Corridor VIII development: cross-border issues and cooperation in the transport sector

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1. SOUTHERN EASTERN EUROPE: A RAPIDLY CHANGING REGIONAL PLANNING CONTEXT

2. CORRIDOR 8 ESTABLISHMENT AND DEVELOPMENT

3. TRANSNATIONAL AND CROSS-BORDER STUDIES AND PROJECTS ON CORRIDOR VIII

CONNECTING EU 10 MEMBER COUNTRIES TO NEIGHBOURING COUNTRIES

The 10 Pan-European transport corridors were defined at the 2nd Pan-European transport Conference in Crete, March 1994, as routes in Central and Eastern Europe that required major investment over the next ten to fifteen years. Additions were made at the third conference in Helsinki in 1997.
Main regional planning references for the development of the transport network in the Balkan Region

- ECMT-TIRS Transport Infrastructure Study in Balkans (2002)
- REBIS Regional Balkans Infrastructure Study (2003)
- TTFSE I Trade and Transport Facilitation in Southeast Europe (2000-05)
- TTFSE II Trade and Transport Facilitation in Southeast Europe (2005)
- HLG-2 (De Palacio) “Networks for Peace and Development (2005)
- UNECE “TER and TEM Master Plan” (2006)
- SEETO “South East Europe Core Regional Network Development Plan Five Year Multi-Annual Plan 2008 to 2013” (December 2008)
2003: 1° HLG REPORT (K.Van Miert)

The proposed lists of priority projects
List 0: Essen projects, which will be completed before 2010.
List 1: new priorities which are clearly defined, have a high European value added, and are realistic as concerns financing and the possibility to start work on time.
List 2: projects with a particularly high European added value. although for a longerterm time horizon.
List 3: important projects for territorial cohesion.

List 3
1. Accessibility and interconnections of networks
   - Multimodal logistic centres in Slawkow (Poland) with connections to the Russian gauge rail network
   - **Railway line Barli–Durres-Sofia-Varna/Bourgas (Black Sea)**
   - Railway line Napoli-Reggio Calabria – Palermo
   - Road/Railway Corridor linking the West and Dublin
   - Limassol port and road access
   - Larnaka port and road access
   - Ports of Valletta and Marsaxlokk
   - Ionian/Adriatic intermodal Corridor
   - Road Dover-Fishguard, (except M25)
2. Cross-border connections
   - Motorway Dresden/Nürnberg-Praha-Linz
   - Railway line Praha/Linz
   - Motorway Zilina - Bratislava- (Wien)
   - Railway line Maribor-Graz
   - Motorway (Ljubljana)-Maribor-Pince-Zamardi-(Budapest)
   - Road permeability through the Pyrenees
NOVEMBER 2005:
The new strategic scenario defined by the HLG (Loyola de Palacio)

5 Transnational Axes:
- Motorways of the Sea
- Northern Axis
- Central Axis
- South Eastern Axis
- South Western Axis
UNECE TEM and TER Master Plan, 2006
World Bank Trade and Transport Facilitation In Southeast Europe
TTFSE (2004) and TTFSE II (Ongoing) Projects

Countries: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Romania, Serbia and Montenegro, and possibly Turkey and Kosovo
SEETO MULTI ANNUAL PLANS

Albania, Bosnia and Herzegovina, Croatia, fYR Macedonia, Serbia, Montenegro, and the United Nations Mission in Kosovo
BILATERAL AGREEMENTS

FYR MACEDONIA-BULGARIA

Sofia, 12th Sept. 2001 Protocol of Understanding between FYR Macedonia and Bulgaria for the development of the interconnection of the railway networks as part of the pan-European Corridor VIII; followed by a Joint Declaration signed on September 2003 for the accelerated realization of the interconnections of the railway networks along Corridor VIII.

ALBANIA-FYR MACEDONIA

Ohrid Declaration, 18° November 2004: between Albania and FYR Macedonia to enhance joint cooperation in the field of road, railway, telecommunications, air and lake transport in the Corridor VIII; followed by the Technical Protocol signed in Ohrid on 14 July 2005, for the railway connection between Lin (Albania) and Struga (FYR Macedonia)
MULTILATERAL AGREEMENTS AND DECLARATIONS

TIRANA 31 March, 2004: Joint Declaration by The Ministers of Transport of Corridor VIII Countries with the aim to examine the current state of progress and promote concrete initiatives for the development of the infrastructure and operation of the Corridor VIII.

PLOVDIV, 8 March 2006: Joint declaration of the Ministers of Transport of Corridor VIII Countries, aimed to exchange relevant information, involve Countries’ Parliaments, foster Cooperation and integration.

TIRANA, 4 December 2007: Resolution of the Ministers of Transport of SEETO Area concerning the SEE Railway Transport Area.

TIRANA, 5 February 2009: Joint declaration of the Parliamentary Transport Committees of Albania, FYR Macedonia, Bulgaria and Italy, calling for an acceleration of the realization of projects along Corridor VIII by the respective governments, and envisaging a higher level of regional cooperation through new and more binding bilateral and multilateral agreements.
Stability Pact - CEFTA 2006 : harmonising the trade regimes

The newly enlarged and amended Central European Free Trade Agreement (CEFTA 2006) came into force on **July 2007**, for five parties in South Eastern Europe: Albania, the former Yugoslav Republic of Macedonia, Moldova, Montenegro and UNMIK/Kosovo, plus Bosnia and Herzegovina, Croatia and Serbia (December 2006).
January 1 2007: EU 27
Commission Staff Working Document: Communication from the Commission
TRANS-EUROPEAN NETWORKS : TOWARD AND INTEGRATED APPROACH
Brussels, 21.3.2007

Ten-T Priority Projects by 2020
Corridor VIII bridges 2 EU Countries, while enhancing the development of candidate and potential candidate Balkan Countries, at various stages of accession process to EU.
The integration of Corridor VIII with HLG South Eastern European Transnational axis, will make it part of the transnational trade traffic between Mediterranean, Adriatic and Black Sea transport Areas, Caucasian regions and Far East.
Balkan Region accessibility: Corridor VIII is part of a network of Corridors

Most Balkan Countries show higher figures in international trade towards Countries outside the region than among themselves.

CORRIDOR VIII interacts with:
- Adriatic Corridor (Italian eastern coast)
- Corridor X (Salzburg/Budapest-Beograd-Nis-Skopje-Thessaloniki)
- Corridor IV (Wien-Budapest-Sofia-Plovdiv-Istanbul)
- Corridor IX (Kiev-Bucharest-Byala-Dimitrograd-Alexandroupolis)
CORRIDOR VIII: ALIGNMENT AS DEFINED IN MoU (2002)

Road km 960
Rail km 1270
CORRIDOR VIII: ESTABLISHMENT AND DEVELOPMENT STEPS

- September 2002, Bari: Memorandum of Understanding signed by Italy, Albania, fYR Macedonia, Bulgaria, Greece and Turkey

- Steering Committees
  - Rome, 13 June 2003
  - Bari, 6 December 2004
  - Tirana, 27 May 2005
  - Rome, 13 October 2006
  - Rome, 14 December 2007

- October 2004, Bari: Establishment of the Secretariat
LOCATION OF THE SECRETARIAT

The Secretariat of Corridor VIII is based in Bari, Apulia Region (Italy) at the headquarters of Fiera del Levante.

Tel: +39 080 574 6952  Fax: +39 080 527 6820
web site: www.corridor8.org   -   email: info@corridor8.org
The 3° Steering Committee, held in Tirana on 27th May 2005 approved Secretariat’s PLAN OF STUDIES (2005-2006)

PRIORITY SECTORS FOR STUDIES AND PROJECTS

- **Railroads**: Cross-border areas, missing links, rehabilitation and upgrading of existing alignment
- **Roads**: Cross-border areas, bottlenecks, maintenance and upgrading of existing alignment
- **Ports, Intermodality and Logistics**: Ports infrastructures, Intermodality and Logistic organization along the Corridor
The results of these exercises appear to be particularly relevant because:

1. They have been conducted by Multinational Working Groups, composed of high level Representatives of Member Countries, guaranteeing at the same time internal technical consistency and consistency with the national transport Plans and Programs.

2. For the first time:
   - a great quantity of information and projects from different Countries were put in a coherent regional frame,
   - a list of priority projects for the implementation of Corridor VIII was jointly identified

3. The result has been a very fruitful transnational cooperation exercise.
1st Study

Rail Working Group

CORRIDOR VIII
PRE-FEASIBILITY STUDY ON THE DEVELOPMENT OF THE RAILWAY AXIS
IDENTIFICATION OF DSS RAIL PROJECT

*Total investment:* about 1.200 € million total investment and about 15 years to full completion; It should be deployed in phases. Three phases are proposed.

*Basic hypotheses:*

1) Rail management of the Durres-Skopje-Sofia section could break even with the hypothesis of transporting 1.5-2 million tons of freight for an average distance of 500 km. Passenger traffic does not add that much, but the line will be also used for this purpose.

2) Under these hypotheses, the **preliminary financial evaluations show an encouraging scenario**

3) We must also consider that this DSS Rail Project will have a huge impact on the socio-economic integration in the South Balkans, as well as important **economic impacts on national economies**; economic return on investment is estimated to be two times higher than financial return.
# Rail Corridor VIII Implementation

## LAUNCHING TWO COMPREHENSIVE CROSS-BORDER PROJECTS

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
<th>Total Investment Cost</th>
<th>Planning and Tendering Costs</th>
<th>Minimum Operational Standard</th>
<th>Upgrading</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) RAILWAY CONNECTION BETWEEN ALBANIA AND FYR MACEDONIA</td>
<td>total investment cost: 486 M € + planning and tendering costs</td>
<td>2 Phases: Minimum operational standard: 274 M€</td>
<td>Upgrading: 212 M€</td>
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<tr>
<td>2) RAILWAY CONNECTION BETWEEN FYR MACEDONIA AND BULGARIA</td>
<td>total investment cost: 474 M € + planning and tendering costs</td>
<td>2 Phases: Minimum operational standard: 214 M€</td>
<td>Upgrading: 260 M€</td>
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</table>
2nd Study

Motorways Working Group

CORRIDOR VIII ROADS SYSTEM
A multinational Working Group on Corridor VIII road system was established under the general coordination of the Secretariat and with the Technical coordination of ANAS (Italian National Road Agency).

The study is carried out in two phases:

**PHASE 1** (n. 3 meetings, completed March 2007), with the main objective to perform an up-to-date assessment of the road system in terms of:
- roads conditions and characteristics;
- implementation project already defined or undertaken by national road agencies;
- medium and long term future implementation project foreseen by national road agencies;
- existing national and international studies and analysis performed on the subject;
- the identification of specific urgent issues along the alignment of Corridor VIII;
- to define a number of short term priority projects finalised to quickly putting into operation the road system of the corridor relevant to infrastructural and logistic issues.

**PHASE 2** (n. 2 meetings, April- June 2008) with the objective of reaching a general agreement among participating countries on the definition of a “completion strategy” of the Road Corridor VIII and the identification of possible completion macro-phases (to be programmed on the basis of future specific detailed technical and economical analyses).
HORIZONTAL ISSUES

The analysis of logistic and, more in general, horizontal issues has been carried out thorough direct interview and through the submission of a questionnaire to a number of associations and companies that operates in the field of the “international road freight transport” and that currently operate in the considered region.

The following items have been considered and analysed:

• Safety of the roads;
• Trip security;
• Trip comfort;
• Regularity and efficiency of the maintenance services;
• Information to drivers;
• Naval connection with Italy;
• Ports services efficiency;
• Custom system efficiency.
• preferred itinerary for reaching the Black Sea ports in Bulgaria from central and southern Italy or vice-versa: (sea-land via Albania and fYR Macedonia - sea-land via Greece and fYR Macedonia - via sea)
Sofia - Adriatic Sea: comparing road alternatives

1) Sofia-Thessaloniki-Igoumenitsa: 655 Km, 9.6 h, 2 border crossing within EU
2) Sofia-Skopje-Durres: 562 Km, 8 h, 3 border crossing extra-EU
CURRENT AND SHORT TERM CAPACITY BOTTLENECKS + “STRUCTURAL” BOTTLENECKS
SHORT TERM PRIORITY PROJECTS
Increasing Corridor VIII attractiveness

* CURRENT CAPACITY BOTT.
  - planned
  - FUT. BOTTLENECKS / LOS < C
  - S STRUCTURAL BOTTLENECKS
Main conclusions of the Corridor VIII Roads Study:

1. The alignment of **Road Corridor VIII already exists** with physical continuity from Adriatic sea to Black Sea.

2. In the recent years a number of upgrading/rehabilitation projects have been implemented along the main and secondary branches of the Corridor. The geometrical standards of the existing road network are not at the level required for an international road axe, however, with the exception of a number of critical points, **current standards are sufficient to serve the current and the short-term future freight traffic**;

3. However, **a number of quick, efficient and well defined interventions** should be implemented in the very short time in order **to improve the attractiveness of the Corridor to international freight traffic**.

4. **Logistic and horizontal issues are the most urgent problems** to be solved since they have a great impact on the total cost of transport.
3rd Study

Ports Working Group

PORTS AND LOGISTIC SYSTEM OF CORRIDOR VIII
The current state of the Corridor VIII ports infrastructures is heterogeneous.

- **Infrastructural characteristics:** we are dealing with medium-large and medium-small ports;
- **Connections:** some provide good road and rail links, in others there aren’t the right situations to make use of these networks;
- **Maintenance and infrastructure improvement:** some ports require rehabilitation, others are in good condition.
CORRIDOR VIII PORTS—WESTERN SIDE

Connecting Corridor VIII to the EU TEN Network and to Motorways of the Sea through the Southern Adriatic Ports

- Improvement on rail, road connections and intermodal infrastructures between the ports of Bari-Brindisi-Taranto with the ports of Gioia Tauro and Naples

- East-West connection between A16-Adriatic and A3-Tirrenic Autoroutes (Candela-Lauria) and the improvement in the rail and road integration into the port of Naples;

- Rail and road corridor Taranto-Sibari and Salerno-Gioia Tauro-Reggio Calabria

- Upgrading the Ports of Durres and Vlore

Italian National Plan of Strategic Infrastructures (Delibera CIPE 21/12/01) has already included priority projects according these priorities
CORRIDOR VIII PORTS – EASTERN SIDE
Connecting EU TEN through Caucasus to Central Asia and China

Burgas e Varna on the Black Seak are the Corridor VIII ports opposite of Constanta (Romania), Odessa (Ukraine), Poti e Batumi (Georgia), Sansun (Turkey) connecting Corridor VIII to TRACECA, the transport corridor, developed since 1991, from Black Sea to China.

A possible connection of Corridor VIII TRACECA must be supported by adequate and compatible intermodal infrastructures and logistic systems on both sides of Black Sea.
World Port competition is changing

• Port competition is more and more part of competition between wider logistics zones

• Flexibility, reliability, punctuality and speed in the connection with the hinterland are the real key factors

• Value added along corridors are becoming mixed offers ‘seaport + inland nodes’, that is the creation of logistic poles
Success of a port will depend on the ability to effectively integrate into supply chain networks.

Seaports need to reach into the chain in both directions.

‘Anchor’ logistics actors with decision power

Enhance integration of the port in broader networks.

Source: Notteboom
Notteboom (2008) picture well express the idea of competition among logistics areas.

Source: Notteboom (2008)
RESULTS OF THE CORRIDOR VIII PORTS STUDY:

1) a **joint updated assessment** of present status of Corridor VIII ports, including port infrastructures and management, traffic data, road and rail connections, sea connections, and ongoing and planned projects;

2) a **general framework** for Corridor VIII Ports, especially focusing on the new challenges posed by the trend towards globalization of maritime traffic flows, the emerging of longer and integrated logistics chain supplies and the relevance of non infrastructural barriers (horizontal issues);

3) an identification of **common issues** for all Corridor VIII ports, such as:
   - the rapidly evolving infrastructural scenarios for the "sea side" and the "land side": on the land side, the need to fully integrate the port with the land transport system different modes and logistic chain, ("last mile"), on the sea side, the need to position each port in the world transport market;
   - **inside the port**, the need for a better coordination between Port Management Agency and both the national public agencies (State owned public land, Customs, Police, Heath Agency) and the private agencies in the transport sector and in the services sector;

4) managing **environmental conditions** and looking at **innovative port-city relations**.
IN CONCLUSION:

Main strategic factors in the development of Corridor VIII appear to be:

1) Significance improvement of Accessibility is a crucial factor, but it should be considered in terms of a Network of Transport Axes in the framework of SEE Trans-national Axis

2) Better accessibility implies the elimination of physical barriers (missing links, critical sections, etc), but also, elimination of non-physical barriers (cross-border custom procedures, insufficient regional trade agreements, low level of services along the transport axes, efficiency of ports, etc)

3) More specifically the border-crossing improvement implies a better coordination among the national institutions at cross-border points (Security-Custom-Health) and new bi-lateral and multilateral agreements on border-crossing procedures, in the general framework of harmonization with EU acquis.

4) The development of the Balkan Region requires a significant increase of the trans-national cross-border cooperation, defining common criteria and procedures in analyzing the present situation, in identifying common issues and priorities, in jointly defining projects and jointly applying for funding, in developing more binding international cooperation instruments, such as bilateral and multilateral agreements.
Cross-border cooperation along Corridor VIII is growing…………

SOFIA NEWS AGENCY novinite.com

Tue 8 May 2007 14:17

Bulgaria, Macedonia Resume Railway Project on Transport Corridor 8

Politics
Macedonia's government resumes the project for finishing the railway to Bulgaria, which is part of the Pan-European Transport Corridor 8, the Macedonian newspaper Dnevnik reported Tuesday.

The transport corridor connects the Black and the Adriatic seas.

The Bulgarian and Macedonian governments will seek together to get a loan of around EUR 200 M from international banks to finish the project.

The railway project will be presented before the Council of Ministers in the EU in June in Brussels.
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THANK YOU FOR YOUR ATTENTION!

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