

Citizens' summary of the Annual implementation report of OP "Transport and transport infrastructure" 2014–2020 for 2016

As of 31.12.2016 the value of grant awarded amounts to EUR 817 832 762,49 or 43.33% of the Operational Program on Transport and Infrastructure budget. EUR 161 529 842,81 or 8.56% of the program budget are paid off. Seven investment projects have received grant. One is completed and the other six are under implementation.

The implementation of the program shows similar to the beginning of the previous programming period tendency to achieve the greatest progress under Priority Axis 3. This is due to the quality preparation and the successful implementation of the metro projects. At the imposed rates of work, the set target values for the axis will be achieved in time.

In 2016, the *Project on extension of Sofia metro, Second metro line, the section from MS "James Bourchier" to MS "Vitosha" – Phase 2* was completed within the agreed timeframe. Land acquisition procedures, reconstruction and reconstruction of the underground and above ground engineering infrastructure, design and construction of one metro station, tunnel sections and tunnel installations, track and contact rail, power supply, control and operation systems were done. Road surfaces, curbs, sidewalks, signs, permanent traffic organization has been restored, vertical planning and landscaping have been implemented. The section was put into operation on 20.07.2016.

By the end of 2016, the Beneficiary Metropolitan has submitted two project proposals for major projects:

- *Project on extension of Sofia metro: Third metro line, Stage 1 – "Vladimir Vazov" blvd. – Central city part – "Zhitnica" str.* The grant contract for the project implementation was awarded on 19.01.2016. The physical progress is 20% and the provision of rolling stock has reached 10%. The construction works follows the approved schedules. Construction works of the metro stations and the adjoining entrances and underpasses are undergoing. Waterproofing together with excavation works under the roof plate are also in progress. The tunneling machine has been manufactured and tested in factory conditions.
- *"Project on extension of Sofia metro, Third metro line, Second stage – "Zhitnica" str. – "Ovcha Kupel" R.A. – Sofia ring road"* - The Application Form is under assessment.

There is a delay in the execution of rail and road projects. On the other hand, the delay in submission of the application forms results in delay of the approval and certification of program costs. Therefore, there is a risk the projects not to be completed by the end of the programming period. In this connection, additional meetings were held with the beneficiaries to identify the main problems in the preparation of the projects. Meetings with JASPERS in order to accelerate their work were also organized.

The application form for project *"Rehabilitation of railway line Plovdiv-Burgas, phase 2"* was submitted. The application form is under assessment by the end of 2016. The contract for design and rehabilitation of Skutare – Orizovo railway section was signed on 07.11.2016. By the end of the year the construction works has not been started.

The grant contract for the project *"Rehabilitation of the railway infrastructure at the sections of Plovdiv - Burgas railway line – reconstruction, repair and modernization of traction substations Burgas, Karnobat and Yambol"* was signed and contractor has been selected. The design works has been completed and the construction works has been started. The time for

construction is 11 months and the completion date is set to 29.08.2017. The physical progress is 15%.

Under project “*Modernization of railway section Septemvri-Plovdiv: part of Trans - European Rail Network - construction of four road overpasses*” three contracts for construction and 2 for supervision have been signed. The detailed development plans have been approved. The procedures for acquiring municipal and private property in the territories of the construction sites have been also completed.

A change in the scale of the project for the modernization of railway section Sofia – Septemvri has been planned. Only Elin Pelin – Kostenets railway section will be financed under OPTTI. The other sections will be financed by Connecting Europe Facility.

Under Priority Axis 2 the projects “*Construction of Kalotina – Sofia Motorway, Lot 1: West Arc of Sofia Ring Road, phase 2*” and “*Struma Motorway, Lot 3.1, Lot 3.3 and Zheleznitsa Tunnel*” are in implementation phase. The physical progress of “*Construction of Kalotina – Sofia Motorway, Lot 1: West Arc of Sofia Ring Road, phase 2*” is 93.2%. Works on road junctions, overpasses and underpasses in the section 0+780 km - 6+308.17 km have been approved. The construction contract was extended to 26.02.2017 with an additional agreement.

“*Struma Motorway, Lot 3.1*” is in design phase. Archaeological studies are over. According to the proposed amendments in the design there will be a partial amendment of the approved detailed development plan. The tender procedures for *Zheleznitsa Tunnel* construction and supervision are under way.

“*Struma Motorway, Lot 3.3*” construction started on 30.08.2016 and the physical progress is over 2%. Archaeological studies are still going. The following types of construction works are carried out: site cleaning, humus removal, excavation of earth masses and embankments. In areas with weak terrain, according to the project and the designer's prescriptions, cement stabilization is performed. Small facilities, sewage collectors, irrigation pipelines and an animal facility are constructed. Works on lower and middle construction of the agricultural subways, works under part “*Large Facilities*” and reconstruction of engineering networks are also performed.

At the end of 2016 there is still no decision for “*Struma Motorway, Lot 3.2*” construction alternate design. Several options for the most complex section of Struma Motorway have been developed and financed by Operational Program on Transport. After long discussions with all stakeholders, there is currently a preferred option, including a new roadway outside the Kresna Gorge in the east, for the movement towards Greece, and in the opposite direction, the roadway coincides with the existing road.

The new option for Lot 3.2 construction leads to additional land acquisition procedures. This is due to a change of Lot 3.1 section end and the connection with Lot 3.2 in the area of Simitli. Measures are taken in order to speed up the implementation of the Environment Impact Assessment of “*Struma Motorway, Lot 3.2*” and the decision for Kresna Gorge roadway. At the same time, the RIA should prepare documentation, to start the procedures for the execution of the construction activities and the supervision in order for the construction to take place within the programming period. Realistic projections are the construction of Lot 3.2 to begin in 2019, which automatically defines it as a risky project in terms of the time required to complete it at the eligibility period of the program and to guarantee funding. In 2017 the project should be agreed with the EC, all additional studies and designing should be completed, so that RIA to be ready to submit an Application form for Lot 3.2.

The preparation and implementation of projects under Priority Axis 4 also registered delays. This is mainly due to weaknesses in the preparation of individual projects as well as to the

lengthy state aid check where sufficient data should be gathered to substantiate the decisions. By the end of 2016 only two contracts for grant award have been concluded under the priority axis for the following projects:

- “Improvement of navigation and hydrographic measurements on the Danube River - Phase 2” (physical performance 93%).
- “Development and implementation of Intelligent Transport System in the range of the Trakia motorway” (the activities are in the process of starting up).

The project proposal for Phase 4 of VTMS is under evaluation.

The reported delay in the implementation of Priority Axes 1, 2 and 4 will lead to: later implementation of the projects on the axis, later implementation of the planned financial forecasts, later achievement of the target values of the set physical performance indicators. In addition, the risk that the projects will not be completed by the end of the programming period is also increasing.

In order to achieve the milestones set for 2018, the MA and JASPERS work intensively to speed up the preparation of large project application forms and their timely submission to the EC. Technical meetings will be held in the second half of 2017, during which the key moments will be analyzed, the necessary measures will be discussed and the steps for the timely realization of the big projects will be outlined. It is expected that the railway projects will be presented to the EC by the end of 2017 and those for Struma Motorway in the second quarter of 2017 and the first one of 2018. The timely launch of the projects will ensure the implementation of the indicators for the Cohesion fund for 2018. According to the forecasts of the MA of OPTTI, the CF’s target for 2017 will be implemented in the middle of the year.

The project ideas under Priority axis 4 are in the finalization stage. Axis provides funding to all beneficiaries, aiming to maximize investment in a number of management and service innovations - deploying modernized traffic management infrastructure, improving safety and transport security. Efforts are focused on providing the time needed to implement projects beyond the program's critical path.

The emerging circumstances during OPTTI implementation required the preparation of its second amendment, which should be done by the end of 2017. With it the financial resources of the program will be directed to a new and more precise framework and will be updated the indicators which are affected by the proposed changes. Under Priority Axis 5 are financed projects which mainly aimed at: strengthening the administrative capacity of the Managing Authority of OPTTI and the beneficiaries; assistance for fulfillment of the pre-conditions of OPTTI; technical assistance for project preparation. JASPERS continues to work, seeking assistance from the World Bank and the EIB if needed.

Regarding the information and publicity of the OPTTI, the MA follows the recommendations of the approved National Communication Strategy for 2014-2020. Among the general public, the program is being promoted as a real opportunity to improve the development of Bulgaria and the quality of life. Three training sessions and seminars were held among the beneficiaries of the program, OPTTI MA and journalists' experts, as well as promotional materials for the program were distributed. The MA maintains an up-to-date information on the OPTTI website and has also created its own YouTube channel for the Operational Program.

The procurement procedures carried out by the beneficiaries of the program are subject to ex-post control by the MA who checks the concluded contract and the tender documentation. Thus, any shortcomings in the implementation of the procedures for the selection of a contractor under the public procurement law are observed and it is ensured that the funds that the beneficiaries

reports of verification are a result of a lawful procedure. For 2016 under OPTTI 13 procedures for selection of contractors have been checked.

In 2016, the OPTTI evaluation plan was completed. Its preparation started in 2015 and the plan was presented for approval at the fourth meeting of the Monitoring Committee held on 25 and 26 November 2015. Following the comments received from the committee members and the Commission services, the plan was revised and approved by MC at its fifth meeting (17-18.05.2016). The plan foresees two evaluations of the program:

- *Evaluation of impact and effects of OPT 2007 -2013 implementation and evaluation of the progress of OPTTI and its contribution to the Strategy of EU*
- *Evaluation assessing the contribution of support by European structural and investment funds in achieving the objectives of each OPTTI priority.*

The first evaluation of the program is scheduled to start in the second quarter of 2019. The plan was sent to the EC via SFC 2014 on 12.08.2016.

OPTTI integrates the principles of sustainable development and equal opportunities and non-discrimination. In accordance with the program requirements, a partnership is organized with the competent regional and local authorities as well as with civil society organizations.

Representatives of the partner institutions and organizations are involved in the process of drafting, reviewing and coordinating the different developments and texts of the operational program as well as the final version of the program. Mainly their functions being the preparation and submission of proposals, comments and opinions, participation in meetings of the Working groups with the right to vote, etc.

In line with the multilevel governance, partners are also involved in the Program Monitoring Committee, representing non-governmental organizations in the following 5 areas:

- Ecology
- Education, science and culture
- Transport
- Equality between men and women, non-discrimination and equal opportunities
- Social inclusion and integration of marginalized groups

The committee includes representatives of the Confederation of Independent Trade Unions in Bulgaria, the nationally represented organizations of employers, employees, as well as those of people with disabilities.

The members of the committee are also the competent public authorities - heads of the MA of all programs, representatives of the administration of the Council of Ministers, of the CCU (Central Coordination Unit), of the Ministry of Finance, of the Ministry of Culture, of the audit body and of the Public Procurement Agency. There are also representatives of municipalities and regional councils for the development of Level 2 areas.

Depending on the nature of the issues discussed, experts who are relevant to the topic are also invited to the MC's meetings.