

Republic of Serbia **COMMISSION FOR THE PROTECTION OF COMPETITION** 25/IV Savska Street, Belgrade 9/0-02-427/2023-02 Date: March 24, 2023

MINISTRY OF CONSTRUCTION, TRANSPORT AND INFRASTRUCTURE

22-26 Nemanjina Street Belgrade

The Ministry of Construction, Transport and Infrastructure submitted to the Commission for the Protection of Competition a Proposal for a Regulation on a temporary measure to determine the priority of transport in railway traffic carried out on the railway network of the Republic of Serbia, for the purpose of giving an opinion.

The Council of the Commission for the Protection of Competition, based on Article 22 and in connection with Article 21, Paragraph 1, item 7) of the Law on the Protection of Competition ("Official Gazette of the RS", no. 51/2009 and 95/2013), at the 119th session as of March 24, 2023, renders the following:

OPINION

The Commission for the Protection of Competition (hereinafter referred to as: Commission) issued the opinion number 9/0-02-533/22-4 as of July 7, 2022 on the Proposal for a Regulation on the temporary measure of determining the priority of transport in railway traffic carried out on the railway network of the Republic of Serbia ("Official Gazette of the RS ", number 77/2022), which was in force until January 9, 2023.

The text of the proposal for the Regulation, which was submitted on March 20, 2023, it was amended to a certain extent in relation to the previously valid regulation, so that now containerized transportation of consumer goods is not included.

Taking into account the rationale of the Draft Regulation, and especially the circumstance of the duration of the war in Ukraine, and stressing that it is not competent to assess the fulfillment of the conditions for the determination of a temporary measure, but only to assess its impact on the conditions of competition on the market, the Commission has no objections to the draft Regulation, but concurrently indicates the following.

The proposal in question does not exclude other types of transport on the railway network of the Republic of Serbia, but rather establishes the priority of transport of the said goods. Also, the Draft Regulation does not state that the temporary measure refers to the goods of certain suppliers, i.e. to goods of a certain

origin, nor can it be concluded that a privileged position of certain buyers of the goods transportation service referred to in paragraph 2 of the Draft Regulations is being established. Prioritization is carried out, as stated, in order to prevent "major delays in the delivery of goods of vital importance for the electric power sector and other strategically important systems for the Republic of Serbia, which, in conditions of market disruptions, may have incalculable adverse consequences for the economy and the population of the Republic of Serbia.", and it is reasonable to expect that the scope and method of prioritization will not only be determined, but also limited by this goal. Otherwise, in the event that the regulation is applied in a manner and in situations not foreseen for its adoption, an adverse effect of the application of the regulation could arise in relation to the conditions of competition.

As an important circumstance for giving its opinion, the Commission on this occasion as well, took into account the validity period of the Regulation of six months, i.e. the fact that the temporary measure is short-term.

PRESIDENT OF THE COMMISSION

Nebojša Perić, m.p.