STANDARD SUMMARY PROJECT FICHE – TRANSITION FACILITY

1. Basic information:

1.1. CRIS Number: CZ 2004/006-237/02.01
1.2. Title: Strengthening of the Railway Infrastructure Administration (RIA) Functions
1.3. Sector: Transport
1.4. Location: Czech Republic

2. Objectives

2.1. Overall objective:
   To enable the Czech Republic to take on the obligations of European Union membership ensuring from Copenhagen criteria, in particular adherence to the aims of the political, economic and monetary union, and the acquis communautaire.

2.2. Project purpose:
   The preparation for transposition of requirements imposed by the first railway package into Czech legal system. Specification of content and scope of network statement and procedural rules of its adoption. Specification of rules which will treat the allocation of capacity of railway infrastructure.

2.3. Justification:
   The Comprehensive Monitoring Report on the Czech Republic’s preparations for membership of 5th November 2003 states, that the capacity of Railway infrastructure administrator shall be further strengthened, in particular in the field of capacity allocation and staff training. To meet the targets of the amendment of Act on Tracks, it is inevitable to incorporate the changes created by the amendment into procedures of the Railway infrastructure administrator.

3. Description

3.1. Background and justification:
   The Czech Republic is obliged to make further steps in order to comply with the EU legislation and the European Commission’s conclusions on the railway issues. It is inevitable to fulfil the requirements, which are laid down by the first railway package (directives 2001/12, 13, 14, 16/EC). Besides the formal incorporation into Czech national legal system European Commission deeply considers the actual acquisition of rules. So it is absolutely necessary to adopt the procedures, which will ensure equal and non-discriminatory access to railway infrastructure and capacity allocation according to acquis communautaire.
   According to the directive 2001/14/EC Railway Infrastructure Administrator has to publish draft network statement by the end of April 2004. It will also include the rules of capacity allocation process. It is assumed that these documents will be modified every year. As the Railway Infrastructure Administrator has no relevant experience so it is very suitable to take advantage of the opportunity to consult the experienced twinning partner from Member State. The partner shall particularly contribute to harmonization of the existing RIA draft network statement and capacity allocation process with those in EU member states.
   The project is focused on two topics:
   1) **Network statement** – is setting out the nature of the infrastructure which is available to railway undertakings and the conditions of access to it, charging principles and tariffs which contain appropriate details of the charging scheme as well as sufficient information on charges that apply to the services listed in directive 2001/14/EC. It shall detail the methodology, rules and, where applicable, scales used for the charging. It shall contain information on changes in charges already decided upon or foreseen.
   2) **Capacity allocation process** – it is determined by the principles and criteria for capacity allocation. This shall set out the general capacity characteristics of the infrastructure which is available to railway undertakings and any restrictions relating to its use, including likely capacity requirements for maintenance. It shall also specify the procedures and deadlines which relate to the capacity allocation process. It shall contain specific criteria which are employed during that process, in particular:
      a) the procedures according to which applicants may request capacity from the infrastructure manager;
      b) the requirements governing applicants
      c) the schedule for the application and allocation processes
      d) the principles governing the coordination process;
      e) the procedures which shall be followed and criteria used where infrastructure is congested;
f) details of restrictions on the use of infrastructure; g) any conditions by which account is taken of previous levels of utilisation of capacity in determining priorities for the allocation process.

It shall detail the measures taken to ensure the adequate treatment of freight services, international services and requests subject to the ad hoc procedure.

3.2 Linked activities:
This project continues after the Twinning project of 2001 (Phare 2001 – CZ 01-03-01), which dealt with the transformation process in railway sector by focusing on dissolution of the state organisation „Czech railways“ into two independent entities - railway undertaking Czech Railways, joint stock company and the manager of infrastructure, Railway infrastructure administrator, state organisation. The given dissolution provided for the division of assets, functions and economic links. Two of eight project studies deal with the capacity allocation and network statement – study Nr. 3 “Summary and assessment of relationships between railway undertakings (RU) and infrastructure managers (IM) in the member states” and study Nr. 4 “The proposal for relationship between RU and IM in the Czech Republic”. It was recommended by the twinning partner to develop these topics in a separate project.

The proposed project represents the next step – it deals with the non-discriminatory capacity allocation as it was recommended in the previous project. It strengthens and develops the functions and administrative capacity of infrastructure manager thus Railway infrastructure administrator.

3.3 Results:
• Content and scope of network statement including procedural rules of its adoption and modification drafted and prepared for adoption and implementation
• Capacity allocation procedures drafted and prepared for adoption and implementation
• Task allocation including coordination process proposed and prepared for adoption and implementation
• Impact of the proposed changes on the capacity allocation process assessed
• Internal procedures of Railway Infrastructure Administrator concerning the network statement drafted and prepared for adoption and implementation
• Internal procedures of Railway Infrastructure Administrator dealing with the capacity allocation process and prepared for adoption and implementation
• Beneficiary institutions’ staff trained (approx 40 people)
• Beneficiary institutions’ staff capable to properly allocate capacity and implement the network statement

3.4 Activities:
(1) **Twinning** - 0,680 M €
The PAA (14 MMS) and 2 MT experts (15 MMS) will carry out following activities:
• **Analysis, evaluation and comparison** of existing network statements and capacity allocation process (including co-ordination) in the Czech Republic and Member States.
• **Proposal and recommendation** focused on changes to:
  - the content and scope of network statement including procedural rules of its adoption and modification.
  - capacity allocation, procedures and task allocation including coordination process
  - internal procedures of Railway infrastructure administrator concerning the network statement and the capacity allocation process
• **Training of staff** (.apx. 4 seminars / workshops (approx 40 people) on: following tasks :
  - the scope and content of network statement in chosen Member States, possible solutions and its advantages and disadvantages.
  - capacity allocation, describing typical situations and its potential solutions.
• **Approx. 1 study visit** (approx 5 people) in order to become acquaint with the network statement and the capacity allocation process in the chosen member states. – it is inevitable to get in touch with national experts to harmonize national network statements and rules of capacity allocation to make international railway transport easier. The study visits shall also clarify to Czech experts the relationship among state, infrastructure administrators and railway undertakings in the process of network statement adoption.

(It is envisaged that beneficiary institutions’ staff will on a day-to-day basis cooperate with the experts on the above-mentioned activities in order to strengthen their administrative capacity (so called on-the-job training). Detailed modalities of such cooperation will be specified in the twinning covenant.)

The **PAA (14 MM)** should be from a Ministry of Transport or infrastructure manager of an EU Member State. Should have at least 5 years experience with the EU legislation in the field of railways and their application in the EU Member States, knowledge of the railway problems and appropriate language skills and minimum 10
years experience in the railway sector. (S)he will be responsible for the technical management of the project by providing for:

• Broad orientation in the area of the network statement and capacity allocation in the EU Member States and other relevant countries

• Exchange of experience in the field of management of a railway organisation

2 MTEs should have similar experience as the PAA.

• One MTE (6 MMS) will focus on the network statement

• One MTE (9 MMS) will focus on the capacity allocation

3.5. Lessons learned

The conclusions and recommendations of Phare 2001 project have been considered within the preparation of this project.

4. Institutional framework

Main partner and co-ordinating institution:

Ministry of Transport – the central authority of state administration responsible for the railway sector, it its especially responsible for the legislation and its accordance with railway acquis and state policy in the transport sector.

Main beneficiary of the project:

Railway Infrastructure Administration, state organisation (Správa železniční dopravní cesty, s.o.) – it administers property in the state ownership according to the Transformation Act No. 77/2002 Coll., it will allocate the railway infrastructure capacity in compliance with directive 2001/14/EC. The PAA will be situated here. The RIA will be responsible for implementing the recommendations and will receive training and advice as for capacity allocation process.

Other beneficiaries:

• Track Authority – it is special authority in charge of the state administration in the railway sector, it is an organisational element of state. It will decide appeals if the Railway infrastructure administrator rejects to provide the capacity according to application. It will receive training and advice to ensure the equal and non-discriminatory access to railway infrastructure in the process of capacity allocation.

• Czech Railways, joint stock company – railway undertaking, the Czech national railway carrier. On the contractual basis it secures the maintenance and modernisation of railway infrastructure. According to capacity and paths allocated by RIA, it compiles the final timetable. It will receive training and advice how to act in the process of timetabling on the basis of capacity allocated by RIA.

The results of the project may lead to changes in the institutional framework, which assures the equal and non-discriminatory access to railway infrastructure.

A Steering Committee consisting of representatives of the above-mentioned institutions, the PAA and the Centre for Foreign Assistance will co-ordinate and supervise the implementation of the activities of this project.

5. Detailed budget (M€):

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Investment Support</th>
<th>Institution Building</th>
<th>Total TF (=I+IB)</th>
<th>National Co-financing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twinning Covenant</td>
<td>-</td>
<td>0.680</td>
<td>0.680</td>
<td>-</td>
<td>0.680</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>0.680</td>
<td>0.680</td>
<td>-</td>
<td>0.680</td>
</tr>
</tbody>
</table>

6. Implementation Arrangements:

6.1 Implementing Agency

The CFCU is the Implementing Agency responsible for tendering, contracting and accounting. Responsibility for technical aspects related to preparation, implementation and control will rest with the beneficiary institutions – the Ministry of Transport and the RIA.

Central Finance and Contracts Unit (CFCU) contact person is Mr. Jan Slavíček, phone +420-2-5704-4551, fax +420 257 044 550, e-mail: jan.slavicek@mfcr.cz
6.2 Twinning
Ministry of Transport, nábřeží L. Svobody 1222/12, 110 15 Praha 1
The contact person:
Mr Jiří Nálevka, Tracks and railway transport department, tel. + 420 972 231 308, email jiři.nalevka@mdcr.cz
Railway Infrastructure Administration, state organisation (SŽDC, s.o.), Prvního pluku 367/5, 186 00 Praha 8 - Karlin
The contact person:
Mr Pavel Skála, tel. + 420 222 335 255, email skala@szdc.cz

6.3 Non-standard aspects
n.a.

6.4 Contracts
1 twinning covenant 0.680 M€

7. Implementation Schedule:
Start of tendering: 3Q/04
Start of project activity: 4Q/04
Project completion: 1Q/06

8. Sustainability
According to the Act on Tracks as amended, the RIA has to release the network statement and allocate capacity of railway infrastructure. To ensure these tasks, RIA will issue its procedural rules. The conclusions of project will be taken in these rules.

9. Conditionality and sequencing
To start the project, it is inevitable to adopt the amendment to the Act on Tracks, which is now in legislation process. It is presumed that it will come to force by the date of accession into European Union. The draft network statement has to be published by the end of April 2004.
Railway infrastructure administrator has to allocate the infrastructure capacity by June 2005. The amended network statement will be completed by the end of November 2005.

ANNEXES TO PROJECT FICHE
1. Logframe planning matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule
# LOGFRAME PLANNING MATRIX

**Programme name and number:**
**TF CZ 2004**

**Total Budget:** 0.680 M €
**TF contribution:** 0.680 M €

## Overall objective

Existence of a functioning market economy in the Czech Republic as well as of the capacity to cope with competitive pressures and market forces within the EU in the transport sector

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acknowledgement by the European Commission</td>
<td>• RIA Annual Report</td>
</tr>
<tr>
<td>The absence of civil suits between RIA and applicants in the field of capacity allocation</td>
<td>• Official Journal</td>
</tr>
<tr>
<td>• Statistical yearbook</td>
<td></td>
</tr>
</tbody>
</table>

## Project purpose

- The preparation for transposition of requirements imposed by the first railway package into Czech legal system.
- Specification of content and scope of network statement and procedural rules of its adoption.
- Specification of rules, which will treat the allocation of capacity of railway infrastructure.

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amended network statement published by the end of November 2005. Capacity allocation process completed by the end of June 2005</td>
<td>• Transportation and Tariff Journal</td>
<td></td>
</tr>
<tr>
<td>• Central information system of timetables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Czech Railways Annual Report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• RIA Annual Report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Annual Reports of railway undertakings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Statistical yearbook</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Collection of Acts of the Czech Republic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The network statement is released according to the schedule.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Results

- Content and scope of network statement including procedural rules of its adoption and modification drafted and prepared for adoption and implementation
- Capacity allocation procedures drafted and prepared for adoption and implementation
- Task allocation including coordination process proposed and prepared for adoption and implementation
- Impact of the proposed changes on the capacity allocation process assessed
- Internal procedures of Railway Infrastructure

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draft Network statement (content, scope, procedural rules of its adoption and modification) fully compliant with Czech and EC law</td>
<td>• Project reports</td>
<td></td>
</tr>
<tr>
<td>Draft capacity allocation process (including co-ordination) fully compliant with Czech and EC legislation drafted</td>
<td>• Internal procedures and rules of RIA, dealing with network statement and capacity allocation process</td>
<td></td>
</tr>
<tr>
<td>Approx 40 people trained</td>
<td>• Transportation and Tariff Journal</td>
<td></td>
</tr>
<tr>
<td>A decreasing number of rejected requests for capacity allocation</td>
<td>• RIA Annual Report</td>
<td></td>
</tr>
<tr>
<td>Relevant institutional capacity of RIA is developed and maintained. RIA and ČD agree on capacity allocation and composition of timetable.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Administrator concerning the network statement drafted and prepared for adoption and implementation

- Internal procedures of Railway Infrastructure Administrator dealing with the capacity allocation process and prepared for adoption and implementation
- Beneficiary institutions’ staff trained (approx 40 people)
- Beneficiary institutions’ staff capable to properly allocate capacity and implement the network statement

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Analysis, evaluation and comparison of existing network statements and capacity allocation process (including co-ordination) in the Czech Republic and Member States. Proposal of changes to: - the content and scope of network statement including procedural rules of its adoption and modification. - capacity allocation, procedures and task allocation including coordination process - internal procedures of Railway infrastructure administrator concerning the network statement and the capacity allocation process. (It is envisaged that beneficiary institutions´ staff will on a day-to-day basis cooperate with the experts on the above-mentioned activities in order to strengthen their administrative capacity (so called on-the-job training). Detailed modalities of such cooperation will be specified in the twinning covenant.) Approx. 4 seminars / workshops (approx. 40 people) on: - the scope and content of network statement in chosen Member States, possible solutions and its advantages and disadvantages. - capacity allocation, describing typical situations and its potential solutions Approx. 1 study visit (approx 5 people) in order to become acquaint with the network statement and the capacity allocation process in the chosen member states. – it is inevitable to get in touch with national experts to - | Twinning: 0.680 M€
1 PAA, 14 MMS, approx 0.210 M€: should be from a Ministry of Transport or infrastructure manager of an EU Member State. Should have at least 5 years experience with the EU legislation in the field of railways and their application in the EU Member States, knowledge of the railway problems and appropriate language skills. (S)he will be responsible for the technical management of the project by providing for:
- Broad orientation in the area of the network statement and capacity allocation in the EU Member States and other relevant countries
Exchange of experience in the field of management of a railway organisation 2 MTEs, 15 MMS, approx 0.400 M€: The requirements are similar to PAA expert.
- One MTE will focus on the network statement
One MTE will focus on the capacity allocation One **Twinner’s assistant**, 14 MMS, approx 0.025 M€ | Experts are available and meet the specified requirements
Effective cooperation among the Ministry of Transport, RIA and experts
Political commitment to finish railway transformation process
The deadlines are kept. |
| **Activities** approx 0.045 M€ |
harmonize national network statements and rules of capacity allocation to make international railway transport easier. The study visits shall also clarify to Czech experts the relationship among state, infrastructure administrators and railway undertakings in the process of network statement adoption.

**Preconditions**

Adoption of the amendment to the Act on Tracks, which is now in legislation process. It is presumed, that it will be in force by the date of accession into European Union.

Adoption of draft network statement which will also include the rules of capacity allocation process. It shall be published by the end of April 2004.

Political commitment of the Government to finish railway transformation process
## DETAILED IMPLEMENTATION CHART

Project: Strengthening of the Railway Infrastructure Administration (RIA) Functions

<table>
<thead>
<tr>
<th>Action</th>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Twinning</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Start of tendering</td>
<td></td>
<td></td>
<td></td>
<td>X X X X X</td>
<td></td>
</tr>
<tr>
<td>Start of project activity</td>
<td></td>
<td></td>
<td>X X X X X X X X X X X</td>
<td>X X X X X X X X X</td>
<td>X X</td>
</tr>
<tr>
<td>Project completion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### ANNEX 3

### CUMMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE

#### Cumulative Quarterly Contracting Schedule (mil.€)

<table>
<thead>
<tr>
<th>Project Title</th>
<th>3Q/04</th>
<th>4Q/04</th>
<th>1Q/05</th>
<th>2Q/05</th>
<th>3Q/05</th>
<th>4Q/05</th>
<th>1Q/06</th>
<th>2Q/06</th>
<th>3Q/06</th>
<th>4Q/06</th>
<th>1Q/07</th>
<th>2Q/07</th>
<th>3Q/07</th>
<th>4Q/07</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengthening of the Railway Infrastructure Administration (RIA) Functions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.680</td>
</tr>
</tbody>
</table>

#### Cumulative Quarterly Disbursement Schedule (mil.€)

<table>
<thead>
<tr>
<th>Project Title</th>
<th>3Q/04</th>
<th>4Q/04</th>
<th>1Q/05</th>
<th>2Q/05</th>
<th>3Q/05</th>
<th>4Q/05</th>
<th>1Q/06</th>
<th>2Q/06</th>
<th>3Q/06</th>
<th>4Q/06</th>
<th>1Q/07</th>
<th>2Q/07</th>
<th>3Q/07</th>
<th>4Q/07</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengthening of the Railway Infrastructure Administration (RIA) Functions</td>
<td>0.200</td>
<td>0.450</td>
<td>0.550</td>
<td>0.600</td>
<td>0.680</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.680</td>
</tr>
</tbody>
</table>