



THE WORLD BANK GROUP
Central Europe and the Baltic Countries
Europe and Central Asia Region

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MCITOP-1/13.02.2012

January 11, 2012

His Excellency
Simeon Djankov
Deputy Prime Minister and Minister of Finance

Bulgaria: Second Trade and Transport Facilitation Project (Loan No. 4854-BUL)
Amendment to the Supplemental Letter No 2
Revised Performance Monitoring Indicators

Dear Mr. Minister:

We refer to the Supplemental Letter No. 2 for the above-referenced Project dated March 23, 2007 and your letter dated September 12, 2011, requesting certain amendments to the above mentioned Loan Agreement and Supplemental Letter. As per the agreement reached between the Borrower and the International Bank for Reconstruction and Development (Bank), we hereby agree to revise the Performance Monitoring Indicators provided as attachment to the Supplemental Letter No. 2 as shown in the attachment to this letter.

Please confirm your agreement with the foregoing, on behalf of the Republic of Bulgaria, by signing, dating and returning to us the enclosed copy of this letter. This amendment will become effective as of the date on which the amendment to the Loan Agreement becomes effective.

Sincerely,

Peter Harrold

Director

Central Europe and the Baltic Countries
Europe and Central Asia Region

AGREED:

REPUBLIC OF BULGARIA

By

Authorized Representative

DEPUTY PRIME MINISTER AND
Title MINISTER OF FINANCE

Date FEBRUARY 2012

Results Framework and Monitoring
BULGARIA: SECOND TRADE AND TRANSPORT FACILITATION PROJECT

Project Development Objective (PDO): Facilitate trade by improving the capacity, efficiency and quality of services at selected European Union border crossings with particular focus on the Trans-European Transport Network															
Revised Project Development Objective: No change															
PDO Level Results Indicators	Core	D=Dropped C=Continue N= New R=Revised	Unit of Measure	Base-line 2008 ¹	Actual reached values			Initial end of project target	Revised Baseline 2010 ²	Target Values			Frequency	Data Source/ Methodology	Responsibility for Data Collection
					YR 1 (2008)	YR 2 (2009)	YR 3 (2010)			YR 4 (2011)	YR 5 (2012)	YR 6 (2013)			
Indicator One: Average border entry time for freight transport at Kapitan Andreevo	☒	R	% of reduction of average border crossing time (cumulative values)	88 minutes	- 18 % 72 minutes	+ 8 % 78 minutes	- 26 % 57 minutes Total: - 35 %	-20%	57 minutes	- 5% 54 minutes	- 5% 51 minutes	- 5% 48 minutes	3 months	Project reports	PIT, NCA, BPD
Indicator Two: - Average border exit time for freight transport at Kapitan Andreevo	☒	R	% of reduction of average border crossing time (cumulative values)	105 minutes	- 8 % 96 minutes	- 24 % 73 minutes	- 16 % 61 minutes Total: - 42 %	-20%	61 minutes	- 5% 58 minutes	- 5% 55 minutes	- 5% 52 minutes	3 months	Project reports	PIT, NCA, BPD
Indicator Three: - Average border entry time for freight transport at Kalotina	☒	R	% of reduction of average border crossing time (cumulative values)	79 minutes	- 6 % 74 minutes	+ 1 % 75 minutes	- 19 % 61 minutes Total: - 23 %	-20%	61 minutes	- 5% 58 minutes	- 5% 55 minutes	- 5% 52 minutes	3 months	Project reports	PIT, NCA, BPD
Indicator Four: - Average border exit time for freight transport at Kalotina	☒	R	% of reduction of average border crossing time (cumulative values)	112 minutes	- 14 % 95 minutes	- 22 % 74 minutes	- 23 % 57 minutes Total: - 49 %	-20%	57 minutes	- 5% 54 minutes	- 5% 51 minutes	- 5% 48 minutes	3 months	Project reports	PIT, NCA, BPD

¹ Baseline based on first fully automated measurement conducted: for Kapitan Andreevo BCP - May 2008 and for Kalotina BCP - August 2008.
² Revised baseline based on a newly defined methodology that represents 7.5 % of the freight traffic.

Indicator Five: - Annual number of processed customs declarations per customs staff	R	371 ³ declarations per staff	Number of processed customs declarations per customs staff	370	324	404		405	429	453	Annually	Project reports	PIT, NCA, BPD
INTERMEDIATE RESULTS													
Intermediate Result (Component One):													
Percentage of completed physical works for border crossing restructuring	R		Percentage of completed physical works							100	Annually	Project reports	PIT
Number of detailed Customs inspections/ total number of freight at Kapitan Andreevo CP, Kalotina CP, Varna-West CP, Port Burgas- Center CP ^{4,5}	N		Percentage of detailed Customs inspections from the total number of freight					0.338% (2380 detailed inspection/ 704459 total freight)	-2% 0.331%	-2% 0.324%	3 months	Project reports	NCA/PIT
Number of irregularities, found by detailed Customs inspections / number of detailed Customs inspections at Kapitan Andreevo CP, Kalotina CP, Port Varna-West CP, Port Burgas-Center CP ^{4,6}	R		Percentage of irregularities found by detailed Customs inspections					5.084% (121 irreg / 2380 detailed inspec.)	+100% 10.168%	+100% 15.252%	3 months	Project reports	NCA/PIT
Number of irregularities, found by specialized customs equipment/ number of examinations done by specialized Customs equipment at Kalotina	D		Number of irregularities								3 months	Project reports	NCA/PIT

³ Base line value dated December 15, 2007. For the forthcoming period 2011-2013 the number of Single Administrative Documents and Transit Documentation per employee will be based on the number of all custom staff employed in the NCA.

⁴ Aggregated indicator. Each border crossing point performance is reported separately in the quarterly progress reports.

⁵ Intermediate results (2011-2013) based on assessment compared to the preceding year.

⁶ Intermediate results (2011-2013) based on assessment compared to the base line.

Intermediate Result (Component Two):														
Detailed design completed for access road to Kapitan Andreevo BCP	<input type="checkbox"/>	D	Yes/No								Yes	3 months	Project reports	PIT
Land acquisition completed for access road to Kapitan Andreevo BCP	<input type="checkbox"/>	D	Yes/No								Yes	3 months	Project reports	PIT
Construction of access road to Kapitan Andreevo BCP completed	<input type="checkbox"/>	C	Yes/No								Yes	3 months	Project reports	PIT
Intermediate Result (Component Three):														
Procedures and technology to share relevant data and information agreed upon by various border agencies	<input type="checkbox"/>	D	Yes/No								Yes	3 months	Project reports	PIT
Number of border crossing points with integrated data sharing system in place and in use	<input type="checkbox"/>	D	Yes/No								Yes	Annually	Project reports	PIT
Number of border crossing points with telecommunication system in place and in use	<input type="checkbox"/>	D	Yes/No								Yes	Annually	Project reports	PIT
Intermediate Result (Component Four):														
Number of training sessions for stakeholders delivered	<input type="checkbox"/>	D	Number								1	3 months	Project reports	PIT
Number of user surveys carried out	<input type="checkbox"/>	D	Number								1	3 months	Project reports	PIT