

# The fourth number of PE "Roads of Serbia" Newsletter

## 2011, the year of great projects

Sedulous and successful year is behind us.

We will remember it by completion of great projects that will remain for future generations.

The new bridge at Beška bridged over the most beautiful and our river Danube for the second time.

Gazela Bridge shines again in full splendor, rehabilitated for the next few generations.

Impressive results were achieved, the new miles of highways, intersections, interchanges,

bridges were built, as well as modernized toll stations...

We want to continue with these results and successes in the New Year!

I congratulate all employees and business associates with the upcoming

holidays and happy and successful year 2012!

Zoran Drobnjak  
Director General of the PE "Roads of Serbia"

## Gazela in “a full leap”

All 6 lanes on the Gazela Bridge were opened to traffic on November 12<sup>th</sup>, 2011. The Mayor of the City of Belgrade, Mr. Dragan Đilas, the City Manager of Belgrade, Mr. Aleksandar Bijelić, the Director General of PE “Roads of Serbia”, Mr. Zoran Drobnjak and the Chairman of Management Board of the PE “Roads of Serbia”, Mr. Zoran Lilić attended the bridge opening.

The Mayor, Mr. Dragan Đilas emphasized that all credits and praise belong to workers who performed one of the most extensive construction project in a record period of time, while the General Director said that he is fully satisfied, because the works were completed within 17 months and that the contractors complied with dynamic plan.

The first visit to the bridge construction was on July 1<sup>st</sup>, 2010, when also construction works began, and for less than 17 months, until November 12<sup>th</sup>, 2011, they were being performed on all bridge positions, within and under the structure.

In order to make Gazela shine again and to ensure traffic safety, more than 3.000 m<sup>3</sup> of concrete was placed, as well as more than 600 t of reinforcement and app. 2.500 t of steel on reinforcements of the steel part of the structure. App. 22 km of prestressing tendons were placed in concrete structures, and structures are secured with more than 9.000 m<sup>2</sup> of special carbon fibers. More than 6 km of fissures in concrete tissue and large surface of damaged concrete structures were repaired.

Approximately 55.000 m<sup>2</sup> of asphalt base and wearing course (hard poured asphalt + SMA wearing course) was poured onto the carriageway. New life is given to the old and dilapidated Gazela by contemporary and high-quality materials and procedures for the next few decades.

However, this is not the end. There is a lot more to do out of the site of common observers, or, more precisely, the works will be done under and within the bridge.

Completion deadline for all remaining works on the Gazela Bridge, i.e. within Gazela, is February 2012.



## Connection between the Republic of Srpska and Serbia

The highway section Banjaluka-Gradiška was opened on November 30<sup>th</sup> in the Republic of Srpska. It will contribute to stronger connection between the Republic of Srpska and Serbia, as well as to economic strengthening of the entire region. The President of the Republic of Srpska, Mr. Milorad Dodik, and the President of the Republic of Serbia, Mr. Boris Tadić, opened 26.5 km long section. The President of Serbia, Mr. Boris Tadić, emphasized that Serbia wants to make additional linkages on other points in infrastructural sense, at Bijeljina and Višegrad, and therefore it makes effort to provide financing of the road project from Belgrade to Čačak, which shall bifurcate towards Montenegro and towards Višegrad and which shall create perspective for citizens on the both sides of river Drina.

The Director General of the PE “Roads of Serbia”, Mr. Zoran Drobnjak, also attended opening of the newly constructed highway section. He used the situation to talk to representatives of the Ministry of Transport and Communications of the Republic of Srpska and contractors, who informed him that this section represents the biggest individual infrastructural project in the history of the Republic of Srpska.



## Interview

Branka Zec, B. EC.

Director of the Sector for Economic, Financial and Commercial Affairs



### Estimation of the road network value in the Republic of Serbia

The Director, Mrs. Branka Zec, points out that being the Director of the Sector for Economic, Financial and Commercial Affairs, one of the most important sectors in the PE "Roads of Serbia" which is responsible for collection, preparation and processing of data used for estimation of a business realization of the enterprise and provision of information necessary for making business decisions, and answering to numerous requirements of executives and Management Board of the enterprise and other state institutions, is very responsible job.

The Sector comprises of two departments, Department for Economic-Financial Affairs and Department for Commercial Affairs.

Department for Economic-Financial Affairs includes Bookkeeping Division responsible for record and monitoring of all business changes in the enterprise, as well as preparation of financial reports.

„There`s a major ongoing activity within the Bookkeeping Division as we speak, namely book entry of the estimated value of the road network in the Republic of Serbia which is RSD 385 billion, and the entry made by the Highway Institute. By making entries of value estimation, we will have new data base, i.e. new sections, new bridges and the like, in compliance with the current price list of the PE "Roads of Serbia". This year we expect to get the estimation of the Belgrade Bypass and Beograd-Novı Sad-Horgoř section. We have two more large works, namely the Asset and Liability Registry of the enterprise and the Annual Balance Sheet for 2011”.

**There is no free time in the Sector for Economic, Financial and Commercial Affairs, because there are ongoing preparations which comprise of coordination of customer demands and coordination of our obligations to suppliers in order to realize the above mentioned activities, Director explains.**

The other, but not less important division within Sector is Division for Financial Operations which every day monitors realized revenues and formed liabilities, as well as their defrayment. One of the Sector`s activities is payment of land acquisition which is financed from two sources, funds from the Ministry of Finance and the Corridors of Serbia, says Director Branka Zec.

The third division is the Division for Planning, Development of Investment Operations and Foreign Loans in which the following tasks are performed: preparation of Business Program and Program for Maintenance Works, protection, construction and reconstruction of main and regional roads on the territory of the Republic of Serbia. Business practice of the enterprise in this year is entirely based on Business Program and Program for Maintenance Works that are approved by the RS Government, which shows their significance.

Beside the basic Business Program for 2011, three restatements were made and approved this year, and there is an ongoing preparation of the suggestion for the fourth. Preparation of a restatement of the Business Program is necessary for coordination of realized positions in the current year with planned positions, and all in order to spend RS budget funds more rationally.

The Division performs activities related to monitoring and realization of foreign loans and domestic credits which indicates monitoring of redemption tables of credits and their payoff. Foreign loans include loans from European Investment Bank, European Bank for Reconstruction and Development and World Bank. One of the recently finished projects, the Beřka Bridge, is financed from credits of European Investment Bank and European Bank for Reconstruction and Development, and there is ongoing rehabilitation of Gazela Bridge which is also financed partially from credits from European Investment Bank, explains for the Newsletter Director Branka Zec. She also emphasizes that the Law regulating relations between the Republic of Serbia and Debtors – Public Funds Users is passed. When this law comes into force, the liabilities in amount of RSD 8.9 billion, which is claimed by the Agency for Deposit Insurance, will be booked out, and this activity will have a long-term positive effect on the financial situation of the enterprise.





Department for Commercial Affairs comprises two divisions, Division for Monitoring of Fees Collecting Realization and Division for Collection of Fees for Service Provision Approval. Department for Commercial Affairs performs all duties and tasks which contribute to execution of statutory provisions related to commercial affairs, it monitors fees collecting realization, performs preparation of decision on fee amount, cooperates with supervisory bodies in process of toll collection enforcement.

The Director, Mrs. Branka Zec, mentions that one of the important activities of this Department is also distribution and TAG recharge (top-up) for electronic toll collection, issuance of prepaid tickets for passing through certain highway sections in accordance with Decision on the special amount of fees for state road usage, its part or road structure.

In order to improve and modernize the toll collection system, modification of instructions for distributors` activities is prepared which will change current way of invoice issuance from AMAS and it will be practiced on monthly basis in the future.

Decision on the amount of toll is being prepared, and it will not affect the toll amount, but it will rather cancel rebate on TAGs and in this way the revenues of the enterprise will increase.

Drafts of warnings are being made within the Department, as well as settlement of interest on arrears for taxpayers who do not defray their regular duties.

### **Business improvement, better organization**

The Director, Mrs. Branka Zec points out that 2011 is very important year for the PE "Roads of Serbia", because the performance auditing was done both on the regular basis and by the State Audit Institution which has made a Draft of performed auditing, as well as recommendations for business improvement.

Recommendations for business improvement are considered and they are already being used for a while in order to eliminate deficiencies. Regulation on Accounting and Accounting Policies and Decision on By-law Modifications and Amendments in the PE "Roads of Serbia" were made and adopted.

The Director of the Sector, Mrs. Branka Zec, has foreseen certain modification and amendments of the Regulation on organization and systematization of activities within this Sector which will have as an objective the better organization of activities within the Sector and the whole enterprise and this will contribute to greater performance efficiency and effectiveness.

We will have the opportunity to see how it will look in practice in one of the following editions.

### **Winter service 2011/2012**

The PE "Roads of Serbia" organized, as it does every year, on November 15<sup>th</sup>, 2011, the press conference for print and electronic media and public in whole where the Winter Service Plan and organization manner and announcement on roads` condition and passability in Serbia during winter period were presented.

The PE "Roads of Serbia", as a road manager, has organized the Winter Service Control Points with thoroughly determined duties and responsibilities. Road maintenance during winter days is conducted by 25 road enterprises from 163 maintenance headquarters and points. Foreseen total number of vehicles and trucks on points is 711, machines 297, 1.040 road workers is engaged to work in shifts, 176 technicians, 342 machine operators and 749 drivers. For winter service 2011/2012, 72.548,57 tons of salt and 160.000 tones of crushed stone aggregate and grit is provided, as well as 1500 tons of cold asphalt mix for the pothole remedy.

Collected data about road condition from the site are delivered to services within the Information Center of "Srbijaput" and "Vojvodinaput" every working day from 05:00 until 05:30 and from 17:00 until 17:30. Through application for recording of traffic condition the report is automatically generated on the web presentation of the PE "Roads of Serbia" and it is delivered to all electronic and print media and AMAS via Department for Public Relations.



## Preparation for Certification



Starting with the vision of the PE "Roads of Serbia" as a successful enterprise that manages road infrastructure that will be developed in accordance with users' expectations, the mission is defined and it shall provide users of the road infrastructure with disposable, safe and comfortable transport conditions, the associates with long-term activities and development possibilities, the entire society with infrastructural base for development, to take care of living and working environment and to ensure

fulfillment of employees' expectations.

According to defined vision and mission of the PE "Roads of Serbia", the Quality Management System (QMS) has been created and implemented. It is in its final phase, and more than 30 procedures with concomitant forms are posted on the web presentation of the PE "Roads of Serbia", so that the documentation is available for everyone.

Quality objectives are integrated in the Business Program of the enterprise, and, at the same time, it is necessary that separate quality objectives are defined and monitored on the level of each Sector. In this manner it is possible for owners to monitor parameters of their processes through monitoring of goal achievements during certain period of time.

There is an ongoing internal inspection of system functioning and system compliance with standard requirements, but also a training before certification testing which will ensue in 2012.

The certification process includes system inspection and establishing its compliance with standard requirements. It is conducted by certification body. Certification inspection is conducted once a year and as a result the certificate for quality system according standard ISO 9001:2008 is issued.

## Interview

### Goran Tomić, LL.B.

Director of the Sector for Legal, Staff and Common Affairs



## Completed land acquisition on the Corridor X

Director Tomić emphasizes that since the core business of the PE "Roads of Serbia" is construction and maintenance of roads, in the periods when the significant infrastructural projects like Corridor X and other strategic traffic routes are planned and constructed, legal affairs are no longer concomitant, but key activities, indispensable for road construction.

Successful land acquisition marked the work of the entire Sector in the previous period, observes Director Goran Tomić and explains: "Department for Property Affairs conducts land acquisition procedure, very complex activity and beside solving proprietary-legal relations between land owner and the state, it includes also a financial aspect -payment of a guaranteed sum to the land owner."

By the end of the year the acquisition process will be entirely completed on the both branches of the Corridor X, from Nis towards Bulgarian and Macedonian border, on the north branch from Novi Sad towards Kelebija i Horgoš, Novi Sad bypass, Belgrade bypass, section Batajnica-Dobanovci, as well as completion of land acquisition on the section Obrenovac-Ljig in length of 70km. During 2012 we expect initiation of land acquisition on the section Ljig-Preljina, and we hope that the conditions for land acquisition of the future highway alignment Preljina-Pojate will be acquired.

Difficulties are always present, Director Tomić points out, first of all in land acquisition activities, but it is rather common place when you concurrently work on 15.000 separate cases. Property owners have absolute right on their opinion on how something should function. Over time, everybody gets an explanation how law works, and the land acquisition procedure is finished sooner or later the way the law anticipates it. Attempt to find any kind of "shortcuts" in the activities we are engaged with leads then to obstacles that are impossible to negotiate. Legal procedure exists, and if it is followed strictly, it is impossible not to reach the goal and get the job done. Every single task is difficult in its own way, but the fact that we have finished such a huge job speaks about that how much we worked and how the job was done. By this work dynamics, everything that is planned will be finished by the end of the year.

The Department for Common Affairs has never seen such a huge number of recorded and processed cases.

In 2011 alone the number is doubled and about 180.000 documents has been recorded, which deserves every praise, emphasizes Director Tomić.

„The Sector performs numerous activities that are not noticeable unless there is a problem in enterprise`s functioning. Only when problems, disciplinary and labor disputes related to legal issues arise, it becomes clear how serious and difficult these activities are. The fact that in the last few years there aren't any problems related to the functioning of the firm points to good performances within the Department for Staff Affairs and Employment. The procedure of determining labor and legal responsibility is of great importance. In terms of common people here it comes to disciplinary procedure where it is first of all clearly indicated to the employees what they have done and what kind of injury such activity has caused, and they get the opportunity to speak out about the situation and whether they consider that the assertions from a denunciation are true. Based on these facts, the measures prescribed by law are taken afterwards”, says Director of the Sector, Mr. Goran Tomić.

„Department for Procurement and Contracts is responsible for carrying out all public procurements of the PE “Roads of Serbia” anticipated by Business Program for the current year, all from invitation till realization. The Department has, in all procurement procedure, its own representative – committee member for conducting of the public procurement, and all documentation needs to be arranged in accordance with the Business Program. When you get familiar with activity scope of the PE “Roads of Serbia”, it becomes clear that Department carries out and takes care of several hundreds of public procurements with a wide value range.”

Department for Legal Affairs is engage in various types of disputes, except labor disputes, where the PE “Roads of Serbia” is a prosecutor or defendant. The highest percentage of disputes is related to proceedings according to claim of persons that have suffered the accident and vehicle damages in traffic considering that we, as a road managing enterprise, are responsible for caused damages.

The PE “Roads of Serbia” is in a specific situation, because we are responsible, on the behalf of the state, for maintenance of state roads of I and II category in the Republic of Serbia, which is conducted on specific sections by various road firms. Therefore, it is complicated to determine the issue of responsibility, but it comes to the fact that subjectively responsible entities are firms that carry out maintenance, provided that there isn't any reason that exempt them from responsibility. We have several hundreds of such cases annually and we do not lose them. If it happens that we are objectively responsible according to law, we reimburse the amount from another procedure from the entity subjectively responsible for the damage.”

## **Specific success indicators**

„As a Director, I am satisfied with performances of the Sector and all associated departments. The fact that there aren't any performance problems says it all. We also have luck in our activities, because in addition to the assignments that can't be seen at the first sight, we perform very visible and specific activities. First of all I talk about land acquisition without which it is impossible to begin with a road construction. Designing, land acquisition and construction are three equally important segments in the construction of any road route. The land couldn't be expropriated without completed projects, nor the roads could be constructed without expropriation. I emphasize that there are specific indicators which can be used for measurement of job done and how it is done. This shows that the Sector for Legal, Staff and Common Affairs is not just a service to other sectors in the PE “Roads of Serbia”, but one of the pillars of the enterprise where people really work a lot, without letup.”



## **Cooperation with colleagues**

Director Goran Tomić, LL.B., has commended with fantastic cooperation with the other Sectors of the PE “Roads of Serbia”, but he points out “the first among the equals” without whose help the Sector wouldn't have had such remarkable results:

„I have to emphasize that without help and support from the Sector for Economic, Financial and Commercial Affairs, we would never have managed to finalize land acquisition to the extent that it was done in the last three years. Their hard work and dedication for all financial transactions and payments to property owners to be done in a short period of time has contributed to the quality of the performance of the Sector for Legal, Staff and Common Affairs.”

## Modernized system of toll collection



The Sector for toll collection has initiated and in great extent completed the modernization of the toll collection system which includes automatic recognition of license plates and their recording onto the toll receipt electronic charging devices, picture archiving of each vehicle, as well as crypto protection in data distribution. The system is interoperable which means that it is easy to implement in the system of the European toll collection.

The electronic toll collection is introduced on every toll station, which implies cashless charging without stopping.

The Sector for Toll Collection in cooperation with Economic Crime Department within the Ministry of Interior Affairs of Serbia carries out permanent action in order to restrain malpractice among heavy truck drivers and towing service. Action objective is to disable toll paying avoidance by above mentioned users, which results in the Republic of Serbia budget revenue increase.

There are ongoing works on the construction and modernization of toll stations Beška, Inđija, Kovilj and Maradik, as well as toll stations Novi Sad-South and Novi Sad-North in order to make conditions for establishment of closed system of toll collection, instead of current open toll collection system. In the beginning of 2012, the new frontal toll station will be established in the open toll collection system on the

section Novi Sad-Subotica, 10 km from Horgoš border crossing. Electronic toll collection will be possible on each of these stations.

In 2012, the completion of construction and modernization of toll stations Komren, Matejevac, Malča, Prosek on highway E-80 and toll stations Niš-Jug and Prokuplje on the highway E-75 are planned, so that the existing closed system of toll collection from Belgrade to Niš will be widened and it will include the route from Belgrade to Prokuplje, i.e. from Belgrade to Prosek.

### Gladoš – Inđija

Upgraded section of the public road of I category, M-22.1, Beograd- Novi Sad, 12 km in length, from Gladoš to Inđija, was opened to traffic on 15.11.2011

The road is widened from 6 to 7.10 m in width, the old concrete pavement is replaced with new roadbase, the BNS is placed in full length, shoulders are repaired, ditches are dug and culverts are widened. Bearing capacity is increased because of the great number of freight vehicles present on the road.

### Bypass around Vršac

Within the first phase of the construction of bypass around Vršac 2,6km of alignment has been constructed, as well as surface intersection on the main road M-1.9 (E-70) on the route Beograd-Vršac, and the part of grade-separated intersection "Pavlis". A part of constructed bypass sections around Vršac was opened to traffic on December 23<sup>rd</sup>, 2011.

### Kač – Žabalj

The works are also completed on the public road of I category M-7, section Kač - Žabalj. The works on the section from overpass at Kač to intersection of Žabalj comprised of ground asphalt, construction of roadbase and paved surfaces, and on certain places the road upgrading.





## Interchange “Zrenjanin”

Under the project of construction of highway E-75 from km 108+000 till km 120+000, the works on upgrading of interchange “Zrenjanin” are completed, and protection of oil and gas mains is executed on the part from km 109+300 to km 111+700, which enabled work continuation on that part of the alignment and whole project completion as the result. All completed sections of the highway were successively opened to traffic. Complete works were executed on the left main road in total length of 7,5 km, temporary roads in length of 15 km, as well as Temerin and Zrenjanin interchanges. The works that are also executed and completed are those on construction of 13 new bridges, 6 culverts and works on construction of toll station “North” and toll station “South”.



## Traffic safety on the roads of the Republic of Serbia

**Policy framework for traffic safety on the roads** in the Republic of Serbia that is carried out by PE “Roads of Serbia” is strategic orientation towards constant work of the road transport sector on increasing traffic safety level on the roads. Safety policy is realized through annual and mid-term programs for works on improving road traffic safety where the final objective is to reduce the number of fatalities on the roads in the RS until 2015 down to the number in majority of European countries in 2005.

**The basic indicator of the safety state on the state roads in the RS can be observed through:** Safety state according to volume of public risk (annual number of fatalities per 100.000 inhabitants) is 9.1 killed/100 inhabitants (2010).

Safety state according to volume of traffic risk (annual number of fatalities per 100.000 licensed vehicles) is 3.5 killed/100.000 licensed vehicles (2010) .

Public risk volumes in the Republic of Serbia are within relatively acceptable bounds related to the states in European Union, while traffic risk volumes are considerably bigger. However, traffic safety state has improvement tendency. In the last 8 years, number of fatalities varied from 850 up to 950 of killed, while in 2010, after the new Law on Traffic Safety was passed, it was significantly reduced to 660 of killed. **According to the statistical data of the Ministry of Interior Affairs, road condition and condition of road furniture have caused less than 1% of all traffic accidents on public roads, and in 2010 it was 0.55%. However, there are certain difficulties within existing statistical research, due to complexity, in precise singling out and ranking the level of influence of a road in the process of traffic accident appearance.**

**The most common cause of traffic accidents in 2010 were:**

irregular and unadjusted speed (34,09%),

irregular vehicle activities - turning, rotation (29,33%) and the like.

**Spatial distribution of traffic accidents with persons killed in the RS in the period from 2005 until 2010:**

66.2% of traffic accidents took place on local roads and urban roads

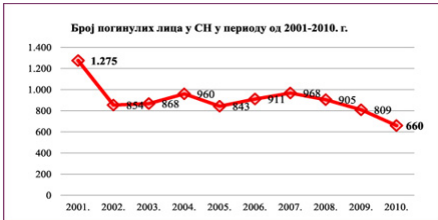
33.8% on the state roads (Picture no. 2).

Therefore, every third accident with persons killed took place on the state roads, which indicates that local government has great possibilities for influence on increasing the level of traffic safety.

**The spatial distribution of traffic accidents with persons killed in the Republic of Serbia in the period from 2005 to 2010 is given in the table below and it shows that 13.6% of total number of accidents took place on the main roads, 12.0% on the regional roads, 31.8% on the main and regional roads in resident areas and 42.6% on the local and urban roads (Picture No.3).**



Nearly every other traffic accident with persons killed took place on the state roads (app. 57.4%).



Picture 1. Number of persons killed in traffic accidents for the period from 2001-2010.



Picture 2. Spatial distribution of traffic accidents participation in the Republic of Serbia (2005-2010)



Picture 3. Spatial distribution of persons killed in traffic accidents in the Republic of Serbia (2005-2010)

## Contest of children`s drawings with “Santa Clause on the road” theme

The wish that during holidays and giving time employees come together and rejoice in what is most important for us – children, inspired the contest of children drawings with “Santa Clause on the road” theme.

To a great joy of commission members: Milica Jauković Grković, Graduate Graphic Designer, Ljerka Ibrović, Head of the Department for Public Relation in the PE “Roads of Serbia” and Nevena Matijašević, Creator of the Project, a large number of drawings was received, which influenced the decision to award the first, second and third place in four age categories: 5-6 years, 7-8 years, 9-10 years and 11-12 years.

**In 5-6 years category the winners are:** 1. place – Ksenija Nedeljковић, 2. place Mila Janjić, 3. place Lazar Bukvić i Vladimir Petrović.

**In 7-8 years category the winners are:** 1. place – Aleksandra Zec, 2. place - Mateja Savić, 3. place – Marija Đorđević.

**In 9-10 years category the winners are:** 1. place – Mina Veličković, 2. place – Maja Danković, 3. place – Nađa Milentijević.

**In 11-12 years category, the winners are:** 1. place – Anja Zec, 2. place – Nevena Brkić, 3. place – Stafan Milijić.

The special Award for Inventiveness is established and awarded according the criterion of the most unusual approach to the theme, and this year the winner was Damjan Ivanović (5 years old).

The winner of the contest in 2011 is selected among four first places in all age groups, and the first place was unanimously awarded to Aleksandra Zec (8 years old).

Prizes were awarded to winners on December 21<sup>st</sup>, at 17:00, in a big conference room of the PE “Roads of Serbia”, and the New Year`s party was organized for children, as well as distribution of the New Year`s presents. Drawings that won first places were printed as New Year Cards in the PE “Roads of Serbia”, and all awarded drawings have found their place in calendar for 2012 of our enterprise.



Commission members with winners Aleksandar and Anja Zec and Damjan Ivanović



Ksenija Nedeljковић



Mina Veličković

