

Answer from Hungarian State Railways:

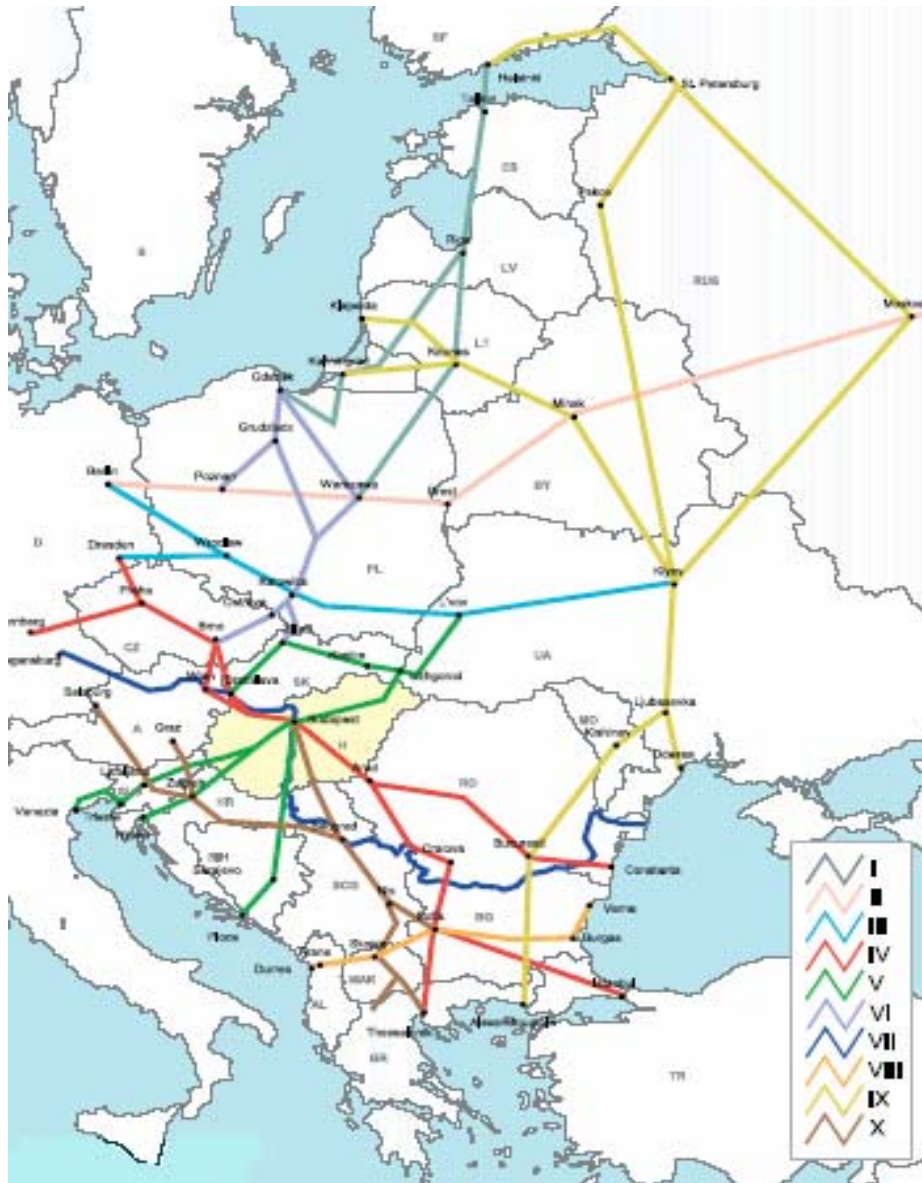
Wich are the major axes?

1. What are the main transport axes, including motorways of the sea, connecting the European Union to the neighbouring countries or broader regions today?

Hungary is situated in the intersection of transport routes bypassing the Alps and the Charpatians.

In the region 4 main paneuropean transport corridors are intercrossing each other which provide connection to the EU, the Adriatic and the Black Sea.

28 percent of the Hungarian network is part of the Pan European railway corridors. 4 percent of the nearly 200.000 km standard track network is owned by the Hungarian State Railways. Its share in the transporting outputs is 2 percent on the basis of the transported passengers and 3 percent regarding the transported freight.



The breakdown of the roads on the routes of the Pan-European corridors is as follows:

Pan-European corridor IV: Rajka (Nickelsdorf) – Hegyeshalom - Győr-Komárom-Tatabánya – Budapest - Újszász-Szolnok - Szajol - Mezőtúr - Gyoma - Békéscsaba - Lökösháza; Szob - Vác - Budapest

Connection with: Austria, Slovakia, Romania, (providing the alternative to reach the harbours: Saloniki, Istanbul, Constanța)

Including:

- rail road 487 km
- motorway 410 km

Pan-European corridor V: Hódos - Zalalövő – Zalaszentiván - Bóba - Székesfehérvár - Budapest - Hatvan – Füzesabony - Miskolc - Mezőzombor - Nyíregyháza – Záhony

Connection with: Slovenia, Croatia, Bosnia, Ukraine, (reaching Trieste, Venice, Coper)

Including:

- rail road 996 km
- motorway 784 km

Pan-European corridor VII: Duna (Szob – Budapest – Százhalombatta – Holtduna)

Connection with: Austria, Romania

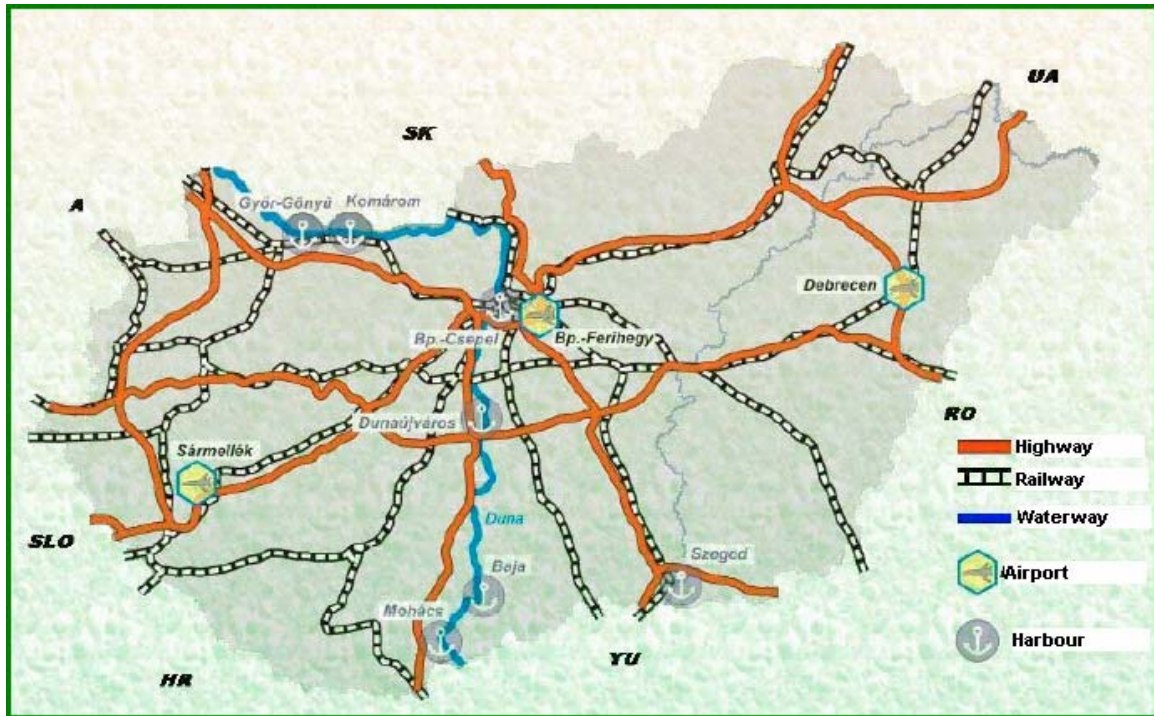
Waterway on the river Danube: 378 km

Pan-European corridor X: Budapest – Kunszentmiklós – Tass – Kiskunhalas - Kelebia

Connection with: Serbia, Montenegro (Starting from Budapest)

Including:

- rail road 156 km
- motorway 171 km

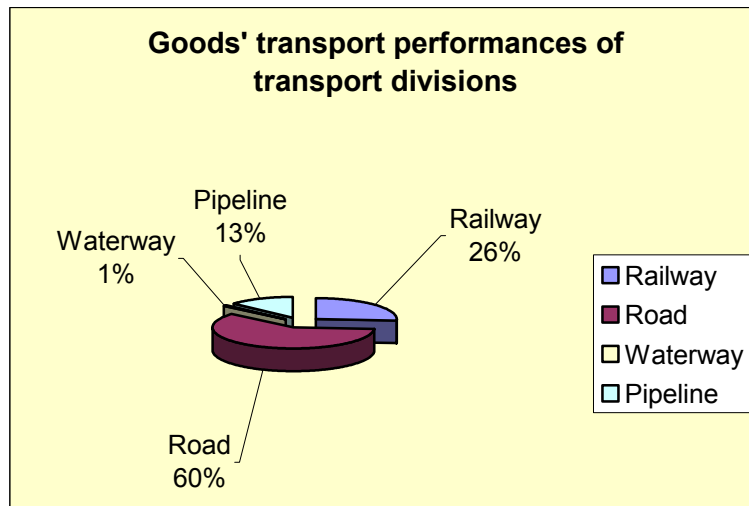


2. What will these axes be with a time horizon of 2020?

Traffic in Hungary has increased significantly in the last years with the growth rate of 3% in rail freight transport (due to the excessive export performances) 10% in passenger transport. If this tendency will follow in the future both on rail and road congestions and bottlenecks would place barriers. Therefore it is needed to take the preliminary steps to be able to connect Union's transport infrastructure network and to our neighbours towards a co-operative pan-European transport network policy.

3. What is the balance between the different transport modes?

In Hungary 26% of the freight forwarding is done by rail, 60% by road 1% by waterway and 13 % by pipeline. The national transport stands for 69%, and the international transport for 31 % of the total transports done in the region. But we must mention that the international forwarding is showing an upward tendency due to the rising export performances.



4. What are the current traffic volumes, both passenger and freight, on the proposed axes?

5. What is the amount and share of international traffic to/from the Union or between the neighbouring regions?

71% of the export traffic is leaving the country towards (average distance forwarded 170 km), 59% of the export traffic is coming from the neighbouring regions (average distance forwarded 180 km) 62% of the transit traffic's shipping and receiving points are the neighbouring regions (average distance forwarded 350 km)

6. How will these traffic volumes develop by 2020?

By our estimation the traffic in passenger transport will increase + 30-35% in passengerkilometres whereas the freight forwarding +25-30% increase in commoditykilometers, supposing that the current rate of increase will proceed and the environmentally sound transport modes will be more favoured.

7. Are there particularly environmentally sensitive areas that must be taken into account when identifying major axes?

The cities where the different corridors are crossing each other especially in Budapest, and the borders to the not EU member neighbouring countries are absolutely sensitive areas.

Which investments and how?

1. Which are the most pressing congestion, traffic safety or geographical bottlenecks on the major axes that could justify investments?

After the joining the EU with the growing number of the freight forwarding enterprises the traffic has risen significantly on the roads of Hungary. The huge number of trucks and trailers on the international roads led to difficulties in respect of the safety of the traffic as well as environmental pollution.

2. What kind of improvements (rehabilitation, new construction) to the infrastructure would be needed to remove the bottlenecks?

We see one solution of removing this bottlenecks in changing the proportions between the main transport modes towards the rail and watertransport. Of course the development of the infrastructure isn't negligible: the design and construction of high speed lines

Road: The construction of the motorway M0 (bypassing Budapest) which is an interchange between the IV. and the V. corridor

Railway- the most pressing improvements are

- To develop the infrastructure and the superstructure –design and construction of high speed lines, (in accordance with the AGC and ETCS requirements)
- Electrification
- Efficient infrastructure on cross borders
- Increase of axle load for lines of high freight transport volume
- Application of innovative solutions for circulation among tracks of different gauge, with the minimum possible delay

Development plans:reconstruction of the lines

- Hegyeshalom-Budapest
- Budapest-Székesfehérvár-Veszprém-Boba
- Budapest Gyékényes
- Budapest-Szolnok-Szajol-Debrecen-Nyíregyháza -Záhony

3. What is the time horizon for the realisation of such a project?

As the main improvements highway constructions are in the pipeline and will proceed over the following periods, we consider that they can come to finish by 2015.

4. What would the economic, environmental and safety benefits of such project be?

The main sources of external costs in the transport sector are accidents, congestion, air pollution and noise.

Since priority is given to building infrastructure that encourages intermodality, especially railway lines and offer more environment-saving alternatives will lead to the reduction of external costs. Considering the environmentally friendly alternatives that are no longer feasible will prevent expensive mitigation measures.

5. Are there alternative technical or modal options to remove or alleviate the bottleneck?

Building infrastructure for combined transports – which are efficient interfaces of the different transport means.

Creation of rail-freight freeways, with one-stop shop services to reduce and remove the border delays.

6. How can the project best be financed? What could be the role for private sector involvement and user charges?

Most of these development are financed from EU funds (ISPA, PHARE),with the help of EIB local authorities, and taking up long-term credits from domestic banks especially in the framework of leasing deed. The private capital contributions from abroad as well would speed up the constructions.

How to ensure seamless and efficient use of the axes?

1. What are the main technical and administrative bottlenecks on the axes?

Mostly the technical and administrative congestions occur when crossing the borders.

When accessing Ukraine from Hungary different gauges meet and gauge change technique is needed, it must be dealt with some delays caused by transshipping the load because the two countries have different gauge tracks.

Other administrative formalities on the borders are:

- Changing driver and crew
- Changing locomotive
- Filling out the composition form
- Checking documents
- Making up the train
- Labelling the wagons
- Checking the rear light

Railways are also facing the problem to lose hours on borders coming from police and custom controls. The border controls also lead to excessively long stops due to the veterinarian inspections measures for agricultural protection. These delays particularly occur at the exterior borders of the non EU member countries

2. Are there problems of interoperability when crossing borders or changing modes?

Interoperability should be assured in rail transport, at great speed and without delays due to the changes of traction unit in different countries, in journey time that will meet the needs of EU's citizens. Delays due to technical reasons as well as administrative ones should be eliminated.

Several technical parameters cause :

- Train signalling and control system
- Electrification system
- Maximum permissible axle and track loads
- Track gauge differences

3. Is safety or security a major concern along an axis?

In freight transportation safety and security are major concerns to be able to compete in the aggressively expanding market. Our main purpose is that despite of the increasing performance of the transportation that both the freight and the passengers do their way along an axis in safety and reach their destination in security.

4. What could be done to solve the bottlenecks today and with a time horizon of 2020?

First of all the necessary infrastructure development wears priority: the construction of new and the restoration of the existing high-speed lines and networks.

The high speed network must be combined with measures that will assure interoperability with no journey delays for passenger and freight.

5. How can intermodal transport be facilitated?

The establishment of logistics centers along the axes are playing outstanding significance by realizing intermodal actions. It supports the transport of products as it is a designated area in which several operators handle all the activities related to transports, logistics and product distribution in national and international transports. Logistic centers are able to connect various modes of transport, provide access to transport corridors

6. What common market rules should be implemented to facilitate and speed up transport along an axis?

7. Which policies or administrative procedures should be better integrated?

As we mentioned above rail is currently losing to road for freight transport due to its price, speed flexibility. The speed of the rail transport would significantly increase if delays, obstacles and interrupting factors could be eliminated on borders like technical and administrative actions. The aim is to develop the quality and the continuity of services across borders.

With concluding bilateral agreements between the neighbouring states could be carried out the possibility of freeways which allows the trains to cross the border without any additional staying.

8. What could be the role of the private sector?

Private sector could play a considerable role when financing the projects. Since the railway liberalisation opened the rail transport market to the private owned freight forwarding companies therefore it is advisable to them bear the expenses of the developments so become involved and interested by accomplishing the further plans.