STANDARD PROJECT FICHE

1. **Basic Information:**

1.1. Project Number: **BG 0002.03**
1.2. Title: **RAILWAY ORGANISATIONAL RESTRUCTURING – MANAGEMENT DEVELOPMENT OF THE RAILWAY INFRASTRUCTURE COMPANY**
1.3. Sector: Transport – Institution Building
1.4. Location: The Bulgarian State Railways Administration BDZ.

2. **Objectives:**

2.1. **Wider Objective:**
To help develop the economy of the Republic of Bulgaria by providing practical assistance for organisational restructuring to the loss making rail transport company, BDZ. This organisational restructuring would be carried out in accordance the EU Directive 91/440 and the new Bulgarian Law on Railway Transport, to be adopted by the Parliament this year. Restructuring will focus on the issues of:

   a) Restructuring of the Bulgarian railways to function in the conditions of the transport market in compliance with the European railways restructuring reforms and to promote the process of development of Bulgarian economy
   b) Management independence of railway undertakings;
   c) Separation between infrastructure management and transport operations in compliance with the new law on railway transport;
   d) Improvement of organizational, management and financial structure.
   e) Open access to railway infrastructure from external operators;
   f) Staff training for personnel required to operate within the new management structure.

2.2. **Immediate Objective:**
To assist creation of a management structure within the Bulgarian railway sector which will encourage development of a strong commercial and competitive ethos in all aspects of its operations, laying down the framework for implementation of Directive 91/440 and the new law on railway transport in Bulgaria.

2.3. **Accession partnership and NPAA priority:**
The project would enable harmonisation with the *acquis communautaire* on matters of competition in rail transportation of passenger and freight services and would facilitate the development of legislative documentation in compliance with the new law on railway transport.
3. **Description:**

3.1. **Background and Justification:**
The restructuring of the Bulgarian railways envisages the separate of state administered functions from the commercial market activities. The conditions for this shall be created by the complete separation of the railway infrastructure management and the trade operations. The necessary preconditions to achieve this were established in 1999 with the creation of the railway infrastructure division in Bulgarian State Railway company (BDZ) and the separation of infrastructure accounts from that of passenger and freight transportation. This restructuring will be supported under the forthcoming Law on Railway Transport, which will also be in line with that proposed for all other railway administrations within the EU. By this law a state “Railway administration” will be established and BDZ will be split into Railway Infrastructure Company and licensed carrier(s)/operator(s). According to the draft Law separation will be effected from 1.01.2002.

There is in existence a ‘Contract Plan’, or public service contract between the State and the railway administration, which governs the relationship between the State and the BDZ in relation to:

a) The status, activity and management of the Bulgarian State Railways state enterprise;

b) The obligations and rights of the Bulgarian State Railways state enterprise with regard to the husbandry and operation of the property vested to it.

c) The obligations and rights of the Bulgarian State Railways state enterprise and its relationship with the State with regard to the development, repairs and maintenance of the railway infrastructure and its operation.

d) The Contract Plan regulates the responsibilities of the State in its capacity of Assignor, on the one hand, and of the Bulgarian State Railways in its capacity of Assignee on the other. The Contract Plan deals with the railway infrastructure, public service obligations, the agreed indicators for each activity and the terms of payment for the services rendered on behalf of the State.

3.2. **Project description**

The project shall provide assistance to the Bulgarian administration in the process of separation of BDZ and in the establishment of the new Railway Infrastructure Company. The project includes study and appraisal of the current status of the Bulgarian railway restructuring. The management structures for the railway enterprises shall be based on the requirements of the Bulgarian legislation, and shall take account of the experience gained by other European railway administrations. Considerable importance shall be given to the assignment of the state administrative functions regarding the design, building and maintenance of railway infrastructure as well as to the restructuring of the operations enterprises as commercial entities.

The project shall be used to define the split of property between the new structural divisions of railway transport through the development of land plans and an information system as well as of legislative analysis of property. The project shall include the training of the staff of the administration and also the development of the inter-organisational legislative framework.
After the restructuring has been put in place there will be a further requirement for observation and analysis of the practical results obtained, before final recommendations are made.

3.3. **Linked Activities - RRP:**
The government of Bulgaria undertook the Railway Rehabilitation Project (RRP) on behalf of the BDZ in 1995, which was the culmination of an EBRD funded Study carried out in 1994 by a consortium of international consultants, Messrs. CIE, KPMG and K&D. This project is currently supported with finance from Phare, IBRD, EBRD, Creditanstalt AG, UBS AG, Paribas and national funding. Finance for the RRP from the IFI’s is regulated under the terms of the following loan agreements:

- The Bulgarian State Railways & IBRD, dated 8\textsuperscript{th} Nov. 1995
- The Bulgarian State Railways & EBRD, dated 17\textsuperscript{th} Nov. 1995
- The Bulgarian State Railways & Creditanstal, dated 20\textsuperscript{th} May 1998
- The Bulgarian State Railways & UBS AG, dated 30\textsuperscript{th} Sep. 1998
- The Bulgarian State Railways & Paribas, dated 7\textsuperscript{th} Dec. 1998

a) All loans are supported by guarantee agreements between the banks and the Republic of Bulgaria. As required under the terms of the loan agreements, a project implementation plan was prepared and approved by the IFI’s. The RRP has many facets as summarised in annexes 5.1 and 5.2.

3.4. **Results:**
The project will result in the creation of a management structure which will encourage development of a strong commercial and competitive spirit in all aspects of its operations, resulting in Reduced dependency of the railway sector for State support.

Another important required output from the project will be to up-date the management structures for the Infrastructure Company and to define in detail the relationship with the state administration and the operators.

3.5. **Activities:**

The project is seen as being two fold, with dual beneficiaries as follows:

- Setting out and putting in place the proper legal framework for restructuring of the railway. This function would be conducted under the direction of the Railway Administration of the Ministry of Transport and Telecommunication, who would be part beneficiary for carrying out of this activity (activity A – 0.40 Meuro)

- Setting up and putting in place the new Infrastructure Company to manage operate and maintain the infrastructure on behalf of the state. This Infrastructure Company once established would become the second beneficiary (activities B and C – 1.60 Meuro)
Activity A - Legislative Framework
Set in place a legal framework, which is conducive to and actively promotes the development of independent railway, including amongst other things:
   a) Information systems, land plans and legal analysis of the property.
   b) Development and harmonisation of the inter-organisational legislation.
   c) Development of regulations for the functioning of the administration.
   d) Initial assistance to the activity of the units for investment planning, European integration, legislative issues, work with international programmes.

Activity B - Study Review & Analysis
   a) Study of the prospects of the railway transport market in Bulgaria.
   b) Review the steps taken for the building of a commercial market driven railway.
   c) Review the commercial environment and competition to be faced.
   d) Transfer of European know how experience in railway restructuring and familiarization of Bulgarian administration with the lessons which can be learned from the experiences of other administrations.
   e) Analysis of application of the legislative framework for the restructuring of Bulgarian railways.
   f) Proposals for the functions of the management structures of the administrative and commercial railway enterprises.
   g) What changes of responsibility authority and reporting need to be effected within management.

Activity C - Restructuring, Monitoring & Training
   a) Observation and analysis of the functioning of the new structures at the initial stage.
   b) What limitations have been experienced with this new organisational structure.
   c) Propose corrective solutions to overcome the problems experienced.
   d) Development and putting in place final solutions.
   e) Staff Training

4. Institutional Framework:
New law on the railway transport shell be adopted in year 2000 and before the signature of the FM. On its basis the restructuring in the sector will start inmediatlly and in parallel with the implementation of the project. BDZ will be split into operating and infrastructure business companies during the course of 2001. The new law will permit open access competition after 1st January 2002 onwards. The infrastructure company will remain as a government-owned company under article 62 of the Bulgarian Commercial Code, thereby retaining the railway network assets under state control. The operating company will be set up as a commercial entity with a view to privatisation, where in the first instance all shares will be owned by the state. The infrastructure company will take over approximately 90% of the BDZ’s debts and the operating company will receive a declining subsidy in support of socially desirably passenger services, set at 40 M Lev for 2000.

It is within this framework that the consultant will be required to establish how closely this Contract Plan and the law on railway transport are aligned to the Commission Directive 91/440, in terms of structure and implementation.
5. **Detailed Budget:**

<table>
<thead>
<tr>
<th>Activities:</th>
<th>Investment</th>
<th>Institutional Building</th>
<th>Total Phare (=I+IB)</th>
<th>Recipient</th>
<th>IFI</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Legislative Framework</td>
<td></td>
<td>0.40</td>
<td>0.40</td>
<td>-</td>
<td>-</td>
<td>0.40</td>
</tr>
<tr>
<td>B. Study Review &amp; Analysis</td>
<td></td>
<td>0.20</td>
<td>0.20</td>
<td>-</td>
<td>-</td>
<td>0.20</td>
</tr>
<tr>
<td>C. Restructuring, Monitoring and staff training</td>
<td></td>
<td>1.40</td>
<td>1.40</td>
<td>-</td>
<td>-</td>
<td>1.40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>2.00</strong></td>
<td><strong>2.00</strong></td>
<td>-</td>
<td>-</td>
<td><strong>2.00</strong></td>
</tr>
</tbody>
</table>

6. **Implementation Arrangements:**

The CFCU in the Ministry of Finance will act as the Implementing Agency and will work in close relationship with the Ministry of Transport and telecommunication. Project monitoring and supervision would be done under the control of a small task force comprised of representatives of the Ministry of Transport and the BDZ.

7. **Implementation Schedule:**

The proposed implementation schedule is envisaged as having duration of 21 months, as follows:

- **Start of tendering:** July 2000
- **Start of project activity:** January 2001
- **Project Completion:** September 2002

8. **Equal Opportunity:**

Equal participation of men and women on the project will be supported.

9. **Environment:**

Railways by their very nature are environmentally friendly. In addition the activity to be undertaken will carry no direct environmental impact and is in fact designed to bring conformity between the operational structures of the BDZ and that laid down by the Commission for all railway administrations of member states of the European Union.

10. **Rates of Return:**

This is not an investment project unless considered as part of the overall Railway Rehabilitation Project, the cost benefit analysis for which is as follows:

- **Capital investment:** 300 MUSD
- **Estimation Period:** 20 years.
- **Internal Rate of Return:** 15.4 % *

* CIE, KPMG, KD Report of ‘94
11.  Investment Criteria:

Catalytic Effect: An efficient management of the railway infrastructure is a prerequisite to a competitive railways transport sector in Bulgaria.

Additionality: No other funding agencies are contributing to this institution building Project.

Sustainability: The restructuring of the Railway Company is part of the Government's strategy for fulfilling its accession in the EU.

Competition: All aspects of the above mentioned component of the project are open to competitive tender within the European Union and PHARE recipient countries, and all PHARE procedures regarding competition and transparency are fully complied with.

12.  Conditionality and Sequencing

The project will put in place structures within the BDZ to enable harmonisation with the *acquis communautaire* on matters of state aid, and competition in rail transportation for passenger and freight services. The sequencing of activities on the project should be as follows:

- New law on railway transport to be in place before the signature of the FM.
- Implementation of the public service contract or “Contract Plan” will be activated before start of project.
- Project to be fully implemented by BDZ within twenty-one months from start of project.

It should be noted that the new railway legislation comes into force on 1\textsuperscript{st} January 2001. The project to assist the reorganisation is also scheduled to commence on January 2001. While it would have been useful to have the project commence earlier, never the less the most difficult period will come throughout the year 2001, when the practical problems of application for the new organisations have to be faced. In these circumstances the project team will be in place from the very start of business for the new companies and will be available to bring its experience gained from other administrations. As such the project team will be in a position to offer solutions and put forward amending proposals to combat the problems and difficulties as they arise.

List of Annexes to Project Fiche

1.  Log-frame
2.  Detailed Implementation Chart.
3.  Contracting and Disbursement Schedule.
4.  Reference to relevant government strategic plans and studies etc.
5.  Railway Rehabilitation Project:
    5.1.  Detailed cost breakdown for overall Rehabilitation Project
    5.2.  Summary of Activities carried out under the RRP
## Annex 1 - Logframe Planning Matrix

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Commitment Expiry Date: 31/12/2002</th>
<th>Disbursement Expiry Date: 31/12/2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Railway Organisational Restructuring – Management Development of the Railway Infrastructure Company</td>
<td>Total Budget of Project: 2 Meuro</td>
<td>Phare allocation: 2 Meuro</td>
</tr>
</tbody>
</table>

### Wider Objectives

**Development of BDZ in line with EC Directive 91/440 to provide for:**
- Commercial management independent of state control.
- Separation between Infrastructure and Operations.
- Improvement of management and financial structures.
- Access to Railway Infrastructure for independent commercial operators.

<table>
<thead>
<tr>
<th>Indicators of achievement</th>
<th>Sources of Information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation of the necessary railway legislation</td>
<td>Published railway and national state statistics together with international railway data.</td>
<td>Assumptions: Bulgaria’s drive towards an open competitive market economy is maintained.</td>
</tr>
<tr>
<td>Implementation of a Public Service Contract between the State and BDZ, as envisaged under EC Directive 91/440.</td>
<td>IFI reports and appointed consultants.</td>
<td>Risks: Continued EU and IFI support.</td>
</tr>
</tbody>
</table>

### Immediate Objectives

- Creation of a management structure within the BDZ, which will encourage development of a strong commercial and competitive ethos in all aspects of its operations.
- Reduced BDZ dependency on State support.

<table>
<thead>
<tr>
<th>Indicators of achievement</th>
<th>Sources of Information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ability to implement the proposed new management structures and how successfully this is accepted and implemented by middle management and staff.</td>
<td>Monitoring and reporting by consultants engaged on the project.</td>
<td>Assumptions: Support and confidence from management and staff.</td>
</tr>
</tbody>
</table>

### Results of Project

**Improvement in BDZ:**
- Management structure.
- Commercial business approach and customer service.
- Individual commercial entities and enterprises.
- Financial status.

<table>
<thead>
<tr>
<th>Indicators of achievement</th>
<th>Sources of Information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation of the new management structures on schedule</td>
<td>Monitoring and reporting by consultants engaged on the project.</td>
<td>Assumptions: BDZ will develop as a modern European rail network.</td>
</tr>
<tr>
<td>Increased reliability of data and MIS of BDZ</td>
<td>Published national and internationally statistics and data.</td>
<td>Risks: Failure to reach the targets expected for passenger and freight handling.</td>
</tr>
<tr>
<td>Affirmative appraisal by the Bulgarian Government and the IFIs of the new management structures and performance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Sources of Information

- Published railway and national state statistics together with international railway data.
- IFI reports and appointed consultants.

### Assumptions and Risks

- Bulgaria’s drive towards an open competitive market economy is maintained.
- Continued EU and IFI support.
- Political and Economic difficulties in Southeastern Europe.
- Loss of support from financial institutions and lending agencies.
- Support and confidence from management and staff.
- Stable National economy.
- Failure to implement the necessary changes.
Annex 2 - Implementation Schedule

Project title: Railway Organisational Restructuring - Management Development of the Railway Infrastructure Company

<table>
<thead>
<tr>
<th>ID</th>
<th>Task Name</th>
<th>1st Half</th>
<th>2nd Half</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Internet Announcement</td>
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<td></td>
</tr>
<tr>
<td>2</td>
<td>Tendering Process</td>
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</tr>
<tr>
<td>3</td>
<td>Project Duration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Award of Contract</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Study of current status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Carry out staff training</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Interim Review of Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Prepare Structural proposals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Complete Organisational Restructuring</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Project: Fiche 11-01-00
Date: 12/04/00
Annex 3 – Cumulative contracting and disbursement schedule

*Project title: Railway Organisational Restructuring - Management Development of the Railway Infrastructure Company*

<table>
<thead>
<tr>
<th></th>
<th>Budget 1000 Euro</th>
<th>Estimated Contractual Commitment Spread in 1000 Euro</th>
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</thead>
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<tr>
<td></td>
<td>2000</td>
<td>2001</td>
</tr>
<tr>
<td></td>
<td>Q4</td>
<td>Q1</td>
</tr>
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<td>Phare Funds</td>
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</tr>
<tr>
<td>Total</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>Budget 1000 Euro</th>
<th>Estimated Contractual Disbursement Spread in 1000 Euro</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2000</td>
<td>2001</td>
</tr>
<tr>
<td></td>
<td>Q4</td>
<td>Q1</td>
</tr>
<tr>
<td>Phare Funds</td>
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</tr>
<tr>
<td>Total</td>
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</tr>
</tbody>
</table>
Annex 4 - Reference to relevant government strategic plans and studies etc.

*Project title: Railway Organisational Restructuring - Management Development of the Railway Infrastructure Company*

The following documents and reports are considered relevant to the present study


- Development and Preparation of Accession – Related Transport Infrastructure Investment Project for ISPA Funds – Study under the PHARE National Programme BG 9303 carried out by the Framework Contractor
Annex 5.1 - Detailed cost breakdown for overall Rehabilitation Project

Budget for BDZ Rehabilitation Programme (All prices given in Meuro)

<table>
<thead>
<tr>
<th>Item No</th>
<th>Allocation</th>
<th>Phare 2000 Meuro</th>
<th>Other Sources Meuro</th>
</tr>
</thead>
<tbody>
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<td></td>
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<td>Instit.</td>
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<td>Institutional Reform</td>
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<tr>
<td>1.1</td>
<td>Railway Restructuring</td>
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<td>2</td>
<td>Infrastructure Upgrade</td>
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<tr>
<td>2.1</td>
<td>Track Renewal</td>
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</tr>
<tr>
<td>2.2</td>
<td>Plant &amp; Machinery</td>
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<td>0.000</td>
</tr>
<tr>
<td>2.3</td>
<td>Production</td>
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</tr>
<tr>
<td>2.4</td>
<td>Traction</td>
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<tr>
<td>3</td>
<td>Rolling Stock</td>
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</tr>
<tr>
<td>3.1</td>
<td>Workshops</td>
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<tr>
<td>3.2</td>
<td>Coaches</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>4</td>
<td>Signalling &amp; Telecoms.</td>
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<td>0.000</td>
</tr>
<tr>
<td>4.1</td>
<td>Axle counters</td>
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</tr>
<tr>
<td>4.2</td>
<td>ATP</td>
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</tr>
<tr>
<td>4.3</td>
<td>PABX</td>
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<tr>
<td>4.4</td>
<td>Train Radio</td>
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<td>0.000</td>
</tr>
<tr>
<td>5</td>
<td>MIS</td>
<td>0.000</td>
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<tr>
<td>6</td>
<td>Training</td>
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<tr>
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<td>Project Management</td>
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<tr>
<td>Total</td>
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</table>

VAT & Customs Duties amounting to 31.74 Meuro, included in Receipts figures above
Annex 5.2 - Summary of Activities carried out under the RRP (Supporting Data for annex 5.1)

1. Institutional Reform
Organisational restructuring for the BDZ in accordance with EU Directive 91/440, providing for establishment of separate business units for infrastructure and operations. The companies would be set up on a commercial basis with independent management and external operators having open access to the railway infrastructure from January 2001 onwards.

2. Infrastructure Upgrade
Improvement of the infrastructure on the BDZ represents by far the largest single element of the RRP, constituting in the order of 75% of total project investment. This investment is directed primarily to the main trunk routes, which in turn form part of the Trans European Railway Corridors.

2.1. Track Renewal
While the infrastructure upgrade represents the largest element of the RRP, track renewal in turn constitutes the bulk of the infrastructure requirement.
Under the RRP project it is planned to renew some 414 km of track on the priority lines of BDZ, for which substantial IFI funding has been allocated for the purchase of rails, rail fastenings and track maintenance machines.
Under the 1998 Phare LSIF Programme a further 20 MEuro was made available to help the BDZ reach on its for track renewal programme with 18.5 MEuro being allocated for Works and 1.5 MEuro for Supervision of the Works. It was estimated that this provides for an additional 50 km of track renewal.

2.2. Plant & Machinery
Track maintenance machines and mechanised wagons are essential requirements in carrying out a track renewal programme, which include:

1.2.1. Maintenance machines cover ballast cleaning machines, tamping machines, vibrating track stabilisers, ballast spreading machines rail gantries and equipment for track renewal.

1.2.2. Mechanised wagons are required for removal of ballast, with specific attention to controlling pollution outputs.

The track renewal element also includes for re-equipment of the rail welding shop and the introduction of wheel and flange lubricators.

2.3. Production
Track maintenance production covers such items as sleeper plant for manufacture of rail ties and rail welding shop where rails can be prepared in long lengths within a factory environment prior to installation on site.

2.4. Traction
The overhead line equipment, OHLE, for the locomotive traction system also constitute part of the infrastructure, which is equally in need of rehabilitation, upgrading and repair. The level of investment in this area, though critical, is not of the same magnitude as in the case of track renewal.
The most urgent requirement for the traction system and which is being supported by the RRP is the provision of Vehicles for catenary and OHLE inspection, repair and maintenance.
3. **Rolling Stock**
Locomotives, diesel and electric multiple units, coaches, wagons, maintenance vehicles together with all propulsion systems operating over the rail lines, all come under the heading of rolling stock.

3.1. **Workshops**
Improved facilities for locomotives and Traction Maintenance, including provision of spares, are urgent requirements being funded from the RRP. This includes provision of equipment such as, wheel lathes, testing equipment, tools and component parts for locomotive repair at the workshops of Sofia and Russe. Equipment is also being provided for environmental rehabilitation of contaminated workshop facilities, and wastewater treatment.

3.2. **Coaches**
Under the RRP programme, refurbishment of approximately fifty passenger coaches to international standard for inter-city operation in Bulgaria and neighbouring countries is to be carried out at the Drianovo workshop.

4. **Signalling & telecommunications**
As with track infrastructure and rolling stock, signalling and telecommunications are essential requirements for the operation of trains, for all railways. The signal and telecommunications element of the RRP is funded from Phare contributions and includes the following:

4.1. **Axle Counters**
Axle counters are part of the signalling system and required for train detection in fail-safe mode. This equipment is an integral element of the Automatic Block System, used to regulate and control traffic between stations, with safety.

4.2. **ATP**
Automatic Train Protection (ATP) is a system used to enforce observance of signals in line with track conditions and, as the name suggests, provide added train protection. ATP already exists between Sofia and Plovdiv and the present proposal envisages extension beyond Plovdiv to Burgas. The system is comparable to that used on other Western European railway administrations.

4.3. **PABX**
PABX is part of the railway telecommunications system, providing automatic telephone service throughout the rail network. Good communication between stations and rail centers is an essential requirement for safe and efficient rail operations.

4.4. **Train Radio**
Train radio provides communications between train drivers and the traffic control office and is essential for safety in train operations. Train radio already exists on the BDZ and the current project is an extension of this.

Signalling and Telecommunications: Automatic train protection system; (ii) Automatic Block system, including axle counters; (iii) automatic telephone exchanges and cabling; and (iv) extension of the Train Radio System.

5. **Management Information System (MIS)**
This project envisages the provision of extra computer hardware and software for improved operational and financial data collection and analysis.
6. Training
Provision for training for senior and middle management has been allowed for within the RRP, concentrating on marketing finance and accounting.

7. Project Management
The project management element of the RRP is funded from Phare contributions and includes the following:
Consulting support to the project management team to assist with project implementation, including provision of technical expertise on improvements to signalling and telecommunications, reorganisation of workshops and railway industry, and other matters which may be identified during project implementation.