



Supervision of supply of an
optical cable for
communication and signalling
to the railways of Azerbaijan,
Georgia and Armenia
Progress Report
31 March 2002

Form 1.2. REPORT COVER PAGE

Project Title: Supervision of Supply of an Optical Cable System for Communication and Signalling to the Railways of Azerbaijan, Georgia and Armenia

Project Number : Traceca1999

Country : Azerbaijan, Georgia, Armenia

	Local Operator	Local operator	Local Operator	EC Consultant
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Signatures: _____

Date of report : 31.03.2002

Reporting period : Progress report

Author of report : RAS/Finnroad, IK/Railtelia

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1. Project Synopsis

Form 1.3 PROJECT SYNOPSIS

Project Title: : Supervision of Supply of an Optical Cable System for Communication and Signalling to the Railways of Azerbaijan, Georgia and Armenia

Project Number : Traceca1999

Country : Azerbaijan, Georgia, Armenia

Wider objectives:

The wider objective of the programme in Caucasus is the support the full use of the Traceca transport corridors through Caucasus and provide means for efficient transmission of telecommunications data for both railways and private telecommunications companies throughout the Caucasus region. It will enhance safety and security for railway operations and simultaneously enable the private telecom operators to penetrate the trans-Caucasus communications market.

Specific Project objectives:

The objectives of this consulting assignment is to provide technical supervision of the manufacture, supply, installation, witness testing jointly with the Railways and hand-over of the optical cable system, as well as monitoring that adequate training and transfer of know-how is provided by the supplier. The consultant provides also certificates for partial and final acceptance.

Outputs:

Optical cable system installed and operational according to specifications and approved by the Supervision consultant and Recipients

Inputs:

Supervision will include monitoring and approval of manufacture and factory tests, monitoring of works progress on site, monitoring and approval of partial field testing and final testing, provision of certificates to the Contractor on accepted deliveries. Supervision will be carried out using part time expatriate principal supervisor, part time expatriate technical supervisors, as well as part time local supervisors one in each country.

Project Starting Date: 6.5.2000

Project Duration: 24 months (extension requested)

2. Summary of project progress since the start

2.1 General

The inception phase was reported in the inception report 7 July 2000. After that the Consultant has completed the studies to ensure that the proposed system is in compliance with the technical specifications and visited both the cable and equipment factories in order to accept the factory test procedures.

The HLD-documentation for all three countries has been provided by the Contractor, Siemens and accepted by the consultant.

Siemens finalised the overall time schedules for all three recipient countries in June 2001 basing on the original project deadline (May 2002). The progress in all three countries has been slow and based on progress it was estimated that there would be a delay of several months in the completion of the project. Therefore the consultant proposed EC to extend the contract period. EC has indicated readiness to consider extending the contract period of the project up to the 15th of December 2002. EC has not yet confirmed the extension.

2.2 Coordination team Meetings

After the kick-off meetings there have been five sets of Coordination team meetings in the project countries. Representatives of the Recipient, Contractor and Supervising Consultant have participated in all meetings. The Task Manager of the EC participated in the February and May meetings.

It was agreed in the Coordination Team Meetings in January 2002 that the next meeting will be held in the end of April 2002. Because of the Traceca Conference in Tashkent in the end of April it has been agreed that the meeting will be postponed till the end of May 2002.

The new proposed deadlines to complete the project by the 15th of December 2002 were agreed in the last Coordination Team Meetings in January 2002. The deadlines for the works in all three countries have been agreed in the signed minutes of coordination team meetings and in the signed protocols.

2.3 Project Progress

2.3.1 Georgian Railways

The subcontractor of the Railways has laid the entire duct (except 3,5 km) and 521 km of cable has been blown (total 547 km of cable). Reconstruction works of the technical rooms are completed except for Poti and Poti Port. All civil works should be completed by the 15th of May 2002 (new dead-line). All the original deliveries except the last lot of Hicom equipment have arrived in Georgia.

2.3.2 Azerbaijan Railways

Reconstruction works of the technical rooms are 90% completed except for air-conditioning and grounding. The subcontractor of the Railways has laid 516 km of the duct and 460 km of cable has been blown (total 550 km of cable). All civil works should be completed by the 15th of May 2002 (new dead-line). All the original deliveries excluding PABX have arrived in Azerbaijan.

2.3.3. Armenian Railways

The new subcontractor of the Railways has dug 40 km of trenches. Some parts of the trenches, which were dug last year (about 180 km) must be cleared (total railway length 302 km). The laying of the duct has started. Blowing of the cable has not yet started. The number of reconstructed technical rooms is 33 pcs, most of which are still without air-conditioning and grounding. Six rooms are accepted as ready for installation. All civil works should be completed by the 30th of June 2002 (new dead-line). All the original duct and cable deliveries have arrived in Armenia. The equipment has not yet arrived in Armenia.

3. Summary of project planning for the remainder of the project

The duties of the supervision assignment for the remainder of the project include the following tasks:

- a) Overall supervision of the project by the EU consultant and the local supervisors
- b) *Assessment and approval of the following documents and processes:*
 - *The site acceptance test procedures*
- c) *Witnessing of the following activities according to a sampled and selected witness program:*
 - The on-site installation of optical cable, transmission and telephone equipment
 - The partial acceptance tests and system acceptance tests
 - The completion tests
- c) Participation in the coordination team meetings and project meetings
- d) Reporting as agreed in the Inception Report
- e) Provision to Tacis of the following certificates:
 - Certificates of Delivery (on the basis on the hand-over protocols signed by the Railways)
 - Certificates of Progress
 - Certificates of Completion
- f) Environmental monitoring of the project
- g) List of consultant tasks during the ongoing reporting period (>> 30.06.2002):
 - Coordination Team Meeting in May
 - Approval of the test procedures
 - Monitoring of the last deliveries and certificate of deliveries
 - Monitoring cable blowing and reconstruction of the technical rooms in Georgia and Azerbaijan
 - Monitoring digging works of the trenches, duct laying, cable blowing and reconstruction of the technical rooms in Armenia

4. Project progress in reporting period

4.1 Achievements in comparison with planned results

Siemens prepared the final over-all time schedule in June 2001. The testing and acceptance programme is not yet available but it will be finalised based on the supply schedule according to the progress of the project. The test protocols have been given to the consultant and Railways.

The progress in all three countries has been slow and based on progress it was estimated that there would be several months delay in the completion of the project. Therefore the consultant has proposed EC to extend the contract period. EC has indicated to be ready to consider extending the contract period of the project up to the 15th of December 2002.

The new dead lines to complete the project by the 15th of December 2002 were agreed in the last Coordination Team Meetings. The dead lines for the works in all three countries has been agreed in the signed minutes of coordination team meetings and in the signed protocols.

Same time with the coordination team meetings the representatives of the three recipient countries signed a protocol where the recipient enterprise accept that all additional cost outside the project scope shall be financed and paid by the recipient countries.

4.2 Coordination team Meetings

The latest Coordination team meetings were held between 29.1-5.2.2002. All the meetings were participated by the Recipient, Contractor and Supervising Consultant. The new deadlines to complete the project by the 15th of December 2002 were agreed in the Coordination Team Meetings.

It was agreed in latest minutes of the meetings that the next meetings would be in the end of April. Because of the Traceca Conference in Tashkent it was proposed to postpone the meetings. Therefore the next meeting will take place in the end of May 2002.

4.3 Progress of Works

4.3.1 Georgian Railways

Civil work progress

- At the moment 50 out of 52 technical rooms are ready for installation.
- 536,5 km of duct has been laid.
- 521 km of cable has been blown.
- The agreement how to implement the connection at the border has been made between Georgian Railways and Azerbaijan and Armenian Railways.

Contractor's work progress

- Delivery of the duct and cable are completed.
- Delivery of OTN equipment is completed.
- PABX (Hicom) has been mainly delivered.

The agreed deadlines for the completion of the tasks are:

Responsibilities of the Railways:

- Reconstruction works of the technical rooms must be completed with air conditioning, power supply and grounding by the 30th of April 2002.
- All the duct laying works including the branches to the technical rooms must be completed by the 30th of April 2002.
- All the cable blowing works including the branches must be completed by the 30th of April 2002.

Responsibilities of the contractor Siemens:

- PABX (Hicom) and the power supply of the Hicom must be delivered to Georgia by latest end of February 2002.
- Installation of the equipment must be completed by the 15th of July 2002.
- Commissioning of the system must be completed by the 1st of September 2002.
- System integration must be completed by 15th of September 2002.
- Testing of the system must be completed by the 23th of October 2002.

The acceptance test for the system can start on the 24th of October 2002. Provisional Acceptance Certificate (Test on completion) can therefore be issued on the 25th of November 2002.

4.3.2 Azerbaijan Railways

Civil work progress

- At the moment reconstruction works of the technical rooms are completed 90%. Some of those has no air-conditioning and grounding yet.
- 516 km of duct has been laid.
- 460 km of cable has been blown.
- The agreement how to implement the connection at the border has been made between Azerbaijan Railways and Georgian Railways.

Contractor's work progress

- Delivery of the duct and cable are completed.
- Delivery of OTN equipment and PABX (Hicom) are completed and the power supply of the Hicom will be delivered in accordance with the progress of the project.

The agreed deadlines for the completion of the tasks are:

Responsibilities of Railways:

- Reconstruction works of the technical rooms must be completed with air conditioning , power supply and grounding by the 15th of May 2002.
- All the laying works including the branches to the technical rooms must be completed by the 15th of May 2002.
- All the blowing works including the branches must be completed by the 15th of May 2002.

Responsibilities of Siemens:

- Installation of the equipment must be completed by the 30th of July 2002.
- Commissioning of the system must be completed by the 16th of September 2002.
- System integration must be completed by 2nd of October 2002.
- Testing of the system must be completed by the 7th of November 2002.

The acceptance test for the system can start on the 8th of November 2002. Provisional Acceptance Certificate (Test on completion) can therefore be issued on the 9th of December 2002.

4.3.3 Armenian Railways

Civil work situation

- At the moment 33 technical rooms are reconstructed, six of which are ready for installation.
- About 40 km of new trenches has been dug.
- Part of the trenches which were dug last year (180 km) must be re-dug
- The laying of the duct has started.
- The blowing of the cable has not yet started.
- The agreement how to implement the connection at the border has been reached between Armenian Railways and Georgian Railways.

Contractor's work progress

- Delivery of the duct and cable are completed.
- The equipment has not yet arrived in Armenia

The agreed deadlines for the completion of the tasks are:

Responsibilities of Railways:

- Reconstruction works of the technical rooms must be completed with air conditioning, power supply and grounding by the 30th of June 2002.
- All the duct laying works including the branches to the technical rooms must be completed by the 30th of June 2002.
- All the cable blowing works including the branches must be completed by the 30th of June 2002.

Responsibilities of Siemens:

- PABX (Hicom) and the power supply of the Hicom must be delivered to Armenia latest by the end of April 2002.
- Installation of the equipment must be completed by the 30th of August 2002.
- Commissioning of the system must be completed by the 31st of October 2002.
- System integration must be completed by 3rd of November 2002.
- Testing of the system must be completed by the 10th of November 2002.

The acceptance test for the system can start on the 11th of November 2002. Provisional Acceptance Certificate (Test on completion) can therefore be issued latest on the 10th of December 2002.

4.4 Deviations from updated original planning and reasons

The following main steps were noted from the updated time schedule:

- The progress of the project in Georgian Railways is still following the updated time schedule. Siemens has indicated that the quality of the laying and blowing is not good enough and the Railways has promised to eliminate all deviations and faults in accordance with the present technical standard along the FOC route by the 20th of April 2002.
- The progress of the project in Azerbaijan Railways is following the updated time schedule. Siemens has indicated that the quality of the laying and blowing is not in accordance with the present technical standard along the FOC.
- The works in Armenia started later than agreed due to contracting difficulties. For the moment this not in critical path and it is still possible to complete all the civil works by the 30th June 2002.
- The PABX to Georgia should have arrived by the end of February. It arrived in the end of March.
- Siemens should have presented the testing and approval schedule to the Railways in the coordination team meeting in the beginning of the year 2001. Because of the delays in the progress of the project this program has not yet been made. After updating the over-all time-schedule Siemens will present the testing and approval schedule in the Coordination Team meeting in May 2002.

4.5 Specific action needed from the local authorities- including the Coordination Units concerned and/or the EC (suggested solutions)

Because of the slow start of the project and the slow progress the new deadlines have been agreed and updated time schedule issued by Siemens and recipient enterprises. EC has to confirm the extension and issue addenda to the supply contract and the supervision contract basing on the new deadlines. The original completion dates of the Contracts are in May 2002.

Now, when it is clear that the project must be extended till December 2002 more cooperation is required in order for all parties to be fully aware of the project progress and practical problems and to adjust the plans accordingly. No further extension to project completion can be granted anymore.

Siemens needs to keep active supervision in order to get all the civil works completed in time. It has been agreed that before starting of the installation of equipment, Siemens and Railways together will inspect all installation of the cable and reconstruction of technical rooms.

The protocol signed by Mr Sharifov on 30.1.2002 in Baku states that the authorities will undertake all measures to ensure TACIS tax exemption to all subcontractors. At the end of the period there was no solution on the truck taxes or tax exemptions for the CTRL office or subcontractors of Siemens.

5. Project planning for next reporting period

The special actions for the next reporting period are:

- The completion of the laying of the duct and blowing of the cable in Armenia
- The completion of the blowing works in Azerbaijan and Georgia
- The completion of the technical rooms with the power supply, grounding and air-conditioning in Azerbaijan, Georgia and Armenia
- The study and acceptance of the testing and acceptance program made by Siemens

LIST OF ANNEXES

- Annex 1: FORM 2.2 PROJECT PROGRESS REPORT
- Annex 2: FORM 2.3 RESOURCE UTILISATION REPORT
- Annex 3: FORM 2.4 OUTPUT PERFORMANCE REPORT
- Annex 4: FORM 2.5 PLAN OF OPERATIONS FOR THE NEXT PERIOD
- Annex 5: MINUTES OF THE MEETINGS IN JANUARY 2002.

Annex 1: FORM 2.2 PROJECT PROGRESS REPORT

Form 2.2. PROJECT PROGRESS REPORT

Project title : Caucasus Optical Cable System Supervision	Project number : Traceca1999	Country :Azerbaijan, Georgia, Armenia	Page :
Planning period : 01-06/2002	Prepared on : 31.03.2002	EC Consultant : Finnroad with Railtelia, Helsinki	

Project objectives : Specific objective of this supervision project is to assure the proper technical execution of the supply of an optical cables system for communication and signalling to the railways of Azerbaijan, Georgia and Armenia. The overall objective is to improve communication systems, promote the full use of TRACECA corridor as well as to increase competition in the telecommunications sector in Caucasus.

No		ACTIVITIES		TIME FRAME 2002				INPUTS							
				Months				PERSONNEL EC CONSULTANT		LOCAL CONSULTANTS		EQUIPMENT AND MATERIAL		OTHER	
								Planned	Utilised	Planned	Utilised	Planned	Utilised	Planned	Utilised
		01	02	03	04	05	06								
1.	Coordination team meetings							19 d	13 d	24 d	13 d			Flights + DSAs as per contract	
2.	Approval of high level designs							2 d	2 d	0 d	2 d				
3.	Certificate of deliveries							3 d	0 d	3 d	0				
4.	Approval of test procedure							4 d	0 d	0 d	0				
5.	Monitoring field test, witness testing							18 d	0 d	16 d	0 d				
6.	Monitoring equipment installation in Azerbaijan and Georgia							6 d	0 d	17 d	8 d				
7.	Monitoring cable blowing in Georgia and Azerbaijan							4 d	1 d	14 d	6 d				
8.	Monitoring duct laying and cable blowing in Armenia							4 d	0 d	21 d	0 d				
9.	Progress reports							7 d	7 d	3 d	6 d				
10.	Certificate of tests							3 d	0 d	3 d	0 d				
11.	Certificate of Completion report							5 d	0 d	3 d	0 d				
TOTAL (days)							75 d	23 d	104 d	35 d					

Annex 2: FORM 2.3 RESOURCE UTILISATION REPORT

FORM 2.3 RESOURSE UTILIZATION REPORT

Project title: Caucasus Optical Cable System Supervision		Project number: Traceca 1999		Country: Azerbaijan, Georgia, Armenia		Page: 1/1
Planning period: 1.1.2002 - 30.06.2002		Prepared on: 31.03.2002		EC Consultant: Finnroad with Railtelia, Helsinki		
Project objectives: See Synopsis						
SOURCE INPUT	TOTAL PLANNED	PERIOD PLANNED (6 mth)	PERIOD REALISED (3 mth)	TOTAL REALIZED	AVAILABLE FOR REMAINDER	
PERSONNEL						
EC Consultant	208 d	75 d	23 d	167,5+23 d= 190,5 d	17,5 d	
Local Experts	350 d	104 d	35 d	219 + 35 d= 254 d	96 d	
					(no time and other extension has been shown in here although requested)	
Sub-total						
EQUIPMENT AND MATERIAL						
Sub-total						
OTHER INPUTS						
Sub-total						
TOTAL						

Annex 3: FORM 2.4 OUTPUT PERFORMANCE REPORT

FORM 2.4 OUTPUT PERFORMANCE REPORT

Project title: Caucasus Optical Cable System Supervision	Project number: Traceca 1999	Country: Azerbaijan, Georgia, Armenia	Page: 1/1
Prepared on: 31.03.2002		EC Consultant: Finnroad with Railtelia , Helsinki	

Output results	Deviation original plan + or - %	Reason for deviation	Comment or constrains & assumptions
Approval of high level design documents	0 %	<ul style="list-style-type: none"> High level design documents prepared by Siemens 	<ul style="list-style-type: none"> Cable and equipment production has been monitored and the factory test procedure accepted
Monitoring production procedure	0 %		
Approval of the factory test procedure	0 %		
Approval of certificates of deliveries	0%	<ul style="list-style-type: none"> OTN not arrived in Armenia 	<ul style="list-style-type: none"> The basic procedure has been presented
Approval of the acceptance test procedures		<ul style="list-style-type: none"> Last units of PABX have not delivered 	<ul style="list-style-type: none"> Detailed test procedures will be presented 30 days before the tests by Siemens
Monitoring PABX delivery to Georgia	-10 %	<ul style="list-style-type: none"> PABX arrived in the end of March in Georgia, not in the end of February as agreed 	
Monitoring duct laying in Ge and Aze	0%		
" in Armenia	-10%		
Monitoring cable blowing in Ge and Aze	0%	<ul style="list-style-type: none"> Duct laying didn't start in February in Armenia 	
" in Armenia	0%		
Monitoring reconstruction of the technical rooms in Ge, Aze and Arm	0%		

Annex 4: FORM 2.5 PLAN OF OPERATIONS FOR THE NEXT PERIOD

Form 2.5. PLAN OF OPERATIONS FOR THE NEXT PERIOD (Work programme)

Project title : Caucasus Optical Cable System Supervision		Project number : Traceca1999		Country : Azerbaijan, Georgia, Armenia		Page :					
Planning period : 01-06/2002		Prepared on : 31.03.2002		EC Consultant : Finnroad with Raitelia, Helsinki							
Project objectives: Specific objective of this supervision project is to assure the proper technical execution of the supply of an optical cables system for communication and signalling to the railways of Azerbaijan, Georgia and Armenia. The overall objective is to improve communication systems, promote the full use of TRACECA corridor as well as to increase competition in the telecommunications sector in Caucasus											
		TIME FRAME						INPUTS			
		First half / 2002 (months) present contract end date						PERSONNEL		EQUIPMENT AND MATERIAL	OTHER
No	ACTIVITIES	01	02	03	04	05	06	EC Consultant	Local Experts		
1.	Coordination team meetings							19 d	24 d	Office equipment	Flights + DSAs as contract
2.	Approval of HLD for Armenia							2 d	0 d		
3.	Certificate of deliveries							3 d	3 d		
4.	Approval of test procedures							4 d	0 d		
5.	Monitoring field test, witness testing							18 d	16 d		
6.	Monitoring equipment installation in Azerbaijan, Georgia and Armenia							6 d	17 d		
7.	Monitor cable blowing in Georgia and in Azerbaijan							4 d	14 d		
8.	Monitoring duct laying and cable blowing in Armenia							4 d	21 d		
9.	Progress reports							7 d	3 d		
10.	Certificate of tests							3 d	3 d		
11.	Certificate of Completion report							5 d	3 d		
TOTAL (days)								75 d	104 d		
Available in contract								40,5	131 d		

Annex 5: MINUTES OF THE COORDINATION TEAM MEETINGS

SUPPLY OF AN OPTICAL CABLE FOR COMMUNICATION AND SIGNALLING TO THE RAILWAYS OF GEORGIA, ARMENIA AND AZERBAIJAN

COORDINATION TEAM MEETING IN TBILISI, 31.1. 2002

MINUTES OF THE MEETING

Participants:

National Railways:	Mr Akaki Chkhaidze Mr Tengiz Donadze Mr Igor Melkadze Mr Soso Rostiashvili
Contractor (Siemens):	Mr Arndt Konzelmann Mr Thomas Hubert Mr Anton Stocker
Traceca Coordination Unit: Supervisor (Finnroad):	Mr Marc Graille Ms Irja Koskela Mr Mamuka Chantladze
Subcontractor of Railways:	Mr Temur Kutchukhidze

1. Opening of the meeting

Mr Chkhaidze opened the meeting and briefed on the progress achieved up to date.

Mr Graille explained the EC position on the project as follows

- EC is ready to extend the contract period of the project upto 15th of December 2002
- The precondition for the extension is that the Railways has to officially guarantee to complete the works by the deadline dates which are defined later on in these minutes. All costs to the project caused by further delays after the deadlines will be borne by the Railways.
- All possible additional quantities of duct, cable, fittings and other items outside the quantities specified in the supply contract have to be supplied and paid by the Railways.

2. Present situation of the Project

Civil work progress

- At the moment 50 out of 52 technical rooms are ready for installation. None of them has air conditioning yet.
- 536,5 km of duct has been laid.
- 460 km of cable has been blown.

Contractor's work progress

- Delivery of the duct and cable are completed.
- Delivery of OTN equipment is completed.
- PABX (Hicom) has been mainly delivered.

3. Deadlines

The Railways committed to the EC terms as stated by Mr Graille. The agreed deadlines for the completion of the tasks are:

Responsibilities of Railways:

- Reconstruction works of the technical rooms must be completed with air conditioning , power supply and grounding by the 30th of April 2002.
- All the duct laying works including the branches to the technical rooms must be completed by the 30th of April 2002.
- All the cable blowing works including the branches must be completed by the 30th of April 2002.

Responsibilities of Siemens:

- PABX (Hicom) and the power supply of the Hicom must be delivered to Georgia by latest end of February 2002.
- Installation of the equipment must be completed by the 15th of July 2002.
- Commissioning of the system must be completed by the 1st of September 2002.
- System integration must be completed by 15th of September 2002.
- Testing of the system must be completed by the 23th of October 2002.

The acceptance test for the system can start on the 24th of October 2002. Provisional Acceptance Certificate (Test on completion) can therefore be issued latest on the 25th of November 2002.

4. Time-schedule of the project

- The dead lines in the minutes of the meetings will be the basis for the updated time-schedule which must be provided to EC via Finnroad by Siemens and Railways without delay after the mission.

5. Test procedures and Certificates

- Siemens has presented the detailed test procedures to Railways (part of the HLD-documentation).
- The tests will be performed section by section according to the test program.
- The test report shall be issued by Siemens to Railways and Finnroad for acceptance no more than 14 days after completion of the test.
- After the acceptance of the test in Georgia, Finnroad will issue test certificate.

6. Connection at the border

- Mr Chkhaidze stated that in the first week of February Georgian Railways will have meeting with the Azerbaijan Railways concerning the connection at the border. Mr Chkhaidze ensured that the documentation of the agreement (by whom and how) will be handed to EC and Siemens on the first week of February.

7. Other matters

- The Railways will complete the project of the PTT connection by the 30th of June.
- The Railways will give to Siemens the customer data by the 30th of June.
- Siemens and Georgian Railways will agree how to organise the on-the-job training for the OTN and PABX systems.

8. Next coordination team meeting

- Next coordination team meeting will be held in April 2002.

Signed in Georgia on the 1st of February 2002

For Georgian Railways

Mr Tengiz Donadze

The Deputy of General Director, Technical Director

For Contractor

For Supervising Consultant

Mr Anton Stocker

Project Manager

Ms Irja Koskela

Principal Supervisor

SUPPLY OF AN OPTICAL CABLE FOR COMMUNICATION AND SIGNALLING TO THE RAILWAYS OF
GEORGIA, ARMENIA AND AZERBAIJAN

COORDINATION TEAM MEETING IN BAKU, 29.1. 2002

MINUTES OF THE MEETING

Participants:

National Railways:	Mr Musa Panahov Mr Djavid Gurbanov Mr Djamshid Garakhanov
Contractor (Siemens):	Mr Arndt Konzelmann Mr Anton Stocker Mr Thomas Hubert
Traceca Coordination Team:	Mr Marc Graille
Supervisor (Finnroad):	Mr Raimo Sallanmaa Ms Irja Koskela Mr Mamedali Aminov

1. Opening of the meeting

Mr Panahov opened the meeting and briefed on the progress achieved up to date.

Mr Graille explained the EC position on the project as follows

- EC is ready to extend the contract period of the project upto 15th of December 2002
- The precondition for the extension is that the Railways has to officially guarantee to complete the works by the deadline dates which are defined later on in these minutes. All costs to the project caused by further delays after the deadlines will be borne by the Railways.
- All possible additional quantities of duct, cable, fittings and other items have to be supplied and paid by the Railways.

2. Present situation of the Project

Civil work progress

- At the moment 37 out of 49 technical rooms are ready for installation. None of them has air conditioning yet.
- 470 km of duct has been laid.
- 110 km of cable has been blown.

Contractor's work progress

- Delivery of the duct and cable are completed.
- Delivery of OTN equipment and PABX (Hicom) are completed and the power supply of the Hicom will be delivered in accordance with the progress of the project.

3. Deadlines

The Railways committed to the EC terms as stated by Mr Graille. The agreed deadlines for the completion of the tasks are:

Responsibilities of Railways:

- Reconstruction works of the technical rooms must be completed with air conditioning , power supply and grounding by the 15th of May 2002.
- All the laying works including the branches to the technical rooms must be completed by the 15th of May 2002.
- All the blowing works including the branches must be completed by the 15th of May 2002.

Responsibilities of Siemens:

- Installation of the equipment must be completed by the 30th of July 2002.
- Commissioning of the system must be completed by the 16th of September 2002.
- System integration must be completed by 2nd of October 2002.
- Testing of the system must be completed by the 7th of November 2002.

The acceptance test for the system can start on the 8th of November 2002. Provisional Acceptance Certificate (Test on completion) can therefore be issued on the 9th of December 2002.

4. Time-schedule of the project

- The dead lines in the minutes of the meetings will be the basis for the updated time-schedule which must be provided to EC via Finnroad by Siemens and Railways without delay after the mission.

5. Test procedures and Certificates

- Siemens has presented the detailed test procedures to Railways (part of the HLD-documentation).
- The test report shall be issued by Siemens to Railways and Finnroad for acceptance no more than 14 days after completion of the test.
- After the acceptance of the test Finnroad will issue test certificate.

6. Connection at the border

- Mr Panahov stated that in the first week of February Azerbaijan Railways will have meeting with the Georgian Railways concerning the connection at the border. Mr Panahov promised that the documentation of the agreement (by whom and how) will be handed to EC and Siemens on the first week of February.

7. Other matters

- The Railways will complete the project of the PTT connection by the 30th of June.
- The Railways will give to Siemens the customer data by the 30th of June.
- The Railways promised to solve the remaining tax exemption problems by 15th February

8. Next coordination team meeting

- Next coordination team meeting will be held in April 2002.

Signed in Azerbaijan on the 30th of January 2002

For Azerbaijan Railways

Mr Musa Panahov
Deputy Chief Of Railway

For Contractor

For Supervising Consultant

Mr Anton Stocker
Project Manager

Ms Irja Koskela
Principal Supervisor

SUPPLY OF AN OPTICAL CABLE FOR COMMUNICATION AND SIGNALLING TO THE RAILWAYS OF
GEORGIA, ARMENIA AND AZERBAIJAN

COORDINATION TEAM MEETING IN YEREVAN, 4.2. 2002

MINUTES OF THE MEETING

Participants:

Armenian Railways:	Mr Ararat Khrimyan Mr Vahagn Karaghezyan Mr Arthush Danielyan Mr Shaliko Barseghyan Mr Gagik Grigoryan
Ministry of Transport and Communication of RA	
Contractor (Siemens):	Mr Arndt Konzelmann Mr Anton Stocker Mr Thomas Hubert
Traceca Coordination Unit:	Mr Marc Graille Mr Vadim Turdzeladze
Supervisor (Finnroad):	Ms Irja Koskela Mr Khachatur Manukyan

1. Opening of the meeting

Mr Karaghezyan opened the meeting and briefed on the progress achieved up to date.

Mr Graille explained the EC position on the project as follows

- EC is ready to consider to extend the contract period of the project upto 15th of December 2002
- The precondition for the extension is that the Railways has to officially guarantee to complete the works by the deadline dates which are defined later on in these minutes. All costs to the project caused by further delays after the deadlines will be borne by the Railways.
- All possible additional quantities of duct, cable, fittings and other items outside the quantities specified in the supply contract (with reference of the Pricing document A 4.2 of the contract, article 1 Optical cable laid in ducts and buried) have to be supplied and paid by the Railways.

2. Present situation of the Project

Civil work progress

- At the moment 6 out of 33 technical rooms are ready for installation. None of them has air conditioning yet.
- Laying of the duct and blowing of the cable has not been started. The contract between the Railways and subcontractor has been signed on the 1st of February. The works will start this week.

Contractor's work progress

- Delivery of the duct and cable are completed.
- Delivery of OTN equipment is completed.
- PABX (Hicom) will be delivered until end of April.
- HLD has been handed over to the Railway on 06.01.2002
- Installation (not started yet)
- Commissioning and system integration (not started yet)

3. Deadlines

The Railways committed to the EC terms as stated by Mr Graille. The agreed deadlines for the completion of the tasks are:

Responsibilities of Railways:

- Reconstruction works of the technical rooms must be completed with air conditioning , power supply and grounding by the 30th of June 2002.
- All the duct laying works including the branches to the technical rooms must be completed by the 30th of June 2002.
- All the cable blowing works including the branches must be completed by the 30th of June 2002.

Responsibilities of Siemens:

- PABX (Hicom) and the power supply of the Hicom must be delivered to Armenia latest by the end of April 2002.
- Installation of the equipment must be completed by the 30th of August 2002.
- Commissioning of the system must be completed by the 31st of Oktober 2002.
- System integration must be completed by 3rd of November 2002.
- Testing of the system must be completed by the 10th of November 2002.

The acceptance test for the system can start on the 11th of November 2002. Provisional Acceptance Certificate (Test on completion) can therefore be issued latest on the 10th of December 2002.

4. Time-schedule of the project

- The dead lines in the minutes of the meetings will be the basis for the updated time-schedule which must be provided to EC via Finnroad by Siemens and Railways without delay after the mission.

5. Test procedures and Certificates

- Siemens has presented the detailed test procedures to Railways (part of the HLD-documentation).
- The tests will be performed section by section according to the test program.
- The test report shall be issued by Siemens to Railways and Finnroad for acceptance no more than 14 days after completion of the test.
- After the acceptance of the test in Armenia, Finnroad will issue test certificate.

6. Connection at the border

- Mr Khrimyan stated that Armenia Railways will have meeting with the Georgian Railways concerning the connection at the border. Mr Khrimyan ensured that the documentation of the agreement (by whom and how) will be handed to EC and Siemens by the end of March.

7. Other matters

- The Railways will complete the project of the PTT connection by the 30th of July.
- The Railways will give to Siemens the customer data by the 30th of July.
- Customs clearance will not be a problem for the next deliveries.

8. Next coordination team meeting

- Next coordination team meeting will be held in April 2002.

Signed in Yerevan on the 4th of February 2002

For Armenian Railways

Mr Ararat Khrimyan
Chief of Armenian Railways

For Contractor

For Supervising Consultant

Mr Anton Stocker
Project Manager

Ms Irja Koskela
Principal Supervisor