

## STANDARD SUMMARY PROJECT FICHE

### PROJECT N°2002/000.620.03.01

#### **1. Basic Information**

- 1.1 CRIS Number:** 2002/000.620.03.01  
**1.2 Title:** Development of the Pilot Western Lithuanian Cycling Circuit  
**1.3 Sector:** Economic and Social Cohesion  
**1.4 Location:** Lithuania

#### **2. Objectives**

##### **2.1 Overall Objective**

The overall objective of this **3.091 MEUR** project with a Lithuanian co-financing contribution of **0.703 MEUR** is the economic and social cohesion of Lithuania based on improved tourism services and infrastructure.

##### **2.2 Project Purposes:**

The project purposes are:

- Development of pilot bicycle circuit to promote environment-friendly tourism and to encourage the creation of new services and jobs.
- Achievement of better access to tourism sites of interest and rural tourism, and to contribute to the growth of tourism activity in these areas.
- Development of national management, support and marketing structure to provide an effective basis for the further development of Lithuanian bicycle tourism.

##### **2.3 Accession Partnership and NPAA priority**

The project reflects the priorities set in the chapter on economic and social cohesion of the National Programme for the Adoption of the Acquis of May 2000, namely:

- Implement the National Tourism Development Programme (which includes a priority for regions, national and regional parks to prepare and implement bicycle infrastructure).

##### **2.4 Contribution to National Development Plan**

PHARE ESC financial support for the National Development Plan fourth measure "Development of the incoming and domestic tourism" will be concentrated in the following areas: active holidays, creation and implementation of special tourist products, implementation of the tourist informational signs system, development of the accommodation services and training of tourism specialists and tourism services suppliers. PHARE ESC support for this measure, will also focus on strengthening and harmonisation with the EU Structural Funds requirements of the instrument supporting active tourism marketing measures.

##### **2.5 Cross-Border Impact**

N/A

### **3. Description**

#### **3.1 Background and justification:**

With regard to the development of Bicycle Paths, Signage and Marketing, the National Tourism Development Programme sets out a framework for the development of tourism sector and sets out priority measures to develop the tourism information system, tourism infrastructure and marketing.

Activities proposed by the National Tourism Development Programme and linked with this project are:

- 1.6.3 ...to analyze and prepare bicycle routes projects;
- 2.11.2. Encouraging municipalities, administrations of regional and national parks to develop active tourism - prepare routes for water, bicycle and hiking tourism, promote tourism information activities;
- 3.3.1. To give priority to measures intended for development of cultural, rural, recreation and business tourism;
- 10.5.3. To provide users and institutions with sufficient advertising information material;
- 10.5.4. To organise educational trips to Lithuania for representatives of foreign mass media and tourism agencies;
- 10.5.8. To prepare and implement tourism information signage system;
- 11.4.2 ‘‘...To promote integration of Lithuania into international bicycle tourism network Eurovelo’’.

The project is based on three key elements:

- The development of physical infrastructure along the pilot national Western Lithuanian Bicycle Circuit. Part of the existing route is already of a suitable standard, and the project will complete the route by building a small amount of new road surfaces where no path exists, and in particular upgrading of certain parts of the route where the existing roads are not of a suitable standard for tourism.
- The implementation of a visual signposting system for the Western Lithuanian Bicycle Circuit and also for one additional national bicycle route (South Eastern Lithuania).
- The creation of a national management, marketing and support structure to take responsibility for promoting the systematic, integrated and coherent development of bicycle tourism in Lithuania in the future.

The focus on the development of bicycle tourism is based to some extent on the experience in tourism development of many other European countries. Bicycle tourism has become a major factor of the tourism industry in European countries such

as Denmark, Germany, Switzerland, Austria and the Netherlands. The number of tourists choosing a bicycle holiday is constantly growing. These tourists are keen to discover new routes and new destinations. Lithuania (and the other Baltic states) is already considered a future destination for bicycle tourists because of its topographical situation. Creating such conditions for the Lithuanian incoming tourism is a major goal.

A properly developed western Lithuania bicycle circuit as a new tourist product could have clear economic and social benefits for the western Lithuania. For towns and villages near the western route, the economic impact of cycling visitors can be considerable. Improved conditions will bring in tourists and encourage the creation of new services and jobs. The cycle route will bring a demand for food, accommodation and services to small communities, allowing them to tap into important tourism revenues.

The choice to develop the network of bicycle routes is based on the potential for such an activity detected in a feasibility study of national bicycle routes in Lithuania (funded as part of a project within Phare LI 9917.01.01 Project Preparation Facility - PPF). The PPF study evaluated the potential for bicycle routes and identified three priority cycling routes: *Priority #1*: The Western Lithuanian Circuit; *Priority #2*: The Four Capitals Circuit and *Priority #3*: Nemunas River Route. (Further background details on the work done under the Project Preparation Facility are provided in the annexes to this fiche).

The choice to pilot test mainly the Western Lithuanian route is based on the detailed feasibility work done within the PPF. The following arguments are of particular importance:

- Western Lithuania has so far the largest potential to serve as a pilot region, since some bicycle routes have already been developed there, the existing tourism infrastructure is more developed than in other parts of the country and the topography is very suitable for cycling.
- The Curonian Spit National Park as one of the UNESCO World Heritage sites is the key attraction for many tourists to visit Lithuania. Development of cycling facilities is an essential contribution to a sustainable development of the environmental situation of such sensitive area, since it will attract tourists and local inhabitants to use bicycles as the environment friendly means of transport.
- Popularity of cycling tourism has risen very noticeably in recent years in the Curonian Spit. For example, 37000 bicycles were ferried from Klaipėda to Smiltynė in 2001, i.e. by 120 % more compared to 2000. More and more foreign tourist groups traveling by bicycles are coming to the Curonian Spit every year. The municipality of Neringa also gives priority to cycling transport: entrance into the state protected area for cyclists is free.

Besides, the Nemunas River Cycling area is already receiving support from the United Nations Development Programme Global Environmental Facility Small Grants Project (UNDP GEF SGP).

In addition to the full development of the priority Western Lithuania route, within this project we also are using the recommendations of the PPF study to implement an integrated sign-posting system on one additional route. The justification for this is:

- The sign-posting will allow “pioneers” among the bicycle tourists to discover “new territories” even before professional marketing campaigns are launched and proper infrastructure is fully available.
- The example shown by the sign-posting will provide encouragement to develop the local infrastructure. The signage will lead to a growth in numbers of cyclists and will act as an incentive to respond to this potential via the development of local small-scale infrastructure along the route (this activity being potentially supported via the grant schemes being established to support tourist activity).

The project will also provide assistance to the State Tourism Department in the setting up of a national management, marketing and support structure to take responsibility for promoting the systematic, integrated and coherent development of bicycle tourism in Lithuania in the future. The justification for the specific approach is:

- The liaison with key institutions such as the Roads Department, the marketing activity and the support for ongoing maintenance and development are co-coordinated as part of a national approach. On the basis of the proposal from the PPF study the State Tourism Department and the State Roads Department have agreed on the design of the signs and the Roads Department has included the signs into the Lithuanian traffic regulations book. This will make sure that there are economies of scale and also greater consistency in the development of the “product”. In addition, it is also important that development are firmly based on active consultation and involvement of municipalities and other local agencies/institutions directly involved in bicycle route development.

The most appropriate base for promoting such an approach is within the State Department for Tourism. However, it is also very important to have a separate Bicycle Tourism Unit to take responsibility for leading this aspect of tourist development. This unit will be a specialist centre of excellence and will focus entirely on supporting the development of bicycle tourism. This is necessary due to the very specific issues, skills and focused approach to marketing/promotion necessary for this type of activity. Such an approach has proved to be very effective in other European countries.

The unit will be a public enterprise and will have a wide range of responsibilities to enable it to perform the key role of effective co-ordination and also to allow it to be self-sustaining financially in the future. At the moment negotiations for the establishment of such public enterprise are on-going between the Protected Areas Service, Roads Department and Tourism Department. To achieve this, the Unit must be operationally independent but be closely linked to the state institutions (State

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Department of Tourism, National Roads Department, Protected Areas Service, Ministry of Economy, Lithuanian Cyclists' Community, etc). These links will be ensured via including the key government departments together with appropriate civil society bodies within the management structure of the unit (Steering Committee). To enable it to work effectively, the unit will combine operational management of the pilot route development, maintenance/development of the bicycle signage system, training and promotion programmes for "bicycle tourism", support/advice to municipalities/operators looking to develop future bicycle tourism facilities, internal and external marketing of bicycle tourism, and a practical assistance "call centre" for bicycle tourists using the routes.

The unit will be a new unit, with initially 3 additional staff recruited specifically for these additional services. To meet the needs for specialist knowledge and skills, at least 2 of the unit staff will be experts with a clearly demonstrated expertise and experience in bicycling as a leisure activity. The Unit from its establishment will be provided with the office and salaries by the founding institutions. However, because of the scarce financial resources of the institutions it is difficult to acquire technical equipment, which is very important for the successful functioning of the unit. Computers and a car will help the Bicycle Tourism Unit to assist the municipalities, national and regional parks, etc. with the bicycle paths building matters during the project period. It will also help the Unit to move to self-financing at an early stage (maintenance of the bicycle routes sign system, transportation or other support to tourists in case of a problem on the routes).

Although TA support to the setting-up of the Unit will be provided within the project, it is essential that the Unit is able to move to self-financing at an early stage and that it is given a basis for revenue generation to cover costs in the very near future. Therefore, specific initiatives and technical assistance will be targeted at creating revenue-generation and management of the stand-alone unit. With regard to the sustainability of the Bicycle Tourism Unit, TA support will assist in the development of a clear plan for self-sustainability. The work done as part of the PPF has stated that the unit could clearly generate sufficient revenue. Full proposals are being prepared, but the key points include: advertising on all bicycle signs on bicycle routes in the national parks and local roads; royalties from the sale of the hard-copy guidebook; sale of "insurance" packages to international cyclists, covering a back-up system to give advice and assistance on bicycle breakdown, assistance (by car) to tourists in case of a problem on routes, etc.

The unit will be involved in active consultation and partnership activities. This will include a consultative group (see institutional framework section below) and also ad-hoc working groups to cover specific major initiatives such as investment in specific bicycle routes that include several municipalities, national/regional parks.

Specific marketing activities will also be undertaken under the project. One of the key marketing activities will be the organisation of information programmes on the pilot bicycle route for target international markets such as Germany, the Scandinavian countries, Benelux-countries. Promotion of the western Lithuania cycling route will be done also through preparation and publishing of promotional material on bicycle paths (guidebook with maps scale 1:50 000, with focus on tourism services, nature and cultural resources along the pilot bicycle route and with some information on the

other two proposed routes, a video film). Such kind of marketing of Lithuania as a developing destination in the field of bicycle tourism will attract additional generating markets such as Germany, Scandinavian and other European countries, which will have a positive impact on the social and economic development of Lithuania.

### 3.2 Linked activities:

#### **Link to the 2002 Phare ESC project "Support to business development" (grant scheme for tourism)**

Within this project it is intended to support business development via a grant scheme, within the context of strengthening economic and social cohesion and pre-accession to the EU Structural Funds. One of the two measures will be to support the Tourism sector development by a grant scheme aiming to support small-scale infrastructure development projects. When the grant scheme is launched potential applicants along the bicycle route will be targeted. The key links are:

- Small-scale infrastructure to support bicycle-related tourism will be one of the specific areas targeted by the grant scheme.
- Municipalities or private services suppliers along the priority routes being developed will be able to apply for funding to develop small-scale infrastructure. This will include potential applications to take advantage of the proposed investment in the road/route infrastructure by creating new facilities on the routes.
- On other national or local bicycle routes there could also be applications for small-scale infrastructure grants that could use the background feasibility studies and project pipeline work done as part of the PPF for this project. In this way, the models being set up by the present project would act as a stimulus to higher-quality and better justified applications.
- The Bicycle Tourism Unit to be established by the State Tourism Department in liaison with other interested institutions in relation to the project will have a specific task of promoting bicycle-tourism development and therefore will provide concrete assistance and advice on future project applications within the grant scheme.
- The infrastructure and models being used within Western Lithuanian bicycle tourism project will also promote better projects financed out of the Structural Funds in the future (which is also a clear aim of the 2002 business development grant schemes).

#### **Link to the 2001 Phare ESC project "National Tourism Information and Pilot Tourism Infrastructure in Utena Region"**

The present project is closely connected and complementary to the tourism development project financed under the 2001 Phare Economic and Social Cohesion Programme. The 2001 project focuses on the development of an integrated computer and internet based tourism information system. It will also provide funding for about 1,000 road signs (*Place of Interest, Rural Tourism, Tourist Information*), and 35 Information Boards. The State Tourism Department plans to set up signs and boards on the key axes of Via Baltica, Vilnius-Kaunas-Klaipeda, and the Nemunas River

area, and to put up boards at border crossings not presently equipped. Additional signboards will be set up along the Eurovelo international cycling routes connecting Kaliningrad via Klaipeda County to Riga, and Warsaw via Alytus County, Vilnius County, Utena County to Tartu and Tallinn.

Finally, the 2001 project also focuses on development work in Utena County where the infrastructure for four campsites is to be put in place. There is no specific overlap between the latter and the present proposal for bicycle routes. However, the Bicycle Tourism Unit will ensure that the municipalities in Utena are made aware of the background work done under this project and will be able to get ideas for future projects to link the campsite infrastructure to local bicycle paths.

#### **Link to Phare 2000**

The Phare 2000 ESC projects for Utena, Marijampolė, Klaipėda and Tauragė Counties foresee support to small business development projects, including tourism pilot projects. The calls for proposals and project selection will be finished by the autumn of 2002, therefore, there will be no specific conflict with the present proposal. However, a close internal liaison will be maintained to ensure that the lessons learned from the calls for proposals (types of tourism-related projects, specific activities on the routes, etc.) are taken into account when planning future promotion and marketing of the routes and preparing the materials to advise potential applicants on bicycle-tourism related projects in the future.

#### **Link to other similar tourism projects**

Lithuanian State Department of Tourism has prepared the project of Eurovelo bicycle route No. 11 (through southern eastern Lithuania). The route is planned and displayed in the maps. However, there are still no proper local bicycle routes prepared which could be integrated into the Eurovelo bicycle route. At the moment bicycle routes are elaborated in three (out of 5) National parks. In Dzūkija National park there are about 160 km of bicycle routes (including proper motor roads), although these are virtually unsigned. In Žemaitija National park there are bicycle routes planned and marked on the maps, but not signposted on the ground. In the Curonian Spit National park some bicycle routes are technically arranged but there are no signs also. All the work done under the present project will be complementary to the national activities, and will use existing or already planned work wherever possible.

Lithuanian Cyclists' Community together with partners from neighbouring countries prepared the project promoting Eco-tourism for Sustainable Economical Development of The Baltic States and Kaliningrad district (Baltic Bicycle Tour 2001+). The project was financed by the Small Projects Fund. Under this project the Baltic Cycle 2001 tour took place with more than 500 cycling participants. Moreover, the map of the Baltic Coastal Region was elaborated.

The Global Environmental Facility Small Grants Project under the United Nations Development Programme is financing the Nemunas Cycling Route project, which is implemented by the Green Movement, relevant municipalities and the Cyclists' Community. The Nemunas Route covers 5 municipalities: Sakiai, Silutes, Kauns, Jurbarkas and Pagegiai. It is foreseen that by the 1<sup>st</sup> quarter of 2003 the project will produce the technical design of the Nemunas Cycling Route, a description and a map of the route.

### **3.3 Results:**

The Works and Supply contracts will achieve the following results:

- The Western Lithuanian Cycling Circuit developed, including the transit route of Eurovelo 10, connecting the Curonian Spit, Klaipėda, Palanga, the Žemaitijos National Park, the cities of Šilutė and Nida.
- A pilot system of integrated sign-posting of two priority bicycle routes implemented. This will involve the purchase and installation of around 5,000 signs.

The Service contracts will achieve the following results:

- The Bicycle Tourism Unit fully operational: staff trained, business plan for sustainable development of bicycle tourism and self-financing of the unit developed and being implemented. Financing of the unit at the time of the project implementation is guaranteed by the founding members (the State Tourism Department and other institutions).
- a comprehensive high-quality hard-copy guidebook for the Western Lithuanian Bicycle route produced and distributed in key markets.
- General promotional material on bicycle tourism in Lithuania produced and distributed, Lithuania "bicycle tourism" website set up and operational.
- Information programmes focusing on cycling and rural tourism along the pilot bicycle route for target markets (Germany, Scandinavia countries, Benelux-countries, Estonia, Latvia) prepared and carried out. It is planned to have at least 2 tour operators and at least 8 groups of journalists from each target market and it is foreseen that at least 20 articles written by the journalists will be published abroad.
- Training programmes and awareness campaigns for municipalities and tourism operators developed. This will cover the development of tourism SMEs, marketing to cyclists, access to funds, etc. The delivery of the programmes and campaigns will be the responsibility of the Bicycle Tourism Unit.
- a Guide to Bicycle Tourism produced. This guide will be regularly updated in the future and will be the basis for promotional/development campaigns carried out by the Bicycle Tourism Unit.

### **3.4 Activities:**

#### **3.4.1. Works**

There will be one works contract for the following:

Development of the full Western Lithuanian Cycling Circuit (approximately 300 km). Detailed preparation and feasibility work has already been undertaken as part of the PPF project underway. The final details will be available in June 2002, but on the



basis of the considerable work already done it is estimated that 10% of the route already exists as a bicycle path, 50% usage of existing secondary roads with low frequency motor-traffic is possible, 10% new construction of bicycle paths is needed, 30% improvement of existing gravel roads with low frequency motor-traffic is needed.

On the basis of the findings of the existing PPF project, further work will be done in a second PPF contract to prepare full technical documentation and tender dossiers prior to the commencement of the project.

### **3.4.2 Supply**

There will be two supply contracts.

#### **Supply 1**

Design, production and installation of an integrated bicycle sign-posting system on two cycling routes (on the basis of the PPF feasibility study). On the basis of the work done under the PPF, it is estimated that 5,000 signs will be needed.

Further PPF support will be provided prior to the commencement of the project to prepare the full technical specifications and tender dossiers for the supply contract.

#### **Supply 2**

Purchase of technical equipment (computers with appropriate software) for the Bicycle Tourism Unit.

### **3.4.3 Technical Assistance**

There will be two Technical Assistance Contracts.

#### **Technical Assistance 1**

Support to the State Tourism Department with the setting-up and structure of the Bicycle Tourism Unit. This will include TA support in the design of job profiles, operational guidelines, linkages to the State Tourism Department and other key stakeholders (Roads Department, Protected Areas Service, Ministry of Economy, Municipalities, etc), development of consultation processes to ensure key stakeholders are actively involved in the development of bicycle tourism and support to the consultative group (see institutional framework below), preparation of a business plan, development of concrete plans for revenue-generation, training and initial mentoring of the 3 ft staff to be employed within the unit. The operating costs of the Unit will be funded by the State Tourism Department and other founding members (Protected Areas Service, Roads Department, Lithuanian Cyclists' Community, etc.) using founding members contributions and funds of special programmes until self-financing is achieved.

- Support to the Bicycle Tourism Unit and the State Tourism Department in the following:

- Design and implementation of the marketing and awareness campaign and production of a general promotional brochure on Bicycle Tourism in Lithuania.
- Design, setting-up and interlinkage of a website with the existing sites, e.g. [www.bicycle.lt](http://www.bicycle.lt), training of the Unit's staff in updating / maintenance of the website.
- Preparation and implementation of information programmes in relation to the pilot bicycle route.
- Design and implementation of training programme and materials for the development of the pilot bicycle route.
- Preparation and publication of the "Guide to Bicycle Tourism". This will be a "users guide" for individuals or institutions in Lithuania showing the potential for economic development linked to bicycle tourism, giving practical advice on how to develop new initiatives, how to develop/build/market bicycle paths, how to promote new business as well as providing information about the available funding (pre-accession and Structural Funds) to support tourism development.
- Purchase (procurement) of a car for the Bicycle Tourism Unit

## Technical Assistance 2

- Design, preparation, printing and distribution of the comprehensive hard-copy guidebook for the Western Lithuanian Bicycle route. The guidebook will include maps of the paths, information on accommodation, catering, bicycle repair services, bus and train stations, information on nature and culture resources along the route, photographs from the areas along the route, etc.). This is a special task which would need to be tendered separately from TA 1.

## 4. Institutional Framework

The State Department for Tourism will co-ordinate the project and will manage the operational implementation of the project. The contact person is Alvitis Lukoševičius, General Director, Republic of Lithuania State Department of Tourism, Vilniaus Str 4/35, 2600 Vilnius. Tel: +370 2312089. Fax: +370 2226819. Email: [vtd@tourism.lt](mailto:vtd@tourism.lt).

The Bicycle Tourism Unit to be established within the project will take over the responsibility for certain tasks once it is fully operational. Until this time the State Department of Tourism will manage the project, and will continue to have responsibility for the management of the project for the whole implementation period.

A project Steering Committee will be set up, chaired by the State Department of Tourism, and including the following institutions: The National Roads Department, Protected Areas Service, Lithuanian Cyclists' Community, the Ministry of Economy, the Ministry of Interior, the Ministry of Finance, representatives of the municipalities involved in the priority routes and appropriate civil society bodies.

A horizontal Steering Committee (SC) for all Phare 2002 ESC projects, chaired by the Ministry of Finance, will be linked to the SC for Phare 2001 ESC and will ensure close coordination between the measures and activities implemented under both programmes.

In addition to the above committees related to the management of the project, a wider consultative group will be set up to oversee the work of the Bicycle Tourism Unit, and to guide the development of bicycle tourism in Lithuania in the future. The State Department of Tourism will chair the group, with the Bicycle Tourism Unit acting as secretariat. The group will include the national cyclists organisations, national/regional parks representatives, municipalities representatives and rural tourism representatives. This process of consultation will build upon the consultation in the preparation of this fiche, and will ensure that there is a wider "ownership" of the development of bicycle tourism. As part of the technical assistance contract, there will be assistance to the State Tourism Department and the Bicycle Tourism Unit in the development of this group.

## 5. Detailed Budget (€ Million)

Contract	Phare Support			National Co-financing	IFI	TOTAL
	Investment Support	Institution Building	Total Phare (I+IB)			
TA 1	0.019	0.3	0.319	0.046		0.365
TA 2		0.1	0.1			0.1
Supply 1	0.158		0.158	0.053		0.211
Supply 2	0.011		0.011	0.004		0.015
Works	1.800		1.800	0.600		2.400
<b>Total</b>	<b>1.988</b>	<b>0.4</b>	<b>2.388</b>	<b>0.703</b>		<b>3.091</b>

The Phare amount is binding as a maximum amount available for the project. The ratio between the Phare and national co-finance amounts is also binding and has to be applied to the final contract price. The national co-financing commitment is a tax-excluded net amount.

## 6. Implementation Arrangements

### 6.1 Implementing Agency

The CFCU will be the Implementing Agency and will be responsible for contracting and overall financial management of the project. Specific implementation tasks will be delegated to the State Tourism Department.

The PAO will be Mr Z Pajarskas, Director of the CFCU, Ministry of Finance, J. Tumo-Vaizganto 8a, 2600 Vilnius; telephone: +370 2 61 19 32, fax: +370 2 22 53 35 and e-mail: [cfcu@takas.lt](mailto:cfcu@takas.lt).

The contact within the State Tourism Department is Alvis Lukoševičius, General Director, Republic of Lithuania State Department of Tourism, Vilniaus Str 4/35, 2600 Vilnius. Tel: +370 2312089. Fax: +370 2226819. Email: [vtd@tourism.lt](mailto:vtd@tourism.lt).

### 6.2 Twinning: N/A

### 6.3 Non-standard aspects

Implementation will be managed in accordance with the relevant Phare regulations and guidelines. The PRAG will be strictly followed.

### 6.4 Contracts

The project will be carried out through four tenders:

One Works contract with the total value of 2,400,000 Euro (including national co-financing of 600,000 Euro).

Two Supply contracts:

- Supply 1 with a total value of 211,000 Euro (including national co-financing of 53,000 Euro);
- Supply 2 with a total value of 15,000 Euro (including national co-financing of 4,000Euro).

Two Technical Assistance (service) contracts:

- TA 1 with the total value of 365,000Euro (including national co-financing of 46,000Euro);
- TA 2 with the total value of 100,000 Euro.

It should be noted that the ToRs and tender documentation for all contracts will be prepared in advance of the commencement of the project as part of the Project Preparation Facility.

## 7. Implementation Schedule

Contract	Start of Tendering	Start of Project Activity	Completion
Works	1Q/03	3Q/03	2Q/05
Supply 1	1Q/03	1Q/04	2Q/05
Supply 2	1Q/03	3Q/03	2Q/04
TA 1	1Q/03	3Q/03	2Q/05
TA 2	1Q/03	3Q/03	2Q/04

## 8. Equal Opportunity

All project activities will have equally accessible to women, men and disadvantaged groups.

## 9. Environment

A full Environmental Impact Assessment will be carried out during the preparation phase, using resources allocated from the Project Preparation Facility.

## **10. Rates of return**

The feasibility study being prepared under PPF will provide a full forecast of revenues for the next 7 years. This will be complete by end of June 2002.

## **11. Investment criteria**

### **11.1 Catalytic Effect and Additionality:**

This project includes Phare support which catalyses a priority, accession driven action which would otherwise not have taken place or which would have taken place at a later date. Phare funds will not displace other financiers especially from the private sector or IFIs. On the contrary, it is expected that the demonstration infrastructure project will foster future private sector investment in the tourism sector.

### **11.2 Co-financing:**

Co-financing of the project has been secured by the STD.

### **11.3 Project Readiness and Size:**

For the proposed supply and works component there are two feasibility studies from the Project Preparation Facility being prepared. Preparation of detailed plans for the necessary infrastructure works will be done in the preparation phase from Project Preparation Facility. The planning authorities in the municipalities have been involved in the preparation process and all the necessary approvals will be in place.

The ToRs and all related documentation such as technical project plans will be produced in advance from Project Preparation Facility.

### **11.4 Sustainability:**

Work done within the Project Preparation Facility indicates that the Pilot Routes being developed are clearly sustainable and that the creation of such routes will directly stimulate economic activities which will ensure sustainable.

With regard to the sustainability of the Bicycle Tourism Unit, TA support will assist in the development of a clear plan for self-sustainability. The work done as part of the PPF has stated that the unit could clearly generate sufficient revenue. Full proposals are being prepared, but the key points include:

- Advertising on all bicycle signs on bicycle routes.
- Royalties from the sale of the hard-copy guidebook.
- Sale of “insurance” packages to international cyclists, covering a back-up system to give advice and assistance on bicycle breakdown, etc.

### **11.5 Compliance with state aids provisions**

Investment respects the state aids provisions of the Europe Agreement and national legislation.

## 12. Conditionality and sequencing

The following conditions will apply:

- All technical designs and tender dossiers are prepared and approved before the project starts.
- All co-financing is confirmed.
- There must be clear evidence of full support by the Roads Department to the signposting and road improvement activities.
- All legal issues which could impede the effective implementation of the signposting system must be clarified by the State Tourism Department prior to the project start.
- The financing and the basic office facilities of the Bicycle Tourism Unit is provided directly by founding members for a minimum of 3 years.

With regard to sequencing, the supply contract 1 cannot be completed until the works have been finalized. Also, whilst the tendering process for the works and supply contracts could be started in early 2003, the works activity and the installation of signs will not begin before the first quarter of 2004. In the first quarter of 2004 the sign posting of the Four Capital Circuit will be started because there are no works foreseen on this route. After the completion of sign posting of this circuit the Western Lithuanian Circuit signage will start. This is because of seasonal weather and also the benefit of having the Bicycle tourism unit in place before the work starts (although this is not an essential requirement). If the route is to be available from 2Q 2005 it is essential that the TA and marketing campaigns are fully operational by the 2-3Q of 2004.

### **Annexes to Project Fiche**

- 1. Logical framework matrix in standard format**
- 2. Detailed implementation chart**
- 3. Contracting and disbursement schedule**
- 4. Terms of Reference for PPF (feasibility of bicycle routes)**
- 5. Terms of Reference for PPF (Preparation of Technical Design and Tender Dossiers for Phare 2002 project)**
- 6. Maps**

# Annex 1

LOGFRAME PLANNING MATRIX FOR Development of the Pilot Western Lithuanian Cycling Circuit		Tourism Infrastructure LJ01xx	
Programme Name and Number		Disbursement Period Expires: 3Q/2005	
Contracting Period Expires: 3Q/2003		Phare Budget: 2.388 MEUR	
<p><b>Overall Objective:</b> Economic and social cohesion based on increased tourism activities.</p>	<p><b>Objectively Verifiable Indicators:</b> A decrease in regional differences in income and employment</p>	<p><b>Source of Verification:</b></p> <ul style="list-style-type: none"> <li>Commission's Regular Reports</li> <li>National tourism data</li> <li>Regional and urban data</li> </ul>	<p><b>Assumptions:</b></p> <ul style="list-style-type: none"> <li>Tourism development in Lithuania free of external and internal blocks</li> <li>Accession policies continue</li> <li>Linked projects produce results</li> </ul>
	<p><b>Project Purpose:</b> The project purposes are:</p> <ul style="list-style-type: none"> <li>Development of pilot bicycle circuit to promote environmental-friendly tourism and to encourage the creation of new services and jobs.</li> <li>To achieve better access to tourism sites of interest and rural tourism, and to contribute to the growth of tourism activity in these areas.</li> <li>Promotion of Lithuanian special tourist product (pilot bicycle route) internally and internationally</li> </ul>	<p><b>Source of Verification:</b></p> <ul style="list-style-type: none"> <li>National &amp; regional statistics and appraisals</li> <li>Commission's Regular Reports</li> <li>Surveys</li> </ul>	



<p><u>Results:</u></p> <ul style="list-style-type: none"> <li>Development of the pilot Western Lithuanian Bicycling Circuit. The full route will be prepared to a standard suitable for international bicycle tourism</li> <li>An integrated sign-posting system of the two main priority bicycle routes will be implemented.</li> <li>Sustainable support and management unit set up to promote the development of bicycle tourism in the future.</li> <li>Comprehensive hard-copy guidebook for the Western Lithuania Bicycle route produced and distributed in key markets. 10,000 copies provided for use of the bicycle tourism unit (via TICs, etc).</li> <li>Promotional material on bicycle tourism produced, Lithuanian bicycle tourism web site set up.</li> <li>Training programmes and awareness campaigns on developing bicycle tourism completed. Training materials produced.</li> <li>Information programmes in relation to pilot bicycle route completed.</li> </ul>	<p><u>Objectively Verifiable Indicators:</u></p> <ul style="list-style-type: none"> <li>320 km. length Western Lithuania bicycle circuit and 470 km of Four Capitals Circuit are marketable internationally</li> <li>5000 signs installed</li> <li>80 people trained via the awareness campaign for municipalities and private tourism services suppliers</li> <li>20 of articles published regarding the cycle route.</li> <li>15 applications for tourism projects from other grant schemes initiated from the training/awareness campaigns</li> <li>Minimum 2 tour operators per target market participated in the information programmes</li> </ul>	<p><u>Source of Verification:</u></p> <ul style="list-style-type: none"> <li>Project reports</li> <li>National statistics and appraisals</li> </ul>	<p><u>Assumptions:</u></p> <ul style="list-style-type: none"> <li>Close co-operation between State Tourism Department.</li> <li>Effective operation of the Bicycle tourism unit (good quality staff, appropriate resources, etc)</li> <li>Full co-operation of the Roads departments and municipalities</li> <li>Support of all members of the consultative group for bicycle tourism</li> </ul>
<p><u>Activities:</u></p> <ul style="list-style-type: none"> <li>Development of priority western Lithuanian bicycle route (undertaking necessary infrastructure investment and also signposting), and also second priority bicycle route for South Eastern Lithuania (signposting)</li> <li>Setting up of national support arrangement for development of bicycle tourism. Training of staff, development of sustainability plan for the unit, designing awareness campaign, and establishment of consultative process.</li> <li>Production of marketing materials and promotion of the priority routes.</li> <li>Development of materials to assist in future development of bicycle tourism</li> </ul>	<p><u>Means:</u></p> <ul style="list-style-type: none"> <li>Works Contract</li> <li>2 Supply Contracts</li> <li>2 Technical Assistance contracts</li> </ul>	<p><u>Source of Verification:</u></p> <ul style="list-style-type: none"> <li>Reports of the Project Monitoring Committee</li> <li>Reports of the management structure</li> </ul>	<p><u>Assumptions:</u></p> <ul style="list-style-type: none"> <li>All participating institutions co-operate successfully.</li> <li>All tender documentation prepared under the PPF.</li> <li>Adequate implementation and monitoring capacity assured</li> <li>High-quality project management assured</li> <li>Roads department and municipalities full co-operating with all road construction and signage</li> </ul>
<p><u>Preconditions:</u></p> <ul style="list-style-type: none"> <li>National co-finance available when required</li> <li>Evidence of full support by the Roads Department</li> <li>Legal issues re. Signposting clarified</li> <li>Financing for Bicycle tourism unit confirmed</li> </ul>			

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Detailed Implementation Chart for the Project

Year	2002												2003												2004												2005					
	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6						
Month																																										
Works																																										
Supply 1																																										
Supply 2																																										
TA 1																																										
TA 2																																										

Design  
Tendering  
Implementation



Handwritten signature or mark.

## Cumulative Phare Contracting and Disbursement Schedule for the Project (€ Million, PHARE contribution only)

	Date													
	2002			2003			2004			2005				
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
<b>Contracting</b>														
Works						1.8								
Supply 1										0.158				
Supply 2						0.011								
TA 1						0.319								
TA 2						0.1								
Total contracting (cumulative)						2.23	2.23	2.388						
<b>Disbursement</b>														
Works						0.002	0.222	0.442	0.662	0.882	1.102	1.322	1.542	1.8
Supply 1								0.095	0.095	0.095	0.095	0.095	0.142	0.158
Supply 2						0.07	0.007	0.007	0.010	0.011				
TA 1						0.096	0.124	0.152	0.180	0.208	0.236	0.264	0.292	0.319
TA 2						0.03	0.05	0.07	0.09	0.1				
Total disbursement (cumulative)						0.198	0.403	0.766	1.037	1.296	1.544	1.792	2.087	2.388

## Annex 4

### Terms of Reference for PPF

#### **Project Preparation related to the development of bicycle routes and the creation of a coherent tourism signposting system**

##### **1. BACKGROUND**

The tourism sector in Lithuania has been identified in the National Development Plan as being extremely important to the overall economic and social development of the country. To increase the sector's contribution to the national economy, the Lithuanian State Department of Tourism adopted a four-year *National Tourism Development Programme*, in 1999. The *National Development Plan* and the *National Tourism Development Programme* define that one of the main problems of tourism infrastructure development shortages in Lithuania is the lack of tourism information signs and of special tourism products (like bicycle tourism routes, hiking trails, thematic touring routes, etc.). A lack of properly designed, built and signposted routes makes it difficult for tourists, both local and foreign, to find and reach tourism destinations. Municipal authorities have little experience in planning and building such tourism routes, and in placing tourism information signs. This limits the potential developments of Eco-tourism and bars the private tourism industry from accessing a large and growing pool of potential clients.

The project "**Development of bicycle routes and creation of a coherent tourism signposting system**" is destined to evaluate the possibilities for local bicycle tourism routes, prepare the necessary feasibility studies for pilot routes, and prepare the basis for a coherent tourism information signs system for Lithuania.

This project shall be carried out under the Phare 1999 Project Preparation Facility (PPF). The main objective of this project is to assist Lithuania in the efficient preparation of investment projects to be proposed for Phare funding in 2002, thereby facilitating their speedy and successful implementation. The project studies must conform to the quality requirements set by the European Commission for funding applications under the Phare *Economic and Social Cohesion* Programme.

##### Link to the National Tourism Development Programme :

" Action priorities proposed by National Tourism Development Programme and linked with this project are:

1.6.3 ...to analyse and prepare bicycle routes' projects

2.11.2. Encouraging municipalities, administrations of regional and national parks to develop active tourism - prepare routes for water, bicycle and hiking tourism, promote tourism information activities;

3.3.1. To give priority to measures intended for development of cultural, rural, recreation and business tourism.

10.5.9. To prepare and implement tourism information signage system

11.4.2 ...to promote integration of Lithuania into international bicycle tourism network EUROVELO"

### Link to the National Development Plan

According to the National Development Plan 2002 - 2004 the following activities are foreseen in the field of the tourism service development and quality improvement and has links with this project.

Tourism measure" development of incoming and inner tourism"

Means:

- Development of special tourism products (rural tourism, water tourism, motor tourism, Eco tourism, entertainment tourism)
- Development of road signs system and the coherent tourism information signs system (creation of unified tourism signs system for national and regional parks, creation of unified tourism signs for posting of cycling routes, hiking trails, thematic touring routes etc.).

### Link to the 2001 Phare ESC project "National Tourism Information and Pilot Tourism Infrastructure in Utena Region"

The project is closely connected and complementary to the tourism development project proposed for funding under the 2001 Phare Economic and Social Cohesion Programme. The 2001 project focuses on the development of an integrated computer and internet based tourism information system. It will also provide funding for about 1,000 **road signs** (600 *Place of Interest* – 450 *Rural Tourism* – 60 *Tourist Information*), and 35 Information Boards. The State Tourism Department plans to set up signboards on the key axes of Via Baltica, Vilnius-Kaunas-Klaipeda, and the Nemunas River area, and to put up signs at border crossings not presently equipped. Additional signboards will be set up along the EuroVelo international cycling routes connecting Kaliningrad via Klaipeda County to Riga, and Warsaw via Alytus County, Vilnius County, Utena County to Tartu and Tallinn.

Finally, the 2001 project also focuses on development work in Utena County where the infrastructure for four campsites is to be put in place.

The present project will consider a different type of tourism signs and focus specifically on bicycle routes signs, hiking trails signs and thematic touring routes signs. It will also primarily prepare the ground a project to be proposed for future financing under the 2002 Phare Economic and Social Cohesion Programme.

### Link to other tourism projects

Within the framework of the Phare CREDO programme, the County of Alytus benefited from the installation of nine modern tourism information kiosks, which have been in operation since the beginning of 2001. Information provided in the kiosks is gathered by officials from each district in Alytus County and transmitted to the project central server in Suwałki (leader of the CREDO project).

The Tourist Information Centre in Kaunas has received financial support in the framework of the Phare CBC Small Project Facility for the development of a Convention and Visitors Bureau, using best practice from their partner region in Denmark. The project has started in the second quarter of 2001.

Phare 2000 assistance has been granted to develop a strategic framework for regional tourism in Utena County. Furthermore, Phare 2000 supports small business development projects in the County, including two tourism pilot projects.

Lithuanian State Department of Tourism has prepared the project of **Eurovelo bicycle route No. 11** (through southern eastern Lithuania). The route is planned and displayed in the maps. However there are still no proper local bicycle routes prepared which could be integrated into Eurovelo bicycle route. At the moment bicycle routes are elaborated in three National parks (from 5). In Dzūkija National park there are about 160 km of bicycle routes (including proper motor roads), although these are virtually unsigned. In Žemaitija National park there are bicycle routes planned and marked on the maps, but in reality they are not signposted on the ground. In Kuršių Nerija National park some bicycle routes are technically arranged but there are no signs also.

Lithuanian Cyclist Community together with partners from neighbouring countries has prepared the project promoting Eco-tourism for Sustainable Economical Development of The Baltic States and Kaliningrad district (Baltic Bicycle Tour 2001+). The project is financed by the Small Projects Fund. According to this project the joint travel guide and map of the Baltic Coastal Region will be elaborated. The Lithuanian Cyclist Community has also prepared the preliminary map of national network of bicycle routes. However, the technical conditions of the proposed routes are not explored fully, thus the proposed routes need technical revision. These proposed routes will be the basis for the work to be undertaken under this project.

Environmental Ministry of Republic of Lithuania together with EC/Phare carried out the project "Biodiversity and landscape conservation" (1996 - 1998). According this project 815 road signs for protected areas were designed, manufactured and posted in Lithuania (one type of sign).

## **2. DESCRIPTION OF THE ASSIGNMENT**

### 2.1 Beneficiaries

The main beneficiary of the project is the State Department of Tourism of Lithuania. The main counterparts will be the Lithuanian Cyclists' Community, the municipalities where bicycle routes will be developed and the unified tourism information sign system will be installed.

Lithuanian State Department of Tourism is exchanging information about the development process of Eurovelo routes with neighbouring countries (Latvia, Estonia, Poland and Kaliningrad) and also with European Cyclists' Federation who is concerned with development of Eurovelo bicycle routes network throughout Europe. As such they will also participate in the project.

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## 2.2. Global and Specific Objectives

The overall objective of the project is to raise the national income and create employment through the development of the tourism sector in Lithuania, whilst ensuring that economic development is carried out in an environmentally friendly and sustainable manner.

The specific objectives within this assignment are

- the identification of pilot bicycle routes and the preparation of feasibility studies for potential investment into the development of these routes;
- proposals for the creation of a coherent tourism information signposting system and preparation of a feasibility study for potential investment into the signposting system.

## 2.3. Requested Services:

### **PHASE ONE**

The main activities to be performed during Phase One of the project are as follows:

1. Analysis of current situation in relation to bicycle routes – evaluation of the potential of the routes already identified by the Lithuanian Cyclists Community<sup>1</sup> (all documentation will be provided to the contractor) and presentation of a study for a national network of bicycle tourism routes. The study should include a needs analysis of tourism services along these routes (accommodation, catering, tourism information, bicycle repair stations, tourist sites etc.) and details of the infrastructure changes needed to meet safety standards.
2. Present a priority list of bicycle routes and associated tourism services suitable for public funding based on the results of the analysis. The proposed routes and associated tourism services should take into consideration issues of the sustainability of the project, the job creation impact of the project, the multiplier effect it will have on the tourism industry and in general development in Lithuania. This priority list should be presented in the form of a matrix or evaluation grid, scoring the various routes (and associated services) according to objective criteria in order to identify which routes and projects should be developed.
3. The contractor should support the Lithuanian State Department of Tourism in the consultation process with the various stakeholders, and in conjunction with the State Department of Tourism organise a meeting where a final proposal to be put to the National Development Plan Working Group is agreed. The contractors should then assist the State Department of Tourism in presenting an agreed version to the National Development Plan Working Group for a final decision on which projects to be developed further.
4. Prepare a study of tourism information signs based on existing systems used across Europe, with particular attention to the signposting of cycling routes, hiking trails and thematic touring routes. Present a report to the Lithuanian State Department of Tourism with recommendations for the development of a unified signposting system.

### **PHASE TWO**

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<sup>1</sup> All documentation prepared by the LCC will be made available to the contractor. In addition, traffic counts available from the Ministry of Transport will be provided. However, the study team should be prepared to carry out additional empirical data collection should the records of the Ministry of Transport prove not suitable for the feasibility assessment. Finally, the regional tourism strategies prepared by the regional authorities will be made available in full to the contractor.

Once Phase One has been completed, activities will focus on the technical and engineering dimension of project developments :

5. Following approval of the priority list for bicycle routes by the State Tourism Department and the National Development Plan Working Group, draft technical specifications for the full development of the chosen bicycle routes and ensure that each route is ready for financing under the 2002 Phare Economic and Social Cohesion Programme.
6. Following approval by the State Tourism Department, conduct a full feasibility study on the system of unified tourism signs covering the national network of bicycle, hiking and thematic tourism routes. Analyse, plan, and present recommendations ensuring sustainability of the unified tourism signs system and provide a Best Practice Manual for the State Tourism Department. Prepare technical specifications for the production and installation of bicycle signs along the priority routes chosen.

All the information obtained by the project and all the documentation produced is to be used to help the State Tourism Department with the drafting a project fiche proposal to be submitted under the 2002 Phare ESC Programme. The contractor will ensure support for the State Tourism Department in the development and drafting of this project fiche.

#### 2.4. Expected results:

1. A study of national bicycle routes, a framework for the prioritisation of routes, investment proposals formulated.
2. A study on the development of a coherent tourism signs system based on existing best practice in the EU and other applicant countries.
3. Full documentation (Feasibility Studies and Technical Specifications<sup>2</sup>) for Tender Dossiers drafted for priority bicycle routes projects and associated tourism services, prepared to the civil engineering detail required for Phare Works Contracts. All is presented to the Lithuanian State Department of Tourism and the National Development Plan Working Group.
4. Full documentation (Feasibility Study and Technical Specifications<sup>2</sup>) for Tender Dossiers for the implementation of a coherent tourism signs system.
5. Background information necessary for the drafting of a Phare project fiche proposal in accordance with Phare programming guidelines for 2002 and Phare contracting rules and procedures.

#### 2.5. Experts profile

The contractor shall provide a team of 2 EU and 3 to 4 local experts having relevant education, experience, and qualifications for execution of the project activities. The Team Leader will be responsible for the overall management of the project. The working languages will be English and Lithuanian (all experts must be fluent in English as a full working language).

All experts shall have a relevant educational background, e.g. in tourism, recreation, civil engineering, economics, or local and regional development. In all cases, qualification shall include the equivalent of at least a high standard second university degree. The team shall have substantial experience with tourism sector development projects and civil engineering, and a good understanding of Phare project preparation requirements. Education and experience of each expert shall be substantiated by proper references.

At least two team members (the Team Leader and the leader of the technical design team) shall be *Category II Experts* or higher; the remaining experts shall be min. Category III. All

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<sup>2</sup> Includes Environmental Impact Assessment, Rates of Return, Sustainability, full costs-benefits analysis, technical drawings, projected budget, etc.



must possess solid experience in the field of tourism development. It is desirable that some experts possess previous experience of tourism information signs systems creation and implementation, and of bicycling routes development. The presence in the team of an expert with experience of developing bicycle routes in another Accession Country is encouraged.

### 3. LOCATION AND DURATION

The study work is scheduled to begin in December 2001 and to be completed by end of April 2002. A draft report, including the prioritisation of bicycle routes, associated tourism services and an initial guide on tourism signposting, is to be presented to the Contracting Authority, the beneficiary and the EC Delegation at the end of January 2002 for comments and approval.

The final detailed report, including all feasibility studies and tender dossier documentation, is to be presented no later than 30 April 2002.

The location of the project shall be Vilnius and related travelling to other destinations in Lithuania. The contractor will be provided with office space and standard office facilities within the State Department of Tourism and within relevant municipalities. The contractor shall provide the required means of transport and foresee a budget for local travel amounting to 2000 euro. Provision should be made in the budget for the production of detailed maps for the bicycle routes prioritisation report and the tender dossiers.

It is expected that the contractor will provide 100 days of EU expertise and 220 days of local expertise. The EU experts are committed to spend a minimum of 80 per cent of their allocated time in Lithuania.

The contractor will provide overall project management and will be responsible for contract performance, management of finances and expenditures, and preparation of the draft final and final reports.

A schedule and number of days for the assignment per expert will be as follows :

Expert	Number of Days	Dates	Comments
EU Expert (Team Leader) - min. Category II.	50	01/12/01 – 30/04/02	Briefing will take place in Vilnius at the commencement of the project. EU Experts to be in Lithuania for min 80% of their time.
Other EU Expert – min. Category III.	50	01/12/01 – 30/04/02	
Local Expert (Technical Design) – min. Category II.	100	01/01/02 – 30/04/02	
Other Local Experts – min. Category III.	120	01/12/01 – 30/04/02	

The maximum budget available for this contract is €120,160

#### **4. REPORTS**

The contractor will prepare the following reports, which will be submitted to the Head of the Contracting Authority and copied to the Beneficiary and the EC Delegation (reports should be submitted in hard copy, and an electronic form of all reports should also be provided):

Monthly progress reports in English.

A draft report in English and Lithuanian by the end of January 2002, including the recommendations presented to the State Tourism Department for the prioritisation of bicycle routes, associated tourism services and unified tourism signs.

A full project report in English and Lithuanian by the end of April 2002.

Full Tender Dossier documentation in Lithuanian for Supply and Works contracts for each of the pilot bicycle routes and associated tourism services chosen and for the implementation of a national tourism signposting system.

## **Annex 5. DRAFT TERMS OF REFERENCE for PPF (Preparation of Technical Design and Tender Dossiers for Phare 2002 project)**

Technical Assistance to the State Department of Tourism for the preparation of tender dossiers and terms of reference for the Phare ESC 2002 project "Development of the Pilot Western Lithuanian Cycling Circuit"

### *1. Background*

Bicycle tourism has become an important factor of the tourism industry in European countries such as Denmark, Germany, Switzerland, Austria and the Netherlands. The number of tourists going specifically for a bicycle holiday is constantly growing. These tourists are keen to discover new routes and new destinations. Lithuania are already considered a future destination for bicycle tourists because of its topographical situation. To create such a potential for the Lithuanian incoming tourism has become a major goal.

In this context the Lithuanian State Tourism Department has decided to promote the development of the network of bicycle routes. This decision is based on a detailed feasibility study of the potential of national bicycle routes undertaken by EU and Lithuanian experts as part of a Phare Project Preparation Project. This study produced its final report in July 2002. According to the study three priority bicycling routes are highlighted: 1: The Western Lithuanian Circuit; 2: The Four Capitals Circuit and 3: Nemunas River Route.

Against this background, within the framework of the Phare Economic and Social Cohesion Programme for 2002 it has been decided to request funding for a project to fully develop the number one priority route (Western Lithuanian Bicycle Circuit) and to support the signposting of a second priority route in South Eastern Lithuania.

The focus on the route in Western Lithuania is due to the fact that it has the largest potential to serve as a pilot region since some bicycle routes have already been constructed, the existing tourism infrastructure is more developed than in other areas, and the topography is very suitable for cycling. The Curonian Spit National Park as one of the UNESCO World Heritage sites is the key attraction for many tourists to visit Lithuania. The development bicycling facilities is considered an essential contribution to a sustainable development of an area of outstanding natural beauty, since it will attract tourists and local inhabitants to use bicycles as an environment friendly means of transport.

### **Link to other tourism projects**

Within the framework of the Phare Project Preparation Facility (PPF) there has been a feasibility study of bicycle tourism development in Lithuania. This work has identified the priority bicycling routes and has also prepared comprehensive background information on the specific routes to be followed, the current general conditions with regard to the bicycle paths (whether current surfaces are suitable, or whether there is a need for upgrading or new build), proposals for the approach to signposting, and outline recommendations for the development of national marketing/management of bicycle tourism in Lithuania. The project was completed in July 2002 and the outputs of this project are available to the contractor.

2002 Phare ESC project "Support to business development": A grant scheme, within the context of strengthening economic and social cohesion and pre-accession to the EU Structural Funds, specifically includes a measure to target small-scale tourism infrastructure development projects. The scheme could help to municipalities along each of the proposed priority routes create bicycle paths with relevant infrastructure, provide marketing assistance, and help individuals create tourism infrastructure along the routes.

2001 Phare ESC project "National Tourism Information and Pilot Tourism Infrastructure in Utena Region": The 2001 project focuses on the development of an integrated computer and

internet based tourism information system. It will also provide funding for about 1,000 road signs (*Place of Interest, Rural Tourism, Tourist Information*), and 35 Information Boards. The Lithuanian State Department of Tourism has prepared a project proposal of Eurovelo bicycle route No. 11 through southern eastern Lithuania. The route is planned and displayed in maps, however there are no proper local bicycle routes prepared which could be integrated into Eurovelo bicycle route.

The Global Environmental Facility Small Grants Project under the United Nations Development Programme is financing the Nemunas Cycling Route project, which is implemented by the Green Movement, relevant municipalities and the Cyclists' Community. It is foreseen that by the 1<sup>st</sup> quarter of 2003 the project will produce the technical designs of Nemunas Cycling Route, a description and a map of the route.

## **2. Description of the Assignment**

### **2.1 Beneficiaries**

The main beneficiary of the project is the State department of Tourism of Lithuania. The main counterparts will be the Lithuanian cyclists' Community, the municipalities where bicycle routes will be developed and the unified bicycle tourism information signs system implemented.

The State Department of Tourism will ensure close co-operation between regional/municipal authorities covered by the project as with the other partners as appropriate. The main assumptions for the project are that those authorities serviced by the proposed bicycle route (municipalities, national/regional parks) and the National Roads Department will co-operate in the execution of the project. Consultation has taken place during the work of the Project Preparation feasibility study.

The risks associated with this project concern the level of support and the engagement of local interests and the development of small businesses to support and maintain the cycle routes. The risks can be minimised by ensuring in advance active consultation with the key stakeholders by the State Tourism Department.

In addition, commitment at government level and amongst non-governmental institutions to a national institutional framework organisation to promote and sustain bicycle tourism in Lithuania is assumed as an essential step to extending the benefits of this pilot project.

### **2.2 Global and Specific Objectives**

The overall objective of this contract is complete all the necessary preparation of tender dossiers and terms of reference for this project in advance of the signing of the Financing Memorandum at the end of 2002.

Specific objectives include:

- Preparation of Technical design (Development Plan and Technical Project Plan according to the Lithuanian Republic Law on Territorial Planning and Public Consultation Procedures) for pilot bicycle route constructions/upgrading.
- Preparation of Technical design of the sign-posting along the two bicycling circuits.
- Preparation of a full Tender Dossier for the works contract.
- Preparation of a full Tender Dossier for supply contract for signposting the proposed bicycle routes
- Preparation of a full Tender Dossier for supply contract for the technical equipment
- Preparation of a full Tender Dossier and Terms of Reference for TA service contracts focusing on the institutional framework, local training, marketing initiatives and material.

### 2.3 Requested Services

The Contractor will supply Technical Services to the beneficiaries to complete advance preparation of the Phare ESC 2002 project "Development of the Western Lithuanian Cycling Circuit" by the end of 2002. The main assistance is in the following:

#### 1. Preparation of Full Tender Dossier for Works contract

The infrastructure work will be required for the Development of the full Western Lithuanian Cycling Circuit (approximately 320 km). At the moment it is estimated that 10% of the route already exists as a bicycle path, 50% usage of existing secondary roads with low frequency motor-traffic is possible, and that 10% new construction of bicycle paths and 30% improvement of existing gravel roads with low frequency motor-traffic is needed. The documentation to be prepared will include all standard requirements for a Phare works contract tender dossier, including inter alia the following for all parts of the route where there is to be works activity:

- Development Plan in English and Lithuanian. It must comprise of topographical survey, description of land use, the plan must be agreed with the relevant local institutions and providing an analyses of the locality and constraints arising. The Development Plan is required to be in line with the Lithuanian Republic Law on Territorial Planning and public consultation procedures.

- Technical Project Plan in English and Lithuanian. It must comprise of basic data (description), project solution (explanatory letter, calculations, drawings, drafts), technical specifications (technical requirements), production, material, work amount, calculation of construction/upgrading price, technical economic data, solutions of construction/upgrading preparation and organisation (indications of the requirements for each section of the route i.e. whether it is new build or upgrading of existing route).

In addition, the contractor will provide the following for the works:

- Environmental Impact Assessments for the work on pilot western Lithuanian cycling route

#### 2. Preparation of Full Tender Dossier for Supply 1 contract

Design, production and installation of an integrated bicycling sign-posting on the Western Lithuanian Cycling Circuit and the South East Circuit (based on the recommendations of PPF feasibility study). Around 5,000 signs will be required, covering a full distance of approximately 790 km (320 km for Western Lithuania, 470km for South East Lithuania). The documentation to be prepared will include all standard requirements for a Phare supply contract tender dossier, including inter alia the following:

- Technical design of the display of the signs along the two cycling circuits. It must comprise of technical specification of the signs, the full design criteria to be applied for all signs, the materials, the sizes, the numbers for each type, detailed maps for the full length of the two routes to be signposted, identifying in detail the specific location of all signs and identifying which specific locations require signs to be fixed to existing "infrastructure" and which locations require both the sign and a means of securing the sign (pole, etc).

#### 3. Preparation of Full Tender Dossier for Supply 2 contract

According Phare 2002 project it is planned to establish separate Bicycle Tourism Unit to take the responsibility for the project maintenance after its end and bicycle tourism development in the future. This tender dossier is for the purchase of technical equipment (computers with appropriate software and a car) for the Bicycle Tourism Unit. The documentation to be prepared will include all standard requirements for a Phare supply contract tender dossier.

#### 4. Preparation of Full Terms of Reference and Full Tender Dossier for Technical Assistance contract

This will consist of two contracts:

The first TA contract concerns the institutional aspects of the project, including the following: Support to the State Tourism Department in the set-up and structure of the Bicycle Tourism Unit. This will include support in:

Design of job profiles and operational guidelines for the unit

Linkages to the State Tourism Department and other key stakeholders (National Roads Department, Protected Areas Service, Ministry of Economy, Municipalities, etc), and the development of consultation processes to ensure key stakeholders are actively involved in the development of bicycle tourism.

Preparation of a business plan, including the development of concrete plans for revenue-generation, training and initial mentoring of the 3 ft staff to be employed within the unit.

- Support to the Bicycle Tourism Unit and the State Tourism Department in the following:

Design and implementation of the marketing and awareness campaign and production of a general promotional brochure on Bicycle Tourism in Lithuania.

Website designed and set up, and the Unit staff trained on the updating/maintenance of the site.

Set up and operation of Familiarisation programmes in relation to the pilot bicycle route.

Design and implementation of training programme and materials for the development of the pilot bicycle route.

The second TA contract will cover the design, printing and publishing of an official guidebook for the bicycle tourism Western Lithuanian Cycling Circuit. This will be a full colour, robust, quality publication with detailed maps and accurate tourist information concerning accommodation, sites of interest, practical guidance, emergency services etc. The model for the guidebook are similar publications published in Switzerland, Austria and the Netherlands, which use cartographical quality maps, contain advertising, and run to approximately 300 pages. The Western Lithuanian guide will serve as a pilot for future projects for other cycle routes.

## **2.5. Expected Results**

Preparation of a Full Tender Dossier for four contracts to be tendered as part of the Phare ESC 2002 project. This will include:

- Full Tender Dossier Documentation for works contract for the construction and improvements of cycle paths in Western Lithuania.
- Full Tender Dossier Documentation for supply contract for signposting of two pilot bicycle routes (Supply 1).
- Full Tender Dossier Documentation for supply contract for a purchase of technical equipment (Supply 2).
- Full Terms of Reference and Full Tender Dossier Documentation for Technical Assistance contract.

### 3. Experts Profile

The Contractor will provide a team of 1 EU and 4 to 5 local expert(s) having relevant education, experience and qualifications for execution of the project activities. The working languages will be English and Lithuanian (all experts must be fluent in English as a full working language).

All experts shall have a relevant educational background, e.g. in tourism development, civil engineering, economics or local and regional development. In all cases, qualification shall include the equivalent of at least a high standard university degree. The team shall have substantial experience with tourism sector development projects and civil engineering with experience of the planning and construction of bicycle paths and signage.

At least three team members (the Team Leader, and two local civil engineers - leaders of the technical design team) shall be Category II Experts or higher; the remaining experts shall be min. Category III. All must possess solid experience in the field of tourism development. It is desirable that some experts possess previous experience of tourism information signs system implementation, and of bicycling routes development. The presence in the team of an expert with experience of developing bicycle routes in another country is encouraged.

To perform the key task of preparing terms of reference for the Service Contract for Technical Assistance, the contractor will provide a EU expert with in-depth knowledge and experience of all aspects of tourism infrastructure building on a national and local level, marketing and publicity, as well as training. To complete the tender dossiers, the contractor must supply experts capable of preparing technical design and technical specifications for the supply contract (sign posts etc) and the works contract (cycle paths) and with a good understanding of Phare contracting procedures and documents (for service, supply and works contract).

All financial aspects of this project, including the payment of invoices will be performed by the CFCU. The contractor will provide with all documents and justifications as required by the contracting rules set out in the Practical Guide to Phare, Ispa and Sapard Contracting Procedures.

### 4. Location and Duration

The project period is six calendar months between July and December 2002.

The main project location is Vilnius with travel to Klaipėda, Telšiai, Kaunas, Alytus regions.

The beneficiary will provide the contractor with the necessary assistance and facilities including office space for the effective performance of the contract.

The total budget for this contract is €160,000 financed by the Phare Project Preparation Facility (LT 01.15.01). The contractor shall foresee a budget for local travel amounting to 1000 euro, for the Development Plan and Technical Project Plan preparation (topographical survey, drawings, etc) for the bicycle paths construction/upgrading amounting of 45 000 euro, for the technical design of the display of the signs along the two cycling circuits amounting of 14 000 euro. Provision should be made in the budget for the preparation of tender dossiers.

It is expected that the contractor will provide 40 working days of EU expertise and 260 working days of local expertise.

The contractor will provide overall project management and will be responsible for contract performance, management of finances and expenditures, and preparation of the draft final and final reports.

A schedule and number of working days for the assignment per expert will be as follows:

Expert	Number of days	Dates	Comments
EU Expert (Team Leader) – min. Category II	40	22/07/02 – 31/12/02	Briefing will take place in Vilnius at the commencement of the project in July. The EU expert are committed to spend minimum of 80 per cent of time in Lithuania.
Local Experts (Technical design) - min. category II	140 days	22/07/02 - 31/12/02	
Other local Experts - min. Category III	120 days	22/07/02 - 31/12/02	

### 5. Reports

The contractor will prepare an inception report within three weeks of the start of the assignment setting out the priorities and a proposed project management plan, including a timetable. Once this has been agreed with the beneficiary short monthly reports should be prepared highlighting progress against the time schedule and highlighting any problems arising. Major problems should be reported to the beneficiary and the CFCU as soon as possible, but not later than one week of their occurrence. It is assumed that the existence of approved documents required as outputs will signal the completion of a task. As usual with Phare projects, a final report will be prepared within a month of the conclusion of the project. All reporting will be in English.

The project manager of the project is Rasa Liubinaitė, Chief officer of the Tourism services development division, Vilniaus Str 4/35, 2600 Vilnius. Tel: +370 5 312094. Fax: +370 2 312094. Email: [rliu@tourism.lt](mailto:rliu@tourism.lt) to whom all reports should be addressed. Copies should be sent to the EC Delegation to Lithuania.

The contact person is Alvis Lukoševičius, General Director, Republic of Lithuania State Department of Tourism, Vilniaus Str 4/35, 2600 Vilnius. Tel: +370 2312089. Fax: +370 5 2126819. Email: [vtd@tourism.lt](mailto:vtd@tourism.lt).

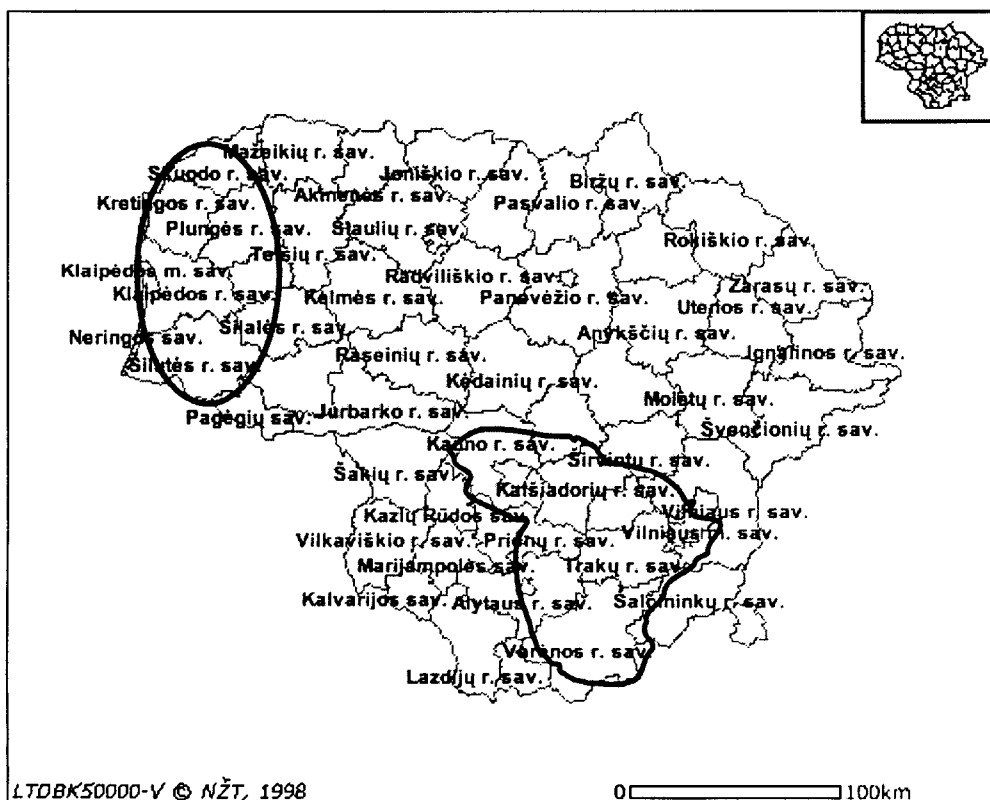
### 6. Monitoring and Evaluation

For the project, the following indicators of achievement have been defined:

- Quality of project planning and methodology for the achievement of the results within the project deadlines (including effectiveness of project management);
  - Quality of project outputs, (Tender Dossiers, ToR, and communication to stakeholders);
- Base-line indicators and performance measurement criteria will be agreed between the contractor and the beneficiary/CFCU at the beginning of the assignment. The indicators will be verified by the Contracting Authority (CFCU) on the basis of the reports and other documents submitted by the Contractor, also taking into account opinions from the European Commission and feed-back from beneficiaries.



## Annex 6. MAPS





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