

Budget

of the State Fund of Transport Infrastructure for 2003

**Approved by the Parliament of the Czech Republic
on 17.12.2002 in a decree no. 235**

Transport infrastructure and its development has an indisputable significance not only for regional development but also for increasing of the economic performance of the country. The need to complete its construction and to improve its quality pre-determines the budgetary needs of the State Fund of Transport Infrastructure (Státní fond dopravní infrastruktury, SFDI). Also the fact that the transport infrastructure has a significant multiplication effect should be taken into consideration.

The proposal of the budget for 2003 is prepared in accordance with the Act No. 104/2000 Coll., dated 4 April 2000, on the State Fund of Transport Infrastructure and a notice of the Ministry of Finance No. 131/2001 Coll., dated 4.4.2001, which states the scope and structure of expenditures for the state budget proposal and the dates of their submissions. The proposal corresponds with the mid-term budgetary outlook of the Fund, approved by the Committee of the Fund on 6.5.2002.

The purpose of the Fund, according to § 2 of the Act No. 104/2000 Coll., on the State Fund of Transport Infrastructure and on the amendment of Act No. 171/1991 Coll., on the Powers of Authorities of the Czech Republic in Matters Regarding the Transfer of State Assets to Other Persons and on and the National Property Fund of the Czech Republic, as amended, is to use its income for the benefit of development, construction, maintenance and modernisation of roads and motorways, railways and domestic waterways as follows:

- financing of construction, modernisation, repair and maintenance of roads and motorways
- providing financial contributions to construction and modernisation of individual sections of roads and motorways,
- financing of construction, modernisation, repair and maintenance of national and regional railways
- financing of construction and modernisation of inland waterways significant for transport,
- the payment of instalments on loans and interest on loans and other expenditure related to debt service
- the provision of financial contributions to research and design work, studies and specialist activities related to construction, modernisation and repair of roads and motorways, waterways significant for transport and national and regional railways,
- the provision of financial contributions for programs aimed at increasing of transport safety accessibility to persons with restricted movement and orientation,
- the provision of financial contributions for construction and maintenance of cycling paths,
- the costs of the Fund's activities.

To achieve its purpose the Fund can use its income, according to § 4 of the Act No. 104/2000 Coll., which comprises:

- transfers of monies from the National Property Fund of the Czech Republic,
- transfers of road tax revenue,
- transfers of revenue from consumer tax on hydrocarbon fuels and lubricants,
- transfers of revenue from charges for the use of selected types of roads and expressways,
- revenue from securities and public collections organised by the Fund,
- loans, deposit interest, penalties, insurance benefits and other payments from individuals and legal entities,
- contributions from the European Commission via the relevant European fund,
- gifts and inheritance,
- subsidies from the state budget.

At the end of each calendar year the balances of Fund's income shall be transferred to the following calendar year.

Details of proposed income for 2003 is given in Table 1.

Total income of the Fund is proposed at the amount of	45 400 mill. CZK
out of this:	
I. income from taxes at the amount of	18 200 mill. CZK.
II. subsidies from the z National Property Fund at the amount of	27 200 mill. CZK

The budget for 2003 is prepared as balanced.

Requests of the final recipients of the state subsidies are arranged according to the finances drawn in previous years and to summaries of requests, that were submitted to the Fund according to discussed priorities of individual projects and to the agreed reduction. After it has been approved by the parliament of the Czech Republic the reduction of finances for investments will have to be included into the ISPROFIN information system.

Total expenditure is proposed at the amount of	45 400 mill. CZK
out of this:	
running cost	16 462 mill. CZK
capital expenditure	28 938 mill. CZK

In accordance with Article 5, paragraph (6) of the Act 104/2000 Coll. on the Fund, the Fund's accounts are divided into two separate areas so that it is possible to monitor the costs of its own activities and the costs of other activities separately.

The expenditure of the Fund is divided in accordance with Article 2 of the Act 104/2000 Coll. on the Fund as follows:

a)	financing the construction, modernisation, repair and maintenance of roads and motorways	27 614 mill. CZK
b)	providing financial contributions to construction and modernisation of individual sections of roads and motorways	146 mill. CZK
c)	financing the construction, modernisation, repair and maintenance of national and regional railways	16 300 mill. CZK
d)	financing the construction and modernisation of inland waterways significant for transport	804 mill. CZK
e)	the payment of instalments on loans and interest on loans and other expenditure related to debt service	275 mill. CZK
f)	the provision of financial contributions to research and design work, studies and specialist activities related to construction, modernisation and repair of roads and motorways	50 mill. CZK
g)	the provision of financial contributions for programs aimed at increasing of transport safety; accessibility to persons with restricted movement and orientation	95 mill. CZK
h)	the provision of financial contributions for construction and maintenance of cycling paths	60 mill. CZK
i)	the costs of the Fund's activities	56 mill. CZK
	Total	45 400 mill. CZK

The Fund has no receivables and liabilities, that would not be in accordance with the approved budget for year 2002 (parliament resolution No. 1968 from 43rd session on 14 December 2001).

The proposal of the budget does not anticipate the taking on of any loans in 2003, with the exception of prolongation of the current account with the possibility of a credit up to a maximum of 5 bill. CZK to be paid on 31 December 2003 with the purpose to address the imbalance between the budgetary income and expenditure of the Fund in time. It is proposed to allocate 275 mill. CZK in the budget to cover the interests from the credit. The current accounts with bank guaranteed credits will be prolonged - with the Českomoravská záruční a rozvojová banka a.s. (credit up to 1 bill. CZK) and with the Česká spořitelna a.s. (credit up to 4 bill. CZK).

Details of the proposed expenditure of the Fund is given in Table 2.

In accordance with the valid structure of the budget the expenditure of the Fund are divided between running expenditure and capital.

Tables

Table 1 – Proposed income of the Fund in 2003

Table 2 – Proposed expenditure of the Fund in 2003

Table 3 – Division of the non-investment contribution in 2003

Attachments

Attachment 1 - Overall budget (individual projects) in 2003
