



Government of Montenegro

**NEGOTIATING POSITION OF MONTENEGRO FOR THE
INTERGOVERNMENTAL CONFERENCE ON THE ACCESSION OF
MONTENEGRO TO THE EUROPEAN UNION
CHAPTER 14 – TRANSPORT POLICY**

Podgorica, September 2014

I SUMMARY OF THE NEGOTIATING POSITION

Montenegro accepts the EU *acquis* under Chapter 14 – Transport Policy valid on 30 May 2013 and expects no difficulties in the implementation of the *acquis* under this chapter by the time of accession to the European Union.

Montenegro does not request any permanent exemptions or transitional periods for the implementation of the EU *acquis* under this chapter.

II LEGISLATIVE AND INSTITUTIONAL FRAMEWORK

The Transport Development Strategy of Montenegro from 2008 identifies the state in all areas of transport, establishes the concept of development of infrastructure and transport, defines the long-term and fixed-term goals of transport development. The guidelines for such development have been set at the level of the whole system and are based on the principles of safety, intermodality, application of modern technologies, complementary use of all transport modes and rational use of all available capacities and resources in the country.

The Strategy is goal oriented and based on the vision for 2018 taking into account the social development, commitment of Montenegro to the European Union membership, sustainable development of the transport system and stable institutions. Transport has a direct impact on individual mobility and accessibility of closer and more remote areas, but, due to its significant impact on the rational use of time, it also influences the quality of life in a broader sense. Better transport infrastructure of Montenegro makes it possible for more goods and services to be produced, spent and exported.

II. a. Road transport

Legislative framework

The Strategy of Road Transport Safety Improvement (2010-2019) is a strategic document defining the guidelines for road transport safety in Montenegro, containing necessary measures to be taken in order to achieve set goals. The starting points of the Strategy should serve as the basis for the road transport safety reform, and they can be adjusted to the degree necessary for innovating and advancing the safety system. The strategy defines the development and functioning of the road transport safety system in Montenegro and it reflects its commitment to being a part of regional and global safety systems in road transport.

The Law on Road Transport (Official Gazette of the Republic of Montenegro 45/2005, Official Gazette of Montenegro 75/10, 38/12 and 18/14) defines the conditions and manner of performing the activity of public carriage of passengers

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and goods in road transport, providing services of bus and goods stations, as well as transport for own account. The Law on Road Transport and its implementing regulations are partially aligned with **Regulation (EC) 1071/2009** establishing common rules concerning the conditions to be complied with to pursue the occupation of road transport operator, **Regulation (EC) 1072/2009** on common rules for access to the international road haulage market, **Regulation (EC) 1073/2009** on common rules for access to the international market for coach and bus services and amending Regulation (EC) 561/2006, **Regulation (EU) 361/2014** laying down detailed rules for the application of Regulation (EC) 1073/2009 as regards documents for the international carriage of passengers by coach and bus and repealing Regulation (EC) 2121/98 and **Directive 2003/59/EC** on the initial qualification and periodic training of drivers of certain road vehicles for the carriage of goods or passengers, amending Regulation (EEC) 3820/85 and Directive 91/439/EEC and repealing Directive 76/914/EEC.

The Law is fully aligned with **Directive 2006/1/EC** on the use of vehicles hired without driver for the carriage of goods by road, **Regulation (EC) 3912/92** on controls carried out within the Community in the field of road and inland waterway transport in respect of means of transport registered or put into circulation in a third country and **Regulation (EEC) 3916/90** on measures to be taken in the case of a crisis in the market in the carriage of goods by road.

The Law on Contracts on Carriage in Road Transport (Official Gazette of Montenegro 53/2009 and 36/2013) governs contractual and other obligational relations in the area of carriage of passengers and goods in internal and international road transport. The law is partially aligned with **Regulation (EU) 181/2011** concerning the rights of passengers in bus and coach transport and amending Regulation (EC) 2006/2004. The law is fully aligned with **Regulation (EEC) 4058/89** on the fixing of rates for the carriage of goods by road between Member States.

The Law on Road Traffic Safety (Official Gazette of Montenegro 33/2012) governs the rules for road transport, obligations of users and other actors in transport, traffic restrictions, traffic signalization, markings, signs and commands that all traffic users must adhere to, requirements that drivers must meet for handling of vehicles, requirements that vehicles must meet, special measures to be taken in traffic and other rules and measures ensuring road transport safety.

The Law on Road Traffic Safety and its implementing regulations are partially aligned with the following EU regulations: **Directive 2009/40/EC** on roadworthiness tests for motor vehicles and their trailers, **Directive 2000/30/EC**

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on the technical roadside inspection of the roadworthiness of commercial vehicles circulating in the Community, **Directive 1999/37/EC** on the registration documents for vehicles, **Directive 91/671/EEC** on the approximation of the laws of the Member States relating to compulsory use of safety belts in vehicles of less than 3.5 tonnes, **Directive 89/459/EEC** on the approximation of the laws of the Member States relating to the tread depth of tyres of certain categories of motor vehicles and their trailers, **Directive 92/6/EEC** on the installation and use of speed limitation devices for certain categories of motor vehicles in the Community, **Directive 2006/126/EC** on driving licences and **Regulation (EC) 2411/98** on the recognition in intra-Community traffic of the distinguishing sign of the Member State in which motor vehicles and their trailers are registered. The law is fully aligned with **Directive 96/53/EC** laying down for certain road vehicles circulating within the Community the maximum authorised dimensions in national and international traffic and the maximum authorised weights in international traffic.

The Law on working hours, mandatory rest periods of mobile workers and recording equipment in road transport (Official Gazette of Montenegro 75/2010) regulates the working hours and rest periods during working hours of mobile workers in road transport of passengers and goods, driving time, breaks and rest periods of drivers, responsibilities of operators, use of recording equipment (tachographs) in road transport, manner and conditions for the procedure of authorisation of workshops and issuers of memory cards and other issues of importance for the work of mobile workers and road transport safety. The law and its implementing regulations are partially aligned with the following EU regulations: **Regulation (EC) 561/2006** on the harmonization of certain social legislation relating to road transport, **Regulation (EEC) 3821/85** on recording equipment in road transport, **Directive 2006/22/EC** on minimum conditions for the implementation of Council Regulations (EEC) 3820/85 and 3821/85 concerning social legislation relating to road transport activities and repealing Council Directive 88/559/EEC and **Directive 2009/5/EC** amending Annex III to Directive 2006/22/EC.

The Law and its implementing regulations are fully aligned with **Decision 2007/230/EC** and **Regulation (EU) 581/2010** on the maximum periods for the downloading of relevant data from vehicle units and from driver cards. **Directive 2002/15/EC** on the organization of the working time of persons performing mobile road transport activities has been fully transposed through the Law, while its full application will happen after the accession of Montenegro to EU.

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The Law on Transportation of Dangerous Goods (Official Gazette of Montenegro 5/2008 and 29/2013) prescribes the conditions for transportation of dangerous substances in certain transport modes, competences of public authorities related to that transportation and supervision over the enforcement of the law.

Institutional framework and administrative capacities

The **Road Transport Directorate** operates within the Ministry of Transport and Maritime Affairs and it proposes measures for current and development policy and analyses its impact on economic position of business entities in the area of road transport, monitors the state of current and development policy, harmonizes domestic regulations within its competence with the EU *acquis*. Three jobs have been described and filled in the Road Transport Directorate.

The **Road Transport Inspectorate** operates within the Ministry of Transport and Maritime Affairs and it is in charge of supervision over application of regulations governing road transport of passengers and goods (international transport and transport between local self-government units) and of regulations governing the driving times, breaks and rest periods of professional drivers and use of tachographs. Four jobs have been described and filled in the Road Transport Inspectorate.

The **Directorate for Transport** is an administration body within the Ministry of Transport and Maritime Affairs and it carries out tasks relating to the issuance and revoking of permits for transportation of passengers and goods in international transport and long-distance internal transportation in road transport, issuance and revoking of licences for public transport of passengers and goods in internal and international road transport and providing of services of bus stations and other tasks within its competences. Seven jobs have been described and filled in the Road Transport Department in the Directorate for Transport.

Within the Ministry of Interior operates the **Directorate for Administrative Internal Affairs - Division for Transport Documents and Weapons** which is competent for, among other things, tasks of issuance of driving licences and vehicle registration, as well as the **Directorate for Emergency Situations - Division for Management of Dangerous Substances** which is competent for, among other things, tasks of transportation of dangerous goods, explosive substances and flammable liquids and gases.

The **Police Administration** operates within the Ministry of Interior. The Division for Road Transport Safety operates within the Police Department of general competence and it carries out the tasks of coordination and providing of guidelines

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for the prevention and police work in the regional units dealing with road transport safety, monitors the state in this area and ensures that the regulations are being implemented and conditions are being created for safe transport, conducts control and supervision in this area.

Participation in international networks, EU bodies and programmes

Montenegro is a full-fledged member of the International Transport Forum (ITF) and INTERBUS. In addition to participation in the work of the said international organizations, representatives of the Ministry of Transport and Maritime Affairs also take part in the work of working groups to the United Nations Economic Commission for Europe.

Road infrastructure

The Strategy for development and maintenance of public roads (2008-2018) defines the goals and main tasks of development and maintenance of public roads for a 10-year period, its dynamics and scope of realization, framework of required financial resources and sources of financing. The starting points for achieving a rational public roads management policy have been defined by the Transport Development Strategy of Montenegro, the Spatial Plan of Montenegro until 2020 and the Law on Roads. Through the implementation of the Strategy for development and maintenance of public roads it is necessary to create conditions that will ensure safe and secure transport, primarily through good quality transport infrastructure, with no weak spots, financial sustainability and self-sustainability of transport infrastructure, good quality maintenance of public roads through clearly expressed responsibility of the holder of this task with the emphasis on the need for preventive action, efficient organization of correctional maintenance, minimization of negative environmental impact, integration of the transport network of Montenegro into Trans-European Transport Network (TNT), etc.

The Law on Roads (Official Gazette of the Republic of Montenegro 42/2004, Official Gazette of Montenegro 54/09, 36/11) governs the legal status, development, maintenance, protection, management and financing of public roads. The law is partially aligned with **Directive 2008/96/EC** on road infrastructure safety management, **Directive 1999/62/EC** on the charging of heavy goods vehicles for the use of certain infrastructures. The law is not aligned with **Directive 2010/40/EC** on the framework for the deployment of Intelligent Transport Systems in the field of road transport and for interfaces with other modes of transport.

The Decision on the amount of annual fees for road usage at the time of registration of motor road vehicles, tractors and trailers (Official Gazette of the

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Republic of Montenegro 60/2005) is partially aligned with **Directive 1999/62/EC** on the charging of heavy goods vehicles for the use of certain infrastructures. It is necessary to align it in the part concerning classification of vehicles by categories.

The Decision on the amount of fees – tolls for the use of the “Sozina” tunnel and access roads (Official Gazette of Montenegro 48/2008) is fully aligned with **Directive 1999/62/EC** on the charging of heavy goods vehicles for the use of certain infrastructures, In this part, work will be done on advancing the technical solutions.

The Decision on the collection of road fee for foreign road vehicles (Official Gazette of the Republic of Montenegro 36/05) has been repealed by the Decision repealing the Decision on the collection of road fee for foreign road vehicles (Official Gazette of Montenegro 48/2011-2).

Institutional framework and administrative capacities

The **Public Roads Directorate** operates within the **Ministry of Transport and Maritime Affairs** and it proposes measures for the current and development policy and analyses their impact on the economic position of business entities in the area of road infrastructure, monitors the state of current and development policy, aligns national regulations within its competence with the legal order of the European Union. The **Directorate for Transport** is an administration body within the Ministry of Transport and Maritime Affairs and it carries out tasks relating to the supervision over implementation and realization of the Plan for regular and investment maintenance, reconstruction and construction of public roads, maintains the database on roads and facilities on them, issues approvals for posting signboards alongside public roads, issues approvals for transport access to public roads, issues approvals for the lease of road land.

Monteput LLC is a public-owned enterprise that has been delegated the tasks of management and maintenance of "Sozina" tunnel and access roads by the Decision of the Government of Montenegro.

II. b. Rail transport

Legislative framework

The Restructuring Strategy of the Railway of Montenegro from 2007 is an elaboration of a chosen path of the Government of Montenegro in the field of restructuring of the railway sector and privatization of the railway enterprise Montenegrin Railway JSC. The principles on which the restructuring of this company was conducted are based on the EU transport policy, as well as on the Stabilization

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and Association Agreement. Based on the Strategy, the railway enterprise Montenegrin Railway was divided into four railway undertakings (companies): Railway Infrastructure of Montenegro JSC (2008), Railway Transport of Montenegro JSC Podgorica (2008), Montecargo JSC (2009) and Maintenance of the railway rolling stock (2011). All four companies are joint stock companies with majority state ownership and they are fully autonomous in conducting business policy and finances.

Market and infrastructure access – standardization of accounts and statistics

The Law on Railways (Official Gazette of Montenegro 27/2013) elaborates the obligations and requirements that railway companies must meet in order to conduct activities for which they were founded, as well as relations between the Government of Montenegro, the Ministry of Transport and Maritime Affairs, the Railways Directorate and railway companies. The provisions related to access to the market and infrastructure have been transposed to the Law while plans also exist to create conditions for appearance of more railway infrastructure managers and railway operators which should result in increased competition and quality of transport, as well as in liberalization of railway market. The law precisely defines the competences of the Railways Directorate as the National Safety Authority – NSA, regulatory body for the area of railway and the state authority for monitoring and managing investments in railway infrastructure. Given the size of the railway network of Montenegro, as well as the measures for rationalization in the public administration organization, decision has been that the Railways Directorate will perform these three groups of tasks.

The Law on Railways is fully aligned with **Directive 95/18/EC** on the licensing of railway undertakings, and partially with **Directive 91/440/EEC** on the development of the Community's railways, **Directive 2001/12/EC** amending Directive 91/440/EEC on the development of the Community's railways, **Directive 2001/14/EC** on the allocation of railway infrastructure capacity and the levying of charges for the use of railway infrastructure and safety certification, **Directive 2001/13/EC** amending Directive 95/18/EC on the licensing of railway undertakings and **Regulation (EC) 1370/2007** on public passenger transport services by rail and by road and repealing Regulation (EEC) 1191/69 and Regulation (EEC) 1107/70. The law was adopted by the Government in May 2012 and it entered into force in June 2013 (Official Gazette of Montenegro 27/2013), with delayed application as of January 2014. In the meantime, majority of the above mentioned directives ceased to be applied with the entry into force of **Directive 2012/34/EU**.

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Train driver licensing

The Law on Safety, Organisation and Efficiency of Railway Transport (Official Gazette of Montenegro 1/2014) is partially aligned with **Directive 2007/59/EC** on the certification of train drivers operating locomotives and trains on the railway system in the Community.

Railway safety

The Law on Safety, Organisation and Efficiency of Railway Transport (Official Gazette of Montenegro 1/2014) defines the area of railway transport safety and interoperability. It is defined by the law that infrastructure managers and railway transporters have the primary responsibility for the railway system safety, and that their work is regulated and supervised by the regulatory authority, i.e. the Railway Directorate as a national authority in charge of safety in terms of EU railway legislation. This law largely deals with railway safety and interoperability in compliance with **Directive 2008/57/EC** on the interoperability of the rail system within the Community and **Directive 2004/49/EC** on safety on the Community's railways. The law is partially aligned with mentioned directives.

The Law on Contractual Relations in Railway Transport (Official Gazette of Montenegro 41/2010) regulates contractual and other relations arising from the contract on internal and international railway carriage of goods and passengers. The law prescribes obligations of transporters towards passengers arising from the contract on transportation, rights of persons with disabilities, persons with reduced mobility and sick persons, as well as rights and obligations of transporters and passengers concerning transportation of luggage and damage caused by complete or partial loss or damage of luggage, i.e. delay in luggage delivery. The Law is completely aligned with **Regulation 1371/2007** on rail passengers' rights and obligations, and it is partially aligned with the Proposal for a Council Decision on the conclusion by the European Community of the Agreement on the Accession of the European Community to the Convention concerning International Carriage by Rail (COTIF) of 9 May 1980, as amended by the Vilnius Protocol of 3 June 1999.

The Law is aligned 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, and Regulation (EC) 694/2003 on uniform formats for Facilitated Transit Documents (FTD) and Facilitated Rail Transit Documents (FRTD) provided for in Regulation (EC) 693/2003.

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Institutional framework and administrative capacity

The Railway Transport Directorate operates within the Ministry of Transport and Maritime Affairs of Montenegro. This directorate is in charge of the following: preparation, adoption and enforcement of regulations from the area of railway transport, performance of administration tasks related to railway transport, railway infrastructure, railway economy, monitoring the state of development policy and initiation of activities in the area of quality management, as well as alignment of national regulations from the framework of its competence with the *acquis*.

The Railway Directorate was established in January 2010, on the grounds of the Decree on Organisation and Method of Operation of the State Administration (Official Gazette of Montenegro 4/2009). Until the beginning of 2012, the Railways Directorate was an independent state administration authority; then, in compliance with the Decree on Organisation and Method of Operation of the State Administration, this directorate was transformed to the state administration authority within the Ministry of Transport and Maritime Affairs. According to provisions of the new Law on Railway (Official Gazette of Montenegro 27/2013) tasks performed by the Directorate are strictly defined, and, in that segment, this directorate has its full independence. The Railway Directorate, which operates as the national authority in charge of railway safety, performs the following tasks: issuance of certificates to infrastructure managers and transporters, maintaining of registers, issuance of licences for rolling stock, certification of train drivers, development of safety reports, ECM certification etc. As the regulatory authority for the area of railways, this directorate performs the following tasks: issuance of licences, monitoring of the market, competition analysis, control of the Network Statement, as well as monitoring and conducting of investments in the railway infrastructure, along with issuance of approvals and performance of other tasks in compliance with the Law on Railways.

The Railway Infrastructure of Montenegro JSC – Podgorica represents an independent organisational, economic and business unit, which was established in July 2008 in compliance with provisions of the Law on Companies (Official Gazette of the Republic of Montenegro 6/2002). The basic task of the company is infrastructure management, i.e. organisation and regulation of railway transport, as well as maintenance and protection of infrastructure.

The basic task of the **Railway Transport of Montenegro JSC** – Podgorica is transportation of passengers in both international and local railway transport, whereas its mission is to provide continuous, safer and more reliable transportation of passengers.

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Montecargo JSC represents the freight transport company and its basic task is transportation of goods by railroads in Montenegro. This company is the only market – oriented railway company from the former Railways of Montenegro JSC and it is not financed from the state budget.

Maintenance of the Railway Rolling Stock JSC was established in 2011. The basic task of this company is the maintenance of railway rolling stock in both passenger and freight transport (passenger and freight railway wagon, locomotives and other types of railway rolling stock).

Participation in international networks, EU authorities and programmes

Representatives of the Ministry of Transport and Maritime Affairs and the Railway Directorate actively participate in the SEETO railway working group. As the national safety authority, the Railway Directorate actively cooperates with the European Railway Agency (ERA) in the segment of participation at seminars and trainings organised by ERA. Two employees from the Railway Transport Directorate of the Ministry of Transport and Maritime Affairs attended the training in ERA for several months (Valenciennes -France), within the IPA programme approved by the EC to ERA, with a view to training candidates from the states undergoing the EU accession process. Furthermore, representatives of the Railway Directorate actively participate in the work of OTIF Technical Committees.

Infrastructure manager and transporters are the members of international sectoral organisations (UIC, CER, and FTE) depending on the type of tasks they perform.

II. c. Inland waterways transport

Legislative framework

The Law on Maritime and Inland Navigation (Official Gazette of the Federal Republic of Yugoslavia 12/98, 44/99, 74/99 and 73/00) prescribes that “maritime navigation” is navigation at sea, on the rivers of the Adriatic basin to the point where these rivers are navigable on the coastal side, at Skadar Lake and Crnojević River. The same law defines the inland navigation as navigation on rivers, canals and lakes, except for rivers of the Adriatic basin, Lake Skadar and Crnojević River. Even though this law and the Law on Maritime and Inland Navigation (Official Gazette of the Republic of Montenegro 17/78, 8/79, 19/87, 22/90 and 13/91) prescribe provisions related to inland navigation, Montenegro did not enforce them due to the fact that, according to the Law on the Sea (Official Gazette of Montenegro 17/07) waters of Skadar Lake and rivers Crnojević and Bojana are considered internal sea waters to the extent of navigability, whereas other rivers in Montenegro

are not navigable, but they are ideal for rafting; furthermore, there is no navigation on lakes, except for navigation of two vessels on Piva Lake for the needs of the hydroelectric power plant "Perućica".

Two ships which are used for transport of workers are entered into the Vessels' Registry in compliance with the **Law on Maritime and Inland Navigation** (Official Gazette of the Federal Republic of Yugoslavia 12/98, 44/99, 74/99 and 73/00) which refers to maritime navigation.

Institutional framework and administrative capacity

The Ministry of Transport and Maritime Affairs performs administration tasks that refer to inland navigation and inland navigation safety.

The **Decision on designation of areas of Harbour Master Offices in Kotor and Bar** (Official Gazette of the Republic of Montenegro 10/80 and 20/86) stipulates that the Harbour Master Office in Bar covers the area from cape Jaz to the state border at the mouth of the Bojana, the Bojana and Skadar Lake within the borders of Montenegro, Krupac Lake, Piva Lake, Plav Lake and Biograd Lake, and the River Tara in the part which belongs to Montenegro.

Vessels for inland navigation on rivers and lakes are registered at the Harbour Master's Branch Office in Virpazar; supervision of navigation and lakes is performed by the Maritime Navigation Safety Inspection of the Harbour Master Office in Bar.

II. d. Combined transport

The **Law on Combined Transport of Freight** is completely aligned with **Directive 92/106/EEC** on the establishment of common rules for certain types of combined transport of goods between Member States. The Law was adopted and published in the Official Gazette of Montenegro 27/2014.

II. e. Air transport

Legislative framework

Montenegro adopted the **Law on Ratification of Multilateral Agreement between the European Community and its Member States, the Republic of Albania, Bosnia and Herzegovina, the Republic of Bulgaria, the Republic of Croatia, Former Yugoslav Republic of Macedonia, the Republic of Iceland, the Republic of Montenegro, the Kingdom of Norway, the Republic of Serbia and the United Nations Interim Administration Mission in Kosovo on the Establishment of a European Common Aviation Area (ECAA)** (Official Gazette of Montenegro 62/07).

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The dynamics of alignment of Montenegrin legislation with the *acquis* which regulates access to the market and foreign policy of the European Community is based on the Protocol VII which includes Transitional Arrangements between the European Community and the European Community Member States on one side, and Montenegro on the other side, within the Agreement on the European Common Aviation Area.

In order to transpose the *acquis* into Montenegrin legislative system, the Parliament of Montenegro adopted the Law Amending the Law on Ratification of Multilateral Agreement (ECAA Agreement) (Official Gazette of Montenegro-International treaties 1/11). With this Law, European regulations required for the first transitional phase were taken over, as well as a part of regulations required for the second transitional phase, in compliance with 2009/243/EC Commission Decision on the Community position as regards Decision 1/2008 of the ECAA Joint Committee set up under the Multilateral Agreement between the European Community and its Member States, Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Former Yugoslav Republic of Macedonia, Iceland, Montenegro, Norway, Romania, Serbia and the United Nations Interim Administration Mission in Kosovo on the establishment of a European Common Aviation Area, amending Annex I to the Agreement.

The Law on Air Transport (Official Gazette of Montenegro 30/12) regulates conditions for the functioning of air transport in the airspace of Montenegro, conditions for air transport safety and security, air transport management, as well as other issues important for air transport. The law is harmonised with obligations under the Chicago Convention on Civil Aviation (Chicago 1947) that were accepted by Montenegro through succession, as well as documents of the International Civil Aviation Organisation (ICAO).

The Law on Air Transport is completely aligned with the following: **Directive 96/67/EC** on access to the ground handling market at Community airports, **Regulation (EC) 1008/2008** on common rules for the operation of air services in the Community, **Regulation (EC) 549/2004** laying down the framework for the creation of the single European sky, **Regulation (EC) 550/2004** on the provision of air navigation services in the single European sky, **Regulation (EC) 2096/2005** laying down common requirements for the provision of air navigation services, **Regulation (EC) 2150/2005** laying down common rules for the flexible use of airspace, **Regulation (EC) 2042/2003** on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks, **Regulation (EC) 216/2008** on

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common rules in the field of civil aviation and establishing the European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) 1592/2002 and Directive 2004/36/EC, **Regulation (EC) 736/2006** on working methods of the European Aviation Safety Agency for conducting standardisation inspections, **Regulation (EC) 474/2006** establishing 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 of the European Parliament and of the Council, **Regulation (EC) 300/2008** on common rules in the field of civil aviation security and repealing Regulation (EC) 2320/2002, **Directive 2000/79/EC** concerning the European Agreement on the Organisation of Working Time of Mobile Workers in Civil Aviation, **Directive 2003/42/EC** on occurrence reporting in civil aviation, **Regulation 2009/1108/EC** amending Regulation (EC) 216/2008 in the field of aerodromes, air traffic management and air navigation services and repealing Directive 2006/23/EC.

This law is partially aligned with the following: **Regulation (EEC) 95/93** on common rules for the allocation of slots at Community airports, **Regulation (EC) 785/2004** on insurance requirements for air carriers and aircraft operators, **Regulation (EEC) 3922/91** on the harmonization of technical requirements and administrative procedures in the field of civil aviation, **Directive 94/56/EC** establishing the fundamental principles governing the investigation of civil aviation accidents and incidents, **Directive 2002/30/EC** on the establishment of rules and procedures with regard to the introduction of noise-related operating restrictions at Community airports, **Directive 2002/49/EC** relating to the assessment and management of environmental noise.

The Law on Obligations and Basic Legal-Property Relations in Air Transport (Official Gazette of Montenegro 18/11) regulates obligations in air transport, as well as legal-property relations on aircrafts. The law is partially aligned 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 and **Regulation (EC) 1107/2006** concerning the rights of disabled persons and persons with reduced mobility when travelling by air.

The Law on Environmental Noise Protection (Official Gazette of Montenegro 28/11 and 1/14) determines the measures for prevention or reduction of harmful effect of noise on the environment, as well as other issues important for protection of the environment and human health against noise. This law is completely aligned with Directive **2002/49/EU** relating to the assessment and management of

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environmental noise and **Directive 2002/30/EC** on the establishment of rules and procedures with regard to the introduction of noise-related operating restrictions at Community airports.

Internal market and airports

The Law on Air Transport (Official Gazette of Montenegro 30/12) is completely aligned with **Regulation (EC) 1008/2008** on common rules for the operation of air services in the Community.

As regards further implementation of the **Directive 2000/79/EC** on the organization of working time of mobile workers in civil aviation, the Rulebook Amending the Rulebook on working hours, flying time, daily and weekly rest and annual leave, duration of transport and readiness, the number of take-offs and landings as well as health safety measures for aircraft crew member (Official Gazette of Montenegro 14/13) by which certain provisions transposed from Directive 2000/79/EC were removed. Furthermore, the Rulebook on organisation of working time of mobile workers in civil aviation has been adopted (Official Gazette of Montenegro 14/13), by which the **Directive 2000/79/EC** concerning the European Agreement on the Organization of Working Time of Mobile Workers in Civil Aviation was transposed to the legal system of Montenegro.

In this manner, special bylaw regulates the working time and rest periods for the aircraft crew members.

Insurance requirements

The Law on Mandatory Transport Insurance (Official Gazette of Montenegro 44/12) governs mandatory insurance in transport. The Law includes a separate chapter that pertains to insurance of the owner, i.e. operator of an aircraft against third-party liability, which has been made compliant with the **Regulation (EC) 785/2004** on insurance requirements for air carriers and aircraft operators. The said chapter of the Law does not comply with the consolidated version of the **Regulation (EC) 785/2004** which lays down the specific requirements and the method of insurance, as well as the minimum insured sums in the field of air transport, i.e. it does not comply with amendments to it, namely with the **Regulation (EC) 1137/2008** and the **Regulation (EU) 285/2010**.

In addition to this law, Montenegro adopted the Law on Ratification of the Convention for the Unification of Certain Rules for International Carriage by Air (the Montreal Convention) (Official Gazette of Montenegro – International Treaties 4/09).

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Code of conduct for computerized reservation systems

The **Regulation 2299/89** on a code of conduct for computerized reservation systems has been fully transposed to the Montenegrin system through the Law Amending the Law on Ratification of the Multilateral Agreement (ECAA Agreement) (Official Gazette of Montenegro – International Treaties 1/11).

The national air carrier is hosted at the Amadeus Altea Inventory System and it uses the Amadeus reservation system. Agencies can choose among using Amadeus, Sabre, Gaetan, Worldspan or Apollo.

Ground Handling

Transposition of the **Directive (EC) 96/67** on access to the ground handling market at Community airports was done by means of the **Rulebook on Ground Handling Services** (Official Gazette of Montenegro 48/12). Full compliance with the Directive (EC) 96/67 on access to the ground handling market at Community airports was achieved through the Rulebook amending the Rulebook on Ground Handling Services (Official Gazette of Montenegro 14/2013).

In accordance with Article 6 of the Rulebook on Ground Handling Services (Official Gazette of Montenegro 48/12), the Committee of Users of the Podgorica Airport and the Committee of Users of the Tivat Airport were established. It was defined by relevant decisions that all users of the respective airport are entitled to be in the Committee of Users of the respective airport or to be represented through an organisation appointed to that purpose. The Montenegrin legislative system in this field is fully harmonised with the EU *acquis*.

Air slots

The **Regulation (EC) 95/93** on common rules for the allocation of slots at Community airports, as amended by the: **Regulation (EC) 894/2002** amending the Regulation (EEC) 95/93, **Regulation (EC) 1554/2003** amending the Regulation (EEC) 95/93, **Regulation (EC) 793/2004** amending the Regulation (EEC) 95/93, was transposed by the Law amending the Law on Ratification of the Multilateral Agreement (ECAA Agreement) (Official Gazette of Montenegro – International Treaties 1/11).

Airport charges

Article 56 of the Law on Air Transport (Official Gazette of Montenegro 30/12) defines the services for which an airport operator is entitled to charge a fee. The levels of the airport charges, depending on the level of quality of a provided service, are established by the airport operator on a non-discriminatory basis, following the

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consultation with the customers of the airport services. The level of rates for certain services is established by the airport operator on the basis of real costs, subject to previous approval of the Ministry of Transport and Maritime Affairs.

Single European Sky (SES)

The following regulations were transposed by the **Law amending the Law on Ratification of the Multilateral Agreement (ECAA Agreement)** (Official Gazette of Montenegro – International Treaties 1/11): **Regulation (EC) 1794/2006** laying down a common charging scheme for air navigation services, **Regulation (EC) 2150/2005** laying down common rules for the flexible use of airspace, **Regulation (EC) 633/2007** laying down requirements for the application of a flight message transfer protocol used for the purpose of notification, coordination and transfer of flights between air traffic control units, **Regulation (EC) 1033/2006** laying down the requirements on procedures for flight plans in the pre-flight phase for the Single European Sky, **Regulation (EC) 1032/2006** laying down requirements for automatic systems for the exchange of flight data for the purpose of notification, coordination and transfer of flights between air traffic control units, **Directive 2006/23/EC** on a Community air traffic controller licence, **Regulation (EC) 219/2007** on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR), **Directive 2002/30/EC** on the establishment of rules and procedures with regard to the introduction of noise-related operating restrictions at Community airports and **Directive 2006/93/EC** on the regulation of the operation of aeroplanes.

The following regulations were transposed by the rulebooks adopted under the Law on Air Transport (Official Gazette of Montenegro 30/12):

- the **Regulation (EC) 1070/2009** amending Regulations (EC) 549/2004, (EC) 550/2004, (EC) 551/2004 and (EC) 552/2004 in order to improve the performance and sustainability of the European aviation system was transposed by the Rulebook on establishing the framework for forming the Single European Sky and for improvement of efficiency and sustainability of the European aviation system (Official Gazette of Montenegro 22/13);
- the **Regulation (EU) 691/2010** laying down a performance scheme for air navigation services and network functions and amending Regulation (EC) 2096/2005 laying down common requirements for the provision of air navigation services, **Regulation (EU) 1034/2011** on safety oversight in air traffic management and air navigation services and amending Regulation (EU) 691/2010, **Regulation (EU) 1035/2011** laying down common

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requirements for the provision of air navigation services and amending Regulations (EC) 482/2008 and (EU) 691/2010, **Regulation (EC) 482/2008** establishing a software safety assurance system to be implemented by air navigation service providers and amending Annex II to Regulation (EC) 2096/2005, were transposed by the Rulebook on common requirements, safety oversight in air traffic management and air navigation services, a software safety assurance system and an efficiency programme (Official Gazette of Montenegro 65/12);

- the **Regulation (EU) 255/2010** laying down common rules on air traffic flow management was transposed by the Rulebook on air traffic flow management (Official Gazette of Montenegro 44/13);
- the **Regulation (EU) 73/2010** laying down requirements on the quality of aeronautical data and aeronautical information for the Single European Sky was transposed by the Rulebook on the quality of aeronautical data and aeronautical information (official Gazette of Montenegro 44/13).

Aviation safety

The Law on Air Transport (Official Gazette of Montenegro 30/12) provides for adoption of secondary legislation with a view to full harmonisation with the EU *acquis* in the field of air transport safety. Consequently, the Ministry of Transport and Maritime Affairs and the Civil Aviation Agency published more than 30 pieces of secondary legislation, by which the following regulations of the European Union were transposed: **Regulation (EC) 216/2008** on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) 1592/2002 and Directive 2004/36/EC as amended by the Regulation (EC) 690/2009 and Regulation (EC) 1108/2009, **Regulation (EU) 1178/2011** laying down technical requirements and administrative procedures related to civil aviation aircrew pursuant to Regulation (EC) 216/2008, Regulation (EU) 290/2012 amending the Regulation (EU) 1178/2011 laying down technical requirements and administrative procedures related to civil aviation aircrew pursuant to Regulation (EC) 216/2008, **Regulation (EU) 965/2012** laying down technical requirements and administrative procedures related to air operations pursuant to Regulation (EC) 216/2008, **Regulation (EU) 1332/2011** laying down common airspace usage requirements and operating procedures for airborne collision avoidance, **Directive 2004/36/EC** on the safety of third-country aircraft using Community airports, **Regulation (EC) 351/2008** regarding prioritisation of ramp inspections on aircraft using Community airports,

Regulation (EC) 768/2006 regarding the collection and exchange of information on the safety of aircraft using Community airports and the management of the information system, **Regulation (EC) 104/2004** laying down rules on the organisation and composition of the Board of Appeal of the European Aviation Safety Agency, **Regulation (EC) 593/2007** on the fees and charges levied by the European Aviation Safety Agency and its amendments, namely the Regulation (EC) 1356/2008 and the Regulation (EU) 494/2012, **Regulation (EC) 736/2006** on working methods of the European Aviation Safety Agency for conducting standardisation inspections as amended by the Implementing Regulation (EU) 628/2013 on working methods of the European Aviation Safety Agency for conducting standardisation inspections and for monitoring the application of the rules of Regulation (EC) 216/2008 and repealing Commission Regulation (EC) 736/2006, **Regulation (EC) 2042/2003** on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks, **Regulation (EU) 748/2012** laying down implementing rules for the airworthiness and environmental certification of aircraft and related products, parts and appliances, as well as for the certification of design and production organisations (recast) as amended by the Regulation (EU) 69/2014, **Regulation (EC) 104/2004** laying down rules on the organisation and composition of the Board of Appeal of the European Aviation Safety Agency, **Regulation (EC) 2111/2005** on the establishment of a Community list of air carriers subject to an operating ban within the Community and on informing air transport passengers of the identity of the operating air carrier, and repealing Article 9 of Directive 2004/36/EC, **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, **Regulation (EC) 474/2006** establishing 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 all its amendments made by December 2013.

National Commission for Investigation of Aircraft Accidents and Serious Incidents

The National Commission for Investigation of Aircraft Accidents and Serious Incidents was established by the Decision of the Government of Montenegro (Official Gazette of Montenegro 49/12) in accordance with paragraph 1 of Article 128 of the Law on Air Transport (Official Gazette of Montenegro 30/12).

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With a purpose to transpose the European regulations into the national legislative system, the Rulebook on enhancing the safety and on investigation and prevention of accidents and incidents in civil aviation (Official Gazette of Montenegro 23/13) was adopted, thereby transposing the **Regulation (EU) 996/2010** on the investigation and prevention of accidents and incidents in civil aviation.

Occurrence Reporting in Civil Aviation

The **Regulation (EC) 1330/2007** laying down implementing rules for the dissemination to interested parties of information on civil aviation occurrences and the **Regulation (EC) 1321/2007** laying down implementing rules for the integration into a central repository of information on civil aviation occurrences, as well as the **Directive 2003/42/EC** on occurrence reporting in civil aviation, were transposed by the Rulebook on the method of reporting, investigation, analysing and dealing with information on endangered safety, accidents and serious incidents of aircrafts (Official Gazette of Montenegro 14/2013). By means of this Rulebook, adopted under the Law on Air Transport (Official Gazette of Montenegro 30/2012), full harmonisation of the Montenegrin legislative system with the EU *acquis* pertaining to this field has been achieved.

Aviation security

All the editions of the National Programme of Civil Aviation Safety have been made compliant with the provisions of the **ECAC Document 30** (the 12th edition of the ECAC DOC 30 and the 13th edition of the ECAC DOC 30 with the Amendments 1, 2 and 3) and with the regulations as follows: **Regulation (EC) 1217/2003** laying down common specifications for national civil aviation security quality control programmes, **Regulation (EC) 1486/2003** laying down procedures for conducting Commission inspections in the field of civil aviation security, **Regulation (EC) 849/2004** amending Regulation (EC) 2320/2002 establishing common rules in the field of civil aviation security, **Regulation (EC) 1138/2004** establishing a common definition of critical parts of security restricted areas at airports, **Regulation (EC) 781/2005** amending Regulation (EC) 622/2003 laying down measures for the implementation of the common basic standards on aviation security, **Regulation (EC) 857/2005** amending Regulation (EC) 622/2003 laying down measures for the implementation of the common basic standards on aviation security, **Regulation (EC) 1546/2006** amending Regulation (EC) 622/2003 laying down measures for the implementation of the common basic standards on aviation security, **Regulation (EC) 915/2007** amending Regulation (EC) 622/2003 laying down measures for the implementation of the common basic standards on aviation security, **Regulation**

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(EC) 300/2008 on common rules in the field of civil aviation security and repealing Regulation (EC) 2320/2002, **Regulation (EC) 820/2008** laying down measures for the implementation of the common basic standards on aviation security, **Regulation (EU) 1254/2009** setting criteria to allow Member States to derogate from the common basic standards on civil aviation security and to adopt alternative security measures, **Regulation (EC) 272/2009** supplementing the common basic standards on civil aviation security laid down in the Annex to Regulation (EC) 300/2008, **Regulation (EU) 18/2010** amending Regulation (EC) 300/2008 of the European Parliament and of the Council as far as specifications for national quality control programmes in the field of civil aviation security are concerned, **Regulation (EU) 72/2010** laying down procedures for conducting Commission inspections in the field of aviation security, **Regulation (EU) 185/2010** laying down detailed measures for the implementation of the common basic standards on aviation security, **Regulation (EU) 297/2010** amending Regulation (EC) 272/2009 supplementing the common basic standards on civil aviation security, **Regulation (EU) 357/2010** amending Regulation (EU) 185/2010, **Regulation (EU) 358/2010** amending Regulation (EU) 185/2010 laying down detailed measures for the implementation of the common basic standards on aviation security, **Regulation (EU) 573/2010** amending Regulation (EU) 185/2010, **Regulation (EU) 983/2010** amending Regulation (EU) 185/2010, **Regulation (EU) 334/2011** amending Regulation (EU) 185/2010, **Regulation (EU) 720/2011** amending Regulation (EC) 272/2009 supplementing the common basic standards on civil aviation security as regards the phasing-in of the screening of liquids, aerosols and gels at EU airports, **Regulation (EU) 1087/2011** amending Regulation (EU) 185/2010 laying down detailed measures for the implementation of the common basic standards on aviation security in respect of explosive detection systems, **Regulation (EU) 1141/2011** amending Regulation (EC) 272/2009 supplementing the common basic standards on civil aviation security as regards the use of security scanners at EU airports, **Regulation (EU) 1147/2011** amending Regulation (EU) 185/2010 implementing the common basic standards on civil aviation security as regards the use of security scanners at EU airports, **Regulation (EU) 173/2012** amending Regulation (EU) 185/2010 as regards clarification and simplification of certain specific aviation security measures, **Regulation (EU) 711/2012** amending Regulation (EU) 185/2010 laying down detailed measures for the implementation of the common basic standards on aviation security as regards the methods used for screening persons other than passengers and items carried, **Regulation (EU) 1082/2012** amending Regulation (EU) 185/2010 in respect of EU aviation security validation, **Regulation (EU) 245/2013** amending Regulation (EC) 272/2009 as

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regards the screening of liquids, aerosols and gels at EU airports, **Regulation (EU) 246/2013** amending Regulation (EU) 185/2010 as regards the screening of liquids, aerosols and gels at EU airports, **Regulation (EU) 104/2013** amending Regulation (EU) 185/2010 as regards the screening of passengers and persons other than passengers by Explosive Trace Detection (ETD) equipment in combination with Hand Held Metal Detection (HHMD) equipment, **Regulation (EU) 189/2013** amending Regulation (EU) 185/2010 in respect of the known consignor regime.

International relations

Montenegro is a member of the following international organizations: ICAO since 13 March 2007, ECAC since 25 June 2008, EUROCONTROL since 1 July 2007 and EASA with which Montenegro signed a Working Arrangement on 7 July 2009.

Institutional framework and administrative capacity

The **Air Transport Directorate** is part of the Ministry of Transport and Maritime Affairs. It proposes civil aviation policy and the national civil aviation development strategy, represents Montenegro in international organizations, puts forward proposals and carries out negotiations in matters under the competence of the Government of Montenegro, ensures a proper implementation of international agreements on civil aviation, adopts by-laws in compliance with law and performs other duties in accordance with law.

Civil Aviation Agency (CAA)

Civil Aviation Agency is an independent legal entity, established by the Government of Montenegro, and responsible for: issuing certificates and permits, preparing technical basis documents for the development of programmes, plans, by-laws adopted by the Government, adopting general laws in accordance with the Law on Air Traffic and legislation to implement the ECAA Agreement, keeping registers and records, performing inspections over the implementation of the Law on Air Traffic and concluded international treaties and other duties in accordance with the Law on Air Traffic and the Statute of the Agency.

II. f. Maritime transport

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) lays down the measures and activities related to the safety of maritime traffic and related to vessels, seafarers and other entities operating in the marine economy, as well as search and rescue, pilotage and inspections. This Law stipulates the working and living conditions of seafarers, as well as matters related to investigating marine casualties and incidents and of shelters. The law is partially aligned with the

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following European Union acts: **Directive 2009/21/EC** on compliance with flag State requirements, **Directive 2002/59/EC** on vessel traffic monitoring and information systems, which was amended by Directive 2009/17/EC, **Directive 2008/106/EC** on the minimum level of training of seafarers, **Directive 92/29/EEC** on the minimum safety and health requirements for improved medical treatment on board vessels, **Directive 2010/65/EC** on reporting formalities for ships arriving in and/or departing from ports of the Member States and repealing Directive 2002/6/EC, **Regulation 336/2006** on the implementation of the International Safety Management Code within the Community, **Directive 2009/45/EC** on safety rules and standards for passenger ships, **Directive 2003/25/EC** on specific stability requirements for ro-ro passenger ships, **Directive 2009/15/EC** on common rules and standards for ship inspection and survey organisations and for the relevant activities of maritime administrations, **Directive 96/98/EC** on marine equipment, **Directive 98/41/EC** on the registration of persons sailing on board passenger ships operating to or from ports of the Member States of the Community, **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, **Directive 2009/18/EZ** establishing the fundamental principles governing the investigation of accidents in the maritime transport sector and amending Council Directive 1999/35/EC and Directive 2002/59/EC, **Directive 2009/16/EC** on port state control, **Directive 2009/20** on the insurance of ship-owners for maritime claims, **Directive 96/40** establishing a common model for an identity card for inspectors carrying out port State control, **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) and **Directive 2009/13/EC** implementing the Agreement concluded by the European Community Shipowners' Associations (ECSA) and the European Transport Workers' Federation (ETF) on the Maritime Labour Convention, 2006, and amending Directive 1999/63/EC.

Law on Maritime and Inland Navigation (Official Gazette of the FRY 12/98, 44/99, 74/99 and 73/00) and the **Law on Maritime and Inland Navigation** (Official Gazette of the Socialist Republic of Montenegro 19/78, 8/79, 19/87, 22/90 and 13/91) regulate the registration of ships, grounds of property rights issues in respect of ships, ship-owners, obligations relating to ships, navigational incidents, enforcement proceedings and security on board vessels and the applicable law and jurisdiction of the courts in Montenegro for disputes with an international element.

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Law on Maritime and Inland Navigation (Official Gazette of the Federal Republic of Yugoslavia 12/98, 44/99, 74/99 and 73/00) and Law on Maritime and Inland Navigation (Official Gazette of the Socialist Republic of Montenegro 19/78, 8/79, 19/87, 22/90 and 13/91) have not been aligned with **Regulation (EC) 1177/2010** concerning rights of passengers when travelling by sea and inland waterways and amending Regulation (EC) 2006/2004.

Law on the Sea (Official Gazette of Montenegro 17/07) regulates maritime and undersea territory of Montenegro: internal maritime waters, territorial sea, exclusive economic zone, continental shelf, ban on entering ports, stopping and pursuing vessels. The Law transposed the 1982 United Nations Convention on the Law of the Sea and the Convention on the Protection of the Mediterranean Sea and the Coastal Areas from Pollution, 1996 (Barcelona Convention) in order to comprehensively regulate all modes of sea use, exploitation, protection, conservation and to improve the quality of the sea, sea-bed and the undersea world. Law on the Sea is not aligned with **Regulation 3577/92** applying the principle of freedom to provide services to maritime transportation within Member States (maritime cabotage) and **Regulation 4055/86** applying the principle of freedom to provide services to maritime transport between Member States and between Member States and third countries.

Law on the Prevention of Marine Pollution from Vessels (Official Gazette of Montenegro 20/11) governs the protection of the sea from pollution from vessels that navigate or are located in internal sea waters and territorial sea of Montenegro and the reception and handling of waste in ports. The law is partially aligned with **Directive 2002/59/EC** establishing a Community vessel traffic monitoring and information system and **Directive 2000/59/EC** on port reception facilities for ship-generated waste and cargo residues.

Law on Yachts (Official Gazette of Montenegro 46/07) governs flag state, identification and registration of yachts into a yacht register, manner of yachts' entering ports, staying and leaving ports, as well as rights and duties when renting yachts. Law on Yachts creates a user-centred legal framework for the development of nautical tourism in Montenegro. The aim was to have one document governing matters of registration, navigation, staying and renting yachts in the waters of Montenegro. Law on Yachts is partially aligned with **Directive 94/25/EC** on the approximation of the laws, regulations and administrative provisions of the Member States relating to recreational craft and **Resolution no. 40** on international certificate for operators of pleasure craft.

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Law on Ports (Official Gazette of Montenegro 51/08) regulates the legal status, division of ports, management, fees, concessions, order, inspections and other issues that are of importance to ports in Montenegro. Law on Ports is partially aligned with **Directive 2005/65/EC** on enhancing port security and **Directive 2001/96/EC** establishing harmonised requirements and procedures for the safe loading and unloading of bulk carriers.

Market access

Law on the Sea (Official Gazette of Montenegro 17/07, 40/11) stipulates that cabotage means transport of goods and passengers between domestic ports that can be performed only by ships, yachts or boats flying the flag of Montenegro. Law on the Sea is not aligned with **Regulation 3577/92** applying the principle of freedom to provide services to maritime transport within Member States (maritime cabotage) and **Regulation 4055/86** applying the principle of freedom to provide services to maritime transport between Member States and between Member States and third countries.

International relations

As a United Nations member, Montenegro acceded by succession to the 1982 United Nations Convention on the Law of the Sea (UNCLOS). Montenegro became a member of the International Maritime Organization (IMO) on 16 October 2006, upon depositing of an instrument of accession to the 1948 IMO Convention.

Montenegro has ratified the following multilateral treaties: the 1965 Convention on Facilitation of International Maritime Traffic - FAL, the 1966 International Convention on Load Lines, and the Annex thereto, International Convention on Tonnage Measurement of Ships, 1969, the 1969 International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties - INTERVENTION, International Convention for the Prevention of Pollution from Ships, 1973, the Protocol Relating to Intervention on the High Seas in Cases of Pollution by Substances Other Than Oil, 1973, and amendments thereto, Convention on the International Regulations for Preventing Collisions at Sea, 1972, and amendments thereto, International Convention for Safe Containers, 1972, and amendments thereto, Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, 1972, International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978, and amendments thereto, and their optional Annexes I to V, International Convention for the Safety of Life at Sea, 1974, the 1978 Protocol relating to the 1974 International Convention for the Safety of Life at Sea (SOLAS PROT 1978), International Convention on

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Standards of Training, Certification and Watchkeeping for Seafarers (STCW) 1978 with amendments, International Convention on Maritime Search and Rescue (SAR) 1979, as amended by resolutions of the Maritime Safety Committee (MSC) 70(69), Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation, Protocol for the Suppression of Unlawful Acts Against the Safety of Fixed Platforms Located on the Continental Shelf, Convention on the International Maritime Satellite Organization (INMARSAT) and Operating Agreement on the International Maritime Satellite Organization (INMARSAT) including its annexes, International Convention on Civil Liability for Oil Pollution Damage, 1992, the 2003 Protocol to the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992, the 2001 International Convention on the Control of Harmful Anti-fouling Systems on Ships, International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992, International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, 1996, International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004, International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001, Protocol of 1988 Relating to the International Convention on Load Lines, 1966, Protocol of 1988 Relating to the International Convention for the Safety of Life at Sea, 1974.

Also, Montenegro has ratified the Annex VI of the MARPOL 73/78 Convention (Official Gazette of Montenegro – International Agreements 3/2013).

Montenegro has not ratified the Maritime Labour Convention and the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, adopted in 1974 and the 2002 Protocol on amendments to the Athens Convention on the Carriage of Passengers and their Luggage by Sea, 1974.

Flag State

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth the conditions that must be fulfilled by a vessel to be seaworthy. The law is partially aligned with **Directive 2009/21/EC** on compliance with Flag State requirements.

Recognised organizations

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) stipulates that technical supervision to establish seaworthiness and issuing appropriate shipping documents and logs can be done by an organization recognized by the European Commission to carry out technical supervision and

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statutory certification of maritime vessels, authorized by the Government to do so. The law is partially aligned with **Directive 2009/15/EC** on common rules and standards for ship inspection and survey organisations and for the relevant activities of maritime administrations and **Regulation 391/2009** on common rules and standards for ship inspection and survey organisations.

Port state control

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth the manner and procedure for inspections of navigation safety and the form of inspectors' identification card. Law on the Safety of Maritime Navigation partially transposed the **Directive 2009/16/EC** on port state control and **Directive 96/40/EC** establishing a common model for an identity card for inspectors carrying out port state control.

Vessel traffic monitoring

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth the provisions relating to maritime traffic monitoring, tracking and management. Law on the Safety of Maritime Navigation is partially aligned with **Directive 2002/59/EC** establishing a Community vessel traffic monitoring and information system and repealing Council Directive 93/75/EEC and the Directive 2009/17/EC amending Directive 2002/59/EC establishing a Community vessel traffic monitoring and information system.

International Safety Management Code

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) stipulates that the ship-owner and shipping company are required to apply and maintain a safety management system. The law is partially aligned with **Regulation (EC) 336/2006** on the implementation of the ISM Code, **Regulation (EC) 540/2008** amending Annex II to Regulation (EC) 336/2006 on the implementation of the International Safety Management (ISM) Code within the Community, as regards the format of forms.

Pilotage

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth the provisions relating to pilotage. Given that Montenegro does not have a coast bordering on the North Sea or English Channel and that the sailing conditions do not require the assistance of deep-sea pilots, there is no need to transpose **Directive 79/115/EC** into the legislation in Montenegro.

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Marine equipment

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth the provisions relating to the equipment that needs to exist on vessels flying the Montenegrin flag. The law is partially aligned with **Directive 96/98/EC** on marine equipment and **Directive 2011/75/EU** amending Directive 96/98/EC on marine equipment.

Passenger ships

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth the provisions relating to passenger ships, ro-ro passenger ships and high-speed passenger craft. The law is partially aligned with **Directive 98/18/EC** on safety rules and standards for passenger ships (classes of passenger ships), **Directive 2003/25/EC** on specific stability requirements for ro-ro passenger ships, **Directive 2009/45/EC** on safety rules and standards for passenger ships, **Directive 2003/24/EC** amending Council Directive 98/18/EC on safety rules and standards for passenger ships, **Directive 98/41/EC** on the registration of persons sailing on board passenger ships operating to or from ports of the Member States of the Community.

Safety of fishing vessels

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth the provisions relating to fishing vessels. The law is partially aligned with **Directive 97/70/EC** setting up a harmonized safety regime for fishing vessels of 24 metres in length and over.

Oil tankers

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth the provisions relating to the safety of navigation, as well as technical rules, while the **Law on the Prevention of Pollution from Vessels** (Official Gazette of Montenegro 20/11 and 26/11) laid down the provisions relating to the protection of the sea from pollution from vessels. Law for the Prevention of Pollution from Vessels is not aligned with **Regulation (EC) 530/2012** on the accelerated phasing-in of double-hull or equivalent design requirements for single-hull oil tankers.

Maritime accidents

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth that investigations into the causes of marine incidents and accidents and recommending measures to avoid marine incidents and accidents and enhancing

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the safety of navigation shall be done by the Commission for Investigation of Marine Incidents and Accidents, established by the Government, which is independent and functionally autonomous as compared to all public administrative bodies responsible for maritime affairs and other legal and natural persons. Law on the Safety of Maritime Navigation is partially aligned with **Directive 2009/18/EC** establishing the fundamental principles governing the investigation of accidents in the maritime transport sector and amending Council Directive 1999/35/EC and Directive 2002/59/EC of the European Parliament and of the Council, **Regulation (EC) 651/2011** adopting the rules of procedure of the permanent cooperation framework established by Member States and the **Regulation (EC) 1286/2011** adopting a common methodology for investigating marine casualties and incidents.

Insurance

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth that vessels must have a proof of liability insurance for maritime claims in accordance with the 1976 International Convention on Limitation of Liability for Maritime Claims, up to the insurance amounts laid down by the 1966 Protocol to the afore-mentioned Convention. The law is partially aligned with **Directive 2009/20/EC** on the insurance of ship-owners for maritime claims.

Social aspects

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth the provisions relating to Maritime Labour Convention: contract of employment, working hours and night work, rest period, employment of junior seafarers, protection of health and safety and accident prevention on board, medical care on board, rooms for lodging and rest of seafarers, food and catering on board, protection of the rights of seafarers arising from employment, employment mediation, maritime labour certificate and declaration of maritime labour compliance issued to seafarers, earnings of seafarers on board, transfer all or part of the earnings and the ship's procedures upon the seafarer's complaint. Law on the Safety of Maritime Navigation is partially aligned with **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.

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Training of seafarers

Rulebook on the titles and conditions for the acquisition of titles and issuing authorizations for the crew members of sea-going ships (Official Gazette of Montenegro 55/13) which is aligned with the STCW Convention 1978/95 including amendments thereto, sets forth the titles, the conditions for acquiring titles and issuing authorizations for the crew members of sea-going ships, the programme and the manner of taking the licence exam for acquiring the title of seafarers.

Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13) sets forth the provisions relating to training of seafarers. The law is partially aligned with **Directive 2008/106/EC** and its amendments set out in the Directive 2012/35/EC (2010 Manila Amendments).

Maritime security - ISPS Code

Decree on protection of security of merchant ships and ports open to international traffic (Official Gazette of Serbia and Montenegro 32/04) governs state obligations arising out of the International Convention for the Safety of Life at Sea and the International Ship and Port Facility Security Code, referring to ports open to international traffic and ships in international navigation. The Decree is not aligned with **Regulation 725/2004** on enhancing ship and port facility security, **Directive 2005/65** on enhancing port security and **Regulation 324/2008** laying down revised procedures for conducting Commission inspections in the field of maritime safety.

Passenger rights

Law on Maritime and Inland Navigation (Official Gazette of the Federal Republic of Yugoslavia 12/98, 44/99, 74/99 and 73/00), Art. 643-678 sets forth the provisions relating to the rights of passengers. The law has not been aligned with **Regulation (EC) 1177/2010** concerning the rights of passengers when travelling by sea and inland waterways, but the **Law on Safety of Maritime Navigation** (Official Gazette of Montenegro 62/13) has been partially aligned with the mentioned Regulation with regard to construction of ship with the purpose of adequate access, moving and staying of persons with disabilities and reduced ability to move.

Institutional framework and administrative capacity

The **Maritime Traffic Directorate** is part of the Ministry of Transport and Maritime Affairs. The Directorate performs administrative duties related, among others, to: maritime traffic, maritime traffic safety, protection of security of merchant ships and

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ports open to international traffic, establishing indicators, prevention and taking of emergency measures in case of marine pollution from vessels, transport of hazardous substances in maritime traffic in accordance with a separate law, domestic and international carriage of persons and things, navigation safety aids, maritime economy; safety of maritime navigation, ports, monitoring and analysing the conditions for doing business and the economic position of undertakings in these fields, proposing measures of current and development policy and analyzing their impact on the economic position of undertakings in the maritime field.

Harbour master offices of Bar and Kotor, as regional units of the Maritime Traffic Directorate, perform tasks related to: safety and security of navigation and order in ports; acquiring titles by crew members of ships; performance of inspections of ships and other vessels, vessel crew members, ports, waterways and of aids to security and safety of navigation; radio service, port and coastal pilotage, construction of facilities in the coastal waters; carriage of persons and goods at sea; maintaining order in ports and in other parts of the coastal waters and other duties set forth by regulations.

Maritime Safety Department as an administrative body under the Ministry of Transport and Maritime Affairs performs administrative duties regarding: safety of navigation in the coastal waters of Montenegro in terms of development and maintenance of maritime waterways, placing navigation aids on the waterways and ensuring their proper functioning, performing radio service duties on maritime waterways for maritime traffic, collecting hydrographical, oceanographic and meteorological data and their broadcast via a radio link; determining the seaworthiness of ships and other vessels and floating crafts by: exercising technical supervision, issuing ship documents, logs and certificates, adopting technical rules and calculating tonnage during measurement of vessels; performing technical expertise in cases of marine incidents; organizing and conducting search and rescue at sea; protection of sea from pollution from vessels and floating crafts; registration of yachts into the yacht registry and other duties sets forth by regulations.

Port Authority as an administrative body under the Ministry of Transport and Maritime Affairs performs administrative duties regarding: ports of national significance; care for the construction, reconstruction, maintenance, management, protection and enhancement of ports; supervision of port use, provision of port services and performance of other activities in ports; control of the construction, reconstruction, maintenance and protection of port infrastructure and suprastructure; provision of conditions for the performance of maritime traffic and port services in the port or port anchorage; application of national legislation,

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international agreements and standards regarding ports; drawing up port development plans adopted by the Government; ensuring port operations in accordance with market principles; preparing criteria for fixing the amount of fees for port infrastructure use; preparing concession acts, participating in the procedure for granting concessions and concluding concession contracts; approval of the fees for port services on the basis of the maximum stipulated compensation amount; control over the execution of concession agreements; regulation and coordination of activities and relations between the concessionaires; conclusion of concession contracts with selected bidders; ensuring that the concessionaire be entered into the concession registry and other duties set forth by regulations.

III ALIGNMENT OF THE LEGISLATIVE AND INSTITUTIONAL FRAMEWORK WITH THE EUROPEAN UNION ACQUIS

III. a. Road transport

Legislative framework

Access to the profession and to the market

Full alignment of Montenegrin legislation with **Regulation 1071/2009** establishing common rules concerning the conditions to be complied with to pursue the occupation of road transport operator, **Regulation 1072/2009** on common rules for access to the international road haulage market, **Regulation 1073/2009** on common rules for access to the international market for coach and bus services, and amending Regulation (EC) 561/2006 and **Regulation (EU) 361/2014** laying down detailed rules for the application of Regulation (EC) 1073/2009 as regards documents for the international carriage of passengers by coach and bus and repealing Regulation (EC) 2121/98, will be achieved in 2016, when it is planned to adopt a new Law on Road Transport and its implementing regulations. Parts of the *acquis* relating to cabotage, licence form, introduction of drivers certificates and the format and content of authorisations and applications for passenger transport authorisations will apply upon the accession of Montenegro to the EU.

Regulation (EC) 361/2014 (EU) has not been transposed into the Law on Road Transport, but Montenegro is a signatory to the INTERBUS Agreement as of 1 January 2009 ("Official Gazette of Montenegro – International Agreements" 4/2008), i.e. occasional carriage of passengers is carried out in accordance with the mentioned Agreement.

Full alignment with **Directive 2003/59/EC** on the initial qualification and periodic training of drivers of certain road vehicles for the carriage of goods and passengers

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and its application will be achieved through adoption of the new Law on Road Transport and its implementing regulations in 2016.

Installation of a new toll collection system will allow automatic toll collection through the use of TAG devices. Use of TAG devices with the technical characteristics defined in the EU directives allows for the interoperability of the toll collection system. This system will be used until the end of 2014.

The new Law on Roads, planned to be adopted in 2016, will ensure full alignment with regard to the ITS system regulated under **Directive 2010/40/EC**.

Amendments to the Decision Determining the Amount of the Annual Fee for Road Usage Charged within Registration of Motor Vehicles, Tractors and Trailers ("Official Gazette of the Republic of Montenegro", 60/2005) planned for 2016 will ensure full alignment with **Directive 1999/62/EC** with regard to classification of vehicles per categories.

With the aim to achieve alignment with **Directive 2004/54/EC**, a new bylaw on the minimum safety requirements for tunnels over 500 m in length will be developed in 2016.

Social Conditions

Full alignment with **Regulation 561/2006** on alignment of certain social legislation relating to road transport, **Regulation 3821/85** on recording equipment in road transport, **Directive 2006/22** on minimum conditions for the implementation of Regulations 3820/85 and 3821/85 concerning social legislation relating to road transport activities and repealing Directive 88/599 and **Directive 2009/5** amending Directive 2006/22 will be achieved through adoption of the new Law on Working Time and Breaks during Working Time and Recording Equipment in Road Transport and its implementing regulations in 2017.

Technical and Safety Conditions

Full alignment with **Directive 2014/45/EU** on periodic roadworthiness tests for motor vehicles and their trailers and repealing Directive 2009/40/EC, **Directive 2014/47/EU** on the technical roadside inspection of the roadworthiness of commercial vehicles circulating in the Union and repealing Directive 2000/30/EC, **Directive 1999/37** on the registration documents for vehicles, **Directive 91/671** relating to the compulsory use of safety belts in vehicles of less than 3.5 tonnes maximum permitted mass, **Directive 89/459** relating to the tread depth of tyres of certain categories of motor vehicles and their trailers, **Directive 92/6** on the installation and use of speed limitation devices for certain categories of motor

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vehicles, **Directive 2006/126** on driving licences, **Regulation 2411/98** on the distinguishing sign, **Directive 2007/38** on the retrofitting of blind spot mirrors to HGVs and **Directive 2011/82** facilitating the cross-border exchange of information on road safety related traffic offences will be achieved in 2018, through adoption of the new **Law on Road Traffic Safety** and its implementing regulations.

Until 2016, bylaws will be passed to regulate the detailed requirements to be met by a road safety auditor, the method of training and training evaluation, register of road safety auditors and the method and the conditions for the performance of auditor's tasks, the method of creating comparative analysis of road safety and other with the aim to achieve full alignment with **Directive 2008/96/EC**.

Transport of dangerous goods

The Law on Transport of Dangerous Goods which was adopted in July 2014 is partially aligned with the following EU regulations: **Directive 95/50/EC** on uniform procedures for checks on the transport of dangerous goods by road, **Directive 98/91/EC** relating to motor vehicles and their trailers intended for the transport of dangerous goods by road and amending Directive 70/156/EEC relating to the type approval of motor vehicles and their trailers, **Directive 2008/68/EC** on the inland transport of dangerous goods, **Directive 2009/0446** on uniform procedures for checks on the transport of dangerous goods by road (codified version), **Directive 2001/26/EC** amending Directive 95/50/EC on uniform procedures for checks on the transport of dangerous goods by road, **Directive 2004/112/EC** adapting to technical progress Council Directive 95/50/EC on uniform procedures for checks on the transport of dangerous goods by road and **Decision 2003/635/EC** authorising Member States to adopt certain derogations pursuant to Directive 94/55/EC with regard to the transport of dangerous goods by road.

Full alignment will be achieved in 2015 through adoption of the regulations necessary for their implementation, and their application will begin thereafter.

Montenegro will fully align with **Directive 2010/35/EU** on transportable pressure equipment and repealing Directives 76/767/EEC, 84/525/EEC, 84/526/EEC, 84/527/EEC and 1999/36/EC until the date of accession to the EU.

Passenger rights

Full alignment of the **Law on Contracts in Road Transport** (Official Gazette of Montenegro 53/2009, Official Gazette of Montenegro 36/2013) with **Regulation 181/2011** concerning the rights of passengers in bus and coach transport will be

achieved in 2018 when will start its implementation, except in part which is not applicable until the date of accession.

Administrative capacity

With the aim to achieve the best possible control of the implementation of the Law on Road Transport and the Law on Working Time and Breaks during Working Time and the Recording Equipment in Road Transport, it is planned to employ two new inspectors in the Road Transport Inspectorate in the following period. Montenegro will continue with annual trainings and equipping of all inspectors to perform control in line with **Directive 2006/22/EC**.

Adequate training and equipping of the relevant inspection authorities in order to enable them to carry out the envisaged control over the driving time, breaks and rest periods of professional drivers is planned for 2015. The mentioned trainings will include use of technical assistance mechanisms through Taiex and other available assistance programs.

III. b. Rail transport

The Law on Railways (Official Gazette of Montenegro 27/2013), applicable as of January 2014, is partially aligned with **Regulation (EC) 1370/2007** on public passenger transport services by rail and by road, and repealing Council Regulations (EEC) 1191/69 and (EEC) 1107/70. The Law provides for the legal basis to sign contracts on public transport service obligation and details the obligation to provide passenger transport services of public interest. In 2014, it is planned to pass a bylaw on PSO (Public Service Obligation) and the methodology for the calculation of compensation, which will provide the basis to sign PSO contracts. Through adoption of this bylaw, the Law will be fully aligned with **Regulation (EC) 1370/2007**. Through signing of PSO contract, it is planned to resolve the matter of infrastructural charges for passenger trains.

Since the new **Directive 2012/34/EU** incorporates the EU regulations which were the basis for the development of the Law on Railways, it can be concluded that the Law is partially aligned with the provisions relating to the Network Statement, infrastructure access and service fees, and the allocation of the infrastructural capacities and forming of a unique regulatory body. The Law is applicable as of January 2014, and it is planned to perform a review of alignment of the Law with **Directive 2012/34/EU** until June 2016, after which it will be decided whether to amend the Law or to achieve full alignment through adoption of bylaws.

Montenegro does not apply national security and technical rules of the Republic of Serbia; it applies the technical regulations of the Community of Yugoslav Railways, until adoption of new bylaws.

The Law on Contractual Relations in Railway Transport (Official Gazette of Montenegro 41/2010) is fully aligned with **Regulation 1371/2007** and partially aligned with the Recommendation for a Council decision authorising the Commission to negotiate the conditions for Community accession to the Convention concerning International Carriage by Rail (COTIF) as amended by the Vilnius Protocol. Although the Law is implemented since 2010, it is still not applied with regard to the rights of persons with disabilities due to technical lack in equipment of a part of rolling stock and undeveloped access areas on the non-renovated part of the railroad. However, as stated previously, realization of infrastructural projects per sections is gradually resolving the issue of access areas to trains, while the problem with the equipment of the rolling stock is being resolved by stipulating the obligation of the operator and the infrastructure manager to assist persons with disabilities to access and use the rolling stock. As regards the application of other provisions of the Law, full implementation has been achieved in local traffic, i.e. for passengers starting and ending their trip within the territory of Montenegro. For passengers in transit and passengers in international traffic it is not possible to apply the Law in full, without signing protocols on reciprocity with the interested railway administrations. The general rules of COTIF apply to these passengers, and therefore, in the future period, in addition to improving the infrastructure, efforts will be made to create the conditions for the conclusion of bilateral agreements with the railway administrations of both EU member states and other interested governments.

Railway safety

Through adoption of bylaws, the **Law on Safety, Organization and Efficiency of Railway Transport** (Official Gazette of Montenegro 1/2014) will be fully aligned with **Directive 2004/49/EC** and **Directive 2008/57** on the interoperability of rail system within the Community. The deadline to pass the bylaws laid down by the Law is by 2016. At the same time, the old technical regulations will be repealed through adoption of new bylaws.

Five rulebooks based on the Law on Safety, Organization and Efficiency of Railway Transport are currently being prepared, as follows: the Rulebook on Cable Cars, Rulebook on the Method of Issuance of Licences for Persons Operating Trailers, Rulebook on the Method of Issuance of Licences for the Use of Railway Vehicles, Rulebook on Signalling and the Rulebook on Maintenance of Railroad Substructure.

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These rulebooks represent the basis for the implementation of the EU directives regulating railway safety and interoperability, and they are to be published by the end of 2014. Also, by the end of 2015, all railway companies must publish the Safety Management System - SMS, in order to meet the requirements to extend their safety certificate.

Train driver licensing

Through adoption of bylaws, we will achieve full alignment of the Law on Safety, Organization and Efficiency of Railway Transport with **Directive 2007/59/EC** on the certification of train drivers operating locomotives and trains on the railway system in the Community, regarding the format of licences, forming of training centres, licensing of examiners and selection of health care institutions. The final deadline for the adoption of these acts is by 2016.

The Law on Railway provides for the obligation of the infrastructure manager and the operators to deliver at any moment, upon request from the Directorate, all information relating to the functioning and safe operation of railway transport, obligations realized under concluded contracts and similar. The same Law provides for a fine in the amount from EUR 500 to EUR 20,000 for all entities who fail to deliver such information, upon request from the Directorate. Pursuant to the organization of the work of public administration, all fines based on this Law are imposed by the relevant railway inspector.

Administrative capacity

The job systematization of the Railway Directorate provides for 12 work posts, and only 7 have been covered. It is planned to employ another three officers by 2018.

Although the Law on Railway prescribes that the tasks of the regulatory authority are to be performed by a special department within the Railway Directorate, at the moment we are looking for a model to relocate that department to one of the already existing regulatory agencies, in order to fulfil the European Commission recommendations regarding the independence of this body and to achieve acceptable effect on the State Budget at the same time.

The new Law on Safety provides for the legal basis to form a safety body (National Investigation Body – NIB). The Budget for 2014 includes allocation of funds to establish this body, which will be a common body for air, rail and maritime transport, employing three inspectors (investigators) for each form of transport, who will coordinate the work of the Committee in line with the Law and be in charge of implementation of all necessary activities. The duties and the job

descriptions of the employees in the national investigation body are defined under the Law, and the procedure for the selection of the chief investigators is underway.

III. c. Inland waterways transport

Legislative framework

Until 2017, it is planned to adopt the Law on Inland Waterways Transport transposing in full **Directive 2006/87** laying down technical requirements for inland waterway vessels and **Directive 96/50** on the alignment of the conditions for obtaining national boat masters' certificates for the carriage of goods and passengers by inland waterway.

Administrative capacity

Adoption of the Law on Inland Waterways Transport will lay down provisions relating to the establishing of an administration body in charge of inland waterway transport. Establishing of a new administration body will require employment of 4 officers as planned at the moment. Development of the legal framework and establishing of the administration body will raise the need for professional development of the officers and attendance of certain seminars and trainings in this field.

III. d. Combined transport

The **Law on Combined Transport of Freight** (Official Gazette of Montenegro 27/2014) entered into force in June 2014.

III. e. Provision of public passenger transport by road and by rail under a regime of Public Service Obligation

Full alignment with **Regulation 1370/2007/EU** on public passenger transport services by rail and by road, and repealing Regulations (EEC) 1191/69 and (EEC) 1107/70 will be achieved in 2015 through amendments to the Decree on the Detailed Criteria, Requirements and the Method of Awarding State Aid (Official Gazette of Montenegro 27/2010, 34/2011 and 16/2014) in 2015. Application of the Decree with regard to road transport will begin upon accession of Montenegro to the EU.

As regards the provision of public passenger transport by rail within the Public Service Obligation regime, it is planned to adopt a bylaw on PSO (Public Service Obligation) and the methodology for the calculation of charges in 2014, which will provide the basis to sign PSO contracts.

III. f. Air transport

Legislative framework

Code of conduct for computerized reservation systems

There are no entities in Montenegro to which **Regulation (EC) 80/2009** on a Code of Conduct for computerised reservation systems and repealing Council Regulation 2299/89 dominantly applies, i.e. there is no “system vendor” nor “parent carrier” within the terms defined under this regulation. All entities in Montenegro are solely users of the global reservation system and they do not face any difficulties in their daily operation.

Through adoption of a bylaw by the end of 2015, based on the Law on Air Transport (Official Gazette of Montenegro 30/12), alignment with Regulation 80/2009 will be achieved in full.

Aviation Security

Concerning the implementation of SMS system in airports, until 2014 there was no the regulatory basis to establish the requirements and procedures regarding airports in line with Regulation (EC) 216/2008. Through adoption of a bylaw by the end of 2017 based on the Law on Air Transport (Official Gazette of Montenegro 30/12), we will achieve full alignment with Regulation 139/2014 laying down requirements and administrative procedures related to aerodromes pursuant to Regulation (EC) 216/2008.

The State Budget for 2014 provides for the allocation of funds for the proper work of the National Committee for Investigation of Incidents and Serious Aviation Accidents. It is important to emphasise that the allocated funds were provided in the Budget under a separate consumer unit so as not to compromise the independence the Committee must have in its work. Also, the Government of Montenegro has provided the offices for the unimpeded functioning of the Committee.

Aviation Safety

With the aim to resolve the dilemma regarding the competence for the implementation of the National Civil Aviation Safety Program, it is important to emphasise that in line with the Law on Air Transport (Official Gazette of Montenegro 30/12), the National Civil Aviation Safety Committee monitors the implementation of preventive measures provided for in the National Civil Aviation Safety Program and the measures for the elimination of consequences caused by illegal obstruction of civil aviation, monitors the application and implementation of safety measures in airports, based on inspection controls and reports, and orders

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other measures to be taken, analyses the risk level and decides on the implementation of a certain level of additional, intensified safety measures to be taken and implemented in airports, manages actions in crisis situations, caused by acts of illegal obstruction, in line with the Safety Program, and performs other tasks of interest for the civil aviation safety.

Pursuant to Article 139 paragraph (4) of the Law on Air Transport, the Civil Aviation Agency is in charge of monitoring implementation of the National Safety Program and it reports on the implementation of measures to the National Civil Aviation Safety Committee.

Pursuant to Article 140 paragraph (4) of the Law on Air Transport, the Civil Aviation Agency monitors operational implementation of the Civil Aviation Safety Quality Control Program and it reports on the implementation of operational measures under the Civil Aviation Safety Quality Control Program to the National Civil Aviation Safety Committee.

The Ministry of Transport and Maritime Affairs, Civil Aviation Agency and the National Civil Aviation Safety Committee will monitor the adoption of new regulations in the field of civil aviation safety and implement them upon their adoption through the National Civil Aviation Safety Program.

Insurance requirements

With the aim to align with the consolidated version of **Regulation (EU) 785/2004**, i.e. amendments to **Regulation (EU) 785/2004**, with **Regulation (EC) 1137/2008** and **Regulation (EU) 285/2010**, the Ministry of Transport and Maritime Affairs has prepared a Proposal of the Law amending the Law on Mandatory Insurance regarding insurance in air transport, which has been submitted to the Ministry of Finance, which is responsible for this Law.

Air slots and airport charges

At Podgorica and Tivat airports, regular and charter airlines deliver their flight schedules before each summer and winter season in a form of a proposal based on which the airport operator: gives its approval, forms unified flight schedules, employs maximum available capacities through good organization and accepts each interested airline without discrimination. The EU regulations relating to airport charges and air slots will apply upon the accession of Montenegro to the EU.

The Single European Sky

The Ministry of Transport and Maritime Affairs and the Civil Aviation Agency will continue to transpose new European regulations into the Montenegrin legislative

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system through bylaws, based on the Law on Air Transport. By the end of 2014, it is planned to adopt rulebooks to transpose in full the following regulations: **Regulation (EU) 677/2011** laying down detailed rules for the implementation of air traffic management (ATM) network functions and amending Regulation (EU) 691/2010, **Regulation (EU) 176/2011** on the information to be provided before the establishment and modification of a functional airspace block, **Regulation (EU) 1079/2012** laying down requirements for voice channel spacing for the Single European Sky, **Regulation (EU) 1206/2011** laying down requirements on aircraft identification for surveillance on the Single European Sky, **Regulation (EU) 1207/2011** laying down requirements for the performance and the interoperability of surveillance for the Single European Sky, **Regulation (EU) 262/2009** laying down requirements for the coordinated allocation and use of Mode S interrogator codes for the Single European Sky, **Regulation (EU) 29/2009** laying down requirements on data link services for the Single European Sky, **Regulation (EU) 30/2009** amending Regulation (EC) 1032/2006 as far as the requirements for automatic systems for the exchange of flight data supporting data link services are concerned.

The Rulebook on Aircraft Navigation, based on the Law on Air Transport (Official Gazette of Montenegro 30/12), which is planned to be adopted during the second half of 2015, will transpose **Regulation (EU) 923/2012** laying down the common rules of the air and operational provisions regarding services and procedures in air navigation and amending Implementing Regulation (EU) 1035/2011 and Regulations (EC) 1265/2007, (EC) 1794/2006, (EC) 730/2006, (EC) 1033/2006 and (EU) 255/2010.

International relations

Regulation (EC) 868/2004 concerning protection against subsidisation and unfair pricing practices causing injury to Community air carriers in the supply of air services from countries not members of the European Community, is not a part of the Annex to the ECAA Agreement and has not been transposed into Montenegro legislative system. The Regulation will become applicable upon the accession of Montenegro to the EU.

Regulation (EC) 847/2004 on the negotiation and implementation of air service agreements between Member States and third countries has not been transposed into Montenegrin legislative system, it is not relevant for Montenegro at the moment, but it will become applicable upon the accession of Montenegro to the EU.

Passenger rights

With the aim to achieve full alignment 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 respect of the carriage of passengers and their baggage by air in the event of accidents, **Regulation (EC) 1107/2006** concerning the rights of disabled persons and persons with reduced mobility when travelling by air and **Regulation (EC) 889/2002** amending Regulation (EC) 2027/97 on air carrier liability in the event of accidents, a Proposal of the Law amending the Law on Obligations and Bases of Property-Legal Relations in Air Transport has been prepared. The mentioned Law amending the Law on Obligations and Bases of Property-Legal Relations in Air Transport will ensure full alignment with the European regulations relating to passenger rights. The Law is in the Parliamentary procedure and deadline for its adoption is by the end of 2014.

Administrative capacity

With the aim to implement the National Program on Safety, Security and Incentives in Air Transport and the European legislation, national committees have been established composed by representatives of the Ministry of Transport and Maritime Affairs and representatives of other authorities.

In order to achieve consistent transposing of the European legislation into the national legislative system, it is necessary to train the employees in the Ministry of Transport and Maritime Affairs and the Civil Aviation Agency in the field of economy regulation (market access and additional matters; social aspects; consumer protection; passenger rights), safety, Single European Sky (air navigation services/air transport management (ANS/ATM), flexible use of air space), security, through seminars, workshops and trainings.

Pursuant to the National Program for Air Transport Incentives, it is also envisaged to organize training for the airport employees, aircraft operator staff and travel agency employees on the importance of sharing information on persons with disabilities and persons with reduced movement who need special assistance.

III. g. Maritime transport

Flag State

Through adoption of bylaws until the end of 2016, based on the Law on Maritime Navigation Safety, relating to the requirements to be met by a ship capable for

navigation, we will achieve full alignment with s **Directive 2009/21/EC** on compliance with flag State requirements.

Port State Control

Montenegro acceded to the Paris Memorandum in May 2011 as an observer state. In March 2012, the Action Plan for the accession of Montenegro to the Paris MoU was submitted to the Paris MoU Secretariat, stipulating the activities to be taken by the maritime authorities with the aim to meet the given recommendations, and the activities it has taken in the previous period.

At the meeting of the Paris Memorandum Committee on port State control, held in May 2014, it was agreed that Montenegro should realize the remaining recommendations of the Paris MoU Monitoring Team, in order to apply as a candidate for membership in the Paris MoU in May 2015.

The bylaws to be adopted by the end of 2014, based on the Law on Maritime Navigation Safety, will be fully aligned with **Directive 2009/16/EC** on port State control and **Directive 96/40/EC** establishing a common model for an identity card for inspectors carrying out port State control.

Vessel traffic monitoring

Currently, Montenegro is realizing IPA 2011 project entitled "Implementation of VTMISS and Procurement of Equipment for the Protection of the Sea against Pollution". Implementation of VTMISS in Montenegro, i.e. establishing of a system for the monitoring and control of maritime transport is an activity worth EUR 1,800,000 and by establishing it the State of Montenegro will obtain equipment for maritime transport monitoring.

Realization of VTS/VTMISS, which is planned to start as of 1 January 2015, will establish a complete legislative and technological framework for maritime transport monitoring.

Through adoption of bylaws by the end of 2014, based on the Law on the Safety of Maritime Navigation (Official Gazette of Montenegro 62/13), we will achieve full alignment with **Directive 2002/59/EC** establishing a Community vessel traffic monitoring and information system and repealing Council **Directive 93/75/EEC** and its amendments 2009/17/EC establishing a Community vessel traffic monitoring and information system.

Recognized organizations

The activities relating to the transfer of authorisations for the provision of ship inspection services and the issuance of required certifications for vessels registered under Montenegrin flag have been transferred to the members of the International Association of Classification Societies (IACS), in order to increase the level of security and safety of navigation through fulfilment of the highest technical standards. The State of Montenegro has entered into agreements with the Bureau Veritas and the Russian Maritime Register of Shipping, as well as with the Croatian Maritime Register of Shipping.

Through adoption of bylaws by the end of 2016, based on the Law on Maritime Navigation Safety, we will achieve full alignment with **Directive 2009/15** on common rules and standards for ship inspection and survey organizations and for the relevant activities of maritime administrations and **Regulation (EU) 391/2009** on common rules and standards for ship inspection and survey organizations.

International relations

By the end of 2014, Montenegro will ratify the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, adopted in 1974, and the Protocol of 2002 amending the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, which will ensure alignment with **Decision 2012/22** concerning the accessing of the European Union to the Protocol of 2002 to the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea with the exception of Articles 10 and 11 and **Decision 2012/23** concerning the accession to the Protocol of 2002 to the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea with the exception of Articles 10 and 11.

Through adoption of bylaws by the end of 2016, based on the Law on Maritime Navigation Safety, we will achieve full alignment with **Directive 1999/63/EC** concerning the Agreement on the organization of working time of seafarers concluded by the European Community Ship-owners' Association (ECSA) and the Federation of Transport Workers' Unions in the European Union (FST), **Directive 2009/13/EC** implementing the Agreement on Maritime Labour Convention (MLC 2006) and **Directive 1999/95/EC** concerning the enforcement of provisions in respect of seafarers' hours of work on board ships calling at Community ports.

Training of seafarers

On 3 June 2006, Montenegro effectively became a member of the Standards of Training, Certification and Watchkeeping Convention (STCW Convention 1978/95

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with amendments) and it is now on the so called White List of the International Maritime Organization. The port authorities in Bar and Kotor have introduced the quality management system (QMS) in accordance with ISO standard 9001:2000, which is controlled every year by the certification authority for the implementation of the Lloyd's Register quality system, with positive reports for the controlled subject and continuous improvement of the ISO standard with regard to the acquisition, issuance and renewal of certifications for seafarers, quality of implementation of regulations in the education system, institutions in charge of issuance of those certifications and regarding verification of their quality system by the mentioned relevant authority.

In Montenegro, education for the acquiring of professional titles is carried out within the regular education, through maritime education institution at the secondary and university level, and training is provided in centres authorised by the Ministry of Transport and Maritime Affairs. Seafarers, after they complete regular education and the necessary training in training centres, take exams before the examination committees of the Port Authorities in Kotor and Bar to acquire certain titles in maritime sector. Authorisations issued by the relevant authorities of another Member State to the STCW Convention are recognized in Montenegro under the condition of reciprocity and equivalency, and a number of bilateral agreements have been signed with other countries.

Montenegro is making great efforts to meet the requirements relating to the shortcomings, trainings and certification system of Montenegro, provided by the European Maritime Safety Agency, in February 2012.

Through adoption of a bylaw based on the Law on Maritime Navigation Safety (Official Gazette of Montenegro 62/13) by the end of 2015 we will achieve full alignment with **Directive 2008/106/EC** on the minimum level of training of seafarers and its amendments provided in Directive 2012/35/EC (Manila 2010 Amendments) amending Directive 2008/106/EC on minimum level of training of seafarers.

Passenger rights

Until 2018, it is planned to adopt the Law on Contractual Relations in the Maritime Sector which will be fully aligned with **Regulation (EU) 1177/2010** concerning rights of passengers when travelling by sea and inland waterway.

Market access

Amendments to the Law on the Sea (Official Gazette of Montenegro 17/07, 40/11) to be adopted by the end of 2015 and the adoption of regulations based on this Law within 24 months after its effective date will provide for full alignment with **Regulation 3577/92** applying the principle of freedom to provide services to maritime transport within Member States (maritime cabotage) and **Regulation 4055/86** applying the principle of freedom to provide services to maritime transport between Member States and between member States and third countries.

International Safety Management Code

Through adoption of bylaws by the end of 2016, based on the Law on Maritime Navigation Safety (Official Gazette of Montenegro 62/13) we will achieve full alignment with **Regulation (EC) 336/2006** on the implementation of the International Safety Management Code, **Regulation (EC) 540/2008** amending Annex II to **Regulation (EC) 336/2006** on the implementation of the International Safety Management (ISM) Code within the Community, as regards format of forms.

Marine equipment

The Law on Maritime Navigation Safety (Official Gazette of Montenegro 62/13) prescribes adoption of a bylaw by the end of 2015, whose application will begin upon the accession of Montenegro to the EU, which will lay down the requirements to be met by the equipment provided for the Montenegrin ships and the requirements of putting such equipment in the market, in accordance with **Directive 96/98/EC** on marine equipment, **Directive 2011/75/EU** amending Council Directive 96/98/EC on marine equipment and **Directive 2012/35/EC** amending Directive 2008/106/EC on the minimum level of training of seafarers.

Passenger ships

Through adoption of bylaws based on the Law on Maritime Navigation Safety (Official Gazette of Montenegro 62/13), by the end of 2016 we will achieve alignment with the following part of the EU acquis: **Directive 98/18/EC** on classes of passenger ships, **Directive 2003/25/EC** on specific stability requirements for ro-ro passenger ships, **Directive 2009/45/EC** on safety rules and standards of passenger ships, **Directive 2003/24/EC** amending Directive 98/18/EC on safety rules and standards of passenger ships, **Directive 98/41/EC** on registration of persons sailing on board passenger ships operating to or from ports of the Member States of the Community.

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Safety of fishing vessels

The Law on Maritime Navigation Safety (Official Gazette of Montenegro 62/13) created the legal basis for the adoption of bylaws by the end of 2016, to regulate the minimum standards for fishing vessels, which will ensure full alignment with **Directive 97/70/EC** setting up a harmonized safety regime for fishing vessels of 24 metres in length and over. The provisions of these acts will apply upon the accession of Montenegro to the European Union.

Oil tankers

Amendments to the Law on the Protection of the Sea against Pollution from Vessels and adoption of its implementation acts by 2017 will ensure alignment with **Regulation (EC) 530/2012** on the accelerated phasing-in of double-hull or equivalent design requirements for single-hull oil tankers. The provisions of these acts will apply upon the accession of Montenegro to the European Union.

Maritime accidents

Adoption of bylaws by the end of 2014, based on the Law on Maritime Navigation Safety (Official Gazette of Montenegro 62/13), will ensure full alignment with **Directive 2009/18/EC** establishing the fundamental principles governing the investigation of accidents in the maritime transport sector, **Regulation (EC) 651/2011** adopting the rules of procedure of the permanent cooperation framework established by Member States and **Regulation (EC) 1286/2011** adopting a common methodology for investigating marine casualties and incidents.

Social aspects

The bylaws based on the Law on Maritime Navigation Safety to be adopted by 2016 will ensure full alignment with **Directive 1999/63/EC** concerning the Agreement on the organization of working time of seafarers concluded by the European Community of 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.

The Maritime Labour Convention will be ratified by the end of 2015.

Maritime security - ISPS code

By the end of 2016, it is planned to adopt the **Law on Security Protection of Merchant Ships and Ports Open for International Transport**. The implementing

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regulations for the Law, to be adopted within 24 months after the effective date of the Law, will be fully aligned with **Regulation 725/2004** on enhancing ship and port facility security, **Directive 2005/65 on enhancing port security** and **Regulation 324/2008** laying down revised procedures for conducting Commission inspections in the field of maritime security.

Administrative capacity

Montenegro has a complete institutional framework and we do not expect any changes in the following period.

As regards the administrative capacities for the implementation of the EU acquis in the field of maritime transport, Montenegro will continue to enhance its administrative capacities. Until 2016, it is planned to increase the number of officers in the Maritime Transport Directorate (4), Maritime Security Administration (5) and the Port Administration (3).

It is necessary to work intensely on professional development and training of officers, in particular inspectors, with the aim to meet the recommendations of the Paris Memorandum regarding the port State control, and to intensify the cooperation with the European Maritime Safety Agency – EMSA, International Maritime Organization – IMO and the Paris Memorandum on port State control.

III. h. Satellite navigation

Montenegro still has not aligned its legislation with the set of European regulations relating to Satellite navigation. However, Montenegro adopted the innovated Plan for the Allocation of Radio-Frequency Spectrum in 2014, laying down, among other, the frequency for Satellite navigation purpose (GNSS, GALILEO) in the radio-frequency spectrum allocation table (9 KHz-1000 GHz).