# DEVELOPMENT OF THE PAN EUROPEAN CORRIDORS IN MACEDONIA, AS A BACKBONE OF THE SOUTH EASTERN EUROPEAN REGION

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The transport is a vital bloodstream of any society, of every country and to the world globally. The functionality of the states is largely simplified thanks to the transport. That is the reason why the power holders in local, regional and international level are aimed towards developing strategies and projects that will primarily maintain the transport infrastructure, but as well to projects that offer development of new projects, linking new places, increasing the communication, there to taking into concern the environmental protection. The completion of the transnational's axis—Pan European Corridors 8 & 10, which pass through Macedonia is a high priority for the Government, enabling safer, faster and more efficient transport of passengers and goods, thus providing a better regional economic development of the country, of the Balkan and of the South Eastern European Region.

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#### INTRODUCTION

High Level Group (HLG) for transport identifies five main axes and determines the number of projects that are classified into two groups projects and will begin to be implemented before 2010 and projects with long-term interest until 2020. HLG highlighted the need for further studies and analyzes which relate to the technical specification of the environmental impact and financial mechanisms needed to implement the projects. Priority axes/projects identified by the High Level Group for Macedonia for the implementation by 2010 were provided:

• Construction of the border crossing highway with Albania-Skopjeborder with Bulgaria (738.83 million euros);

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• Rehabilitation of the railway line Tabnovce-Gevgelija, phase 1;

• The railway line Kumanovo-Beljakovce-border with Bulgaria;

• The railway line Kicevo-Struga-border with Albania.

For the implementation after 2010:

• Rehabilitation of the railway line Tabanovce-Gevgelija phase 2. Project with regional significance and national priority:

• Construction of multi-modal terminal located in Struga.

In the medium-term priorities, it is included the construction of the section Veles-Prilep. The section Veles-Prilep represents a strategic relation of the Republic of Macedonia by which the highway that passes through the central part of the Republic will be completed, and it is of primary importance for development. The section is a part from the European Corridor 10d and it is a connection of particular importance for the transport of the whole region towards the Central and Western Europe.

Within the programming of SEETO proposed routes that enter in the medium-term priorities are the routes:

• Upgrading the section at highway level Bitola-Resen-Ohrid-Podmolje and;

• Construction of the highway Otovica-Stip-Delčevo.

Key strategic documents for the development of the Trans-European axes passing through the territory of the Republic of Macedonia (Corridor VIII and X):

• Public Investment Programme 2006-2008;

• Memorandum of Understanding on the development of the SEE Core Regional Transport Network of the Southeast Europe (Status: signed in June 2004, the realization happens through the High Level Group of the EC for Transport and SEETO (South East Europe Transport Observatory);

• Final Report on the High Level Group on EC of transport for the Trans-European transport axes to the neighboring countries and regions;

• Five year plan of SEETO 2007-2011;

• Study for the development of the transport network in the Western Balkans from JBIC.

Relevant EU-funded projects relating to the transport sector development and Trans-European axes passing through the territory of the Republic of Macedonia (Corridor VIII and X):

• Upgrading of the road E-75, section border Bogorodica to Gevgelija (4.6 km);

• Construction and reconstruction of the border crossing point Bogorodica;

• Construction and reconstruction of border crossing point Medzitlija;

• Development of a major project to upgrade the road E-75 Demir Kapija-Udovo-Gevgelija (44.3 km);

• Upgrading of the road E-75, section Negotino-Demir Kapija Phase I (5.3 km);

• Construction of the highway E-75, section Negotino-Demir Kapija Phase II (2.3 km);

• Construction of the highway E-75, section Negotino-Demir Kapija Phase III.

The Ministry of Transport and Communications has received technical assistance from the European Union for:

• Preparation of a National Transport Strategy;

• Preparation of Investment Plan for the Roads;

• Preparation of Study on the restructuring of the road sector in the Republic of Macedonia.

Participation in the preparation for using the Instruments of the European Commission for Pre-accession Assistance (IPA).

The Instrument for Pre-accession Assistance of the European Union started with the application from 01.01.2007, following the timeline frame of the new financial perspective of the EU (2007-2013). It is governed by Council Regulation (EC) no.1085/2006 of the Council for establishing an Instrument for Pre-accession Assistance (IPA). IPA replaces the current programs CARDS (for the Western Balkans countries) and ISPA, PHARE and SARARD (the candidate countries), whose duration is limited by the existing Financial perspective i.e., by the end of 2006. The new IPA instrument is introduced in order to facilitate the management of the assistance from the European Union (instead of 4, introduces 1). However, it does not mean that, all beneficiary countries will have the same treatment; the differentiation is provided with the different approach for different category of countries to the components of IPA (potential candidates and candidates for membership).<sup>1</sup>

The structure of the new IPA is shown in the chart as follows:

Schematic representation of the structure of the IPA instrument
I. Transition Assistance and Institution Building (formerly CARDS / PHARE)
II. Cross-border and regional cooperation
III. Regional Development (formerly ISPA—infrastructure projects)
IV. Human Resources Development (formerly PHARE)
V. Rural Development (formerly SAPARD—Agriculture)

<sup>&</sup>lt;sup>1</sup> STOJANOVSKA-STEFANOVA ANETA & ATANASOSKI DRASHKO, EUROPEAN AND REGIONAL EXPERIENCES IN THE FIELD OF TRANSPORTATION POLITICS (Pecatnica 2 Avgust-Stip 2014). ISBN 978 608 4662 32 7.

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The Ministry of Transport and Communications<sup>2</sup> is involved in the preparation and additional implementation of the Components I, II, III. Considering that, the component III—Regional development an emphasis is placed on the development of infrastructure projects, with the conclusion of the Government, a senior program officer was appointed by the Ministry of Transport and Communications-Sector of the European Union by which the Ministry is responsible coordinator of this component.



According to the Multi Planning Document (MIPD) within the Component III—Regional Development an emphasis is placed on infrastructure projects aimed at full traffic connection of the Republic of Macedonia with the Trans-European networks. Common determination is the finalization of the Corridor 10, financing the construction of the sections of the highway Demir Kapija-Udovo and Udovo-Smokvica, modernization of the railway line Tabanovce-Gevgelija and completion of the project documentation for Corridor 8. The biggest part of the funds from this component will be designed for Development of the transport infrastructure due to a greater willingness to absorb the funds. For this component in that course are activities to prepare the Strategic Coherence Framework and Operational Programme.

<sup>&</sup>lt;sup>2</sup> Ministry of Transport and Communication of Republic of Macedonia, *Available at* http://www.mtc.gov.mk (last visited August 3, 2015).

## I. CORRIDOR 8

The Ministry of Transport and Communications of Republic of Macedonia actively participates in the work of the Technical Secretariat for Corridor 8, as well as in the working groups in its context. The main goal of this Secretariat is developing the road and railway infrastructure along the Corridor 8<sup>3</sup> for what purpose a series of studies and pre-feasibility studies have been developed and are in the course of making. The promotion of the Pan-European Corridor 8 in the EU funds and international financial institutions is one of the efforts of the Technical Secretariat.



In order to provide funds for the construction of the railway network of Corridor 8, the Republic of Macedonia is part of a regional initiative to lobby in front of the institutions of the European Union in order to provide funds for the construction and modernization of the Corridor 8. Also in this regional initiative were included Republic of Bulgaria, Republic of Albania and Italia, in order to lobby for receiving a Coordinator from the European Union who will be in charge of this Corridor<sup>4</sup>.

<sup>&</sup>lt;sup>3</sup> ITALIAN MINISTRY OF TRANSPORT AND INFRASTRUCTURE, FINAL REPORT (Pan-European Corridor VIII Secretariat, November 2008) Available at

http://www.mit.gov.it/mit/sites/varifiles/corridoioVIII/Corridoio\_8\_Strade\_completo.pdf (last visited October 30, 2015).

<sup>&</sup>lt;sup>4</sup> STOJANOVSKA-ŠTEFANOVA ANETA & ATANASOSKI DRASHKO, EUROPEAN AND REGIONAL EXPERIENCES IN THE FIELD OF TRANSPORTATION POLITICS 73-74 (Pecatnica 2 Avgust-Stip 2014). ISBN 978 608 4662 32 7.

#### II. CORRIDOR 10

The most important activity when it comes to the Corridor 10 is the implementation of the Protocol on cooperation on border crossing along the countries of the Pan-European Corridor 10, which was signed in June 2006 in Corfu and which has as main goal to facilitate the flow of people and goods along the Corridor 10. Signatories for short or medium term need to realize harmonize of the legislation and procedures for border crossings with the EU acquis, the constant exchange of information between the relevant authorities and agencies, especially with the electronic media, in order to achieve closer cooperation and increased efficiency. The recommendation is to create contact points in each country which will be in charge of this task. The formation of a working group is in progress. First chair is the Republic of Greece.



Also, through the Greek Plan for Reconstruction of the Balkans, a donation was expected from the Greek government to finance the missing section of the Corridor 10, Demir Kapija Smokvica which represents an advantage for the European Union during the allocation of the IPA funds, as well increase of the same in the upcoming period. According to the adopted Action plan, it is expected signing of the Contract with constructor of the constructional works and commencement of the implementation during 2008<sup>5</sup>.

<sup>&</sup>lt;sup>5</sup> STOJANOVSKA-STEFANOVA ANETA & ATANASOSKI DRASHKO, EUROPEAN AND REGIONAL EXPERIENCES IN THE FIELD OF TRANSPORTATION POLITICS 74 (Pecatnica 2 Avgust-Stip 2014). ISBN 978 608 4662 32 7.

### III. CONSTRUCTION OF NEW HIGHWAYS IN REPUBLIC OF MACEDONIA

In 2014, the Republic of Macedonia is committed and focused on the construction of new highways, new railways and reconstruction and modernization of the old, along the Pan-European transport corridors which are passing through our country.

The state implements these important projects in cooperation with the major international financial institutions like the World Bank, the European Bank for Reconstruction and Development, European Investment Bank, the European Union through the IPA and the Export-Import Bank of China.

The construction of two extremely important highways in Macedonia has started in cooperation with the Export-Import Bank of China. The issue is about highways which are linking the capital city of Skopje with the city Stip in the eastern part of the country and Kicevo with Ohrid, the most important tourist destination in Republic of Macedonia in the western part of the state. All these sections are part of the Pan-European Transport Corridor 8, which is crucial for the economic development of the region, including Macedonia, Bulgaria and Albania.

The construction of a new motorway section in eastern Macedonia has already begun. The motorway from Skopje to Stip is 47 kilometers long and represents an investment of 208 million Euros, the funds are provided by the EXIM Bank. The construction is expected to be completed in  $2017^{6}$ .

Besides this project the construction of another very important new motorway section from Kicevo to Ohrid in the western part of Macedonia is in progress. This motorway is 57 kilometers long and has a value of 374 million Euros, the funds are provided by the EXIM Bank. It is planned to finish the construction of the motorway in 2016.

The construction of these sections of the highway means further expansion of the overall national motorway network, resulting in faster flow of vehicles, but at the same time, raising the level of the quality of transport services, and certainly one of the goals is to meet the needs of all tourists transiting in this area.

Regarding the part of the new highways construction in Macedonia, it is worked on the final completion of the Corridor 10 on highway level from the entry to the exit of the country. This is the part from Demir Kapija to Smokvica in the southern part of the country; the highway section has a length of 28 kilometers. This project is worth about 210 million Euros and the construction activities are already half completed. The funds for this part

<sup>&</sup>lt;sup>6</sup> Ministry of Transport and Communication of Republic of Macedonia, *Available at* http://www.mtc.gov.mk (last visited August 9, 2015).

are provided by the EBRD, EIB and the EU Pre-Accession funds.

The aim of the Republic of Macedonia is the construction of highways of two more major sections, one along the Corridor 10 and one along the Corridor 8.

The first road is from the capital Skopje to Blace-Kosovo border, with a length of 12.4 kilometers and has an estimated value of 70 million Euros.

The second section is from Gostivar to Kicevo and is part from the Corridor 8. This section is designed to be added to the existing highway from Skopje to Kicevo, as well as to the section from Kicevo to Ohrid, which is expected to be completed in 2016. This road is 42 kilometers long and has an estimated value of 276 million Euros. The project envisaged construction, maintenance and toll collection on these parts.

In terms of the local infrastructure, it is worked on construction of local roads, and this project the state realizes in cooperation with the World Bank.

In terms of this policy in the following 2015, it is planned to build 118 local roads with a total length of 200 kilometers. Beside that, it is planned a construction of 5 new express routes, by which the internal road network will be enhanced and the traffic flow will be improved to and from the main directions of the Corridor 8.

Besides the improvement of the road infrastructure, the state is planning policies and measures for even more efficient transport, such as the construction of logistics centers at the border crossings and bigger cities through public-private partnership, the implementation of intelligent transport systems on the roads to monitor the road conditions, for which a design is in progress, and the construction should begin in 2016.

Regarding the railway connection, they are working on the last link to the Bulgarian border which is from Kriva Palanka to Deve Bair with length of 24 km, and the estimated value is 330 million Euros. Recently is announced a call for selection of consultant which should design the section for a period of 22 months.

Also, activities are undertaken as well for the completion of the railway line from Kicevo to Lin, i.e., the border with Albania, with a length of 70 kilometers. The estimated value for this line is 570 million euros. The activities for the design of this section had started and it is expected to be completed in around two years time<sup>7</sup>.

<sup>&</sup>lt;sup>7</sup> STOJANOVSKA-STEFANOVA ANETA & ATANASOSKI DRASHKO, EUROPEAN AND REGIONAL EXPERIENCES IN THE FIELD OF TRANSPORTATION POLITICS 75-78 (Pecatnica 2 Avgust-Stip 2014). ISBN 978 608 4662 32 7.

#### CONCLUSION

The transport is a vital bloodstream of any society, of every country and to the world globally. The functionality of the states is largely simplified thanks to the transport. That is the reason why the power holders in local, regional and international level are aimed towards developing strategies and projects that will primarily maintain the transport infrastructure, but as well to projects that offer development of new projects, linking new places, increasing the communication, thereto taking into concern the environmental protection.

At European level, the European Union through the Directorate of Transport allows the member states implementation of vital transportation projects, according to the assessed framework. The states in turn, that aspire for full membership, as is the case with the Republic of Macedonia, performing an approximation of the domestic legislation with the EU, confirm its fundamental commitment for the implementation of the European policies in the transport sector.

So we may conclude that, the completion of the transnational's axis— Pan European Corridors 8 & 10, which pass through Republic of Macedonia is a high priority for the Macedonian Government, enabling safer, faster and more efficient transport of passengers and goods, thus providing a better regional economic development of the country, of the Balkan and of the South Eastern European Region.