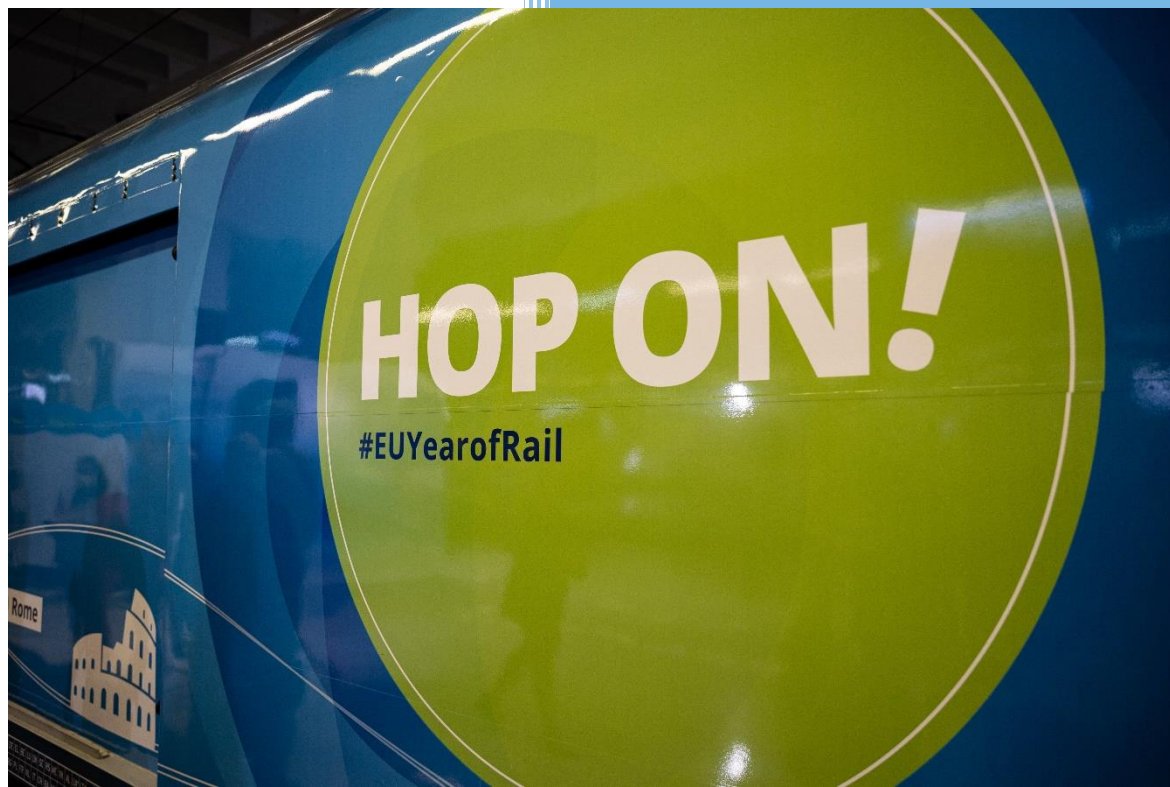


II/2021

Annual Monitoring Report of the Rail Action Plan



**Transport Community
Treaty Permanent
Secretariat**

September 2021

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1. SCOPE OF THE REPORT

The purpose of this report is to present the progress made on the implementation of the Rail Action Plan. Hence, this report will provide various stakeholders and regional relevant authorities an objective view on needed additional efforts and concrete measures that need to be taken, including timeline.

Action Plan was endorsed on 26 October 2020 at the Transport Community Ministerial Council meeting. It is worth mentioning that progress reported refers to periods prior to the official endorsement of the Action Plans.

Some of the proposed measures have already taken commitments by the relevant authorities of the South East European Parties (SEE) parties under the Western Balkans Six process, which were previously monitored through the Connectivity Reform Measures Management Plan, and broadened in view of recent studies and assessment needs which have been carried out between the period. Hence, they have their sound basis in already established legal and coordination mechanisms.

This report will be delivered to the Regional Steering Committee (RSC) members at the next RSC meeting scheduled on 21 October 2021, as well as discussed on a High-Level meeting of Ministers on 22 October 2021, Pržno/Montenegro.

2. RAIL ACTION PLAN - CONTENT

The Rail Action Plan was adopted at the technical level on the 3rd Technical Committee meeting on Railway. Rail Action Plan covers period 2020-2024. This plan for developing a regional rail strategy is divided into six chapters: Rail market opening, Passenger rights, Border/Common crossing operations, Interoperability, Governance and Modernisation of rail infrastructure, each chapter consist

Rail market opening - Measures

- Amend national law to remove potential breaches of TCT provisions about opening the market at national level (Phase 1).
- Establish functioning institutions (regulatory body, licensing body, national safety authority, national investigation body, designated body) – including legal, administrative, and budgetary actions.

- Publish Network Statement for railway infrastructure.
- Publish Network Statement for service facilities (sea and river ports, terminals).
- Take legislative and/or regulatory measures to achieve mutual recognition at regional level of: operating licenses, train driver licenses, safety certificates, vehicle authorisation.
- Modernise rules on public procurement in the rail sector, through transposition and implementation of Regulation 1370/2007 concerning public transport services by rail.
- Establishing of Contractual relation between IM and competent authorities for the maintenance and operation on public infrastructure.

Passenger rights - Measures

- Transpose and implement Regulation (EC) No 1371/2007.

Governance - Measures

- Create a network of EU DEL rail correspondents in the region to assist in the implementation and monitoring of the Rail Action Plan.
- Organise a stakeholder workshop on the streamlining of technical assistance and financing of the reform of the rail sector and rail infrastructure projects in the Western Balkans (ERA, S2R, CER, EIM, WB, EIB, EBRD, EU DELs, DG MOVE, DG NEAR, CONNECTA, EU Member States...).

Interoperability – Measure

- Transpose and implement the Interoperability Directive 2008/57/EC (valid until June 2020) and its new version Directive (EU) 2016/797 (4th railway package).
- Transpose and implement all EU Technical Specifications for Interoperability.
- Prepare a detailed plan for the review and cleaning up of national rail technical and safety rules in line with the EU rail acquis and the prerogatives of ERA.
- Establish an electronic register of vehicles, taking into account the European Centralised Virtual Vehicle Register (ECVVR).
- Establish an electronic register and management system of railway infrastructure, taking into account the existence of the European Registers of Infrastructure (RINF).
- Adoption of five-year Maintenance Plan.

Improving rail border-crossing operations – Measure

- Signing/upgrading all bilateral BCAs and their implementation.

Modernisation of rail network infrastructure – Measure

- Establishing a regional network of infrastructure managers for regular consultation and coordination at regional level before adoption maintenance plans for railway infrastructure and for the schedule of work, and other relevant activities.
- Identification of priority projects of regional interests for the upgrading / reconstruction / construction of specific railway sections.
- Level-crossings Safety Improvement (mapping the most critical LCs within Western Balkans region).
- Adoption of five-year Maintenance Plan.

3. TECHNICAL COMMITTEE ON RAILWAYS

The Technical Committee on Railway (TCR) was established in 2019, consisting of all regional representatives. TCR responsibility is to assist and support the activities of the Regional Steering Committee falling under the scope of the Transport Community Treaty.

For this purpose, the TCR – with the support of the Transport Community Permanent Secretariat is mandated to develop comprehensive document (taking in account reforms as well as railway projects) which should be used as a roadmap in coming years.

The main activities/actions in framework of the TCR are related to the:

- The lack of competitive rail transport services in the Western Balkans is a major obstacle to achieving sustainable transport of passengers and goods, as well as to enhancing connectivity within and throughout the region.
- The institutional framework is key element to ensure non-discriminatory and transparent access to the rail infrastructure for all interested parties. Establishing of regular consultation on regional level on progress in achieving institutional reforms and restructuring of rail sector will be added value in aim to ensure sustainable development. Western Balkans is small market and without a strong coordination of the policies and investment, none of the parties to the Treaty could revitalise its rail market alone. This is the main reason for which a regional strategy is needed.
- Interoperability and safety issues are key elements in providing legal base for regional cooperation. The mutual recognition of operating licenses, train driver licenses, safety certificates, vehicle authorisation is a precondition for Rail market opening at regional level.

- Interoperability measures, in line with EU Regulations represent the backbone of the action to ensure cross border traffic without unnecessary delay (and will be complemented by the actions promoted in the framework of the "Transport Facilitation action plan" to be set up by the Transport Community).
- The adoption of Multi annual maintenance plan with a clear budget structure will also represent a pre-condition for an improved sustainability of the rail infrastructure in region.

The RTC members approved the Scope of Work and Rules of Procedure and elected the yearly chair. The RTC's chair for 2019 was Albania, for 2020 was North Macedonia and for 2021 is Bosnia and Herzegovina.

During 2020 and 2021, the TCR held six meetings, one in the premises of Transport Community Permanent Secretariat and five in virtual format, due to the pandemic situation. Overall, the work of the RTC in previous period was satisfactory, despite all difficulties experienced due to the pandemic, and the inability to hold regular meetings in person. The main achievement was the preparation of the Rail Action Plan, which was first agreed on the level of the Technical Committee, then approved by the Regional Steering Committee, and finally endorsed by the Transport Community Ministerial Council on 26 October 2020. However, document was discussed in detail and approved at the technical level at the beginning of 2020. Technical Committee on Railway established in June 2019 was a main tool for the monitoring and reporting about the implementation of the Rail Action Plan. All members of TCR have given significant contribution in reported period. Also, representatives of DG MOVE and ERA were a strong support in all activities of TCT Secretariat.

3.1 ERA and TCT activities

During the October and November 2020, the Transport Community Permanent Secretariat and European Union Agency for Railways (ERA) organised six rail related workshops in each of the six Western Balkans Regional Partners. Based on the administrative agreement between our two organisations, workshops gathered rail stakeholders from the region and European Commission experts to identify needs and challenges in the areas of safety and interoperability. Furthermore, technical assistance was offered to all partners based on the expressed needs.

These rail workshops, which gathered hundreds of regional stakeholders, are a first concrete results of signed Memorandum of Understanding between TCT Secretariat and ERA. Aiming to develop a rail system

which is safe, environmentally and socially sustainable, and inter-connected with the EU. The main goal of the workshops was identification of any obstacles and implementation challenges.

Key conclusions from all six workshops are available from the workshop report already shared with the Rail Technical Committee, ERA and the EU Commission (DG MOVE).

3.2 The EU year of rail and TCT events

3.2.1 2021 TCT Capacity Building Summer School

25 participants mostly coming from Public Sector Institutions from all six South East European Parties were hosted during the 2021 TCT Capacity Building Summer School in Belgrade. 58% of the speakers, coming from all around Europe, delivered their presentations online and 42% in person. All the moderators were physically present in the conference room. In terms of speakers' presentation time spend, 855 minutes (64%) were in person and 480 minutes (36%) online.

Related to the acquired language, the EU Sustainable and Smart Mobility Strategy, the Night trains to run around the region and the FIDIC Contracts provisions are the topics with which the participants are less familiar with and there must be further capacity building exercises planned. Same shall be done for the digitalization in the rail industry and state of the art technologies, Steps needed to be performed from Idea to visible result or Investment.

The general conclusion based on all formal and informal feedbacks is that it was successful Capacity building event which reached the before set goals. And because the world is going forward with high speed, we will lead the changes and we will improve even more so to become trendsetters instead trend followers by setting the level of quality high and overreaching it.

3.2.2. Western Balkan Rail Summit

First time one Western Balkan Rail Summit is organized under the umbrella of the TCT. Secretariat. The main purpose of this Summit was to gather all Ministers from the region, Commissioners, high officials from EC bodies, directors from the railway companies as well as railway industry and university and to tackle all important issues related to the rail policy as well as projects in the entire region.

Western Balkan Summit culminated with two documents which were prepared in cooperation with DG Move and all Regional Partners. First is Declaration on Rail which was signed by all Western Balkans Ministers and second was the Memorandum of Understanding signed by the WB6 railway infrastructure managers.

First document was a follow up of the previous Rail Declaration signed in Brussels in 2018. All novelties from the latest important documents like: EC Economic and Investment Plan from October 2020, Smart and Sustainable Mobility Strategy from December 2020 as well as Rail Action Plan endorsed by all Western Balkans Ministers in November last year, were included.

Second document has more practical role. The aim is establishing a Network of the infrastructure managers within the region. This Network will be strong support for the closer cooperation, exchanging information, better planning of maintenance and timetables as well as common work on all actions towards rail market opening at the regional level.

3.3. Monitoring of the rail operations in the region

With strong support provided by all members of the TCR, TCT Secretariat was monitoring situation. Local passenger transport slightly recovered but no more than 50% compared to the figures before COVID-19 pandemic. Still there are limited number of international passenger trains. Rail freight transport was not affected as it was case with road. Borders were available for all freight trains and there was no additional delay compared to normal regime. Total volume of the freight transport is around 10% less than in period before pandemic. Similar situation is in ports of Bar and Durrës.

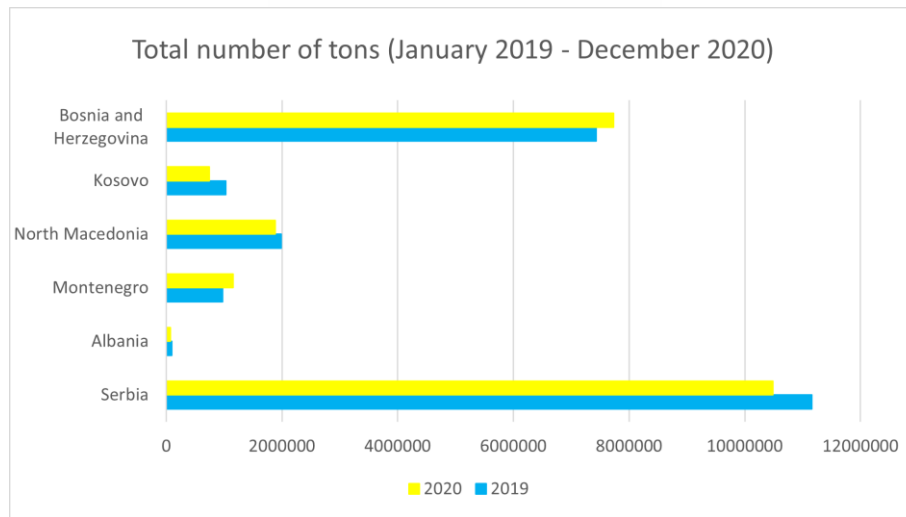


Figure 1 - Total number of tons in period January-December 2019/2020

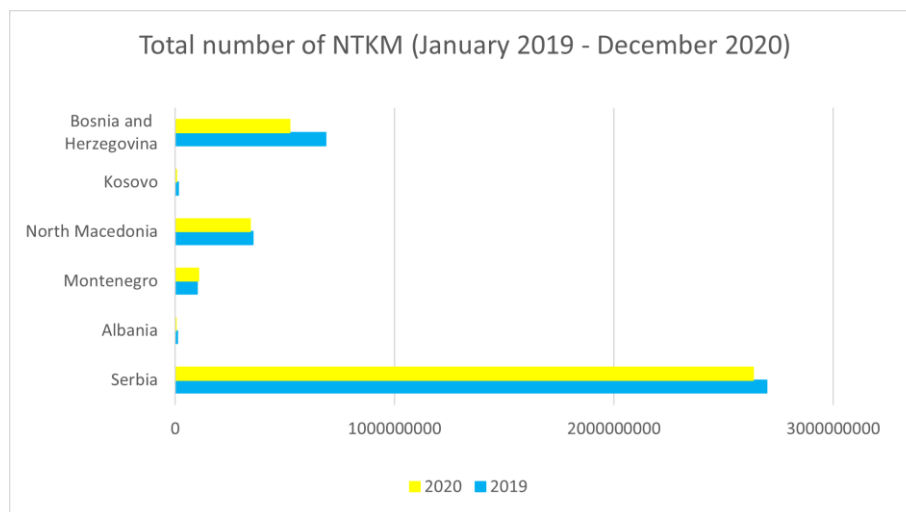


Figure 2 - Total number of NTKM in the period January - December 2019/2020

Rail freight has shown more resilience as mode of transport compared to the road, during the COVID-19 pandemic. The first impression, looking at the figures (based on available data), is that there is no significant difference in freight operation when comparing the 2020 with 2019. Based on cumulative figures (whole region included) volume of freight transport is around 10% less in 2020 than in 2019. The same trend is visible in 2021.

Volume of freight operations per regional partner are presented in graphs here below:



Figure 3 - Freight transport in Serbia in 2019, 2020 and 2021

3.4. Data collection on rail legislation

The TCT Secretariat has started with data collection process on rail legislation in the in January 2019. The aim of this activity is to have a complete overview of the level of harmonisation of national rail legislation with the EU acquis. General conclusion is that none of the Regional Partners have completed the full transposition of EU rail legislation as stated in Annex I.2 of the Transport Treaty. Some of the Regional Partners partly provided the tables of concordance on rail legislation.

4. TECHNICAL ASSISTANCE

4.1 Regional project on Level crossings safety improvement

Chapter VI of the Rail Action Plan is dedicated to the modernisation of the railway infrastructure. Safety improvement at the level crossings is recognised as a key priority for all Regional Partners. Based on previously reached agreement with all Regional Partners, TCT Secretariat prepared a project fiche supported by Serbia on behalf of all Regional Partners. This project fiche was officially submitted to JASPERS and approved in March 2021. This is among first regional rail project approved by DG NEAR and JASPERS in this reporting period (2021).

Table below gives an overview of current situation at level crossing per each regional partner.

Table 1 - Total percentage of “active” and “passive” level crossings

	Albania	BIH	KOS	MNE	MK	SER	EU
Passive	68,8	88,3	90,2	17,4*	57,3	74,6	45
Active	31,2	11,7	9,8	82,6	42,7	25,4	55

Table 2 - Total numbers of accidents and the number of accidents on LCs in the entire WB region

Western Balkans - total	2014	2015	2016	2017	2018	Total
Total number of accidents	722	831	633	824	786	3796
Accidents on LCs	98	91	114	114	117	534
Percentage of LCS accidents	13.6	11.0	18.0	13.8	14.9	14.1

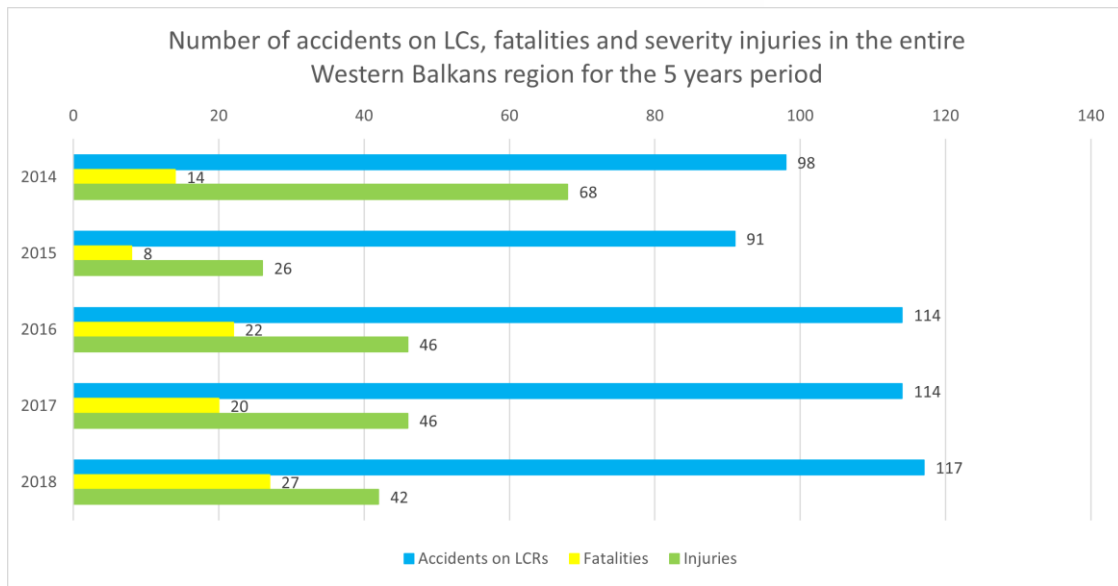


Figure 4 - Number of accidents on LCs, fatalities and severity injuries in the entire Western Balkans Region for the 5 years period

The first kick off meeting was held online on 14 April 2021. All Regional Partners presented their state of play of rail network regarding the LCs. JASPERS and TCT Secretariat presented main purpose of the project as well as upcoming steps. First, was compiling all current data what is already collected in cooperation with all Regional Partners. Then, JASPERS and TCT Secretariat made questionnaires for each Regional Partners. It is important to collect all relevant information before start with mapping most critical LCs. Currently, data collection is still ongoing.

Project is expected to be finalised finished by the end of the next year 2022. However, it will be proceedings in three phases. Prioritisation for the Core Network should be finished by January 2022, because with completion of this phase all Regional Partners will have the possibility to apply for the investment grant from the WBIF financial instrument. Project aims to also cover the comprehensive network, using same methodology.

Tangible results of the project will be visible after the finalisation of second phase (procurement and installation).

5. PROGRESS BY MEASURES DURING THE REPORTED PERIOD

5.1. Rail market opening

Rail market opening was first connectivity reform measure agreed on WB6 High-level meeting in Wien 2015. At that time, the rail market in entire region was closed. Today, the situation has improved, and the overall network is in better shape.

Therefore, we can conclude that there is progress in this measure. Four out of six regional partners have opened their rail market at domestic level, for the use of other railway undertakings.

Currently, in operation there are eight private Railway Undertakings in three Regional Partners. Their market share is around 15% in Serbia, and 40% in Albania and Kosovo.

Restructuring of national rail companies is an ongoing activity among all in all regional partners

Western Balkans is a small market, therefore market opening on domestic level is not enough for the further development of the rail in region. The lack of competitive rail transport services in the Western Balkans is a major impediment to achieving sustainable transport of passenger and goods, as well as to enhancing connectivity within and throughout the region.

Rail Action Plan covers all legislative changes of national law and its implementation to allow non-discriminatory access to rail infrastructure and rail market opening at regional level for railway undertakings of the South East European Parties, giving priority to freight services.

All Regional Partners agreed that first priorities should focus on removing obstacles for rail market opening, aiming to fully implement the EU legislation on Interoperability, as well as improve the overall governance of the railways.

All parties are encouraged to proceed with all necessary legislative changes of national law and create a non-discriminatory environment for all current and potential operators.

Comparative progress on implementation is presented in the following figures:

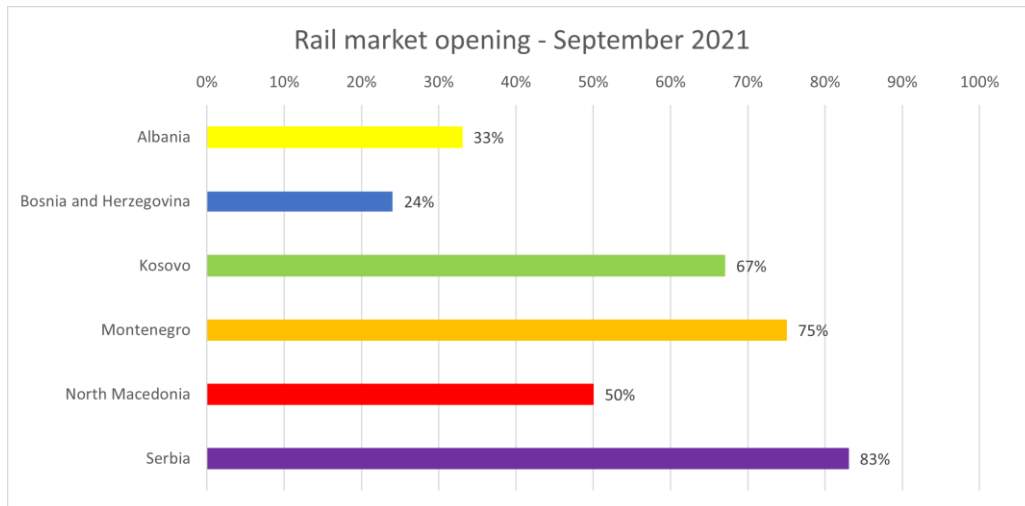
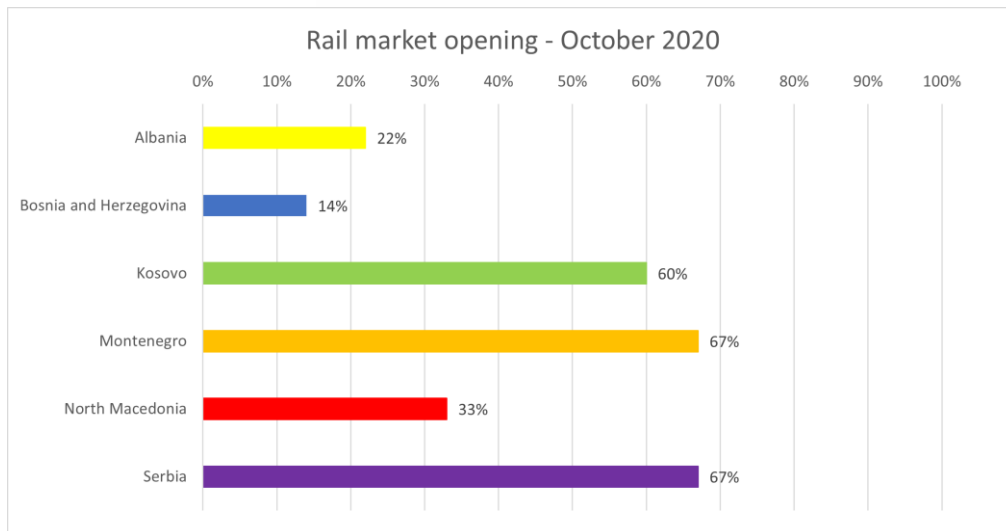


Figure 5 - Rail market opening – October 2020 and September 2021

Undoubtedly, the most sensitive set of measures are related to the rail market opening. All Regional Partners made small progress compared to the previous report. The following development in the implementation of Rail Action Plan in all Regional Partners can be highlighted:

[Albania](#)

Albanian government adopted four Laws related to the completion of the institutional framework. These are:

- Law for establishing NSA,
- Law for establishing NIB,

- Law for establishing Regulatory Body and
- Law on separation national HSH company on infrastructure and operations.

Parliament procedure has been finished in July 2021. With adoption of this four laws Albania completed institutional framework. However, next step will be establishing all railway bodies in practice as well as segmentation of the public railway company HSH.

- Albanian Railways – HSH published Network Statement for 2021 in Albanian language.
- There is direct award contract for the maintenance and operation between HSH and relevant government authority.

Pending issues:

- Establishing in practise NSA, NIB and Regulatory Body
- Finishing of the restructuring of the HSH, after the separation defined by Law
- Publishing the Network statement for the port of Durres and Vlore
- Establishing contractual relationship between new rail companies (after the separation) and relevant government institution.

Bosnia and Herzegovina

- Bosnia and Herzegovina established working group for the preparation of the new Railway Law. This Law should replace current one from the 2005. This new Law will provide full transposition of the EU Rail Acquis as well as clear competency of the Railway Regulatory Body and legal base for the establishing of NIB.
- Restructuring of the railway company “Željeznice Republike Srpske” is ongoing. Final aim is holding company with three main parts: infrastructure, passenger, and freight part. Workshops for the maintenance of vehicle as well traction will stay in the freight transport.
- Also, there are activities on preparation Public Service Obligation contract between “Željeznice RS” and entity government as well as multiannual contract for the infrastructure between same actors.
- Rulebook on public service obligation about passengers in rail transport is published in Republika Srpska. This rulebook is in align with Regulation 1370/2007.
- Also, few Bylaws acts are under preparation in the Republika Srpska such as: Rulebook on certification of drivers and centres for the education (directive 1007/59), Rulebook on passenger

rights and obligation (regulation 1371/2007) as well as Rulebook on interoperability (Directive 2016/797).

- There is one year (direct award) contract in Federation of Bosnia and Herzegovina between “Zeljeznice FBiH” and entity government. Also, there is one contract for the PSO services between same actors.
- In Federation of BIH, looking to the current Law on Railway in FBiH (Official Gazette of FBiH, 25/12), there is no restriction for the rail market opening. Railway company “Zeljeznice FBiH” will accept new entries with proper safety certificate and licence issued by Railway Regulatory Board.
- Designating body has been established in Republika Srpska. In Federation of Bosnia and Herzegovina, a Commission is formed on ad hoc basis.

Pending issues:

- Finishing of the new Railway Law.
- Definition of the competency and position of Regulatory Agency (ROZ).
- Completion of the institutional framework.
- Establishing a National investigation Body.
- Restructuring of the integrated railway companies in both entities.

Kosovo

- Institutional framework is completed. Railway Regulatory Agency has a role of NSA, regulatory and licencing body. National Investigation Body has established under the Cabinet of the Prime Minister.
- In reported period RRA has published few bylaws regarding safety issues.
- Ministry of the infrastructure included in the legislative plan changes of the Railway Law as well as preparation of new Rail Safety and Interoperability Law.

Pending issues:

- Multi annual contract between infrastructure manager - “Infrakos” and relevant authorities should be signed in aim to provide sustainability and better planning of the rail system.
- Changes of the Railway Law should cover forth railway package (market pillar).

North Macedonia

- There is direct award contract between infrastructure manager and relevant state authority.

- Draft of the new Railway System Law is prepared. Internal procedure is ongoing, government should adopt during the May 2021.
- Draft of the Railway Safety Law as well as Railway Interoperability Law is prepared. Expected date for the adoption by the government is the end of second quarter 2021.
- In the current Law on Railway, driving licences for the train drivers are recognised (EU Member States and other countries), while safety certificates and vehicle permits are recognised for the EU Member States.
- There is independent Regulatory Body as well as National Safety Authorities.
- Draft of the Network Statement for the terminal is prepared.

Pending issues:

- Removing the breaches with TCT provisions.
- Multi annual contract between IM and relevant authority.
- Adoption of all ongoing Railway Laws by the end of the second quarter 2021.
- Establishing of the National Investigation Body.

Montenegro

- Publishing a Network Statement for Port of Bar is done.
- The first draft of new Railway Law is completed, it will solve the issue of regulatory function.
- Draft Law on safety (including 3rd package and passenger rights) is expected to be adopted by the end of year.

Pending issues:

- Adoption of the Railway Law.
- Adoption of the Railway Safety Law.

Serbia

- Serbia completed institutional framework. Railway Directorate has three roles, internally separated. These are NSA, Regulatory Body and designated body. Railway Directorate is independence from the other government's bodies.
- Serbia has completed PSO contract. Now, it is in align with EU Regulation 1370/2007 about rules for the procurement public services.

- Draft Law Amending Law on Contracts in Railway Traffic has been adopted by the Government on 15 April 2021, and by the National Assembly on 11 May 2021.
- Draft of the Law Amending Law on Railways has been reviewed by the Working group for additional final modifications and improvements, and it is expected to be sent into the procedure in coming period.
- Republic of Serbia has transposed the Commission Implementing Regulation (EU) 2017/2177 on access to service facilities and rail related services by publishing:
 - Regulation on the details of the procedure and the criteria applied for access to services provided in service facilities ("Official Gazette RS", No 57/19).
 - Rulebook on the elements of service facility description ("Official Gazette RS", No 66/19).
- These two acts are being applied from January 2020, so there was enough time for preparation and publishing Network Statement for service facilities. Bearing in mind that the above regulations define a number of new rules and internal procedures for service facility operators, in addition to developing Service facility description, the Serbian authorities provided all necessary assistance to these operators in the implementation of these regulations.
- In accordance with the abovementioned framework, in the NS 2021, Service facility description for "Specijalna Luka" doo has been published. In the NS 2022, a Service Facility Description for Nelt Terminal (siding) has been published. In addition, and in accordance with regulatory framework, Service Facility Descriptions for "Specijalna Luka" doo and "Luka Senta" have been published on their respective websites, with links provided in NS.

Pending issues

- Adoption of the Railway Law.
- Adoption of the Railway Safety Law.
- Adoption of the Interoperability Law.

5.2 Passenger rights

Passenger rights is horizontal measures for all mode of transport. Regarding the rail it is transposition and further implementation of the EU Regulation 1371/2007. At this stage, some of the RPs transposed it, but no one implemented.

Purpose of this measure in reinvigoration of the passenger transport in the entire region. During the reporting period Serbia as well as North Macedonia prepared a draft of the Law on contracts in railway traffic. These Drafts includes provisions enabling full harmonisation with the Regulation (EC) 1371/2007 on the rights and obligations of rail passengers. **However, there is no visible progress in this area.**

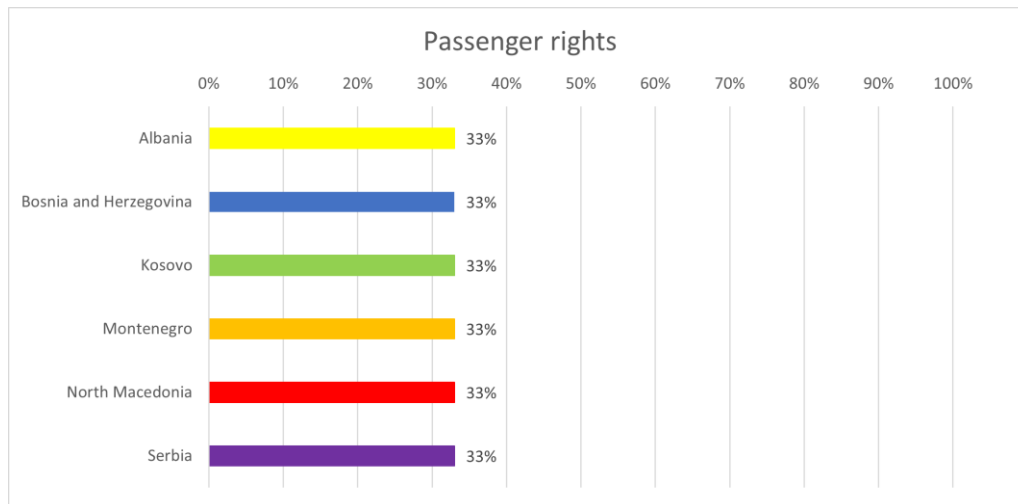


Figure 6 - Passenger rights – October 2020 and September 2021

5.3 Governance

TCT Secretariat is working on developing permanent communication with EU Delegations in the Western Balkans. During the last period, TCT Secretariat organised separate meetings with all EU Delegations in the region. The main purpose is to create possibility to finance small scale projects that do not fall under IPA or WBIF scope.

Regional cooperation is under developing. G2G cooperation has support through TCT mechanism.

In aim to ensure best results, B2B cooperation should be enhanced. Infrastructure Managers as well as Railway Undertakings have great chance to coordinate all activities through TCT mechanism. Also, they can do it directly through establishing regular consultation on regional/bilateral level. It is very important step, because no one party on South East Europe can do developing of rail system alone. Regular consultation is needed for Transport Strategies, Maintenance plans, Network Statements and other important documents.

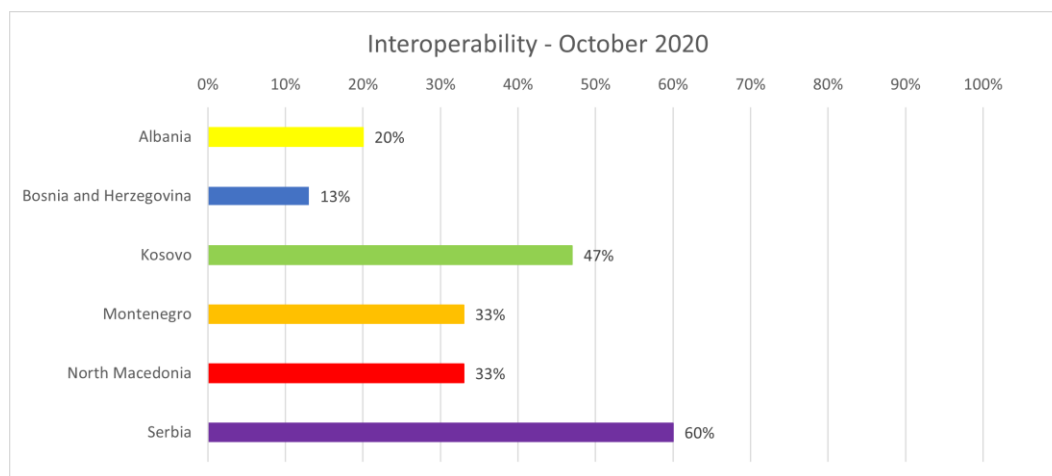
Establishing of regular consultation on regional level on progress in achieving institutional reforms and restructuring of rail sector will be added value in aim to ensure sustainable development.

5.4 Interoperability

Interoperability and safety issues are the key figure in providing legal base for regional cooperation. The mutual recognition of operating licenses, train driver licenses, safety certificates, vehicle authorisation is a precondition for Rail market opening on regional level. Implementation will ensure cross border traffic without unnecessary delay.

These set of actions need legislative changes and it will be supported by the TCT Secretariat and EU institutions (DG Move, ERA).

Comparative progress is presented in the following figures:



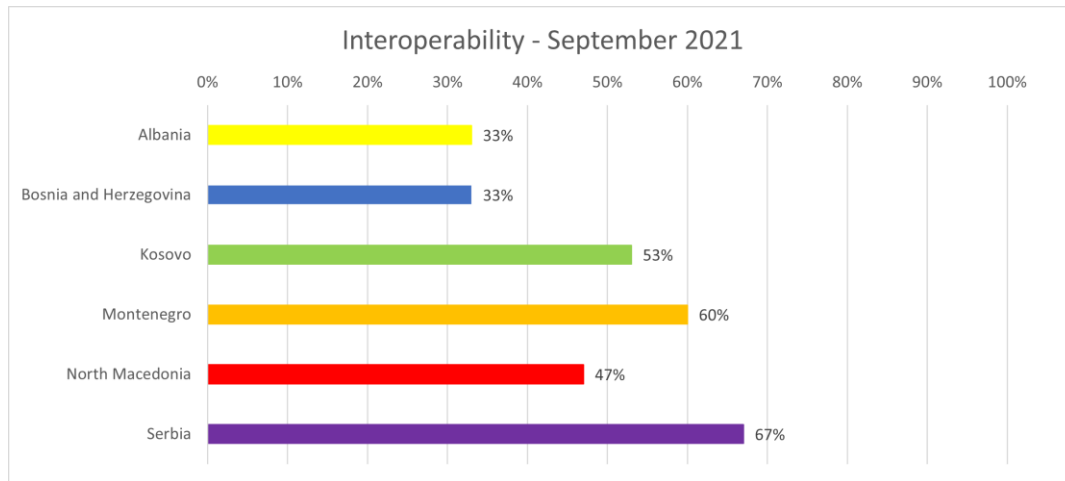


Figure 7 - Interoperability - October 2020 and September 2021

These set of actions consider full transposition and implementation of the technical pillar of Fourth Rail package. All Regional Partners made small progress compared to the previous year.

Serbia

- In Serbia, amendments on Law on Interoperability are being prepared- Government may adopt draft until the end of year.
- Draft of Law on Railway safety is done
- Publishing of the TSIs is done
- The work on establishing a RIAMS is ongoing in scope of the Transport and Trade Facilitation project with World Bank.

Pending issue:

- Adoption of all Laws by the Government and Parliament
- Establishing a Rail infrastructure and Asset Management System

Albania

- Albania prepared a solid base for the setting up the Electronic register of vehicles
- The work on establishing RIAMS is ongoing.

Pending issues:

- Publishing of the TSIs
- Further transposition of the 4th Railway package
- Cleaning up of the national rules

Montenegro

- The five TSIs published from the October last year, as well as 2 new rulebooks on interoperability issues.
- Electronic register of vehicles is in operation. Training is completed, software is installed, connected with ERA and in function.
- Asset management system – the first phase of the KPMG project is completed.

Pending issues:

- Draft Law on safety (including 3rd package and passenger rights) is expected to be adopted by the end of year.
- Completion of the institutional framework (NSA, NIB, Regulatory Body, Designated Body)

North Macedonia

- Draft of the Railway Safety Law as well as Railway Interoperability Law is prepared. Expected date for the adoption by the government is the end of second quarter 2021.
- Working group for the publishing TSIs has been established.
- There is register of vehicle in excel table.

Pending issues:

- Adoption of all ongoing Railway Laws by the end of the second quarter 2021.
- Establishing of the National Investigation Body.
- Publishing TSIs by the NSA.
- Establishing of the electronic register of vehicle.

Kosovo

- The working group for the new Railway Safety and Interoperability Law has been established.
- There is a vehicle's inventory list as a base for the future electronic register of vehicles.
- RIAMS is established, but adequate software is needed.

Pending issues:

- All adopted TSIs should be published regularly by RRA.
- Adoption of the new Railway Safety and Interoperability Law.

Bosnia and Herzegovina

- The following Rulebooks have been published by ROZ:
 - Rulebook on the use of the technical file (Official Gazette of BiH, 102/12),
 - Rulebook on the use of the technical file (Official Gazette of BiH, 38/20),
 - Rulebook on the application of functional and technical requirements relating to the subsystems of the rail system in BiH (JTP GEN-B) (Official Gazette of BiH 79/20),
 - Rulebook on the application of the essential requirements for the rail system in BiH (Official Gazette of BiH. 84/20),
- The remaining provisions of the Directive 2016/797 will be transposed into the regulation concerning the railway system interoperability which is currently in preparation – the publication of which is planned for 2021
- In the Republic of Srpska: Rulebook to transpose the Directive 2016/797 is being prepared.
- There is an excel table used by the Railways Enterprise, it can be solid base for the establishing of electronic register of vehicles.

Pending issues:

- Publishing of the TSIs.
- Adoption of the new Railway Safety and Interoperability Law.
- There is a vehicle's inventory list as a base for the future electronic register of vehicles.

5.5 Border crossings agreements

One of the biggest resources for the improvement is cutting the time at the borders. Common work of all authorities (border police, inspection, customs and rail authorities) in joint station will provide minimum double cutting the time.

Finishing all ongoing measures and its` implementation will contribute to decrease waiting time on borders.

Serbia has initiated new border crossings agreements with Croatia, Hungary, Bulgaria and Romania.

On 22 June 2020, Croatian side proposed continuation of cooperation on this matter, on the expert level, until defining the acceptable draft agreement for both sides. In that sense, it was agreed to organise meeting with the Croatian Ministry of Sea, Transport and Infrastructure as soon the conditions are met in terms of the current situation with COVID-19 pandemics.

There is no feedback Romania, whereas Bulgaria and Hungary do not interest for the common station (“one stop shop”).

BCA between Serbia and North Macedonia is signed in 2016. Tender procedure for the construction works in station Tabanovce should start in this year. Expected completion is mid of 2023.

Detail information regarding all ongoing rail border crossing agreements is available under the Chapter – Transport Facilitation Action Plan.

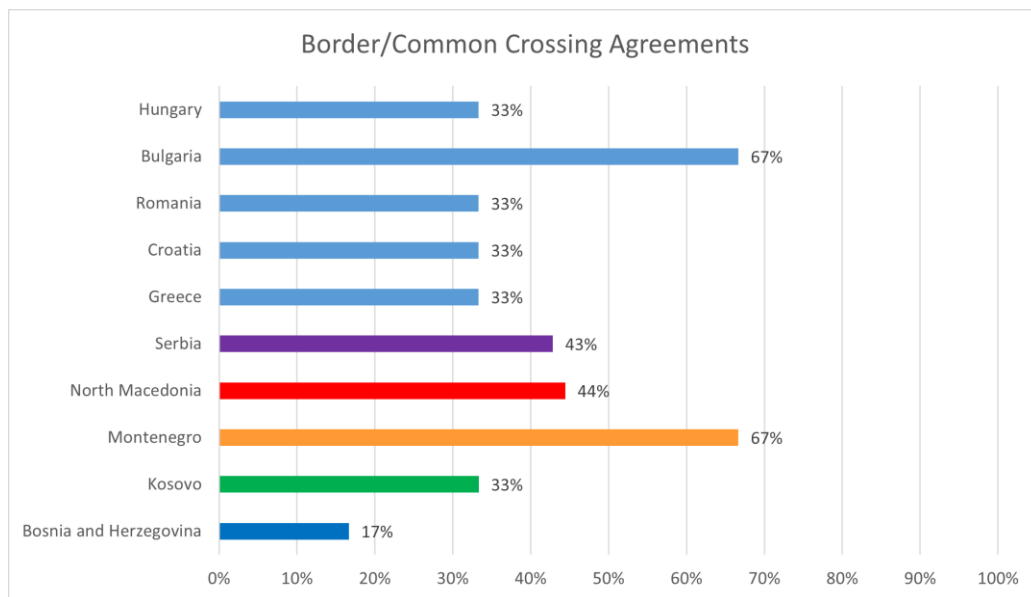


Figure 8 - Improvement border/common crossing operations

5.6. Modernisation of the railway infrastructure

Current average speed and quality of service on rail within Western Balkans is not on adequate level. One of the major reasons is lack of the proper maintenance in last three decades. More focus on maintenance rather than on new expensive projects is needed.

In this view, adoption of Multi annual maintenance plan with clear budget structure is solid base for sustainability of rail infrastructure in region.

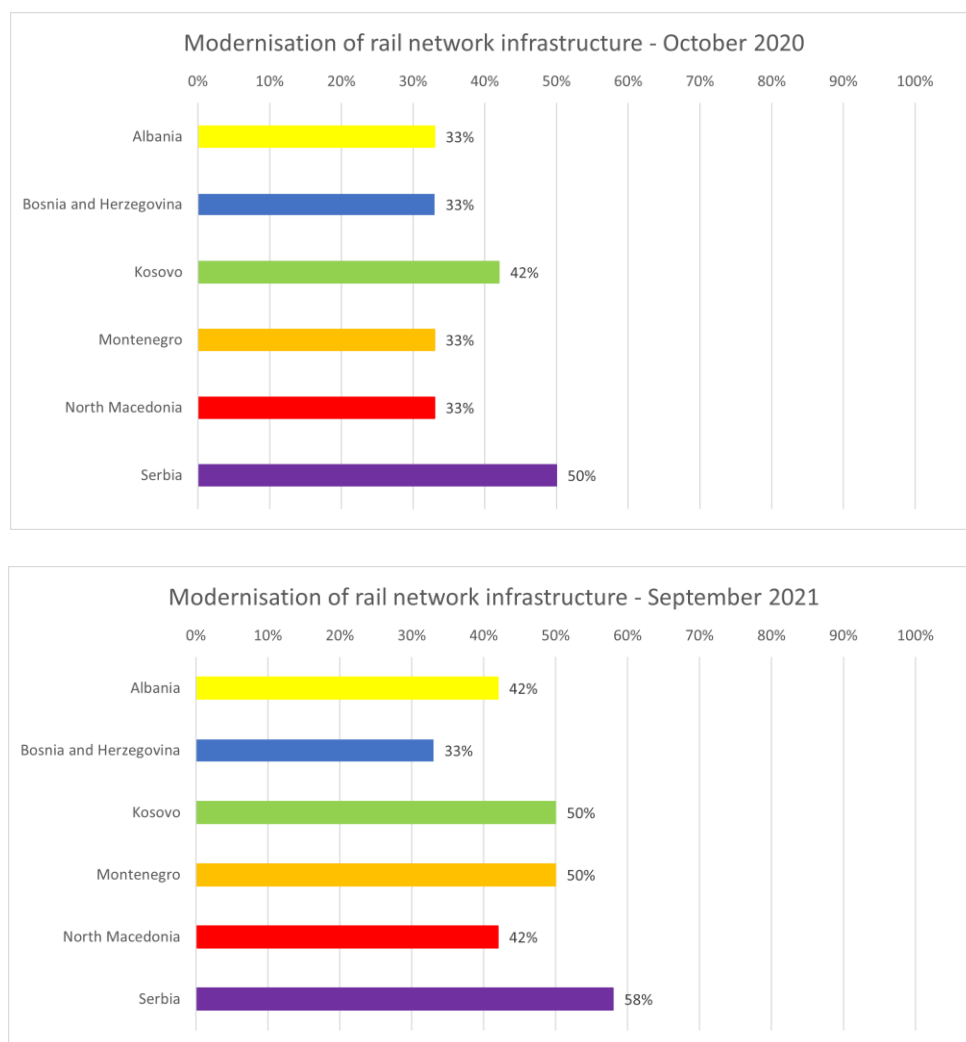


Figure 9 - Modernisation of rail infrastructure network - October 2020 and September 2021

Currently the entire region there are 11 ongoing projects. All regional partners have established the rail priorities in align with national single project pipeline. Two sub actions (Establishing of the Network of

IMs and LCs safety improvement project) are in direct correlation with regional connectivity. Success of these actions depends on the joint work of all stakeholders.

TCT Secretariat prepared an Annual Report on the development of the indicative extension of the TEN-T Comprehensive and Core Network in Western Balkans. All regional partners contributed to the data collection process. The Report covers current TEN-T compliance, ongoing/finance secure projects as well as forecast for the 2027. This section of report presents an overview of the projects (see the table 3 below).

Table 3 - Railway projects per Regional Partners

Regional Partners	Name of the project	Core/ Comprehensive Network	Foreseen intervention	Total length (km)	Total Cost (M€)	Estimated completion deadline
Railway projects						
Albania	Rehabilitation of the railway Durres- Tirana Public transport terminal PTT and construction of the new railway Tirana-Rinas branch	Core	Reconstruction/rehabilitation	41	90.45	2024
Bosnia and Herzegovina	Corridor Vc-Overhaul and modernisation of the railway section Šamac – Doboj – Rječica	Core	Reconstruction/rehabilitation	85	162.5	2025
North Macedonia	Rehabilitation of Eastern Part of Rail Corridor VIII- PHASE 1-Section Kumanovo-Beljakovce	Core	Reconstruction/rehabilitation	30.8	48.9	2022
North Macedonia	Rail Corridor VIII-PHASE 2-Section Beljakovce-Kriva Palanka	Core	New infrastructure, Reconstruction/rehabilitation,	34	145	2024

North Macedonia	Rail Corridor VIII-PHASE 3-Section Kriva Palanka - Deve Bair	Core	New infrastructure	34	420	2026
North Macedonia	Project for track renewal works on the section Nogaevci - Negotino	Core	Reconstruction/rehabilitation	31	9.6	2022
Kosovo	Railway Rehabilitation Route 10	Core	Reconstruction/rehabilitation	149	245	2025
Montenegro	Rehabilitation railway line "Vrbnica-Bar" (rail Route 4)	Core	Reconstruction/rehabilitation	159	244	2025
Serbia	Reconstruction and modernisation of (Nis) Brestovac - Presevo	Core	Reconstruction/rehabilitation	159	219.9	2023
Serbia	Reconstruction and modernisation of Belgrade - Novi Sad - Subotica - border with Hungary railway line	Core	Reconstruction/rehabilitation	183	1994	2024
Serbia	Reconstruction and modernisation of Nis - Dimitrovgrad railway line	Core	New infrastructure, Reconstruction/rehabilitation,	108	268	2024



ANNEX 1. MONITORING MECHANISM

The Transport Community Permanent Secretariat updated the monitoring methodology used for Connectivity Reform Measures since February 2016, following the detailed Connectivity Reform Measure Monitoring Plan. The revised methodology was agreed by all the parties at the Sherpas Meeting in May 2019 and at the 5th Regional Steering Committee meeting held in June 2019.

The revision addressed the lesson learned through the monitoring process aiming to provide a more realistic view on the progress of implementation of Connectivity Reform Measures.

The objective of the monitoring mechanism is to track the progress as well as regress of the implementation and accordingly to provide various stakeholders involved in the implementation of the Plan with an objective view on where and by whom further efforts are needed.

The measures will not be rated in comparison to each other, but each measure will be appraised according to the same scale and weighting.

Monitoring Mechanism rating

The monitoring mechanism enables qualitative assessments of the implementation of each measure. There are four basic progress indicators for demonstrating the progress achieved in the implementation of each measure by assessing its sub-actions and one indicator to demonstrate the regress, as Stagnant (Pending). The overview of the indicators is provided in the scheme below, Figure 1.

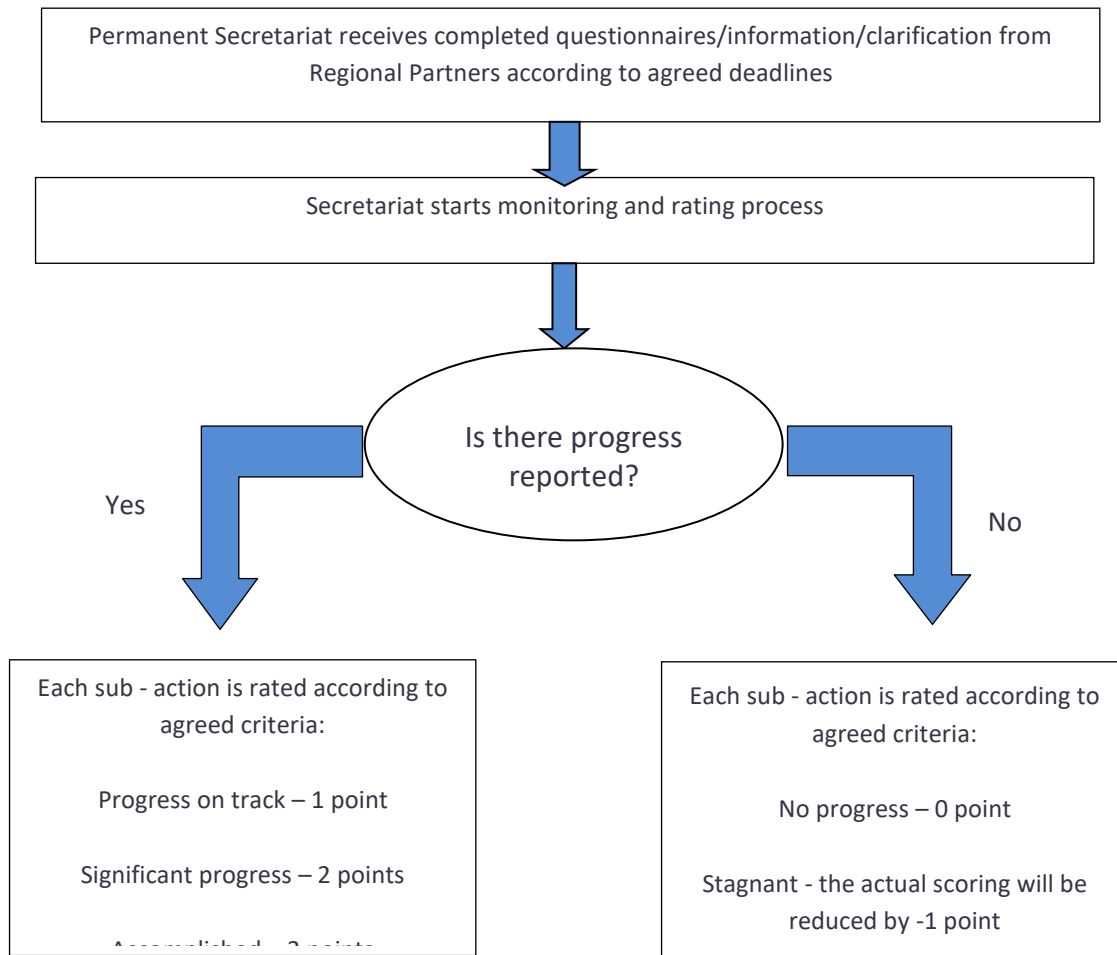
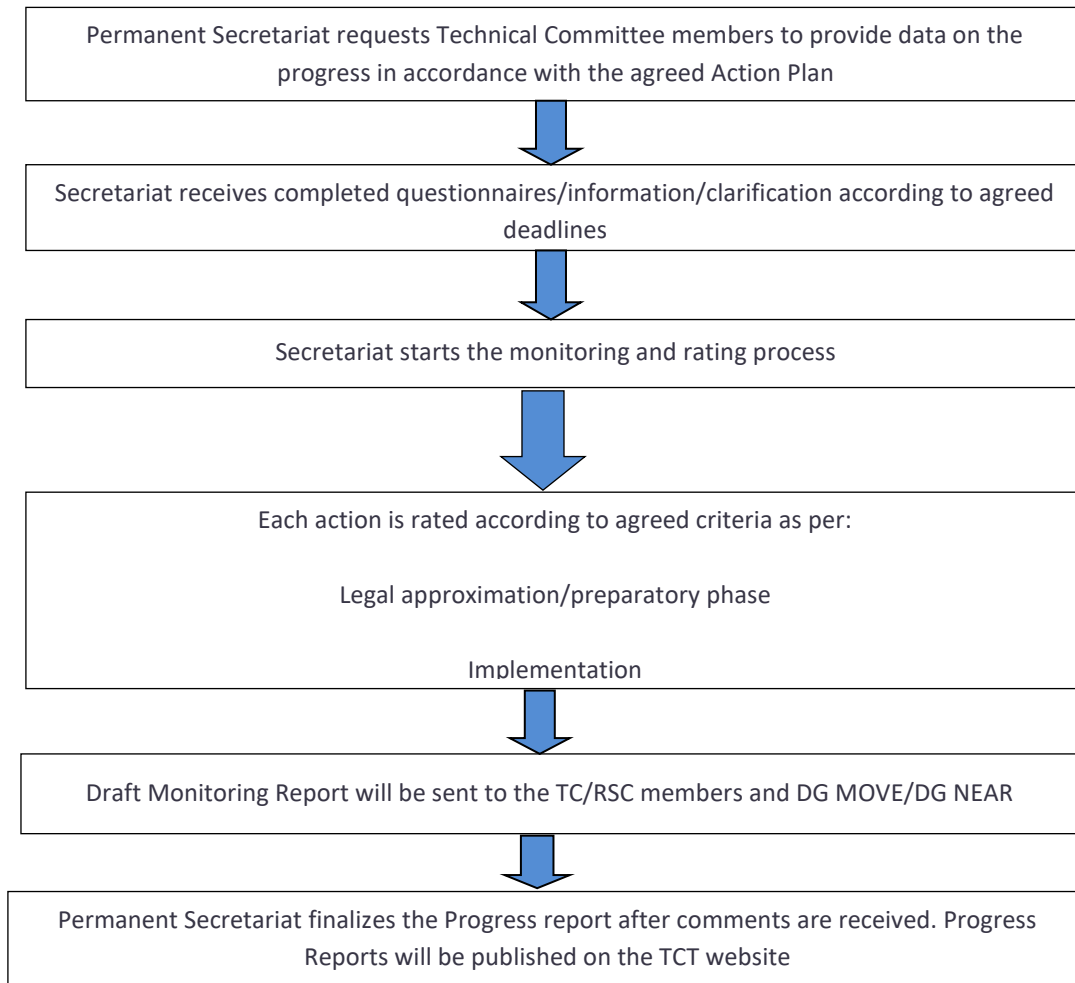


Figure 1 - Monitoring mechanism process

A stagnant indicator will not apply to No progress indicator. For the rest of the indicators, it will mean that the rate of progress will be downgraded to the previous one i.e if a sub-action was rated significant progress but within the stipulated timeline no activities occurred it will be downgraded to progress on track with its respective scoring. A detailed description of the progress indicators is provided in Annex 1.

Reporting

Assessment of the progress of each Action will be carried out on an annual basis or specific demand of the Technical Committee. The flow of information for the preparation of the progress report is presented in the diagram as per Figure 2.



Figure

Figure 2 - Reporting Flow scheme

ANNEX 2: RAIL - MONITORING MECHANISM – IMPLEMENTATION SCORING

1. Rail market opening

MEASURE 2019/2020	SUB-ACTIONS	IMPLEMENTING BODY (Stakeholders)	Regional partners						Deadline for implementation
			ALB	BIH	KOS	MNE	MK	SER	
1. Rail market opening	SA. 1 Amend national law to remove potential breaches of TCT provisions in regard to opening up the market at national level (phase 1)	Ministries of Transport supported by the Railway Regulatory bodies	n/a	1	n/a	n/a	1	n/a	Q4 2021 – MK Q4 2022 -BIH
	SA. 2. Establish functioning institutions (regulatory body, licensing body, national safety authority, national investigation body, designated body) – including legal, administrative, and budgetary actions	Ministries of Transport supported by the Railway Regulatory bodies and TCT Secretariat	1	1	3	2	2	3	Q4 2022
	SA. 3. Publish Network Statement for railway infrastructure	Infrastructure managers supported by the TCT Secretariat	2	0	n/a	n/a	n/a	n/a	Q2 2021 – ALB Q4 2021 - BIH
	SA. 4. Publish Network Statement for service facilities (sea and river ports, terminals)		0	0	3	3	2	2	Q1 2021
	SA. 5. Take legislative and/or regulatory measures to achieve mutual recognition at regional level of: operating licenses, train driver licenses, safety certificates, vehicle authorisation	Ministries of Transport supported by the Railway Regulatory bodies and TCT Secretariat	1	1	2	2	1	2	Q1 2022

	SA. 6. Modernise rules on public procurement in the rail sector, including through transposition and implementation of Regulation 1370/2007 concerning public transport services by rail	Ministries of Transport supported by the Ministries of Finance and TCT Secretariat	1	1	2	2	2	3	Q1 2022
	SA 7. Establishing of Contractual relation between IM and state for the maintenance and operation on public infrastructure	Infrastructure managers, Ministries of Transport and Ministries of Finance	1	1	0	n/a	1	n/a	Q2 2021 – KOS, Q2 2021 - ALB, MK Q2 2022 - BIH
Total scoring			33%	24%	67%	75%	50%	83%	

2. Passenger rights

MEASURE 2019/2020	SUB-ACTIONS	IMPLEMENTING BODY (Stakeholders)	Regional partners						Deadline for implementation
			ALB	BIH	KOS	MNE	MK	SER	
2. Passenger rights	SA. 1 Transpose and implement Regulation (EC) No 1371/2007	Ministries of Transport supported by the Railway Regulatory bodies	1	1	1	1	1	1	Q1 2022
Total scoring			33%	33%	33%	33%	33%	33%	

3. Interoperability

MEASURE 2019/2020	SUB-ACTIONS	IMPLEMENTING BODY (Stakeholders)	Regional partners						Deadline for implementation
			ALB	BIH	KOS	MNE	MK	SER	
3. <i>Interoperability</i>	SA. 1 Transpose and implement the Interoperability Directive 2008/57/EC (valid until June 2020) and its new version Directive (EU) 2016/797 (4th railway package)	Ministries of Transport supported by the Railway Regulatory bodies and TCT Secretariat	2	1	2	2	2	2	Q2 2021
	SA. 2 Transpose and implement all EU Technical Specifications for Interoperability	Ministries of Transport supported by the Railway Regulatory bodies and TCT Secretariat	0	1	2	2	1	3	Q4 2021
	SA. 3 Prepare a detailed plan for the review and cleaning up of national rail technical and safety rules in line with the EU rail acquis and the prerogatives of ERA	Ministries of Transport supported by the Railway Regulatory bodies and ERA	1	1	1	1	1	1	Q4 2022
	SA. 4: Establish an electronic register of vehicles, taking into account the OTIF National Vehicle Registers specifications 'NVR 2015' and the European Centralised Virtual Vehicle Register (ECVVR)	Railway Regulatory bodies supported by ERA and OTIF	1	1	1	3	1	3	Q1 2022
	SA. 5 Establish an electronic register and management system of railway infrastructure, taking into account the existence of the European Registers of Infrastructure (RINF)	Infrastructure Managers supported by the ERA and DG Move	1	1	2	1	2	1	Q2 2022

Total scoring			33%	33%	53%	60%	47%	67%	
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4. Governance

MEASURE 2019/2020	SUB-ACTIONS	IMPLEMENTING BODY (Stakeholders)	Regional partners						Deadline
			ALB	BIH	KOS	MNE	MK	SER	
4. Governance	SA. 1 Create a network of EU DEL rail correspondents in the region to assist in the implementation and monitoring of the TCT Rail Action Plan.	DG NEAR/ TCT Secretariat to set up and maintain the EU DEL network	n/a	n/a	n/a	n/a	n/a	n/a	Q2 2021
	SA. 2 Organise stakeholder workshop on the streamlining of technical assistance and financing of the reform of the rail sector and rail infrastructure projects in the Western Balkans	TCT Secretariat to organise the event, in liaison with DG NEAR and DG MOVE	n/a	n/a	n/a	n/a	n/a	n/a	Q2 2021
Total scoring									

5. Improving rail border crossing operations

MEASURE 2019/2020	SUB- ACTIONS	IMPLEMENTING BODY (Stakeholders)	Regional/EU partners												Deadline	
			ALB	BIH	KOS	MNE	MK	SRB	GRE	CRO	ROM	BLG	HUN	Signing	Implementation	
5. improving rail border crossing operations	Serbia – North Macedonia	MoTs supported by the customs, border police and inspection from SRB and NMKD	n/a	n/a	n/a	n/a	2	2	n/a	n/a	n/a	n/a	n/a	Done	Q4 2023	
	North Macedonia - Kosovo	MoTs supported by the customs, border police and inspection from KOS and NMKD	n/a	n/a	1	n/a	1	n/a	n/a	n/a	n/a	n/a	n/a	Q2 2021	Q4 2023	
	Bosnia and Herzegovina - Croatia	MoTs supported by the customs, border police and inspection from BIH and CRO	n/a	1	n/a	n/a	n/a	n/a	n/a	1	n/a	n/a	n/a	Q1 2021	Q3 2021	
	North Macedonia – Greece	MoTs supported by the customs, border police and inspection from GRE and NMKD	n/a	n/a	n/a	n/a	1	n/a	1	n/a	n/a	n/a	n/a	Q4 2021	Q4 2023	
	Serbia - Bulgaria	MoTs supported by the customs, border police and inspection from SRB and BLG	n/a	n/a	n/a	n/a	n/a	2	n/a	n/a	n/a	2	n/a	Q1 2021	Q3 2021	
	Serbia - Montenegro	MoTs supported by the customs, border police and inspection from SRB and MNE	n/a	n/a	n/a	2	n/a	2	n/a	n/a	n/a	n/a	n/a	Done	Q1 2022	
	Serbia – Bosnia and Herzegovina	MoTs supported by the customs, border police and inspection from SRB and BIH	n/a	0	n/a	n/a	n/a	0	n/a	n/a	n/a	n/a	n/a	Q4 2021	Q4 2022	

	Serbia – Hungary	MoTs supported by the customs, border police and inspection from SRB and HUN	n/a	n/a	n/a	n/a	n/a	1	n/a	n/a	n/a	n/a	1	Q1 2021	Q4 2023
	Serbia - Romania	MoTs supported by the customs, border police and inspection from SRB and ROM	n/a	n/a	n/a	n/a	n/a	1	n/a	n/a	1	n/a	n/a	Q4 2021	Q4 2022
	Serbia - Croatia	MoTs supported by the customs, border police and inspection from SRB and CRO	n/a	n/a	n/a	n/a	n/a	1	n/a	1	n/a	n/a	n/a	Q1 2021	Q4 2021
Total scoring			n/a	17%	33%	66%	44%	43%							

6. Modernisation of rail network infrastructure

MEASURE 2019/2020	SUB-ACTIONS	IMPLEMENTING BODY (Stakeholders)	Regional partners						Deadline
			ALB	BIH	KOS	MNE	MK	SER	
6. Modernisation of rail network infrastructure	SA. 1. Establishing a regional network of infrastructure managers for regular consultation and coordination at regional level before adoption maintenance plans for railway infrastructure and for the schedule of work, and other relevant activities.	Infrastructure managers supported by Ministries of Transport and TCT Secretariat	1	1	1	1	1	1	Q3 2021

	SA. 2. Identification of priority projects of regional interests for the upgrading / reconstruction / construction of specific railway sections;	Ministries of Transport supported by the infrastructure managers and TCT Secretariat	2	1	2	2	2	2	permanent task
	SA. 3. Level-crossings Safety Improvement (mapping the most critical LCRs within WB region)	Ministries of Transport supported by the Railway Regulatory bodies, ERA and TCT Secretariat	1	1	1	1	1	1	Q1 2022
	SA. 4. Adoption of five-year Maintenance Plan	Infrastructure Managers supported by the ERA, DG Move and TCT Secretariat	1	1	2	2	1	3	Q1 2022
Total scoring			42%	33%	50%	50%	42%	58%	