



**Tacis Regional 2000 Traceca Programme**

**Rehabilitation of Caucasian  
Highways  
Azerbaijan, Georgia and Armenia**

**Quarterly Progress Report No 3**

(July – September 2004)  
(QPR / No 3 / 2004 / G)

October 10, 2004



This Project is  
funded by the  
European Union



A Technical  
Support Project  
By Louis  
Berger SAS



### Report Cover Page

|                       |   |   |
|-----------------------|---|---|
| <b>Project Title</b>  | Rehabilitation of Caucasian Highways<br>Azerbaijan, Georgia and Armenia   |   |
| <b>Project Number</b> | EUROPEAID/113179/C/SV/MULTI   |   |
| <b>Country</b>        | Azerbaijan, Georgia and Armenia   |   |
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**Date of Report**                    October 10, 2004  
**Reporting Period**                July– September, 2004  
**Author of Report**                Razek Degheim  
    Team Leader (EC Service Contractor's)

|   |                    |                  |             |
|---|--------------------|------------------|-------------|
| Azerbaijan                                      | Mr. Javid Gurbanov |                  |             |
|   |                    |                  |             |
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|   | <i>Name</i>        | <i>Signature</i> | <i>Date</i> |

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## 1.0 PROJECT SYNOPSIS

|                             |   |
|-----------------------------|---|
| Project Title               | Rehabilitation of Caucasian Highways<br>Azerbaijan, Georgia and Armenia   |
| Project Number              | EUROPEAID/113179/C/SV/MULTI   |
| Country                     | Azerbaijan, Georgia and Armenia   |
| Wider Project Objectives    | <p>The Wider Project Objectives are to support the Republics to catch up with their serious backlogs in road maintenance, and to cope with growing local, and international transport. These include the following:</p> <ul style="list-style-type: none"> <li>• The improvement and provision of a better level of service for the travelling public on route corridors;</li> <li>• To reduce costs in road transportation;</li> <li>• To arrest deterioration of pavements by timely intervention;</li> <li>• To reduce costs for road rehabilitation and maintenance;</li> <li>• To strengthen the national road construction and maintenance capabilities through transfer of technology.</li> </ul>  |
| Specific Project Objectives | <p>The Specific Project Objectives are to provide consultancy services for three Beneficiaries. These all being the State Departments of Roads in their respective Countries namely Azerbaijan, Georgia and Armenia.</p> <p><b>Azerbaijan: Component 1</b></p> <p>In Azerbaijan there are four subcomponents of the Project:</p> <ol style="list-style-type: none"> <li>1.1) Review of Designs and Tender Documents;</li> <li>1.2) Supervision of Construction of the WB (IDA) financed road sections under the Azerbaijan Highway Project;</li> <li>1.3) Assistance to the joint Project Implementation Unit (PIU) for the World Bank and EBRD roads Projects;</li> <li>1.4) Technical supervision of the TACIS project: Construction of two bridges/ Gasan Su Chay and Shemkir.</li> </ol> <p>Duration estimated 24 months.</p> <p><b>Georgia: Component 2</b></p> <p>In Georgia the main objective is the developing of a Pre-Feasibility Study for modernization of the existing Poti –Tbilisi- Red Bridge road under the standard of the international motorway passing by larger inhabited areas. Determining the deadline for road carrying capacity, based on the dynamics of traffic volume growth at sections of the existing road, and modernization periods, technical and economic study and comparison of the modernization alternative with the alternative of construction of international motorway (to a SNiP Category I). Also an exchange of technical expertise.</p> <p>Duration estimated 10 months, in conjunction with the project in Armenia.</p> <p><b>Armenia: Component 3</b></p> <p>The project in Armenia covers the investigations, designs, preparation of contract drawings, cost estimates and Tender Documents for 3 tunnels on the road from Vanadzor to the Georgian Border. Also an exchange of technical expertise</p> |



|                               |   |
|-------------------------------|---|
|                               | <p>technical expertise.<br/>Duration estimated 10 months, in conjunction with the project in Georgia.</p>   |
| <p><b>Planned Outputs</b></p> | <p><b>Azerbaijan: Component 1</b></p> <p>1.1) Assistance to the PIU such that they become an experienced unit and fully conversant with the procedures of all the International Funding Institutions (IFI);</p> <p>1.2) Supervision of six Contracts such that they are all finished in accordance with the International Standards and within the programmed time and in accordance with the budget.</p> <p><b>Georgia: Component 2</b></p> <p>The production of a Pre-Feasibility Study for the road improvements to the Poti to Red Bridge Road.</p> <p><b>Armenia: Component 3</b></p> <p>The production of a complete set of Tender Documents for the 3 tunnels.</p> |



### Project Activities

The Project is set up in the form of separate components all of which form the main basis of the proposed project activities. These are enumerated in the table below.

| Component                    | Location          | Services  |
|------------------------------|-------------------|---|
| <b>Component 1</b>           | <b>Azerbaijan</b> | Design Reviews, Construction Supervision and Assistance to the Project Implementation Unit in Azerbaijan.                 |
| Sub-component 1.1            |                   | Review of the Design and Contract Documents.  |
| Sub-component 1.2            |                   | Construction Supervision on Lots 1 (CW/2002/1) and 1 to 4 (CW/2003/1 to 4) of Ganja to Gazakh Road.                       |
| Sub-component 1.3            |                   | Technical assistance to the PIU.  |
| Sub-component 1.4            |                   | Technical supervision of the TACIS project "Reconstruction of two bridges Gasan Su Chay and Shemkir".                     |
| <b>Component 2</b>           | <b>Georgia</b>    | Pre-Feasibility study of modernisation of Poti-Tbilisi-Red Bridge Road in Georgia.  |
| <b>Component 3</b>           | <b>Armenia</b>    | Design and Preparation of Tender Documents for three Tunnels on the road from Vanadzor to the Georgian Border in Armenia. |
| <b>Project Starting Date</b> |                   | Contract signed on 25 <sup>th</sup> November 2002.  |
| <b>Project Duration</b>      |                   | 24 months.  |



## **2. SUMMARY OF PROJECT PROGRESS FROM THE START**

### **2.1 Component 1: Design Reviews, Construction Supervision and Assistance to the Project Implementation Unit (PIU) in Azerbaijan**

#### **Sub-component 1.1 Reviews of the Design and Contract Documents**

Reviews of Contract Documents have been taking place during the execution of the two Contracts (Ganja-Shemkir road section and the two bridges).

Designs and Tender Documents for Lots 1 – 4 of Shemkir – Gazakh Road Sections (4 ICB Contracts) have been reviewed. Report on review of Tender Documents has been submitted to PIU on 11 August 2003.

Status of the Sub-component: Works completed.

#### **Sub-component 1.2 Construction Supervision of Ganja to Gazakh Road**

Civil Works Contract for Ganja-Shemkir Road Section is ongoing after solving the serious problems with the original design survey data. Redesigned longitudinal profile and cross sections for the total length (~ 21 km) have been carried out jointly by Consultant and Contractor and approved by the Employer.

Civil Works Contracts for road sections from Shemkir to Gazakh have been awarded to Azerkorpu-Azwirt Consortium (Contracts CW 2003/ 1 and 2) and to MZ Autobahn BAU GMBH (Contracts CW 2003/3 and 4).

Again serious problems with the original design survey data were found. Redesign was produced on about 25 km out of 73 km, submitted to the MoT on 28 July and 20 August 2004 and commented by the RTSD Department of the MoT (Please refer to Table 5.1 of this Report).

Delay is expected due to survey discrepancies and additional cost to the 4 contracts caused by under estimated of volumes of works.

#### **Sub-component 1.3 Assistance to the PIU**

Consultant has been providing day-to-day training and assistance to the PIU on EBRD, EC and WB projects, including equipping the PIU and providing salaries (for more details, please refer to section 4 of this Report, Progress on Subcomponent 1.3 Assistance to the PIU).

#### **Sub-component 1.4 Technical supervision of the TACIS project "Reconstruction of two bridges Gasan Su Chay and Shemkir"**

The Contract Agreement known as Contract No 30468 was signed on 27 December 2002 between the EC acting on behalf of the beneficiary country and JSC Azerkorpu as Contractor. The period of Performance is established by 240 calendar days from the date of notification of contract approval defined as 10 March 2003. Consequently, the original Completion Date is by 4 November 2003.

The drawings submitted with the Tender Documents were a preliminary design: no calculations were provided, no detailed reinforcement drawings and cross section on approach roads. On 8 April and 19 June 2003, the Contractor has submitted the first and second version of the redesign. On 24 July 2003, permission was granted by GOSSTROY for construction to begin on the 2 bridges. Revised Construction Performance Date approved by the EC was by May 31, 2004.

Interim Certificate and Minutes of Taking Over for Provisional Acceptance have been issued on 31 May 2004.

Status of the Sub-component: Works completed.

### **2.2 Component 2: Pre-Feasibility Study of Modernisation of Poti- Tbilisi-Red Bridge Road in Georgia**

Inception and progress reports were produced on 15 August and 15 October 2003 respectively. Draft Final Report on February 18, 2004 and the Final Report on 18 April 2004.

Status of the Component: Works completed.

### **2.3 Component 3: Design and Preparation of Tender Documents for Three Tunnels on the Road From Vanadzor to the Georgian Border in Armenia**

Four reports were produced, three Technical Reports: Engineering-Geological Conclusion, Survey of Tunnels and Site Inspection & Rehabilitation Works Proposal in addition to the Inception Report. Four Complete sets of Tender Documents for three tunnels separately and jointly have been produced on 26 February 2004 in addition to the Environmental Impact Assessment Report and Cost Estimate. Final Report was produced on 18 April 2004.

Status of the Component: Works completed.



### **3. SUMMARY OF PROJECT PLANNING FOR THE REMAINDER OF THE PROJECT**

Since the practical day-to-day work on the project has started with the Team Leader's arrival in Baku on 19<sup>th</sup> January 2003, Consultant proposes to define January 15 of 2003 as the project's start date and *January 15, 2005* as a project's completion date (Contract Duration is 24 months).

#### **3.1 Project Planning for Component 1: Design Reviews, Construction Supervision and Assistance to the Project Implementation Unit (PIU) in Azerbaijan**

##### **Sub-component 1.1 Reviews of the Design and Contract Documents**

Design reviews for two bridges contract and Ganja to Shemkir road section was accomplished during the execution of Civil Works. Consultant has reviewed the Tender Documents for Shemkir to Gazakh road sections (4 Contracts).

Status of the Sub-component: Works are completed.

*No plan is perceived for this Sub-component.*

##### **Sub-component 1.2 Construction Supervision of Ganja to Gazakh Road**

Civil Works Contract for Ganja-Shemkir Road section is expected to be completed by October 21, 2004 without additional financial cost related to the Extension of Time.

Civil Works Contracts for road sections from Shemkir to Gazakh have been awarded to Azerkorporu-Azwirt Consortium (Contracts CW 2003/ 1 and 2) and to MZ Autobahn BAU GMBH (Contracts CW 2003/3 and 4).

*Redesign of the outstanding 48 km on the four Contracts is on going jointly with the Contractors and Consultant.* Completion of Civil Works for Shemkir to Gazakh Road is obviously going to be beyond Consultant Contract Completion Date.

Impacts on delay are detailed in section 5 of this Report.

*Consultant will continue construction supervision until the Project Completion Date.*

##### **Sub-component 1.3 Assistance to the PIU**

Consultant has been providing day-to-day assistance to the PIU, including equipping the PIU, providing salaries, providing a training session on implementation of internationally funded projects. *Consultant will continue assistance as required by the ToR until the Project Completion Date and will support PIU in providing Tender Evaluation Report for the Road Section Hajigabul (GaziMammed) to Kyurdamir financed by the EBRD.*

##### **Sub-component 1.4 Technical supervision of the TACIS project "Reconstruction of two bridges Gasan Su Chay and Shemkir"**

Interim Certificate and Minutes of Taking Over for Provisional Acceptance have been issued on 31 May 2004.

Status of the Sub-component: Civil Works are completed.

*Consultant will continue to following up administrative matters as required by the Civil Works Contract until the Completion Date of Consultant Services Contract.*

#### **3.2 Planning for Component 2: Pre-Feasibility Study of Modernisation of Poti- Tbilisi-Red Bridge Road in Georgia**

Inception and progress reports were produced on 15 August 2003 and 15 October 2003.

Draft and final reports on 18 February 2004 and 18 April 2004 respectively.

Status of the Component: Works are completed.

*No plan is perceived for this Component.*

#### **3.3 Planning for Component 3: Design and Preparation of Tender Documents for Three Tunnels on the Road From Vanadzor to the Georgian Border in Armenia**

Three technical reports were produced: Engineering-Geological Conclusion, Survey of Tunnels and Site Inspection & Rehabilitation Works Proposal.

Inception Report was produced in November 2003 and enclosed in the Second Progress Report (July-December 2003).

Four complete sets of Tender Documents for three tunnel separately and jointly, Environmental Impact Assessment Report, and cost estimates were submitted on February 26, 2004.

Final report was produced on 18 April, 2004.

Status of the Component: Works are completed.

*No plan is perceived for this Component.*



#### **4. PROJECT PROGRESS IN REPORTING PERIOD**

LBSAS Project General Director has visited the Project in 14-18 September in order to perform project's progress review. Mr. Signor has attended important meetings at the MoT and with the WB mission.

The WB has visited Baku in 12-16 September directed by Mr. Olivier Le Ber accompanied by Mr. Antti Talvitie. This helped to review progress on WB financed projects and to discuss extension of the Consultant Service Contract.

Mr. Brian Tennant and Mrs. Sarah Spink (TRACECA Co-ordination Unit, Baku) have performed a site visit on 16-17 August 2004 accompanied with the Team Leader.

Mr. T. Gotsiridze has arrived to Baku in July 06 and 30, 2004 for project review and progress monitoring process.

Mr. Stuart Cox (EBRD) has performed a mission to Azerbaijan in July 2004 to prepare the pre-feasibility study for the road section Baku- Russian Border (M2). Consultant has afforded him available information.

The Team Leader has carried out project management mission to Ganja - Gazakh on 1-2 July, 16-17 August. During the mission project's progress for Ganja-Gazakh Contracts has been reviewed. Mission has helped to evaluate supervision tasks.

#### **4.1 Project Achievements in Comparison with Planned Results**

##### **4.1.1 Progress on component 1**

##### **Progress on Sub-component 1.1 Reviews of the Design and Contract Documents**

Design reviews for two bridges contract and Ganja to Shemkir road section was accomplished during the execution of Civil Works. Consultant has reviewed the Tender Documents for Shemkir to Gazakh road sections (4 Contracts).

Works are completed.

##### **Progress on Sub-component 1.2 Construction Supervision of Ganja to Gazakh Road**

##### **-Contract CW-2002/1 (Ganja-Shemkir)**

Civil Works Contract for Ganja-Shemkir road section is ongoing. Redesigned longitudinal profile and cross sections for the total length (~ 21 km) have been carried out jointly by Consultant and Contractor and approved by the Employer.

The Variation Order No 2 has been submitted to the Contractor on 26 July 2004. The end of the project has been modified by reducing 60 m in order to have the existing ring crossing road in one Contract (CW 2003/1). The end of Contract CW 2002/1 is the km 20+680 instead of km 20+740.

The project data is briefly presented in **Table 4.1 Civil Works Progress Data for Ganja-Shemkir road section**.

For the road sections from Shemkir to Gazakh (4 Contracts), the Civil Works Contracts have been awarded to the following Contractors:

##### **-Contracts CW-2003/1 and 2 (Shemkir-Tovuz)**

Azerkorpu-Azwirt Consortium from Shemkir/Deller to km 409+800 (CW 2003/ 1) and from km 409+800 to Tovuz km 430+800 (CW 2003/ 2).



Again serious problems with the original design survey data were found. Redesign was produced and submitted to the MoTon about 9 km (Please refer to Table 5.1 of this Report). The Variation Order No 1 has been submitted to the Contractor on 30 June 2004. The 60 m reduced from Contract CW2002/1 has been added to Contract CW2003/1 in order to have the ring cross road in one Contract.

The project data is briefly presented in Table 4.2 Civil Works Progress Data for Ganja-Tovuz road sections.

**-Contracts CW-2003/ 3 and 4 (Tovuz-Gazakh)**

MZ Autobahn BAU GMBH from Tovuz to km 451+800 (CW/2003/ 3) and from 451+800 to Gazakh km 463+800 (CW 2003/ 4).

Redesign was produced and submitted to the MoT on about 16 km (Please refer to Table 5.1 of this Report).

The project data is briefly presented in Table 4.3 Civil Works Progress Data for Tovuz-Gazakh road sections.

**Table 4.1 Civil Works Progress Data**

| <b>Works Contract:(CW 2002-1)</b>      |  |
|--|--|
| Works Tender Opened                    | 14 <sup>th</sup> May 2002  |
| Contract Awarded Article 33.2          | 30 <sup>th</sup> December 2002 by IDA  |
| Letter of Acceptance Issued 33.1       | 24 <sup>th</sup> March 2003  |
| Contract Agreement Signed Article 33.3 | April 9, 2003  |
| Tender Amount                          | 28,749,462,180.50 AZM  |
| Contract Amount Article 15.3           | 29,903,403,179.00 AZM  |
| Contract Start Date                    | 21 <sup>st</sup> April 2003  |
| Original Contract Completion Date      | 21 <sup>st</sup> July 2004   |
| Extended Completion Date               | 21 <sup>st</sup> October 2004  |
| Works Programme received               | 18 <sup>th</sup> April 2003  |
| Last revision of Works programme       | 5 <sup>th</sup> September 2004   |
| Value of Works to date as per IPCs     | 22,204,835,159.00 AZM  |
| Value of Works to date                 | 25,292,209,763.30 AZM  |
| Value of Works to date (%)             | 85   |
| Variations                             | <b>VO No1</b> -Extension of 3 months with no additional cost;<br><b>VO No2</b> - Modifying the end of the project; new end is at km 20+680. Value of this VO -147,862,280.86 AZM |
| Advance Payment Received               | 5,980,680,936.00 AZM   |
| Repayments made                        | 5,293,525,682.00 AZM   |
| Claims                                 | 1. Adjustment of Contract Price- Change in legislation caused by VAT;<br>2. Extension of time requested by the Contractor for additional Works.                                  |
| Time elapsed to date                   | 529 days   |
| Time remaining to date                 | 21 days  |
| Delays expected                        | One month  |



**Table 4.2 Civil Works Progress Data**

| <b>Works Contracts CW 2003-1 and CW2003-2</b> |  |
|---|--|
| Works Tender Opened                           | September 2 <sup>nd</sup> 2003   |
| Letter of Acceptance                          | December 27 <sup>th</sup> 2003   |
| Contract Agreement Signed                     | January 22 <sup>nd</sup> 2004  |
| Possession of site                            | February 5 <sup>th</sup> 2004  |
| Tender amount                                 | AZM 61,800,315,562.42  |
| Contract Amount                               | AZM 60,082,264,241.00  |
| Contract revised value including VO1          | AZM 60,214,171,378.85  |
| Contract Start Date                           | February 23 <sup>rd</sup> 2004   |
| Original Contract Completion Date             | August 23 <sup>rd</sup> 2005   |
| Extended Completion Date                      | N/A  |
| Defects Liability Period                      | 365 days   |
| 1 <sup>st</sup> Works Programme received      | March 24 <sup>th</sup> 2004  |
| Last revision of Works Programme              | July 2004  |
| Value of Works to date as per IPCs            | AZM 4,783,040,706.00   |
| Value of Works done                           | AZM 5,419,275,478.09   |
| Value of Works done (%)                       | 9  |
| Variations                                    | <b>VO No1</b> - adding 60 m to the Contract for an amount of AZM +131,907,737.85   |
| Advance Payment (20%)                         | AZM 12,016,452,848.20  |
| Repayments made                               | N/A  |
| Delays  | 40 days  |
| Claims  | Claim №1 – Late Advance Payment<br>Claim №2 – Late paid portion of Advance Payment |
| Time elapsed to date                          | 221 days   |
| Time remaining to date                        | 327 days   |

**Table 4.3 Civil Works Progress Data**

| <b>Works Contracts CW2003-3 and CW2003-4</b> |  |
|--|--|
| Works Tender Opened                          | September 2 <sup>nd</sup> 2003   |
| Letter of Acceptance                         | December 27 <sup>th</sup> 2004   |
| Contract Agreement Signed                    | January 22 <sup>nd</sup> 2004  |
| Possession of site                           | February 5 <sup>th</sup> 2004  |
| Contract Amount                              | AZM 45,937,384,407.14  |
| Contract revised amount                      | N/A  |
| Contract Start Date                          | February 23 <sup>rd</sup> 2004   |
| Original Contract Completion Date            | August 23 <sup>rd</sup> 2005   |
| Defects Liability Period                     | 365 days   |
| Extended Completion Date                     | N/A  |
| 1 <sup>st</sup> , Works Programme received   | March 1 <sup>st</sup> 2004   |
| Last revision of Works Programme             | July 2004  |
| Value of Works to date as per IPCs           | AZM 582,606,720.00   |
| Value of Works done to date                  | AZM 4,180,301,981.04   |
| Value of Works done to date (%)              | 9.1  |
| Variations                                   | N/A  |
| Advance Payment (20%)                        | AZM 9,187,476,881.42   |
| Repayments made                              | N/A  |
| Delays                                       | 25 days  |
| Claims                                       | Claim №1 – Late Advance Payment<br>Claim №2 – Late payment on portion of Advance Payment |
| Time elapsed to date                         | 221 days   |
| Time remaining to date                       | 327 days   |



Design (Survey) discrepancies have been affected the Civil Works Completion Date as described in Sub-component 1.2 of Sections 2 and 3 of this Report.

#### **Progress on Sub-component 1.3 Assistance to the PIU**

Assistance to PIU during reporting period was as follows:

##### **1.3.1 Hajigabul (GaziMammed) - Kyurdamir road section**

This road section is part of TRACECA network, which provides an important transit link between Central Asia and the Black Sea ports of Poti and Batumi.

As stated in the Terms of Reference (ToR), one of the Consultant tasks for assistance to PIU is in implementation of EBRD Projects.

Consultant has assisted PIU in preparation of the revised Tender Documents based on FIDIC Conditions of Contract.

Tender Documents have been prepared according to the Procurement of Works issued by EBRD. Complete set of Tender Documents except Drawings has been reviewed and submitted to PIU in July 2004 and final version in August 2004.

##### **1.3.2 Training and English Courses**

Consultant has organized English Training courses in Language Service Direct LTD Baku for PIU Staff using available operational funds.

##### **1.3.3 Day-to-day assistance**

Consultants have been providing day-to-day assistance to the PIU Staff (Highway Engineer, Financial Specialist; Procurement Specialist and Translator) including providing salaries.

PIU has improved acquaintance on procedures of Conditions of Contract and knowledge of Format to be used on different types of contracts beginning from preparation of pre-qualification document towards contracts award.

#### **Progress on Sub-component 1.4 Technical supervision of the TACIS project "Reconstruction of two bridges Gasan Su Chay and Shemkir"**

Interim Certificate for Provisional Acceptance has been issued on 31 May 2004. Minutes of Taking Over during Provisional Acceptance issued on 31 May 2004 and have been introduced in the Third Progress Report (January-June 2004).

The project data is briefly presented in Table 4.4 Civil Works Progress Data.

**Table 4.4 Project Data**

| <b>Works Contract EUROPEAID/112944/C/W/AZ</b> |   |
|---|---|
| Contract Awarded                              | 27 <sup>th</sup> December 2002  |
| Contract Agreement Signed                     | 27 <sup>th</sup> December 2002  |
| Tender Amount                                 | €1,424,017.80   |
| Contract Amount                               | €1,424,017.80   |
| Contract Start Date                           | 10 <sup>th</sup> March 2003   |
| Original Contract Completion Date             | 4 <sup>th</sup> November 2003   |
| Extended Completion Date No2                  | 31 <sup>st</sup> May 2004   |
| Works completed by 31 May 2004                | 100 %   |
| Value of Works to date                        | €1,518,929.22   |
| Value of Day works                            | €1,058  |
| Value IPCs issued to date 31 May 2004         | €1,225,587.73   |
| Advance Payment Received                      | €142,401.78   |
| Repayments made                               | €142,401.78   |
| Claims  | Extension of Performance Date by May 31, 2004 with no additional cost |



The following Contract Addenda were issued during the progress of the Civil Works:  
**Addendum No 1:** Issued on 07 October 2003. "EC Approval of the extension of Construction Performance Date"

(The Contracting Authority issued this Addendum approving an extension of the Performance Date till 30/03/04).

**Addendum No 2:** issued on 29 March 2004. "EC Approval of the extension of Construction Performance Date"

(The Contracting Authority issued this Addendum approving an extension of the Performance Date till 31/05/04).

No additional cost requested by the Contractor on the above extensions of Performance Date.  
Status of this Sub-component: Works are completed.

#### **4.1.2 Progress on Component 2: Pre-Feasibility Study of Modernisation of Poti- Tbilisi-Red Bridge Road in Georgia**

Inception Report was produced on 15 August 2003 and Progress Report on 15 October 2003.

Draft and Final report on 18 February 2004 and 18 April 2004 respectively.

Status of Component 2: Works are completed.

#### **4.1.3 Component 3: Design and Preparation of Tender Documents for Three Tunnels on the Road from Vanadzor to the Georgian Border in Armenia**

Three technical reports were produced:

- 1) Engineering geological conclusion;
- 2) Survey of tunnels; and
- 3) Site inspection and rehabilitation works proposal.

Inception and Final reports were produced in November 2003 and 18 April 2004 respectively.

Status of Component 3: Works are completed.

Project Progress and resources utilisation in reporting period for components 1,2 and 3 are presented in **Forms 2.2, 2.3.1 and 2.3.2** respectively.

#### **4.2 Deviation from Original Planning and Reasons**

Deviations from original planning are occurring in design reviews, construction supervision of Ganja – Gazakh road rehabilitation. Reasons for deviations are detailed in **section 4.1.1** of this Report.

Deviations, reasons for deviations and comments are presented in **Form 2.4 Output Performance Report**.

#### **4.3 Specific Action Needed from the Local Authorities – Including the Coordinating Unit Concerned – and/or the European Commission**

Actions from Project Partner are being provided during the project implementation. However, the project will need the following actions in the nearest time:

##### **Component 1: Azerbaijan**

Contractually, the Consultant Services Contract would be terminated on 25 November 2004. Thus, extension of Consultant Contract has to be decided right away.

##### **Component 2: Georgia**

Works completed.

##### **Component 3: Armenia**

Works completed.



## FORM 2.2: PROJECT PROGRESS REPORT

| Project title: <b>Rehabilitation of Caucasian Highways</b>  |   | Project number: <b>Europeaid/113179/C/SV/MULTI</b> |        |           | Country: <b>Azerbaijan, Georgia and Armenia</b> |          | Page: <b>1 of 4</b> |          |                              |          |         |          |  |
|---|---|--|--------|-----------|---|----------|---------------------|----------|------------------------------|----------|---------|----------|--|
| Planning period: <b>July 2004 – September 2004</b>  |   | Prepared on: <b>October 10, 2004</b>               |        |           | EC Consultant: <b>LBSA</b>                      |          |                     |          |                              |          |         |          |  |
| Project objectives: <b>Component 1: Supervision of six civil works contracts, assistance to PIU, Component 2: Pre-Feasibility Studies, Component 3: Design and Tender Documents for three tunnels</b> |   |  |        |           |   |          |                     |          |                              |          |         |          |  |
| No  | ACTIVITIES IMPLEMENTED  | TIME FRAME 2004<br>Months                          |        |           |   | INPUTS   |                     |          |                              |          |         |          |  |
|   |   | July   | August | September | PERSONNEL<br>EC CONSULTANT                      |          | COUNTERPART         |          | EQUIPMENT<br>AND<br>MATERIAL |          | OTHER   |          |  |
|   |   |  |        |           | Planned   | Utilised | Planned             | Utilised | Planned                      | Utilised | Planned | Utilised |  |
| 1   | Component 1: Azerbaijan   |  |        |           | 51  | 51       | 555                 | 555      | 0                            | 0        | n/a     | n/a      |  |
| 1.1   | Subcomponent 1.1: Review of the design and tender documents   | Completed  |        |           |   |          |                     |          |                              |          |         |          |  |
| 1.1.1   | Road Ganja-Gazakh:<br>Lot 1 Ganja-Shemkir 2002-1<br>Lot 1 Shemkir-Road Station<br>Lot 2 Road Station-Tovuz<br>Lot 3 Tovus-Road Station<br>Lot 4 Road Station-Gazakh |  |        |           |   |          |                     |          |                              |          |         |          |  |
| 1.1.2   | Reconstruction of Two Bridges   |  |        |           |   |          |                     |          |                              |          |         |          |  |
| 1.2   | Subcomponent 1.2<br>Construction Supervision<br>Ganja – Gazakh Road   |  |        |           |   |          |                     |          |                              |          |         |          |  |
| 1.2.1   | Lot 1 Ganja-Shemkir   |  |        |           |   |          |                     |          |                              |          |         |          |  |
| 1.2.1.1   | Mobilisation of Consultant  | Completed  |        |           |   |          |                     |          |                              |          |         |          |  |
| 1.2.1.2   | Pre-construction advisory services  |  |        |           |   |          |                     |          |                              |          |         |          |  |
| 1.2.1.3   | Construction supervision  |  |        |           |   |          |                     |          |                              |          |         |          |  |
| 1.2.1.4   | Progress reports  |  | X      |           | X   |          |                     |          |                              |          |         |          |  |







|       |   |   |  |  |  |  |  |  |  |   |
|-------|---|---|--|--|--|--|--|--|--|---|
| 1.3.6 | <p>may be necessary<br/>Provide Administrative support for the PIU, in the form of salaries and payroll cost, office equipment, supplies and running costs, training, and transport</p> | <div style="background-color: black; height: 15px; width: 100%;"></div>                             |  |  |  |  |  |  |  |   |
| 1.4   | <p>Sub-component 1.4:<br/>Technical Supervision of the TACIS Project: "Construction of two bridges: Gasan Su Cay and Shemkir</p>  | <div style="border: 1px solid black; padding: 2px; text-align: center;">Civil Works Completed</div> |  |  |  |  |  |  |  |   |
| 1.4.1 | <p>Mobilisation of the Bridge Design Engineer</p>   |   |  |  |  |  |  |  |  |   |
| 1.4.2 | <p>Review of the Design and Tender/Contract Documents</p>   |   |  |  |  |  |  |  |  |   |
| 1.4.3 | <p>Technical meeting on the Reviewed Contract Documents</p>   |   |  |  |  |  |  |  |  |   |
| 1.4.4 | <p>Provide the EU and RoadTransService with an overall performance schedule</p>   |   |  |  |  |  |  |  |  |   |
| 1.4.5 | <p>Technical Supervision of the Contract</p>  |   |  |  |  |  |  |  |  |   |
| 1.4.6 | <p>Inspections and Control</p>  |   |  |  |  |  |  |  |  |   |
| 1.4.7 | <p>Issue Acceptance Certificates</p>  |   |  |  |  |  |  |  |  |   |
| 1.4.8 | <p>Prepare Financial Documents</p>  |   |  |  |  |  |  |  |  |   |
| 1.4.9 | <p>Prepare Reports on Project Progress</p>  |   |  |  |  |  |  |  |  | X |
| 2     | <p>Component 2: Georgia Pre-feasibility Study for modernization of Poti-Tbilisi-Red Bridge Road</p>   | <div style="border: 1px solid black; padding: 2px; text-align: center;">Final Report Issued</div>   |  |  |  |  |  |  |  |   |



|       |   |                     |  |  |  |     |     |     |     |   |   |     |     |  |
|-------|---|---------------------|--|--|--|-----|-----|-----|-----|---|---|-----|-----|--|
| 3     | Component 3: Armenia Design and Tender Documents for three tunnels on the road from Vanadzor to the Georgian Border | Final Report Issued |  |  |  |     |     |     |     |   |   |     |     |  |
|       |   |                     |  |  |  |     |     |     |     |   |   |     |     |  |
| TOTAL |   |                     |  |  |  | 107 | 107 | 555 | 555 | 0 | 0 | n/a | n/a |  |



### FORM 2.3.1: RESOURCE UTILISATION REPORT FOR 3 COMPONENTS

| Project title: <b>Rehabilitation of Caucasian Highways</b> |               | Project number:<br><b>Europeaid/113179/C/SV/MULTI</b> |                 | Country: Azerbaijan, Georgia and Armenia |                         | Page: 1 of 1 |  |
|--|---------------|---|-----------------|--|-------------------------|--------------|--|
| Planning period July – September, 2004                     |               | Prepared on: October 10, 2004                         |                 | EC Consultant: LBSA                      |                         |              |  |
| Project objectives   |               |   |                 |  |                         |              |  |
| RESOURCES/INPUTS   | TOTAL PLANNED | PERIOD PLANNED  | PERIOD REALISED | TOTAL REALISED <sup>1</sup>              | AVAILABLE FOR REMAINDER |              |  |
| <b>PERSONNEL</b>   |               |   |                 |  |                         |              |  |
| <b>International Experts:</b>                              |               |   |                 |  |                         |              |  |
| <i>Long Term:</i>  |               |   |                 |  |                         |              |  |
| Team Leader  | 440           | 51  | 51              | 405                                      | 35                      |              |  |
| Resident Engineer  | 440           | 56  | 56              | 385                                      | 55                      |              |  |
| Highway Engineer   | 220           | 0   | 0               | 150                                      | 70                      |              |  |
| <i>Short Term:</i>   |               |   |                 |  |                         |              |  |
| Short term Experts   | 103           | 0   | 0               | 103                                      | 0                       |              |  |
| <b>Sub-Total International</b>                             | <b>1203</b>   | <b>107</b>  | <b>107</b>      | <b>1043</b>                              | <b>160</b>              |              |  |
| <b>Local Long and Short Term Experts</b>                   |               |   |                 |  |                         |              |  |
| Senior   | 3310          | 212   | 212             | 3058                                     | 252                     |              |  |
| Junior   | 2793          | 343   | 343             | 2416                                     | 377                     |              |  |
| Sub Total Local  | 6103          | 555   | 555             | 5474                                     | 629                     |              |  |
| Sub-total  | 7306          | 662   | 662             | 6517                                     | 789                     |              |  |
| EQUIPMENT AND MATERIAL<br>Euro                             | 20,000        | 0   | 0               | 18,882                                   | 1,118                   |              |  |

<sup>1</sup> From the start.

### FORM 2.3.2 RESOURCE UTILISATION REPORT PER COMPONENT

| Project title: <b>Rehabilitation of Caucasian Highways</b> |               | Project number:<br><b>Europeaid/113179/C/SV/MULTI</b> |          |          | Country: Azerbaijan, Georgia and Armenia |             |             | Page: 1 of 1            |          |          |
|--|---------------|---|----------|----------|--|-------------|-------------|-------------------------|----------|----------|
| Planning period July – September, 2004                     |               | Prepared on: October 10, 2004                         |          |          | EC Consultant: LBSA                      |             |             |                         |          |          |
| Project objectives   |               |   |          |          |  |             |             |                         |          |          |
| RESOURCES  | TOTAL PLANNED | PERIOD REALISED                                       |          |          | TOTAL REALISED <sup>1</sup>              |             |             | AVAILABLE FOR REMAINDER |          |          |
|  |               | AZ  | GE       | AR       | AZ                                       | GE          | AR          | AZ                      | GE       | AR       |
| <b>International Experts</b>                               |               |   |          |          |  |             |             |                         |          |          |
| <b>Long term:</b>  |               |   |          |          |  |             |             |                         |          |          |
| Team Leader  | 440           | (51) <sup>2</sup>                                     | (51)     | (51)     | (405)                                    | (405)       | (405)       | (35)                    | (35)     | (35)     |
| Resident Engineer  | 440           | 56  | -        | -        | 385                                      | -           | -           | 55                      | -        | -        |
| Highway Engineer   | 220           | -   | (0)      | (0)      | -  | (150)       | (150)       | -                       | (70)     | (70)     |
| <b>International Short term:</b>                           | <b>103</b>    | <b>0</b>  | <b>0</b> | <b>0</b> | <b>35</b>                                | <b>49</b>   | <b>19</b>   | <b>0</b>                | <b>0</b> | <b>0</b> |
| <b>Local Long term:</b>                                    |               |   |          |          |  |             |             |                         |          |          |
| Senior   | 2192          | 212   | 0        | 0        | 966                                      | 602         | 220         |                         |          |          |
| Junior   | 2077          | 277   | 0        | 0        | 1068                                     | 147         | 440         |                         |          |          |
| <b>Local Short term:</b>                                   |               |   |          |          |  |             |             |                         |          |          |
| Senior   | 1118          | 0   | 0        | 0        | 223                                      | 591         | 456         |                         |          |          |
| Junior   | 716           | 66  | 0        | 0        | 357                                      | 178         | 226         |                         |          |          |
| Total Long and Short term                                  | <b>6103</b>   | <b>555</b>  | <b>0</b> | <b>0</b> | <b>2614</b>                              | <b>1518</b> | <b>1342</b> | <b>629</b>              | <b>0</b> | <b>0</b> |
| Grand-Total  | <b>7306</b>   |   |          |          |  |             |             |                         |          |          |
| EQUIPMENT AND MATERIAL (Euro)                              | <b>20000</b>  | <b>0</b>  | <b>-</b> | <b>-</b> | <b>18822</b>                             | <b>-</b>    | <b>-</b>    | <b>1118</b>             | <b>-</b> | <b>-</b> |

<sup>1</sup> From the start;

<sup>2</sup> Figures in brackets are shared with other Component (s).





|  |   |   |  |
|--|---|---|--|
| <p>Pre-construction advisory services<br/> Construction supervision progress<br/> Final acceptance<br/> Lots 3 and 4 Tovuz-Gazakh<br/> Mobilisation of Consultant<br/> Pre-construction advisory services<br/> Construction supervision progress<br/> Final acceptance</p> <p>2 Technical Reports produced</p> | <p>Completed<br/> Ongoing, delays expected<br/> n/a<br/> Behind the schedule<br/> Completed<br/> Completed<br/> Ongoing, delays expected<br/> n/a</p> | <p>Survey discrepancies<br/> n/a<br/> Survey discrepancies<br/> n/a</p> | <p>n/a<br/> Redesign is ongoing</p> <p>n/a</p>   |
| <p>Subcomponent 1.3: Assistance to the PIU in implementation of the World Bank and EBRD projects</p>   | <p>Ongoing</p>  |   | <p>No comments</p>   |
| <p>Set-up of organisation and structure of the PIU</p>   | <p>Completed</p>  |   |  |
| <p>Review suitable management procedures and systems</p>   | <p>Completed</p>  |   |  |
| <p>Advise and assist the PIU in the management and implementation of the project</p>   | <p>Ongoing</p>  |   |  |
| <p>Advise and assist the PIU to develop and operate procedures and expertise in the financial administration of Contracts</p>  | <p>Ongoing</p>  |   |  |
| <p>Provide assistance and liaison to the management of RoadTransService and the EBRD and World Bank, as may be necessary</p>   | <p>Ongoing</p>  |   |  |
| <p>Provide Administrative support for the PIU, in the form of salaries and payroll cost, office equipment, supplies and running costs, training, and transport</p>   | <p>Ongoing</p>  |   |  |
| <p>Sub-component 1.4: Technical Supervision of the TACIS Project:<br/> "Construction of two bridges: Gasan Su Cay and Shemkir</p>  | <p>Civil Works Completed</p>  |   | <p>28681Euro additional costs 2*2 piles to be approved by EC<br/> Revised completion date approved by the EC is May 31, 2004</p> |



|   |   |  |  |
|---|---|--|--|
| <p>Mobilisation of the Bridge Design Engineer</p> <p>Review of the Design and Tender/Contract Documents</p> <p>Technical meeting on the Reviewed Contract Documents</p> <p>Provide the EU and RoadTransService with an overall performance schedule</p> <p>Technical Supervision of the Contract Inspections and Control</p> <p>Issue Acceptance Certificate</p> <p>Prepare Financial Document</p> <p>Prepare Reports on Project Progress;</p> <p>Total reports produced on Component 1= <b>24 reports</b></p> <p>Component 2: Pre-feasibility Study for modernization of Poti-Tbilisi-Red Bridge Road in Georgia</p> <p>Total reports produced on Component 2 = <b>3 Reports</b></p> <p>Component 3: Design and Tender Documents for three tunnels on the road from Vanadzor to the Georgian Border in Armenia</p> <p>Total reports produced on Component 3 = <b>5 Reports</b></p> | <p>Completed</p> <p>Comments issued</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Ongoing</p> <p>Completed</p> <p>Completed</p> |  | <p>Interim Certificate for Provisional Acceptance has been issued Reports as per ToR</p> <p>Final Report issued on April 18, 2004 and approved</p> <p>Final report issued on April 18, 2004 and approved</p> |
|---|---|--|--|

**Note:**

- In addition to the above Reports, 7 General Reports have been produced. The Grand Total of Reports produced so far is **39** (please refer to Annex Reports produced, tables 1,2,3, and 4 for more details on each component and General Reports).

## 5. PROJECT PLANNING FOR THE NEXT REPORTING PERIOD

Next reporting period is July – December 2004 (the General six monthly Progress Report No 4). *Consultant notes that the original Completion Date for Consultant Services Contract is by 25 November 2004.*

This section of the report is presenting Consultant's plans for the next reporting period.

### 5.1 Important observations for the project success

#### Component 1: Design Reviews, Construction Supervision and Assistance to the Project Implementation Unit (PIU) In Azerbaijan

##### Sub-component 1.1 Reviews of the Design and Contract Documents

Designs reviews of Ganja to Gazakh road sections and the two bridges Contract (Gasas Su Chay and Shemkir) are completed.

*No planning is foreseen for the next reporting period.*

##### Sub-component 1.2 Construction Supervision of Ganja to Gazakh Road

Civil Works Contract for Ganja-Shemkir Road Section is behind the schedule and Completion Date most likely will be affected by Design (survey) discrepancies. Despite of delays, Civil Works expected to be completed by 21 October 2004.

No additional financial implication would occur on the Extension of Time for this lot.

Original Completion Date for Shemkir to Gazakh road sections (4 contracts; CW 2003/1 to 4) is by 23 August 2005 and delay is expected due to Design (survey) discrepancies. Table 5.1 shows the redesign submission on Shemkir–Gazakh and the outstanding sections.

Completion of Civil Works for Shemkir to Gazakh is obviously going to be beyond the Project Completion Date.

Consultant has employed CAD engineer (short-term senior) *over initial planned working days* in order to help the Contractors to produce the redesign and to minimize delays on Contracts CW 2003/1 to 4 (Please refer to Table 5.8 of Section 5.2).

*Consultant will follow redesign submission and the Civil Works supervision until the Original Completion Date.*

**Table 5.1 Redesign submissions to RTSD on Contracts CW 2003/1 to 4**

| Contract No  | Length Km | Cumulative Length km | Redesign Submission From km to km | Total Redesign km | Outstanding Km |
|--------------|-----------|----------------------|-----------------------------------|-------------------|----------------|
| CW2003/1     | 19        | 19                   | 0                                 | 0                 | 19             |
| CW2003/2     | 21        | 40                   | 27+000-36+200                     | 9.2               | 11.8           |
| CW2003/3     | 21        | 61                   | 46+040-55+862; 56+300-59+590      | 13.1              | 7.9            |
| CW2003/4     | 12        | 73                   | 61+044-63+936                     | 2.9               | 9.1            |
| <b>Total</b> | <b>73</b> | <b>-</b>             | <b>-</b>                          | <b>25.2</b>       | <b>47.8</b>    |

Table 5.2 shows Original Contracts revised value for the road sections from Ganja to Gazakh in AZM. Table 5.3 evaluates the Contracts value in USD compared with the Procurement Plan (PP) agreed at negotiations between the World Bank (WB) and the Government of Azerbaijan. It also demonstrates the value of updated PP agreed with the WB during the latest visit to Azerbaijan.



**Table 5.2 Contracts value In AZM for the Ganja-Gazakh road sections**

| Contract No  | Chainage       |                | Length Km    | Contract Value AZM        | Contract Revised Value AZM | Remarks                   |
|--------------|----------------|----------------|--------------|---------------------------|----------------------------|---------------------------|
|              | From           | To             |              |                           |                            |                           |
| CW 2002/1    | 370+060        | 390+800        | 20.74        | 28,749,462,180.50         | 29,903,403,179.00          | Article 15.3 of ITB       |
| CW 2003/1    | 390+800        | 409+800        | 19           | 28,841,834,600.00         | 28,841,834,600.00          | -                         |
| CW 2003/2    | 409+800        | 430+800        | 21           | 32,884,662,780.00         | 31,240,429,641.00          | Unconditional Discount 5% |
| CW 2003/3    | 430+800        | 451+800        | 21           | 23,273,630,323.14         | 23,273,630,323.14          | -                         |
| CW 2003/4    | 451+800        | 463+800        | 12           | 22,663,754,084.01         | 22,663,754,084.01          | -                         |
| <b>Total</b> | <b>370+060</b> | <b>463+800</b> | <b>93.74</b> | <b>136,413,343,967.65</b> | <b>135,923,051,827.15</b>  |                           |

**Table 5.3 Contracts value in USD compared with the PP for the Ganja-Gazakh road sections**

| Contract No  | Contract Revised Value AZM | Exchange Rate AZM/1 USD | Contract Value USD   | Cost Estimate Original PP/USD | Cost Estimate updated PP/ USD |
|--------------|----------------------------|-------------------------|----------------------|-------------------------------|-------------------------------|
| CW 2002/1    | 29,903,403,179.00          | 4891                    | 6,113,965.07         | 6,725,000.00                  | 6,725,000.00                  |
| CW 2003/1    | 28,841,834,600.00          | 4912                    | 5,871,709.00         | 9,793,000.00                  | 6,549,000.00                  |
| CW 2003/2    | 31,240,429,641.00          | 4912                    | 6,360,022.32         | 10,280,000.00                 | 6,996,000.00                  |
| CW 2003/3    | 23,273,630,323.14          | 4912                    | 4,738,116.92         | 8,496,000.00                  | 5,211,000.00                  |
| CW 2003/4    | 22,663,754,084.01          | 4912                    | 4,613,956.45         | 8,296,000.00                  | 5,075,000.00                  |
| <b>Total</b> | <b>135,923,051,827.15</b>  | -                       | <b>27,697,769.77</b> | <b>43,590,000.00</b>          | <b>30,556,000.00</b>          |

#### **Sub-component 1.3 Assistance to the PIU**

Consultant has been providing day-to-day assistance to the PIU, including equipping the PIU, providing salaries, providing a training session on implementation of internationally funded projects.

*Consultant will continue assistance as required by the ToR until the project completion date including assistance to PIU in providing Tender Evaluation Report for the Road Section Hajigabul (Gazi-Mammed) to Kyurdamir financed by the European Bank for Reconstruction and development (EBRD).*

#### **Sub-component 1.4 Technical supervision of the TACIS project "Reconstruction of two bridges Gasan Su Chay and Shemkir"**

Interim Certificate and Minutes of Taking Over for Provisional Acceptance have been issued on 31 May, 2004 (Please refer to Annex 4 of this Report for more details).

Final Report for this sub-Component will be detailed in the Final Report for Azerbaijan Component. Works are completed.

*Consultants will continue to supervise TACIS project including following up administrative topics during the Defects Liability Period and to submit the required reports as per the ToR until the Completion Date of Consultant Services Contract.*

Planning for component 1 is presented in the **Form 1.6 Plan of operations for the next period.**

#### **Component 2: Pre-Feasibility Study of Modernisation of Poti- Tbilisi-Red Bridge Road in Georgia**

Inception and progress reports were produced on 15 August 2003 and 15 October 2003.

Draft and final reports on 18 February 2004 and 18 April 2004 respectively.

Status of Works: completed.

*No planning is foreseen for the next reporting period.*



### **Component 3: Design and Preparation of Tender Documents for Three Tunnels on the Road from Vanadzor to the Georgian Border in Armenia**

Four reports were produced, three Technical Reports: Engineering-Geological Conclusion, Survey of Tunnels and Site Inspection & Rehabilitation Works Proposal in addition to the Inception Report. Four Complete sets of Tender Documents for three tunnels separately and jointly have been produced on 26 February 2004 in addition to the Environmental Impact Assessment Report and Cost Estimate.

Final Report was produced on 18 April 2004.

Status of Works: completed.

*No planning is foreseen for the next reporting period.*

### **5.2 Proposals for adjustment of overall planning and their consequences**

There is a delay in sub-component 1.2, which is expected in implementation of construction supervision on Shemkir – Gazakh road.

Tables 5.4, 5.5, 5.7.1 and 5.7.2 of the Annex 1 show working days realized from the project starting date till the date of this report on Local and International staff. Table 5.6 represents summary of working days billed for Local staff for the periods<sup>1</sup> 1, 2 and 3 (from January 2003 to June 2004). Consultant has adjusted inputs to suit the implementation of the project till the Original Completion Date. Tables 5.5 and 5.7.2 of the Annex 1 show the available working days on Local and International staff until Completion Date of Consultant Services Contract.

Consultant notes that inputs for Components 2 and 3 were utilised with maximum efficiency. Inputs were reported in the Final Report dated April 18, 2004 for Georgia and Armenia.

Tables 5.8 and 5.9 below illustrate Consultant assessment on Local and long-term International staff on the overall Project.

**Table 5.8- Adjustment on Local staff**

| <b>Item</b>                         | <b>Original Contract</b> | <b>Adjustment</b> |
|-------------------------------------|--------------------------|-------------------|
| Local long-term senior <sup>2</sup> | 2192                     | 2042              |
| Local long-term junior              | 2077                     | 1890              |
| Local short-term senior             | 1118                     | 1268              |
| Local short-term junior             | 716                      | 903               |
| <b>Total</b>                        | <b>6103</b>              | <b>6103</b>       |

**Table 5.9- Adjustment on Long-term International staff**

| <b>Item</b>    | <b>Original Contract</b> | <b>Adjustment</b> |
|----------------|--------------------------|-------------------|
| Team leader    | 440                      | 498 <sup>3</sup>  |
| Senior experts | 660                      | 590               |
| <b>Total</b>   | <b>1110</b>              | <b>1088</b>       |

<sup>1</sup> A period consists of 6 months;

<sup>2</sup> There is no difference in daily rates for local long term and short term experts; the difference is in senior and junior staff;

<sup>3</sup> 70 working days on international senior experts equal to 58 days for team leader compared with fee rates as per Consultant Services Contract. Thus, the value of 1110 working days is equal to the value of 1088 days.



As can be seen, no additional financial implication to Consultant Services Contract caused by the above adjustments.

The EC approval of Consultant's Team employed in the project and for the 3 Components is enclosed in Annex 2 to this Report.

Reports produced on this project including this Quarterly Progress Report are detailed in Annex 3 of this Report. The summary illustrates reports produced on each component (tables 1, 2 and 3) as well as general reports for the 3 Components (table 4).

In addition, Consultant has produced the following reports:

- Report for the EC Task Manager dated October 15, 2003 during site visit;
- Report for the WB mission dated November 5, 2003 during site visit;
- Report for the WB mission dated March 9, 2004 during site visit;
- Report delivered to the participants of the meeting held in "RoadTransService" Department on 26 April 2004 detailing the actual situation on road sections from Shemkir to Gazakh (CW 2003/1 to 4).

By the letter of 15 September 2004, the EC has advised the Consultant to get back to the WB and enquire about their possibility to find the necessary funds for the extension of Consultant Services Contract, as the Commission does not have the possibility to continue the funding for Supervision Contract. Consultant has forwarded this letter to the MoT and discussed with the WB during their mission to Baku about the extension of LB Contract (please refer to Annex 5 of this Report, Important Correspondences).

**FORM 1.6: PLAN OF OPERATIONS FOR THE NEXT PERIOD (Work programme)**

| Project title: <b>Rehabilitation of Caucasian Highways</b>  |   | Project number: <b>Europeaid/113179/C/SV/MULTI</b> |             |          | Country: <b>Azerbaijan, Georgia and Armenia</b> |          | Page: <b>1 of 4</b> |           |     |                        |       |
|---|---|--|-------------|----------|---|----------|---------------------|-----------|-----|------------------------|-------|
| Planning period: <b>October 2004 – December 2004</b>  |   | Prepared on: <b>October 10, 2004</b>               |             |          | EC Consultant: <b>LBSA</b>                      |          |                     |           |     |                        |       |
| Project objectives: <b>Component 1: Supervision of six civil works contracts, assistance to PIU, Component 2: Pre-Feasibility Studies, Component 3: Design and Tender Documents for three tunnels</b> |   |  |             |          |   |          |                     |           |     |                        |       |
| No  | ACTIVITIES IMPLEMENTED  | TIME FRAME 2004<br>Months                          |             |          |   |          |                     | INPUTS    |     |                        |       |
|   |   | October  |             | November |   | December |                     | PERSONNEL |     | EQUIPMENT AND MATERIAL | OTHER |
|   |   | EC Consultant                                      | Counterpart |          |   |          |                     |           |     |                        |       |
| 1   | Component 1: Azerbaijan   |  |             |          |   |          |                     | 110       | 570 | 0                      | n/a   |
| 1.1   | Subcomponent 1.1: Review of the design and tender documents   | Completed  |             |          |   |          |                     |           |     |                        |       |
| 1.1.1   | Road Ganja – Gazakh:<br>Lot 1 Ganja-Shemkir 2002-1<br>Lot 1 Shemkir-Road Station<br>Lot 2 Road Station-Tovuz<br>Lot 3 Tovus-Road Station<br>Lot 4 Road Station Gazakh |  |             |          |   |          |                     |           |     |                        |       |
| 1.1.2   | Reconstruction of Two Bridges   |  |             |          |   |          |                     |           |     |                        |       |
| 1.2   | Subcomponent 1.2<br>Construction Supervision<br>Ganja – Gazakh Road   | [Redacted]   |             |          |   |          |                     |           |     |                        |       |
| 1.2.1   | Lot 1 Ganja-Shemkir   |  |             |          |   |          |                     |           |     |                        |       |
| 1.2.1.1   | Mobilisation of Consultant  | Completed  |             |          |   |          |                     |           |     |                        |       |
| 1.2.1.2   | Pre-construction advisory services  |  |             |          |   |          |                     |           |     |                        |       |



|         |  |           |   |  |   |  |  |   |  |
|---------|--|-----------|---|--|---|--|--|---|--|
| 1.2.1.3 | Construction Supervision   |           |   |  |   |  |  |   |  |
| 1.2.1.4 | Monthly Progress Reports   |           | X |  | X |  |  | X |  |
| 1.2.1.5 | Final Acceptance   |           |   |  |   |  |  |   |  |
| 1.2.2   | Lots 1and 2 Shemkir-Tovuz  | Completed |   |  |   |  |  |   |  |
| 1.2.2.1 | Mobilisation of Consultant   | Completed |   |  |   |  |  |   |  |
| 1.2.2.2 | Pre-construction advisory services   | Completed |   |  |   |  |  |   |  |
| 1.2.2.3 | Construction Supervision   |           |   |  |   |  |  |   |  |
| 1.2.2.4 | Monthly Progress Reports   |           | X |  | X |  |  | X |  |
| 1.2.2.5 | Final Acceptance   |           |   |  |   |  |  |   |  |
| 1.2.3   | Lots 3, 4 Tovus- Gazakh  | Completed |   |  |   |  |  |   |  |
| 1.2.3.1 | Mobilisation of Consultant   | Completed |   |  |   |  |  |   |  |
| 1.2.3.2 | Pre-construction advisory services   | Completed |   |  |   |  |  |   |  |
| 1.2.3.3 | Construction Supervision   |           |   |  |   |  |  |   |  |
| 1.2.3.4 | Monthly Progress Reports   |           | X |  | X |  |  | X |  |
| 1.2.3.5 | Final Acceptance   |           |   |  |   |  |  |   |  |
| 1.3     | Subcomponent 1.3:<br>Assistance to the PIU in<br>implementation of the<br>World Bank and EBRD<br>projects          |           |   |  |   |  |  |   |  |
| 1.3.1   | Set-up of organisation and<br>structure of the PIU   | Completed |   |  |   |  |  |   |  |
| 1.3.2   | Review suitable<br>management procedures<br>and systems  | Completed |   |  |   |  |  |   |  |
| 1.3.3   | Advise and assist the PIU<br>in the management and<br>implementation of the<br>project                             |           |   |  |   |  |  |   |  |
| 1.3.4   | Advise and assist the PIU<br>to develop and operate<br>procedures and expertise in<br>the financial administration |           |   |  |   |  |  |   |  |





| Progress      |  |                 |  |  |  |            |            |          |  |            |  |
|---------------|--|-----------------|--|--|--|------------|------------|----------|--|------------|--|
| 2             | Component 2: Pre-Feasibility Study for Modernization of Poti-Tbilisi-Red Bridge Road in Georgia                        | Works Completed |  |  |  |            | 0          | 0        |  |            |  |
| 3             | Component 3: Design and Tender Documents for three tunnels on the road from Vanadzor to the Georgian Border in Armenia | Works Completed |  |  |  |            | 0          | 0        |  |            |  |
| <b>TOTAL:</b> |  |                 |  |  |  | <b>110</b> | <b>570</b> | <b>0</b> |  | <b>n/a</b> |  |

**Annex 1**  
**Working days local and international experts**  
(It contains 4 pages excluding this one)



Rehabilitation of Caucasian Highways Azerbaijan, Georgia and Armenia  
SUMMARY OF WORKING DAY PERFORMED IN 2003

Table 5.4

| No                               | Name/Month             | Title                        | Long-Term | Short-term | RTD+TR | Jan      | Feb      | Mar      | April    | May        | Jun        | Jul        | Aug        | Sep        | Oct        | Nov        | Dec        | Total Realised 2003 | Total Planned | Available for Remainder |
|----------------------------------|------------------------|------------------------------|-----------|------------|--------|----------|----------|----------|----------|------------|------------|------------|------------|------------|------------|------------|------------|---------------------|---------------|-------------------------|
| <b>1. Local Experts</b>          |                        |                              |           |            |        |          |          |          |          |            |            |            |            |            |            |            |            |                     |               |                         |
| <b>1.1 Azerbaijan</b>            |                        |                              |           |            |        |          |          |          |          |            |            |            |            |            |            |            |            |                     |               |                         |
| 1                                | Sabir Safarov          | Foundation Engineer          |           | STS        | 20 S   | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 12         | 16         | 0          | 0          | 14         | 42                  | 64            | 22                      |
| 2                                | Allahverdi Hajiyev     | Structural (Bridge) Engineer | L TJ      |            | 10 J   | 0        | 0        | 0        | 0        | 0          | 7          | 27         | 26         | 26         | 27         | 25         | 27         | 165                 | 450           | 285                     |
| 3                                | Kerim Mamedov          | ARE Bridge Engineer          | L TS      | STS        | 20 S   | 0        | 0        | 0        | 0        | 12         | 24         | 27         | 26         | 26         | 27         | 25         | 22         | 189                 | 460           | 271                     |
| 4                                | Jelal Hasanov          | Surveyor                     | L TJ      | ST J       | 20 J   | 0        | 0        | 0        | 0        | 12         | 24         | 27         | 26         | 26         | 27         | 25         | 27         | 194                 | 460           | 266                     |
| 5                                | Tengiz Orujov          | Quantity Surveyor            | L TS      |            |        | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 12         | 26         | 27         | 25         | 27         | 117                 | 440           | 323                     |
| 6                                | Medjnun Valiyev        | Material Engineer            | L TJ      |            | 12 J   | 0        | 0        | 0        | 0        | 0          | 7          | 27         | 26         | 26         | 27         | 25         | 27         | 165                 | 452           | 287                     |
| 7                                | Gunduz Mehtiyev        | Assistant Resident Engineer  | L TS      |            | 37 S   | 0        | 0        | 0        | 0        | 12         | 24         | 27         | 26         | 26         | 27         | 25         | 23         | 190                 | 477           | 287                     |
| 8                                | Teiman Pashanov        | Second Surveyor              | L TJ      |            |        | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0                   | 440           | 440                     |
| <b>Total</b>                     |                        |                              |           |            |        | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>36</b>  | <b>86</b>  | <b>135</b> | <b>154</b> | <b>172</b> | <b>162</b> | <b>150</b> | <b>167</b> | <b>1062</b>         | <b>3243</b>   | <b>2181</b>             |
| <b>1.2 Georgia</b>               |                        |                              |           |            |        |          |          |          |          |            |            |            |            |            |            |            |            |                     |               |                         |
| 9                                | Otar Mxeldze           | Senior Highway Engineer      | L TS      |            |        | 0        | 0        | 0        | 0        | 20         | 20         | 20         | 20         | 22         | 20         | 20         | 20         | 162                 | 214           | 52                      |
| 10                               | Tamara Samkharadze     | CAD Bridge Engineer          |           | STS        |        | 0        | 0        | 0        | 0        | 20         | 19         | 19         | 14         | 14         | 20         | 20         | 20         | 146                 | 146           | 0                       |
| 11                               | Jemal Kartoza          | Bridge Engineer              |           | STS        |        | 0        | 0        | 0        | 0        | 20         | 19         | 20         | 11         | 10         | 20         | 20         | 20         | 140                 | 140           | 0                       |
| 12                               | Dima Loginov           | CAD Bridge Engineer          |           | STS        |        | 0        | 0        | 0        | 0        | 20         | 19         | 19         | 14         | 12         | 20         | 20         | 20         | 144                 | 144           | 0                       |
| 13                               | Ramaz Nebieridze       | Senior Geotechnical Engineer |           | ST J       |        | 0        | 0        | 0        | 0        | 20         | 19         | 19         | 12         | 12         | 20         | 20         | 20         | 142                 | 142           | 0                       |
| 14                               | Dodo Goderdzishvili    | CAD Road Engineer            | L TJ      |            |        | 0        | 0        | 0        | 0        | 20         | 20         | 19         | 14         | 14         | 20         | 20         | 20         | 147                 | 147           | 0                       |
| 15                               | Tengiz Butkuzi         | Senior Surveyor              | L TS      |            |        | 0        | 0        | 0        | 0        | 20         | 20         | 20         | 20         | 22         | 20         | 20         | 20         | 162                 | 194           | 32                      |
| 16                               | Shota Utmelidze        | Senior Highway Engineer      | L TS      |            |        | 0        | 0        | 0        | 0        | 20         | 20         | 20         | 20         | 22         | 20         | 20         | 20         | 162                 | 194           | 32                      |
| 16-1                             | Besarion Andrazashvili | CAD Road Engineer            |           | STS        |        | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0                   | 43            | 43                      |
| 16-2                             | Manana Tabaladze       | CAD Highway Engineer         |           | STS        |        | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0                   | 43            | 43                      |
| 16-3                             | Lyudmila Krivolapchuk  | Cost Estimator               |           | STS        |        | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0                   | 43            | 43                      |
| 16-4                             | Salakia Vashja         | Surveyor                     |           | STS        |        | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0                   | 32            | 32                      |
| 16-5                             | Boris Ivashenko        | Bridge Engineer              |           | ST J       |        | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0                   | 36            | 36                      |
| <b>Total</b>                     |                        |                              |           |            |        | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>160</b> | <b>156</b> | <b>156</b> | <b>125</b> | <b>128</b> | <b>160</b> | <b>160</b> | <b>160</b> | <b>1205</b>         | <b>1518</b>   | <b>313</b>              |
| <b>1.3 Armenia</b>               |                        |                              |           |            |        |          |          |          |          |            |            |            |            |            |            |            |            |                     |               |                         |
| 17                               | Davit Hovsepyan        | Local Team Leader            | L TS      |            |        | 0        | 0        | 0        | 0        | 20         | 22         | 23         | 21         | 22         | 23         | 20         | 20         | 171                 | 220           | 49                      |
| 18                               | Sevak Afrikyan         | CAD Design Engineer          | L TJ      |            |        | 0        | 0        | 0        | 0        | 20         | 22         | 23         | 21         | 22         | 23         | 20         | 20         | 171                 | 220           | 49                      |
| 19                               | Vigen Matnishyan       | Tunnel Engineer              | L TJ      |            |        | 0        | 0        | 0        | 0        | 20         | 22         | 23         | 21         | 22         | 23         | 20         | 20         | 171                 | 220           | 49                      |
| 20                               | Hunan Haroyan          | Bridge Engineer              |           | STS        |        | 0        | 0        | 0        | 0        | 20         | 22         | 0          | 0          | 0          | 0          | 0          | 0          | 42                  | 44            | 2                       |
| 21                               | Artur Avagyan          | Engineer Surveyor            |           | STS        |        | 0        | 0        | 0        | 0        | 20         | 22         | 23         | 21         | 22         | 23         | 0          | 0          | 131                 | 132           | 1                       |
| 22                               | Valeri Hairapetyan     | Drainage Engineer            |           | ST J       |        | 0        | 0        | 0        | 0        | 20         | 22         | 0          | 0          | 0          | 0          | 0          | 0          | 42                  | 44            | 2                       |
| 23                               | Stepan Hakopyan        | Pavement Engineer            |           | STS        |        | 0        | 0        | 0        | 0        | 20         | 22         | 23         | 21         | 0          | 0          | 0          | 0          | 86                  | 88            | 2                       |
| 24                               | Pavel Makinyan         | Geotechnical Engineer        |           | STS        |        | 0        | 0        | 0        | 0        | 20         | 22         | 23         | 21         | 22         | 23         | 0          | 0          | 131                 | 132           | 1                       |
| 25                               | Miasnik Ghazaryan      | Traffic Engineer             |           | ST J       |        | 0        | 0        | 0        | 0        | 0          | 22         | 23         | 0          | 0          | 23         | 0          | 0          | 68                  | 66            | -2                      |
| 26                               | Anania Safaryan        | Cost Estimator               |           | STS        |        | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 0          | 0          | 0          | 20         | 11         | 31                  | 66            | 35                      |
| 27                               | Sonan Badalyan         | Environmental Engineer       |           | ST J       |        | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 20         | 20                  | 44            | 24                      |
| 28                               | Karine Gasparyan       | Contract Specialist          |           | ST J       |        | 0        | 0        | 0        | 0        | 0          | 0          | 0          | 0          | 0          | 23         | 20         | 0          | 43                  | 66            | 23                      |
| <b>Total</b>                     |                        |                              |           |            |        | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>160</b> | <b>198</b> | <b>161</b> | <b>126</b> | <b>110</b> | <b>161</b> | <b>100</b> | <b>60</b>  | <b>1107</b>         | <b>1342</b>   | <b>235</b>              |
| <b>Grand Total Local experts</b> |                        |                              |           |            |        |          |          |          |          |            |            |            |            |            |            |            |            | <b>3374</b>         | <b>6103</b>   | <b>2729</b>             |

Rehabilitation of Caucasian Highways Azerbaijan, Georgia and Armenia  
SUMMARY OF WORKING DAY IN 2004 (end of September 2004)

Table 5.5

| No                               | Name/Month             | Title                        | Long-Term | Short-term | RTD+TR | Jan        | Feb        | Mar        | April      | May        | Jun        | Jul        | Aug        | Sep        | Oct      | Nov      | Dec      | Total Realised 2004 | Total Realised 2003 | Total Planned | Available for Remainder |
|----------------------------------|------------------------|------------------------------|-----------|------------|--------|------------|------------|------------|------------|------------|------------|------------|------------|------------|----------|----------|----------|---------------------|---------------------|---------------|-------------------------|
| <b>1. Local Experts</b>          |                        |                              |           |            |        |            |            |            |            |            |            |            |            |            |          |          |          |                     |                     |               |                         |
| <b>1.1 Azerbaijan</b>            |                        |                              |           |            |        |            |            |            |            |            |            |            |            |            |          |          |          |                     |                     |               |                         |
| 1                                | Sabir Safarov          | Foundation Engineer          |           | STS        | 20 S   | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          |          |          |          | 0                   | 42                  | 54            | 12                      |
| 1-1                              | Amongaldi Rakhimov     | CAD Engineer                 |           | STS        |        | 0          | 0          | 10         | 0          | 0          | 14         | 0          | 0          | 0          |          |          |          | 24                  | 0                   | 10            | -14                     |
| 2                                | Allahverdi Hajiyev     | Structural (Bridge) Engineer | LTJ       |            | 10 J   | 25         | 24         | 27         | 23         | 21         | 22         | 22         | 22         | 22         |          |          |          | 208                 | 165                 | 450           | 77                      |
| 3                                | Kerim Mamedov          | ARE Bridge Engineer          | LTS       | STS        | 20 S   | 22         | 20         | 23         | 22         | 21         | 22         | 17         | 22         | 24         |          |          |          | 193                 | 189                 | 460           | 78                      |
| 4                                | Jetal Hasanov          | Surveyor                     | LTJ       | STJ        | 20 J   | 20         | 19         | 21         | 22         | 20         | 21         | 22         | 22         | 22         |          |          |          | 189                 | 194                 | 460           | 77                      |
| 5                                | Tengiz Orujov          | Quantity Surveyor            | LTS       |            |        | 26         | 24         | 27         | 26         | 26         | 26         | 27         | 26         | 26         |          |          |          | 234                 | 117                 | 440           | 89                      |
| 6                                | Medjrun Valiyev        | Material Engineer            | LTJ       |            | 12 J   | 25         | 24         | 27         | 25         | 21         | 22         | 22         | 22         | 22         |          |          |          | 210                 | 165                 | 452           | 77                      |
| 7                                | Gunduz Mehtiyev        | Assistant Resident Engineer  | LTS       |            | 37 S   | 22         | 20         | 23         | 22         | 21         | 22         | 22         | 22         | 26         |          |          |          | 200                 | 190                 | 477           | 87                      |
| 8                                | Telman Pashanov        | Second Surveyor              | LTJ       |            |        | 8          | 24         | 27         | 26         | 26         | 26         | 27         | 26         | 26         |          |          |          | 216                 | 0                   | 440           | 224                     |
| 8-8                              | Nazir Mirzayev         | Materials Engineer           | STJ       |            |        | 0          | 0          | 0          | 0          | 0          | 12         | 22         | 22         | 22         |          |          |          | 78                  | 0                   | 0             | -78                     |
| <b>Total</b>                     |                        |                              |           |            |        | <b>148</b> | <b>155</b> | <b>185</b> | <b>166</b> | <b>156</b> | <b>187</b> | <b>181</b> | <b>184</b> | <b>190</b> |          |          |          | <b>1552</b>         | <b>1062</b>         | <b>3243</b>   | <b>629</b>              |
| <b>1.2 Georgia</b>               |                        |                              |           |            |        |            |            |            |            |            |            |            |            |            |          |          |          |                     |                     |               |                         |
| 9                                | Otar Mxeldze           | Senior Highway Engineer      | LTS       |            |        | 18         | 14         | 20         | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 52                  | 162                 | 214           | 0                       |
| 10                               | Tamara Samkharadze     | CAD Bridge Engineer          |           | STS        |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 146                 | 146           | 0                       |
| 11                               | Jemal Kartozia         | Bridge Engineer              |           | STS        |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 140                 | 140           | 0                       |
| 12                               | Dima Loginov           | CAD Bridge Engineer          |           | STS        |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 144                 | 144           | 0                       |
| 13                               | Ramaz Nebieridze       | Senior Geotechnical Engineer |           | STJ        |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 142                 | 142           | 0                       |
| 14                               | Dodo Goderdzishvili    | CAD Road Engineer            | LTJ       |            |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 147                 | 147           | 0                       |
| 15                               | Tengiz Butkuzi         | Senior Surveyor              | LTS       |            |        | 18         | 14         | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 32                  | 162                 | 194           | 0                       |
| 16                               | Shota Utmelidze        | Senior Highway Engineer      | LTS       |            |        | 18         | 14         | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 32                  | 162                 | 194           | 0                       |
| 16-1                             | Besarion Andrazashvili | CAD Road Engineer            |           | STS        |        | 18         | 14         | 11         | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 43                  | 0                   | 43            | 0                       |
| 16-2                             | Manana Tabaladze       | CAD Highway Engineer         |           | STS        |        | 18         | 14         | 11         | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 43                  | 0                   | 43            | 0                       |
| 16-3                             | Lyudmila Krivolapchuk  | Cost Estimator               |           | STS        |        | 18         | 14         | 11         | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 43                  | 0                   | 43            | 0                       |
| 16-4                             | Salakaia Vashja        | Surveyor                     |           | STS        |        | 18         | 14         | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 32                  | 0                   | 32            | 0                       |
| 16-5                             | Boris Ivashenko        | Bridge Engineer              |           | STJ        |        | 18         | 14         | 4          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 36                  | 0                   | 36            | 0                       |
| <b>Total</b>                     |                        |                              |           |            |        | <b>144</b> | <b>112</b> | <b>57</b>  | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b> | <b>0</b> | <b>0</b> | <b>313</b>          | <b>1205</b>         | <b>1518</b>   | <b>0</b>                |
| <b>1.3 Armenia</b>               |                        |                              |           |            |        |            |            |            |            |            |            |            |            |            |          |          |          |                     |                     |               |                         |
| 17                               | Davit Hovsepyan        | Local Team Leader            | LTS       |            |        | 18         | 20         | 11         | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 49                  | 171                 | 220           | 0                       |
| 18                               | Sevak Afrikyan         | CAD Design Engineer          | LTJ       |            |        | 18         | 20         | 11         | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 49                  | 171                 | 220           | 0                       |
| 19                               | Vigen Matnshyan        | Tunnel Engineer              | LTJ       |            |        | 18         | 20         | 11         | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 49                  | 171                 | 220           | 0                       |
| 20                               | Hunan Haroyan          | Bridge Engineer              |           | STS        |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 42                  | 44            | 2                       |
| 21                               | Artur Avagyan          | Engineer Surveyor            |           | STS        |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 131                 | 132           | 1                       |
| 22                               | Valeri Hairapetyan     | Drainage Engineer            |           | STJ        |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 42                  | 44            | 2                       |
| 23                               | Stepan Hakopyan        | Pavement Engineer            |           | STS        |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 86                  | 88            | 2                       |
| 24                               | Pavel Makinyan         | Geotechnical Engineer        |           | STS        |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 131                 | 132           | 1                       |
| 25                               | Miasnik Ghazaryan      | Traffic Engineer             |           | STJ        |        | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 0                   | 68                  | 66            | -2                      |
| 26                               | Anania Safaryan        | Cost Estimator               |           | STS        |        | 18         | 17         | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 35                  | 31                  | 66            | 0                       |
| 27                               | Sonan Badalyan         | Environmental Engineer       |           | STJ        |        | 18         | 15         | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 33                  | 20                  | 44            | -9                      |
| 28                               | Karine Gasparyan       | Contract Specialist          |           | STJ        |        | 0          | 20         | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0        | 0        | 0        | 20                  | 43                  | 66            | 3                       |
| <b>Total</b>                     |                        |                              |           |            |        | <b>90</b>  | <b>112</b> | <b>33</b>  | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b> | <b>0</b> | <b>0</b> | <b>235</b>          | <b>1107</b>         | <b>1342</b>   | <b>0</b>                |
| <b>Grand Total Local experts</b> |                        |                              |           |            |        |            |            |            |            |            |            |            |            |            |          |          |          | <b>2100</b>         | <b>3374</b>         | <b>6103</b>   | <b>629</b>              |



Rehabilitation of Caucasian Highways Azerbaijan, Georgia and Armenia  
SUMMARY OF BILLED WORKING DAYS/Local

Tables 5.6  
Billed From January-June 2003 (Period 1)

| Long Term  | AZ                      | GE                           | AR                 | AZ  | GE  | AR  | Total |
|------------|-------------------------|------------------------------|--------------------|-----|-----|-----|-------|
| Senior     |                         | N9 (40); N15 (40); N 16 (40) | N 17(42)           |     | 120 | 42  | 162   |
| Junior     |                         | N 14 (40)                    | N 18 (42); N19(42) |     | 40  | 84  | 124   |
| Short Term |                         |                              |                    |     |     |     |       |
| Senior     | N3 (36);N7 (36)         | N10 (39); N11(39); N12 (39)  | N20,21,23,24(166)  | 72  | 117 | 166 | 357   |
| Junior     | N2 (7); N4 (36); N6 (7) | N13 (39)                     | N22(42);N25(22)    | 50  | 39  | 64  | 153   |
| Total      |                         |                              |                    | 122 | 316 | 356 | 796   |

Billed From July-December 2003 (Period 2)

| Long Term  | AZ                       | GE                           | AR                   | AZ  | GE  | AR  | Total |
|------------|--------------------------|------------------------------|----------------------|-----|-----|-----|-------|
| Senior     | N3(69);N5(117); N7(153)  | N9(122); N15(122); N16(122)  | N17(129)             | 339 | 366 | 129 | 834   |
| Junior     | N2(155); N4(74); N6(153) | N14(107)                     | N18 (129);N19(129)   | 382 | 107 | 256 | 747   |
| Short Term |                          |                              |                      |     |     |     |       |
| Senior     | N1(42); N3(84); N7(1)    | N 10(107); N11(101);N12(105) | 20,21,23,24,26+253   | 127 | 313 | 253 | 693   |
| Junior     | N2 (3);N4(84); N6(5)     | N13(103)                     | 25(46);27(20);28(43) | 92  | 103 | 109 | 304   |
| Total      |                          |                              |                      | 940 | 889 | 749 | 2578  |

Billed From January-June 2004 (Period 3)

| Long Term  | AZ                          | GE                          | AR                   | AZ  | GE  | AR  | Total |
|------------|-----------------------------|-----------------------------|----------------------|-----|-----|-----|-------|
| Senior     | N3(130 );N5(155 ); N7(130 ) | N9(52); N15(32); N16(32)    | N17(49)              | 415 | 116 | 49  | 580   |
| Junior     | N2(142 ); N4(123 ); N6(144) |                             | N18 (49);N19 (49)    | 409 | 0   | 98  | 507   |
| Short Term |                             |                             |                      |     |     |     |       |
| Senior     | N1(0); N1-1 (24)            | N 16-1 to 16-4(43+43+43+32) | N 26 (35)            | 24  | 161 | 35  | 220   |
| Junior     | N8 (137 ); N 8-8 (12 )      | N16-5 (36)                  | N 27 (33); N 28 (20) | 149 | 36  | 53  | 238   |
| Total      |                             |                             |                      | 997 | 313 | 235 | 1545  |

Local Staff Adjustment

| Component   | Local | Item No          | Planned and or adjusted | Working Day to be Billed | Total to be billed | Grand Total |
|-------------|-------|------------------|-------------------------|--------------------------|--------------------|-------------|
| Azerbaijan  | LTS   | 3,5,7            |                         | 141+166+157              | 466                | 1220        |
|             | L7J   | 2,4,6,8          |                         | 143+143+143+63           | 512                | 1363        |
|             | STS   | 1A, 1-1          |                         | 8                        | -2                 | 221         |
|             | STJ   | 5 & 6-5          |                         | 220-12                   | 208                | 499         |
| Total Local |       |                  |                         | 1184                     | 3243               |             |
| Georgia     | LTS   |                  |                         | 0                        | 0                  | 602         |
|             | L7J   |                  |                         | 0                        | 0                  | 147         |
|             | STS   |                  |                         | 0                        | 0                  | 591         |
|             | STJ   |                  |                         | 0                        | 0                  | 178         |
| Total       |       |                  |                         | 0                        | 1518               |             |
| Armenia     | LTS   |                  |                         | 0                        | 0                  | 220         |
|             | L7J   |                  |                         | 0                        | 0                  | 440         |
|             | STS   |                  |                         | 0                        | 0                  | 456         |
|             | STJ   |                  |                         | 0                        | 0                  | 226         |
| Total       |       |                  |                         | 0                        | 1342               |             |
| Financial   | Local | OriginalContract |                         | Fee rates EURO           | Contract           | Actual      |
|             | LTS   | 2192             | 2042                    |                          |                    |             |
|             | L7J   | 2077             | 1890                    |                          |                    |             |
|             | STS   | 1116             | 1268                    |                          |                    |             |
|             | STJ   | 716              | 903                     |                          |                    |             |
|             |       | 6103             | 6103                    |                          | 368765             | 368765      |

Total Billed till Period 3

| Long Term  | AZ   | GE   | AR   | AZ   | GE   | AR   | Total |
|------------|------|------|------|------|------|------|-------|
| Senior     | 754  | 602  | 220  | 754  | 602  | 220  | 1976  |
| Junior     | 791  | 147  | 440  | 791  | 147  | 440  | 1378  |
| Short Term |      |      |      |      |      |      |       |
| Senior     | 223  | 591  | 456  | 223  | 591  | 456  | 1270  |
| Junior     | 291  | 178  | 226  | 291  | 178  | 226  | 695   |
| Total      | 2059 | 1618 | 1342 | 2059 | 1618 | 1342 | 4919  |

Rehabilitation of Caucasian Highways Azerbaijan, Georgia and Armenia  
SUMMARY OF WORKING DAYS IN 2003/International

Table 5.7.1

| No                              | Name/Month           | Title                               | Jan | Feb | Mar | April | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total Realised 2003 | Planned     | Realized 2004 | Available for Remainder |
|---------------------------------|----------------------|-------------------------------------|-----|-----|-----|-------|-----|-----|-----|-----|-----|-----|-----|-----|---------------------|-------------|---------------|-------------------------|
| <b>Long-term International</b>  |                      |                                     |     |     |     |       |     |     |     |     |     |     |     |     |                     |             |               |                         |
| 1                               | G. Tremlett          | Team Leader                         | 14  | 21  | 21  | 23    | 21  | 10  | 0   | 0   | 0   | 0   | 0   | 0   | 110                 |             |               | 0                       |
| 2                               | K.Zukhurov           | Acting TL                           | 0   | 0   | 0   | 0     | 0   | 10  | 25  | 4   | 0   | 0   | 0   | 0   | 39                  |             |               | 0                       |
| 3                               | Razek Degheim        | Team Leader; 3 Components           | 0   | 0   | 0   | 0     | 0   | 0   | 0   | 16  | 22  | 18  | 18  | 17  | 91                  |             |               | 0                       |
| <b>Total Team Leader</b>        |                      |                                     |     |     |     |       |     |     |     |     |     |     |     |     | <b>240</b>          | <b>440</b>  | <b>0</b>      | <b>200</b>              |
| 4                               | Svetlozar Dotchev    | Resident Engineer; Azerbaijan       | 0   | 9   | 19  | 22    | 20  | 21  | 23  | 21  | 22  | 18  | 17  | 19  | 211                 | 440         | 0             | 229                     |
| 5                               | Piotr Pecelik        | Highway Engineer; Georgia & Armenia | 0   | 0   | 0   | 0     | 0   | 11  | 23  | 21  | 10  | 21  | 20  | 16  | 122                 | 220         | 0             | 98                      |
| <b>Total Long-term</b>          |                      |                                     |     |     |     |       |     |     |     |     |     |     |     |     | <b>573</b>          | <b>1100</b> | <b>0</b>      | <b>527</b>              |
| <b>Short-term International</b> |                      |                                     |     |     |     |       |     |     |     |     |     |     |     |     |                     |             |               |                         |
| 6                               | K.Zukhurov           | Training Specialist; Azerbaijan     | 0   | 0   | 0   | 0     | 0   | 4   | 0   | 0   | 0   | 0   | 0   | 0   | 4                   | 10          | 0             | 6                       |
| 7                               | Ian Trumbell         | Tunnel Expert; Armenia              | 0   | 0   | 0   | 0     | 14  | 0   | 0   | 5   | 0   | 0   | 0   | 0   | 19                  | 15          | 0             | -4                      |
| 8                               | Eleni Kritikou       | Bridge Expert; Azerbaijan           | 0   | 0   | 0   | 1     | 12  | 2   | 0   | 0   | 0   | 0   | 0   | 0   | 15                  |             |               | 0                       |
| 9                               | John Rigby           | Bridge Expert; Azerbaijan           | 0   | 0   | 0   | 0     | 0   | 0   | 0   | 0   | 7   | 1   | 0   | 0   | 8                   | 10          | 0             | -13                     |
| 10                              | Irvin Cohen          | Transport Economist; Georgia        | 0   | 0   | 0   | 0     | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0                   | 36          | 0             | 36                      |
| 11                              | Laurie Gardiner      | Environmental Engineer; Georgia     | 0   | 0   | 0   | 0     | 0   | 0   | 0   | 0   | 0   | 7   | 0   | 0   | 7                   |             |               | 0                       |
| 12                              | Alexander Arobelidze | Environmental Engineer; Georgia     | 0   | 0   | 0   | 0     | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0                   | 22          | 0             | 15                      |
| 13                              | Mike Heelis          | Pavement Engineer; Azerbaijan       | 0   | 0   | 0   | 0     | 0   | 0   | 1   | 8   | 0   | 0   | 0   | 0   | 9                   | 10          | 0             | 1                       |
| <b>Total Short-term</b>         |                      |                                     |     |     |     |       |     |     |     |     |     |     |     |     | <b>62</b>           | <b>103</b>  | <b>0</b>      | <b>41</b>               |

Rehabilitation of Caucasian Highways Azerbaijan, Georgia and Armenia  
SUMMARY OF WORKING DAYS IN 2004/International (end of September 2004)

Table 5.7.2

| No                              | Name/Month           | Title                               | Jan | Feb | Mar | April | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total Realised 2004 | Planned     | Total Realized 2003 | Available for Remainder |
|---------------------------------|----------------------|-------------------------------------|-----|-----|-----|-------|-----|-----|-----|-----|-----|-----|-----|-----|---------------------|-------------|---------------------|-------------------------|
| <b>Long-term International</b>  |                      |                                     |     |     |     |       |     |     |     |     |     |     |     |     |                     |             |                     |                         |
| 1                               | G. Tremlett          | Team Leader                         | 0   | 0   | 0   | 0     | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0                   |             |                     |                         |
| 2                               | K.Zukhurov           | Acting TL                           | 0   | 0   | 0   | 0     | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0                   |             |                     |                         |
| 3                               | Razek Degheim        | Team Leader; 3 Components           | 14  | 21  | 22  | 17    | 20  | 20  | 22  | 20  | 9   | 0   |     |     | 165                 |             |                     |                         |
| <b>Total Team Leader</b>        |                      |                                     |     |     |     |       |     |     |     |     |     |     |     |     | <b>165</b>          | <b>440</b>  | <b>240</b>          | <b>35</b>               |
| 4                               | Svetlozar Dotchev    | Resident Engineer; Azerbaijan       | 15  | 19  | 21  | 22    | 20  | 21  | 17  | 22  | 17  |     |     |     | 174                 | 440         | 211                 | 55                      |
| 5                               | Piotr Pecelik        | Highway Engineer; Georgia & Armenia | 11  | 17  | 0   | 0     | 0   | 0   | 0   | 0   | 0   |     |     |     | 28                  | 220         | 122                 | 70                      |
| <b>Total Long-term</b>          |                      |                                     |     |     |     |       |     |     |     |     |     |     |     |     | <b>367</b>          | <b>1100</b> | <b>573</b>          | <b>160</b>              |
| <b>Short-term International</b> |                      |                                     |     |     |     |       |     |     |     |     |     |     |     |     |                     |             |                     |                         |
| 6                               | K.Zukhurov           | Training Specialist; Azerbaijan     | 0   | 0   | 0   | 0     | 0   | 0   | 0   |     |     |     |     |     | 0                   | 10          | 4                   | 6                       |
| 7                               | Ian Trumbell         | Tunnel Expert; Armenia              | 0   | 0   | 0   | 0     | 0   | 0   | 0   |     |     |     |     |     | 0                   | 15          | 19                  | -4                      |
| 8                               | Eleni Kritikou       | Bridge Expert; Azerbaijan           | 0   | 0   | 0   | 0     | 0   | 0   | 0   |     |     |     |     |     | 0                   | 15          | 15                  | -15                     |
| 9                               | John Rigby           | Bridge Expert; Azerbaijan           | 0   | 0   | 0   | 0     | 0   | 0   | 0   |     |     |     |     |     | 0                   | 10          | 8                   | 2                       |
| 10                              | Irvin Cohen          | Transport Economist; Georgia        | 17  | 5   | 0   | 0     | 0   | 0   | 0   |     |     |     |     |     | 22                  | 36          | 0                   | 14                      |
| 11                              | Laurie Gardiner      | Environmental Engineer; Georgia     | 0   | 0   | 0   | 0     | 0   | 0   | 0   |     |     |     |     |     | 0                   |             | 7                   | -7                      |
| 12                              | Alexander Arobelidze | Environmental Engineer; Georgia     | 12  | 6   | 0   | 1     | 0   | 0   | 0   |     |     |     |     |     | 19                  | 22          | 0                   | 3                       |
| 13                              | Mike Heelis          | Pavement Engineer; Azerbaijan       | 0   | 0   | 0   | 0     | 0   | 0   | 0   |     |     |     |     |     | 0                   | 10          | 9                   | 1                       |
| <b>Total Short-term</b>         |                      |                                     |     |     |     |       |     |     |     |     |     |     |     |     | <b>41</b>           | <b>103</b>  | <b>62</b>           | <b>0</b>                |



**Annex 2**  
**EC's Approval Consultant Team**  
(It contains 4 pages excluding this one)

**International Experts, Long and Short-term**

| No | Name                            | Expert                      | Position                          | EC Approval Date/Letter No                             |
|----|---------------------------------|-----------------------------|-----------------------------------|--|
| 1  | <b>Kakhraman<br/>Zukhurov</b>   | International<br>Short-term | <b>Acting TL</b>                  | 10.06.03 Side letter No 06                             |
| 2  | <b>Ian Trunbull</b>             | International<br>Short-term | <b>Tunnel Expert</b>              | 05.05.03. Side letter No 05                            |
| 3  | <b>Jonathan Pagan</b>           | International<br>Short-term | <b>Transport Economist</b>        | 05.05.03. Side letter No 05                            |
| 4  | <b>Eleni Kritikou</b>           | International<br>Short-term | <b>Bridge Expert</b>              | 14.04.03. Side letter No 03                            |
| 5  | <b>John Rigby</b>               | International<br>Short-term | <b>Bridge Expert</b>              | 14.03.03. Side letter No 02                            |
| 6  | <b>Laurence Gardinier</b>       | International<br>Short-term | <b>Environnemental<br/>Eng.</b>   | 25.09.03 Side letter No 09                             |
| 7  | <b>Razek Degheim</b>            | International<br>Long-term  | <b>Team Leader</b>                | Addendum 1 to Contract<br>2002/027 531(date not clear) |
| 8  | <b>Irvin Cohen</b>              | International<br>Short-term | <b>Transport Economist</b>        | 29.10.03 Side letter No 10                             |
| 9  | <b>Michael Heelis</b>           | International<br>Short-term | <b>Pavement Engineer</b>          | 14.07.03 Side letter No 07                             |
| 10 | <b>Alexander<br/>Arobelidze</b> | International<br>Short-term | <b>Environmental<br/>Engineer</b> | 01.12.03 Side letter No 11                             |
| 11 | <b>Piotr Pecenik</b>            | International<br>Long-term  | <b>Highway Engineer</b>           | Original Proposal                                      |
| 12 | <b>Geoffrey Tremlett</b>        | International<br>Long-term  | <b>Team Leader</b>                | Original Proposal                                      |
| 13 | <b>Svetlozar Dotchev</b>        | International<br>Long-term  | <b>Resident Engineer</b>          | Original Proposal                                      |



**Local Experts, Component 1 (Azerbaijan)**

| No | Name               | Position           | EC's Approval Date/Letter No |
|----|--------------------|--------------------|------------------------------|
| 1  | Gunduz Mehtiyev    | Assistant RE       | 05.05.03 Side letter No5     |
| 2  | Medjnun Veliyev    | Soils Engineer     | 10.06.03 Side letter No6     |
| 3  | Allahveren Hajiyev | Pavement Eng.      | 10.06.03 Side letter No6     |
| 4  | Tengiz Orujev      | Quantity Surveyor  | 25.07.03 Side letter No8     |
| 5  | Jelal Hasanov      | Surveyor           | 05.05.03 Side letter No5     |
| 6  | Kerim Mamedov      | Bridge Eng.        | 05.05.03 Side letter No5     |
| 7  | Sabir Safarov      | Foundation Eng.    | 25.07.03 Side letter No8     |
| 8  | Telman Pashanov    | Surveyor           | 19.01.04 Side letter No 12   |
| 9  | Amongladi Rakhimov | CAD Engineer       | 18.02.04 Side letter No13    |
| 10 | Nazir Mirzayev     | Materials Engineer | 24.05.04 Side letter No 14   |

**Local Experts, Component 2 (Georgia)**

| <b>No</b> | <b>Name</b>                   | <b>Position</b>         | <b>EC Approval Date/Letter No</b> |
|-----------|-------------------------------|-------------------------|-----------------------------------|
| 1         | <b>Butkhuzi Tengiz</b>        | <b>Surveyor</b>         | 06.03.03 Side letter No 01        |
| 2         | <b>Goderzishvili Dodo</b>     | <b>CAD Bridge Eng.</b>  | 06.03.03 Side letter No 01        |
| 3         | <b>Kartozia Jemal</b>         | <b>Bridge Eng.</b>      | 06.03.03 Side letter No 01        |
| 4         | <b>Loginov Dimitri</b>        | <b>CAD Bridge Eng.</b>  | 06.03.03 Side letter No 01        |
| 5         | <b>Mxeidze Otar</b>           | <b>Highway Eng.</b>     | 06.03.03 Side letter No 01        |
| 6         | <b>Nebieridze Ramaz</b>       | <b>Geot. Eng.</b>       | 06.03.03 Side letter No 01        |
| 7         | <b>Samkhardze Tamara</b>      | <b>CAD Bridge Eng.</b>  | 06.03.03 Side letter No 01        |
| 8         | <b>Utmelidze Shota</b>        | <b>Surveyor</b>         | 06.03.03 Side letter No 01        |
| 9         | <b>Besarion Andrazashvili</b> | <b>CAD Road Eng.</b>    | 06.03.03 Side letter No 01        |
| 10        | <b>Manana Tabatadze</b>       | <b>CAD Highway Eng.</b> | 06.03.03 Side letter No 01        |
| 11        | <b>Lyudmila Krivolapchuk</b>  | <b>Cost Estimator</b>   | 06.03.03 Side letter No 01        |
| 12        | <b>Salakaia Vashja</b>        | <b>Surveyor</b>         | 06.03.03 Side letter No 01        |
| 13        | <b>Boris Ivashenko</b>        | <b>Bridge Eng.</b>      | 06.03.03 Side letter No 01        |



**Local Experts, Component 3 (Armenia)**

| <b>No</b> | <b>Name</b>        | <b>Position</b>        | <b>EC Approval Date/Letter No</b> |
|-----------|--------------------|------------------------|-----------------------------------|
| 1         | Davit Hovsepyan    | H.E./Local TL          | 05.05.03 Side letter No 05        |
| 2         | Sevak Afrikyan     | CAD Design Engineer    | 05.05.03 Side letter No 05        |
| 3         | Vigen Matnishyan   | Tunnel Engineer        | 05.05.03 Side letter No 05        |
| 4         | Miasnik Ghazaryan  | Traffic Engineer       | 05.05.03 Side letter No 05        |
| 5         | Anania Safaryan    | Cost Estimator         | 05.05.03 Side letter No 05        |
| 6         | Artur Avagyan      | Engineer Surveyor      | 05.05.03 Side letter No 05        |
| 7         | Hunan Haroyan      | Bridge Engineer        | 05.05.03 Side letter No 05        |
| 8         | Valeri Hairapetyan | Drainage Engineer      | 05.05.03 Side letter No 05        |
| 9         | Stepan Hakopyan    | Pavement Engineer      | 05.05.03 Side letter No 05        |
| 10        | Sonan Badalyan     | Environmental Engineer | 05.05.03 Side letter No 05        |
| 11        | Pavel Makinyan     | Geotechnical Engineer  | 05.05.03 Side letter No 05        |
| 12        | Karine Gasparyan   | Contract Specialist    | 05.05.03 Side letter No 05        |

**Annex 3**  
**Summary of reports produced**  
(It contains 4 pages excluding this one)



**Rehabilitation of Caucasian Highways**  
**Azerbaijan, Georgia and Armenia**  
**EUROPEAID/113179/C/SV/MULTI**

**Reports Produced**

**1) Azerbaijan: Component 1**

| Item | Title   | Date of Issue                       | Prepared by | Expert Expatriate/Local           | Report Number          |
|------|---|-------------------------------------|-------------|-----------------------------------|------------------------|
| 1    | Design Review Report- 2 Bridges Contract                    | May 2003                            | E.Kritikou  | Short-Term Exp. Bridge Engineer   | TRP/No2/2003/AZ        |
| 2    | Quarterly Progress Report                                   | June                                | S. Dotchev  | Long-Term Exp. RE                 | QPR/No1/2003/AZ        |
| 3    | Review of Tender Documents- Shemkir to Gazakh Road          | August 2003                         | S. Dotchev  | Long-Term Exp.RE                  | TRP/No3/2003/AZ        |
| 4    | Pavement Design Evaluation- Shemkir to Gazakh               | August 2003                         | M.E.Heelis  | Short-Term Exp. Pavement Engineer | TRP/No4/2003/AZ        |
| 5    | Supplementary Design Review-2 Bridges Contract <sup>1</sup> | September 2003                      | J.Rigby     | Short-Term Exp. Bridge Engineer   | TRP/ No1/2003/AZ       |
| 6-12 | Monthly Reports- 2 Bridges and Ganja to Shemkir Contracts   | March to September 2003 – 7 Reports | S. Dotchev  | Long-Term Exp. RE                 | MPR/No1 to No7/2003/AZ |
| 13   | Monthly Report  | October 2003                        | S. Dotchev  | Long-Term Exp. RE                 | MPR/No8/2003/AZ        |
| 14   | Monthly Report  | November 2003                       | S. Dotchev  | Long-Term Exp. RE                 | MRP/ No9/2003/AZ       |

<sup>1</sup> Attached to the Second Progress Report (July-December 2003).

|    |                           |                     |            |                   |                  |
|----|---------------------------|---------------------|------------|-------------------|------------------|
| 15 | Quarterly Progress Report | Oct-Dec 2003        | S. Dotchev | Long-Term Exp. RE | QPR/No2/2003/AZ  |
| 16 | Monthly Report            | January 2004        | S. Dotchev | Long-Term Exp. RE | MPR/No10/2004/AZ |
| 17 | Monthly Report            | February 2004       | S. Dotchev | Long-Term Exp. RE | MPR/No11/2004/AZ |
| 18 | Quarterly Progress Report | Jan-March 2004      | S. Dotchev | Long-Term Exp. RE | QPR/No3/2004/AZ  |
| 19 | Monthly Report            | April 2004          | S. Dotchev | Long-Term Exp. RE | MPR/No12/2004/AZ |
| 20 | Monthly Report            | May 2004            | S. Dotchev | Long-Term Exp. RE | MPR/No13/2004/AZ |
| 21 | Quarterly Progress Report | April-June 2004     | S. Dotchev | S. Dotchev        | QPR/No4/2004/AZ  |
| 22 | Monthly Report            | July 2004           | S. Dotchev | S. Dotchev        | MPR/No14/2004/AZ |
| 23 | Monthly Report            | August 2004         | S. Dotchev | S. Dotchev        | MPR/No15/2004/AZ |
| 24 | Quarterly Progress report | July-September 2004 | S. Dotchev | S. Dotchev        | QPR/No5/2004/AZ  |
|    | Total                     |                     |            |                   | 24 Reports       |

## 2) Georgia: Component 2

| Item | Title              | Date of Issue  | Prepared by | Expert              | Report Number       |
|------|--------------------|----------------|-------------|---------------------|---------------------|
| 1    | Inception Report   | August, 2003   | R. Degheim  | Long-Term Exp. PM   | IRP/No1/2003/GE     |
| 2    | Draft Final report | February, 2004 | P. Pecenic  | Long-Term Expert    | DFR/No1/2004/GE     |
| 3    | Final Report       | 18 April, 2004 | R. Degheim  | Long-Term Expert PM | FR/No1/2004 GE & AR |
|      | Total              |                |             |                     | 3                   |



### 3) Armenia: Component 3

| Item | Title  | Date of Issue  | Prepared by  | Expert                             | Report Number       |
|------|--|----------------|--------------|------------------------------------|---------------------|
| 1    | Technical Report on Survey of Tunnels <sup>2</sup>             | July 2003      | V.Matnishyan | Short- Term Local Tunnel Engineer  | TRP/No1/2003/AR     |
| 2    | Site Inspection and Rehabilitation Works Proposal <sup>3</sup> | August 2003    | I.Turnbull   | Short-Term Exp. Tunnel Engineer    | TRP/No2/2003/AR     |
| 3    | Engineering-Geological Conclusion <sup>4</sup>                 | August 2003    | P.Makinyan   | Short-Term local Geotechnical Eng. | TRP/No3/2003/AR     |
| 4    | Inception Report <sup>5</sup>                                  | November       | R. Degheim   | Long-Term Exp. PM                  | IRP/No4/2003/AR     |
| 5    | Final Report <sup>6</sup>                                      | 18 April, 2004 | R. Degheim   | Long-Term Exp. PM                  | FR/No1/2004 GE & AR |
|      | Total  |                |              |                                    | 5                   |

### 4) General Reports on Components 1, 2 and 3

| Item | Title                                  | Date of Issue | Prepared by | Expert                   | Report Number  |
|------|--|---------------|-------------|--------------------------|----------------|
| 1    | Inception Report                       | April 2003    | G.Tremlett  | Long-Term Exp. PM        | IRP/No1/2003/G |
| 2    | First Progress Report                  | July 2003     | K.Zukhurov  | Long-Term Exp. acting PM | PRP/No1/2003/G |
| 3    | Quarterly Progress Report <sup>7</sup> | October 2003  | R. Degheim  | Long-Term Exp. PM        | QRP/No1/2003/G |
| 4    | Second Progress Report                 | January 2004  | R. Degheim  | Long-Term Exp. PM        | PRP/No2/2003/G |
| 5    | Quarterly Progress Report              | April 2004    | R. Degheim  | Long-Term Exp. PM        | QRP/No2/2004/G |

<sup>2</sup> Report enclosed in Annex 4 to the 6 months Progress Report dated July 27;

<sup>3</sup> Report enclosed in Annex 5 to the Quarterly Report dated October 15, 2003;

<sup>4</sup> Report enclosed in Annex A to the Site Inspection and Rehabilitation Works Proposal;

<sup>5</sup> Report enclosed in the Second Progress Report (July-December 2003);

<sup>6</sup> In conjunction with Component 2, Georgia;

<sup>7</sup> Progress Report for Georgia was produced with this Report.

|   |                           |                  |            |                   |                |
|---|---------------------------|------------------|------------|-------------------|----------------|
| 6 | Third Progress Report     | July 10, 2004    | R. Degheim | Long-Term Exp. PM | PRP/No3/2004/G |
| 7 | Quarterly Progress Report | October 10, 2004 | R. Degheim | Long-Term Exp. PM | QRP/No3/2004/G |
|   | Total                     |                  |            |                   | 7              |

**Grand Total: 39 Reports produced**



**Annex 4**  
**Bridges Contract**  
(It contains 18 pages excluding this one)

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## 1. BACKGROUND

The Contract Agreement for Civil Works was signed between the EUROPEAN COMMUNITY represented by the COMMISSION OF THE EUROPEAN COMMUNITIES acting on behalf of the beneficiary country, as Contracting authority and JSC Azerkorpu, as Contractor.

The Construction of two bridges is financed by TACIS. The relevant Contract is EURPEAID/112944/C/W/AZ.

The Supervising Team has been appointed by the EC as part of EUROPEAID/113179/C/SV/MULTI. The Technical supervision of the reconstruction of the 2 bridges forms the sub-component 1.4 of Azerbaijan.

The Shemkir bridge, structure No 32, is on the Contract known as CW2002/1 (Ganja-Shemkir road section). Civil Works Road Contract financed by the WB is awarded to TURAN HAZINEDAROGLU-OZTAS joint venture. The Completion Date is by 21 October 2004.

The Gasan Su bridge, structure No 44, is on the Contract Known as CW 2003/3. Civil Works Contract financed by the WB is awarded to AUTHOBahn BAU GMBH. The Completion Date is by 23 August 2005.

This report describes the progress on the design and construction of the Gasan Su and Shemkir bridges during the project implementation.

## 2. PROGRESS

### 2.1 INTRODUCTION

The Contract Agreement known as Contract No 30468 was signed on 27 December 2002. The Period of Performance is established by 240 calendar days from the date of notification of approval of the Contract defined as 10 March 2003. Consequently, the Original Completion date is by 4 November 2003.

### 2.2 DESIGN PROGRESS

KOCKS initially designed the 2 bridges in July 2001. This was submitted with the Tender Documents as preliminary design: no calculations were provided, no detailed reinforcement drawings and no detailed cross section on approach roads.

After signing the Contract for Civil Works, JSC Azerkorpu commenced redesign of the 2 bridges incorporating major changes to the initial KOCKS design.

On 8 April 2003, the contractor has submitted the first version of the redesign, which has been rejected (design was not conform to Azeri Standards).



Second version submitted by the Contractor on June 19, 2003. Approval by the Azerbaijan state construction committee was given on 24 July 2003.

We note that the Azeri road design code stipulates that for category II roads (max speed 120 Km/hr) the max allowed gradient is 4%. In the initial KOCKS design the gradients were 5.2% and 6% for the Gasas Su Chay bridge. The road design was subsequently amended and resubmitted in December 2002. No amendments were made for Gasas Su Chay bridge.

**An increase in elevation of approx 3m was necessary to conform to the design standards.**

In Shemkir bridge and after approving the redesign of the road section on Contract CW2002/1, **alterations were also made to Shemkir bridge design to suit the allowed gradient.**

**Table 1** shows span length of the 2 bridges compared between preliminary design and redesign.

**Table 1**

| <b>Bridge Name</b> | <b>Initially designed span</b> | <b>Redesign span</b> |
|--------------------|--------------------------------|----------------------|
| Shemkir            | 3*22 m                         | 5*18 m               |
| Gasas Su           | 12+18+12 m                     | 3*18 m               |

Pre-cast beams were introduced instead of pre-stressed beams. It seems that prefabrication is a common practice in Azerbaijan.

Consultant's short-term international experts have checked the redesign submitted by JSC Azerkorpu and issued 2 Technical Reports in May and October 2003.

### **2.3 CONSTRUCTION PROGRESS**

On 24 July 2003 consent was granted by "GOSSTROY" the Azerbaijan state construction and architecture committee for construction to begin on the two bridges provided that existing piles on Gasas Su bridge shall be checked.

The Contract anticipated that the existing piles on Gasas Su, installed 15 years ago during an aborted bridge reconstruction contract, would be exposed and used as supports to the current construction.

Upon excavation, a number of problems were discovered with the piles, which has led to concerns about their competence to support the bridge loads. In brief, the problems reported were:

1. The installation was not in compliance with SNIP standards in that the pile spacing was insufficient. SNIP 2.02.03-85, Item 7.9 requires pile spacing minimum 1.0m whereas actual installed spacing varies between 57cm and 90cm.

2. The protective layer was as little as 15-20mm whereas the SNIP requirement is 50mm
3. The concrete quality appears to be poor, having been made with river aggregates and the best estimates of grade according to some calibrated Schmidt tests is B7,5 to B12,5. Grade B15 or B25 should be the minimum considered for reinforced concrete piles.

On discovering these defects, the contractor "JSC Azerkorpu" convened a technical committee, which concluded in its report, dated 20 August 2003 that the existing piles were not acceptable for inclusion into the new bridge.

Consultant's bridge expert has visited the site on 24 September 2003 and noted that:

- The piles were approximately 500mm diameter, not 730mm as stated in the Contract;
- The reinforcement cages were badly positioned within the pile casing;
- Almost all the continuity reinforcement projecting from the piles had been broken off;
- There are further doubts about the supervision of the original pile installation and no credible records of their length.

He concluded that the risk of using the existing piles in the new construction couldn't be justified.

**Two new 1.2m diameter bored concrete piles at each intermediate support to take the bridge loads were constructed.**

## 2.4 ADDENDA TO CONTRACT

Two addenda have been issued by the EC during the progress of works:

**Addendum No 1:** EC Approval of the extension of Construction Performance Date (The Contracting Authority issued this Addendum approving an extension of the Performance Date till 30/03/04).

**Addendum No 2:** EC Approval of the extension of Construction Performance Date (The Contracting Authority issued this Addendum approving an extension of the Performance Date till 31/05/04).  
(Please refer to **Annex 1** of this Report).

Contractor has submitted Revised Performance Bank Guarantee and Revised Insurance in accordance with the Terms of Contract.

## 2.5 PROJECT DATA

Civil Works were completed on 31 May 2004. Certificate of Provisional Acceptance has been issued. Taking Over for Provisional Acceptance performed.  
(Please refer to **Annex 2** of this Report, Minutes of Taking Over Meeting).



The project data is presented in the **Table 2** below:

**Table 2**

| <b>Works Contract EUROPEAID/112944/C/W/AZ</b> |                                |
|---|--------------------------------|
| Contract Awarded                              | 27 <sup>th</sup> December 2002 |
| Contract Agreement Signed                     | 27 <sup>th</sup> December 2002 |
| Tender Amount                                 | €1,424,017.80                  |
| Contract Amount                               | €1,424,017.80                  |
| Contract Start Date                           | 10 <sup>th</sup> March 2003    |
| Original Contract Completion Date             | 4 <sup>th</sup> November 2003  |
| Second Extended Completion Date               | 31 <sup>st</sup> May 2004      |
| Works Program revised                         | 14 <sup>th</sup> April 2004    |
| Works complete to date                        | 100 %                          |
| Value of Works to date                        | €1,518,929.22                  |
| Value of Day works to date                    | €1,058                         |
| Total Value                                   | €1,519,987.22                  |

### 3. FINANCIAL

#### 3.1 FINANCIAL APPLICATION CAUSED BY EXTENSION OF TIME

No financial application and or additional cost requested by the Contractor on to the 2 extensions of the period of performance stated in section 2.4 of this Report.  
(Please refer to **Annex 3** of this Report).

#### 3.2 REVISED BILL OF QUANTITIES

The Contractor has submitted on 26 September 2003 a revised Bill of Quantities showing that no additional cost would be occurred to the project except for additional 2\*2piles on Gasan Su.

He did not submit the design for approach roads on the 2 bridges. Thus, Consultant had no possibility to review the quantities for earthworks on the approach roads.

The BoQ submitted at that time compared with the original BoQ shows that the total Value of the revised BoQ was equivalent to the Original Contract Value. The structure is slightly lower in price but the additional cost is for the works were on the approach roads.

On April and May 2004, the Contractor has submitted longitudinal design and shop drawings for approach roads on Gasan Su and Shemkir bridges.

Consultant has noted that additional cost would occur on the approach roads. He sent letters to the Contractor requesting him to provide in detail the origin of the quantity calculated and introduced in its revised BoQ of 26 September 2003 (please refer to **Annex 3** of this Report). No reply received from the Contractor.



We note that in the Original BoQ, the quantities on approach roads calculated by KOCKS were under estimated. In addition, no detailed drawings were delivered as stated above.

### **3.3 EXTRA COST ON PILES**

Extra cost has been delivered to the Contracting Authority in October 17, 2003. The supplementary cost of **28681 €** is related to the construction of two new 1,2 m diameter bored piles at each intermediate support of Gasan Su bridge to take the bridge loads. (Please refer to **Annex 3** of this Report).

### **3.4 INTERIM CERTIFICATE FOR PROVISIONAL ACCEPTANCE**

The Interim Certificate for Provisional Acceptance has been issued on 31 May 2004 by introducing the quantities approved and accepted by the Consultant.

We note that the Contract is a measured Contract. Article 1 of Special Conditions of Contract defines the Contract Price: "The sum stated in the contract representing the initial estimate payable for carrying out the works, or such other sum as ascertained at the end of contract as due under the contract".

## **4. ANNEXES**

- Annex 1:** Addenda to Contract Agreement No 30468;
- Annex 2:** Minutes of Taking Over for Provisional Acceptance;
- Annex 3:** Correspondences.

**Annex 1**  
**Addenda to Contract**  
(It contains 2 pages excluding this one)

*Handwritten:*  
Please print with WH.  
3 Oct  
11.11.03  
P

*Handwritten:*  
- 11/10/03 (e-mail/r)  
Psh

**LBSA Baku**

---

**From:** <Efstathios.Dalamangas@cec.eu.int>  
**To:** <fsignor@louisberger.com>  
**Sent:** 07 October 2003 15:26  
**Subject:** FW: addendum 1 to the contract 30468 - Construction of the Gasan Su Cay and Shemkir Cay bridges

Fabrice

this is the addendum of the extension till 30/03/04

Dalamangas

- > -----Original Message-----
- > From: VARDAR Fuat (AIDCO)
- > Sent: 07 October 2003 12:24
- > To: DALAMANGAS Efstathios (AIDCO)
- > Subject: addendum 1 to the contract 30468 - Construction of the Gasan Su Cay and Shemkir Cay bridges
- > Importance: High
- >
- > Dear Colleague,
- >
- > I would like to inform you that I've sent the above mentioned documents by DHL 9840512813 on the 07/10/2003.
- >
- > Best regards,
- >
- > Mr Fuat Vardar
- > The European Commission - EuropeAid Co-operation Office
- > Directorate A6 - Financial and Contract Management for Europe,Caucasus,Central Asia
- > Contract team
- > Rue de la loi 41 4/72
- > Phone:+ 32 2 2952149
- > E-mail: [fuat.vardar@cec.eu.int](mailto:fuat.vardar@cec.eu.int)
- >
- >



20/03/2004 09:49

CECANS016C20-AIDCO A4 + 00099412973435

Mar, 30 2004 10:18:31 AM  
*See our letter P154 of 1.02.04*



EUROPEAN COMMISSION  
EuropeAid Co-operation Office  
Europe, Caucasus, Central Asia  
Financing, Contracts and Audits

Fax Sent on 30 APR 2004  
File: *to Svet*

*File 230*  
*Received for*  
*Azerkorpuz*  
*30.03.04*  
*[Signature]*

**ADDENDUM N° 2 TO CONTRACT N° 30468**

The European Community, represented by the Commission of the European Communities B-1049 Brussels ("the Contracting Authority"),

on the one part,

and

a consortium composed of JSC Azerkorpuz, Khirdalan 1280 (ress, 31 block, Baku, Azerbaijan), represented by Mr. Gasimov Shahbaz Mammadgasan oglu, tel.: +99412 627 443, and JSC Gandja Korpu Tikinti-2, PPP Texnomost, represented by JSC Azerkorpuz ("the Contractor")

on the other part,

have agreed as follows:

The following provisions of Contract 30468, "Construction of Gasan Su Day and Shemki Cay bridges - Azerbaijan", concluded between the Contracting Authority and the Consultant on 27/12/2002 (the "Contract"), are hereby replaced/modified as follows:

**Article 32: Period of Performance**

32.1 The period of performance, which commenced on 10/13/2003 shall be extended until 31/5/2004.

All other terms and conditions of the Contract remain unchanged. This addendum shall enter into force on the date on which it is signed by the later of the two parties.

For the ~~Contractor~~

For the Contracting Authority

Name

Name

Date

Name

Date

29 MARS 2004

*[Signature]*  
Marie Farra-Hockley  
Procurement Co-ordinator

**Annex 2**  
**Minutes of Taking Over Meeting, Provisional Acceptance Contract No 30468 (2**  
**bridges)**  
(It contains 2 pages excluding this one)

**CONTRACT EUROPEAID/112944/CW/AZ  
CONTRACT AGREEMENT No 30468**

**Project: Construction of the Gasan Su Chay and Shemkir Chay bridges in Azerbaijan**

**Minutes of the Taking Over Meeting**

Held on 31 May 2004 at 14:00 hours (local time) at site offices between Consultants and JSC AZERKORPU

Present:

|                 |  |
|-----------------|--|
| Mr. R. Degheim  | Project Manager (PM)                   |
| Mr. S. Dotchev  | Project Manager's Representative (PMR) |
| Mr. M. Shirinov | Deputy Director Azerkorpu              |

Mr. Degheim congratulated the Contractor for Contract completion. The following items were discussed and the final agreements and clarifications are recorded.

**1. Defects Liability Period**

The PM stated that the duration of the Defects Liability Period according to the Terms of Contract is 365 days, thus the start and end dates are fixed as by 31 May 2004 and May 30 2005 respectively.

It was agreed that the Contractor at his own cost shall be responsible for making good any defects or damage to any part of the Works which may appear or occur during the Defects Liability Period.

**2. Performance Bank Guarantee**

The PM stated that the Validity of the Performance Bank Guarantee (30.06.2005) is in accordance with the Contract requirement. The Contractor shall submit the original amended Bank Guarantee to the Contracting Authority.

**3. Insurance**

The updated Insurance submitted by the Contractor is not in accordance with the Special Conditions of Contract. It shall be in the joint name of the Contracting Authority and the Contractor.

The Contractor to submit a revised Insurance as stipulated in Article 14 of the Contract to the Contracting Authority and copy to Consultant.

**4. Operational and maintenance manuals**

The Contractor will submit it within 10 days.



**5. Bank Guarantee for Advance Payment**

Advance is repaired.

The Bank Guarantee for the Advance Payment is to be released. The Contractor will write to EC asking to release the Bank Guarantee.

**6. As built Drawings**

The Contractor shall submit within 30 days as built drawings.

**7. Outstanding Works**

Shemkir Bridge:

- Removal of Contractor's site installations and cleaning of the Site.

**8. Provisional Certificate**

The PM stated that Azerkorpuz has sent on October 2003 a revised BoQ with no additional cost except for additional 2x2 piles on Gasan Su Chay Bridge.

The Contractor stated that due to the fact that the Bridges on part of rehabilitation of adjacent road section, longitudinal corrections were required. The additional volumes and cost would be appeared in the Provisional Certificate.

Signed and agreed as correct Minutes of Meeting.

For the Consultant:



For Contractor:



**Annex 3**  
**Correspondences**  
(It contains 6 pages excluding this one)

Azərbaycan Respublikası

**AZƏRKÖRPÜ**

Səhmdar cəmiyyəti



File 230  
See our letter P134  
of 11 March 2004  
to EC

The Azerbaijan Republic  
**AZERKORPU**  
Joint-stock company

N 134

"11" March 2004 il

**To:** *Razek Degheim*  
*Team Leader*

*Louis Berger S.A.*  
*Uzeyr Gadjibekov str. 72/4*

**Copy:** *Mr. S. Dotchev*  
*Project Manager's Representative*

**Subject: Extension of Period of Performance-Contract Agreement No 30468**

Dear Sir,

We refer to your letter PS 277/P123/04/230/RD/fb dated February 18, 2004 requesting detailed particulars to our demand to extend the Period of Performance for 2 months.

We would clarify the following:

The design survey discrepancies for the road section Ganja-Shemkir and the delay by the Ministry of Transport for the approval of the longitudinal redesign have affected to the execution of the approaches roads to the bridge.

In addition, the flowage of Shemkir River has been running many times and this has affected the execution of the foundation to the middle span.

We kindly ask you to grant 2 months extension of period pf performance without any financial compensation related to any claims.

Concerning Gasan Su Bridge, we will continue the performance of Civil Works with the actual levels. The road sections on Contract CW/2003-3 would be linked to the approaches roads to Gasan Bridge.

Best regards,  
Chairman JSC "Azerkorpu"

E. Ismiyev



20/10/03

fixed to sector by 22.11.03

Degheim



Louis Berger S.A.  
Mercurie III 55 Bis quai de Grenelle  
75015 Paris



Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia

EUROPEAID/113179/C/SV/MULTI

TRACECA

This Project is funded by the European Union

Reference: PS277/P73/03/230/RD/fb  
October 17, 2003

EUROPEAN COMMUNITY  
Commission of the European Communities  
Europe Aid Co-operation  
Office, L41 04/6  
B-1049  
Brussels

Task Manager  
Brussels

**Subject: Additional cost of 2\*2 new piles- Gasan Su Chay Bridge**

For the attention of Mr. E. Dalamangas

Dear Sir,

As requested in the meeting held on October 16, 2003 at TRACECA headquarters Baku, please find attached a detailed table showing the supplementary cost related to the construction of two new 1.2 m diameter bored piles at each intermediate support of Gasan Su bridge to take the bridge loads.

In addition to the amount shown in the attached table, there is a saving of  $425 * 9 = 3825$  Euros for the use of concrete Class B15 instead of B25 in Shemkir Bridge foundation. This change has been emerged after the issue of our letter 2003/PS277/FS/SP/558 of September 24, 2003. Our Bridge Expatriate Expert has approved the Class of concrete B15 to be used in foundations (please refer to the report No TRP/1/2003/AZ, September 2003). Thus, the additional cost required is  $32506 - 3825 = 28681$  (twenty eight thousand six hundred eighty one) Euros.

Our Supervision Team recommend approving this amount based on the Bridge Engineer recommendation.

Best regards

Fabrice Signor  
Deputy General Manager

Enc: Detailed Table for extra cost  
Cc: R. Degheim

Table attached to the letter PS277/P73/03/230/RD/fb

| <u>Item</u> | <u>Description</u>   | <u>Unit</u> | <u>Technical Specification</u> | <u>Quantity</u> | <u>Rate Euro</u> | <u>Amount Euro</u> |
|-------------|--|-------------|--------------------------------|-----------------|------------------|--------------------|
|             | <b><u>Intermediate supports</u></b><br><b><u>Additional construction</u></b>   |             |                                |                 |                  |                    |
| 311         | Construction in-situ reinforced concrete foundations with reinforcement content approx. 111 kg/m <sup>3</sup> concrete class 25/30 | m3          | 700/1                          | 24.8            | 139              | 3447               |
| 311a        | Construction of platform and entrance with soil delivery and compaction  | m3          | 603                            | 200             | 3.0              | 600                |
| 311b        | Gravel surfacing road with soil delivery compaction  | m3          | 603                            | 20              | 6                | 120                |
| 311c        | Steel pipe ø 820x10mm (under road)   | t/m         | 700/1                          | 1.2             | 600              | 720                |
| 311d        | Existing metal pile head crushing; N=16 piece, D=53  | m3          | 700/1                          | 6.2             | 78               | 484                |
| 311e        | Assembling and disassembling of drill unit on platform, drill work   | LS          | 700/1                          | 1               | 10000            | 10000              |
| 311f        | Hole drilling in semi-gravel Soil, D=1.2m  | m           | 700/1                          | 40              | 445              | 17800              |
| 311g        | Fabrication and production of reinforcement cage in drill hole   | t           | 700/1                          | 2.98            | 800              | 2384               |
| 311h        | Pile concreting, concrete B25  | m3          | 700/1                          | 45.18           | 197              | 8900               |
| 314b        | Lean concrete under the support foundations B 7. 5   | m3          | 700/1                          | 4,0             | 36               | 144                |
|             | <b>Total (1) additional piles</b>  |             |                                |                 |                  | 44599              |
|             | <b>Saving</b>  |             |                                |                 |                  |                    |
|             | <i>Construct in-situ reinforced concrete foundations for existing piles</i>  | m3          | 700/1                          | 87              | 139              | 12093              |
|             | <i>Total (2) saving</i>  |             |                                |                 |                  | 12093              |
|             | <i>Additional cost (1)-(2)</i>   |             |                                |                 |                  | 32506              |





Louis Berger S.A.S  
Mercure III, 55 Bis quai de Grenelle  
75015 Paris

- file 230



**Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia**

EUROPEAID/113179/C/SV/MULTI



This Project is funded by the European Union

Team Leader  
Baku  
Reference PS277/P184/04/230/RD/fb  
Tel + 994 12 98 84 31  
Fax + 994 12 93 24 76

To: JSC Azerkorpu  
4, Ismail Kutkashenli Str.  
Baku, Azerbaijan

31 May, 2004

Subject: **Contract Agreement №30468**

For the attention of Mr. E. Ismiyev

Dear Sir,

We refer to your letter №847 dated 26 September 2003 submitting the revised drawings and Bill of Quantities and to our letter PS277/P52/03/230/RD/fb of 29 September 2003.

Please note that the revised Bill of Quantity shows that no additional cost would occurred on the 2 bridges contract, except for additional 2x2 piles on Gasan Su. This additional cost has been submitted to the EC in October 17, 2003 (our letter PS277/P73/03/230/RD/fb).

We kindly ask you as a matter of urgent to clarify in detail the origin of the quantity calculated and introduced in the revised BoQ for approach road to Shemkir and Gasan Su bridges (length, width, etc.) especially for Items 404, 406 and 504.

Yours Sincerely,

Razek Degheim  
LBSAS Team Leader/ Project Manager

cc: TRACECA - Mr. B. Tennant  
Louis Berger SAS - Mr. F. Signor  
LBSAS Project Manager's Representative - Mr. S. Dotchev

Received Mamedova S.  
10/05/04



- file 230  
- file 230



Louis Berger S.A.S  
Mercure III, 55 Bis quai de Grenelle  
75015 Paris



Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia



EUROPEAID/113179/C/SV/MULTI

This Project is funded by the European Union

Team Leader  
Baku  
Reference PS277/P186/04/230/RD/fb  
Tel + 994 12 98 84 31  
Fax + 994 12 93 24 76

To: JSC Azerkorpu  
4, Ismail Kutkashenli Str.  
Baku, Azerbaijan

8<sup>th</sup> June, 2004

Subject: **Contract Agreement №30468**

For the attention of Mr. E. Ismiyev

Dear Sir,

We refer to our letter PS277/P184/04/230/RD/fb of 31 May 2004 requesting Azerkorpu to provide clarification of the revised quantities for Approach roads on Shemkir and Gasan Su bridges.

We would like to inform you that no reply has been received yet and kindly ask you again to submit detailed calculations for the revised quantities on the Approach roads introduced in the Revised BoQ received from Azerkorpu on 26 September 2003.

Please note that we cannot finalize the certificate of provisional acceptance if the above details are not submitted.

Yours Sincerely,

Razek Degheim  
LBSAS Team Leader/ Project Manager

cc: TRACECA - Mr. B. Tennant  
Louis Berger SAS - Mr. F. Signor  
LBSAS Project Manager's Representative - Mr. S. Dotchev

Received by  
Mamedov S. 08.06.04



Louis Berger S.A.  
Mercure III 55 Bis quai de Grenelle  
75015 Paris

*Handwritten signature and initials*  
EUROPEAID  
CO-OPERATION OFFICE



Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia

EUROPEAID/113179/C/SV/MULTI

TRACECA

This Project is funded by the European Union

To  
JSC Azerkorpu  
179 Azadiq Avenue  
Baku 370130  
Tel: +99412 621404  
Fax: +99412 627714

From  
From: Louis Berger – Azerbaijan  
72/4 Uzeir Gadjibekov STR.  
370010 Baku  
Azerbaijan

Reference PS277/30468/SD/CC1-135

24 May 2004

For the attention Mr. E. Ismiyev

Dear Sir

Reconstruction of Shamkir Chay and Gasan Su Chay Bridges  
Contract EuropeAid/112944/C/W/AZ

**Re: Your letter 257 dated May 17<sup>th</sup>, 2004 – Shop drawings for approach road at Gasan Su and Shemkir Chay bridges**

With reference to above matter we would like to acknowledge the receipt of the above mentioned letter and the attached shop drawings, however be inform that our surveyor verbal instructions (May 21, 2004), should be taken into consideration well preparing final drawings.

Yours Faithfully

*Handwritten signature*  
S I Dotchev

Contract Project Manager's Representative  
*Louis Berger Azerbaijan*

cc TRACECA; f.a.o. Mr. B. Tennant  
cc. PIU; f.a.o. Mr. A. Gojayev  
cc Louis Berger SA; f.a.o. Mr. Signor  
/cc LBSA Team Leader; f.a.o. Mr. R. Degheim

**Annex 5**  
**Important Correspondences**  
(It contains 47 pages excluding this one)





Louis Berger S.A.S  
Mercury III 55 Bis quai de Grenelle  
75015 Paris



Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia

EUROPEAID/113179/C/SV/MULTI

TRACECA

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Task Manager  
Brussels  
07 July, 2004

Contract No: 2002/027-531

Subject: **Third Progress Report**

For attention of Mr. E. Dalamangas

Dear Sir,

Please, find attached a hard copy of the Third Progress Report PRP/№3/2004/G dated 05 July 2004 for the period January-June 2004.

The soft copy is also being attached.

Thanking you in advance.

Yours Sincerely,

Fabrice Signor  
LBSAS General Manager

Enc: - hard copy in English version (1 document);  
- CD (1).

cc: Razek Degheim



**Louis Berger S.A.S**  
Mercure III, 55 Bis quai de Grenelle  
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**Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia**

EUROPEAID/113179/C/SV/MULTI



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To: JSC Azerkorpu  
4, Ismail Kutkashenli Str.  
Baku, Azerbaijan  
7<sup>th</sup> July, 2004

**Subject: Contract Agreement №30468 – Construction of the Gasan Su and Shemkir Bridges**

For the attention of Mr. E. Ismiyev

Dear Sir,

We refer to the Meeting held to day in Consultant main office-Baku and enclose the Minutes of Taking Over Meeting on the Provisional Acceptance for the above Contract.

We kindly ask you to comply with the contents of the attached Minutes of Meeting especially for the following:

- Please submit to the Contracting Authority the original Performance Bank Guarantee which has been handed to Mr. M. Shirinov during the meeting. ;
- The revised Insurance handed to Mr. M Shirinov during the meeting is not in accordance with Terms of Contract. This Insurance shall be in the joint name of the Contracting Authority and the Contractor. We kindly ask you to submit a revised Insurance.

We noted your agreement to remove the temporary asphalt works done for the President visit on the approach road of Gasan Su (Gazakh part) and to perform this approach road in compliance with the Bridge Project at your own cost.

Yours Sincerely,

Razek Degheim  
LBSAS Team Leader/ Project Manager

Enc: Minutes of Meeting (2 pages).

Received 09.07.04



Louis Berger S.A.S  
 Mercure III 55 Bis quai de Grenelle  
 75015 Paris

- file OUT  
 - file 165



Rehabilitation of Caucasian Highways  
 Azerbaijan Georgia and Armenia

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Ministry of Transport  
 Road Transport Service Department

Министерство Транспорта  
 Департамент Дорожно-Транспортного  
 Сервиса

08 July, 2004

8-ое июля, 2004

Subject: **Contract CW2003/2 – Bridge No39  
 at km 411+143-**

Тема: **Контракт CW2003-2 – Мост №39  
 на км 411+143-**

For attention of Mr. Javid Gurbanov  
 Dear Sir,

Ко вниманию г-на Джавида Гурбанова  
 Уважаемый Г-н,

Please find attached a complete set of the  
 drawings regarding the construction of the  
 new Bridge No39 at km 411+143.

С письмом прилагаем полный комплект  
 чертежей относительно строительства  
 нового моста №39 на км 411+143.

We also attach the site letter №069 of 05 July  
 2004 including the consultant's bridge expert  
 report.

Также прилагается письмо выездного  
 офиса №069 от 5 июля 2004,  
 содержащее отчет эксперта по мостам  
 консультанта.

Please note that the BoQ received yesterday  
 from the Contractor shows the total value for  
 the reconstruction of the above Bridge of  
 5,713,432,677.26 AZM.

We will check this BoQ and issue the  
 appropriate variation order based on the  
 Contractor unit prices tendered for.

Просьба принять ко вниманию, что  
 Смета, полученная вчера от  
 Подрядчика, показывает общую  
 стоимость строительства  
 вышеназванного моста в  
 5,713,432,677.26 AZM.

Мы проверим Смету и подготовим  
 соответствующий приказ об изменении,  
 основанный на Подрядчика цене за  
 единицу, указанной в заявке.

We kindly ask your approval on the above  
 attached drawings.

Любезно просим Вас об утверждении по  
 вышеприлагаемым чертежам.

Yours Sincerely,

Искренне Ваш

Razek Degheim  
 LBSAS Team Leader/ Project Manager

Разек Дегхем  
 Руководитель Группы LBSAS / Менеджер  
 Проекта

исп. 08.07.04.



*Enc: Complete set of the drawings;  
Consultant site letter No 069 of 05 July 2004.*

*Прилаг: Полный комплект чертежей;  
Письмо выездного офиса №069 от 5 июля 2004.*

CC: PIU – Mr. A. Gojayev  
TRACECA – Mr. Brian Tennant  
Louis Berger SAS – Mr. F. Signor  
LBSAS PM's Representative – Mr. S. Dotchev

Копии: ГРП – г-н А. Годжаев  
TRACECA – г-н Б. Теннант  
Луис Бергер – г-н Ф. Синьор  
Представитель МП LBSAS – г-н С. Дочев



Louis Berger SA  
 Mercure III 55 Bis quai de Grenelle  
 75015 Paris



**Rehabilitation of Caucasian Highways  
 Azerbaijan Georgia and Armenia**

EUROPEAID/113179/C/SV/MULTI

**TRACECA**

This Project is funded by the World Bank.

To  
 Ministry of Transport  
 Road Transport Service Department  
 1054 Tbilisi avenue  
 Baku city  
 Tci: 310191, 930192  
 Fax: 315655

From:  
 Louis Berger – Azerbaijan  
 72/4 Uzeir Gadjibekov STR.  
 370010 Baku  
 Azerbaijan

05 July 2004

Reference PS277/SD-069  
 For the attention of Mr. Javid G. Gurbanov

Dear Sir,

Contract CW 2003-2  
 Contractor's Shop drawings for Bridge 39

With reference to above matter, please find attached the contractor's last shop drawing for construction of Bridge 39 for your consideration and approval.  
 Further please find attached our foundation bridge expert review report.

Yours Faithfully

*[Handwritten signature]*  
 S I Dotchev Pr. Eng  
 Resident Engineer  
 Louis Berger Azerbaijan

cc TRACECA – Mr. B. Tennant  
 PIU – Mr. A. Gujajev  
 Louis Berger SA – Mr. F. Signor  
 LBSA Team Leader – Mr. R Degheim

*vs: [unclear]  
 08.7.04*

*handed to beendes;  
 drivet 08.07.04*

## The Conformance to the Design of the Bridge Dzagam Chay

The Designed Bridge over the river Dzagam Chay is reinforced, simple bridge (slotted) with the composite construction. The Bridge is of 5 spans. The Length of the each span is 18,0 m. The Sketch of the Bridge is 5x18.

The Clearance of the Bridge is C-11,5. The widths of the pedestrian ways are 1,0m.

The Superstructure of the Bridge consists of the prefabricated beams fixed each 1,05m and of the monolith slab. The numbers of the beams fixed on the crossbeam are 13 ones.

The piers of the bridge are of three columns. The columns on the top are joined with the crossbeam and with the grillage on the bottom. The foundations of the supports are Gambia piles (the reinforced concrete piles/piers) with diameter  $d=1,2m$ .

With the purpose of preservation of the existing guidebanks (the massive retaining walls) and protection of the bridge from the deep (serious) erosions have been provided the special structure – barrage, below the bridge across the river.

The Soil at the outfall of the Bridge: fine gravel with the boulder and with the loamy filling.

The Design live loads are A 11 and HK -80

The Project have been elaborated based on the SNIP 2.05.03-84 "Bridges and Pipes", SNIP 2.03.01-84 "The Concrete and reinforced concrete structures", SNIP H-7-81 "The Construction in the seismic districts", SNIP 2.02.03-85 "Piles foundation"

The Design of the Bridge is due to the present standards.

The Design of the Bridge are ready for construction.

Mr. Safarov. S. G

The Bridge Engineer (foundations)

14.06 2004



**Заключение**  
**по проекту моста через Зейем-чай.**

Запроектированный мост через реку Зейем-чай железобетонный, разрезной, сборно-монолитной конструкции. Мост 5-ти пролетный. Длина пролета 18,0 м. Схема моста 5 x 18.

Габарит моста Г - 11,5. Тротуары шириною по 1,0 м.

Пролетное строение состоит из сборных балок расставленных через каждый 1,05 м и омоноличенных плитой. В поперечном сечении количество балок 13 шт.

Опоры моста трехстоечные. Стойки поверху соединены ригелем, понизу - роствергом. Основанием опор являются буронабивные железобетонные сваи диаметром  $d=1,2$  м.

С целью сохранности существующих регуляционных сооружений (массивные подпорные стены) и защиты моста от глубоких размывов, ниже моста поперек реки предусмотрено специальное сооружение - баражная дамба.

Грунты по створу моста: крупный галечник с валунами с суглинистым заполнением.

Нормативные временные нагрузки А II и НК - 80.

Проект разработан на основании СНиП 2.05.03-84 «Мосты и трубы», СНиП 2.03.01-84 «Бетонные и железобетонные конструкции», СНиП II-7-81 «Строительство в сейсмических районах», СНиП 2.02.03-85 «Свайные фундаменты».

Проект моста отвечает действующим в настоящее время стандартам.

Проект моста можно разрешить к производству работ.

Инженер-мостовик (фундаменты)  Сафаров С. Г.

14.06.2004

*file out  
- file 200.*



**Louis Berger S.A.S**  
Mercure III 55 Bis quai de Grenelle  
75015 Paris



**Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia**

EUROPEAID/113179/C/SV/MULTI



This Project is funded by the European Union

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Fax: (+99 412) 62 77 14  
Email: [azermost@azerin.com](mailto:azermost@azerin.com)

08 July 2004

**Subject: Contract CW 2003/2 – Bridge No39 at km 411+143-**

For the attention of Mr. E. Ismiyev

Dear Sir,

Many thanks for your letter No 348 of 07 July 2004 submitting the drawings and BoQ for the above mentioned Bridge.

Please note that we have submitted complete set of the drawings to RTSD for their approval and the second set to PIU.

We will check the BoQ and issue the appropriate variation order once we receive the Employer approval of the drawings.

Sincerely yours,

Razek Degheim  
Project Manager

cc: PIU – Mr. A. Gojayev  
TRACECA – Mr. B. Tennant  
Louis Berger SAS – Mr. F. Signor  
LBSAS Project Manager's Representative - Mr. S. Dotchev

*Received  
11/9/04 09.07.04*



Louis Berger S.A.S  
Mercure III 55 Bis qual de Grenelle  
75015 Paris

- file 220  
- file 220



Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia

EUROPEAID/113179/C/SV/MULTI

TRACECA

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Ve Oztash Inshaat JV  
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370010 Azerbaijan  
Baku  
Tel +994 12 98 94 49  
Fax +994 12 93 92 53

13 July, 2004

Subject: **Contract CW-2002/1 – Slow Progress of Works**

Dear Sir,

We refer to our letter referenced № PS277/P188 dated 22 June 2004 concerning the above subject and to your recent updated Works Program.

The progress of Works till end of June 2004 presents around 50%. Your production for the last week compared with your updated program shows a delay of about 20 days especially on Granular sub base layer and the successive layer over it. The production of granular sub base for the week 5-11 July 2004 shows less than 30% of your programmed production.

We express again our concern about your slow progress and would like to remind you of the Clause 49 of the Conditions of Contract and Contract Data regarding the applying of the Liquidated Damages.

Your action would be appreciated.

Sincerely Yours,

Razek Degheim

LBSAS Team Leader/ Project Manager

Cc: RTSD – Mr. G. Gurbanov  
PIU - Mr.A.Gojayev  
TRACECA – Mr. B. Tennant  
Louis Berger SAS - Mr. F.Signor  
LBSAS Project Manager's Representative - Mr. S.Dotchev

Received:  
  
13.07.04.





Louis Berger S.A.S  
Mercure III 55 Bis quai de Grenelle  
75015 Paris

- file OCT  
- file 165



Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia

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Ministry of Transport  
Road Transport Service Department

13 July, 2004

Subject: **Contract CW 2002/1 – New  
Price Analyze**

For attention of Mr. Javid Gurbanov

Dear Sir,

Please find attached the breakdown for  
the following new prices:

Item 415A: Provision and laying of  
reinforced concrete pipe culvert diam.  
1500 mm.

Item 417B: Provision and laying of  
reinforced concrete box culvert 2  
(2000x2000 mm).

Item 303A: Delivery of granular sub base  
material.

Please note that the new prices have  
been based on Contractor breakdown for  
similar items tendered for and as shown  
in the attached price analyze.

Yours Sincerely,

Razek Degheim  
LBSAS Team Leader/ Project Manager

Руководитель Группы  
Баку  
PS277/P213/04/165/RD/fb  
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Факс + 994 12 93 24 76  
Министерство Транспорта  
Департамент Дорожно-Транспортного  
Сервиса

13-ое июля, 2004

Тема: **Контракт CW 2002/1 – Анализ  
новых цен**

Ко вниманию г-на Джавида Гурбанова

Уважаемый Г-н,

С данным письмом прилагаем к  
Вашему сведению разбивку на  
следующие новые цены:

Пункт 415А: Обеспечение и укладка  
железобетонного трубного  
водопропуска диаметром 1500 мм.

Пункт 417В: Обеспечение и укладка 2  
железобетонного коробчатого  
водопропуска по (2000x2000 мм).

Пункт 303А: Доставка материала  
зернистой подгрунтовки.

Просьба обратить внимание на тот  
факт, что новые цены были основаны  
на Подрядчика разбивке по схожим  
тендерным пунктам и как то указано в  
прилагаемом анализе цены.

Искренне Ваш

Разек Дегхем  
Руководитель Группы LBSAS /  
Менеджер Проекта



**Louis Berger S.A.S**  
Mercure III 55 Bis quai de Grenelle  
75015 Paris

*File 0007  
File 420*



**Rehabilitation of Caucasian Highways  
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15 July, 2004

Subject: **Contract CW-2002/1 – New Price Analyze**

Dear Sir,

Please find attached the following:

1. Our letter to the Employer No PS277/P182/04/165/RD/fb dated 31 May 2004 submitting New Price Analyze for Items 411A, 417A;
2. Our letter to the Employer No PS277/P213/04/165/RD/fb dated 13 July 2004 submitting New Price Analyze for Items 415A, 417B and 303A.

Regarding the new Item 416A (construction of Inlet/Outlet pipe culvert diam 1500mm), we understood from yourself that this Item would not be performed.

On the other hand, the new Items 711A, 419A and 420A submitted by your letter No 146 of 15 July 2004 are under finalization.

Faithfully Yours,

Razek Degheim  
LBSAS Team Leader/ Project Manager

Enc: Consultant's letters No PS277/P182/04/165/RD/fb and  
PS277/P213/04/165/RD/fb.

Cc: Louis Berger SAS - Mr. F.Signor  
LBSAS Project Manager's Representative - Mr. S.Dotchev

*Received*  
*[Signature]*  
15.07.04



**Louis Berger S.A.S**  
Mercure III 55 Bis quai de Grenelle  
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**Rehabilitation of Caucasian Highways  
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Fax: (+99 412) 62 77 14  
Email: azermost@azerin.com

16 July, 2004

**Subject: Contracts CW 2003/1 and 2 – Deflection Measurements**

For the attention of Mr. E. Ismiyev

Dear Sir,

You are instructed to carry out deflection measurements on the existing road for the above-mentioned Contracts.

Payment will be done as per day works Items in compliance with the preamble to the BoQ and as monitored by Consultant and Contractor.

We kindly ask you to proceed first with the deflection measurements between km 27 to km 37 as a matter of urgent.

Sincerely yours,

Razek Degheim  
Project Manager

cc: RTSD – Mr. J. Gurbanov  
PIU – Mr. A. Gojayev  
TRACECA – Mr. B. Tennant  
Louis Berger SAS – Mr. F. Signor  
LBSAS Project Manager's Representative - Mr. S. Dotchev





**Louis Berger S.A.S**  
Mercure III 55 Bis quai de Grenelle  
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To: **MZ AUTOBAHN BAU GMBH**  
7 D – 53560 Vettelshoss  
Germany  
Tel: 0 26 45/131 – 972  
Fax: 0 26 45/131 – 974  
Email: magmbh@rz-online.de

16 July, 2004

**Subject: Contracts CW 2003/3 and 4 – Deflection Measurements**

For the attention of Mr. M. Martin

Dear Sir,

You are instructed to carry out deflection measurements on the existing road for the above-mentioned Contracts.

Payment will be done as per day works Items in compliance with the preamble to the BoQ and as monitored by Consultant and Contractor.

We kindly ask you to proceed first with the deflection measurements between km 46 to km 56 as a matter of urgent.

Sincerely yours,

Razeq Degheim  
Project Manager

cc: RTSD – Mr. J. Gurbanov  
PIU – Mr. A. Gojayev  
TRACECA – Mr. B. Tennant  
Louis Berger SAS – Mr. F. Signor  
LBSAS Project Manager's Representative - Mr. S. Dotchev



**Louis Berger S.A.S**  
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 Ministry of Transport  
 Road Transport Service Department

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 Министерство Транспорта  
 Департамент Дорожно-Транспортного  
 Сервиса

19 July, 2004

19-ое июля, 2004

**Subject: Variation Order №2 – Contract  
 CW2002-1**

**Тема: Приказ об Изменении №2 –  
 Контракт CW2002-1**

For attention of Mr. Javid Gurbanov

Ко вниманию г-на Джавида Гурбанова

Dear Sir,

Уважаемый Г-н,

Please find attached one original and one copy of the Variation Order №2 for Contract CW 2002-1 with all supporting documents.

С письмом прилагаем один оригинал и одну копию Приказа об Изменении №2 по Контракту CW 2002-1 со всеми сопроводительными документами.

This Variation Order has been issued due to modifying the start of the project on Contract CW2002-1 by reducing 60m in order to have the existing ring cross road in one Contract.

Данный Приказ об Изменении был подготовлен из-за изменения начала проекта Контракта CW 2002-1, сократив 60 м для того, чтобы существующая кольцевая дорога входила в один Контракт.

We kindly ask you to sign and stamp the original, and return it back in order to submit it to the Contractor.

Любезно просим Вас подписать и поставить печать на оригинале, и вернуть его обратно нам для дальнейшей его передачи Подрядчику.

Yours Sincerely,

Искренне Ваш

Razek Degheim  
 LBSAS Team Leader/ Project Manager

Разек Дегхем  
 Руководитель Группы LBSAS /  
 Менеджер Проекта

Enc: one original (14 pages) and one copy (14 pages).

Прилаг: один оригинал (14 стр) и одна копия (14 стр).

2/5: 19.7.04.





Louis Berger S.A.S  
Mercure III 55 Bis quai de Grenelle  
75015 Paris



**Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia**

EUROPEAID/113179/C/SV/MULTI

**TRACECA**

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Ve Oztash Inshaat JV  
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370010 Azerbaijan  
Baku  
Tel +994 12 98 94 49  
Fax +994 12 93 92 53

19 July, 2004

Subject: **Contract CW-2002/1 – New Price Analyze**

Dear Sir,

Please find attached the price analyze for new items 1203-A and 1203-B.

Please note that the equipment / hr. for item 1203-B should not be the same as per item 1203-A whereas the quantity of concrete is 67%.

Our assessment for the above new items is as follows:

- Item 1203-A 271,803 AZM instead of 273,901 AZM
- Item 1203-B 111,176 AZM instead of 121,358 AZM

Please introduce the revised price in the following IPC.

Faithfully Yours,

Razek Degheim  
LBSAS Team Leader/ Project Manager

*Enc: Price Analyses 1203-A and 1203-B (5 pages)*

Cc: RTSD - Mr. J. Gurbanov  
PIU - Mr.A.Gojayev  
Louis Berger SAS - Mr. F.Signor  
LBSAS Project Manager's Representative - Mr. S.Dotchev

19.07.2004





**Louis Berger S.A.S**  
Mercure III 55 Bis qual de Grenelle  
75015 Paris



**Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia**

EUROPEAID/113179/C/SV/MULTI

**TRACECA**

This Project is funded by the European Union

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1/13, Injesenet str.  
370010 Azerbaijan  
Baku  
Tel +994 12 98 94 49  
Fax +994 12 93 92 53

19 July, 2004

Subject: **Slow Progress**

Dear Sir,

Many thanks for your letter referenced No 145 of 14 July 2004 concerning the above subject and your positive action to complete the Works by the intended Completion Date (October 21, 2004) as shown in the revised Works Program.

Our site staff would monitor and evaluate your production by comparing it with your recent updated Works Program of 6 July 2004 and we will inform you about the outcome.

Faithfully Yours,

Razek Degheim  
LBSAS Team Leader/ Project Manager

Cc: RTSD - Mr. J. Gurbanov  
PIU - Mr. A. Gojayev  
Louis Berger SAS - Mr. F. Signor  
LBSAS Project Manager's Representative - Mr. S. Dotchev

19.07.2004



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**Rehabilitation of Caucasian Highways  
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 21 July, 2004

To: Director of PIU  
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 Department Offices  
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 Fax +994 12 93 46 65

Subject: **Hajigabul (GaziMammed) to Kyurdamir –Bill of Quantities**

Dear Sir,

As per your request, please find below my comments to the Bill of Quantities received on 19 July 2004.

1) 100 General Items:

I suggest that the General Items description shall be as follows:

| Item | Description  |
|------|--|
| 100  | <b><u>General Items</u></b>  |
| 101  | Allow for the cost of Performance bond/guarantee   |
| 102  | Allow for the cost of Insurance of the Works   |
| 103  | Allow for the cost of Insurance of Constructional Plant  |
| 104  | Allow for the cost of Third party Insurance  |
| 105  | Allow for the provision of Traffic Management System and Safety measures and precautions concerning Works under traffic  |
| 106  | Allow for mobilization of contractor's machinery, equipment, tools, shelters, facilities and etc.  |
| 107  | Allow for Contractor's site installation and temporary works for carrying out the Works  |
| 108  | Allow for Contractor's testing laboratory in accordance with the <b>Specifications Clause 125</b>  |
| 109  | Allow for maintenance of site installation during the construction period  |
| 110  | Allow for the Cost of the facilities for the Engineer and his staff in accordance with the <b>Specifications Clause 121 and Appendixes to the Specifications</b> |
| 111  | Allow for the removal of contractor's site installation, equipment, shelters, facilities and clearing of the area used on completion                             |



- 2) Please clarify the currency to be used by the Bidders.
- 3) Item 306. I suggest converting it into tones.
- 4) Item 404: Extra over which item (s)? Please clarify.
- 5) Item 505: the Specification describes crash barriers (bridges) and guardrails (embankment). This Item is to be clarified: 6821 m crash barriers for bridges or also guardrails for embankments???
- 6) Item 804, Land acquisition P.S: As I know, EBRD would not agree to pay for Land Acquisition. Please clarify.
- 7) Day works equipment: there is a discrepancy between preamble and allow for overhead in the BoQ.
- 8) Gabions: the specifications indicate gabions. No such Item in the BoQ. Please clarify.
- 9) Increasing the thickness of capping layer where ordered: It is specified in the specification; no such item in the BoQ. A new item should be included in the BoQ. (Please, refer to Mr. Manning recommendations).

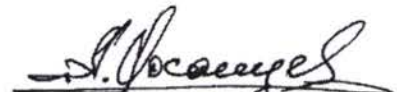
Please clarify the above-mentioned remarks in order to finalize the **Volume III.i** of the Tender Document.

Faithfully Yours,



Razek Degheim  
LBSAS Team Leader/ Project Manager

cc: - RTSD - Mr. J. Gurbanov  
- TRACECA - Mr. B. Tennant  
- Louis Berger SAS - Mr. F. Signor



21.07.2004.





Louis Berger S.A.S  
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**Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia**

EUROPEAID/113179/C/SV/MULTI

**TRACECA**

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21 July, 2004

To: Director of PIU  
Road Transport Service  
Department Offices  
Tel +994 12 93 00 45  
Fax +994 12 93 46 65

**Subject: Hajigabul (GaziMammed) to Kyurdamir -Revised Volume III.ii  
Specification**

Dear Sir,

Please find attached a hard copy of the Tender Documents-Volume III.ii of the above mentioned road section.

Please note that the revised specification has been finalized after our recent discussion with PIU.

We would like to point out the following:

1) **Compaction Subbase Materials:**

The compaction degree introduced in the revised specification is 98 % of the MDD according to AASHTO 180.

The CBR value introduced in table 302.2 is at 95% OPM.

Please clarify these values with the Designer.

2) **Facilities for the Engineer:**

As discussed, all facilities for the Engineer's staff are to be handed over to the Employer at completion of the Works except Radio Communication System.

3) **Corrosion Protection of Steelworks**

Please check 6.2.1 and 6.2.2 page 102 of the specification if are applicable or not.

The soft copy is also being attached.

Faithfully Yours,

Razek Degheim  
LBSAS Team Leader/ Project Manager

cc: - RTSD - Mr. J. Gurbanov  
- TRACECA - Mr. B. Tennant  
- Louis Berger SAS - Mr. F. Signor

  
21.07.2004



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EUROPEAID/113179/C/SVMULTI

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22 July, 2004

To: Director of PIU  
Road Transport Service  
Department Offices  
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Fax +994 12 93 46 65

**Subject: Hajigabul (GaziMammed) to Kyurdamir -Revised Volume III.i Bill of Quantities**

Dear Sir,

Please find attached a hard copy of the Tender Documents-Volume III.i of the above mentioned road section.

Could you please consider the contents of our letter P220 of 21 July, 2004 and amend the attached BoQ accordingly.

The soft copy is also being attached.

Faithfully Yours,

Razek Degheim  
LBSAS Team Leader/ Project Manager

cc: - RTSD - Mr. J. Gurbanov  
- TRACECA - Mr. B. Tennant  
- Louis Berger SAS - Mr. F. Signor

22.07.2004





**Louis Berger S.A.S**  
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**Rehabilitation of Caucasian Highways  
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23 July, 2004

To: Director of PIU  
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Department Offices  
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**Subject: Contracts CW2003/1 to 4-KOCKS letter of 24 June 2004**

Dear Sir,

Many thanks for your letter of 5 July 2004 submitting KOCKS letter of 24 June 2004 regarding discrepancies on topographical survey data on the above mentioned Contracts.

We would like to point out the following:


- 1) We have noted that the Designer has admitted that due to calculation error at the beginning of the project road during the evaluation of the topographical field data, the project evaluation was not corresponding to the national grid.
- 2) The Designer has recommended using the project benchmarks. We noted that there are about 80 left from 146 and no one from the Designer could show us or recreate the so-called local system during the original topographical survey. In addition out of 3 Government B M used by the Designer, only one is still available and recreating the other 2 GBM is not possible since there are buildings constructed on.
- 3) The Designer's Statement that without considering the adjustment of the national grid, there are 8 cm differences between the data. Please refer to the Minutes of the Meeting of 31 May 2004 held with the Designer's representative for more details on differences (our site letter to MoT 065 of 4 June 2004 copied to yourself);
- 4) The Designer's proposal to use the so-called 3-Parameter-Transformation might help to get new survey data clause to the existing ground levels. However, this would not help with the execution of the required Project Longitudinal Gradient and it is up to Employer to decide if he would assign the Designer to perform the so-called 3-Parametr-Transformation.

Please note that, as requested by the RTSD during the Meeting of 26 April 2004 held in "RoadTransService" Department, the Contractors are busy to submit the redesign with the support of our CAD Engineer who is on Site from June 10, 2004 helping the Contractors with the redesign in order to minimize the delay occurred on the above-mentioned Contracts.



5) Finally, we would like also to point out that the Contractor on Contracts CW2003/1 & 2 has submitted the redesign between km 27 to 36+200 commented by our site Staff (see site letter No 085 of 13 July 2004 attached) and likely the resubmission would be within 2 days as informed by the Contractor. Concerning the Contracts CW2003/3 & 4, the Contractor has submitted the redesign between km 46+040 to km 55+856 commented by our site staff (see site letter No 073 of 13 July 2004 attached) and likely the resubmission would be within 5 days as informed by the Contractor. Once the redesign between the above sections is resubmitted taking in consideration Consultant's Comments, we will send it to the RTSD for approval.

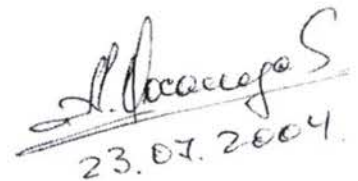
Faithfully Yours,



Razek Degheim  
LBSAS Team Leader/ Project Manager

*Enc: Our site letters No 073 and 085 of 13 July 2004*

cc: - RTSD - Mr. J. Gurbanov  
- TRACECA – Mr. B. Tennant  
- Louis Berger SAS - Mr. F. Signor  
- Louis Berger SAS PM's Representative – Mr. S. Dotchev



23.07.2004.



Louis Berger S.A.S  
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75015 Paris



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EUROPEAID/113179/C/SV/MULTI

**TRACECA**

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23 July, 2004

To: Ministry of Transport  
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Department Offices  
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Subject: **Contract CW 2002/1- Technical Survey to the Construction Site**

For the attention of Mr. J.Gurbanov

Dear Sir,

We refer to your letter referenced No 01/905 received on 5 July 2004 and to the letters No 33, 35 and 36 issued by the technical survey attached to your above-mentioned letter.

We would like to point out the following:

The remarks mentioned in the letter No 33 of 26 April 2004 are repeated in the letter No 36 of 17 June 2004. However, we would like to record that a meeting was held on 3 May 2004 with Mr. B. Huseynov and Consultant staff who explained their position on benching and invited any one from the Employer to locate sections where the Contractor did not properly perform benching. The pictures taken for benching were made at early stage. Nevertheless, the construction of widening is not stopped at the point when photos have been taken but rather on a benching starting point.

Regarding water pooling on existing undulations surface, the photos taken show that the Contractor has been already removed the existing asphalt layer and start the widening of the existing embankment. At this stage, the Contractor has not performed yet any work.

Concerning oversized material for fill, these materials have been preliminary approved based on sample taken from borrow pits. Additional actions are taken during execution to remove the oversized materials as described below.

Box culvert at km 1+369: the required extension has been completed on 17 February 2004, checked by our inspector and found that it is in order.

Pipe culvert at km 7+562: the new culvert has been completed on 15 April 2004.

*A. Shey* 23.7.04



However, the final cleaning is not completed yet. This culvert has been inspected by our supervisor on 19 July 2004 and found that indeed the contractor must perform the cleaning as soon as possible in order to let the water flows freely. The contractor has been instructed accordingly to perform cleaning and final trimming and we will inspect it again with other culverts.

The Author of the letter referenced No 35 of 16 June 2004 proposes to perform only overlay on Contracts CW 2003/1 to 4. This proposal violates the Conditions of Contract.

We would like to record that it is our main concern to keep pressure on the Contractor to comply with the specifications requirements. We have assigned additional Materials Engineer to follow up this issue and insist that the Contractor should increase the number of labors to remove the oversized materials from the stock dumped on the site and during leveling. All tests results are recorded and are opened to any concerned party.

We would appreciate if the Author of these letters could visit the site in order to clear the above matters.

Faithfully Yours,



Razek Degheim  
LBSAS Team Leader/ Project Manager

cc: - TRACECA – Mr. B. Tennant  
- Louis Berger SAS - Mr. F. Signor  
- Louis Berger SAS PM's Representative – Mr. S. Dotchev





**Louis Berger S.A.S**  
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**Rehabilitation of Caucasian Highways  
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26 July, 2004

Subject: Contract **CW 2002/1-Price Analyzes Items 419-A, 420-A and 711-A**

Dear Sir,

We refer to your letter referenced No 146 of 15 July 2004 submitting new price analyzes for the above-mentioned Items.

In order to finalize the unit rate for the new Items, we kindly ask you to submit the breakdown for the original Items 419, 420 and 711. The breakdown for original and new Item unit rate should be in one page for every single Item, as done in our previous letters approving new prices analyses.

On the other hand, a quick check for reinforcement (Steel Grade 60) introduced in breakdown of Item 419-A shows a quantity of 127 kg/m<sup>3</sup>, whilst in the Item description the quantity of steel per cubic meter of concrete is 115,8 kg/m<sup>3</sup>. Please rectify.

Faithfully Yours,

Razek Degheim  
LBSAS Team Leader/ Project Manager

- cc: - RTSD - Mr. J. Gurbanov  
- Louis Berger SAS - Mr. F. Signor  
- TRACECA - Mr. B. Tennant  
- LBSAS Project Manager's Representative - Mr. S. Dotchev  
- PIU - Mr. A. Gojayev

26.07.2004



Louis Berger S.A.S  
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**Rehabilitation of Caucasian Highways  
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EUROPEAID/113179/C/SV/MULTI

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26 July, 2004

**Subject: Contracts CW 2002-1 Variation Order №1**

Dear Sir,

Please, find enclosed a copy of the variation order №2 for Contract CW 2002-1 with all supporting documents, duly signed by the Employer.

Faithfully Yours,

Razek Degheim  
LBSAS Team Leader/ Project Manager

*Enc. Variation Order (14 pages)*

- cc: - RTSD - Mr. J. Gurbanov  
- Louis Berger SAS - Mr. F. Signor  
- TRACECA - Mr. B. Tennant  
- LBSAS Project Manager's Representative - Mr. S. Dotchev  
- PIU - Mr. A. Gojayev

26.07.2004





Louis Berger S.A.S  
Mercure III 55 Bis quai de Grenelle  
75015 Paris

- file 2007  
- file 105



**Rehabilitation of Caucasian Highways  
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EUROPEAID/113179/C/SV/MULTI



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02 August, 2004

2 -oe avyugta, 2004

**Subject: Contract CW 2002/1 – Claim Change in Legislation; VAT**

For the attention of Mr. J.Gurbanov

Dear Sir,

Please find attached the Contractor letter on Contract CW 2002/1 referenced No157 dated 30 July 2004 regarding change in Legislation for the above mentioned Contract.

As stated in the Contractor's letter, VAT shall be applied from 28 November 2003. Please note that the Contract prices are excluded from VAT and kindly ask you to acquire from the Ministry of Finance and or Ministry of Tax a certificate indicating that this project is exempt from VAT. Please note that, the Contractor has obtained such certificate for the road Alyat-GaziMammed.

We would like to point out that the Contractors on Contracts CW 2003/1 to 4 might claim for the same matter and kindly ask you to extent the certificate to the 4 Contracts for Shemkir to Gazakh road sections, in order to avoid claims on the 5 Contracts Ganja-Gazakh by applying the Value Added Tax (VAT).

Sincerely Yours,

Razek Degheim  
LBSAS Project Manager

Enc: Contractor's letter No 157 of 30 July 2004.

- cc: - Turan Hazinedaroglu ve Oztash Inshaat JV  
- PIU – Mr. A. Gojayev  
- Louis Berger SAS - Mr. F.Signor  
- Louis Berger SAS PM's Representative – Mr. S. Dotchev

- 2.08.04





Louis Berger S.A.S  
 Mercure III 55 Bis quai de Grenelle  
 75015 Paris

Fax Received on 16 AUG 2004  
 File:



*note out  
 18.08.04  
 to attach to  
 P21 original  
 e*



Rehabilitation of Caucasian Highways  
 Azerbaijan Georgia and Armenia

EUROPEAID/113178/C/SVM/MLT1

**TRACECA**

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 Task Manager  
 Brussels  
 05 August, 2004

Contract No: 2002/027-531

Subject **Quarterly Technical Report April-June 2004 and Monthly Progress  
 Technical Report July 2004**

For attention of Mr. E. Dalamangas

Dear Sir,

Please, find attached a hard copy of the Quarterly Technical Report (April-June 2004) and Monthly Progress Technical Report July 2004.

The soft copy is also being attached.

Thanking you in advance.

Yours Sincerely,

Fabrice Signor  
 LBSAS General Manager

Enc: - hard copy in English version (2 documents);  
 - CD (1).

cc: Razek Degheim



Louis Berger S.A.S  
Mercure III 55 Bis quai de Grenelle  
75015 Paris

- file over  
- file 220



**Rehabilitation of Caucasian Highways  
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6 August, 2004

Subject: **Contract CW-2002/1 – New Price Analyze; Items 419-A, 420-A and 711-A**

Dear Sir,

We refer to your letter referenced №156 of 27 July 2004 and to your revised breakdown of Item 419-A received on 4 August 2004.

Please find attached the price analyze for the above new items.

Our assessment for the new items as described in the attached Price Analyses is as follows:

- Item 419-A: 2,107,006 AZM/m instead of 2,133,577 AZM;
- Item 420-A: 2,346,930 AZM/no;
- Item 711-A: 338,152 AZM/m<sup>3</sup>

Please introduce the revised prices in the following IPC.

Faithfully Yours,

Razek Degheim  
LBSAS Team Leader/ Project Manager

Enc: Price Analyses 419-A, 420-A and 711-A (3 pages)

Cc: RTSD - Mr. J. Gurbanov  
PIU - Mr.A.Gojayev  
Louis Berger SAS - Mr. F.Signor  
LBSAS Project Manager's Representative - Mr. S.Dotchev

Received &  
06.08.04



Louis Berger S.A.S  
Mercure III 55 Bis quai de Grenelle  
75015 Paris

- file out  
- file 165



**Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia**

EUROPEAID/113179/C/SV/MULTI

**TRACECA**

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09 August, 2004

Subject: **Preliminary Estimated Extra Cost for Contracts CW2002-1; CW2003-1 to 4**

For the attention of Mr. J.Gurbanov

Dear Sir,

We refer to our site letter No PS277/SD-080 dated 04 August 2004 submitted to the MoT, and attach the preliminary estimated extra cost for the contracts CW2002/1 and CW2003/1 to 4.

Please note that no changes have been occurred to the detailed extra cost for each contract. Only the change is on Summary table to suit the detailed extra cost.

We apologize for that.

Sincerely Yours,

  
Razek Degheim  
LBSAS Project Manager

Enc: detailed estimated extra cost and Summary (4 pages).

cc: - TRACECA – Mr. B.Tennant  
- PIU – Mr. A. Gojayev  
- Louis Berger SAS - Mr. F.Signor  
- Louis Berger SAS PM's Representative – Mr. S. Dotchev

 - 09.8.04





Louis Berger S.A.S  
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 75015 Paris

- file out  
 - file add



**Rehabilitation of Caucasian Highways  
 Azerbaijan Georgia and Armenia**

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9 August, 2004

**Subject: Contract CW-2002/1 – Variation Order No3; Bridge No30 at km 2+555**

For the attention of Mr. T. Uslu

Dear Sir,

In order to finalize the Variation Order No 3 regarding the Bridge at km 2+555, we kindly ask you to resubmit the Unit Rate Analyses for the following Items:

- 713-A: Provide and place RC precast girders l=15m;
- 718-A: Provide and place leveling concrete with no-shrinkage mortar;
- 718-B: Provide and place protection concrete with wire mesh.

Please note that the adjustment of 4,01378291% should not be applied to the above Items as there are new items, which not existed in the original BoQ and the quotations are dated after the process of Contract award and the delay occurred to.

In addition, we still need clarification about Item 711 and the type of concrete used for. We note that in the BoQ attached to the VO submitted by yourself shows the class of concrete 25/30 and the Unit Rate to be applied is 312,278 AZM /m3 instead of 356,889 AZM for class 30/30.

Please resubmit the detailed breakdown on the above-mentioned Items and clarification for Item 711.

Faithfully Yours,

Razek Degheim  
 LBSAS Team Leader/ Project Manager

- cc: RTSD - Mr. J. Gurbanov  
 TRACECA – Mr. B. Tennant  
 PIU - Mr.A.Gojayev  
 Louis Berger SAS - Mr. F.Signor  
 LBSAS Project Manager's Representative - Mr. S.Dotchev

09 08 04



**Louis Berger S.A.S**  
 Mercure III 55 Bis qual de Grenelle  
 75015 Paris

*- file accept  
 - file 105*



*forwarded to Street  
 on 18.08.04  
 JH*



**Rehabilitation of Caucasian Highways  
 Azerbaijan Georgia and Armenia**

EUROPEAID/113179/C/SV/MULTI



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18 August, 2004

**Subject: Contracts CW 2003/1 to 4 – Approval of the Redesign**

For the attention of Mr. J.Gurbanov

Dear Sir,

We refer to our site letters referenced No PS277/SD-077 and PS277/SD-078 dated 26 July 2004 requesting your approval for the redesign between km 27+000 to km 36+200 and km 46+040 to km 55+862 on the above-mentioned Contracts.

Please note that MoT approval has not pronounced yet. We kindly ask again your approval. If we do not hear from you within one week of the date of this letter, we will assume that your approval is given.

Sincerely Yours,

Razek Degheim  
 LBSAS Project Manager

- cc: - TRACECA – Mr. B.Tennant  
 - PIU – Mr. A. Gojayev  
 - Louis Berger SAS - Mr. F.Signor  
 - Louis Berger SAS PM's Representative – Mr. S. Dotchev

*Asluz 18.8.04*

Received on:

11 JUN 2004

**To Mr. Razek Degheim  
LBSA Team Leader/ Project Manager**

Dear Mr. Razek,

With reference to your letter № PS277/P179/04/165/RD/fb dated May 24, 2004 on providing the traffic regulation as the result of collapsing the Zayamchay Bridge under the Contract of CW 2003-2, on the Project of "Rehabilitation and Upgrading of Shemkir-Gazakh Road Section" we kindly inform you that it was inexpedient to construct the temporarily bridge next to the collapsed one. Please be requested to promptly prepare the Project documents of the new bridge instead of the collapsed one and submit them to the RTSD for approval.

Sincerely Yours,

J.G.Gurbanov  
Head of RTSD





**Azərbaycan Respublikasının  
Nəqliyyat Nazirliyi  
“Yolnəqliyyatservis” Departamenti**

*Handwritten:* Please fax to Svet  
22.06.04

- file 260  
- file 165  
- file 12  
*Handwritten:* 22.0

№ 01/811

“10” iyun 2004-cü il

Fax Sent on 22 JUN 2004  
to Svet  
File:

Louis Berger Ltd Məsləhətçi  
firmasının “Qafqaz Magistral  
Avtomobil Yollarının Bərpası”  
Layihəsinin Qrup rəhbəri  
cənab R.Deqheimə

Hörmətli cənab Razek,

“Yolnəqliyyatservis” Departamenti Sizin 24 may 2004 – cü il tarixli PS277 /P179/04/165/RD/fb sayılı “Şəmkir - Qazax avtomobil yolunun reabilitasiyası və təkmilləşdirilməsi” Layihəsi, CW2003 – 2 Müqaviləsində olan Zəyəm çay körpüsünün dağılması nəticəsində nəqliyyat axınının tənzimlənməsi barədə məktubunuza cavab olaraq nəzərinizə çatdırırıq ki, Departament dağılmış körpünün yanında müvəqqəti körpünün tikintisini məqsəduyğun saymır və dağılmış körpünün əvəzinə yeni tikiləcək körpünün layihə smeta sənədlərinin qısa müddətdə hazırlanaraq razılaşdırmaq üçün Departamentə təqdim etməyi Sizdən xahiş edir.

Hörmətlə,

Rəis

C.Q. Qurbanov

See our letter P124/161/1407  
23 July 2004 Action SD,

Such, I need a clarification about the works in question. Have the ununiform materials been removed? Are the materials approved? Please clarify and give me a report about.  
Regards

~~By~~  
05.07.04

To Mr. Razek Degheim  
LBSA Team Leader/ Project Manager  
"Rehabilitation of Caucasian Highways"

Subject: Rehabilitation and Upgrading of the Shemkir- Gazakh Road Section  
Technical survey to the Construction Site

Dear Mr. R. Degheim,

The associates of the "Center of Scientific Prognostication, information and calculation" have been mobilized to the Construction Site on June 01-04, 2004 to conduct survey on the progress of works under the Project of "Rehabilitation and Upgrading of the Shemkir- Gazakh Road Section". It was determined that the Supervision Works were implemented in a low level and relating to the above, the letters №33 dated June 7, 2004, № 35, dated June 16, 2004 and № 36, dated June 17, 2004 have been submitted to the RTSD.

In view of the above, we would ask you to take prompt action in clarifying the matters in question.

Enclosure: The letters №33 dated June 7, 2004, № 35, dated June 16, 2004 and № 36, dated June 17, 2004 of Center of Scientific prognostication, information, calculation, and photos taken in the construction site- 13

Respectfully yours,

J.G.Gurbanov  
Head of RTSD

④ handed to Gundaydivan on 07.07.04

-file IN



Received  
05 JUL 2004

Azərbaycan Respublikası  
**AZƏRKÖRPÜ**  
Səhmdar cəmiyyəti



Received see:  
ABB 07 JUL 2004

The Azerbaijan Republic  
**AZERKORPU**  
Joint-stock company

N 348

07 July 2004 il

**To:** Louis Berger  
Uzeir Gadjibekov str. 72/4

**Attn:** Mr. Razek Degheim  
Louis Berger, Project Manager

**From:** JSC "Azerkorpu"  
Mr. E. Ismiyev

See our letter:

- TOPIC 039 of July 3, 2004  
from Soviet

- To RTS D 1203 of 08.07.04

Dghe

08.07.04

- To AZ Alu 1204 of 08.07.04

Dear Sir!

Please find attached the complete set of as-built drawings of Dzegam Cay bridge No.39, and also the Bill of Quantities including the transferring of 4 communication cables falling into the construction area.

Appendix:

1. Bridge project – 2 albums
2. Bill of quantities – 1 copy
3. Bill of quantities for transferring of 4 communication cables – 1 copy

Best regards,

Chairman of JSC "Azerkorpu"

Ismiyev E.

handed to Recipient's Agent on 08.07.04.



Svet,

- file 150

- file 1N

- file 260

- SD

Could you please forward to  
myself a reply to Kocks letter.

Regards. *[Signature]*  
11.07.04

To Mr. Razek Degheim  
LBSA Team Leader/ Project Manager  
"Rehabilitation of Caucasian Highways"

Dear Mr. R. Degheim,

Please find enclosed for your consideration the letter of June 24, 2004 prepared by KOCKS Consult GmbH in 2002 concerning the discrepancies between the topographical elevations on the Project of Rehabilitation and Upgrading of the Shemkir- Gazakh Road Section.

Attachment: Letter of KOCKS Consult GmbH dated June 24, 2004

Sincerely yours,

A.J. Gojayev  
PIU Director

*[Signature]*  
05.07.2004

See our letter to PIU

P223 / 23 July 2004

*[Signature]*

05 JUL 2004 Received  
all:

Kocks Consult GmbH • P.O. Box 20 09 63 • D-56009 Koblenz, Germany

**'ROADTRANSERVICE' Department of the Ministry of Transport**  
Mr. Javid G. Gurbanov  
Director of Department  
72/4 U. Hajibeyov Street  
370010 Baku, Republic of Azerbaijan

Fax: +994 12 930192

Stegemannstraße 32 98  
D-56009 Koblenz, Germany  
Telefon: +49 261 1302-162  
Telefax: +49 261 1302-162  
E-Mail: info@kocks-ing.de  
Internet: www.kocks-ing.de

Contact: Carsten Grosse

Direct line: (+49 261) 1302-162  
E-Mail: gresse@kocks-ing.de  
info@kocks-ing.de

Our Ref:

Our Ref:

Koblenz 24 June 2004

### Rehabilitation and upgrading of the Shemkir – Gazakh road section Discrepancies of topographical survey data

Dear Mr. Gurbanov,

During the meeting held on 31 May 2004 we have been informed that also on the Shemkir – Gazakh road section discrepancies of benchmark coordinates and elevations between the design topographical data of 2001 and the recently carried out topographical survey at commencement of construction appeared. We have carefully examined the topographical data of the new survey between CH 27+000 and CH 37+000, which were handed over to us on 7 and 15 June 2004 respectively.

The topographical survey of 2001 used to transfer the data to the national coordinate system in the area of the new survey three Government Benchmarks, which were received from the responsible Government Department. It is reported that two of these benchmarks has been destroyed. For the newly conducted survey other Government Benchmarks has been used, which were not available for our topographical survey at that time.

We admit that due to calculation error at the beginning of the project road during the evaluation of the topographical field data the project elevations are not corresponding to the national grid. Therefore we recommended with letter dated 15.09.2003 and 15.10.2003 to use the project benchmarks as a local system during design review and construction.

The comparison of the topographical data of the year 2001 and 2004 shows that the large discrepancies of the topographic data only appear if you compare the data adjusted to the national grid. Without considering the adjustment to the national grid, the differences between the data are minor in the order of maximum 8 cm as shown in the table below. It may have to be re-checked if the existing project benchmarks are still in proper location.

36 6 86  
4



| Benchmark No | COORDINATES<br>Topographical survey 2004 |           |           | COORDINATES<br>Topographical survey 2001 |           |           | Absolute Divergence<br>between data of<br>2004/2001 |                | Relative<br>between<br>Location<br>m |
|--------------|--|-----------|-----------|--|-----------|-----------|---|----------------|--------------------------------------|
|              | Easting                                  | Northing  | Elevation | Easting                                  | Northing  | Elevation | Location<br>m                                       | Elevation<br>m |                                      |
|              | (y)                                      | (x)       | (z)       | (y)                                      | (x)       | (z)       |   |                |                                      |
| RP66         | 55592.870                                | 38668.712 | 411.794   | 55493.053                                | 38583.534 | 411.554   | 131.220   | 0.240          |                                      |
| RP58         | 60336.941                                | 36725.943 | 415.201   | 60237.345                                | 36641.099 | 414.926   | 130.835   | 0.275          | -0.07                                |
| RP57         | 61068.094                                | 36407.197 | 407.331   | 60968.477                                | 36322.328 | 407.039   | 130.867   | 0.292          | 0.00                                 |
| R56          | 61838.714                                | 36108.140 | 401.067   | 61739.045                                | 36023.177 | 400.773   | 130.968   | 0.294          | 0.01                                 |
| RP51         | 64715.578                                | 34905.580 |           | 64615.714                                | 34820.274 | 382.287   | 131.339   |                | 0.04                                 |
| RP50         | 65255.948                                | 34686.814 | 385.495   | 65156.052                                | 34601.427 | 385.083   | 131.416   | 0.412          | -0.00                                |
| RPV01(49)    | 65911.659                                | 34361.599 | 387.054   | 65811.761                                | 34276.265 | 386.645   | 131.383   | 0.409          | 0.02                                 |
| RPV02(48)    | 66312.457                                | 34191.586 | 387.116   | 66212.562                                | 34106.259 | 386.683   | 131.376   | 0.433          | 0.00                                 |
| RPV03(47)    | 66893.616                                | 33903.571 | 386.240   | 66793.732                                | 33818.278 | 385.796   | 131.346   | 0.444          | 0.00                                 |
| RPV05(45)    | 67610.722                                | 33567.002 | 384.616   | 67510.845                                | 33481.760 | 384.221   | 131.307   | 0.395          | 0.01                                 |
| RPV07(42)    | 68998.523                                | 32929.710 | 383.272   | 68898.636                                | 32844.499 | 382.790   | 131.295   | 0.482          | 0.02                                 |
| RPV08(41)    | 69082.638                                | 32866.466 | 382.666   | 68982.747                                | 32781.246 | 382.180   | 131.304   | 0.486          | -0.00                                |
| RPV09(40)    | 69464.399                                | 32678.796 | 380.156   | 69364.478                                | 32593.529 | 379.664   | 131.357   | 0.492          | 0.00                                 |
| RPV10(38)    | 70370.807                                | 32179.783 |           | 70270.834                                | 32094.432 |           | 131.451   |                | 0.00                                 |

Unfortunately we noticed that our recommendations to use the project benchmarks as a local system have not been followed. Moreover, the local polygon system has been tied up to the national system using different Government Bench Marks as in the topographical survey of 2001. It is obvious that this will lead to discrepancies in the project coordinates and elevations.

However, in the face of the fact that you are not prepared to establish a local system and in order to delay the construction works further, we can offer to transform the design data for the all measured road section to the national grid as established by the contractor. The transformation is done according to the so-called 3-Parameter-Transformation which transform the data unchanged length, angle and area. We are able to perform the transformation within a 3 weeks period. However, if requested but we would like to point out, that this transformation is beyond the work stated in our contract and that construction could have been started based on the local coordinate system as recommended earlier.

Kindly inform us in case the transformation of the design data are required and don't hesitate to contact us, if further clarifications are necessary.

Yours faithfully

COCKS CONSULT GMBH  
Consulting Engineers

Carsten Griese



**TURAN HAZINEDAROĞLU İnş.ve Tic.A.Ş.- ÜZTAŞ İnş.İnş.Miz Tic.A.Ş.**  
**Joint Venture / İş Ortaklığı**

LOUIS BERGER S.A.

Mr. Razek DEGHEIM  
 LBSAS Team Leader / Project Manager

Fax Received on 15 JUL 2004  
 File:

- file 1N  
 - file 220  
 19.07.

No:145  
 July 14, 2004

*Subject: Slow Progress*

*Project: Rehabilitation and Upgrading of Ganja - Semkir/Deliler Road*

Ref.: 1-Resident Engineer's letter dated June 09, 2004 with Reference  
 No.PS277/CW2002- 1/SD/CCI-180

2-Team Leader's letter dated June 22, 2004 with Reference No.PS277/P188/04/220/RD/fb

Dear Mr. Razek,

Regarding your above referenced letter, please be informed that the revised updated Work Program has been submitted to Resident Engineer on 6<sup>th</sup> July 2004 with our letter No.140. In that letter we also mentioned the following measures that have been taken in order to increase the production:

- Working hour of Crusher is increased from 10 hours to 20 hours per day.
- Working hour of Sub-base execution group is increased from 10 hours to 20 hours per day.
- The delivery of Sub-grade and earthwork material from borrow pits continues until midnight each day.
- Working hour of the compacton group for the earthwork and sub-grade is increased from 10 hours to 20 hours per day.

Sincerely Yours,

A.Murat TÜRKÖĞLU  
 Asst. Contract Manager

*A. Murat Türköğlü*

CC. LBSAS Project Manager's Representative - Mr. S. Dolchev

Received: 15.07.04  
 V  
 A. Fax

*S. Dolchev*

See our letter to  
 TURAN 219 of 19.07.  
*E. Güler*

P 226 P TURAN  
26.07.04

**TURAN HAZINEDAROĞLU İnş.ve Tic.A.Ş.- ÖZTAŞ İnş.İnş.Miz Tic.A.Ş.**  
**Joint Venture / İş Ortaklığı**

- file  
- file

Egl

LOUIS BERGER S.A.

Mr. Razek DEGHEIM  
LBSAS Team Leader / Project Manager

|                 |             |
|-----------------|-------------|
| Fax Received on | 15 JUL 2004 |
| File:           |             |

No:146  
July 15, 2004

Egl

**Subject: Breakdowns for new work items**  
**Project: Rehabilitation and Upgrading of Ganja - Shemkir/Deliler Road**

Ref.: 1-Your letter dated July 03, 2004 with Reference No.PS277/CW2002-1/SD/CC1-190

Dear Sir,

Regarding your above referenced letter, enclosed you can kindly find the breakdowns for the following work items, which have been rectified in accordance with your referenced letter.

- Item No.711-A:** Construct RC abutments and bridge wings, concrete class 25/30
- Item No.419-A:** Provision and laying of RC box culvert size 4000x2100 mm, including earthworks, excavation, backfilling, bedding, concrete-foundations with reinforcement content approx. 115.8 kg/m3, as shown on the drawings, protective coating and all ancillary works and materials.
- Item No.420-A:** Construction of Inlet/Outlet structures in RC for box-culvert size 4000x2100 mm, as shown in the drawings and as specified in Clause 609, Minor Drainage Structures. Incl. earthworks, excavation, backfill, protective coating and all ancillary works and material.

We kindly ask for your approval.

Sincerely Yours,

A.Murat TÜRKÖĞLÜ  
Asst. Contract Manager

**Attachment:**

- 1- Breakdown for Item No.711-A
- 2- Breakdown for Item No.419-A
- 3- Breakdown for Item No.420-A

| Louis Berger S.A. Consulting Engineers                   |        |      |         |       |
|--|--------|------|---------|-------|
| Construction of the Gasan Su Cay and Shemkir Cay Bridges |        |      |         |       |
| Date Received: 15.07.04                                  |        |      |         |       |
| File to:   | Action | Info | Discuss | Reply |
| Copy to:   |        | ✓    |         |       |
| RE   |        |      |         |       |
| ENG 1  |        |      |         |       |
| ENG 2  |        |      |         |       |
| MAT ENG  |        |      |         |       |
| QS   |        | ✓    | ✓       |       |
| Reply/Response Ref. 05.04.04                             |        |      |         |       |
| Type of response   |        |      |         |       |

Yüksek Mühürü ile onaylanmıştır. İMZA ANKARA/ TRKLY  
Tarih: 15.07.2004 saat: 15:00:00  
Yüksek Mühürü ile onaylanmıştır. İMZA  
Tarih: 15.07.2004 saat: 15:00:00

Egl

Seve,  
İnceley  
R



- file 1N  
- file 230 23.07.04

Fax Received on 23 JUL 2004  
from Azerkorpu  
File:

Azərbaycan Respublikası  
**AZƏRKÖRPÜ**  
Səhmdar cəmiyyəti



The Azerbaijan Republic  
**AZERKORPU**  
Joint-stock company

N 342

25 July 2004

To: Loius Berger – Azerbaijan  
72/4 Uzeyir Gadjibekov STR.  
370010 Baku  
Azerbaijan

From: JSC "Azerkorpu"  
Ismail Gutkashinli 4 str.  
AZ 1006 Baku  
Azerbaijan

Attn: Mr. R. Degheim  
LBSA Team Lider

**CONTRACT TITLE: CONSTRUCTION OF THE GASAN SU CAY AND SHEMKIR CAY BRIDGE**

**CONTRACT No. 30468**

**Subject: Performance Bond Insurance Document**

Dear Sir,

With reference to above-mentioned we note that original of Performance Bond and original of Insurance Document have been sent to Contracting Authority to Brussels.

Also please find attached the copy of Insurance Document.

Yours faithfully,

Chairman of JSC "Azerkorpu"

Tsmyev Efendi

Off: 370130, Baku, gah. Ismayil Gutqashinli küçəsi, 4 Tel: (+99412) 419720; Fax: (+99412) 419723; E-mail: azermost@azerkorpu.com.  
Bank: ABB Açıqron filiali, Kod: 805250; VÖİN 99000213; m/h 013701000201; SWIFT: IBAZAZ2X  
m/h: ABS-328021 AZM-3806-01; VÖİN müəssisə 100056063  
Bank: Nəqliyyat-Tikinti filialı Azərbaycanıyyatbank KB; Kod 508018; VÖİN 100000510; m/h 0137010036031; h/h 33040000060000



copy to S.D. (e-mail attached)  
Received on 27.07.04  
File IN  
File 260  
27.07.



Azərbaycan Respublikası Dövlət "AZWIRT" Şirkəti  
Azerbaidzhanische - Deutsche JV "AZWIRT" GmbH



**AZƏRBAYCAN YOL LAYİHƏSİ**  
Şəmkir-Qazax avtomobil yolunun reabilitasiyası və  
təkmilləşdirilməsi (390.8 km-430.8 km sahəsi)  
**AZERBAIJAN HIGHWAY PROJECT**  
Rehabilitation and upgrading of section road  
Km 390.8 to Tovuz (Road km 430.8)  
Contract CW-2003 - 1      Contract CW-2003 - 2

N 373

-26- 07 2004 il

**To: Loius Berger**  
72/4 Uzeyir Gadhibekov Str.

**Attn: Mr. Razek Degheim**  
Loius Berger, Project Manager

**From: JSC "AZERKORPU"**  
Mr. N. Aliyev  
Project Chief Engineer

**SUBJECT: Final Bill of Quantities for Dzegam Chay Bridge No. 39**

Dear Sir,

With reference to above subject please find attached final Bill of Quantities for Dzegam Chay Bridge No.39 taking into consideration the calculations for new types of work and also calculations.

Attachment: Bill of Quantities – 1 copy  
Calculation –7pages

Best Regards,

Project Chief Engineer

N. Aliyev

- 3 copies to S.D. on 27.07.04  
- copied to S.D. on 27.07.04

**TURAN HAZINEDAROĞLU İnş.ve Tic.A.Ş. - ÖZTAŞ İnş.İnş.Miz.Tic.A.Ş.**  
**Joint Venture / İş Ortaklığı**

-file 1N  
-file 220

See our letter P 236  
of 26.07.04

FOURM  
DPL

Fax sent to Svet

LOUIS BERGER S.A.

Fax Received on 27 JUL 2004

Fax Sent on 28 JUL 2004

Mr. **RAZEK DOĞRUM**  
 LBAS - Team Leader / Project Manager

File:

No:156  
July 27, 2004

Subject: Price Analyze Items 419-A, 420-A and 711-A  
Project: Rehabilitation and Upgrading of Ganju - Shemkir/Dellier Road

Ref.: Your letter dated June 22, 2004 with Reference No.PS177/P188/04/220/R1/D/1b

27 July 2004 PS177/P188/04/220/R1/D/1b

Dear Mr. RAZEK,

Regarding your above referenced letter, enclosed, you can kindly find the breakdowns of abovementioned new items together with their original versions.

In addition to the breakdowns, please be informed that the amount of reinforcement, 115.8 kg/m<sup>3</sup>, mentioned in the description of the item No.419, is only for the foundation of the structure. However, the amount 127 kg/m<sup>3</sup>, is for the whole structure with side walls and top slab. Therefore, we kindly ask from you, re-evaluation of the matter.

Sincerely Yours,

A.Murat TÜRKÖĞLÜ  
Asst. Contract Manager

*A. Murat Türkoglu*

CC: LBAS Project Manager's Representative - Mr.S.Dotchev

**Attachment: (3 pages)**

- 1-Breakdown for Item No.419, 419-A
- 2-Breakdown for Item No.420, 420-A
- 3-Breakdown for Item No.711, 711-A

Svet,

I need to know if the reinforcement of 127kg/m<sup>3</sup> is correct for Item 419A, please inform me the correct figure.

*D. Shemkir*  
28.07.04

Faxed again by Svet 28.07.04

Svet.

*D. Shemkir*



Received 29.07.04  
D. glu

**Azərbaycan Respublikasının  
Nəqliyyat Nazirliyi  
"Yolnəqliyyat servis" Departamenti**

№ 01/1023

«27» iyul 2004 – cü il

Luis Berger Məsləhətçi Firmasının  
Layihə üzrə Rezident Mühəndisi  
cənab S.İ. Doçevə

Hörmətli cənab Doçev,

«Gəncə – Qazax avtomobil yolunun reabilitasiyası və təkmilləşdirilməsi»  
Layihəsi (kontrakt CW 2002-1, CW 2003-1, CW 2003-2, CW 2003-3 və CW  
2003-4) üzrə görülmüş işlərin 3 saylı hesabatına ( yanvar- iyun 2004 cü il )  
deportamentdə baxılır və nəticəsi sizə göndəriləcəkdir.

Hörmətlə,

Rəis

C. Qurbanov

- file 1N
- file 165
- SD

It is the General Progress Report № 3 (January -  
June 2004) nothing to do with Site  
Report. 29.07.04  
D. glu





**Louis Berger S.A.S**  
Mercure III 55 Bis qual de Grenelle  
75015 Paris

- file OUT  
- file 165



**Rehabilitation of Caucasian Highways  
Azerbaijan Georgia and Armenia**

EUROPEAID/113179/G/SV/MULTI



This Project is funded by the European Union

Team Leader  
Baku  
Reference PS277/P255/04/165/RD/fb  
Tel +994 12 98 84 31  
Fax +994 12 93 24 76

To: Ministry of Transport  
Road Transport Service  
Department Offices  
Tel +994 12 93 80 83  
Fax +994 12 93 80 83

20 September, 2004

**Subject: Rehabilitation of Caucasian Highways-Extension of Consultant Contract  
between the EU and Louis Berger; Contract 2002/027-531**

For the attention of Mr. J.Gurbanov

Dear Sir,

Please find attached the letter dated 15/09/2004 received from the European Commission (Brussels) and addressed to the Consultant Louis Berger regarding the extension of our Consultancy Services Contract.

We would be very grateful if you could take into consideration the content of the EU Team Coordinator's attached letter in order to avoid a situation of being without supervision after November 25, 2004 the expiration date of LB Contract with the EU.

Sincerely Yours

P.O.

Razek Degheim  
Team Leader/Project Manager

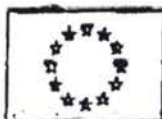
Enc.: EUROPEAN COMMISSION letter dated 15/09/2004 (1 page).

Cc: Traceca Co-ordination Unit (Baku) - Mr.Brian Tennant  
LBSA - Mr. Fabrice Signor  
PIU- Mr. A. Gojayev  
World Bank-Mr. Farid Mamedov (Baku)

16/09/2004 10:07

EUROPEAID UNIT A2 + 0003314577469

NO.226 0001



## EUROPEAN COMMISSION

EuropeAid Co-operation Office

Europe, Caucasus, Central Asia  
Centralised operations for Europe

Fax

16 SEP 2004

O: FS  
C: RF

Brussels, 15/09/2004

AIDCO/A2/AB/sku D(2004) 32818

## FAX

|                  |                       |            |                     |
|------------------|-----------------------|------------|---------------------|
| To:              | Fabrica Signor        | Telephone: | +33 (1) 45 78 39 39 |
|                  | LOUIS BERGER S.A.     | Fax:       | +33 1 45 77 74 69   |
| From:            | Boitsios Athanasios   | Telephone: | (32-2) 2955559      |
|                  | L41 04/59             | Fax:       | (32-2) 2957482      |
| Number of pages: | 1                     |            |                     |
| Subject:         | Contract 2002/027-531 |            |                     |

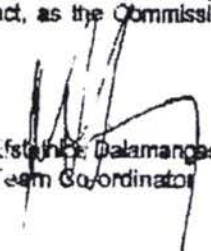
## Message:

Dear Mr. Signor,

As you know, the contract Rehabilitation of Caucasian Highways, number 2002/027-531 between the European Commission and LOUIS Berger S.A. is ending on 25/11/2004. Due to some delays in the contracting and execution of the works, which the contract 027-531 is supervising, there will be a situation of being without supervision of the works after 25/11/2004.

This situation has been discussed several times with you and has been brought before the funding agency of the works, the World Bank, (WB) early this year. Louis Berger S.A. has been kept always informed about the discussions. The last message on the subject received from the WB, dated 02/08/2004, signed by Mr. Tharakan, Lead Transport Specialist in the Europe Central Asia Transport Unit, was acknowledging impossibility of the European Commission to continue the funding of the supervision contract. In the same time this message was committing the WB to "review the possibilities for financing the extension with the Government and revert to me thereafter" (you were copied on this message).

We strongly advise you to get back to the WB and enquire about their possibility to find the necessary funds for the continuation of the supervision contract, as the Commission does not have the possibility to continue the funding for it.



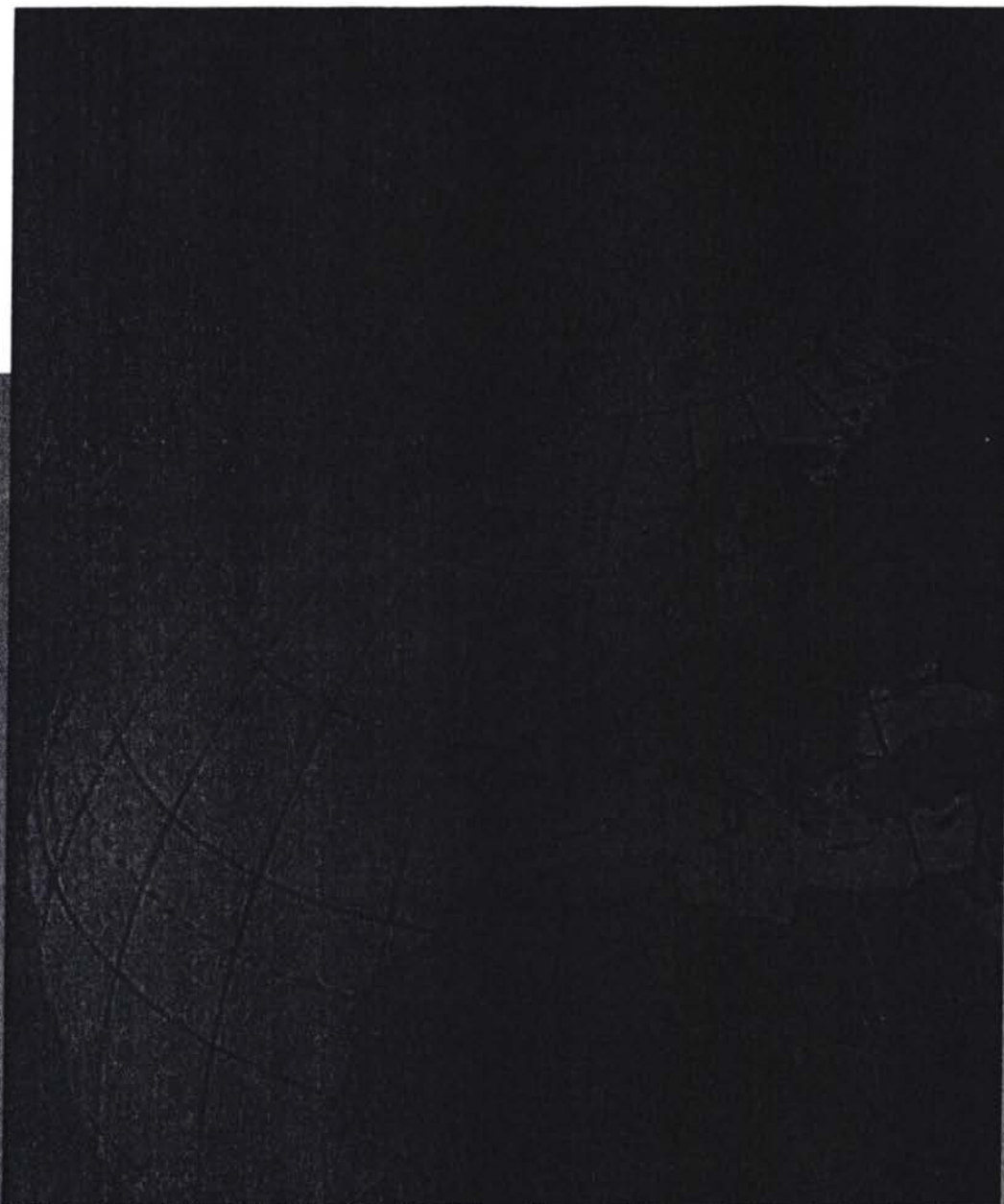
Efsthene Dalamangas  
Team Coordinator

Cc: Mr. G. Tharakan, WB, fax +1/202 614-0900  
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