

ROAD INFRASTRUCTURE FINANCING IN SLOVAK REPUBLIC

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Key words

Road infrastructure, financial resources, EU funds, Public-Private Partnership.

1. The characteristics of the road infrastructure

The road infrastructure is the significant factor which affects the economic level of country and region. Road network constitutes the highways, limited-access roads, 1st, 2nd, 3rd class roads, local communications and objective communications and all equipment, buildings, objects and works, which occur on it.

2. State of road infrastructure in SR

The structure of road network in SR in 2006 is displayed in the chart No. 1.

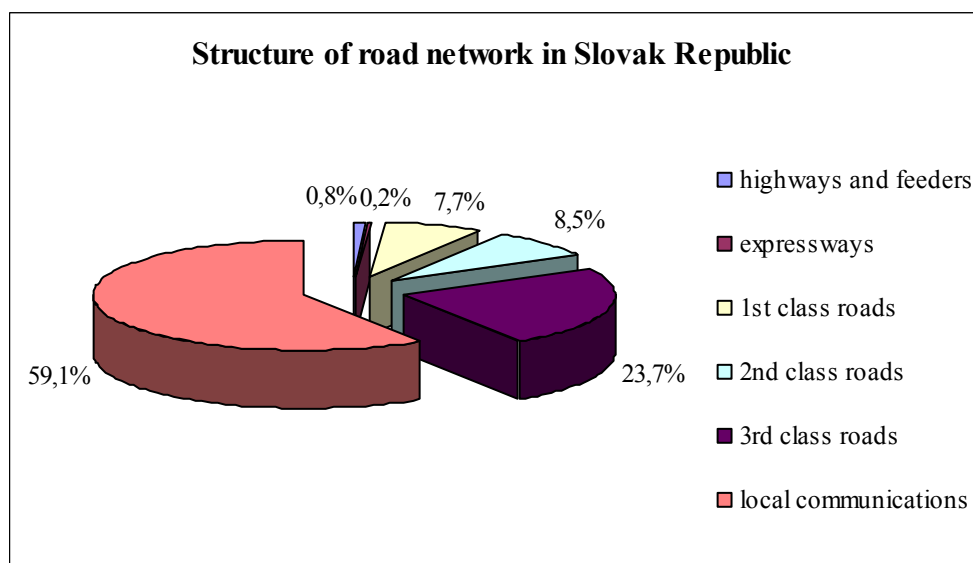


Chart 1: Structure of road network in Slovak Republic (%)

The chart 1 shows, that the local communications represent almost 3/5 of the total length of road communications in the SR. The 3rd class roads symbol nearly 1/4 of the road network. Roads of 1st and 2nd classes constitute 7 %, resp. 8.5 % from the total road network. Highways and expressways together create only 1 % of the total length of land communications.

The most length of highways is in the region of Bratislava. In the region of Banska Bystrica and Nitra is no highway. The most density of the road network in km/km² is in the region of Trnava. The length of the local communications is 25942 km.

3. The road infrastructure financing

The volume of expenses to the road in the years 1999-2005 introduce the Table No. 2.

Year	2000	2001	2002	2003	2004	2005	2006
Investment	9 680,0	8 718,3	10 209,7	8 723,9	9 610,6	13 894,8	14 439,0
Maintenance	2 838,0	2 938,0	2 943,3	2 987,3	3 447,0	3 869,0	4 352,6
Total	12 518,0	11 656,3	13 153,0	11 711,2	12 194,1	17 763,8	18 791,6

Table 2: Total expenditure to the road infrastructure in SR, current prices (mil. Sk)

The volume of resources to the road infrastructure accrues in 2006 in comparison with the year 2000 at upwards of 50 %. Proportion of capital expenditures on total expenses is 3/4.

The way infrastructure is funding especially from the state budget, charges of using road network, loans, from EU funds resources. The toll payment and the public-private partnership make ready. Looking for new resources and their effective exploitation are necessary.

As administration of the separate element (level) of road infrastructure is decentralized in SR, is necessary to study the finance options of road infrastructure separate on every level.

3.1 Financing of highways and expressways construction

National Motorway Company manages the highways, expressways and a part of the 1st class roads – total 571,606 km.

National Motorway Company is financing from several sources. Beyond resources from the state budget it turns the sources from the EU funds, loans and from the highways sticker sale. The income from the toll system will be the next source of the Company. Besides it the

construction of highways in co-operation with private sector (public-private partnership) is planned.

3.2 The construction and reconstruction of 1st class roads

1st class roads are in ownership and keep of the state, but the operation of management guards The Directorate of Motorways - total 3071,233 km.

The finances from the state budget and from EU funds are exploiting on construction and reconstruction of 1st class roads.

3.3 The construction and reconstruction of 2nd and 3rd class roads

The 2nd and 3rd class roads are at ownership and administration of autonomous regions (high regional unit), on territory of Bratislava and Košice they are at ownership and administration of town.

The sources of financing 2nd and 3rd class roads are mainly the resources from the budget of autonomous region, receipts from motor vehicle taxation, loans (EIB and commercial banks), public-private partnership and resources from EU funds.

3.4 The construction and reconstruction of local communications

The administration and financing of local communications guard towns and communities. Communities and towns exploit on financing of construction and repairs of local communications resources from its budget on basis approval receipts and expenses. The municipalities can get subsidy from the Ministry of Construction and Regional development of SR. Besides they can exploit the bank loans and finances from EU funds.

Conclusion

Quality and branched road infrastructure is thinking as one of bearing pillar for economic growth achieving, raise of competitiveness and prosperity of community and regions.

The main problem in this area apart from missing highways and expressways in some regions of SR is mainly the long-time and wanting technical and qualitative status of the 1st class roads, regional and local communications.

Nowadays the construction, reconstruction and maintenance of roads and local communications is financing especially from the resources of the state budget, budget of autonomous regions, towns and communities, from payments of the road network, loans and sources from European Union funds. The toll system and the Public-Private Partnership are preparing.

It is necessary to look for further sources as well as designate the effective model of exploiting the available sources. Stability and sufficient financing is namely the main assumption of next effective development of road network.

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