

Feasibility Study of New
Terminal Facilities in the
Georgian Ports

Project Completion Report
July 1998

REPORT COVER PAGE

| | | | |
|----------------|---|--|--|
| Project Title | Feasibility Study of New Terminal Facilities in the Georgian Ports | | |
| Project Number | TNREG 9603 | | |
| Country | Georgia | | |
| | Local operator | EC Consultant | |
| Name | Ministry of Transport of Georgia Ports of Poti and Batumi | HPTI - Dornier - RMG Consortium | |
| Address | 12, Kazbegi Ave. Tbilisi Niko Nikoladze Square 1, Poti 20, Gogebashvili st., Batumi | Übersee-Zentrum, Schumacherwerder 20457 Hamburg, Germany | |
| Tel. number | 995 - 393 - 206 60 (Poti) 995 - 222 - 766 51 (Batumi) | +49 - 40 - 788 78 0 | |
| Fax number | 995 - 393 - 206 30 (Poti) 995 - 222 - 766 51 (Batumi) | +49 - 40 - 788 78 178 | |
| e-mail number | ina@caucasus.net (Poti) | HPTI@Compuserve.com | |
| Contact person | Mr. Inaishvili (Port Director Poti) Mr. Ninidze (1. Dep. Port Director Batumi) | Wolfhard H- Arlt | |
| Signatures: | (Poti) _____ | _____ | |
| | (Batumi) _____ | | |

Date of report : July 1998
Reporting period : Project Completion Report
Author of report : HPTI-Dornier-RMG Team Poti and Batumi

| | | | |
|--------------------------------|--------|-------------|--------|
| EC M & E team | _____ | _____ | _____ |
| | [name] | [signature] | [date] |
| EC Delegation | _____ | _____ | _____ |
| | [name] | [signature] | [date] |
| TACIS Bureau [task manager] | _____ | _____ | _____ |
| | [name] | [signature] | [date] |

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1 Project Synopsis

| | |
|--------------------------------------|--|
| Project Title: | Feasibility Study of New Terminal Facilities in the Georgian Ports |
| Project Number: | TNREG 9603 |
| Country: | Georgia |
| Project starting date: | 17 July 1997 (effective date of the contract) |
| Project duration : | 12 months (from the effective date of the contract) |
| Wider Objectives : | The development of modern cargo terminals in the Georgian ports which enable them to provide full port services in order to attract trade from the Traceca hinterland and elsewhere is fostered and regular, reliable shipping links between the Traceca countries and the world markets are promoted. |
| Specific Project Objectives : | <ul style="list-style-type: none"> - Long term recommendations for the development of the ports of Poti and Batumi, taking into account the development of traffic on the Trans-European Network as well as the Traceca routes and with special regard to the development of container traffic are given. - A feasibility study of the Port of Poti and the Port of Batumi with recommendations of investments in specialised facilities in each port, taking into account the economic advantages of specific facilities for each port and also the national economic interest of Georgia is elaborated. |
| Planned outputs : | <ol style="list-style-type: none"> 1. Phase <ul style="list-style-type: none"> • Existing facilities and conditions in the ports of Poti and Batumi are reviewed • A traffic forecast for both ports is elaborated • A possible establishment of cotton handling and storage facilities in one port is investigated • An outline definition of the future requirements of the ports is elaborated • An environmental impact assessment is prepared 2. Phase <ul style="list-style-type: none"> • A physical port master plan for each port is prepared • A phased investment plan is elaborated • A financial and economic analysis of the ports is developed • The organisation and the management structure are assessed 3. Phase <ul style="list-style-type: none"> • Preliminary designs and outline specifications for the identified selected developments are prepared • Advice on tariffs, fees and rental charges is given 4. Phase <ul style="list-style-type: none"> • Detailed design of the proposed first phase developments are elaborated • Tender documents are produced • Advice on and assistance in tendering, bid evaluation and contracting/purchasing procedures is given |

Planned activities:

Phase 1

0. Conduct traffic potential study for rail ferry terminal and prepare tender documents
1. Review Trade, Shipping and Ports in the Black Sea
2. Elaborate Improved Traffic Forecast.
3. Identify Containerisation and Unitisation Potentials
4. Recommend Transport Connections and Opportunities and Investigate the Most Viable Route Connections between TRACECA and the TEN
5. Review the Present Facilities under Civil Engineering Aspects
6. Review the Present Facilities under Railway Engineering Aspects
7. Review the Present Facilities under Mechanical Engineering Aspects
8. Assess the Capability of Staff
9. Give Commentaries on Financial Reporting Procedures
10. Make Proposals for the Development of Cotton Storage Facilities
11. Define the Functional Requirements of the Port
12. Collect Data for the Preparation of an Outline for an Environmental Impact Assessment

Phase 2

1. Prepare Master Plans for the two Ports
2. Specify a Phased Development Plan
3. Prepare Cash Flow Forecasts for the Priority Investments
4. Perform Economic and Financial Analysis of the Recommended Development
5. Recommend Improvements in Management Structures and Systems
6. Improve Port Marketing
7. Assess Possible Options to Introduce and Facilitate the Entry of Private Investment in Parts of the Envisaged Port Infrastructure Development
8. Analyse Certain Factors in the Port Environment
9. Prepare an Environmental Impact Assessment of the Developments in the Ports and of Subsequent Operations

Phase 3

1. Prepare Preliminary Engineering Designs and Outline Specifications for the Principal Components of the first Phase of Recommended Development
2. Prepare Preliminary Engineering Designs for Equipment Rehabilitation and Outline Specifications for New Cargo Handling Equipment
3. Assess the Beneficiary's credit worthiness for a possible Bank loan and of possible other Project Finance Arrangements by Private Investors
4. Proposes an Efficient Organisational Structure as well as Training Programmes
5. Prepare Legal Documentation for Private Investments by Concessions
6. Should the preceding work indicate the need and opportunity for a private sector investor and recommend this selection by tender process, the Consultant will prepare tender documentation for the selection of a private partner and assist in tender process finalisation

Phase 4

1. Prepare Tender Documents for the Development Project
2. Give Assistance in Procurement

2. Summary of Project Progress since the Start of the Project

The project was divided into four project phases and the Consultants proceeded with the work accordingly. In the whole, feasibility studies for the development of the ports of Poti and Batumi have been elaborated.

In phase 1 the following was carried out :

- A Preliminary Traffic Forecast
- An Analysis of the Present Situation of the Ports, including an assessment of the existing equipment and of the railway facilities of the two ports
- A Civil Engineering Assessment
- Data Collection for an Environmental Assessment

The phase 2 contained:

- An update of the preliminary traffic forecast which was included in Phase 1 Report
- An environmental impact analysis of the planned port development
- Proposal on improvement of management structures of the ports and analysis of the financial reporting procedures
- An analysis of the rail and road connections of the two ports
- A port master plan for the two ports, on the basis of a phased development
- An assessment of the needs for equipment rehabilitation as well as needs for new equipment
- Civil engineering aspects of the proposed port development as there are port reconstruction and extension of existing port terminals and facilities
- A feasibility calculation of the planned investments

In Phase 3

- A Transport Simulation.
- A manpower audit of the management staff from the Ports of Poti and Batumi.
- A Summary of Required Cargo Handling Equipment and Technical Specifications for the Required new Port Handling Equipment for the Ports of Poti and Batumi
- Definition of the functional requirements of the Ports under Civil Engineering Aspects and Preliminary Designs of the Proposed Extension of the Container Terminal of the Port of Poti and the Development of a Multi-Purpose Terminal of the Port of Batumi
- A Preliminary Cost-Benefit Analysis
- And a Privatisation Concept for the Port of Poti

were elaborated.

In Phase 4

- Draft Tender Documents for the Proposed Port Developments
- and the Privatisation Concept for the Container Terminal, including Draft Contracts

were elaborated

Between Phase 2 and Phase 3 of the project a presentation of the project in form of an information market was conducted by the Consultants in order to acquaint all parties involved with the results of the project and provide an opportunity for discussions and further proposals

3. Project Progress in the Final Project Period

This project period was characterised by the elaboration of the Phase 4 Report of Feasibility Study of New Terminal Facilities of the Georgian Ports and the elaboration of Tender Documents.

The Phase 4 Report of the Feasibility Study was submitted in July 1998 and dealt mainly with the privatisation concept of the container terminal in the port of Poti and with the elaboration of Tender Documents for the first phase of the recommended ports' rehabilitation.

Besides the work on the Feasibility Study, a third study tour to Western European ports took place. The tour was conducted for participants from the operations departments of the two ports. In contrast to the first study tour, where a representative of the Ministry of Transport participated, in the last two seminars only participants from the ports were invited. A report on the study tour is attached as Annex 1 of this report.

Additionally, very substantial technical assistance has been given to the port management of Poti concerning different privatisation plans developed by companies and other institutions outside the port. Also, in addition to the work on the feasibility study, advice on port policy and daily port management has been given to the General Manager of the Port of Poti.

As already mentioned in the previous reports, a lot of time and efforts had to be spent in order to co-ordinate the output of the projects financed by other agencies with the present Traceca project. This led to the fact that in addition to the elaboration of the feasibility study practical technical assistance has been given to the port managements, especially in Poti. This technical assistance concerned mainly the privatisation and commercialisation plans for the port of Poti.

Regarding the possibilities for privatisation the great public interest on all political levels still prevailed. The demands on the Consultants in this respect by the Port of Poti, the Georgian Ministry of Transport, the European Delegation and the Member States Representatives were far beyond what was originally envisaged in the ToR. The Consultants' further elaboration of the privatisation scheme and possible steps of implementation featured predominantly in the final presentation of the project's results, at a meeting called by the Ministry of Transport. This meeting was attended by the First Deputy Minister, several departmental ministers, chairmen of various parliamentary commissions, members of Parliament, ministerial staff, delegates of the EU and Member States, Traceca experts, other interested experts and other Consultants, members of the Consultant's team and numerous press representatives.

4. Overall Report on the Total Project

4.1 Co-operation with the Ports

In general it can be said, that the port managements in both ports have been helpful in providing data for the work of the Consultants. A good co-operation between port managements and Consultants led to satisfactory results. In this respect the work of the Consultants experienced no delays or hindrances. Also, considering the co-operation with the Consultants from the HPC team working for the GTZ project, a good relationship, resulting in exchange of findings and outputs could be achieved.

4.2 Privatisation Plans

Some problems occurred in the course of the work due to the fact that the approach and the objectives of the USAID team, elaborating a privatisation plan for the Port of Poti, appeared to be different to the work of the present Traceca project. These disagreements between the two privatisation plans of the port of Poti led to partly massive interventions from the side of the USAID team and some effort had to be spent in order to "defend" the European privatisation concept. In several public meetings the privatisation concept was presented in order to clear the position of the different sides.

- Presentation of the Project Status to a Parliament Committee in Tbilisi
- Participation in an information meeting in the European Commission's Delegation office together with the Ambassadors of the European Member States.
- Participation in a meeting with the Georgian Ministers of Transport, Finance, State Property, Economy and the Personal Adviser of the President together with the First Secretary of the European Commission's Delegation and the Ambassadors of the European Union's Member States.
- Personal introduction of the concept to the City Mayor of Poti
- Personal introduction of the privatisation concept (preliminary form) to the President of Georgia
- Presentation of the project results and the privatisation concept to the Georgian Ministerial Authorities in July.

Various on spot interviews were given to international newspapers on request of the beneficiary and various recommendation had been made to proposals the port management had received.

These defences against other parties proofed to be very time and energy consuming, but led to satisfactory results.

In order to further push the privatisation process, decisions or clarifications are still required from the Georgian government, regarding especially the question of responsibility of the port managers, ownership and legal status of the port. It seems to be not entirely clearly defined who and which institution is in charge of developing commercialisation or privatisation concepts for the ports and for deciding on them.

In Batumi the legal status of the Port has been changed to "State Municipality Port". According to the port management the change is legally effective. The port has with this transformation achieved the role of a

landlord and owner of the port with all its property. Privatisation of the port is not on the agenda for the time being. Privatisation of parts of the port has been excluded from the plans, due to the small size of the port.

4.3 Feasibility Study and Phased Development Plans for the Ports of Poti and Batumi

After having carried out an assessment of the existing facilities in both ports and carefully considered the projected traffic volumes, the Consultants have elaborated Port Master Plans with a phased development concept.

In terms of the general national arrangements, the Consultants are proposing changes from being subordinate ports, following instructions from a central government, which was the system used in the FSU. This change would entail to transform the Georgian ports into independent economic entities.

The Port Master Plan elements provide general information about the future development of the Georgian ports and how to cope with the forecasted traffic volumes. These elements do not deal with detailed plans for new facilities but do provide the general framework. Hereby national and regional aspects have been considered. It has been ensured, that all factors, which might have an impact on the general development of a national port-scheme have been incorporated into the planning process.

After the elements which govern the Port Master Plan had been identified, the decisions for new facilities were made in turn. These decisions were based on a comprehensive traffic forecast for the period under planning. The proposed development projects were reached in close co-operation and with the agreement of the port managements of both ports.

Based on the evaluation of the existing equipment in both ports a summary of the rehabilitation cost have been made. The rehabilitation measures are specified for the port handling equipment according to the phases and measures for individual berths for both ports. In addition, required handling equipment for the different phases of the development for the two ports are specified. Also for the two ports separately the rehabilitation measures are specified by type of equipment. The rehabilitation costs and the investment cost for the new cargo handling equipment are also outlined for the two ports separately.

The equipment considered to be necessary to fulfil the future needs of the ports in accordance with the port development plans is specified in technical specifications. The equipment required for the first development phase as well as for the future development plans have been specified for both ports separately. Additionally, the requirements for the rehabilitation of port handling equipment have been defined. For details please see Volume 3 of Phase 3 Report.

Apart from operational and equipment requirements, the Consultants analysed the existing port infrastructure and proposed future development steps for the ports. They took into consideration rehabilitation and reconstruction opportunities as well as the necessity for port extension. For details please see Volume 4 of Phase 3 Report.

For the development plans a cash flow analysis as well as a macroeconomic cost benefit analysis has been carried out. The financial plan and the cash flow analysis are based on the traffic forecast and the master plan. Many discussions with the port management took place to get the relevant input data about the present

situation and the expected development. Further, the expected proceeds and costs have been carefully reviewed and integrated into the calculations.

In the cost benefit analysis the European point of view depicting the European networks of all transport modes has been considered in the calculation of the benefits resulting from changes in the transport volume in seven routes connecting the TEN with the TRACECA-Routes

As a conclusion of the cost benefit analysis the rehabilitation and extension of the Ports of Poti and Batumi result in remarkable benefits. On the basis of the cost/benefit analysis the realisation of the masterplans can be recommended.

Also, for the recommended port developments an environmental impact assessment has been carried out according to international standards.

For details of the results, please see the technical reports of this study, Phases 1 to 4.

5. Lessons Learnt and Recommendations

5.1 Project Planning

The tightness of the schedule for this project as well as the variety of tasks to be carried out required a very thorough and detailed planning. In the offer, the different tasks were already described, but nonetheless a more detailed planning in the beginning of the execution was required.

This detailed planning was realised by project planning workshops with participation of the counterparts from the ports for the project. These two project planning workshops proved to be very helpful in the execution of the project for two main reasons:

- On the one hand, the Consultants had a good means to monitor the project progress and the time schedule with the help of the project plan which was elaborated during the workshops.
- On the other hand, the local counterparts of the project were from the very beginning of the project closely involved and had the opportunity to give their own opinions on project execution. They could familiarise with the project plan and the planned output right in the beginning of the project. This led to a good understanding and co-operation with the Consultants.

5.2 Realisation of Project Tasks and Reaching of Target Groups

The Consultants aimed at keeping the time schedule of the project, which turned out to be quite hard. Local experts were employed in order to support the Consultants and to train some local staff in port master planning .

The local counterparts were integrated in the project as much as possible

- by daily contacts and discussions,
- by rendering of additional technical assistance in the daily work of the port managers and
- by conducting of the information market when the first results of the feasibility study were presentable
- as well as by submitting the Russian versions of the reports simultaneously with the English versions, so that the ports could in detail follow the work of the Consultants.

The daily contact with the port managements of the two port proved to be deep and provided valuable information to the Consultants. However, the port managers in general were not too eager to comment on the work of the project and to get their own ideas incorporated into the study. The port management seemed to a certain extent regard the project as something provided to them from the outside and were reluctant to actively work with the Consultants. The Consultants tried to compensate this attitude as much as possible by trying to involve the managers through actively approaching them and asking for comments if not in writing then in discussions on a daily basis.

The local experts and the support staff were of tremendous help during the whole project. The local staff were eager to participate in the project and supported it in any possible way. Regardless of the tight time schedule and the resulting heavy workload, especially during the reporting phases of the project, the local staff at all times gave their full input and a considerable amount of overtime to the project.

5.3 Major Environmental Factors from the Outside

Two kinds of external factors played a role concerning the execution of the project and the achievements of results.

On the one hand the work conditions in the Georgian ports, especially in Poti, are unfavourable. Frequent electricity break downs and problems with the telephone lines proved to be serious obstacles in timely execution of the project. These difficulties could only be overcome by the dedication of the staff and the willingness to work whenever the electricity situation allowed the work with computers. Also, the amount of copies to be provided, 23 in Russian and 21 in English plus electronic versions, stretched local possibilities to the limit.

A greater impact on the project proved to be the permanent pressure experienced due to the antagonistic studies elaborated by the American consultants of USAID. Their approach concerning the privatisation of the port of Poti differed considerably from the approach of the Traceca consultants. This led to the necessity to defend the own results in front of different organisations and institutions and it forced the Consultants to produce some results much earlier than planned.

Finally, it remains to be said, that the time frame of the project - 12 months for the elaboration of two port master plans - was unrealistically short. The tightness of the schedule prevented any flexibility in the execution of tasks. The Consultants tried to compensate the shortness of time in executing tasks in parallel, but this was only partly possible, since the results of some of the tasks were the basis for the elaboration of others. It was only possible to finalise the feasibility study within the project period due to tremendous efforts and overtime of all the experts involved, local as well as EC experts.

FORM 2.2: PROJECT PROGRESS REPORT

| Project title : Feasibility Study of New Terminal Facilities in the Georgian Ports | | Project number : TNREG 9603 | | Country : Georgia | | Page : | | | | | | | | | | | |
|---|---|------------------------------------|-----|--------------------------|------|--------|-----|-----------|------------------------|-------|-------------|------------------------|-------|---|---|---|--|
| Planning period : 11.06. - 14.07.1998 | | Prepared on : 1 August 1998 | | | | | | | | | | | | | | | |
| Project objectives : | | | | | | | | | | | | | | | | | |
| No | ACTIVITIES IMPLEMENTED | TIME FRAME | | | | | | | INPUTS | | | EQUIPMENT AND MATERIAL | OTHER | | | | |
| | | Time Frame (months) | | | | | | | PERSONNEL | | | | | | | | |
| | | 1998 | | | | | | | EC Consultant + Locals | | | | | | | | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Planned | Used | Counterpart | Planned | Used | | | | |
| 1. | Phase 1: Review and Forecasting (1997) | | | | | | | | 851 | 851 | 63 | 63 | 63 | Office equipment: 2 fax, 2 phone, e-mail 4 computer, 2 copier, 4 A4 printer, 2 A3 printer, 2 project cars | Flights Europe - Georgia Flights NIS Flights Brussel | | |
| 2. | Phase 2: Port Master Planning | xxxx | xxx | | | | | | 704 | 680 | 65 | 65 | 65 | | | | |
| 3. | Phase 3: Preliminary Design and Outline Specifications for Tender Documents | | | xx | xxxx | xx | | | 542 | 492 | 60 | 60 | 50 | | | | |
| 4. | Phase 4: Detailed Design and Production of Tender Documents | | | | | | xxx | xxx | 325 | 399 | 30 | 30 | 170 | 2 Moderation Boards Workshop materials | 3 Study Tours for port man- agements | | |
| | | TOTAL | | 2422 Days | | TOTAL | | 2422 Days | | TOTAL | | 218 days | | TOTAL | | 213 days | |
| | | | | | | | | | | | | | | | | 40flights +13 NIS Flights +21 Study Tour flights | |

FORM 2.3: RESOURCE UTILISATION REPORT

| Project Title: Feasibility Study of New Terminal Facilities in the Georgian Ports | | Project Number: TNREG9603 | Country: Georgia | Page: 2.3 / 1 | |
|---|------------------|---------------------------|------------------|------------------|-------------------------|
| Period: 17.07.97 - 10.06.98 | | Prepared on 1 August 1998 | | | |
| EC Consultant: HPTI-Dornier-RMG Consortium | | | | | |
| Project Objectives: The development of modern cargo terminals in the Georgian ports which enable them to provide full port services in order to attract trade from the Traceca hinterland is fostered and elsewhere and regular, reliable shipping links between the Traceca countries and the world markets are promoted | | | | | |
| RESOURCES / INPUTS | TOTAL PLANNED | PERIOD PLANNED | PERIOD REALISED | TOTAL REALISED | AVAILABLE FOR REMAINDER |
| PERSONNEL | | | | | |
| Port Development Expert 1 | 221 days | 0 days | 20 days | 241 days | -20 days |
| Port Development Expert 2 | 173 days | 0 days | 0 days | 178 days | -5 days |
| Port + Shipping Economist | 92 days | 5 days | 0 days | 87 days | 5 days |
| Transport Economist | 102 days | 0 days | 0 days | 102 days | 0 days |
| Cargo Handling Equipm. Ex. | 87 days | 0 days | 25 days | 112 days | -25 days |
| Procurement Expert | 25 days | 25 days | 0 days | 0 days | 25 days |
| Environmental Expert | 70 days | 15 days | 0 days | 70 days | 0 days |
| Financial Analyst | 98 days | 15 days | 0 days | 83 days | 15 days |
| Financial + Accounting Exp. | 70 days | 7 days | 0 days | 44 days | 26 days |
| Privatisation Expert | 62 days | 0 days | 84 days | 84 days | -22 days |
| Legal Expert | 56 days | 18 days | 30 days | 68 days | -12 days |
| Railway Expert | 28 days | 0 days | 0 days | 28 days | 0 days |
| Human Resources Expert | 14 days | 0 days | 0 days | 14 days | 0 days |
| LogFrame Moderator | 21 days | 5 days | 0 days | 16 days | 5 days |
| Civil Engineer 1 | 225 days | 89 days | 89 days | 225 days | 0 days |
| Civil Engineer 2 | 111 days | 17 days | 7 days | 101 days | 10 days |
| Study Tour Expert | 55 days | 13 days | 13 days | 55 days | 0 days |
| Team Management | 205 days | 27 days | 40 days | 218 days | -13 days |
| Sub-total | 1715 days | 236 days | 308 days | 1726 days | -11 days |
| Local Experts | 600 days | 76 days | 76 days | 600 days | 0 days |
| Sub-total | 600 days | 76 days | 76 days | 600 days | 0 days |
| Interpreter | 875 days | 0 days | 0 days | 875 days | 0 days |
| Driver | 528 days | 120 days | 120 days | 528 days | 0 days |
| Secretary | 528 days | 8 days | 8 days | 528 days | 0 days |
| Sub-total | 1931 days | 128 days | 128 days | 1931 days | 0 days |
| TOTAL | 4246 days | 440 days | 512 days | 4257 days | -11 days |



| Project Title: Feasibility Study of New Terminal Facilities in the Georgian Ports | | Project Number: TNREG9603 | | Country: Georgia | | Page: 2.3 / 2 | |
|---|------------------------------|------------------------------|------------------------------|--|-------------------------|---------------|---|
| Period: 17.07.97 - 17.07.98 | | Prepared on 1 August 1998 | | EC Consultant: HPTI-Dornier-RMG Consortium | | | |
| Project Objectives: The development of modern cargo terminals in the Georgian ports which enable them to provide full port services in order to attract trade from the Traceca hinterland is fostered and elsewhere and regular, reliable shipping links between the Traceca countries and the world markets are promoted | | | | | | | |
| RESOURCES/INPUTS | TOTAL PLANNED | PERIOD PLANNED | PERIOD REALISED | TOTAL REALISED | AVAILABLE FOR REMAINDER | | |
| EQUIPMENT + MATERIAL | | | | | | | |
| Personal Computer | 4 PCs | 4 PCs | 4 PCs | 4 PCs | 0 | | 0 |
| Laser Printer | 2 Laser Printer | 2 Laser Printer | 2 Laser Printer | 2 Laser Printer | 0 | | 0 |
| Ink Jet Printer | 4 Ink Jets | 4 Ink Jets | 4 Ink Jets | 4 Ink Jets | 0 | | 0 |
| Fax machine | 2 Fax machines | 2 Fax machines | 2 Fax machines | 2 Fax machines | 0 | | 0 |
| Photocopy machine | 2 Photocopy machines | 2 Photocopy machines | 2 Photocopy machines | 2 Photocopy machines | 0 | | 0 |
| Project car | 2 Project cars | 2 Project cars | 2 Project cars | 2 Project cars | 0 | | 0 |
| Metaplan moderation boards | 8 moderation boards | 8 moderation boards | 8 moderation boards | 8 moderation boards | 0 | | 0 |
| Moderation material | 1 set of moderation material | 1 set of moderation material | 1 set of moderation material | 1 set of moderation material | 0 | | 0 |



FORM 2.4 + 3.3: OUTPUT PERFORMANCE REPORT and SUMMARY

| Project title : Feasibility Study of New Terminal Facilities in the Georgian Ports | | Project number : TNREG9603 | Country : Georgia | Page: 2.4 / 1 |
|--|-------------------------------------|---|---|---------------|
| Prepared on : 1 August 1998 | | EC Consultant : HPTI-Dornier-RMG Consortium | | |
| Output results | Deviation Original Plan + or - % | Reason Deviation | Constrains, Remarks and Assumptions C/A | |
| Phase 1 | | | | |
| 0. Conduct traffic potential study for rail ferry terminal and prepare tender documents | 0 | | For Phase 1 | |
| 1. Trade, Shipping and Ports in the Black Sea are Reviewed | 0 | | <ul style="list-style-type: none"> • Port management agrees on work plan | |
| 2. An Improved Traffic Forecast is Available. | 0 | | <ul style="list-style-type: none"> • Recruit local experts • Arrange set up of the team on location • Make available all relevant re-ports | |
| 3. Containerisation and Unitisation Potentials are identified | 0 | | | |
| 4. Transport Connections and Opportunities are Investigated and The Most Viable Route Connections between TRACECA and the TEN is Recommended | 0 | | | |
| 5. The Present Facilities are Reviewed under Civil Engineering Aspects | 0 | | (For details compare Table 1.5a) | |
| 6. The Present Facilities are Reviewed under Mechanical Engineering Aspects | 0 | | | |
| 6 A The Present Facilities are Reviewed under Railway Engineering Aspects | 0 | | | |
| 7. The Capability of Staff is Assessed | 0 | | | |
| 8. Commentaries on Financial Reporting Procedures are given | 0 | | | |
| 9. Proposals for the Development of Cotton Storage Facilities are Made | 0 | | | |
| 10. The Functional Requirements of the Port are Defined | 0 | | | |
| 11. The Data for the Preparation of an Outline for an Environmental impact analysis are Collected | 0 | | | |



| Project title : Feasibility Study of New Terminal Facilities in the Georgian Ports Prepared on : 1 August 1998 | | Project number : TNREG9603 | Country : Georgia | Page : 2.4 / 2 |
|--|-------------------------------------|--|---|---|
| | | EC Consultant : HPTI-Dornier-RMG Consortium | | |
| Output results | Deviation Original Plan + or - % | Reason for Deviation | Constrains, Remarks and Assump- tions C/A | |
| Phase 2 | | | | |
| 1. The Master Plans for the two Ports are Prepared | 0 | | | For Phase 2 <ul style="list-style-type: none"> Port management and other relevant authorities accept the proposed concept of the port master plans (For details compare Table 1.5a) |
| 2. A Phased Development Plan is Specified | 0 | | | |
| 3. Cash Flow Forecasts for the priority Investments are Prepared | 0 | | | |
| 4. Economic and Financial Analysis of the Recommended Development is Performed | 0 | | | |
| 5. Improvements in management structures and systems are recommended | 0 | Co-operation with the experts of the GTZ project, who are currently implementing a new structure | | |
| 6. Port Marketing is Improved | 0 | Co-operation with GTZ team | | |
| 7. Possible Options to Introduce and Facilitate the Entry of Private Investment in Parts of the Envisaged Port Infrastructure Development are Assessed | 0 | Evaluating, recommending and assisting port management in simultaneously running projects, feasibility studies or commercial interests | | |
| 8. Certain Factors in the Port Environment are Analysed | 0 | | | |
| 9. An Environmental Impact Assessment of the Developments in the Ports and of Subsequent Operations is Prepared | 0 | | | |



| Project title : Feasibility Study of New Terminal Facilities in the Georgian Ports Prepared on 1 August 1998 | | Project number : TNREG9603 | Country : Georgia EC Consultant : HPTI-Dornier-RMG Consortium | Page : 2.4 / 3 |
|---|-------------------------------------|--|--|-------------------|
| Output results | Deviation Original Plan + or - % | Reason for Deviation | Constrains, Remarks and Assump- tions C/A | |
| Phase 3 | | | | |
| 1. Preliminary Engineering Designs and Outline Specifications for the Principal Components of the first Phase of Recommended Development are Prepared | 0 | | | |
| 2. Preliminary Engineering Designs for Equipment Rehabilitation and Outline Specifications for New Cargo Handling Equipment are Prepared | 0 | | | |
| 3. Assessment of the Beneficiary's credit worthiness for a possible Bank loan and of possible other project finance arrangements by private investors | 0 | Close co-operation with experts from GTZ | | |
| 4. An Efficient Organisational Structure as well as Training Programmes are Proposed | 0 | Slow decision taking process in Georgia Legal documentation for draft contracts for private investment is being prepared | | |
| 5. Legal documentation for private investments by concessions is prepared | 0% | No need for tendering the parts of the port which can be privatised | | |
| 6. Should the preceding work indicate the need and opportunity for a private sector investor and recommend his selection by tender process, the Consultant will prepare tender documentation for the selection of a private partner and assist in tender process finalisation | 0 | | | |
| Phase 4 | | | | |
| 1. Tender Documents for the Development Project are Prepared | 0 | | | |
| 2. Assistance in Procurement is Given | - | Procurement will only start after finalisation of the project. Instead Technical Assistance has been given to the port management in the privatisation question. Documents for possible procurement are being prepared | | |

Form 3.2: Project Completion Report

| Project title : Feasibility Study of New Terminal Facilities in the Georgian Ports | | Project number : TNLREG 9603 | Country : Georgia | Page : 3.2/1 |
|--|--|---|---|--|
| Reporting period : 07/97 - 07/98 | | Prepared on : 1 August 1998 | | |
| Project objectives : The development of modern cargo terminals in the Georgian ports which enable them to provide full port services in order to attract trade from the Traceca hinterland is fostered and elsewhere and regular, reliable shipping links between the Traceca countries and the world markets are promoted | | | | |
| REPORTING PERIOD | MAIN ACTIVITIES UNDERTAKEN | EC CONSULTANT | INPUTS UTILISED | |
| | | | MATERIALS AND EQUIPMENT | OTHER |
| 07/97 - 10/97 | Phase 1 : Analysis of Present Facilities and Preliminary Forecasting | 602 days on location 75 days home office | 4 PCs 2 Laser Printer 4 Ink Jets 2 Fax machines 2 Photocopy machines 2 Project cars 8 moderation boards 1 set of moderation material | 37 Air tickets Europe - Georgia 14 Tickets Brussels 13 Local Trips |
| 10/97 - 01/98 | Port Master Planning: Definition of Future Requirements | 346 days on location 128 days home office | | |
| 01/98 - 04/98 | Preliminary Design, Technical Specifications for Required Equipment, Privatisation Concept | 172 days on location 189 days on location | | |
| 05/98 - 07/98 | Detailed Design and Elaboration of Draft Tender Documents, Privatisation Planning | 87 days on location 127 days home office | | |
| TOTAL | | 1207 days on location 519 days home office | | |

Annex

Statements of the participants, on what they like best

I liked everything

Though the programme was too complicated, everything was quite interesting & informative

I liked the presentations at Hamburg, Antwerp and Rotterdam

I liked the organization, style of seminars and way of showing the ports

Organizational discipline
Offered documentation

Everything was well organized,
but Lübeck Port amazed most of all

In total everything was well organized.
I enjoyed ports of Hamburg, Lübeck, Antwerp

In total I liked everything,
But not the hotel in Amsterdam

Statements of the participants, on what they dislike

Location of the Hotel in Hamburg.
Weather was nasty.

Travelling was a bit tiresome.
Hotel in Amsterdam was not the best.

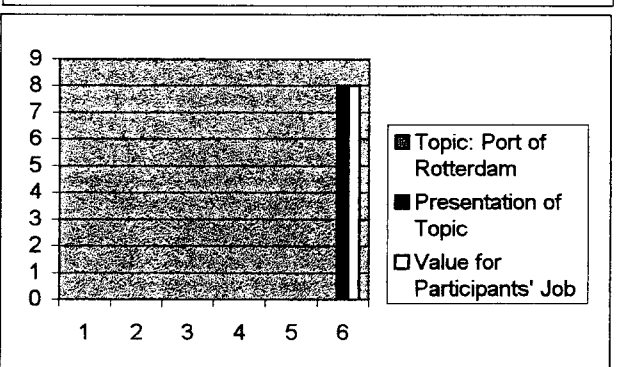
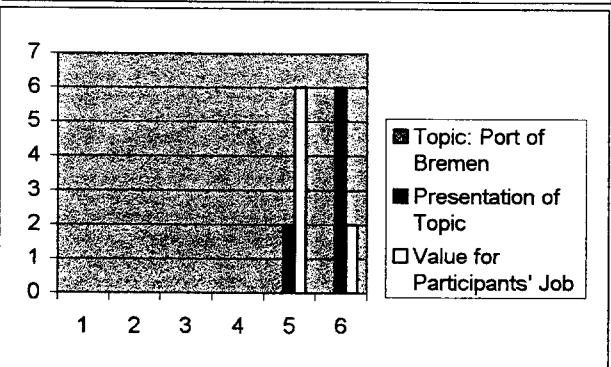
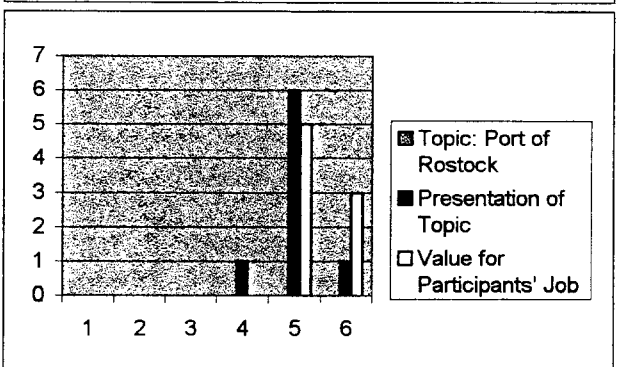
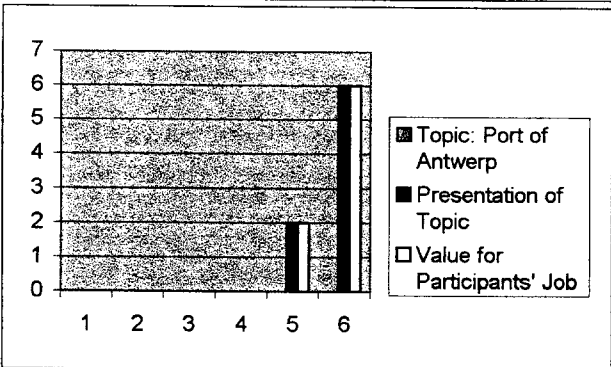
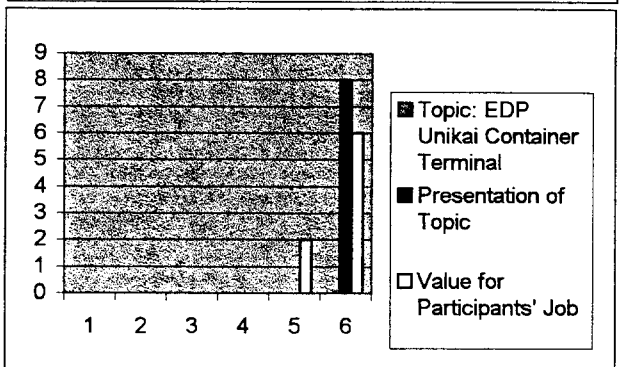
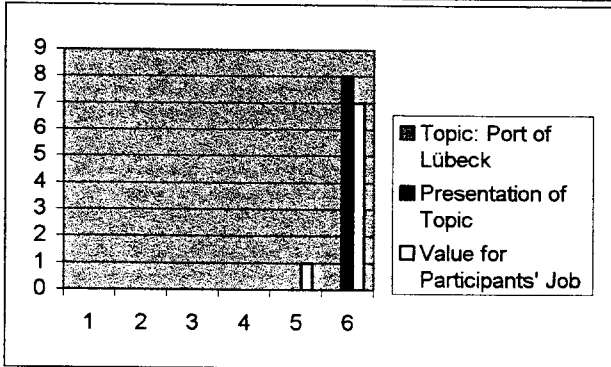
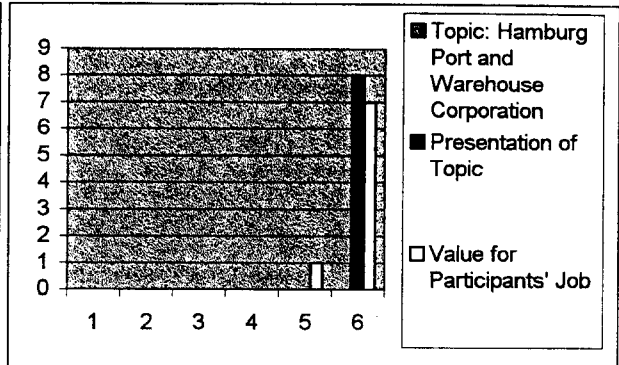
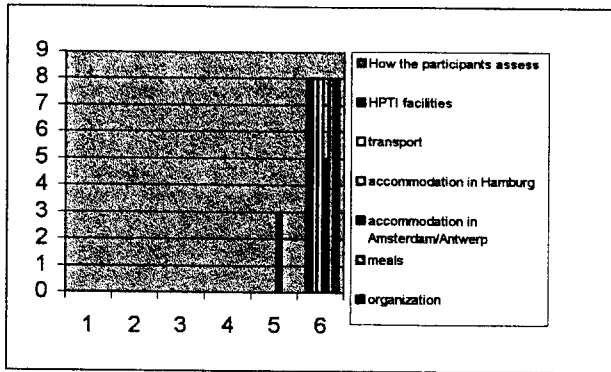
I didn't like Amsterdam

I didn't like the hotel in Amsterdam and Antwerp.

I didn't like Amsterdam,
Accommodation in other towns was much better.

Too much time is spent in the car.

Transportation from town to town took too much time.



Scale: 1 = very bad, 6 = very good

