# THE KNOTTED RAILS – ECONOMIC SITUATION AND GEOPOLITICAL DETERMINANTS OF MOLDOVAN RAILWAYS

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**Rezumat:** Basarabia nu a fost de-a lungul timpul decât o provincie periferică a Rusiei tariste, a României și, în ultimul rând, a Uniunii Sovietice, deci este vorba de o provincie rurală neglijată și subdezvoltată. Pactul Ribbentrop-Molotov și crearea Republicii Sovietice Socialiste a Moldovei a cauzat dezintegrarea Basarabiei ca și provincie istorică. Prin urmare, aceasta a fost izolată de România și mai multe drumuri au fost închise pe frontiera republicană sovietică. De-a lungul existenței Moldovei ca parte a URSSS, aceasta nu a reprezentat o problemă serioasă. Atunci când Uniunea Sovietică a dispărut și republicile șiau anuntat independenta, frontiera republicană a devenit frontieră de stat. Acest lucru a dus la dezintegrarea totală a sistemului de transport și în special, a celui feroviar. În plus, secesiunea Transnistriei a condus la blocajul sistemului feroviar moldovenesc pe teritoriul său și la pierderea controlului asupra infrastructurii, care a cauzat probleme serioase pe piața externă a Moldovei. Chestiunea căilor ferate a devenit unul dintre cele mai importante subiecte a negocierilor între Chișinău și Tiraspol. În plus, sistemul feroviar moldovenesc este subdezvoltat, iar rețeaua sa nu poate asigura securitatea și dezvoltarea statului. Moldova este o țară prea săracă și prea slăbită pentru a depăși aceste probleme. Pe de altă parte, guvernul moldovenesc a încercat să amelioreze conditiile de transport feroviar și să asigure independenta economică.

Abstract: Basarabia during the history was nothing more than periphery of Tsar Russia, Romania and finally Soviet Union, so was rather neglected and undeveloped rural province. The Ribbentrop-Molotov pact and creation of Moldovan SSR caused disintegration of Basarabia as a historical land. In the result it was isolated from Romania and many transport routes were cut by Soviet republican border. As long as Moldova existed as a part of USSR, that was not a serious problem, but when Soviet Union collapsed and republics announced its independence, republican border changed into state border. All that caused that all Moldovan transport system and especially railways were disintegrated. In addition, factual secession of Transnistria brought blockade of Moldovan railway transport on its territory and lost control over all infrastructure and rolling stock, what caused serious problems to Moldovan foreign trade. The problem of railways appeared to be one of the most important subject of negotiations between Chișinău and Tiraspol. În addition Moldovan railways are underdeveloped and its network cannot ensure full security and development of state. Moldova is too poor and too weak country to overcome these problems. On the other hand, Moldovan government made great work to improve condition of railway transport and ensure economic independence.

**Résumé:** La Bessarabie n'a pas été, le long du temps, qu'une province périphérique de la Russie tsariste, de la Roumanie, et finalement de l'Union Soviétique, donc il s'est agi d'une province rurale négligée et pas développée. Le pacte Ribbentrop - Molotov et la création de la République Soviétique Socialiste de la Moldavie a causé la désintégration de la Bessarabie en tant que province historique. En conséquence, celle-ci a été isolée par la Roumanie et plusieurs chemins ont été clos sur la frontière républicaine soviétique. Le long de l'existence de la Moldavie comme part de l'URSS, cela n'a pas représenté un problème sérieux; lorsque l'Union Soviétique est disparue et les républiques ont annoncé leur indépendance, la frontière républicaine est devenue frontière d'Etat. Cela a causé la désintégration totale du système de transport et spécialement, de celui ferroviaire. De plus, la sécession de la Transnistrie a amené le blocage du système ferroviaire moldave sur son territoire et la perte du contrôle sur l'infrastructure, qui a causé des problèmes sérieux sur le marché extérieur de la Moldavie. Le problème des chemins ferroviaires est devenu un des plus importants sujets des négociations entre Chișinău et Tiraspol. De plus, le système ferroviaire moldave est sous-développé et son réseau ne peut pas assurer la sécurité et l'essor de l'Etat. La Moldavie est un pays trop pauvre et trop affaibli pour dépasser ces problèmes. De l'autre partie, le gouvernement moldave a essayé à améliorer les conditions du transport ferroviaire et à assurer l'indépendance économique.

Keywords: Republic of Moldova, CFM, railway, Basarabia, Transnistria

# Introduction

The historical events of XX century - Soviet annexation in 1940, war fights 1941-1945, collapse of Soviet Union 1990-1991 and war in Transnistria 1992, caused that Basarabia was disintegrated and destroyed as a consistent political, social and economical historical land. That is why the Republic of Moldova, established on basarabian remains. Since its independence has been struggled against many difficulties nearly in the all aspects of state and social life.

The well developed and managed transport is absolutely needed to ensure security and economic development of state. But one of the greatest problem with normal function of Moldova is disintegrated and ineffectual transport network This can be seen especially under the analyse of Moldovan railway condition.

## 1. The short history of transport in Basarabia

During the Russian rules Basarabia was very underdeveloped peripheral province, even comparing it with Tsar Russia<sup>1</sup>. The condition of road and rail infrastructure was catastrophic: before the First World War in Basarabia were just 129 km of beaten tracks, were no road bridge over the Prut to Romania, the rail lines did not assure connections with Romania, but also between individual parts of the

<sup>&</sup>lt;sup>1</sup> The first railway line in Bessarabia - Odessa-Rozdilna-Kuchurgan-Tiraspol-Bender/Tighina-Chişinău was completed in 1871 (in 1875 to Ungheni). On the other hand, in Romanian Old Kingdom first line Bucureşti-Giurgiu was built just two years earlier.

province. Paradoxically this situation was improved a little thanks to the first world war, when (to supply the Romanian front) 416 km of new railways were completed<sup>2</sup> and Bender (known in Romanian as Tighina) Railway Directorate disposed nearly the same number of locomotives (235) and technical equipment as Odessa or Kiev<sup>3</sup>.

In 1918 Basarabia was annexed by the Kingdom of Romania. Just after the war, Romanian implemented an ambitious project of construction of 10 bridges over the Prut and about 1900 km of the beaten roads<sup>4</sup>. During the years of 1921-1923 railway gauge 1524 mm (old Russian) was convert into 1435 mm. Under Romanian rules, the new connections were constructed: from Romovca (today Besarabeasca) to Fălciu and from Revaca to Căinari<sup>5</sup>. Unfortunately Basarabia was the part of Romania just till 1940 and was not fully integrated with the rest of state. In addition, the Second World War - rapid Romanian evacuation and Soviet plunder in 1940, fights in 1941 and 1944 caused the great destruction of infrastructure and vehicles<sup>6</sup>.

In June 1940 Basarabia and northern Bucovina were annexed by Soviet Union. Firstly basarabian lands were united with lying on the left bank of the Dniester Moldovan ASSR (established by Soviets in 1924, as a part of Ukrainian SSR) and secondly was transformed into Moldovan SSR - new Soviet federal republic. Parts of Basarabia - in south - Bugeac and in north - areas around Khotin (Hotin/Xотин), but also northern Bucovina and eastern parts of former Moldovan ASRR were incorporated into Ukrainian SSR. To Soviet Moldova a great problem was, that was cut off from danubian and Black Sea ports: Bilhorod-Dnistrovskyi (Cetatea Albă/Білгород-Дністровський)) and Kilia (Chilia/Кілія), Reni (Ренi), Ismail (Ізмаїл), but also from Galați and Brăila, which stayed in Romania. So economy of Soviet Moldova depended on harbours of Ukrainian SSR, but Chişinău had no opportunity to manage them.

What is more, during Soviet times, the borders between Soviet republics were established without any care about the integrity of transport network inside individual entities. It caused, that sections of roads or railways between localizations situated inside one republic, were crossing republican borders several times. As far as the Soviet Union existed, that was not a serious problem, but, when the USSR collapsed, communication network of Moldova was broken-up. What is

<sup>&</sup>lt;sup>2</sup> Among the others: lines Romanovca (today Besarabeasca)-Akerman (Cetatea Alba), Romanovca-Prut, Bălți-Ungheni, Reni-Prut. Н.И. Бондарь, Историческая справка о железной дороге Молдовы [The historical note about Moldovan railways], www.railway.md.

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> Ch. U. Clark, *Bessarabia*, New York 1927, (electronic version) www.depts.washington.edu.

<sup>&</sup>lt;sup>5</sup> This line was constructed because of strategic – to round infiltrated by Soviets junction station Bender/Tighina, and of economic reasons – to short travel between Bucureşți and Chişinău and reduce its cost. D. Lazur, *Tunelul morții [Tunnel of death]*, "Jurnal de Chişinău" 22 X 2005 – the typescript given by author by e-mail.

<sup>&</sup>lt;sup>6</sup> In the time of war, in 1941-1943 in Basarabia was built railway line Arciz-Ismail. But today it is on the territory of Ukraine, not Moldova.

more, the secession of Transnistria<sup>7</sup> caused, that Chişinău lost control over all transport network situated there<sup>8</sup>.

The collapse of USSR and declarations of independence by the Soviet republics, caused a transformation of republican border into state border between Moldova and Ukraine. The Moldovan economy was definitely cut off from Ukrainian harbours at the Black Sea coast and banks of the Danube. In the several places transport routes were broken by the border. In fact Ukraine had just one serious problem - 7,7 km long section of Odessa-Ismail main road near Palanca village was situated on Moldovan territory. But situation of Moldova was more problematic: some of Moldovan railway infrastructure were found on Ukraine. In addition, sections of Moldovan rail lines in the southern and northern ends of state were cut by Ukrainian border and disintegrated. The same happened with many local roads.

Since the independence, Moldova has struggled with the same problem as Basarabia had when it was incorporated to Romania in 1918. First of all, many workers and specialists (mostly Ukrainians and Russians), who were employed in transport sector, emigrated after 1991. As well, many of those, who stayed, speaks Russian and do not know fluently or even do not know at all Romanian language. In addition, especially in Bălți and in Găgăuzia, inscriptions inside railway and bus stations are only in Russian, because government can not or does not want to implement the law about state language guarantying presence of Romanian (officially named Moldovan) in the public life.

The following problem is still Soviet mentality and negligence. The corruption practices are very popular in this sector, as well as in the other fields of life. As the result, great part of so small funds are stolen by members of political-business establishment.

## 2. The interstate connections

States of the former USSR are the main trade partners of Moldova. Also many Moldovans have family relationships or work in Russia or Ukraine. That is why the efficient communication from Moldova to Ukraine is so important. On the other hand, the number of trans border connections in general is quite high<sup>9</sup>, but many of them

<sup>&</sup>lt;sup>7</sup> The self-proclaimed Transnistrian Moldovan Republic - Приднестровская Молдавская Республика procleimed own independence (internationally not recognized) in 1991. Transnistria controls areas on the left bank of the Dniester (without the small area near city Dubăsari city), but also situated on the right bank Bender/Tighina and four villages (the biggest one is Chiţcani) in the south from it. The capital of rebellious land is Tiraspol.

<sup>&</sup>lt;sup>8</sup> The specific symbol of Transnistrian conflict and its consequence for transport and economy of both sites of conflict is closed cable way over the Dniester, which connects the limestone quarry in Moldovan Rezina and the cement mill in Transnistrian Rîbniţa

<sup>&</sup>lt;sup>9</sup> The border crossing points between Moldova and Ukraine in total are 31 (not counting points functioning as Transnistrian in fact). Among them 19 have an international status (6 railway, 12 car, 1 ferry), 5 interstate (4 car, 1 ferry) and 7 local (5 car and 2 ferry). Lista punctelor de trecerea peste frontiera de stat moldo-ucraineana cu exceptia segmentului

run via areas controlled by Transnistria, so using them is difficult and can be blocked effectively in every moment<sup>10</sup>.

The situation on the other sectors of border was improved, but just a little by fact, that Ukraine and Moldova in 1997 signed a treaty which allows occupants of a border zone to cross the border in a simplified regime.

The Republic of Moldova is separated from Romania by the Prut river. In 1944 there were 22 bridges connecting Basarabia and Romanian Moldova. All of them were destroyed during the last war, except railway bridges Ungheni-Holboca (constructed in 1876-1877 by Gustav Eiffel<sup>11</sup>) and Cantemir-Fălciu. In 1949 Galați-Giurgiulești was reconstructed, in 1956 Leușeni-Albița, in 1963 Cahul-Oancea, in 1966 Sculeni-Sculeni and in 1978 was opened the road on the dam in Costești-Stânca<sup>12</sup>. Since the declaration of independence of Moldova in 1991 just one bridge has been rebuilt. In February 2010, after many perturbations, in the upper run of the Prut, between Lipcani in Moldova and Radăuți Prut in Romania, the bridge was opened (the cost of construction was 11 mln EUR)<sup>13</sup>. In 2004 was also announced the

central (Transnistrean) al frontierei de stat [The list of border crossing points on Moldovan-Ukrainian border (except Transnistrian section)], www.border.gov.md.

- <sup>10</sup> There are 6 car and 3 railway border crossing points. *Lista punctelor de trecerea peste frontiera de stat moldo-române [The list of border crossing points on Modovan-Romanian border]*, www.border.gov.md.
- <sup>11</sup> In May 2012, to celebrate 135 years of bridge construction, Ungheni city council gave it name of Gustav Eiffel. M. Ursu, *Podul feroviar peste râul Prut va purta numele lui Gustave Eiffel [Railway bridge over the Prut will be given Gustav Eiffel name]*, "Adevarul" 6 VI 2012, www.adevarul.ro.
- <sup>12</sup> V. Cubreacov, Podul Leova-Bumbăta. Încremenirea în Project [Leova-Bumbăta bridge. The look at this project], "Flux" 4 IX 2009 www.flux.md.
- <sup>13</sup> The bridge with accesses and the infrastructure of border crossing point on Moldovan side were finished in the middle of 2007. However till the beginning of 2010 it had being not put into operation because of unfinished works on the Romanian side. Chişinău tried to press on Bucuresti to finalize of this investment, but it did affect nothing more than verbal promises. For sure that was a reaction on anti-Romanian policy of communists, who in that time were ruling Moldova. After their withdraw from power and creation of the new government of the Alliance for European Integration, in January 2010 during the telephone conversation between the president of Romania Traian Băsescu and the new prime minister of Moldova Vlad Filat was agreed, that the bridge and the border crossing point would be prepared to open in 10 days. The open ceremony took place on 15th February 2010. During the first week of functioning 2805 people crossed new point - 2635 were Romanians, 163 Moldovans and 8 foreigners. I. Strelciuc, Filat scoate lumea la proteste împotriva autorităților române? [Filat brings people on protest against Romanian authorities?], "Cotidian National" 3 II 2009 www.flux.md; Premier calls upon Romanian authorities to speed up Lipcani-Radauti station opening, "Infotag" 29 I 2009 www.azi.md; Chisinau officials decline their responsibility in delaying opening Lipcani - Radauti customs office, "Info-Prim Neo" 28 I 2009 www.azi.md; Deschiderea oficială a podului Rădăuți-Lipcani va avea loc la 15 februarie [Official opening of Rădăuți-Lipcani bridge will take place on 15th Febryary], "Info-Prim Neo" 12 II 2010 www.azi.md; Lipcani-

reconstruction of Leova-Bumbăta bridge, but it has not been started<sup>14</sup>. In 2011 once again this investment was declared and in addition also second bridge near Nisporeni<sup>15</sup>. Especially problematic is the lack of bridge joining Iași directly with Ungheni<sup>16</sup> and lack of motorway or any other modern way between both capitals of Moldova. What is more, there is no single kilometer of motorway in Moldova and in Romania motorways are built very slow. That means, that construction of the motorway Chişinău-Iași, especially because of the current world crisis, in the nearest future is absolutely impossible. So far Romanian authorities just are planning to renovate four road bridges over the Prut<sup>17</sup>.

In addition, a very important problem to communicate between two states is that in Romania is used the European gauge (1435 mm), meanwhile in Moldova, like in whole territory of the former USSR, the Russian gauge (1520 mm). The only one trans-border line permanently operating the passenger traffic is Iaşi-Ungheni, equipped with mixed 1520/1435 mm gauge. But Russian tracks run just to Iaşi Socola marshalling yard station, so they does not have any meaning to passenger traffic. Local trains Iaşi-Ungheni are run by CFR (Romanian Railways) by trains with European gauge. But the long distance train 401/402 Chişinău-Bucureşti-Chişinău "Prietenia" (Friendship), consisted on Moldovan cars with 1520 mm gauge, in Ungheni has to change bogies (12 cars simultaneously in 38 minutes)<sup>18</sup>.

The line Cantemir-Fălciu operates rarely. It was equipped with mixed gauge, what made possible to enter by trains from Romania with gauge 1435 mm to Cantemir to the large transhipment terminal Prut II and by trains from Moldova to

*Rădăuți - cel mai solicitat punct de trecere din nordul țării [Lipcani-Rădăuți - the most crowded border crossing point in northern part of state]*, "Moldova Azi" 24 II 2010 www.azi.md.

- <sup>14</sup>.The decisions to reconstruct this bridge were taken in 2004. Then all costs were estimated on 75,5 mln Moldovan leu (MDL; 1 MDL≈0,3 RON) and the time of construction would be 21-24 months. V. Cubreacov, art. cit.
- <sup>15</sup> These constructions would be financed thanks to Romanian fund of 100 millions EUR established in April 2010 during visit the acting president of Moldova in Bucureşti. România şi Republica Moldova vor construi două poduri peste Prut, la Nisporeni şi Leova [Romania and Moldova will build two bridges over the Prut, in Nisporeni and Leova], "TV7" 20 VIII 2011.
- <sup>16</sup> In November 2011 the ministers of the transport of Moldova Anatol Şalaru and Romania Anca Boagiu met in Bucureşti. They announced (without saying about deadlines) the intension to build direct bridge between Iaşi and Ungheni and to connect Romanian motorway Târgu Mureş-Iaşi with Moldovan republican road Chisinau-Ungheni. *Distanța dintre orașele Chişinău şi Iaşi se va reduce cu 20 km în urma construcției unui pod peste Prut [Distance between Chişinău and Iaşi will be reduced about 20 km in case of construction new bridge over the Prut]*, "Noi.md" 29 XI 2011 www.noi.md.
- <sup>17</sup> I. Craciun, Patru poduri peste Prut vor fi refacute [Four bridges over the Prut will be renovated], "Bună ziua Iași" 8 III 2012, www.bzi.ro.
- <sup>18</sup> An interview with Anatoli Tvetcov the representative of the Republic Moldova to the Organization for Co-operation Between Railways in Warsaw (OSJD; Организация сотрудничества железных дорог).

Fălciu with 1520 mm. However, because of the dramatic drastic decrease of traffic intensity, in 2008 1435 mm rails were demolished on Moldovan side.

Whereas the border crossing point Giurgiuleşti-Galaţi as the real connection between Romania and Moldova exists since short time. Earlier it was just a short transit section pressed between Romanian and Ukrainian railway network - nothing more than short section of connection between Ukraine and Galaţi, because the approach to Giurgiuleşti by railway from the other parts of Moldova was only possible as a transit through Ukraine via Reni<sup>19</sup>. Nowadays this is the shortest rail connection between Bucureşti and Chişinău. Despite this, it serves only as the freight passage. Most of the passing trains transport iron ore from Ukraine to the Galaţi Steel Works. However, the meaning of this connection will grow up soon significantly thanks to construction in Giurgiuleşti port the rail and maritime transhipment terminal operating trains with Russian, but also European gauge. On the track joining Giurgiuleşti with Galaţi two rails will be added and the cross border dual-gauge connection will be established (it is planned to complete it in the autumn 2012)<sup>20</sup>.

The lack of connections with Romania is a serious problem, because western neighbour is Moldova's second trade partner. In addition, states of EU become more and more important for Chişinău<sup>21</sup>. The bilateral trading, thanks of tightening Moldovan-European relations, will grow up, so modernization of the existing connections will be necessary, because the majority of goods from or to the West just must travel through the territory of Romania. The number of travellers between Romania and Moldova is expected to increase significantly thanks to the treaty about the small border movement allowing Moldovans and Romanians to cross border without the necessity of visas (to 50 km depth into each country; because of the surface and form of Moldovan territory, this facilitation is given to 1/3 occupants of the country). In the far future is also expected, that visas regime would be simplified or totally abolished.

Moldova always was just a periphery of Russia, then Romania and at last USSR. That is why it does not have the efficient internal communication network. The majority of routs run from east to west and connect Moldova with Ukraine or Romania. Meanwhile, there is the lack of connections on the axis north-south, which would assure the efficient internal transport. This could be seen especially when analysing of Moldovan railway network - very unfavourably in the point of view of development and state economic security.

<sup>&</sup>lt;sup>19</sup> Today all line Moldova-Reni-Giurgiulești-Galați has Russian gauge (1520 mm).

<sup>&</sup>lt;sup>20</sup> This information was given by telephone by Irina Burunsus – Head of Marketing and PR of ICS Danube Logistics SRL.

<sup>&</sup>lt;sup>21</sup> The most important importers of Moldovan goods (mainly food, textiles, machines) are (2011): Russia 28,2 %, Romania 16,9 %, Italy 9,7 %, Ukraine 6,9 %, Germany 5%, Great Britain 4%, meanwhile the majority of Moldovan import (mainly fuels, machines and devices, chemicals, textiles) is from (2011): Russia 15,9 %, Ukraine 12,3 %, Romania 11,1 %, Russia 11%, China 7,7 %, Germany 7,7 %, Turkey 7,1 %, Italy 6,7 %. *CIA – The World Factbook*, www.cia.gov.

## 3. The railway transport

The Moldovan railways are run by the State Enterprise Railways in Moldova -Întreprindere de Stat Calea Ferată din Moldova (CFM)<sup>22</sup>. Near Lipcani and Larga on the northern ending of state exist two short railway sections isolated from the rest of Moldovan network by Ukrainian territory. Similarly is with the sections of Moldovan lines nearby Basarabeasca and Vulcănești, which run through the territory of Ukraine. However there Moldovan trains can ride without obstacles<sup>23</sup>. Only ride to Giurgiulești via Reni needs border crossing procedures<sup>24</sup>. In 1998 Chișinău waived the property of its railway infrastructure situated on the Ukrainian side of border and passed to Ukraine the 7,7 km long section of Odessa-Ismail road, which goes through Moldovan territory near Palanca village. In return for what Ukraine gave 430 m of the Danube bank, needed to construct the harbour in Giurgiulești<sup>25</sup>.

#### 3.1. The railway at war

The railway lines on Transnistrian terrains stay out of Moldovan control. This situation makes the serious difficulties to transport from Chişinău to Ukraine and Russia, because the trunk line runs through Transnistrian station Bender 2 and Tiraspol. But recently, just to approach from the capital to the south of country, trains needed to go through stations Bender 2 and Bender 1. In the past Transnistria several times used this weakness of Moldovan railway infrastructure. First of all, the tracks were blocked effectively during tensions and confrontation in the summer and the autumn 1991, which preceded the war between Transnistria and Moldova in 1992. Of course during the war tracks were also blocked. After that, the most

<sup>&</sup>lt;sup>22</sup> The most important organizational units of the CFM are: Ocniţa, Bălţi, Ungheni, Chişinău, Giurgiuleşti, Besarabeasca stations (economically independent), the Chişinău station building, the Bălţi and Chişinău roundhouses, the railway cars depot in Bălţi, the freight cars depot, the refrigerated cars depot in Besarabeasca and the factory of railway sleepers in Bălţi. The CFM formally is an owner of stations Rîbniţa, Tiraspol, Bender 1, Bender 2 and roundhouse in Bender, but in facts they are under Transnistrian control.

<sup>&</sup>lt;sup>23</sup> The passengers, who are crossing the border just to transit do not need passport control and custom clearance. Just the passengers, who get out or get on the train on the stations on the Ukrainian side of border are forced to pass these procedures.

<sup>&</sup>lt;sup>24</sup> The interview with Anatoli Ţvetcov.

<sup>&</sup>lt;sup>25</sup> Under the international law there was no territorial cession. Moldova just passed to Ukraine the property of road and its infrastructure. However this solution did not satisfy Ukrainians, who claimed that these legal conditions in fact made impossible to start any road works. What is more, this enigmatic situation was causing several incidents between the Moldovan and Ukrainian border guards. Finally in June 2010 Moldova passed also the property of soils under the road and its infrastructure. TAO, *Delimitacja granicy między Ukrainą a Mołdawią [Delimitation of Ukrainian-Moldovan border]*, "Tydzień na Wschodzie" 1998 nr 31, OSW, p. 2.; *Moldova a cedat oficial ucrainei segmentul de drum din apropierea satului Palanca [Moldova officially ceded road section near Palanca village to Ukraine]*, "Stiri Locale" 30 VI 2011 www.stirilocale.md.

serious event was "the customs war" started 2001, when all trains from or to Moldova were stopped. The particularly hard situation appeared in August and September 2004, when Moldova introduced a new customs regime<sup>26</sup> and blocked all Transnistrian railway connections. The answer of Tiraspol on that was to create in October own he State Treasury United Enterprise Transnistrian Railways (PŽD)<sup>27</sup> and required all of CFM's infrastructure and rolling stock (among others also the diesel multiple unit of four cars, which had been riding between Chişinău and Odessa) on the controlled terrain. That caused on Bender/Tighina rail terrains the skirmishes between Moldovan police and Transnistrian militia, which was occupying buildings and finally kept its positions. What is more, customs blockade was not fully effective, because Ukrainians let trains to enter to Transnistria (in spite of officially announced co-operation and support to Moldovan actions)<sup>28</sup>. As the result. CFM lost the control over Transnistrian railway infrastructure and was not able to guarantee the safety of transports on this section. Some of Moldovan connections was suspended. Another trains going east had to go round Transnistria on the much longer way and to enter into Ukraine through northern station Ocnița. The situation of Moldova appeared critical in September 2006, when the Ukrainian railway started the reparations of bridge near Moghilau (Могилів-Подільський) and was making difficult to use the longer way near Chelmenti (Kenthematical Kenthematical Kenthem

The suspension of the railway move through Transnistria appeared to be very severe for the both sides of conflict. Moldova was forced to send own trains through the northern, few hundreds km longer routs, what meant waste of time and was more expensive. On the other hand, Transnistria considerably lost its possibility for free foreign trade. The exported Transnistrian goods first of all were brought to Moldova by cars, then they were loaded on trains, passed customs clearance and were sent abroad through the northern routs. This procedure caused the additional difficulties and costs to Transnistrian enterprises. In fact the restoration of railway transport through Transnistria was the interest of both sides of this conflict. However none of them wanted to achieve the compromise and to make any concessions.

<sup>&</sup>lt;sup>26</sup> Since this moment Transnistrian businessmen, to trade with foreign states, have been forced to register in Moldovan offices, and their goods have needed to pass through the Moldavian customs procedures. What is more, Moldovan customs officers had to be permitted by Ukraine to work on Ukrainian side of Transnistrian section of Moldovan border. Inspite of this has not happened till today, Moldovan acts had caused many difficulties to Transnistrian foreign trade.

<sup>&</sup>lt;sup>27</sup> Государственное Унитарное Казенное Предприятие Приднестровская Железная Дорога.

<sup>&</sup>lt;sup>28</sup> During the first year after Moldova established the new customs regulations, Ukraine allowed to enter to Transnistria 16.420 railway cars without Moldovan customs clearance. Ukraine allows 16,420 cars of cargo to enter Transnistria without Moldova's consent, "Infotag" 2 III 2007 www.azi.md.

<sup>&</sup>lt;sup>29</sup> Moldovan Railroad Management Claim that Moldova Is Not Threatened by Railroad Blockade, "Info-Prim Neo" 1 IX 2006 www.azi.md; Ukraine Blocked Passenger and Cargo Railway Connection of Moldova with Russia, "InfoMarket" 5 IX 2006 www.azi.md.

In December 2006, thanks to Russian and Ukrainian negotiators, was agreed to re-establish the freight move (but exclusively Russian and Ukrainian cars) through Transnistria to Moldova and passenger train Chişinău-Moscow-Chişinău (during the summer also the holiday train Saratov-Varna (with one car to Sofia)) served by Russian railways. However for very long time there was no success in restoring the full freight transport (by trains with Moldovan cars) through Transnistria and so expected by casual Moldovans and "Transnistrians" the suburban train Chişinău-Tiraspol-Odessa<sup>30</sup>.

<sup>30</sup> In April 2008, thanks to new Russian initiative relating to the solution of Transnistrian conflict, the managements of the CFM and PZD met in Odessa. The long time was spent on discussion about back of Chişinău-Odessa train. Moldova, using the arguments about the safety of transports, health and life of passengers, presented the following conditions: 1) CFM workers should have the unembarrassed access and control over railway infrastructure in Transnistria and supervision over railway move, 2) on the railway stations in Transnistria tickets should be sale for MDL, 3) the international guarantees and rules of supervision over rolling stock in Transnistria should be establish, 4) all CFM rolling stock taken by Transnistria should be given back: diesel multiple unit, 13 diesel locomotives and 297 freight cars, 5) Moldovan transport police and CFM inspectors should let to control over passenger trains crossing Transnistria. Official Statemant of administration SU "Railway of Moldova", www.railway.md. The director of PZD - Sergei Marcinko rejected the entrance of Moldovan police on the terrain of Transnistrian railway and to sale of tickets for another currency than Transnistrian rubles. Whereas Tiraspol offered to sign the bilateral agreement about: the common use of the rolling stock in Transnistria, including the diesel multiple unit and the technical inspection of the international commission to it. PZD also proposed to transfer control over routs and security of transports in Transnistria to the Odessa department of the Ukrainian Railways. Another was to let Moldovan and Transnistrian train dispatchers to work together on Novosaviţcaia (Новосавицкая), Tiraspol and Bender stations. The controllers of the CFM would participated in the clearance of diesel multiple unit. On the stations in Bender and Tiraspol could be installed special devices to sale tickets for MDL. Дорога преткновения [Road with obstacles], "Eho" 25.07.2008 www.eho-ua.com. In 2010 the new proposal was presented by PŽD during the next round of negotiation. Marcinko offered to new (from the Alliance for European Integration government) Moldovan minister of transport and infrastructure Anatol Şalaru to start railway connections from Chişinău to Odessa, Saint Petersburg, Minsk, Adler and Simferopol through the territory of Transnistria. He also renewed the proposal to permit CFM controllers and and proposed to create the common system of tickets selling on Bender and Tiraspol stations and to sign the bilateral agreement about the financial settlement for mutual use of the rolling stock and infrastructure. Tiraspolul cere Chișinăului să reia comunicațiile feroviare pe teritoriul Transnistriei [Tiraspol asks Chişinău to bring back rail communication through Transnistrian territory], "Infotag" 4 II 2010 www.azi.md. In June 2010 Marcinko also announced that the representatives of EU called PŽD and CFM to co-operate, even informal, and to restarts the train Chişinău-Tiraspol-Odessa. The manage this the new enterprise would be established by the agreement between CFM and PZD. The seat of it would be in Transnistria, but temporary it would be registered in Transnistria. Transnistria agrees on launching Chisinau-Odessa train, "Infotag" 9 VI 2010 www.azi.md.

Finally both sides reached the agreement. First of all PŽD turned back CFM the diesel multiple unit. Then sides agreed to reestablish passenger connection Chişinău-Tiraspol-Odessa since October 2010 and till may 2011 to restore full passenger railway communication in Transnistria. The details of this agreement were not announced. It is only known, that CFM resigned to regain the property taken by Transnistria and PŽD agreed to enter on its tracks trains pulled by Moldovan engines. It is nothing known about the payments for using Transnistrian routs by CFM and about sharing profits from tickets sale<sup>31</sup>.

In the end on 30 March 2012 in Tiraspol Moldovan prime minister Vlad Filat and Transnistrian president Yevgeny Shevchuk signed the agreement about restoration of full railway move through Transnistria. On Rîbniţa nad Bender 2 trains would pass custom clearance by mix Moldovan and Transnistrian officers. The first Moldovan freight trains since establishment of the blockade entered Rîbniţa and then Ukraine on 26 April 2012<sup>32</sup>.

# 3.2. Calea Ferată din Moldova

The solution of the problem of Transnistrian blockade of railway communication from Chişinău and the northern part of state to southern one, was the reconstruction of (destroyed in 1944 by the withdrawing Germans) forces 46 km long Căinari-Revaca line. It passes Bender station and shortens the distance from Chişinău to the southern areas for about 72 km<sup>33</sup>. The reconstruction began in 1993, but was stopped quickly when 43 km of tracks were still to construct. The second decision to re-established this line was taken in November 2004. Finally it was opened in September 2005. The main difficulty during the construction was the question to or not to rebuilt 689 m long tunnel near Bălţați village, which was blown up in 1944<sup>34</sup>.

<sup>&</sup>lt;sup>31</sup> Mołdawia i Naddniestrze wznowią połączenia kolejowe [Moldova and Transnistria will restore railway connection], "Tydzień na Wschodzie", 2010, nr. 33, www.osw.waw.pl, p. 10.

<sup>&</sup>lt;sup>32</sup> Porozumienie o przywróceniu ruchu kolejowego przez Naddniestrze [Agreement about restablishing of railway traffic through Transnistria], "Wiadomości z regionu" nr 65 2 IV 2012, www.osw.waw.pl.; Mołdawia bliżej Naddniestrza [Moldova is clouser toTransnistria], "Wiadomości z regionu" nr 83 27 IV 2012 www.osw.waw.pl.

<sup>&</sup>lt;sup>33</sup> Moldovan Government Approves Restoration of Old Railroad Branch, "Infotag" 4 XI 2004 www.azi.md; The Revaca-Cainari Railway Can Be Put into Operation at the Beginning of November 2005, "InfoMarket" 27 V 2005 www.azi.md; The Revaca-Cainari Railway Section Strengthened the RM's Economic Security, - Prime Minister Vasile Tarlev, "InfoMarket" 29 IX 2005 www.azi.md.

<sup>&</sup>lt;sup>34</sup> In 1944 Soviets arrested hundreds of people, who in 1941-1944 had cooperated with Romanian administration of Basarabia. Their fate has been not explained till today. It is said, that in 1944 NKVD executed the mass manslaughter of "the enemies of nation" in the remaining fragments of the tunnel. But till today its remains have been not cleared of rubble, so it is impossible to confirm or deny to these speculations. D. Lazur, *Tunelul morții, op. cit.* 

Because of great price and time consumption, CFM decided not to restore this tunnel and to mark out new route passing the remains from north<sup>35</sup>.

To make railway traffic between Moldova and Ukraine independent from the situation in Transnistria was bilateral decision to rebuild (demolished in 2000) 22,7 km long trans-border line Basarabeasca-Berezine (this decision was taken in March 2006, but works have not been started)<sup>36</sup>. The second one could by Kiev's decision (taken in August 2007; works have not begun) to build railway between danubian harbours Ismail and Reni (today Reni has just the connection with the southern section of Moldovan railways and Romania)<sup>37</sup>. Ismail-Reni line could improve communication between southern Moldova and Ukraine and her Black Sea and danubian ports. On the other hand, it would reduce considerably CFM's income for transit via Moldova to Reni harbour and to steel mill foundry in Romanian Galati, where iron ore is transported from Ukraine via Moldovan territory. What is more, Ismail-Reni line would be the beginning of the direct Romanian-Ukrainian connection over the Danube, which would pass fully the territory of Moldova. That would deprive her of all income paid for transit between Ukraine and Romania. In fact, the amount for this was already reduced after the restructuring of Galați steelworks. But because of cold relations between these two states, so great construction seems to be impossible in the nearest future.

In August 2008 absolutely new 52 km long line between Cahul and Giurgiulești, connecting the sea port and oil terminal with the rest of country, was completed. This construction was progressing with express speed, cost 836 millions MDL and was lasting for 14 months, when was planned for 36 months<sup>38</sup>. But today an accusation appears, that during works numerous abuses, especially with expropriation of private soil owners and transfer the state forests to build there<sup>39</sup>. What is more, according to present income, cost of construction will be paid after 80 years. It is the result of bad economic calculation of former, communist government of state and CFM. But also Oleg Voronin (one of the richest man in Moldova; son of former president Vladimir) is accused, that thanks to the fictitious contract on earthworks with connected with him company Modconstruct Market, he embezzled 3.440.000

<sup>&</sup>lt;sup>35</sup> The interview with Anatoli Ţvetcov.

<sup>&</sup>lt;sup>36</sup> Информасия для прессы о визите министра транспорта и дорожного хозяйства г-на Гагауза М.У. в Киев, Украина [The information for press about the visit of minister of transport and road network Mr. M.U. Gagauz in Kiev, Ukraine], www.railway.md.

<sup>&</sup>lt;sup>37</sup> Ukraine announces construction of Reni-Ismail railroad, "Info-Prim Neo" 8 VIII 2007 www.azi.md; В. Шимко, А мы поедем другим путем [But we will go another way], "Magistral"" brak daty publikacji www.uz.gov.ua.

<sup>&</sup>lt;sup>38</sup> President inaugurates Cahul-Giurgiulesti railway, "Info-Prim Neo" 25 VII 2008 www.azi.md.

<sup>&</sup>lt;sup>39</sup> *The railroad Cahul-Giurgiulesti build on a land given illegally*, "Jurnal.md" 22 IV 2010 www.jurnal.md.

EUR from the public treasure<sup>40</sup>. It is also important to underline, that against this investment protested many ecological organizations which claimed that it was completing without any environmental studies first, so it could destroy the unique character of the National Park of Lower Prut Swamps<sup>41</sup>

The current (2010) rolling stock of CFM consist of: 2 steam engines, 152 diesel locomotives, 30 diesel multiple units, 379 passenger cars, 99 railcars and railcar trailers, 7908 freight cars<sup>42</sup>. But is difficult to say if all of them are in fact the property of CFM or some of them are kept by PŽD. Moldovan rolling stock is old (the newest were built in 1988), exploited and obsolete<sup>43</sup>. In 2009 CFM transported 5.186.700 passengers and 4.414.900 t of goods and worked about 422,8 millions passengers-kilometres and 1.016,7 millions tonne-kilometres (2009; but is not clear if these are CFM data only or together with PŽD) <sup>44</sup>. It employs about 10.300 workers and has more than 100 railway stations and stops.

Nowadays Moldova exploits 1176 km of Russian gauge (1520 mm) and 14 km of European gauge rails (1435 mm). What is more, only line from Ukrainian station of Kuchurgan to Transnistrian Tyraspola has all-long double-track. CFM has also several short double-track sections, but they serve only to enlarge the capacity in the concrete neuralgic places. North from Chişinău and near Ukrainian Bolhrad existed double-track sections, but were demolished, because exploitation of these not integrated sections was

[Report about OSJD activity in 2009], Варшава 2010, р.5.

<sup>&</sup>lt;sup>40</sup> D. Lazur, V. Calugăreanu, Sugativa de bani publici de la Giurgiuleşti [Theft of public money from Giurgiuleşti], "Jurnal de Chişinau" 24 XII 2009 www.ziar.jurnal.md.

<sup>&</sup>lt;sup>41</sup> Cahul-Giurgiulesti rail line project poses environmental threats to the Lower Prut Wetlands National Preserve, "Info-Prim Neo" 25 V 2005 www.azi.md; Environmental NGOs seek suspension of construction works on Giurgiulesti-Cahul railway branch, "Reporter.md" 14 VI 2005 www.azi.md.

<sup>&</sup>lt;sup>42</sup> Бюллетень статистических данных ОСЖД по железнодорожному транспорту за 2010 год [The OSJD statistic bulletin about railway transport in 2010], Bapшaba 2011, p.4.

<sup>&</sup>lt;sup>43</sup> The director of CFM announced, that since May 2012 14 completely rebuilt and modernized in Romania (with all European standards), passenger diesel multiple units (old D1 trains) have been delivered. Each of the new trains consist of 1st class and three 2nd and 3rd class cars. The cost of this investment is 30 millions EUR. It was also announced, that CFM allocated 60 millions EUR more on modernization of the rolling stock. 8 millions EUR will be given for modernization of 12 cars, which will run to EU countries and 25 millions EUR are assigned to buy 22 new cars for Chişinău-Moscow connection. A. Slanina, *FOTO Primul tren modernizat a fost prezentat astăzi i va circula pe direc ia Tighina-Ocni a [The first modernized train was presented today and will run on Tighina-Ocni a line]*, www.mtid.gov.md; *Trenuri moderne: Calea Ferat ini iaz un program de renovare a parcului de vagoane i locomotive [Modern trains; Calea Ferat starts program of locomotives and cars fleet modernisation]*, "Publika TV" 25 I 2012 www.publika.md.

<sup>2009</sup> 

uneconomical. What is more, demolished railway tracks and parts were used as the exchangeable parts or during construction of Revaca-Căinari line<sup>45</sup>.

Moldovan railways are not electrified at all. In the late 80s the electrification works on Rozdilna (Zhmerynka-Odessa main line)-Kuchurgan-Tiraspol-Bender-Chişinău-Ungheni line started, but the collapse of USSR stopped them. The electric traction was installed only from Rozdilna to frontier Ukrainian Kuchurgan and between Kuchurgan and Bender/Tighina just pylons were built<sup>46</sup>.

Moldovan track and stations stay in poor condition, so, the speeds of trains are low<sup>47</sup> and delays are noting exceptional. On the other hand during 2001-2005 685,2 km of tracks were repaired, what cost 291 millions MDL. During 2008-2011 was intended to repair additional 350 km for 782,5 millions MDL given by CFM and the state budget. About 100,6 millions MDL more was planned for projects and different expenses<sup>48</sup>.

CFM is not able to collect alone all funds to keep the infrastructure and to buy fuel and technical materials. The urgent need is to increase the cost-effectiveness of passenger traffic, because today it causes great losses<sup>49</sup> and is realized using funds earned on goods transport. About 81,7% of CFM income is from freight transports, but about 96% of it come from transports in the international movement)<sup>50</sup>. This makes the situation of CFM very unfavourable. Moldovan railways in fact are entirely dependent on the economic situation in Russia and Ukraine, Romania and all the Balkan states, but also on the relations and trade exchange between these countries. What is more, the significant part of cargos between Ukraine and Russia and Romania on the other side, is iron ore and another goods for Galați steelworks. Therefore, if the crisis appears only in this branch of industry, that will cause serious financial trouble to CFM. And if the direct railway connection and bridge is

<sup>&</sup>lt;sup>45</sup> Similarly in the future also lines to Cupcini and to Glodeni, used only to freight move, are closed, if the local factories will give up the railway services. The interview with Anatoli Tvetcov.

<sup>&</sup>lt;sup>46</sup> Ibid.

<sup>&</sup>lt;sup>47</sup> For example the international train Chişinău-Moscow Kiyevsky No. 047 runs 185 km route between the biggest two Moldovan cities (except of Transnistrian Tiraspol) Chişinău and "the northern capital" Bălți (station Oraş) during 3 hours and 14 minutes (according to the schedule), what means 57 km/h. However the train suburban Ungheni-Chişinău train No. 6025 runs 109 km in 3 hour and 44 minute, what means 29 km/h.

<sup>&</sup>lt;sup>48</sup> Pkt. 80-85, Strategia infrastructurii transportului terestru pe ani 2008-2017 [The strategy of land transport infrastructure for years 2008-2017], Aprobată prin Hotărîrea Guvernului nr.85 din 1 februarie 2008, Publicat: 12.02.2008 în Monitorul Oficial Nr. 30-31 art nr: 159.

<sup>&</sup>lt;sup>49</sup> In 2001-2010 passenger traffic caused about 1,16 bilion MDL losses. So to improve this, the drastic solution is proposed – 85 stations (of total 105) would be closured and 68 local trains would be removed. *CFM ar putta sista transportul feroviar de c 1 tori pe 68 rute i închide 85 de sta ii i g ri {CFM would stop 68 passenger connections and close 85 stops and stations]*, "Ştirii locale" 9 I 2012 www.stiriilocale.md.

<sup>&</sup>lt;sup>50</sup> Pkt. 26 și 27, *Strategia infrastructurii transportului...*, doc. cit. .

constructed between Ukraine and Romania on the Danube, that will mean the total financial catastrophe of CFM.

So, the restructuring of the CFM is necessary. In this context also the division into three companies: infrastructure, transport of goods and transport of people, what should help to manage more effectively and improve financial results. But also the change of Soviet mentality of management and usual CFM workers CFM is indispensable, because since the Soviet times nearly nothing has changed in this matter<sup>51</sup>.

One of the most important investment is the electrification of traction, which would allow to increase speed of personal trains to 110 km km/h and freight ones to 90 of the km/h<sup>52</sup>. This would also reduce costs of traffic, what would make railway more attractive. At first, the electrification is planned on Iaşi-Ungheni-Chişinău-Tiraspol-Kuchurgan line, secondly Chişinău-Căinari-Basarabeasca-Cahul-Giurgiuleşti-Galați, and finally Ungheni-Bălți-Ocnița-Moghilău<sup>53</sup>.

The second important aim is to form the railway network according to real needs of state economy. In the far future the constructions of new lines over the Dniester through Soroca and Iampol<sup>54</sup> and line to Romania over the Prut through

The previous general director of CFM (in office 2000-2009), associated with communists Miron Găgăuz does not even know the state language of Moldova - Romanian. What is more, he allowed to or took part in several embezzlement of CFM funds and property. For example, it is said, that because of his four deals Moldovan state lost about 31 millions MDL - about 500 freight cars were lend on very disadvantageous conditions to Intertranscord SRL company (with share capital of 5400 MDL; the founders of it were: Vladimir Kiko - citizen of Tiraspol and Terboch Limited company rejected in Cyprus). Miron G g uz acuzat de prejudicierea intereselor publice cu 31 milioane lei [Miron G g uz is accused of lost public 31 milions MDL], "Moldova Azi" 16 XII 2009 www.azi.md. Short time ago, the visit on the web side of CFM www.railway.md caused the specific impression. Russian was the starting language. Texts about history were full of glorification of the Soviet times and unambiguous condemnation of the Romanian "occupation" of Basarabia. Another materials, also relating to contemporary events, were also full of rhetoric and expressions characteristic to Soviet propaganda. However, the most serious sign of the mentality of Moldovan railways was the state emblem of the Soviet Union (non-existent since 1991) in the left upper horn, where the glittering Moldovan flag with CFM's logo in today. Nowadays the director of CFM is, affiliated with the Alliance for European Integration, Vitalie Strună, who had been working for 15 years in railway sector in Romania. From the web side disappeared Soviet texts and state emblem. Now Romanian is the starting language of the web side (in addition it is called normally Romanian not Moldovan).

<sup>&</sup>lt;sup>52</sup> Н.И. Бондарь,

<sup>...,</sup> art. cit.

<sup>&</sup>lt;sup>53</sup> The interview with Anatoli Ţvetcov.

<sup>&</sup>lt;sup>54</sup> Before the Second World War CFR planned to construct new railway line Chişinău-Orhei-Soroca-Otaci. Situated on the other bank of the Dniester Ukrainian Iampol and neighbouring Tsekinovka were connected with Vapniarka station on the main line Odessa-Zhmerynka (also was connected with Haivoron narrow-gauge railway system) by narrow-gauge railway

Nisporeni and Leuşeni<sup>55</sup> are considered, but probably they will never be built<sup>56</sup>. According to the European aspiration of Moldova, is proposed to build, longwise the existing one, a new one railway line from Chişinău to frontier Ungheni. This track would have European gauge, be electrified and accordance all European standards and as the result, would ensure fast and efficient communication from Iaşi - the capital of the Romanian Moldova to Chişinău. Maybe, in face of vague chances of European accession, it is the good idea to consider to convert all of the tracks from Russian into European gauge<sup>57</sup>.

Nevertheless, Russian experts show that CFM is one from the most backward CIS railways and the construction of European gauge line Ungheni-Chişinău (and maybe to Kuchurgan) is nothing else than a dream. Neither CFM, even nor the Republic Moldova is able to collect 500-800 millions USD to implement this idea<sup>58</sup>. On the other hand, in the case of realization, this project would be probably constructed by consortium created by Chişinău and București in common and also would gain the financial support from EU. What is more, CFM management claims, that construction of European gauge line to Chişinău will open great perspectives of economic development to Moldova, but also EU<sup>59</sup>.

[Narrow gauge railways in Vinnitsa Oblast], www.narrow.parovoz.com.

<sup>(750</sup> mm). This line was demolished in 1997.

<sup>&</sup>lt;sup>55</sup> During the first world war to supply the Romanian front with war materials the narrow-gauge (1000 mm) line Crasna-Bucovăţ was constructed. In the interwar period it was closed and the conversion into European gauge was started, but before 1940 only Crasna-Huşi section on the western bank of the Prut was made. Rest of this line was never finished. The remains of narrow-gauge line were demolished.

<sup>&</sup>lt;sup>56</sup> The interview with Anatoli Ţvetcov.

<sup>&</sup>lt;sup>57</sup> Pkt. 122 i 123, Strategia infrastructurii transportului..., doc. cit.

<sup>&</sup>lt;sup>58</sup> Experts doubt Moldova's ability to build European rail gauge, "Infotag" 5 IV 2011 www.azi.md.

<sup>&</sup>lt;sup>59</sup> In Chişinău (in Ungheni is impossible because of lack of efficient area) is proposed to construct great trans-shipping terminal operating 1435 and 1520 mm gauge rail cars. This terminal could be the continental centre operating loads between UE, CIS and China (the analogous terminal already exists in Kazakhstan and reloads goods from Chinese cars 1435 mm to Russian ones). This venture would shorten (in comperison with sea transport) time of transport between UE and China, and safe about 15-20% of costs. To choose Chişinău as a localization of terminal is the best solution, because Moldova is not a EU member, so the costs of construction and run would be much lower. E. Ilie, *C ile Ferate din Republica Moldova trebuie s liberalizeze pia a de transport feroviar pentru operatorii private [C ile Ferate din Moldova nead oppening railway transport marked to private forwarders]*, "Railway PRO the railway buisness magazine" 24 IV 2012 www.railwaypro.com.

## 3.3 Приднестровская Железная Дорога

PŽD does not have the integrated network - has Bender section, main in Tiraspol and isolated in Rîbnița<sup>60</sup>. Recently the serious problem of PŽD was lack of the direct connection between Bender/Tighina and Tiraspol line and track to Dnestrovsc and heat power station (Молдавская ГРЭС) in the southern ending of country, because junction, which joins both sections is in on Ukrainian Kuchurgan station. Since March 2006, when Kiev had started cooperation with Moldova to block the independent Transnistrian foreign trade, Ukrainians let trains just to enter from Kuchurgan to Livada station on the section to Dnestrovsc. There goods were reload on trucks and transported to Tiraspol. In addition there is no repair shop on Dnestrovsk section, so rolling stock has been working there, to go to Bender roundhouse for repairs and inspections, needed to cross Ukrainian Kuchurgan. That is why Transnistria decided to construct 1,4 km long connection between both lines (between stations Livada and Novosaviţcaia) for sum of 1,2 million USD. The works were finished in November 2008, after five months<sup>61</sup>.

The management of PŽD claims that the enterprise has been developed very dynamically: since April 2006 till April 2007 it transported more than 5,5 millions t of loads and its profits reached 86 millions of Transnistrian rubles (10 millions USD), in 2008 in Rîbniţa was opened the factory of railway sleepers and small roundhouse, the salaries are very attractive, so many CFM workers moved to PŽD. Yet in June 2010 Marcinko admitted that, transports taken by PŽD (to compare with 2008) were about 2/3 reduced. As the result, many workers were fired and another work just four days per week<sup>62</sup>. That is probably why Transnistria so much strived for restart of the connection Chişinău-Tiraspol-Odessa and to restore full railway movement through own territory. That was needed to provide financial support to safe existence of PŽD, because the bankruptcy of Transnistrian railways would be great prestige defeat of separatists.

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[In Transnistria railway line was opened and it will be very important], "Olvia-press" 6 XI 2008 www.olvia.idknet.com. <sup>62</sup> Transnistria agrees....

<sup>&</sup>lt;sup>60</sup> From Ukrainian Rudnitsa (on Odessa-Zhmeryna main line) to Transnistrian Camenca existed also narrow-gauge line (750 mm), which was closed in 1997 and demolished two years later. С. Болашенко,

<sup>[</sup>Narrow gauge railway of Haivoron branch of Odessa Railway Department], www.sbchf.narod.ru.

<sup>61</sup> 

<sup>- &</sup>quot;[Head of Transnistrian Railways Sergei Marcinko: "Today our way is a way of development", "Olvia-press" 3 VIII 2008 www.olvia.idknet.com;

# Ending

Moldovan railway system, as the whole transport network, is disintegrated, outmoded and unsubsided. That is why it can not ensure normal functioning and development of state. However, Moldovan government and CFM management arranged great work to improve this situation. On the other hand, that is still just a drop in the ocean. Moldova too poor to restore all needed infrastructure and rolling stock and too week re-establish control over routs situated in Transnistria. There is just a little hope, that this situation will be changing for better. This will be possible, only if the current government really tries to integrate Moldova with EU and EU makes real steps to support Moldova in her European aspirations. Unfortunately Moldovan pro-European government is still week and unstable and EU because of the economic crisis is cares about oneself.