

European Commission

**Regional Balkans
Infrastructure Study -
Transport**

Appendix 2 - Final Report

Border Crossings

July 2003

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This appendix provides an overview of the situation at the border crossings and identifies potential border crossings where present and planned improvements will not be sufficient.

The present situation at the border crossings on the REBIS core network and the problems and bottlenecks are identified and described for each country. The planned and ongoing work is identified to find border crossings, which have not been dealt with fully by other projects.

1 Introduction and background

The dissolution of the Yugoslav Federation has been followed by radical changes in the patterns of trade and traffic, economic dislocations and the creation of over 5,000 kilometres of new international borders and, thus, a great number of new border crossing stations with customs services in Southeast Europe.

The lorry drivers that bring goods across the different border crossings experience long waiting times, unpredictable customs services and the need for presents/tips given to customs services - all leading to additional transport and trade costs for manufacturers and importers/exporters. This results in higher consumer prices, restrictions on regional trade and economic co-operation, and has a negative impact on the general economic growth in the region.

It hampers the development of regional and international trade and foreign investments in local production facilities even though the countries themselves spend considerable efforts to develop economic growth and stability

All of the REBIS countries participate in different international initiatives, agreements and programmes which have an element of cross border related issues, such as:

- the Balkan Stability Pact including Free Trade Agreements
- the Southeast European Co-operation Initiative (SECI)
- the EU programme Community Assistance for Reconstruction, Development and Stabilisation (CARDS)
- the World Bank Trade and Transport Facilitation in Southeast Europe programme (TTFSE)

By the end of 2002, a network of Free Trade Agreements for Southeast Europe is planned to be established as part of the Balkan Stability Pact. The economic assistance measures were coordinated by the European Commission and the World Bank. The TTFSE projects are part of the list of "quick-start" projects defined under the stability pact.

The SECI has identified the need for improvements in the customs situation to support the development of regional economy and the private sector, e.g. by promoting economic cooperation among the countries in the region. The

initiative is focused on efficient transit services and combating corruption and smuggling.

One of the components of the CARDS programme is to promote closer relations and regional cooperation among Albania, Bosnia and Herzegovina, Croatia, Serbia and Montenegro and FYRO Macedonia as well as between these countries and the EU and the candidate countries of Central Europe¹. The policy objectives on regional relations are that countries should regard each other and work together as the EU member countries - they should cooperate to fight threats of organised crime, illegal migration, and other forms of trafficking. The regional cooperation convention includes bilateral free trade in line with WTO provisions, mutual concessions on e.g. mobility of workers, and cooperation in other fields such as the repatriation of refugees. The objective is also to reintegrate the countries into the European infrastructure networks for e.g. transport and border management.

The management of international borders in a more efficient way is one of the major challenges faced by CARDS. This includes reducing cross-border crime through better control, increasing regional and international trade e.g. by improving transport networks and border crossings, ensuring that national trade facilitation procedures are compatible with neighbouring markets and implementing bilateral and regional free trade agreements. The borders should be stabilised where they are insecure and where living conditions for the local population are poor.

The CARDS support is used to facilitate the movement of goods and mobility across borders by improving infrastructure facilities, strengthening the national institutional settings and procedures (e.g. customs, veterinary agencies) and improving relevant infrastructure elsewhere. The border control is enhanced by strengthening the infrastructure facilities and institutional capacities of border agencies, supporting border demarcation and promoting cooperation with national police. The border regions are developed through regional development programmes and through programmes for cross border cooperation. The CARDS programme has allocated EUR 117 million to integrated border management. This includes the preparation of an Integrated Border Management Strategy in all countries by 2003, coordination of national agreements with neighbouring countries. Additionally, the programme supports trade facilitation e.g. through customs assistance programmes - in Albania, the Customs Assistance Mission (CAM-A), in Bosnia and Herzegovina the Customs and Fiscal Assistance Office (CAFAO) and in Kosovo the Customs Assistance Mission (CAM K). The work will include upgrading specific border crossings, strengthening of national institutions and improving infrastructure.

The Trade and Transport Facilitation in Southeast Europe programme (TTFSE)²⁺³ supports trade by the promotion of efficient and less costly trade

¹ European Commission, CARDS Assistance Programme to the Western Balkans - Regional Strategy Paper 2002 - 2006.

² World Bank by Planconsult, Provision of Consulting Services in User Survey Design and Implementation - Interim Report I - Executive Summary, April 2002.

flows across the countries in Southeast Europe and provides European Union-compatible customs standards. The programme seeks to reduce non-tariff costs on trade and transport, eliminate smuggling and corruption, improve integrity at border crossings, and strengthen and modernise the customs administrations and other border control agencies.

The TTSFE programme integrates the efforts of the Governments, the European Commission, the SECI and the World Bank Group as well as the physical improvements of border crossings and the technical assistance to strengthen customs administrations. The programme also includes computerisation of customs procedures at the border crossing stations and electronic filing of customs declarations. Improved exchange of information between the customs agencies and the business community (the latter represented by the Chamber of Commerce, the different Transport Associations and the transporting, manufacturing and trading enterprises) is ensured through seminars and a web site.

All countries participating in the TTFSE programme have signed a common Memorandum of Understanding establishing a Regional Steering Committee as a forum to exchange experience among the countries, to collectively align procedures to EU standards, and to coordinate the work of “paired” border crossing stations.

The World Bank project focuses on the implementation of reforms in customs procedures in order to increase the productivity of customs services and to reduce the above mentioned negative impacts. Growing productivity will permit great numbers of trucks to cross borders in less time than what is the case at present. The results of a reform of customs procedures will disclose the real demand for additional physical investments in the border crossings.

As the TFFSE programme and the CARDS programme cover trade facilitation and customs service procedures, the main emphasis of the REBIS project will be on the improvement of the infrastructure at border crossings but also e.g. trade facilitation, procedures, improved customs information systems are taken into account.

³ World Bank, Trade and Transport Facilitation in Southeast Europe Programme, Progress Report 2002, November 2002.

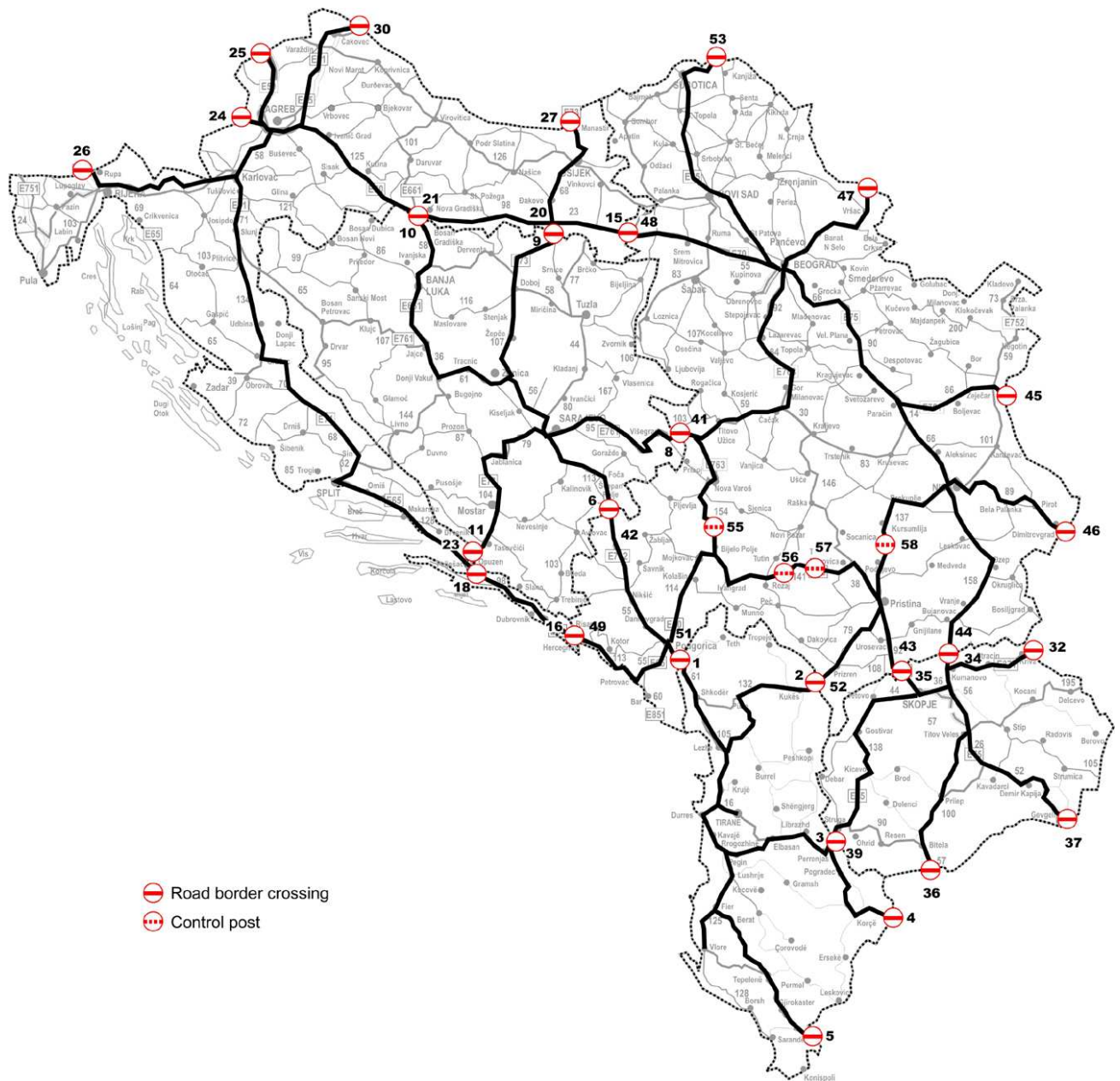


Figure 1.1 Road border crossings.

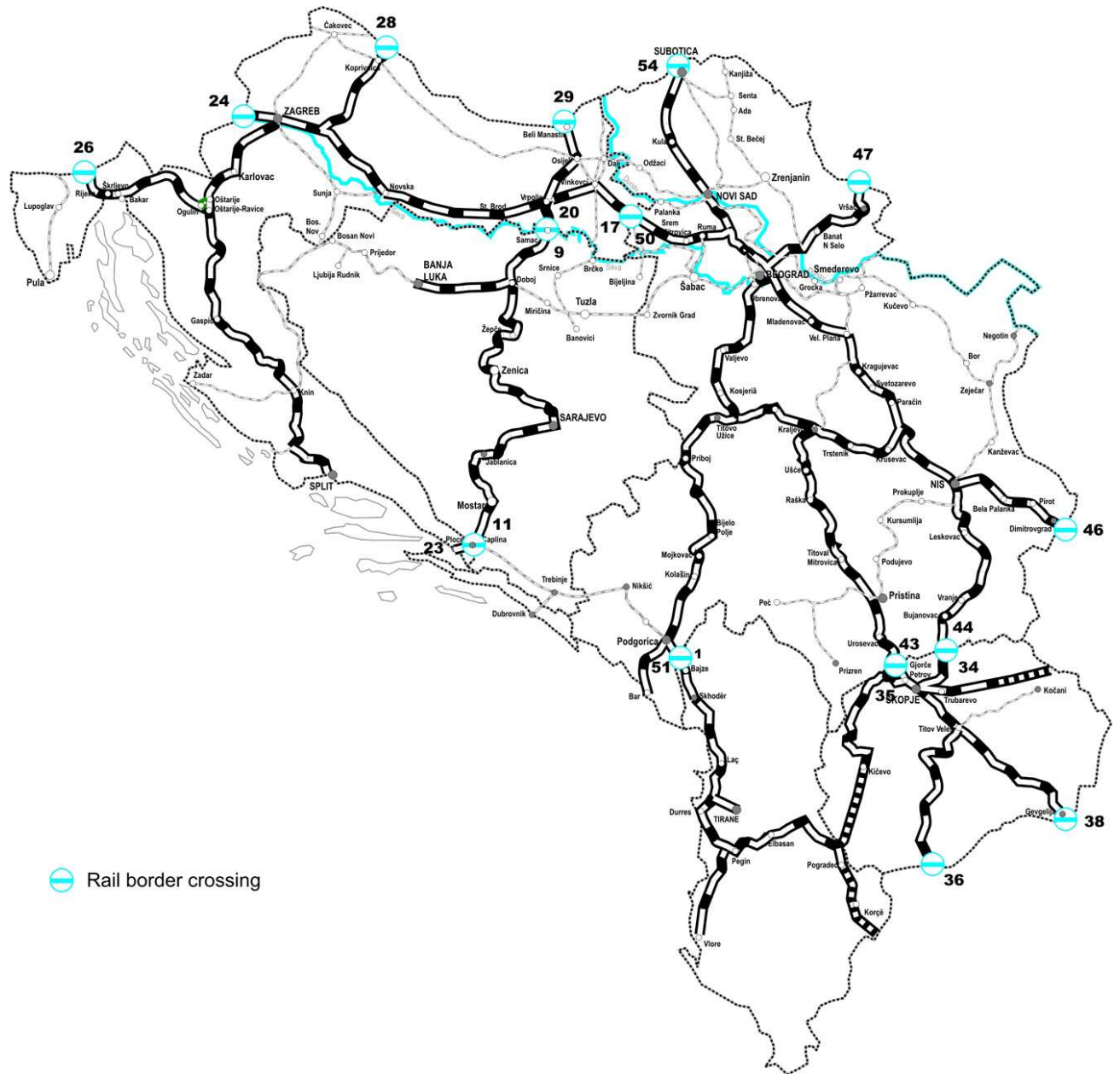


Figure 1.2 Rail border crossings.

2 Cross border issues in Albania

There are five border crossings on the REBIS core road network and two rail border crossings (1 existing and 1 planned). The border crossings are shown in Table 2.1.

Table 2.1 *Border crossings in Albania.*

To Serbia and Montenegro		To Greece	
1	Hani i Hotit or Bajraku i Hotit (road and rail)	4	Kapështicë (road)
2	Morinë or Morina (road)	5	Kakavi (road)
To FYRO Macedonia			
3	Qafe Thane (road and rail)		

Additionally, there are a number of smaller border crossings outside the REBIS core network as well as the harbours of Durres and Vlore. In 1998, the main border crossings were Durres with 61% of the total export, Kapshticë with 17% of the export and Vlore with 10%. The remaining 12% of the total export was divided among the remaining border crossings.

2.1 Cross border bottlenecks/problems in Albania

Cross border issues and problems in Albania include a need to modernise customs laws and procedures, upgrade customs facilities and handle the problems with smuggling and corruption appropriately at border crossings as well as upgrade critical transit roads and bridges⁴. Other issues identified concern the need to improve public-private interactions and strengthen regional cooperation.

A new EU compatible customs code was introduced in May 1999 and the related sub-laws prepared. However, there is still a need to facilitate trade and transport activities as stakeholders have indicated that they are concerned about

⁴ World Bank, Project Appraisal Document on a proposed credit in the amount of SDR 6 million to Albania for the Trade and Transport Facilitation in Southeast Europe project, October 2000.

changes in the legal system, regulations being made without notice, insufficient clarity and transparency of customs regulations, the application of legislation at border points, the lack of coordination between border agencies and the government.

The existing design and condition of some of the main border crossing stations and facilities hampers trade facilitation and collection and enforcement functions even if procedures be reformed and professional standards strengthened. The new building financed by USAID at Qafe Thane border was destroyed in 1997 and the Morina border lacks processing lanes for traffic and has limited capacity for inspection⁴.

Even though the administration has made strong efforts to fight smuggling and corruption, it is still a national problem and stakeholders report that the lack of transparency also causes significant additional costs⁴.

A number of the main corridors have already been rehabilitated by e.g. IDA, but there is still a need for improvements on some sections of the north-south corridor between Durres and Shkoder and on bridges in the European Corridor 8 between Durres and the Qafe Thane border.

A survey carried out for the World Bank by Planconsult to monitor the progress of the programmes showed that according to the stakeholders the most serious problems in Albania in relation to customs services were within the fields of law, personnel, communication and to lesser extent procedures and logistics. Compared to the situation as it was when the TTFSE programme started, the situation in Albania seems to have improved with regard to "customs-related communication problems" and has become less serious on "problems with customs procedures". The legal problems have become less important in Albania, and the logistic problems have stagnated. An average improvement on "customs personnel-related problems" has been observed.

According to international transport companies there is only very little transit traffic through Montenegro because of very high transit taxes calculated as a percentage of the value of the commodities. The actual shipping route is shipping to Greece, and then further through FYRO Macedonia to Kosovo and Bosnia.

There are capacity problems in Albania during the influx and the return of visitors in the summer months, of mainly Albanians living abroad (going from Albania to Greece after the summer holiday). This is not so much a question of additional infrastructure as the peaks are punctual and short, but more a question of removing institutional barriers, providing clear rules and better coordination between the countries concerned for the facilitation of border crossing formalities.

2.2 Other donor border crossing activities/projects

Albania is supported by the European Commission on a customs services reform through the Customs Assistance Mission (CAM-A) and has also been supported by the PHARE programme. The PHARE programme has financed the rehabilitation of the border crossing stations at Hani i Hotit, Kakavi and Kapështicë.

The Trade and Transport Facilitation in Southeast Europe programme coordinated by the World Bank provides financial support to Albania within the fields of:

- customs services procedure reform - USD 0.8 million
- trade facilitation development - USD 0.4 million
- support to integrated customs information systems - USD 2.3 million
- improvement of roads and border crossing facilities - USD 8.2 million
- programme and project implementation - USD 0.6 million

The customs service procedure reform component is carried out in close cooperation with CAM-A. This component includes monitoring and review of customs procedures, e.g. productivity and workload indicators for international comparison as well as enhancing interagency awareness and training.

The trade facilitation development component in Albania strengthens the private public partnership through the establishment and operation of a website with information on border crossings and inland terminals, border agency procedures in the region and provide the required equipment. The component also includes technical assistance and training to improve the performance of trade facilitation agents. A number of seminars have been held and distance learning programmes will be made.

The support to integrated customs information systems include purchasing computer and other auxiliary equipment to support and complement the ASYCUDA (Automated System for Customs Data) at custom sites as well as local and wide area networks and e.g. telecommunication. There are also plans to stimulate regional and interagency cooperation.

The improvement of border crossing facilities includes the rehabilitation of the Qafe-Thane and Morina border crossings. In Qafe-Thane rehabilitation work includes repair of the damaged administration buildings including installation of a plumbing and heating system, roofing, and installation of plexi-glass enclosures. Supplementary work includes repair of substation building, storehouse, service halls and utility tunnel as well as site drainage and water supply. At the Morina border station the existing customs house to be shared with border police will be rehabilitated. Electrical work will be carried out, and a canopy over the road will be erected. The road will be widened to three lanes each way and parking lots and a secondary inspection area will be established. Also a building for customs brokers and a warehouse for seized goods will be constructed. Four of the border stations will be provided with 10-ton fork lifts

and five mobile weighing equipments will be provided for different border and inland border locations.

The programme and project implementation include the activities to support the implementation of the programme.

2.3 Potential border crossing projects

Problems and ongoing and planned activities are summarised in Table 2.2 to identify missing studies and projects.

In Albania, there seems to be little potential for cross border projects. Several cross border stations have been improved through PHARE funding and/or are part of the TTSFE programme. However, there seems to be institutional, procedural and legal problems.

The planned rail link passing at Qafe Thane may be covered as part of the rail project.

However, according to the World Bank and the EU the main problem with border crossings in Albania still seems to be related to institutional, procedural and legal matters. The legal framework is similar to that in force in the EU member states, but implementation measures are lacking, and local procedures often differ. There is a lack of proper management at the border crossings, e.g. allocation of staff according to needs⁵. Thus, projects supporting the improvement of procedures (standardisation and formulation of procedures), legislation as well as customs personnel including a strategic management plan for border crossings and improved training of staff still seem relevant. Such projects should be closely coordinated with the existing projects financed under TTFSE and CARDS.

⁵ JHA Assessment Mission in Croatia, 2002.

Table 2.2 Summary of logistic and infrastructure border crossing problems and projects in Albania.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
1. Hani i Hotit or Bajraku i Hotit (51. Bozaj, Serbia and Montenegro)	road	High transit charges, and, thus, little transit traffic in Montenegro. Transport route is shipping to Greece, and further through FYRO Macedonia to Kosovo and Bosnia.	Rehabilitated under PHARE contract according to MOT and GRD representatives. Road works on Lezhe connection and on Fushe Kruje -Mamurras road by TTSFE.	No, already rehabilitated.
1. Hani i Hotit or Bajraku i Hotit (51. Bozaj, Serbia and Montenegro)	rail	Only used little still under rehabilitation.		No.
2. Morinë or Morina (52. Vrbnica, Serbia and Montenegro)	road	Lack processing lanes for traffic and has limited capacity for inspection.	Rehabilitation and extension of the existing station, including design and supervision. Road works on Fushe Kruje - Mamurras road (TTSFE).	No, included for rehabilitation in TTSFE.
3. Qafe Thane (39. Kafasan, FYRO Macedonia)	road	The new USAID funded border crossing building was destructed in 1997. Waiting time at entry is between 44,5 min. and 121 min. with an average around 70 min. Nevertheless, traffic is limited.	Repair of damaged existing station, including design and supervision, bridges on Librazhd - Qafe Thane road (TTSFE) expected completion July 2003.	No, included for rehabilitation in TTSFE.
3. Planned Qafe Thane (39. Kafasan, FYRO Macedonia)	rail planned	Missing link of strategic rail network.	There is little if any economic justification for rehabilitation given the low traffic volume.	Border crossing could be part of pre-feasibility of missing link.
4. Kapështicë (Greece)	road	Institutional barriers and lack of clear rules and coordination between the countries leads to capacity problems during summer holidays.	Rehabilitated under PHARE contract according to MOT and GRD representatives.	No, already rehabilitated.
5. Kakavi (Greece)	road	Institutional barriers and lack of clear rules and coordination between the countries leads to capacity problems during summer holidays.	Rehabilitated under PHARE contract according to MOT and GRD representatives.	No, already rehabilitated.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
	General	Still institutional, procedural and legal problems. The legal framework is similar to those in force in the EU member states but the implementation measures are lacking, and local procedures often differ. There is often lack of proper management at the border crossings.	Should be closely coordinated with the existing projects financed under TTFSE and CARDS.	Improvement of the procedures legislation, and custom personnel e.g. a strategic management plan for border crossings and training of staff.

3 Cross border issues in Bosnia and Herzegovina

There are five border crossings on the REBIS core road network in Bosnia and Herzegovina and two rail border crossing. The border crossings are shown in Table 3.1.

Table 3.1 *Border crossings in Bosnia and Herzegovina.*

To Serbia and Montenegro		To Croatia	
6	Hum (road)	9	Bosanski Samac/Samac (road and rail)
8	Vardiste (road)	10	Gradiska (road)
		11	Doljani (road and rail)

Additionally, there are a number of border crossings outside the REBIS core network (at present, a total of 58 border crossings), of which some improvements are financed by other projects, e.g. at Raca, Kamensko, Goritsza, Brod and Kobuk.

3.1 Cross border bottlenecks/problems in Bosnia and Herzegovina

Cross border issues and problems in Bosnia and Herzegovina include inappropriate customs facilities and information technology, disagreement between the federation of Bosnia and Herzegovina and Republika Srpska, evolving procedures and trade documentation and inappropriate handling of the problems with smuggling and corruption at border crossings⁶. Other issues identified include the need to improve public-private interactions and strengthen regional cooperation.

Generally, the border crossings have been found to be poorly equipped as the country has moved from a purely domestic economy to an international one. There are 420 roads connecting Bosnia and Herzegovina with neighbouring countries. But at the time of the Project Appraisal Document⁶ (2001) there were

⁶ World Bank, Project Appraisal Document on a proposed credit in the amount of SDR 8.7 million to Bosnia and Herzegovina for the Trade and Transport Facilitation in Southeast Europe project, January 2001.

only 32 official border crossings - thus, there must have been many unofficial border crossings. Discussions are ongoing to agree on number of border crossings and the type of traffic allowed to pass the border crossings. The customs offices are often temporary containers with limited access to telephone and fax lines, electricity and lighting, and provided with only basic communication and IT means. In 2001 Bosnia and Herzegovina started to upgrade the border crossing posts at Brod and Grdiska.

Because Bosnia and Herzegovina consist of two entities - the Federation of Bosnia and Herzegovina and Republika Srpska - and even though both have agreed to cooperate on customs legislation there may be coordination difficulties such as the coordination with adjacent countries e.g. on managing of border posts and to consistency in border-crossing procedures. Lack of control of the transit may lead to smuggling and loss of revenue.

A new EU compatible customs code was introduced in 2000 implementing the regulations according to the EU blueprints. There is still a need to facilitate trade and transport activities as stakeholders have indicated that they are concerned about the complexity of the present procedures, the varying interpreting, understanding and implementing of new laws and regulations, lack of political will to facilitate trade, cost of bank guarantees and lack of carnet system, the need for original documents, poor facilities that do not allow traffic segregation and insufficient inter-entity cooperation.

The problems with border procedures and administration e.g. result in smuggling and corruption including double invoicing, under valuation of goods, falsification of certificates, use of roads without border posts and discriminatory payment depending on ethnic origin⁶.

A survey carried out for the World Bank by Planconsult to monitor the progress of the programmes showed that according to stakeholders the most serious problems in Bosnia and Herzegovina in relation to customs services were within communication, logistics, law, personnel and procedures. Compared to how the situation was when the TTFSE programme started, the situation in Bosnia and Herzegovina seems to have changed as follows:

- improvement with regard to customs-related communication and personnel problems
- aggravation of the problems with customs procedures
- stagnation with respect to legal problems
- alleviation of logistic problems

Specific problems at certain border crossings have also been identified. The Samac border station which is located on the Corridor Vc has only been established temporarily even though it comprises all facilities. Trucks, for example, are not yet allowed to use the border crossing. This is all due to the disagreements between Republica Srpska and the Federation of Bosnia and Herzegovina on the location of the border crossing.

The existing facilities at Gradiska are poor and the traffic volume high, however, many of the trucks are empty. There is only limited or no physical space for the construction of new facilities.

Doljani is a major border crossing which is often congested. The existing site is narrow and a new location would have to be moved 500-1000 metres into Bosnia and Herzegovina. A bypass is planned on the Croatian side - this may require a new location and the establishment of an entirely new border post.

At Hum, which is located in a mountainous area, the existing infrastructure and facilities are poor (no canopy or lighting system). The road to Hum and the bridge over Drina is also in poor condition.

At Vardiste the existing facilities are poor and communication facilities are lacking. Furthermore, the site is regularly flooded.

A new site has been constructed at Izacic, which will be finalised by mid 2003. The existing facilities are all temporary. Karakaj is also a temporary site, which has all facilities. The traffic volumes are high. The conditions of the approach roads to Brcko are poor on both sides of the border. The site has limited potential for development as it is within a built up area.

3.2 Other donor border crossing activities/projects

Bosnia and Herzegovina receives financial support from the European Commission (CARDS), the EU PHARE programmes and the World Bank to cover the construction of border crossings.

The CARDS programme plans to fund EUR 30.5 million during 2001 -2004 to create adequate infrastructure for border crossings at Karakaj on the REBIS network, and at Raca, Kamensko and Gorica (not on the REBIS network). The 2003 budget will provide financing of, at least, one of the following border crossings: Doljani, Bosanski Samac/Samac, Vardiste, Brod, Kobuk and Zubci - of which the three first are on the REBIS network.

The EU may rehabilitate the border crossing stations at Hum in case the road is upgraded as planned in the JICA study.

At Karakaj the European Commission (EC) plans to provide assistance to the construction of facilities amounting to approx. EUR 3.7 million. The EC will only consider financing Doljani, if the issue of actual location of the border crossing is solved (due to planned bypass to release traffic congestion on the Croatian side). The construction cost is estimated at EUR 4.5 million. The construction cost at Vardiste is estimated at 3.5 million. The construction costs are estimated at EUR 4 million at Gradiska, however, the EC does not plan to participate in the construction. There is already an EBRD financed pre-feasibility study in process for the road Banja-Luka - Gradiska, and if the road is to be improved it may be considered to improve the border crossing at Gradiska. The need will also depend on the results of the TTFSE pilot project at

the border crossing. The EC funding of the EUR 3.5 million at Hum depends on whether or not the approach road is reconstructed. At Brcko the construction costs are estimated at EUR 3 million.

CARDS also supports the customs services reform through the Customs and Fiscal Assistance Office (CAFAO).

The Trade and Transport Facilitation in Southeast Europe programme coordinated by the World Bank supports Bosnia and Herzegovina in the fields of:

- trade facilitation development - USD 0.5 million
- improvement of roads and border crossing facilities - USD 13.6 million
- programme and project implementation - USD 0.8 million

The trade facilitation development component in Bosnia and Herzegovina strengthens private public partnerships through the establishment and operation of a website with information on border crossings and inland terminals, procedures of border agencies in the region and provides the relevant equipment. The component also includes technical assistance and training to improve the performance of trade facilitation agents. A number of seminars have been held and distance learning programmes will be made.

The improvement of border crossing facilities on the REBIS network includes the construction of some of the new border stations at Orasje and Izacic and funding of the design of the new Doljani border post. Additionally, the project supports the construction of canopies and buildings at the Raca border crossing and the design of new border stations at Gorica and Kamensko, which is outside the REBIS core network. The TTFSE project also finances the construction of a new truck terminal at Novi Grad as an extension of the existing border station and has purchased and installed eight weighing scales and equipment including a customs laboratory. Training to enhance cooperation and interagency awareness is also provided.

The programme and project implementation include the activities to support the implementation of the programme.

3.3 Potential border crossing projects

Problems and ongoing and planned activities are summarised in Table 3.2 to identify missing studies and projects.

In Bosnia and Herzegovina there seem to be some potential for cross border projects although several border crossing stations have been and/or are part of the PHARE programme, the TTSFE programme and the CARDS programme.

If some of the following border crossings; Vardiste, Bosanski Samac/Samac and Doljanina are not part of the CARDS project by 2003, it should be

considered to carry out pre-feasibility studies on them. Especially Bosanski Samac/Samac should be considered for pre-feasibility study.

For Hum it may be considered to prepare a pre-feasibility study of the border crossing as part of the planned road project.

Additionally, there still seems to be procedural and legal problems as well as problems with sufficient number of trained staff in Bosnia and Herzegovina. Thus, projects supporting the improvement of procedures, legislation and training e.g. with respect to questioning techniques, document abuse, immigration training, etc⁵ still seem highly relevant. Such projects should be closely coordinated with the existing projects financed under TTFSE and CARDS.

Table 3.2 Summary of logistic and infrastructure border crossing problems and projects in Bosnia and Herzegovina.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
6. Hum (42. Scepan Polje, Serbia and Montenegro)	road	Road and bridge over Drina in poor condition. Facilities are poor, no canopy or lighting system. Space is available but significant earth works needed.	Road planned to be upgraded 2006-2010 in JICA study. EC may finance border crossing if road reconstructed (EUR 3.6 million).	Pre-feasibility study of border crossing and road project.
8. Vardiste (41. Kotroman, Serbia and Montenegro)	road	Existing facilities are poor and communication lacking. Site often flooded due to heavy rainfall, but there is suitable location for new border crossing posts.	Adequate infrastructure may be created by 2003 (CARDS). EC estimates construction costs at up to EUR 3.5 million.	Pre-feasibility study of border crossing if not part of CARDS.
9. Bosanski Samac/Samac (20. Slovonski Samac, Croatia)	road	Temporary settlements, disagreement on location with Republika Sprska. No trucks allowed yet.	Adequate infrastructure may be created by 2003 (CARDS) When disagreement on location is solved crossing operational within 2 years. The Croatian side (Slovonski Samac) is being upgraded under TTFSE.	Pre-feasibility study of border crossing if not part of CARDS.
9. Bosanski Samac/Samac (20. Slovonski Samac, Croatia)	rail	Tracks ready, but no trains yet.	Adequate infrastructure may be created by 2003 (CARDS) When disagreement on location is solved crossing operational within 2 years.	Pre-feasibility study of border crossing if not part of CARDS.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
10. Gradiska (21. Stara Gradiska, Croatia)	road	Poor facilities and high traffic volumes, but many empty trucks. Adjacent private dwellings limiting development due to lack of space.	No EC participation in construction of new border crossing even though a new motorway is planned. EC estimates cost of construction at EUR 4 million. It is a TTFSE pilot site. EBRD is financing a pre-feasibility study for the road Banja Luka - Gradiska, It is considered important to construct the border crossing.	No, depends on result of TTFSE pilot project.
11. Doljani (23, Metkovic, Croatia)	road	Narrow and confined site, so new station need to be 500-1000 m further within country. A new site has been identified approx. 1000m into the country. Often congested so commercial traffic diverted to nearby border crossing.	Adequate infrastructure may be created by 2003 (CARDS). Improving border crossing stations (TTFSE) - ongoing preparation for a joint border crossing project between Croatia and Bosnia and Herzegovina pending on resolution on location/by-pass. Croatia plans to build bypass around Metkovic. EC considers involvement when bypass issue is solved (EUR 4.5 million).	Pre-feasibility study of border crossing if not part of CARDS.
	General	Procedural and legal problems. Problems with sufficient number of trained staff.	Should be closely coordinated with the existing projects financed under TTFSE and CARDS.	Projects supporting the improvement of the procedures and legislation and training.

4 Cross border issues in Croatia

There are eleven border crossings on the REBIS core road network and seven rail border crossings. The border crossings are shown in Table 4.1.

Table 4.1 *Border crossings in Croatia.*

To Serbia and Montenegro		To Slovenia	
15	Bajakovo (road)	24	Bregana (road and rail)
16	Karasovici (road)	25	Macelj (road)
17	Tovarnik (rail)	26	Rupa (road) and Sapjane (rail)
To Bosnia ad Herzegovina		To Hungary	
18	Klek (road)	27	Dubosevica (road)
20	Slavenski Samac (road and rail)	28	Koprivnica (rail)
21	Stara Gradiska (road)	29	Beli Manastir (rail)
23	Metkovic (road and rail)	30	Gorican (road)

Additionally, there are a number of border crossings outside the REBIS core network (at present, a total of 166 border crossings), of which some are financed by other projects, e.g. at Slavonski Brod, Gunja, and Maljevac.

4.1 Cross border bottlenecks/problems in Croatia

The cross border issues and problems in Croatia include a need to modernise customs laws and procedures and upgrade customs facilities⁷. Other issues identified include the need to improve public-private interactions and strengthen regional cooperation.

A new EU compatible customs code was introduced in January 2000. However, there is still a need to facilitate trade and transport activities as stakeholders have indicated that they are concerned about a series of issues such as the overall complexity of the procedures, the lack of selectivity, the operation of

⁷ World Bank, Project Appraisal Document on a proposed credit in the amount of SDR 14.8 million to Croatia for the Trade and Transport Facilitation in Southeast Europe project, October 2000.

other border agencies, bureaucracy, organisation, and opening hours at inland terminals. Their concern also relate to the lack of regional coordination, the internal organisation of the Customs, the quality of the information system and the accuracy of available information, the different understanding of new legislation and procedures, the lack of interaction with the government and the time required for customs clearance.

The dissolution of FR Yugoslavia has resulted in the establishment of new borders and, thus, new border posts with temporary barracks and bridges. More than thirty of the sixty major borders stations -mainly towards Slovenia and Hungary - have been upgraded by Croatia during the recent years. Croatia intends to upgrade its facilities to the same level towards Bosnia and Herzegovina. Some of the main border posts have been fully renovated and new bridges have been constructed, however, there still remain some which are characterised by significant traffic, temporary facilities and insufficient computer equipment and communication links.

A survey carried out for the World Bank by Planconsult to monitor the progress of the programmes showed that according to the stakeholders the most serious problems in Croatia in relation to customs services are within communication, logistics, personnel and law and to lesser extent procedural matters. Compared to the situation as it was when the TTFSE programme started, the situation in Croatia seems to have changed as follows:

- improvement with regard to customs-related communication and personnel problems
- strong reduction in problems with customs procedures
- reduction of logistic problems

In a meeting with the Ministry of Finance the main bottleneck has been identified as the border station at Macelj. There are land constraints on the Croatian side and a shared cargo terminal has been suggested on the Slovenian side and a passenger terminal on the Croatian side.

At the Bajako border crossing containers are used for customs officers, policemen, border inspection employees, dispatchers and bank clerks.

Customs and police officers, inspections, dispatchers and bank clerks are also working from containers at Bregana.

4.2 Other donor border crossing activities/projects

Croatia is supported by the European Commission through the CARDS programme. Croatia plans to sign a loan of EUR 5 million to improve the border crossings at Bregana with Slovenia (EUR 2.5 million) and at Bajakovo with Serbia and Montenegro (EUR 2.5 million). The state will add EUR 10 million. The construction is scheduled to start in 2004 and Serbia and Montenegro is planning to carry out improvements on their side of the border - Slovenia has already started construction works under PHARE financing.

Hungary plans to build a cargo terminal at Letenje under PHARE funding and Croatia plans to build a cargo and passenger terminal at Gorican based on state budget financing. A state budget financed cargo terminal is also planned at Dubosevica (EUR 1.5 million)

The Trade and Transport Facilitation in Southeast Europe programme coordinated by the World Bank supports Croatia in the fields of:

- institutional reform on customs procedures - USD 1.4 million
- trade facilitation development - USD 0.4 million
- support to information system improvement - USD 8.0 million
- improvement of border crossing facilities - USD 11.5 million
- programme and project implementation - USD 0.7 million

The institutional reform on the customs procedure component includes monitoring and review of customs procedures, e.g. clearance procedures, working methods and waiting times as well as preparation of new procedures according to EU standards. The required legal amendments, bylaws and administrative regulations to fulfil customs regulations are prepared. The operation at three border posts and one inland terminal is streamlined and staff is trained to enhance inter-agency awareness.

The objective of the trade facilitation development component in Croatia is to improve the cooperation between private and public partnerships through the establishment and operation of a website with information on border crossings and inland terminals, border agency procedures in the region and provide the relevant equipment. The component also includes technical assistance and training to improve the performance of trade facilitation agents. A number of seminars have been held and distance learning programmes will be made.

The support to customs information system improvements include purchasing of computers and other auxiliary equipment as well as software to implement electronic data interchange (EDI) to enable exchange of information related to trade with users, public agencies and neighbouring countries. It also includes hardware to improve e.g. telecommunication at customs sites as well as local and wide area network. There are also plans to stimulate regional and interagency cooperation.

Improvements of border crossing facilities are carried out at Slavonski Brod, Gunja, Majevac and Samac border stations. Only the Samac border station is part of the REBIS core network. In Samac the rehabilitation work includes the construction of a new border station to accommodate the traffic crossing the bridge planned to be improved by USAID. The border station will be extended to accommodate six lanes of entry and exit for cars and buses. Additionally, four lanes will be dedicated to trucks. The project also includes building modules, canopies, and booths, lighting and weighing scale.

The border station at Slavonski Brod will be extended to accommodate six lanes of entry and exit for cars and buses. Additionally, four lanes will be dedicated to trucks. The project also includes building modules, canopies and

booths, lighting and weighing scale. The bridge will be replaced and the approach facilities improved by partially removing rail road embankments.

The border stations at Gunja and Maljevac will be improved by adding lanes of entry and exit for cars, trucks and buses. The projects also include building modules, canopies and booths, lighting and weighing scale.

The programme and project implementation include the activities to support the implementation of the programme.

Croatia is also planning to upgrade a number of its border points from state budget means on crossings, which are not part of the REBIS network.

4.3 Potential border crossing projects

Problems and ongoing and planned activities are summarised in Table 4.2 to identify missing studies and projects.

In Croatia it seems that there is no potential for cross border projects as several border crossing stations have been and/or are part of the TTSFE programme and the CARDS programme or simply because there are no major problems.

The main bottleneck identified by the Ministry of Finance is the border station at Macelj. There may be an additional need for improvements either under REBIS, CARDS or government financing depending on the outcome of the evaluation of the pilot project under the TTSFE programme.

However, it seems that there are still legal problems with regard to the Croatian border-crossings, which need to be improved e.g. to establish common application of practices and procedures, and to ensure that the legislation covers data protection, visa issuing, refusal of entry and readmission. A National Strategy should be elaborated to define the number and location of border crossings (authorised, permanent and temporary and unauthorised) adequate staff, appropriate infrastructure and equipment, access control etc. There is a need for an agreement to be made between the Ministry of Interior and Finance on the practical work at the border crossings as well as on the further specialisation of the border police. Training should be provided on control of documents, border surveillance, procedures' harmonisation, and immigration data analysis, etc.⁵ Thus, projects supporting the improvement of the legislation, institutional setup and training of the border police still seem to be relevant. Such projects should be closely coordinated with the existing projects financed under TTFSE and CARDS.

Table 4.2 Summary of logistic and infrastructure border crossing problems and projects in Croatia.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
15. Bajakovo (48. Batrovci, Serbia and Montenegro)	road	Customs officers, policemen, border inspection employees, dispatchers and bank clerks are working from in containers. Bottleneck during summer months.	Plan to sign loans under CARDS programme (EUR 2.5 million) for improvement of the border station.	No, project under CARDS programme.
16. Karasovici (Debeli Brijeg, Serbia and Montenegro)	road	Bottleneck during summer months.	Construction planned in July 2003. Financing from state budget as well as CARDS.	No, project under CARDS programme.
17. Tovarnik (50. Sid Tovarnik, Serbia and Montenegro)	rail	Croatia suggests a joint railway operation, either at Sid (in Serbia and Montenegro) or Vinkovci. With border processing starting at Vinkovci on board train, the aim is to reduce stopping time at Tovarnik to 2 min, thus, immigration procedures should be conducted on board the train. Manpower problem regarding vet and sanitary inspection – inspectors only available Mon-Fri until 2 p.m.	Under negotiation.	No.
18. Klek (Bosnia and Herzegovina)	road	Not a problem.	Border crossing finished and functional.	No.
20. Slovonski Samac (9. Bosanski Samac, Bosnia and Herzegovina)	road	Bottleneck during summer months. No support structures for document inspection, no connection to database, and no detection or surveillance equipment.	Construction of new border station with new lanes (TTSFE). Construction will start in 2003.	No, project under TTSFE programme.
20. Slovonski Samac (9. Bosanski Samac, Bosnia and Herzegovina)	rail	Not a problem, though no detection or surveillance equipment.	No.	No.
21. Stara Gradiska (10. Gradiska, Bosnia and Herzegovina)	road	Little waiting time at entry, approx. 15 min. so not a problem, though there may be lack of adequate premises for staff and passengers.	Border crossing finished and functional. Financed by state budget.	No.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
23. Metkovic (11. Doljani, Bosnia and Herzegovina)	road	Not a problem.	Bilateral agreement with Croatian and Bosnia and Herzegovina government, but the question remains on location/bypass. CARDS/EAR funding would be required.	No.
23. Metkovic (11. Doljani, Bosnia and Herzegovina)	rail	Not a problem.	No.	No.
24. Bregana (Slovenia)	road	Customs and police officers, inspections, dispatchers and bank clerks are working from containers. Bottleneck during summer months.	Plan to sign loans under CARDS programme (EUR 2.5 million) for improvement of the border station.	No, project under CARDS programme.
24. Bregana (Savski Marof) (Slovenia)	rail	Not a problem.	Plan to build border facilities together with Slovenia in Bregana.	No.
25. Maselj (Slovenia)	road	Bottleneck identified by MOF. Land constraint due to hilly terrain, suggested to build shared cargo terminal on Slovenian side and passenger terminal on Croatian side. Waiting times at entry between 65 min. and 246 min. during the period Sep. 2001 and Sep. 2002 with an average of approx 100 min.	Border pilot project for new border processing procedures in TTSFE.	Could be a potential project but needs further evaluation after pilot project.
26. Rupa (Slovenia)	road	Bottleneck during summer months.	Bilateral agreement for immigration controls i.e. each country only controls passengers entering its domain.	No.
26. Rupa (Sapjane) (Slovenia)	rail	Not a problem.	No.	No.
27. Dubosevica (Hungary)	road	Not a problem. Though no computers, no to the database, no photocopier and inadequate premises.	Croatia plans to build cargo terminal in 2003.	No.
28. Koprivnica (Kotoriba) (Hungary)	rail	Not a problem.	Border crossing is on Hungarian side.	No.
29. Beli Manastir (Hungary)	rail	Not a problem.	No.	No.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
30. Gorican (Hungary)	road	Not a problem.	Plans to build cargo and passenger terminal from state budget means. Hungary plans cargo terminal on their side.	No.
	General	Legal problems need to be improved, e.g. to establish common application practises and procedures, and to ensure that the legislation covers appropriately. A National Strategy should be elaborated. Agreement needed between the Ministry of Interior and Finance on the practical work at the border crossings as well as ensuring further specialisation of the border police. Training is needed. ⁸	Should be closely coordinated with the existing projects financed under TTFSE and CARDS.	Projects supporting the improvement of the legislation, institutional setup and training of the border police.

⁸ JHA Assessment Mission in Croatia, 2002.

5 Cross border issues in FYRO Macedonia

There are six border crossings on the REBIS core road network and six rail border crossings (4 existing and 2 planned). The border crossings are shown in Table 5.1.

Table 5.1 *Border crossings in FYRO Macedonia.*

To Bulgaria	To Greece
32 Deve Bair (road and planned rail)	36 Medzitlija (road and rail)
To Serbia and Montenegro	37 Gevgelija/Bogorodica (road)
34 Tabanovce (road and rail)	38 Gevgelija (rail)
35 Blace (road and rail)	To Albania
	39 Kafasan (road and rail (planned))

Additionally, there are a number of smaller border crossings e.g. Novo Selo outside the REBIS core network. In 1998 the main road border crossings were Tanbanovce, Gevgelija/Bogorodica and Blace whereas the main rail border crossings were Tabanovce and Gevgelija.

5.1 Cross border bottlenecks/problems in FYRO Macedonia

Cross border issues and problems in FYRO Macedonia include a need to modernise customs laws and procedures, upgrade customs facilities and handle the problems with smuggling and corruption appropriately at border crossings⁹. Other issues identified include the need to improve public-private interactions and strengthen regional cooperation.

A new improved EU compatible customs code was introduced in April 2000. However, there is still a need to facilitate trade and transport activities as stakeholders have indicated that they are concerned about changes in the legal system and regulations being made without notice, insufficient clarity and

⁹ World Bank, Project Appraisal Document on a proposed credit in the amount of SDR 7 million to FYRO Macedonia for the Trade and Transport Facilitation in Southeast Europe project, June 2000.

transparency of customs regulations, application of legislation at border points, coordination among border agencies and interaction with the government. There is, thus, a need to redefine the distribution of responsibilities between customs and border police and ensure sufficient training and procedures for both trade operators and customs officers.

The existing design and condition of some of the main border crossing stations and facilities prevents trade facilitation and hampers collection and enforcement functions even if procedures are reformed and professional standards strengthened. The main problems are lack of processing lanes for traffic, and limited capacity of inspection areas. The government has already started to rehabilitate certain border crossing posts, PHARE has funded the modernisation of Bogorodica and UNDP financed the construction at Kafasan. The border at Tabanovce has only been established temporarily and needs full reconstruction according to the government. Kafasan and Deve Bair were also identified as critically needing improvements even after donor funding of the facilities.

Even though the administration has made strong efforts to combat smuggling and corruption, this is still a national problem and stakeholders report that also the lack of transparency results in significant additional costs⁹.

A survey carried out for the World Bank by Planconsult to monitor the progress of the programmes showed that according to the stakeholders the most serious problems in FYRO Macedonia in relation to customs services were found within communication, law and personnel and to lesser extent within procedures and logistics. Compared to the situation as it was when the TTFSE programme started, the situation in FYRO Macedonia seems to have changed as follows:

- improvements with regard to customs-related communication problems
- stagnation with regard to customs-related legislative problems
- problems with customs procedures have become less serious
- increase in logistic problems at customs services

At the FYRO Macedonian borders the waiting time has on average been approx. 20 min. to exit the country (no customs clearance) and 60 min. to entry the country, including customs clearance for trucks. In Blace waiting times up to 10 hours may occur during peak periods. For cars the waiting time may be around 10 min. on average and 40 min. during peak periods. The traffic is expected to continue to grow.

5.2 Other donor border crossing activities/projects

FYRO Macedonia is supported by the European Commission through PHARE funding e.g. to construct a freight and a passenger terminal at Blace, and to rehabilitate facilities at Medzitlija and Gevgelija/Bogorodica.

A border crossing is also planned at Delcevo as part of the construction of a new road. This is financed from state budget means.

The Trade and Transport Facilitation in Southeast Europe programme coordinated by the World Bank supports FYRO Macedonia in the fields of:

- customs administration institutional reform - USD 2.0 million
- trade facilitation development - USD 0.4 million
- improvement in integrated customs information system - USD 5.6 million
- improvement of border crossing facilities - USD 5.9 million
- programme and project implementation - USD 0.5 million

The institutional reform on customs procedure component includes the development of monitoring mechanisms of customs procedures, e.g. for productivity and work load as well as preparation of new work methodology for order operations and for clearance of inland customs stations. The new procedures will be transparent, simplified, standardised, and enhance cooperation among border agencies as well as cross border cooperation. The operation at three border posts is streamlined and staff is trained to enhance inter-agency awareness.

The aim of the trade facilitation development component in FYRO Macedonia is to improve the cooperation between private and public partnerships through the establishment and operation of a website with information on border crossings and inland terminals, border agency procedures in the region and to provide the relevant equipment. The component also includes technical assistance and training to improve the performance of trade facilitation agents. A number of seminars have been held and distance learning programmes will be made.

The support to improve an integrated customs information system includes purchasing of computers and other auxiliary equipment as well as software to implement electronic data interchange (EDI) to enable payment of duties, digital signature, selectivity for examination of goods and final design for an ASYCUDA compatible national system. Telecommunication facilities at customs sites such as local and wide area network are installed and updated. There are also plans to stimulate regional and interagency cooperation.

Improvement of border crossing facilities is carried out at Tabanovce, Deve Bair and Kafasan border stations. At Tabanovce the work includes expansion of the existing border station with additional lanes and inspection areas for buses and trucks. An agreement has now been reached with the World Bank to increase the scope of the civil work at Tabanovce. The total costs are estimated at EUR 7 million of which EUR 5.7 million are financed by the World Bank leaving a financial gap of EUR 1.3 million.

The border station at Deve Bair will be extended with one additional lane dedicated to trucks and a disinfection pit. Water and power supplies will be improved and existing buildings will be demolished.

The border stations at Kafasan will include the following improvements; establishment of heating and water supply, making new building operational, paving, control barriers, disinfection pits and canopy revision. The old administration buildings will be removed. The project under TTFSE is almost complete.

The programme and project implementation include the activities to support the implementation of the programme.

At the Blace border crossing the EAR has initially focused on clearance of goods (trucks, etc.) which indirectly may improve the situation for private vehicles. The EAR has agreed to finance the upgrading of the passenger terminal. Detailed engineering studies are ongoing.

5.3 Potential border crossing projects

Problems and ongoing and planned activities are summarised in Table 5.2 to identify missing studies and projects.

In FYRO Macedonia there seem to be some potential for cross border projects although several border crossing stations have been and/or are part of the TTSFE programme and the PHARE programme.

There seem to be potential for projects at:

- Tabanovce (road) - no study needed only financing of the gap
- Tabanovce (rail) - brief pre-feasibility study of railway border crossing to identify if any investments are necessary for future traffic
- Blace (rail) - brief pre-feasibility study of railway border crossing to identify if any investments are necessary for future traffic

Other potential projects could include the financing of water supply systems to the two border crossings Gevgilija (EUR 530,000) and Medzilidja (EUR 335,000) where detailed design has been carried out. Studies could also be carried out at the following border crossings:

- Medzitlija (road) - further improvements suggested by government
- Gevgilija/Bogorodica (road) - further improvements suggested by government

Additionally, the potential rail border crossings could be part of pre-feasibility of missing link for the potential rail line towards Bulgaria and Albania (Kafasan).

However, it seems that there are still legal and logistic problems as well as staff training problems with regard to the FYRO Macedonian border-crossings, which will need to be improved. Thus, projects supporting the improvement of legislation and logistics as well as training of e.g. police officers, the introduction of basic training and intensive courses in border control

procedures for the permanent staff⁵ still seem to be relevant. Such project should be closely coordinated with the existing projects financed under TTFSE and CARDS.

Table 5.2 Summary of logistic and infrastructure border crossing problems and projects in FYRO Macedonia.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
32. Deve Bair (Bulgaria)	road	Upgrading to cope with future traffic, presently 1 line for heavy vehicles and 1 line for light vehicles per direction. Long entry times between 167 min. and 455 min. during Nov. 2001 to Sep 2002 and an average of 316 min.	Improvement of border crossing (TFFSE), civil works to start in summer 2003.	No, sufficient with TFFSE.
34. Tabanovce (44. Presevo, Serbia and Montenegro)	road	Temporary facilities that need to be rebuilt. World Bank financing part (USD 2 million) of required investments from investment plan by government (USD 9 million). Presently 1 line for heavy vehicles and 1 line for light vehicles per direction. Long entry times between 74 min. and 125 min. during Nov. 2001 to Sep 2002 and an average of 100 min.	Rehabilitation, administrative building and warehouse, and a new truck terminal (TFFSE); civil works to start in summer 2003. The full border design is available, as prepared by the Consultant under TTFSE, including the additional investment not financed under TTFSE.	No study needed, only to find financial gap.
34. Tabanovce (44. Presevo, Serbia and Montenegro)	rail	Railway station is small and only used for passengers. Customs clearance of freight is done at Kumanovo.	Austrian company working on Border crossing issues for Serbia and Montenegro.	Brief pre-feasibility study of railway border crossing to identify if any investments necessary for future traffic.
35. Blace (43. Djernal Jankovic, Serbia and Montenegro)	road	Temporary facilities are insufficient and need to be rebuilt. Passenger terminal requested by government. Presently 1 line for heavy vehicles and 1 line for light vehicles per direction.	Construction of freight terminal (EAR). Clearance of goods transportation (EAR). Some improvements (rehabilitation) by European Agency for Reconstruction (EUR 1.5 million). Detailed engineering of passenger terminal ongoing financed by EAR. Construction of remote parking financed by US (EUR 2 million).	No.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
35. Blace (43. Djernal Jankovic, Serbia and Montenegro)	rail	There are no facilities at the border. The railway is presently closed to civilian traffic (only military convoy from KAFOR uses it).		Brief pre-feasibility study of railway border crossing to identify if any investments necessary for future traffic.
36. Medzitlija (Greece)	road	Upgrading to cope with future traffic presently 1 line for heavy vehicles and 1 line for light vehicles per direction. Government suggests improved water supply.	Rehabilitation of facilities (PHARE).	Some further improvements suggested by government.
36. Medzitlija (Greece)	rail	Presently almost no traffic	Rail line needs to be improved	No
37. Gevgelija/Bogrodica (Greece)	road	Upgrading to cope with future traffic, presently 1 line for heavy vehicles and 1 line for light vehicles per direction. Government suggests improved water supply, setting up weighing bridge and completion of the signalisation.	Rehabilitation of facilities (PHARE).	Some further improvements suggested by government.
38. Gevgelija (Greece)	rail	Rather old border crossing, but no major problems.		No.
39. Kafasan (3. Qafe Thane, Albania)	road	Upgrading to cope with future traffic, presently 1 line for heavy vehicles and 1 line for light vehicles per direction.	Border crossing build by UNDP. Improvement of border crossing (TFFSE) will start in summer 2003.	No.
39. Kafasan (3. Qafe Thane, Albania)	rail planned	Missing link of strategic rail network.		Border crossing could be part of pre-feasibility of missing link.
General		There are legal, staffs training and logistic problems.	Should be closely coordinated with the existing projects financed under TTFSE and CARDS.	Projects supporting the improvement of the legislation and logistics as well as training.

6 Cross border issues in Serbia and Montenegro

This section describes the border crossings of Serbia and Montenegro consisting of the Republic of Serbia, Kosovo¹⁰ and Republic of Montenegro. There are thirteen border crossings on the REBIS core road network and seven rail border crossings. The border crossings are shown in Table 6.1.

Table 6.1 *Border crossings in Serbia and Montenegro.*

To Bosnia and Herzegovina	To Croatia
41 Kotroman (road)	48 Batrovci (road)
42 Scepan Polje (road)	49 Debeli Brijeg (road)
To FYRO Macedonia	50 Sid Tovarnik (rail)
43 Djeneral Jankovic (road and rail)	To Albania
44 Presevo (road and rail)	51 Bozaj (road and rail)
To Bulgaria	52 Vrbnica/Vermica (Kosovo) (road)
45 Vrska Cuka (road)	To Hungary
46 Gradina (road and rail)	53 Horgos (road)
To Romania	54 Subotica/Kelebija (rail)
47 Vatin (road and rail)	Control posts
	55 Near Metanac on E763 (road) (Montenegro)
	56 Between Bac and Spiljani on E65/E80 (road) (Montenegro)
	57 Near Banje E65/E80 (road) (Kosovo)
	58 Near Meldare on E80/25 (road) (Kosovo)

Additionally, there are a number of border crossings outside the REBIS core network and there are control posts between Serbia and Montenegro (near Metanac on E763, between Bac and Spiljani on E65/E80) and between Kosovo

¹⁰ Under international administration in line with UNSCR 1244 of 10 June 1999.

and "Serbia and Montenegro" (near Banje on E65/E80 and near Meldare (between NIS and Pristina) on E80/25).

6.1 Cross border bottlenecks/problems in Serbia and Montenegro

Cross border issues and problems in Serbia and Montenegro include inefficient procedures, overlapping responsibilities and insufficient coordination in terms of border management, inland enforcement, organisational and staffing issues and inadequate infrastructure¹¹. Other issues identified include insufficient interaction with the private sector and the need for more regional cooperation.

The legislation system in Serbia and Montenegro limits the role of customs to collect revenues, is not flexible to adapt to the rapid change in traffic or functions. The customs legislation is very often drafted in other ministries with no coordination. The customs laws are difficult to enforce and do not provide for swift punishment with deterrent effect, and would, therefore, not be able to support selectivity based procedures. A new improved EU compatible customs code was introduced in April 2000.

There are problems with management of staff e.g. staff promotion, which is not based on merits. This may lead to frustration and, thus, encourage unethical behaviours. There is also lack of incentive schemes and reward possibilities to retain specialist staff. The problems with corruption together with waiting times result in excessive costs for transport¹¹.

The existing computer system is based on a mainframe architecture from 1995 which is reliable but costly due to the dependency on one manufacturer and the fact that only few programmers can modify the software.

The existing design and condition of some of the main border crossing stations and facilities will rapidly become insufficient with the foreseen increase in transit, tourism and recovery of trade activity. The border crossings are already overloaded during holiday periods. There are ten border crossings in urgent need of upgrading. Upgrading could, in most cases, start with low cost upgrading, e.g. marking and additional lanes, which may be followed by more investments when new procedures are in place. There are also delays at rail border crossings, which is a concern especially for long distance freight operating across Europe.

Problems at specific border crossings have been identified by the REBIS project.

The waiting time at the entrance to Gradina is more than 80 min. on average and in Presevo the waiting time for loaded vehicles is more than 180 min.

¹¹ World Bank, Project Appraisal Document on a proposed credit in the amount of SDR 5.5 million to FR Yugoslavia for the Trade and Transport Facilitation in Southeast Europe project, May 2002.

At the border crossings Horgos and Batrovci the waiting time needs to be reduced and the performance of the customs and border police improved - all due to poor working conditions and poor facilities. There are also traffic hazards for road users and employees at Batrovci.

The border crossing at Debeli Brijeg has presently 10 min. waiting time for cars and 30 min. for trucks. The traffic growth is expected to be considerable (20-30% p.a.) and, thus, will inevitably lead to increased waiting time. There are only two traffic lanes and no parking space. The buildings consist of containers - there is no computer system and the technical equipment is insufficient. The access roads at both sides are poor, and are located on a built-up area limiting the potential for development. The border crossing only opened recently after many obstacles between FR Yugoslavia and Croatia.

The waiting time at Bozaj is presently between 15 to 30 min. for cars and 20 to 40 min. for trucks. The waiting time is expected to increase in the future due to considerable growth in traffic (50% for road traffic and 500% for rail). There are an insufficient number of lanes, the need for building rehabilitation is considerable and the technical equipment is insufficient. The condition of the access roads on both sides is poor.

The border crossing at Scepan Polje has very poor access roads on both sides of the border and the bridge over river Drina is in very poor condition.

The control posts between Serbia and Montenegro and especially between "Serbia and Montenegro" and Kosovo have been described as bottlenecks for the traffic. However, on route E65/E80, the REBIS road connection between Kosovo and Montenegro, there is a section passing through Serbia. This means that for political reasons there is almost no traffic on this route, and, thus, the main bottleneck on this border crossing is political.

6.2 Other donor border crossing activities/projects

As FR Yugoslavia, Serbia and Montenegro joined the TTFSE programme in 2002, the Trade and Transport Facilitation in Southeast Europe programme coordinated by the World Bank supports Serbia and Montenegro in the fields of:

- modernisation of customs administration in Serbia and Montenegro - USD 3.2 million
- modernisation of customs administration in Montenegro - USD 0.4 million
- information system improvement in Serbia and Montenegro - USD 5.4 million
- information system improvement in Serbia and Montenegro - USD 0.8 million
- trade facilitation development - USD 0.6 million
- programme and project implementation - USD 0.6 million

The modernisation of the customs administration in Serbia and Montenegro includes assistance to coordinate and integrate the different activities of the modernisation programme. It also provides support to review and revise laws, regulations and guidelines and to prepare and introduce EU aligned procedures and standards. Support is also provided to introduce preventive and enforcement service and equipment to improve quality and efficiency of checks as well as to strengthen human resource management. The component is financed through US, UK and French funding.

In Montenegro the modernisation of the customs administration includes review of its organisation and procedures as well as related reforms at border stations and clearance terminals. Selectivity and targeting is planned to be introduced. The European Commission is expected to finance most of the required support to customs modernisation in Montenegro.

The support reserved for the improvement of the information system in Serbia and Montenegro includes assistance, training and equipment in order to establish a fully functional customs system and is the first phase of a single electronic window initiative. It includes purchasing of computers and other auxiliary equipment and local and wide area network are installed and updated.

In Montenegro the improvement of the information system includes computer and telecommunication hardware to equip and connect the various border crossings and clearance centres and development of software to expand the current system and cover selectivity and transit functions.

The aim of the trade facilitation development component is to improve the cooperation between private and public partnerships through the establishment and operation of a website with information on border crossings and inland terminals, border agency procedures in the region and the provision of the relevant equipment. The component also includes technical assistance and training to improve the performance of trade facilitation agents. A number of seminars and distance learning programmes will be made.

The programme and project implementation include the activities to support the implementation of the programme.

The programme focuses on delays at road border crossings and, thus, does not directly address rail transport. However, it is expected that rail traffic will benefit from the mechanisms for enhanced cooperation among agencies and governments. The most promising solutions seem to require simplifying procedures, shifting inspections and other formalities away from the border through advanced processing of data, e.g. using information technology to speed up the process and improve the reliability of document transfer of data on the rail wagons and their content.

Specific plans to improve the border crossing infrastructure are planned at Horgos and Batrovci.

At Horgos EUR 5 million are allocated to phase 2 of the improvement of the border crossing. The construction of infrastructure for the traffic entering and departing the area was covered in phase 1. The new phase 2 will include customs control buildings with covered control areas and cabins, ramps and weigh bridge, customs and police control facilities and power stations. It also includes a truck terminal with covered areas for unloading and control, customs and inspection facilities, washroom terminal, storage facilities and animal care facilities as well as other utilities such as water supply and sewage, telecommunication, signalling networks and heating installations. There are presently problems with land acquisition and energy supply.

The border crossing at Batrovci will be improved for EUR 1 million to mitigate the present problems for trucks and buses and to improve passenger traffic by an electronic truck weigh bridge, prefabricated unloading ramps, prefabricated eaves, storage/cold store and small office facilities in truck parking and extension of truck parking for trucks.

Integrated border management is planned at Debeli Brijeg and Bozaj as well as the Port of Bar.

6.3 Potential border crossing projects

Problems and ongoing and planned activities are summarised in Table 6.2 to identify missing studies and projects.

In Serbia and Montenegro there seem to be some potential for cross border projects although several border crossing stations have been and/or are part of the TTSFE programme.

There seems to be a potential for the following pre-feasibility studies and projects on the road border crossings mentioned below:

- Kotroman (Bosnia and Herzegovina) - pre-feasibility study to upgrade infrastructure
- Scepan Polje (Bosnia and Herzegovina) - pre-feasibility to upgrade access roads
- Djeneral Jankovic (FYRO Macedonia) - passenger Terminal similar to the one planned on the FYRO Macedonian side needed
- Presevo (FYRO Macedonia) - study to assess whether financial sources should be provided e.g. through a pre-feasibility study
- Vrska Cuka (Bulgaria) - study to assess whether any investment is necessary for future traffic
- Gradina (Bulgaria) - pre-feasibility to increase the capacity of border crossings to reduce waiting time
- Vatin (Romania) - Study to assess current and future needs
- Debeli Brijeg (Croatia) - maybe a pre-feasibility will be required on the construction of parking lots, traffic lanes and improved technical equipment but risk of overlap should be considered

- Bozaj (Albania) - maybe a pre-feasibility will be needed on the construction of customs buildings, parking lots traffic lanes and improved technical equipment but the risk of overlap should be considered
- Vrbnica/Vermica (Albania) - study needed to assess future need

Other potential studies could be the control posts between Serbia and Montenegro and Kosovo:

- Control posts near Banje on E65/E80 on 22-3 (road) - to identify current and future needs a pre-feasibility study will be needed.
- Control posts near Meldare on E80/25 (road) - to identify current and future needs a pre-feasibility study will be needed

Additionally, the rail border crossings at:

- Presevo (FYRO Macedonia) - study to assess whether any investment will be necessary for future traffic
- Vatin (Romania) - study to assess current and future needs
- Sid Tovarnik (Croatia) - pre-feasibility of joint railway operation

Table 6.2 Summary of logistic and infrastructure border crossing problems and projects in Serbia and Montenegro.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
41. Kotroman (8. Vardiste, Bosnia and Herzegovina)	road	Very poor facilities and lack of communication facilities.	To create adequate infrastructure about EUR 2million is needed.	Pre-feasibility study is needed.
42. Scepan Polje (6. Hum, Bosnia and Herzegovina)	road	The condition of access road and bridge over river Drina on both sides are very poor. On the Bosnia and Herzegovinan side about 10 km of road does not exist. All other facilities are very poor.		Pre-feasibility to upgrade border crossing facilities as well as road is needed.
43. Djeneral Jankovic (35. Blace, FYRO Macedonia)	road	Trucks have some waiting some waiting time but mainly a peak problem. No facilities for passengers.	Some improvements (rehabilitation) by European Agency for Reconstruction. Overall project design by EU (EUR 2 million). Truck terminal planned and additional lanes. Construction of remote parking by Portugal (EUR 0.5 million).	Passenger Terminal (EUR 1 million) similar to the one planned on the FYRO Macedonian side needed.
43. Djeneral Jankovic (35. Blace, FYRO Macedonia)	rail	No traffic presently.		No.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
44. Presevo (35. Tabanovce, FYRO Macedonia)	road	Waiting time at entrance is between 130 and 180 min. on average for loaded vehicles. All services exist. However, there is a need for infrastructure upgrading.	Pilot border project TTFSE. The land use plan was established and accepted. The design was made. Financial sources are not provided.	Yes, a study to assess whether financial sources should be provided e.g. through a pre-feasibility study.
44. Presevo (35. Tabanovce, FYRO Macedonia)	rail	Rail station is small. Customs clearance for passenger is performed at Presevo and for freight at Popovci.		Yes, it is necessary to identify if any investment is necessary for future traffic.
45. Vrska Cuka (Bulgaria)	road	Services are available. There is a need to build truck terminal.		Yes, it is necessary to identify if any investment is necessary for future traffic.
46. Gradina (Bulgaria)	road	Waiting time at entrance between 15 to 80 min. on average. All services are available. The complete reconstruction of all facilities is needed. Electronic truck weigh bridge is planned for. Need for infrastructure upgrading.	Pilot border project TTFSE. About EUR 10 million is needed for reconstruction.	Yes, to identify current and future needs pre-feasibility study is needed.
46. Gradina (Bulgaria)	rail	Rail station is small. Customs clearance for passenger is performed at Gradina and for freight in Dimitrovgrad.	The reconstruction of station at Dimitrovgrad started this year under EIB loan.	No.
47. Vatin (Romania)	road	All services available.	Plans to integrate border management.	Yes, to identify current and future needs pre-feasibility study is needed.
47. Vatin (Romania)	rail	Rail station is small. Customs clearance for passenger is performed at Vatin and for freight in Vrsac.		Yes, to identify current and future needs pre-feasibility study is needed.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
48. Batrovci (15. Bajakovo, Croatia)	road	Very poor facilities, all activities are placed in containers. Increase in waiting time during the summer period, especially for trucks.	Pilot border project TTFSE. Improve situation for trucks and buses as well as for passenger, traffic e.g. through electronic truck weigh bridge; extension for truck parking, etc. The land use plan was established. Preliminary agreement for amount of EUR 3,500,000 was on the track.	No need for further infrastructure upgrading.
49. Debeli Brijeg (16. Karasovici, Croatia)	road	No parking space only two traffic lanes, buildings consists of containers, no computer system exists. The condition of access road on both sides very poor. Limited potential for development due to built up area. Need for infrastructure upgrading. Until recently, there has been disagreement between FR Yugoslavia and Croatia.	Pilot border project TTFSE. Plans to integrate border management. Is under consideration by EAR and UASD who are preparing a report after the study.	Maybe a pre-feasibility on construction of customs buildings, parking lots, traffic lanes and improved technical equipment is needed but risk of overlap.
50. Sid Tovarnik (17. Tovarnik, Croatia)	rail	For the current railway operation and customs clearance for passengers and freight there is increasing waiting time.		Yes, pre-feasibility study of joint railway operation should be of interest.
51. Bozaj (1. Hani i Hotit or Bajraku i Hotit, Albania)	road	Lack of traffic lanes, buildings need rehabilitation, insufficient technical equipment. Traffic growth expected to be 50% pa. Present traffic level not high. The condition of access road on both sides poor.	Plans to integrate border management. Is under consideration by EAR and UASD who are preparing a report after the study.	Maybe a pre-feasibility on construction of parking lots, traffic lanes and improved technical equipment is needed but risk of overlap.
51. Bozaj (1. Hani i Hotit or Bajraku i Hotit, Albania)	rail	Rail transport started April 2002.	Is under consideration by EAR and UASD who are preparing a report after the study.	No study needed.
52. Vrbnica/Vermica (Kosovo) (2. Morinë or Morina, Albania)	road	Presently not much traffic but only 2 lanes. Need construction of new parking lot, additional traffic lanes and improvement of customs building. Improvement costs estimated at EUR 1.5 million.	None.	Study needed to assess future need.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
53. Horgos (Hungary)	road	The increase in traffic and waiting times is evident as well as waiting times as the result of current conditions and procedures.	Pilot border project TTFSE. Improving traffic infrastructure, new customs control buildings with covered control area and a truck terminal. CARDS/EAR.	No.
54. Subotica/-Kelebija (Hungary)	rail	Rail station is large. Customs clearance for passenger is performed at Subotica and for freight also in Subotica.	The Master plan of Subotica should define the new rail routes from Subotica to Hungarian border.	No further study needed.
55. Control posts near Metanac on E763 (Montenegro)	road	Limited physical facilities and limited procedures are undertaken, so the average impact on traffic is not so high. Major bottlenecks from time to time. With further harmonisation between Serbia and Montenegro this control post will probably be temporary.		No study is needed.
56. Control posts between Bac and Spiljani on E65/E80 (Montenegro)	road	Limited physical facilities, and limited procedures undertaken, so no major impact on traffic. Not major bottlenecks.		No.
57. Control posts near Banje on E65/E80 (Kosovo)	road	Strict control - traffic is often delayed between Pristina and Serbia via Mitrovica. Main problem seems to be political as the road passes through Serbia. Cost for control post estimated at EUR 1.5 million.		To identify current and future needs pre-feasibility study will be considered.
58 Control posts near Meldare on E80/25 (Kosovo)	road	Strict control -traffic is often delayed between Pristina and Nis. Need construction of customs building parking lot and additional traffic lanes. Cost for control post estimated at EUR 1.5 million.		Yes, to identify current and future needs pre-feasibility study will be needed.

Border crossing	Modes	Problems/bottle necks	Other planned/ongoing donor projects	Missing project
General		Problems with procedures, institutional setup and the legislation as well as the condition for staff and thus performance of staff.	Should be closely coordinated with the existing projects financed under TTFSE and CARDS.	Support the management of staff, elaboration of staff deployment plans etc. Training in e.g. the basic legal rules and procedures etc. Determination of clear competences between the Federal Ministry of The Interior and Ministries of the Interior in the two republics. Coordination of the activities at central, regional and local levels and equipment.

Apart from the need to improve specific border crossings, there also seems to be a need for additional support to improve procedures and legislation and to improve the condition of the facilities and, thus, the performance of the staff. The World Bank already supports the improvement of the administration in Serbia and Montenegro and the development of trade facilitation.

In particular, it seems highly relevant to support the management of staff to reduce frustration and, thus, unethical behaviour. This could include promotion by merit, incentive schemes and reward possibilities, etc.

Apart from the need to improve specific border crossings, there also seems to be a need for additional support to improve procedures, institutional setup and legislation, as well as the condition of the facilities and, thus, the performance of the staff. The World Bank already supports the improvement of the administration in Serbia and Montenegro and the development of trade facilitation.

In particular, it seems highly relevant to support the management of staff to reduce frustration and, thus, unethical behaviour. This could include promotion by merit, incentive schemes and reward possibilities, but also elaboration of

staff deployment plans etc. Training in e.g. basic legal rules and procedures, document checks, vehicle checks etc, clear distribution of competences between the Federal Ministry of the Interior and Ministries of the Interior in the two republics also seems relevant⁵. Coordination of the activities at central, regional and local levels is also needed as well as new equipment.

7 Conclusions

The dissolution of the Yugoslav Federation led to the creation of over 5,000 km of new, international border lines and the shift in transport flows drastically changed the utilisation of the already established crossings. Goods transport, in particular, is now - at many borders - subject to long waiting times, unpredictable customs services and the necessity to make unauthorised payments to customs officials. This considerably reduces efficiency and restricts regional trade and economic growth and co-operation.

Much work has already been done to improve the situation - both in respect of trade facilitation and in the physical improvement of infrastructure and facilities. There are, however, still a number of border stations which have not adequately been addressed and where some form of study and project could be considered.

All five countries are participating in international initiatives, agreements and programmes which have bearing on cross border related issues. These include:

- the Balkan Stability Pact - within this framework a network of Free Trade Agreements is being established
- the Southeast European Co-operation Initiative (SECI) - this initiative focuses i.a. on efficient transit and the combating of corruption and smuggling
- the EU CARDS programme - this programme includes the support of trade facilitation through customs assistance programmes, the upgrading of specific border crossings, strengthening of national institutions and improvement of infrastructure
- the World Bank Trade and Transport Facilitation in Southeast Europe programme (TTFSE) - this programme focuses i.a. on the elimination of smuggling and corruption, improvement of integrity at border crossings, strengthening and modernisation of customs administrations and other border control agencies

The World Bank's TTFSE and the EU CARDS programmes are supporting the REBIS countries with EUR 64 million over 2-4 years and EUR 117 million over 3 years. Additionally, also PHARE, EBRD and other donors have provided support to improvement of specific border crossings.

Table 7.1 Support to border projects under TTFSE and CARDS (million EUR).

	TTFSE				CARDS	Total
	Government	World Bank	Other	Sub-total		
Albania	2.5	5.3	2.7	10.5	20.0	30.5
Bosnia and Herzegovina	2.7	7.4	2.6	12.7	23.0	35.7
Croatia	5.3	11.8	1.6	18.7	23.0	41.7
FYRO Macedonia	2.6	7.9	1.8	12.4	20.0	32.4
Serbia and Montenegro	0.9	5.8	2.6	9.4	31.0	40.4
Total	14.1	38.3	11.3	63.7	117.0	180.7

The potential border crossing projects on the REBIS network in the region are presented in Figure 7.1 for roads and for rail for studies and projects and they are briefly summarised in Table 7.2.

No specific border crossing projects are identified in Albania as they are generally already covered under other programmes. In Bosnia and Herzegovina three border crossings could potentially be improved depending on whether they will part of the CARDS project. In Croatia one border crossing seems to be the main bottleneck and may be considered for improvement depending on the result of the evaluation. The rest are covered under other programmes. In FYRO Macedonia the one border crossing seems warranted for improvements and additionally minor improvements may be considered in two. Three border crossings may be considered for further study. There seem to be potential for projects at 6 road border crossings in Serbia and Montenegro, and studies on 4 road border crossings. Additionally, three rail border crossings could be considered for studies. A study might be needed to assess the future requirements of the control points between Serbia and Kosovo.

The road border crossings 8 Vardiste/41 Kotroman on road route no. 3 between Serbia and Montenegro and Bosnia and Herzegovina, and 34 Tabanovce/44 Preservo on corridor x between Serbia and Montenegro and FYRO Macedonia need improvements from both sides. The same is the case for the rail border crossing 34 Tabanovce/44 Preservo. The remaining border crossings need improvements at one side or has borders with countries outside the REBIS area e.g. to Romania, Bulgaria, etc.

Table 7.2 Potential border crossing projects on the REBIS network.

Location	Projects/actions needed	Corridor
Bosnia and Herzegovina		
8. Vardiste - road	Infrastructure improvement (also relevant from Serbia and Montenegro side, 41 Kotroman)	3
9. Bosanski Samac/Samac -road	Infrastructure improvement	Vc
9. Bosanski Samac/Samac - rail	Infrastructure improvement	Vc
11. Doljani - road	Infrastructure improvement	Vc
Croatia		
25. Macelji - road	Infrastructure improvement (depending on the result of TTFSE evaluation)	Xa
Macedonia		
34. Tabanovce - road	Infrastructure improvement - financing of the gap - (also project on Serbia and Montenegro side, 44 Preservo)	X
34. Tabanovce - rail	Study of railway border crossing to identify whether investments necessary for future traffic - (also study needed on Serbia and Montenegro side, 44 Preservo)	X
35. Blace - rail	Brief pre-feasibility study of railway border crossing to identify if any investments necessary for future traffic (no facilities and traffic today)	10
36. Medzilidja - road	Minor improvement - financing of water supply systems	Xd
37. Gevgilija/Bogorodica - road	Minor improvement - financing of water supply systems	X
Serbia and Montenegro		
41. Kotroman - road	Infrastructure improvement (project also relevant from Bosnia and Herzegovina side, 8 Vardiste)	3
42. Scepan Polje - road	Pre-feasibility to upgrade access roads	2b
43. Djeneral Jankovic - road	Infrastructure improvement - passenger terminal similar to the one planned on the FYRO Macedonian side needed	6
44. Presevo - road	Infrastructure improvement - provide financial sources to implement project (also project on the FYRO Macedonian side, 34 Tabanovce)	X
44. Presevo - rail	Study to assess whether any investment is necessary for future traffic (also study needed on the FYRO Macedonian side, 34 Tabanovce)	X
45. Vrska Cuka - road	Study to assess whether any investment is necessary for future traffic	5
46. Gradina - road	Infrastructure improvement to increase capacity of border crossing to reduce waiting time	Xc
47. Vatin - road	Study to assess current and future needs	4
47. Vatin - rail	Study to assess current and future needs	4
49. Debeli Brijeg - road	Infrastructure improvement - construction of parking places, traffic lanes and improved technical equipment (risk of overlap)	1
50. Sid Tovarnik - rail	Pre-feasibility of joint railway operation	X
51. Bozaj - road	Infrastructure improvement - construction of customs buildings, parking places, traffic lanes and improved technical equipment (risk of overlap)	2b
52. Vrbnica - road	Study needed to assess future need	7
57. Control posts near Banje on E80 (Kosovo) - road	Pre-feasibility study to identify current and future needs, however presently the route is not used for political reasons	6
58. Control posts near Meldare on E80/25 (Kosovo) - road	Pre-feasibility study to identify current and future needs.	6

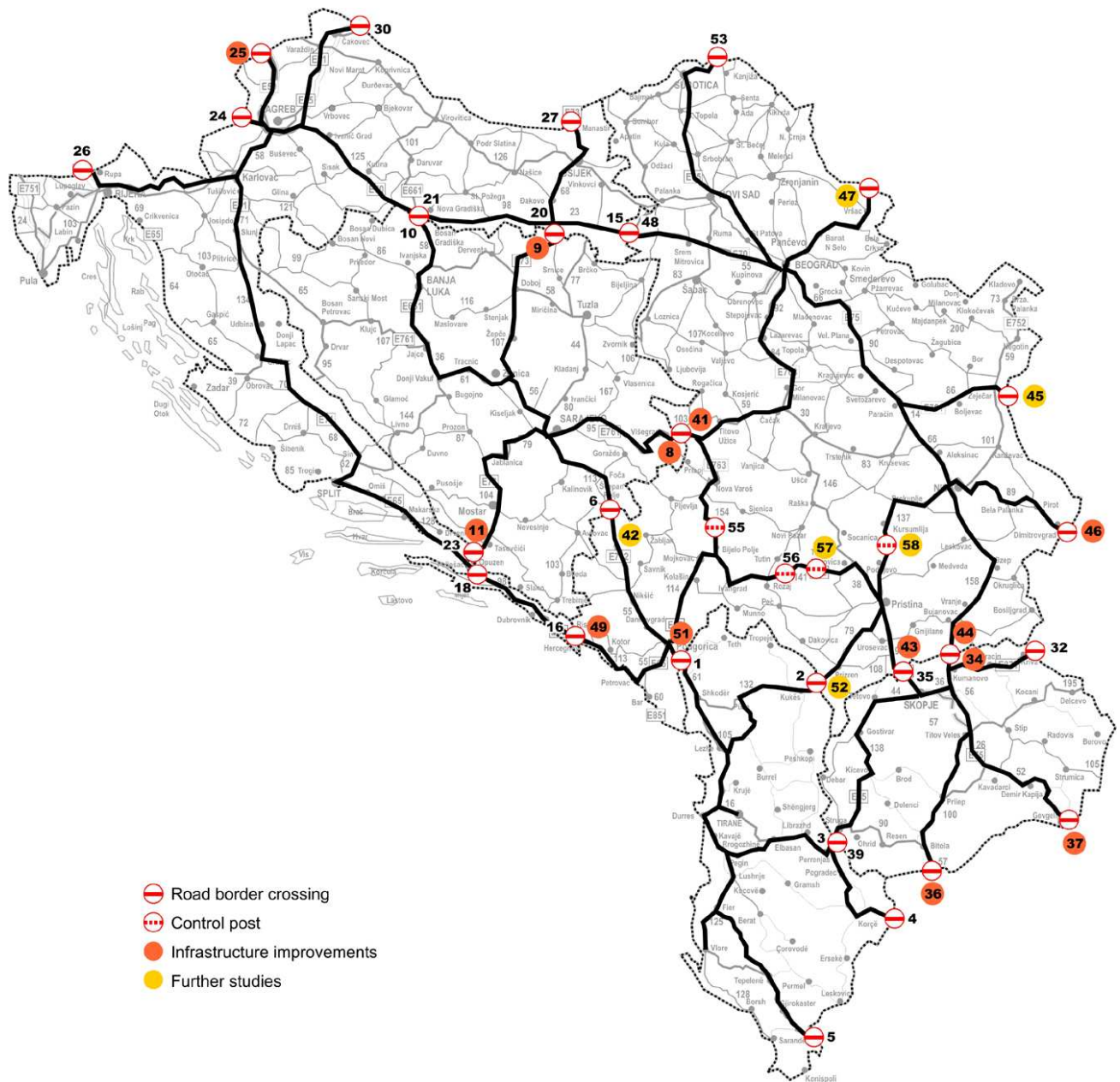


Figure 7.1 Potential road border crossing projects.

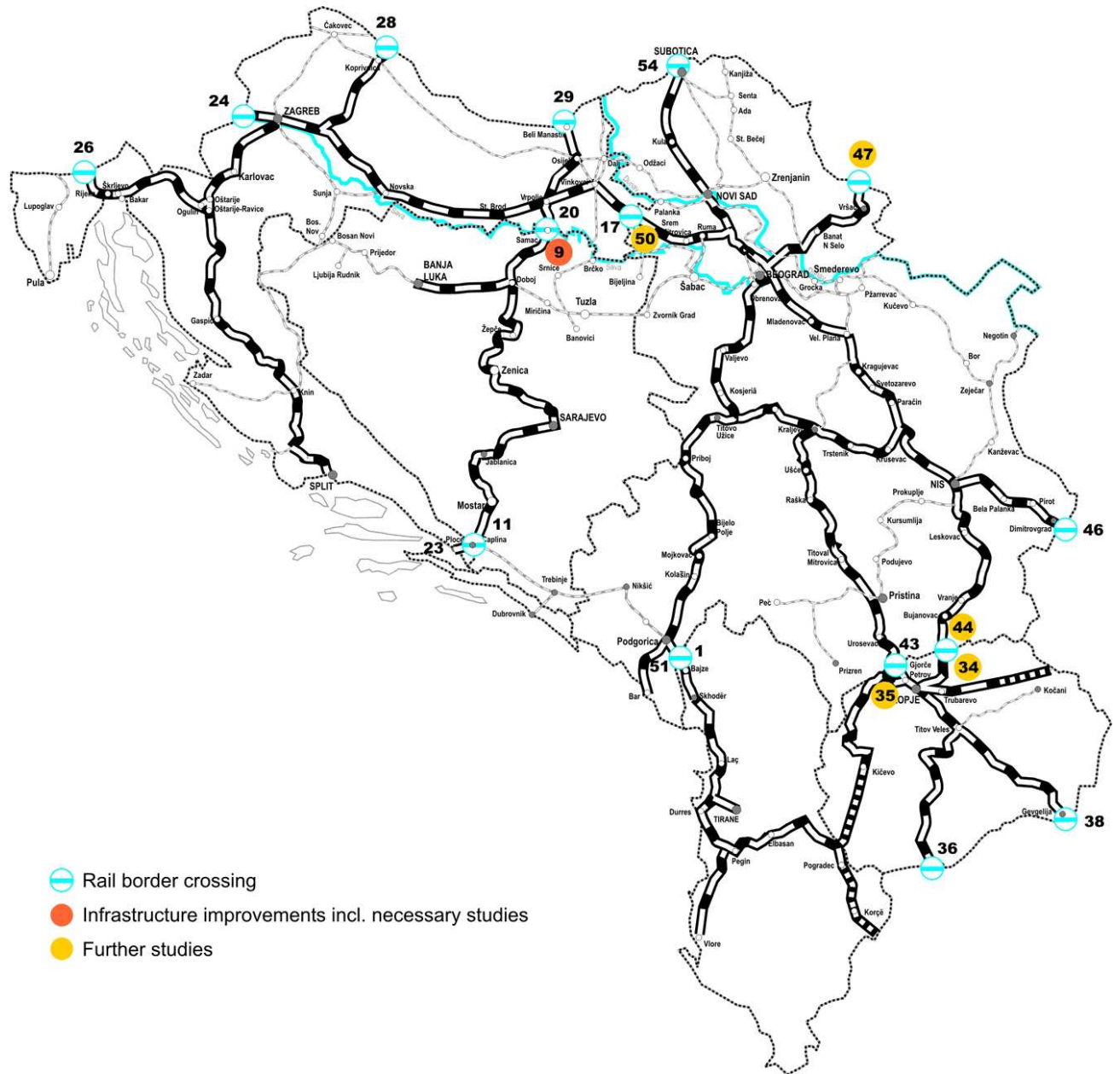


Figure 7.2 Potential rail border crossing projects.