

Sustainable Infrastructure DEVELOPMENT

IVAN BRAJOVIĆ

MINISTER OF TRANSPORT AND MARITIME AFFAIRS OF MONTENEGRO



The Berlin Initiative, which kicked off with the meeting between the prime ministers of six Western Balkan countries upon the initiative of German Chancellor Angela Merkel and with the support of the German Government and the European Commission, provides a special incentive, paving the way to developing infrastructure in the Western Balkans

The Vienna summit of the Western Balkan Six, with EU officials, which will take place at the end of the year, will serve as a forum at which the details of the main transport grid in the region will be finalised and large-scale infrastructure projects considered. The EU's confirmation of the fact that the Bar-Boljare motorway is the key transport corridor for Montenegro further validates the necessity of investing in these projects, which are of utmost importance because they are in the best interest of all Montenegrin citizens – says Ivan Brajović, Montenegrin Minister of Transport and Maritime Affairs.

■ The construction of the Bar-Boljare motorway section was launched recently. The project is being implemented together with Chinese partners. Are you satisfied with the continuing dynamics of the work?

- After recently visiting all priority sections of the Bar-Boljare motorway, and the Smokovac-Uvač-Mateševo section, I can say

that I am satisfied with the dynamics of the preparation works. In just over two months, since the official commencement of works, several camps, halls and concrete bases have been built in locations like Moračica, Jabuka and Pelev Brijeg, which will be the base for geodetic and geotechnical surveying.

I am especially happy to report that Montenegrin subcontractors and the local population have been hired to do the work

even at this early stage. The effects are already visible in terms of renting locations and land. Some 267 machines, including construction machinery, worth \$20.4 million have been brought in to the Port of Bar from three Chinese ports – Shanghai, Qingdao and Tijanjin. On the section I visited, Chinese partners are building five camps, with the camp in

Jabuka alone spanning 45,000 square metres. Apart from halls, factories and separation facilities, quite a few pieces of equipment and machinery will be located there. Accommodation for 600 workers and construction experts and recreational facilities

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are also going to be built. A total of 56.5km of access roads are being constructed, with 40km of roads to be used for construction purposes and 16.5km for geotechnical surveys.

■ How much is the 'Berlin Initiative' contributing to speeding up the creation of transport links in the Balkans?

- It is very important that all the projects for which we are applying to receive funds are of a regional nature, just like the projects Montenegro proposed when the concept of the main transport network in the Balkans was being devised. Such prioritisation is important for extending trans-European corridors to encompass the Western Balkan region; corridors like the Orient – Eastern Mediterranean, the Mediterranean and the Rhone-Danube, both of which pass through Montenegro.

Montenegro has presented its priority segments in terms of extending the TEN-T main transport grid to include the Western Balkans. They are the SEETO Travel Route 4, the Bar – Boljare motorway (to the border with Republika Srpska), the SEETO Travel Route 1, the Adriatic-Ionian Corridor (coastal segment / high-speed route running along the Montenegrin coastline), the SEETO Railway Route 4, the Bar-Vrbnica railway (to the border with the Republic of Serbia), the SEETO Railway Route 2, the Podgorica – Tirana railway (link to the Republic of Albania), the Port of Bar and Podgorica Airport.

We are especially encouraged by the news of a billion euros being invested in the main regional transport and energy infrastructure in the region in the following few years. This money will come from the Western Balkans Investment Framework and other EU financing instruments.

■ In this context, one of the key routes is the Adriatic-Ionian Corridor (coastal segment) and the Port of Bar. When can we expect the first concrete moves to be made on the elaboration of these plans?

- The EU recommends and requires projects that are applying for funds to be regionally networked. Montenegro and the Republic of Albania have agreed to have a meeting about a feasibility study for the Adriatic-Ionian Corridor. This motorway/high-speed transport route is one of the strategic projects important for Southeast Europe and the Balkans. Once constructed, the motorway will be a high capacity and high quality corridor that will serve as a link between Central Europe and Northern Italy, on one side, and the Ionian peninsula on the other, via Slovenia, Croatia, Bosnia-Herzegovina, Montenegro, Albania and Greece. The Adriatic-Ionian motorway stretches along the coast of the

Adriatic and Ionian seas – from Trieste in Italy to Kalamata in Greece. The estimated length of the motorway is approximately 1,550km. The plan is for the priority infrastructure to be ready for implementation and co-funding by 2020, and for the main transport grid in the Western Balkans to be finished by 2030. Once completed, the Western Balkan region will have its rightful place in the Trans-European Transport Network.

■ Could you tell us something about the results of investments in Montenegrin railway infrastructure to date? You have discussed the possibility of reconstructing infrastructure along the Belgrade-Bar railway with Chinese partners. What opportunities are available to further fund these projects?

- As far as the Montenegrin rail network goes, the Ministry of Transport and Maritime Affairs and railway companies have been working hard to improve the existing state of the railways in the country, as well as improving the rail zone and the quality of transport. To that end, we have begun implementation of projects funded by the EBRD, EIB, the Czech Export Bank and the European Commission's Assistance to the State of Montenegro, in a total amount of around 150 million euros.

We have achieved the following results from investments to date in infrastructure projects: we have rehabilitated approximately 40 per cent of the Belgrade-Bar railway which passes through the territory of Montenegro; we have increased the average speed of trains on the rebuilt railway segments from 30 to 80kph, meaning trains are less frequently late and we have increased rail transport safety.

The Montenegrin Government is open to talks with all partners interested in this very important regional railway route. The government is open to the idea of implementing future infrastructure arrangements through public-private partnerships, concessions or similar funding formats, and this is what we will be focusing on in the following period.

■ Which effects is the implementation of currently the biggest infrastructure project – construction of the Smokovac-Uvač-Mateševo segment (on the Bar-Boljare motorway) – going to have?

- One of the most important aspects of construction of the Bar-Boljare motorway is hiring Montenegrin subcontractors. According to the Design and Construction Agreement, at least 30 per cent of the value of the agreement should be assigned to sub-



One of the most important aspects of construction of the Bar-Boljare motorway (Smokovac-Uvač-Mateševo section) is hiring Montenegrin subcontractors

contractors from Montenegro, provided the main investor has given its consent. There is also a possibility of hiring additional subcontractors from neighbouring countries. Again, the main investor needs to give consent. It is absolutely imperative that these projects are implemented in accordance with the highest standards and rules of engagement, as well as for the quality of executed works to be high and fully compliant with the relevant national and international regulations.

So far, the investor has given his consent to hiring nine domestic subcontractors who are going to draw technical documents and execute preparatory works. Once the Works Programme is completed, large Montenegrin construction companies will be brought in. Over 100 local people of various professions – from engineers and economists, to accountants, lawyers, translators, administrative personnel and drivers – have been hired to work on the project. Also, 212 local construction workers have been hired. The residents of nearby villages are already feeling individual benefits like selling or renting land, renting accommodation, expanding logistics chains and similar. These are the positive effects of the motorway project, which will only multiply once the volume of work increases.

■ **You have signed a memorandum of understanding about drafting an infrastructure plan for Montenegro with Chinese partners. When can we expect the implementation of this project to start?**

- The Memorandum of Understanding and Cooperation on drafting the infrastructure plan for Montenegro was signed between the Montenegrin Ministry of Transport and Maritime Affairs and the China Communications Construction Company Ltd. in December 2014, and it is valid for three years. This infrastructure plan encompasses analysis of the existing transport grid, analysis of transport links with the main European roads and neighbouring countries, and planning of future development of the priority transport infrastructure. The number one infrastructure project, to which we are fully committed, is construction of the Bar-Boljare motorway, which should be the driving force behind Montenegrin economic development and should lead to an improved general transport system in Montenegro.

■ **You recently bought four ships from the Chinese. However, the Montenegrin fleet remains quite small. What are realistic expectations regarding the development of maritime transport in the next period?**

- The general situation with the maritime freight fees is pretty bad and it would cost approximately 6,000 euros a day to rent the type of ships that the Montenegrin fleet has. The ships operated by companies Crnogorska Plovidba and Barska Plovidba are rented for 8,725 euros on average, which is quite affordable. However, the statistical data shows that around 300 of such ships (suitable for transporting bulk cargo) are not hired because there is no cargo to transport. Considering all of the aforementioned, we are going to postpone the purchase of new ships for better times, when freight fees are higher which, in turn, will justify the acquisition of new ships.

■ **The world's leading operator of container ships – Danish company Maersk – established a new transport line with the Port of Bar early this year. What importance does this have for the entire logistical route leading to Bar?**

- Considering modern container shipment is based on existing Mediterranean lines, as well as transport lines that connect the Mediterranean with the Far East, Northern Europe and America, the Port of Bar has been given a chance to become a Mediterranean trans-shipment centre for towns like Valencia, Gioia Tauro, Fos, Piraeus, La Spezia and similar. The Port of Bar has the predispositions for this in terms of the capacity to store a substantial number of containers and adequate

depth, which reaches 14 metres around certain berths. Additional interest will be sparked by the continuing construction of the motorway, which will improve Montenegro's transport links to the regional countries drastically and, in turn, lead to higher import and export – all of which warrant the opening of a new trans-shipment centre.

■ **Once the motorway grid is constructed, this Montenegrin port will have links to the ports on the Danube and an entire network of European transport corridors. What are the deadlines for possible implementation of these plans?**

- If maritime companies are interested in opening a trans-shipment centre in the Port of Bar, containers from distant lands (the Far East, Northern Europe and America) would be unloaded in the Port of Bar and then transported via rail and road to the regional countries, where they would continue their journey towards Central Europe along the Danube. The Port of Bar would also have better connectivity to smaller Mediterranean ports, where the goods from the trans-shipment centre would be transported by smaller, feeder boats. ■



It is estimated that, at the peak, construction works will require around 3,700 workers at about 20 locations. According to Chinese partners' announcements, 2,000 of those workers will be locals

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Zahvaljujući inovativnim tehnologijama i sistemima asistencije uživanje u vožnji je dovedeno do savršenstva. Osjećaćes se i odmornije i opuštenije. I nakon poslovnog i nakon porodičnog putovanja.

A sa unaprijeđenim navigacionim sistemima i "Car Net" konekcijom sa virtuelnim svijetom uvijek i svuda stići ćeš bezbjedno i na vrijeme.

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