

## STANDARD SUMMARY PROJECT FICHE

### 1. Basic Information

Desiree Number: **BG0107.02**

Title: **Rehabilitation of road II-29 from the Bulgaria/Romania border (Negru Voda) to General Toshevo**

Sector: **Infrastructure - Transport (IN)**

Location: **Bulgaria, North - East region**

### 2. Objectives

#### 2.1 Overall Objectives

- Facilitate the cross-border co-operation between Bulgarian and Romanian border regions by improving the communication infrastructure.
- Through this improved communication link, promotion of local and national economic development.
- Make the Bulgarian road network compatible with the road network of the European Union.

#### 2.2 Purpose of the Project

- Improvement of the condition of the existing road transport link by partial rehabilitation of road II-29 from the border crossing station to General Toshevo.
- Time and operating cost savings.
- Reduction in road traffic accidents.

#### 2.3 Accession Partnership and NPAA priority

The proposed project aims at developing and implementing complex regional structures, programmes and projects for the integrated development of difficult areas in the country (underdeveloped, rural, depressive and cross-border areas).

*NPAA (Medium-term priority):*

- Promotion of cross-border co-operation

#### 2.4 Cross Border Impact

- Improve the approach to existing Bulgaria-Romania border crossing at Negru Voda and the corresponding transport links on both sides.
- Facilitate the increase in trade and cultural links between the two border regions.

- Encourage economic development on both sides of the border in an economically depressed region.
- Upgrade the status of the road II-29 to an E-class road.

### **3. Description**

#### **3.1 Background and justification**

##### *Background*

The road on the Bulgarian side carries heavy vehicle transit traffic from Malko Tarnovo (near the Bulgaria/Turkey border) via Burgas - Varna - Dobrich to Kardam (near the Bulgaria/Romania border). The results of the counts from 1997 taken from the Study on the Intensity of Motor Vehicle Traffic of the Central Roads' and Bridges' Laboratory show that the average annual traffic intensity is 3700 cars per day. The pavement of road II-29 from the Bulgaria/Romania border (Negru Voda) to General Toshevo is in bad condition and has low road operational characteristics. A recent condition survey shows worn asphalt surfacing with extensive pot holing (which has been repaired only by hand packing), rutting, and disintegration of the edges and margins.

The proposed project consists in rehabilitation of approximately 13 km of road II-29. The large Bulgarian towns like Varna and Dobrich as well as the small ones as Aksakovo, General Toshevo and Kardam (near the border) will benefit from of the implementation of the Project. On the Romanian side the Project will have significant impact on the nearest small towns like Negru Voda and Topraisar and mostly on the Constanta port.

##### *Justification*

The *European Agreement on Main International Traffic Arteries* has recently proposed that the existing route Constantia to Negru Voda (on the Romania/Bulgaria border) be upgraded to *International E-Road Network* status. The Romanian section of this route, from Techirghiol to Negru Voda - approximately 30 km, has already been rehabilitated in 1996 by the Italian Contractor SECOL. The Project was financed by the World Bank and the works were supervised by the international Consultant BCEOM. The upgraded section cannot be given *International E-Road Network* status if it terminates at the international border. Consequently, Bulgaria is desirous to upgrade the road on their side of the border as a mirror project in order to facilitate the classification of both sections according to international status.

This project is in line with the priorities that are indicated in the Joint Programming Document (JPD). The JPD constitutes the general framework for the co-operation between the two countries and was agreed between the Romanian and Bulgarian authorities in early 2000. Under the priority 1 "Improvement of local trans-national infrastructure", one of the proposed measure is "the rehabilitation of the communication infrastructures in the CBC region, including the rehabilitation of the roads network".

This project complies with the Council Regulation 1266/1999 on Co-ordination of pre-accession assistance. Indeed, the concerned road section is neither part of the Pan European Transport Network, nor of the TINA Network. The total cost is below the minimum threshold of 5 MEUR. For these two reasons, such a transport project would not be eligible to ISPA. Moreover, this project happens to be an incidental and indispensable part of a regional development plan, which is developed in the agreed JPD.

### **3.2 Linked activities**

There are no past Phare activities or projects undertaken in the transport sector in the Location region (Northeast Bulgaria).

### **3.3 Results**

- Facilitation of cross-border co-operation by reduction of travel time.
- Improvement of road travel along the rehabilitated section.
- Improvement of road safety, reduction of the traffic accidents by using smoother and more skid resistant running surfaces.

### **3.4 Activities**

The proposed project consists in rehabilitation of approximately 13 km of road II-29 from km 71+390 (General Toshevo) to km 84+320 (Border Crossing). The rehabilitated section will comply with the EU standards, and in particular as regards the maximum authorised weight of 11.5 T per axle. To that end, the following activities will be undertaken:

#### *1. Preparation of the tender documentation*

Bulgarian consultants will prepare the detailed design. This is scheduled to be completed prior to September 2001. This is funded by REA (Road Executive Agency) and no additional financing is sought.

Then, on the basis of the detailed design, the Implementing Authority (CBC PIU inside REA) will prepare the Tender Dossier. No additional funding is required.

#### *2. Supervision – Review of the tender documentation*

A consultant will be contracted to review the detailed design and tender dossier, in order to ensure that they comply with the EU and Phare requirements. The same international consultant will be responsible for construction supervision of the ensuing works contract.

The Implementing Authority (CBC PIU inside REA) will undertake the preparation of the tender dossier for the Service contract and tendering procedures. No additional funding required.

This contract will be a Phare Service Contract awarded according to the “Practical Guide to Phare, Ispa and Sapard contract procedures” through open tender procedures. The contract is estimated at € 300 000.

### 3. Works

The works contract will be awarded according to Phare rules through an open tender. The contract is estimated at € 3 030 000.

## 4. Institutional Framework

The key institution at a national level is the Ministry of Regional Development and Public Works (MRDPW). The project will be implemented by the Road Executive Agency (REA) which is part of the Ministry of Regional Development and Public Works and is the only entity legally allowed to undertake such works in Bulgaria.

Bulgarian consultants retained by the REA will undertake the detailed design of the proposed rehabilitation works and the preparation of the Tender Dossier.

The design and tender dossier will be reviewed and the subsequent construction supervision undertaken by an independent firm of consultants appointed through open tender following the Phare rules. The independent consultant shall perform the role of the Engineer under the FIDIC Conditions of Contract.

Following completion of the rehabilitation works, the ongoing maintenance of the road shall be the responsibility of REA.

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## 5. Detailed Budget in MEUR

| Components                           | PHARE Support      |                      | Total Phare<br>(=I+IB) | National Co-financing (*) | IFI | TOTAL       |
|--------------------------------------|--------------------|----------------------|------------------------|---------------------------|-----|-------------|
|                                      | Investment Support | Institution Building |                        |                           |     |             |
| TA for design review and supervision | 0.3                |                      | 0.3                    |                           |     | 0.3         |
| Construction works                   | 2.2                |                      | 2.2                    | 0.83                      |     | 3.03        |
| <b>TOTAL</b>                         | <b>2.5</b>         |                      | <b>2.5</b>             | <b>0.83</b>               |     | <b>3.33</b> |

(\*) The National Co-Financing will be provided by REA.

## 6. Implementation Arrangements

### 6.1. Implementing Agency

The Bulgaria CBC Implementing Agency is the Ministry of Regional Development and Public Works (MRDPW), which retains overall responsibility for the implementation of the project (approval of terms of reference, of tender documents, of evaluation criteria, of evaluation of offers, signature of contracts, authorisation and payments of invoices).

The project beneficiary institution is the Roads Executive Agency (REA). It is responsible towards the CBC Implementing Agency for the operational management of the project: preparation of terms of reference, of tender documents, of evaluation criteria, of evaluation of offers, of contracts and of invoices for payment.

For work contracts, an official of the REA acts as the Employer and the invoices have to be certified by an independent Engineer contracted and financed by the Programme. REA reports monthly to the CBC Implementing Agency (with direct copies to the EC Delegation) with monthly disbursement and commitment schedules and with sufficient detail to allow for assessment of progress made and remaining work to be done.

The project team within REA will be adequately staffed with five qualified full-time experts. Appropriate technical assistance to the project team is to be ensured, financed by the Programme.

### 6.2. Non-standard aspects

There are no “non-standards aspects”. The “Practical Guide to Phare, Ispa and Sapard contract procedures” will strictly be followed.

### 6.3. Contracts

Two contracts are expected:

- Phare Service Contract for review of design and construction supervision.  
Estimated value of contract : € 300 000
- Works Contract for rehabilitation construction works.  
Estimated value of contract: € 3 030 000

## 7. Implementation schedule

Due to the defect liability period and the duration of the works, this investment project will require a **2 year disbursement period**, till 30 November 2005.

|                    |                           |            |
|--------------------|---------------------------|------------|
| Start of tendering | Start of project activity | Completion |
|--------------------|---------------------------|------------|

|              |          |                |
|--------------|----------|----------------|
| January 2002 | May 2002 | September 2005 |
|--------------|----------|----------------|

## **8. Equal Opportunity**

Equal opportunity for men and women to participate in all the components of the project will be ensured.

## **9. Environment**

There is no need from environmental screening as well as from environmental impact report, because the project concerns road rehabilitation. Environmental screening is necessary only when a new road is constructed.

## **10. Rates of return**

The socio-economic analyses shows project benefit from the sections to be rehabilitated - about 18% IRR.

This socio-economic analyses is based on the typical "Methodology for determination of the feasibility of repair works design for Bulgarian roads" from 1993 of the Central Laboratory of Roads and Bridges.

## **11. Investment criteria**

### **11.1 Catalytic Effect**

Without PHARE assistance the project will not take place due to lack of necessary funding.

### **11.2 Co-financing**

The project is to be co-financed by Bulgaria (REA funds) who will provide 25% of the total cost of the project.

### **11.3 Additionally**

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

### **11.4 Project readiness and Size**

The preliminary studies are completed and the implementation of the project can start according to the implementation chart (Annex 2). The project complies with the 2 MEUR minimum PHARE allocation requirement.

### **11.5 Sustainability**

Road Executive Agency as an institution will be responsible for the future maintenance and operational costs of the rehabilitated road.

### **11.6 Compliance with the state aids provisions**

The project complies with the state aids provisions.

## **12. Conditionality and sequencing**

- Road Design complies with the provisions EC Directive on weight and dimensions.
- Bulgarian authorities undertake the obligation to cover any additional cost, above the envisaged 3.33 MEUR necessary for the completion of the whole project during its implementation timeframe and will bear all maintenance costs for the rehabilitated section.
- Land acquisition is financed by the Bulgarian authorities. The Bulgarian authorities undertake to notify to the European Commission before the signature of the works contracts that related land acquisitions have been completed.
- Every infrastructure project will be publicised according to a publicity action plan to be prepared by the Ministry of Regional Development and Public Works and endorsed by the Commission before tendering the works.
- Special consideration will be given to measures in favour of road safety (including sustainable road marking, road signs, guard rails, safety fencing) and environment (including measures to reduce impact both during construction and after construction).
- Security arrangements at the border, especially for construction through the restricted area will be specified in the tender documents.
- REA will make all data and inspection equipment fully available for the consultant in charge to complete the detailed design.

## **ANNEXES TO PROJECT FICHE**

1. Logical framework matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter
4. Reference to feasibility /pre-feasibility studies.





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|---|--|--|--|
| <b>Annex 1 – Logframe matrix</b>  |  | Contracting period expires:<br><b>30/11/2003</b> | Disbursement period expires:<br><b>30/11/2005</b>  |
| <i>Rehabilitation of Road II-29 from Negru Voda to General Toshevo</i>  |  | Total Budget: 3,33 MEUR                          | Phare Budget: 2,5 MEUR   |
| <b>Overall Objective</b>  | <b>Indicators of Achievement</b>   | <b>Sources of Information</b>                    |  |
| <ul style="list-style-type: none"> <li>Facilitate the cross-border co-operation between Bulgarian and Romanian border regions by improving the communication infrastructure.</li> <li>Through this improved communication link, promotion of local and national economic development.</li> <li>Make the Bulgarian road network compatible with the road network of the European Union.</li> </ul> | Increase in the level of transport links between two countries by middle of 2003.                                  | National GDP statistic                           |  |
| <b>Project Purpose</b>  | <b>Indicators of Achievement</b>   | <b>Sources of Information</b>                    | <b>Assumptions</b>   |
| <ul style="list-style-type: none"> <li>Improvement of the condition of the existing road transport link by partial rehabilitation of road II-29 from the border crossing station to General Toshevo.</li> <li>Time and operating cost savings.</li> <li>Reduction in road traffic accidents.</li> <li></li> </ul>   | Award of works contract<br><br>120 employer during the construction period   | Annual Statistical Guide                         | Reduction of the unemployment in the region  |
| <b>Results</b>  | <b>Indicators of Achievement</b>   | <b>Sources of Information</b>                    | <b>Assumptions</b>   |
| <ul style="list-style-type: none"> <li>Facilitation of cross-border co-operation by reduction of travel time.</li> <li>Improvement of road travel along the rehabilitated section.</li> <li>Improvement of road safety,</li> </ul>  | Classification of rehabilitated section to E-Class status.<br>Road Executive Agency upgrades 13 km of access road. |  | Precondition: Cost estimate and technical specifications of works to be undertaken by 3-rd quarter 2001. |

|  |  |  |  |
|--|--|--|--|
| reduction of the traffic accidents by using smoother and more skid resistant running surfaces.   |  |  |  |
| <b>Activities</b>  | <b>Indicators of Achievement</b>   |  |  |
| <ul style="list-style-type: none"> <li>• Preparation of the tender documentation</li> <li>• Supervision – Review of the tender documentation</li> <li>• Works</li> </ul> | Tender documentation available<br>Consultant hired<br>Road rehabilitated |  |  |

| Annex 2 – Detailed implementation chart   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
|---|------|---|---|---|---|------|---|---|---|---|------|---|---|---|---|------|---|---|---|---|------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|--|--|
| Rehabilitation of Road II-29 from Negru Voda to General Toshevo   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
|   | 2001 |   |   |   |   | 2002 |   |   |   |   | 2003 |   |   |   |   | 2004 |   |   |   |   | 2005 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
|   | 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 | J | F | M | A | M | J | J | A | S | O | N | D |  |  |
| 1. Preparation of the tender documentation  |      |   | D | D | C | I    | I | I | R |   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
| 2. Supervision – Review of the tender doc.  |      |   |   |   |   |      | D | D | D | D | C    | I | I | I | R |      |   |   | I | I | I    | I | I | I | I | I | I | I | I | I | I | I | I | I |   |   |   |   |   |   |   |   |  |  |
| 3. Works  |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   | D    | D | D | D | C | I    | I | I | I | I | I | I | I | I | I | I | I | I | I | I |   |   |   |   |   |   |   |  |  |
| Liability period  |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
| D = Design/Tender preparation      C = Contracting      I = Implementation/works      R = Review/evaluation |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |

## *Rehabilitation of Road II-29 from Negru Voda to General Toshevo*

|  | 2001 |   |   |   | 2002 |   |   |   | 2003 |   |   |   | 2004 |   |   |   | 2005 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |                 |   |   |   |                          |   |   |   |                       |  |  |  |  |  |  |  |  |  |  |  |
|--|------|---|---|---|------|---|---|---|------|---|---|---|------|---|---|---|------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|-----------------|---|---|---|--------------------------|---|---|---|-----------------------|--|--|--|--|--|--|--|--|--|--|--|
|  | 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 | J | F | M | A | M               | J | J | A | S                        | O | N | D |                       |  |  |  |  |  |  |  |  |  |  |  |
| 1. Preparation of the tender documentation |      |   | D | D | C    | I | I | I | R    |   |   |   |      |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |                 |   |   |   |                          |   |   |   |                       |  |  |  |  |  |  |  |  |  |  |  |
| 2. Supervision – Review of the tender doc. |      |   |   |   |      | D | D | D | D    | C | I | I | I    | R |   |   |      |   | I | I | I | I | I | I | I | I | I | I | I | I | I | I | I | I | I               | I | I | I | I                        | I | I | I |                       |  |  |  |  |  |  |  |  |  |  |  |
| 3. Works                                   |      |   |   |   |      |   |   |   |      |   |   |   |      |   | D | D | D    | D | C | I | I | I | I | I | I | I | I | I | I | I | I | I | I | I | I               | I | I | I | I                        | I | I | I | I                     |  |  |  |  |  |  |  |  |  |  |  |
| Liability period                           |      |   |   |   |      |   |   |   |      |   |   |   |      |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |   |   | R | R | R | R | R               | R | R | R | R                        | R | R | R | R                     |  |  |  |  |  |  |  |  |  |  |  |
| D = Design/Tender preparation              |      |   |   |   |      |   |   |   |      |   |   |   |      |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   | C = Contracting |   |   |   | I = Implementation/works |   |   |   | R = Review/evaluation |  |  |  |  |  |  |  |  |  |  |  |

### Annex 3 – Contracting and disbursement schedule by quarter

*Rehabilitation of Road II-29 from Negru Voda to General Toshevo*

| Components                                 | Cumulative contracting schedule by quarter in MEUR (planned)  |    |      |     |     |      |      |      |     |      |      |      |     |     |      |     |     |     | Total Phare Allocation |  |
|--|---|----|------|-----|-----|------|------|------|-----|------|------|------|-----|-----|------|-----|-----|-----|------------------------|--|
|  | 2001  |    | 2002 |     |     |      | 2003 |      |     |      | 2004 |      |     |     | 2005 |     |     |     |                        |  |
|  | Q3  | Q4 | Q1   | Q2  | Q3  | Q4   | Q1   | Q2   | Q3  | Q4   | Q1   | Q2   | Q3  | Q4  | Q1   | Q2  | Q3  | Q4  |                        |  |
| 2. Supervision – Review of the tender doc. |   |    |      | 0.3 | 0.3 | 0.3  | 0.3  | 0.3  | 0.3 | 0.3  | 0.3  | 0.3  | 0.3 | 0.3 | 0.3  | 0.3 | 0.3 | 0.3 | 0.3                    |  |
| 3. Works                                   |   |    |      |     |     |      | 2.2  | 2.2  | 2.2 | 2.2  | 2.2  | 2.2  | 2.2 | 2.2 | 2.2  | 2.2 | 2.2 | 2.2 | 2.2                    |  |
| Total contracting:                         |   |    |      | 0.3 | 0.3 | 0.3  | 2.5  | 2.5  | 2.5 | 2.5  | 2.5  | 2.5  | 2.5 | 2.5 | 2.5  | 2.5 | 2.5 | 2.5 | 2.5                    |  |
|  |   |    |      |     |     |      |      |      |     |      |      |      |     |     |      |     |     |     |                        |  |
| Components                                 | Cumulative disbursement schedule by quarter in MEUR (planned) |    |      |     |     |      |      |      |     |      |      |      |     |     |      |     |     |     | Total Phare Allocation |  |
|  | 2001  |    | 2002 |     |     |      | 2003 |      |     |      | 2004 |      |     |     | 2005 |     |     |     |                        |  |
|  | Q3  | Q4 | Q1   | Q2  | Q3  | Q4   | Q1   | Q2   | Q3  | Q4   | Q1   | Q2   | Q3  | Q4  | Q1   | Q2  | Q3  | Q4  |                        |  |
| 2. Supervision – Review of the tender doc. |   |    |      | 0.1 | 0.1 | 0.15 | 0.15 | 0.2  | 0.2 | 0.25 | 0.25 | 0.25 | 0.3 | 0.3 | 0.3  | 0.3 | 0.3 | 0.3 | 0.3                    |  |
| 3. Works                                   |   |    |      |     |     |      | 0.5  | 0.75 | 1   | 1.25 | 1.5  | 1.75 | 2   | 2   | 2    | 2   | 2.2 | 2.2 | 2.2                    |  |
| Total disbursement:                        |   |    |      | 0.1 | 0.1 | 0.15 | 0.65 | 0.95 | 1.2 | 1.5  | 1.75 | 2    | 2.3 | 2.3 | 2.3  | 2.3 | 2.5 | 2.5 | 2.5                    |  |

#### **Annex 4 - Reference to feasibility /pre-feasibility studies**

##### *Rehabilitation of Road II-29 from Negru Voda to General Toshevo*

A socio-economic analyse based on the typical “Methodology for determination of the feasibility of repair works design for Bulgarian roads” from 1993 of the Central Laboratory of Roads and Bridges shows project benefit from the sections to be rehabilitated - about 18% IRR.

Feasibility Study is required only when a new road is constructed. Therefore for this Project, which is a rehabilitation of an existing road, no Feasibility Study has been prepared.

Bulgarian consultants will prepare the detailed design.