

EuropeAid 2012/308-293

IDEA II

Transport Dialogue and Networks Interoperability

Second Interim Progress Report

January 2014



This project is implemented by TRT Trasporti e Territorio
in association with Panteia Group, Dornier Consulting GmbH and Lutsk University



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REPORT COVER PAGE

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9. TRACECA National Secretary Romania	1	1	1	
10. TRACECA Nat. Secretary Tajikistan	1	1	1	
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16. EC Delegation Georgia	1	1	1	
17. EC Delegation Kazakhstan	1	1	1	
18. EC Delegation Kyrgyzstan	1	1	1	
19. EC Delegation Moldova	1	1	1	
20. EC Delegation Tajikistan	1	1	1	
21. EC Delegation Turkey	1	1	1	
22. EC Delegation Ukraine	1	1	1	
23. Turkmenistan – to be determined	1	1	1	
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List of Abbreviations

ADB	Asian Development Bank
ASMAR	Association of International Road Transport Carriers
BOMCA	European Union's Border Management Programme in Central Asia
CA	Central Asia
CAREC	Central Asia Regional Economic Cooperation Program
CBA	Cost Benefit Analysis
CIS	Commonwealth of Independent States
DEVCO	European Commission, DG for Development and Cooperation
DMS	Document Management System
EaP	Eastern Partnership
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EIB	European Investment Bank
ENP	European Neighbourhood Partnership
ENPI	European Neighbourhood Partnership Instrument
EU	European Union
EUBAM	European Union Border Assistance Mission to Ukraine and Moldova
EUD	Delegation of the European Union
FSU	Former Soviet Union
GIS	Geographic Information System
IBM	Integrated Border Management
IBMSC	Integrated Border Management in South Caucasus
IDB	Islamic Development Bank
IFI	International Financing Institution
IGC	Intergovernmental Commission of TRACECA countries
IMO	International Maritime Organisation
IRU	International Road Union
KAZATO	Union of International Road Carriers of the Republic of Kazakhstan
KE	Key Expert
KPI	Key Performance Indicator
MCA	Multi Criteria Analysis
MLA	TRACECA Multimodal Transport Agreement
MoS	Motorways of the Sea
MoT	Ministry of Transport
MoU	Memorandum of Understanding
MSS	Maritime Safety and Security Project
MTO	Multimodal Transport Operator
NCTS	New Computerized Transit System
NIF	Neighbourhood Investment Facility
NIS	Newly Independent States
Oblast	A type of geographical administrative division in the countries of the FSU
OSCE	Organisation for Security and Cooperation in Europe
OSJD	Organisation of railway cooperation
PAIES	Pre Arrival Information Exchange System



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PPP	Public-Private Partnership
PS	(TRACECA) Permanent Secretariat
SG	Secretary General
SCIBM	South Caucasus Integrated Border Management
STEs	Short-term Experts
TA	Technical Assistance
TAEIX	Technical Assistance and Information Exchange instrument
TEN-T	Trans-European Transport Network
ToR	Terms of Reference (of the present project, unless stated otherwise)
TRACECA	Transport Corridor Europe-Caucasus-Asia
TRACECA NS	TRACECA National Secretary,
TRACECA PS	TRACECA Permanent Secretariat
UIC	Union International de Chemin de Fer (International Union of Railways)
UNDP	United Nations Development Program
UNECE	United Nations Economic Commission for Europe
USAID	US Agency for International Development
WB	World Bank
WCO	World Customs Organisation
WG	Working Group



Project Synopsis

Overall Objectives

The main aim of the IDEA II (Transport Dialogue and Networks Interoperability) project is to strengthen economic relations, trade and transport links between the EU and the programme's participating countries. The participating countries are Azerbaijan, Armenia, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Turkmenistan, Ukraine and Uzbekistan. The project will contribute to the development and implementation of regional transport policy actions such as the relevant actions of the TRACECA Action Plan 2010-2013 related to infrastructure development, the facilitation of multi-modal transport and the harmonisation of transport legislation.

On operations, measures set out by the Commission aim at ensuring the interoperability between the EU transport systems and those of neighbouring countries. Of the beneficiary countries, Armenia, Azerbaijan, Georgia, Moldova and Ukraine, are part of the Eastern Partnership initiative. Eastern Partnership seeks closer approximation of those countries with the EU.

Results to be achieved, indicators, constraints and assumptions are laid out in Annex 2 of the inception report: Project Logical Framework Matrix. Specific Project purposes are as follows:

- Contribute to projects identification, projects definition and appraisal leading to mobilisation of funding. Help to prepare and implement regional infrastructure projects, through providing studies, developing business and master plans, analysing financial and technical feasibility including Public-Private Partnerships.
- Strengthen the political and transport dialogue mechanisms between the European Commission (EC), Eastern Partnership and TRACECA beneficiary countries, other project stakeholders and IFIs, by achieving effective communication and dissemination of activities and results of the TRACECA programme.
- Support the implementation of the IGC Long-Term Strategy until 2015 and related Action Plans, through assistance to the TRACECA Permanent Secretariat and member countries.
- Adapt the regulatory framework with a specific focus on sector reforms in order to facilitate the flows of goods within the beneficiary countries and between the beneficiary countries and outside.

Project starting date:	16 January 2013
Project duration:	Three years (36 months)
Project value:	Total value of the Project is Euro three point five (3.5) million, of which provisions for staffing and related expenditures is Euro two point five (2.5) million and for incidental expenditure Euro one (1) million
Key stakeholders:	Ministries of Transport, Ministries of Trade & Economy, Customs Authorities, IFIs, Commercial Banks, International Road Carriers, Freight Forwarders, NGOs, Transport users at large
Specific activities:	The Project has five work components: <ol style="list-style-type: none"> 1. Ensuring Dialogue and Coordination 2. Infrastructure and network 3. Attracting funds 4. Training and Capacity Building 5. Communication, Visibility and Information



Key-Results

Project Purpose 1 (Project identification, definition and appraisal leading to mobilisation of funding)

- Update the list of TRACECA priority infrastructure projects on the basis of the TRACECA owned methodology (project pipeline, project screening/selection and listing) and based on Eastern Partnership (EaP) transport Panels / Ministerials.
- Support the countries in selecting and analysing the potential infrastructure projects and advise countries in preparing project proposals for financing.
- Maintain the existing GIS database (together with the TRACECA Permanent Secretariat) and the traffic flows model and update the traffic data accompanied by capacity building based on need, organise further training on the use of the GIS database and the traffic flows model and ensuring its compatibility with the EU TEN-Tec Information System.
- Coordinate with IFIs to mobilise their support for undertaking a minimum of two feasibility studies on short listed priority projects and help the countries to strengthen their cooperation with IFIs. Liaise with the Neighbourhood Investment Facility.
- Draft of pre-feasibility studies, traffic demand studies and master plans: it can also include supporting the countries in the drafting a full set of tender documents providing respective information in trainings.
- Organise further training on GIS database and the traffic flow model and on project appraisal.

Project Purpose 2 (Strengthen the political and transport dialogue mechanisms)

- Organise two coordination meetings per year to discuss progress and results of the EU funded Technical Assistance Projects for transport in the region and the TRACECA Intergovernmental Conference activities.
- Set up working groups between the countries to deal with challenges and bottlenecks in specific areas (including both public and private sector representatives), involving the TRACECA Permanent Secretariat as coordinating body.
- Use the existing TRACECA website liaising with the TRACECA Permanent Secretariat on the best way forward and be in constant communication with the ENPI East Info centre.
- Provide support to national transport policies and assess the extent to which tangible progress was achieved on alignment of national transport policies and legislation with the European and international standards.

Project Purpose 3 (Support the implementation of the IGC Long-Term Strategy until 2015 and related Action Plans)

- Based on progress achieved, organise a maximum of two Regional Ministerial Conferences with the focus on endorsing results and concrete projects that stem from regional cooperation.
- Develop a programme to schedule and deliver thematic working groups during the implementation of the project. This includes supporting the TRACECA Permanent Secretariat in organising and in facilitation of the working groups with the objective of



achieving tangible results linked to achievement of Action Plans and the TRACECA Long Term Strategy.

Project Purpose 4 (Adapting the regulatory framework with a specific focus on sector reforms)

- Support legal approximation and undertake activities to raise awareness of stakeholders of the TRACECA countries about the benefits of approximation for their countries.
- Identify risks in achieving alignment and make recommendations on how to support countries in their efforts.
- Provide training on the methodology and principles of approximation for public officials. Exchange experiences on alignment of legislation between the TRACECA countries.
- Account for the specifics of Eastern Partnership countries and alignment of their legal framework to European legislation.

Preparation of the Report

The report was prepared by the IDEA Project's key experts and by representatives of its Consortium Members: TRT Trasporti e Territorio srl, Panteia Group, Dornier Consulting GmbH and Lutsk University.

Purpose of the Report

The purpose of this Second Interim Progress Report is to

- present a concise summary of the main issues of the IDEA Project and recommendations of the IDEA-staff for the attention of key decision makers;
- give a precise outlook on the contents, procedures and schedules of the work planned for the next working period of six months.

Format of the Report

This report follows the format proposed by the EC document “Guidelines for Reporting - PCP III Project Inception Report, Interim Report and Final Report”, Tacis, Brussels, September 1995, amended June 1998.

Furthermore, the report applied some formats proposed by the EC document “Strengthening project internal monitoring - How to enhance the role of EC task managers”, Tools & Methods Series - Reference Document No 3, June 2007, page 19.



1. Executive Summary

1.1 Project background and past progress

The IDEA II (Transport Dialogue and Networks Interoperability) project is funded by the European Commission DG DEVCO within the framework of the TRACECA Programme. The Project has officially started on January 16, 2013 with duration of three years.

The project sets forth further development of the TRACECA route to be an international recognized multi-modal route with increased attractiveness to the industry. Given the Eastern Partnership policy lines, TRACECA is also dealing with renewed European approach to transport cooperation with the regions and countries covered by European Neighbourhood.

Actions are required at all levels of TRACECA functioning, i.e. on the physical corridor as well as at the level of TRACECA institutions and of Technical Assistance projects. Here the IDEA II project task is to facilitate coordination and to target achievement of its results by banking on the underlying principles of the countries ownership.

1.2 Progress during past Work Period

As part of component 1, coordination and dialogue with other TA projects, key experts of the IDEA team participated in the LOGMoS event in Tbilisi in September 2013. IDEA will also continue this specific coordination activity related to the LOGMoS master plan during its third working period. The legal key-expert has been working on documentation that will be delivered in the third reporting period, but has already been integrated in the work of the legal expert group and be brought forward to capacity building activities of IDEA.

The main activities for component 2, infrastructure and network planning, were shifted into the third period and beyond, due to the postponement of an earlier envisaged expert group on transport after consultation with the EC to a date after the final LOGMoS event in April 2014. Conceptual work on prioritization, expert groups and capacity building were mainly completed in the last reporting period.

Following the National Expert Concept, IDEA has now built up an expert pool of more than 90 technical specialists from the beneficiary countries coming from most modal agencies ministries throughout the TRACECA region. Experts groups are the foundation for the entire technical work planned by IDEA over the life span of the project. The activities of the experts groups are driven by the needs of the beneficiaries and in addition allow deriving training needs to plan and provide effective capacity building activities. Two successful experts groups related to the themes of legal and project infrastructure investment were held in December 2013 in Kiev.

As far as the communication with countries are concerned, the project faced different levels of cooperation especially in preparation of the two experts groups meetings mentioned here above.

The tender for the implementation of the TRACECA CAMPUS, the technical tool that will support sustainability of training, has been launched at the beginning of the third reporting period. The related activities take place during the third reporting period and beyond.

Some progress was achieved in relation to the visibility of the TA projects as part of the TRACECA website: all working TA projects received access to the respective parts of the website and, after training, were able to upload the updated information. Further action on this theme is required in the next reporting period.



2. Project Status at Time of Reporting - Coordination Activities

During the IGC Summit in Dushanbe 17.09.2013, the IDEA II Team Leader took the opportunity to meet representatives of the National TRACECA committees to discuss several issues of interest bilaterally. Important topics were the Concept of National Experts and Expert Groups, investment promotion activities, measures to improve TRACECA visibility and envisaged capacity building in close relation and determined by the needs of the countries' technical experts. Coordination activities were also related to discussions with the LOGMoS Team Leader and consultation with the participation representatives of the European Commission.

Coordination of activities between IDEA II and LOGMoS over this working period took place also thanks to bilateral meetings (on 30th August 2013 in Kiev and during the LOGMoS event in Tbilisi in September 2013) and through regular telephone conversations and email communication on a permanent basis. This fruitful practice will continue to cater for communication between the TRACECA TA projects. This coordination is important in the light of the main result of the sister project related to LOGMoS Master Plan that shall determine strategic decisions of the TRACECA countries.

The three components of IDEA in relation to investment activities, legal harmonization and approximation as well as transport sector development will incorporate recommendations and projects developed in the Master Plan of the LOGMoS project. Hence, IDEA II will also continue this specific coordination activity during its third reporting period.

During the Odessa conference on transit potential of Ukraine hosted by the government of the country 15th September 2013, three TRACECA TA projects (IDEA II, LOGMoS and Maritime Safety and Security II) and a twinning project financed by the EU contributed to the discussions how to improve the Ukrainian transport sector and specifically increase transit volumes for goods. After two years of serious decline of transit transport it became evident that a "no-change"-scenario is not an option for the Ukrainian ports, railway and logistics industry. The TRACECA National Secretaries of Ukraine, Kazakhstan and Romania had good opportunities to share views and discuss common positions regarding the improvement of the corridor's competitiveness with all participants of the conference.

The IDEA II transport Key Expert participated at the "Kazlogistics" conference in Astana organized on behalf of the government of Kazakhstan 7th / 8th November 2013. Apart from a meeting with the NS of Kazakhstan IDEA took this opportunity to hold individual talks with representatives of the World Bank, ADB and high-ranking representatives of the transport industry.

As far as the countries are concerned, the IDEA II project faced different levels of cooperation especially in preparation of the two expert group meetings in December in Kiev. A brief analysis showed three levels of cooperation and responsiveness: high, medium, low – one third each nearly equally covered by the beneficiary countries. The preparation process of the Kiev meetings showed that good results will be reached, if the beneficiaries also collaborate in logistic matters.



3. Progress and Performance to date

The table on the following page displays past and envisaged progress towards achieving the objectives as laid out by the Project's Terms of Reference (ToR). This progress is measured in terms of activities that are either currently underway, or planned for the next six-month period, or projected to be undertaken during the remainder of the Project.

This Progress Report applies percentages to the progress achieved or projected, but rather sets a scale of no, low, medium and large input in terms of activities. This is because progress in 'soft' activities, such as policy dialogue, one can hardly measure by hand of 'hard' figures. The IDEA II team assumes all activities to be completed over the entire Project period, hence every input (every row of the graphic) sums up to a hundred per cent.

Component 1 (Ensuring dialogue and coordination) includes the issues of legal harmonization/approximation, which were brought forward during the last reporting period. The responsible key-expert has been working on documentation (methodology, applications, table of concordance etc.) that will be delivered in the third period. However, a good deal of the work has been already integrated in the work of the legal expert group. It will also be brought forward to capacity building activities of IDEA.

The envisaged expert group on transport was, after consultation with the EC, shifted to a date after the final LOGMoS event in April 2014 because the master plan shall play a major role in the definition and prioritization process for TRACECA investment projects. Another point to postpone the start of this expert group is to coordinate its activities with the Road Safety and Security Project that has started recently. IDEA as coordinating project shall raise synergies by integrating activities of all working projects. Soft measures like improvement of safety and security for the road as well as for the maritime sector remain important components of transport corridor development. The two related projects (Maritime Safety and Security II and Road Safety and Security II) contribute in terms of output and work with the beneficiary countries to the prioritization process and investment activities of TRACECA and will be involved in IDEAs activities respectively.

Accordingly, the main exercises for component 2 (Infrastructure and network planning) were also shifted into the third period and beyond. It is important to note that the expert group as technical structure will determine what to discuss and which data and tools will be needed, updated and applied.

All activities related to component 3 (Attracting funds) will start in the coming period. So far, conceptual work on prioritization, expert groups and capacity building were mainly completed. The communication with IFIs and financial markets is permanently undergoing and will be intensified in the next period in preparation of the TIF 2015.

The entire capacity building process (component 4) depends on the expert groups and their results. At one side, the experts convey the topics for discussions and development in the expert groups. At the other side, deeper looks into issues that need further elaboration will create training needs that lead then to capacity building activities.

TRACECA CAMPUS, the technical tool that will support sustainability of training know-how as well as provide a unique platform for trainees to make use of web-based multi-media is now being prepared.

An initial training need assessment (TNA) has been made with the participants of two expert groups (legal and investment). This TNA will be rolled out to all TRACECA experts and



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function as another source of information what will be the topics to be included in different trainings.

As part of component 5 (Communication, visibility and information), during the last working period all working TA projects received access to the TRACECA website and have meanwhile uploaded their individual websites to the existing site (www.traceca-org.org). The importance of an appropriate website presenting TRACECA to the public is an issue that will be settled in the next period.



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Past and envisaged progress towards achieving objectives (in terms of activities)

No.	Specific Objective	Activities			
		previous Periods	past Period	next Period	beyond next Period
Objectives 2 and 3 in relation to Work Component 1 - Ensuring Dialogue and Coordination					
1	Support legal approximation		25	25	50
2	Undertake activities to raise awareness		25	25	50
3	Programme to schedule and deliver thematic working groups		25	25	50
4	Organise two coordination meetings per year	25		25	50
5	TRACECA Intergovernmental Conference activities.		50		50
6	Two Regional Ministerial Conferences				100
Objectives 1 in relation to Work Component 2 - Infrastructure and network					
7	Update the list of TRACECA priority infrastructure projects		25	50	25
8	Support the countries in selecting and analyzing the potential infrastructure projects		25	50	25
9	Support and advise countries in preparing project proposals for financing			25	75
10	Update and maintain the GIS database and model		25		75
11	Traffic flows model		25		75
12	Update traffic data		25		75
Objectives 1 in relation to Work Component 3 - Attracting funds					
13	Finding financing for projects that have been prioritized			25	75
14	Drafting of pre-feasibility studies			25	75
15	Drafting a full set of tender documents			25	75
16	Strengthen their cooperation with IFI's		25	25	50
17	Organize a meeting with beneficiary countries to show case project proposals.				100
18	Coordinate with IFI's to mobilize their support for undertaking a minimum of two feasibility studies				100
Objective 1 and 4 in relation to Work Component 4 - Training and Capacity Building					
19	GIS database and project data including data from the Eastern Partner countries to the Commission TEN-Tec system			25	75
20	Project investment appraisal			25	75
21	Supporting the preparation of project proposals for financing by the IFIs			25	75
22	Border-Crossing issues				100
23	Regional approach to network planning development			25	75
24	Training on the methodology and principles of approximation for public officials			25	75
Objective 2 in relation to Work Component 5 - Communication, Visibility and Information					
25	Communication plan and press strategy towards local and EU media.		50	25	25
26	Constant communication with the ENPI East Infocentre			25	75
27	TRACECA website		25	50	25
28	Coordination point for all TRACECA projects' activities		25	25	50





3.1 Activities

The National Experts Concept

IDEA presented the National Expert Concept after discussion with the EC and respective approval at the Dushanbe IGC event 17th September 2013. IDEA sent the approach as initial information to the countries 23.07.2013 and later together with a request for input to build the TRACECA expert pool by mail 04.0913.

A formal endorsement in Dushanbe was not reached due to procedural reasons and time constraints, but it was agreed to use the opportunity of a later occasion for this step. Meanwhile, IDEA applied the approach and received a generally positive feedback from the countries during preparation and implementation of the legal and investment expert groups from the participants, national secretariats of Kazakhstan, Moldova and Kyrgyzstan and the PS.

Following the concept IDEA has now built up an expert pool of more than 90 technical specialists from the beneficiary countries coming from most modal agencies ministries throughout the TRACECA region.

IDEA assumes that the announcement of the pool will take place in the third period after approval of the countries' candidates according to the prepared and earlier agreed profiles by the EC programme manager.

In preparation of two expert groups in December 2013 the countries nominated their experts and the expert groups on legal issues and on investment policy took place in Kiev.

Both expert groups had three main goals:

- Initialize the work process for the expert groups in different fields and start an intense communication with the countries on technical level
- Identify first issues to be discussed and brought forward for future activities of the groups
- Qualify training needs of the participants

The envisaged approach to raise synergies between the experts during this week could not completely be reached, because the transport related expert group was postponed. Nevertheless, the response of the participants was positive and the goals of the meetings were met.

At the investment experts group, the following topics were discussed during the one-day meeting:

- competitiveness of TRACECA, applied practice for PPP in the transport sector,
- transit potential for TRACECA countries, obstacles for investments
- investment appraisal requirements, the role of IFIs in TRACECA investment policy,
- internal procedures in individual countries to bring investment projects to maturity,
- procurement procedures in individual countries,
- communication between governmental bodies in the countries.

The common goal to provide actual and relevant project proposals to the financial markets was agreed. Therefore, the experts will search the countries' strategies, the TRACECA master plan (at a little later stage) and other sources to find eligible and appropriate investment projects. A retrospective approach back to 2010 and 2012 was discussed and declined. The experts do not want to re-activate "old" projects that had not been selected among the top priority projects presented in the previous TIFs. It was agreed to search for new potential investment projects responding to the present requirements.



The prioritization methodology of TRACECA as applied in preparation of the two TRACECA investment forums will be the foundation of the approach to be followed. Having introduced this methodology in 2010 followed by application for 2012 the experience of the countries can now be continued on the technical level of country experts. However, IDEA will not simply replicate documentation and activities, but adopt them to the today's situation and setups of the countries and TRACECA and the requirements of financial institutions, stakeholders and partners related to successful corridor development. The political endorsement of the extended TEN-T network and the protocol of the ministerial meeting in Vilnius, November: 29, 2013 are important foundations for the definition of priority projects for TRACECA.

The National Secretaries will accompany the search for investment projects in the countries, contribute their knowledge to the national experts where this is required, and function as knowledge carriers. It is an agreed procedure that all expert group participants inform their National Secretaries and start the process of installation of the TRACECA project pipeline.

During the legal expert group meeting following issues were discussed:

- Introduction to legal harmonization
- Explanation on the methodology of legal harmonization / approximation
- Initial gap analyses per country – starting with list of international conventions and agreements
- The TRACECA MLA and TA with reservations
 - History of the MLA and TA's
 - Countries and reservations map
 - Possible solutions
- Regulatory Impact Assessment (RIA)
- Legal Impact Assessment (LIA)

All information and documents regarding these meetings are available at the TRACECA website.

TRACECA Campus as foundation for the full cycle of capacity building activities

The TRACECA CAMPUS is an efficient tool to increase capacity in the transport sectors of TRACECA countries. It can also be seen as a platform for communication and exchange of information and knowledge on transport and trade facilitation in the TRACECA countries.

This concept was developed during the last working period. The tender for technical implementation was prepared and is expected to finalize beginning of the third working period. Campus will be implemented during the third period adopted to the needs arising from the countries requirements for capacity building.

Important to note is that the combination of the TRACECA expert pool, CAMPUS and an improved TRACECA website will raise synergies leading to a sustainable know how transfer extended over the life cycle of individual TA projects.



Planning the improvement of the TRACECA website

This activity was mainly focussing on technical solutions for the adoption of structure and design of this important tool.

As remarked in the first interim progress report, the project activities for the improvement of the TRACECA website (www.traceca-org.org) should have started already. Unfortunately these activities were hampered by the scarce cooperation of the PS, which led to the situation where each TA project managed its own website and it was not possible to find an agreement for the envisaged complex upgrade of the overall TRACECA website.

Another consequence of such scarce cooperation was the postponement of the Typo 3 (back-end system language for the website management) training course for the TA projects experts. The course, initially planned for the second period, will be now held by the PS webmaster at IDEAs premises in Kiev beginning of the third period.

To reach the goal of a high-quality website a more intense and task-oriented cooperation between the PS, IDEA and the countries is required. In case such cooperation would not be achieved, IDEA will need to consider alternative options to guarantee highest possible visibility and quality of displayed information.

Legal Approximation and Harmonization

As part of component 1 of the project's ToR, the respective Key Expert follows up the theme of legal approximation and harmonization. Two underlying documents were drafted and will be further developed over the life span of the IDEA II project – Working Book on Legal Approximation Methodology and Working Paper on Legal Framework.

Both documents reflect individual situations of the countries regarding their legal setups in the transport sector and will follow the approach as described in the inception report. They were the foundation for the first Legal Expert Group.

Based on the decisions laid out in the Vilnius Protocol, (Joint Declaration of the Eastern Partnership Summit, Vilnius, 28-29 November 2013, Eastern Partnership: The Way Ahead) IDEA understands the importance of component 1 in relation, but not restricted to the Eastern Partnership countries. The previously mentioned documents shall provide a foundation for expert group activities as well as for capacity building and trainings.

Traffic Data Collection and Storage

As part of the project's coordinating function the EC programme manager, the LOGMoS and IDEA projects agreed to coordinate the storage of traffic data related to corridor performance and traffic forecast model.

IDEA started the process of supporting and coordinating with the LOGMoS project to prepare a fluent integration of the TRACECA master plan (based on EaP-decisions) into future activities of TRACECA (e.g. prioritization).

Specifically IDEA provided trade information from international databases that LOGMoS planned to integrate into the existing country-files and use as foundation for the master planning exercise.

These activities are closely coordinated between both TA projects. The data collection will continue in dependence of the requirements for traffic flow analyses and as minimum last over the next working period. At a later stage and depending on the technical needs for modelling and training activities, IDEA will update the data to provide appropriate and fresh information to the beneficiaries of the project and guarantee compatibility with the EU TEN-Tec Information System.



3.2 Resources and Budget

During the second period, budget resources have been allocated for covering the:

- costs related to the project experts' fees; and
- incidental expenditures.

Concerning the initial phase the IDEA Project has spent 27% of the overall total budget allocated for the heading related to the expert person-days. More specifically, the Project has approximately used:

- 33% of the available resources for each key expert;
- 16% of the available resources for the senior short-term experts; and
- 5% of the available resources for the junior short-term experts.

This important difference in the amount of resources spent is due to the nature and scope of the activities carried out in the second period, which mostly demanded a contribution from the key experts.

Consequently, and apart from the management and coordination activities secured by the Project Coordinator, the technical contribution provided by the senior short-term experts has been limited. The same applies to the technical involvement of the junior short-term experts.

With regard to the incidental expenditures, and besides the expenses borne for covering the renting and running costs, the large part of the budgeted resources for the second period has been used for covering two groups of costs:

- Expert Group Meetings and
- Missions of experts (travel tickets and "per diem").

The first group of costs refers to the organisation and preparation of the meetings that took place in Kiev from the 9th to 12th December 2013. These costs include both the logistics (hotel accommodation, catering, dining) and the coverage of travel costs (tickets, VISA and transfer from/to the Kiev airport) and per diems of the TRACECA Delegates that attended the meeting.

The second group costs are inherent to the missions (approved by the EC) of key and short-term experts. In total, five missions were conducted during the first reporting period. Again, such costs include the travel costs (tickets and transfers from/to the airport/station of destination) and the reimbursement of per diems.

Together, the budget headings of these two groups represent about 61% of the total budget resources for incidental expenditures spent during the second period. Overall, 20% of the total project resources for incidental expenditures have been spent.

Mobilisation of short-term experts

During the past period, the IDEA Project has employed local short-term experts only on a limited number of days. The IDEA-team intends to increase significantly the number of assigned senior and junior short-term experts during the next period.



4. Work Plan for the next working period

The matrix below combines 4 work streams and 5 components with the activities related to them. The table illustrates the logic of planned work related to tasks and objectives.

	Component
1 - Documents/Activities related to legal harmonization/approximation	1
2 - LOGMoS master plan relevance for IDEA	2
3 - TRACECA project pipeline	3
4 -TRACECA Campus	4
5 - Capacity building activities	4
6 - TRACECA document	5
7 - Astana event	5
8 - TRACECA website	5
9 - Communication with individual countries	5
10 - Expert Groups activities, legal, transport, investment	all

Mapping Activities/Topics to Work streams and Components

	Ownership	Coordination	Capacity Building	Tool Box
Legal Approximation / Hamonization	(4),(10)	(4)	(10)	(4)
Investment Policy	(3),(5),(7),(10)	(7)	(10)	(5)
Infrastructure Development	(3),(5),(7),(10)	(7)	(10)	(5)
Training	(5), (8)	(5)	(5), (8)	(5)
Communication / Visibility	(6), (9), (10)	(9)	(9)	(5), (9)



1) IDEA will produce

- Working Book **Legal Approximation** Methodology (approach and general concept how to proceed);
- White Paper on Legal Framework (including practical steps to common legislation in TRACECA). Recommendations of the LOGMoS master plan will be considered as well as other sources to provide a concise overview.

2) The LOGMoS project will present its **Master Plan** to TRACECA in April 2014 in Tbilisi at the final event of the project. LOGMoS will host the event on high level. (Details to be agreed between EC, LOGMoS and IDEA.)

The transport related expert group facilitated by IDEA will follow up this event and take over the results. This procedure ensures the countries' ownership and guarantees the sustainability on technical level.

It is inevitable to promote further the understanding of the TEN-T methodology as foundation for the entire prioritization process and as guiding approach for the work of the project over the next coming years. Here IDEA will guarantee a close common work with the LOGMoS project and its master-planning activities and an efficient handover to the countries by utilizing expert groups. Although the TEN-T methodology focuses on EaP-countries it should also be ported to other TRACECA members to cater for consistency of investment evaluation on the corridor.

3) The good experience of two TIFs in 2010 and 2012 led to the decision in principle to host a **third TIF planned for February 2015 in Brussels**. The event allows appropriate procedures of prioritization, project descriptions and display etc.

The frame topic could be PPP in TRACECA accompanied by respective project proposals by the countries. Country information, presentations etc. will be prepared by the countries according to the TRACECA toolbox and facilitated by IDEA.

The expected increasing role of NIF as facility that provides funds for feasibility studies could allow IDEA to focus on investment issues and coordinate with the countries and potential funding institutions instead of producing FS. If PFS will be required in individual cases, IDEA may provide this assistance.

4) The approach for implementation of the **Campus** was approved. Its implementation is undergoing.

5) **Capacity Building** based on training need analysis and countries demand will include other TA projects' presentation and material. This was agreed with the Maritime Safety and Security project during coordination meetings in the second period. IDEA will introduce every upcoming project to the Campus tool and invite them to participate in coordinated capacity building and training activities where appropriate.

IDEA will ensure appropriate contractual documentation and handling of the handover of Campus to a third party at the end of IDEA, but guaranteeing access of future projects, TRACECA stakeholders, EC etc.

The Concept of sustainability by using a university network (of indicatively 10-12 entities) to maintain the TRACECA Campus was agreed and explained during a TA coordination meeting in Kiev 22.01.2013.



6) IDEA experts will finalise a **document** that intended to provide an objective overview on the success and improvement potential of the TRACECA programme. The document builds on the thorough analysis of the ex-post evaluation of the TA projects carried out by the EC DEVCO services. It differentiates between investment and TA projects financed by the EU from the beginning of the program until 2013 as well as on the scrutiny of the level of implementation of agreements and protocols of the TRACECA countries as part of the implementation of the TRACECA IGC decisions.

The document is structured in two parts:

- An analytical part with excel tables allowing the reader to have a comprehensive overview by selecting TA project names, periods, funds, regions, modes etc. and to assess the level of implementation of the various Memorandum of Understanding and protocols for each TRACECA country.
- The narrative part summarises the main outcomes for both the TA projects results and the TRACECA IGC strategic plans implementations.

7) The **Astana high-level event** can assure additional visibility for TRACECA It was agreed to use this opportunity to present TRACECA during the Astana Economic Forum in May 2014 by

- Presentation of the Tajik Transport Minister (to be invited or/and briefed by IDEA)
- Presentation of EC (EC and TRACECA)
- Presentation of the LOGMoS Master plan
- Tools – Stand, Video, Brochures (ENPI, TA projects, etc.)
- Presentation of the “Silk wind”-project

IDEA will coordinate and communicate all activities closely with the NS of Kazakhstan and assist EC.

The chance to discuss legal and border-crossing issues in Central Asia with representatives of the ADB during the IGC Meeting in September could not been taken. The Astana Economic Forum will provide a good frame for intensifying the dialogue with the bank.

8) The format and content of an updated TRACECA website will be discussed with the PS in view of the necessity to ensure appropriate visibility of the EC and TA projects. The website will have to be restructured taking into account the EC visibility guidelines. This obligation stems from the substantial EC-financing of the website, including its operational costs.

9) After an analysis of the Kiev meetings and looking back on experience of work with different countries IDEA will produce a newsletter on a monthly basis to ensure **continuous visibility** of the project as described in the communication plan.

10) The **Expert Groups** will continue their work over the entire life cycle of IDEA and shall be demand driven by the countries (and their experts). They shall also support and facilitate the implementation of the master plan.

IDEA will derive training needs from the groups and plan capacity-building activities in close relation to outcomes from respective assessments.

The expert group related to transport topics will handle among others

- Strategic Planning/LOGMoS Master Plan (see topic 11)



- Network improvements
- Update / Ownership of Model

The TRAX methodology will function as benchmarking tool and is foundation for a peer-review among the TRACECA countries and the assessment of the attractiveness of TRACECA in comparison to other transport routes. The experience and results of the border-crossing panel of the EU shall be incorporated.

The legal expert group will ensure know-how transfer to TRACECA based on the Bulgarian experience. An expert group event is envisaged for the period between April and July 2014 in Sofia.

4.1 Work Programme (for entire Project period)

Annex 1 depicts the distribution of tasks among the IDEA-project's three key experts and the distribution of the activities over the entire Project duration of three years.

A number of activities is due over the entire life cycle of the project and is expressed as continued line.

4.2 Resource Schedule and Budget

Similar to the budgeted resources that have been used during the first project period, those scheduled for the next six-month period (January 2014-July 2014) will be dedicated to the coverage of the (i) costs related to the project experts' fees, and (ii) incidental expenditures.

On the one hand, the costs related to the experts (key, senior and junior short-term) are expected to considerably increase due to the gradual intensification in activities as foreseen for the various project components.

Annex 3 Many tasks, distributed amongst the key experts, will be shouldered by short-term experts according to their specific competences that will be required for the task implementation.

4.3 Plan of Operations (for the third period)

A timetable of the activities described below is given in Annex 4. The plan of operations for the next Period is derived from the work programme and determined by the deliverables and results outlined in the ToR.



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5. Annexes to the Progress Report



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Annex 1: Responsibility Matrix of Key Experts

	Responsible Key Expert		
	Detlef Pulsack TL	Dr. Ashraf Hamed, KE 2	Elena Kostadinova KE 3
Component 1			
Support legal approximation			■
Undertake activities to raise awareness on approximation issues			■
Programme to schedule and deliver thematic working groups	■	□	□
Organise two coordination meetings per year	■	□	□
TRACECA Intergovernmental Conference activities	■	□	□
Two Regional Ministerial Conferences	■	□	□
Component 2			
Update the list of TRACECA priority infrastructure projects	□	■	
Support the countries in selecting and analysing the potential infrastructure projects	□	■	□
Support and advise countries in preparing project proposals for financing	□	■	
Update and maintain the GIS database and model		■	
Traffic flows model		■	
Update the traffic data		■	
Component 3			
Finding financing for projects that have been prioritised	■		
Drafting of pre-feasibility studies	■	□	
Drafting a full set of tender documents	■		
Strengthen their cooperation with IFI's	■	□	
Organise a meeting with beneficiary countries to showcase project proposals.	■	□	□
Coordinate with IFI's to mobilise their support for undertaking a minimum of two feasibility studies	■	□	
Component 4			
GIS database and project data including data from the Eastern Partner countries to the Commission TEN-Tec system		■	
Project investment appraisal	■		□
Supporting the preparation of project proposals for financing by the IFIs	■	□	
Border-Crossing issues		□	■
Regional approach to network planning development	□	■	□
Training on the methodology and principles of approximation for public officials			■
Component 5			
Communication plan and press strategy towards local and EU media.		■	□
Constant communication with the ENPI East Infocentre	□	■	
TRACECA website		■	
Coordination point for all TRACECA projects' activities	■	□	□



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Annex 2: Work Programme

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16			
Workplan IDEA II and Milestones																																								
Component 0 - Inception																																								
Project Mobilisation	■	■	■	■																																				
TA Coordination Meeting			■	■													■																							
TRACECA leaflet / 20 years - Document			■					■	■	■	■	■	■	■	■	■																								
Component 1 - Ensuring Dialogue and Coordination																																								
Support legal approximation			■	■	■					■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	
Undertake activities to raise awareness on approximation issues										■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	
Programme to schedule and deliver thematic working groups									■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	
Organise two coordination meetings per year		■	■	■							■	■	■	■						■	■	■	■				■	■	■	■	■	■	■	■	■	■	■	■	■	
TRACECA Intergovernmental Conference activities									■																															
Two Regional Ministerial Conferences																	■											■												
Component 2 - Transport Demand Forecast and Investment Appraisal Tools																																								
Update the list of TRACECA priority infrastructure projects													■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	
Support the countries in selecting and analysing the potential infrastructure projects										■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Support and advise countries in preparing project proposals for																																								
Update and maintain the GIS database and model																■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	
Traffic flows model																																								
Update the traffic data										■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■



Work Programme (Continuation from previous page)

Component 3 - Attracting Funds	
Finding financing for projects that have been prioritised	Planned
Drafting of pre-feasibility studies	Planned
Drafting a full set of tender documents	Planned
Strengthen their cooperation with IFI's	Fulfilled
Organise a meeting with beneficiary countries to showcase project proposals.	Fulfilled
Coordinate with IFI's to mobilise their support for undertaking a minimum of two feasibility studies	Planned
Component 4 - Training and Capacity Building	
GIS database and project data including data from the Eastern Partner countries to the Commission TEN-Tec system	Planned
Project investment appraisal	Planned
Supporting the preparation of project proposals for financing by the IFIs	Planned
Border-Crossing issues	Planned
Regional approach to network planning development	Planned
training on the methodology and principles of approximation for public officials	Planned
Component 5 - Analysis of infrastructure and service financing methods	
Communication plan and press strategy towards local and EU media.	Planned
Constant communication with the ENPI East Infocentre	Planned
TRACECA website	Planned
Coordination point for all TRACECA projects' activities	Planned
Reports	Planned

	fulfilled		planned		Milestone
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Annex 3: Resource Utilisation Report (updated annual resource schedule and budget)

Project title : Transport Dialogue and Networks Interoperability	Project number :	EuropeAid 2012/308-293	Consortium TRT, Panteia, DoCo, LNTU	Countries :	all TRACECA member countries
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Planning period: July 2013 - January 2014

Prepared: 15 January 2014

RESOURCES/INPUTS	TOTAL PLANNED	PREVIOUS PERIOD	SECOND PERIOD	TOTAL REALISED	AVAILABLE FOR REMAINDER
PERSONNEL					
Key Experts	1500	222	277	499	1001
Senior Short-Term Experts	682	34	72	106	576
Junior Short-Term Experts	510	1	24	25	485
TOTAL (person days)	2692	257	373	630	2062
Incidental Budget (EURO)	1 000 000,00	70 328,75	65 753,75	136 082,50	863 857,50



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Annex 4: Plan of Operations (for the third period)

		Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14
Workplan IDEA II and Milestones							
Component 0 - Inception							
	Project Mobilisation						
	TA Coordination Meeting						
	TRACECA leaflet / 20 years - Document						
Component 1 - Ensuring Dialogue and Coordination							
	Support legal approximation						
	Undertake activities to raise awareness on approximation issues						
	Programme to schedule and deliver thematic working groups						
	Organise two coordination meetings per year						
	TRACECA Intergovernmental Conference activities						
	Two Regional Ministerial Conferences						
Component 2 - Transport Demand Forecast and Investment Appraisal Tools							
	Update the list of TRACECA priority infrastructure projects						
	Support the countries in selecting and analysing the potential infrastructure projects						
	Support and advise countries in preparing project proposals for						
	Update and maintain the GIS database and model						
	Traffic flows model						
	Update the traffic data						
Component 3 - Attracting Funds							
	Finding financing for projects that have been prioritised						
	Drafting of pre-feasibility studies						
	Drafting a full set of tender documents						
	Strengthen their cooperation with IFI's						
	Organise a meeting with beneficiary countries to showcase project proposals.						
	Coordinate with IFI's to mobilise their support for undertaking a minimum of two feasibility studies						
Component 4 - Training and Capacity Building							
	GIS database and project data including data from the Eastern Partner countries to the Commission TEN-Tec system						
	Project investment appraisal						
	Supporting the preparation of project proposals for financing by the IFIs						
	Border-Crossing issues						
	Regional approach to network planning development						
	training on the methodology and principles of approximation for public officials						
Component 5 - Analysis of infrastructure and service financing methods							
	Communication plan and press strategy towards local and EU media.						
	Constant communication with the ENPI East Infocentre						
	TRACECA website						
	Coordination point for all TRACECA projects' activities						
	Reports						

	fulfilled		planned		Milestone
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