FINAL VERSION

1. Basic information

1.1 CRIS Number: 2009/021-665

1.2 Title: Strengthening the administrative and operational capacities of the State Transport Inspectorate for effective enforcement of the road transport legislation

1.3 ELARG Statistical code: 3.14

1.4 Location: Skopje

Implementing arrangements:

1.5 Implementing Agency:

The Central Finance and Contracting Department (CFCD) will be the contracting authority and will be responsible for all administrative and procedural aspects of the tendering process, contracting matters and financial management including payment of project activities, upon conferral of management. The Head of CFCD will act as the Programme Authorizing Officer (PAO) of the Project.

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Central Financing and Contracting Department
Ministry of Finance
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1.6 Beneficiary (including details of SPO):

The State Transport Inspectorate is the beneficiary of the Project.
The co-beneficiaries are the Ministry of Transport and Communications (Department for Road Transport and Infrastructure);

Contacts:
Mr. Darko Spiroski (SPO)
Department for European Union
Ministry of Transport and Communications
Tel: +389-2-3145532
Fax: +389-2- 3118144
E-mail: darko.spiroski@mtc.gov.mk
Financing:

1.7 Overall costs (VAT excluded): EUR 800 000

1.8 EU contribution: EUR 720 000

1.9 Final date for contracting:
The final date for contracting is two years after the signature of the Financing Agreement

1.10 Final date for execution of contracts:
The final date for the execution of the contract is two years from the end date for contracting

1.11 Final date for disbursements:
The final date for disbursements is one year after the end date for the execution of contracts

2. Overall objective and project purpose

2.1 Overall Objective
The overall objective of the project is to enhance the efficiency and effectiveness of the transport sector in the country in accordance with the EU Acquis through strengthening the national administrative capacities for enforcement of the transport legislation.

2.2 Project purpose
The Project purpose is to improve the operational, management and administrative capacity of the State Transport Inspectorate in order to be able to implement responsibilities with regards to road transport inspection deriving from the EU acquis as transposed in the Law on Road Transport, Law on Public Roads and the Law on Transport of Carriage of Dangerous Goods by Road and Rail.

2.3 Link with AP/NPAA/EP/SAA

2.3.1 Link with Accession Partnership
The link with the AP can be seen under Chapter 14 “Pursuing alignment with the road transport acquis” is stipulated as a short and medium term goal.

2.3.2 Link with NPAA
In its section - Transport Policy (3.14) aims at further legal development and harmonization with the Acquis, strengthening administrative capacity building of the Ministry of Transport and Communications as well as capacity building of the Transport Inspectorate in order to enhance their role in the transport sector.

2.3.3 Link with Stabilisation and Association Agreement

1 The total costs of the project should be net of VAT and/or other taxes. Should this not be the case, the amount of VAT and the reasons why it should be considered eligible should be clearly indicated.
The project will contribute towards implementation in the Article 98 providing that “the former Yugoslav Republic of Macedonia should achieve operating standards comparable to those of the Community and shall develop a transport system compatible with and aligned with the Community system”. In addition, the same Article reads that “there should be adoption of coordinated transport policies that are compatible with those applied in the Community”.

2.3.4 Link with EC Progress Report 2008 (November, 2008).
In the Progress Report 2008 under section “Ability to assume the obligations for membership” analyse the country administrative capacities to implement the *acquis* the Commission is assessing the progress achieved in the reporting period, among other including the Chapter 14. Transport policy.

According to the Report, Good progress has been made in the area of road transport. Implementing legislation to the Law on road transport introduced new conditions for issuing certificates of professional competence and for engaging in international road transport. Implementing legislation relating to the laws on road transport safety, on vehicle licence plates and on traffic signs and signalling was adopted. The Law amending the Law on public roads was enacted. Implementing legislation to the Law on road passenger transport, relating to the driving licence for international road passenger transport, was adopted. Implementing legislation to the Law on transport of dangerous goods by road and rail, relating to training of safety inspectors for the transport of dangerous goods, was adopted. However, it stated that the Inspection capacity remains insufficient. Road safety rules are not properly enforced and effective road safety campaigns are lacking. As an overall conclusion, the Report states that administrative capacity remains insufficient. Regulatory bodies and safety authorities have yet to become operational in the fields of land, air and rail transport.

2.4 Link with MIPD
Multi-Annual Indicative Planning Document (MIPD) 2007-2009 in the part 3.3. Ability to assume the obligations of membership stipulates that “*In the area of transport, support will be given to reorganizing and strengthening the public administration and institutions in the transport sector*”.

This Project proposal is also in line with the MIPD-Component I, Transition Assistance and Institution Building particularly with the item *3.1. Good governance and the rule of law*.

2.5 Link with national/sectoral investment plans
n/a

2.6 Link with National Development Plan
This project is linked with National Development Plan in the part for improvement of the road; railway and air transport stipulating that besides the development of transport infrastructure, one of the priorities is to enhance the capacities of the relevant transport institutions

2.7 Link with the sectoral investment plans
National Transport Strategy (2007-2017) (see Annex 4 for more extensive reference to the National Transport Strategy)
3. Description of project

3.1 Background and justification

Approximation of national legislation to EU transport legislation has already been largely achieved. This was underlined by the EC Progress Report for 2008 summarising that progress has been made in the area of road transport.

State Transport Inspectorate carries out a great number of joint actions with the traffic police at all pay toll stations in the country. In accordance with the Law on Public Roads, the inspectors carry out inspection supervision on the construction, maintenance and protection of the roads (bridges, culverts), signalization, facilities on the roads, and also control the volume of the traffic flow of vehicle on the roads. The state inspectors are also responsible to control the international carriage of passengers and goods at the border-crossings. State inspectors supervise all bus stations within the country; observe the arrangement and the regularity of the inter-municipal and international bus services, as well as the fulfilment, through the relevant Book of Regulations, of technical and operational conditions of vehicles responsible for the transport of passengers.

The operations of the STI in the field of road transport control are closely linked with other governmental institutions and bodies as the MoTC (Department for Road Transport and Infrastructure), Ministry of Interior (Department for Traffic Affairs), Customs Administration and the Agency for State Roads. These institutions provide the STI with necessary information and data (permissions for road and rail transport, regional and international transport–CEMT, permissions according to the INTERBUS Agreement and other important permissions and certificates).

Road Transport - Carriage of goods

Carriage between Member States
Council Regulation (EEC) No 881/92 of 26 March 1992 on access to the market in the carriage of goods by road within the Community to or from the territory of a Member State or passing across the territory of one or more Member States

Inland cabotage: non-resident carriers in the national market
Council Regulation (EEC) No 3118/93 of 25 October 1993 laying down the conditions under which non-resident carriers may operate national road haulage services within a Member State

Taxation of heavy goods vehicles: "Eurovignette" Directive

Carriage of passengers

International carriage by coach and bus

Non-resident carriers in the national market: conditions of admission

Interbus Agreement
Agreement on the international occasional carriage of passengers by coach and bus (Interbus Agreement).

Employment and working conditions

Driving time in the road transport sector
The Regulation adopts new and simpler provisions concerning driving times for drivers of lorries and buses. It defines the responsibilities of transport undertakings and drivers as well as possible exceptions. It contains provisions on the monitoring and evaluation of the Regulation, and on penalties in the event of infringements

Admission to the occupation of road transport operator and mutual recognition of diplomas
Council Directive 96/26/EC of 29 April 1996 on admission to the occupation of road haulage operator and road passenger operator and mutual recognition of diplomas, certificates and other evidence of formal qualifications intended to facilitate for these operators the right to freedom of establishment in national and international transport operations [Official Journal L 124 of 23.05.1996]

Council Directive 98/76/EC of 1 October 1998 amending Directive 96/26/EC on admission to the occupation of road haulage operator and road passenger transport operator and mutual recognition of diplomas, certificates and other evidence of formal qualifications intended to facilitate for these operators the right to freedom of establishment in national and international transport operations

Organisation of working time in respect of road transport activities

Driver attestation

Road safety

Transport of dangerous goods by road


Checks on the transport of dangerous goods by road
Directive 2001/26/EC
Directive 2004/112/EC

Safety adviser for the transport of dangerous goods

Road vehicles: maximum weights and dimensions

Roadworthiness tests for motor vehicles and their trailers

Roadworthiness testing of heavy goods vehicles

Transportable pressure equipment

Minimum levels of safety in European road tunnels

However, the report stated that the Inspection capacity remains insufficient. Road safety rules are not properly enforced and effective road safety campaigns are lacking. Although the basic set of transport legislation is in place, gaps need to be filled before the transport management system of the country becomes fully harmonised and sustainable

In addition, according to government statistics the rate of deaths in road traffic accidents is low if compared to the average standards in EU countries. The accident rate is improving with lower rates in 2003 than in 2002 and 2000. Nevertheless significant attention to road traffic accident reduction strategies remains necessary. The available mortality data in 2004 shows
that road traffic accidents account for 30-50% of all deaths at different age groups of children and adolescents (the proportion is increasing with age). The data for 2005 indicates that the number of road accidents increased significantly by 40% in relation to 2004, or from 2015 accidents in 2004 to 2830 accidents in 2005 with about 7000 people involved. The number of injuries in 2005 was around 4000. The estimated cost of accidents and related damages was approximately 1.5 million euros in 2005.

The administrative capacities of competent institutions must be enhanced so to be able to fully implement transport laws. There are several institutions that are responsible, depending upon the specific obligation arising from different laws and bylaws. Competent bodies for implementation of the activities concerning transport of passengers and goods in the domestic and international road transport are: the Ministry of Transport and Communications, the State Inspectorate for Transport – body within the Ministry of Transport and Communications MoTC – authorised for inspection supervision, the Ministry of Finance – Customs Administration and Local Government Units. The MoTC includes three Units within the Department for Road Transport and Infrastructure engaged on the activities concerning the transport of passengers and goods in road transport. The Ministry of Interior is the competent authority for implementation of the works relating to the road transport safety and control.

The legal responsibilities of the State Transport Inspectorate arise from a series of laws outlined in Annex III

Given the legal responsibilities of the State Transport Inspectorate, there is now a need to enhance the management and administrative capacities of the institution. The focus is on three specific laws which impose the inspection control obligations to the Inspectorate in the field of road transport and for which enhanced enforcement has been assessed as much needed. The present project will therefore focus on further strengthening of the capacity of the Inspectorate to be able to efficiently carry out the obligations arising from the following laws:

- Road Transport (Official Gazette of the RM No.68/04) and Law amending the Law on Road Transport (Official Gazette of the RM No.127/06);
- Public Roads (Official Gazette of the RM 84/2008.)

All these directives are presented in the Table of Correspondence in Annex 4, attached to this Project Fiche.

The new National strategy for improving road traffic safety 2009-2014 adopted in December 2008 is a relevant document because of its main goal of securing safe transport for the wider society in the country.

This project is aimed to enhance the capacities of the State Transport Inspectorate in the area of road transport. Given that the competences of the Inspectorate deriving from the above laws are conditionally tied with other governmental institutions as elaborated above, the project activities which refer to training and software development will in certain areas be extended to these institutions.
3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact:

The main contribution of this project will be the strengthening of the transport administrative capacities thereby contributing to the improvement of transport management and enforcement of legislation. The capacities of the State Transport Inspectorate will be significantly boosted by this project, which will enable further independent operation thereof.

Improved capacities for enforcement of transport legislation and introduction of transport standards will positively impact the overall sustainability of development in the country while the improved capacities to implement the EU compliant legislation and regulations will have a positive impact on the EU accession process. Sustainability will be ensured by setting up teams or focal groups within each institution to undertake the implementation of the different components.

The public awareness component of the project is expected to increase transport safety and reduce the number of accidents. Providing know/how to the transport users/providers will also have a positive impact on private sector development.

Transport safety does not stop at borders; therefore strengthening the transport management capacities is likely to lead to improvement cross-border safety and control.

3.3 Results and measurable indicators:

Specific results to be achieved include:
- Operational Development Plan of the State Transport Inspectorate including Action Plan for its implementation in view of performing its duties related to the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety;
- Trained staff from the State Transport Inspectorate in order to effectively implement the obligations arising from the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety;
- Actual coordination mechanisms and development of an Action Plan and Procedures for improvement of the cooperation and coordination between different divisions of the State Transport Inspectorate, the Ministry of Transport and Communications, Agency for State Roads, Ministry of Interior and Customs Administration;
- Prepared Terms of Reference for technical assistance for developing adequate Software System for Control of the National and International Road Transport linking the relevant institutions (State Transport Inspectorate, Ministry of Transport and Communications, Ministry of Interior-Department for Traffic Affairs, Customs Administration, Agency for State Roads) designed to facilitate the operations during inspections and to keep records of performed inspections in accordance with the best practices of EU member countries;

The measurable indicators are:
- Increased compliance with relevant directives related to the Law on public roads, Law on transport of dangerous goods and Law on Road transport (as documented through the Annual Progress Monitoring Reports) (see the Table of Correspondence in Annex 4, attached to this document);
- Manuals of procedures adopted;
• Number of staff members of the State Transport Inspectorate trained to execute assignments in line with the assigned responsibilities;
• Terms of Reference for technical assistance for developing adequate Software System for Control of the National and International Road Transport internally adopted.

3.4 Activities:
In order to achieve the above stated results, the following activities are foreseen:

Activity 1 - Enhancing institutional capacity of the STI – State Transport Inspectorate (preparation of Operational Development Plan, Manuals and Communication Plan)
• Analysis of the responsibility of the State Transport Inspectorate related to the implementation of the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety;
• Assessment of the operational capacities of the State Transport Inspectorate to implement the obligations arising from the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety;
• Preparation of Operational Development Plan of the State Transport Inspectorate including Action Plan for its implementation according to the obligations arising from the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety;
• Providing support to the State Transport Inspectorate for the preparation of Manuals for operational procedures for activities that are to be performed by the STI in accordance with the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety;
• Assessment of actual coordination mechanisms and development of an Action Plan and Procedures for improvement of the cooperation and coordination between different divisions of the State Transport Inspectorate, the Ministry of Transport and Communications, Agency for State Roads, Ministry of Interior and Customs Administration;
• Preparation of Terms of Reference for developing adequate Software System for Control of the National and International Road Transport linking the relevant institutions designed to facilitate the operations during inspections and to keep records of performed inspections in accordance with the best practices of EU Member States.

Activity 2 - Enhancing institutional capacity of the STI (delivery of trainings)
• Preparation of Training Needs Assessment for human resources development for the staff of the State Transport Inspectorate;
• Delivery of trainings for staff of the State Transport Inspectorate in order to facilitate the operations during inspections.

Management and contracting arrangements
The Project will be implemented by the IPA Unit within the Ministry of Transport and Communications under overall responsibility of the Senior Programming Officer (SPO):
The IPA Unit within the Ministry of Transport and Communications pursuant to the Act of Systematisation of Posts of the Ministry (11 August 2008) consists of Head of the IPA Unit and 6 employees responsible for IPA planning, programming, implementation, monitoring and evaluation of the IPA projects and programmes. The staff of the IPA Unit includes: IPA Programming Officer (2 employees), IPA Monitoring Officer (2 employees), IPA Technical
Implementation Officer (2 employees), and IPA Evaluation Officer (1 employee). At the moment, 7 employees are in place with 1 position under recruitment in 2009.

The expected contracting arrangements are:

- One service contract for technical assistance to be concluded through an international restricted tender procedure with duration of 18 months. Implementation of the contract for technical assistance is expected to start in the Q1 2011, right after contract signature. The total amount of the contract is EUR 800 000, of which IPA funding will be EUR 720 000 and the national co-financing will be EUR 80 000.

3.5 Conditionality and sequencing:

In order to enable successful implementation of the project, following preconditions must be met before the start of the implementation:

1. Comment: due to DIS system Timely allocation of working space and facilities by the beneficiary for technical assistance before the completion of the tender procedure;
2. Appointing counterpart personnel by the beneficiary before launch of tender process;
3. Comment: due to DIS system;
4. Provision of necessary authorisations for co-operation and sharing of information with all key stakeholders, co beneficiaries and related deployed advisory resources;
5. Appointing relevant staff by the beneficiary to participate in training activities;
6. Organisation and appointment of members of working groups, steering and coordination committees, as per work plan of the project.

In the event that conditions are not met, suspension or cancellation of projects will be considered.

3.6 Linked activities

Until now the EC has not committed any funds to the State Transport Inspectorate for strengthening its capacities; however, the area of transport has benefited from CARDS, Phare assistance and EIB assistance in the past.

The European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) are developing joint projects in the area of road transport. Both have already provided funding for the sector. EBRD has provided €40 million for construction of sections of the Trans European Corridors VIII and X. The EIB has complemented the funding for construction of these Corridors, providing some €130 million since 1998.

In addition, significant EC funding of over €40 million in grants has been allocated for construction of sections of both Corridors. Some 13 kilometres of the road E-75 (part of Corridor X) were built with Phare funds of €20 million. This section of the motorway is now operational. The construction of additional 6.5 kilometres of E-75 is also completed (€11 million of Cards funds). Moreover, the EC has also contributed to the construction of the road E-65 (part of Corridor VIII), providing funding of €9.6 million for a (now operational) bypass on this motorway (4 kilometres).
EC has provided additional support to the transport sector by financing the study “Investment options in the transport sector”. The study was completed in 2003 and its outputs should guide future IFI investments in all areas of transport.

In 2007, EC supported the preparation of the National Transport Strategy 2007-2017, preparation of Road Investment Plan and preparation of Study for Restructuring the Road Sector through the 2006 CARDS Programme.

A project financed from the CARDS Regional Action Programme 2006 supporting the SEETO secretariat aims to assist the Participants in the SEE Core Regional Transport Network for implementing the 2007-2011 MAP soft measures in the Roads sub-sector, with focus on Road Safety Auditing.

### 3.7. Lessons Learned

Up until 2009 and this moment the State Transport Inspectorate had not been a recipient of donor funding. However, both the Ministry and the STI have both recognised the broader lessons learned outlined in the recently published report on CARDS assistance.

These lessons learned include ensuring that a project is working round realistic time frames, starting off a project with realistic objectives and expected results, focusing on outcomes rather than project (or other) inputs, on taking as long as possible a view on investment and support on the need for continual capacity building and on focus on actual needs of all stakeholders and the public.
### 4. Indicative Budget (amounts in EUR)

<table>
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<th>ACTIVITIES</th>
<th>IB (1)</th>
<th>INV (1)</th>
<th>EUR (a)=(b)+(e)</th>
<th>EUR (b)=(c)+(d)</th>
<th>EUR (c)</th>
<th>% (2)</th>
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<th>% (2)</th>
<th>Central EUR (x)</th>
<th>Regional/Local EUR (y)</th>
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**NOTE: DO NOT MIX IB AND INV IN THE SAME ACTIVITY ROW. USE SEPARATE ROW. Amounts net of VAT**

1. In the Activity row use "X" to identify whether IB or INV
2. Expressed in % of the Public Expenditure (column (b))
3. Expressed in % of the Total Expenditure (column (a))

If relevant: For all types of training activities the project will provide the participants with travel, accommodation and subsistence allowance in line and to the amount of the standard practice of the beneficiary but only up to the relevant maximum per diem of the EU Commission.
5. Indicative Implementation Schedule (periods broken down per quarter)

<table>
<thead>
<tr>
<th>Contracts</th>
<th>Start of Tendering</th>
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<th>Project Completion</th>
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<td>Q2 2010</td>
<td>Q1 2011</td>
<td>Q3 2012</td>
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</table>

6. Cross-cutting issues

Cross-cutting issues will be addressed throughout the project to comply with European standards and best practices, implement relevant existing Government strategies and develop internal measures to ensure each cross-cutting issue is appropriately mainstreamed.

The mainstreaming of the cross cutting issues is regarded on two different levels:
- Ensuring that the internal policies, structure or operating procedures of the beneficiary agency will conform to and promote the relevant principles outlined per section below.
- Ensuring that the products, outputs produced by the beneficiaries (e.g. laws, regulations, policies, and strategies) will conform to and promote the relevant principles outlined per section below.

6.1 Civil Society development and dialogue
The project will where necessary and relevant interact (via its activities) with civil society groups in the transport context either hauliers, passengers etc.

6.2 Environmental considerations
The training activities relevant to the Law on Transport of dangerous goods refer to the protection of the environment. By seeking to improve transport on the road the project is aiming to contribute to environmental improvement and the better use of the environment in the country as a whole.

6.3 Equal Opportunities and non-discrimination
Equal opportunities to participate in the project as well as non discrimination will be guaranteed by the beneficiary. The training activities will include a specific component to train staff in the implementation of the Government Gender Strategy, while reference will be made to the EC Programme of Action for the mainstreaming of gender equality in community development cooperation (2001-06).

6.4 Minorities and vulnerable groups
The main the main reference in the country in relation to minority groups is the Ohrid Framework Agreement, in an EU context, reference is made to the “Race directive” of 2000 (200/43/EC of 29 June), which has an important impact on employment (incl. vocational training, working conditions, social protection etc.) and is also a crucial aspect of the acquis.

The project will aim to address this issue through assessment of the particular requirements of dealing with minority and vulnerable group issues within the subject matter the beneficiary’s mandate – and by aiming to mainstream minority and vulnerable group issues throughout the policy and implementation sequence. (specific reference here is also made to older, handicapped persons),
Equally this issue shall be taken into consideration in view of the development of communication strategies.

6.5 Good Governance, with special attention to fight against corruption
Where appropriate the project activities will endeavour to align activities to broader Good governance themes and best practices in the country and in the EU particularly in the transport context.
ANNEXES

1- Log frame in Standard Format

2- Amounts contracted and Disbursed per Quarter over the full duration of Programme

3- Description of Institutional Framework

4 - Reference to laws, regulations and strategic documents:
   Reference list of relevant laws and regulations
   Reference to AP /NPAA / EP / SAA
   Reference to MIPD
   Reference to National Development Plan
   Reference to national / sector investment plans

5- Details per EU funded contract (*) where applicable:
   For TA contracts: account of tasks expected from the contractor
   For twinning covenants: account of tasks expected from the team leader, resident twinning advisor and short term experts
   For grants schemes: account of components of the schemes
   For investment contracts: reference list of feasibility study as well as technical specifications and cost price schedule + section to be filled in on investment criteria (**)
   For works contracts: reference list of feasibility study for the constructing works part of the contract as well as a section on investment criteria (**); account of services to be carried out for the service part of the contract

(*) non standard aspects (in case of derogation to PRAG) also to be specified

(**) section on investment criteria (applicable to all infrastructure contracts and constructing works):
   • Rate of return
   • Co financing
   • compliance with state aids provisions
   • Ownership of assets (current and after project completion)
**ANNEX 1: Logical Framework in standard format**

| LOGFRAME PLANNING MATRIX FOR THE PROJECT FICHE: Strengthening the administrative and operational capacities of the State Transport Inspectorate for effective enforcement of the road transport legislation | Programme name and number: National Programme for the former Yugoslav Republic of Macedonia under the IPA Transition Assistance and Institution Building Component for 2009 CRIS number: 2009/021-665 |
| Contracting period expires two years from the date of the conclusion of the Financing Agreement | Execution period expires two years from the final date for contracting | Disbursement period expires one year from the final date for execution of contracts. |
| Overall objective | **Objective verifiable indicators** | **Sources of Verification** | **Total budget:** 800 000 EUR | **IPA budget:** 720 000 EUR |
| The overall objective of the project is to enhance the efficiency and effectiveness of the transport sector in the country in accordance with the EU Acquis through strengthening the national administrative capacities for enforcement of the transport legislation. | - Increased efficiency and effectiveness of transport in general throughout the country | - EC Reports  
- Industry information  
- Market surveys | |
| **Project purpose** | **Objective verifiable indicators** | **Sources of Verification (12)** | **Assumptions (8)** |
| The Project purpose is to improve the operational, management and administrative capacity of the State Transport Inspectorate in order to be able to implement responsibilities with regards to road transport inspection deriving from the EU acquis as transposed in the Law on Road Transport, Law on Public Roads and the Law on Transport of Carriage of Dangerous Goods by Road and Rail. | - Increased compliance with EU road transport standards | - Project Monitoring Reports  
- Conclusions from the EC Committees and Subcommittees  
- Governmental reports | - Providing dedicated staff in the beneficiary institutions  
- Commitment of the beneficiary institutions |
1. Operational Development Plan of the State Transport Inspectorate including Action Plan for its implementation in view of performing its duties related to the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety;

2. Trained staff from the State Transport Inspectorate in order to effectively implement the obligations arising from the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety;

3. Actual coordination mechanisms and development of an Action Plan and Procedures for improvement of the cooperation and coordination between different divisions of the State Transport Inspectorate, the Ministry of Transport and Communications, Agency for State Roads, Ministry of Interior and Customs Administration

4. Prepared Terms of Reference for technical assistance for developing adequate Software System for Control of the National and International Road Transport linking the relevant institutions (State Transport Inspectorate, Ministry of Transport and Communications, Ministry of Interior-Department for Traffic Affairs, Customs Administration, Agency for State Roads) designed to facilitate the operations during inspections and to keep records of performed inspections in accordance with the best practices of EU member countries;

**Objectively verifiable indicators**

- Increased compliance with relevant directives related to the Law on public roads, Law on transport of dangerous goods and Law on Road transport (as documented through the Annual Progress Monitoring Reports);
- Manuals of procedures;
- Number of staff members of the State Transport Inspectorate trained to execute assignments in line with the assigned responsibilities;
- Terms of Reference for technical assistance for developing adequate Software System for Control of the National and International Road Transport linking the relevant institutions designed to facilitate the operations during inspections and to keep records of performed inspections in accordance with the best practices of EU MS;

**Sources of Verification**

- EC Annual Progress Reports and Conclusions from the EC Committees and Subcommittees;
- Project reports (chapters on training and awareness raising activities);

**Assumptions**

- Willingness of staff from relevant institutions to improve knowledge and skills;
- Quality of delivered trainings;
- Quality of Manuals;
- Quality of Operational Development Plan and Action Plan;

### Activities

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Costs</th>
<th>Assumptions</th>
</tr>
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<tbody>
<tr>
<td>Results</td>
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<td>Enhancing institutional capacity of the STI – State Transport Inspectorate (preparation of Operational Development Plan, Manuals and Communication Plan)</td>
<td>Enhancing institutional capacity of the State Transport Inspectorate (preparation of Operational Development Plan, Manuals and Communication Plan)</td>
<td>- 540 000 EURO</td>
<td>- 260 000 EURO</td>
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<tr>
<td>- Assessment of the operational capacities of the State Transport Inspectorate to implement the obligations arising from the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety Law on Road Transport, Law on Public Roads and Law on Transport of Dangerous goods by Rail and Road;</td>
<td>- Enhancing institutional capacity of the State Transport Inspectorate (preparation of Operational Development Plan, Manuals and Communication Plan)</td>
<td>- Access to relevant data</td>
<td>- Staff is motivated and able to apply training content</td>
</tr>
<tr>
<td>- Preparation of Operational Development Plan of the State Transport Inspectorate including Action Plan for its implementation according to the obligations arising from the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety Law on Road Transport, Law on Public Roads and Law on Transport of Dangerous goods by Rail and Road;</td>
<td>- Sufficient knowledge and quality of trainers</td>
<td>- Pre conditions:</td>
<td>- Pre conditions:</td>
</tr>
<tr>
<td>- Providing support to the State Transport Inspectorate for the preparation of Manuals for operational procedures for activities that are to be performed by the STI in accordance with the EU acquis in the areas of carriage of goods, carriage of passengers, employment and working conditions and road safety Law on Road Transport, Law on Public Roads and Law on Transport of Dangerous goods by Rail and Road;</td>
<td>1. Endorsement of the Terms of Reference and technical specifications for the contracts by the beneficiaries;</td>
<td>- Access to relevant data</td>
<td>- Staff is motivated and able to apply training content</td>
</tr>
<tr>
<td>- Assessment of actual coordination mechanisms and development of an Action Plan and Procedures for improvement of the cooperation and coordination between different divisions of the State Transport Inspectorate, the Ministry of Transport and Communications, Agency for State Roads, Ministry of Interior and Customs Administration;</td>
<td>2. Timely allocation of working space and facilities by the beneficiary for technical assistance before the completion of the tender procedure;</td>
<td>- Sufficient knowledge and quality of trainers</td>
<td>- Sufficient knowledge and quality of trainers</td>
</tr>
<tr>
<td>- Preparation of ToR for further developing adequate Software System for Control of the National and International Road Transport linking the relevant institutionsdesigned to facilitate the operations during inspections and to keep records of performed inspections in accordance with the best practices of EU MS;</td>
<td>3. Participation in the tender process by the beneficiaries as per EU regulations;</td>
<td>- Pre conditions:</td>
<td>- Pre conditions:</td>
</tr>
<tr>
<td>Enhancing institutional capacity of the STI (delivery of trainings)</td>
<td>4. Appointment of counterpart personnel by the beneficiary before the launch of the tender process;</td>
<td>1. Endorsement of the Terms of Reference and technical specifications for the contracts by the beneficiaries;</td>
<td>- 540 000 EURO</td>
</tr>
<tr>
<td>- Preparation of Training Needs Assessment for human resources development for the staff of the State Transport Inspectorate;</td>
<td>5. Provision of necessary authorisations for co-operation and sharing of information with all key stakeholders and deployed advisory resources;</td>
<td>- Access to relevant data</td>
<td>- Staff is motivated and able to apply training content</td>
</tr>
<tr>
<td>- Delivery of trainings for staff of the State Transport Inspectorate in order to facilitate the operations during inspections.</td>
<td>6. Appointing relevant staff by the beneficiaries to participate in training activities;</td>
<td>- Sufficient knowledge and quality of trainers</td>
<td>- Sufficient knowledge and quality of trainers</td>
</tr>
<tr>
<td></td>
<td>7. Organisation and appointment of members of working groups, steering and coordination committees, as per work plan of the project;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ANNEX 2 - Amounts (in €) contracted and disbursed by quarter over the full duration of the project (IPA funds only)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
</tr>
<tr>
<td>Contracted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Contract</td>
<td>720 000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cumulated</td>
<td>720 000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disbursed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Contract</td>
<td>216 000</td>
<td>216 000</td>
<td>216 000</td>
</tr>
<tr>
<td>Cumulated</td>
<td>216 000</td>
<td>432 000</td>
<td>648 000</td>
</tr>
</tbody>
</table>
ANNEX 3: Description of the Institutional Framework

State Transport Inspectorate

STATE TRANSPORT INSPECTORATE

UNIT FOR TRANSPORT SUPERVISION
- 1 HEAD OF UNIT
- 1 INSPECTOR FOR RAILWAY INFRASTRUCTURE
- 1 INSPECTOR FOR RAILWAYS TRANSPORT
- 1 INSPECTOR FOR POST TRANSPORT
- 1 INSPECTOR FOR SKI LIFTS
- 4 TECHNICAL STUFF (administration)

UNIT FOR ROADS SUPERVISION
- 1 HEAD OF UNIT
- 12 INSPECTORS FOR ROADS SUPERVISION

UNIT FOR SUPERVISION OF ROAD TRANSPORT
- 1 HEAD OF UNIT
- 18 INSPECTORS FOR ROAD TRANSPORT
- **Unit for Transport Supervision**: Responsible to perform inspection control of the railway transport, cable cars and ski-lift. In total, there are 9 employees.

- **Unit for Roads Supervision**: Responsible to perform inspection control over implementation of the Law on Public Roads and Law on Road Transport, more specific construction, reconstruction, maintenance and protection of regional and local roads. In total, there are 13 employees.

- **Unit for Supervision of Road Transport**: Responsible to perform inspection control over implementation of the Law on Public Roads, Law on Transport of Dangerous Goods and more specific, international and national transport of goods and passengers. In total, there are 19 employees.

### STATE TRANSPORT INSPECTORATE-EMPLOYEES PER UNIT

#### UNIT FOR TRANSPORT SUPERVISION

<table>
<thead>
<tr>
<th>Position</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head of Unit for Inspection Control</td>
<td>1</td>
</tr>
<tr>
<td>Advisor for administrative affairs</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for railway infrastructure</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for railway transport</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for post traffic</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for cable cars and ski-lifts</td>
<td>1</td>
</tr>
<tr>
<td>Administrative stuff</td>
<td>3</td>
</tr>
</tbody>
</table>

#### UNIT FOR ROADS SUPERVISION

<table>
<thead>
<tr>
<th>Position</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head of Unit for Inspection Roads Supervision</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Skopje</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Tetovo</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Gostivar and Debar</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Ohrid, Struga and Kicevo</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Demir Hisar, Bitola and Resen</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Prilep, Makedonski Brod and Krushevo</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Radovis and Strumica</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Gevgelija, Demir Kapija and Valandovo</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Kavadarci, Veles and Negotino</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Berovo, Pehcevo, Delcevo and Vinica</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Kumanovo, Kratovo and Kriva Palanka</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for roads in Kocani, Stip, Probistip and Sveti Nikole</td>
<td>1</td>
</tr>
</tbody>
</table>

#### UNIT FOR SUPERVISION OF ROAD TRANSPORT

<table>
<thead>
<tr>
<th>Position</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head of Unit for Inspection Control of the Road Transport</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Skopje</td>
<td>2</td>
</tr>
<tr>
<td>Inspector for road transport in Tetovo</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Debar and Gostivar</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Struga and Ohrid</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Bitola, Demir Hisar and Resen</td>
<td>2</td>
</tr>
<tr>
<td>Inspector for road transport in Ohrid and Kicevo</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Prilep, Makedonski Brod and Krushevo</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Gevgelija, Strumica, Valandovo and Demir Kapija</td>
<td>2</td>
</tr>
<tr>
<td>Inspector for road transport in Sveti Nikole and Probistip</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Stip and Radovish</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Berovo, Pehcevo and Delcevo</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Kocani and Vinica</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Kavadarci and Negotino</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Veles</td>
<td>1</td>
</tr>
<tr>
<td>Inspector for road transport in Kriva Palanka, Kratovo and Kumanovo</td>
<td>1</td>
</tr>
</tbody>
</table>
ANNEX 4: Reference to laws, regulations and strategic documents

Reference list of relevant laws and regulations:

Law on Road Transport (Official Gazette of the RM No.68/04) and Law amending the Law on Road Transport (Official Gazette of the RM No.127/06). In accordance with the above mentioned law, the following secondary legislation has been adopted:

- Rulebook on the necessary equipment and manner for determining the bus station category (Official Gazette No 80/07);
- Rulebook on the special technical-exploitation conditions to be complied with by the vehicles for the purposes of performing particular modes of road transport, and on the form and content of the certificate for compliance with the conditions (Official Gazette No 87/07 and 34/08);
- Rulebook amending the Rulebook on the method, procedure and programme for taking exams for obtaining professional competence certificate of the manager and the person authorised by him for transport, form and content of the certificate for the taken exams and the professional competence certificate (Official Gazette No 4/08);
- Rulebook on the related criteria for the spatial, technical devices, as well as on the form and content of the certificate for transport-worthiness of vehicles (Official Gazette No 60/07);
- Rulebook on the form and content of the license for special regular services (Official Gazette No 39/07);
- Rulebook on the method, procedure and programme for taking an exam for obtaining a certificate for participation of drivers in the international road transport, the form and content of the certificate for the taken exam (Official Gazette No 39/07);
- Rulebook on the method, procedure and programme for taking an exam for obtaining a certificate for professional competence of the manager or the duly authorised person responsible for transport, the form and content of the certificate for the taken exam and of the certificate for professional competence (Official Gazette No 39/07);
- Rulebook on the form and content of the travel order form (Official Gazette No 46/07);
- Rulebook on form and content of licence for performing particular type of public road transport (Official Gazette No 46/07);
- Decision determining the fee amount for using the bus station services (Official Gazette No 126/07);
- Rulebook on the method, criteria and manner for distribution of licenses for international transport of goods (Official Gazette No 107/07);
- Rulebook on the method, procedure and related criteria for approving the timetables for new lines and changes of approved lines in the inter-municipal and international transport of passengers, and on the form and content of the form of the license and the timetable (Official Gazette No 61/07);
- International agreements (Interpose) (Official Gazette No 40/06).

Law on Public Roads (Official Gazette of the RM 84/2008)

- Rule book on traffic lights, equipment and signalization on the road (Official Gazette No. 56/08);
- Rule book amending the Rule book on standards and the scale of norms for preparation of building designs (Official Gazette No. 78/08);
- Rule book amending the Rule book on standards and scale of norms for urban planning (Official Gazette No.140/07);
- Book of Regulations on the norms and standards for designing and construction of the substructure of the railway lines (Official Gazette No. 98/07);
- Book of Regulations on the method of issuance and withdrawal of the license and the decision for safety in railway infrastructure management, model and content of the license and the decision for safety (Official Gazette No. 145/07);
- Book of Regulations on the method of issuance and withdrawal of the license for performing public transport of passengers and goods by railway, the model and content of the form of the license, the model, content and the method of keeping the register of issued and withdrawn licenses (Official Gazette No. 145/07);
- Book of Regulations on the method of issuance and withdrawal of a decision for safety, the model and content of the form of the decision, the model, content and the method of keeping the register of issued and withdrawn decisions (Official Gazette No. 145/07);
- Book of Regulations on the criteria for professional qualification of the other technical personnel, office space, equipment and devices, as well as the method and the procedure for carrying out inspection of railway vehicles (Official Gazette No. 137/07).
- International Agreements INTERBUS (Official Gazette No. 40/2006)

**Law on Transport of Dangerous goods by Rail and Road (Official Gazette No.'s 12/1993 and 92/2007).** In accordance with the Law on Transport of Dangerous Goods by Road and Railway the following secondary legislation has been adopted:

- Rulebook of Regulations for the model and content of the form for maintaining a database for the checks made during the transport of dangerous goods (Official Gazette No. 122/07);
- Rule book for the model and content of the check list for the controls made during the transport of dangerous goods by road and railway (Official Gazette No. 122/07);
- Rulebook for the duties, responsibilities and the professional training of the safety adviser for transport of dangerous goods, more precise conditions for the legal persons exercising professional training and the content and the model of the form of the certificate and the certificate for professional training of the adviser (Official Gazette No. 19/08);
- Rulebook for the duties, responsibilities and the professional training of the drivers engaged in the transport of dangerous goods, more detailed conditions for the legal persons exercising professional training and the content and the model of the form of the certificate and the certificate for professional training of the drivers (Official Gazette No. 10/98).

**Reference to AP/NPAA/EP/SAA/EC Progress Report (November, 2008):**

Reference to AP
In Chapter 14, “pursuing alignment with the road transport acquis” is stipulated as a short and medium term goal within the Accession Partnership 2007.

Reference to NPAA
The NPAA (March, 2008), in its section-Transport Policy (3.14), aims at further legal development and harmonization with the Acquis, strengthening administrative capacity building of the Ministry of Transport and Communications as well as capacity building of the Transport Inspectorate in order to enhance their role in the transport sector. In accordance
with the NPAA, the following EC directives were transposed within the relevant national legislation:

Table of Correspondence:

<table>
<thead>
<tr>
<th>Celex no.</th>
<th>Name</th>
<th>national law</th>
<th>Institution/body in charge of carrying out inspections in accordance with the relevant national law</th>
</tr>
</thead>
<tbody>
<tr>
<td>31996L0026</td>
<td>COUNCIL DIRECTIVE 96/26/EC of 29 April 1996 on admission to the occupation of road haulage operator and road passenger transport operator and mutual recognition of diplomas, certificates and other evidence of formal qualifications intended to facilitate for these operators the right to freedom of establishment in national and international transport operations</td>
<td>Law on Road transport</td>
<td>State Transport Inspectorate</td>
</tr>
<tr>
<td>31998L0076</td>
<td>COUNCIL DIRECTIVE 98/76/EC of 1 October 1998 amending Directive 96/26/EC on admission to the occupation of road haulage operator and road passenger transport operator and mutual recognition of diplomas, certificates and other evidence of formal qualifications intended to facilitate for these operators the right to freedom of establishment in national and international transport operations</td>
<td>Law on Road transport</td>
<td>State Transport Inspectorate</td>
</tr>
<tr>
<td>31993R3118</td>
<td>COUNCIL REGULATION (EEC) No 3118/93 of 25 October 1993 laying down the conditions under which non-resident carriers may</td>
<td>Law on Road transport</td>
<td>State Transport Inspectorate</td>
</tr>
<tr>
<td>Directive/Regulation</td>
<td>Text Description</td>
<td>Law Reference</td>
<td>Authority</td>
</tr>
<tr>
<td>----------------------</td>
<td>------------------</td>
<td>---------------</td>
<td>-----------</td>
</tr>
<tr>
<td>COUNCIL DIRECTIVE</td>
<td>19 December 1984 on the use of vehicles hired without drivers for the carriage of goods by road (84/647/EEC)</td>
<td>Law on Road transport</td>
<td>State Transport Inspectorate</td>
</tr>
<tr>
<td>COUNCIL REGULATION (EEC) No 684/92 of 16 March 1992 on common rules for the international carriage of passengers by coach and bus</td>
<td>Law on Road transport</td>
<td>State Transport Inspectorate</td>
<td></td>
</tr>
<tr>
<td>COUNCIL REGULATION (EEC) No 881/92 of 26 March 1992 on access to the market in the carriage of goods by road within the Community to or from the territory of a Member State or passing across the territory of one or more Member States</td>
<td>Law on Road transport</td>
<td>State Transport Inspectorate</td>
<td></td>
</tr>
<tr>
<td>Commission Regulation (EC) No 792/94 of 8 April 1994 laying down detailed rules for the application of Council Regulation (EEC) No 3118/93 to road haulage operators on own account</td>
<td>Law on Road transport</td>
<td>State Transport Inspectorate</td>
<td></td>
</tr>
<tr>
<td>Commission Regulation</td>
<td>Law on Road transport</td>
<td>State Transport Inspectorate</td>
<td></td>
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<tr>
<td>Reference</td>
<td>Description</td>
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<td>Authority</td>
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<tr>
<td>--------------</td>
<td>------------------------------------------------------------------------------</td>
<td>------------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>32004L0112</td>
<td>Commission directive 2004/112 EC of 13 December 2004</td>
<td>Law on transport of Dangerous goods</td>
<td>State transport inspectorate</td>
</tr>
<tr>
<td>Directive Number</td>
<td>Description</td>
<td>Law on</td>
<td>State transport inspectorate</td>
</tr>
<tr>
<td>------------------</td>
<td>-------------</td>
<td>--------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>31996L0035</td>
<td>COUNCIL DIRECTIVE 96/35/EC of 3 June 1996 on the appointment and vocational qualification of safety advisers for the transport of dangerous goods by road, rail and inland waterway</td>
<td>Law on transport of Dangerous goods</td>
<td>State transport inspectorate</td>
</tr>
<tr>
<td>31994L0055</td>
<td>COUNCIL DIRECTIVE 94/55/EC of 21 November 1994 on the approximation of the laws of the Member States with regard to the transport of dangerous goods by road</td>
<td>Law on transport of Dangerous goods</td>
<td>State transport inspectorate</td>
</tr>
</tbody>
</table>
and of the Council of 29 April 2004 on the interoperability of electronic road toll systems in the Community (Text with EEA relevance).

<table>
<thead>
<tr>
<th>Directive/Code</th>
<th>Description</th>
<th>Law on</th>
<th>State transport inspectorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>31999L0037</td>
<td>COUNCIL DIRECTIVE 1999/37/EC of 29 April 1999 on the registration documents for vehicles</td>
<td>Public Roads</td>
<td></td>
</tr>
</tbody>
</table>

**Reference to SAA**

The project will contribute towards implementation of the Stabilization and Association Agreement, Article 98 on Transport, providing that the former Yugoslav Republic of Macedonia should achieve operating standards comparable to those of the Community and shall develop a transport system compatible with and aligned with the Community system. In addition, the same Article reads that there should be adoption of coordinated transport policies that are compatible with those applied in the community.

**Reference to EC Progress Report (November, 2008)**

Good progress has been made in the area of road transport. Implementing legislation to the Law on road transport introduced new conditions for issuing certificates of professional competence and for engaging in international road transport. Implementing legislation relating to the laws on road transport safety, on vehicle licence plates and on traffic signs and signalling was adopted. The Law amending the Law on public roads was enacted. Implementing legislation to the Law on road passenger transport, relating to the driving licence for international road passenger transport, was adopted. Implementing legislation to the Law on transport of dangerous goods by road and rail, relating to training of safety inspectors for the transport of dangerous goods, was adopted. However, the Law on road transport is still only partly aligned with the acquis on market access. The current system for road taxation and charging does not meet the requirements of the acquis. Inspection capacity remains insufficient. The Agency for public roads has not yet been set up. Implementing Legislation on digital tachographs was adopted. Road safety rules are not properly enforced and effective road safety campaigns are lacking. Preparations in the area of road transport are advanced. In the area of combined transport, the country continues to implement the Memorandum of Understanding on the South-East European Core Regional Transport Network, which is aimed at improving and developing the capacity of the SEE road and rail network. It is also continuing to strengthen cooperation with the SEE Transport Observatory (See Chapter 21 – Trans European networks). Preparations are on track.

**Conclusion**

Good progress can be reported in the area of transport policy. However, administrative capacity in all sectors remains insufficient. Regulatory bodies and safety authorities have yet to become operational in the fields of land, air and rail transport. The reforms undertaken in railways still need further implementation. In the area of transport policy, preparations are advanced.
**Reference to MIPD**

Multi-Annual Indicative Planning Document (MIPD) 2007-2009 in the part 3.3. Ability to assume the obligations of membership stipulates that “In the area of transport, support will be given to reorganizing and strengthening the public administration and institutions in the transport sector.”

This Project proposal is also in line with the MIPD-Component I, Transition Assistance and Institution Building particularly with the item 3.1. Good governance and the rule of law.

**Reference to national/sector investment plans**

Reference to the National Development Plan (2008-2013)

This project is linked with National Development Plan in the part for improvement of the road, railway and air transport stipulating that besides the development of transport infrastructure, one of the priorities is to enhance the capacities of the relevant transport institutions.

Reference to the National Transport Strategy (2007-2017)

National Transport Strategy among other, includes the following transport priorities:

a) Safety Management on Roads-in order to increase safety on road infrastructures, the government will introduce a Road Infrastructure Safety Management system focusing on the following:

- Road safety impact assessments
- Road safety audits
- Network safety management
- Safety inspections by the competent authorities
- Traffic Information System
- Introduction of an integrated road management system,

The MoTC will take the lead in improving the coordination between emergency services, non governmental associations and private sector to organize efficient rescue operations.

b) Transport system safety strategy-Action Plan: Providing media campaigns on Road security and Providing a law enforcement measures.
ANNEX 5: Details per EU funded contracts

Management and contracting arrangements

The Project will be implemented by the IPA Unit within the Ministry of Transport and Communications under overall responsibility of the Senior Programming Officer (SPO):

The IPA Unit within the Ministry of Transport and Communications pursuant to the Act of Systematisation of Posts of the Ministry (11 August 2008) consists of Head of the IPA Unit and 6 employees responsible for IPA planning, programming, implementation, monitoring and evaluation of the IPA projects and programmes. The staff of the IPA Unit includes: IPA Programming Officer (2 employees), IPA Monitoring Officer (2 employees), IPA Technical Implementation Officer (2 employees), and IPA Evaluation Officer (1 employee). At the moment, 7 employees are in place with 1 position under recruitment in 2009.

The expected contracting arrangements are:

- One service contract for technical assistance to be concluded through an international restricted tender procedure with duration of 18 months. Implementation of the contract for technical assistance is expected to start in the Q1 2011, right after signing the contract. The total amount of the contract is EUR 800 000, of which IPA funding will be EUR 720 000 and the national co-financing will be EUR 80 000