Standard Summary Project Fiche

1. **Basic Information**
   1.1 CRIS Number: BG2004/016-711.04.01
   1.2 Title: **Railway Safety and Interoperability**
   1.3 Sector: **Transport**
   1.4 Location: **Bulgaria**
   1.5 Duration: **24 months**

2. **Objectives**

   2.1 **Overall Objective(s):**
   Strengthening and enhancement of the administrative capacity to implement the European legislation in the railway sector.

   2.2 **Project purpose:**
   Strengthening the administrative capacity of the Railway Administration Executive Agency (including its regional units in Sofia, Plovdiv, Gorna Oryahovitza) to promote and facilitate the compliance with the EU norms and implementation of the European legislation including railway safety, necessary for:
   - Strengthening the development of the Pan-European Transport network on the Bulgarian territory;
   - Better integration in the European railway transport system.

   2.3 **Accession Partnership (AP) and NPAA priorities**
   The project meets the following Accession Partnership and NPAA priorities:
   - 2003 Accession Partnership: Continue legal alignment, implementation and reinforce administrative capacity in the railways sector – including strengthening of the regulatory body, the notified body, independence of the railway infrastructure manager, the rail infrastructure charging scheme and financial stabilisation of the main operator, with a view to implementing the revised railway _acquis_; ensure complete transposition and implementation of the EU legislation on interoperability;
   - 2003 Regular Report of the European Commission on Bulgaria’s progress towards accession: Bulgaria still needs to implement the _acquis_ on the interoperability of the trans-European conventional rail system.

2.4 **Contribution to National Development Plan**
   - Higher economic efficiency of the railway transport sector;
   - Sustainable railway transport sector development.

The project is directly responding to the priorities noted therein, namely: “Further efforts will be needed on the reinforcement and strengthening of the newly-established administrative
structures in order to ensure adequate administrative capacity for enforcement of the *acquis* and implementation of the investment plans” (Roadmaps for Bulgaria and Romania).

### 2.5 Cross Border Impact

Upon adoption the Ordinance on interoperability will implement the required elaboration of the methodologies, legal and administrative conditions will be met, achievement of better coordination between customs and border police in order stopping time at border crossing points to be diminished.

### 3. Description

#### 3.1 Background and justification:


The Republic of Bulgaria will implement Directive 96/48/EC of 23 July 1996 concerning interoperability of the trans-European high-speed rail system and Directive 2001/16/EC of 19 March 2001 for the interoperability of the trans-European conventional rail system through elaboration of a new ordinance under the Railway Transport Act. The aforesaid ordinance on Interoperability has already been elaborated and is under inter-ministerial co-ordination. It is aimed at defining the obligatory conditions for achievement of technical compliance between the Bulgarian railway system and the trans-European high-speed rail system.

The above-mentioned conditions will be related to the design, construction, putting into service, upgrading, renewal, operation and maintenance of the parts of the railway system put into service after the date of entry into force of the relevant Directive, as well as the professional qualifications and health and safety conditions of the staff who contribute to its operation, which will result in improvement of the railway system functioning.

The present project aims to establish adequate railway safety framework. The project will contribute to the future design, installation and supply of Information System (IT) for monitoring, observing and registering of infrastructure and rolling stock for conventional and high-speed railway transport in relation to the EU requirements.

A “Notified body” will be established upon the adoption of the Ordinance on interoperability, thus it will implement Directive 96/48 and Directive 2001/16. A Notified body means the body responsible for assessing the conformity or suitability for use of the interoperability constituents or for appraising the EC procedure for verification of the subsystems. The notified body will be responsible for compiling the technical file that has to accompany the EC declaration of verification.

#### 3.2 Sectoral rationale

N/A.

#### 3.3 Results:

- Elaborated gap analysis of the administrative capacity of the Railway Administration Executive Agency (RAEA) and its regional units, the existing Bulgarian legislation related to railway safety and interoperability;
• Elaborated methodology, requirements and criteria for competence assessment of the railway operational staff;
• Elaborated methodology of safety requirements standardization - provided;
• Elaborated methodology of risk assessment related to railway safety;
• Database for railway inspections - designed;
• Harmonized national legislation with Directives 96/48/EC and 01/16/EC and the new acquis and all subsequent acquis;
• Strengthened administrative capacity for implementation of the conformity assessment procedures related to infrastructure, rolling stock, maintenance, energy, operation, command control and signalling;
• Trained staff of the RAEA and its regional units.

3.4 Activities
• Elaboration of gap analysis of the administrative capacity of RAEA and its regional units, the existing Bulgarian legislation related to railway safety and interoperability;
• Drafting a methodology, requirements and criteria for competence assessment of the railway operational staff;
• Drafting a methodology of safety requirements standardization;
• Drafting a methodology of risk assessment related to railway safety;
• Providing assistance on application of the Technical Specifications for interoperability relating to infrastructure, rolling stock, maintenance, energy, operation, command control and signalling;
• Designing of database for railway inspections;
• Providing assistance for proper application of the Directives 96/48/EC and 01/16/EC and to take into consideration the new acquis and all subsequent acquis;
• Organization of training courses at central (RAEA) and regional level (units for railway inspection) related to the above-mentioned activities.

3.5 Linked activities:

**BG0002.03 Railway Organizational Restructuring** - Management Development of the Railway Infrastructure Company including:
• 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;
• Management independence of railway undertakings;
• Separation between infrastructure management and transport operations in compliance with the new law on railway transport;
• Improvement of organizational, management and financial structure.
• Development of an information system for the National Railway Infrastructure Company;
• Open access to railway infrastructure from external operators.
3.6 Lessons learned
The already elaborated strategy on IT systems within the RAEEA and the National Railway Infrastructure Company (BG 0002.03) will contribute to the design of database for the railway inspections.

The strategy allows the identification of the relationships between the systems (and organizations) defining their limits to avoid overlapping and minimizing the expensive interfaces.

On IT systems strategy projects a well-established Express methodology has been used, which besides the involvement of an experienced team provides a systematic logically built and serious solution approach.

The already accomplished project also contributes to the management and qualifications of railway staff. Another point is that the project contributes to an integrated European railway system. It will help in opening of the market of railway services and commercialization of the railway transport sector. The project contributes to better investment planning and management.

The above-mentioned achievements of the Project BG 0002.03 will be taken into account during the implementation of the present project.

4. Institutional Framework
The Railway Administration Executive Agency (RAEA) within the Ministry of Transport and Communications will be the Beneficiary of the project.

The Secretary General of the Ministry of Finance will act as Programme Authorizing Officer (PAO) of the project.

Project leader
The Railway Administration Executive Agency (RAEA) will be responsible for the technical implementation of the project including day-to-day coordination and implementation of the project activities. The RAEA will ensure that all activities will be undertaken in accordance with the agreed work plan and the procedures and will be authorized by the PAO in the Ministry of Finance. The Bulgarian Project Leader will be the RAEA Executive Director.

Project Implementation Unit
A Project Implementation Unit (PIU) will support the Project Leader, which unit will be in charge of application of various tasks of the project implementation. The PIU will be consisted of representatives from RAEA and regional offices in Sofia, Plovdiv and Gorna Oryahovitza.

Steering Committee
There will be a single Steering Committee to supervise the implementation of the project. This Steering Committee will be established in the first quarter of 2005 and will be chaired by the respective Deputy Minister of Transport and Communications. The SC will have regular sessions on a monthly basis. The SC may have extraordinary sessions upon requests from two
of its voting members. It will coordinate the selection activities of the Twinning partner and will closely supervise and direct the drafting of the Twinning Covenant(s). The Committee will as well co-ordinate the project in order to ensure effective inter-ministerial coordination. The Steering Committee will supervise the implementation of the project, review and approve project’s outputs.

The Steering Committee will consist of representatives from the Ministry of Finance - one, the Ministry of Transport and Communications - one, the relevant MS partner high official – one, the Railway Administration Executive Agency - one, and the regional units in Sofia, Plovdiv, Gorna Oryahovitza – three (one from each regional office). The EC Delegation/Commission Headquarters will be invited as observers. The representatives of other relevant ministries and stakeholders might be invited to the meeting of the SC.

5. Detailed Budget

<table>
<thead>
<tr>
<th>Year 1/Phase 1</th>
<th>EU Support</th>
<th>Total EU (=I+IB)</th>
<th>National Co-financing*</th>
<th>IFI</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Twinning services</td>
<td>€ 0,900M</td>
<td>€ 0,900M</td>
<td>*</td>
<td>€ 0,900M</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>€ 0,900M</td>
<td>€ 0,900M</td>
<td>*</td>
<td>€ 0,900M</td>
<td></td>
</tr>
</tbody>
</table>

* The National co-financing for the Twinning services contract will be up to 10 % of the Phare support for Institution building.

6. Implementation Arrangements

6.1 Implementing Agency
The Central Financing and Contracting Unit (CFCU) within the Ministry of Finance will act as Contracting Authority and in this respect will conduct tenders, conclude contracts and authorize related payments. The Secretary General of the Ministry of Finance, will act as PAO of the project.

6.2 Twinning
The project will be implemented by twinning. The overall project duration will be 24 months as shown in section 7 of the current project fiche. The key results of the twinning are shown in the section 3.3. The activities to be undertaken under the twinning are shown in section 3.4. The Twinning Manual will be strictly followed.

The contact point for EU Member States interested in making twinning proposals is:

Mr. Georgi Nikolov
Executive Director
Railway Administration Executive Agency
5 Gourko str. - Sofia 1000, Bulgaria
tel. +359 2 94 09 428
e-mail address: gnikolov@mtc.gov.bg
Under the envisaged Twinning, Call for proposal will be held and Pre-Accession Advisor will be appointed to act as a coordinator of this project.

- Profile of PAA:
  The PAA must be an expert with solid similar experience on interoperability of a Member State or a Candidate Country including vast practical knowledge of institutional building and management.
  He/she will be based in Bulgaria in the RA EA premises in Sofia for the duration of the assignment, which is estimated for 16 months. He/she will be appointed to the regional units in Sofia, Plovdiv, Gorna Oryahovitza depending on the assigned specific tasks.

- Profile of short and medium-term experts:
  The short and medium-term team should consist of sufficient number of qualified experts, with respect of the purpose to achieve and activities to be undertaken under the project, namely:
  - They must be civil servants with experience within a Railway Administration of a Member State;
  - Should have practical knowledge of the *acquis communautaire* in the field of railway safety and its implementation, and principles of harmonization with national and international laws and directives;
  - Should have significant experience in administrative management concerning specific implementation of EU standards within relevant institutional bodies;
  - Should have experience in the field of IT systems on monitoring, metrology, ecology, railway safety and standardization;
  - Should also have experience in education, training, and qualification.
  The experts will be appointed to the regional units in Sofia, Plovdiv, Gorna Oryahovitza depending on the assigned specific tasks.

6.3 Non-standard aspects

There are no contracts or tender procedures envisaged within the project. The Twinning Manual will be strictly followed.

6.4 Contracts

Twinning Covenant which budget will be € 0,900 M. This budget will cover the costs for support provided by the EU and local experts, survey and expert assistance.

7. Implementation Schedule

Start of elaboration of Twinning covenant between RA EA and its EU member state counterpart:
January 2005

Start of project activity:
June 2005
Project Completion:
January 2007

8. Equal Opportunity

The project will be implemented in compliance with the Bulgarian legislation, providing equal opportunities for men, women and ethnic groups.

9. Environment

The project has no environmental impact.

10. Rates of return

N/A

11. Investment criteria

11.1 Catalytic effect:
The implementation of the present project will speed-up the strengthening of the administrative capacity of the RAEA. The PHARE support will accelerate the preparation of Bulgaria towards EU accession.

11.2 Co-financing:
The project will be co-financed by the National Budget by up to 10% of the cost of the Twinning.

11.3 Additionality:
Phare intervention does not displace other public or private sector financing for this project.

11.4 Project readiness and size:
This project is designed to address the immediate needs for strengthening the institutional capacity of the RAEA (including its territorial divisions – Sofia, Plovdiv, Gorna Oryahovitza).

11.5 Sustainability:
The successful implementation of the project will support the technical and operational interoperability in the field of railway transport between Bulgarian and the European network. It is regarding the following:
- Wheel-rail track contact;
- Brake effectiveness of trains;
- ALS;
- Radio connection systems;
- Signalling and safety systems;
- Train traffic management systems;
As a result of the envisaged Project there will be a more qualified RAEA staff with regard to railway safety and interoperability. RAEA will take the responsibly to maintain the equipment and software in order to ensure the sustainability of the Project’s products. Availability of experts who are to exercise control over staff training process is in compliance with the EU requirements.

11.6 Compliance with state aids provisions:

All aspects of the project will be developed with respect to the state aid provisions.

12. Conditionality and sequencing:

The Conditionality and sequencing will be in accordance to the requirements of twinning procedures.

ANNEXES TO THE PROJECT FICHE

1. Logical framework matrix in standard format.
2. Detailed implementation chart.
3. Contracting and Disbursement schedule by quarter.
4. List of relevant Laws and regulations.
5. Reports and Feasibility Studies
7. Reference list of relevant strategic plans and studies.
**LOGFRAME PLANNING MATRIX FOR PROJECT**

**Title:** Railway Safety and Interoperability

<table>
<thead>
<tr>
<th>Overall Objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengthening and enhancement of the administrative capacity to implement the European legislation in the railway sector.</td>
<td>Improvement of the capacity and infrastructure of quality vocational training and human resources development systems</td>
<td>GAP analyses, monitoring and reporting of the consultant involved in the project</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Purpose</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of verification</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assumptions</td>
<td></td>
</tr>
</tbody>
</table>
Strengthening the administrative capacity of the Railway Administration Executive Agency (including its regional units in Sofia, Plovdiv, Gorna Oryahovitza) to promote and facilitate the compliance with the EU norms and implementation of the European legislation including railway safety, necessary for:
- Strengthening the development of the Pan-European Transport network on the Bulgarian territory;
- Better integration in the European transport system.

Results | Objectively Verifiable Indicators | Sources of verification | Assumptions |
---|---|---|---|
- Successful implementation of new Information system;  
- Railway staff vocational training, issue of safety certificates and licenses in conformity with EC Directives 96/48 and 01/16;  
- Safety certificates and rolling stock certificates harmonization;  
- Decrease in number of railway accidents per transportation unit volume;  
- Methodology of safety requirements standardization. | Published national and railway statistics as well as international rail transport data;  
- Reports of the consultants’ project team. | Highly qualified staff who will be capable to fulfill its activities in the EU;  
- Bulgarian Government continues its commitment to reform and to accession to the European Union;  
- The new Railway transport legislation fully responding to EU requirements;  
- Strengthen the railway administration, ensure independence of railway managers, implementing of the rail infrastructure charging scheme and implement business plans focusing on financial stabilization of the railways. |

Risks
- Failure to implement the Project within the budget or on time;  
- Good project quality must be ensured in order to guarantee successful implementation.
- Elaborated gap analysis of the administrative capacity of RAEA and its regional units, the existing Bulgarian legislation related to railway safety and interoperability;
- Elaborated methodology, requirements and criteria for competence assessment of the railway operational staff;
- Elaborated methodology of safety requirements standardization - provided;
- Elaborated methodology of risk assessment related to railway safety;
- Database for railway inspections - designed;
- Harmonized national legislation with Directives 96/48/EC and 01/16/EC and the new acquis and all subsequent acquis;
- Strengthened administrative capacity for implementation of the conformity assessment procedures related to infrastructure, rolling stock, maintenance, energy, operation, command control and signalling;
- Trained staff of the RAEA and its regional units.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommendations for elimination of the reported irregularities and weaknesses provided by the end of 2005;</td>
<td>GAP analysis;</td>
<td>Elimination of identified irregularities and weaknesses;</td>
</tr>
<tr>
<td>Number of trained staff – 3500 people after the project completion;</td>
<td>Railway Inspection General Directorate;</td>
<td>Higher quality of operational staff;</td>
</tr>
<tr>
<td>Decrease in number of railway accidents per transportation unit volume.</td>
<td>Statistics submitted by the Railway Infrastructure State Company and BDZ EAD;</td>
<td>Higher quality of railway safety as well as decrease in number of railway accidents;</td>
</tr>
<tr>
<td></td>
<td>Reports of the appointed to the project consultant;</td>
<td>Achievement of interoperability as regarding railway staff qualification;</td>
</tr>
<tr>
<td></td>
<td>Published national and international railway statistics and data.</td>
<td>Data exchange with the member states;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Access to the national rail network for foreign operators.</td>
</tr>
<tr>
<td>• Elaboration of gap analysis of the administrative capacity of RAEA and its regional units, the existing Bulgarian legislation related to railway safety and interoperability (carried out by the Twinner);</td>
<td>• Expediently set up Project team;</td>
<td>• Highly qualified staff available and capable to apply the high technologies both for exercise of control and services;</td>
</tr>
<tr>
<td>Drafting a methodology, requirements and criteria for competence assessment of the railway operational staff (carried out by the Twinner);</td>
<td>• Twinning-partner/ one long term PAA and three short-term experts STE;</td>
<td>• Establishment of international relations and contacts with railway administrations shall contribute to the harmonization of the requirements and standards as regard to railway safety and interoperability.</td>
</tr>
<tr>
<td>Drafting a methodology of safety requirements standardization (carried out by the Twinner);</td>
<td>• Highly qualified staff available and capable to conduct the training process;</td>
<td></td>
</tr>
<tr>
<td>Drafting a methodology of risk assessment related to railway safety (carried out by the Twinner);</td>
<td>• Unlimited access to statistics in relation to railway safety in order a methodology of risk assessment to be elaborated;</td>
<td></td>
</tr>
<tr>
<td>Provide assistance on application of the Technical Specifications for interoperability relating to infrastructure, rolling stock, maintenance, energy, operation, command control and signalling (carried out by the Twinner);</td>
<td>• Designing of database for railway inspections (carried out by the Twinner);</td>
<td></td>
</tr>
<tr>
<td>Designing of database for railway inspections (carried out by the Twinner);</td>
<td>• Provide assistance for proper application of the Directives 96/48/EC and 01/16/EC and to take into consideration the new acquis and all subsequent acquis;</td>
<td></td>
</tr>
<tr>
<td>Organization of training courses at central (RAEA) and regional level (units for railway inspection) related to the above mentioned activities (carried out by the Twinner).</td>
<td>• Establishment of training courses at central and regional level.</td>
<td></td>
</tr>
</tbody>
</table>

**Preconditions**
- Legislative framework harmonized with EU Directives and Regulations;
- Availability of qualified management staff at MTC and RAEA.
# Implementation Chart

<table>
<thead>
<tr>
<th>PROJECT TITLE</th>
<th>RAILWAY SAFETY AND INTEROPERABILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERIOD</td>
<td>2004</td>
</tr>
<tr>
<td>Qtr1</td>
<td>Qtr2</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td>Contract Twinning Covenant</td>
<td></td>
</tr>
<tr>
<td>Elaboration of Twinning Covenant</td>
<td>X</td>
</tr>
<tr>
<td>Contracting</td>
<td></td>
</tr>
<tr>
<td>Implementation</td>
<td></td>
</tr>
</tbody>
</table>

X: Project activity occurred during the quarter.
Contracting and Disbursement schedule by quarter to full duration of the programme (MEUR)

<table>
<thead>
<tr>
<th>PROJECT TITLE</th>
<th>RAILWAY SAFETY AND INTEROPERABILITY</th>
</tr>
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<tbody>
<tr>
<td>PERIOD</td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td>Qtr1</td>
</tr>
<tr>
<td>Contracted Twinning</td>
<td>0.900</td>
</tr>
<tr>
<td>Disbursement</td>
<td>0.270</td>
</tr>
<tr>
<td>%</td>
<td>30%</td>
</tr>
</tbody>
</table>
Annex 4

List of Relevant Laws and Regulations


5. Railway Transport Act (Published in the State Gazette, issue 97, 2000) and amended as of May 10, 2002 and October 11, 2002.

6. Ordinance on essential requirements towards the railway infrastructure and the rolling stock for provision of the necessary parameters for “Interaction and Operability (Compatibility)” with the Trans-European Rail System which is under co-ordination with other ministries.

7. Ordinance No. 41 of 27 June 2001 on the access to and use of railway infrastructure (Published, SG No. 64 of July 20, 2001 and in force as of January 1, 2002).

Annex 5

Reports and Feasibility Studies

No Feasibility and pre-feasibility studies have been carried out as the directive of the European Parliament and of the Council on the safety on the Community’s railways and amending COUNCIL DIRECTIVE 95//18/EC on the licensing of railway undertakings and Directive 2001/14/EC on the allocation of railway infrastructure capacity and the levying of charges for the use of railway infrastructure and safety certification is still a PROPOSAL. The TSIs to the COUNCIL DIRECTIVE 96/48/EC of 23 July 1996 on the interoperability of the Trans-European high-speed rail system have not been applied yet.
Annex 6

Needs Assessment

The Railway Administration Executive Agency (RAEA) lacks the necessary administrative capacity to promote and facilitate the compliance with the EU norms and implementation of the European legislation related to railway safety and interoperability. Further to the above, support for strengthening RAEA’s administrative capacity (including training of the staff) is needed and it will help in the future efforts concerning the integration to the European railway network.

Annex 7

Reference list of relevant strategic plans and studies.

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

- The Master plan Study for Long Term Management of the Bulgarian Railways – JICA Study, financed by the Japanese Government;
- Business Planning of the railway sector 2002-2012 – Railplan, Holland;
- Padeco Co. Ltd. – Rationalization of the railway network and railway transportation, identification of PSO contracts and improvement in the field of marketing;
- Railway Organisational Restructuring – Management; Development of the Railway Infrastructure Company – Systra, Railplan, Deloitt Touch, CE Consult;
- Strategy for Development of the Transport Infrastructure of the Republic of Bulgaria for the years 2000-2006;