Standard Summary Project Fiche

1. Basic Information

1.2 CRIS Number: 2003/005-631.01.

1.3 Title: Final Construction of SILISTRA BYPASS ROAD

1.3 Sector: Infrastructure Transport (IN)

1.4 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 transport infrastructure.
- Through this improvement communication link, promotion of local and social cohesion in the border regions.
- Make the Bulgarian road network compatible with the road network of the European Union.

2.2 Project Purpose.

- Equalization of the traffic conditions in the direction and diversion of the transit traffic outside Silistra bounds.

2.3 Accession Partnership and NPAA priority:

- Development and implementation of complex regional structures, programmes and projects for the integrated development of problem areas in the country – underdeveloped, isolated, 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.

NPAA (Medium-term priority):

- Promotion of cross-border co-operation

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. – 2006.

2.5 Cross Border Impact

- Improve the approach to Bulgaria-Romania Border Crossing at Silistra and the corresponding transport links on both sides;
- Facilitate an increase in trade and cultural links between the two border regions;
- Encourage the economic development on both sides of the border in the region.
3 Description

3.1 Background and justification

Background

At present the main border crossing points between Bulgaria and Romania along Danube River are as following Russe/ Giurgiu Bridge, Vidin/ Calafat and Oriahovo/ Bechet ferryboats.

After 1992 with the failure of the communist regime in Eastern Europe the number of transit and local traffic has increased significantly. In order to facilitate the free movement of passengers and goods between the two countries the Bulgarian and the Romanian Governments have signed bilateral agreement to improve and modernise the existing border crossings and related access roads.

The proposed Project is part of the Silistra bypass road (I stage) in direction to Road II-21 Silistra-Russe with length of 6 km. It starts at km. 106+150 (in the beginning of village of Aldemir on the side of Ruse) and ends at km. 112+230 – crossing with road III 218 “Road II-21 – Dulovo”. The whole Project was divided in three stages. In the recent 10-15 years the Road Executive Agency has provided funding for stages II and III, and executed them.

The bypass is designed for a speed of 80 km/h and has 7/10.5 m road width. It has good horizontal and vertical parameters with 6 horizontal curves having a minimal radius of 500 m. The longitudinal slopes are mostly close to the minimal one of 0.5% and warranted anti-flood security.

After completion the Silistra bypass will carry heavy vehicle traffic and all the other vehicle traffic to/from Jambol-border with Turky direction or in the direction to/from Russe. Particularly the international traffic, which uses Kalaraj-Silistra ferry, will take advantages of the whole bypass road, taking direction to the interior of the country along roads I-7 and II-21.

The results of the counts from 2000 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 more than 1000 cars per day.

There is a Detailed Design available (beginning of 2000) and the land acquisition is ongoing which will be completed till November 2003.

Duration of the construction – 18 months.

Justification

This project is in line with the priorities that are indicated in the general framework for the co-operation between the two countries and was agreed between the Romanian and Bulgarian authorities.

This project complies with the Council Regulation 1266/1999 on Co-ordination of pre-accession assistance. The concerned road section is neither part of the Pan European Transport Network, nor of the TINA Network, but it will encourage the creation and
development of corresponding transport links between interior of the country and the Pan-European Transport Corridor 7 along Danube River.

3.2 Linked activities

- In the framework of the Programme CBC Romania/Bulgaria the rehabilitation of the road II-29 General Toshevo – Cherna Voda is included in FM 2001 (under implementation).
  Phare CBC Project “Rehabilitation of road II-15 Mizia – Orjachovo” is under tender procedure, funded by FM 2002.


3.3 Results

- Constructed Silistra bypass road (I stage) in direction to Road II-21 Silistra-Russe with length of 6 km.
- Time and operating cost savings and improved traffic safety

3.4 Activities

- **Construction Supervision Services (0.350 MEUR)**
  - preparation of Tender Dossier for Service Contract (no additional funding will be required);
  - tendering procedure;
  - contract monitoring and management during project implementation.

- **Construction Works (4.650 MEUR)**
  - preparation of Tender Dossier for Works Contract under FIDIC Conditions of Contract 1999 (no additional funding will be required);
  - tendering procedure;
  - final construction of Silistra bypass with length of 6 km.
  - taking-over of the works.

- **Publicity Action Plan**
  The Contractor, the project will be awarded to, will be required to propose and carry out a Publicity Action Plan. The plan will promote the project and EU contribution in the local and national media.

3.5 Lessons learned

- **Cost and time overruns.** The problem was highlighted in recent Monitoring and Assessment reports (EMS Interim Evaluation Reports R/BG/TRA/02.011 dated 02 August 2003 and R/BG/TRA/03.005 dated 14 July 2003). The following steps will be taken to avoid cost and time overruns:
  - expenditure will be controlled more closely, by ensuring that variation orders are issued as soon as the varied work has been identified and correctly measured or
estimated. No varied work will be approved unless it has been properly substantiated;

- the Engineer will not be allowed to certify payments exceeding the Contract amounts without prior written approval;
- the Engineer will be required to notify the Employer, as soon as certain quantities of the works have reached 80% of their contract quantity and advise if the quantities are expected to exceed their contract value;
- the progress of works will be closely monitored using weekly summaries from the Contractor with the quantities of the more important works (earthworks, pavement, milling etc.) planned and executed during the period. This will help early identify potential problems and delays.

- **Design problems.** Omissions and errors in designs have been a serious problem during a number of previous Phare contracts (mainly due to over aged designs; identified in EMS 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.

  All of the above activities have been performed on other Phare projects and have proven to have positive effect.

- **Insufficient administrative capacity.** This has been a problem during the implementation of most similar projects. However the staff within the REA GBC PIU has been constantly increasing and additional training has been carried out. Apart from the higher management staff of REA PIU engaged with the project, one expert would be assigned full-time to its implementation. The same expert will be responsible for the design issues of this project.

4. **Institutional Framework**

  **Recipient country – Bulgaria**

- **Beneficiary Institution** – Road Executive Agency (REA)
- **Engineer** – the Engineer will be appointed after restricted International Tender Procedure for the supervision contract according to “Practical Guide to contract procedures financed by the general budget of the EC …..”.
- **Contracting Authority** - Ministry of Regional Development and Public Works (MRDPW, hereafter).
- **Owner of the asset after project completion:** REA

The Regional Road Administrations will bear the responsibility to cover all operational, administrative and maintenance costs.

The project is in full relevance with government regional policy to promote and support the population in the border regions and with relevant Legal Framework.
5. Detailed Budget (in EUR)

<table>
<thead>
<tr>
<th>Components</th>
<th>PHARE Support</th>
<th>Total Phare (=I+IB)</th>
<th>National Co-financing</th>
<th>IFI</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment</td>
<td>Institution</td>
<td>National Co-</td>
<td></td>
<td>TOTAL</td>
</tr>
<tr>
<td>Construction Supervision Services</td>
<td>350 000</td>
<td>350 000</td>
<td></td>
<td></td>
<td>350 000</td>
</tr>
<tr>
<td>Construction works</td>
<td>3 400 000</td>
<td>1 250 000</td>
<td></td>
<td></td>
<td>4 650 000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3 750 000</td>
<td>1 250 000</td>
<td></td>
<td></td>
<td>5 000 000</td>
</tr>
</tbody>
</table>

6. Implementation Arrangements

6.1. 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).

The project beneficiary institution is 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 Works Contracts under FIDIC 1999 rules, an official of REA acts, as the Employer and the invoices have to be certified by an independent Engineer contracted and financed by Phare 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. Works will be tendered to contractors with appropriate financial capacity, and technical and FIDIC experience.

6.2. Twinning

N/A

6.3. Non-standard aspects

There are no “non-standards aspects”. The Practical Guide to contract procedures financed by the general budget of the EC will strictly be followed.

6.4. Contracts

Two contracts are anticipated:

**Service Contract for Supervision of Construction**
Estimated value of Contract: **0.350 MEUR**.

The duration of the Supervision Contract is expected to be **36 months**:
1 month - mobilization, 18 – supervision during construction, 12 months - Defect Notification Period, 5 months – Final Payment
**Works Construction Contract**
Estimated value of Contract: **4.650 MEUR**.

The duration of the Works Contract is expected to be **35 months**:
18 months - construction, 12 months - Defect Notification Period, 5 months – Final Payment

7. **Implementation Schedule**

<table>
<thead>
<tr>
<th>Start of tendering</th>
<th>Start of project activity</th>
<th>Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2003</td>
<td>June 2004</td>
<td>May 2007</td>
</tr>
</tbody>
</table>

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**

During 2000 an Environmental Impact Assessment Report has been prepared and subsequently approved by the Ministry of Environmental and Waters (Decision No 07-06/2000).

10. **Rates of return**

The proposed Project is part of Silistra bypass road. The rest part is already constructed with REA’s funding.

11. **Investment criteria**

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 Bulgarian Government who will provide **25%** of the total cost of the project, which is **1.250 MEUR**.

11.3 **Additionally**

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 proposed Project is part of Silistra bypass road; the rest part is already constructed. For the proposed section the Detailed Design is completed (as of 2000).
The Environmental Impact Assessment Report is approved by the Ministry of Environmental and Waters. The land acquisition procedure has started before 1.5 years and will be finished till November 2003. No additional funding required.

REA will be responsible for the preparation of the Tender Dossiers for Works and Service Contracts and tendering procedures. No additional funding required.

11.5 Sustainability

Road Executive Agency as a specialized institution will be responsible for the future maintenance and operational costs of the constructed bypass road.

11.6 Compliance with the state aids provisions

The project complies with the state aids provisions.

11.7 Contribution to National Development Plan

The proposed project will contribute to the achievement of the objectives declared in the National Development Plan.

12. Conditionality and Sequencing

- The Bulgarian authorities undertake the obligation to cover any additional cost, above the envisaged 5,000 MEUR necessary for the completion of the whole project during its implementation timeframe. If the total cost of the project is greater than the amount envisaged in the project fiche, the extra support required will be provided by additional national co-financing. The additional national co-financing will be provided by:
  - either allocating extra national funds to conclude a contract with the contractor proposed further to the completion of the procurement process following the Practical Guide to Phare, Ispa and Sapard Contract Procedures,
  - or increasing of the cost of the on-going Phare financed contract via an addendum.
- 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.
- All measures for the traffic management during construction will be taken to allow maximum safety of all persons legally engaged in the works, the traveling public and third parties.

ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement
4. Reference to feasibility /pre-feasibility studies
5. Map with location of the project
Annex 1 – Logical framework matrix in standard format  
Project: *Final Construction of Silistra Bypass Road*

<table>
<thead>
<tr>
<th>Programme name and number</th>
<th>Contracting period expires 30/11/2004</th>
<th>Deadline for execution of contracts 30/11/2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBC Bulgaria/Romania, CBC BG 2003/005-631.01</td>
<td>Total budget: 5.000 M Euro</td>
<td>Phare budget: 3.750 M Euro</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| • Facilitate the cross-border co-operation between Bulgarian and Romanian border regions by improving the transport infrastructure.  
• Through this improved communication link, promotion of local and social cohesion in the border regions.  
• Make the Bulgarian road network compatible with the road network of the European Union. | • Amount of GDP regional share per year  
• Increased number of Romanian and other foreign investments in the region after the completion of the project  
• Quality parameters of cross border traffic improved by the middle of 2005 | • Governmental and international statistic  
• National GDP statistic | |

<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| • Equalization of the traffic conditions in the direction and diversion of the transit traffic outside Silistra bounds. | • Reduction of traffic congestion rate with approx. 21%  
• Reduction of traffic accidents with 30% | • Annual Traffic surveys carried out by the Central Laboratory of Roads and Bridges.  
• Traffic police reports and statistics | • Economic growth in other sectors  
• Bulgarian Government continues its current commitment to reform and to accession to the EU |
<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Information</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Provision of Silistra bypass road (I stage) in direction to Road II-21 Silistra-Russe with length of 6 km.</td>
<td>• 6 Km of road build on Road II-21</td>
<td>• Engineer’s Construction Completion report</td>
<td>• Parallel progress of the construction works for BCCP Silistra.</td>
</tr>
<tr>
<td></td>
<td>• Reduced number of accidents by 37 % at the relevant road section</td>
<td>• Pollution monitoring and reports by Regional Environmental Directorate</td>
<td>• Most of construction works does not exceed cost estimates and no major contingency during construction</td>
</tr>
<tr>
<td></td>
<td>• Reduced average travel time by 28%.</td>
<td>• REA studies and reports.</td>
<td></td>
</tr>
<tr>
<td>Time and operating cost savings and improved traffic safety</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Construction Supervision Services (0.350 M Euro)</td>
<td>• Tender documents available, incl. Technical Specifications for construction works</td>
<td>• Tender Evaluation Reports</td>
<td>• Continuity of staff and policy in the REA and MRDPW enabling implementation of the project without delays</td>
</tr>
<tr>
<td>§ preparation of Tender Dossier for Service Contract (no additional funding will be required);</td>
<td>• Consultant hired</td>
<td>• Project Progress Reports</td>
<td>• No significant unforeseen technical or construction problems.</td>
</tr>
<tr>
<td>§ tendering procedure;</td>
<td>• Award of works contract</td>
<td>• Project Final Report</td>
<td>• Land acquisition completed</td>
</tr>
<tr>
<td>§ contract monitoring and management during project implementation.</td>
<td></td>
<td>• Technical Specification and As-built documents</td>
<td>• Works Contractor has capacity.</td>
</tr>
<tr>
<td>• Construction Works (4.650 MEUR)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>§ preparation of Tender Dossier for Works Contract under FIDIC Conditions of Contract 1999 (no additional funding will be required);</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
- tendering procedure;
- final construction of Silistra bypass with length of 6 km.
- taking-over of the works.

**Publicity Action Plan**

The Contractor, the project will be awarded to, will be required to propose and carry out a Publicity Action Plan. The plan will promote the project and EU contribution in the local and national media.
## Annex 2 – Detailed implementation chart

### Project: Final Construction of Silistra Bypass Road

<table>
<thead>
<tr>
<th>Components</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OND</td>
<td>FMAM</td>
<td>JIASOND</td>
<td>FMAM</td>
<td>JASOND</td>
</tr>
<tr>
<td>1. Construction Works</td>
<td>TTTT</td>
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<tr>
<td>2. Supervision Services</td>
<td>TTTT</td>
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<td>CIIIIII</td>
<td>I I I I I I I I I I I I I I I I I I I I I I I I I I I I I I I I I I I I I I I</td>
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D = Design/Tender preparation  
C = Contracting  
I = Implementation/works  
T = Tender procedure
### Annex 3 – Contracting and disbursement schedule by quarter

**Project: Final Construction of Silistra Bypass Road**

<table>
<thead>
<tr>
<th>Components</th>
<th>Cumulative contracting schedule by quarter in M Euro (planned)</th>
<th>Total Phare Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q3</td>
<td>Q4</td>
</tr>
<tr>
<td>1. Supervision Services</td>
<td>0.350</td>
<td>0.350</td>
</tr>
<tr>
<td><strong>Total contracting:</strong></td>
<td>5.000</td>
<td>5.000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Components</th>
<th>Cumulative contracting schedule by quarter in M Euro (planned)</th>
<th>Total Phare Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q3</td>
<td>Q4</td>
</tr>
<tr>
<td>1. Supervision Services</td>
<td>0.025</td>
<td>0.065</td>
</tr>
<tr>
<td><strong>Total contracting:</strong></td>
<td>0.025</td>
<td>0.515</td>
</tr>
</tbody>
</table>
Annex 4 - Reference to feasibility /pre-feasibility studies

For the proposed section the Detailed Design is completed (beginning of 2000). There is also a prepared general Feasibility Study, which analyzes the construction of BCCP Silistra – Kalarasi (FM 2001) and improving the cross-border infrastructure in the region. This Feasibility Study is prepared by Portstroi proekt-Ruse and it is financed by Silistra Municipality and is approved on 23.08.2000. An Environment Impact Assessment have been prepared and approved by the Supreme Ecological Expert Council – Decision N 7 23/1/2001.