

CROATIA

NATIONAL REPORT 2004

I Network

The total length of motorways and expressways network of Croatia at the end of the year **2004** is **928,8 km** out of which 89,4 km are not tolled (Zagreb and Rijeka bypasses).

In **2004** several new sections in Croatia were opened for traffic of a total length of **193,5 km** on the following motorways:

On the **Bosiljevo - Split** motorway construction was finished on three sections which were opened to traffic: Tunnel Mala Kapela-Gornja Ploča, Zadar2-Pirovac and Vrpolje-Dugopolje (of total length of 176,18 km).

On the **Rupa-Rijeka-Žuta Lokva** motorway the section Jušići-Rupa of a total length of 3,71 km was opened to traffic.

On the **Rijeka-Zagreb** motorway the last section Vrbovsko-Bosiljevo (of a total length of 13,7 km) was built and this motorway was entirely completed and open toll system was replaced by a completely closed toll system .

In accordance with the Concession agreement signed in July 2004 the construction, maintenance and operation of the Zagreb-Macelj motorway (41 km) were no longer under Hrvatske autoceste (HAC) but were handed over to the concessionaire Zagreb-Macelj motorway company (AZM). The project has a total length of 61,4 km but presently 41 km are in service from Jankomir to Krapina.

Motorways in Croatia are operated by 4 companies: Hrvatske autoceste d.o.o. (operates all motorways with toll save for those in concession) and three concessionary companies BINA-ISTRA d.d. Pula (operates Istrian epsilon), Autocesta Rijeka-Zagreb d.d. (operates Rijeka-Zagreb motorway) and Autocesta Zagreb-Macelj d.o.o (operates Zagreb-Macelj motorway).

- in kilometers

	Company	2003.	2004. total	2004. tolled	2004. not tolled
1.	HAC d.o.o.	509,2	652,7	570,7	82
2.	ARZ d.d.	132,6	146,5	146,5	-
3.	BINA-ISTRA d.d.	88,6	88,6	88,6	-
4.	AZM d.d.	-	41	33,6	7,4
TOTAL		730,4	928,8	839,4	89,4

II Sections under construction

As of December 31, 2004 the construction was under way on totally 98,06 km of motorways and 41,7 km of expressways on the following sections:

Bosiljevo – Split motorway (39,16 km under construction):

tunnel Mala Kapela (5,76 km)
Krka bridge on the section Skradin – Šibenik (0,4 km)
section Pirovac-Skradin (10 km)
section Skradin- Šibenik (9 km)
section Šibenik - Vrpolje (14 km)

Bregana-Zagreb-Lipovac motorway:

section Županja -Lipovac (30 km)

Rupa – Rijeka Motorway:

section Jurdani-Permani (4,5 km)
section Permani-Rupa (5 km)

Istrian epsilon semi-motorway:

section Umag - Medaki (41,7 km) including renewal of a section of 6 km

Zagreb-Macelj motorway:

section Krapina-Macelj (19,4 km)
section Jankomi-Zaprešić (6,4 km) doubling of the section to full motorway profile (this section is already in service)

In 2005 the total number of 50,06 km of new motorways and 41,7 km of expressways will be opened to traffic, as follows:

- On the Bosiljevo - Split motorway (39,16 km),
- On the Rupa – Rijeka motorway (9,5 km),
- On the Istrian epsilon semi-motorway (41,7)km
- On the Zagreb-Macelj motorway the section Velka Ves-Krapina interchange (1,4 km).

In 2005, besides the continuation of the works started already in 2004, the construction will start on new 131,2 km of motorways and 12,9 km of expressways as follows:

Split- Dubrovnik motorway (further 96,7 km in construction)
section Dugopolje - Šestanovac (11,8 km)
section Šestanovac – Ploče (25,1 km)

Beli Manastri-Osijek-Svilaj motorway - corridor VC (23 km)
 Section Đakovo-Sredanci (23km)

Istrian epsilon semi-motorway (12,9 km)
 section Vodnjan-Pula (12,9 km)

Zagreb-Rijeka motorway (doubling of the existing section to a full profile motorway - 11,5 km)
 section Vrbovsko-Bosiljevo (8 km)
 section Kupljak-Vrbovsko (3,5 km)

III Financing and Investment

In 2004 the total amount invested in construction of new motorway sections was 5.538,09 billion kuna (784,43 million EUR), and the amount invested in the motorway sections already in service was 529,95 million kuna (69,73 million EUR).

- mln kn (mil EUR)
 (1 EUR = 7,6 kuna)

Company	2004.		Programm 2005	
	in new sections	in existing sections (enlargement, equipment etc)	in new sections	in existing sections (enlargement, equipment etc)
HAC	4.609,08 (606,45)	266,39 (35,05)	3.092,74 (406,93)	718,11 (94,48)
ARZ	329,05 (43,29)	248,00 (32,63)	89,68 (11,8)	18,905 (2,49)
BINA ISTRA	403,42 (53,08)	15,56 (2,04)	379,24 (49,9)	14,8 (1,96)
AZM	196,54 (25,86)	-	1.084,82 (142,74)	-
TOTAL	4.417,37 (581,23)	637,43 (83,86)	4.646,48 (611,38)	751,81 (98,92)

Motorway construction in 2004 was mainly financed with loans and toll revenues and beside these sources Hrvatske autoceste d.o.o. financed the motorway construction with revenues from fuel tax (0,60 HRK per liter).

IV Traffic

Number of vehicles in toll areas

Company	2003.		2004.			
	Light vehicles (1st and 2nd category)	Heavy vehicles (3rd and 4th category)	Light vehicles (1st and 2nd category)	% (04/03)	Heavy vehicles (3rd and 4th category)	% (04/03)
HAC	21.683.149	3.196.587	24.647.049	13,7	3.533.203	10,53
ARZ	10.294.661	1.565.562	10.198.543	-0,93*	1.515.674	-3,2*
BINA ISTR	2.098.943	337.154	2.324.893	10,7	357.217	5,9
AZM	-	-	4.198.445	-	533.259	
TOTAL	34.076.753	5.099.303	41.368.930	12,2	5.939.353	8,2

*Decrease of traffic on the Rijeka-Zagreb motorway is due to change of traffic counting method. Until 2004, before the installing of the entirely closed system on the Rijeka-Zagreb motorway and the opening to traffic of the new sections on Zagreb-Split motorway all the traffic was counted at several entrances and exits of the Rijeka-Zagreb motorway. By opening to traffic of the new sections of the Zagreb-Split motorway in summer 2004 such practice was abandoned. This explains the decrease of traffic whilst the revenues increased.

Note: the data do not comprise the number of vehicles that traveled the motorways free of charge.

Compared to the previous year the total traffic volume on motorways in 2004 increased by 10,2 %.

V Toll revenues (VAT excluded)

1 EUR = 7,6 kuna

Company	2003.		2004.		% (04/03)
	kn	EUR	kn	EUR	
1. HAC	539.929.779	71.043.392	774.591.367	101.919.168	45
2. ARZ	235.068.660	30.930.086	297.137.243	39.097.005	26,4
3. BINA-ISTRA	76.198.000	10.026.052	85.551.000	11.256.710	12,3
4. AZM	-	-	61.018.007	8.028.685	-
TOTAL	851.196.439	111.999.530	1.218.297.617	160.301.568	27,4

Due to the increase in traffic volume, opening to traffic of new motorway sections and the slight adjustment of toll tariffs on some motorways in Croatia the total toll revenues have increased by 27,4% compared with the preceding year.

VI Toll rates

Considering the fact that the completion of the motorway network in Croatia is still not finished, open and closed toll systems are used on constructed sections of motorways. However, once the network will be completed, closed toll system with several entrances and exits shall be applied on all motorways.

The toll rate for light vehicles - passenger cars (I vehicle category) in closed toll system is 0,33 HRK/km (0,043 EUR/km), and in open toll system it is 0,29 HRK/km (0,038 EUR/km). The toll rate ratio between the I and IV vehicle category is 1:4.

In 2004 Croatian motorways company (HAC) did not increase the toll rates on its network per kilometer, but since 193,5 km of new sections were opened to traffic these sections were integrated into completely closed system and they are tolled.

The concessionary company BINA ISTRRA has increased the tariffs on its network by 3,7% in comparison with the year 2003. New tariffs came into effect on the 1st January 2004. The toll system is opened.

In 2004 there was no increase of toll rates on Rijeka-Zagreb motorway per kilometer but due to opening of the last section in June 2004 a completely closed toll system was installed and new section was tolled.

Zagreb-Macelj motorway did not increase toll rates in 2004. The toll system is opened.

Safety

Number of accidents	2003.					2004.				
	HAC	BINA ISTRRA	ARZ	AZM	RH	HAC	BINA ISTRRA	ARZ	AZM	RH
- deaths	36	1	8	-	45	28	3	7	1	39
- accidents with injuries	235	20	57	-	312	218	20	73	4	315
- accidents with material damage	982	102	298	-	1382	1136	99	489	36	1760
TOTAL number of accidents	1253	123	363	-	1739	1382	122	563	36*	2103
TOTAL number of deaths in all accidents	-	-	-	-	-	32	3	8	1	44

2103 traffic accidents occurred in 2004 out of which 44 accidents were with dead people and 315 accidents with injured people.

In comparison with the previous year the number of accidents increased by 20,9 % bearing in mind that the motorway network increased in the same period by 27,2 %.

* data refer to period from 08.08.2004 until 31.12.2004.

VII Medium and Long Term Trends

In accordance with the Transport Development Strategy of the Republic of Croatia, which was adopted by the Croatian Parliament, Croatia should have the total network of 1.365 km by the year 2013.

Due to technical and transport characteristics of motorways and motorway facilities with toll and due to particularities of their financial management a specific organisational structure has been established in order to operate such facilities. Beside ensuring the continuity of maintenance of the existing motorways and facilities, as well as continuation of construction already undertaken, in the future period are planned an intensive improvement of regulary maintenance organisation, automatisisation of toll collection and providing of high quality services area.

The organisation structure of motorway management

The Government of the Republic of Croatia entrusted the management of motorways to the following legal entities:

- Hrvatske ceste d.o.o. – Croatian Roads (HC) – in charge of operation of the state roads and co-ordination with local and county roads in preparation of documentation for motorway construction up to location permit procedure;
- Hrvatske autoceste d.o.o. – Croatian motorways (HAC) – in charge of operation of motorways network and other tolled motorway facilities;
- Concessionary companies for construction and operation of motorways and motorway facilities:
 - Autocesta Rijeka-Zagreb d.d. (ARZ)
 - Autocesta Zagreb-Macelj d.o.o. (AZM)
 - Bina-Istra d.d. (BI)
- County Roads Authorities - Županijske uprave za ceste (ŽUC) – in charge of operation of local and county road network

**PROGRAMM OF CONSTRUCTION, MAINTENANCE AND OPERATION OF
PUBLIC ROADS FOR THE PERIOD FROM 2005 TO 2008**

- in mil EUR

N.	Description of investment	Legal entity in charge of operation of public roads				TOTAL 2005-2008
		HAC	HC	ŽUC	Concessionary company	
0	1	2	3	4	5	6(2+3+4+5)
1	CONSTRUCTION OF PUBLIC ROADS	1.497,5	613,3	122,4	361,3	2.594,7
1.1	MAINTENANCE OF PUBLIC ROADS	371,4	594,7	337,6	136,6	1.440,3
1.2	TOTAL 1.-2.	1.868,9	1.208,0	460,0	497,9	4.034,8

The above table shows that 1.858,80 mil EUR are planned to be invested in construction of motorways (column 2+5) and 508,00 mil EUR in maintenance of motorways (column 2+5) in the period from 2005-2008.

HAC d.o.o.

In the above mentioned period it is planned by the programm of the HAC company to open to traffic 257 km of motorways. Out of this 257 km, 48 km are already under construction and the opening is envisaged for 2005 while the construction of the remaining 209 km shall start and be completed during this period.

At the end of the period of this Programm regular maintenance of 925 km of motorways is planned to be carried out.

Bina-Istra d.d.

The Concession agreement provides for implementation of the Istrian epsilon project in II phases. In the first phase the project shall be build as semi-motorway, bearing in mind that all road facilities shall already be built in full motorway profile. From the signing of the concession agreement by now 92 km are in service.

By May 2005, 42 km of semi-motorway are planned to be opened to traffic on the western branch of the project, i.e. the sections Medaki-Višnjan-Nova Vas-Buje-Umag. In April 2006 the last remaining section Vodnjan-Pula of a total length of 13 km shall be opened to traffic.

Autocesta Rijeka-Zagreb d.d.

The total length of the Rijeka-Zagreb motorway project is 146,5 km, out of which 90,93 km are built as full motorway. The remaining 55,57 km are built as semi-motorway with additional lane for slow vehicles on slopes, in places where it is necessary.

Pursuant to the Resolution of the Government of the Republic of Croatia the Concessionaire has been given the approval to start the construction of the phase II of the Rijeka-Zagreb motorway, i.e. the doubling of the remaining section Bosiljevo- Viaduct Stara Sušica.

During the continuation of construction the focus shall be on the construction of the remaining sections, together with Tunnel Tuhobić, which is the longest motorway facility of the II of construction. The completion of this tunnel would also mean the completion of the entire project of the Rijeka-Zagreb motorway in full profile

Zagreb-Macelj d.o.o.

In accordance with the Concession agreement the Concessionaire undertakes to build the section from Krapina to Macelj (19,4 km) and also to double the existing section Jankomir-Zaprešić (6,4 km) up to full motorway profile.

The construction of Zagreb-Macelj motorway shall be entirely completed by 2007, when will be finished the construction of Krapina-Macelj section of a total length of 19,4 km.

MAIN KEY FIGURES – 2004

COUNTRY : CROATIA	2004
Total motorway network length, km	928,8
1 x 2 lanes	144,17
2 x 2 lanes	781,63
2 x 3 lanes	3
2 x 4 lanes	0
Non tolled network length (state roads), km	89,4
No. of km under construction - January 1, 2004	139,76
Forecasts of opening motorway sections – 2004	91,76
Annual toll revenue in 2003	160.3 mil EUR
Permanent staff	2.479
Average daily traffic LV	20.923
Average daily traffic HV	2.906
Average daily traffic LV + HV	23.829
Total number of accidents	2.103
Number of accidents with injured and dead	315
Number of dead	45
Km traveled (10 ⁶ km)	1.181.786.000
Number of toll plazas	54
Number of lanes	295
Number of tele-toll equipped lanes	44**
Number of tele-toll subscribers (smart cards)	1.312**
Number of rest areas (with stations services)	50
Number of rest areas	76
Number of restaurants	13
Number of hotels	8

** automatic lanes

** SMART card subscribers