

ROAD TRANSIT OF HAZARDOUS MATERIALS IN CROATIA

Communication from the Republic of Croatia

The following communication, dated 15 March 2002, has been received from the Permanent Mission of the Republic of Croatia.

Following the communication by Slovenia, circulated in documents G/C/W/346 and G/C/W/346Add.1 respectively, the Government of the Republic of Croatia would like to clarify to the WTO Members the policy objectives which led up to the introduction of the measures, as well as to explain their nature under the provisions of the GATT 1994 and other WTO Agreements.

The road traffic in Croatia has significantly increased in recent years as a result of a growing number of motor vehicles and opening of the new transit corridors from the states of the region, which reached their independence in the past decade. On the other hand, the road infrastructure has not followed these economic processes and needs. The total length of Croatian roads is 27.840 kilometres with 470 kilometres accounting for motorways or two-lane two-way toll roads, which are the only roads convenient for heavy traffic. In addition, some newly established transit corridors pass nearby national parks (road Zagreb - Split – possible transit corridor to B-H) while the Adriatic tourist road (possible transit corridor to Montenegro – FRY) passes through tourist centres along the Adriatic coast.

The increase of road traffic, accidents of vehicles transporting hazardous materials with significant environmental impact, as well as deceptive practices connected with *inter alia*, black marketeering of crude oil and oil products led to the need to find a systematic solution to the problem of hazardous materials' transportation in Croatia.

Therefore, the Ministry of the Interior adopted the Rules of Procedure Amending the Rules of Procedure on Methods of Transporting Hazardous Materials in Road Transport of 8th January 2002, which temporarily banned the transit of crude oil and oil products through the territory of Croatia. The Rules of Procedure applied only to road transit, and did not affect any other means of transport.

After additional assessment of all aspects of the issue, the Croatian Government decided to improve the system of transport of hazardous materials, and consequently the Ministry of the Interior amended the above mentioned Rules of Procedure on 24th January 2002, thus authorising the road transit of crude oil and oil products through the territory of Croatia, but introduced the obligation to comply with the measures determined by the competent bodies of the Croatian Government.

These measures were published in the Official Gazette prior to their entry into force and they include:

- corridors for transit of hazardous materials (of classes 1,2,3,6.1, 7 and 8)
- border crossings for import, export and transit of hazardous materials

Above-mentioned measures apply to all imports and export to or from Croatia and transit through Croatia, irrespective of the origin of goods or owner of the vehicle. In case the goods are

imported for the Croatian market, when goods are customs cleared and all the charges are being paid, the vehicle, irrespective of its owner or the origin of goods, can deliver the shipment directly by road anywhere in Croatia, in accordance with its transport documentation. Such a procedure is in accordance with Article III of the GATT 1994, thus fully complying with the national treatment.

The corridors determined for the transit of hazardous materials through Croatia are the best quality roads with proper infrastructure in case of accidents, which was necessary for the protection of the environment and increase of road transport safety. Due to the overall conditions of Croatian roads, designated roads contribute to safety of transport, thus avoiding risk of accidents. In 2001, there were 14 accidents involving vehicles transporting oil and oil derivatives, most of them happened on the roads other than those currently designated as transit routes. Therefore, the necessity to divert transport of hazardous goods through designated roads is based on Article XX of the GATT 1994, and such measures do not create unnecessary obstacles to international trade as they were introduced with the intention to fulfil legitimate objectives which are the protection of environment and prevention of deceptive practices in the sense of the TBT Agreement.

The introduction of these measures has not led to reduced or prevented road transit through the Croatian territory, which is justified in the data of the number of vehicles transporting oil and oil derivatives in transit by road through customs offices Zagreb, Osijek and Rijeka, i.e. 1303 vehicles in February 2001 in comparison with 2025 vehicles in February 2002. These data illustrate an increase of 55.4%.

The data received from Customs Directorate and the Ministry of the Interior demonstrate that carriers got used to these new provisions and that average waiting time for the border procedures, as well as the border charges remained more or less the same, thus not hampering carrier's regular activities. Simultaneously, maritime and railway transit have increased.

It is only worth mentioning that the corridors defined for the transit of hazardous materials are the most convenient routes for international road transit in the sense of Article V:2 of the GATT. No new measures were introduced for other means of transport. In addition, in the sense of Article V:3 of the GATT, Croatia requires that the traffic in transit through its territory be entered at the proper customs house. The data illustrates that the transit is not subject to any unnecessary delays or restrictions, as the time necessary at the border crossing has not changed from the time the measures have been adopted. No new fees have been introduced. All charges and regulations imposed by Croatia in transit to or from the territories of other parties are reasonable, having regard to the conditions of the traffic. The determined corridors are the most convenient international roads for international transit. It is the truth that some traditional routes were changed, but Croatian carriers have to use these same routes when transporting hazardous material including crude oil and oil products.

Croatia believes that all the information provided in this communication prove that Croatia is not violating its terms of accession to the WTO, neither that Slovenia's benefits under the GATT 1994 are being nullified or impaired in the meaning of Article XXIII of the GATT 1994. Croatia is fully honouring all its commitments related to free transit of goods and normal flow of trade.

The Croatian Government is ready to discuss with all interested parties, including Slovenia, the technical details of the measures. However, to this end, the willingness of all interested parties is needed. At the meeting of 25th February 2002 with the Slovenian side, such consultations were agreed and the meeting is arranged for 18th March 2002. This is in line with Croatian Government's continued efforts to attain mutual understanding on this issue with its partners including Slovenia, in compliance with international and European practice.
