



KOSOVO*

Partners:

- Kosovo Railways JSC (InfraKos Sh. A.)
- Ministry of Finance, Kosovo

Estimated total investment:

- €42.7 million

EU contribution:

- €17.6 million

EBRD contribution:

- €8.6 million loan
- €0.5 million (project implementation support)

EIB loan:

- €9.2 million

Beneficiary contribution:

- €5.8 million

2016 CONNECTIVITY PROJECT

Orient/East-Med Corridor: The former Yugoslav Republic of Macedonia – Kosovo – Serbia R10 Rail Interconnection, Fushë Kosovë/Kosovo Polje – Mitrovicë/Mitrovica Section

The Orient/East-Med Corridor crosses Kosovo from the north to the south, from the border with the former Yugoslav Republic of Macedonia to the one with Serbia and constitutes Kosovo's sole connection to the wider region by rail. The entire track is in poor condition, with serious structural constraints that limit traffic to 30 or 70km/h. Kosovo, with support from the Western Balkans Investment Framework (WBIF), has embarked on a three-phase rehabilitation programme in order to bring the entire length (148 km) to modern standards.

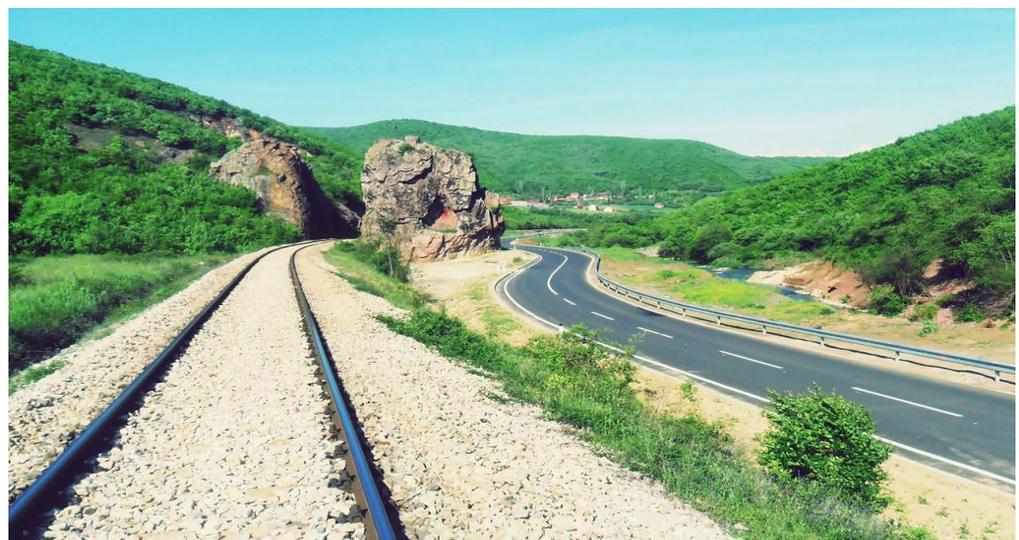
This investment project will cover the rehabilitation of the Fushë Kosovë/Kosovo Polje – Mitrovicë/Mitrovica rail section and associated (five) railway stations. Once complete, the investments will allow for an increase in travel speed to 100 km/h and safe passenger and freight transport conditions. Whereas the project includes modern signalling and telecommunications, it excludes electrification.



Fushë Kosovë/Kosovo Polje Railway Station.

Results:

- 35 km of railway track and 5 railway stations upgraded to modern, TEN-T standards.
- Increase in passenger and freight travel speed from 20 km/h to 100 km/h as well as freight axle load to 22.5 tonnes.



View of Non-electrified Railway Track in Drenicë/Drenica, Kosovo.

Previous EU contribution:

- €1.0 million (project implementation support)

Estimated Start Date:

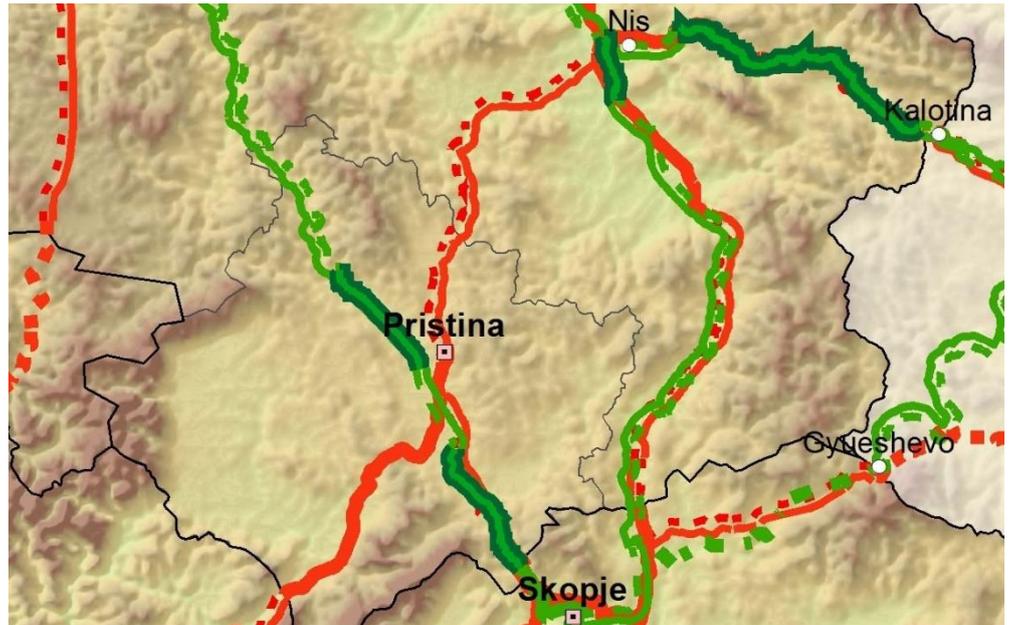
- Mid 2019

Estimated End Date:

- End of 2024

Estimated Loan Repayment Period:

- 20 years



Map of Route 10, including the Fushë Kosovë/Kosovo Polje - Mitrovicë/Mitrovica Section.

This investment project concerns Fushë Kosovë/Kosovo Polje – Mitrovicë/Mitrovica section, which constitutes Phase 2 of a larger investment in rehabilitating the entire R10 route through Kosovo, from the border with the former Yugoslav Republic of Macedonia to that with Serbia.

Phase 1 (border with the former Yugoslav Republic of Macedonia – Fushë Kosovë/Kosovo Polje) benefits from similar technical assistance and investment grants allocated to the projects under the 2015 Connectivity Agenda package, and works are planned to start in 2019. Phase 3 (Mitrovicë/Mitrovica – Leshak/Lesak – border with Serbia) has recently been allocated a WBIF grant in order to cover the costs of preparing the detailed designs.

The feasibility study, preliminary design and environmental impact assessment for Phase 2 have been completed with previous WBIF assistance. The new development will not have significant social or environmental impacts as the new facilities will be built on the route of the existing rail track.

Additional financial support for detailed technical project design and tender

preparation was granted by the WBIF in 2015 and these technical assistance activities are currently ongoing.

Benefits

- Secure and efficient rail transport for approximately 50% of the population of Kosovo.
- More than 160 new jobs created during construction as well as operation and maintenance periods.
- Passenger and cargo rail capacity improved by more than 1.2 million people and respectively 1.2 million tonnes.
- Improved trade flows with countries in the region and thus a positive impact on the broader economy of Kosovo.