PROTOCOL 3 ON LAND TRANSPORT

Aim

The aim of this Protocol is to promote cooperation between the Parties on land transport, and in particular transit traffic, and to ensure for this purpose that transport between and through the territories of the Parties is developed in a coordinated manner by means of the complete and interdependent application of all the provisions of this Protocol.

ARTICLE 2

Scope

- 1. Cooperation shall cover land transport, and in particular road, rail and combined transport, and shall include the relevant infrastructure.
- 2. In this connection, the scope of this Protocol shall cover in particular:
- transport infrastructure in the territory of one or other Party to the extent necessary to achieve the objective of this Protocol,

- market access, on a reciprocal basis, in the field of road transport,
- essential legal and administrative supporting measures including commercial, taxation, social and technical measures,
- cooperation in developing a transport system which meets environmental needs,
- a regular exchange of information on the development of the transport policies of the Parties,
 with particular regard to transport infrastructure.

Definitions

For the purposes of this Protocol, the following definitions shall apply:

(a) Community transit traffic: the carriage, by a carrier established in the Community, of goods in transit through the territory of Bosnia and Herzegovina "en route" to or from a Member State of the Community;

- (b) Bosnia and Herzegovina's transit traffic: the carriage, by a carrier established in Bosnia and Herzegovina, of goods in transit from Bosnia and Herzegovina through Community territory and destined for a third country or of goods from a third country destined for Bosnia and Herzegovina;
- (c) combined transport: the transport of goods where the lorry, trailer, semi-trailer, with or without tractor unit, swap body or container of 20 feet or more, uses the road on the initial or final leg of the journey and on the other leg, rail or inland waterway or maritime services where this section exceeds 100 kilometres as the crow flies and make the initial or final road transport leg of the journey;
 - between the point where the goods are loaded and the nearest suitable rail loading station for the initial leg, and between the nearest suitable rail unloading station and the point where the goods are unloaded for the final leg, or
 - within a radius not exceeding 150 km as the crow flies from the inland waterway port or seaport of loading or unloading.

INFRASTRUCTURE

ARTICLE 4

General Provision

The Parties hereby agree to adopt mutually coordinated measures to develop a multimodal transport infrastructure network as a vital means of solving the problems affecting the carriage of goods through Bosnia and Herzegovina in particular on the Pan-European Corridor V and the Inland Waterway Sava connection to Corridor VII, which form part of the Core Regional Transport Network as defined in the Memorandum of Understanding referred to in Article 5.

Planning

The development of a multimodal regional transport network on the territory of Bosnia and Herzegovina which serves the needs of Bosnia and Herzegovina and the South-Eastern European region covering the main road and rail routes, inland waterways, inland ports, ports, airports and other relevant modes of the network is of particular interest to the Community and Bosnia and Herzegovina. This network was defined in a Memorandum of Understanding for developing a Core Transport Infrastructure Network for South East Europe which was signed by ministers from the region, and the European Commission, in June 2004. The development of the network and the selection of priorities is being carried out by a Steering Committee comprised of representatives of each of the signatories.

ARTICLE 6

Financial aspects

1. The Community may contribute financially, under Article 112 of this Agreement, to the necessary infrastructure work referred to in Article 5 of this Protocol. This financial contribution may take the form of credit from the European Investment Bank and any other form of financing which can provide further additional resources.

2. In order to speed up the work the European Commission will endeavour, as far as possible, to encourage the use of additional resources such as investment by certain Member States on a bilateral basis or from public or private funds.

RAIL AND COMBINED TRANSPORT

ARTICLE 7

General provision

The Parties shall adopt the mutually coordinated measures necessary for the development and promotion of rail and combined transport as a mean of ensuring that in the future a major proportion of their bilateral and transit transport through Bosnia and Herzegovina is performed under more environmentally-friendly conditions.

Particular aspects relating to infrastructure

As part of the modernisation of the railways of Bosnia and Herzegovina, the necessary steps shall be taken to adapt the system for combined transport, with particular regard to the development or building of terminals, tunnel gauges and capacity, which require substantial investment.

ARTICLE 9

Supporting measures

The Parties shall take all the steps necessary to encourage the development of combined transport.

The purpose of such measures shall be:

- to encourage the use of combined transport by users and consignors,
- to make combined transport competitive with road transport, in particular through the financial support of the Community or Bosnia and Herzegovina in the context of their respective legislation,

- to encourage the use of combined transport over long distances and to promote, in particular
 the use of swap bodies, containers and unaccompanied transport in general,
- to improve the speed and reliability of combined transport and in particular:
 - to increase the frequency of convoys in accordance with the needs of consignors and users,
 - to reduce the waiting time at terminals and increase their productivity,
 - to remove in an appropriate manner, all obstacles from the approach routes so as to improve access to combined transport,
 - to harmonise, where necessary, the weights, dimensions and technical characteristics of specialised equipment, in particular so as to ensure the necessary compatibility of gauges, and to take coordinated action to order and to put into service such equipment as is required by the level of traffic,
 - and, in general, to take any other appropriate action.

The role of the railways

In connection with the respective powers of the States and the railways, the Parties shall, in respect of both passenger and goods transport, recommend that their railways:

- step up cooperation, whether bilateral, multilateral or within international railway organisations, in all fields, with particular regard to the improvement of the quality and the safety of transport services,
- try to establish in common a system of organising the railways so as to encourage consignors
 to send freight by rail rather than road, in particular for transit purposes, on a basis of fair
 competition and while leaving the user freedom of choice in this matter,
- prepare the participation of Bosnia and Herzegovina in the implementation and future evolution of the Community *acquis* on the development of the railways.

ROAD TRANSPORT

ARTICLE 11

General Provisions

1. With regard to mutual access to transport markets, the Parties agree, initially and without prejudice to paragraph 2, to maintain the regime resulting from bilateral Agreements or other existing international bilateral instruments concluded between each Member State of the Community and Bosnia and Herzegovina or, where there are no such Agreements or instruments, arising from the de facto situation in 1991.

However, whilst awaiting the conclusion of Agreements between the Community and Bosnia and Herzegovina on access to the road transport market, as provided for in Article 12, and on road taxation, as provided for in Article 13(2), Bosnia and Herzegovina shall cooperate with the Member States of the Community to amend these bilateral Agreements to adapt them to this Protocol.

2. The Parties hereby agree to grant unrestricted access to Community transit traffic through Bosnia and Herzegovina and to Bosnia and Herzegovina's transit traffic through the Community with effect from the date of entry into force of this Agreement.

- 3. If, as a result of the rights granted under paragraph 2, transit traffic by Community hauliers increases to such a degree as to cause or threaten to cause serious harm to road infrastructure and/or traffic fluidity on the axes mentioned in Article 5, and under the same circumstances problems arise on Community territory close to the borders of Bosnia and Herzegovina, the matter shall be submitted to the Stabilisation and Association Council in accordance with Article 117 of this Agreement. The Parties may propose exceptional temporary, non-discriminatory measures as are necessary to limit or mitigate such harm.
- 4. If the Community establishes rules aiming to reduce pollution caused by heavy goods vehicles registered in the European Union and to improve traffic safety, a similar regime shall apply to heavy goods vehicles registered in Bosnia and Herzegovina that wish to circulate through the Community territory. The Stabilisation and Association Council shall decide on the necessary modalities.
- 5. The Parties shall refrain from taking any unilateral action that might lead to discrimination between Community carriers or vehicles and carriers or vehicles from Bosnia and Herzegovina. Each Party shall take all steps necessary to facilitate road transport to or through the territory of the other Party.

Access to the market

The Parties shall, as a matter of priority, undertake to work together to seek, each of them subject to their internal rules:

- courses of action likely to favour the development of a transport system which meets the needs of the Parties, and which is compatible, on the one hand, with the completion of the internal Community market and the implementation of the common transport policy and, on the other hand, with economic and transport policies of Bosnia and Herzegovina,
- a definitive system for regulating future road transport market access between Parties on the basis of reciprocity.

ARTICLE 13

Taxation, tolls and other charges

1. The Parties accept that the taxation of road vehicles, tolls and other charges on either side must be non-discriminatory.

- 2. The Parties shall enter into negotiations with a view to reaching an agreement on road taxation, as soon as possible, on the basis of the rules adopted by the Community on this matter. The purpose of such Agreement shall be, in particular, to ensure the free flow of trans-frontier traffic, to progressively eliminate differences between the road taxation systems applied by the Parties and to eliminate distortions of competition arising from such differences.
- 3. Pending the conclusion of the negotiations mentioned in paragraph 2, the Parties will eliminate discrimination between hauliers of the Community and of Bosnia and Herzegovina when levying taxes and charges on the circulation and/or possession of heavy goods vehicles as well as taxes or charges levied on transport operations in the territory of the Parties. Bosnia and Herzegovina undertakes to notify the European Commission, if so requested, the amount of taxes, tolls and charges which they apply, as well as the methods of calculating them.
- 4. Until the conclusion of the Agreements mentioned in paragraph 2 and in Article 12 any change proposed after the entry into force of this Agreement to fiscal charges, tolls or other charges, including the systems for their collection which may be applied to Community traffic in transit through Bosnia and Herzegovina will be subject to a prior consultation procedure.

Weights and dimensions

- 1. Bosnia and Herzegovina accepts that road vehicles complying with Community standards on weights and dimensions may circulate freely and without hindrance in this respect on the routes covered by Article 5. During six months after the entry into force of this Agreement, road vehicles which do not comply with existing standards of Bosnia and Herzegovina may be subject to a special non-discriminatory charge which reflects the damage caused by additional axle weight.
- 2. Bosnia and Herzegovina will endeavour to harmonise its existing regulations and standards for road construction with the legislation prevailing in the Community by the end of the fifth year after the entry into force of this Agreement and will make major efforts for improvement of the existing routes covered by Article 5 to those new regulations and standards within the proposed time, in accordance with its financial possibilities.

ARTICLE 15

Environment

1. In order to protect environment, the Parties shall endeavour to introduce standards on gaseous and particulate emissions and noise levels for heavy goods vehicles, which ensure a high level of protection.

- 2. In order to provide the industry with clear information and to encourage coordinated research, programming and production, exceptional national standards in this field shall be avoided.
- 3. Vehicles which comply with standards laid down by international Agreements also relating to environment may operate without further restrictions in the territory of the Parties.
- 4. For the purpose of introducing new standards, the Parties shall work together to achieve the abovementioned objectives.

Social aspects

- 1. Bosnia and Herzegovina shall harmonise its legislation on the training of road haulage personnel, particularly with respect to the carriage of dangerous goods, to the Community standards.
- 2. Bosnia and Herzegovina as a contracting party to the European Agreement concerning the work of crews of vehicles engaged in international road transport (ERTA), and the Community will coordinate to the maximum extent possible their policies concerning driving time, interruptions and rest periods for drivers and crew composition, in respect of the future development of the social legislation in this area.

- 3. The Parties shall cooperate with regard to implementation and enforcement of the social legislation in the field of road transport.
- 4. The Parties shall ensure the equivalence of their respective laws on the admission to the occupation of road haulage operator, with a view to their mutual recognition.

Provisions relating to traffic

- 1. The Parties shall pool their experience and endeavour to harmonise their legislation so as to improve the flow of traffic during peak periods (weekends, public holidays, the tourist season).
- 2. In general, the Parties shall encourage the introduction, development and coordination of a road traffic information system.
- 3. They shall endeavour to harmonise their legislation on the carriage of perishable goods, live animals and dangerous substances.
- 4. The Parties shall also endeavour to harmonise the technical assistance to be provided to drivers, the dissemination of essential information on traffic and other matters of concern to tourists, and emergency services including ambulance services.

Road Safety

- 1. Bosnia and Herzegovina shall harmonise its legislation on road safety, particularly with regard to the transport of dangerous goods, to that of the Community by the end of the third year after the entry into force of this Agreement.
- 2. Bosnia and Herzegovina as a contracting Party of the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) and the Community will coordinate to the maximum extent possible their policies concerning the carriage of dangerous goods.
- 3. The Parties shall cooperate with regard to implementation and enforcement of road safety legislation, particularly on driving licences and measures to reduce road accidents.

SIMPLIFICATION OF FORMALITIES

ARTICLE 19

Simplification of formalities

- 1. The Parties agree to simplify the flow of goods by rail and road, whether bilateral or in transit.
- 2. The Parties agree to begin negotiations with a view to concluding an Agreement on the facilitation of controls and formalities relating to the carriage of goods.
- 3. The Parties agree, to the extent necessary, to take joint action on, and to encourage, the adoption of further simplification measures.

FINAL PROVISIONS

ARTICLE 20

Widening of the scope

If one of the Parties concludes, on the basis of experience in the application of this Protocol, that other measures which do not fall within the scope of this Protocol are in the interest of a coordinated European transport policy and, in particular, may help to solve the problem of transit traffic, it shall make suggestions in this respect to the other Party.

ARTICLE 21

Implementation

1. Cooperation between the Parties shall be carried out within the framework of a special sub-committee to be created in accordance with Article 119 of this Agreement.

- 2. This sub-committee in particular:
- (a) shall draw up plans for cooperation on rail and combined transport, transport research and the environment;
- (b) shall analyse the application of the provisions contained in this Protocol and shall recommend to the Stabilisation and Association Committee appropriate solutions for any possible problems which might arise;
- (c) shall, two years after the entry into force of this Agreement, undertake an assessment of the situation as regards infrastructure improvement and the implications of free transit;
- (d) shall coordinate the monitoring, forecasting and other statistical work relating to international transport and in particular transit traffic.

JOINT DECLARATION

1. The Community and Bosnia and Herzegovina take note that the levels of gaseous emissions and noise currently accepted in the Community for the purposes of heavy goods vehicle type approval from 9.11.2006 ¹ are as follows ²:

Limit values measured on the European Steady Cycle (ESC) and the European Load Response (ELR) test:

		Mass of carbon monoxide	Mass of hydrocarbons	Mass of nitrogen oxides	Mass of particulates	Smoke
		(CO) g/kWh	(HC) g/kWh	(NOx) g/kWh	(PT) g/kWh	m ⁻¹
Row B1	Euro IV	1,5	0,46	3,5	0,02	0,5

Directive 2005/55/EC of the European Parliament and of the Council of 28 September 2005 on the approximation of the laws of the Member States relating to the measures to be taken against the emission of gaseous and particulate pollutants from compression-ignition engines for use in vehicles, and the emission of gaseous pollutants from positive-ignition engines fuelled with natural gas or liquefied petroleum gas for use in vehicles (OJ L 275, 20.10.2005, p. 1). Directive as last amended by Commission Directive 2006/51/EC (OJ L 152, 7.6.2006, p. 11).

These limit values will be updated as foreseen in the relevant directives and according to their possible future revisions.

Limit values measured on the European Transient Cycle (ETC):

		Mass of carbon monoxide	Mass of non-methane hydrocarbons	Mass of methane	Mass of nitrogen oxides	Mass of particulates
		(CO) g/kWh	(NMHC) g/kWh	(CH ₄) (a) g/kWh	(NOx) g/kWh	(PT) (b) g/kWh
Row B1	Euro IV	4,0	0,55	1,1	3,5	0,03

⁽a) For natural gas engines only.

2. In the future, the Community and Bosnia and Herzegovina shall endeavour to reduce the emissions of motor vehicles through the use of state of the art vehicle emission control technology coupled with improved quality of motor fuel.

⁽b) Not applicable for gas fuelled engines.