**Annex 6.7.**

**Measures to fulfill the criterion of ex-ante conditionality on transport**

|  |
| --- |
| **7.1. Road:** The existence of a comprehensive transport plan or plans or framework or frameworks for transport investment  **7.2 Railway:** The existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on railway development in accordance with the Member States’ institutional set-up(including concerning public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN-T comprehensive and core networks. The investments cover mobile assets, interoperability and capacity building.  **7.3. Other modes of transport, including inland-waterways and maritime transport, ports, multimodal links and airport infrastructure:** the existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on inland-waterways and maritime transport, ports, multimodal links and airport infrastructure, which contribute to improving connectivity to the TEN-T comprehensive and core networks and to promoting sustainable regional and local mobility |

| **Conditionality**  **Unfulfilled/partially fulfilled criteria** | **Actions taken to fulfil the criteria** | **Deadlines** | **Responsible body** |
| --- | --- | --- | --- |
| *The existence of a comprehensive transport plan or plans or framework or frameworks for transport investment which:* | The General Transport Master Plan (GTMP) has been drafted in close cooperation with the main stakeholders, environmental authorities, and EC services, being negotiated with political actors in the Parliament (February – June 2015). GTMP will be approved through a legal act, after finalising technical discussion with EC and completion of SEA procedure.  The GTMP development has started in April 2012, with technical assistance support. The final GTMP draft was issued in February 2015 but was commented upon by EC. A second version of the final draft was sent to EC services on 12 of May 2015.  The GTMP covers all transport modes (road, rail, water, air, and intermodality), covering a comprehensive investment plan for transport sector until 2030.  The GTMP’s provisions and instruments will continue to be used for other activities like:   * Performance agreements * Transport modelling * Policy testing and coordination |  | **MT** |
| * **Finalising and agreeing the final draft of the Gneral Transport Master Plan** | **July 2015** |  |
| * **Approving the GTMP through a legal act** | **December 2015** |  |
| – *complies with legal requirements for strategic environmental assessment:* | A working group was set up in order to elaborate the Environmental Report, which decided on the level of details and to be presented in the draft report, as well as on the analysis of the main effects of the plan.  The draft report was approved within the meeting of the working group held in 21 October 2014 and published in November 2014. | **November 2014 / fulfilled** | **MT** |
| The draft GTMP has been made available to the public in its various stages (October 2013, April 2014, September &October 2014) and the environmental report and appropriate assessment study in November 2014. The conclusions of the appropriate assessment study (approved by the Ministry of Environment through the address No16724/AJ/21.10.2014).  <http://www.mt.ro/web14/documente/master_plan/RM%20MP%20I.pdf>  <http://www.ampost.ro/fisiere/pagini_fisiere/14.10.01_Master_Plan_Report.pdf>  The public debate on the draft GTMP and Environmental Report was published on 7 November 2014. The public debate will be organised on 12 January 2015.  <http://www.mt.ro/web14/strategia-in-transporturi/master-plan-general-transport/anunturi>  <http://mmediu.ro/new/?page_id=1668>  The environmental report presents and analysis of the possible transboundary effects of the GTMP. The report has concluded that the environmental information available at the drafting stage (environmental agreements, decisions stages framing) shows that none of the projects identified as having possible transboundary effects does not induce a significant negative impact in context transboundary environmental and human health. | **January 2015/ fulfilled** | **MT** |
| The recommendations of the environmental report have been taken into account during the preparation of the plan. The opinions expressed in the relevant consultations, the appropriate measures for preventing and reducing the possible negative effects as well as the monitoring measures will be included in the final draft of the GTMP. | **July 2015** | **MT** |
| After the approval of the MPGT, all stakeholders will be informed, including the authorities with environmental responsibilities, in order to issues the environmental permit. The statement of the referred to in Article 9(1) of the SEA Directive will be issued by the Ministry of Transport and the measures concerning monitoring referred to in Article 10 of the SEA Directive are to be implemented. | **August 2015** | **MT** |
| ‒ *sets out the contribution to the single European Transport Area consistent with Article 10 of Regulation (EU) No 1315/2013 of the European Parliament and of the Council, including priorities for investments in the core TEN-T network and the comprehensive network where investment from the ERDF and CF is envisaged; and secondary connectivity.* | The GTMP defines Strategic Objectives covering the next 15 years, focused on the contribution to *single European Transport Area* and the European Commission’s White Paper on Transport, defining projects and policies with significant national and European impact.  The scenarios analysed by GTMP have the TEN-T network as prime criteria for prioritisation of projects followed by economic viability. The strategic objectives envisaged by GTMP aimed at ensuring the international and interregional connectivity of Romania thus effectively establishing an infrastructure network for Romania for 2020 – 2030 horizons.  The GTMP contains the National Transport Model, covering core and comprehensive TEN-T network, TEN-T connections at national level, **ensuring optimal integration of the transport modes and interoperability within transport modes** (road, railway – network and services, intermodal, naval and air). The secondary connectivity with TEN-T network is also ensured and is analysed in the GTMP.  The NTM is modelling the **transport demand**, both for goods and persons, **national and international traffic**, and takes into account the GDP level, the territorial distribution, the demographic changes, the level of emissions, the cost of transport (generalised and combined costs, by days, destinations and transport modes), the level of accessibility, safety elements. The internalisation of external costs and level of motorisations also covered by the NTM.  <http://www.ampost.ro/fisiere/pagini_fisiere/Raport_asupra_elaborarii_modelului.pdf>  **International networks** within the model are similar to those used in the TRANS-TOOLS and include:  • All European roads in the EU;  • The main international railway connections from Romania to other European countries, ensuring that the possible alternative routes from Serbia are modelled properly and that there is connectivity to all parts of Romania external, so that time and cost can be realistic in terms of rail;  • All international air services, including services for passenger and of goods; and  • Representation of the complete system of European shipping, so that the role of Constanta Port and the Danube river are modelled properly.  Several development scenarios have been proposed, based on the problem definition as outcome of a diagnostic of the National Transport System, which identified the main causes which are responsible for the manifestation of problems, as well as identifying the problems at a spatial level so that specific objectives and interventions can be identified.  The scenarios proposed take into account the development of by-passes in order to reduce the negative impact of traffic on urban areas and to increase the safety. Based on analysis undertaken when developing the National Model, the volume of ‘through’ traffic (i.e. trips not starting or finishing in the area in question) was then derived. Thresholds were then set separately for cars and goods traffic (25% and 50%) respectively. Locations where these thresholds were exceeded were then taken forward for full testing in through the modelling and appraisal process. | **July 2015** | **MT** |
| ‒ *sets out a realistic and mature pipeline for projects envisaged for support from the ERDF and CF* | **The list of prioritized transport projects was included in a Strategy for Implementation of GTMP.**  The list of proposed projects covered the required information, including a realistic timetable for delivery.  Based on a comprehensive process of identifying the needs and potential interventions / projects, detailed project evaluation (including traffic shaping and CBA), the list of priority projects was proposed based on draft GTMP.  Projects prioritisation forms a critical step in drafting the GTMP as investment needs identified are far greater than the available financial allocations. This implies the necessity of ranking projects considering a set of predefined evaluation criteria, which will assure a fair and neutral project prioritisation. Adding the funding restrictions to the list of ranked projects leads to obtaining of the implementation calendar.  The Master Plan represents the direction of the country’s transport for the next 15-20 years. It is therefore important that a broad appraisal is made at the strategic level so that the overall impact of the Master Plan is known and assessed. The appraisal was undertaken, based on the output of the NTM, using a Cost Benefit Analysis (CBA) and a summary Multi Criteria Analysis (MCA) where TEN-T network had the highest weight  The implementation strategy is included in the final draft Master Plan sent to the EC on 12th of May 2015.  ***Metro infrastructure***  The prioritised list of investments for development of metro infrastructure to be financed under LIOP will be the result of Urban Mobility Plan for Bucharest-Ilfov.  Sustainable Urban Mobility Plan for Bucharest-Ilfov (PMUD) is under development, being developed through a technical assistance project coordinated by the Ministry of Regional Development and Public Administration and implemented by the European Bank for Reconstruction and Development. The project started in July 2014 and will end in July 2015, estimated approval date by the General Council of Bucharest by end 2015. PMUD for Bucharest-Ilfov region aims to develop an integrated multimodal transport system to support economic growth in the region, and to ensure accessibility for the entire region and for the extended area of influence and implement an effective and integrated management of urban transport. | **July 2015** | **MT** |
| *7.1. Road*  *Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline.* | Development of the administrative capacity of CNADNR to ensure an adequate management of project portfolio, creating internal expertise for **developing a mature project pipeline** and **duly implementing the proposed projects, through:** |  |  |
| * coaching and on-the-job training activities for:   + **Project preparation:** preparation of tendering documentations for project development and works, verifying EIA results (based on JASPERS guidelines); analysing and approving technical elivrables (geo-topographical surveys and data interpretation, appropriate estimation of their impact on project budget, CBA) for project preparation, requiring a specific type of expertise;   + **Project implementation:** contract management, streamlined monitoring based on risk assessment and IT monitoring tool; support in performing on–the–spot checks and invoices verification, preventing fraud and conflict of interest; irregularities. | January – December 2016 | MEF/  CNADNR |
| * development of an evaluation systems for staff performance based on quantified objectives and indicators, including the necessary legal changes | December 2015 | MT/CNADNR/MEF |
| * development of an incentives systems from TA allocations | March 2016 | MT/CNADNR/MEF |
| Updating the administrative procedure for project management and internal organisation in order to improve the activity and results of CNADNR | October 2015 | MEF/  CNADNR |
| * develop a check list for tender documents for feasibility studies and designs, ensuring that the results will ensure sufficient project maturity * setting up an internal technical team to verify the technical documentations * introduce a check list of maturity at signature of works contracts * providing dedicated and trained staff in charge of environmental compliance * develop a check list for works contracts to ensure they fully take into account the provisions of Environmental Permits and results of EIA procedures during designing the TA for works |
| *7.2 Railway*  *Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline* | Development of the administrative capacity of CNCF CFR SA to ensure an adequate management of project portfolio, creating internal expertise for **developing a mature project pipeline** and **duly implementing the proposed projects, through:** |  |  |
| * coaching and on-the-job training activities for:   + **Project preparation:** preparation of tendering documentations for project development and works, verifying EIA results (based on JASPERS guidelines); analysing and approving technical delivrables (geo-topographical surveys and data interpretation, appropriate estimation of their impact on project budget, CBA) for project preparation, requiring a specific type of expertise;   + **Project implementation:** contract management, streamlined monitoring based on risk assessment and IT monitoring tool; support in performing on–the–spot checks and invoices verification, preventing fraud and conflict of interest; irregularities. | January – December 2016 | MEF/ CNADNR |
| * development of an evaluation systems for staff performance based on quantified objectives and indicators, including the necessary legal changes | December 2015 | MoT/C CNCF CFR SA /MFE |
| * development of an incentives systems from TA allocations | March 2016 | MoT/  CNCF CFR SA /MFE |
| Updating the administrative procedure for project management and internal organisation in order to improve the activity and results of CNCF CFR SA | October 2015 | MoEF/  CNCF CFR SA |
| * develop a check list for tender documents for feasibility studies and designs, ensuring that the results will ensure sufficient project maturity * setting up an internal technical team to verify the technical documentations * introduce a check list of maturity at signature of works contracts * providing dedicated and trained staff in charge of environmental compliance * develop a check list for works contracts to ensure they fully take into account the provisions of Environmental Permits and results of EIA procedures during designing the TA for works | MFE |
| Administrative capacity support for Authority for Railway Reform (support for tendering procedure and contract management for studies to justify the proposed measures) in order to underpin the reform measures and to conduct the structural reform in the sector |  |  |
| * Setting-up of ARF | July 2015 | **MoT** |
| * Operationalization of ARF, through appropriate staffing and clatification of compentencies and functioning procedures | November 2015 | **MoT** |
| * Launching a public tender for services needed to support ARF activities | September 2015 | **MoT** |
| * Concluding service contract for ARF support | February 2016 | **MoT/ARF** |
| * Launching the tender procedure for economic analysis of the railway network (LIOP) | March 2016 | **MoT/ARF** |
| * Launching the socio-economic analysis regarding the railway network to underpin the reform measures (signing the service contract) | July 2016 | ARF/MoT |
| *7.3. Other modes of transport, including inland-waterways and maritime transport, ports, multimodal links and airport infrastructure*  *Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline* | TA support for other beneficiaries in transport sector are to be provided through: |  |  |
| * Individual support at the level of each project as support for project and contract management | During project implementation | MoEF / BF |
| * TA available at the level of MEF, focusing on all the relevant aspects in relation with the project cycle management (preparing, tendering, implementing, technical and financial management, administrative burden, etc.), providing ad-hoc support to the beneficiaries for project development (including carrying out EIA procedure and identification of appropriate measures to mitigate the negative impact on environment) | **January 2016** | MoEF |
| **Signing the public service contract between MT and Metrorex** | **September 2015** | **MT** |
| *Horizontal measures available for all beneficiaries / type of investement in transport sector* | **Performance contracts:** Concluding multiannual performance management contracts between MoT and CNADNR and MoT and CN CFR setting out clear investments objectives, according to GTMP, indicators and maintenance obligations, based on an appropriate investment budget according to GTMP financial plan. |  |  |
| * Drafting the legal act introducing the performance contracts | May 2015 |  |
| * Adopting the legal act introducing the performance contract | September 2015 |  |
| * Establishing the main performance indicators to be included in performance contracts | July 2015 |  |
| * Drafting the methodology for monitoring for the performance indicators and contracts | October 2015 | MoT / CNADNR / CNCF CFR SA |
| * Drafting the performance contracts, based on the previous available drafts | October 2015 |  |
| * Negotiating the performance contract between MoT and CNADNR & CNCFR; the performance contracts will include also a monitoring system for achiving the milestones and indicators foreseen | October-December 2015 |  |
| * Signing the performance contracts with the main beneficiaries | January – April 2016 |  |
| **Project development support:** |  |  |
| * Developing programming procedure at MA level ensuring permanent assistance to beneficiaries during project preparation and at beneficiary level | October 2015 | MoEF |
| * Providing ad-hoc and specific support, by request, through the horizontal TA to be available at the level of MEF | January – December 2016 |  |
| **EIA procedures:** Appropriate training on procedures for implementing the environmental requirements is to be provided both for the main beneficiaries and for the Ministry of Transport, based on existing guidelines. The training sessions will be provided with JASPERS support, for specific issues related to the stakeholders needs. Several session will be organised until November 2016 | November 2016 | MoEF |
| **Public procurement:** Developing a best practice guide with regard to the main steps to be followed during the evaluation process of offers, regardless of the funding and financing source & appropriate training | June 2016 | ANRMAP/  MoEF |
| **Horizontal training** to be provided on specific subjects (public procurement, irregularities, conflict of interests, contract management etc.), based on a needs assessment |  |  |
| * Needs assessment at horizontal level & developing a training plan for transport beneficiaries | December 2015 | MoEF |
| Developing a monitoring system for result indicator at GTMP level | December 2015 | MoT |
| Maintainance and use of National Transport Model for project prioritisations, through administrative capacity support | December 2016 | MoT |
| **Monitoring:** Developing an IT monitoring tool to be used by LIOP, in order to replace the printed version of the reports ensuring also the existence of a database that can be used for monitoring purposes.  This tool is based on a web application to be completed monthly by the project beneficiaries on project data and contracts under the project, including progress in tendering and contracting process, progress of work (physical and financial), comparing actual progress with initial plans, data on claims, invoices, financial corrections, difficulties encountered, indicators, etc. The possibility of extending this tool to all types of projects funded by POIM it is envisaged | October 2015 | MoEF |

**METHODOLOGY and FURTHER EXPLANATIONS**

In transport sector, for the preparation and implementation of the projects the same stakeholders involved in the implementation of the 2007-2013 financial framework will be involved also in the programming exercise 2014-2020, the results and recommendations of the SOP T Interim Evaluation Report (issued on May 2014) regarding the administrative capacity are to be up-dated with support from EIB experts contracted by Ministry of European Funds under *Project Implementation Service Support Assistance contract*, focusing on all the relevant aspects in relation with the project cycle management (preparing, tendering, implementing, technical and financial management, administrative burden, etc.).

Based on the outcomes of this analysis a set of measures will be proposed in order to proper address the identified issues (e.g. check list included in the standardised documentation for the services contracts, set up of technical teams at the beneficiary level for assessment of the geo-topo studies, accountability of the legal representative of the beneficiary by signed declaration on the quality of the deliverables, standardized implementing manuals/procedures, routing slip, IT monitoring tool, facilitation in due time of management decision taking-accountability only on institutional level and not on personal level, training and technical assistance, etc.).

The main difficulties encountered in the implementation of SOP Transport 2007-2013, but not exclusively were:

* Low quality of feasibility studies annexed to financing applications with negative impact on approval process and pace of implementation
* Insufficient staff, lack of skills and low commitment due to remuneration level impacting on managing TA contracts meant to develop projects
* Faulty application of public procurement law, low quality of works and services procured
* Different interpretation of FIDIC rules and national public procurement
* Scarce cooperation of public authorities in obtaining relevant authorisation or information
* Project monitoring arrangements: different and inconsistent approaches of beneficiaries in filling in the monitoring templates, low reliability of information related to physical progress of projects, no update of projects and contracts calendars
* Underperforming managerial level at the FB

Based on the above mentioned, the proposed measures for consolidated the administrative capacity of the main beneficiaries are focused on the following main pillars:

* Public procurement (dealt at horizontal level)
* Implementing environmental requirements (dealt at horizontal level and also at internal level of the beneficiaries, at personnel and procedures level)
* Developing and prioritising a mature project pipeline
* Financial project management & funding for maintenance and operations
* Contract management and monitoring
* Performance agreements

**Public procurement**

Issues regarding the tendering process are primarily dealt within the action plan for implementing the ex-ante conditionality on public procurement. A working group has been established in partnership with DG Markt and DG Regio in order to refine the current action plan.

Of special relevance for the beneficiaries are the following points of the action plan:

* A best practice guide with regard to the main steps to be followed during the evaluation process, regardless of the funding and financing source (June 2016)
* Developing, whenever relevant, standardized tendering documentation and recoursing, whenever relevant, to CPA (central purchasing bodies) (June 2016)
* National Strategy on training that will envisage the following tasks: pooling expertise for evaluation and reviewing the effectiveness of trainings (September 2015)

As regards the transport sector beneficiaries, a number of specific topics can however be identified, as follows:

* Ensure that public procurement is dealt with in a unitary manner within each beneficiary, with the same procedures and coordination, regardless of the source of funds,
* Establish systems in order to ensure monitoring and ex-post evaluation of tender procedures,
* Establish system in order to perform an ex-post evaluation of works contracts (final price, final duration, reasons for slippage, etc.)

**Implementing environmental requirements**

While the legislation is fully harmonised with the relevant European Directives, the issue of environmental requirements will focus on actual implementation, monitoring and organisation. Compliance of the implementation of environmental requirements will be ensured in the following ways:

* ensure that the main beneficiaries have, within their organisation, dedicated and trained staff in charge of environmental compliance,
* ensure that works contracts fully take into account the provisions of Environmental Permits and results of EIA procedures during designing the TA for works
* ensure that tender specifications for works contracts are drafted based on fully valid Environmental Permits,
* improve the system for monitoring and reporting compliance of contractors with their environmental obligations.

In addition, appropriate training on procedures for implementing the environmental requirements is to be provided both for the main beneficiaries and for the Ministry of Transport. The training sessions will be provided either under the measures foreseen under the ex-ante conditionality for implementing SEA/EIA legislation or with JASPERS support, for specific issues related to the stakeholders needs.

**Developing and prioritising a mature project pipeline**

The following actions have been identified in order to ensure that the beneficiaries develop a mature project pipeline, in line with the priorities of the General Master Plan Transport:

* develop a check list on tender documents for feasibility studies and designs, ensuring that the results will ensure sufficient maturity of the underlying project,
* introduce a check list of maturity at signature of works contracts,
* continue cooperation with Jaspers for EU-funded projects,
* improve management and monitoring of project preparation by the beneficiary services.
* Implement the GTMP Guides on CBA and transport project evaluation

**Financial project management & funding for maintenance and operations**

When drafting the internal procedure of the MA for LIOP and beneficiaries, as well as the applicant guide for preparing project application, the following issues are to be addressed:

* streamlining project budgeting, including for non-eligible expenditures;
* ensuring that adequate audit trail is maintained for all projects regardless of source of funding;
* ensuring that accountancy system enables to assess full project costs;
* monitoring that resources allocation for transport infrastructure at national level meet the commitment of 2% of GDP, through the performance contracts;
* ensuring that adequate funding is allocated to maintenance in road and rail sectors;
* focusing on guidance for decision-makers and streamlining decision-making flows by type of decisions,
* removing a number of external sources of blockages,
* implementing system of protection of employees in front of their employer and in front of third parties but for the case of fraud or intentional errors,
* improving human resources management systems though dedicated training and procedures for the decision-makers.

**Contract management and monitoring**

Within the *Project Implementation Service Support Assistance contract*, EIB experts have provided specialised expertise for workshops and seminars for on contract management, FIDIC rules. Other type of ad-hoc seminars are to be organised by the end of 2015, based on the specific requirements of beneficiaries.

Further technical assistance scheme are available under the OP TA 2014-2020. In terms of specific training needs for specific needs (public procurement, contract management financial management, irregularities and fraud etc.).

The main beneficiaries in transport sector managing a large projects portfolio benefit of TA assistance for project preparation, implementation and management, including support for decision making related to project management, legal assistance, analysis and evaluation of the management at beneficiaries level, assistance to capacity building and for ensuring a good financial management.

The current TA contract implemented under SOP T 2007-2013 will be continued under the OP TA 2014-2020, through concluding new TA contracts for the main needs to be identified.

**Adequate assistance schemes are in place to help beneficiaries during procedure and implementation to be able to replace projects quickly when implementation is blocked.**

**Performance agreements**

Following the GTMP approval the implementation strategy should be the basis for concluding the performance agreements with the transport beneficiaries, in particular infrastructure administrators. This would ensure the much needed budgetary and objectives' stability for the companies and lead to, a quicker and smoother implementation of the projects as well as full compliance with maintenance standards and operational obligations.

The mandate to be granted through the performance contracts will stem from the GTMP (network, current status of the network, lists of projects, available financial resources). The key aspects of the performance contracts will be the budget and GTMP indicators. Financial stability will have to be ensured by the state authorities while companies will have to provide the results.

The models already discussed with the EC or in the framework of the World Bank technical assistance projects will form the basis drafting the performance contracts.

The GTMP will be the national strategic document that will guide and priorities investment in transport sector. Promoting this approach, all projects to be financed from different sources can be eligible for financing under LIOP. The permanent support to beneficiaries in implementing the EU co-financed projects will also ensure support in replacing projects whenever the implementation is blocked.