## ANNEX III – ACTION FICHE TEMPLATE

|  |  |  |
| --- | --- | --- |
|  | Indicative title of the Action | **Preparation of European Transport Corridors projects** |
| **CRITERIA FOR RELEVANCE ASSESSMENT** | Key thematic priority | WINDOW 3 - GREEN AGENDA AND SUSTAINABLE CONNECTIVITY **Thematic priority 2: Transport, digital economy and society, and energy** |
| Links with specific policy instruments of the enlargement process | The proposed Action aims at enhancing the transport sector planning and development through the preparation of the future investments in the European transport corridors passing through North Macedonia. The Action will prepare the complete project documentation (planning documents, project preparation studies such as feasibility studies, cost-benefit analyses, environment impact assessments, design documentation, tender documentation) for 4 road and rail projects:   * **Construction of Motorway A1, Prilep-Bitola:**   The section is part of the Corridor X, branch Xd. Upon completion it is going to provide a motorway connection between Bitola and Prilep and subsequently to the border crossing with Greece (Medzitlija) for which another project is foreseen and ongoing.   * **Upgrade of section Tetovo-Gostivar on Road Corridor X:**   The section is part of the Corridor X in the north-western part of the country. Upgrade of the section has to be performed due to the capacity and level of the damages that appear during the exploitation and that is part of the efforts that are ongoing for construction and rehabilitation of all network. The project would be an upgrade of the existing motorway section and there will be no deviations from the existing alignment, which would lead to increased road safety, reduced time travel, increased level of comfort for the road users and lower emission of CO2 due to the more constant speed of the drivers. It is expected for the project to deliver project documentation for upgrade of this section at the level of a detailed design.   * **Rehabilitation/reconstruction of bridges and structures along Railway Corridor X**:   Bearing in mind the importance of the rail safety the proposed activity a logical continuation of rail safety projects foreseen in the Single project pipeline for the Transport sector, which was discussed by the Sector Working Group for Transport. According to the Safe System approach, the whole transport system should be designed to protect people and transport system users from death and serious injuries. Several bridges along Corridor X are in poor condition and need to be rehabilitated/reconstructed in order to increase safety and to prevent human casualties, serious injuries and material damages.   * **Capacity extension of the railway border crossings (Tabanovce, Bogorodica, Kremenica, Blace):**   Proposed activity is in line with the current project for the BCP Tabanovce and it is a logical continuation of this project, which is foreseen in the Single project pipeline for the Transport sector. The border crossing stations are located along the Corridor X/Xd and there are 1 with Serbia (Tabanovce), 2 with Greece (Gevgelija and Kremenica, which is currently out of function) and 1 with Kosovo.The waiting time at the border crossing, among other things (modernization of customs regulations, improvement and functionality of cross-border buildings, strengthening the fight against smuggling, corruption and human trafficking), depends on the ability and capacity of the tracks to receive as many trains as possible. By increasing the number of tracks on the railway border crossings (Tabanovce, Bogorodica, Kremenica, Blace) faster crossing of the borders by the freight and passengers and less waiting time at the border crossings would be achieved.  The Action is designed to contribute to the achievement of the specific objective of Window 3 Thematic priority 2 “**Transport, digital economy and society, and energy**”, as defined in the **IPA III Programming Framework**, which aims to promote smart, sustainable, inclusive, safe transport and to remove bottlenecks in key network infrastructures, to accelerate the shift towards a low-carbon economy.  The proposed Action will contribute to the implementation of the EU recommendations under **Chapter 14: Transport policy and Chapter 21: Trans-European Networks** as defined in the EC’s **North Macedonia 2019 Report (COM(2019) 260 final). A**s regards to the country’s ability to assume the obligations of membership, the report states that the country is moderately advanced in the area of transport. Limited progress was made in the past year. Increased political commitment is required to deliver on necessary sectoral reforms. The country has a good level of preparation in the area of trans-European networks. Some progress was made in the area of Trans-European networks during the reporting period (chapter 21). The Report clearly notes that continued **efforts are needed to improve the administrative and operational capacity for all modes of transport** (chapter 14); and to further strengthen the operational and technical capacity of all management and stakeholder institutions dealing with the development of Trans European T and Trans European E networks; mobilise sufficient resources to implement the Transport Community Treaty (chapter 21).  Regarding the Commission Communication **"A credible enlargement perspective for and enhanced EU engagement with the Western Balkans" (COM(2018)65),** this Action is in line with strategy, which highlight that the successful economic integration within the region and with the EU will only be possible with enhanced connectivity.  Additionally, the action is also in line with the recommendations of the meeting of the **Subcommittee on Transport, Environment, Energy, and Regional Development of the Stabilization and Association Agreement** held on 17 March 2020 asking to: - Strengthen operational and administrative capacity for all modes of transport; - Put road safety high on the political agenda and continue efforts to aligning with relevant EU acquis; - Continue aligning with the safety acquis and develop its enforcement capacity to reduce fatalities and increase roadside checks of commercial vehicles.  The Action will contribute to the **current TEN-T policy based on Regulation (EU) No 1315/2013** which addresses the implementation and development of a Europe-wide **network of railway lines**, **roads**, inland waterways, maritime shipping routes, ports, airports and railroad terminals. The ultimate objective of the policy is to close gaps, remove bottlenecks and technical barriers, as well as to strengthen social, economic and territorial cohesion within the EU and through its extension ensure closer integration of the western Balkans region with the EU.  The Action is aligned with the objectives of the **Transport Community Treaty**, based on the progressive integration of transport markets of the South East European Parties into the European Union transport market on the basis of the relevant acquis, including in the areas of technical standards, interoperability, safety, security, traffic management, social policy, public procurement and environment, for all modes of transport excluding air transport.  The Action also supports the **Connectivity Agenda**, with improving connectivity within the Western Balkans, as well as between the Western Balkans and the European Union, and which puts a special emphasis on the preparation and financing of concrete regional infrastructure investment projects and on the implementation of technical standards and reform measures (e.g.: aligning/simplifying border crossing procedures, railway reforms, information systems, road safety and maintenance schemes, unbundling and third-party access).  The Action will contribute to improving **the road infrastructure** along the **South-East Europe core regional Network** by supporting the development of road infrastructure along Corridor X, X-d; and it will also contribute to improving **rail safety** in the Republic of North Macedonia through rehabilitation of existing structures and bridges along Corridor X, thus reducing the potential risk of injuries, casualties and accidents in rаilway transport on this particular Corridor.  The Action follows the **Economic Reform Programme 2020-2022,** outlining key pillars in the accession process which shall support the growth and competitiveness through economic governance, and provide better reporting for national economic policy plans, including the needs for structural reforms. It is prepared through established national consultation process, centrally coordinated by the Ministry of Finance and closely follows the instructions of the Guidance for Economic Reform Programs issued by EC. |
| Links with national, regional and global strategies | The proposed Action is in line with national, regional and global strategies in the field of good governance and digitalisation.  The Action is in full harmony with the objectives of the following **global and regional strategies:**   * The proposed action is in line with the objectives of **2030 Agenda for Sustainable Development,** thematic priority No 9: Industry, innovation and infrastructure and thus aims to improve connectivity, reduce transport emissions and support efficient transportation services as a key driver of economic development. * The Action is in line with the **European Green Deal,** which setskey objective in the transport sector in the coming period to reduce the GHG emissions from the transport.   The Action will support the implementation of the following **national strategies**:   * This Action will directly contribute towards the implementation of the Republic of North Macedonia **National Transport Strategy 2018-2030. Concretely,** the Action addresses the following objectives: - General Objective No.1: Strengthen EU integration and promote regional cooperation’’; - Specific objective 1.1 Completion of the SEETO Core and Comprehensive Road and Rail Network passing through the national territory and upgrade the existing road and rail infrastructure sections to the modern technical and operational standards (road and rail); - Specific objective 1.2. “To reduce border crossing times and procedures (all modes)”; - Specific objective No.2.1. “To improve the accessibility and quality of the national transport infrastructure and transport services (all modes)’’; - Specific Objective 2.2: To ensure the socio-economic and financial feasibility of transport development projects & initiatives (all modes); - Specific Objective 3.1: To develop and improve environmentally friendly and low carbon transport systems; - Specific Objective 4.1: To improve transportation safety. * The Action is also related to the **Second National Road Traffic Safety Strategy (NTRSS) 2015-2020**, setting the target to reduce the number of traffic victims to the EU average, to reduce the number of the young drivers victims by 30%, number of serious injuries to be reduced by 40% and number of children victims to be reduced to 0. It is a five-year document, a follow up of the previous NRTSS 2009-2014. * The project is in line with the **Annual Programs for** construction, reconstruction, rehabilitation and maintenance of state roads, adopted by the Board of Directors of the **Public Enterprise for State Roads**, defining the works, planning, development and income on an annual basis. * The Action is in line with the **Single Project Pipeline-SPP** for the Transport sector. The SPP was reviewed and discussed by the Sector Working Group for Transport. * Additionally, the Action is complementing to the **National strategy for environment and climate changes 2014-2020** (reduce transport emissions with investment in green transport). |
| Coherence with the Sector Approach | North Macedonia has progressed in introducing the Sector Approach since 2017.  The **strategic framework** in the transport is established.  **The Sector Working Group for Transport** (SWGT)deals with transport; it was established in 2017, with members of relevant stakeholders in the transport sector (ministries, public enterprises, regulatory bodies, NGOs and international donors), is chaired by the Ministry of transport and communications and is an inter-institutional forum providing opportunity to exchange views and opinion of the various participants on how the sector develops, how effective the current policies are and how the various donors contribute to the national sector priorities. The SWG operates regularly and smoothly since their establishment. The SWG operates in three formats: core (technical experts), institutional (decision-making) and plenary/extended (involving donors and civil society). The Single Project Pipeline-SPP for the Transport sector was reviewed and discussed by the Sector Working Group for Transport. At a later stage, the Single project pipeline is annually reviewed and adopted by the Government and serves as a basis for project promotion.  In 2020, the development of the **sector performance assessment framework** - based on a set of impact and outcome indicators, targets and baseline data - was another significant step taken. Several indicators were formulated and agreed for the transport sector by the SWG and the government, which define the sector policy of the country for the next period. Moreover, these indicators provide a solid system for measuring the progress in compliance with evidence-based approach in policy making.  The institutional arrangements are in place to drive and coordinate the reform processes in the transport policy. The sector and donor coordination has been ensured in line with the Sector Policy Co-ordination Framework as developed by the SEA and adopted by the government. Overall, the **institutional set-up** is supportive to on-going and planned sector reforms. However, the administrative capacity remains weak and cannot ensure the full implementation of the adopted legislation. Lack of sufficient staff, adequate level of accountability in the decision-making process and proper staff retention policy are key challenges that are to be addressed at sector level and through the ongoing Public administration reform.  Recently North Macedonia increased it’s **spending on the sector**, concretely: - on construction, transport, communication and ecology by 56 % between 2018 and 2020. |
| Regional dimension | The Action will be implemented:   * on 40 km long section on the TEN-T Corridor X-d, which connects Hungary, Serbia, North Macedonia and Greece. The action will contribute to design the section to motorway standards. * on 19 km long section on the TEN-T corridor VIII, which connects Bulgaria, North Macedonia, and Albania (Black Sea with Adriatic Sea). The action will contribute to design the section to motorway standards. * along the rail Corridor X, which is crossing the country connecting the ports in Greece with the Western Europe and is a major rail transport link in the country. * on the TEN-T Corridor X and branch Xd, which is crossing the country connecting the ports in Greece with the Western Europe and is a major rail transport link in the country. |
| Indicative budget | | *Total: 9,5 Million EUR*  *EU co-financing: 9,5 Million EUR* |
| Implementation Modality | | The Action is implemented under Direct Management through procurement of services |
| Budget Support Readiness (only if the action is implemented through Budget Support) | | Not applicable |

**LOGICAL FRAMEWORK MATRIX**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **OVERALL OBJECTIVE(S) / (IMPACT(S))** | **OBJECTIVELY VERIFIABLE INDICATORS** | **BASELINES**  **(INCL. VALUE & REFERENCE YEAR[[1]](#footnote-2))** | **MILESTONES**  **[OPTIONAL]**  **(INCL. VALUE & REFERENCE YEAR )** | **TARGETS**  **(INCL. VALUE & REFERENCE YEAR)** | **SOURCES & MEANS OF VERIFICATION** |  |
| To improve the economic integration within the region and with the EU by supporting the development of safe road and railway infrastructure along TEN-T corridors | Net ton/km transported goods on road network (in million)  Goods transported on railway (Net ton-km)  Number of rail accidents, serious injuries and casualties | 10. 637 (2018)  307.156 Net ton-km  (2018)  97 (2018) | N/A | 15.000 (2030)  624.870 Net ton-km (2030)  23 (2027) | State Statistical Office  Annual Statistical reports  Reports of the  Public enterprise for railway infrastructure |
| **SPECIFIC OBJECTIVE(S) / OUTCOME(S)** | **OBJECTIVELY VERIFIABLE INDICATORS (\*)** | **BASELINES** | **MILESTONES** | **TARGETS** | **SOURCES OF VERIFICATION** | **ASSUMPTIONS** |
| To prepare four key projects improving the road and rail connectivity with the EU transport corridors and ensuring enhanced safety and transit capacities. | Kilometres of roads to be constructed designed  Number of Bridges and structure ready to be rehabilitated/reconstructed and put  into operation  Number of JBC (one stop shop) that are ready to be built/ upgraded and put  into operation | 0 (2019)  0 (2019)  0 (2019) |  | 120 (2024)  3 (2024)  4(2024) | Public Enterprise for State Roads  Public enterprise for railway infrastructure | The economic development of the EU and of North Macedonia supports the economic exchange and the travel of people  The credit capacity of North Macedonia allows the implementation of the projects  There are interested IFIs ready to support the projects’ implementation |
| **OUTPUTS** | **OBJECTIVELY VERIFIABLE INDICATORS (\*)** | **BASELINES** | **MILESTONES** | **TARGETS** | **SOURCES OF VERIFICATION** | **ASSUMPTIONS** |
| **Output 1:** Design for construction of motorway Prilep-Bitola | Number of project documentation prepared | 0 (2020) | N/A | 1 (2023) | Public Enterprise for State Roads  Public enterprise for railway infrastructure "Macedonian Railways" Skopje | Ownership and other formalities are cleared out |
| **Output 2:** Design for upgrade of section Tetovo-Gostivar on Corridor X | Number of project documentation prepared | 0 (2020) | N/A | 1 (2023) |
| **Output 3:** Feasibility study with CBA; EIA; PD; Technical specification for rehabilitation/reconstruction of bridges and structures along Railway Corridor X | Number of project documentation prepared  Number of preliminary studies carried out | 0 (2020)  0 (2020) | N/A | 1 (2023)  2 (2023) |
| **Output 4:** Study for capacity of extension of railway border crossings (Tabanovce, Bogorodica, Kremenica, Blace) | Number of study prepared | 0 (2020) | N/A | 1 (2023) |
| **BROAD ARRANGEMENTS FOR IMPLEMENTATION (IF AVAILABLE)** | The Action is implemented under Direct Management through procurement of services | | | | | |

1. The baseline value may be "0" (i.e. no reference values are available as the Action represents a novelty for the beneficiary) but cannot be left empty or include references such as "N/A" or "will be determined later". [↑](#footnote-ref-2)