



ANNUAL OPERATIONAL REPORT 2020

Braće Baruh 26 (MIA Dorćol building),
Belgrade

www.transport-community.org



Transport Community Permanent Secretariat Annual Operational Report 2020

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BACKGROUND



Picture 1: Image courtesy of European Commission

The Transport Community is an international organisation in the field of mobility and transport, consisting of 33 participants – the EU and the six Western Balkans regional partners. The organisation is working on the integration of Western Balkans' transport markets into the EU, by assisting the six Western Balkans partners to adopt and implement EU legislation in the field of transport and by supporting projects that are connecting Western Balkans regional partners among themselves and with the EU.

In line with the Financial Rules and Auditing Procedures applicable to the Transport Community, article 59, The Permanent Secretariat prepares an Annual Report, by 30 March of each year. The Annual Report shall include: an operational report explaining the work carried out by the Permanent Secretariat and the results achieved, giving an overview of the progress towards the objectives set in the annual Work Programme of the Permanent Secretariat and a financial report on the budget implementation.

This Annual Operational Report on the activities of the Transport Community Permanent Secretariat outlines key actions and achievements in the period from 1 January 2020 to 31 December 2020.

SUMMARY



Picture 2: Commissioner for Neighbourhood and Enlargement, Oliver Varhelyi and Commissioner for Transport, Adina Valean welcomed the participants at the Ministerial Council on 26 October 2020

In 2020, the Transport Community Permanent Secretariat organised one Ministerial Council in October, four Regional Steering Committee meetings, as well as thirteen Technical Committee meetings on rail (four), roads (three), road safety (three) and transport facilitation (three). Additionally, the first Social Forum of the Transport Community took place in October 2020.

the Regional Steering Committee meetings in the following period.

In May 2020, at the 8th Regional Steering Committee Meeting, Bosnia and Herzegovina took over chairing

Appointment of the new management (Director and Deputy Director) of the Transport Community Permanent Secretariat took place on 6 July 2020. The Director Mr Matej Zakonjšek took office from 1 August 2020 and Deputy Director Ms Ljuba Siljanoska from 1 September 2020. Management handover was done during August and September 2020.

During the COVID-19 pandemic, the Permanent Secretariat performed border monitoring and regular updates on waiting times, which proved essential in mitigating the consequences of the crisis. The reports were regularly published on the Secretariat's web page and other communication channels such as web, LinkedIn, and Twitter.

Major steps have also been undertaken in relation to two important issues under the Treaty, the TEN-T Annual Report that the Regional Steering Committee is bound to present to the Ministerial Council on a yearly basis and the setting-out of the Transport Observatory.

The Transport Community Permanent Secretariat streamlined its communication activities with the preparation of the Communication Strategy 2020-2025 in August 2020. The Strategy was presented to the Regional Steering Committee on its meeting in December 2020.

In 2020, the Secretariat continued supporting and participating at important transport-related events in the region, such as Road Safety Week and European Mobility Week.

MILESTONES IN 2020

The Transport Community joined efforts with the Central European Free Trade Agreement organisation (CEFTA) and established a concept of prioritising goods at border crossings in the Western Balkans. By coordinating actions of regional administrations and their border authorities, Green Lanes prevented shortage of essential items such as food and medicine in the Western Balkans. This initiative showed benefits of joining forces for the common good. The Sofia Summit confirmed that there is a political will to extend Western Balkans Green Lanes to neighbouring EU Member States. The first concrete step towards extending Green Lanes to EU Member States was taken on 20 November 2020 with the 1st coordination meeting of Western Balkans regional partners and 5 neighbouring EU Member States, facilitated by the Transport Community Permanent Secretariat.

Action Plans for Rail, Road, Road Safety and Transport Facilitation have been endorsed by both, the Regional Steering Committee, and the Ministerial Council in October 2020. These four key documents are a step-by-step guide on how to achieve common political priorities of the Western Balkans regional partners, as well as political objectives of the Transport Community Treaty. To jumpstart the implementation of the Action Plans, the Action Plan Road Show was organised and all four strategic documents were presented at workshops organised with the Regional Partners. Four (4) workshops were organised in 2020: one in November (in Tirana) and three (3) in December (in Sarajevo, Skopje, and Belgrade). The rest of the workshops were scheduled for 2021. In addition to workshops, each visit included a site visits focusing on different aspects of the development of the transport network between the European Union and the Western Balkan. High level officials joined each of these visits, showing the political support to the Secretariat's work.

With the aim of strengthening cooperation with relevant stakeholders, such as the European Agency for Railways (ERA) and financial institutions (specially the European Investment Bank and the European Bank for Reconstruction and Development, as well as the World Bank and Development Finance Corporation



(DFC)), the Transport Community Permanent Secretariat and the European Railway Agency organised six (6) successful workshops in all Regional Partners focused on Electronic Registry of Vehicles, safety and interoperability in 2020. The Transport Community Permanent Secretariat and Shift2Rail Joint Undertaking signed a Memorandum of Understanding with an objective to promote cooperation on rail research and innovation.

The Transport Community established close cooperation with other regional initiatives and organisations, such as WBIF, RCC, CEFTA, Energy Community and RYCO and supported the ADRIPASS project for

improving regional and cross-border multimodal connectivity in the Adriatic – Ionian region. A workshop was organised jointly with the Energy Community Secretariat on issues of common interest such as clean transport initiatives and alternative fuels.

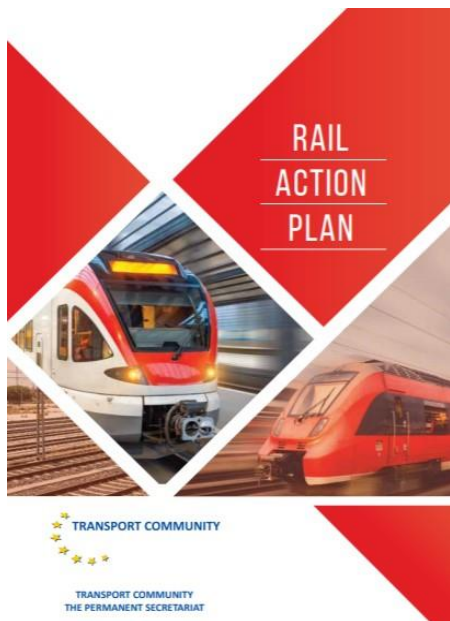
High-level meetings were organised with the Commissioner for Neighbourhood and Enlargement, Oliver Varhelyi to discuss concrete actions that will transform the economies of the Western Balkans, as well as with transport Ministers and Prime Ministers and Presidents of all six Regional Partners.

In late 2020, a Technical Assistance Contract for developing the first stage of the Transport Observatory was awarded.



ACTIVITIES IN 2020

RAIL



During 2020, the Technical Committee on Railways (TCoR) held four meetings in total, one live and three virtual. The most important achievement is the final preparation and adoption of the Rail Action Plan at the technical level, then approved by the Regional Steering Committee and finally endorsed by the Ministerial Council on 26 October.

In cooperation with all members of Technical Committee on Railways, the Transport Community Permanent Secretariat drafted two Progress Reports on implementation of the Rail Action Plan.

Within the Technical Committee on Railways there is a general agreement about common priorities at the regional level. Two main projects were identified: (i) Level Crossings Safety Improvement and (ii) Monitoring Conditions of the Railway Infrastructure. Preparatory work on these projects are ongoing and both should significantly develop in 2021. Progress is expected on both priorities, especially on the Level Crossing Safety Improvement because in 2020, the Secretariat and JASPERS almost finalised the preparation for prioritisation of Level Crossings in the Western Balkans.

At the Ministerial Council on 26 October 2020 (held online), the Transport Community Permanent Secretariat and “Shift 2 Rail Joint Undertaking” signed a Memorandum of Understanding (MoU). This document is an additional opportunity for enhancing cooperation between the entire region and “Shift 2 Rail” under the leadership of the Transport Community Permanent Secretariat.

The COVID-19 pandemic impact on rail transport in the region and EU was one of the topics in all the meetings. In cooperation with all Regional Partners, the Transport Community Permanent Secretariat was regularly monitoring the situation in rail freight as well as passenger transport. All reports were published regularly on Transport Community’s website (<https://www.transport-community.org/covid-19-news/>). While rail freight transport was less effected by the pandemic restrictions and introduced measures, road passenger transport suffered much more, by being put in a total standstill from March to June. The situation started to slightly improve right after June 2020. However, the number of passengers in comparison to 2019 showed a significant drop down by 50%. Freight transport volume in the entire region remained almost the same as it was before the COVID – 19 pandemic. Also, there was not a significant increase of delays at the internal and external borders compared to the period before pandemic. All main



border/common crossing points (BCPs/CCPs) were functional 24 hours with respect to all imposed sanitary measures.

The Transport Community Permanent Secretariat organised a Workshop dedicated to the transport of dangerous goods on 4 March in Belgrade, back-to-back with the 4th Technical Committee on Railways. Experts from the Intergovernmental Organisation for International Carriage by Rail (OTIF), European Union Agency for Railways (ERA) and the Serbian Ministry of Construction, Transport and Infrastructure shared their knowledge and best practice with all Regional Partners. Moreover, the Transport Community Permanent Secretariat organised a dedicated session with representatives of private sectors. There were private railway undertakings from Serbia - "Combine Transport" and "EuroLogistic", Albania - "AlbRail" and Kosovo* - "Rail Trans". Main purpose of this session was to discuss real problems with representatives of private sectors. Their contribution and inputs were added value to the meeting because it was a unique opportunity for them to discuss with experts from EU institutions, but also with representatives from national administrations. However, the private sector became an important part in the rail picture of the Western Balkans.

Preparation of the Western Balkans Rail Summit

The Western Balkans Rail Summit aims to bring together EU Member States and six partners from Western Balkans, regional institutions, international organisations, the transport industry and universities. The key objective is to advance the regional, European and global rail transport policy agenda, ensuring continuous contribution to safer, efficient, interoperable, digitalised, sustainable and green transport systems. The preparatory activities have been initiated at the end of 2020.

The Summit will act as a platform for discussion and pre-negotiation of policy issues across all transport modes. Its goal will be to analyse trends, share knowledge and promote exchange among decision-makers and civil society. The Summit shall be the region's largest rail assembling of transport ministers and the leading global platform for dialogue on transport policy. More details: <https://www.transport-community.org/event/western-balkans-rail-summit-2021/>

Preparation of the Transport Community Summer School 2021

The Transport Community Summer School will be a training program on transport-related topics, allowing the participants to gain sound knowledge and understanding of the EU transport Acquis and a possibility to exchange knowledge and best practices. It will be focused on topics relevant for the Transport Community as well as other features related to the transport sector. The approach is a multi-disciplinary one, ranging from science to governance. The school curricula will be focusing mainly on the situation in South Eastern Europe, it will aim to consider the broader geographical context in Europe and possibly beyond.

* 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.

The Summer School is planned to be organised back-to-back with the Rail Summit from 1 - 4 July 2021 in Belgrade.

The Summer School will also provide an opportunity for the participants to become part of a network that will gradually expand and sustain after the training. Furthermore, It will allow them to benefit from engaging with speakers coming from both, academic institutions and experts/practitioners. More details: <https://www.transport-community.org/event/tct-summer-school-2021/>

ROAD SAFETY



The year 2020 was the second year of activities of the Road Safety Technical Committee, which was established in September 2019. During 2020, three virtual meetings were held: 21 April, 17 June and 16 September. Chairperson position for 2020 year was held from North Macedonia. The cooperation was extended to representatives of EU Member States and international organisations such as UN, FIA, WHO and ROADPOL. The year marked the endorsement of the Road Safety Action Plan at the Ministerial Council held on 24 October 2020, followed by a series of Road Shows in each regional partner. The multisectoral approach and good coordination between all road safety actors are highlighted as a key to success for reducing the number of fatalities and serious injuries.

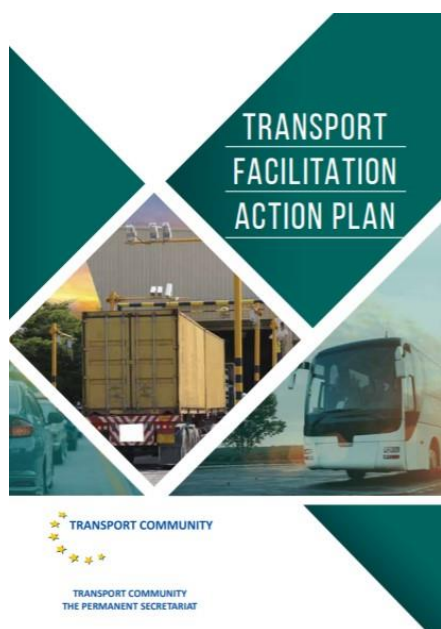
A highlight is to be made for two main regional actions:

- The EU technical assistance “CONNECTA” started in February 2020. In October 2020 the Draft Detail Design Reports for 10 high risk sections in Core/ Comprehensive Network was delivered. The length of the sections is 300 km with an approximate cost of 18 million EUR. The study is finalised by the end of February 2021. Follow up discussions are foreseen, between the Permanent Secretariat of the Transport Community and European Commission, on finding the potential financial modalities that will support the improvement of the above-mentioned high-risk road sections.
- The Permanent Secretariat has initiated the procedures to establish the Road Safety Observatory that will: a) monitor the overall situation in the road safety sector, including the policy area; b) collect and analyse road crash data; c) produce reports with concrete recommendations/measures to be implemented. A concept paper is being shared with DG MOVE, which is being supportive in this initiative and is offering their best practice example experience that they have with the European Road Safety Observatory (ERSO). Discussions with the World Bank are held, however an agreement has not yet been reached. At the beginning of 2021 a meeting with FIA (Fédération Internationale de l'Automobile) is foreseen, hoping to receive their technical support.

Furthermore, a continuous exchange of knowledge took place in the framework of the Road Safety Technical Committee between the Regional Partners and external guests, such as the Road Traffic Safety Agency of Serbia, Slovenia and VIAS Research Institute, on collection of key performance indicators; A webinar on road policing was organised with the World Health Organization and ROADPOL as well.

Following the endorsement of the Road Safety Action Plan, a detailed discussion with each Regional Participant took place during the Road Shows – in Tirana on 25 November, in Sarajevo on 4 December, in Skopje on 10 December and in Belgrade on 14 December. The Road Shows aimed at jumpstarting the implementation of the Road Safety Action Plans by discussing the current progress, challenges, identification of technical assistance needs, as well as to raising awareness and enhancing the multisectoral approach. The remaining Road Shows took place in the course of January and February 2021.

TRANSPORT FACILITATION



During 2020, the Technical Committee on Transport Facilitation (TCTF) held three meetings in virtual format, due to the pandemic situation. The COVID-19 impact on transport and logistic chains in the region and EU was the most prominent topic at all of the meetings: waiting times at borders, Green Lanes, and transport restrictions. The work of the Technical Committee on Transport Facilitation resulted with an agreement on the Action Plan for Transport Facilitation, which was first agreed on the level of the Technical Committee, then approved by the Regional Steering Committee and finally endorsed by the Ministerial Council. The Action Plan contains actions for road/rail border/common crossing points (BCPs/CCPs) and ports' (multimodal) facilitation - designed to address inefficiencies and delays and to improve/modernise/digitalise the operations.

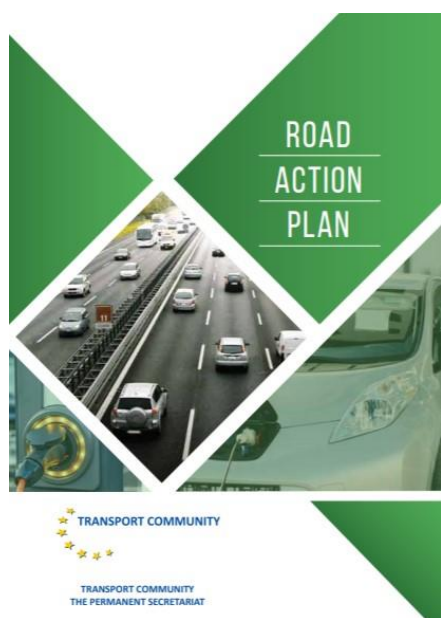
Stronger coordination within the respective line institutions of the Regional Partners and EU Member States, and greater devotion to the transport facilitation issues remain as challenges.

In 2020, the Transport Facilitation Technical Committee (TFTC) held three meetings, one in the premises of the Transport Community Permanent Secretariat (27 April 2020) and two (10 June and 22 September 2020) in virtual format, due to the pandemic situation. The main outcome of the Transport Facilitation Technical Committee in 2020 is the proposal for "Green Lanes"/"Green Corridors" prepared jointly by the Transport Community Permanent Secretariat and CEFTA Secretariat. Its aim was to secure the supply of essential goods through coordinated and accelerated border crossing / sanitary procedures. The proposal

covers the areas in which Transport Community Permanent Secretariat and CEFTA secretariat share responsibilities/measure. This proposal was well accepted by all regional partners.

Concerning the actions agreed that each regional partner needs to fulfil in order to make the border/common crossing points more efficient and less time consuming are divided in two categories: (i) soft actions/measures related to administrative changes and (ii) hard actions/measures, related to construction works, such as: additional waiting lanes, new joint facility, improvement of ITS systems etc.

ROAD



The Road Technical Committee (RTC) was established in 2020, with representatives from all the Regional Participants. The Technical Committee shall assist the Regional Steering Committee in all aspects related to road transport falling under the scope of the Transport Community Treaty. The Road Technical Committee with the support of the Transport Community Permanent Secretariat was mandated to elaborate a coherent set of concrete actions (Road Action Plan) aiming at establishing efficient maintenance systems coupled with the exploration of possibilities for road financing mechanisms (tolling, including e-tolling), deployment of ITS in accordance with EU Directives and interoperability standards and decarbonisation of road transport, including resilience aspects and smart mobility. The Road Technical Committee members approved the Scope of Work and Rules of Procedure and elected the yearly chair. The RTC Chair for 2020 was Albania.

In 2020, the Road Technical Committee held three meetings, one in the premises of the Transport Community Permanent Secretariat (12 February 2020) and two (17 June and 18 September 2020) in virtual format, due to the pandemic situation.

Overall, the work of the Road Technical Committee in 2020 was satisfactory, despite all difficulties experienced due to the pandemic and the inability to hold regular meetings in person.

There were extensive discussions on the Road Action Plan in order to fine-tune it to reflect the ongoing developments in each of the Regional Participants, but also to take into consideration the impact of sanitary crises on the activities of authorities dealing with roads in the region. These discussions led to the finalisation and agreement of the Road Action Plan in September 2020, on the level of the Technical Committee, then approved by the Regional Steering Committee and finally endorsed by the Ministerial Council on 26 October 2020.



The Road Action Plan provides a roadmap to develop a climate resilient, intelligent, and resource-efficient TEN-T road network in the Western Balkans by incorporating green and smart elements in road investments. The final aim is to stimulate innovative, low emission and road transport operations fit for a digital age.

Furthermore, a continuous exchange of knowledge took place in the framework of the Road Technical Committee between regional partners and external guests like CONNECTA's Consultant on the issues of Road Maintenance and Deployment of ITS, International Road Federation (IRF) on the international experience on e-tolling, World Bank on its current activities under Trade and Transport Projects.

Following the endorsement of the Road Action Plan, a detailed discussion with each regional participant took place during Road Shows – in Tirana on 25 November, Sarajevo on 4 December, Skopje on 10 December and Belgrade on 14 December. The Road Shows aimed at jumpstarting the implementation of the Road Action Plan by discussing not only the current progress, but mainly challenges to be faced, identification of technical assistance needs, as well as to raise awareness among the broader transport community on the priority actions. The remaining Road Shows are planned to take place in the course of January and February 2021.

TRANSPORT OF DANGEROUS GOODS

The Technical Committee on Transport of Dangerous Goods (TCTDG) was established on 15 December 2020 in order to enhance cooperation between the regional partners, EU Member States and the relevant international organisations concerning transport of goods that could pose a risk for man, property and the environment.

SOCIAL FORUM

Since the inauguration of the Transport Community Permanent Secretariat in 2019, in 2020 the first session of the Social Forum took place. The Social Forum of the Transport Community was established to bring together representatives from the governments, organisations of workers, employers and any other relevant bodies to address social matters in transport. The 1st Social Forum took place in October 2020 and it has identified key areas that need to be tackled: workers' fundamental rights, health and safety at work, labour laws and equal opportunities.

The Forum observed that the Western Balkan region needs to improve further its social policy and that political hurdles should be removed to make transport seamless and more fluid. The Social Forum as well encouraged Regional Partners and EU Member States to improve the procedures at border crossings in view of facilitating the transport operations and improving working conditions for all transport workers involved in international traffic.

In 2021, the European Year of Rail, the Transport Community Social Forum will promote the rights of employees in the rail sector.



TRANSPORT OBSERVATORY

On 8 October 2020, the Regional Steering Committee endorsed the proposed functions and architecture of the future Transport Observatory, as stated in the Article 28 of the Treaty establishing the Transport Community, as well as the tentative list of actions and indicative deadlines for its operationalisation.

The first step that has been further undertaken in this regard was the procurement of a Technical Assistance contract aiming to further develop the Transport Observatory concept and prepare the technical specifications for its main underlying analytical tool (the database/information system). Procurement was finalised in late 2020 and the contract awarded to a joint venture consisting of VECTIO TRAFFIC ENGINEERING S.L. (as Leader) and PROJECT, PLANNING & MANAGEMENT LTD for a total amount of EUR 121.500.

The contract duration is 6 and half months and it is expected that the procurement for Database/Information System development to be launched in the second half of 2021.

TEN-T ANNUAL REPORT

On its 9th Regional Steering Committee meeting in October 2020, the Regional Steering Committee endorsed the proposed outline, methodology and indicative calendar for drafting TEN-T annual report with an aim of having it ready for adoption in February 2021.

The Permanent Secretariat of the Transport Community has further prepared and distributed the templates for the data collection process but the initially considered deadlines might not be observed because of limited feedback received by the end of 2020.

WESTERN BALKAN INVESTMENT FRAMEWORK

Following-up on SEETO's previous role and activities, the Permanent Secretariat of the Transport Community has contributed to the screening of the grant applications submitted by the Regional Partners during the 24th Call for applications for technical assistance. On that occasion, a total number of 10 project proposals were assessed by the Permanent Secretariat in terms of strategic relevance, maturity, TEN-T compliance standards and regional/trans-boundary impact.

The Transport Community Permanent Secretariat has also provided inputs on the WBIF reform process (WBIF 3.0) with an aim of strengthening the regional dimension of the strategic planning. Under the newly established institutional architecture, it is anticipated that the Permanent Secretariat will act as observer.

SUSTAINABLE AND SMART MOBILITY STRATEGY –WESTERN BALKANS PERSPECTIVE

In December 2020, the European Commission published the Sustainable and Smart Mobility Strategy. Given the importance of the document and the international dimension of greening of transport, the Transport Community Permanent Secretariat started developing a concept note and framework on drafting the Sustainable and Smart Mobility Strategy - Western Balkans perspective for the Regional Steering Committee. The Western Balkans strategy will mirror the European Commission's Strategy and consider 10 flagships under three objectives: (i) Sustainable, (ii) Smart and (iii) Resilient Mobility. The strategic document is going to be presented in the course of 2021.

COMMUNICATION

In 2020, the Transport Community Permanent Secretariat communication activities were aimed at conveying messages to ensure that the wider audience is informed about the Secretariat activities. As a result of the Secretariat's intensive communication, the Western Balkans audience maintained a positive image of the plan to develop the indicative TEN-T extension of the comprehensive and core EU networks to the Western Balkans and supported priority projects of regional interest, such as those listed in the European Commission's Economic and Investment Plan for the Western Balkans. The main goal was for the public to perceive the Transport Community as a partner organisation, created to help the development of the region.

The timing of communication activities was largely influenced by the appointment of Transport Community Permanent Secretariat's staff and leadership and they were intensified from September 2020. Additionally, communication was affected by the COVID-19 pandemic crisis and the need to communicate directly and clearly the information on closing and re-opening of borders, waiting times, and related decisions.

The Transport Community Permanent Secretariat communicated via the website, social media (www.transport-community.org, [Twitter](#) and [LinkedIn](#)) and traditional media outlets in the region.

The analytics of the website of the Transport Community Permanent Secretariat in 2020 on the site visits, showed that most of the interested parties were from the region and from EU institutions. This aligns with the Communication Strategy objective on focusing on the Western Balkans audience and relying on EU institutions to amplify and distribute messages about the Transport Community to the wider audience in EU Member States.

The number of Twitter followers has doubled from the beginning until the end of 2020, thanks to regular updating with relevant content. More than 80% of the Transport Community Twitter followers are from the region and from EU institutions. Interestingly, significant engagement, in proportion to the number of followers, was generated on the Transport Community LinkedIn account, proving that there is a diverse interest in the work of Transport Community.

In 2020, newspaper articles about Transport Community Permanent Secretariat work and interviews with the Director were published in several local languages and appeared in traditional media in the region. By focusing on both traditional and electronic media, the Secretariat maximised its outreach to 20 million citizens of the region, despite obstacles posed by Covid-19 movement restrictions.

Before the adoption of the Transport Community Treaty Action Plans, visits to Regional Partners and EU Member States took place. The visits served as opportunities to promote the Transport Community and establish a good basis for further cooperation with stakeholders and decision makers.

Book of Standards, including a new visual identity of the Secretariat was developed. The manual shall serve as a tool for all the Secretariat communication activities in the future.

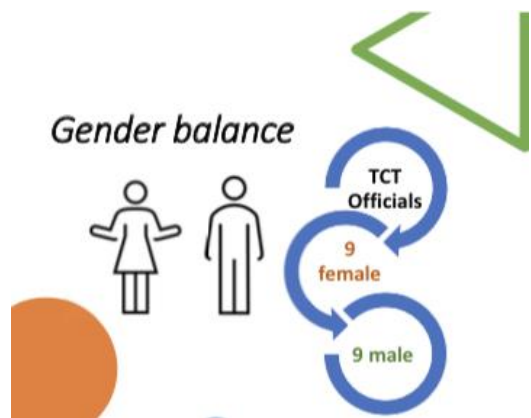
The Permanent Secretariat in November 2020 introduced the publishing a monthly newsletter, which is regularly distributed to all stakeholders, including the Regional Steering Committee.

ADMINISTRATION AND HUMAN CAPITAL

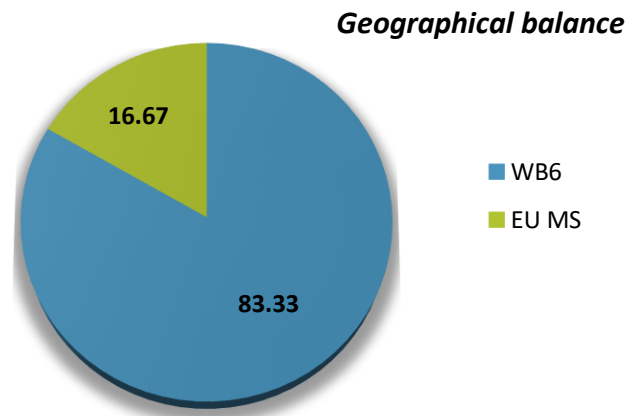
2020 RECRUITMENT STATE OF PLAY

Following the selection procedure done in 2019, the first Transport Community Permanent Secretariat officials signed contracts in January 2020. The recruitment process continued, despite the pandemic, and the selection procedure continued for four different positions, out of which only three were fulfilled with high quality candidates. In this process, the Transport Community Permanent Secretariat was supported by the EU Delegation in Belgrade.

The Director and Deputy Director of the Transport Community Permanent Secretariat were appointed during summer 2020 and the handover from interim to permanent Director was done during August and September 2020.



The Transport Community Permanent Secretariat closed 2020 with total number of 18 officials, with proportional gender balance within the team and appropriate geographical equilibrium of the EU and Western Balkan six Regional Partners:



In July 2020, the first set of probation period assessments were done by the Director-Interim and all seven contracts were confirmed. Probation period assessments continued with the new management and the other five contracts were confirmed by the Director and Deputy Director by end of 2020.

ADMINISTRATION

As the COVID-19 pandemic situation started to develop at the beginning of 2020, the Transport Community Permanent Secretariat prepared Operational Guidelines for the Secretariat's work arrangements during the COVID – 19 pandemics, which were regularly updated throughout the year to reflect the prevention measures and operational conditions. The Permanent Secretariat commenced teleworking from 16 March until 14 September 2020.

Despite the Covid-19 pandemic and teleworking, the final setting up of Transport Community Permanent Secretariat premises continued, customs clearance was organised and secured for the imported office equipment. Implementation of the Transport Community Headquarters Agreement continued with issuing of the special ID cards for the official and assignment of the diplomatic licence number – 162 for vehicle plates of the Transport Community Permanent Secretariat.

The Secretariat prepared numerous sets of new rules and procedures that are under the process of adoption by the Regional Steering Committee. The rules already adopted in 2020 were published on the Transport Community website together with all Regional Steering Committee Decisions: <https://www.transport-community.org/regional-steering-committee/> :

- Travel Rules for Staff of the Transport Community;
- Rules on the reimbursement of expenses incurred by persons from outside the Transport Community Permanent Secretariat, who are invited to attend meetings in an expert capacity;
- Financial Rules and Auditing Procedures Applicable to the Transport Community;

In December 2020, due to renovation of the Beograđanka building, where the seat of the Transport Community Permanent Secretariat was located, and in agreement with the host country, the seat was changed temporarily until March 2022 to another location. Until then, Republic of Serbia offered new premises to the Transport Community Permanent Secretariat and organised relocation according to the terms prescribed in the Headquarters Agreement. Final setup of the new offices was done in the last week of 2020. Temporary seat of the Secretariat is located in the business building "MIA Dorćol", Braće Baruh 26, Belgrade.

In accordance with section 10.1 of the Staff Regulations of the Transport Community, the Secretariat issued the Administrative Instruction on the Official Holidays for 2021, which shall be those of the national legislation at the Headquarters.

TRAINING

In the 4th quarter of 2020, the Transport Community Permanent Secretariat organised workshops and trainings for professional development of its officials:



- Use of Microsoft 365 and specifically SharePoint for online collaboration and increased productivity;
- Clear writing course, provided by Education, Audio-Visual and Culture Executive Agency;
- Presentation of options and use of EUR-Lex portal, provided by the Publication Office of EU.

FINANCIAL MANAGEMENT

Financial rules applicable to the Transport Community Permanent Secretariat (Financial Rules) were adopted with Decision 06/2020 on 29 July 2020: <https://www.transport-community.org/wp-content/uploads/2020/07/RSC-Decision-6-2020.pdf>

In accordance with Article 67 of the Financial Rules, the European Commission performed the functions of the Budget Committee until the members of the Budget Committee were appointed. In view of the finalisation of the financial statements of the Transport Community for 2019, the first recommendation of the Budget Committee on the carry-overs from 2019 to 2020 were issued (as the Financial Rules of the Transport Community do not contain any provisions on the matter).

The Independent External Auditor's Report on the accounts 2019 of the Transport Community Permanent Secretariat was finalised on 6 November 2020 and communicated to the members of the Budget Committee and Regional Steering Committee on 16 November 2020. Auditor's opinion states that the financial statements give a true and fair view of the financial position of the Permanent Secretariat as at 31 December 2019 and of its financial performance and its cash flow for the year ending on 31 December 2019 in accordance with the International Public Sector Accounting Standards. Furthermore, the Auditor's Report does not contain any remark, financial finding or ineligible expenditure.

THE BUDGET COMMITTEE

The Budget Committee was established based on Article 14(1) of the Financial Rules and Auditing Procedures applicable to the Transport Community.

The Budget Committee consists of members representing the Parties, signatories to the Treaty establishing the Transport Community, namely the South East European Parties (Republic of Albania, Bosnia and Herzegovina, Republic of North Macedonia, Kosovo, Montenegro, Republic of Serbia) and the European Union. The Budget Committee shall advise the Director on the financial management of the operations of the Transport Community. In carrying out its functions, the Budget Committee shall respect the independence of the Secretariat as an institution under the Treaty.

The first Budget Committee meeting was held on 5 November 2020, online, due to the overall pandemic situation and travel restrictions. The Budget Committee adopted its Internal Rules of Procedure on 12 November 2020, which are publicly available on the web page of the Transport Community Permanent secretariat: <https://www.transport-community.org/wp-content/uploads/2020/11/Budget-Committee-Rules-of-procedure.pdf>

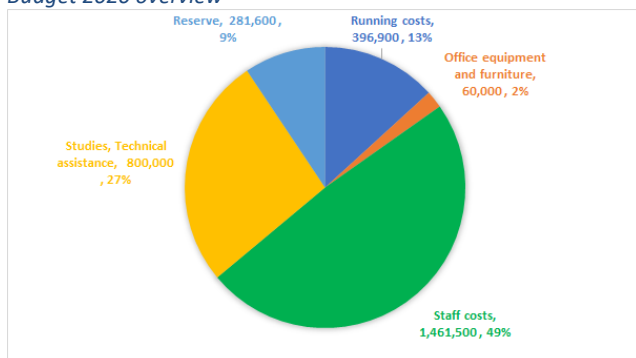
In December 2020, the indicative calendar for the 2021 meetings was agreed and communicated to members of the Budget Committee. In line with the Financial Rules, the Budget Committee will hold two ordinary meetings in 2021, scheduled for 31 March and 16 November.

BUDGET 2020

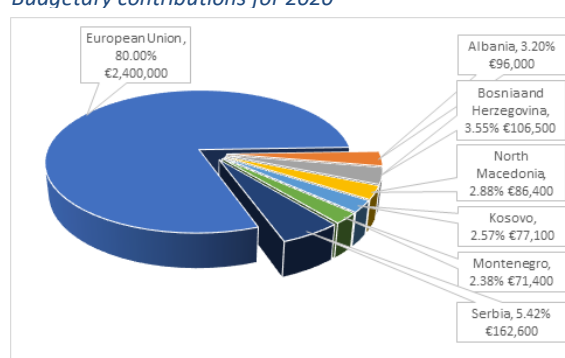
The Regional Steering Committee adopted the budget for 2020 on 21 April 2020 by the Decision No. 01/2020, publicly available on: https://www.transport-community.org/wp-content/uploads/2020/07/Decision-2020_1-of-RSC-on-the-Adoption-of-the-Budget-of-TCT-2020.pdf

In line with the article 34 of the Transport Community Treaty, each Contracting Party shall contribute to the budget of the Transport Community. The contribution is divided into two parts: 80% for the European Union and 20 % for the six South East European Parties. All parties have fulfilled their financial obligations on the 2020 budget contribution of the Transport Community.

Budget 2020 overview



Budgetary contributions for 2020



Budget implementation report[†]

Budget line	Budgeted amount	Actual expenditure	Legal Commitments	Total amounts incl. legal commitments	Impl. rate incl. commitments	Remaining balance
	a	b	c	d=b+c	e=d/a	f=a-d
Running costs	396,900	55,394	6,260	61,654	15.53%	594,209
Office equipment and furniture	60,000	6,335	34,500	40,835	68.06%	179,603
Staff costs	1,461,500	710,718	-	710,718	48.63%	168,178
Studies, technical assistance	800,000	-	121,500	121,500	15.19%	4,365
TOTALS	2,718,400	772,447	162,260	934,707	34.38%	946,355
Budget Reserves	281,600	-	-	-	0.00%	150,000
GRAND TOTALS	3,000,000	772,447	162,260	934,707	31.16%	1,178,293

PREPARATION OF BUDGET 2021

The first discussion about the proposal for the Budget of the Transport Community for 2021 was held at the Regional Steering Committee meeting on 8 October 2020 and the follow up discussion took place at the Steering committee meeting held on 15 December 2020. The EU's opinion regarding the adoption of the Budget of the Transport Community for 2021 was adopted on 22 December 2020 and accordingly published in Official Journal of the European Union.

In line with the Rules of procedure of the Steering committee, Part VI, the draft- Decision for adoption of the Budget of the Transport Community for 2021 was transmitted to the Steering committee members

[†] The annual financial statements have not been audited at the time when this document is issued.



for adoption by written correspondence, on 22 December 2020 with deadline for receiving responses by the Friday, 15 January 2021.

In accordance with article 35 of the Transport Community Treaty, expenditure of each body has been set out on different parts of the Budget. The total budget is EUR3,180,000, which includes EUR3,000,000 of fresh credits, and EUR180,000 carried over from the 2020 budget, representing contractual obligations signed at the end of 2020, for which the goods and services are to be rendered during 2021.