



REFORM SUPPORT TEAM AT
UKRAVTODOR



Projects and Reforms

State Road Agency of Ukraine



Structure

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State Road Agency Ukraine (Ukravtodor) is a central governmental agency responsible for the state roads construction, renovation, repair and monitoring

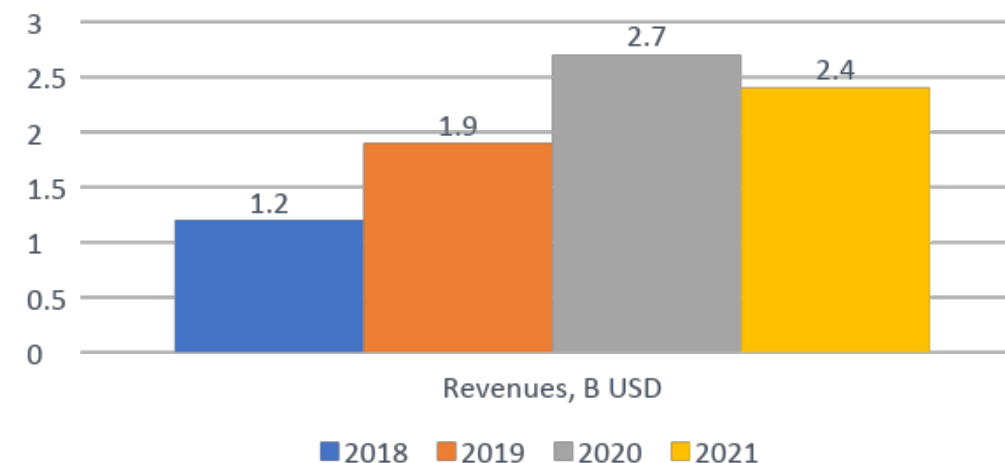
It is an administrator of a State Road Fund, a special-purpose fund, designated to finance the road infrastructure projects

Ukravtodor

- manages 24 regional units, the employers for the road construction, renovation and repair contracts with private contractors
- is a stakeholder to 11 state-owned enterprises, primarily the R&D institutions and other scientific entities and
- JSC “Roads of Ukraine”, the biggest state-owned contractor in the Ukrainian road sector with 33 subsidiaries across the country

The State Road Fund Public Revenues

- Excise tax on fuel and vehicles
- Customs taxes on petrol and tires
- Toll fees and fines
- Concession payments
- Government borrowings
- Other revenues defined by the law





Presidential Program “Great Construction”

2020-2021 Key Figures

9000 km
state roads
renovated & built

323
bridges
renovated & built

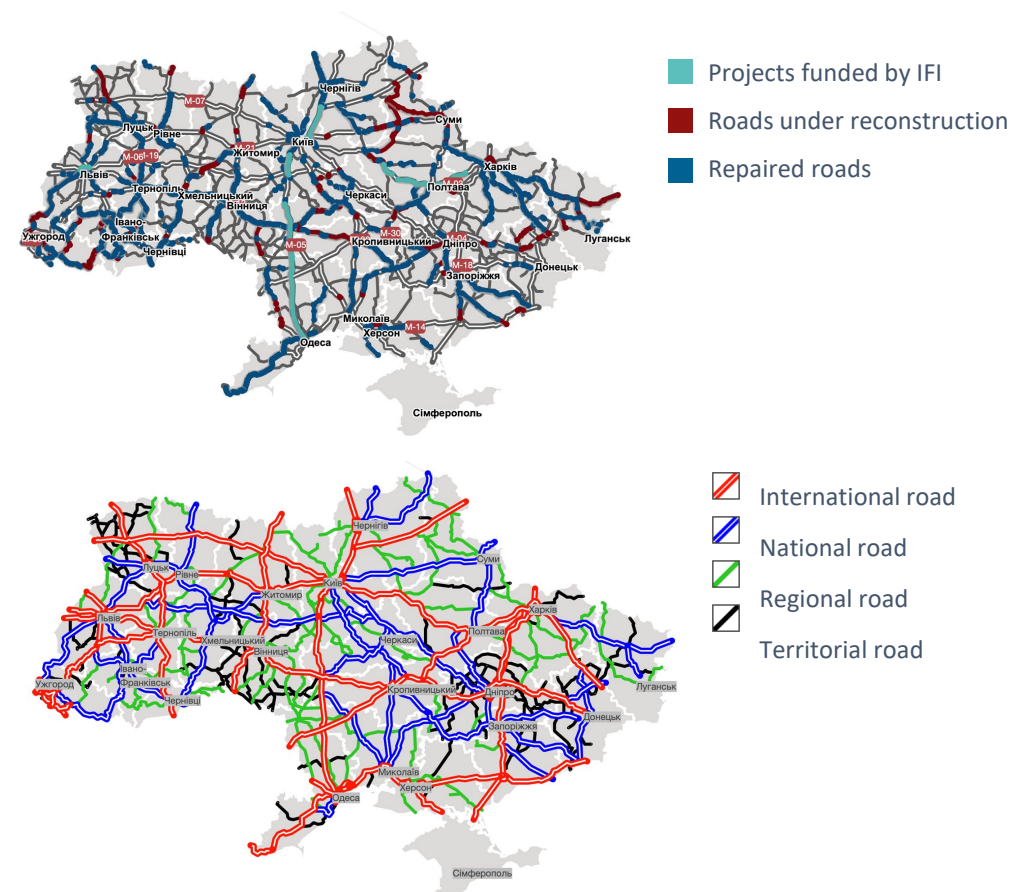
2500 km
monitored by
private technical
supervision

\$3B
invested in
road
infrastructure

102
Weigh-in-Motion
detectors installed

800 km
state roads
extended
service life

Upgrade of Main Road Network



*Based on monitoring in 2020. Due to the current situation in Ukraine with the temporarily occupied territories the monitoring is not available there.



“Great Construction” (continue)

Strategic Goals

Reforms in Roads Sector
and Stable Financing
Framework
Next 5 years

Renovation of road sector
public funds + private
investments
Next 10 years
\$3.5-7B p.a.

Service debt and maintain
road network
Next 15 years
\$0.9-1.3B p.a.

Financing 2022-24

State Budget

- \$2.5-3.5B p.a.

International
Financial
Institutions

- \$2-3.5B p.a.

Private
Investments

- \$0.5B p.a.

Export Finance

- \$0.5B p.a. until 2022



Ukravtodor is a reliable partner of the International Financial Institutions (IFIs)

The biggest road construction and renovation projects in cooperation with IFIs 2020

M-01 Kyiv - Chernihiv - Novi Yarylovychi – 80 km

M-03 Kyiv – Poltava – Kharkiv – 173.8 km

M-05 Kyiv – Odesa – 104 km

M-06 Kyiv – Chop – 209 km

IFI Financing

EBRD

Development of Trans-European Road Network

- €450M

EIB

Overhaul and Modernization Infrastructure Project

- €640M

IBRD/IDA

Third Roads and Safety Improvements Project

- \$560M

IBRD/IDA

Second Roads and Safety Improvement Project

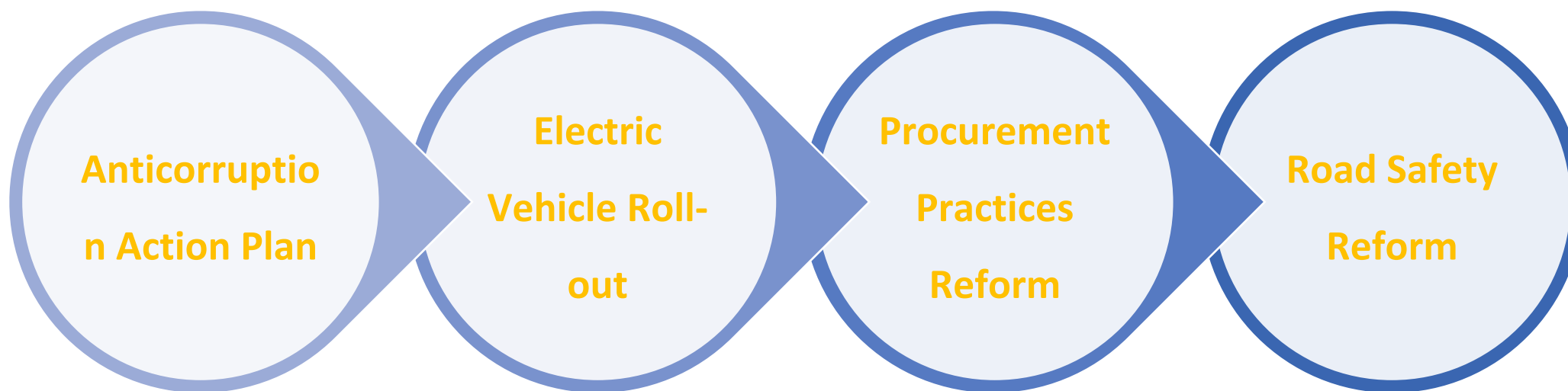
- \$450M



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EBRD-Sponsored Reforms in Ukravtodor





Anticorruption Action Plan

EBRD Consultant - Basel Institute on Governance (Switzerland)

Methodology

- ❑ ISO 37001 on Anti Bribery Management Systems
- ❑ Transparency International's Business Principles for Countering Bribery
- ❑ Transparency International's 10 Anti-Corruption Principles for State-Owned Enterprises
- ❑ OECD Guidelines for State-Owned Enterprises

Agenda

Task A

- Comprehensive Gap Analysis to assess Ukravtodor existing Anti-corruption compliance

Task B

- Draft proposal of a targeted Anticorruption Action Plan (ACAP) to address weakness

Task C

- Finalization of ACAP

Task D

- Supervision over ACAP implementation



Procurement System

Reform KEY ASPECTS

1. Training of the Ukravtodor procurement staff under the Chartered Institute of Procurement & Supply (UK) certification programme
2. Application of the international construction contracts templates (primarily FIDIC Red and Yellow Books) in the public procurement
3. Employment of the consultant-engineers to administer the construction contracts on the part of the employers
4. Implementation of the standard measurement methods for the civil engineering, for instance, ICE CESMM4 under a Construction Cost Estimation Reform
5. Introduction into the public procurement of the international bidding practices recommended by EBRD and including such project documents as a bill of quantities, specification and drawings

New universally-accepted methodology for

Feasibility study

Building

Seaparate
methodologies for types
of work

Designing

Technical supervision

Operation



Construction Cost Estimation Reform

New approach to the estimating of the construction and public tendering of the infrastructure projects in the road sector

Instead of using the Soviet remnant, an outdated normatively-regulated “smeta”, Ukravtodor will start classifying and measuring the civil engineering work based on the CESMM4 classification and principles

Implementation

Steps

- ❑ Public discussion with the private contractors, professional associations, civil society and scientific institutions on the prospects of implementation of CESMM4 in Ukraine
- ❑ Application of CESMM4 will be introduced in the new construction cost regulations that is currently prepared by the Ministry for Communities and Territories Development of Ukraine
- ❑ After licencing them from ICE Publishing CESMM4 and relevant guidelines will be translated in the Ukrainian language and circulated among the Ukravtodor's regional units and SOEs
- ❑ Database of abstract work and analogue projects classified under CESMM4 will be uploaded in the relevant software
- ❑ Training on CESMM4 will be held for all regional units and SOEs



Road Safety Reform

New traffic calming standards

- ❑ installation of traffic islands
- ❑ network of the road cameras
- ❑ road chokers
- ❑ improved road marking

New wayfinding standards

Development of the new road signs for better wayfinding and improved road safety in Ukraine Introduction of them as experiment on 10 projects of “Great Construction”

Bypass roads

Build 10 new bypass roads:
Lviv, Kyiv, Poltava, Dnipro, etc.
Renovate 20 existing bypass roads



Electric Vehicle Roll-out

EBRD Consultants – WS Atkins International Limited (United Kingdom) and Bilfinger Tebodin Ukraine CFI

Project aim

- Define and support the adoption of an electric vehicles (EV) Action Plan for Ukravtodor, to improve its readiness for electric vehicle roll out. This action plan will be informed by international best practice, and fully consistent with Ukravtodor's legal and operational mandate.

Agenda

Task A

- Inception and development of a long list of actions

Task B

- Study of the Ukravtodor's mandate and actions alignment

Task C

- Impact of EV up take scenarios on Ukravtodor's funding model

Task D

- Consultation with public and private actors

Task E

- Action plan for Ukravtodor to support EV roll-out

Task F

- Policy on Ukravtodor reform and financial sustainability



DIGITALIZATION REFORM

The main task is to **accurate**
full
reliable data about all stages of road works

Data

- ❑ contractor data (scope of work, input and operational control, prices)
- ❑ quality control (technical supervision and engineer-consulting) and monitoring
- ❑ government control (customer, DIAM, DASU)
- ❑ report and conclusions Auditor road safety
- ❑ road condition data (HDM, SYSP)

Quality of road works

Task A

- Contractor market development with new equipment

Task B

- Changing the scope of monitoring works

Task C

- Data collection in all areas of quality control and monitoring. Comparison of data to identify critical points

Task D

- Development of a comprehensive regulation on road quality control



ROAD MAINTENANCE

DATA

Data from the vehicle GPS-
navigator

Updating road passports with
data on works with road
maintenance

Planning for maintenance road
based on instrumental data on
road conditions

Contractor's e-office with 24/7
functionality

Traffic restriction or
emergency data based on user
complaints

Planned and actual data of
road works performance

New approach to road maintenance
based on the end result (**OPRS**)



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