

Screening report

Montenegro

Chapter 14 – Transport Policy

Date of screening meetings:

Explanatory meeting: 22-25 April 2013

Bilateral meeting: 27-30 May 2013

I. CHAPTER CONTENT

EU transport policy is aimed at sustainable mobility, combining Europe's competitiveness with the welfare of its citizens, and thereby contributing to greater safety, security and enhanced rights. It is an essential component of Europe 2020, and contributes to the EU's social and territorial cohesion. The objectives of the EU transport policy are: to improve the functioning of the internal market by promoting a safe, competitive, resource efficient, environmentally sound, user-friendly and effectively integrated transport system offering a high level of sustainable mobility throughout the Union, protecting the environment, promoting labour and qualification standards for the sector and protecting safety and security of the citizens. The EU's sustainable transport policy requires the integrated, interoperable and interconnected transport system to meet society's economic, social and environmental needs.

Transport policy is governed by Title VI, Articles 90-100 of the Treaty on the Functioning of the European Union (TFEU). A significant part of the *acquis* consists of binding and directly applicable legislation in the form of regulations and decisions. The remaining *acquis* in this chapter mostly consists of directives that need to be transposed into the legal system of the country.

The *acquis* under this chapter covers road transport, rail transport, inland waterways transport, combined transport, air transport, maritime transport and satellite navigation.

Parts of the *acquis* in this chapter are covered by the European Common Aviation Area Agreement (ECAA), notably through its Annex I.

II. COUNTRY ALIGNMENT AND IMPLEMENTATION CAPACITY

This part summarises the information provided by Montenegro and the discussions at the screening meetings, as well as additional information provided subsequently. Montenegro indicated that it can accept the *acquis* regarding transport, but it does expect some limited difficulties in implementing the *acquis* by accession.

IIa. Road transport

Montenegro stated that it has acceded to the following international conventions in the field of road transport: Agreement on the International Occasional Carriage of Passengers by Coach and Bus (Interbus Agreement), Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention), of 14 November 1975, Convention on the Contract for the International Carriage of Goods by Road (CMR), of 19 May 1956, Convention on the Contract for the International Carriage of Passengers and Luggage by Road (CVR), of 1 March 1973, Agreements on international road transport of passengers and goods between the Government of Montenegro and other Countries.

Institutional framework: Ministry of Transport and Maritime Affairs (MTMA), Directorate for transport, inspection for road transport, Chambers of Economy, Customs Administration.

Road charging

Montenegro indicated that Directive 1999/62/EC has been partially transposed by the Law on roads (OG 42/04), the Decision on fees/tolls for the use of the "Sozina" tunnel and access road (OG 48/08), and the Decision on the amount of annual fees for road usage at the time of registration of motor road vehicles, tractors and trailers (OG 60/2005). Montenegro stated that some technical aspects, such as vehicle categories need to be further aligned. Montenegro

stated that it suspended in 2011 the Decision on the collection of road fee for foreign road vehicles (OG 36/05) as it was discriminatory and not in line with the *acquis*. A toll is only charged in the tunnel Sozin (4189 m); there is an alternative motorway road Sutomore-Petrovac-Virpazar. The toll is charged for vehicles that are classified into six classes of vehicles. Montenegro stated that for all new TEN-T roads where tolls will be charged, tolls will be determined in accordance with Directive 1999/62/EC. The annual fee for road usage is paid during the process of applying for/ renewal of vehicle registration.

Institutional framework: Government, MTMA, Ministry of Interior, Local authorities, Transport directorate, Monteput Ltd.

Market access for goods and passengers and pricing

Montenegro stated that the Law on road transport (OG 45/2005, 75/2010 and 38/2012) and the Rulebook on the form, content and procedures license and license certificates (OG 15/2006) are partially harmonised with Regulation (EC) 1071/2009 on the occupation of road transport operator, Regulation (EC) 1072/2009 on access to the international road haulage market, and Regulation (EC) 1073/2009 on access to the international market for coach and bus services. Montenegro indicated that the cabotage and the Community licence model rules would be introduced upon accession and transitional periods may be requested for the cabotage.

Montenegro indicated that the documents for the carriage of passengers by coach and bus, the Rulebook on the form of the permit for international and transit passengers (OG 15/2006), and the Rulebook on the form of the passenger waybills for the occasional transport (OG 40/2009), are partially aligned with Regulation (EC) 2121/98. Montenegro is a party to the Interbus agreement as of 1 January 2009 (OG 4/2008).

As regards the measures to be taken in the event of a crisis in the market for the carriage of goods by road, and the fixing of rates for the carriage of goods by road between Member States, Montenegro indicated that it has not yet aligned its legislation with Regulation (EEC) 3916/90. Regarding the fixing of rates for the carriage of goods between Member States, Montenegro stated that it has fully aligned its legislation with Regulation (EEC) 4058/89 through the Law on Contract for Road Transport. As regards the use of vehicles hired without drivers, Montenegro noted that Directive 2006/1/EC is fully transposed by the Law on road transport.

Social Conditions

Institutional framework: MTMA, Inspectorate for Road transport, Police Directorate, CETIS Montenegro, Ministry of Interior.

As regards driving times and rest periods, Montenegro indicated that the Law on working hours, mandatory rest periods of mobile workers and recording equipment (OG 75/2010) is partially aligned with Regulation (EC) 561/2006. Montenegro indicated that the Rulebook on method for downloading of relevant data from vehicle units and from driver cards (OG 17/2012) is partially aligned with Regulation (EU) 581/2010. As regards tachographs, the Law 75/2010 and the Rulebook 38/2013 on the requirements for manufacturing of recording equipment, record sheet and memory cards, according to Montenegro, have been partially aligned with Regulation (EEC) 3821/85 (and subsequent adaptations). As regards enforcement of social legislation, Montenegro explained that Directive 2006/22/EC has been partially transposed in the Law 75/2010 and Regulation on the scope, structure and method of supervision of the driver (OG 50/211). Regarding the form of attestation of activities,

Montenegro indicated that Decision 2007/230/EC, has been fully transposed by the Law 75/2010. Directive 2002/15/EC on the organisation of the working time of persons performing mobile road transport activities, according to Montenegro, has been fully transposed by Law 75/2010 and will be fully implemented upon accession. Montenegro informed that it plans to purchase equipment and organise trainings, workshops, seminars, and study visits for police officers and inspection for road transport in order to improve enforcement capacity.

Technical and safety conditions, transport of dangerous goods

As regards the *acquis* on roadworthiness tests (Directive 2009/40/EC), roadside inspection of commercial vehicles (Directive 2000/30/EC, and subsequent adaptations), registration documents for vehicles (Directive 1999/37/EC, and subsequent adaptations), recognition in intra-Community traffic of the distinguishing sign (Regulation (EC) 2411/98) and creation of a Community database on road accidents (Decision 93/704/EC), Montenegro stated that it has been partially transposed by Law on road transport safety (OG 33/2012) and Rulebooks on roadworthiness tests for vehicles (OG 6/84) and registration for motor vehicles and trailers (OG 19/2013). Montenegro informed that further harmonisation is under preparation via amendments to Rulebooks 6/84 and 19/2013. Workshops, trainings, seminars, exercises, and study visits are foreseen for police officers and the inspection for road transport in order to improve enforcement capacity.

As regards the *acquis* on installation and use of speed limitation devices (Directive 92/6/EEC), the compulsory use of safety belts in vehicles of less than 3.5 tonnes (Directive 91/671/EEC) and on the tread depth of tyre (Directive 89/459/EEC), Montenegro indicated that it is partially transposed by Law 33/2012 and Rulebook on conditions for road vehicles (OG 40/2010). Montenegro informed that further harmonisation is under preparation, via amendments to these legislative acts.

Montenegro stated that the Law on road transport safety is not yet aligned with Directive 2003/97/EC on the type-approval of devices for indirect vision and of vehicles equipped with these devices, Directive 2007/38/EC on the retrofitting of mirrors to heavy goods vehicles. Montenegro stated that the Law on road transport is not yet aligned with Directive 2003/59/EC (and subsequent adaptations) on the initial qualification and periodic training of drivers of certain road vehicles. Montenegro indicated that the *acquis* on driving licences (Directive 2006/126/EC, and subsequent adaptations) is partially transposed by the Law 33/2012, Rulebooks 19/2012, 36/1994, 8/1998 and the Education programme for training on motor vehicle driving. Montenegro stated that further harmonisation with Directives 2003/59/EC and 2006/126/EC is planned by the end of the year. Montenegro stated that its legislation on weights and dimensions (Directive 96/53/EC), is fully aligned through the Rulebook 40/2010. According to Montenegro, Directive 2011/82/EU on facilitation of cross-border exchange of information on road safety related traffic offences is not yet transposed. For the time being, Montenegro is not able to exchange vehicle registration data with the EU Member States in order to identify offenders of foreign traffic rules.

As regards safety of tunnels, Montenegro indicated that Directive 2004/54/EC has been transposed through the Law on roads. Montenegro indicated that the Directorate for Traffic manages and maintains three tunnels. Monteput Ltd, a state-owned company appointed as a tunnel manager by the Government of Montenegro, manages and maintains two tunnels. Regarding road infrastructure safety management, Montenegro indicated that Directive 2008/96/EC is transposed through the Law on Roads. Montenegro stated that full implementation is expected by the year 2016 according to the National Road Safety Strategy 2010-2019.

Institutional framework: MTMA, Department for road infrastructure; Transport Directorate Department for technical operation, construction and reconstruction of state roads; Department for regular and investment maintenance and protection of state roads, maintaining a database of state roads.

Transport of dangerous goods

Montenegro indicated that amendments to the Law on the transport of dangerous goods (OG 5/2008), currently in the legislative procedure, will further harmonise the legislation with Directive 95/50/EC on uniform procedures for checks on the transport of dangerous goods by road, and Directive 2008/68/EC on the inland transport of dangerous goods. As regards transportable pressure equipment (Directive 2010/35/EU), Montenegro indicated that it has not been transposed. The responsibility for this type of transport falls within the Ministry of Economy. Montenegro indicated that amendments to the Law on explosive materials (OG 49/2008), planned for adoption in 2014, will further harmonise this legislation with the Directive on inland transport of dangerous goods. As regards the Commission Decision establishing the Expert Group on Land Security Transport, Montenegro declared that it will fully meet the obligations under this decision and will appoint a representative from the MTMA and a representative from the Police Administration to take part in the work of this group.

II.b. Rail transport

Market and infrastructure access – standardisation of accounts and statistics

The railway network of Montenegro has a length of 326 km and consists of the railway line Bar-Vrbnica-border with Serbia (167 km electrified), the railway line Podgorica - Tuzi-border with Albania, (24km, non-electrified), and the railway line Nikšić - Podgorica, (56km, electrified). The Bar-Vrbnica railway line, which is part of the international railway line Belgrade-Bar (South-east Europe Transport Observatory (SEETO) Route 4) connects the port of Bar with trans-European corridors VII and X, and is the most important transportation route for the economy of Montenegro. Montenegro unbundled the infrastructure manager (ŽICG) and the railway transport company in 2008. The latter was separated in 2009 into a passenger transport company (ŽPCG) and the freight transport company (Montecargo). According to Montenegro, all railway companies are completely independent, and they are joint stock companies with majority state ownership. The entity for maintenance of the railway rolling stock was separated from the infrastructure manager (ŽICG) in 2011.

Institutional framework: the MTMA, which ensures the function of competent authority for contracting public service contracts, Railways Directorate (Licensing Authority), Railway Infrastructure of Montenegro JSC (infrastructure manager), and Railway transport of Montenegro JSC (passenger railway undertaking), Montecargo JSC (freight railway undertaking), Maintenance of railway rolling stock JSC. Montenegro explained that due to lack of expertise, railway companies occasionally engage experts to assist in the licensing procedures for rolling stock.

Montenegro indicated that the new Law on railways, in force as of 1 January 2014, is partially aligned with the legislation on the single European railway area (Directive 34/2012/EU) and Regulation (EEC) 2007/1370 on public service obligations in passenger transport by rail and road. Montenegro acknowledged that the law will have to be further aligned, while taking into account the specificity of a small railway network. Montenegro explained that full compliance will be achieved via by-laws accompanying the new Law on railways.

As regards the European rail network for competitive freight, Montenegro explained that it has not aligned its legislation with Regulation (EU) No 913/2010, as presently it does not have a rail corridor for freight. Montenegro also stated that it tries to improve its network through participation in SEETO.

Montenegro stated that the Law on railways and its by-laws are fully harmonised with Chapter II of Directive 2012/34/EU on the separation of infrastructure management activities from providing services, financing of the infrastructure manager, access to the railway infrastructure and services, and cross-border agreements. Also according to Montenegro, the Law on railways is fully aligned with Chapter III of Directive 2012/34/EU on the licensing of railway undertakings, licensing requirements, and the validity of the license. The Law is partially aligned with Chapter IV 2012/34/EU on the Network Statement, Infrastructure access charges and services as well as infrastructure capacity allocation, and the establishment of a single regulatory body. In accordance with the Law, ŽICG published a Network Statement in 2008 setting out the level of the infrastructure access charges and the requirements for capacity allocation and services. Montenegro stated that it will review these network statements with regards to the extended obligations under Directive 2012/34/EC, once the latter is transposed into national law.

Montenegro stated that with the adoption of the new Law on railways, the Railway Directorate (established in 2010) will function as the regulatory body responsible for regulatory affairs, safety affairs and activities related to the monitoring of investments in the sector. From the beginning of 2012 the Railway Directorate is a state body under the MTMA. Montenegro explained that the Directorate is functionally independent in decision-making from any infrastructure managers, transporters and the Ministry.

Train driver licensing

As regards the certification of train drivers, Montenegro stated that the Law on railway transport safety (OG 04/08) and the new Law on railways safety and interoperability are partially harmonised with Directive 2007/59/EC. Montenegro explained that full alignment of the layout of the permit, the establishment of training centres, licensing examiners, and the choice of health care institutions (Regulation (EU) 36/2010, Decision 2010/17/EC, Decision 2011/765/EU, Commission Recommendation of 22 November 2011) will be achieved with a by-law.

As regards interoperability of the rail system, Montenegro indicated that the Law OG 04/08 and the new Railways Safety and Interoperability Law, as well as by-laws relating to the railway and rolling stock have been almost entirely aligned with Directive 2008/57/EC, and Commission Decisions and Communications on interoperability. Montenegro declared that notified bodies shall be delegated by The MTMA, the Railways Directorate will issue licenses for the use of vehicles, and the Directorate of Railways will publish the Technical Specifications for Interoperability (TSI) on its website after the adoption of the new Law. Montenegro stated that it will implement Regulation (EC) No 881/2004 establishing a European railway agency, upon accession.

Railway safety

Montenegro indicated that the Law OG 04/08, Law on railways safety and interoperability, the Rulebooks on issuance of safety certificates for railway infrastructure management and for railway transport (OG 56/08) and by-laws, are partially harmonised with Directive 2004/49/EC (and subsequent adaptations) on safety on the Community's railways. The Railway Directorate combines the function of safety authority and procurement entity, which

are incompatible according to the Safety Directive 2004/49/EC. Montenegro stated that is considering remedial action in this respect.

As regards accident investigation, Montenegro stated that is considering establishing a single body for transport by air, railway and the sea.

Montenegro underlined the need for technical assistance for the implementation of new areas of competence the accident investigation body will have. The new Law on railways safety and interoperability includes all tasks regarding the various registers at the national safety authority, the access to training centre(s), and the accreditation of examiners. The national register of vehicles will be in operation by the end of the year.

Montenegro indicated that the Law on contractual relations in railway is partially harmonised with Regulation (EC) 693/2003 establishing a specific Facilitated Transit Document (FTD), a Facilitated Rail Transit Document (FRTD) and amending the Common Consular Instructions and the Common Manual on the establishment of common rules for certain types of combined transport of goods between Member States, Regulation (EC) 694/2003 on uniform formats for Facilitated Transit Documents (FTD) and Facilitated Rail Transit Documents (FRTD) provided for in the Regulation. As regards the normalisation of the accounts of railway undertakings Montenegro stated that it has not harmonised its legislation with Regulation (EEC) 1192/69, amended by Regulations (EEC) 3572/90 and 1791/2006.

Social rules

Montenegro indicated that the Labour law (OG 49/08, 26/09, 59/11) and the General Collective contract (OG 1/04, 59/05, 24/06, 65/10), Safety and Health protection at the workplace Act (OG 79/04), Rail safety law (OG 04/08), and the Health Care Law (OG 39/04) will be entirely aligned with Directive 2003/88/EC, concerning certain aspects of the organisation of working time, and Directive 2005/47/EC on the Agreement between the Community of European Railways (CER) and the European Transport Workers' Federation (ETF) on certain aspects of the working conditions of mobile workers engaged in interoperable cross-border services in the railway sector. Montenegro stated that further alignment will happen only at a later stage, when drivers of EU Member States use the Montenegrin network or vice versa.

II.c. Inland waterways transport

Montenegro has limited inland waterways transport, which is currently regulated under the same provisions as maritime transport.

An exception is Pivsko Lake, on which there are two ships used for the transport of persons from one shore to the other for the needs of the hydro-electric power plant Piva. Boats are registered in the registries of Harbour Master Offices in Bar and Kotor, in accordance with the Law on maritime and inland navigation (OG 12/98, 44/99, 74/99, 73/00) and the relevant by-laws. With regard to Directive 96/50/EC and its implementation, Montenegro stated that so far there have not been any cases of navigation of vessels falling within the scope of the Directive on rivers or lakes. As regards Directive 2006/87/EC, Montenegro stated that in the upcoming period it will consider establishing certain technical rules for boats engaged in voyages on lakes for recreational purposes in line with the *acquis*. Montenegro stated that is considering the possibility of requesting exemptions from EU regulations for inland navigation.

II.d. Combined transport; clean and energy-efficient vehicles; ITS

As regards combined transport, Montenegro stated that the national legislation is not aligned with Directive 92/106/EEC and Regulation (EC) 1692/2006 on the second Marco Polo programme. Montenegro indicated that a law in this regards was transmitted for adoption to the Parliament in the third quarter of 2013. The Restructuring Strategy of the railway sector envisages the construction of terminals for combined transport at railway stations Bar, Podgorica and Bijelo Polje to enable combined road-rail transport on the most important transport routes, to open new possibilities for transit Roll On – Roll Off (Ro-Ro) transport, or to connect ferryboat lines with railway transport to Kosovo*. Montenegro indicated that the prospects for public-private partnerships to develop these terminals seem to be limited, due to the lack of commercial interest.

Montenegro stated that Directive 2009/33/EC on the promotion of clean and energy-efficient road transport vehicles has been partially implemented through the Law on energy efficiency (OG 29/10). Secondary legislation to be adopted in 2014 will include a methodology for the public procurement of vehicles. The new Law on public procurement (OG 42/11) introduced environmental protection and energy efficiency as possible sub-criteria under “economically most favourable bid”. Montenegro indicated that further harmonisation will take place through amendments to the Law 29/10 and the development of relevant rulebooks planned for July 2014.

General issues affecting all modes of transport

As regards passenger rights in road and rail transport, Montenegro indicated that its relevant legislation is almost fully compliant with the provisions of Regulation (EU) 181/2011 concerning the rights of passengers in bus and coach transport, amending Regulation (EC) No 2006/2004, Regulation (EC) 1371/2007 and the COTIF (CIV) rules. The 1973 Convention on the contract for the international carriage of passengers and luggage by road (CVR) has been in force in Montenegro since 26 October 2006. Montenegro explained that full compliance will be achieved with the by-laws regarding protection and assistance for disabled persons. Montenegro has a single railway passenger transport operator, the Railway Transport of Montenegro JSC, which is majority owned by the state). There is no agreement regulating the Public Service Obligations (PSO). Montenegro clarified that a relevant by-law will provide for the conclusion of the agreement of PSO with passenger operator.

As regards the rights of passengers when travelling by sea and inland waterway, Montenegro stated that the Law on maritime and inland navigation is partially aligned with Regulation (EC) 2006/2004. Montenegro stated that it is in the process of ratification of the Athens Convention on the Carriage of Passengers and their Luggage by Sea and is preparing a proposal for the Law on contractual relations in maritime transport, which shall, *inter alia*, implement Regulation (EU) 1177/2010, introducing obligations in terms of ship construction for proper movement of person with disabilities.

As regards air passenger rights, Montenegro stated that it has partially aligned its legislation with Regulation (EC) 261/2004 establishing common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights, Regulation (EC) 2027/97 on air carrier liability in the event of accidents as amended by Regulation (EC) 889/2002 and Regulation (EC) 1107/2006 concerning the rights of disabled persons and persons with reduced mobility when travelling by air. According to Montenegro, alignment was achieved through several laws.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

As regards rail transport public service, Montenegro indicated that the new Law on railways is partially harmonised with the *acquis* on public service transport by rail and road (Regulation (EC) 1370/2007). Provisions in national law for rapid and effective legal review of contract award decisions by competent authorities have still to be ensured. National law needs to be harmonised with Regulation (EC) 1370/2007 with regard to long-distance bus and coach services provided under a regime of public service obligations.

Regarding the summertime arrangements, Montenegro stated the Law on computing time is partially in line with Directive 2000/84/EC. Montenegro declared that it will fully comply with the provisions of Decision 357/2009/EC, and will notify the Commission and Member States once it introduces any additional legislation.

II.e. Air transport

Internal market and airports

The MTMA has overall responsibility for civil aviation policy. It develops the national strategy for civil aviation, represents Montenegro in international organizations, ensures the implementation of international agreements on civil aviation and adopts bylaws as appropriate.

The Civil Aviation Agency (CAA) is an independent legal body, founded by the Government of Montenegro. The Agency has the authority to adopt acts within its remit, including for the implementation of the European Common Aviation Area (ECAA) Agreement and other relevant international agreements, international standards and recommended practices from civil aviation, such as ICAO, ECAC, EASA and EUROCONTROL. It provides expertise for the development of programs, plans, and implementing legislation.

The public enterprise "Airports of Montenegro" was established in 1999 by the Government of Montenegro. Montenegro has two international airports: Podgorica (LYPG, TGD) and Tivat (LYTV, TIV). The airports of Montenegro cooperate with other airports in the region as well as other international airports and with a large number of Air carriers. The national airline company Montenegro Airlines was founded in 1994 is a member of the International Air Transport Association (IATA) and has the IATA Operational Safety Audit (IOSA) certificate. Montenegro Airlines uses the global reservation system Amadeus and operates on most major European destinations.

As regards the protection against subsidisation and unfair pricing practices, Regulation (EC) 868/2004 is not part of the ECAA Agreement. As this Regulation has never been used, and will be amended, Montenegro stated that is not considering alignment at this stage.

The Law on air transport (OG 30/12) contains provisions on price transparency (Article 37). However, this article does not contain provisions regarding the applicable conditions for offering and publication of tickets in any form, optional price elements and discrimination, as per Regulation (EC) 1008/2008.

Insurance requirements

Montenegro indicated that the Law on compulsory traffic insurance has been fully aligned with Regulation (EC) 785/2004 on insurance requirements for air carriers and aircraft operators, but is not line with Regulations (EC) 1137/2008 and (EC) 285/2010. Montenegro

indicated that it will amend the Law on compulsory traffic insurance to align the insurance cover with Regulation (EU) 285/2010.

Market operation

Montenegro stated that the Law on air transport (OG 30/12) is fully aligned with Regulation (EC) 1008/2008 on common rules for the operation of air services in the EU. Implementing legislation consists of by-laws on the conditions for granting and issuance of operating licenses, conditions for the approval of operating licenses prior to the approval of lease aircraft, detailed conditions of transport lines of public interest. The MTMA adopted a Rulebook on provision of services from air concerning services from air and non-commercial operations (OG 04/14).

CRS code of conduct

Montenegro indicated that it has amended the Law on ratification of the ECAA Agreement in 2011 in line with all Regulations and Directives from the updated Annex 1 of the ECAA Agreement. Therefore, according to Montenegro, Regulation (EEC) 2299/89 on a code of conduct for computerized reservation systems (CRS) has been fully transposed. According to the available information, there is no system vendor or parent carrier registered in Montenegro.

Ground Handling

Montenegro indicated that Directive 96/67/EC on access to the ground handling market at Community airports has been fully transposed in legislation, by the Law on air transport (OG 30/12), the Law on general administrative proceedings (OG 60/03 and 32/11), the Regulation on ground handling services (OG 47/2012) and amendments to the Regulation on ground handling services (OG 14/2013). The enforcement of this legislation is ensured by the Civil Aviation Agency, the MTMA and the National Administrative Court.

Air slots

Montenegro indicated that Regulation 95/93/EEC on common rules for the allocation of slots at Community airports (and subsequent adaptations) was implemented via amendments to the Law on the ratification of the European Common Aviation Area (ECAA) Agreement, in January 2011. Implementing regulations on airport capacity, schedule facilitation and slot allocation have not yet been adopted.

The strategy for the development of the airports and demand forecasts are based on three documents: the 2003 Master Plan by 2023, the 2011 Reviewed Master Plan by 2030 and the State Study of the location for Tivat Airport.

Airport charges

Montenegro indicated that it has not aligned its legislation with Directive 2009/12/EC on airport charges. Amendments to the Law on air transport will empower the MTMA to define the criteria and methodology for determining the amount of airport charges. Public Enterprise "Airports of Montenegro" has currently fixed the level of airport charges on the basis of actual costs (including incentive scheme), and published the price list. Montenegro indicated that the list is currently under update. Montenegro indicated that the Enterprise "Airports of Montenegro" is in the process of establishing airport users committees in order to comply with Directive 2009/12/EU.

Single European Sky (SES)

Montenegro stated that it has partially aligned its legislation with the SES *acquis*. Regulations and Directives of amended Annex I of ECAA were included in amendments to the Law on ratification of the ECAA Agreement in January 2011. Montenegro stated that it is currently working on harmonisation with the remaining EU *acquis* that was not part of the amended Annex I of the ECAA Agreement. Serbia and Montenegro Air Traffic Services Agency (SMATSA llc) was established by an agreement signed between the Government of the Republic of Serbia and the Government of Montenegro in October 2003 and a confirmation agreement for the continuation of service in the airspace of Montenegro and Serbia was signed in April 2012. The primary business activity of SMATSA LLC is the provision of air traffic services in Serbian airspace, Montenegrin airspace, part of the airspace over international waters of the Adriatic Sea, and 55% of the upper airspace over Bosnia and Herzegovina. SMATSA llc is currently the sole air navigation services provider in Montenegro.

Aviation safety

According to Montenegro, the CAA adopted an Action Plan in 2012 to prepare and adopt more than 100 regulations regarding aviation safety in two years. The CAA provides technical expertise for the development of programs, plans, and secondary legislation, adopted by the Government and the Ministry; adopts general acts in accordance with this Law and is responsible for the implementation of the ECAA Agreement, other concluded international agreements, international standards and recommended practices from civil aviation, and especially standards, procedures and recommended practices of the International Civil Aviation Organisation (ICAO), the European Civil Aviation Conference (ECAC), the European Aviation Safety Agency (EASA) and EUROCONTROL with the consent of the Ministry.

Regulation (EC) 216/2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, Regulation (EC) 1592/2002 and Directive 2004/36/EC were published in OG 22/2013 in May 2013.

As regards air operations, Regulation (EEC) 3922/91 on the harmonization of technical requirements and administrative procedures in the field of civil aviation, as last amended by Regulation (EC) 859/2008, was published in OG 59/2010. Regulation (EU) 965/2012 laying down technical requirements and administrative procedures related to air operations is the process of adoption. The implementation program for Regulation (EU) 965/2012 was adopted in February 2013, a derogation period has been chosen and the application date of this regulation will be 28 October 2014. The implementation program has been sent to EASA. Regulation (EU) 1332/2011 laying down common airspace usage requirements and operating procedures for airborne collision avoidance was published in OG 48/2012.

As regards aircrew, Regulation (EU) 1178/2011 laying down technical requirements and administrative procedures related to civil aviation aircrew pursuant to Regulation (EU) 290/2012 related to civil aviation has been published in OG 8/2013. The implementation program about this Regulation was adopted in December 2012 and a derogation period or a horizontal opt-out period (as provided for in the Regulation) was declared until 08 April 2013. Since the application of that regulation started on 08 April 2013, specific opt-outs (as provided for in the Regulation) will be used in the coming months and years. The implementation program was sent to EASA.

As regards initial airworthiness, Regulation (EU) 748/2012/EU was published in OG 58/2012 and OG 10/2013. Regulation (EC) 2042/2003 on continuing airworthiness was published in OG No 37/2012 and OG 47/2013.

The following Regulations and Directives are transposed in national legislation through the Regulation on the manner of implementing Safety Assessment of Foreign Aircraft (SAFA) Program (OG 40/2012): Directive 2008/49/EC, Regulation (EC) 596/2009, Regulation (EC) 351/2008 as regards the prioritisation of ramp inspections on aircraft using Community airports, Regulation (EC) 768/2006 as regards the collection and exchange of information on the safety of aircraft and Directive 2004/36/EC on the safety of third-country aircraft using Community airports.

Regulation (EC) 473/2006 laying down implementing rules for the Community list of air carriers which are subject to an operating ban within the Community referred to in Chapter II of Regulation (EC) 2111/2005, and Regulation (EC) 474/2006 establishing the Community list of air carriers which are subject to an operating ban within the Community, were published in OG 1/2011. Regulation (EU) 90/2012, amending Regulation (EC) 736/2006, on working methods of the European Aviation Safety Agency for standardisation of inspections has been published in OG 22/2013. Regulation (EC) 104/2004 laying down rules on the organisation and composition of the Board of Appeal of the European Aviation Safety Agency was published in OG 22/2013. Regulation (EC) 593/2007 on the fees and charges levied by the European Aviation Safety Agency was published in OG 01/2011. The State Safety Program was adopted by the Government of Montenegro on 28 June 2012. The State Safety Plan for the period 2013 – 2016 was finalised and is awaiting adoption from the Aviation Safety Management Board. The State Safety Plan is designed to follow all relevant elements from the European Safety Plan.

Montenegro stated that it has not yet harmonised its legislation with Regulation (EU) 965/2012, Regulation (EC) 1356/2008 and Regulation (EU) 494/2012. Montenegro stated that it has not yet implemented Regulation (EU) 1178/2011.

The Civil Aviation Safety Investigation Authority for accidents and incidents prevention was established in September 2012 (OG 49/12). Montenegro explained that the authority is fully independent from other aviation authorities. Three investigators-in-charge were appointed in September 2012 and equipment was provided to them.

Regarding Regulation (EU) 996/2010 on the investigation and prevention of accidents and incidents in civil aviation, Montenegro stated that it plans to adopt a final version of the Authority's rulebook during 2014, which will update the existing OG 80/10.

Occurrence Reporting in Civil Aviation

Montenegro indicated that it has fully aligned its legislation with Directive 2003/42/EC and Regulations (EC) 1330/2007 with the adoption of the Law on air transport (OG 30/12), the State Safety Programme (June 2012), the Regulation on Occurrence reporting, analysing, storing and dissemination of aviation occurrences, serious incidents and accidents (OG 14/2013). Montenegro stated that it will implement Regulation (EC) 1321/2007 upon accession. The CAA and the national commission for ACCID/INCID investigation are the responsible bodies for the collection, evaluation storage and dissemination of aviation safety occurrences data.

Aviation security

Montenegro indicated that the National Civil Aviation Security Programme (NCASP) is fully harmonized with Regulations (EC) 300/2008, 272/2009, Regulations (EU) 1254/2009, 185/2010, and Decision C(2010). Montenegro indicated that the National Civil Aviation Security Quality Control Programme (NCASQCP) is fully harmonized with Regulation (EU) 18/2010 and Decision 2010/774/EU.

According to Montenegro, Regulations (EU) 720/2011, 1141/2011, 1087/2011, 1147/2011, 173/2012, 711/2012 and 1082/2012 and Decision 2011/8042/EU are not yet incorporated in the NCASP. Regulations (EU) 1141/2011, 1147/2011 and Decision 2011/8042/EU concern security scanners, which are not used in Montenegro at the moment. According to Montenegro Regulations (EU) 173/2012 and 711/2012 are almost fully incorporated in NCASP.

ECAC conducted a full scale audit at Podgorica airport in 2011, and a targeted follow-up audit at Tivat Airport. According to Montenegro, the results of these audits were good, especially for Podgorica airport where around 90% of all security measures were assessed as fully compliant. Conclusions for both of these audits were that the regulation is fully aligned with the relevant EU legislation in the field of aviation security. ICAO conducted a full scale audit at Podgorica airport in February 2013, which concluded that there is full harmonisation with ICAO Annex 17 and ICAO Aviation Security Manual Doc 8973.

Montenegro indicated that it has prepared the third edition of the National Civil Aviation Security Programme (NCASP), incorporating all EU legislation regarding aviation security. This document was adopted at the session of the Government on 20 June 2013

Institutional framework: CAA is the responsible body for the coordination and monitoring of the implementation of aviation security measures according to the Law on air transport and the NCASP. The National Civil Aviation Security Committee (NCASC) is composed of representatives from the Ministry of Internal Affairs, the MTMA, the Ministry of Defence, the CAA, Intelligence Service, the Police Administration, and the Customs Administration. The NCASC are to manage actions in crisis situations caused by unlawful interference in accordance with the NCASP and to decide on the application of additional security measures.

International relations

Regulation (EC) 847/2004 on the negotiation and implementation of air service agreements between Member States is not part of the legislation of the ECAA Agreement, and is not applicable to Montenegro before accession.

II.f Maritime transport

Institutional framework: The MTMA performs activities related to maritime transport, maritime transport safety, ship and port facility security, prevention of marine pollution from vessels. The harbour masters offices (in Bar and Kotor) have responsibilities over ship formalities and other vessels, Port State Control inspections, registration of vessels and licenses for seafarers. The Maritime Safety Department is a state body within MTMA, responsible for safety of navigation in territorial sea and internal waters, search and rescue, maritime radio communication, aid to navigation, ship reporting systems (ADRIREP), ship statutory inspections, yacht registry, technical inspections, search and rescue activities and protection of sea against pollution from vessels.

Market access

Montenegro stated that it has not aligned its legal framework with Regulation (EEC) 3577/92 on maritime cabotage and Regulation (EEC) 4055/86 on the freedom to provide services to maritime transport between Member States and between Member States and third countries. Montenegro explained that it plans to amend the Law on the sea in order to fully comply with these two Regulations as of the date of accession to the EU. Montenegro stated that it has not aligned its legislation with Regulation (EEC) 4058/86 concerning coordinated action to safeguard free access to cargoes in ocean trades and Regulation (EC) 789/2004 on the transfer of cargo and passenger ships between registers within the Community. Montenegro stated that it plans to ensure alignment with Regulation (EC) 789/2004 through the adoption of a new Law by 2015 and start implementation upon accession.

As regards reporting formalities for ships arriving in and/or departing from ports of Member States, the Law on maritime and inland navigation (OG 12/98, 44/99, 74/99 and 73/00) and the Regulation on maintaining order in ports and other parts of coastal waters and inland waterways (OG 41/2006), according to Montenegro they are both partially harmonised with Directive 2010/65/EU. Montenegro explained that further harmonisation with the Directive will be achieved through the Law on safety of maritime navigation, adopted in December 2013 and further by-laws. The ports in Montenegro that are open to international traffic are Bar, Kotor, Zelenika, Risan Bijela, Budva and Porto Montenegro-Tivat; Budva is only open during the tourist season.

International relations

As a member of the United Nations from June 2006, Montenegro stated that it acceded to the UN Convention on the Law of the Sea (UNCLOS) by succession. On 16 October 2006, Montenegro became a member of the International Maritime Organization (IMO), and ratified, by succession, a number of IMO Conventions and Protocols

Montenegro indicated that the MTMA, in cooperation with the Ministry of Labour has intensified efforts to ratify the Maritime Labour Convention 2006 by the end of 2014.

Flag state

Directive 2009/21/EC on compliance with flag state requirements has been partially transposed by Decree on organization and method of operation of state administration (OG 05/12, 25/12, 61/12, 20/13). The Decree gives MTMA – inter alia – the competence in the areas of ensuring safety of maritime transport, the prevention and taking emergency measures in case of sea pollution from ships, the carriage of dangerous goods in maritime transport, local and international carriage of passengers and goods, and facilities for maritime safety.

The Harbour Master Offices of Bar and Kotor have the responsibility, inter alia, for inspection of ships and other vessels, crew members, ports, waterways and safety and security navigational facilities, keeping stipulated records, registers and registries; making records, filing and keeping books of documents and files.

The Maritime Safety Department according to the Decree performs functions which inter alia include the establishment of seaworthiness of ships and other navigable and floating vessels and issuance of the appropriate certificates (both international and national). The Marine Survey Division is in charge of technical supervision, issuance of ship documents, books and certificates, adopting technical rules as well as calculating tonnage for the tonnage measurement of vessels.

Recognized organizations

As regards recognised organisations, Montenegro stated that it has not aligned its legislation with Directive 2009/15/EC, Decision 2009/491/EC, and Regulation (EC) 391/2009. The new Law on safety of maritime navigation was adopted in December 2013. Related by-laws define the relation between the Maritime Safety Department and Recognized Organization acting on its behalf.

Until now, two agreements have been signed with the International Association of Classification Societies (IACS) for the transfer of competences for ship inspection services and issuance of certificates for vessels registered under Montenegrin flag, and activities continue. The text of these agreements is in line with the Guidelines for the authorization of Organizations acting on behalf of the Administration (IMO Assembly Resolution A.739 (18) and Annexes thereto; MSC/CIRC.710 and MEPC/CIRC.307) and EU Directive 2009/15/EC. Montenegro states that necessary measures were taken in order to deregister all substandard ships from the Montenegrin registers and terminate their navigation under the flag of Montenegro, which resulted in no arrests of ships under the flag of Montenegro, in 2010 and 2011.

Port state control

Montenegro indicated that legislation in this field is not in line with Directive 2009/16/EC and Directive 96/40/EC, and will be transposed into the Law on safety of maritime navigation. According to Montenegro, this law also creates the base for a by-law which would regulate the procedure for port state control. Montenegro was admitted as an observer state to the Paris Memorandum of Understanding in 2011. Montenegro submitted an action plan in March 2012 in order to become full member of the Paris Memorandum of Understanding (MoU), following up on recommendations by a monitoring team of the Paris MoU. According to Montenegro, the Rulebook on internal organization and systematization of the MTMA prescribing the conditions that inspectors for safety of navigation have to meet is fully aligned with Directive 2009/16/EC.

Maritime transport inspections are conducted by four safety inspectors. The inspection functions supervise the implementation of the legislation in the field of security and navigation safety of international traffic at sea and inland waterways.

Vessel traffic monitoring

Montenegro indicated that it transposed Directive 2002/59/EC providing the legal framework for the Vessel Traffic Monitoring and Information System (VTMIS) through the adoption of the Law on safety of maritime navigation. Montenegro participates in the ADRIREP mandatory reporting in the Adriatic Sea for dangerous goods. Montenegro stated that it applied in 2008 for membership in the EU LRIT Data Centre, and for participation in CleanSeaNet service in 2012, in which it became a member in 2013. Montenegro stated that it will consider complying with the requirement to equip all fishing vessels over 15 metres with automatic identification system (AIS), as introduced by Directive 2009/17/EC.

International safety management code

Montenegro stated that it needs to adopt secondary legislation for the harmonisation and implementation of its legislation with Regulation (EC) 336/2006 and the ISM Code, Chapter IX of the Safety of Life at Sea (SOLAS) Convention.

Pilotage

Montenegro indicated that the instructions on maritime pilots' legitimation are partially aligned with Directive 79/115/EEC. Montenegro stated that it plans to further harmonise its legislation through the adoption of by-laws linked to the Law on maritime safety of navigation by 2015, as well as amending the Law on prevention of pollution from vessels by 2014. According to Montenegro, pilotage services in the ports of Montenegro are performed by certified pilots. In the port of Bar there is a concession for a period of 30 years for carrying out the following services: pilot service, mooring / untying boats, tug boat services, the delivery of water to the ships at anchor in the Port, transportation of port authorities on vessels in the Port and transportation of ship chandler to the ship in the Port, towing vessels.

Marine equipment

As regards Directive 96/98/EC, Montenegro explained that there is no production of marine equipment in the country, and therefore there are no bodies responsible for assessing the conformity of marine equipment. IMO markings and Safety Certificates for marine equipment on ships engaged on international voyages under the Montenegrin flag are issued by a recognized organization under the instructions of the Maritime Safety Administration.

Passenger ships

Montenegro stated that it has not transposed Directive 2009/45/EC for domestic voyages and applies SOLAS rules for international voyages. Directive 2003/25/EC on stability requirements for the Ro-Ro ships on international regular services to/from an EU port (as amended) has also not been transposed. Montenegro explained with regard to Directive 2003/25/EC that presently there are no technical rules applicable to passenger ships engaged in international voyages under Montenegrin flag, because no ships are registered under that category in the Ship's register. As regards registration of people on board passenger ships, Montenegro applies Chapter III of the SOLAS Convention. Montenegro stated that Directive 98/41/EC has not been transposed. Directive 1999/35/EC on a system of mandatory surveys for the safe operation of regular RO-RO ferry and high-speed passenger craft services has also not been transposed. Montenegro stated that the Directive 2009/45/EC, Directive 2003/25/EC, Directive 98/41/EC and Directive 1999/35/EC will be aligned with through the Law on safety of maritime navigation and relevant by-laws.

Safety of fishing vessels

Montenegro has not transposed Directive 97/70/EC, as amended and has not ratified the Torremolinos Convention from 1977, the subsequent Protocol from 1993 and the Cape Town agreement of 2012. The Technical survey division treats fishing vessels the same way as merchant vessels. Montenegro stated that Directive 97/70/EC will be aligned with through the Law on safety of maritime navigation.

Oil tankers

Montenegro stated that the Law for the prevention of sea pollution from vessels (OG 20/11) does not allow oil tankers which do not have a double hull in its waters. These tankers cannot be registered in Montenegro.

Bulk carriers

As regards bulk carriers, Directive 2001/96/EC has not been transposed; there are no special requirements in Montenegrin legislation beyond those prescribed by the SOLAS 74 Convention.

As regards accident investigation, Montenegro indicated that it has partially aligned its legislation with Directive 2009/18/EC, Regulation (EU) 651/2011 and Regulation (EU) 1286/2011 through the Law on maritime and inland navigation and the Regulation on boat accident investigation. Montenegro stated that it plans to continue the harmonization of its legislation with the Law on safety of maritime navigation in 2013 and by-law acts by end 2014. Montenegro stated that it plans to organize the Investigation unit as an independent body by 2014. According to Montenegro, the national legislation is partially aligned with Directive 2009/20/EC on marine insurance is fully transposed through Law on safety of maritime navigation, the Law on sea protection from pollution by vessels and the Law on compulsory transport insurance.

As regards pollution from ships, Montenegro indicated that it has partially aligned its legislation with Directive 2005/35/EC though the Law on sea protection from pollution by vessels and a relevant National Contingency plan. According to Montenegro, Directive 2005/35/EC has not been transposed into national legislation. Montenegro foresees full alignment with those two Directives in 2014 through amending the Law on sea protection from pollution by vessels. The Maritime Safety Department under the Ministry is the responsible authority for the prevention of sea pollution from ships, implementation of the National Contingency Plan, and cooperation with international, regional and sub-regional organizations.

As regards ship-generated waste, Montenegro explained that Directive 2000/59/EC has been partially transposed through the Law on sea protection from pollution by vessels. Further harmonisation is foreseen in 2014 with the adoption of amendments to this law. According to Montenegro, complementing by-laws shall set the conditions for the fee imposed on a ship in order to cover the costs of port reception facilities, as well as criteria and standards for these services. The fee amount and payment method shall be harmonized between ports in the region.

Regarding organotin compounds, Montenegro indicated that Directive 782/2003/EC has been transposed; Montenegro has ratified and implemented the provisions of the AFS Convention 2001 through the Law on Prevention of Marine Pollution from Sea-going vessels in 2011. Regulation (EC) 536/2008 has not been transposed. Alignment is planned through a revision of the Law on Prevention of Marine Pollution from Sea-going Vessels by 2013, a review of the National Contingency Plan, and a Ratification of the Oil Pollution Preparedness, Response and Co-operation (OPRC) Convention, 1990.

Social aspects

Directive 1999/63/EC concerning the Agreement on the organisation of working time of seafarers concluded by the European Community Shipowners' Association (ECSA) and the Federation of Transport Workers' Unions in the European Union (FST), Directive 2009/13/EC implementing the Agreement on the Maritime Labour Convention (MLC 2006), Directive 1999/95/EC concerning the enforcement of provisions in respect of seafarers' hours of work on board ships calling at Community ports have been partially transposed by the Law on maritime and inland navigation, the Labour law, the General Collective contract and the Collective Contract of seafarers. The Law on safety of maritime navigation provides the basis for the adoption of a by-law which will regulate the application of MLC 2006.

As regards Directive 2008/106/EC on the minimum level of training of seafarers (recast), Montenegro indicated that it has been partially transposed in the Law on maritime and inland navigation, the Law on safety of maritime navigation and the Rulebook on vocation and certification of seafarers. Montenegro stated that by-laws linked to the Law on safety of

maritime navigation, and amendments to the Rulebook on vocation and certification of seafarers will provide alignment with the provisions of Directive 2008/106/EC. Montenegro stated that it became a member of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, (STCW Convention) in 2006, and is on the so called "White List" of the International Maritime Organization since that year.

The MTMA develops and implements policies with regard to competency standards, certification and assessment of competence, and is responsible for approval and monitoring of the ancillary training courses offered by recognised training centres and for appointing the assessors. Maritime education and training programmes for officers are offered by the Maritime Faculty of the University of Montenegro, Maritime Faculty in Bar, and secondary maritime schools and training centres. Ancillary training is also offered by recognised training centres. Montenegro stated that it has presented a Corrective Action Plan which should address deficiencies, as identified by inspection of the maritime education, training and certification system of Montenegro by the European Maritime Safety Agency, in February 2012.

Maritime security

Montenegro stated that as a signatory of the SOLAS Convention it has transposed the provisions of the chapter XI-2 and the International Ship and Port Facility Security (ISPS) Code to the Decree on security of merchant marine ships (OG 32/04). Montenegro indicated that it plans to adopt the new Law on security of merchant marine ships and port open to international traffic by 2015, in order to be in line with Regulation (EC) 725/2004, and Directive 2005/65/EC. Montenegro indicated that it will consider extending security measures under SOLAS Chapter XI / 2 and ISPS Code, to part or whole national traffic.

ISPS code

According to Montenegro, implementation of ISPS Code is done through the implementation of the Decree on security of merchant marine ships and port open to international traffic. Montenegro indicated that it plans to amend the regulations in this area and adopt the new Law on security of merchant marine ships and port open to international traffic by 2015, in order to be fully compliant with Regulation (EC) 725/2004, and Directive 2005/65/EC. Montenegro indicated that it will consider extending security measures under SOLAS Chapter XI-2 and ISPS Code, to part or whole national traffic.

Technical and safety conditions

Montenegro stated that the Law on maritime safety regulates the measures and activities concerning the safety of maritime transport activities, related to vessels, seafarers and other entities participating in maritime activities, as well as search and rescue, pilotage and inspection supervision activities. It will be completed by secondary legislation to be adopted by the end of 2015. Montenegro indicated that this new legal framework aims at transposing all the EU *acquis* in the maritime safety field.

Satellite navigation

Montenegro stated that it has not transposed the *acquis* regarding Satellite navigation. Montenegro stated that intends to align the Plan to the Radio Regulations 2012 with regard to S-band downlink RDSS radio determination satellite service allocation in 2483.5-2500MHz allocated at WRC-12 in the forthcoming period.

Interoperability of the electronic toll system

Directive 2004/52/CE has been partially transposed through the Law on roads (OG 40/2010).

Institutional framework: MTMA, Monteput Ltd State Company, Transport directorate.

As regards intelligent transport systems (ITS), Montenegro indicated that its legislation is not aligned with Directive 2010/40/EU. Montenegro stated that it expects the implementation of technological solutions in accordance with the Directive by 2020. Montenegro indicated that the Law on protection and rescue is partially aligned with Directive 2011/750/EU.

III. ASSESSMENT OF THE DEGREE OF ALIGNMENT AND IMPLEMENTING CAPACITY

Overall, Montenegro has reached a satisfactory level of alignment with the *acquis* in the field of transport policy. Further adjustments of the legal and institutional framework and in particular strengthening of administrative and implementation capacities are needed. Montenegro needs also to ensure further harmonisation and sound implementation of social, safety and technical rules in road transport, safety and security requirements in the maritime sector, safety and interoperability rules in rail transport, as well as the standards for the transport of dangerous goods by road. Montenegro will also have to implement the *acquis* regarding inland waterways to the extent applicable, taking into account the geographic specificity of the country. A legal framework for ITS will have to be established. As regards aviation, the progress achieved with the implementation of the first transitional phase of the ECAA needs to be continued.

III.a Road transport

The legal framework for road transport is at a reasonable level of alignment. In the field of road transport, Montenegro needs to step up its efforts in both aligning with and implementing the *acquis*. ***Access to the market for goods and passenger transport*** for both national and international operations is regulated, but the four criteria (professional competence, financial standing, good repute and effective establishment) for access to the occupation are not fully met.

As regards the ***road charging acquis***, Montenegro has abolished the discriminatory charges on EU road vehicles, however further harmonisation with the *acquis*, including with the interoperability of the toll system is needed.

In the area of the ***social acquis***, the legal framework regulating driving times and introducing tachographs has been partially harmonised with the *acquis*. Enhanced administrative capacity is needed for ensuring appropriate enforcement, as the current percentage of checks remains lower than required in Directive 2006/22/EC.

Further harmonisation with the ***technical and safety conditions*** is necessary, including on the cross-border exchange of information on road safety related traffic offences and retro-fitting of mirrors to heavy goods vehicles. Further development of the rules relating to professional driver qualifications and training is required. Enforcement needs to be strengthened notably regarding roadworthiness tests and roadside checks of commercial vehicles.

As regards the ***transport of dangerous goods***, Montenegro must ensure transposition of the transportable pressure equipment Directive 2010/35/EC and strengthen its mechanisms for monitoring the implementation of relevant international rules and EU legislation, including that on transportable pressurised equipment, roadside checks on vehicles, and dangerous goods safety advisors.

Implementation of Regulation (EU) 181/2011 concerning the rights of passengers in bus and coach transport is at an early stage.

III.b Rail transport

The legal framework of Montenegro for rail transport is at a reasonable level of alignment. As regards *market and infrastructure access*, it has unbundled infrastructure and operations of its state-owned railway companies, thus meeting a major requirement of EU railway legislation. The third railway package and the most recent EU legislation, including on normalisation of accounts have not yet been transposed. Serbian authorities still develop national safety and technical rules applicable in Montenegro, and issue authorisations of rolling-stock used in Montenegro. This situation has to be solved. The absence of *infrastructure charges* for passenger trains does not comply with EU law and risks damaging the competitive position of rail freight.

Implementation of the EU Regulation on *passenger rights and obligations* is at an early stage.

The *acquis* in the area of *rail transport safety and interoperability* remains to be transposed and implemented, in particular the Directives on the train driver license and interoperability. The review of national safety rules and national technical rules needs to be carried out. Outdated rules and rules that are not compatible with EU Technical Specification have to be repealed and the remaining rules have to be notified and accepted by the European Railway Agency.

The remit of the Railway Authority needs to be enhanced through granting it the right to impose penalties and to request information as well as through mechanisms to enforce its decisions. The independence and the function of the *Railway Directorate* need to be further enhanced. An independent *accident investigation body* and a relevant appeal mechanism need to be set up. The railway sector will need a significant strengthening of *administrative capacity* in order to be able to perform its functions.

III.c Inland waterway transport

Montenegro has limited inland waterways transport, which is currently regulated under the same provisions as maritime transport. Lake Skadar and the connecting rivers will have to be reclassified as inland waterway, the relevant EU legislation will have to be transposed, and a new body responsible for inland waterways will have to be established.

III.d Combined transport

There is no national legislation on **combined** transport. Montenegro is in the initial phase of its development. The opportunities for developing combined transport will have to be further enhanced.

III.e Provision of public passenger transport by rail and road under a regime of public service obligations

Montenegro still has to complete harmonisation of national legislation in the field of rail and road transport with EU legislation on public service obligations.

III.f Air transport

Concerning aviation, Montenegro has achieved a relatively good level of alignment with the *acquis* and has made considerable progress with regard to the implementation of the first transitional phase of the ECAA Agreement. Concerning CRS, Montenegro needs to further align with the Regulation (EC) 80/2009. Some areas in the field of *economic regulation* have not been adequately transposed into national legislation. A number of changes to the domestic air transport law are necessary in the field of economic regulation, including the implementation of the working time directive. The *acquis* on *airport charges* remains to be transposed.

Issues of independence of the accident *investigation body* and the implementation at the airport of the Safety Management System, as required by the Chicago Convention, still need to be addressed.

The authorities responsible for the National Civil Aviation Security Plan and for the Quality Control Programme need to be designated.

Montenegro's legislation is partially aligned with the Single European Sky *acquis*.

Legislation is partially aligned with Regulation (EC) 1107/2006 on the travel by air of passengers with reduced mobility and with Regulation 261/2004 in case of denied boarding, cancellation or long delays of flights.

III.g Maritime transport

Montenegro only has a small maritime transport sector. However, considerable progress needs to be made in aligning further with *EU acquis flag state control and port state control*. Montenegro still needs to make additional efforts in order to become a full member of the Paris Memorandum of Understanding on Port State Control.

Alignment with the EU legislation on *VTMIS and recognised organisations* needs to be achieved.

Montenegro is a member of the International Maritime Organisation (IMO) and the International Labour Organisation (ILO). The *MLC and Athens conventions* need to be ratified. The maritime education, training and certification system of seafarers needs to be improved. Furthermore, the professional capacity of properly qualified, trained and authorized officers, in particular the harbourmasters, needs to be enhanced and remains a major challenge.

Implementation of Regulation (EU) 1177/2010, concerning the rights of passengers when travelling by sea and inland waterway is at an early stage.

III.h Satellite navigation

As regards *satellite navigation*, Montenegro is committed to participating in the Galileo satellite navigation programme once it is operational.