Rail TCT Committee, Brussels, Belgium

Technical Assistance for Capacity Support to the Transport Sector and EU Acquis Alignment in Montenegro
Project: PWA/MNE/IPA II/CAP17/SER/01-8132/1

Summary of the railway sector-related activities within the TA project

1st December 2022
Railway station Podgorica
Montenegrin railway network

The main railway destinations in Montenegro are the capital Podgorica and coastal city of Bar.

The Bijelo Polje – Bar railway is the backbone of the Montenegrin railway system. It has features such as the Mala Rijeka viaduct (the highest railway viaduct in the world) and the 6.2 km long Sozina tunnel.

The project was started in 1969 and was completed in 1973. The viaduct is 498.8 metres long and at its highest is 200 metres above the Mala Rijeka River. It is also the longest bridge on the Belgrade–Bar railway.

When constructed, it was the highest railway bridge in the world, surpassing the record height previously held by the Fades viaduct in France. It held the record until 2001 when the Beipan River Shuibai Railway Bridge, a concrete arch bridge, was completed in Guizhou, China.
Montenegrin railway network

Mala Rijeka viaduct
Montenegrin railway network

- The existing railways are 249 km long – the main railway transport line is **Bar-Podgorica-Belgrade** with branches towards **Nikšić** and the other one towards **Skadar** (Albania).

  Inter City (IC) trains connect Podgorica and Bar. Local trains serve the other stations.
Train in Sutomore
Montenegrin railway network
Montenegrin railway network - connection to Bar

• The number of local passengers in local trains on Bar-Vrbnica railway increased as a consequence of a reduced number of trains in long-distance transport with Serbia.

• **The port of Bar** is the most important source of activities for the Montenegrin part of the Belgrade-Bar railway connection.

• As it is connecting the rail network to the port, it may have an important role to play in the framework of „greening” the transport systems and the Green Agenda and promotion of the intermodal transport of goods.
Montenegrin railway network – the port of Bar

The port of Bar where reloading of all types of cargo is carried out, provides high opportunities for further development of intermodal and combined transport and connecting of the entire region due to the existence of Belgrade-Bar railway.

In order to upgrade its capacities it is necessary to build terminals for the combined transport in the railway stations Bar, Podgorica and Bijelo Polje. Further research should indicate the cost efficiency of connecting links to Bosnia and Herzegovina and Kosovo, reconstruction and modernization of railway Podgorica-Tuzi-Albania, as well as connecting the town of Pljevlja to the Bar railway.
Montenegrin railway network – poss. connection to Bosnia & Herzegovina

• The quality of local transport services improved on a line between Podgorica and Nikšić. The number of passengers increased significantly after the railway reconstruction and modernization, introduction of new electromotive sets and increasing number of departures, along with the favourable pricing policy.

• Possible further development could entail extending the connection to Bosnia and Herzegovina, i.e. constructing the missing part of railway connection from Nikšić to Bosnia. The advantage of extending this line is supporting development of passenger transport connections in the Western Balkans.
Montenegrin railway network – a route to Albania

• The route to Albania, i.e., the railway Podgorica-Tuzi-Albanian border, is oriented to cargo transport.

• This railway link is used as a connector to the Albanian network and its railway routes further to other European countries. That is why the dynamics of reconstruction and electrification of the railway is aligned with the approach to revitalization of the railway from Tirana to the border of Montenegro (WBIF 2022, EIB, EBRD).

• Passenger transport on this route will be possible after further investments into the railway system on both sides of the border (Montenegro and Albania).
**Montenegrin railway development strategies**

**Railway Strategies: 2007-2016; 2017-2027**

- All the Western Balkan Regional Partners, and Montenegro among them, have a problem with sustainability of their railway systems.
- After a large investment cycle in Montenegro (2006-2013) which was implemented by investing into general overhaul, modernization and electrification of the railway infrastructure, supply of new trains, the condition of the railways significantly improved.
- Restructuring of the vertically integrated Željeznica Crne Gore a.d. as four independent companies and assuming debts on the basis of their loans was not sufficient to achieve their full strengthening, and the newly established companies had to struggle with liquidity issues and difficulties regarding further development.
Montenegrin railway network

The stakeholders in the railway sector in Montenegro are the following:

a) Railway companies with the following ownership structures:

• ŽICG A.D. (RIOM) (Željeznička infrastruktura Crne Gora - Railway infrastructure of Montenegro): state and state funds - 73,5%; private funds - 18,6% and natural persons - 7,9%.

• ŽPCG A.D. (RTOM) (Željeznički prevoz Crne Gore - Railway transport of Montenegro): state and state funds: 90,9%; private funds: 6,0% and natural persons 3,1%.

• Montecargo A.D.: state - 87,6%; private funds and legal entities – 8,0% and natural persons 4,4%.

• OŽVS A.D. (MORRS) (Održavanje željezničkih voznih sredstava - Maintenance of railway rolling stock): state - 85,4%; private funds and legal entities – 10,3% and natural persons – 4,3%.

b) State authorities within the railway sector:

• Ministry of Capital Investments (MoCI) and its Railway Directorate General;

• National Investigation Commission of accidents and serious incidents of aircraft, emergency occurrences which endanger the safety of railway traffic, and maritime incidents and accidents (NIC, a Government authority).
Montenegrin railway network – further work

Development of the Montenegrin railways – the way forward:

1. Develop the network for cooperation on transport and infrastructure policy with the neighbours in the Western Balkans, in achieve better connectivity and closer integration of the markets, including the freight corridors.

2. Follow the guidelines for the improvement of the railway infrastructure and the development of the regional transport network.

3. Reinforce the railway connection between Bar and the border with Serbia, with support from the EU and other funds.

Preliminary Legislation Gap Assessment

• **Purpose:** To set up the baseline for the activities to follow

• Assessment of stages of implementation of EU *acquis* related to transport legislation, including rail, into national legislation of Montenegro in the light of provisions and requirements determined within the framework of Chapter 14 (Transport policy) and Chapter 21 (Trans-European Networks policy)
### Methodology

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Series of meetings with the representatives of MoCI</td>
</tr>
<tr>
<td>2</td>
<td>Document and online-based research</td>
</tr>
<tr>
<td>3</td>
<td>Available draft documents, tables of concordance, mission reports from experts</td>
</tr>
<tr>
<td>4</td>
<td>EU accession program of Montenegro</td>
</tr>
<tr>
<td>5</td>
<td>EC country report on Montenegro 2022</td>
</tr>
</tbody>
</table>
Gap Assessment tables

1. List of relevant EU Acquis (directives, regulations, decisions and recommendations) have been listed, together with their respective CELEX number for easy reference and search in the EURLEX platform

<table>
<thead>
<tr>
<th>Document(s) which transposed/will transpose the EU Acquis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status of the transposition process: fully or partially</td>
</tr>
<tr>
<td>Stage of the legislative process</td>
</tr>
<tr>
<td>Date of the said status</td>
</tr>
</tbody>
</table>
Transport sectors covered

- **Railways**: 73 EU legal acts
- **Road**: 118 EU legal acts
- **Maritime**: 69 EU legal acts
- **Inland WW**: 34 EU legal acts
Gap Assessment tables

1. TCT legislative table (Annex I of the Transport Community Treaty)

- Status of the transposition process: *fully, partially, not transposed*
- Explanation of the progress
- Planned deadlines
- Stage of the legislative process
- Responsible person within MoCI
RESULT 1: Alignment of Montenegrin legislation with EU Acquis – JNKE 16 Legislative Tables

<table>
<thead>
<tr>
<th>Directive (D)/Regulation (R)</th>
<th>GELEX</th>
<th>Transposed/Implemented Through</th>
<th>Fully/Partially</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEC 2007/756</td>
<td>32007D0756</td>
<td>Old Railway safety and interoperability law + Rulebooks</td>
<td>F</td>
<td>2014</td>
</tr>
<tr>
<td>R 2019/779</td>
<td>32019R0779</td>
<td>Not yet, planned for 2022, after transposition of the EU Directive 2016/798</td>
<td>F</td>
<td>2022</td>
</tr>
<tr>
<td>R 2018/764</td>
<td>32018R0764</td>
<td>Not yet, planned for 2021</td>
<td>F</td>
<td>2021</td>
</tr>
<tr>
<td>R 2018/763</td>
<td>32018R0763</td>
<td>New Railway safety and interoperability law + Rulebooks</td>
<td>F</td>
<td>2019</td>
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<tr>
<td>R 2019/250</td>
<td>32019R0250</td>
<td>New Railway safety and interoperability law + Rulebooks</td>
<td>F</td>
<td>2019</td>
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<tr>
<td>Rec 2019/780</td>
<td>32019R0780</td>
<td>New Railway safety and interoperability law + Rulebooks</td>
<td>F</td>
<td>2019</td>
</tr>
<tr>
<td>R 402/2013</td>
<td>32013R0402</td>
<td>New Railway safety and interoperability law + Rulebooks</td>
<td>F</td>
<td>2019</td>
</tr>
<tr>
<td>R 2018/545</td>
<td>32018R0545</td>
<td>Not yet (will be implemented later on under TCT)</td>
<td>F</td>
<td>2022</td>
</tr>
<tr>
<td>Dec 2018/1614</td>
<td>32018D1614</td>
<td>Not yet, planned for 2022</td>
<td>F</td>
<td>2022</td>
</tr>
<tr>
<td>R 1192/69</td>
<td>31960R1192</td>
<td>Old Railway Law</td>
<td>F</td>
<td>2013</td>
</tr>
<tr>
<td>R 2016/2337</td>
<td>32016R2337</td>
<td>No longer in force</td>
<td>N/A</td>
<td>2021</td>
</tr>
<tr>
<td>D 2016/2370</td>
<td>32016L2370</td>
<td>Not yet, planned for 2021</td>
<td>F</td>
<td>2021</td>
</tr>
</tbody>
</table>
RESULT 1: Alignment of Montenegrin legislation with EU Acquis – JNKE 16 Legislative Tables – in line with TCT
Current state of play

- **Railways transport** - part of the EU legislation fully transposed, adopted and implemented (about 50%); major laws drafted: Railway Law and Railway Safety and Interoperability Law – awaiting adoption

- **Road Transport** - Montenegro adopted about 70% of EU directives and regulations, although some of them are partially aligned, and is expected to introduce further legislation to fully satisfy the Transport Community Treaty requirements

- **Maritime transport** - Montenegro transposed/implemented about 50% of EU directives and regulations, although many of them are still only partially aligned
Current state of play - two draft laws, transposing the EU railway legislation are in the final stages before adoption:

Draft Law on Railways

The act currently in force:

**Zakon o željeznici, "Službeni list Crne Gore", br. 27/13 od 11.06.2013, 43/13 od 13.09.2013.**

New draft law transposes the following EU acts:


And also the following EU acts:


• Commission Implementing Regulation (EU) 2015/909 of 12 June 2015 on the modalities for the calculation of the cost that is directly incurred as a result of operating the train service, OJ L 148, 13.6.2015, p. 17–22;

Current state of play

• The drafted laws will fill in the obligation of Montenegro to transpose the EU transport *acquis* in the railway sector.

• In particular, this was raised in the Commission Staff Working Document, Montenegro 2021 Report *Accompanying the document “Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions”* - 2021 Communication on EU Enlargement Policy.
Current state of play

The Montenegrin document:


• developed by the Government of Montenegro, the President's Office and the Office for European Integration and published in Podgorica on 10 March 2022 is addressing this issue, placing accomplishing the obligation to harmonise the Railway Law with the EU acquis in the 2nd quarter of 2022.
Recommendations

RAILWAY TRANSPORT

• Transpose and implement Regulation (EC) No 1371/2007 of the European Parliament and of the Council of 23 October 2007 on rail passengers’ rights and obligations, OJ L 315, 3.12.2007, p. 14–41. It is expected that this Regulation will be considered fully transposed once the new Railway Law is adopted. The draft Law is currently in the process of public discussion and it is expected to be adopted by the end of 2023. BS Europe is providing a Senior NKE as support in the process of finalization of transposition/implementation.

• After its transposition, it will be crucial to ensure the implementation of these rules.
Recommendations


This Directive will be fully transposed once the new **Law on Railway Safety and Interoperability** is adopted. The Law is expected to be adopted in 2023. After its adoption, it is crucial to ensure the implementation of these rules as well as transposition of the implementing acts.
All transport modes

- Transposition of Regulation 2020/1056 on electronic freight transport information should be prioritized.


The efficiency of freight transport and logistics is vital for the growth and competitiveness of the Union economy, the functioning of the internal market and the social and economic cohesion of all regions of the Union.

The aim of this Regulation is to encourage the digitalisation of freight transport and logistics to reduce administrative costs, improve enforcement capabilities of competent authorities, and enhance the efficiency and sustainability of transport.
Future ?
Reality
Thank you for your attention!

#EUzaCG

Q & A