

**Cross border co-operation between Bulgaria and Greece
2006 Project Fiche on "Tourist Centre Perpericon" (Priority 3)
Promotion of cultural and tourist resources**

1. Basic Information

CRIS Number: BG 2006/018-387.03.04

Title: Tourist Centre Perpericon

Sector: Regional Development / CBC Environment

Location: Bulgaria - Greece Border Region

Duration: 43 Months
Contracting deadline: 30/11/2008
Execution of contract deadline: 30/11/2011

Phare funding: € 2,450 million

2. Objectives

2.1 Overall Objective(s):

The **overall project objective** is to promote the diversity of the European historical heritage and to enhance the tourism development in the Bulgarian-Greek border region of the Eastern Rhodopes

2.2 Project purpose&

Creation of conditions for transformation of the Holy town Perpericon and the Basilica "Klise bashi" in attractive centre for cultural tourism in South-Eastern Europe

2.3 Accession Partnership (AP) and NPAA priority (and implementing measures envisaged by the Action Plan for AP priorities related to strengthening administrative and judicial capacity)

- Development and implementation of complex regional structures, programmes and projects for the integrated development of problem areas in the country – underdeveloped, rural, depressive and cross-border areas;
- Preparation of Bulgarian regions for the implementation of the structural policies applied by the EU Member States through the development of strategies and programmes for sustainable social and economic development.

2.4 Contribution to National Development Plan

CBC regions, a part of which is the area of the project, are treated in the National Development Plan (NDP) as a high priority target. The proposed project fully complies with the objectives defined in the NDP, which classifies CBC regions in a separate target group.

2.4 Cross Border Impact

The Holy Thracian town of Perpericon has a multi-age history, starting from Halcolite and continuing to exist through Hellenic and Roman age as an important economic, cultural and administrative centre of Achridos province. The exceptional significance of this centre is proved as well by the basilica discovered in the site “Klise bashi”, south-east from Perpericon. Re-discovery and promotion of these pages of the common European history will help restoring the bridges between people, nations, and states.

The Perpericon site represent an exceptional attraction and its inclusion in the tourist itineraries from both Bulgaria and Greece will significantly contribute to develop the cross-border tourism in the Rodopi region.

3. Description

3.1 Background and justification:

The Eastern Rhodopes include part of the territory of Bulgaria and Greece. In the past, this region was an integrated cultural area, which is now split by the border. The region has a rich historical heritage, with Perpericon being an important centre of different civilizations. This project aims to finalise preparations of turning Perpericon into an accessible and attractive tourist product, helping it - together with other historical sites in Greece – become one of the most attractive destinations for visitors in this part of the Balkan Peninsula. A new access road is under construction. There is a need to develop the site further by means of the completion of preparatory planning work that should allow the actual activities to start, including preservation and reconstruction works, the building of a museum and the provision of utilities supply.

The Perpericon site is situated on hilly rocks, south-west from the village Gorna Krepost, municipality Kardjali of Bulgaria and covers an area of several dozen hectares, partly covered with forest. Archaeological investigations gradually discovered Perpericon as a site with a complex structure and exceptionally long history. To date, Perpericon is the only remaining palace of a Thracian Holy King that has been discovered, making it a cultural monument of national importance.

The site has the structure of a town from Antiquity. In early Byzantine times and during the Middle Ages, Hyper-Perpericon was turned into one of the strongest and important fortresses in the region of Achridos. The 12 m high south-east polygonal tower dates from this period. South-east from Perpericon an elegant church built in *opus maxtum* has also been discovered. The floor of the church is covered with bricks and in the central part of the *naos*, a mosaic with an area of 4m² made in *opus sectile* was found.

Following a study carried out in 2002 by an expert team from Sofia University, it was concluded that the site was subject to erosion and that the rock surfaces and the hill could progressively collapse. The final plans for the necessary conservation and restoration works should be based on the conclusions of this study.

The project should stimulate the regional economy and enhance its development. Kardjali Municipality works closely with the Municipality of Soufli, Prefecture Evros, Greece to develop long-term co-operation in the field of alternative forms of tourism: cultural, religious and ecological. The Municipality of Komotini, Greece has expressed its support for the project and both municipalities have a tradition in the preparation of cross-border projects.

The project should significantly contribute to the overall economic development of the Bulgarian-Greek cross-border region of Eastern Rhodopes through promoting and enhancing tourism activities focused on Perpericon.

According to the latest archaeological investigations held in the region of the Eastern Rhodopes, the earliest traces of human live are from the 6th-5th millennium b.J.C. The fragments of the Neolite ceramics are discovered over the rock surface. As for Perpericon, it is not a settlement but a deified rock. Next historical period – the Stone-Cuprum Era, Eneolite – is the end of 5th and the beginning of the 4th millennium b.J.C. this period is presented by broken cult ceramics. It is similar to the discoveries from other Eneolite settlements, such as the famous Karanovska mound. The development of the rock cult complex has continued during the Bronze era. It can be definitely stated that during its late stage – 18th-12th centuries b.J.C. – Perpericon has gone through its big bloom. This is the era of the Crete-Mykena civilization, of Troy and Mykena.

Last studies show that Perpericon has completely preserved its importance during the Christian era as well. In the 5th-7th centuries, it has probably been the residence of one of the earliest bishop chairs. In the 8th-12th centuries Perpericon has become a regional administrative centre directly subordinate to the central administration of the Byzantine Empire in Constantinople.

3.2 Sectoral rationale

N/A

3.2.2 Sequencing

The Detailed Design for the Project “Tourist Centre Perpericon” will be prepared till the middle of year 2006 through the PHARE CBC Project Preparation Facility, FM 2003 BG/GR. It will provide Technical Specifications for the Works, the Works Supervision and the Supply as well as Terms of Reference for the TA component to launch the promotion of Perpericon as Tourist Site.

3.3 Results

- Works for reinforcing eroded rock surface of archeological site completed;
- Works for protection of rock surfaces of archeological site completed;
- Works for conservation of site “Holy Palace Perpericon” completed;
- Works for conservation of site “Perpericon - Acropolis” completed;
- Works for conservation works and exhibition of a site “Basilica Klise-Basha” - v. Chiflik completed;
- Works for horizontal and vertical planning of the zone of culture monuments completed;
- Works for building of technical infrastructure- water supply, drainage and electric supply, electric system and lighting completed;
- Works for building of a visitor and exhibition centre Perpericon completed;

- TA for promotion of Perpericon as Tourist Site provided.

3.4 Activities (including Means)

Component 1: Construction Supervision Services (0.400 MEUR)

Component 2: Construction Works (2.400 MEUR)

Lot 1 (0.500 MEUR):

- Works for reinforcing eroded rock surface of archeological site;
- Works for protection of rock surfaces of archeological site;
- Conservation works of site “Holy Palace Perpericon”;
- Conservation of site “Perpericon - Acropolis”;
- Conservation works and exhibition of a site “Basilica Klise-Basha” - v. Chiflik;

Lot 2 (1.900 MEUR):

- Construction works for horizontal and vertical planning of the zone of culture monuments;
- Construction works for building of technical infrastructure - water supply, drainage and electric supply, electric system and lighting;
- Construction works for building of a visitor and exhibition centre Perpericon;
- Construction of pedestrian paths and exhibition places.
- Construction of grounds for recreation and public events.

Component 3: Supply of Equipment (0.320 MEUR)

Supply of equipment for the visitor centre and adjacent area

Component 4: Technical assistance (0.110 MEUR)

The TA will provide support for promotion of Perpericon as Tourist Site based on the Management Plan.

3.5 Linked Activities:

- Phare project BG 0102.03-06-0010 “The Road of Gods, Gold and People” of the Municipality of Kardjali within the Cultural Tourism grant scheme;
- “Creation of a three-day tourist package for Perpericon” – a project of the Municipalities of Kardjali and Ardino;
- “Perpericon Site” Project – a project of ING Bank;

3.6 Lessons learned:

Problems were highlighted in recent evaluation reports (ECOTEC Interim Evaluation Report on TRA – R/BG/TRA/0402). Since no similar CBC projects have been so far implemented, by analogy to transport projects, the following comments can be applied to this specific construction project:

“Large investments from Phare and the Bulgarian national budget are necessary for achieving the wider project objectives for the sector and sustaining the outcomes of the transport projects, if there is to be substantial improvement in the long-term. CBC projects still suffer from contractual delays and poor design. However, in comparison to the previous evaluation, there have been some improvements in the transport sector.”

Here are some of the main conclusions made:

- Financial justification of the transport infrastructure projects seems weak because the IRRs of the projects’ results were not based on contemporary studies;
- Monitoring reports are of poor quality and are not perceived as a management tool by the stakeholders;
- Land for infrastructure projects is provided comparatively on time, although not strictly according to what has been committed in the project fiches. However, subsequent land acquisition that is requested because of design changes has been slow.

The following recommendations are to be observed:

- Phare IA (MRDPW) should complete all contract documents for infrastructure projects, including design and environment impact assessment by the time of signature of the financing memoranda;
- Future planning of projects on the borders should include positive management actions during at their programming stages that will avoid the problems in coordination, found in the implementation of earlier infrastructure projects;

Omissions and errors in designs have been a serious problem during a number of previous Phare contracts (mainly due to obsolete designs; identified in the Interim Evaluation Reports (R/BG/TRA/02.011). To mitigate the consequent delays and cost implications the beneficiary will conclude a consultancy contract with the designer of the project to ensure his presence on site and the timely issue of additional designs and redesigns. If it proves necessary meetings between Employer/Engineer/Designer will be held to define design problems and respective solutions.

4. Institutional Framework

- **Recipient country** – Republic of Bulgaria
- **Beneficiary Institution** – Municipality of Kardjali, Bulgaria
- **Contracting Authority** - Ministry of Regional Development and Public Works (Phare CBC Implementing Agency)

5. Detailed Budget

	Phare support	Co-financing			Total Cost
€M		National Public Funds (*)	Other Sources	Total Co-financing of Project	
Year 2006 - Investment support jointly co funded					

<i>Component 1 - Construction Supervision Services and TA for Independent Evaluator</i>	<i>0.300</i>	<i>0.100</i>		<i>0.100</i>	<i>0.400</i>
<i>Component 2 - Construction works</i>	<i>1.800</i>	<i>0.600</i>		<i>0.600</i>	<i>2.400</i>
<i>Component – 3 - Supply of equipment</i>	<i>0.240</i>	<i>0.080</i>		<i>0.080</i>	<i>0.320</i>
Investment support – sub-total	2.340	0.780		0.780	3.120
% of total public funds	75 %	25 %			

Year 2006 Institution Building support					
<i>Component 4 - Technical Assistance</i>	<i>0.110</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>0.110</i>
IB support	0.110				0.110

Total project 2006	2.450	0.780		0.780	3.230
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(*) A minimum of 25 % co-financing of the total eligible costs of the investment components will be provided by the National budget

6. Implementation Arrangements

6.1 Implementing Agency

CBC Implementing Agency

The CBC Implementing Agency is the Ministry of Regional Development and Public Works (MRDPW), which retain overall responsibility for the implementation of the project (signature of contracts, authorisation and payments of invoices).

Ministry of Regional Development and Public Works

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6.2 Twinning

N/A

6.3 Non-standard aspects

There are no non-standard contracts or tender procedures envisaged within this project. The PRAG "Practical Guide to contract procedures for EC external actions" valid as from 01/02/2006 will apply until Bulgaria becomes a member state of the European Union. After accession, the national procurement legislation will be in force.

6.4 Contracts

Service Contract for Construction Supervision and TA for Independent Evaluator

Estimated value of contract: 0.400 MEUR.

The duration of the Supervision Contract is expected to be **43 months** including:

1 month - mobilization, 24 – supervision during construction, 12 months - Defect Notification Period, 6 months – Final Payment

Works Contract for Construction Works.

Estimated value of contract: 2.400 MEUR.

The duration of the Works Contract is expected to be **42 months** including:

24 months - construction, 12 months - Defect Notification Period, 6 months – Final Payment

Supply contract

Estimated value of contract: 0.320 MEUR.

The duration of the Supply Contract is expected to be **12 months**:

7 months – supply and installation of equipment, 5 months – Final Payment

FWC assignment- Estimated value of contract: 0.110 MEUR.

The duration of the TA is expected to be **6 months**:

7. Implementation Schedule

	Start of tendering	Start of project activity	Project Completion
Supervision Services	June 2007	March 2008	November 2011
Construction Works	July 2007	April 2008	November 2011
Supply contract	September 2009	April 2010	March 2011
FWC	April 2010	July 2010	December 2010

8. Equal Opportunity

The project implementation procedures will ensure that the project brings benefits to men and women and to ethnic groups in equal measure. Special attention will be paid to guarantee that women and members of ethnic groups are included in the project activities.

9. Environment

Environmental screening as well as Environmental Impact Assessment Report is not envisaged. The road sections will be rehabilitated and partially reconstructed and consequently no Environmental Impact Assessment is necessary.

10. Rates of return

N/A

11. Investment criteria (applicable to all investments)

11.1 Catalytic effect

Without PHARE assistance the project will not be implemented in the near future, because of lack of funds. Thus EU Phare funds are appearing as the economic assistance to the country and will mobilise economy during Pre-Accession period achieving better socio-economic effect.

11.2 Co-financing

The project is to be co-financed by the Bulgarian Government - National Fund who will provide at least 25 % of the total eligible costs of the project. PHARE contribution will finance up to 75 % of the total cost of the project.

11.3 Additionality

No other financing sources from the private sector or from IFIs will be available for financing of the project.

11.4 Project readiness and size

The Detailed Design will be prepared till the middle of year 2006 through PHARE CBC Project Preparation Facility, FM 2003 BG/GR.

Land acquisition for the section to be rehabilitated is not required. The project complies with minimum project size requirements.

11.5 Sustainability

This project is in line with the priorities indicated in the bilateral agreement between the Governments of Greece and Bulgaria, which is a basis for the development of border region between the two countries. Further, it complies with the Council Regulation 1266/1999 on co-ordination of pre-accession assistance.

The Perpericon site being of exceptional historical significance is expected to become the most attractive tourist site in the East Rodopi cross-border area. The Municipality of Kardjali as beneficiary will ensure the institutional sustainability of the project.

11.6 Compliance with state aids provisions

The project complies with the state aids provisions.

12. Conditionality and sequencing

The Detailed Design for the Project “Tourist Centre Perpericon“ will be prepared by mid 2006 through PHARE CBC Project Preparation Facility, FM 2003 BG/GR. It will provide Technical Specifications for the Works, the Works Supervision and the Supply as well as Terms of Reference for the TA component to launch the promotion of Perpericon as Tourist Site.

ANNEXES TO PROJECT FICHE

1. Logframe in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule, by quarter, for full duration of project
4. Map of the project proposal

Annex 1 – Logical framework matrix in standard format <i>Project title “Tourist Centre Perpericon”BG 2006/18-387.03.04</i>		Contracting period expires: 30 November 2008	Execution of contract period expires: 30 November 2011
		Total Budget: 3.230 MEUR	Phare Budget: 2.450 MEUR
Overall Objective	Objectively verifiable indicators	Sources of Information	
To promote the diversity of the European historical heritage and to enhance the tourism development in the Bulgarian-Greek border region of the Eastern Rhodopes	Attractive tourism developed in the Eastern Rhodopes	National and regional statistics and reports	

Project Purpose	Objectively verifiable indicators	Sources of Information	Assumptions
Creation of conditions for transformation of the Holy town Perpericon and the Basilica “Klise bashi” in attractive centre for cultural tourism in South-Eastern Europe	- Increased tourist traffic by 20% - Improved quality of tourism sector in the area	- National and regional tourism statistics and reports - Regional chambers of commerce statistics	- BG fulfils conditions for receipt of EUCBC funds - Continued cooperation between BG and GR tourism stakeholders

Results	Objectively verifiable indicators	Sources of Information	Assumptions
• Works for reinforcing eroded rock surface of archeological site completed; • Works for protection of rock surfaces of archeological site completed; • Works for conservation of site “Holy Palace Perpericon” completed; • Works for conservation of site “Perpericon - Acropolis” completed; • Works for conservation works and exhibition of a site “Basilica Klise-Basha” - v. Chiflik completed; • Works for horizontal and vertical planning of the zone of culture monuments completed; • Works for building of technical infrastructure- water supply, drainage and electric supply, electric system and lighting completed; • Works for building of a visitor and exhibition centre Perpericon completed; • TA for promotion of Perpericon as Tourist Site provided.	• Reinforced rock surface of the site • Conservation works on the site complete • Exhibition works on the site complete • Technical infrastructure (water supply, drainage , electricity, lighting) created • Visitor & exhibition centre Perpericon erected • Equipment for the visitor and exhibition centre provided • Management Plan to promote Perpericon Tourist Site prepared	• Monitoring and evaluation reports • Regional tourism and business organisations’ statistics and reports • Financial report • Final report	• Support by the Municipality of Kardjali and other relevant institutions; • Monitoring results are used for decision-making process;

Activities	Means	Sources of Information	Assumptions
Component 1: Construction Supervision Services (0.400 MEUR) Component 2: Construction Works (2.400 MEUR) Lot 1 (0.500 MEUR): - o Works for reinforcing eroded rock surface of archeological site; - o Works for protection of rock surfaces of archeological site; - o Conservation works of site “Holy Palace Perpericon”; - o Conservation of site “Perpericon - Acropolis”; - o Conservation works and exhibition of a site “Basilica Klise-Basha” - v. Chiflik; Lot 2 (1.900 MEUR): - o Construction works for horizontal and vertical planning of the zone of culture monuments; - o Construction works for building of technical infrastructure - water supply, drainage and electric supply, electric system and lighting; - o Construction works for building of a visitor and exhibition centre Perpericon; - o Construction of pedestrian paths and exhibition places. - o Construction of grounds for recreation and public events. Component 3: Supply of Equipment (0.400 MEUR) Supply of equipment for the visitor centre and adjacent area Component 4: Technical assistance The TA will provide support for promotion of Perpericon as Tourist Site based on the Management Plan.	• Service contract for construction supervision – 0.400 MEUR (0.300 MEUR Phare support + 0.100 MEUR national co-financing); • Works contract for construction works supervision – 2.400 MEUR (1,800 MEUR Phare support + 0.600 MEUR national co-financing) in 2 lots; • Supply contract for supply of technical equipment – 0.320 MEUR (0.240 MEUR Phare support + 0.080 MEUR national co-financing); • FWC for TA of 0.110 MEUR Phare support.	• EC Funds – 2.450 MEUR; • National co-financing – 0.780 MEUR.	• Resources are in place • Transparent and effective project management

Annex 2 – Detailed implementation chart

Project title “Tourist Centre Perpericon”

Components	2007												2008												2009													
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D		
Component 1 Supervision						T	T	T	T	T	T	T	T	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	
Component 2:Works							T	T	T	T	T	T	T	T	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	
Component 3: Supply equipment																																		T	T	T	T	
Component 4: TA																																						
Components	2010												2011																									
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D														
Component 1 Supervision	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I															
Component 2:Works	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I															
Component 3: Supply equipment	T	T	C	I	I	I	I	I	I	I	I	I	I	I	I																							
Component 4: TA				T	T	C	I	I	I	I	I	I																										
D = Design/Tender preparation C = Contracting I = Implementation/works																																						

Annex 3 – Contracting and disbursement schedule by quarter

Project title Project title “Tourist Centre Perpericon”

Components	Cumulative contracting schedule by quarter in MEUR (planned)																Total	
	2008				2009				2010				2011					
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV		
Component 1 – Supervision Phare	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.300
Component 2 – Works Phare	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.800
Component 3 – Supply Phare									0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.240
Component 4 – TA Phare										0.11 0	0.110	0.11 0	0.11 0	0.11 0	0.11 0	0.11 0	0.11 0	0.110
Component 1 – Supervision National co-financing	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.100
Component 2 – Works National co-financing	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.600
Component 3 – Supply National co-financing									0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Total Phare contracting	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.34	2.45	2.45	2.45	2.45	2.45	2.45	2.45	2.45	2.450
Total National co-financing	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.760
Total contracting	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	3.10	3.21	3.21	3.21	3.21	3.21	3.21	3.21	3.21 5	3.210

Componen ts	Cumulative disbursement schedule by quarter in MEUR (planned)															Total	
	2008				2009				2010				2011				
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III		
Componen t 1 – Supervisio n Phare	0. 04	0. 08	0. 12	0. 15	0. 19	0. 23	0. 26	0. 28	0. 30	0. 33	0. 36	0. 39	0. 42	0. 45	0. 48	0. 51	0.300
Componen t 2 – Works Phare		0. 20	0. 40	0. 60	0. 80	1. 00	1. 20	1. 40	1. 60	1. 80	2. 00	2. 20	2. 40	2. 60	2. 80	3. 00	1.800
Componen t 3 – Supply Phare									0. 14	0. 22	0. 30	0. 38	0. 46	0. 54	0. 62	0. 70	0.240
Componen t 4 - TA										0. 07	0. 14	0. 21	0. 28	0. 35	0. 42	0. 49	0.110
Componen t 1 – Supervisio n National co- financing	0. 02	0. 03	0. 04	0. 05	0. 06	0. 07	0. 08	0. 09	0. 10	0. 11	0. 12	0. 13	0. 14	0. 15	0. 16	0. 17	0.100
Componen t 2 – Works National co- financing		0. 08	0. 16	0. 24	0. 32	0. 40	0. 48	0. 56	0. 64	0. 72	0. 80	0. 88	0. 96	1. 04	1. 12	1. 20	0.600

Component 3 – Supply National co-financing										0.036	0.054	0.06	0.06	0.06	0.06	0.06	0.060
Total Phare disbursement	0.04	0.28	0.52	0.75	0.99	1.23	1.46	1.68	1.90	2.24	2.39	2.45	2.45	2.45	2.45	2.45	2.450
Total National co-financing	0.02	0.11	0.20	0.29	0.38	0.47	0.56	0.65	0.70	0.736	0.754	0.76	0.76	0.76	0.76	0.76	0.760
Total contracting	0.06	0.39	0.72	0.94	1.37	1.70	2.02	2.33	2.60	2.976	3.144	3.21	3.21	3.21	3.21	3.21	3.210