

The European Union's Tacis TRACECA programme
for Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova,
Romania, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan

Analysis of Traffic Flows for TRACECA Countries and Interregional Transport Dialogue between EU and NIS

Inception Report

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Project Title: Analysis of Traffic Flows in TRACECA countries and
Interregional Transport Dialogue between the EU and NIS

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Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey,
Turkmenistan Ukraine and Uzbekistan

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ABBREVIATIONS

ADB	Asian Development Bank
BSEC	Black Sea Economic Cooperation
CAREC	Central Asian Republic Economic Cooperation
CEEC	Central and East European Countries
CIS	Commonwealth of Independent States
DG TREN	EC Directorate General Transport and Energy
EAEC	Euro Asian Economic Community
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ECE	UN Economic Commission for Europe
ECO	Economic Cooperation Organisation
ECMT	European Council of Ministers of Transport
ENP	European Neighbourhood Policy
EU	European Union
FSU	Former Soviet Union
GDP	Gross Domestic Product
GIS	Geographic Information System
GISCO	Geographic Information System of the European Commission
IFI	International Financing Institution
IGC	Intergovernmental Commission (TRACECA)
IMF	International Monetary Fund
IRU	International Road Transport Union
IsDB	Islamic Development Bank
IT	Information Technology
JBIC	Japanese Bank for International Cooperation
KAZ	Kazakhstan
KGZ	Kyrgyz Republic
LB & WSP	Louis Berger and WSP (The Consultant)
MLA	Multi Lateral Agreement
MM	Person-Month
NIS	Newly Independent States
NS	National Secretariat(s) of TRACECA
PC	Personal Computer
PPP	Public Private Partnership
PRC	People's Republic of China
PS	Permanent Secretariat of TRACECA
SEETO	South East Europe Transport Observatory
SPECA	Special Programme for the Economies in Central Asia
TACIS	Technical Assistance for the Commonwealth of Independent States
TAJ	Tajikistan
TEN-T	Trans European Network-Transport
TEU	Twenty-Foot Equivalent Unit
TINA	Transport Infrastructure Needs Assessment
TIR	Transport International Routier
TOR	Terms of Reference
TRACECA	Transport Corridor Europe Caucasus Asia
UN	United Nations
UNDP	United Nations Development Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
USAID	United States Agency for International Development
UZB	Uzbekistan
WB	World Bank
WG	Working Group under the Framework of the Baku Initiative
WTO	World Trade Organisation

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- Work Programme

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1. PROJECT SYNOPSIS

Project Title:	Analysis of traffic flows for TRACECA countries and Interregional transport dialogue between EU and NIS
Project Number:	121627 EuropeAid / 122883/C/SER/Multi
Country:	Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Turkmenistan Ukraine and Uzbekistan

Project objectives:

The overall objective of the project is to facilitate regional cooperation in the field of transport, by capacity building and training measures, development of transport forecasts and investment appraisals in the TRACECA region and through effective regional transport dialogue with the Black Sea/Caspian Sea countries and their neighbours, in the framework of TRACECA and the 'Baku initiative'.

Project purpose:

The two main purposes of the project are namely:

- I. Provide and develop planning and performance measurement tools for effective trade and transport forecast in the TRACECA countries;
- II. Promote regional transport dialogue between the EU and the Black Sea/Caspian Sea basin littoral states and their neighbours, and promote coordination of regional transport initiatives and links with International Financial Institutions.

Those two purposes are covered by two project components called Lot 1 and Lot 2.

Planned outputs:

Lot 1

- Data collection and analysis centres set up
- Trade and traffic forecasting model developed
- GIS database set up
- Performance measurement capability developed
- Traffic forecast
- Training on traffic forecasting and database provided
- Specifications of required IT established

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Lot 2

- Working Groups within the 'Baku Initiative' supported
- Ministerial Conference organised
- Sustainable Projects identified
- Coordination and Support to TRACECA /EC provided
- Support to Action Plan provided
- PPP initiatives developed
- Coordination ensured with IFIs

Project activities:

Lot 1

- 1.1 Establish data collection & analysis centres
- 1.2 Support collection of updated data
- 1.3 Establish trade & forecasting model incl. GIS database
- 1.4 Develop performance measurement capability
- 1.5 Develop traffic forecasts
- 1.6 Hold training sessions
- 1.7 Disseminate results
- 1.8 Elaborate IT requirements

Lot 2

- 2.1 Organisation of experts' working groups meetings
- 2.2 Organisation of Ministerial Conference on Transport Cooperation between EU-Black Sea-Caspian littoral States and neighbours
- 2.3 Identification and promotion of sustainable transport projects and initiatives
- 2.4 Support to the coordination with TRACECA National Secretaries, EC managers
- 2.5 Support to TRACECA coordination activities
- 2.6 Promotion of Private-Public Partnerships and organisation of 2 coordination meetings with IFIs
- 2.7 Preparation of Annual progress reports on both TRACECA programme
- 2.8 Support to the EC programming process

Project starting date: Contract signed on 7 June 2007. Work started on 9 July 2007

Project duration: 24 months

Note: The present Inception Report is not required by the Terms of Reference and was prepared at the initiative of the Consultant

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2. ANALYSIS OF THE PROJECT

2.1 Project Context

2.1.1 Background

The TRACECA Programme was launched in 1993 under a programme of European Union (EU) funded technical assistance to develop a transport corridor on the West - East axis from Europe to Central Asia through Caucasus that would complement other existing routes and could be used in case of difficulties with others.

In 1998, a "Basic Multilateral Agreement (MLA) on International Transport for the Development of the Transport Corridor Europe-Caucasus-Asia", including four supplementary technical annexes on rail and road transport, commercial maritime navigation, customs procedures and documentation was signed by 12 countries: Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Uzbekistan and the Ukraine.

In March 2000 the first TRACECA Intergovernmental Commission meeting took place in Tbilisi. Two supporting structures were set up in order to facilitate implementation of the MLA:

- an Intergovernmental Commission, a ministerial committee to decide by consensus on new actions and discuss the possibilities of TRACECA-funding by the EC;
- the Permanent Secretariat, established in Baku, to prepare the yearly meetings of the IGC and coordinate the activities with designated officials in the signatory states

The countries have acknowledged the achievements reached by TRACECA and intend to fully take advantage of the programme. Also the number of countries expressing strong interest in TRACECA is increasing. Iran, Afghanistan and Pakistan have officially applied to become TRACECA members. The Russian Federation and the Republic of Egypt have officially applied to become Observers of TRACECA.

Furthermore in the context to the EU enlargement, the Ministerial Conference on Transport Cooperation between EU Black Sea-Caspian Littoral States and their Neighbours held in November 2004 in Baku, the so called the "Baku Initiative on Transport" was launched, a process for enhanced relations through the greater integration of transport markets.

The representatives of Azerbaijan, Armenia, Belarus, Bulgaria, Georgia, Kyrgyzstan, Kazakhstan, Moldova, Romania, Tajikistan, Turkey, Ukraine and Uzbekistan, agreed on the progressive integration of their respective transport networks and markets in accordance with EU and international legal and regulatory frameworks.

For this purpose, it was agreed to further develop co-operation in the domain of transport and, consequently, four Expert Working Groups met in 2005, identifying priority orientations for transport cooperation, gradual integration of markets and sector reforms.

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In May 2006, the 5th Annual meeting of the IGC TRACECA and the 2nd 'Baku Initiative' Ministerial Conference on Transport Co-operation between EU Black Sea-Caspian Littoral States and their Neighbours were organised back-to-back in Sofia, Bulgaria. During IGC TRACECA meeting, member states officially approved a long-term strategy for the TRACECA corridor up to 2015.

They confirmed their previous commitment to finance the operational cost of the TRACECA secretariat. During the Second 'Baku Initiative' Ministerial Conference, the participants endorsed the Conclusions of the four expert Working Groups and agreed upon the creation of a fifth working group on maritime safety.

2.1.2 Summary of Inception Period and Outcome

The project is implemented by Louis Berger SAS in association with WSP. The main project office is located in Baku.

The Team Leader arrived in Baku on July 7, 2007. The Transport Planner / Modeller in charge of Lot 1 arrived on August 13 and the Transport Policy and Project Development Specialist in charge of Lot 2 on September 19.

A kick-off meeting was held in Brussels on June 5th. Field work started on July 9 with the visit made by the Team Leader to the Permanent Secretariat of the TRACECA Intergovernmental Commission where he was helpfully welcome by the Secretary General. Since then assistance has been provided by the PS staff.

At the beginning the project was accommodated in the premises of the PS. However when it became obvious that the available space was not sufficient to satisfy project needs additional office space was rented at a short distance of the PS building.

Several countries were visited at the start of the project to ascertain which should be project organisation at the country level. The situation is different from one country to the other. For instance in Kazakhstan the National Secretary accompanied by the Team Leader visited the Deputy Minister of Transport in charge of TRACECA to discuss organisational issues. In Ukraine the contact with the Ministry of Transport was at the level of the National Secretary.

The Team Leader was invited to make a presentation of the project at the meeting of the Permanent Secretariat in Antalya, Turkey on September 20th. This was an excellent opportunity to meet with the National Secretaries present at the meeting and with the delegations of all represented countries. The project financed the expert that assisted in refining the Action Plan 2007-2009 that was presented at the meeting.

Under Lot 2 the project is providing organisational support to the meeting of the Working Group on Aviation to be held in Chisinau on October 22nd.

Contacts have been established with a number of projects in the TRACECA region. In particular the Team Leader attended the kick-off meeting of two projects with which a close coordination is needed: the Aktau port development, master plan and feasibility study project and the development of coordinated transport policies in Central Asia project.

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2.1.3 Expectations of the Beneficiaries

In general the project seems welcome by TRACECA countries. There is particular interest for Lot 1. National officials understand that sound decision should be based on realistic forecasts. Moreover they feel the need for having a database providing the regularly updated information they require. The PS also appears to value the benefit they could get from outside expertise.

The Consultant certainly welcomes those expectations. Countries such as Georgia expressed particular interest in actively participating in the work but the right formula to implement such participation has yet to be found.

The European Commission appears to expect active assistance from the project's Lot 2 in the development of the Baku Initiative.

2.2 Main Problems / Deficiencies

The importance of enhanced regional cooperation in the transport sector has been recognised for achieving sustainable economic and social development as well as contributing to stability and prosperity in the CIS and Black Sea regions. The TRACECA Member States as well as the Black Sea / Caspian littoral states and their neighbours have witnessed an increased demand in transport and increased cross-border traffic for goods and passengers. Inter-regional and regional transport integration is a key for successfully meeting the new challenges faced by the transport sector stakeholders in the region and to facilitate long-term trade and transport between the EU and partner countries.

Problem areas vary from country to country in the transport sector of the region. However, some common obstacles and problem areas for intra-regional and inter-regional transport and transit can be highlighted.

1. International traffic is still hampered by several transport bottlenecks in important parts of the TRACECA / NIS international corridor infrastructure. From previous projects and investigations, major traffic flows, commodities and transportation bottlenecks have been identified. However, a regional modern planning and performance measurement tool for trade and transport forecast does presently not exist. Furthermore, existing traffic forecasts need to be up-dated in order to reflect realistic trends and needs.
2. Another main common obstacle throughout the TRACECA / NIS regions is the low level of knowledge and experience concerning best practices for safe, secure and efficient transport and transit operations and communications for all modes compliant with latest EU-standards. In addition, there is still a know-how gap in modern tools of transport and project planning and monitoring. Knowledge of PPP and private sector financing of infrastructure is also low in most countries.

Former TRACECA programmes and projects have addressed those know-how gaps by institutional strengthening and capacity building in various fields of international transport such as multi-modal transport, legislation, harmonization of tariffs, and simplification of transit. However, the existing structures and initiatives need to be strengthened and capacities need to be built up.

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In this context, the TRACECA Intergovernmental Commission (IGC) and its Permanent Secretariat support regional dialogue and cooperation, as well as coordination of cooperation projects along the TRACECA corridor.

3. The TRACECA Long- Term Strategy adopted by the Parties to the TRACECA Multi-Lateral Agreement in May 2006 noted that the planning of regional transport networks would clearly have to follow a structured and scientific approach that can guarantee an optimum, well connected and interoperable multimodal regional transport network. To this end, a planning methodology is to be developed in order to allow efficient forecasts of the traffic characteristics that are likely to prevail in the region in the future.
4. No reliable traffic forecasts are available for the TRACECA corridor. Two projects were carried out in 1996 and 2000-2001 but the developed models were never used because they were too complicated and not well adapted to the case. Several countries insisted that they need reliable forecasts not only to plan transport investment but also for giving a good base to their road carrier to build up their fleet.
5. The need is also felt for an updated database. The 1996 project developed a data base in MS Access format. Most of the data left by the 2001 project are in Excel format. None of those databases was updated so that there are of little use. To remedy this deficiency a traffic and transport database was developed by the Permanent Secretariat within the framework of the Trade Facilitation and Institutional Support project. It is in MS Access visualised and geographically located by ArcView. But it is not fully operational. And the systematic data collection process designed to update it was unevenly followed by the countries.

Therefore data collection process has to be improved and structured. Consequently, this project will build upon previous studies and projects that support the development of physical and non-physical links between TRACECA countries and the EU

2.3 Situation of Local Operator

In most countries the main responsibility for TRACECA matters at government level is with Ministries of Transport. However some countries have not such ministries. In Georgia there is a Department of Transport within the Ministry of Economy. Uzbekistan has an Uzbek Association of Transport and Communications.

The project has to work in close coordination with the Permanent Secretariat of the TRACECA Intergovernmental Commission that is based in Baku.

It is also in close contact with the representations of the European Union in each country.

2.4 Target Groups

The direct target groups are defined by the Terms of Reference as all countries of the TRACECA programme and of the "Baku initiative":

- TRACECA countries means Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Turkmenistan, Ukraine and Uzbekistan

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- The “Baku Initiative” covers all the above countries minus Bulgaria and Romania plus Belarus, Russian Federation and Iran.

2.5 Commitments

The project partners in the beneficiary countries are expected to assist and facilitate the implementation of the project, by providing required counterpart staff, necessary contacts and liaison with local authorities, free access to all information and documentation required, and timely decision-making procedures as required during contract Implementation.

Furthermore, the project partners in the respective countries will provide:

- basic office facilities for the establishment of the data collection and analysis centres;
- assistance in obtaining required visas and customs clearance for the eventual contractor's imported equipment.

The project partners in each country shall appoint a senior member of its staff to liaise with the Contractor and ensure that appropriate local staff is available to work alongside the Contractor. They will also ensure that multipliers/trainers can participate in training measures during the contract execution.

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3. PROJECT PLANNING

3.1 Related projects and other donors activities

Many previous transport projects and studies are relevant to this assignment including those funded by TACIS, UN programmes, ADB, USAID, the Black Sea Economic Cooperation (BSEC), EBRD or World Bank and other EU initiatives or other relevant multilateral and bilateral programmes

As one of the major objectives of the TRACECA Programme is to facilitate investment in the beneficiary states through technical assistance projects, it is of paramount importance to establish and maintain excellent contacts with the International Financing Institutions

In particular, this project will support and develop potential synergies with activities developed by other donors. Strong coordination between EU projects and lending strategies of IFIs as well as investments appraisal will be essential parts of the proposed activities.

The findings and outputs of a number of past projects have been thoroughly reviewed by the Consultant particularly:

- Regional traffic forecasting model (carried out in 1996);
- Traffic Forecasting and Feasibility Studies (completed in 2001) and;
- Trade Facilitation and Institutional Support (completed in 2006).

Contact has been established with the following on-going TRACECA transport projects:

- Aktau port development, master plan and feasibility study;
- Development of coordinated transport policies in Central Asia;
- Feasibility study for the Sari-Tash – Karamik road in Kyrgyzstan;
- Improvement of maritime links between TRACECA corridors and TEN corridors.

The CAREC programme initiated by ADB to a large extent overlaps with project activities in Central Asia and Azerbaijan. It is planned that a member of the project team will attend as an observer the 6th Ministerial Meeting to be held in Dushanbe in November.

There are also transport projects carried out at the national level, particularly in Azerbaijan and Uzbekistan.

The project has to take into consideration activities carried out and concepts developed: within the frame of EU, especially the following

- European Neighbourhood Policy (ENP) which is a framework for relations with EU's neighbour countries for promoting regional and intra-regional cooperation
- High Level Group on the Extension of Major Tran-European Transport Axes to the Neighbouring Countries.

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- Activities of the Vienna based TINA Secretariat which is responsible for the development and implementation of a common approach in the identification and preparation of transport infrastructure projects in an enlarged European Union (TEN-T/TINA transport network)
- South Eastern Europe Transport Observatory (SEETO)

3.2 Project Purpose and Objectives

3.2.1 Overall objective as defined in the Terms of Reference

The overall objective of the project is to facilitate regional cooperation in the field of transport, by capacity building and training measures, development of transport forecasts and investment appraisals in the TRACECA region and through effective regional transport dialogue with the Black Sea/Caspian Sea countries and their neighbours, in the framework of TRACECA and the 'Baku initiative'.

This project will facilitate the co-ordination among EC transport projects and their cohesion with EC transport policy instruments, including the European Neighbourhood Policy (ENP) and the conclusions of the High-Level Group for the extension of the Trans-European Networks.

3.2.2 Purpose as defined in the Terms of Reference

The two main purposes of the project are namely:

- I. Provide and develop planning and performance measurement tools for effective trade and transport forecast in the TRACECA countries;
- II. Promote regional transport dialogue between the EU and the Black Sea/Caspian Sea basin littoral states and their neighbours, and promote coordination of regional transport initiatives and links with International Financial Institutions.

3.2.3 Objectives specific to Lot 1

Two planning tools, a transport planning model and a transport database including on-line access are to be developed. The overall objective of these tools is to lead to project preparation by identifying priority investments and technical assistance to improve the level of service that the TRACECA transport corridor provides.

The design and sustainability of these tools are keys. Establishment of data collection and analysis centres in each country will play an important role in achieving ownership, and hence sustainability, of the whole process leading from data collection to traffic forecasting and analysis. TA and training will enable counterpart staff to carry out the tasks included in this project with EU experts and subsequently to continue applying the know-how acquired after project finalisation. Thereby the planning process will be further institutionalised in the region.

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3.2.4 Objectives specific to Lot 2

Lot 2 is intended to contribute to overcoming some of the constraints to the development of East West Corridor trade through the provision of substantial technical cooperation between the EU and member countries leading to the expanded development of projects that support such trade and regional cooperation. It also aims to facilitate, through improved coordination, other sources of international funding with the same objectives. Such proposed projects under TRACECA / the Baku Initiative would include physical infrastructure, operational improvements as well as further technical assistance including feasibility studies and capacity building.

3.3 Project Approach

The approach proposed by the Consultant has been described in the Technical Proposal. However after review of the present situation and discussions with project beneficiaries the need appeared of proposing some adaptations. The revised approach is described below.

3.3.1 Lot 1

Activity 1.1 - *Establish data collection and analysis centres together with a harmonised data collection and analysis strategy*

Means and methods to collect, process and disseminate information have been examined, and the details and procedures are being worked out.

1.1.1 Set up data collection and analysis centres

The data collection and analysis centres are being set up in each country with the assistance of the National Secretaries. Arrangements are already well underway in several countries. They are being established in ministries or other institutions. All of the data collection offices are to be manned and running by the end of November prior to the first round of training scheduled for December 2007.

1.1.2 Determine specifications for database

The scope of information and level of detail to include in the databank is being elaborated as a matter of priority. The intent is to structure the information contained in the database (traffic, infrastructure condition and operating data) into two layers:

- A mandatory data set of easily obtained information that can be updated on a regular basis. This data is available, can be readily collected by the data collection centres and is free of charge to TRACECA
- A secondary data set that will be updated periodically or occasionally such as for 5-year planning cycles.

1.1.3 Design analysis procedures

This task will commence in the next reporting period. It involves determining the type of outputs required and then defining the analysis procedures to achieve them.

Activity 1.2 - Support the collection of updated data

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1.2.1 Define data collection responsibilities

Responsibilities for data collection and management are defined. The data collection and analysis centres will collect the data. Regional offices in Baku and Almaty give support ensure adherence to time schedules and provide quality control to the centres. The main office receives the data, checks the quality once again and enters the data into the database.

As part of this effort, it is planned to carry out surveys to fill data gaps.

1.2.2 Design data collection forms

Common data collection forms are designed.

1.2.3 Develop procedures, supervise and ensure quality control of data collection, submission, and entry to database

Procedure manuals will be prepared and training courses carried out. Expert visits to the data collection and analysis centres for further support will be made as necessary. Possibilities for further automation of the entire data management process (e.g. through on-line access) will be taken up during the course of the study.

Activity 1.3 - Establish a trade and traffic forecasting model including an updated GIS database system compatible with EU systems

Having reviewed the existing GIS database concept, the Consultant is thereby familiar with the conditions at the start of the project. Based on the review as well as on a data questionnaire currently underway (see 1.1.2), the Consultant will propose any needed changes to the data range to be collected or the database structure. Furthermore, a new state-of-the-art transport model will be developed

1.3.1 Trade and Traffic Forecasting Model

a. Select model platform

The transport model needs to be

- Practical emphasising application and simplicity rather than being overly scientific or research oriented. The model should not govern how the analysis is carried out and local conditions are taken into account. Rather, it should be the other way around.
- Robust in that the level of accuracy, taking into account data availability and uncertain future economic conditions, should not be compromised. The model therefore will be built on sound modelling principles.
- User friendly in that the model inputs and outputs are clear and straight-forward. Interpretation of the results should be clearly understood
- Capable of future periodical use by recipients. This means that a "spreadsheet based" model will be used rather than a commercial transport planning system such as EMME/2 or TransCAD. These state-of-the-art planning systems are commonly used in project analysis but they are not recommended in this case because they are complex, use expensive specialised software (e.g. the EMME/2 transport planning package costs in the order of €30,000 excluding hardware and an annual support fee) and require considerable resources (manpower and financial) to apply it and keep it updated. Such a model would not be sustainable in TRACECA unless completely funded by the EC or other IFIs.

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Accordingly, on the basis of all the above criteria and particularly from the sustainability point of view, it is proposed to develop the forecasting model for the proposed project using as a base the "SEPTRAN" model that has been developed by the Project Team Leader, is well tested and has been successfully used in several parts of the world including the TRACECA region.

Its main characteristics are that it:

- Has an open structure easily understandable by the user. It does not appear as a black-box
- Is a truly multimodal model
- Distinguishes various homogeneous groups of commodities having similar transport patterns
- Easily handles all inputs and outputs to the model because they are in Excel format which is very familiar to planners
- Is written in Visual Basic and has a modular structure that makes it easy to adapt and expand

b. Identify TRACECA core transport network

When building the transport planning tools, it will be necessary to specify which links should actually be considered for the preparation of traffic forecasts and analysis of the regional network. Since the TRACECA network is by definition multi-country in scope, the focus of the planning effort will be on the corridor itself, i.e. the roads, rail, sea and air links forming the "core transport network" in the region. The core network comprises an integrated set of major links in the region, typically those carrying international traffic. Development, integration and coordination within the wider, neighbouring transport networks e.g. Pan-European corridors is also a priority to further integration and cohesion.

c. Develop transport planning model

Developing the model involves the following main steps:

- Data collection (interface with the GIS transport database)
- Development of scenarios
- The modelling work itself

The modelling effort will follow the classical four-stage transport forecasting procedure (trip generation, trip distribution, modal split, and trip assignment). The key difference that it will emphasize the behavioural and policy aspects based on an extensive development of base conditions as derived from existing flow patterns, new surveys and trends. Training and manuals will be provided.

1.3.2 GIS Transport Database

The basic goal is to have an effective database that is regularly updated. It would serve as a tool to monitor the performance of the corridor and provide data for transport planning purposes such as feasibility studies.

a. Develop database structure

The main components of the GIS transport database include:

- Transport modelling
- GIS information and analysis
- Reports, mapping and publishing

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The existing database will be used as the starting point and will be updated and improved.

The ESRI ArcGIS software will be used. This ensures compatibility of the data with EU GISCO, particularly the architecture and naming conventions, as much as possible. There will also be compatibility with another other EU financed database system in the Balkans such as the South Eastern Europe Transport Observatory (SEETO), which collects information about infrastructure and traffic in the area.

It should be stressed that project related information such progress and performance included in the trans-European data collection programme as exemplified by the Pan-European Transport Corridors and Areas Status Report (i.e. the Pan-Eurostar project) will not be included to the same extent in the database per se. All transport projects, in the TRACECA region clearly though will be spatially represented as features relevant to transport planning and critically reviewed within the transport modelling scenarios development and analysis.

b. Determine analysis and reporting capability including spatial representation

The means of access to the data will be via the TRACECA web-page that has a home page open to the general public and another page restricted to users from partner countries. Ideally, the GIS aspects will be available by Internet as well.

Activity 1.4 - Develop performance measurement capability for trade and transport

The planning tools have been defined in Activity 1.3: the GIS transport database and the transport planning model. These are the main tools used to assist in selecting improvement projects.

1.4.1 Define transport performance indicators

Performance measurement will be carried out through key indicators based on the transport modelling outputs e.g. level of service such as journey time and other considerations such as economic impacts and opportunities for private sector participation. Important criteria for facilitating international trade along the corridor include travel speed, delays especially at borders, tariff structure, damage and theft, frequency of transport, travel information and access links to the corridor.

Activity 1.5 - Develop at least three traffic forecasts for the TRACECA corridor identifying problems and opportunities in order to improve the corridor's level of service in context of the wider transport axes, traffic flows and neighbouring countries.

1.5.1 Develop transport scenarios

A set of three scenarios will be used to provide a frame for the traffic forecasts. It is proposed that scenario data would be based on a combination of the structural change of the transport sector (e.g. compliance with Western European norms) and changes in transport network parameters (e.g. infrastructure investments). For instance, one scenario could be the concentration of resources along a corridor that offers the strongest potential.

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1.5.2 Carry out transport analysis

The transport analysis will be carried out with a view to identifying transport network problems (bottlenecks) and to defining opportunities (means to increase attractiveness of the TRACECA corridor).

Work will be within the context of the Pan European transport framework and strategic connections to CAR, Black Sea/Caspian Littoral States and neighbouring countries. Interconnection of these major transport axes – economically, environmentally and socially – is of strategic importance.

1.5.3 Identify potential improvement projects

Criteria for identifying improvement projects may include:

- Multi-country impact
- Efficiency criteria such as time savings, demand volumes
- Implementation criteria such as project lead time and suitability for PPP
- Environmental impacts
- Other impacts such as safety

It should be stressed that this would be only the first screening level so that a specific investment proposal can be identified which will then be subject to further scrutiny and specific project analysis. In such a manner the projects basic suitability, subject to further pre-feasibility and feasibility studies, for potential funding by International Financial Institutions (IFIs) will be established.

Activity 1.6 - *Hold at least two training sessions to ensure sustainable functioning of the data collection centres, related databases and traffic forecasts.*

To ensure sustainability, some items will require TA and training such as application of the transport model, data collection procedures and database usage. In addition to the training sessions themselves, much care will be taken to leave the planning tools in such a form that they can be used even by experts who have not attended the training themselves. This means that the tools will be well adapted, well presented and well documented. This is an important lesson learnt from the two previous projects and a major objective of this one.

1.6.1 Select training objectives

The training programme will be set up with a view to ensure sustainability. In general, each session will be held in two locations: (1) in Almaty for Central Asia countries and (2) in Baku for the Caucasus and the Black Sea countries.

1.6.2 Select participants

The participants would be staff of ministries of transport or other transport organisations, experts of the data collection and analysis centers, TRACECA-related persons and possibly other specialists from the beneficiary countries who could make best use of the TRACECA services offered.

1.6.3 Carry out the training sessions

The first training session on data collection procedures is scheduled for December 2007. This will be held immediately after all the data collection centres are established and before submission of the First Progress Report.

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The second on traffic forecasting will be held after the Ministerial Conference in July 2008. By that time the preliminary runs of the transport model will have been completed.

A session on the GIS transport database will be held in early 2009.

Activity 1.7 - Disseminate results of the transport forecasting for successful regional transport dialogue and project planning, in particular for the development of the TRACECA strategy action plan.

There are two main conduits for dissemination of trade and transport forecasts derived in accordance with Objective 1.5:

- Continuous interaction with Lot II;
- Online access.

1.7.1 Ensure close integration with Lot 2

There is continuous interaction with Lot 2 particularly regarding policy implications and project planning.

1.7.2 Place all project reports on the Internet and make data sets available on-line

The TRACECA web-site offers downloading of project reports and data including inputs into other planning purposes such as feasibility studies.

Activity 1.8 - Elaborate IT requirements for the PS and the NSs

1.8.1 IT needs are established by the PS and NSs

The needs are established in close cooperation with the Consultant.

1.8.2 IT needs are collated, reviewed and approved by the Project Manager

The list of equipment (hardware and software) to be procured for the PS IGC TRACECA and each country data collection and analysis centre has been prepared.

1.8.3 Supply contract is launched

The final supply contract will be formulated by the Project Manager after further collaboration with the PS and NSs. The supply contract is scheduled for launch as early as possible in November after approval by the EC Project Manager.

3.3.2 Lot 2

Activity 2.1 - Eight experts' working groups meetings are organised and animated in the framework of the 'Baku process' aiming at improving regional transport dialogue in the respective fields of civil aviation, transport infrastructure, security in all modes of transport, road and rail transport and dangerous goods, maritime transport;

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2.1.1. Consult, plan, organise and implement 8 working group meetings

The objective of the Working Groups (WG), originally established in the framework of the “Baku Process”, is to enhance the dialogue and cooperation between the EU and TRACECA countries as well as with other neighbours of the Black and the Caspian seas, including Russia and Belarus. They will aim to identify actions and projects which could facilitate trade and transport between them. They will also discuss and comment on the conclusions and recommendations developed under Lot 1 to improve the TRACECA Corridor capacity and competitiveness.

It should be noted that during this Inception period, the first WG, on Civil Aviation is currently being planned and is scheduled for the 22nd October in Moldova. The Consultants are fully engaged with the EU project manager and the CAA in Moldova and planning is proceeding satisfactorily. Contact has also been made with the EU Moldova.

2-1-2 Discuss and agree schedule and topics

Action under this objective is planned to concern all transport modes as well as cross cutting issues such as interoperability, security, inter-modal coordination, logistics and sustainability. The projects will mainly concern the extension of the trans-European networks to the TRACECA region as considered by the traffic forecasting work done under Lot 1.

Topics already identified include (i) civil aviation, (ii) transport infrastructure, (iii) security in all modes of transport, (iv) road and (v) rail transport and (vi) maritime transport. Carriage of dangerous goods is cross sectoral but may be the subject of a separate topic.

In collaboration with the Permanent Secretariat of ICG TRACECA, the DG TREN and DG RELEX, the Consultant will define the topics which could be the subject of discussions in such Working Groups and identify the experts in each concerned country who could participate in the groups and best contribute to development of the actions and projects referred to above.

The Consultant Key Expert N°2 will be as required the facilitator for each of the Working Meetings. After each meeting he will report to the EU and the Permanent Secretary and make recommendations on subsequent actions.

When the series of eight meetings are completed, the Consultant will prepare an overall synthesis of their outcome with:

- Clear indication of matters on which an agreement was reached and of those on which it was not possible;
- The list of points to be referred to the Ministerial Conference for decision, or for approval of recommendations unanimously reached;
- A list of issues which should be the subject of further studies prior to being agreed as the subject of other future Working Group Meetings. For these new proposals, outline agendas, possible projects, schedules and budget will be prepared to the maximum level of detail possible.

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2.1.3 - Dissemination, presentation and promotion of the results of the working group meetings via suitable means of communication.

The Consultants will draft dissemination material, including relevant policies, initiatives and projects emanating from the Working Groups for the review, agreement and approval by the EC Project Manager and TRACECA. These will be disseminated more widely when approved, mainly by web site postings and/or other means as appropriate. It is likely that only major WG results will be presented but will depend on requests by EC and TRACECA

Activity 2.2 - One Ministerial Conference on Transport Cooperation between EU-Black Sea-Caspian littoral States and their Neighbours is organised.

2.2.1 Establish communications channels and procedures with EC and PS/NS. Undertake related activities to organize conference.

In order to endorse the conclusions and recommendations of the above Working Group Meetings, it is necessary to organise a Ministerial Conference to review them, to prioritise them and to outline an action programme to secure their financing and implement them.

The Consultant will work with the TRACECA Permanent Secretariat, the EU DG TREN and DG RELEX to organise this meeting. Contacts with the EU, Black and Caspian seas littoral country governments will be made through the EC to outline the agenda and schedule of this conference.

Similar to the Working Groups Meetings, the Consultant will advise on the draft conference agenda and will work on the detailed organisation of the conference (schedule, venue, logistics, etc.). He will be an observer during the conference and will record and distribute the minutes to the participants and all other parties as selected by them.

Activity 2.3 - Sustainable transport projects and initiatives for enhanced regional co-operation are identified and promoted in thematic areas defined by the 'Baku initiative' working groups;

2.3.1 Plan and prepare procedures to identify and prioritize regional initiatives and projects.

The Consultants under Lot 1 and 2 will during the course of their work identify transport projects based on proposals based largely on national and TRACECA transport plans. This will be based on discussions, consultations and fact finding with stakeholders and partly on the analysis under Lot 1 of "identifying bottlenecks and priority investment or technical assistance measures to be undertaken in order to improve the corridor's capacity, and with specific attention to links with key Pan European transport axis and to selected Central Asian countries, and to traffic flows between the Black Sea/Caspian Littoral States and neighbouring countries". Other projects as proposed or suggested by the IFIs, bilateral institutions, the UN or other relevant agencies and possibly the private sector would also be considered.

Given that there could be quite a number of potential projects which will be identified, the Consultants plan to prioritise projects through a screening process using criteria relevant to the objectives of TRACECA. Such criteria would be largely qualitative and will include

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regional/corridor impact, TRACECA/national support, traffic, socio economic impact, risk, likely viability/fundability etc.

Based on the broad based screening process, the Consultants would then be able to prepare a draft priority project list categorised into say three main groups such as projects with good, possible and doubtful potential. This prioritisation could be discussed with stakeholders and refined and promoted by inclusion firstly into a project action plan and disseminated through a brochure and map. Projects could then be further processed for more detailed project preparation and subsequent implementation.

Activity 2.4 - *Support to the coordination with TRACECA National Secretaries, EC managers, including EC delegations, National Coordination Units, projects' stakeholders and IFIs is ensured, while Information on TRACECA and other EC-funded transport projects is disseminated and updated brochure and map are produced;*

2.4.1 Support the coordination with TRACECA National Secretaries, EC managers, including EC delegations, National Coordination Units, projects' stakeholders, IFIs;

The Consultants would propose to support coordination by holding regular, say 3 monthly, meetings.

2.4.2 Dissemination

Coordination is planned through regular meetings, dissemination through informal information sharing and by posting on the TRACECA web site. Feedback would be through regular progress and ad hoc reports as necessary.

An update brochure and map will be produced.

Activity 2.5 - *Upon agreement with the EC Project Manager and TRACECA beneficiary countries, support to TRACECA coordination activities, TRACECA strategy action plan and its implementation is provided;*

2.5.1 Support to TRACECA Coordination Activities

The Consultants will discuss and agree support activities, including to assistance to strengthen the Action Plan, by developing and improving current decision making and implementation processes.

Following discussions with the PS, a review of institutional procedures could be made in light of current activities and the obligations of TRACECA beneficiary countries, and the institutional constraints experienced.

Activity 2.6 - *Possible Private-Public Partnerships are promoted for the identification and implementation of defined future transport projects and 2 coordination meetings with IFIs and project beneficiaries are organised in order to upraise related infrastructure investments;*

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2.6.1 Promote Public Private Partnerships

A. The PPP Process and current procedures and status

In the TRACECA countries, as in Europe and Asia generally, the role of the private sector is already important for many types of transport services such as airlines and shipping lines, and these exist, in varying degrees, alongside services operated by the public sector. The continued development of the private sector in service provision will therefore be important. The Consultants will establish contact with private sector operators as a basis for consultation and market sounding to discuss how they could be involved in implementation of identified or potential future projects and constraints to such potential. More operational type projects could include the improvement of existing, and the creation of new transport services (e.g. container ship services across the Caspian Sea).

In case of infrastructure projects, the experience is much less advanced with PPP in the TRACECA member countries but is potentially of great importance to both national economic development and more specifically the transport sector, and this potential is explicitly recognised by the TOR.

The approach to PPP in infrastructure therefore is planned as follows in two parts as recognised in the TOR, but will need additionally to cover a number of more preliminary activities including an initial phase covering;

- Describing the Current framework for PPP in TRACECA;
- Considering Recent Experience with PPP in the TRACECA region with observations on its progress in the EU/other Asia,
- Analysing the Prospects and Issues for the expansion for PPP
- Describing and presenting the PPP process to TRACECA PS/NS as appropriate. (It was suggested above under objective 1. that one of the topics of the as yet undesignated Working Groups could be funding and/or the PPP process).

B. Develop and assist implementation through project planning, screening of possible projects from Lot 1 with/for PPP potential and preliminary evaluation.

This part of the PPP activity relates to the identification, screening and development of possible projects with PPP potential, including from the related activities under Lot 1.

Activities are similar to those under 2.8. below and include;

- a. Assistance for the selection of PPP projects to be considered for financing under EU and other IFIs and would include the preparation and application of a simple screening process that could include criteria such as likely regional (TRACECA) impact, traffic, risk, likely economic (and financial viability if appropriate), support by 2 or more governments, likely funding, other socio economic objectives etc.
- b. Preparation of terms of reference for the pre-feasibility/full feasibility studies;
- c. Very preliminary project evaluations, and especially financial and risk analyses, including 'what if' type project scenarios where only partial project information is available at this stage. For example, there may be a preliminary project cost estimate but revenue and funding scenarios could be projected to see if there was any potential and if so, under what assumptions.

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- d. Assistance with the recruitment of local or European consultants to carry out a feasibility study and subsequently assistance with the study, e.g. technical monitoring of the study and review of all reports;
- e. Participation in, or support to, any mission, or during any meeting organised by the EC Task Manager or a Delegation about these projects;
- f. Assistance for the preparation of the Financing Proposals.

2.6.2 Organisation of two Coordination Meetings

Two broad coordination meetings with IFIs and the beneficiary countries will be organised by the Consultant to present the preliminary information prepared by the Consultant, as noted above, and to generate discussion and elicit views from the stakeholders. Subsequently a second coordination meeting will be planned to define progress and identify joint priority investments and assistance areas. Additionally, action on PPP projects that has so far been taken and will be taken before the end of the project will be presented and discussed.

Private sector representatives who expressed an interest to implement some of these projects under PPPs schemes will also be invited to participate. The recently formed Union of Black Sea and Caspian Confederation of Enterprise (UBCCE) or similar organizations could be approached to be included in the required consultation and for preliminary market sounding of PPP development and potential projects.

The following activities therefore cover identification and implementation (in the sense of starting the PPP process for agreed projects) and organising coordination with the IFIs on the PPP process and potential PPP projects.

The specific proposed programme by the Consultants to achieve the objective on PPPs is as follows;

- Organize the first Coordination Meeting with IFIs, international transport organizations, relevant private sector companies, and EC contractors.
- Collate feedback and provide responses, requirements for effective PPP, Recommendations,
- Organize second Coordination Meeting
- Disseminate findings
- Provide follow up reports on coordination with IFIs, Progress on possible projects and their funding and the interest by the private sector together with constraints and possible ways to overcome any higher level contact and other action which could facilitate decisions on these. Note: projects may be TA's or Infrastructure/Operational projects.

In parallel with the above contacts with the private sector, the Consultant will also inform IFIs and send them any information about the recommended actions and projects which could fit within their on-going programmes, or be of interest to them. The IFIs will also be informed of

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the progress and outcome of the contacts with the private sector and of the possible opportunities for PPPs.

It is noted that the services of the Consultant concerning the two coordination meetings with IFIs comprise include all logistical arrangements and in addition:

- Promotion of the events (press releases, press conferences etc.)
- Technical preparations including invitations, agendas, presentations etc.;
- Coordination with EC in Brussels and the relevant EC Delegations;
- Financing the participation of one participant per involved country and/or IFIs, with prior agreement of the EC Project Manager.

The project must ensure that relevant officers from the EC, including EC delegations, are invited to all coordination meetings and provided with necessary information on TRACECA and other regional transport initiatives.

- Investment Fund-Feasibility

The project has been asked to consider the possibility of the creation of an **investment fund for TRACECA projects**. The study requirements for this could be very large and time consuming, and if there were potential, it would require specific technical assistance. The approach will therefore be step by step.

Initially we would include this subject under consultation on funding and PPP development including consideration of the modalities of fund operation and possible options

Activity 2.7 *Annual progress reports on coordination and progress of both TRACECA programme and the Baku initiative are drafted in close collaboration with the EC, the Permanent Secretariat and the projects' stakeholders, including inputs on coordination with International Financial Institutions and follow up of investment appraisals;*

2.7.1 Prepare Annual Progress Reports

The Consultant will report on progress of the decision process on the Working Groups and Ministerial Conference conclusions as well as of their actual implementation, through the Interim reports which he will submit to the EC Task Manager as specified in the terms of reference. He will also prepare any ad hoc follow-up report for the TRACECA Permanent Secretariat and the EC Task Manager as necessary to deal with specific issues which could constrain the decision and/or implementation process.

Report subjects will include;

- Activities undertaken
- Progress on the Development Program for projects including PPP;
- Status and results of Preliminary Project Appraisals
- Recommendations and Action Plan for Priority Projects

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Activity 2.8 - *Upon request of the EC Project Manager: support to the EC programming process is provided in the field of regional transport cooperation under the European Neighbourhood Policy Instrument and for related Central Asia programme; new possibly EC-funded projects are identified in line with the 'Baku initiative' and EC transport policies, including the extension of Trans-European Networks to neighbouring countries; Terms of Reference are prepared and other projects' related activities are implemented;*

2.8.1 Support Identification, Preparation and Evaluation of Projects

As requested by the EC Task Manager, the Consultant will support the preparation and the evaluation of the projects for which the EC has expressed an interest.

Under the PPP part of the programme above, there is the need to review and analyse existing funding frameworks and recent project funding experience. However, additionally the project will provide the groundwork for projects' technical bases in order to;

- Firstly, prioritise projects, through suitable criteria, for EU/Other financing identified under Lot 1 and/or through coordination meetings, Working Groups and other sources.
- Secondly, allow preparation of very preliminary studies as a basis for selecting a number of key projects and drafting the TORs for related feasibility studies for the EU/TRACECA selected projects. It should be noted that the TORs for publicly financed and PPP projects will require different emphases.

This support would include as appropriate:

- Assistance for the selection of projects to be considered for EU financing including preparation and application of a simple screening process that could include criteria such as likely regional (TRACECA) impact, traffic, risk, likely economic (and financial viability if appropriate), support by 2 or more governments, likely funding, other socio economic objectives etc.
- Preparation of terms of reference for the pre-feasibility/full feasibility studies;
- Very preliminary project evaluations, including 'what if' type reviews.
- Assistance with the recruitment of local or European consultants to carry out a feasibility study and subsequently assistance with the study, e.g. technical monitoring of the study and review of all reports;
- Participation in, or support to, any mission, or during any meeting organised by the EC Task Manager or a Delegation about these projects;
- Assistance for the preparation of the Financing Proposals.
- Other requested and appropriate support to EU financed projects

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3.4 Proposed Project Organisation, Scheduling and Staffing

3.4.1 Project Offices

The project head office is located in Baku. The main office is within close proximity of the TRACECA PS building. Moreover to facilitate relations with PS staff the project keeps a room in that building.

In accordance with project TORs two secondary project offices are being established.

1. For Central Asia the best solution for this rather homogeneous region seems to be to have an office in Almaty that is well connected with all countries. The office will be in the premises of the Transport and Communications Institute (NIITK).
2. For countries west of Baku investigations were made to establish a regional office in Kiev. However it appears it may not be convenient to have an office there because of the heterogeneity of the western TRACECA region that is made, in addition to Ukraine and Moldova, of two trans-Caucasian states close to Baku, two republics now member states of EU and Turkey. The Consultant considers desirable to locate the western regional office in Baku because this would provide the most efficient way to establish strong links between the project team and the countries in the western region.

In each country will be established a data collection and analysis center that will be manned by an expert remunerated by the project for the whole duration of the project. All centers should be running by the end of November in time to participate in a seminar on data collection to be held in December.

3.4.2 Scheduling

The terms of reference states that the period of execution of the contract will be 24 months from the date of contract signature. The contract was signed on 5 June 2007.

Project Progress Reports should be submitted at the end of month 6, 12 and 18. The Draft Final Report is to be submitted one month before the end of the services.

This Inception Report was prepared at the initiative of the Consultant as a basis for discussing project approach and organisation.

It is proposed to slightly delay the submission of the First Progress Report up to the end of December so that it could include details on the establishment of data collection and analysis centres that should be established on month 6 and on the seminar on traffic forecasting and data collection that will be held in mid-December.

Progress Reports 2 and 3 will be due on 4 June and 4 December 2008 respectively and the Draft Final Report on 4 May 2009.

Following the recommendations made by the TRACECA National Secretaries at the meeting of the Permanent Secretariat of the ICG on 23 September a working paper describing the methodology to be used for traffic forecasting and database will be prepared at the end of November and presented and discussed during a seminar to be held in mid-December.

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3.4.3 Staffing

Consultant personnel consists of 3 long-term experts and short-term experts.

The long-term experts are:

- Paul Pezant, Team Leader / TRACECA Liaison Officer;
- Robert Brown, Transport Policy and Project Development Specialist in charge of Lot 2;
- Peet Ranniste, Transport Planner / Modeller in charge of Lot 1.

Consultant budget include a provision for 360 days of short-term experts. 20 days have already been used to provide an expert who assisted the PS in preparing TRACECA action-plan. About 15.5 person/months are still available.

It is proposed to distribute them as follows:

Lot 1 – 11,5 person/months distributed as follows:

- 6 months – GIS database / Traffic modelling expert requested by the TOR for whom approval has already been requested.
- 20 days – Website expert.
- 30 days - Maritime expert.
- 20 days – Railway expert.
- 20 days – Traffic engineer
- 15 days – International logistics expert
- 20 days – Tariff expert
- 15 days – Legal expert

Lot 2 – 4 person/months in the following areas of expertise:

- Transport economics and planning;
- Preliminary financial analysis / modelling;
- Project development / planning and cost estimating;
- Financial / investment fund analysis;
- Institutional / legal / regulatory framework for PPP.

Since short-term experts' visits will be relatively short all should have a good knowledge of the TRACECA region.

The two regional offices are manned by local personnel.

Each of the 12 data centers will have a data expert remunerated by the project.

3.5 Intended Results

The planned outputs (also included in Chapter 1 "Project Synopsis" and in Form 1.5 "Overall Output Performance Plan") are as follows.

3.5.1 Outputs of Lot 1

- a. Data collection & analysis centres are established in each country.
- b. Collection of updated data for the GIS Database and the transport model is supported.

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- c. A trade & forecasting model incl. GIS database is prepared
- d. Performance measurement capability is established.
- e. Traffic forecasts are made available.
- f. Training sessions are held.
- g. Results are disseminated including by placing project reports on the TRACECA web-site and making data sets available on-line
- h. IT requirements are elaborated in close cooperation with the PS and NSs.

3.5.2 Outputs of Lot 2

- a. Eight Working Groups (WG) within the 'Baku Initiative' are supported by the Consultants and provide help towards improving regional dialogue and project planning.
- b. One Ministerial conference on transport cooperation between EU-Black sea/Caspian Sea littoral states is organized.
- c. A number of sustainable projects are identified and promoted.
- d. Coordination of EC, PS/TRACECA, NSs, IFIs, project stakeholders is supported
- e. Support to other TRACECA coordination activities including the development and implementation of the Action Plan.
- f. A number of PPPs in the TRACECA transport sector are identified and implemented. Relatedly, 2 coordination meetings are held with IFIs and stakeholders to help expand transport investment.
- g. Two reports on Coordination and Progress are drafted.
- h. Support to the programming of regional cooperation transport projects including preliminary project evaluation leading to preparation of TORs for proposed feasibility level studies. Planning for the Whole Duration of the Project

The Overall Plan of Operations is attached in annex as Form 1.5. In the same annex is also included a Work Programme in form of chart.

3.6 Constraints, Risks and Assumptions

During the Inception period, the consultants were aware that to successfully achieve the purpose of this assignment a number of difficulties might occur and will need to be overcome. For a project lasting two years, some difficulties will almost certainly occur.

Strong support by the partner and beneficiary countries is expected for all Lot 1 and Lot 2

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activities and if this should be absent for any reason, this will pose difficulties in implementation.

3.6.1 Lot 1

For Lot 1 data collection much rely on the successful establishment of Data Collection and Analysis Centres in each country. They should be manned with qualified expert with good knowledge of both transport and statistics.

A difficulty could be that those centers might not have the financial resources to successfully achieve the collection of those data that require specific processing.

Forecasting transport demand will rely on information provided by organisations such as ministries of economy or economic agents such as oil companies the cooperation of which cannot be taken for granted.

The data collection process will be sustainable after project completion only if the data centres can continue their work even without external financial support.

3.6.2 Lot 2

For Lot 2, support will be required to firstly help ensure that the required dialogue takes place, and secondly that identified projects can be supported through assistance with identification, evaluation, project rationale and the provision of data and information.

Further, there will almost certainly be alterations of responsibilities in key-stakeholder organisations in some of the countries during project execution, which will cause additional efforts.

The difficulties associated with staffing cannot, altogether be avoided, but may be minimised by ensuring effective communication with the PS and NS teams.

3.7 Planning for Next Reporting Period

The Plan of Operation for the Next Period is attached in annex as Form 1.6.

ANNEX

Form 1.4: OVERALL PLAN OF OPERATIONS

Form 1.5: OVERALL OUTPUT PERFORMANCE PLAN

Form 1.6: PLAN OF OPERATIONS FOR THE NEXT PERIOD

WORK PROGRAMME

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FORM 1.4. [1] : OVERALL PLAN OF OPERATIONS – Lot 1

Project title: Analysis of Traffic Flows in TRACECA countries and Interregional Transport Dialogue between the EU and NIS				Project number : EuropeAid / 122883/C/SER/Multi				Country : TRACECA countries				Page : 1 of 2					
Planning period : July – December 2007				Prepared on : 9 October 2007				EC Consultant : Louis Berger SAS in association with WSP									
Project objectives : <i>Overall objective</i> : To facilitate regional cooperation in the field of transport, by capacity building and training measures, development of transport forecasts and investment appraisals in the TRACECA region and through effective regional transport dialogue with the Black Sea/Caspian Sea countries and neighbours, in the frame of TRACECA and the 'Baku initiative' <i>Specific Objectives for Lot 1</i> : Provide and develop planning and performance measurement tools for effective trade and transport forecast in the TRACECA countries																	
No	MAIN ACTIVITIES	TIME FRAME												INPUTS			
		2007				2008				2009				PERSONNEL		EQUIPMENT	OTHER
		1	2	3	4	1	2	3	4	1	2	3	4	EC Consultant	Local Staff		
1.	Establish data collection & analysis centres			XXX	XXXX									20		Whole project 1 Workstation, 3 Desktops, 4 Notebooks, 1 LAN, 2 UPS, 5 printers, 1 fax machine, 5 telephone, 1 fotocopy machine, 9 desks, 3 + 2 cabinets	145 Trips (including for training)
2.	Support collection of updated data				XXXX	XXX	XXX	XXX	XXX	XXX	XX			80			
3.	Establish trade & forecasting model incl. GIS database			XXX	XXXX	XXX	XXX	XXX	XXX					220			
4.	Develop performance measurement capability						XXX	XXX						20			
5.	Develop traffic forecasts						XXX	XXX	XXX	XXX				240			
6.	Hold training sessions				XX			XXX		XXX				30			
7.	Disseminate results							XXX	XXX	XXX	XX			32			
8.	Elaborate IT requirements			XX	XXX									8			
TOTAL												650 wd	150 weeks				

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FORM 1.4. [2]: OVERALL PLAN OF OPERATIONS – Lot 2

Project title : Analysis of Traffic Flows in TRACECA countries and Interregional Transport Dialogue between the EU and NIS				Project number : EuropeAid / 122883/C/SER/Multi				Country : TRACECA Countries				Page : 2 of 2					
Planning period : July – December 2007				Prepared on : 9 October 2007				EC Consultant : Louis Berger SAS in association with WSP									
Project objectives : <i>Overall objective</i> :To facilitate regional cooperation in the field of transport, by capacity building and training measures, development of transport forecasts and investment appraisals in the TRACECA region and through effective regional transport dialogue with the Black Sea/Caspian Sea countries and neighbours, in the frame of TRACECA and the 'Baku initiative' <i>Specific Objective for Lot 2</i> : Promote regional transport dialogue between the EU and the Black Sea/Caspian Sea basin littoral states and their neighbours, and promote coordination of regional transport initiatives and links with International Financial Institutions																	
No	MAIN ACTIVITIES	TIME FRAME												PERSONNEL		INPUTS	
		2007				2008				2009				EC Consultant	Local Staff	EQUIPMENT	OTHER
		1	2	3	4	1	2	3	4	1	2	3	4				
1	Organise eight Working Groups			X	XX	XX	XX	XX	XX	XX	X			90 wd		Whole project 1 Workstation, 3 Desktops, 4 Notebooks, 1 LAN, 2 UPS, 5 printers, 1 fax machine, 5 telephone, 1 fotocopy machine, 9 desks, 3 + 2 cabinets	360 Trips (Including Working Groups and Ministerial Conference)
2	Organise Ministerial Conference							XX						40 wd			
3	Identify Sustainable Projects				XX	XX	XX	XX	XX	XX				50 wd			
4	Coordination and Support to TRACECA /EU			X	X	X	X	X	X	X	X			50 wd			
5	Support To Action Plan					X	X	X	X	X	X			30 wd			
6	IFI and PPP Development				XXX	XXX	XXX	XXX	XXX	XXX	XX			120 wd			
7	Assist in Progress Reports					X	X	X	X	XXX				40 wd			
8	Support to EU Programming			X	X	X	X	X	X	X	X			30 wd			
TOTAL												450 wd	220 wk				

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FORM 1.5 [1]: OVERALL OUTPUT PERFORMANCE PLAN – Lot 1

Project title : : Analysis of Traffic Flows in TRACECA countries and Interregional Transport Dialogue between the EU and NIS		Project number : EuropeAid / 122883/C/SER/Multi	Country : TRACECA countries	Page : 1 of 2
Planning period : July – December 2007		Prepared on : : 9 October 2007	EC Consultant : : Louis Berger SAS in association with WSP	
Outputs (to be described and target dates indicated)		Agreed Objective Verifiable Indicators		Constrains and Assumptions C/A
1. Data collection & analysis centres set up	[December 2007]	1. Centres established in each country		1. Agreement between numerous parties
2. Data collected / updated	[April 2009]	2. Responsibilities defined, common forms designed, quality control adopted		2. Availability, reliability and cost of data
3. Forecasting model incl. GIS database	[November 2008]	3. Transport model and GIS database operational		3. Absorption capability & sustainability
4. Performance measurement capability developed	[October 2008]	4. Transport performance indicators available		4. Based on transport modelling aspects
5. Traffic forecast	[February 2009]	5. Traffic forecast provided and potential identified		5. Availability & reliability of input data
6. Training sessions	[March 2009]	6. Training sessions held		6. Participation adequate
7. Results disseminate	[April 2009]	7. Continuous interaction with Lot 2, TRACECA web-site, data sets available on-line		7. Expertise for on-line access, payment procedure established
8. IT requirements elaborated	[December 2007]	8. IT supply contract launched, equipment received and installed		8. Agreement among all parties

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FORM 1.5 [2]: OVERALL OUTPUT PERFORMANCE PLAN – Lot 2

Project title : : Analysis of Traffic Flows in TRACECA countries and Interregional Transport Dialogue between the EU and NIS		Project number : EuropeAid / 122883/C/SER/Multi	Country : TRACECA countries	Page : 2 of 2
Planning period : July – December 2007		Prepared on : : 9 October 2007	EC Consultant : : Louis Berger SAS in association with WSP	
Outputs (to be described and target dates indicated)		Agreed Objective Verifiable Indicators		Constraints and Assumptions C/A
1.	Support to Working Groups [April 2009]	1.	8 Working Groups supported	1. Working groups can be programmed by EU/TRACECA
2.	Ministerial Conference [Summer 2008]	2.	1 Conference Supported and Organised	2. Conference can be scheduled by Ministers.
3.	Identify Sustainable Projects [September 2008]	3.	Projects identified and preliminary evaluation with TORS	3. Sufficient projects can be identified and agreed by EU/TRACECA, especially regional projects
4.	Coordination and Support to TRACECA /EU [April 2009]	4.	(i) Number of Meetings and Dialogue , and Updated map and brochure produced (ii)	4. Good collaboration, input and initiatives from TRACECA/NS with Consultants
5.	Support To Action Plan [Beginning 2009]	5.	Action Plan support provided as requested	5. Input and pro-active collaboration by TRACECA/NS with Consultants
6.	(i) PPP Development [January 2009] and (ii) Coordination with IFIs [March 2009]	6.	(i) Framework reviewed; Report on potential drafted; 2 PPP projects recommended for further analysis; 2 TORs; (ii) 2 Coordination meetings with IFIs arranged	6. (i) Assumes there are suitable PPP projects for development; (ii) Assumes IFI will agree to meet
7.	Annual Progress Reports [January 2009]	7.	2 Progress Reports	7. Close collaboration assumed
8.	Support to EU Programming [April 2009]	8.	Support to 5(?) Projects; Preliminary evaluation, TORs prepared; Other support provided	8. Sufficient suitable projects are proposed.

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FORM 1.6 [1]: PLAN OF OPERATIONS FOR THE NEXT PERIOD: Lot 1

Project title : Analysis of Traffic Flows in TRACECA countries and Interregional Transport Dialogue between the EU and NIS		Project number : EuropeAid / 122883/C/SER/Multi		Countries : TRACECA countries				Page : 1 / 2		
Planning period : July – December 2007		Prepared on : 9 October 2007		EC Consultant : Louis Berger SAS in association with WSP						
Project objectives : Overall objective : To facilitate regional cooperation in the field of transport, by capacity building and training measures, development of transport forecasts and investment appraisals in the TRACECA region and through effective regional transport dialogue with the Black Sea/Caspian Sea countries and neighbours, in the frame of TRACECA and the 'Baku initiative'										
Specific Objectives for Lot 1: Provide and develop planning and performance measurement tools for effective trade and transport forecast in the TRACECA countries										
No	ACTIVITIES	TIME FRAME						INPUTS		
		2007						PERSONNEL	EQUIPMENT MATERIAL	OTHER
		1 - Jul	2 - Aug	3 - Sep	4 - Oct	5 - Nov	6 - Dec	EC Consultant	Local Staff	
1.	Establish data collection & analysis centres		XXXX	XXXX	XXXX	XXXX	XXXX			
1.1.	Set up centres	XXX	XXXX	XXXX	XXXX	XXXX	XXXX	25		36 Trips Whole project 1 Workstation, 3 Desktops, 4 Notebooks, 1 LAN, 2 UPS, 5 printers, 1 fax machine, 5 telephone, 1 photocopy machine, 9 desks, 3+2 cabinets
1.2.	Determine database specs		XXXX	XXXX	XXXX	XXXX	XXXX	16		
1.3.	Design analysis procedures					XXXX	XXXX	6		
2.	Support collection of data				XXXX	XXXX	XXXX			
2.1.	Define responsibilities				XXXX	XXXX	XXXX	2		
2.2.	Design collection forms				XXXX	XXXX	XXXX	12		
2.3.	Develop procedures, supervise and quality control				XXXX	XXXX	XXXX	3		
3.	Establish trade & forecasting model including GIS database	XXX	XXXX	XXXX	XXXX	XXXX	XXXX			
3.1	Traffic Forecasting Model									
3.1.1	Select model platform		XXXX	XXX				5		
3.1.2	Identify core network				XXXX	XXXX	XXXX	8		
3.1.2	Develop transport model						XXXX	10		
3.2	GIS Transport Database									
3.2.1	Develop database structure		XXXX	XXXX	XXXX	XXXX	XXXX	10		
3.2.2	Determine analysis & outputs						XXXX	2		
4.	Performance measurement									
5.	Develop traffic forecasts									
6.	Hold training sessions						XXXX	12		
7.	Disseminate results						XXX			
8.	Elaborate IT requirements		XXX	XXXX	XXXX	XXXX	XXXX			
8.1	IT needs established			XXXX	XXXX	XXXX		5		
8.2	Needs approved					XXXX	XXXX	1		
8.3	Supply contract launched						XX	1		
TOTAL :								120 wd	110 wk	

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FORM 1.6 [2] : PLAN OF OPERATIONS FOR THE NEXT PERIOD: Lot 2

Project title : Analysis of Traffic Flows in TRACECA countries and Interregional Transport Dialogue between the EU and NIS		Project number: EuropeAid / 122883/C/SER/Multi		Countries : TRACECA countries				Page : 2 / 2						
Planning period : July – December 2007		Prepared on : 9 October 2007		EC Consultant : Louis Berger SAS in association with WSP										
<p><i>Project objectives : Overall objective :</i> To facilitate regional cooperation in the field of transport, by capacity building and training measures, development of transport forecasts and investment appraisals in the TRACECA region and through effective regional transport dialogue with the Black Sea/Caspian Sea countries and neighbours, in the frame of TRACECA and the 'Baku initiative'</p> <p>Specific Objective for Lot 2: Promote regional transport dialogue between the EU and the Black Sea/Caspian Sea basin littoral states and their neighbours, and promote coordination of regional transport initiatives and links with International Financial Institutions.</p>														
No	ACTIVITIES	TIME FRAME						INPUTS						
		2007						PERSONNEL	EQUIPMENTS / MATERIAL	OTHER				
		1 - Jul	2 - Aug	3 - Sep	4 - Oct	5 - Nov	6 - Dec	EC Consultant	Local Staff					
1.	Organise eight working group meetings = Meeting on Civil Aviation Chisinau			XX XX	XXXX	XXXX				XX	28		<i>Whole project</i> 1 Workstation 3 Desktops, 4 Notebooks, 1 LAN, 2 UPS, 5 printers, 1 fax machine, 5 telephone, 1 fotocopy machine, 9 desks, 3 + 2 cabinets	36 Trips (Incl. 30 for W.G. Chisinau)
2.	Organise Ministerial Conference			X			XX	XX			3			
3.	Identify and promote sustainable transport projects and initiatives.								XXXX	XX	12			
4.	Coordination and support to EU/TRACECA						XX	XX			5			
5.	Support to Action Plan						XX				2			
6.	(i) PPP development and (ii) Coordination with IFIs							XX	XXXX	XX	20			
7.	Assist in Progress Reports									XX	3			
8.	Support to EU Programming								X	X	2			
						TOTAL :		75 wd	15 week					

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WORK PROGRAMME

Year Month Month Number	2007							2008							2009										
	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	Jun
Main Project Activities																									
LOT 1																									
Establish data collection and analysis centres																									
Support collection of updated data																									
Establish trade and forecasting model incl GIS database																									
Develop performance measurement capability																									
Develop traffic forecasts																									
Hold training sessions																									
Disseminate results																									
Elaborate IT requirements																									
Lot 2																									
Support, Facilitate and Help Organise 8 Working Groups																									
Organise the Ministerial Conference																									
Identify Sustainable Projects																									
Provide Coordination/Support to TRACECA/EU Activities																									
Support To TRACECA Action Plan																									
Coordinate IFI and Promote Funding/PPP Development																									
Prepare Annual Progress Reports																									
Support to EU Programming on TRACECA/Baku Initiative																									
Reporting																									
Inception Report																									
Project Progress Report #1																									
Project Progress Report #2																									
Project Progress Report #3																									
Draft Final Report																									
Final Report																									
Annual Progress Report LOT 2																									
Major Meetings (Targetted)																									
Working Groups																									
Ministerial Conference																									