensive Network:
Railways and airports
Core Network: Railways (passengers) and airports



Comprehensive and Core Networks:
Roads, ports, railway-roads terminals, and airports



Comprehensive and Core Networks:
Inland Waterways and Ports

In due consideration of the requirements set out under the Treaty, the Permanent Secretariat of Transport Community has coordinated work on the first edition of the five-year rolling work plan under the Treaty framework.

The preparation of the five-year rolling work plan was mainly based on the following:

- work already undertaken in the framework of the TEN-T Annual Report and its main findings and conclusions;
- The TEN-T compliance conditions and deadlines, as laid down by *Regulation No. 1315/2013 of the European Parliament and of the Council of 11 December 2013 on Union guidelines for the development of the trans-European transport network and repealing Decision No 661/2010/EU*;

- EC Communication no. COM (2021) 820 final of 14.12.2021 *on the extension of the trans-European transport network (TEN-T) to neighbouring third countries* accompanying the newly proposed TEN-T package;
- The Economic and Investment Plan for the Western Balkans and its transport-related Flagship Projects;
- The priority TEN-T projects currently considered by each Regional Partner, as per the latest versions of their Single Project Pipelines.

The adopted methodological approach reflects the fact that the analytical tools to be developed under the Transport Observatory framework have yet to become operational; inevitably, this resulted in data scarcity and no demand-forecasting analysis being available at regional level to back up future development needs through bottleneck identification. This had particular impact on the project prioritisation exercise that could only be carried out based on a simplified methodology focusing mainly on pre-identified projects for which political consensus already exists.

Taking note of the above, drafting the 5-year rolling work plan entailed the following sequence of steps:

- Defining the strategic objectives of TEN-T network development (See Chapter 1);
- Summary presentation of the TEN-T network current situation and compliance rate as well as the evolution forecast for compliance indicators in currently ongoing and mature projects (Chapter 2);
- An overview of TEN-T Projects currently under consideration by the Regional Parties for future implementation, definition of the highest-ranked priority projects and setting up of future implementation milestones and actions. (Chapter 3);
- Summarising policy initiatives and development (Chapter 4);
- Key findings and overall conclusions (Chapter 5).

Overcoming methodological shortfall on full commissioning of the Transport Observatory (TEN-T database/TODIS and the regional transportation model, plus a project appraisal and prioritisation methodology to be agreed in advance with all stakeholders) will allow for a more consistent project planning exercise at the time of the first revision of the 5-year rolling work plan (due for delivery in 2024). The Transport Observatory's analytical tools will facilitate testing, comparison and prioritization of individual projects based on expected economic, social and environmental outcomes, using best international practices. As per the implementation schedule currently being considered, TODIS will become operational in late 2022, while the regional transport model and project appraisal tool should be ready by mid-2024.

By that time, it is also anticipated that the new TEN-T package will be approved, which will provide additional reason and impetus for a substantial revision of the 5-year rolling work plan.

1.

STRATEGIC OBJECTIVES

Regulation 1315/2013³ set up an ambitious timeline for achieving the relevant standards for the TEN-T Core and Comprehensive Networks by 2030 and 2050 respectively. While the same applies to the South East European Parties, bridging the TEN-T compliance gap should also take note of the specifics of the region, namely a history of lagging infrastructure and the limited available funding.

From the conclusions of the TEN-T Annual Report⁴, progress likely to be achieved if all current projects (i.e. with ensured financing) are completed on time, appears insufficient to ensure that the Core Network will be fully compliant by 2030. While additional financing will be available and new projects (now in various stages of preparation) will advance, it is increasingly obvious that simply referring to the compliance indicators and Regulation deadlines cannot be the basis for a realistic and result-oriented TEN-T development strategy for the region.

One of the cornerstones of the European integration path is to connect the economies of the Western Balkans more effectively with one another and with the EU, by developing a common regional transport market based on the EU *acquis*. Transport connectivity underpins economic growth, strengthens social and territorial cohesion and ultimately results in improved living standards. To this end, a TEN-T development strategy should focus on delivering an integrated multimodal transport network, fostering the corridor approach to planning and investment, embedding the principles of better connectivity within the region and with the EU, leading to a network that is safer, climate-resilient, energy-efficient and fit for digital age.

Planning and prioritisation of the indicative TEN-T extension in the Western Balkans should align to a set of already established key principles. The dual-layer nature of the TEN-T sets different priority levels for the Core and the Comprehensive network respectively. Moreover, the Economic and Investment Plan for the Western Balkans with its pre-identified Flagship Projects narrows the focus to several essential TEN-T links whose completion is deemed to yield the most significant connectivity gains for the region.

The region's particular importance in the overall European context is also mirrored in the newly-proposed TEN-T package⁵ consisting of four proposals aimed at modernising the EU's transport system. The Western Balkans are geographically embedded into the EU, with neighbouring Member States such as Greece and Bulgaria relying heavily on the region's infrastructure for their connectivity with the EU. A more inclusive approach is the natural consequence of this, as may be seen from the proposed creation of a new Western Balkans Corridor across the region, linking Austria, Slovenia and Croatia to Greece and Bulgaria, and covering the territory of all South East European Parties. Once the new TEN-T package is adopted, the new Western Balkans Corridor and its associated institutional mechanisms will likely become an essential tool for the coordinated implementation of the Core Network in the region.

3 Source: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2013.348.01.0001.01.ENG

4 Source: <https://www.transport-community.org/wp-content/uploads/2021/08/TEN-T-report-2020.pdf>

5 Source: https://transport.ec.europa.eu/news/efficient-and-green-mobility-2021-12-14_en



Figure 2. Alignment of the newly-proposed Western Balkans Corridor⁶

While giving due priority to the pre-identified network sections referred to above, design of individual intervention schemes and ranking of competing projects sharing the same priority level should also consider compliance with the following key policy objectives:

1. Enhancing connectivity within the Western Balkans and with the European Union

Developing fast high-quality connections among the South East European Partners and with the European Union will ensure closer ties between the parties, accelerate economic integration, boost investment, speed up convergence and help bridge the prosperity gap. Existing bottlenecks and missing links will therefore remain among the key matters to be addressed with priority in the coming years.

2. Improving accessibility and mobility on the TEN-T Network

Improved accessibility supports balanced territorial development by ensuring better access to markets for remote and backward regions. Increased mobility results in tangible economic benefits such as travel time savings, shortens physical distances and creates new links and opportunities for people and business. While accessibility and mobility are generally regarded as potentially competing (if not opposed) transport policy objectives, the characteristics of the transportation system in the Western Balkans require a smart balance being achieved between both.

3. Building the transport of the future. Towards a smart, sustainable, green, safe and resilient TEN-T network

3.1. Green and sustainable network

Recent changes in EU sector policies propelled by the adoption of the European Green Deal and laid down in the Sustainable and Smart Mobility Strategy, have resulted in increasing priority being given to mitigating the environmental impact of the transport system, in view of the growing need to curtail GHG emissions and move towards a carbon-neutral economy. At regional level, the vision shift towards a clean, sustainable and smart transport policy has been transposed in the Green Agenda, endorsed by the Sofia summit declaration and the Economic and Investment Plan, and further mirrored by the Smart Mobility Strategy for the Western Balkans rolled out by the Permanent Secretariat of the Transport Community.

TEN-T development should align itself properly to such policy changes, ensuring synergy with the objectives and flagships of the Sustainable and Smart Mobility Strategy for the Western Balkans (provided in more detail under Section 4.1) by promoting actions that would support:

- A modal shift towards more environmental-friendly modes of transport, so that railway and waterborne transport reach their full potential;
- Decarbonizing road transport.

⁶ COM(2021) 812 Annex 3: Alignment of the European Transport Corridors

3.2. Smart Network

EU transport and mobility policy is increasingly oriented towards future-proof solutions; digitalization is seen as a key element in achieving seamless and efficient intermodality, which in turn will result in non-polluting transport modes reaching their full potential. Transposing this policy line into reality would require action on two different levels:

- Including smart & digital elements in all major investments to be implemented on the TEN-T network;
- Implementing small-scale interventions targeting specifically smart solutions that would help increase the network's efficiency and reach the full potential of intermodality.

3.3. Safe Network

Transport safety is a matter of much concern in the region, given the huge human and economic cost of accidents and should therefore be addressed as a matter of priority.

TEN-T Network safety improvement requires both policy measures to be delivered alongside the transposition and implementation of the relevant *acquis*, and well-targeted and calibrated infrastructure improvements. The latter would require the following:

- Transport safety to become an essential project prioritization criterion;
- Opting for safety-oriented small-scale interventions, likely to bring quick wins and improve the safety of the network.

4. EU *acquis* implementation and associated policy reforms

TEN-T compliance is not solely a matter of infrastructure improvement. Policy reform and institutional set-up in certain areas like road safety, ITS, user charges, ERTMS, etc. require significant legislative and institutional reform, while soft measures for cross-border transport facilitation might bring standard economic benefits such as savings in time and vehicle operating costs at a fraction of the cost of large infrastructure projects.

The ultimate scope of the Treaty is to create a unified transport market. Underlying this is the transposition of the relevant *acquis*, including areas such as technical standards, interoperability, safety, security, traffic management, social policy/aspects, public procurement and the environment, for all modes of transport

excluding air transport, as per the provisions laid down by the acts specified in Annex 1 of the Transport Community Treaty.

A stepwise approach will be necessary to address and programme the implementation of policy reforms. For EU *acquis* which is a part of Annex I of the TCT and not currently the subject of the Action Plans, the transposition plans of each regional partner will be screened in order to find a common denominator that leads to forward planning for the Region.

The transposition and implementation of EU *acquis* included in the Action Plans will be subject to monitoring and revision via yearly reports. Experts on the Technical Committees are constantly consulted and inform the TCT on the evolution of their legislation based on the targets set by the Action Plans. Moreover, consequential updates of each Action Plan can be supplied in response to a reasoned request from Regional Partners and with the consent of the Regional Steering Committee.

The Transport Community Permanent Secretariat will assist all Regional Partners in finding the best possible solution to address their need for capacity building. There is constant cooperation with DG NEAR services catering for dedicated capacity-building instruments, such as TAIEX and TWINNING. Capacity building programmes are financed by DG MOVE and the Agencies under its mandate – the European Agency for Railways (ERA), the European Climate Infrastructure and Environment Executive Agency (CINEA) and the European Maritime Safety Agency (EMSA).

To ensure cross-disciplinary dialogue stemming from areas where greening of transport is concerned, concerted action in terms of capacity-building may be envisaged with other relevant services, e.g. with DG ENV and DG CLIMA, as well as with the Ministries of the Environment in the Regional Partners.

2.

TEN-T INFRASTRUCTURE DEVELOPMENT OVERVIEW

This chapter provides an overview of the state of play in development of the indicative extension of the TEN-T network to the Western Balkans. The current status will draw on data from the Annual Report on Development of the TEN-T network, endorsed by the Regional Steering Committee in July 2021.

2.1. Railways

The TEN-T railways network consists of two layers: the Core and Comprehensive Networks. The total length of the Comprehensive is 3,895 and 2,602 km

of the Core. It consists of three corridors (Vc, VIII and X) and seven routes.



Indicative Extension of TEN-T Core and Comprehensive Network to Western Balkans
Indicative extension of the TEN-T Core and Comprehensive Railways Network to the Western Balkans



Figure 3. Indicative extension of the TEN-T Core and Comprehensive Railways Network to the Western Balkans

Regulation (EU) No 1315/2013 defines transport infrastructure requirements as well as the specific requirements expanded from the priorities for railway infrastructure development:

- **Electrification** - railways network to be electrified by 2030 (including sidings where necessary);
- **Axle load:** Freight lines 22.5 t axle load by 2030.
- **Line speed:** Freight lines must allow 100 km/h by 2030 (no speed requirement for passenger lines);
- **Train length:** Freight lines to allow for 740 m trains by 2030;

- **Track gauge:** Nominal track gauge for new railway lines 1.435 mm;
- **European Railway Train Management System (ERTMS) / signalling system:** Core network to be equipped with ERTMS by 2030.

Railway electrification compliance of the operational network is already **73% on the Core and 54% on the Comprehensive Network**. Certain parts of the networks, mainly in **Albania and North Macedonia (Corridor VIII)**, are still in the construction phase and are not part of this report.



Indicative Extension of TEN-T Core and Comprehensive Network to Western Balkans
Electrification

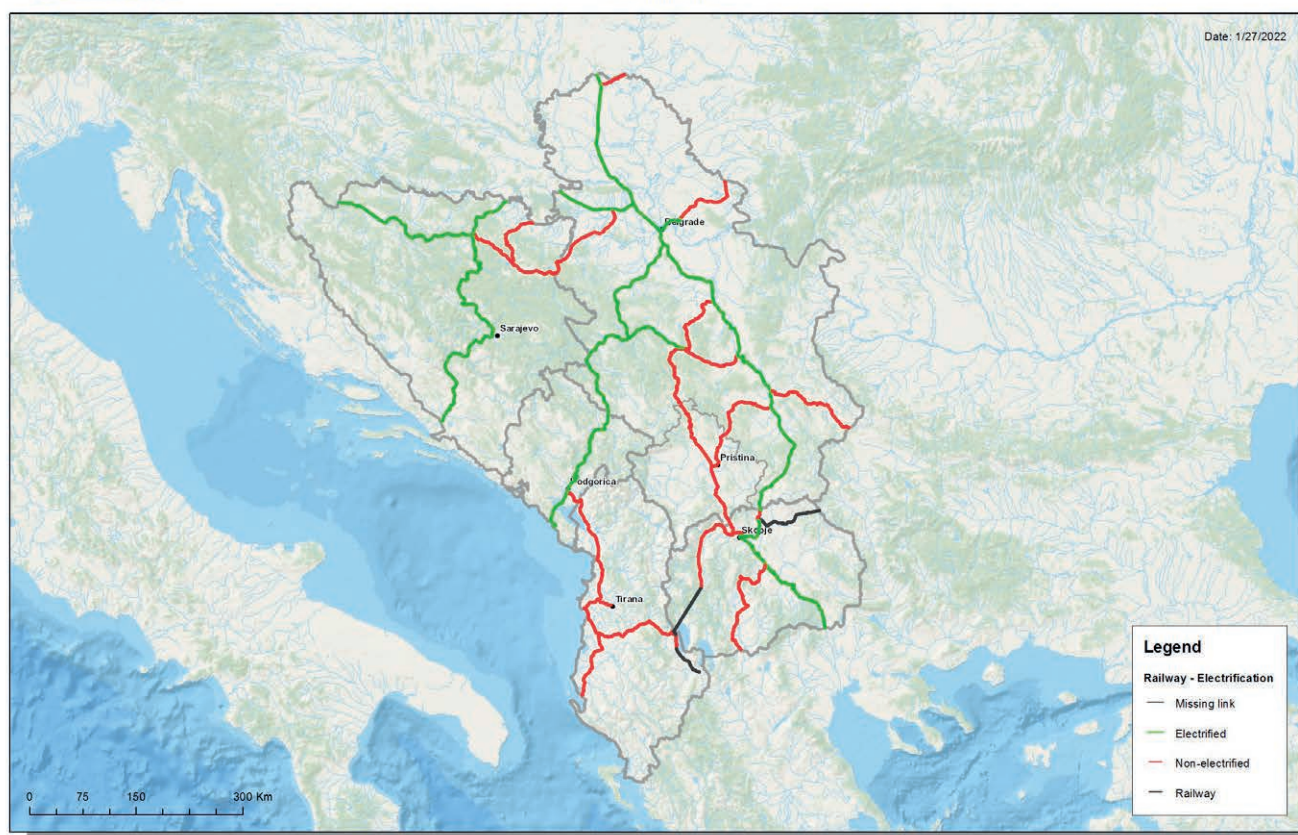


Figure 4. Maps of Electrified lines

For freight axle load, the compliance parameter of 22.5 t per axle is already at **87% on Core and 72% on Comprehensive Network** as per 2021 data. The deficiencies are in **Albania, Kosovo and Bosnia and Herzegovina**, mainly because of poor maintenance.

For freight line design speed, **72% of the Core network** is compliant with the parameter of 100 or more km/h as per 2021 data and **61% on the Comprehensive network**. In operational speed, **only 15% of the operational Core network and 13% of the Comprehensive Network** has an operational speed of more than 100 km/h. The deficiencies are mainly in **Albania, Montenegro, Serbia, Kosovo and Bosnia and Herzegovina**.

For freight train length, none of the networks is compliant with the parameter of 740 m or longer sidings for trains. However, **79.5% of the Core Network and 73.4% of the Comprehensive** can accommodate trains longer than 500 m. The region mainly meets the 500 m parameter except for **Albania**. This, however, needs to be read with the above caveats that the situation continues to improve and that there are differences here and there between nominal compliance and actual operational possibilities. For example, a line may be fit for 740 m trains but does not have enough sidings to turn that possibility into reality.

Railway track gauge is already compliant at a maximum of 100% as per 2021 data. There is one notable exception in Serbia (the Mokra Gora narrow gauge railway line), but this is not part of the Core or

Comprehensive Network and is only used for tourist purposes. The situation has been the same for many years and does not affect interoperability.



Indicative Extension of TEN-T Core and Comprehensive Network to Western Balkans

Axle Load

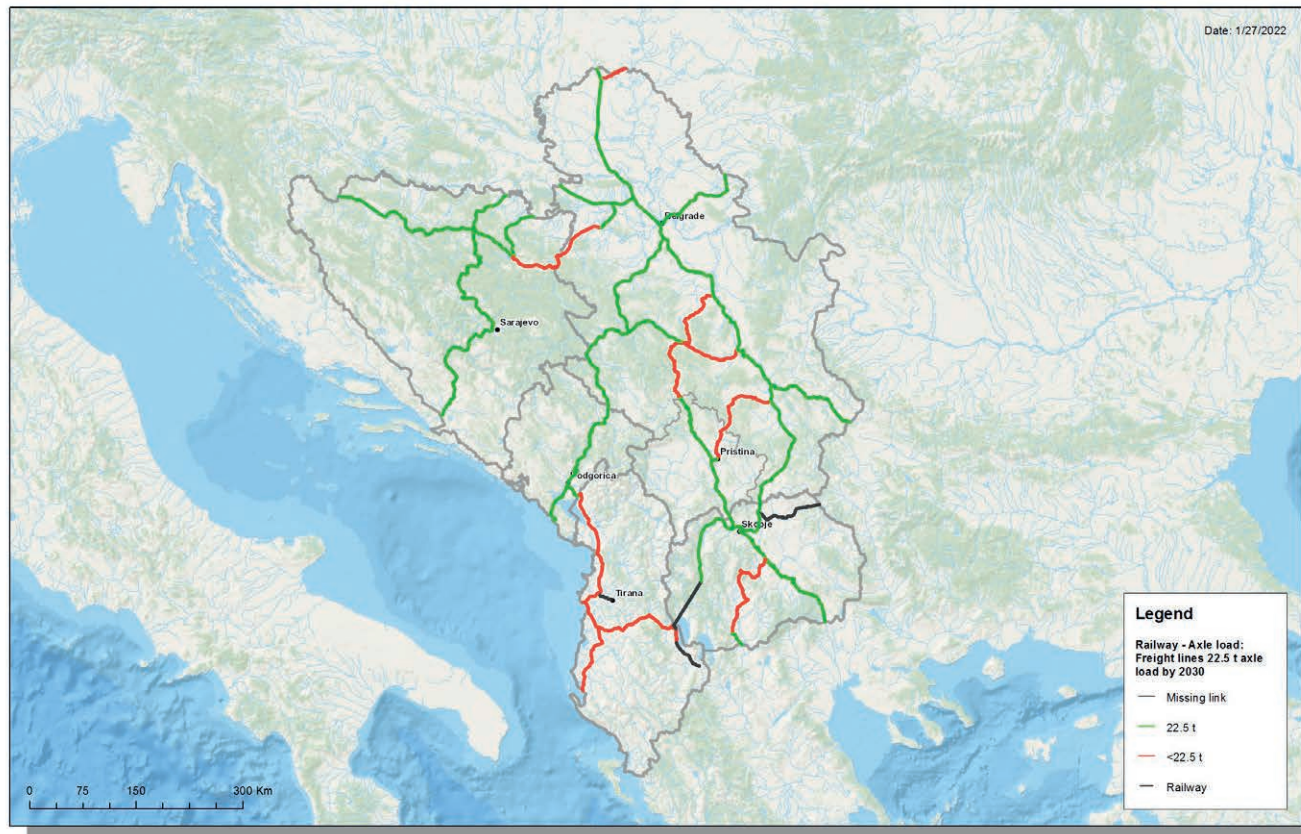


Figure 5. Map of Axle load per line

Currently, there are no European Railway Train Management Systems in operation throughout the entire network. Almost all Regional Partners have partly transposed the interoperability directive (third or fourth railway package). Some published a certain number of TSIs, but no one has implemented them in practice.

Looking at ongoing projects (presented in the TEN-T Annual Report) and planned projects, there are intentions to implement the European Train Control System (ETCS) level 1 or even 2 in Albania, Serbia and North Macedonia. These current plans do not cover all the Core Network or even most of it, which leads to the conclusion that there is a strong need for more focus on implementation of the ERTMS.

On top of this, the recently proposed Western Balkan Core Corridor will bring additional investment and users, additional reasons for full TEN-T compliance of the Corridor.

Since the implementation of ERTMS is not merely procurement and installation of equipment, from the European experience there is also a need for serious capacity building on railway systems which will assure proper operation and result in benefit.



Figure 6. Map of ERTMS future implementation

ERTMS deployment (track-side) does not exist as per 2021 data. ERTMS deployment is the greatest challenge in terms of TEN-T parameters, and progress is slower than anticipated or desired. **Albania, Montenegro, North Macedonia and Serbia**, as indicated in Figure 6, have a certain number of ongoing or mature projects and others in preparation, which foresee plans to implement ERTMS on approx. 1800km or about 50% of the Indicative Extension Comprehensive Network. The majority of the projects envisaging ERTMS are those in preparation.

However, all Regional Partners should make additional efforts in further transposition and implementation of the interoperability directive.

The current condition of the network was assessed from data received from Regional Partners on the current state of their tracks. To this purpose, conditions have been divided into five parts based on the ratio between current maximum operational speed and maximum designed speed on the network. This was done to better describe the current condition of the railways.

As for the condition, **30% of the Core Railway Network and 28% of the Comprehensive** is reported to be in very good and good condition, where approximately 70-100% of designed speed can be achieved. Approximately 26% of the sections are reported to be in average condition, with wide variations in the maximum allowed speed.

The greater part of the Core (44%) and Comprehensive Network (45%) is in poor or very poor condition, where the designed speed averages only 50%. An important issue that should be mentioned is the reliability of the system for assessing the condition. On several sections, there was a large discrepancy between the reported condition, designed and maximum allowed speed. Furthermore, several different systems seem to be in use for assessing conditions in different Regional Partners.



Figure 7. Railway infrastructure condition map

2.2. Roads

As per the provisions of Regulation no. 1315/2013, TEN-T comprises a dual-layer structure consisting of the Comprehensive and Core Networks, the latter consisting of prioritised sections of the Comprehensive Network.

The total length of the TEN-T road network in the Western Balkans is 5,287.41 km, of which 3,540.55 km are on the Core Network.

The network's current layout is given below.



Indicative Extension of TEN-T Core and Comprehensive Network to Western Balkans

Indicative extension of TEN-T Core/Comprehensive Road Network to Western Balkans



Figure 8. Indicative Extension of TEN-T Core and Comprehensive Road Network to the Western Balkans

Road infrastructure components are laid down under Art. 17 of the TEN-T Regulation⁷. Art. 18 further defines compliance requirements while development priorities are dealt with under Art. 19.

The TEN-T road network is deemed to include high-quality roads (motorways, expressways, or conventional strategic roads) specially designed and built for motor traffic with adequate levels of safety.

Based on the findings of the TCT Secretariat's Annual Report⁸ on Development of the indicative TEN-T extension of Core and Comprehensive Network to the Western Balkans, 45% of Core Network and 52% of Comprehensive network are compliant with TEN-T standards related to infrastructure profile and conditions, as provided in Table 1 below.

⁷ Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=COM%3A2021%3A812%3AFIN>

⁸ Source: <https://www.transport-community.org/wp-content/uploads/2021/08/TEN-T-report-2020.pdf>

Road profile	Road condition	Core Network (km)	Comprehensive Network (km)
Motorway	Very Good	750.02	102
	Good	670.12	24
	Medium/Poor/Very Poor	144	0
Expressway	Very Good	28.3	0
	Good	140	69
	Medium/Poor/Very Poor	71.44	0
Conventional road	Very Good	66.9	94
	Good	804.76	617.517
	Medium/Poor/Very Poor	865.01	840.334

Table 1. TEN-T Core and Comprehensive Road Network Compliance (infrastructure profile and condition)



Indicative Extension of TEN-T Core and Comprehensive Network to Western Balkans

Road network compliance (profile and conditions)



Figure 9. Indicative Extension of TEN-T Core and Comprehensive Road Network to the Western Balkans – Compliance map

Compliance with the provisions of EU Directives on road tunnels, tolling interoperability and ITS should also be ensured. Additional conditions are imposed for the Core network, namely:

- Stricter application of road profile requirements (except for some clearly defined situations, roads should be either motorways or expressways);
- Development of rest areas on motorways approximately every 100 km;
- Availability of alternative fuels.

Overall compliance with ITS, tolling and safety directives have been separately dealt with, given structural/institutional reforms currently being addressed under the dedicated Action Plans of the Transport Community Permanent Secretariat. Progress will be presented in a policy-related chapter in this document.

However, **road maintenance needs to be more systematic and performance-oriented** to ensure asset preservation and proper road surface condition. Proper maintenance policies are identified as a priority and included in the Road Action Plan⁹. Their proper implementation backed by adequate funding will be instrumental in ensuring long-term compliance with TEN-T standards in the region.

2.3. Inland waterways

TEN-T Regulation 1315/2013 sets out the transport infrastructure requirements for the Inland Waterways (IWW) transport mode and the connected port infrastructure components. According to TEN-T Regulation, the Inland Waterway network consists of Core and Comprehensive IWW Ports.

Based on the indicative extension of the TEN-T for the Western Balkans, the following Inland waterways (rivers) are included:

- Danube in Serbia
- Sava in Serbia and Bosnia and Herzegovina
- Tisa in Serbia (and Hungary)

As regards the ports of the extended TEN-T IWW network in the Western Balkans, there are altogether 4 core IWW Ports. Two Core Inland Waterway Ports in Bosnia and Herzegovina are the Port of Brčko and Port of Bosanski Samac. In Serbia, the two inland core ports are currently the Port of Belgrade and Port of Novi Sad. There are no comprehensive IWW ports according to the extension of the TEN-T network to the Western Balkans.

The overall compliance rate is practically zero for the **deployment of alternative fuels** in the Western Balkans. More effort will be required in future to ensure adequate deployment of alternative fuel infrastructure, identified as a priority and included in the Road Action Plan. Reaching TEN-T compliance standards will therefore require **systematic and target-oriented public intervention**, to be undertaken within the framework provided by Directive 2014/94/EU (currently under revision to adjust it to the more ambitious targets set out by the European Green Deal).

The alternative fuels network in the Western Balkans is largely undeveloped, with most of the existing stations being set up by private investors with a bottom-up approach. Following market demand, refuelling stations are mostly located in the region's largest cities while deployment on the TEN-T Network is close to zero (given the low penetration rate of alternative fuel vehicles in the region). Only a few of the alternative fuel stations are located on TEN-T, and only 8 electrical re-charging stations are deployed on Corridor X in Serbia, resulting in approx. 400 km of the TEN-T Core Network complying with the sufficiency requirements for electric vehicle charging points (every 60 km).

Inland waterway transport infrastructure components are defined in Article 14 of the TEN-T Regulation, whereas Art. 16 defines priorities for inland waterway infrastructure development. Article 15 further defines compliance requirements.

The infrastructure component of inland waterways includes rivers, canals, lakes, related infrastructures such as locks, elevators, bridges, reservoirs and associated flood-prevention measures which may have a positive effect on navigation; inland ports, including the infrastructure for transport operations within the port area, associated equipment, telematic applications, including RIS and connections of inland ports to other modes in the trans-European transport network.

The priorities set out for inland waterways according to the TEN-T Regulation are:

- a) for existing inland waterways: implementing the measures required to reach Class IV standards;
- (b) where appropriate, achieving higher standards modernising existing waterways and creating new waterways by the technical aspects of the infrastructure of the ECMT, to meet market demands;

⁹ Source: <https://www.transport-community.org/wp-content/uploads/2020/11/Road-Action-Plan.pdf>

- (c) implementing telematic applications, including RIS;
- (d) connecting inland port infrastructure to railway freight and road transport infrastructure;
- (e) paying particular attention to free-flowing rivers which are close to their natural state and which can therefore be the subject of specific measures;
- (f) the promotion of sustainable inland waterway transport;
- (g) modernisation and expansion of the infrastructure capacity necessary for transport operations inside the port area

The compliance indicators for TEN-T in inland waterways are the following: CEMT requirements for class IV; Permissible draught (min 2.5 m); height under bridges (min. 5.25 m); RIS availability/implementation.

In addition, compliance indicators used for Core inland ports are the following: CEMT connection (Class IV waterway connection); railway connection; road connection; availability of clean fuels; availability of at least one freight terminal open to all operators in a non-discriminatory way, and application of transparent charges.

In the TEN-T Annual report for the year 2020 produced by the TCT secretariat, inland waterways in the Western Balkans, together with inland core ports, were assessed for compliance with the above indicators.

The network's current layout regarding the TEN-T extension to IWW and ports in the Western Balkans (both IWW and maritime ports) is given below.

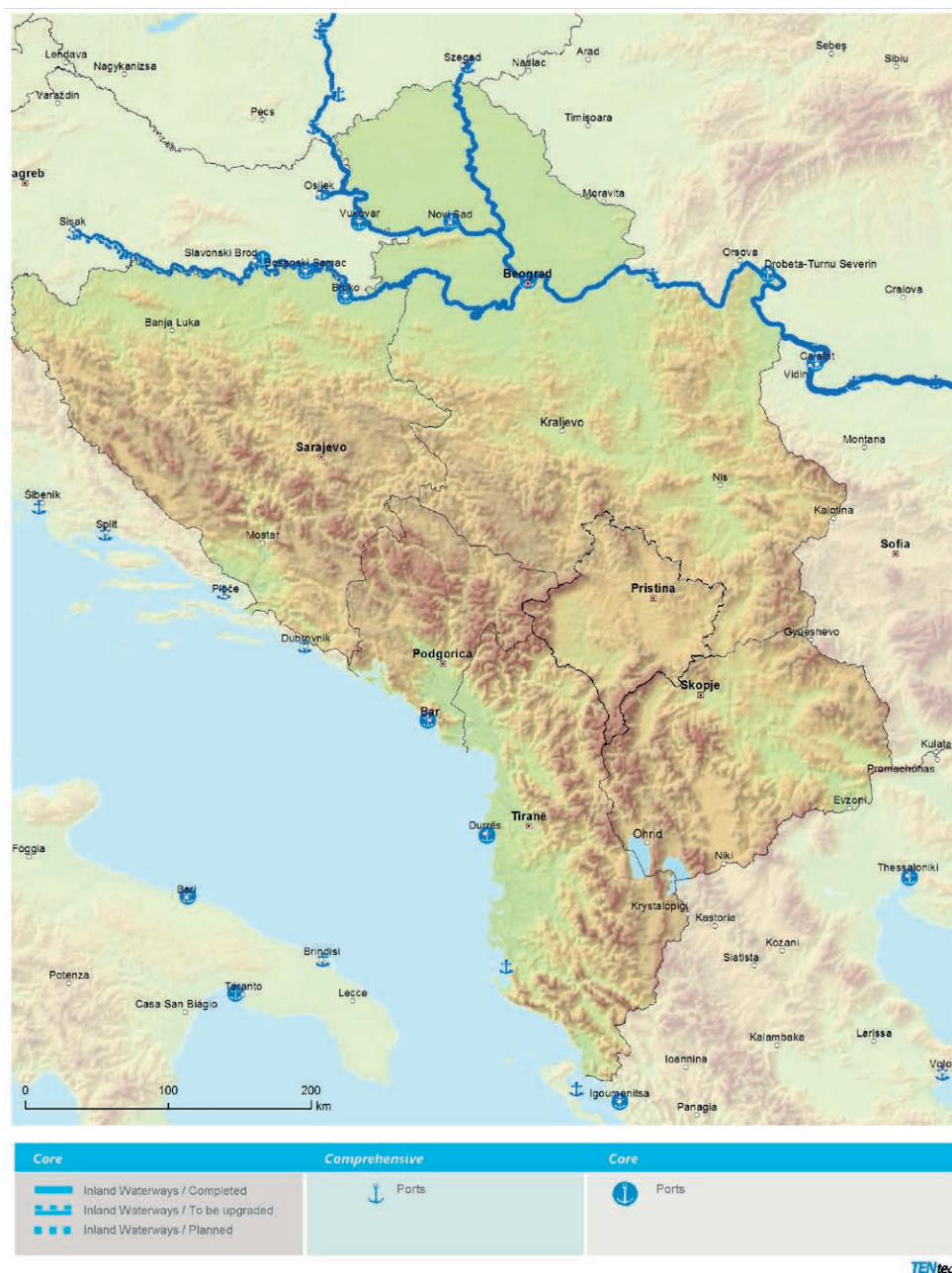


Figure 10. TEN-T extension to IWW and Ports

According to the TCT Secretariat Annual Report of 2020 concerning compliance of core inland ports of the extended TEN-T to the Western Balkans, the 4 IWW ports are compliant with all requirements apart from clean fuels availability. The Port of Samac, though privately owned, according to data obtained from port representatives does comply with the required availability

of at least one freight terminal open to all operators in a non-discriminatory way and application of transparent charges. All ports comply with the requirements of railway connection, road connection, CEMT connection and terminal availability. Indicators are shown in the table below:

Port name	Rail connection	Road connection	CEMT Connection	Clean fuels availability	Terminal availability
Belgrade	YES	YES	YES	NO	YES
Novi Sad	YES	YES	YES	NO	YES
Brcko	YES	YES	YES	NO	YES
Bosanski Samac	YES	YES	YES	NO	YES

Source: Transport Community Permanent Secretariat, based on direct inquiry to Regional Partners and ports

Table 2. IWW Ports Compliance indicators

According to the TCT Secretariat Annual Report of 2020 concerning inland waterways compliance indicators, the only unfulfilled indicators are the draught on the Sava on network section km 210.8 - 178.0 on the Serbia - Bosnia and Herzegovina border, which is

less than 2.5 m, and compliance with RIS on the Tisa River, where RIS has not yet been deployed. All other indicators are compliant, which on balance is a very good state of play for inland waterways compliance, especially in comparison to other modes.

2.4. Maritime transport

TEN-T Regulation 1315/2013 sets out maritime transport infrastructure component requirements and priorities for maritime infrastructure development.

As regards the Maritime Ports of the extended TEN-T network to the Western Balkans, there are two Core Maritime Ports, namely the Port of Bar in Montenegro and the Port of Durres in Albania. In addition, the port of Vlore in Albania is defined as the only comprehensive maritime port of the extended TEN-T network to the Western Balkans.

Maritime transport infrastructure components are defined in Article 20 of the TEN-T Regulation, whereas Arts. 22 and 23 define maritime transport infrastructure requirements and priorities for infrastructure development.

The infrastructure components related to maritime transport according to the TEN-T Regulation consist of maritime space, sea canals, maritime ports, including the infrastructure necessary for transport operations within the port area, connection of the ports with other modes in the trans-European transport network, dykes, locks and docks, navigational aids, port approaches and fairways, reaquatics, motorways of the

sea, associated equipment, telematic applications, including e-Maritime services, and VTMS.

The maritime transport infrastructure requirements according to the TEN-T Regulation must ensure that maritime ports are connected with railway lines or roads and, where possible, inland waterways on the comprehensive network, except where physical constraints prevent such connection. Maritime ports should offer the availability of alternative fuels, and any maritime port that serves freight traffic should offer at least one terminal which is open to users in a non-discriminatory way and which applies transparent charges. Furthermore, it is stipulated that sea canals, port fairways and estuaries connect two seas, or provide access from the sea to maritime ports and correspond at least to inland waterway class VI.

In addition, the maritime transport infrastructure requirements according to TEN-T include equipment to assist the environmental performance of ships in ports, in particular reception facilities for ship-generated waste and cargo residues in accordance with Directive 2000/59/EC¹⁰ and in compliance with other relevant Union law.

¹⁰ Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:32000L0059>

It also defines the implementation of VTMS and Safe-SeaNet as provided for in Directive 2002/59/EC¹¹, and deployment of e-Maritime services, including in particular maritime single window services, as provided for in Directive 2010/65/EU.

In the TEN-T Annual report for the year 2020 produced by the TCT secretariat, maritime ports in the Western

Balkans were assessed for compliance with the above indicators as defined by the TEN-T regulation.

According to the findings of the TCT Secretariat Annual Report 2020, the compliance of core maritime ports of the extended TEN-T to the Western Balkans is satisfactory as shown in the table below.

Port name	Rail connection	Road connection	CEMT Connection	Facilities for ship generated waste	Clean fuels availability	Terminal availability	VTMS
Durres	Partially	YES	N/A	YES	NO	YES	NO
Bar	YES	YES	N/A	YES	NO	YES	Partially

Source: Transport Community Permanent Secretariat, based on direct inquiry to Regional Partners

Table 3. Maritime Ports Compliance indicators

As seen in the table, non-compliance for the Port of Durres refers to the partial railway connection, as currently only the eastern port terminal is linked to the national railway network, therefore its multimodal dimension at the moment is very limited. As for compliance with VTMS, according to the available data, VTMS has not yet been fully implemented in Albania. Regarding compliance with clean fuel availability, Durres is non-compliant and at the moment no projects are planned to address this. Durres is currently compliant in road connection, facilities for ship-generated waste and terminal availability. CEMT connection to inland waterways is not applicable for the Ports of Durres or Bar.

Regarding the Ports of Durres and Vlore in Albania, it is important to mention that according to the National Sectoral Plan of Maritime Transport and Port Infrastructure, it was decided that the present ports would both be converted into large modern marinas.

The present commercial port will be transferred to the Integrated Commercial Port of Durres in Porto Romano (9 km NW of Durres) and the present Port of

Vlora will be transferred to the Integrated Commercial Port of Triport, Vlora (11 km N of Vlora).

The Port of Bar is compliant with the indicators for railway connection, road connection, facilities for ship-generated waste and terminal availability. Non-compliance for this port concerns clean fuel availability, while VTMS is partially compliant, as it has only been partially implemented in Montenegro. Currently, the Port of Bar is also non-compliant in availability of clean fuels. So far, no plans have been reported of projects to address this failure.

As for the comprehensive maritime Port of Vlore in Albania, it is compliant with the following indicators: facilities for ship-generated waste, road connection and terminal availability, while for railway connection and VTMS, it is not compliant, as Albania has not yet implemented VTMS at national level. CEMT connection and clean fuels availability are not applicable, as no inland waterways connection exists, and being a comprehensive port, this requirement does not apply to Vlore.

¹¹ Source: <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32002L0059>

2.5. Airports

Currently, ten airports (Tirana, Sarajevo, Banja Luka, Pristina, Podgorica, Skopje, Ohrid, Belgrade, Kraljevo, Nis) are part of TEN-T Comprehensive Network

in Western Balkans, of which six are located on the Core Network (Tirana, Sarajevo, Pristina, Podgorica, Skopje, Belgrade). Figure 11.



Figure 11. Indicative extension of TEN-T Comprehensive and Core Airports to the Western Balkans Region¹²

The compliance indicators for airports are derived from TEN-T Regulation 1315/2013 where they are mentioned as infrastructure requirements. They are as follows:

- Railway connection;
- Clean fuels - Applicable only to Core Network Airports;
- Terminal availability - At least one terminal is open to all operators in a non-discriminatory way and applies transparent, relevant and fair charges.

Connection to other modes - A key condition to ensure interoperability of airports on the TEN-T Network is their connection to the rail network. Currently, no airports have direct railway connections.

¹² Source: COMMISSION DELEGATED REGULATION (EU) 2016/758 of 4 February 2016 amending Regulation (EU) No 1315/2013 of the European Parliament and of the Council as regards adapting Annex III thereto

Availability of alternative fuels - Currently, no fixed storage tank facilities for aviation biofuel are reported to be in use at Podgorica, Belgrade, Skopje or Pristina. It should be pointed out that this criterion is to be applied according to market requirements and that airports need to be prepared to make available alternative clean fuels when the need arises as cited in the regulation: 'for air transport infrastructure: capacity to make available alternative clean fuels.' Regarding the availability of alternative clean fuels for airport ground services (e-mobility, hydrogen, CNG, LPG); Bosnia and Herzegovina and Serbia reported usage of alternative fuels to some extent for running

the airports and ground services at Sarajevo, Belgrade, Nis and Kraljevo. Data is not available for other Regional Partners.

Terminal availability - All airports are open to international traffic and have foreign air carriers operating in and out. Some, such as Sarajevo, reached or were close to reaching capacity limits before the COVID-19 pandemic. However, since the pandemic had a severe impact on air transport, actual capacity limits and utilisation may be better assessed following the recovery of the air market.

Regional Partner	Airport	Connection to Railway	Connection to Motorway/ Expressway	Availability of alternative fuels		Terminal availability
				tank facilities for aviation biofuel	availability of alternative fuels for airport ground services	
Albania	Tirana	No	Yes	Data not provided	Data not provided	Yes
Bosnia and Herzegovina	Sarajevo	No	Yes	Data not provided	Yes	Yes
	Banja Luka	No	Yes	Data not provided	Data not provided	Yes
North Macedonia	Skopje	No	Yes	No	Data not provided	Yes
	Ohrid	No	Yes	Data not provided	Data not provided	Yes
Kosovo	Pristina	No	Yes	No	Data not provided	Yes
Montenegro	Podgorica	No	Yes	No	Data not provided	Yes
Serbia	Beograd	No	Yes	No	Yes	Yes
	Nis	No	Yes	Data not provided	Yes	Yes
	Kraljevo	No	Yes	Data not provided	Yes	Yes

Table 4. Compliance indicators- airports

Source: Transport Community Permanent Secretariat own assessment

3.

PRIORITY PROJECTS

3.1. Methodological aspects

The current network status in terms of compliance with TEN-T standards was analysed in the TEN-T Annual Report and has been presented in brief under Section 2. The present section will include the following:

- an overview of regional plans for network development, in order to estimate future compliance rates by 2030 (the deadlines set up under EU Regulation 1315/2013 for Core Network completion);
- a project-ranking exercise aimed at identifying the top priorities for the region in terms of TEN-T network development;
- a list of concrete actions and milestones for Regional Partners to focus on over the next few years in order to ensure proper implementation of priority projects.

For the purpose of this report, a common approach was taken to all transport modes, dividing projects into three categories:

- **On-going projects** – projects with funding ensured and for which construction is either ongoing or under tendering or preparation.

- **Priority projects eligible for funding – mature projects** for which a comprehensive evaluation is available based on a completed feasibility study, and if available, a full set of project documentation, in accordance with EU procedures for Programming and Procurement Rules.
- **Priority projects for preparation – non-mature projects** which require full project preparation and evaluation to determine their feasibility. These projects are not ready for implementation but funding is required to carry out preparatory work.

It should be noted that the main criterion for splitting the projects refers to the securing (or potential for securing) funding. “On-going” does not automatically mean that works are under execution for all projects. For some it means that funding arrangements have been secured. Likewise, “maturity” does not necessarily mean readiness for implementation (the technical status of projects defined as “mature” may vary significantly), but preparedness for safeguarding financial resources.

3.2. Overview of TEN-T development plans in the region

Transport corridors as coordinated transport networks that enable the movement of people and goods **facilitate faster, smoother and more efficient transit and enhance regional connectivity**. This section provides a detailed overview of TEN-T development plans in the Western Balkans for all transport modes.

To highlight the trans-boundary focus of this report, information has been grouped around the major transport axes in the region. To facilitate project identification, the denomination of former Pan-European Corridors and SEETO Routes has been retained.

3.2.1. Railway projects

Railway projects are described for each corridor and route, to make it easier for readers to locate the project geographically. The summary table and project fiches will provide detailed information on all projects.

3.2.1.1. Former Pan-European Corridor Vc

The 428 km Mediterranean Corridor (Corridor Vc) connects Bosnia and Herzegovina with Central Europe to the north and the Port of Ploce on the Croatian Adriatic to the south. It is therefore part of the indicative Extension of the Trans-European Transport Network (TEN-T) Core and Comprehensive Network to the Western Balkans.

This Corridor passes through Bosnia and Herzegovina as the only corridor. The overhaul and modernisation of the 172 km Doboj – Rasputnica Miljacka (Sarajevo) rail section, is a project also identified as a **Flagship 2 in the EU's Economic and Investment Plan for the Western Balkans (EIP) 2021-2027**. This project, together with one ongoing for modernisation (Samac – Doboj)¹³, will cost over EUR 0.5 billion and will improve the condition of the entire railway corridor.

The project will result in savings in vehicle operating costs, transport time, maintenance costs and will enhance the capacity and reliability of the railway sections and traffic safety. It is expected to contribute to a modal shift from road to rail, thereby yielding environmental and road safety benefits. Thus, the project also contributes to climate change mitigation.

3.2.1.2. Former Pan-European Corridor VIII

The hinterland east-west connection between the Black and the Ionian Seas is via Corridor VIII, which passes through Albania, North Macedonia and Bulgaria. The eastern part of Corridor VIII from Skopje to the Black Sea is part of the indicative extension of the TEN-T Core Network, while the western part from Skopje to the Ionian Sea is part of the Comprehensive Network.

Railway Corridor VIII is only partly complete. At present there is a single-track line in Albania, also in parts of North Macedonia. The Corridor is mostly completed in Bulgaria and comprises both single and double tracks. The line from Durres to Lin is already in existence in Albania, although upgrading and modifications will be needed. From Lin to Kičevo (66 km) new construction will be required, and reconstruction

over virtually the entire stretch from Skopje to Kičevo (103km) in North Macedonia. Implementation of this project will start following significant progress on the eastern part of Corridor VIII. However, expected completion of Corridor VIII in North Macedonia is 2030.

Therefore, the construction of new railway lines on this corridor, mainly in North Macedonia, is crucial, together with modernisation of part of the existing railway lines which are in bad shape, especially in Albania.

For this corridor to serve its purpose, it needs at least the following mature projects expected to be executed:

- Corridor VIII Railway Albania: Reconstruction of the Durres to Rrogozhine line.
- Corridor VIII Railway North Macedonia: Construction of the rail section of Corridor VIII Kumanovo – Beljakovce – Kriva Palanka – Deve Bair - Bulgarian border¹⁴. These sections are recognised as priorities and part of **Flagship 1 project in the EIP**;
- Corridor VIII Railway North Macedonia: Construction works on the railway section along the corridor VIII Kicevo – Albanian border.

The following projects which are under preparation will also contribute to improved connectivity for the region:

- Corridor VIII Railway Albania: Rehabilitation of the Durres - Pogradec - Lin line and Construction of a new line: Lin - Border with North Macedonia.
- Construction of a new railway: Pogradec – Korca – border with Greece.

On completion of these projects, worth EUR 1.95 billion, 170 km of railway line will be newly constructed and 210 km reconstructed. All are planned to be finished by 2030 when Corridor VIII can become fully functional.

3.2.1.3. Former Pan-European Corridor X

Railway Corridor X is one of the most important and most utilised corridors in the region. Corridor X is part of the indicative extension of the TEN-T Core Network and stretches from north to south across Serbia and North Macedonia on the Western Balkan segment. This corridor is the natural land connection between Central Europe and the Middle East, and a natural transportation route throughout history. The total length through Serbia is 750 km, and 210 through North Macedonia.

¹³ Source: Development of indicative TEN-T extensions of the Comprehensive and Core Network in Western Balkans
¹⁴ Ibid.

Finalisation of the ongoing projects (Belgrade – Novi Sad-Subotica, Nis –Brestovac, Negotino – Nogaevci¹⁵) and the following modernisation and reconstruction projects:

- Stara Pazova-Sid-border with Croatia;
- Belgrade – Nis;
- Brestovac - Presevo – Macedonian border;
- Single operational centre for railway traffic management on the railway network;
- Construction works on the Main Railway station - phase 2;

The situation in Serbia will dramatically improve approximately 90% of its part of Corridor X, investing circa EUR 4.8 billion in modernisation and new infrastructure. This improvement will include fulfilling all TEN-T standards: ERTMS (Level 1 and 2), electrification, line speed of at least 100 km/h for freight transport, train length of 740 meters and normal track gauge.

New investments on the stretch from Belgrade – Nis – border with North Macedonia are in alignment with EIP, where they are recognised as part of the **Flagship 1 project**.

On the Macedonian side there is one mature project for reconstruction of railway infrastructure on Corridor X, two for construction of new facilities at BCP Tabanovce and construction of a new alignment between Dracevo and Veles.

- Reconstruction of railway section on Corridor X, Kumanovo - Deljadrovoce.
- Construction of a Joint Railway Border Crossing Station (JRBS) and access road at Tabanovce between Republic of North Macedonia and Republic of Serbia (**Flagship 1 project in the EIP**).
- Construction of new alignment of railway section along Corridor X, Dracevo – Veles.

The total length of these projects is 52 km or approximately 25% of the Macedonian stretch of Corridor X. The project for increasing capacity at Tabanovce will allow full functioning of this BCP, in accordance with an agreement between North Macedonia and Serbia.

3.2.1.4. SEETO Railway Route 2

Railway Route 2 represents the Core network connection between Albania and Montenegro and their ports of Durres and Bar. Railway Route 2 connects to Railway Route 4 which continues via Corridor X, representing the only existing hinterland connection of Albania to Central Europe. This route, too, is recognised as part of **Flagship 3 within EIP**.

Both regional partners have planned reconstruction projects to improve conditions on this route of high importance, especially for Albania. The project in Montenegro is in the preparation phase, while the Albanian project is in the mature phase.

Therefore, rehabilitation of the Vore - Han i Hotit line (123 km) and reconstruction and modernisation of the line Podgorica – Tuzi (25 km) - Albanian border crossing (148 km) are covering almost whole stretch of Route 2. Both partners plan to invest EUR 295 million. With the execution of both projects, the only international railway hinterland connection of Albania will be on an acceptable operational level.

3.2.1.5. SEETO Railway Route 4

The extension of the Orient/East-Med Railway Corridor to the Western Balkans along Route 4 is approximately 580 km long and runs from Vršac (Serbia – Romanian border) to Belgrade (Serbia) and onward to Podgorica and Bar (Montenegro).

Bar – Vrbnica (on the Montenegro – Serbia border) is the most important section of the Montenegrin railway network, carrying about 20% of all passengers and about 60% of the cargo.

Montenegro secured EUR 246 million for rehabilitation of the railway line Bar – Vrbnica¹⁶. The project has been identified as a **Flagship 2 in the EIP** for the Western Balkans 2021-2027.

Besides the above ongoing projects, there is one project in preparation: the reconstruction and modernisation of the Podgorica – Tuzi – Albanian border line. The length of the line is 25 km and cost is estimated at around 35 mil EUR.

On the Serbian side, two major projects are under preparation on this route:

1. Pancevo – Vrsac and
2. Valjevo – Vrbnica.

The projects envisage works on the superstructure and substructure of the railway line for speeds of up to 120 km/h. Completion of the technical documentation is expected by September 2022. The estimation for the start of the construction works is mid-2023.

With completion of both projects, 285 km of the railway line will be reconstructed, valued at EUR 1.25 billion. It will surely improve operation on this important route that ensures the hinterland rail connection of Montenegro and Albania with Serbia and Central Europe.

¹⁵ Ibid.
¹⁶ Ibid.

3.2.1.6. SEETO Railway Route 7

Railway Route 7 (Fushë Kosovë – Prishtinë - Podujevë - CCP with Serbia) branches off from Corridor X at Nis (Serbia), between Belgrade and Skopje, and forms a shorter connection between Corridor X and Railway Route 10. It was constructed in 1949 and connects the stations Fushë Kosovë, Prishtinë, Bardhosh and Podujevë. The section from Prishtinë to the common crossing point (CCP) with Serbia has been non-operational since 1999.

Railway Route 7 connects Serbia and Kosovo, and also Route 10 and Corridor X. The purpose of this 45 km project, worth EUR 67.3 million, is to re-establish the railway connection which will fulfil TSI criteria (Technical Specifications on Interoperability), ETCS (European Traffic Control System) Level 1 and ERTMS (European Traffic Management System).

3.2.1.7. SEETO Railway Route 9a

Railway Route 9a Novi Grad-Banja Luka-Doboj-Tuzla-Zvornik is of exceptional significance for international traffic and exchange of passengers and goods between Bosnia and Herzegovina, Croatia and Serbia. The section is also a potential alternative to Corridor X. In this regard, Bosnia and Herzegovina plans to modernise the Novi Grad - Banja Luka - Doboj - Tuzla-Zvornik – Serbian border section. This project would cover all of Railway Route 9a as part of the indicative extension of the Comprehensive TEN-T railway Network to the Western Balkans. The total length is 280 km and costs are estimated at around 323 mil EUR. In accordance with the Single Project Pipeline, the expected deadline for completion is 2030.

3.2.1.8. SEETO Railway Route 10

The Orient/East-Med Corridor crosses Kosovo from north to south on Route 10, from the Macedonian to the Serbian border and is Kosovo's rail connection to the region at large. Route 10 is part of the Indicative Extension of the Core TEN-T Railway Network to the Western Balkans. Total length is 256 km, of which 149 km are in Kosovo and 107 in Serbia.

The investment of EUR 245 million in the mature project for general rehabilitation of 149 km of Railway Route 10¹⁷ (common crossing point with Serbia - Leshak - Fushe Kosove - Hani i Elezit - Macedonian Border) divided into three phases will improve poor track condition with serious structural constraints at present restricting traffic to 60km/h. The project is part of **Flagship 2 of the EIP**.

¹⁷ Ibidem.

¹⁸ Source: https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_1819

There is one more project contributing to Core Network connections, involving construction and modernisation of a railway line: Pristina – Fushe Kosove – Pristina “Adem Jashari” Airport. This project, now in preparation, is valued at EUR 40.2 million and will enable reliable green connections between major transport hubs.

On the Serbian side of Route 10, there is one project under preparation for reconstruction and modernisation of the Kraljevo – Rudnica railway line. The 77 km line will cost almost EUR 300 million and will provide adequate conditions for the line to Corridor X.

3.2.1.9. SEETO Railway Route 11

Connecting Route 10 with Corridor X is envisaged via a segment of Route 11 (Stalac – Kraljevo). This railway line is planned for reconstruction and modernisation, valued at EUR 180 million for 72 km of single-track. It is part of a project currently being prepared by the Serbian Authorities.

3.2.1.10. SEETO Railway Route 13

The shortest rail route: Subotica – Horgos – Hungarian border (Segedin) on the Comprehensive Network is planned for modernisation and reconstruction. With this mature project, the full length of the railway line (26 km) will be improved by investing EUR 100 million.

The Subotica-Segedin line is a single track, unelectrified regional rail link which connects the north of Serbia with the south of Hungary. The project envisaged reconstruction of 26 km for speeds of up to 120 km/h and included interventions on the substructure and superstructure, telecommunications and signalling system.

3.2.2 Road projects

Road projects will be described per corridor and/or route, to make it easier for readers to locate the project geographically. The summary table and project fiches will provide detailed information on all planned road projects.

3.2.2.1. Former Pan-European Corridor Vc

Corridor Vc passes through Bosnia and Hercegovina connecting it to Croatia. Its current alignment starts to the north in Bosanski Samac on the Croatian border and runs through Sarajevo and Mostar, ending to the south in Bijaca, also on the border with Croatia. The total length of the corridor is 400 km.

Corridor Vc is the most important road infrastructure development in Bosnia and Herzegovina, and as such is included in the Economic and Investment Plan for the Western Balkans¹⁸, Flagship 2 – Connecting North to South, Project 1. According to the indicative planning, 75% of the corridor should be completed to motorway standards by 2027. All planned projects on Corridor Vc, are mature and amount to almost €2bn.

3.2.2.2. Former Pan-European Corridor VIII

Corridor VIII connects the Port of Durres (Albania) with Deve Bair (Bulgarian border) passing through North Macedonia. The total length of the corridor is 645 km (403 km in Albania and 242 km in North Macedonia).

The importance of investment in Corridor VIII is identified in strategic documents such as the Albanian Transport Sectoral Strategy and National Transport Plan (2018 – 2038) and the North Macedonia Transport Strategy (2018-2030).

Albania's plans consist of improving approx. 100km, such as widening the Tirana to Durres highway and the connection from Elbasan to Qafe Thane (Macedonian border). These projects are still in preparation. North Macedonia is planning to invest approximately EUR 500 million on ca. 120 km, focusing on the western sections towards Albania, while rehabilitation works are on-going on its eastern branch.

3.2.2.3. Former Pan-European Corridor X and its branches

Corridor X is the longest and busiest road transport corridor in the Western Balkans. It starts in Batrovci (Croatian border) and runs through Serbia, continuing through North Macedonia up to Bogorodica on the Greek border. The total length of the corridor is 726 km (531 km in Serbia, 195 km in North Macedonia).

Corridor X has been fully completed to motorway standards but road condition along its route varies significantly. Currently, several small sections in North Macedonia are scheduled for rehabilitation such as the Gevgelija-Greek border section (Bogorodica), the Negotino – TEC Negotino power plant section, and 44 km from Bitola to Prilep.

Corridor Xd, a branch of Corridor X, connects North Macedonia with its EU neighbour Greece. Total length is 179 km. One of the most important projects planned along Corridor Xd is the deployment of ITS. Furthermore, there are mature priority projects planned to improve whole Corridor Xd, starting from Veles to Prilep and continuing further towards Bitola and Medzitlija (Greek border).

3.2.2.4. Blue Highway (SEETO Route 1, SEETO Route 2)

The Blue Highway is a strategic project that stretches along the coast of the Adriatic and Ionian seas from Croatia to Greece, passing through Albania and Montenegro.

The project has been identified as one of strategic importance in Albanian and Montenegrin documents, such as the Albanian Transport Sectoral Strategy and National Transport Plan, and in Montenegro's Spatial Plan and Transport Strategy. Furthermore, it is included in the Economic and Investment Plan for the Western Balkans under Flagship 3 – Connecting the Coastal Regions.

The expressway along the Montenegrin coast also passes through its hinterland. It starts near the border with Croatia, around Herceg Novi, and extends further to the following sections: Herceg Novi - crossing over the Bay of Kotor - Tivat - Budva - Bar - Ulcinj - Sukobin (Albanian border), total length is approximately 110 km; estimated cost: € 1 billion.

In Albania it will start in the Muriqan / Sukobin area (border crossing point) and from Lezha will continue south towards Vora-Durres-Lushnje-Fier-Levan-Gjirokastra, ending at the Kakavija border crossing with Greece. The total length is approximately 340 km, of which 296 km are planned to be upgraded to 4 lanes, as well as new alignments, at an estimated cost of € 2.6 billion.

The feasibility study for the Blue Highway has been completed with the support of WBIF through a joint application by Albania and Montenegro.

3.2.2.5. SEETO Route 2a

Route 2a runs from the Croatian border/Gradiska towards Banja Luka and connects with Corridor Vc at Lasva, with a total length of 228 km. Bosnia and Herzegovina has included two sections in the Single Project Pipeline: Banja Luka – Jajce – Lasva as a project under preparation, and Lasva – Nevic Polje as a mature project. Their combined length is 137 km and total value EUR 641 million.

3.2.2.6. SEETO Route 2b

Route 2b connects Sarajevo with Podgorica and ends in Vora, Albania, with a total length of 395 km. The northern part of Albania is included in the Blue Highway. The Sarajevo to Podgorica connection is identified as an important link for the region and included in the Economic and Investment Plan under Flagship 2 – Connecting North to South (Project 3).

A Memorandum of Understanding between Bosnia and Herzegovina and Montenegro was signed on 5 July at Kranj, Slovenia, for the construction of an interstate bridge over the Tara, at Scepán Polje/Hum. This bridge will be financed by the Parties in equal amounts (50%), according to the contract schedule to be signed by both Parties.

3.2.2.7. SEETO Route 3

Route 3 runs from Sarajevo to Uzice, Serbia, where it connects with Route 4. The total length is 185 km. The Serbian Spatial Plan and Strategy for development of railway, road, water, air and intermodal transport includes the construction of a 74 km section from the Bosnia and Herzegovina Border-Kotroman-Uzice-Pozega. A pre-feasibility study has been completed. Furthermore, Bosnia and Herzegovina plans continuation of the link from the Serbian border to Sarajevo through Visegrad. Estimated cost is EUR 1.2 billion.

Bosnia and Herzegovina has included the construction of a section from Hrenovica to Gorazde in their Single Project Pipeline with an estimated cost of EUR150 million.

3.2.2.8. SEETO Route 4

Route 4 passes across Serbia and Montenegro, starting at Vrsac, next to the Romanian border, continuing through Belgrade and Podgorica and ending at Bar, Montenegro. The total length is 580 km (180 km in Montenegro, 400 km in Serbia). It also includes Project no. 2 (Belgrade – Bar motorway) of Flagship no. 2 – Connecting North to South.

In Serbia, approx. 120 km between Belgrade and Preljina have been completed to motorway standard, while works are currently ongoing on the Preljina – Pozega section.

The Serbian Spatial Plan and Strategy for development of railway, road, water, air and intermodal transport includes construction of the Pozega-Boljare road. The project will run in a virtually new alignment; a pre-feasibility study has been completed. On the northern section of the route, sections Belgrade – Pancevo – Vrsac are currently under preparation.

The Bar – Boljare highway is the largest investment project in Montenegro. It is included in all relevant strategic documents such as the Montenegro Spatial Plan and Transport Strategy. After the commissioning of Mateševo – Smokovac section, efforts shall focus to advance projects for sections from Smokovac – Tološi – Farmaci and Mateševo – Andrijevića.

3.2.2.9. SEETO Route 6a

Route 6a connects Prishtina with Route 4 in Montenegro and with Corridor X through Skopje. The total length of the route is 259 km. The 84 km section Prishtina – Skopje is part of the Core TEN-T Network; the remaining sections are part of the Comprehensive Road Network.

The section from Prishtina to Hani e Elezit in Kosovo is currently completed to motorway standard, while the continuation is in North Macedonia (the Blace – Skopje/ Stenkovec Interchange section, total length 12.5km) is currently ongoing. North of Prishtina, approx. 20 km of the route to Mitrovica are currently undergoing rehabilitation.

3.2.3. IWW and Maritime projects

3.2.3.1. IWW Projects on the Sava river

Demining of the right bank of the Sava river from the mouth of the Drina to the mouth of the Una.

Demining along the right bank of the River Sava in Bosnia and Herzegovina is a mature project expected to have huge regional impact. This project comes under the Economic and Investment Plan for the Western Balkans, part of FLAGSHIP 1 – CONNECTING EAST TO WEST.

Preparation for demining is being undertaken by BH-MAC (Bosnia and Herzegovina Mine Action Centre). This will include resurveying and technical preparation needed to update existing documentation for the detailed designs prepared in 2014. The total amount of the project will be 8,160,000 EUR. The beneficiary authority responsible for the Grant Agreement is the Ministry of Finance and Treasury of Bosnia and Herzegovina, with the Ministry of Communications and Transport being responsible for implementation

Project activities had to wait for activation of the World Bank trust fund, which was obtained in July 2021. Works are expected to begin in 2022, with a total duration of approximately 12 months for finishing all the envisaged activities.

River Training and Dredging Works on Critical Sectors of the River Sava This project is under preparation; the process of obtaining the necessary studies and documents has been going on for many years at different levels. The project involves both Serbia and Bosnia and Herzegovina.

The Sava is 945 km long and flows through four countries: Slovenia, Croatia, Bosnia and Herzegovina, and

Serbia. According to the European Agreement on Main Inland Waterways of International Importance – AGN (Geneva, 1996, ratified by the Republic of Serbia in 2013), the Sava is the main inland waterway, designated E 80-12 in the European waterway network.

The Serbian stretch of the Sava is 211 km long, of which a 33 km stretch is shared between Serbia and Bosnia and Herzegovina. Through the project, sections that do not fulfil the minimum requirements for navigation and are identified as bottlenecks will be eliminated, and safe and efficient river traffic navigation enabled.

A feasibility study for navigation on the Sava from Belgrade (km 0) to Sisak (km 585) was prepared in 2008, funded by the International Sava River Basin Commission. The study is based on data from 2001-2004 and needs to be updated. This is the subject of the ongoing project financed by IPA funds from Bosnia and Herzegovina. The Directorate for Inland Waterways has been identified by the Serbian Government as the investor for Serbia, according to a national Law on Spatial Planning and Construction.

The Project includes (1) Construction of river training structures and dredging works and (2) Supervision and environmental monitoring of works.

All available documents confirm the economic viability of upgrading the Sava in Serbia to Class Va. This regionally important infrastructure project will contribute to the economic welfare of the region and the riparian countries. In 2013, the Ministry of Communications and Transport of Bosnia and Herzegovina commissioned the project Preparatory works, Detailed designs and Tender Documentation for Civil works to restore the River Sava to Class Va from Belgrade to Brčko (km 0.0 - km 234.0), including designs and EIA Study, financed from EU IPA funds. The primary objective of this project is to prepare design documentation for the civil engineering work interventions to permit safe and efficient navigation on the section of the Sava from the river mouth at Belgrade to Brčko. Documentation for river training and dredging between Belgrade (rkm 0) and Brcko (km 234), including designs and EIA Study, was in preparation, financed by IPA funds from Bosnia and Herzegovina. Documentation was supposed to be ready by the end of 2015. Unfortunately, this project was cancelled in mid-2014.

The 2008 feasibility study gives a rough estimate of project costs (EUR 7 million), while PLOVPUT estimates the costs of supervision and environmental monitoring at EUR 1.3 million. Additional costs for technical documentation is EUR 1 million.

Based on the above, from the implementation aspect, the following key documents are missing or need to be updated: conceptual design, feasibility

study, preliminary design, environmental impact assessment study, design for a construction permit, construction permit, design for the execution of works, tender documentation.

3.2.3.2. IWW Projects on the River Danube

River training and dredging works on critical sectors of the Serbian-Croatian joint stretch of the Danube

This project is under preparation and the process of obtaining the necessary studies and documents dates back to 2010. The project comes under the Economic and Investment Plan for the Western Balkans, part of FLAGSHIP 1 – CONNECTING EAST TO WEST.

Implementation of the river training and dredging works project on critical sectors of the Serbian-Croatian joint stretch will eliminate navigation bottlenecks on this part of the Danube and allow deeper loading and larger ships. This is especially important at Apatin, where many problems have been encountered since 2001, including accidents involving vessels and suspension of navigation during prolonged low water periods.

Following implementation of the Project, IWT on the Danube river will become faster, cheaper and more reliable. It will make this mode of transport more attractive for all riparian countries in the TC and EU. The number of passengers and goods transported on inland waterways will increase. Generally, implementation of this Project will create long-term perspectives for the future development of inland waterway transport along the entire course of the Danube.

The IPA 2010 “Project preparation of documentation for river training and dredging works on critical sectors on the Danube River in Serbia”, identifies 24 critical sectors between the Hungarian border and Belgrade, 17 of them located on the joint Serbia - Croatia stretch of the river (km 1433 - km 1295) and 7 sectors on Serbian territory (km 1295 - km 1170).

Preparation of river training and dredging works for 6 critical sectors (critical sector Novi Sad is excluded, to be solved by the construction of the new Žeželj bridge) is in the design phase. Detailed designs and tender documentation are almost finished. It should be noted that here conceptual designs are finalised based on both hydrodynamic and morphological modelling (the morphological results overrode hydrodynamic modelling), which led to finding suitable and economical solutions.

For the 17 critical sectors on the shared Serbia - Croatia stretch of the Danube, preliminary designs were based only on results of hydrodynamic modelling. Morphological modelling is pending for this Project.

Financial analysis has been carried out for a total investment of EUR 122.4 million. However, in Phase 3 of the IPA 2010 project, after morphological modelling for 6 critical sectors on the Serbian stretch, preferable options were changed and investment significantly reduced. After morphological modelling and re-examination of solutions for 17 bottlenecks on the shared Serbia-Croatian section of the Danube, investments will be lower, approximate cost: EUR 48.5 million.

To reach maturity, the following key spatial planning documents are missing: general design, conceptual design, preliminary design, environmental impact assessment study, updated feasibility study, design for the construction permit (separately for each critical sector), construction permits, design for the execution of works, tender documentation.

3.2.3.3. Project in IWW Core Ports

New Port of Belgrade and Free Trade Zone

This project is under preparation. The main idea is the construction of a new modern port outside Belgrade city centre and near the main transport corridors. Currently, the port of Belgrade is situated on the River Danube in the downtown area. Due to many reasons, the port is not functioning properly which led to a relocation of water transport to other ports close to Belgrade, primarily Pancevo.

One of main goals of the New Port of Belgrade project is to develop this port as one of the most important multimodal hubs in South-East Europe. In the near hinterland of the port, a new free trade zone has been planned. As the location for the new port is in the vicinity of Pupin Bridge, this will enable connection of the port area with several main roads through Serbia (E-70, E-75, the Belgrade-Zrenjanin regional road and Belgrade-Vršac) as well as a rail connection to the Belgrade-Kelebija line. The new Port of Belgrade will improve and facilitate complete transport connectivity of this region.

Construction of the New Port of Belgrade will enable the gradual phasing out of operations at the present port. The port is currently located in the urban area, thus causing a bottleneck that prevents development of this part of the city, as well as of the port itself. The new port will also facilitate phasing out transport of dangerous goods carriage through the Belgrade City Centre.

Part of the project for construction of the new port envisages a general and bulk terminal, container terminal, ro-ro terminal and Oil&LNG terminal. The feasibility study will confirm whether all of the proposed terminals can be approved for construction.

The following documentation is missing: a feasibility study (with CBA according to EU requirements) with preliminary design, environmental impact assessment study, design for a construction permit, construction permit, design for Execution of works and tender documentation.

Preparation of a pre-feasibility study for construction of the new Port of Belgrade is ongoing. Following its adoption, technical documentation will be initiated in accordance with the Law on Planning and Construction, as well as the "New Port of Belgrade and Free Trade Zone" Special Purpose Area Plan and a regulation identifying the area of the new port. After the adoption of these documents, procedure for awarding port concessions will be initiated.

Preliminary estimates place the total value of the construction of the Port of Belgrade at around EUR 180 million, of which EUR 90 million is for infrastructure.

3.2.3.4. Maritime Projects

Vessel traffic monitoring, information and managing system, phase II (hereinafter referred to as VT-MIS) in Montenegro

It is important to stress that this project is a continuation of Phase I, in which the following activities have been finalised: VT-MIS sensor equipment (radar, VHF transceivers, radio goniometer, AIS equipment, meteorological equipment, radio links, diesel generators) at Mavrijan (Ulcinj), Crni Rt (Bar) and Obosnik (Herceg Novi).

Phase II of the project is considered as a project under preparation, for which the conceptual idea, pre-feasibility study and conceptual design have been finalised. The feasibility study including CBA has not yet been finalised. Phase II will encompass installation of the missing sensors (cameras) at locations from Phase I as well as installation of new equipment in Kotor Bay (radars, cameras and radio links) and Lake Skadar (radar, cameras, VHF transceivers and radio links).

The project also includes implementation of a Maritime Single Window, new response equipment for oil spills from vessels and offshore oil will be procured, existing marine lights will be overhauled, new ones installed, and maintenance and revitalisation of main inland and sea waterways carried out. Total investment is estimated at EUR 3.8 million.

Upgrading infrastructure at the port of Bar

Since no feasibility study has been undertaken, this project as a whole (including its 4 components) is considered a project under preparation. At the moment it is not known when - or if - the feasibility study will be done. The overall objective of the project is to develop new port capacities for intermodal and passenger transport in accordance with the urban plan for the Port of Bar area and Port of Bar development plans, bearing in mind realistic market requirements and with due respect for the principles of sustainable development. Total investment (all 4 components) is EUR 22.5 million.

The project will contribute to increased capacity of the passenger terminal at the Port of Bar, enabling safe docking of medium/large passenger, ro-pax and cruise ships. Implementation of this project in all 4 components will provide conditions for improving the market position of the port. It will become more competitive compared to others in the Adriatic-Ionian region and enable maximal utilisation of its own potential. The 4 components are the following:

Project component 1: Extension of the quay at Volujica Terminal by 166 m (30 m in width), includes civil works, design and installation of a cathodic protection system, and all other infrastructure at the newly built part of the quay (drainage system, railway tracks). The project will contribute to increasing the overall intermodal capabilities of the Port of Bar, especially as regards rail links with maritime transport, thus enabling adequate capacity at the Port of Bar optimally to absorb all current and anticipated demands of customers from the port hinterland (connected by intermodal transport). The cost of component 1 is estimated at EUR 5. million.

Project component 2: Extension of the Passenger Terminal quay by 432 m (30 m in width), including civil works, design and installation of all other infrastructure at the newly built part of the quay (drainage system). The project aims to: eliminate existing restrictions due to shallow depth at the existing berths at the Passenger terminal (maximum water depth is currently at berth 54 and stands at 5.9 m) which would permit docking of medium to large passenger ships, ro-pax vessels and cruises; improve the existing limited space for modern passenger ships, thus enabling an increase in passenger numbers on ferry lines. The cost of component 2 is estimated at EUR 12.5 million.

Project component 3: Dredging part of the Port of Bar water area includes: civil works in accordance with technical documentation, taking full account of

sustainable development. The cost of component 3 is estimated at EUR 3 million.

Project component 4: Rehabilitation of the railway network in the area managed by the Port of Bar includes: realisation of works in accordance with technical documentation. Rehabilitation of the existing railway infrastructure which connects the port with the hinterland (the Bar – Belgrade line), is a fundamental prerequisite for developing the port's intermodal capabilities and full valorisation of its potential. The cost of component 4 is estimated at EUR 1.5 million.

3.2.4. Airport projects

Sarajevo International Airport is the main international airport of Bosnia and Herzegovina, serving the capital, Sarajevo, and the rest of the country. The airport is close to the city, only 6.1 km southwest of Sarajevo railway station. Traffic level is steady, as is the number of air carriers operating in and out¹⁹. The runway length is 2600 m by 45 m wide²⁰. There are major issues during the winter when traffic is blocked for days, sometimes weeks. It is the only capital airport in the region which does not have a 24-hour landing and take-off capacity, according to ICAO rules of noise restriction²¹.

Podgorica is the main international airport of Montenegro. It has one runway, 2500m long. A significant number of tourists use this airport. In December 2020, Montenegro Airlines went into liquidation, leaving the airport without a home carrier. Air transport is a very important segment in the positioning and development of Montenegro. Investments in airport infrastructure should contribute to long-term improvement of the level of service delivery, as well as increasing the level of safety and security in air transport, in order to improve the country's accessibility and competitiveness, particularly in tourism.

Projects under preparation

The Podgorica Airport Development project is a part of several strategic documents: Transport Development Strategy of Montenegro (2010), Tourism Development Strategy of Montenegro up to 2020 (2008), Master Plan for Airport Development to 2030 (2010), Single Project Pipeline, Pre-accession Economic Program for Montenegro 2012-2015 (2012) and the draft National Development Plan 2013-2016 Montenegro (2012). The project is in an early phase of preparation and so far, only a conceptual idea has been developed.

¹⁹ Study on Mediterranean TEN-T Core Network Corridor 2nd Phase Final Report on the related Core Network in the Western Balkan countries Mobility and Transport, January 2018

²⁰ Ibid.

²¹ SEETO/RCC, "Cost-benefit study for enhancing the Air Transport Connectivity in SEE, 2016 Transport Connectivity in SEE"

The proposed project aims to maintain the safety level of air transport and to meet the demands and standards of national and international regulations. As a part of the project, a new terminal building, capacity 12,500 m², should be constructed and manoeuvring areas and apron expanded and reconstructed. Additionally, a new fuel depot and parking and ground support facilities (including shelter) are also envisaged. Podgorica Airport is located on the Core Network and the total project cost is 94.84 million euros.

It has to be pointed out that according to the European Green Deal and EU Sustainable and Smart Mobility Strategy, no EU funds are envisaged to support investment in airport capacity and more focus should be placed on greening the airports.

3.3. Summary of mature and non-mature projects in the region

On-going projects in the region have been reviewed and presented in detail in the TEN-T Annual Report. Based on the scheduled completion date of these projects, the Annual Report included a forecast of the TEN-T compliance rate for the year 2027.

Summary tables of mature and non-mature TEN-T projects in the region have been centralised and are hereby presented, with details on location, cost and expected completion timeframe. It is worth underlining that, given the projects' maturity stage, the expected completion date is purely indicative, assuming that financing is a) obtained in time and b) not critical for advancing the projects. The less mature the projects currently are, the higher the odds for delays in completion. This is one of the reasons why projects are separately presented (as mature and non-mature), and compliance forecasting for the 2030 horizon is based on mature projects only. Due to

such uncertainties, expected completion date will be given only for mature projects.

While delays are rather common in infrastructure projects and certainly to be expected, no risk allowance in this regard has been considered, which means that scheduled completion dates and compliance forecasts are given as the best case (not entirely realistic) scenario.

The total number of projects is 77, of which 43 are for roads, 26 for the railway, 4 for IWW, 2 for maritime and 2 for airports. The total amount of investment needed is EUR 22.5 billion, EUR 7.66 billion for mature projects and EUR 14.87 billion for projects under preparation.

Separate Project Fiches for mature projects are included in Annexes.

Table 5. Mature Priority Projects

Corridor / Route / Node	TEN-T Network	Regional Partner	Project Name	Project cost (M€)	Expected Completion
ECONOMIC AND INVESTMENT PLAN FOR WESTERN BALKANS					
FLAGSHIP 1 - CONNECTING EAST TO WEST					
Inland Waterways					
Sava	Core	BiH	Demining of the right bank of Sava River from the mouth of the Drina to the mouth of the Una	8.1	2023
Railway projects					
Corridor X	Core	MKD	Construction of Joint Railway Border Crossing Station (JRBS) and access road at Tabanovce between Republic of North Macedonia and Republic of Serbia	5.5	2024
TOTAL in M€				13.6	

Corridor / Route / Node	TEN-T Network	Regional Partner	Project Name	Project cost (M€)	Expected Completion
ECONOMIC AND INVESTMENT PLAN FOR WESTERN BALKANS FLAGSHIP 2 - CONNECTING NORTH TO SOUTH					
Road projects					
Corridor Vc	Core	BIH	Construction of the Corridor Vc motorway section: Ivan – Konjic (Ovcari) – exit from tunnel Prenj (Salakovac)	686	2027
Corridor Vc	Core	BIH	Construction of the Corridor Vc motorway section Exit from Tunnel Prenj (Salakovac) – Mostar North	130	2027
Route 2b	Comprehensive	MNE	Reconstruction of the main way Šćepan Polje – Plužine (border crossing with Bosnia and Hercegovina)	139	2027
Route 2b	Comprehensive	BIH	Improvement and construction of the road route Sarajevo – Foca (Brod na Drini) – Hum (Scepan Polje) with the interstate bridge at the border BIH/MNE	300	no data provided
Railway projects					
Corridor Vc	Core	BIH	Upgrade and reconstruction of the Corridor Vc, rail line Doboj – Rasputnica Miljacka	500	2030
TOTAL in M€				1,755	
ECONOMIC AND INVESTMENT PLAN FOR WESTERN BALKANS FLAGSHIP 3 – CONNECTING THE COASTAL REGION					
Railway projects					
Route 2b	Core	ALB	Rehabilitation of Vore – Hani Hotit Railway Line	260	2028
Route 2b	Core	MNE	Reconstruction and Modernization Railway Line Podgorica – Tuzi – Cross Border Albania	84	no data provided
Road projects (BLUE HIGHWAY)					
Route 2b	Core	ALB	Construction of Adriatic – Ionian Corridor (AIC) Section 1: Murriqan – Balldren	295	2030
Route 2b	Core	ALB	AIC Section 2: Balldren (starting from Lezha Bypass) – Milot	147	2028
Route 2b	Core	ALB	Construction of AIC Section 3: Milot – Thumane	35	2028
Route 2b/part Corridor VIII	Core	ALB	Construction of Adriatic – Ionian Section 4+5: Thumane – Kashar – Rrogozhine	730	2028
Route 2c	Core	ALB	AIC Section 6+7: Konjat – Fier bypass	169	2030
Route 2c	Core	ALB	AIC Section 9A-2: Fier bypass (Levan) – Pocem	167	2040 ²²
Route 2c	Core	ALB	AIC Section 9B-2: Pocem – Memaliaj	623	2040
Route 2c	Core	ALB	AIC Section 10: Memaliaj – Subashi Bridge	271	2035
Route 2c	Core	ALB	AIC Section 11: Subashi Bridge – Gjirokaster bypass	68	2040
Route 2c	Core	ALB	AIC Section 13A: Gjirokaster – Kakavije	144	2028
TOTAL in M€				2,993	

²² Despite the level of maturity, due to financial constraints, sections of the Blue Highway cannot be completed by 2030

Corridor / Route / Node	TEN-T Network	Regional Partner	Project Name	Project cost (M€)	Expected Completion
OTHER PRIORITY PROJECTS					
Railway projects					
Corridor VIII	Comprehensive	ALB	Corridor VIII Railway Albania: Phase 1, Reconstruction of Durres to Rrogozhine stretch	78	2025 ²³
Corridor VIII	Comprehensive	MKD	Construction works of the railway section along Corridor VIII Kicevo – Albanian Border	426	2030
Corridor X	Core	MKD	Construction of new alignment of railway section along Corridor X Dracevo – Veles	550	2027 ²³
Corridor X	Core	MKD	Construction of railway section along Corridor X Kumanovo – Deljadrovce	50	2026 ²³
Route 13	Comprehensive	SRB	Modernization and reconstruction of the existing railway line Subotica – Horgos – Hungarian border (Segedin)	100	2023
TOTAL in M€				1,154	
Road projects					
Corridor VIII	Core	MKD	Reconstruction and rehabilitation of road section Tetovo – Gostivar	50	2024
Corridor VIII	Core	MKD	Construction of road section Trebeniste – Struga	45	2023
Corridor VIII	Core	MKD	Construction of road section Struga – Kjafasan	80	2025
Corridor VIII	Core	MKD	Construction of new express road Romanovce – Stracin	88	2025
Corridor VIII	Core	MKD	Construction of road section Gostivar – Kicevo	280	2025
Corridor Xd	Comprehensive	MKD	Construction of road section Prilep – Raec Bridge	8.8	2022
Corridor Xd	Comprehensive	MKD	Construction of expressway Bitola – Medzitlija, with interchange Bitola	50	2022
Corridor Xd	Comprehensive	MKD	Construction of motorway Veles – Prilep	295	2025
Corridor X	Core	MKD	Rehabilitation of road section Gevgelija – Greece border (Bogorodica)	1.5	2022
Corridor X	Core	MKD	Rehabilitation of road section Negotino – TEC Negotino	8	2022
Corridor X	Core	MKD	Rehabilitation of road section Gradsko – Stobi	4.5	2022
Corridor X	Core	MKD	Construction of motorway Bitola – Prilep	130	2025
Corridor X	Core	MKD	Construction and supply of ITS on Corridor X	19	2023
Route 2a	Core	BIH	Construction of the expressway section Turbe – Nevića Polje – Lašva	641	2027
TOTAL in M€				1700,8	
Airports					
Sarajevo	Core	BIH	Increase of operational airport capacities for International Airport Sarajevo	43.6	

²³ With the assumption the project to start in 2022.

This list does not cover eleven ongoing rail projects mentioned in the TEN-T Annual Development Report²⁴. Some important rail projects, such as Belgrade - Budapest or Nis – Dimitrovgrad on Corridor X, are described in detail there. The same applies to other modes of transport (ongoing projects are not listed).

These mature projects are expected to improve connectivity within the region and with the EU Member States, by creating more efficient transport systems.

They will provide economic opportunities that will result in positive multiplier effects such as better accessibility to markets, employment, and additional investment. Investment in rail and inland waterways will contribute further to the decarbonisation efforts of the region by increasing the competitiveness of these modes of transport. Improving road infrastructure will shorten travel time and reduce travel costs for business and the public while contributing to safer roads in the region.

Table 6. Priority Projects under preparation

Corridor / Route / Node	TEN-T Network	Regional Partner	Project Name	Project cost (M€)
Railway projects				
Corridor VIII	Comprehensive	ALB	Construction of the new railway Po-gradec – Korca – Greek border	240
Corridor VIII	Comprehensive	ALB	Rehabilitation of Rogozhone – Pogradec – Lin Railway Line and Construction of New Line Lin – Border with North Macedonia	220
Corridor X	Core	SRB	Reconstruction and modernization of the railway line Brestovac – Prešev – border with North Macedonia	400
Corridor X	Core	SRB	Construction of a single operational centre for railway traffic management on the railway network of the Republic of Serbia	120
Corridor X	Core	SRB	Construction works on the Main Railway station - phase 2	25
Corridor X	Core	SRB	reconstruction and modernization of the two-track railway line Stara Pazova – Šid – border with Croatia and section Golubinci – Indija	400
Corridor X	Core	SRB	Construction of the by-pass railway line Beli Potok – Vinca – Pancevo with road-railway bridge over the Danube River near Vinca	300
Corridor X	Core	SRB	Reconstruction of the railway bypass around Belgrade, Batajnica – Ostruznica – Beograd Ranzirna	52
Corridor Xc	Core	SRB	Reconstruction and modernization of single-track railway Belgrade – Nis	1800
Route 10	Core	KOS	Construction and modernisation of a Railway Line Pristina – Fushe Kosove – Pristina Airport “Adem Jashari”	40.2
Route 10	Core	SRB	Reconstruction and modernization of the railway line Kraljevo – Rudnica	299
Route 11	Core	SRB	Reconstruction and modernization of the railway line Stalać – Kraljevo	180
Route 4	Core	SRB	Reconstruction and modernization of the Belgrade Podgorica railway line (section Valjevo – Vrbnica)	980
Route 4	Core	SRB	Reconstruction and modernization of the railway line Pančevo – Vršac	270
Route 7	Comprehensive	KOS	General Rehabilitation of the Eastern Railway line (CCP with Serbia – Podujevo – Fushe Kosove)	67.3
Route 9a	Comprehensive	SRB	Modernization of the railway line Ruma – Sabac – Donja Borina – State Border with Bosnia and Herzegovina	120
Route 9a	Comprehensive	BIH	Rehabilitation and Modernization of the railway section Banja Luka – Doboj –Tuzla- Zvornik – border with Serbia	323

²⁴ <https://www.transport-community.org/wp-content/uploads/2021/08/TEN-T-report-2020.pdf>

Corridor / Route / Node	TEN-T Network	Regional Partner	Project Name	Project cost (M€)
Road projects				
Route 1	Core	MNE	Route 1: coastal variant of the Adriatic – Ionian Motorway/Expressway along Montenegro's coast	1013
	Core	ALB	Widening of Tirane – Durres Motorway	205
Corridor VIII	Core	ALB	Rehabilitation of Corridor VIII, connection with Northern Macedonia. Section Elbasan – Qafe Thane	935
Route 2a	Core	BIH	Betterment of the main road section (bypass) Banja Luka – Jajce – Lašva	169
Route 2a	Core	BIH	Betterment of the road section Banja Luka (Bypass) – Jajce – Lasva, part in FBiH Ugar – Jajce – Lasva	169
Route 2a	Core	BIH	Improvement (betterment) of the road route Banja Luka – entity border (Ugar), construction of Banja Luka Bypass and construction of the interstate bridge over Sava River in Gradiska	146
Route 2C	Core	ALB	Construction of Gjirokastra By-Pass	7
Route 3	Comprehensive	BIH	Construction of expressway Sarajevo – Visegrad – Border BiH/SRB	1145
Route 3	Comprehensive	SRB	Construction of highway E-761/ M-5/ Bosnia and Herzegovina Border – Kotroman – Uzice – Pozega	832
Route 4	Core	SRB	Construction of Highway Romanian border - Vršac – Belgrade and connection to Corridor X	570
Route 4	Core	SRB	Construction of Požega – Boljare highway	1830
Corridor X	Core	SRB	Construction of the Belgrade Bypass Sector C	204
Route 4	Core	MNE	Highway Bar – Boljare: bypass Podgorica, section Smokovac – Tološi – Farmaci	280
Route 4	Core	MNE	Highway Bar – Boljare, section Djurmani – Farmaci	441
Route 4	Core	MNE	Highway Bar – Boljare, section Andrijevisa – Boljare	731
Inland waterways projects				
Sava	Core	SRB and BiH	River Training and Dredging Works on Critical Sectors on the Sava River	9.3
Danube	Core	SRB	River training and dredging works on critical sectors on the SRB-CRO joint stretch on the Danube River	48.5
Belgrade	Core	SRB	New Port of Belgrade and Free Trade Zone	180
Maritime projects				
MNE	N/A	MNE	Vessel traffic monitoring, information and managing system, phase II (hereinafter referred to as VTMS) in Montenegro	3.8
Bar	Core	MNE	Upgrading infrastructure in the port of Bar	22.5
Airport projects				
Podgorica	Core	MNE	Podgorica Airport Development	94.84

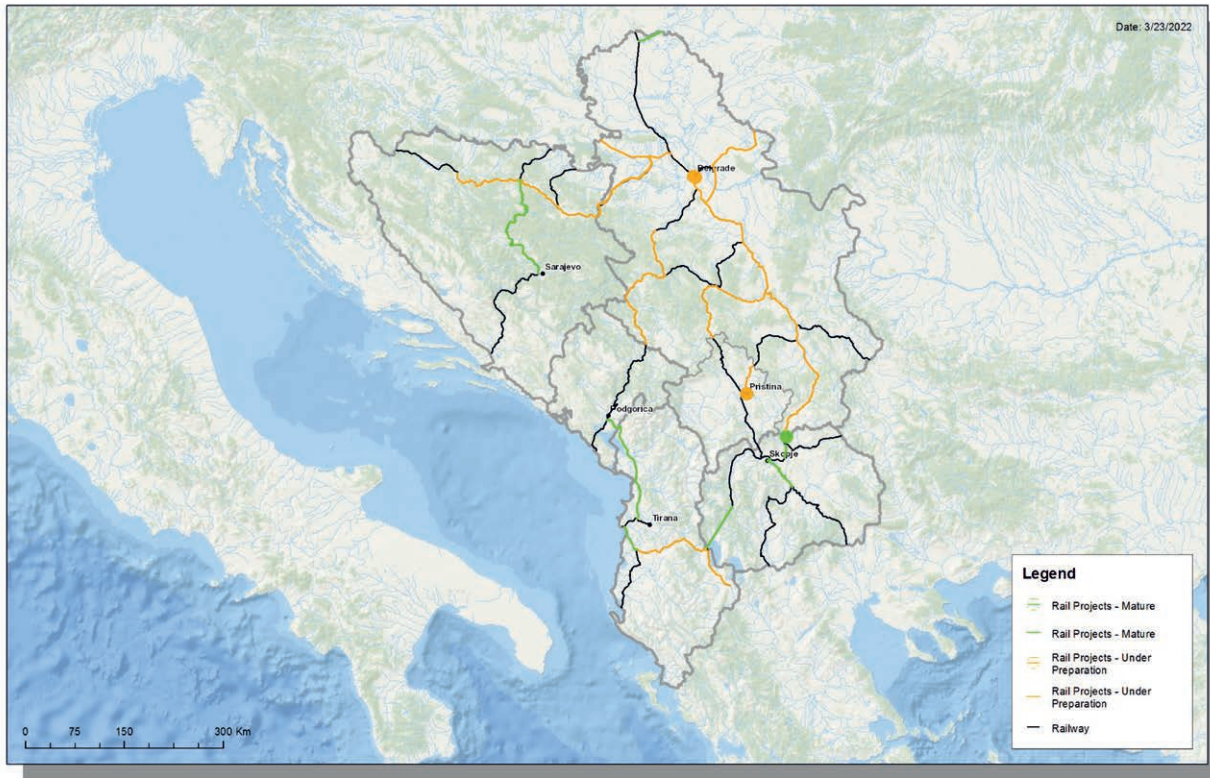


Figure 12. Railway Mature Projects and Projects Under preparation



Figure 13. Mature Road Projects and Projects Under preparation

3.4. Priority Projects

The starting point of the exercise were the Regional Partners' SPPs, since the projects they included have already been prioritised and ranked based on sound, unified criteria and practice. Assessment rested on two main pillars: strategic relevance and project readiness/maturity. Strategic relevance was evaluated and scored based on project compliance with European, national and sectoral strategies, demand/supply and origin/destination analysis, relation to other transport corridors and routes, traffic safety and economic impact. Short-listed projects were further assessed in terms of maturity/readiness for implementation, in order to identify gaps in quality and completeness of project documentation.

The list of all priority projects identified by the Regional Partners in their SPPs, as shown under section 3.4, provides a broad picture of the overall effort the region needs to make to bridge the TEN-T compliance gap. However, several issues need to be further addressed to bring SPPs closer to their basic role of providing strong project prioritisation tools and a consistent link between infrastructure and budgetary planning.

- While the region's infrastructure gap is well documented and acknowledged, the overall number and cost of projects included in the SPPs is clearly unachievable under any scenario.
- Projects could easily climb in rank by simply progressing in terms of maturity, which might ultimately circumvent the prioritisation mechanism.
- The extent to which priority projects in the SPPs are considered by Regional Partners for establishing their mid-term budgetary framework and public debt management is unclear.
- The immediate consequence of the above is that Technical Assistance resources could be spent prematurely on projects standing little chance of being implemented in the mid-term. Moreover, there are documented cases of defective budgetary and fiscal planning, resulting in approved priority projects being put on hold.

Overcoming these shortcomings should be accompanied by better coordination at regional level to make sure that focus remains high on priority links and that projects of common interest progress even on both sides of the borders. Setting up a list of key priorities for the region to focus on in the next few years is an important step in this regard. The list of top rank priority projects will be further refined to reflect new information becoming available via the Transport Observatory, but also any legislative changes (such as TEN-T revision), progress achieved on individual projects, etc.

In due consideration of the methodological constraints mentioned in the background section, identification of the most critical projects in terms of priority for the region was based on the following:

- The dual-layer nature of the TEN-T Network, with Core sections being given priority over Comprehensive links.
- The pre-identified Flagship transport projects included in the Economic and Investment Plan for the Western Balkans²⁵.
- Quick wins likely to produce positive results at a fraction of the cost and time usually taken by large infrastructure projects.

3.4.1. Flagship Projects

Referring to Flagship projects as the key prioritisation criterion between competing TEN-T Network sections is fully justified considering that:

- These projects are the expression of well-documented connectivity needs and have been identified as priorities in previous studies at regional level;
- Flagship selection is the outcome of an extended consultation process between the European Commission and the Regional Partners, reflecting both regional and EU priorities and benefiting from a broad political consensus;
- Such projects will be prioritised in terms of grant funding allocation. Considering the gap between needs and resources, availability of grant funding becomes critical for implementation and thus a prioritisation criterion in itself.

The list of pre-identified Flagship transport projects in the EIP is given below:

²⁵ Source: <https://ec.europa.eu/neighbourhood-enlargement/system/files/2020-11/economic-and-investment-plan-brochure.pdf>

Table 7. Pre-identified Flagship transport projects in the EIP

Flagship	Sector	Project	EIP 2027 milestones
Flagship 1 - Connecting East to West	Road	Nis – Prishtina “Peace Highway”	Prishtina – Medare (Kosovo section): completed Nis – Merdare (Serbia section): substantially advanced
	Railway	Railway Corridor X modernization	Nis Railway bypass: completed Belgrade Main Railway Station: completed Belgrade – Sid (HR border): substantially advanced Nis – Presevo: substantially advanced Joint Railway Border Crossing Station Tabanovce: completed
		Railway Corridor VIII modernization	Skopje – Bulgarian Border: substantially advanced
	Inland Waterways	Improving navigation conditions on Danube and Sava rivers	Demining of the Sava river: advanced Addressing bottlenecks on the Danube river: in preparation/advanced
Flagship 2 - Connecting North to South	Road	Corridor Vc Motorway	75% of the Corridor completed at motorway standards
		Belgrade – Boljare – Bar Motorway	Podgorica bypass: substantially advanced
		Sarajevo – Podgorica connection	Enhanced
	Railway	Railway Route 4 Belgrade – Podgorica – Bar	Serbian border – Port of Bar: fully rehabilitated
		Railway Corridor Vc Ploce – Samac	Upgraded/ substantially advanced
Railway Route 10 Prishtina – Kraljevo – Stalac	Pristina – Mitrovica: construction works Serbian side: preparation of the technical documentation		
Flagship – 3 Connecting the Coastal Regions	Road	The “Blue Highway”	Tirana bypass: completed Two road sections in Albania and Budva bypass in Montenegro: substantially advanced
	Railway	Railway Route 2 (Podgorica – Tirana – Durres)	Vora - Hani Hotit: construction works Tirana – Durres - completed Podgorica - Tuzi - Cross Border Albania: preparation of the technical documentation

As the technical maturity of projects varies significantly, reaching the 2027 milestones demands quick, well-targeted and coordinated action from Regional Partners. This is all the more important as the amount of available grant financing might be increased, should Flagship projects progress well.

A detailed analysis of all Flagship projects including technical and administrative status per each section, actions needed, and key implementation milestones is given in ANNEX 1. In order to provide a full list of concrete pending actions, the analysis was made for each individual section.

3.4.2. Small scale projects (Common/Border Crossing Points, Road Safety, Level Crossings, smart mobility)

While the region’s well-documented infrastructure gap can only be bridged through large investment, significant connectivity, economic and public benefits could also be achieved through smaller-scale, well-shaped interventions targeting specific policies or network deficiencies. As overall investment requirements largely exceed the available resources, small scale projects are likely to be one of the region’s winning cards for achieving quick gains and bringing tangible improvements to people’s lives.

Such interventions include a mix of infrastructure improvements and policy/institutional reforms covering the following areas:

- **Removing non-physical barriers to transport and trade** (projects related to common/border crossing points and horizontal reform measures as highlighted in previous regional-level studies, synthesised under the TCT Transport Facilitation Action Plan).
- **Addressing TEN-T Network critical safety issues** (well-targeted interventions aimed at increasing the safety level on certain road sectors and at level crossings)
- **Moving towards a smart, sustainable, green and resilient TEN-T Network** (deployment of the priority measures set out in the Sustainable and Smart Mobility Strategy Western Balkans)

In terms of priority, such projects rank high under any scenario, given the positive economic outcome resulting from relatively low investment and high potential benefits. However, such schemes should not be competing for funding under the same conditions as “traditional” infrastructure projects. A dedicated financing scheme should be set up to prevent small scale projects being simply de-prioritised. A concrete political commitment was made in this regard (the *Poznan Pledge*), and technical discussions on the matter are currently on-going. Framing-up this mechanism would substantially increase the Regional Partners’ appetite for these initiatives and provide an impetus for smart and green mobility transition in the region.

More details on (some of) the concrete projects already considered are given below.

Project Name: Improvement of Safety at Level crossings (LCs)

Description: LCs are identified as one of the most critical points of railway safety. Almost 40% of all accidents and incidents in railway traffic occur at LCs.

Objectives: To reduce fatalities and serious injuries by 50% throughout the region

Estimated amount: 60 million (including upgrading of 400 LCs)

Expected benefits: A reduction of 50% in the number of fatalities and serious injuries

Expected completion: soft phase – December 2022, Procurement/Installation – 2024

Project Name: Modernisation and infrastructure capacity improvements at selected road border crossing points (BCP) on the extended TEN-T Network in the Western Balkans

Description: According to the findings and cost-estimates of the CONNECTA regional study on BCP facilitation, the type of physical intervention, traffic technology and equipment include, but are not limited to:

- Construction of additional truck lanes
- Installation of weigh bridges in other lanes so that trucks can use more than one lane
- Installation of herringbone truck parking, thus avoiding hold-ups where the trucks in front delay others behind them, and/or adding an extra lane for priority passage
- Installation of automatic number plate recognition (APNR) system
- Installation of electric lane signs and slip lanes diverting trucks to a dedicated inspection facility
- Construction of a secondary vehicle inspection facility and consolidated Police/Customs booths
- Construction of a dedicated bus passenger facility
- Procurement of mobile X-ray scanners, closed-circuit television (CCTV) and other necessary surveillance equipment

Objectives: To increase the capacity throughput at the BCPs and reduce waiting and queuing time

Estimated amount: around EUR 20 million for priority BCPs on the TEN-T Network

Expected benefits:

- Time saving - shorter waiting and procedural times for heavy good vehicles;
- More streamlined operations on-site and enhanced performance by border agencies;
- Improved checking methods leading to reduced truck queues;
- More secure cargo and improved trade and logistic performances;
- Enhanced road safety and less air pollution.

Expected completion: Design phase end 2022 (for a set of two pairs of BCPs) - end 2023 (for the others); construction 2024/2025

Project Name: Improvement of high-risk road sections

Description: Detailed designs for 10 high-risk road sections (length 298 km) were finalised by CONNECTA in February 2021. On completion of detailed designs for road safety inspection reports for each section, work will commence on improving the road safety infrastructure and financing will be sought for investments.

Objectives: The reduction of fatalities and serious injuries by eliminating identified high-risk sections along with the indicative TEN-T extensions in Western Balkans.

Estimated amount: EUR 16,843,962

Expected benefits: Reducing road traffic accidents and saving lives.

Expected completion: Poznan Pledge implementation. Discussion still ongoing with DGNEAR

Project Name: Deployment of Sustainable and Smart Mobility solutions in the Western Balkans

Description: Making transport cleaner and sustainable has become one of the key drivers of transport policy in the European Union and the Western Balkans Region. Several documents adopted at the highest level place green and sustainable transport at the top of the list of priorities, set ambitious goals for digitalisation of transport, smart mobility and increased usage of environmentally friendly modes such as Railways, IWW and Short Sea Shipping.

Objectives: Decarbonisation and digitalisation of the transport sector with smart and sustainable mobility options. Reducing CO² emissions by adding green elements and increasing the usage of smart equipment/digitalization

Estimated amount: To be determined

Expected benefits:

Ensure economic efficiency & adaptation

- Existing assets safeguarded and adaptation measures applied
- Multimodal transport developed and digitalised with established interoperability
- Transport components digitalised and transport/traffic database centres set up

Respect for the environment and climate

- Transport networks compatible with cleaner vehicles and alternative fuel infrastructure deployed
- Sensors and data-processing capabilities to measure pollution, climate impact, etc. installed
- Biodiversity protection enabled (e.g. allow free passageways for mammals)

Promote social wellbeing

- Transport network connectivity investments
- Reducing pollution (noise, dust, etc.)
- Provision of a system resilient to shocks
- Accessible and inclusive transport (gender balanced, attractive and accessible for everyone)
- Healthy and safe working environment

Expected completion: Discussion still ongoing with DG NEAR for a new instrument to support green and digital transition.

4.

TRANSPORT POLICY

4.1. Sustainable and Smart Mobility Strategy for Western Balkans

The Western Balkans region has already seen the severe consequences of climate change. The region is one of the most affected by climate change in Europe with estimated temperature increases of 1.7 – 4.0°C and predicted to exceed 5.0°C by the end of this century²⁶, depending on the global effort to reduce greenhouse gas emissions²⁷. The main sources of these emissions in the region are the energy and transport sectors, accounting for two-thirds of the overall share. The Transport²⁸ sector represented a 12 per cent share of these emissions in 1990, increasing to 16 per cent in 2018²⁹. The overall share of transport emissions has been dominated by CO₂ emissions from road transport (above 90 per cent in Regional Parties³⁰), most evident in larger urban areas, which suffer from extremely high pollution³¹.

The Transport Community Permanent Secretariat (TCPS) together with an ad-hoc group has developed a Sustainable and Smart Mobility Strategy for the Western Balkans together with a corresponding GAP analysis. The purpose is to mirror the European Union's Sustainable and Smart Mobility Strategy and to adjust EU goals, milestones, and actions to the realities of the Western Balkans, while also providing a roadmap for digitalisation and decarbonisation of the region's transport sector.

The TCPS GAP analysis has helped to define the current situation regarding greenhouse emissions, the deployment of an alternative fuel infrastructure and multimodal systems, digitalisation of the sector, safety levels, single market challenges and the rights of passengers and transport workers.

The Secretariat's strategic vision is to assist the Regional Parties to make transport in the Western Balkans cleaner, safer, smarter, greener, resilient, competitive, and sustainable.

Making transport in the Western Balkans cleaner, safer, smarter, greener, resilient, competitive and sustainable.

We structured the strategy and corresponding gap analysis around ten EU flagships and three objectives:

- Sustainable mobility challenges
 - Flagship 1 - boosting uptake of zero-emission vehicles, renewable & low-carbon fuels and related infrastructure
 - Flagship 2 - creating zero-emission airports and ports
 - Flagship 3 - making interurban and urban mobility healthier and more sustainable
 - Flagship 4 - greening freight transport
 - Flagship 5 - pricing carbon and providing better incentives for users
- Smart mobility challenges
 - Flagship 6 - making connected and automated multimodal mobility a reality
 - Flagship 7 - innovation, data and AI for smart mobility
- Resilient mobility challenges
 - Flagship 8 - working towards the single market
 - Flagship 9 - making mobility fair and just for all
 - Flagship 10 - enhancing transport safety and security

26 Compared to the baseline period of 1986-2005

27 Vuković, A. and Vujadinović Mandić, M., "Study on Climate change in the Western Balkans", 2018

28 Includes road transport, non-road transport, domestic aviation, and inland waterways for each Regional Party

29 Banja M., Đukanović G., Belis C.A., "Status of air pollutants and greenhouse gases in the Western Balkans: Benchmarking the accession process progress on environment", 2020

30 Defined under Transport Community Treaty as Albania, Bosnia and Herzegovina, North Macedonia, Kosovo, Montenegro, Serbia..

31 Transport Community Permanent Secretariat, "GAP Analysis - STRATEGY FOR SUSTAINABLE AND SMART MOBILITY IN THE WESTERN BALKANS", 2021

This strategy outlines how the Western Balkans transport system can achieve its green and digital transformation and become more resilient to future crises. The result is predicted substantially to cut transport emissions by 2050 and contribute to the EU goal of climate neutrality, delivered by a smart, competitive, safe, accessible, and affordable transport system. This is also in line with policy initiatives indicated in the Western Balkans Green Agenda and Economic and Investment Plan for the Western Balkans.

To facilitate this transition, the Strategy proposes a set of measures framed in a roadmap to help the region move towards a sustainable, smart, and resilient mobility system and to direct it to the structural changes required to achieve climate neutrality and its Green Agenda goals as stated in the Sofia Declaration signed by the Western Balkans leaders in November 2020³².

The roadmap contains a list of actions per each flagship, aimed at jumpstarting the process of making transport sustainable and smart in the region. It has been envisaged as a guiding document for the region in the preparation of national strategies. The Transport Community Permanent Secretariat will facilitate and support this process and assist the Regional Parties in achieving sustainable and smart mobility.

4.2. Railway

Of the first set of connectivity reform measures agreed back in 2015, the opening of a railway market is one of the most important and an integral part of the Transport Community Treaty. With four out of six Regional Partners having opened a domestic railway market, the region has progressed, and there are nine private railway undertakings in three Regional Partners. Their market share is around 15% in Serbia, 40% in Albania and Kosovo, while Bosnia and Herzegovina, Montenegro, and North Macedonia have no private railway undertakings. It is worth mentioning that in Montenegro, the first private railway undertaking provided a licence and safety certificate. However, this undertaking still has not applied for path reservation and is not yet operating. The only two Regional Partners lagging behind are Bosnia and Herzegovina and North Macedonia, which according to the Rail Action Plan should remove the obstacles for market opening until Q4 2022 and Q4 2021 respectively. Unfortunately, North Macedonia has not opened a market as per the action plan.

The implementation of some measures requires a strong financial component. To implement them in the proposed timeline, external financial assistance will be necessary. According to the Economic and Investment Plan for the Western Balkans, up to EUR 9 billion of funding will be mobilised to boost economic growth and support reforms. Approximately, EUR 5 billion (of which EUR 2 billion in grants) will be concentrated on upscaling transport connectivity, green transition – in particular decarbonisation – and on digital transformation, which the region should fully utilise to make its transport smarter and more sustainable. The strategy was presented and welcomed by the 4th Ministerial Council of the Transport Community held in Slovenia, 5 July 2021.

Policy expectations for the next 5 years

To achieve green and digital transition in the next 5 years the region should focus on:

- Including sustainable and smart elements in the national transport strategies and prioritising `green` investments;
- Including sustainable and smart elements in the preparation of project documentation from early start (design, CBA, climate-proofing etc.);
- Transposing and implementing relevant EU transport acquis to support the green and digital transition.

All Regional Partners agreed that the opening of a railway market should be treated as a priority. The aim is full implementation of EU legislation on interoperability and improving overall governance of the railways. Restructuring of national railway companies is ongoing among all Regional Partners. This process should be finalised before passing to the second transition period (as defined in Annex I of the Transport Treaty).

32 Source: <https://www.rcc.int/docs/546/sofia-declaration-on-the-green-agenda-for-the-western-balkans-rn>

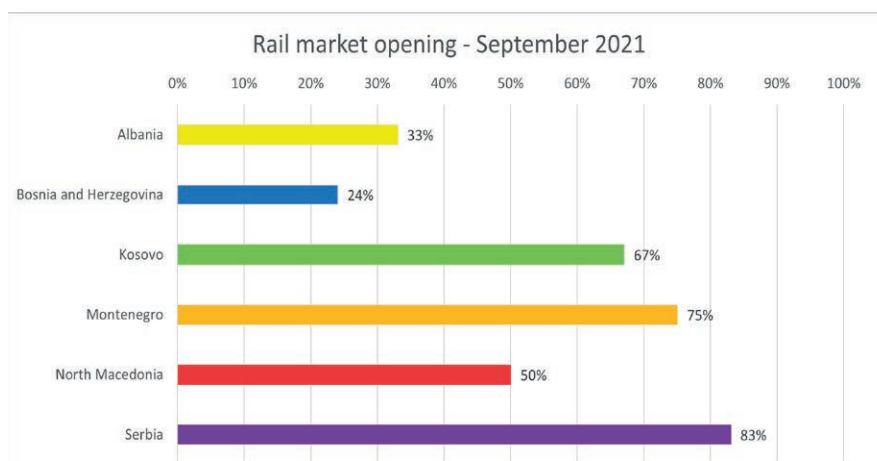


Figure 14. Railway market opening status in September 2021

Further efforts are needed in the area of passenger rights. Most of the regional partners have taken action to transpose certain parts of the regulation related to passenger rights. Serbia and North Macedonia have drafted a law covering this issue. However, full implementation is slow.

In terms of coordination and communication among all partners (Infrastructure Managers and Railway undertakings) and other stakeholders, there is room for improvement. Amongst the most significant achievements in this regard is the signing of an MoU by all Infrastructure Managers from the Western Balkans³³ and the signing of a Dedication to the Railway by the Ministers³⁴. These two important documents will have a positive impact on governance.

Since the integration of all regional railway markets is not likely to happen soon and cannot be achieved without ensuring safe and interoperable national railway systems, the recognition of operating licenses, train driver licenses, safety certificates and vehicle authorisation is crucial in the interim.

There has been limited progress in implementing the technical pillar of the 4th Railway package by all Regional Partners, with work still to be done. Full details on the progress of each Regional Partner are given in the Annual Monitoring Report of the Rail Action Plan³⁵.

Besides railway reform, the most visible improvement in rail transport efficiency can be achieved by reducing waiting times at borders and common crossing points. This entails improving and digitalising services and removing physical and non-physical barriers. Some progress was made when Serbia initiated new border crossing agreements with bordering EU members Bulgaria, Croatia, Romania and Hungary. However, procedures are still ongoing and may need further support. A tender has been put out for construction works at the Tabanovce BCP (between Serbia and North Macedonia) and is expected to finish by 2025. Judging by progress to date, it is evident that the project will not make the deadline.

Joint border/common crossing point checks, a one-stop-shop for all relevant authorities (border police,

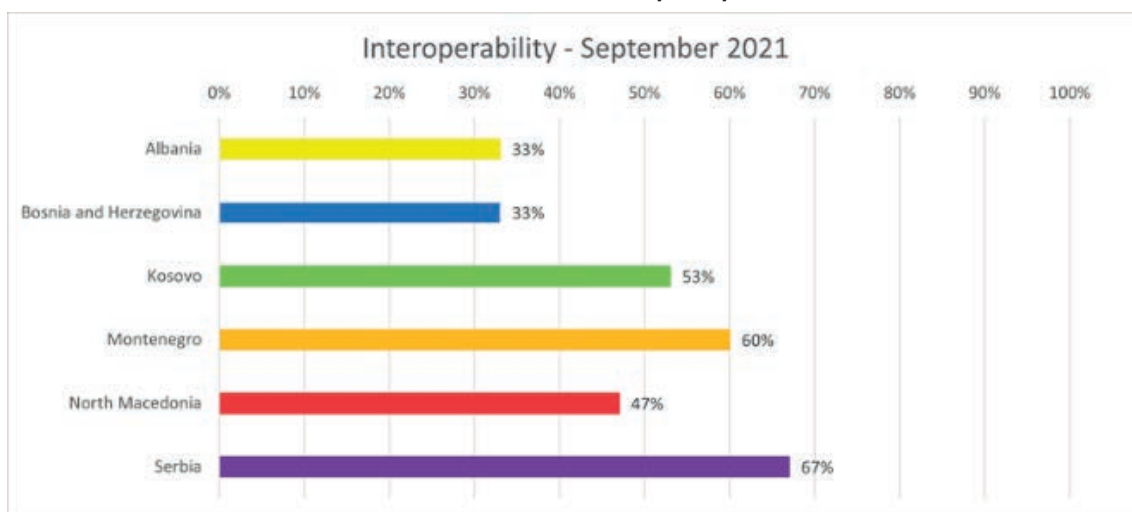


Figure 15. Interoperability status in September 2021

33 Source: <https://www.transport-community.org/wp-content/uploads/2021/09/MoU-of-Infrastructure-Managers-WB6-10092021.pdf>

34 Source: <https://www.transport-community.org/wp-content/uploads/2021/09/Dedication-to-Rail-09092021.pdf>

35 Source: <https://www.transport-community.org/wp-content/uploads/2021/10/One-year-progress-report-on-implementation-of-TCT-Action-Plans-14-10-2021-14-50.pdf>

inspection, customs, and railway authorities) in joint stations will reduce waiting times by half.

The current situation related to the agreements is shown in the figure given below:

- Initiating work by the regional network of the Regional Network of Infrastructure Managers in 2022.
- Level crossing safety improvement Project to be implemented by 2024.

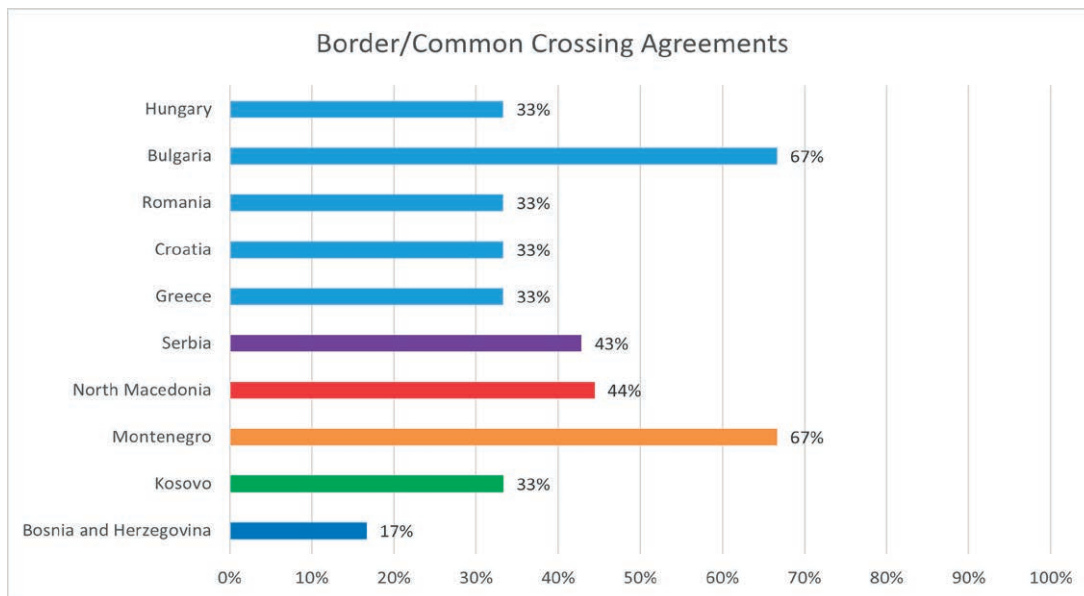


Figure 16. Improvement in border/common crossing operations

Due to the current conditions, improvement of services on the railway sector remains a challenge. Key reasons are the condition of the railway infrastructure (unsatisfactory), low speed and poor quality of services, which means that journeys take much longer than they should. A primary reason is the lack of proper maintenance (no multiannual maintenance plans) over the last three decades. Additional focus on improving the multiannual maintenance plans and developing a proper maintenance system is crucial. Adoption of a multiannual maintenance plan with a clear budget structure would be a solid base for ensuring better, more reliable, and more sustainable services in the region.

As a lack of proper maintenance plans is the main reason for slow and unreliable services, all regional partners should focus more on putting multiannual plans place while ensuring sufficient financial resources.

Policy expectations for the next 5 years

- Overcoming challenges related to the opening of the railway market, aiming to fully implement EU legislation on interoperability and improve overall governance of the railway sector. The expected deadline for opening a railway market in all six WB parties at national level is Q4 2022. There is a possibility for Serbia and Montenegro to pass to the next phase of opening a market at regional level by 2023.

- Ensuring the sustainability of infrastructure managers in the region by instituting a contractual relationship between Infrastructure Managers and relevant government authorities for maintenance and operation of the public railway infrastructure by Q4 2022.
- Mutual recognition of the key railway documents: operational licenses, safety certificates, driver's licenses and vehicle permits by 2022.
- Publishing a regular Network Statement and another for the service facilities (terminals, sea and river ports) by 2022.
- Adjusting national legislation for public procurement procedures in line with Regulation 1370/2007³⁶ concerning public rail transport services by 2022.
- Begin apply the passenger rights regulation (EC Regulation 1370/2007) by 2023.
- Transposition and implementation of EU Technical Specifications for Interoperability (TSIs) by 2022.
- Establishing an electronic register of vehicles, taking into account the European Register of Vehicles, and/or membership of the European Electronic Register of Vehicles by 2023.
- Establishing a Railway Infrastructure and Asset Management System by 2023.
- Cleaning up the national railway technical and safety rules in line with the EU Railway Acquis and prerogatives of the European Railways Agency (ERA) will be a permanent task in the next few years.

36 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32007R1370>

Annex 1

Market access (Directive 2012/34/EU³⁷ establishing a single European railway area and Directive (EU) 2016/2370³⁸ on opening a market for domestic passenger rail transport services and governance of the railway infrastructure) is the basis of the EU *acquis* from Annex 1. This was expected to be transposed and for the moment, has been transposed in most of the Regional Partners except North Macedonia, which plans to introduce a new Railway Act in the 4th quarter of 2022. Once this law is passed, North Macedonia will open a domestic railway market. In Bosnia and Herzegovina, more work is needed on transposition. Amendments to the B&H Railway Act continue.

Transposition of Interoperability Directive (Directive (EU) 2016/797³⁹) on the interoperability of the railway system within the European Union) is advanced and has been partially transposed in all the Regional Partners except Bosnia and Herzegovina. However, more work is needed on implementation of technical specifications for interoperability (TSIs) if any real impact is to be achieved on the rail network.

Railway Safety Directive (Directive (EU) 2016/798⁴⁰ on railway safety) has yet to be transposed in the region. The Directive ensures that railway safety is maintained and continuously improved in step with the development of the EU *acquis*, international rules and technical and scientific progress, where priority is given to accident prevention.

4.3. Road transport

The Road Action Plan acts as a guide for the authorities in developing a climate-resilient, intelligent, and resource-efficient TEN-T road network in the Western Balkans, incorporating green and smart elements into road investment. The idea is to stimulate innovative, low-emission road transport fit for the digital age. The Road Action Plan was endorsed by the Regional Ministerial Council on 26 October, covering a timeframe from 2020 till 2023.

The overall pace of progress varies from slow to moderate. Moderate progress is reported mainly regarding road maintenance, where almost all Regional Partners have put a three-year maintenance framework in place. A Road Asset Management System is already in place in North Macedonia, with progress reported in Albania, Bosnia and Herzegovina and Serbia and

Future deployment of the European Railway Traffic Management System (ERTMS) on networks in the Regional Partners is crucial for accident prevention. This modern technology will contribute to improving safety levels, where train control and signalling systems play a critical role.

EU *acquis* on passenger rights (Regulation (EC) No 1371/2007⁴¹ on railway passengers' rights and obligations) has yet to be fully transposed and implemented. It is partially transposed in all Regional Partners and is an ongoing implementation in Serbia. The main challenge for the Regional Partners is compensation for delayed, cancelled or overbooked international and domestic trains.

The Transport Community Permanent Secretariat will continuously monitor implementation of the legislation contained in the Railway Action plan and will offer support within its mandate for Regional Partners to comply with the set deadlines. In cooperation with DG NEAR and DG MOVE, capacity building exercises will be organised. Moreover, the Transport Community Permanent Secretariat will cooperate with the European Union Agency for Railways and Shift2Rail in order to find the best tailored solutions for Regional Partners in developing their railway legislation.

recently Montenegro has reached a grant agreement with EBRD to implement RAMS.

Preparation of ITS Strategy is progressing at a different pace across the region. Progress has been achieved in Albania that has already been approved by the Order of the Minister of Infrastructure and Energy, date 18.06.2020, the ITS strategy for the road sector. Montenegro as part of the EU Technical Assistance on legal approximation finalised the ITS strategy in November 2021. North Macedonia and Serbia experienced some delays in the kick start of the World Bank assistance and are expecting to finalise the respective strategies by 2022. Bosnia and Herzegovina and Kosovo will be supported for the preparation of their ITS strategies by EU CONNECTA, the assignment started in March 2022. Albania and Serbia

37 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32012L0034>

38 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32016L2370>

39 Source: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2016.138.01.0044.01.ENG

40 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32016L0798>

41 Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32007R1371>

are frontrunner in the region with the adoption of EU ITS standards.

Improving road transport climate resilience and the use of alternative fuels is proving to be challenging, reflected in the lack of progress on measures related to improving the resilience and creating the infrastructure needed for the shift towards less polluting vehicles. Several reasons can be summarised as mainly due to the lack of appropriate level of awareness on the importance of actions to be taken now from different stakeholders coupled with lack of capacities. The Western Balkans authorities

will need bigger support from all the stakeholders, Transport Community Permanent Secretariat, EU Commission, and IFIs in order to leapfrog in the race towards more sustainable and resilient road transport development.

Albeit in general, there are activities carried out mainly in the road maintenance and preparation of a strategic framework for the deployment of ITS, clearly visible in the chart provided in Figure 17, there are delays accumulated to achieve the Road Action Plan deadlines.

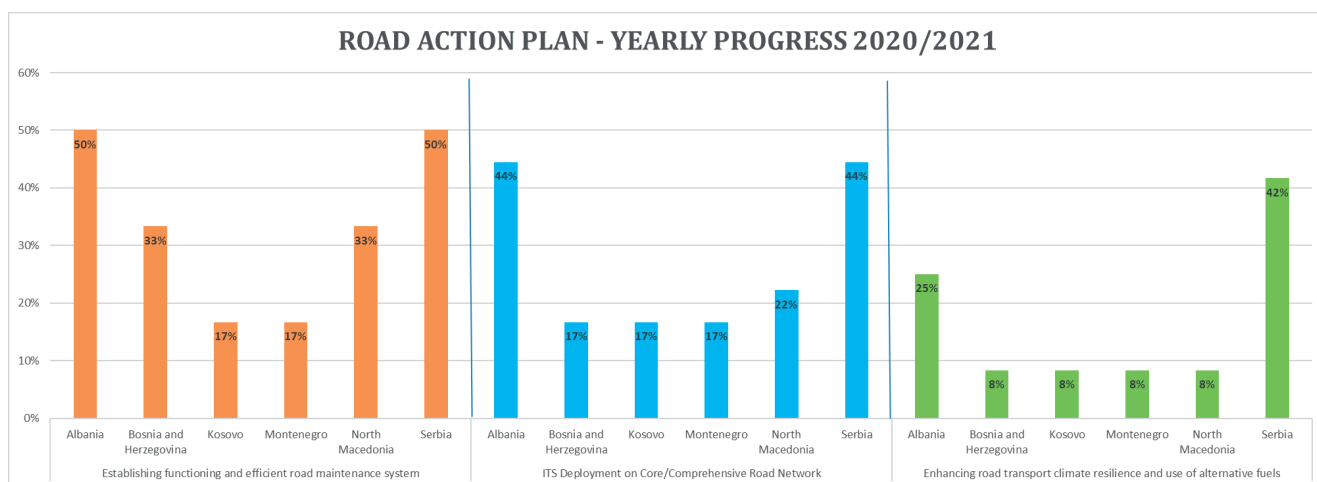


Figure 17. Overall progress Road Action Plan

Policy expectations for the next 5 years

Road transport policy should be complementary to the development of the TEN-T network in the Western Balkans and closely follow EU policies. Green and digital transition will focus on ITS as an important demand management tool for road traffic and will support deployment of e-charging stations in a coordinated regional approach aligned with the Alternative Fuel Directive. Sustainability in terms of maintenance and climate resilience should be an important part of the Regional Partners' strategies, to preserve the infrastructure and ensure a better future. Expected results in the next period can be summarised as follows:

- In the next 5 years, Kosovo and Montenegro should have established functioning Road Asset Management Systems as a crucial stone in setting up efficient maintenance systems.
- Service Level Agreements (SLAs) are one of the greatest challenges to establishing efficient maintenance systems. Albania and Serbia, with the support of the World Bank, should finalise and sign SLAs in 2022. The other Regional Partners will need additional support in order to prepare them, potentially by IFIs as part of their loan agreement. Furthermore, capacity building activ-

ities can be provided by TCPS through dedicated workshops within the remit of the Road Technical Committee.

- By the end of 2022, all the Regional Partners should have finalised the preparation of strategies for deployment of ITS. Institutional structures should be put in place for the implementation alongside monitoring instruments.
- Transposition of ITS Directive 2010/40/EU⁴² should be finalised by Bosnia and Herzegovina, Kosovo, Montenegro and North Macedonia by 2023.

Transposition of Directive (EU) 2019/520⁴³ — on the interoperability of electronic road toll systems and facilitating cross-border exchange of information in cases of failure to pay road fees in the EU should become a priority, to be completed by all Regional Partners by the end of 2023.

- A regional framework to be agreed amongst all Regional Partners on e-tolling interoperability by 2022.
- Climate resilience and deployment of alternative fuels require a regional approach, as climate change and pollution are not confined by borders. By 2023, the region should have in place Regional Guidelines for assessing existing infrastructure

42 Source: <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:207:0001:0013:EN:PDF>

43 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L0520&rid=10>

climate resilience as complementary to designing new road infrastructures.

- A regional plan for setting up e-charging stations along the TEN-T road network will be finalised by the end of 2022. Afterwards, efforts should be focused on ensuring a continuous flow of electric vehicles on Western roads.

Annex 1

Road transport legislation encompasses around 30 directives and regulations which have been partially transposed in the Regional Partners but need further work. This part of the EU acquis addresses several aspects pertaining both to professional and individual road transport. Legislation on professional road transport hauliers was amended by the recent Mobility Package, published 31 July 2020. So far, however, none of the Regional Partners have transposed the new legislation fully, although preparation is ongoing and there is awareness of the importance of this part of the EU acquis. The basic EU acquis, related to access to the occupation of road transport operator (Regulation (EC) No. 1071/2009⁴⁴ and Regulation (EU) 2020/1055⁴⁵), social provisions on road transport (Directive 2006/22/EC⁴⁶, Directive (EU) 2020/1057⁴⁷, Commission Decision 2007/230/EC⁴⁸ and Directive 2002/15/EC⁴⁹), including driving time, rest periods (Regulation (EC) No 561/2006⁵⁰, Commission Regulation (EU) No 581/2010⁵¹ and Regulation (EU) 2020/1054⁵²) and tachographs (Regulation (EU) No 165/2014⁵³, Commission Implementing Regulation (EU) 2016/68⁵⁴, Commission Implementing Regulation (EU) 2016/799⁵⁵, Commission Implementing Regulation (EU) 2018/502⁵⁶, Council Regulation (EEC) No 3821/85⁵⁷ and Regulation (EU) 2020/1054⁵⁸) has been mostly transposed across the region (excepting the Mobility Package), however, enforcement is insufficient, as by-laws have not been developed and inspection services lacking capacity.

The Road Transport Enforcement Workshop conducted by TCT and the Polish Road Transport Inspection in Belgrade for Bosnia and Herzegovina, Montenegro and Serbia in December 2021, will hold a second session in Skopje in 2022, addressing Al-

bania, Kosovo and North Macedonia. The workshop explained the application of EU acquis to roadside checks and all relevant EU acquis (Mobility Package driving/resting times, tachographs). Follow-up training is planned for all Regional Partners in Poland in 2022.

Moreover, the Transport Community Permanent Secretariat will assist all Regional Partners in implementing road transport policy and provide support in cooperation with the Commission services DG NEAR and DG MOVE, in order to ensure that regional administrations acquire the necessary know-how. Dedicated follow-up is currently ongoing via the Road Transport Committee.

Policy expectations for the next 5 years

The major recommendation for the next 5 years is to focus on full transposition of the EU acquis, including the Mobility Package, and facilitating the work of the inspection services. The recommended actions to take:

- Fine-tuning the work of inspection services in order to align procedures with requirements of the EU acquis, including capacity building and financing of additional posts. Currently, the services are roughly 2/3 understaffed and do not possess sufficient basic equipment (this varies across the Regional Partners). This is a precondition: without establishing professional and fully functional inspection services, any meaningful control of vehicles during roadside checks or periodical technical inspection is not possible. One suggestion is to look into possible ways of financing additional posts for inspectors, e.g., through the IFIs in order to purchase specialist checking equipment, including Mobile Offices (e.g. from IPA).
- Transposition and implementation of Directive 96/53/EC⁵⁹ of 25 July 1996 laying down maximum authorised dimensions in national and international traffic and the maximum authorised weights in international traffic for certain road vehicles circulating within the Community.

44 Source: <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32009R1071>.

45 Source: https://eur-lex.europa.eu/legal-content/EN/TXT/?toc=OJ%3AL%3A2020%3A249%3ATOC&uri=uriserv%3AOJ.L._2020.249.01.0017.01.ENG.

46 Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32006L0022>.

47 Source: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L._2020.249.01.0049.01.ENG&toc=OJ%3AL%3A2020%3A249%3ATOC.

48 Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32009D0959#:~:text=Commission%20Decision%20of%2014%20December%202009%20amending%20Decision,NL%2C%20PL%2C%20PT%2C%20RO%2C%20SK%2C%20SL%2C%20FI%2C%20SV%29>.

49 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32002L0015>.

50 Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32006R0561>.

51 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32010R0581>.

52 Source: <https://eur-lex.europa.eu/eli/reg/2020/1054/oj>.

53 Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32014R0165>.

54 Source: https://eur-lex.europa.eu/eli/reg_impl/2016/68/oj.

55 Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32016R0799>.

56 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32018R0502>.

57 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A31985R3821>.

58 Source: <https://eur-lex.europa.eu/eli/reg/2020/1054/oj>.

59 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A31996L0053>.

- Type approval regulations (Regulations No 2018/858⁶⁰, No 167/2013⁶¹ and No 168/2013⁶²) have yet to be transposed and implemented. Work is ongoing in the Regional Partners.

Directives on roadside checks (Directive 2014/47/EU⁶³) and periodical technical inspection (Directive 2014/45/EU⁶⁴) have yet to be transposed and implemented and -laws put in place. They are partly transposed in certain Regional Partners, while in others work is planned but they must be closely correlated to inspection reforms.

4.4. Road Safety

In 2020, Western Balkans Regional Partners reported 1,171⁶⁵ fatalities. The number of fatalities has fallen by 625 compared with figures for 2021. There has been a slight reduction in fatalities each year. From reports received from Regional Partners, the rate for 2020 was 64 people killed per 1 million inhabitants. This figure is still high in comparison with the EU rate of 42 fatalities per 1 million inhabitants.

Road Safety remains a priority for the region, and collaboration with other road safety stakeholders is a key to success. The highlight of 2021 achievements was the establishment of the Western Balkans Road Safety Observatory which brings together the Transport, Police and Health Sectors in a unified platform, aiming to put forward tailored solutions, monitor road safety targets and improve harmonised road safety data in the region.

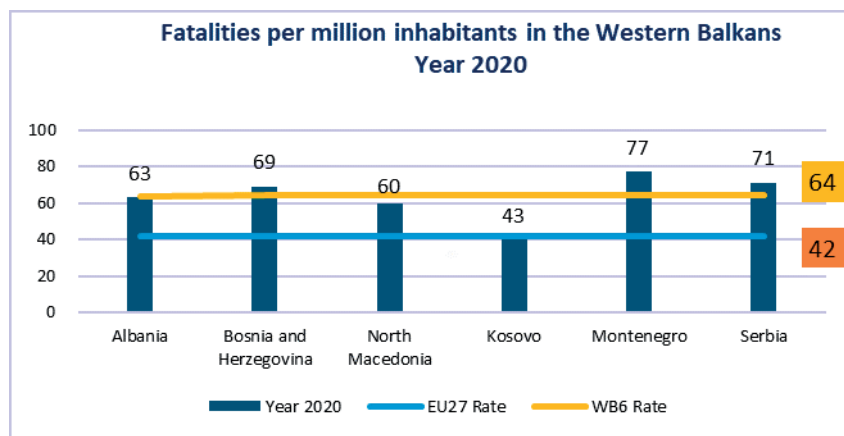


Figure 18. Fatalities per million inhabitants in the Western Balkans 2020

The Road Safety Action Plan provides a list of short- and medium-term activities. Some of the proposed measures are commitments already made by the authorities in the SEE parties under the Western Balkans Six process, monitored earlier through the Connectivity Reform Measures Management Plan, and broadened in view of recent studies and needs. Hence, they have a sound basis in established legal and coordination mechanisms.

Overall progress is slow; however, some Regional Partners have achieved a **moderate level of progress**. All Regional Partners have embraced the new goals of the Second Decade of Action 2021-2030 with an aspirational target of halving serious injuries and road deaths. Their vision is aligned with that of the UN and EU for introducing the Safe System approach (Vision 0) in their new Road Safety Strategies, linked to the implementation of the Action Plan.

Policy expectations for the next 5 years

Road Safety Policy for the upcoming period will align with the Stockholm Declaration, the Global Plan for the Decade of Action, and the EU Road Safety Policy Framework 2021-2030. It will emphasise the importance of a holistic approach to road safety and call for continued improvement in the design of roads, enhancement of laws and their enforcement, and provision of timely, life-saving emergency care for the injured. The policy and road safety actions will reflect the Stockholm Declaration's promotion of policies to encourage walking, cycling and the use of public transport as inherently healthy and environmentally sound modes of transport.

Many developments have taken place in the region and the current state of play is as follows: With UN-DP's support, Bosnia and Herzegovina has drafted

60 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018R0858>.

61 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32013R0167>.

62 Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A32013R0168>.

63 Source: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2014_127_R_0005.

64 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014L0045>.

65 Fatality counts reported by the police. There is still a discrepancy between the total reported data by Regional Participants and the WHO estimates: <https://apps.who.int/gho/data/view.main.51310?lang=en>

a new Road Safety Strategy, Montenegro already has a Road Safety programme for 2000 – 2022 and Serbia has secured financing and is now finalising a Draft Road Safety Strategy. As for improving the level of coordination, there have been new developments in North Macedonia to establish a Road Safety Agency. The proposal on the revised structure of the National Coordination Body has been adopted by Government with a conclusion of relevant changes in legislation which is still on-going. Kosovo has started work on drafting the Road Safety Agency, while Albania and Serbia have made progress with the transposition of Road Infrastructure Safety Management Directive 2008/96 and with establishing a Road Safety Inspection and Audit Licensing System.

Policy expectations for the upcoming period:

- Drafting and adoption of the New Road Safety Strategy; setting road safety targets for the second Decade of Action 2021-2030 (50% reduction of fatalities and serious injuries by 2030) linked to the implementation of the National Action Plan- foreseen by end of 2021 (deadline was not met). Technical Assistance and funding are needed for Albania, North Macedonia to start drafting a new Road Safety Strategy.
- Aligning legislation with EU Directive 2008/96/EC⁶⁶ on Road Infrastructure Safety Management is still an ongoing process for most of the Regional Partners. Furthermore, the relevant authorities need to continue identifying high-risk road sections (dangerous roads and road sections), as well as adopt and start implementing the three-year Road Safety Inspections and Road Safety Audits Plans - by end of 2022

- Collection of Key performance Indicators using the new EU Methodology released in May 2021 – by end of 2022
- Develop specific programmes for the safety of vulnerable road users and in particular for motorised two-wheel vehicles – by end of 2021
- Capacity building remains a challenge throughout the region. In that respect, the Transport Community Permanent Secretariat plans to offer support/workshops via TAIEX with topics focused on road safety legislation.

Annex 1

The EU *acquis* on road transport does not address the issue of road safety directly. Legislative efforts concerning improving the safety of road transport came later than in the case of railway transport or aviation and is still an ongoing effort to reach “Vision Zero”. The only act explicitly related to road safety is the Directive facilitating cross-border exchange of information on road-safety-related traffic offences. This act aims to ensure a high level of protection for all road users in the European Union by facilitating the cross-border exchange of information on road safety-related traffic offences and thereby the enforcement of sanctions, where those offences are committed with a vehicle registered in a Member State other than the Member State where the offence took place. In the case of the Western Balkans, joining this system of information exchange would contribute to road safety through potential identification and elimination of dangerous drivers as well as allowing for legal consequences for these offences under the law of the territory where the offence was committed.

4.5. Transport Facilitation

Transport Facilitation is one of the key policy areas of the Transport Community, based on Article 15 of the Transport Community Treaty.

The Action Plan on Transport Facilitation endorsed in October 2020 envisages actions for road/railway BCPs/CCPs, ports and multimodal facilitation. It is designed to address inefficiencies and delays and improve/modernise/digitalise operations along with the indicative extension of the TEN-T Network in the Western Balkans.

The overall pace of progress in the implementation of the Transport Facilitation Action Plan has been moderate. However, there is significant progress in some measures. The signing of the Agreement for Joint Border and Customs Control between Albania and North Macedonia, as well as completing the im-

plementing agreements for a joint railway border crossing between Kosovo and North Macedonia, are landmark achievements in line with the Action Plan.

Policy expectations for the next 5 years

Transport facilitation policy will remain centred around the establishment of an advanced model of integrated border crossing points that functionally integrates operations of border agencies in order to complete all exit and entry formalities in a one-stop process at the border, called joint border crossing points (JBCP), in both road and railway transport.

To effectively put the JBCP concept into practice, the Regional Partners need to implement an array of complex trade facilitation measures, including:

66 Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A32008L0096>

1. arranging for a preferred mode of operation of joint controls,
2. harmonising working hours for border agencies,
3. redesigning/simplification of border procedures,
4. equipment-sharing arrangements, and
5. necessary infrastructure investments.

In addition, successful JBCP implementation and operation require a comprehensive *legal framework*, a sound *institutional structure* enabling regular co-operation and coordination at all levels, efficient *capacity building*, and an effective system *for monitoring and evaluating progress*.

Most of these elements are identified as separate actions in the Action Plan for Transport Facilitation, but their implementation is interconnected as they are elements of the same process. Fulfilment of the overarching aim and the benefits from introducing the new concept of border management will fall short if only one or a few are put in practice from the entire set.

Connecting all these pieces of the JBCP puzzle, whether road or rail, is a demanding task as it entails active involvement, a pragmatic approach, strong operative capacity and concurrent efforts of multiple border authorities, along with the private sector in all parties. It is already certain that further progress in the Action Plan implementation will depend on continuous and concentrated administrative efforts, constant improvement of technical knowledge and expertise, financial support, but above all, unequivocal political commitment, and an environment conducive to mutual confidence and good neighbourly relations.

The TCT Secretariat is supporting the authorities in providing guidance, agreement templates and offering technical assistance in setting the legal background for the intra-Western Balkans JBCPs.

With regard to external BCPs, the proposed solution is to obtain a firm political commitment by all concerned partners based on clear guidelines to be set by the European Commission on the non-derogation of the EU Customs and Schengen rules in cases of establishment and operation of joint railway/road border controls between EU and non-EU Member States. Another helpful tool might be the organisation of joint working meetings and training events

for the road and railway border authorities between the EU and Western Balkans, to get a better understanding of the benefits and requirements for operating joint railway/road border controls and to serve as confidence-building exercises.

The efficiency of the JBCP operation depends to a large extent on the appropriate infrastructure setting at the BCPs, available modern equipment and unimpeded functioning of all ICT applications, including new digital instruments. The corresponding actions in the Action Plan are supported by the EC through the CONNECTA mechanism, as well as the World Bank's Trade and Transport Facilitation Project in some Regional Partners. The TCT Secretariat will continue to coordinate the assistance provided by CONNECTA, while the investments could be then followed up by WBIF. This assistance is usually dependent on having certain track records in legal arrangements for one-stop/joint controls.

The JBCP concept encompasses radical changes in border operations that significantly differ from the traditional two-stop border crossings. Hence, its implementation will require some fundamental changes, not only in the mode of operation but also in the mindset of the national administrations and border staff members. To effectively manage the upcoming changes, the Regional Partners must design and implement a targeted training program aimed at strengthening the capacity of the personnel involved in all stages of operation and at all levels. The training activities must start early in the process and continue permanently to address the ongoing modifications and improvements of the JBCP model. TCT assistance in cooperation with CEFTA and EC would remain crucial in this respect.

Finally, to measure the JBCP impact, it is vital to put in place an appropriate system for monitoring and evaluating performance results. The current system for monitoring waiting times at BCPs is not sustainable, and the TCT Secretariat aims to introduce real-time monitoring. The TCT Transport Observatory and its underlying data collection procedures should be fully operational in 2022 as well as the deployment of dedicated tools for tracking border waiting times, such as the Galileo initiative developed by the European GNSS (Global Navigation Satellite System) Agency, are expected to address such challenges shortly.

4.6. IWW and Maritime transport

Policy development in the Inland and Waterway sector and Maritime sector is closely connected with the reform measures concerning *acquis* transposition. The Action Plan for Waterborne Transport and Multimodality defines a set of measures related to *acquis* transposition and infrastructure components with the focus on green and digital elements, especially in core IWW and Maritime Ports.

4.6.1. Inland Waterway Transport

Transport policy development in Inland Waterway Transport is especially important for the Danube and Sava riparian countries: Serbia, Bosnia and Herzegovina. The Action Plan for Waterborne Transport and multimodality, approved by the Ministerial Council in July 2021, defines ambitious measures and milestones for improvement of the Inland Waterways Sector. The Action Plan defines two pillars, legislative and infrastructural, where the legislative one is based on Annex 1 of the Transport Community Treaty, in particular the regulatory areas defined for Inland Waterways. In line with the Action Plan, the Regional Partners are required to prioritise transposition of the required legislation applicable to inland waterways, in the short to medium term, to align their systems with the required European acts. The Infrastructural part is related only to Serbia and Bosnia and Herzegovina as they have the IWW Core ports in which the investments need to be made.

In drafting the Action Plan, an analysis of the level of harmonisation of the EU *acquis* has been made for each Regional Partner in Inland waterways. The best performing Regional Partner in that respect is by far Serbia, having transposed almost in full all directives and regulations stipulated in Annex 1 related to IWW.

On the other hand, the second important riparian country, Bosnia and Herzegovina, is lagging behind in terms of EU *acquis* transposition. One of the main reasons is the non – existence of the Law on State level on IWW. Therefore, as mentioned in the Action Plan, for Bosnia and Herzegovina, the development of the legislative and regulatory frameworks is rudimentary and further efforts are needed to develop the institutional, legal and regulatory setup of waterway transport in Bosnia and Herzegovina. To ensure the safety of navigation on inland waterways, it is advised to adopt a law for Inland Waterways Transport, as a precondition for transposition of such legislation. Even though IWW transport is not a priority for Regional Partners which do not have navigable rivers, *acquis* transposition is mandatory for all of them.

Policy expectations for the next 5 years

- Regional Partners should focus on *acquis* transposition according to the relevant regulatory areas in Inland Waterways, as defined in Annex 1 of the Transport Community Treaty and the Action Plan for Waterborne Transport and Multimodality according to the deadlines indicated
- In cooperation with the EU Members States, special focus should be on best practices sharing experience in IWW management and should be maintained over the next five years
- Attention should be given to active participation in relevant EU forums, including requesting observer status in working groups of the CESNI-European Committee for drafting standards in the field of inland navigation. There are 3 such groups: CESNI/PT (technical requirements), CESNI/QP (professional qualifications) and CESNI/TI (information technology). Observer status should also be requested for the European Commission Expert groups related to Inland Waterway Transport Policy: NAIADES, Social Matters, Technical Requirements for Vessels, DINA/ RIS. This should be done in line with the deadlines stipulated in the Action Plan.
- To the extent possible, Regional Partners with navigable waterways should strive to undertake appropriate analysis and develop concepts and studies for greening of IWW ports, including possibly shore-side power supply and alternative clean fuel supply facilities (e.g. LNG). The decision on the location of the LNG refuelling points at ports should be based on a cost-benefit analysis, including an examination of the environmental benefits. Here a realistic assessment of the demand and prospects for utilisation of LNG-powered vessels is strongly recommended, following cost-benefit and environmental analysis. It is advised that the Regional Partners engage in this process as soon as possible, at the latest by 2025, in line with the Action Plan,
- To the extent possible, Regional Partners with navigable waterways should closely follow the latest developments in terms of transition to zero-emission waterborne transport. This should be an ongoing exercise over the next five years.

Annex 1

IWW legislation has been transposed only in Serbia, while work in the other Regional Partners is ongoing concerning the scope of and timeframe for transposition. Bosnia and Herzegovina has incorporated a substantial number of IWW legislation in the entities. However, it has to be decided whether national-level

legislation will be developed, possibly based on previous draft laws. Montenegro is working on drafting new IWW legislation as until recently, it had applied maritime legislation to the IWW sections. Transposing EU *acquis* on IWW will be beneficial to the Regional Partners for several reasons, including access to the market (Council Regulation (EC) No 1356/96⁶⁷, Council Regulation (EEC) No 3921/91⁶⁸, Council Regulation (EC) No 718/1999⁶⁹ and Council Directive 96/75/EC⁷⁰) and access to the profession (Council Directive No 87/540/EEC⁷¹, Directive (EU) 2017/2397⁷², Commission Delegated Directive (EU) 2020/12⁷³, Commission Delegated Regulation (EU) 2020/473⁷⁴ and Commission Implementing Regulation (EU) 2020/182⁷⁵) as well as EU *acquis* on boatmasters' certificates (Council Directive 91/672/EEC⁷⁶).

Montenegro is drafting a law on Inland Navigation, to be finalised by the end of 2022, transposing Directive 2009/100/EC⁷⁷ on reciprocal recognition of navigability licenses for inland waterway vessels and Directive (EU) 2016/1629⁷⁸ laying down technical requirements for inland waterway vessels, as well as Directive (EU) 2017/2397⁷⁹ on the recognition of professional qualifications in inland navigation, and Directive 2013/53/EU⁸⁰ on recreational craft and personal watercraft.

The Transport Community Permanent Secretariat monitors the progress of its Regional Partners via the Action Plan - the activities of the dedicated Technical Committee. The Committee issues a yearly report on its activities. With the help of experts from the Regional Partners attending the Technical Committee, projects for capacity building will be identified and organised in cooperation with DG NEAR. Moreover, cooperation is ongoing with other relevant EU bodies, such as the European Maritime Safety Agency (EMSA) in order to identify the best approaches to capacity building and support provided to the administrations of the Regional Partners.

4.6.2. Maritime transport

Transport policy development in the domain of Maritime transport is especially important for the Maritime Regional Partners, Albania and Montenegro. The Action Plan from Waterborne Transport and Multimodality, approved by the Ministerial Council in July 2021, defines ambitious measures and milestones for improvement of the Maritime sector. The Action Plan identifies two pillars; Legislative and infrastructural, while the legislative one is based on Annex 1 of the Transport Community treaty and in particular the Regulatory areas defined for Maritime Transport. In line with the Action Plan, the regional partners are required to prioritise the transposition of the required legislation applicable to Maritime transport, in the short to medium term, to align their systems with the required European acts. The Infrastructural part is related only to Albania and Montenegro as they have the Maritime core ports⁸¹ in which the investments should be made.

When drafting the Action Plan, an analysis of the level of harmonisation of the EU *acquis* was made for each regional partner in Maritime Transport. From the two maritime regional partners (Albania and Montenegro), Montenegro is performing better in EU *acquis* transposition, having transposed approximately 70% of the required legislation⁸², while for Albania this percentage is much lower. It is crucial to mention that huge efforts have been undertaken by Albania in the past year to speed up the transposition process in various areas, especially in terms of Flag State Control and Port State Control.

Although Maritime transport is not a priority for Regional Partners which do not have access to the sea, EU *acquis* transposition is mandatory for all Regional Partners. Serbia has already transposed almost all the required legislation related to Maritime transport. The others have yet to follow its example.

67 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:31996R1356>.

68 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:31991R3921>.

69 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:31999R0718>.

70 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:3A31996L0075>.

71 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:3A31987L0540>.

72 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32017L2397#:~:text=Directive%20%28EU%29%202017%2F2397%20of%20the%20European%20Parliament%20and,Directives%2091%2F672%2FEFC%20and%2096%2F50%2FEC%20%28Text%20with%20EEA%20relevance%29>.

73 Source: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2020.006.01.0015.01.ENG&toc=OJ%3AL%3A2020%3A006%3ATOC.

74 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32020R0473>.

75 Source: https://eur-lex.europa.eu/legal-content/EN/TXT/?toc=OJ%3AL%3A2020%3A038%3ATOC&uri=uriserv%3AOJ.L_.2020.038.01.0001.01.ENG#:~:text=COMMISSION%20IMPLEMENTING%20REGULATION%20%28EU%29%202020%2F182%20of%2014%20January,qualifications%20in%20inland%20navigation%20%28Text%20with%20EEA%20relevance%29.

76 Source: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:3A31991L0672>.

77 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:3A32009L0100>.

78 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:3A32016L1629>.

79 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:3A32017L2397#:~:text=Directive%20%28EU%29%202017%2F2397%20of%20the%20European%20Parliament%20and,Directives%2091%2F672%2FEFC%20and%2096%2F50%2FEC%20%28Text%20with%20EEA%20relevance%29>.

80 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32013L0053>.

81 Albania has also one Port defined as comprehensive Port, which is the Port of Vlore in the south of Albania.

82 According to the Transport Development Strategy – Montenegro 2019-2035

Policy expectations for the next 5 years

- All regional partners should intensify their efforts in transposing and implementing the relevant directives and regulations as defined in Annex 1 of the Transport Community Treaty and the Action Plan for Waterborne Transport and Multimodality
- In the future set-up of the Port of Durres, Albania should pay particular attention to planning for availability of alternative fuels, as Durres is the core port of the extended TEN-T network
- Planning for investment that will be required for the critical resilience of maritime port infrastructure due to climate change is inevitable and should be considered in future port planning
- In line with the Action Plan, the ports of Bar and Durres should strive to continue the “greening of the port”, which means much more than the transport side. All industry players in the port should have their agendas, goals and plans aligned to maximise the impact of any greening initiative
- It is very important in the process of greening the ports, the actions and plans should be as broad as possible because even small changes and investments can make a difference in transforming the ports into energy and multimodal hubs
- Active participation in existing EU platforms (e.g. EUSAIR), as well as diversification of funding sources (IPA, INTERREG⁸³, CEF, HORIZON, WBIF, EIB, EBRD, WB), will be crucial in the greening of Western Balkan Maritime Ports
- Both Montenegro and Albania should prioritise adoption of legislation and necessary investment for a Maritime Single Window
- All regional partners should strive to digitalise freight transport according to the Regulation (EU) 2020/1056⁸⁴ of the European Parliament and of the Council of 15 July 2020 on electronic freight transport information

Annex 1

Montenegro is working on two draft laws that will aim to transpose the crucial EU acts from Annex 1 on maritime transport by the end of 2022 as follows:

1. A law on ports, which will attempt to transpose Directive (EU) 2019/883⁸⁵ on port reception facilities for the delivery of waste from ships, Directive 2001/96/EC⁸⁶ on harmonized requirements and procedures for the safe loading and unloading of bulk carriers and Regulation (EU) 2017/352⁸⁷ on the provision of port services and common rules on the financial transparency of ports.

2. A law on protection of the sea from pollution from maritime facilities, including transposition of Directive 2005/35/EC⁸⁸ on ship-source pollution and the introduction of penalties, including criminal penalties, for pollution offences, Regulation (EU) No 530/2012⁸⁹ on the accelerated phasing-in of double-hull or equivalent design requirements for single-hull oil tankers, Regulation (EU) No 1257/2013⁹⁰ on ship recycling and Regulation (EC) No 782/2003⁹¹ on the prohibition of organotin compounds on ships.

The remaining elements of the EU *acquis* from Annex 1 on maritime transport will be transposed after 2022.

Serbia has transposed all the maritime *acquis* from Annex 1, while Bosnia and Herzegovina is preparing to draft a national-level maritime law (an old draft law for both IWW and maritime law already exists, but was not enacted). Kosovo and North Macedonia still need to start work on the transposition of the maritime *acquis*. Albania is focused on transposing Directive 2009/21/EC⁹² in compliance with flag state requirements and Directive 2009/16/EC⁹³ on port state control. Further commitment is needed to transpose the remaining elements of the EU *acquis*.

83 Interreg is one of the key instruments of the European Union (EU) supporting cooperation across borders through project funding.

84 Source: <https://eur-lex.europa.eu/eli/reg/2020/1056/oj>.

85 Source: <https://eur-lex.europa.eu/eli/dir/2019/883/oj>.

86 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32001L0096>.

87 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32017R0352>.

88 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32005L0035#:-:text=DIRECTIVE%202005%2F35%2FEC%20OF%20THE%20EUROPEAN%20PARLIAMENT%20AND%20OF%20PARLIAMENT%20AND%20THE%20COUNCIL%20OF%20THE%20EUROPEAN%20UNION%2C>.

89 Source: <https://eur-lex.europa.eu/eli/reg/2012/530/oj#:-:text=REGULATION%20%28EU%29%20No%20530%2F2012%20OF%20THE%20EUROPEAN%20PARLIAMENT,or%20equivalent%20design%20requirements%20for%20single-hull%20oil%20tankers>.

90 Source: <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:330:0001:0020:EN:PDF>.

91 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32003R0782>.

92 Source: <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:131:0132:0135:EN:PDF>.

93 Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX%3A2009L0016#:-:text=DIRECTIVE%202009%2F16%2FEC%20OF%20THE%20EUROPEAN%20PARLIAMENT%20AND%20OF%20European%20Community%2C%20and%20in%20particular%20Article%2080%282%29%20thereof%2C>.

4.7. Transport of dangerous goods

Transport of dangerous goods is an ongoing economic activity and this sphere of transport that keeps engines running. Transposition and implementation of this dossier will continue during the next 5 years, with a special focus on adaptation to the technical and scientific progress of Directive 2008/68/EC on the inland transport of dangerous goods⁹⁴ (Every second year, amendments are brought to the Annexes to the international agreements, i.e.:

- the Agreement concerning the International Carriage of Dangerous Goods by Road (ADR);
- Regulations concerning the International Carriage of Dangerous Goods by Railway (RID) - Appendix C to the Convention concerning International Carriage by Railway (COTIF); and
- the European Agreement concerning the International Carriage of Dangerous Goods by Inland Waterways (ADN) requires that the updated annexes are translated into all languages of the region.

Application to domestic transport of these technical requirements needs timely translation into the domestic language(s) of the Regional partners and an appropriate capacity of the administrations to deal with the implementation process for this legislation.

Further work will be carried out in order to ensure proper implementation of the legal provisions, focusing in particular on professional training of the safety-related functions enumerated in the agreements, i.e. dangerous goods safety advisers, ADR drivers, ADN experts, etc.

Cross-disciplinary aspects will also be in focus, and a consistent approach taken to ensure coherence with developments in railway, road and inland waterways safety. Where synchronised capacity building is possible, TCT will assist Regional Partners on development of appropriate projects. Moreover, regional cooperation will be further elaborated for punctual areas where it is efficient to do so.

TCT will continue the work of the Transport of Dangerous Goods Technical Committee that is meant to function as the main exchange platform for capacity building in the region. Furthermore, support can be provided through organising dedicated conferences, studies and other awareness-raising exercises.

Particular attention shall be paid to the implementation of Directive 95/50/EC on uniform procedures for checks on the transport of dangerous goods by road⁹⁵, in close connection with other areas of roadside

checks enforcement. Both roadside checks and checks at the premises of road transport carriers of dangerous goods will need to be done more systematically in order to ensure road safety.

To stimulate cooperation of enforcement officials, regional partners will be invited to organise joint checks within the region, which could also include the neighbouring EU Member States.

Directive 2010/35/EC on transportable pressure equipment⁹⁶ is to be transposed by the Regional Partners by 2025 according to the Key Performance Indicators of the Guidelines on Transport of Dangerous Goods.

As transposition of this Directive is dependent on EU *acquis* included in other chapters under negotiation, TCT will assist the Regional Partners to the utmost of its ability in the implementation of this legislation, facilitating cooperation with EU institutions and bodies as much as possible. The development of domestic market surveillance will be facilitated by exchanges with the relevant authorities from the EU Member States. Cooperation with European Accreditation (EA), European Committee for Standardization (CEN) will be enhanced via the events organised by the TCPS.

Transposition of waste legislation, in particular for wastes classified as dangerous goods according to the annexes of ADR, RID and ADN, will also come into focus in the near future.

TCT will assist the Regional Partners on developing waste policies in order to ensure safe disposal of dangerous wastes.

Cooperation with industry will also be enhanced, and projects will be envisaged in order to reduce pollution generated by the existing ageing fleet in the Regional Partners.

By 2027, at least one project with an impact on greening transport of dangerous goods in the region will be achieved.

TTCT will continue working in cooperation with the Commission and EU Delegations/Office in the region in order to ensure the smooth implementation and planning of financial assistance for the dangerous goods transport sector and for environmental purposes.

⁹⁴ Source: <http://data.europa.eu/eli/dir/2008/68/oj>

⁹⁵ Source: <http://data.europa.eu/eli/dir/1995/50/oj>

⁹⁶ Source: <http://data.europa.eu/eli/dir/2010/35/oj>

5.

OVERALL CONCLUSIONS

Compliance with the TEN-T standards within the timeframe imposed by Regulation 1315/2013 remains a challenging goal requiring systematic and coordinated effort on the part of all Regional Partners, backed by substantial financial resources.

Significant funding has already been mobilised for major projects likely to bring dramatic improvement of the TEN-T Network by 2027. According to the Transport Community Annual Report on the development of the TEN-T Core and Comprehensive Network, almost €12 billion have been committed for ongoing projects targeting the Core and Comprehensive Network. The greater share of investments is in roads (almost €8 billion), followed by railways (EUR 3.7 billion).

Planned projects included in the Regional Partners' SPPs aim to contribute further to reaching compliance with the TEN-T Standards. The total number of transport projects in SPPs is 74, of which 26 for roads, 23 for the railway, 2 for ports, 1 for IWW and 2 for airports. The total amount of investment needed is EUR 23 billion, EUR 7.66 billion for mature projects and EUR 15.34 billion for projects under preparation. Regulation 1315/2015 requires completion of the Core Network by 2030. This deadline is reflected in planning instruments of the Regional Partners aiming at improving the indicative extension of the TEN-T Core Networks to the Western Balkans.

Flagship Projects should be at the core of future TEN-T development planning in the coming years. Progress is still uneven and the region should ensure more effort and coordination to make the best use of available grant funding and achieve the broader economic benefits these projects are likely to bring. There should be greater focus on priority actions needed to advance each individual project, as laid down in the current document.

Apart from investing in large infrastructure projects intended to close the development gap and ensure compliance with TEN-T criteria, **smaller-scale interventions** targeting specific network and policy short-

ages, promoting smart and sustainable mobility and likely to bring quick gains should be prioritised.

Railway projects cover 200 km of new lines 59 km rehabilitation and 1682 km upgraded and reconstructed lines. All projects are divided into two maturity groups, each of them valued as given below:

- 9 mature projects with a total amount of EUR 2 billion;
- 14 projects under preparation at an estimated cost of ca. EUR 5.37 billion.

In view of the finance required to complete both groups, it is abundantly clear that there is a lack of mature projects compared to the projects in preparation. However, these nine mature railway projects together with eleven others already identified in the Annual TEN-T Report, account for 1356.5 km for modernisation, reconstruction, overhaul or new construction at a total value of EUR 4.64 billion, which will be executed in the near future.

Just as in the case of on-going investments, **road transport still holds the lead both in terms of number and overall value of planned and mature projects.** This is a pure reflection of the current modal imbalance in the region and a serious warning that achieving green mobility requires more than political statements.

Implementation of on-going and mature projects will increase TEN-T compliance in the region as described below.

Following implementation of the eleven ongoing rail projects indicated in the TEN-T Annual Report and the seven mature projects described in this report, compliance with TEN-T standards will be increased in terms of electrification from 73% to 86.3%, ERTMS from 0% to 21% (still awaiting confirmation of this percentage from some regional partners) and axle load from 87.4% to 92.2%. However, train length will not be respected everywhere due to land acquisition issues.

As per the forecast provided under the TEN-T Annual Report, the road network compliance rate for the Core Network will increase by 2027 following completion of ongoing projects from 45% to 60% (infrastructure profile and condition criterion). The finalisation by 2030 of the projects currently ranked as mature will likely result in the Core Network compliance rate reaching 77% under a best-case scenario. While being a significant achievement, this would still be insufficient to meet the deadlines in the TEN-T Regulation which provides a clear picture of the scale and complexity of the Regional Partners' mission and efforts. Road Comprehensive Network compliance will also increase, though at a slower pace, reaching 57% in 2027 and 62% in 2030 from the current 51.89%.

Moreover, such improvement is largely dependent on adequate maintenance of the network (newly built assets included) which appears to remain a challenge, given the current situation in the region. This is specifically evident in the railway sector which continues to suffer from insufficient investment (only 15% of overall investment), with existing investment directed towards isolated sections and not to overall network improvement. The reason why the greater part of the network is in poor or very poor condition is because of a lack of regular network maintenance and condition-based maintenance (CBM). A strong tool for overcoming the problem is regular condition-based maintenance based on multi-annual contracts between the Infrastructure Manager and the relevant authority, followed by appropriate on-time funding, a solution that is a part of the Transport Community Railway Action Plan⁹⁷. On top of regular maintenance, the application of EU Technical Specifications for Interoperability and TEN-T standards is of key importance.

Apart from investing in bridging the network's gaps, road maintenance will also need to be more systematic and performance-oriented in order to ensure assets preservation and proper road surface condition. Proper maintenance policies (identified as a priority and included in the Road Action Plan⁹⁸) backed by adequate funding will be instrumental for ensuring long-term compliance with TEN-T standards in the region.

Overall compliance with Directive 2008/96/EC on road safety is required under Article 18. b of Regulation 1315/2013. This is a target yet to be achieved in the region, requiring full transposition of the Directive and implementation of the institutional set-up it provides. This is a long-term process currently being implemented within the framework of the Road Safety Action Plan steered by the Transport Community Permanent Secretariat. Given the deadlines included therein, 2030 road safety compliance is achievable but significant challenges still lie ahead and will have to be addressed once focus shifts from transposition to implementa-

tion of the related EU *acquis*.

Compliance with Directive no. 2004/54/EC is required by article 18. c of Regulation 1315/2013 for tunnels over 500 m in length. For tunnels in various stages of design or preparation, this is achieved on a project basis. In the case of tunnels now in operation, the adoption of risk-reduction measures has been accepted as an alternative to applying Directive requirements, where structural solutions could not be implemented at reasonable cost. Hazard reduction measures should be taken under an institutional framework that the region has yet to adopt.

Inland waterways transport has a satisfactory level of compliance. However, it is concerning that none of the core inland ports have planned projects to address the availability of clean fuels by 2030. Through the Action Plan for Waterborne Transport and Multimodality, one of the measures relates to developing concepts and studies for the greening of ports, which should include exploring options for alternative fuels availability in the future.

Maritime transport has a relatively high satisfactory level, but none of the core ports have plans to address compliance with the availability of clean fuels. In terms of greening of the ports, the Port of Bar has managed to initiate many small-scale projects that emphasise the sustainability of the port, which is a great step forward. The Port of Durres in its future development and relocation to Porto Romano should pay particular attention not to downgrade the compliance level with TEN-T standards and should also start the greening process in the design phase of the new Port.

Airports - All Core and Comprehensive airports have satisfactory compliance with TEN-T standards. Due to the COVID pandemic and decrease in air traffic, no airports are currently experiencing capacity problems. Some, however, like Sarajevo, were operating at the edge of capacity before the crisis. None are connected by railway. Tirana will become the first airport to have a rail connection once the present project is completed. Several airports (e.g Sarajevo, Belgrade, Nis and Kraljevo) reported the availability of alternative clean fuels for ground services. It should be pointed out that this criterion is to be applied according to the market requirements and airports need to be prepared to make alternative clean fuels available when the need arises, as cited in the regulation.

Looking to TEN-T standards, axle weight, track gauge and electrification are respected in most of the mature projects. However, the majority do not recognise the involvement of ERTMS and train length as TEN-T standards.

97 Source: <https://www.transport-community.org/wp-content/uploads/2020/11/Rail-Action-Plan.pdf>

98 Source: <https://www.transport-community.org/wp-content/uploads/2020/11/Road-Action-Plan.pdf>

Increased public spending is a common element of fiscal stimulus programs designed to support economic recovery and future growth in times of crisis. This is most certainly a path that the EU and the Western Balkans will be following in the years to come, in order to tackle the economic effects of the Covid-19 pandemic.

However, there are a few elements that merit proper consideration in order to make sure that the desired outcomes are being achieved. Apart from the immediate benefit they are likely to bring by supporting consumption and employment during the construction stage, large infrastructure projects could also boost long-term growth, to the extent that they are properly planned, designed and selected, in full observance of existing and forecast market demand. The flip-side of the coin is that increased government spending inevitably results in growing public debt. Therefore, **ensuring the long-term impact of large infrastructure investments becomes critical for ensuring the overall success of the recovery program**, whereas the short-term economic impact during construction cannot entirely compensate for the negative effects of growing indebtedness. If the initially anticipated benefits fail to materialise, rather than supporting long-term growth the **unproductive projects might end up a drag on the region's brittle economies**. Enforcing project planning together with selection and prioritisation mechanisms should therefore be treated as a critical priority, to ensure high quality of the investment programs and safeguard anticipated long-term benefits.

Revision of the TEN-T Guidelines, expected to be finalised by end 2022 aims to make the European network greener, more efficient and more resilient⁹⁹. This change will be achieved based on four principles - sustainability, cohesion, efficiency and increased user benefits. Sustainability aims to make transport greener by providing the appropriate infrastructure basis to alleviate congestion, reduce greenhouse gas (GHG) emissions and pollution of air and water, by making each mode of transport more efficient while enabling increased transport activity by more sustainable forms of transport. Cohesion aims to facilitate seamless and efficient transport, foster multimodality and interoperability between the TEN-T transport modes, and better integrate urban nodes into the network. Efficiency aims to increase the resilience of TEN-T to climate change and other natural hazards or human-made disasters. It points to improving efficiency of TEN-T governance tools, streamlining reporting and monitoring instruments and reviewing the TEN-T network design.

These principles should also guide **TEN-T development in the Western Balkans** and will require Regional Partners to address transport investment not only

from their own perspective but from a region-wide approach to maximise the network effects.

Nevertheless, it should be noted that **green and digital elements still remain to be addressed in the project-planning phase in the region**. Regional Partners in cooperation with IFIs should reflect the required shift during the implementation of mature projects and preparation of documents for non-mature projects.

Once the Transport Observatory Database Information System (TODIS) is fully operational, the Transport Community Permanent Secretariat in close cooperation with the structures set up by the Treaty will **design and put in place a Prioritisation Methodology** for the projects planned, giving due weight to their green and digital elements.

Resilience, sustainability, safety, connectivity and innovation are the keywords around which new transport and infrastructure planning policies and tools should build, ensuring transition from a quantitative-driven approach to a quality-centred one. Sustainable and Smart Mobility Strategy for the Western Balkans mirrors EU Strategy and strives to put the region on the road to achieving green mobility. This strategy outlines how the Western Balkans transport system can achieve its green and digital transformation and become more resilient to future crises. The result is predicted to substantially cut transport emissions by 2050 and contribute to the EU goal of climate neutrality, delivered by a smart, competitive, safe, accessible, and affordable transport system. This is also in line with policy initiatives indicated in the Western Balkans Green Agenda and the Economic and Investment Plan for the Western Balkans.

To facilitate this transition, the region should be supported in the implementation of the set of **measures framed in a roadmap to help it move towards a sustainable, smart, and resilient mobility system** and direct it towards the structural changes required to achieve climate neutrality and Green Agenda goals, as stated in the Sofia Declaration signed by Western Balkans leaders in November 2020¹⁰⁰.

Last but not least, to achieve full benefit from ongoing and planned investments, it is of **paramount importance to progress with the transposition and implementation of EU legislation** as per Annex 1 of Transport Community Treaty. **Sectorial reforms in each sector should progress** as per the deadlines already agreed and the commitment to implementing **Action Plans** (road, railway, road safety, transport facilitation and waterborne and multimodality).

99 https://ec.europa.eu/commission/presscorner/detail/en/fs_21_6779

100 Source: <https://www.rcc.int/docs/546/sofia-declaration-on-the-green-agenda-for-the-western-balkans-rn>

ANNEX 1

FLAGSHIP PROJECTS

FLAGSHIP 1 – CONNECTING EAST TO WEST

Project 1: Nis – Pristina “Peace highway”					
Regional Partner: Kosovo					
Section: Pristina – Merdare					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 27 km-long motorway section between Pristina and Merdare BCP/CCP, including 3 interchanges, 4 viaducts, 5 bridges and 5 overpasses	Feasibility Study and Preliminary Design have been updated.	<p>EU grant has been approved since December 2020, but not signed yet. New grant request made to increase EU co-financing rate to 40% was positively assessed and is in course of being approved.</p> <p>Kosovo has not yet started negotiations for the EBRD/EIB loan that should ensure co-financing.</p> <p>Preparation of Tender Dossiers and Works supervision shall be ensured through JF grant.</p>	<p>From a technical maturity perspective, the project is fit for design-build tender launching.</p> <p>- start loan negotiation;</p> <p>- Urge the commencement of TA for DB tender dossier preparation</p>	<p>Financing fully ensured.</p> <p>Design-build contract signed and works started</p>	Works completed
Regional Partner: Serbia					
Section: Nis - Plocnik					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of approx. 33 km highway between interchanges Merosina and Belojin, semi-motorway profile	Detailed Design approved (1 sector) and at advanced approval stage (3 sectors)	<p>Financing fully ensured through EU grant and loans. This section has been divided into 4 lots. In one case, the contract has been awarded and works have started. For 3 other lots the detailed design is at advanced review and approval stage.</p>	<p>Expedite design approval and launch procurement for works</p>	Works on-going on all sectors	Works completed

Project 1: Nis – Pristina “Peace highway”					
Section: Plocnik – Merdare					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 37-km long highway between Plocnik and Merdare including 3 interchanges, 137 bridges, 11 overpasses and 7 tunnels.	Preliminary Design at advanced approval stage	Grant financing for the next design stage has been ensured since December 2020. Detailed design preparation commencement was, however, delayed by the slow progress of Feasibility Study and Preliminary Design. Financing not yet ensured for the works stage.	Expedite approval of Preliminary Design and commence preparation of detailed design. Decide on a project financing strategy and initiate action in this regard (loan negotiation, GAF preparation).	Detailed design and tender documents ready. Financing for works fully ensured	Works on-going

Project 2: Modernisation of the Rail Corridor X					
Regional Partner: Serbia					
Section: (Belgrade) Stara Pazova – Sid					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Modernisation of 92 km between Stara Pazova and border with Croatia. Project covers reconstruction of double tracks, all station tracks as well as construction of second track between Indjija and Golubinci. Estimated amount is EUR 400 million	Preliminary design, Feasibility Study and environmental impact assessment are ongoing. It was funded by a WBIF grant – EUR 3 million. This phase of design should be completed by first quarter of 2023.	EU grant has been approved since 2020. First meeting with consultant (IPF9) was in July 2020. Currently, optional analysis is ongoing regarding feasibility for 160 or 200 km/h.	From a technical maturity perspective, the project will be ready for design-build tender launching in mid- 2023. - In the near future all land acquisition issues should be settled. - Shortly after completion of preliminary design, Republic Revision Committee should submit remarks - Contact with IFIs should be established as a potential source of financing. - GAF preparation for the WBIF round in 2023	- Financing fully ensured. - Green light for the Preliminary design given by the Republic Revision Committee - All legal issues solved - GAF submitted to the WBIF	Works completed

Project 2: Modernisation of the Rail Corridor X					
Regional Partner: Serbia					
Section: Nis Railway bypass					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2026
Construction of approx. 17 km of Nis railway bypass (between Red Cross and Plocnik). Project is part of a larger one: "Modernisation of the section Nis-Dimitrovgrad)	Detailed Design approved. Tender procedure is ongoing for the first phase of the entire stretch Nis Dimitrovgrad	Financing fully ensured through EU grant and loans. Total amount for all 4 phases EUR 267 million. (grant is around EUR 130 million).	Completion of procurement procedure, contract with best bidder, construction works	Civil works on-going on whole distance	Works completed
Section: Nis – Presevo					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Reconstruction and modernisation of the railway line Nis – Presevo, total length 158 km.	Preliminary Design with EIA and FS as well as tender dossier for the section Brestovac – Presevo (135 km) is ongoing. Grant approved by WBIF in 2018. – EUR 3.8 million	First meeting with consultant was in June 2020. Deadline for the completion - first quarter of 2023. Financing not yet ensured for the works stage. Estimated amount is 400 mil EUR	Project will be ready for the design and build approach in 2023. - Republic Revision Committee should provide remarks and objections shortly after completion of this design phase. - Land acquisition issues should be solved in meantime - Negotiations with IFI should be in establish in coming period.	- Preliminary Design and Tender Documents ready. - Green light for the Preliminary design given by the Republic Revision Committee - Financing for works fully ensured	Works on-going
Regional Partner: North Macedonia					
Section: Construction works in Joint border railway station-Tabanovce					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2024
Project consists of building all facilities at Tabanovce Station for work shared by the Macedonian and Serbian border authorities (railway, customs, inspection and border police).	Detailed station design was completed by 2018. Design for the road connections is still missed.	North Macedonia will launch the tender for the construction works, after the contract for construction works for the section Beljakovce-Kriva Palnka will be awarded.	- Solving issues with EBRD regarding financing of the project as well as about timeline for the implementation.	- Financing fully ensured. - All legal issues solved. - Construction works started.	Works completed.

Project 3: Modernisation of the Rail Corridor VIII					
Regional Partner: North Macedonia					
Section: Skopje – Deve Bair (Bulgarian border)					
Project description	Technical maturity	Current stage	Actions needed	Key milestones	
				2023	2026
<p>The project on the eastern part of Rail Corridor VIII involves three Sections:</p> <ul style="list-style-type: none"> - Section I (Rehabilitation of 30.8 km of the Kumanovo – Beljakovce section) with an estimated cost of EUR 48.9 million - Section II (Rehabilitation and new construction of the 34 km Beljakovce – Kriva Palanka section) with an estimated cost of EUR 145 million - Section III (New Construction of the 24 km Kriva Palanka – Bulgarian Border section) with an estimated cost of EUR 420 million 	<p>The tender procedure for construction works is at an advanced stage for Section I and II. Detail design is prepared for Section III.</p>	<p>The expected deadline for completion of the tender procedure for Section I and II is April 2022. Following this, construction works could start by May 2022. The deadline for the completion of the works on the first two Sections is 2026. The estimated deadline for completion of the third Section is 48 months after commencement, i.e. 2030.</p>	<p>Speed up the procedure for engaging a construction company once the tender procedure is closed, for first two Sections. The Tender procedure for selection of the Contractor and Supervision Engineer to start as soon as possible for Section III.</p>	<p>- For Section I and II: Construction works ongoing</p> <p>- For Section III: Financing fully secured and Contract with selected Construction companies and Supervision Engineer concluded.</p>	<p>Works completed on Section I and II, and construction in advanced stage for Section III.</p>

Project 4: Demining of the right bank of the Sava river from the mouth of the Drina to the mouth of the Una					
Regional Partner: Bosnia and Herzegovina					
Section: Right bank of the Sava river in B&H					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2022	2023/2024
<p>Demining the right bank of the Sava River in B&H is a mature project expected to have huge regional impact. Preparation for demining has been undertaken by BHMACE (Bosnia and Herzegovina Mine Action Centre).</p>	<p>Resurveying and technical preparation needs to be updated, together with the existing documentation for the detailed designs prepared in 2014. The total amount of the project will be EUR 8,160,000. Responsible beneficiary country authority for the Grant Agreement is the Ministry of Finance and Treasury of Bosnia and Herzegovina. For implementation: the Ministry of Communications and Transport of Bosnia and Herzegovina.</p>	<p>Project activities were obliged to wait for activation of the World Bank trust fund, which was obtained in July 2021. Start of the works is expected in 2022, with a total duration of approximately 12 months to complete all envisaged activities.</p>	<p>- Start of the works foreseen for 2022</p>	<p>- Start of the works</p>	<p>Works completed</p>

Project 5: River training and dredging works on critical sectors of the Serbian-Croatian joint stretch on the Danube River					
Regional Partner: Serbia					
Section: Danube River					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2024	2025/2026
<p>The project should eliminate navigation bottlenecks on part of the Danube and allow deeper loading and larger vessels. This is especially important due to current problems, including shipping accidents and suspension of navigation during prolonged low water periods.</p>	<p>This project is under preparation. The process of obtaining the necessary studies and documents dates back to 2010</p>	<p>For the 17 critical sectors on the shared Serbia - Croatia stretch of the Danube, preliminary designs were based only on results of hydrodynamic modelling. Morphological modelling is pending.</p> <p>After morphological modelling and re-examination of solutions for 17 bottlenecks on the SRB-CRO Danube section, required investment approximates to EUR 48.5 million.</p>	<p>To reach maturity, the following key Spatial Planning documents are missing: general design, conceptual design, preliminary design, environmental Impact assessment study, update of the feasibility study, design for the construction permit (separately for each critical sector), construction permits, design for the works, tender documentation</p>	<p>All technical documentation and permits (including EIA and construction permit) acquired</p>	<p>Start of works</p>

FLAGSHIP 2 – CONNECTING NORTH TO SOUTH

Project 1: Corridor Vc Motorway					
Regional Partner: Bosnia and Herzegovina					
Section: Vukosavlje – Johovac					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
<p>Construction of 36 km of motorway on the Republika Srpska part of Corridor Vc, including 4 large bridges across the River Bosna, 3 interchanges, one rest area and one open tunnel.</p>	<p>Detailed Design completed in 2011, now in course of revision</p>	<p>Grant application form for execution of works submitted but pending approval because of outdated technical studies and insufficient information. EIB loan negotiation is also progressing (appraisal on-going).</p> <p>CONNECTA TA has been mobilised to fill gaps in project preparation (design revision and update, project feasibility confirmation, road safety audit).</p>	<ul style="list-style-type: none"> - Update GAF based on CONNECTA TA outcomes; - EIB Loan contracting; - Start tender for works 	<p>Financing ensured</p> <p>Works contract(s) signed</p>	<p>Works completed</p>

Project 1: Corridor Vc Motorway					
Section: Johovac – Rudanka					
Project description	Technical maturity	Current stage	Actions needed	Key milestones	
				2023	2027
Construction of an approx. 6-km long motorway on the Svilaj to Dobož section of Corridor Vc, between Johovac Interchange, in Tovira, and Rudanka Interchange in Kostajnica	Works on-going	On-going works are close to completion, to be finalised by June 2022	N/A	Works completed	N/A
Section: Rudanka - Putnikovo Brdo					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 5.2 km motorway section, including 2 tunnels, associated local access roads and a rest area	Works on-going	Execution of works commenced in late 2021.	Pro-active monitoring of on-going works (completion deadline appears difficult to observe due to works' technical complexity)	Works completed (Q4)	N/A
Section: Putnikovo Brdo – Medakovo					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of 8.5 km motorway section, including 6 bridges, 3 underpasses, 2 interchanges with ancillary tolling facilities and a centre for traffic management and control	Detailed design revision completed	EU Grant has been approved since December 2019, but its signature by the Beneficiary is still pending. Loan agreement with EBRD is effective. Tender for works and supervision (with pre-qualification) started in September 2020 and expropriations were approved in July 2021. Tendering process is considerably delayed (pre-qualification notice for works published in early February 2022).	- Finalise administrative grant signature proceedings; - Expedite tender for supervision and works	Contracts signed, works on-going	Works completed

Project 1: Corridor Vc Motorway					
Section: Medakovo – Ozimice					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of 21.7 km of Motorway, including the 2218 m long tunnel Crni Vrh, 7 long bridges, total length about 2.8 km, Galovac service station area, interchange at Ozimice.	Detailed Design (completed in 2020)	<p>Application for EU grant positively screened in late 2021. EIB loan financing has been ensured since late 2020.</p> <p>Prior information notice for works was published in April 2021 but no contract notice followed (despite being anticipated for May 2021). Restricted tender for project management launched in January 2022.</p>	<p>- Accelerate tender launching for supervision and works (critical delays between the point when the project reached technical maturity, the point when financing was ensured, and procurement launching).</p> <p>- Ensure close coordination with adjoining Ozimice – Poprikuse section whose timely finalisation is critical for Medakovo – Ozimice becoming operational</p>	Procurement finalised, works started	Works completed
Section: Ozimice – Poprikuse					
Project description	Technical maturity	Current stage	Actions needed	Key milestones	
				2023	2027
The construction of about 12.8 km of motorway, including: five tunnels with aggregate length of about 2.7 km, nine long bridges with aggregate length of about 2.1 km, one non-serviced rest area and noise reduction barriers.	Preliminary Design (completed in 2014)	<p>EIB loan financing has been ensured since late 2020. Grant application form submitted in 2021 but later withdrawn.</p> <p>Prior information notice for works was published in April 2021 but no contract notice followed.</p> <p>The Beneficiary is in course of preparing the Detailed Design (tender status to be confirmed)</p>	<p>- finalise Detailed Design</p> <p>- decision on grant financing</p> <p>- launch procurement for works and supervision services once design is finalised</p>	Procurement finalised Works started	Works completed
Section: Poprikuse – Nemila					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 5.5 km motorway section, including a 3.65 km twin tunnel at Golubinja, a mini-Centre for Traffic Maintenance and Control, two viaducts, two bridges over the Bosna River and the Poprikuše interchange	Works on-going	<p>Grant approved in late 2019, grant signature expected for Q1 2022. Loan agreements with EIB and EBRD signed.</p> <p>Design-build and supervision contracts were awarded in 2020. Preparatory works started in July 2021.</p>	<p>- Expedite INV grant signature.</p> <p>- Pro-active monitoring of on-going works</p>	Physical progress > 50%	Works completed

Project 1: Corridor Vc Motorway					
Section: Nemila – Vranduk					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of approximately 5.67 km of motorway, including Bosna River regulation works	Detailed Design	Financing ensured through Kuwait Fund for Arabic Economic Development. Pre-qualification invitation published in 2019.	- Expedite procurement process	Contracts awarded and physical works started on ground	Works completed
Section: Vranduk – Ponirak					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of app. 5.3 km of motorway, including 2 bridges, 1 tunnel and 3 viaducts	Works on-going	Financing ensured through OPEC Fund for International Development. Works contract awarded in 2019, time for completion is 24 months. There is considerable delay in execution.	Ensure close monitoring of works and quick solving of technical and contractual problems	Works completed	N/A
Section: Ponirak - Vraca					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 2.8 km motorway section, including 2.4 km long Zenica twin tunnel, viaduct, and ancillary structures.	Works on-going	Works will most probably be extended by 12 months.	- Close monitoring and proactive contract management	Works completed	N/A
Section: Vraca (Tunnel Zenica) – Donja Gračanica					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
4.1 km of modern road, including: two tunnels, four viaducts, access road to Zenica, and interchange to Zenica North with tolling facilities.	Works completed	Works were mainly completed. On 15 July 2021, 2 km of motorway was opened to traffic as part of Zenica bypass. Use of the remaining part is dependent on finalisation of Zenica tunnel	N/A	Full section opened for traffic	N/A
Section: Tarčin – Ivan					
Project description	Technical maturity	Current stage	Actions needed	Key milestones	
				2023	2027
The project consists in approximately 6.9 of motorway, including 2 bridges and the 1.76 km-long Tarčin twin tunnel	Works on-going	Section has been split in two lots with EIB and EBRD co-financing. Both contracts have been signed and works are progressing.	Close monitoring and proactive contract management	Works completed	N/A

Project 1: Corridor Vc Motorway					
Section: Ivan – Ovčari					
Project description	Technical maturity	Current stage	Actions needed	Key milestones	
				2023	2027
Approximately 11.3 km of motorway in difficult mountainous terrain (bridges and tunnels make up 70% of the highway route)	Feasibility Study in course of revision	WBIF financed TA has been mobilised to bridge the project's maturity gap. Apart from Feasibility Study revision, it will entail Preliminary Design and ESIA (in phase 1) and main/detailed design, a procurement plan and tender documents for works (phase 2). Works execution should be also financed through WBIF. Discussions are currently on-going for the entire Ovčari – Mostar North sector.	<ul style="list-style-type: none"> - Close monitoring of TA progress in order to ensure high quality technical outputs - Decision on project financing strategy; - Loan negotiation and GAF preparation start 	Detailed Design completed; Financing ensured; Tenders for works and supervision started;	Works completed/close to completion
Section: Ovčari – Prenj					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 22 km-long motorway section with 3 tunnels (including the 10 km-long Prenj tunnel), 6 bridges and an interchange	Feasibility Study/ Preliminary Design (Prenj tunnel)	WBIF financed TA has been mobilised for Detailed Design and Tender Documents preparation. Pre-qualification started for consultancy services aiming to update Preliminary Design with Detailed Design elements and tender documents for Prenj tunnel Works execution should also be financed through WBIF. Discussions are currently on-going for the entire Ovčari – Mostar North sector.	<ul style="list-style-type: none"> - Close monitoring of TA progress in order to ensure high quality technical outputs; - Award TA services for Prenj Tunnel design and tender documents; - Decision on project financing strategy; - Loan negotiation and GAF preparation start 	Preliminary studies completed; Financing ensured; Tenders for works and supervision started;	Works on-going on entire project length
Section: Prenj – Mostar North					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of an approx. 13.5 km-long motorway section including two tunnels and three bridges.	Preliminary Design	WBIF financed TA has been mobilised for bridging gaps in project preparation, as follows: - ESIA and Gap analysis on Konjic – Mostar section; - DD for the entire project length	<ul style="list-style-type: none"> - Close monitoring of TA progress in order to ensure high quality technical outputs - Decision on project financing strategy; - Loan negotiation and GAF preparation start 	Preliminary studies completed; Financing ensured; Tenders for works and supervision started;	Works completed/close to completion

Project 1: Corridor Vc Motorway					
Section: Mostar bypass					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of approx. 15.4 km of motorway that will bypass the city of Mostar	Feasibility Study	Discussions on-going with the EBRD and commercial banks for project financing. EBRD loan assessment passed concept review, pending final review.	- Ensure project financing - Launch procurement for Preliminary and Detailed Design preparation	Detailed Design ready	Works completed/close to completion
Section: Mostar South – Kvanj Tunnel					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Cosntruction of 9.2 km of motorway, including 1 tunnel, 1 overpass, 1 underpass, 2 bridges, 1 viaduct and 1 toll station	Preliminary Design	Financing ensured through EBRD loan. 2-stage procedures for design-build and works supervision were launched in late 2020	Expedite selection of contractors and consultants	Contract awarded	Works completed
Section: Kvanj Tunnel – Buna					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of 5.25 km of motorway, including the 2.6 km-long Kvanj tunnel and 1 bridge	Preliminary Design	Prolonged tendering process for works (procedure started in December 2019 and still on-going).	- Finalise tendering process - Ensure efficient and proactive contract management	Design ready, works commenced	Works finalised
Section: Buna – Počitelj					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of approximately 7.2 km of new motorway, including associated local access roads and a rest area	Works completed	Works completed	Section will only become operational on completion of the subsections: Počitelj-Zvirovići (Q4 2022) and Tunnel Kvanj-Buna (Q4 2024).	N/A	Section fully operational
Section: Počitelj - Zvirovici					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Building of a 11.1 km-long motorway subsection, including four bridges, one tunnel, local roads, rest areas, and interchanges	Works on-going	Works contracts (2 lots) and supervision are signed. Works are delayed, estimated time extension is 12 - 15 months.	Ensure efficient and proactive management of the works contract to mitigate delay effects	Works completed	N/A

Project 2: Belgrade - Boljare – Bar					
Regional Partner: Serbia					
Section: Preljina – Pozega					
Project description	Technical maturity	Current stage	Actions needed	Key milestones	
				2023	2027
Construction of a 30.96 long motorway section on the Belgrade - Bar corridor	Works on-going	Financing ensured through Chinese loan. Works are currently on-going	N/A	Works completed	N/A
Section: Pozega – Boljare					
Project description	Technical maturity	Current stage	Actions needed	Key milestones	
				2023	2027
Construction of a 107 km road section on challenging terrain	Pre-feasibility Study	Project ranked 7th in Serbia's SPP (transport projects). A Memorandum of Understanding was signed with a Chinese company in 2018 for preparation of technical documentations. Another MoU was signed with China in April 2019.	<ul style="list-style-type: none"> - Fiscal space availability assessment under mid- to longer term scenarios; - Decide on technical implementation of project and financing strategy; - Progress with priority actions decided upon. 	<ul style="list-style-type: none"> Mid-term budgetary ceilings identified; Project implementation strategy decided upon; 	Works on-going on priority section(s)
Regional Partner: Montenegro					
Section: Boljare – Andrijevisa					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 52 km long motorway from SRB border to Andrijevisa, part of the Bar - Boljare highway	Feasibility Study	Feasibility Study prepared in 2008, revised in 2009. New Feasibility Study with CBA revision under WBIF almost completed.	<ul style="list-style-type: none"> - Fiscal space availability assessment in mid- to long term; - Determine implementation strategy for the entire corridor based on the outcome of the revised FS and fiscal space availability. 	<ul style="list-style-type: none"> Mid-term budgetary ceilings identified; Project's implementation strategy decided upon; 	Works on-going on priority section(s)

Project 2: Belgrade - Boljare – Bar					
Section: Andrijevića – Matesevo					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 21 km-long motorway on Andrijevića - Matesevo section of the Bar - Boljare highway	Feasibility Study	Feasibility Study prepared in 2008, revised in 2009. New Feasibility Study with CBA revision under WBIF (almost completed). PD and ESIA currently under preparation with WBIF grant financing.	<ul style="list-style-type: none"> - Fiscal space availability assessment mid-to long term; - Determine implementation strategy for the entire corridor based on the outcome of the revised FS and fiscal space availability; - Close and pro-active monitoring of the on-going TA. 	<ul style="list-style-type: none"> Mid-term budgetary ceilings identified; Project implementation strategy decided upon; Financing ensured; 	Works on-going
Section: Matesevo – Smokovac					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 42.5 km long motorway on Matesevo - Somovac section of the Bar - Boljare highway, including 20 km of tunnels and 4.5 km of bridges	Works completed	Section soon to be opened for traffic	Works commissioning	Section fully operational	N/A
Section: Podgorica bypass (Smokovac - Tolosi – Farmaci)					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of an 18 km motorway bypass of Podgorica, part of the Bar - Boljare highway	Feasibility Study	Feasibility Study prepared in 2008, revised in 2009. New Feasibility Study with CBA revision under WBIF (almost completed). PD and ESIA currently under preparation with WBIF grant financing.	<ul style="list-style-type: none"> - Fiscal space availability assessment mid-to long term; - Determine implementation strategy for the entire corridor based on the outcome of the revised FS and fiscal space availability; - Close and pro-active monitoring of on-going TA. 	<ul style="list-style-type: none"> Financing ensured; Tender for works finalised 	Works completed

Project 2: Belgrade - Boljare – Bar					
Section: Farmaci -Djurmani					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 34 km motorway on Farmaci - Djurmani section of Bar - Boljare highway.	Feasibility Study	Feasibility Study prepared in 2008, revised in 2009. New Feasibility Study with CBA revision under WBIF almost completed.	<ul style="list-style-type: none"> - Fiscal space availability assessment mid- to long term - Determine implementation strategy for the entire corridor based on the outcome of revised FS and fiscal space availability. 	<ul style="list-style-type: none"> Mid-term budgetary ceilings identified; Project implementation strategy decided; 	Works on-going on priority section(s)
Project 3: Sarajevo – Podgorica connection					
Regional Partner: Bosnia and Herzegovina					
Section: Sarajevo - Foca (Brod na Drini)					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction/ improvement of road on route Sarajevo - Podgorica	Spatial documentation	Project ranked 18th in B&H SPP. Spatial documentation approved. No	<ul style="list-style-type: none"> - Fiscal space availability assessment mid- to long term - Determine implementation strategy; 	<ul style="list-style-type: none"> Mid-term budgetary ceilings identified; Project implementation strategy decided; 	Financing ensured for priority section(s)
Section: Foca - Hum					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction/ improvement of 23.35 km of road on route Sarajevo – Podgorica, including the interstate bridge at the BIH/ MNE border	Detailed Design	<p>Feasibility Study prepared under WBIF with EBRD financing. Detailed Design with EU grant.</p> <p>Agreement at ministerial level between BIH and MNE on construction of a bridge on the Tara River and the connecting road sections.</p>	<ul style="list-style-type: none"> - Secure financing for execution of works 	Financing secured	Works completed

Project 3: Sarajevo – Podgorica connection					
Regional Partner: Montenegro					
Section: Scepan Polje – Pluzine					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
<p>Reconstruction of the existing sub-section from</p> <p>Pluzine to Paklice and construction of a new sub-section from Paklice to Scepan Polje, including a border crossing bridge</p>	Preliminary Design	<p>Feasibility Study completed in 2011.</p> <p>Detailed Design currently under preparation with WBIF grant for the Paklice to Scepan Polje sector (new alignment). The project is experiencing significant delay, overall timeline and priority level are unclear.</p>	<ul style="list-style-type: none"> - Fiscal space availability assessment mid-to long term - Determine implementation strategy; - Close and proactive monitoring of on-going TA 	<p>Mid-term budgetary ceilings identified;</p> <p>Project implementation strategy decided;</p>	<p>Financing secured</p> <p>Works on-going</p>

Project 1: Upgrade of the Rail Corridor Vc					
Regional Partner: Bosnia and Herzegovina					
Section: Samac – Doboj – Rjecica					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
<p>This project is part of the initiative to complete Corridor Vc connecting the port of Ploce on the Croatian Adriatic with Budapest. Over 325 km of Corridor Vc runs through Bosnia and Herzegovina. The 85 km Samac – Doboj – Rjecica section has been approved by the WBIF mechanism. Grant provided is 82 mil EUR Estimated amount is 162.5 million EUR.</p>	Detail design from 2011.	<p>Revision of the detail design is in final phase. JASPERS support in place.</p> <p>Estimation for tender procedure is 2023.</p>	<p>To speed up work of consultant on revision of the detail design</p> <p>To start negotiation with leading financial institution (EBRD)</p> <p>To draft a loan agreement in the next few months</p> <p>To ratify loan agreement in this year</p>	Tender procedure is ongoing	Completion of works
Section: Samac – Doboj – Rjecica					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
<p>This project of 172 km covers two main sections. The first includes the 95 km Srpska Kostajnica – Doboj – Maglaj – Jelina double track and 77 km of Jelina – Zenica – Podlugovi – Rasputnica Miljacka single track section. It envisages upgrade and reconstruction of the Doboj-Rasputnica Miljacka railway line, including Zenica and Podlugovi freight and passenger stations, as well as the construction of doubled track along the existing one for sub-section Jelina – Zenica – Podlugovi – Rasputnica Miljacka.</p>	Feasibility study	Preliminary design is ongoing	<p>To finish preliminary design</p> <p>To submit GAF for detail design</p>	Detail design is ready	Construction works are ongoing

Project 2: Modernisation of the Rail ROUTE 4					
Regional Partner: Montenegro					
Section: Vrbnica – Bar					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Rehabilitation and modernisation of the Route 4; envisages complete overhaul and modernisation of signal system and tele-communications. Design speed (from 80-100) should be achieved after implementation. Stretch is 159 km	Detail design is ongoing	Some sections are already done. Next, MNE should focus on the Podgorica-Virpazar-Bar stretch. Project for electric power supply is ongoing.		- Preparation of all technical documentation for Route 4 completed	Works completed
Reconstruction of ten bridges on Route 4					
Reconstruction of ten bridges is urgent, particularly in view of a high risk of corrosion to steel structures.	Detail design is ready	Construction works are ongoing. Expected deadline for completion is second half of 2022.		All works completed. Bridges in operation	
Project 2: Modernisation of the Rail ROUTE 10					
Regional Partner: Kosovo					
Section: (border with MK)-Hani Elezit – Lesak (CCP with Serbia)					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2025
Railway Route 10 in Kosovo is 148 km long, extending from the common crossing point with Serbia in the north of Kosovo (near Leshak station) to the border with North Macedonia (Hani i Elezit station) Full modernisation of Route 10 is divided into three parts: - Hani Elezit – Fushe Kosovo - Fushe Kosovo – Mitrovica - Mitrovica – Lesak Total estimated cost of the project is EUR 245 million	Detail design done for the first two phases. Preliminary design ready for third phase.	The general rehabilitation and modernisation of Phase One began in August 2019 and was completed in 2021. Construction works are ongoing on Kosovo Polje – Mitrovica stretch. Detail design is under preparation for the third section (Mitrovica-Lesak)	Completion of detail design for the Mitrovica – Lesak section. Speed up construction works on Kosovo Polje – Mitrovica section.	Works completed on first two phases. Works ongoing on third section	Whole line in operation

FLAGSHIP 3 – CONNECTING THE COASTAL REGIONS

Project 1: Modernisation of Rail ROUTE 2					
Regional Partner: Albania					
Section: Vore – Hani Hotit (border with MNE)					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
<p>Vore – Hani Hotit is a 120 km stretch on Core Network.</p> <p>Project envisages full rehabilitation of the line with design and operational speed between 80 and 100 km/h.</p> <p>Also, preparatory work for the electrification is predicted</p>	Detail design is ready.	<p>Project got green light from WBIF in December 2021.</p> <p>Leading financial institutions are EBRD and EIB.</p>	Negotiation with EBRD/EIB should start asap in order to prepare Loan agreement.	Tender procedure launched and construction works start in second half of 2023.	Completion of works
Section: Tirana – Durres					
Tirana Durres with direct connection to the airport is a 41 km rail line.	<p>Detail design is ready.</p> <p>Construction permit issued</p>	Works are ongoing (30 January 2022).	Solving issues regarding land acquisition	All legal issues solved	Completion of works
Regional Partner: Montenegro					
Section: Podgorica – Tuzi (border with Albania)					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
<p>Railway line Podgorica –Tuzi (24.70km), was opened to traffic in 1986. Includes 5 bridges, 3 tunnels and 24 culverts. There is one station on the line at Tuzi. Track was designed for train speed of up to 100 km /h. The railway is equipped with all the necessary automatic, safety, signalling and telecommunication devices, but is not electrified.</p> <p>Full overhaul will be done with preparatory work for electrification.</p>	Feasibility study done.	<p>Current operational speed is 40 km/h.</p> <p>Detail design is in plan.</p>	<p>Completion of technical documentation by 2023 because of the sustainability of the project. Albania is planning to start construction works in 2023, so MNE should follow this tempo.</p> <p>Source of financing should be sought.</p>	<p>Project is finance secured.</p> <p>All documentation complete.</p> <p>Tender procedure is ongoing in second half of 2023.</p>	Completion of construction works

Project 1: The Blue Highway					
Regional Partner: Montenegro					
Section: HR Border - Bijela					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 17 km section of the Adriatic Ionian Motorway, including the Herceg Novi and Herceg Novi - Bijela bypass sections	Feasibility Study	<p>FS for the entire AIH corridor completed in late 2020.</p> <p>Section was marked in MNE SPP as ready for preparation of technical documentation (projects with gaps in spatial planning documentation and resolving of property-related issues ongoing or unresolved.)</p> <p>To be implemented in 2 lots, of which Herceg Novi bypass is priority.</p>	<ul style="list-style-type: none"> - Fiscal space availability assessment mid-to long term; - Determine implementation strategy for the entire corridor based on the outcome of the revised FS and fiscal space availability; - Set-up clear implementation strategy and timeline for Herceg Novi bypass 	Clear implementation strategy and timeline for Herceg Novi bypass established	As per the agreed implementation timeline
Section: Boka Bay bridge					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a bridge over Boka Kotorska Bay, viaducts and access roads	Feasibility Study	<p>FS for the entire AIH corridor completed in late 2020.</p> <p>Detailed Design dated 2004, probably in need of revision. MNE SPP 2019 marked the section "preparation of technical documentation ongoing".</p>	<ul style="list-style-type: none"> - Fiscal space availability assessment mid-to long term; - Determine implementation strategy for the entire corridor based on the outcome of the revised FS and fiscal space availability; - Set-up clear implementation strategy and timeline for the project 	Clear implementation strategy and timeline established	As per the agreed implementation timeline

Project 1: The Blue Highway					
Section: Tivat bypass					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of Tivat bypass (expressway route and access roads-connectors on the existing main roads)	Preliminary Design	Preliminary design prepared in 2009 - 2011. FS for the entire AIH corridor completed in late 2020.	<ul style="list-style-type: none"> - Fiscal space availability assessment mid- to long term; - Determine the implementation strategy for the entire corridor based on the outcome of the revised FS and the fiscal space availability; - Set-up clear implementation strategy and timeline for the project 	Clear implementation strategy and timeline established	As per the agreed implementation timeline
Section: Tivat – Sozina					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a high-quality connection between Tivat and Sozina on the Adriatic - Ionian corridor, (excluding Budva bypass)	Feasibility Study	FS for the entire AIH corridor completed in late 2020.	<ul style="list-style-type: none"> - Fiscal space availability assessment mid- to long term; - Determine implementation strategy for the entire corridor based on the outcome of the revised FS and the fiscal space availability; - Set-up clear implementation strategy and timeline for the project 	Clear implementation strategy and timeline established	As per the agreed implementation timeline
Section: Budva bypass					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 13 km long bypass around the city of Budva, including 3 interchanges and 8.6 km of access roads (connections to existing network)	Feasibility Study	<p>FS for the entire AIH corridor completed in late 2020.</p> <p>Preliminary Design with ESIA and Detailed Design to be prepared with WBIF grant. WBIF financing for works ensured.</p> <p>Project is currently considering postponement (including grant cancellation) due to unavailability of national co-financing.</p>	<ul style="list-style-type: none"> - Fiscal space availability assessment on mid- to long term; - Set-up clear implementation strategy and timeline for the project; - Adapt on-going TAs to fit the agreed implementation strategy 	Clear implementation strategy and timeline established	<p>Financing ensured.</p> <p>Tender for works launched.</p>

Project 1: The Blue Highway					
Section: Sozina – Bar					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Cosntruction of a high-quality connection between Sozina and the port of Bar on the Adriatic - Ionian corridor	Feasibility Study	FS for the entire AIH corridor completed in late 2020.	<ul style="list-style-type: none"> - Fiscal space availability assessment mid-to long term; - Determine implementation strategy for the entire corridor based on the outcome of the revised FS and fiscal space availability; - Set-up clear implementation strategy and timeline for the project 	Clear implementation strategy and timeline established	As per the agreed implementation timeline
Section: Bypass Bar					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a bypass around city of Bar on the Adriatic Ionian Corridor	Preliminary Design	Preliminary design prepared in 2009 - 2011. FS for the entire AIH corridor completed in late 2020.	<ul style="list-style-type: none"> - Fiscal space availability assessment mid-to long term; - Determine implementation strategy for the entire corridor based on the outcome of the revised FS and fiscal space availability; - Set-up clear implementation strategy and timeline for the project 	Clear implementation strategy and timeline established	As per the agreed implementation timeline
Section: Bar - Albanian border					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a high quality connection between Bar bypass and the Albanian border	Feasibility Study	FS for the entire AIH corridor completed in late 2020.	<ul style="list-style-type: none"> - Fiscal space availability assessment mid-to long term; - Determine implementation strategy for the entire corridor based on the outcome of the revised FS and fiscal space availability; - Set-up clear implementation strategy and timeline for the project 	Clear implementation strategy and timeline established	As per the agreed implementation timeline

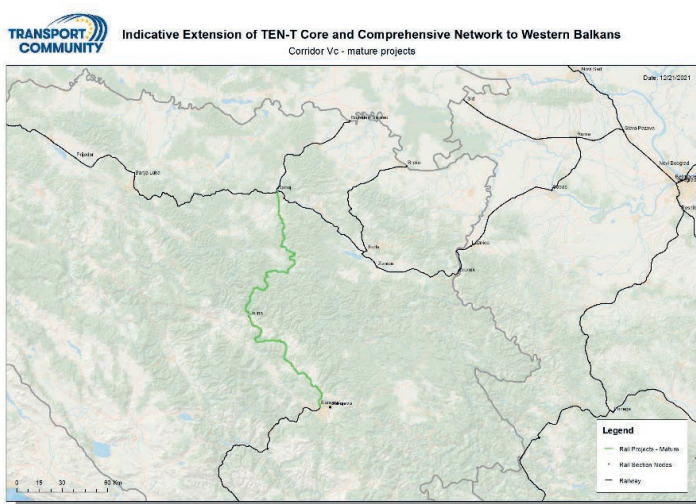
Project 1: The Blue Highway					
Regional Partner: Albania					
Section: Murriqan – Lezhe/Balldren					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 41-km long highway, including 8 interchanges, 23 underpasses and 8 bridges	Feasibility Study	<p>FS for the entire AIH corridor completed in late 2020. WBIF grant for Preliminary Design and ESIA approved in December 2020, activity started one year later.</p> <p>Following cancellation of the Millot – Fier concession, there have been public declarations that this section will be included in a new single concession Murriqan – Fier, said to be launched in the near future</p>	<p>- Close and pro-active monitoring of the on-going TA;</p> <p>- Project implementation strategy, with due consideration for all relevant constraints (including fiscal) and opportunities;</p>	<p>Preliminary Design and ESIA finalised.</p> <p>Decision on implementation strategy taken and further steps implemented.</p>	Works on-going
Section: Balldren – Millot					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2023
Construction of a 17.3 km long motorway between the cities of Millot and Lezhe, including Lezhe bypass and one tunnel	Feasibility Study	<p>FS for the entire AIH corridor completed in late 2020.</p> <p>Following cancellation of the Millot – Fier concession, there have been public declarations that this section will be included in a new single concession Murriqan – Fier, said to be launched in the near future</p>	<p>Set-up project implementation strategy, with due consideration of all relevant constraints (including fiscal) and opportunities;</p>	<p>Decision on implementation strategy taken and further steps implemented.</p>	Works on-going
Section: Millot – Thumane					
Project description	Technical maturity	Current stage	Actions needed	Key milestones	
				2023	2027
Construction of a 13.5 km-long highway between Millot and Thumane on the Adriatic Ionian Corridor	Feasibility Study	<p>FS for the entire AIH corridor completed in late 2020.</p> <p>Millot – Fier concession tender has been cancelled, allegedly soon to be relaunched.</p>	<p>- Launch concession procedure with due consideration for the resulting deficit and public debt impact (if any).</p>	<p>Concession contract awarded</p>	<p>Works on-going (Kashar Interchange finalised)</p>

Project 1: The Blue Highway					
Section: Thumane – Kashar - Rrogozhine					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 66.6 km-long highway between Thumane, Kashar and Rrogozhine on the Adriatic Ionian Corridor	Feasibility Study	FS for the entire AIH corridor completed in late 2020. Millot – Fier concession tender has been cancelled, allegedly soon to be relaunched.	- Ensure that the project's implementation strategy and timeline allow for the timely finalisation of Kashar Interchange in order to ensure full functionality of Tirana bypass; - Launch concession procedure with due consideration for the resulting deficit and public debt impact (if any).	Concession contract awarded	Works on-going (Kashar Interchange finalised)
Section: Tirana bypass (Kashar - Vaqarr – Mullet)					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 21.5 km of dual carriageway of motorway standard bypassing the capital city of Tirana on its western side	Detailed Design	Delays in DD delivery caused by Covid. Detailed Design, ESIA and Tender Documents delivered under a WBIF financed TA. Grant for investment approved in December 2020. Additional EU financing up to 40% requested, awaiting approval.	Launch tender for works supervision and project management support.	Works contract signed, works commenced	Works completed
Section: Konjat – Fier bypass					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 28 km -long highway between Konjat and the Fier bypass on the Adriatic – Ionian Corridor	Feasibility Study	FS for the entire AIH corridor completed in late 2020. Millot – Fier concession tender has been cancelled, allegedly soon to be relaunched.	Launch concession procedure with due consideration for the resulting deficit and public debt impact (if any).	Concession contract awarded	Works on-going
Section: Fier bypass – Pocem					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 26.9 km -long highway between the Fier bypass and Pocem on the Adriatic – Ionian Corridor	Feasibility Study	FS for the entire AIH corridor completed in late 2020.	Set-up project implementation strategy, with due consideration for all relevant constraints (including fiscal) and opportunities;	Decision on implementation strategy taken and further steps implemented.	As per the agreed implementation timeline

Project 1: The Blue Highway					
Section: Pocem – Memaliaj					
Project description	Technical maturity	Current stage	Actions needed	Key milestones	
				2023	2027
Construction of a 37.7 km -long highway between Pocem and Memaliaj on the Adriatic – Ionian Corridor	Feasibility Study	FS for the entire AIH corridor completed in late 2020.	Set-up project implementation strategy, WITH due consideration for all relevant constraints (including fiscal) and opportunities;	Decision on project implementing strategy taken and further steps implemented.	As per the agreed implementation timeline
Section: Memaliaj – Subashi bridge					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 20 km -long highway between Memaliaj and Subashi bridge on the Adriatic – Ionian Corridor	Feasibility Study	FS for the entire AIH corridor completed in late 2020.	Set-up project implementation strategy, with due consideration for all relevant constraints (including fiscal) and opportunities;	Decision on project implementation strategy taken and further steps implemented.	As per the agreed implementation timeline
Section: Subashi bridge – Gjirokaster bypass					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 10 km -long highway between Subashi bridge and Gjirokaster bypass on the Adriatic – Ionian Corridor	Feasibility Study	FS for the entire AIH corridor completed in late 2020.	Set-up project implementation strategy, with due consideration for all relevant constraints (including fiscal) and opportunities;	Decision on project implementation strategy taken and further steps implemented.	As per the agreed implementation timeline
Section: Gjirokaster bypass					
Project description	Technical maturity	Current stage	Action needed	Key milestones	
				2023	2027
Construction of a 10 km-long highway section bypassing the town of Gjirokaster	Detailed Design	FS for the entire AIH corridor completed in late 2020.	Set-up project implementation strategy, with due consideration for all relevant constraints (including fiscal) and opportunities;	Decision on project implementation strategy taken and further steps implemented.	As per the agreed implementation timeline
Section: Gjirokaster – Kakavije					
Project description	Technical maturity	Current stage	Actions needed	Key milestones	
				2023	2027
Construction of a 23.8 km -long highway between Gjirokaster and Kakavije on the Adriatic – Ionian Corridor	Feasibility Study	FS for the entire AIH corridor completed in late 2020.	Set-up project implementation strategy, with due consideration for all relevant constraints (including fiscal) and opportunities;	Decision on project implementation strategy taken and further steps implemented.	As per the agreed implementation timeline

ANNEX 2

RAILWAY PROJECT FICHES



Regional Partner:

Bosnia and Herzegovina

Double track sections

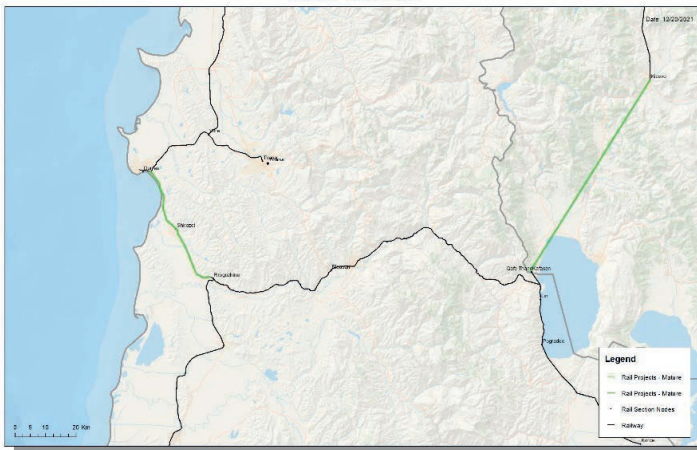
55% or 95 km

Includes green and digital elements:

Electrification

Figure 19. Overview of priority project on Railway Corridor Vc

Priority Project Name	Upgrade and reconstruction of the Doboj-Rasputnica Miljacka		
Regional Partner	Length (km)	Estimated cost (M€)	Type of works
Bosnia and Herzegovina	172	500	Upgrade/Reconstruction
Core Network segment	Strategic Projects		Technical status
Yes	National strategies, Single Project Pipeline		Feasibility Study (including Cost-Benefit Analysis)
Project Description	<p>This project of 172 km covers two main sections. The first one includes the 95 km Srpska Kostajnica – Doboj – Maglaj – Jelina double track and 77 km of Jelina – Zenica – Podlugovi – Rasputnica Miljacka single track section.</p> <p>Envisages upgrade and reconstruction of the Doboj-Rasputnica Miljacka railway line, including the Zenica and Podlugovi freight and passenger stations, as well as the construction of doubled track along the existing one for sub-section Jelina – Zenica – Podlugovi – Rasputnica Miljacka.</p>		
Expected Benefits	<p>The project will result in savings in vehicle operating costs, transport time and maintenance costs, and will enhance the capacity and reliability of the railway sections and traffic safety. It is expected to contribute to a modal shift from road to railway, yielding environmental and road safety benefits. The project also contributes to climate change mitigation.</p>		



Regional Partner:

Albania
North Macedonia

Double track sections

0 % or 0 km

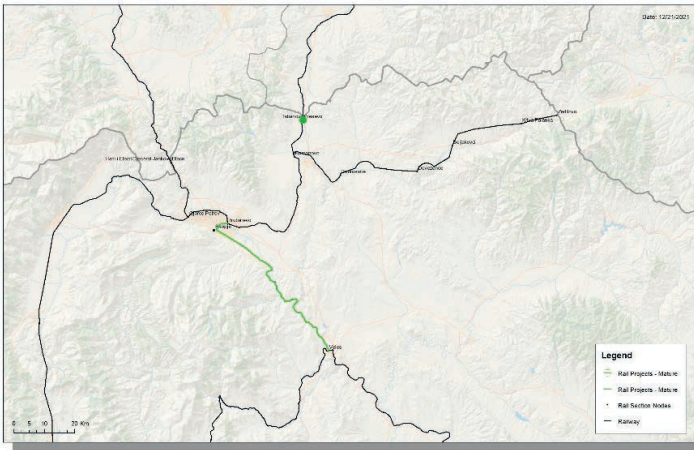
Includes green and digital elements:

Electrification
ERTMS
ETCS Level 1

Figure 20. Overview of priority project on Railway Corridor VIII

Priority Project Name	Construction works on the Kicevo – Albanian Border railway section along Corridor VIII		
Regional Partner North Macedonia	Length (km) 62	Estimated cost (M€) 426	Type of works New Construction
Core Network segment No	Strategic Projects National strategies, Single Project Pipeline		Technical status Detailed Design
Project Description	<p>The objective of this project is to build a railway line from Kicevo to the border with the Republic of Albania.</p> <p>Construction of the line together with other missing sections of Corridor VIII would provide the population and national economy with cheaper and faster transportation. Connecting the Republic of North Macedonia with neighbouring countries by rail would contribute to economic development and strengthen economic and trade activities in the country and the region.</p> <p>The new link will improve the life and economic status of the local population, particularly in the areas served by railway stations. It would also contribute to regional development in general (western Macedonia). Additionally, the line will connect the Republic of Macedonia with the Republic of Albania, providing way access to the Adriatic ports of Durres and Vlore. This is of great importance for North Macedonia, a landlocked country.</p>		
Expected Benefits	<ul style="list-style-type: none"> o Would form part of the transnational route connecting the Mediterranean/Adriatic Transport Area with the Black Sea Transport Area; o Facilitation and boosting of trade exchanges between Bulgaria, North Macedonia and Albania; o Improvement of rail passenger services along the project section and to/from destinations such as Tirana, Skopje, and Bulgaria. <p>EIRR: 6.67%</p>		

Priority Project Name	Corridor VIII Railway Albania: Reconstruction of Durres to Rrogzhine		
Regional Partner Albania	Length (km) 34	Estimated cost (M€) 78	Type of works Upgrade/Reconstruction
Core Network segment No	Strategic Projects National strategies, Single Project Pipeline, EC Economic and Investment Plan (indirectly Flagship 3 as continuation of Podgorica-Tirana-Durres line)		Technical status Detailed Design
Project Description	<p>The overall objective of the project is to contribute to the upgrade of the TEN-T railway network in Albania, which will result in improved transport connectivity, increased railway traffic (and decrease of road traffic), thus contributing to railway modal shift, reduction of environmental impact, strengthening of green economy, reduction of rail and road accident rates.</p>		
Expected Benefits	<p>The completion of Corridor VIII on the Albanian side. The project will establish for the first time a direct railway connection between Rrogzhina, Lekaj, Kavaja, and Golem to Tirana, via connection to the new Durres-Tirana line which is contracted for construction. Conversely, the inhabitants of Tirana would for the first time be able to access the very pretty and developed coastal area of Albania between Durres, Golem and Kavaja by train, without changing mode of transport. This is expected significantly to change current transport patterns between the most populous city of Albania and its most important tourist destination.</p> <p>EIRR: 9.2%</p>		



Regional Partner:

North Macedonia

Double track sections

0 % or 0 km

Includes green and digital elements:

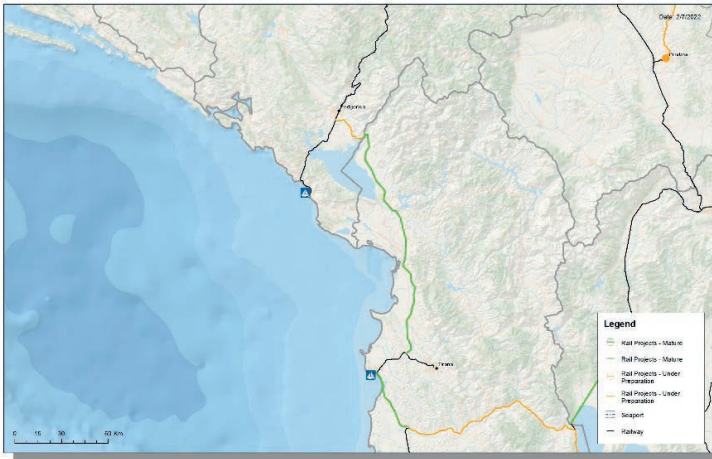
- Electrification
- ERTMS
- ETCS Level 1

Figure 21. Overview of priority projects on the railway Corridor X

Priority Project Name	Construction of Joint Railway Border Crossing Station (JRBS) and access road at Tabanovce between Republic of North Macedonia and Republic of Serbia		
Regional Partner	Length (km)	Estimated cost (M€)	Type of works
North Macedonia	N/A	5.5	New Construction
Core Network segment	Strategic Projects		Technical status
Yes	National strategies, Single Project Pipeline		Detailed Design
Project Description	The Tabanovce railway border crossing is located along Corridor X which is linked to TEN-T Networks. Strategically, it is one of the most important border crossings both for MKD and transport from Central Europe to SEE, including Turkey and Central Asia. The existing railway station is approximately 0.9 km north-east of Tabanovce village. The road and railroad Corridors X run almost in parallel, both stretching north - south, and are approximately 0.5 km apart. Construction works includes building all facilities for border police, inspections, customs and railway staff.		
Expected Benefits	Common BCP between SRB and MKD. Implementation of this project will cut time spent at the border by 50% in passenger and freight traffic. The main benefits from Joint Railway Border Stations are time savings for trains, passengers and freight transiting borders between countries, and economies of scale because two separate stations are reduced to one. The proximity to the road border crossing at Tabanovce will allow the fast transfer of phytosanitary, veterinary and other specialised inspections between both JRBS and road station via a new access road to be constructed linking them.		

Priority Project Name	Construction works on Dracevo – Veles railway section along Corridor X		
Regional Partner	Length (km)	Estimated cost (M€)	Type of works
North Macedonia	39	550	New Construction
Core Network segment	Strategic Projects		Technical status
Yes	National strategies, Single Project Pipeline		Feasibility study
Project Description	The Dracevo - Veles railway section is located along Corridor X which is linked to TEN-T Networks. Strategically, it is one of the most important parts of Corridor X through MKD, and for transport from Central Europe to SEE, including Turkey and Central Asia. The current conditions need to be improved. The project envisages the following: 1. main TEN-T standards respected with exception of train length. 2. ERTMS is foreseen in separate project. 3. Electrification: 25 kV 50 Hz 4. Maximum weights category D4 (maximum weight per axle: 22.5 t; maximum linear weight per meter: 8 t/m) 5. Traffic regulation: Automatic Block Signals (ABS)		
Expected Benefits	The construction of the new alignment of this rail section on Corridor X will contribute to improving railway-based activities in several ways: by attracting greater domestic passenger and freight movements (currently either undertaken by road or not at all); by increasing international passenger traffic; by increasing usage of rail transport for trade imports; by increasing usage of railway for trade exports; by increasing usage of railway by international transit traffic.		

Priority Project Name	Rehabilitation/reconstruction of the Kumanovo – Deljadrovce railway section		
Regional Partner North Macedonia	Length (km) 14	Estimated cost (M€) 50	Type of works Reconstruction
Core Network segment Yes	Strategic Projects National strategies, Single Project Pipeline		Technical status Feasibility study
Project Description	<p>The Kumanovo - Deljadrovce railway section is located along Corridor X which is linked to TEN-T Networks. Strategically, it is one of the most important parts of Corridor X through MKD and for transport from Central Europe to SEE, including Turkey and Central Asia. The current conditions need to be improved. The project envisages the following:</p> <ol style="list-style-type: none"> 1. main TEN-T standards respected with exception of train length. 2. ERTMS is foreseen in separate project. 3. Electrification: 25 kV 50 Hz 4. Maximum weights category D4 (maximum weight per axle: 22.5 t; maximum linear weight per meter: 8 t/m) 5. Traffic regulation: Automatic Block Signals (ABS) 		
Expected Benefits	<p>The rehabilitation, reconstruction or construction of the remaining railway section on Corridors X will contribute to improving railway-based activities in several ways: by attracting greater domestic passenger and freight movements (currently either undertaken by road or not at all); by increasing international passenger traffic; by increasing usage of railway transport for trade imports; by increasing usage of railway for trade exports; by increasing usage of railway by international transit traffic.</p>		



Regional Partner:

Albania, Montenegro

Double track sections

0 % or 0 km

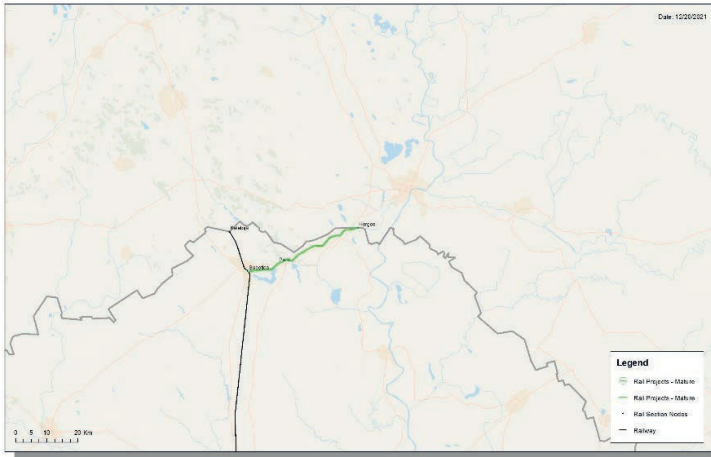
Includes green and digital elements:

ERTMS
ETCS Level 1
Electrification

Figure 22. Overview of priority project on the railway Route 2b

Priority Project Name	Rehabilitation of Vore - Hani i Hotit Railway Line		
Regional Partner Albania	Length (km) 120	Estimated cost (M€) 260	Type of works Upgrade/Reconstruction
Core Network segment Yes	Strategic Projects National strategies, Single Project Pipeline, EC Economic and Investment Plan (Flagship 3)		Technical status Detailed Design
Project Description	The general objective of the project is the rehabilitation of the railway line Vore - Hani i Hotit to enable provision of transport services and increased safety and speed to EU standards, as well as implementing the EU <i>acquis</i> . The project consists of rehabilitating the railway line Vore - Hani i Hotit (border with Montenegro), for increased speed and uniform classification (UIC D4 category, 22.5 tons/axle, and 8.0 tons/m). There is immediate need for the rehabilitation and modernisation of this line along with achievement of the projected speed and increased safety conditions.		
Expected Benefits	Upgrade of a stretch on the Core Network and enhancing connection with neighbours (currently this is the only Albanian railway border connection): - create better conditions for the development of passenger and freight services; - improve transport capacity; - develop multimodal and intermodal transport in Albania and the wider region; - integrate the line into the regional and EU railway networks.		

Priority Project Name	Reconstruction and Modernisation of the Podgorica - Tuzi - Cross Border Albania Railway Line		
Regional Partner Montenegro	Length (km) 25	Estimated cost (M€) 84.4	Type of works Upgrade/Reconstruction
Core Network segment Yes	Strategic Projects National strategies, Single Project Pipeline, EC Economic and Investment Plan (Flagship 3)		Technical status Detailed Design
Project Description	The Podgorica –Tuzi railway line (open railway 24.70km), was opened to traffic in 1986 and has 5 bridges, 3 tunnels and 24 culverts. There is one station at Tuzi. From 1992-2002, the line was closed for passenger traffic, and only freight transport was performed. The track was designed for train speeds of up to 100 km/h. The railway is equipped with all the necessary automatic, safety and signalling and telecommunication devices but is not electrified. Investment involves the following: • Preparing design technical documentation • Track reconstruction and modernisation of structural objects on line • Modernisation and reconstruction of signalling- interlocking devices and contact line • Reconstruction and adaptation of station and cross border facilities.		
Expected Benefits	Reconstruction and modernisation of the Podgorica-Tuzi railway line aims at increasing rail safety and security, reducing travel time, and average train speed. Other objectives are: improved equality of services in railway traffic, evaluation of the capacity of the Port of Bar, and the development of tourism. The project would mean an appropriate development of economic activities, efficient functioning of the airport, and greater use of capacity at Bar Port. The over-all achievement would be better infrastructure connections for transit traffic.		



Regional Partner:

Serbia

Double track sections

0 % or 0 km

Includes green and digital elements:

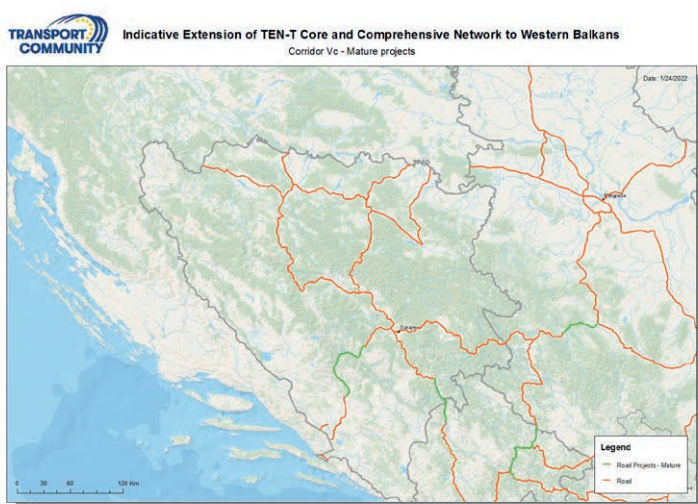
- Electrification
- ERTMS
- ETCS Level 1

Figure 23. Overview of priority project on Railway Route 13

Priority Project Name	Modernisation and reconstruction of existing Subotica – Horgos – Hungarian border (Segedin) railway line		
Regional Partner Serbia	Length (km) 27	Estimated cost (M€) 100	Type of works Upgrade/Reconstruction
Core Network segment No	Strategic Projects National strategies, Single Project Pipeline		Technical status Construction and other statutory permits
Project Description	The Subotica-Segedin line is a single track, unelectrified regional railway link connecting the north of Serbia with southern Hungary. The project envisages reconstruction of 26 km for speeds of up to 120 km/h, including interventions on substructure and superstructure, telecommunications and signalling system devices.		
Expected Benefits	Implementation of this project will mean better connectivity between Hungary and Serbia and two large cities in that region (Subotica and Segedin).		

ANNEX 3

ROAD PROJECT FICHES



Corridor Vc

Regional Partner:

Bosnia and Herzegovina

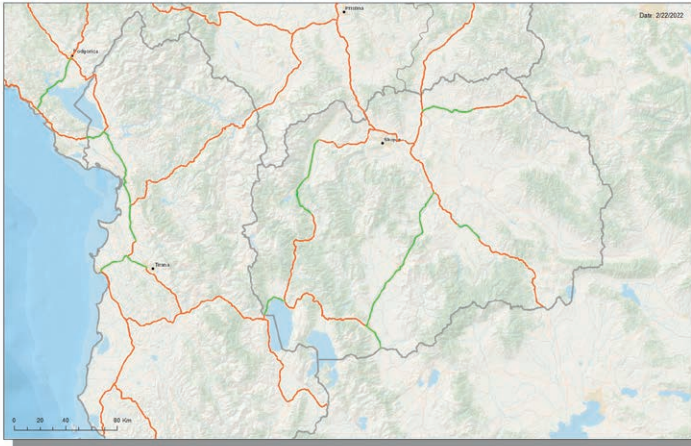
Road profile

Motorway	0 km
Express road	0 km
Conventional	400 km

Figure 24.
Overview of road priority project on Corridor Vc

Priority Project Name	Construction of the Corridor Vc motorway section: Ivan – Konjic (Ovcari) – exit from Prenj tunnelj (Salakovac)		
Regional Partner Bosnia and Herzegovina	Length (km) 33	Estimated cost (M€) 686	Type of works New construction
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP, EIP Flagship 2		Technical status Feasibility Study (including Cost-Benefit Analysis)
Project Description	Construction of approx. 33 km of motorway on Corridor Vc in difficult mountainous terrain, including the 10 km-long Prenj Tunnel.		
Expected Benefits	Expected benefits include savings in travel time and vehicle operating costs for all types of vehicles; improved road safety; shift of traffic from densely populated urban zones on the newly built infrastructure EIRR 13.9%		

Priority Project Name	Construction of the Corridor Vc motorway section: Exit from Prenj Tunnel (Salakovac) - Mostar North		
Regional Partner Bosnia and Herzegovina	Length (km)	Estimated cost (M€) 130	Type of works New
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP, EIP Flagship 2		Technical status Feasibility Study (including Cost-Benefit Analysis)
Project Description			
Expected Benefits	Expected benefits include savings in travel time and in vehicle operating costs for all types of vehicles; improved road safety; shift of traffic from densely populated urban zones on the newly built infrastructure EIRR 13.9%		



Corridor VIII

Regional Partner:

Albania

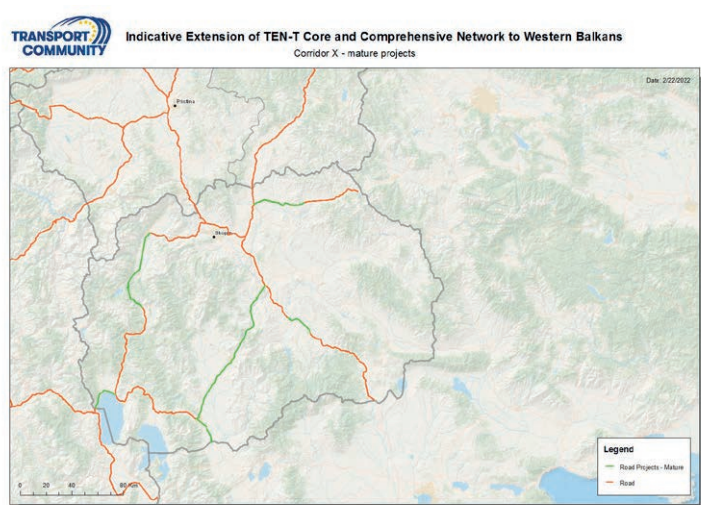
Road profile

Motorway	131 km
Express road	156 km
Conventional	429 km

Figure 25.
Overview of road priority project on Corridor VIII

Priority Project Name	Reconstruction and rehabilitation of road section Tetovo-Gostivar		
Regional Partner North Macedonia	Length (km) 22.4	Estimated cost (M€) 50	Type of works Upgrade/reconstruction
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP		Technical status FS, ESIA, PD, Detailed design
Project Description	Reconstruction and rehabilitation of road section A2 Tetovo - Gostivar with length of 22.4 km		
Expected Benefits	The overall project objective is to reduce traffic congestion and pollution while improving road safety.		
Priority Project Name	Construction of Trebeniste-Struga road section		
Regional Partner North Macedonia	Length (km) 8	Estimated cost (M€) 45	Type of works Upgrade/reconstruction
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP		Technical status Detailed design
Project Description	Construction of 8km Trebeniste - Struga road section with , part of Corridor VIII		
Expected Benefits	The overall project's objective is therefore to reduce traffic congestion and traffic pollution, improve road safety.		
Priority Project Name	Construction of Struga- Kjafasan road section		
Regional Partner North Macedonia	Length (km) 13	Estimated cost (M€) 80	Type of works Upgrade/reconstruction
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP		Technical status Detailed design, FS, ESIA
Project Description	Construction of 13.05km Struga - Kjafasan road section , part of Corridor VIII		
Expected Benefits	The project's overall objective is to reduce traffic congestion and pollution while improving road safety.		
Priority Project Name	Construction of new Romanovce – Stracin express road		
Regional Partner North Macedonia	Length (km) 30	Estimated cost (M€) 88	Type of works New construction
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP		Technical status
Project Description	Construction of new Romanovce – Stracin express road		
Expected Benefits	The project's overall objective is to improve mobility, accessibility and road safety.		

Priority Project Name	Construction of Gostivar-Kicevo road section		
Regional Partner North Macedonia	Length (km) 44	Estimated cost (M€) 280	Type of works New construction
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP		Technical status Finalisation of detailed design for Bukojcani – Kicevo.
Project Description	Construction of 44.4 km of Gostivar- Kicevo road section A2 on Corridor VIII, western section. Works are to be divided into 3 sections: 1- Kicevo-Bukojcani, 2- Gostivar-Gorna Gjonovica and 3- Bukojcani-Gorna Gjonovica.		
Expected Benefits	Expected benefits include savings in travel time and in vehicle operating costs for all types of vehicles; improved road safety		



Corridor X

Regional Partner:

North Macedonia
Serbia

Road profile

Motorway	585 km
Express road	0 km
Conventional	141 km

Figure 26.
Overview of road priority project on Corridor X

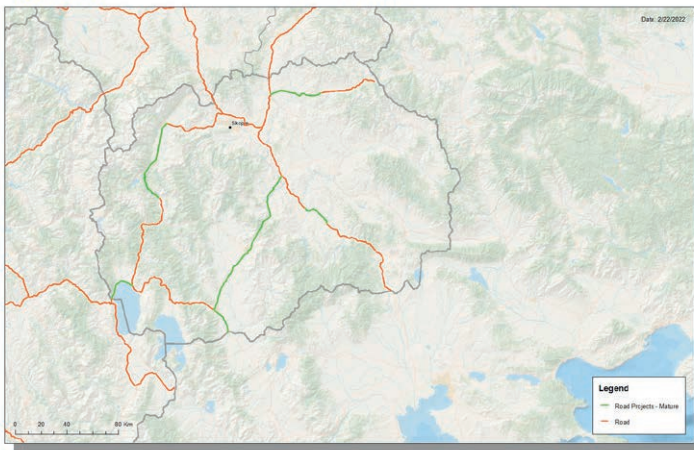
Priority Project Name	Rehabilitation of road section: Gevgelija-Greek border (Bogorodica)		
Regional Partner North Macedonia	Length (km)	Estimated cost (M€) 1.5	Type of works Upgrade/reconstruction
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP		Technical status Detailed design & Tender Documentation
Project Description	Rehabilitation of road section in the southern region of the country connecting North Macedonia with Greece along Corridor X (right carriageway)		
Expected Benefits	The overall project objective is to reduce traffic congestion and pollution while improving road safety.		

Priority Project Name	Construction of Bitola – Prilep motorway		
Regional Partner North Macedonia	Length (km) 44	Estimated cost (M€) 130	Type of works Upgrade/reconstruction
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP		Technical status Detailed design, FS, ESIA, CD
Project Description	Construction of Bitola – Prilep motorway, 44 km		
Expected Benefits	The overall project objective is to reduce traffic congestion and pollution while improving road safety.		

Priority Project Name	Construction and supply of ITS on Corridor X		
Regional Partner North Macedonia	Length (km) 179	Estimated cost (M€) 19	Type of works New deployment of ITS
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP		Technical status
Project Description	Construction and supply of ITS on Corridor X, 179 km.		
Expected Benefits	The overall project objective is to improve mobility and reduce traffic pollution while improving road safety		

Priority Project Name	Rehabilitation of Negotino – TEC Negotino road section		
Regional Partner North Macedonia	Length (km) 8.8	Estimated cost (M€) 8	Type of works Detailed design & Tender Documentation
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP		Technical status Detailed design & Tender Documentation
Project Description	Rehabilitate 8.8 km road section: A1 Negotino – TEC Negotino on Corridor X.		
Expected Benefits	The overall project objective is to improve mobility and reduce traffic pollution while improving road safety		

Priority Project Name	Rehabilitation of Gradsko-Stobi road section		
Regional Partner North Macedonia	Length (km) 4.5	Estimated cost (M€) 4.5	Type of works Detailed design & Tender Documentation
Core Network segment Yes	Strategic Projects Transport Sectoral Strategy, SPP		Technical status Detailed design & Tender Documentation
Project Description	Rehabilitate 4.5 km road section: A1 Gradsko - Stobi on Corridor X.		
Expected Benefits	The overall project objective is to improve mobility and reduce traffic pollution while improving road safety		



Corridor Xd

Regional Partner:

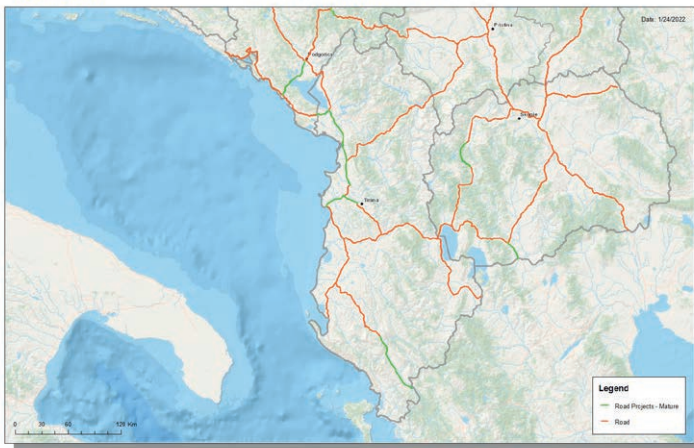
North Macedonia

Road profile

Motorway	0 km
Express road	0 km
Conventional	117 km

Figure 27.
Overview of priority road project on Corridor Xd

Priority Project Name	Construction of Prilep- Raec Bridge road section		
Regional Partner North Macedonia	Length (km) 8.8	Estimated cost (M€) 8	Type of works Upgrade/reconstruction
Core Network segment No	Strategic Projects Transport Sectoral Strategy, SPP		Technical status Detailed design and Tender Documents
Project Description	The section from Prilep to Raec comprises the following subsections: • Prilep – Lenishka river to be reconstructed and upgraded; • Belovodica – Kamenolom Mavrovo to be reconstructed and a third lane added		
Expected Benefits	Expected benefits include savings in travel time and vehicle operating costs for all types of vehicles; improved road safety; shift of traffic from densely populated urban zones towards the newly built infrastructure EIRR ranging from 9.24% to 11.76%		
Priority Project Name	Construction of Bitola – Medzitlija expressway with Bitola interchange		
Regional Partner North Macedonia	Length (km) 20	Estimated cost (M€) 50	Type of works Upgrade/reconstruction
Core Network segment No	Strategic Projects Transport Sectoral Strategy, SPP		Technical status Detailed design under preparation
Project Description	Construction of 20.0 km Bitola – Medzitlija expressway with Bitola interchange		
Expected Benefits	The overall project objective is to improve mobility and reduce traffic pollution while improving road safety		
Priority Project Name	Construction of Veles - Prilep motorway		
Regional Partner North Macedonia	Length (km) 57	Estimated cost (M€) 295	Type of works Upgrade/reconstruction
Core Network segment No	Strategic Projects Transport Sectoral Strategy, SPP		Technical status FS, ESIA, PD, Detailed design
Project Description	Construction of 57 km Veles – Prilep motorway		
Expected Benefits	The overall project objective is to improve mobility and reduce traffic pollution while improving road safety		



Blue Highway

Regional Partner:

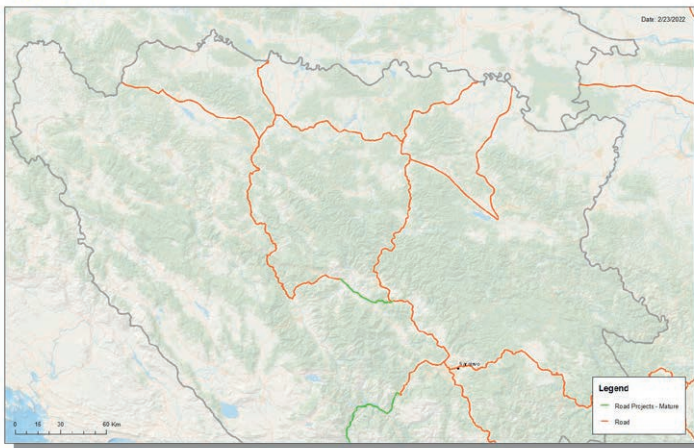
Albania
Montenegro

Road profile

Motorway	0 km
Express road	0 km
Conventional	347 km

Figure 28. Overview of road priority project on Blue Highway

Priority Project Name	Adriatic-Ionian Motorway-Expressway along Montenegrin coast		
Regional Partner	Length (km)	Estimated cost (M€)	Type of works
Montenegro	110	1013	Upgrade/reconstruction
Core Network segment	Strategic Projects		Technical status
Yes	Montenegro Spatial Plan, Transport Strategy, EIP Flagship 3		Feasibility Study (including Cost-Benefit Analysis)
Project Description	The expressway along the Montenegrin coast passes through its hinterland. It starts near the Croatian border around Herceg-Novi and extends further to the following sections: Herceg Novi - across the Bay of Kotor - Tivat - Budva - Bar - Ulcinj - Sukobin (Albanian border), total length is approximately 110 km		
Expected Benefits	The main objective of this project is to improve connectivity in the region and with the EU as a key factor for growth and jobs in the Western Balkans.		
Priority Project Name	Construction of Adriatic- Ionian highway in Albania Section 1: Murriqan – Balldren Section 2: Balldren (starting from Lezha bypass) – Milot Section 3: Milot-Thumane Section 4+5: Thumane-Kashar-Rrogozhine Section 6+7: Konjat-Fier bypass Section 9A-2: Fier bypass (Levan)-Pocem Section 9B-2: Pocem-Memaliaj Section 10: Memaliaj-Subashi Bridge Section 11: Subashi Bridge-Gjirokaster bypass Section 13A: Gjirokaster-Kakavije		
Regional Partner	Length (km)	Estimated cost (M€)	Type of works
Albania	287	2649	Upgrade/reconstruction
Core Network segment	Strategic Projects		Technical status
Yes	Transport Sectoral Strategy, National Transport Plan, SPP, EIP Flagship 3		Feasibility Study (including Cost-Benefit Analysis)
Project Description	Albania plans to expand new sections to full motorway standard between Muriqan/ Sukobin border crossing to SH1 at Bushat south of Shkodër, Thumane-Kashar-Rrogozhina highway (part of Milot-Fier upgrade to motorway standards) linking with Fier Bypass, and expanding south of Fier with a slight deviation at Pocem near Memaliaj. In Albania, the motorway will pass on the current stretch along the western lowland, bypass Tirana through the newly-planned Kashar-Rrogozhine motorway, continue south on the existing SH4, and turn inland at Fier towards Tepelene and Gjirokaster.		
Expected Benefits	Expected benefits of the project include: <ul style="list-style-type: none"> • better connections with neighbouring countries; • reduced congestion, fuel consumption, emissions and noise levels; • increased road safety levels; and • economic development, particularly in the tourism sector. 		



Route 2a

Regional Partner:

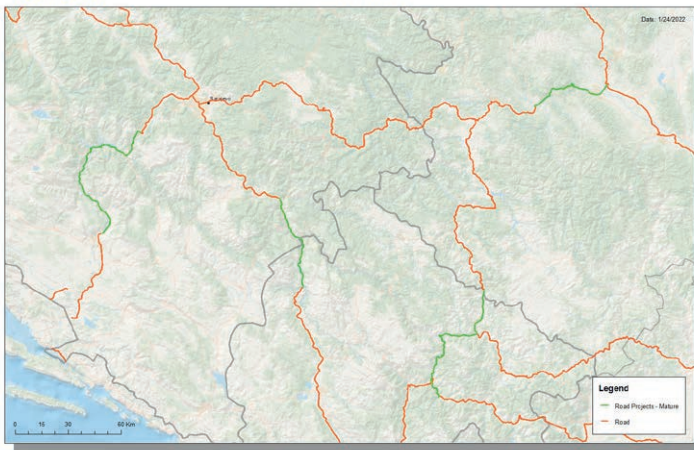
Bosnia and Herzegovina

Road profile

Motorway	0 km
Express road	0 km
Conventional	197 km

Figure 29.
Overview of priority road project on Route 2a

Priority Project Name	Construction of the Turbe – Nevića Polje -Lašva expressway section		
Regional Partner Bosnia and Herzegovina	Length (km) 61	Estimated cost (M€) 641	Type of works New construction
Core Network segment No	Strategic Projects Bosnia and Herzegovina's SPP		Technical status Detailed Design
Project Description	Construction of a 61 km-long expressway on Route 2a, ensuring connection with Corridor Vc		
Expected Benefits	Expected benefits include savings in travel time and vehicle operating costs for all types of vehicles; improved road safety; shift of traffic from densely populated urban zones towards the newly built infrastructure. EIRR 13.6%		



Route 2b

Regional Partner:

Albania
Bosnia and Herzegovina
Montenegro

Road profile

Motorway	0 km
Express road	0 km
Conventional	385 km

Figure 30. Overview of priority road project on Route 2b

Priority Project Name	Reconstruction of the main way Šćepan Polje-Plužine (Bosnia and Herzegovina border crossing)		
Regional Partner Montenegro	Length (km) 22.5	Estimated cost (M€) 60	Type of works Upgrade/reconstruction
Core Network segment No	Strategic Projects Montenegro Spatial Plan, Transport Strategy, EIP Flagship 2		Technical status Preliminary Design
Project Description	Reconstruction of the road section from Scepan Polje to Pluzine is part of the overall reconstruction of the M18 main road which includes construction of the Niksic bypass (completed in 2014), sanitation of slopes, bridges and tunnels, construction of third lanes, construction of a new alignment from Podgorica to the Albanian border and reconstruction of sections between Podgorica and Niksic and between Niksic and Pluzine. The project aims significantly to increase the level of road services through improving the geometry of the situation plan and cross sections, increasing road safety levels during future exploitation, installing significant protection from landslides, rock falls, snowfalls, etc. in winter, with wide deviations from the existing route.		
Expected Benefits	Key benefits will be improved transport safety and reduction of travel time and distance for people and goods. The project will raise the employment rate in the country in general, increase competitiveness of the local economy within the road gravity area. Indirect impacts will be on generation of new projects and investments in the economy of the region. The chief benefit of this infrastructure project will be improved road safety, reduced vehicle operating costs, time savings on the new route and a better environment in adjacent urban areas. The improved road would contribute to better regional integration in South-East Europe.		

Priority Project Name	Improvement and construction of the road route Sarajevo - Foca (Brod na Drini) - Hum (Scepan Polje) with an interstate bridge at the B&H/MNE border		
Regional Partner Bosnia and Herzegovina	Length (km) 23	Estimated cost (M€) 300	Type of works Rehabilitation
Core Network segment No	Strategic Projects Bosnia and Herzegovina's SPP, Flagship 2		Technical status Feasibility Study (including Cost-Benefit Analysis)
Project Description	Improvement of the road link between Sarajevo and Podgorica. On B&H territory, the project is split into 2 sections (Sarajevo - Foca and Foca - Hum) with different maturity levels.		
Expected Benefits	<p>Expected benefits of the project include:</p> <ul style="list-style-type: none"> • better connections with neighbouring countries; • reduced congestion, fuel consumption, emissions and noise levels; • increased road safety levels; and • economic development, particularly in the tourism sector. 		

ANNEX 4

IWW AND MARITIME PROJECT FICHES

Priority Project Name	Demining of the right bank of the Sava River		
Regional Partner Bosnia and Herzegovina	Length (km) N/A	Estimated cost 8,160,000	Type of works Upgrade/reconstruction
Core Network segment Yes	Strategic Projects Part of the Economic and Investment Plan for WB (Flagship 1)		Technical status Feasibility Study done (including Cost- Benefit Analysis)
Project Description	<p>The demining of the right bank of the Sava River in B&H is part of Phase I of the project. To unlock Phase I and Phase II investments, first the right bank of Sava in B&H needs to be demined to facilitate safe navigation and allow technical surveys needed for design of waterway improvement projects during Phase I, which will then be implemented in Phase II. Areas that need to be demined include 10 municipalities in Republika Srpska and the Federation of Bosnia and Herzegovina: Odzak, Brcko, Domaljevac, Samac, Orasje, Kozarska Dubica, Gradiska, Srbac, Derventa, Brod, Samac (43 clearance and 101 technical survey projects).</p>		
Expected Benefits	<p>The project will unlock investments and enable inland waterway improvement by removing bottlenecks. However, finalization of detailed design for eliminating bottlenecks in certain sections (most important the Jaruge – Novi Grad section between B&H and Croatia) is not possible without demining, as field investigation must be carried out in areas at present contaminated by mines.</p>		