



COVID-19 Online Discussion Session

22 April 2020, 13 h (Paris time)

How to raise an issue, ask a question or share a practice?

- **Participants' microphone and camera should be turned off**
- **Use the “Chat” feature of Zoom (bottom right of the main window)**
⇒ Send a message to “All participants” (this is one of the “chat” options)
- **Note: only questions that are specific to roads or road transport**
- That channel is monitored by Christos Xenophontos (Chair of PIARC TC 1.1)
- Christos will raise the questions to relevant panelists

This session is being recorded

- The resulting video will be shared on www.piarc.org

Disclaimer

Since time is of the essence, it is likely that knowledge and practice that is shared will not have been officially approved by each country's official authorities.

“The ideas and examples shared here are for illustration only. They do not necessarily represent official policy. Ideas presented will be subject to further evaluation and use in deriving recommendations on policy and practice in due course. While care has been taken in the preparation of this material, no responsibility is accepted for any damage that may be caused.”

Key Concept: Focus on the short-term.

The world is going through a crisis and every day counts.

- **Share knowledge and current practice between PIARC members urgently in order to support responses to the pandemic in near real-time.**
- Such knowledge and current practice are not yet confirmed as valid or effective, and what works in some parts of the world may not be relevant elsewhere.
- However, inspiration can be found anywhere, and a good idea now could save lives, improve business resilience and could minimize disruption of services.
- Note: In parallel, PIARC is planning medium- and long-term actions for when the pandemic is in a manageable state and substantially under control.

PIARC COVID-19 Response Team



Summary Terms of Reference

- To explore rapid sharing of knowledge and practice between PIARC members in respect of COVID-19 & associated socio-economic crisis
- To propose and implement short-term actions to support PIARC members and transport professionals in mitigation and response
- To track the course of COVID-19 over time and advise on further actions to be taken by PIARC and others during the crisis and into the recovery
- To advise on medium- and long-term implications of COVID-19 on the roads and transport sector and how these should be tackled and studied

Currently established to 1st December 2020, extendable as required

Current Membership

- Patrick Mallejacq, Secretary General, PIARC (Chair) (FR)
- Christos Xenophontos, Rhode Island DOT, TC 1.1 Chair (USA)
- José Manuel Blanco Segarra, Ministerio de Transportes, Movilidad Y Agenda Urbana, TC 1.1 Spanish Secretary (ES)
- Jonathan Spear, Atkins Acuity, TC 1.1 WG 2 Leader (UAE/UK)
- Valentina Galasso, Deloitte Consulting, TC 2.4 Chair (IT)
- Yukio Adachi, Hanshin Expressway Engineering Co, TC 1.5 Chair (JP)
- Saverio Palchetti, ANAS S.p.A., TF 3.1 Chair (IT)
- Caroline Evans, Arcadis Australia Pacific, TC 1.4 Chair (AU)
- Martin Ruesch, Rapp Trans Ltd., TC 2.3 Chair (CH)
- Andrea Peris, Paraguay National Committee (PY)

For more information, contact info@piarc.org

Agenda and Structure

- **Brief introduction to PIARC**
- **Issues faced by Road Operators and Administrations**

- **Presentations on the Current Situation:**
 - Impact on Freight - Analysis of a French motorway company
 - Road Network Operations Measures in Portugal
 - Response of the Road Authority in Uganda
 - Financing and procurement procedures in emergency and non-emergency cases

- **Q&A**
- **Conclusion and Next Steps**

Our Speakers today

- Patrick Malléjacq, Secretary General, PIARC
- Olivier Quoy, Atlandes, France, Member of PIARC TC 2.3 on Freight
- Ricardo Tiago, Institute for Mobility and Transport, Portugal, Member of PIARC TC 2.4 on Road Network Operations / ITS
- Mark Rubarenzya, National Roads Authority, Uganda, Member of PIARC TC 1.4 on Climate change and resilience of road networks
- Francesco Longo, ANAS, Italy, Member of PIARC TC 1.3 on Finance and procurement

Introduction

What is PIARC?



What is PIARC?

- **PIARC** is the new name of the **World Road Association**
- We were founded in 1909 as a **non-profit, non-political** Association
- Our goal is to organise exchange of knowledge on all matters related to roads and road transport

PIARC's Four key missions

- Be a **leading international forum for analysis and discussion** of the full spectrum of transport issues related to roads and related transport;
- Identify, develop, and disseminate **best practice** and **give better access to international information**;
- Consider within its activities the needs of **developing countries and countries in transition** fully; and
- Design, produce, and promote **efficient tools for decision making** on matters related to roads and related transport.
- The Association mobilizes the expertise of its members
- Through operations guided by a **4-year Strategic Plan**

COVID-19

Issues faced by Road Operators and Administrations



PIARC has tentatively structured the situation around Six Key Issues

- Issue 1: Ensuring employees' health and safety In general
 - Issue 2: Maintaining activity and business continuity
 - Issue 3: Impact on transportation
 - Issue 4: Business Relations
 - Issue 5: Customer and stakeholder relations and joint working
 - Issue 6: Security
-
- They were presented in more detail during our previous webinars.



COVID-19 impact on freight

Analysis of a French motorway company

Olivier Quoy

Olivier Quoy



- ORGANIZATION: ATLANDES
A63 Motorway concessionaire (Salles – St Geours de Maremne, France)
- Function: CEO (since 2015, formerly French Transport Administration)
TC 2.3 member (Freight)
WG 1 leader (overloading)
- Family: Married, three children / working at home



Long running focus on Freight

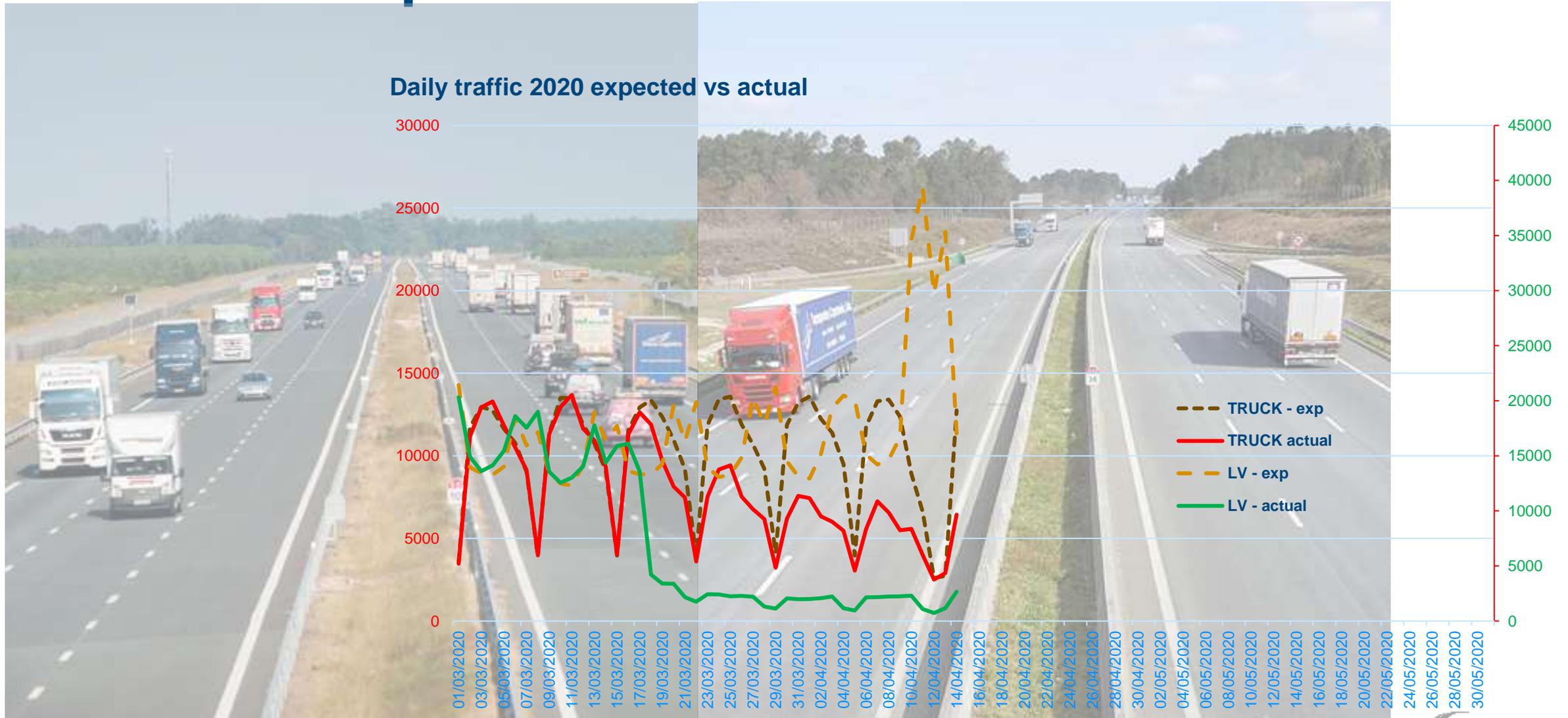
- A63 is a strategic link for Europe



- He Works | Care events (2018,2019)



COVID-19 impact



COVID-19 impact

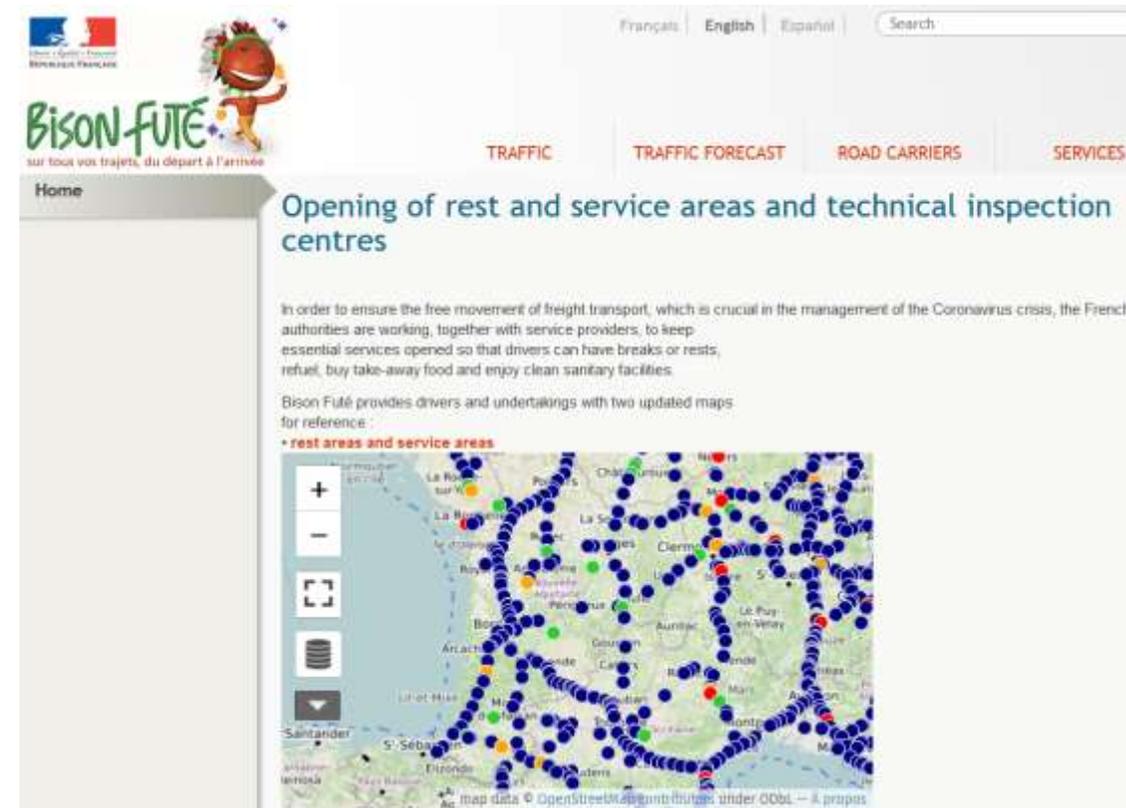
- For truck companies
 - Situation depending on kind of transport
 - Food / medical vs non essentials
 - Difficult to find freight for comeback trips
 - More empty trips
 - Price raise
 - On April 10th publication of a “guide of good practices against COVID-19 for road freight transport” (<http://www.a63-atlandes.fr/fr/2020/04/17/parution-du-guide-des-bonnes-pratiques-pour-lutter-contre-le-covid-19-dans-le-trm/>)

Freight & Logistics

- Nationwide actions:
 - no more driving restriction on sundays
 - but some services banned (moving)
 - fuel service stations open
 - but closing all restaurants (not shops)
 - Information on service availability =>



- Locally Information through Truck Parking Europe (drivers comments, messages...)



Freight & Logistics

- On site: main concerns are
 - Drivers health and food
 - Employees health and safety (*O&M is Egis Exploitation Aquitaine, 100 people*)
 - Maintain area clean and secure
 - Service provider economic sustainability (limited turnover) – 4 service stations (*total approx. 100 employees*)



Food and restaurants

- Restaurants closed
- Balancing need for food and service provider sustainability
 - Foodtruck initiatives
 - Service stations special offers
 - Cleaning kits
 - Free coffee / drinks
 - ...
 - Clothes cleaning



Showers and facilities

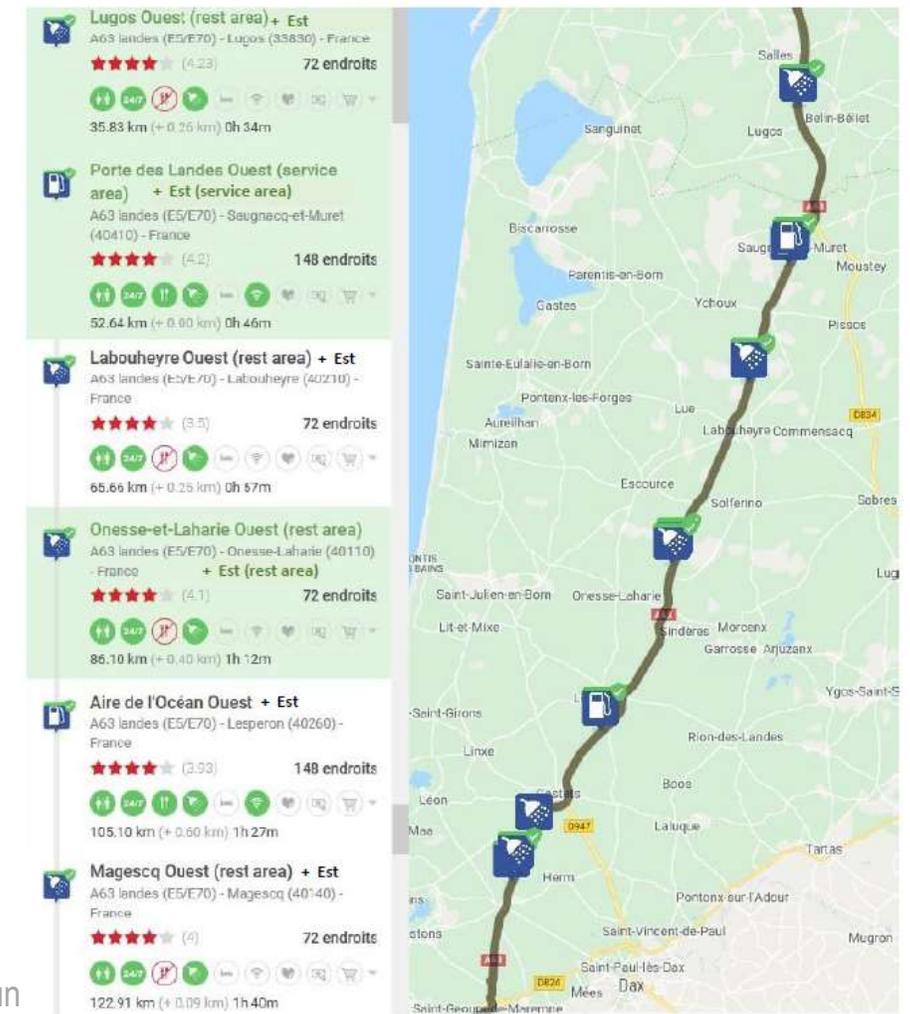
- Recent design on A63 for rest and service areas
 - Zoning: trucks separated from LV
 - Dedicated facilities for truck drivers
 - 5 showers (hot water) / area
 - *COVID19 enhancement to come ? Hard fixed soap/hydroalcoholic solution dispensers*
- Frequent patrols on rest and service areas
 - More than before
 - Sanitizing and cleaning
 - Last cleaning time display

COVID-19 / essential services on A63 motorway

During the Coronavirus health crisis, on A63 between Salles (exit 21) and Saint Geours de Maremne (exit 9), showers and toilets remain open and available, especially on **REST AREAS**. 4 to 5 showers are available on each rest areas. Some showers on **SERVICE AREAS** had to be closed due to damage. The map below locates all sanitary facilities.

Please **TAKE CARE** of the sanitary facilities and **RESPECT** staff who is keeping them clean

#HE WORKS > #I CARE !



Tolling



- A63 with “open” system
 - 2 toll gates on main thoroughfare
 - Recent design (2013)
 - Quasi free-flow (30km/h for vehicles with tags)
- High rate of Electronic Tolling
 - 96% (before)
 - => very little cash and no real COVID19 concern



Thank you for your attention!



Olivier QUOY

ATLANDES, CEO

Olivier.quoy@a63-atlandes.fr



COVID-19 Crisis

Road Network Operation Measures in Portugal

Ricardo Tiago (IMT) – T.C. 2.4



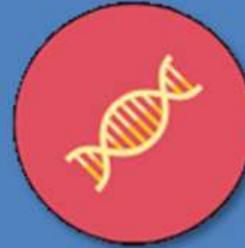
Who am I

- **Civil Engineer**, profile transport and road safety, @ **ISEL - Instituto Superior de Engenharia de Lisboa**;
- Started my professional life in **2004**, @ **EP - Estradas de Portugal**: in the field of **road safety**;
- **From 2008 to 2012**, @ **InIR – Institute of Road Infrastructures - Road Safety and Quality Department**;
- **Since 2012**, with the merge of the three former public institutes InIR / IMTT / IPTM:
 - @ **IMT – Institute for Mobility and Transport – Dep. of Management Contracts and Concessions**:
 - road safety, management of concession contracts, monitoring performance of the road infrastructure managers;
- **Since 2016**, high focus on the **international area**: Mobility, ITS, C-ITS, CCAM
 - **Responsible for the C-ROADS PORTUGAL**, highlighting the setup of the **National Access Point**;
 - **National representative in several European fora and institutions**:
 - **European Platform C-ROADS (C-ITS Deployments)**
 - **European ITS Committee**
 - **CEDR - Working Group on Connected and Automated Driving**
 - **High Level Meetings on Connected and Automated Driving**
 - **Datex II Steering Group (2016 to 2017)**
 - **PIARC - T.C. 3.3 - Road Tunnels Operations (2016-2019)**
 - **PIARC - T.C. 2.4 - RNO & ITS (2020-2023)**

Ricardo Tiago (IMT)



About IMT



We are:

Public institute

Indirect state administration

Autonomous from a financial and administrative point of view



We depend:

MINISTRY INFRASTRUCTURE and HOUSING

Ministry Internal Affairs

Ministry Environment

Ministry Sea



We do:

Define objectives

Define guidelines

Implementation
of ITS
(national level)



We do:

Technical regulation

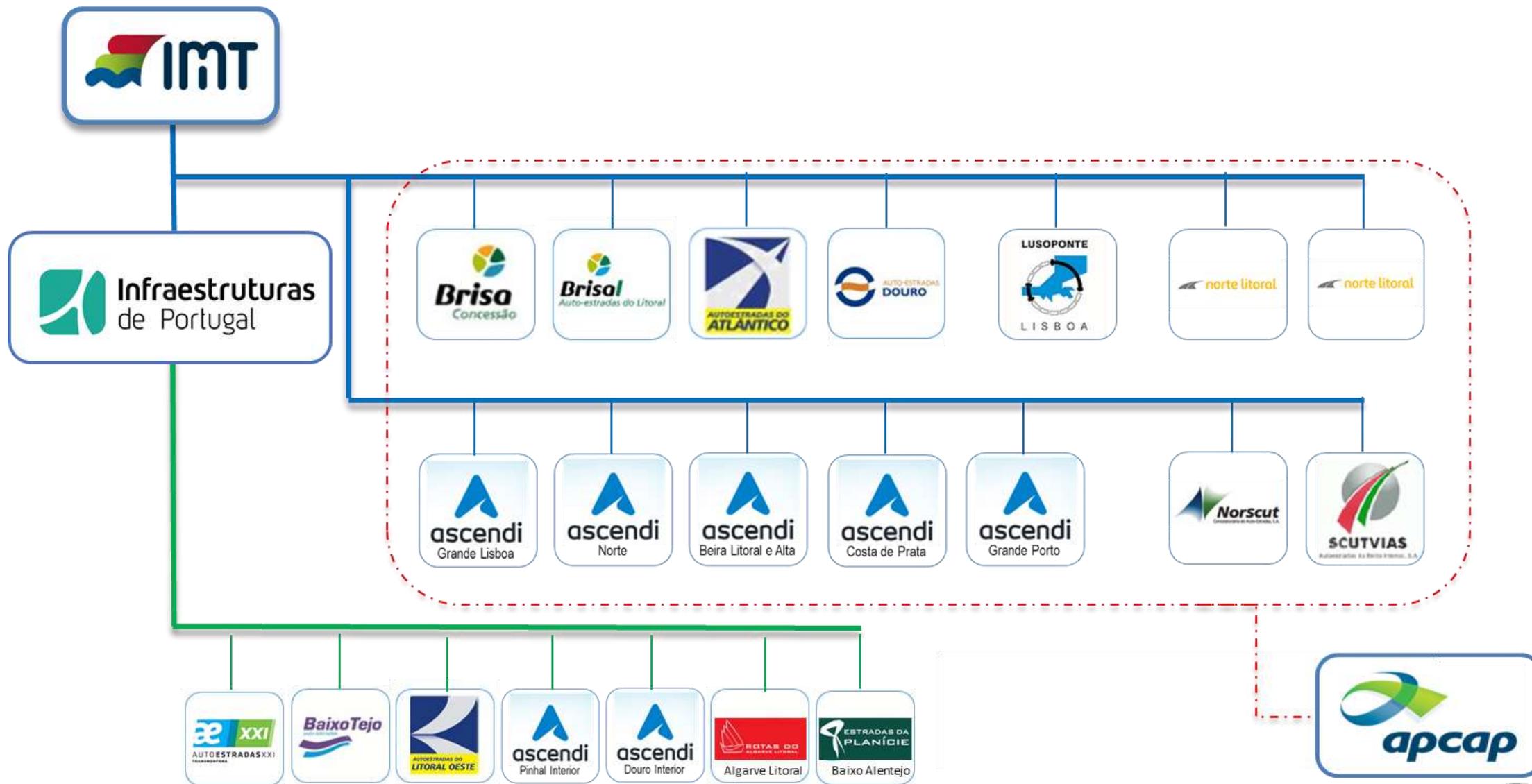
Licensing

Coordination

Supervision and planning

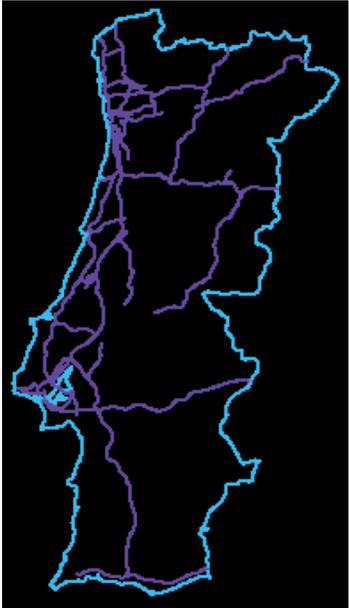
Transport and
related
infrastructures

Portugal's Road Operators Stakeholders Map





- **THE PUBLIC ROAD SECTOR**
- **IMT - Institute for Mobility and Transport**, acts on matters related to the Ministries of Internal Affairs, Infrastructures and Housing, Environment, and Sea, under the supervision and authority of the **Minister of Infrastructures and Housing**;
- Perform functions of **technical regulator, licensing, coordination, supervision and planning** in the area of inland and inland waterway transport and related infrastructures, as well as in the economic sector of commercial ports and maritime transport.
- **Management of concessions contracts granted by the State** in those sectors, namely **Road Concessions**.
- IMT ensures efficiency, equity, quality, safety and user's rights:
 - **Manages concession contracts by monitoring and assessing Management and Operation (traffic related issues) and Road Infrastructure's Quality**;
 - **Assessing contractual impacts and monitoring compliance with their obligations, preventing financial claims and safeguarding state's best interest.**
- **It Assesses Performance**



■ THE PRIVATE ROAD SECTOR

■ APCAP - Several private Roads Operators (\cong 3600 km)

- To defend and promote the general interests of the members in National and International scope;
- To support the concessionaires of motorways or bridges with tolls, in several domains such as: Road Safety, Network Operations, ITS, Telematics, Legal, Financial....
- To promote research and development activities within the scope of its members' business;
- Within their 3 Permanent Committees:
 - CP1 – Tolls
 - CP2 – Environment and Safety
 - CP3 - ITS.

● **They also Perform – the business is their Core activity**

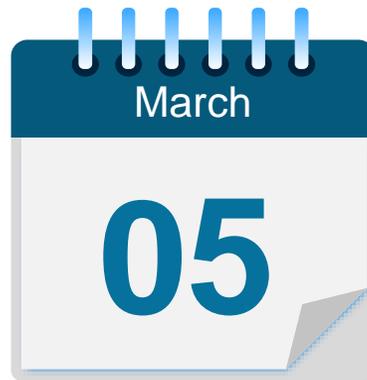
COVID-19 Crisis – Setting the Scene



Naming the coronavirus disease (**COVID-19**) and the virus that causes it **SARS-CoV-2**



Announces **COVID-19** outbreak a **Pandemic**



IMT's Directive Council implemented its contingency plan.
In 20-03-2020, a second version was implemented.



Decree Law with a **exceptional and temporary measures:**

- public procurement;
- administrative authorizations;
- strengthening of public services;
- social distance;
- prophylactic isolation.



Board takes on the commitment to implement in the IP Group companies all the measures that prove to be appropriate for each phase of the pandemic (apart from those which already have started on **february 27**)

COVID-19 Crisis – Timeline



Resolution of the
Council of Ministers n.º
10-B/2020



2020
16 march

Temporary reintroduction of border control at land border

9 authorized crossing points at the land border. Until 15 April only the transport of goods will be allowed, cross-border workers and members of the diplomatic body and health in land border between Portugal and Spain

Official Journal
of the European Union



English edition Information and Notices

C 96 I

Volume 63
24 March 2020

European Commission

Communication from the Commission on the implementation of the Green Lanes under the Guidelines for border management measures to protect health and ensure the availability of goods and essential services

**7 Green Lane
Border Crossings**



source: <https://covid-19-imt-ip.hub.arcgis.com/>

COVID-19 Crisis – Timeline



2020
18 march



State of Emergency* in Portugal:

Portugal is in a State of Emergency throughout the country because of the COVID-19 pandemic.

Decree of the Portuguese President
Declares the State of Emergency,
based on the verification of a
situation of public calamity

- mandatory stay at home order
 - duty of confinement
- special duty of protection
 - who should avoid going out
- rules for all citizens
 - what citizens in general can do

* Historical Note:

The only time the country lived in a State of Emergency was on November 25, 1975, during the revolution.



Presidency
of the
Portuguese Republic

2020
18 march

Decree of the Portuguese President
Declares the State of Emergency,
based on the verification of a
situation of public calamity

State of Emergency in Portugal:

- **Mandatory stay at home order**

- duty of confinement
 - Patients with COVID-19 and infected with SARS-Cov2;
 - Citizens who the health authority or other health professionals have under surveillance;
 - All patients with COVID-19 should remain in isolation at home or be admitted to a hospital. Isolation also covers all citizens who are under active surveillance, determined by the health authorities.
 - Failure to comply with mandatory confinement is a crime of civil disobedience

- **Special duty of protection**

- who should avoid going out (Anyone aged 70 or older and People with a weakened immune system and patients with chronic diseases):
 - Citizens covered by the special duty of protection can only use public spaces and roads to:
 - Acquire goods and services;
 - Seek medical treatment for health reasons;
 - Travel to post offices/post boxes, banks and insurance brokers or insurance agencies;
 - Make short trips for physical activity (collective physical activity is forbidden) or walking pets;
 - Other activities of a similar nature, other reasons of force majeure or imperative need, as long as it is properly justified;
 - Except when signed off by a doctor, these citizens can also leave home for their professional activity.

- ...



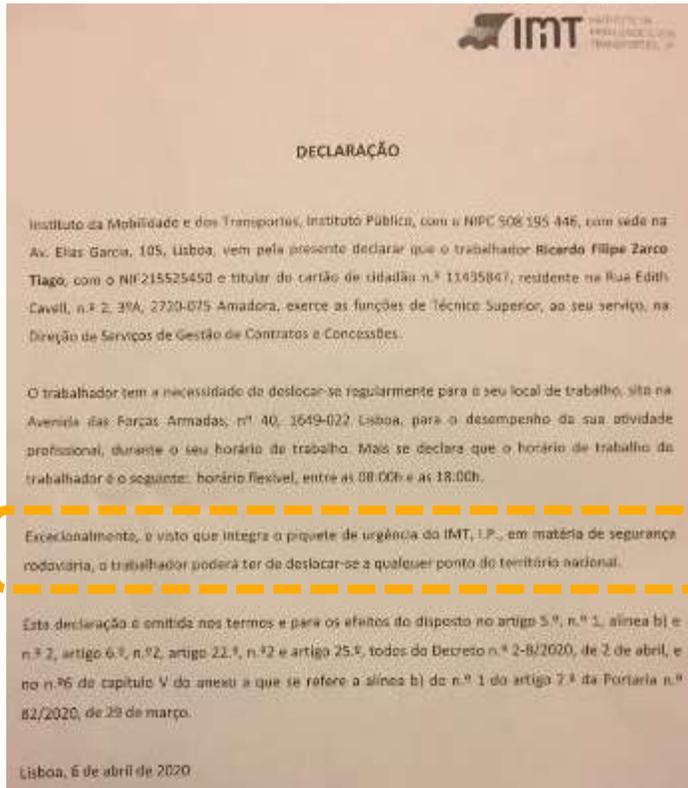
2020
18 march

State of Emergency in Portugal:

- Rules for all citizens

- what citizens in general can do
 - Acquire goods and services;
 - **Travel to professional or similar activities** (professional declaration)
 - Seek medical treatment for health reasons and transport those who need medical assistance or to give blood
 - Leave home to assist victims of domestic violence or human trafficking, children and young people at risk, by applying a measure decreed by a judicial authority or Commission for the Protection of Children and Young People, in a residential or family foster home;
 - Leave home to assist vulnerable or disabled people, children, elderly or dependents;
 - Leave home to accompany minors and for other imperative family reasons, namely sharing parental responsibilities as determined by agreement between holders or by the competent court;
 - Leave home for visits, when authorized, or delivery of essential goods to people who are disabled or deprived of their freedom of movement;
 - Participation in procedural acts with judicial entities;
 - Travel to post offices and post boxes, banks and insurance brokers or insurance agencies;
 - Short trips for physical activity (collective physical activity is forbidden) or for walking Pets and feeding animals;
 - Leave home to participate in social volunteering activities
 - Travel with the legal right to free movement in accordance with the exercise of their respective functions and personnel of diplomatic, consular missions and international organizations located in Portugal, provided that they are related to the performance of official functions

Decree of the Portuguese President
Declares the State of Emergency,
based on the verification of a
situation of public calamity



State of Emergency in Portugal



Presidential Decree n.º 14-A/2020 - State of Emergency (I)

- from 19.03 until 02.04
- Severe impacts on mobility, traffic, economy, way of life,.....;
- High compliance of the measures.



Presidential Decree n.º 17-A/2020 - State of Emergency (II)

- from 03.04 until 17.04
- **Increase of circulation restrictions on Easter Break period - no travel outside the municipality of residence.**



Presidential Decree n.º 20-A/2020 - State of Emergency (III)

- from 18.04 until 02.05
- Still 2 more weeks in April, to grasp benefits of the lockdown;
- **Start thinking towards the restart phase.**

COVID-19 Crisis – National Road Administration ON

When outside, the recommendations and orders determined by the **health authorities, the security forces and services must be respected**, namely those regarding the distances to be observed between people.



? How to implement the rules and Supervise them

During the state of emergency, **citizens and other entities have a duty to collaborate**, namely in the **fulfillment of orders or instructions of the bodies and agents** responsible for **security, civil and public health** protection in the prompt satisfaction of requests, which are justifiably made to them by the competent entities to carry out these measures

COVID-19 Crisis – National Road Administration ON

The Government wanted to pass information on the importance of limiting travel during this period.

NATIONAL CAMPAIGN on VMS and SMS - “Stay at Home”



Infraestruturas de Portugal continues to work for the mobility, in safety of all those who need it

COVID-19 Crisis – National Road Administration ON

The Government wanted to pass information on the importance of limiting travel during this period.

NATIONAL CAMPAIGN on VMS and SMS - “Stay at Home”
(good and efficient ITS Low Cost solution)



Message well understood !!!
Traffic decreased all across the network

COVID-19 Crisis – National Road Administration ON

Google report about Lisbon , Portugal (18 district's + Madeira/Azores)

Retail & recreation

-80% compared to baseline

-78%



Grocery & pharmacy

-41% compared to baseline

-40%



Parks

-73% compared to baseline

-73%



Transit stations

-79% compared to baseline

-77%



Workplace

-62% compared to baseline

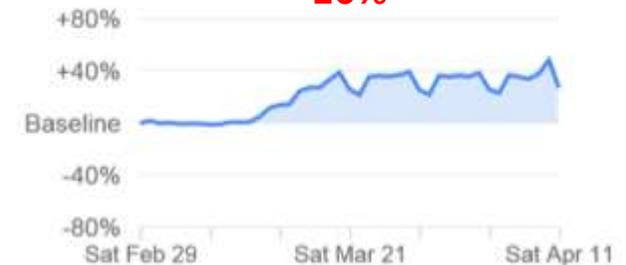
-58%



Residential

+27% compared to baseline

-26%



<https://www.google.com/covid19/mobility/>

Date: 11-04-2020

COVID-19 Crisis – National Road Administration ON

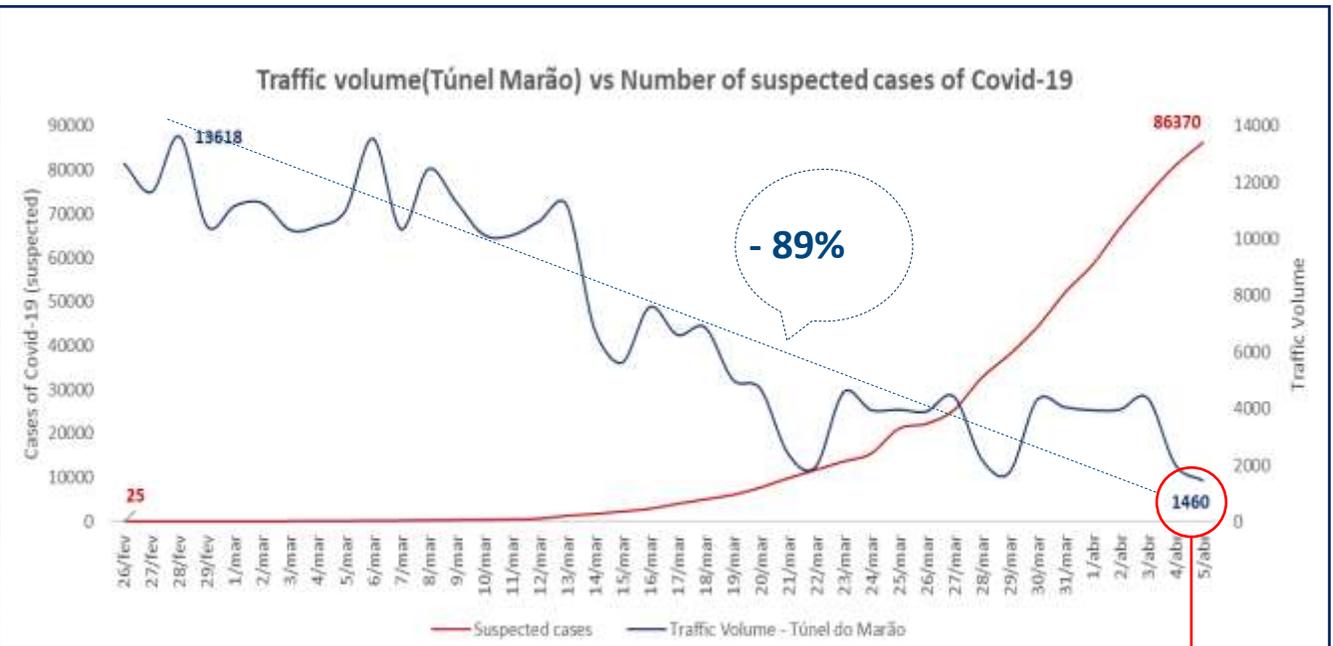


Effects of these measures

Measures to be taken in operation and maintenance

Actions to take

A4 – Marão Tunnel



this number led to the strengthening of road control by the National Guard to enforce lockdown (next photos)

COVID-19 Crisis – National Road Administration ON

Several traffic and enforcement activities were carried out by the police, in close collaboration with road operators, who establish safe conditions



Infraestructuras de Portugal contributed with different operational teams and placement of messages on the VMS (ITS)

COVID-19 Crisis – National Road Administration ON

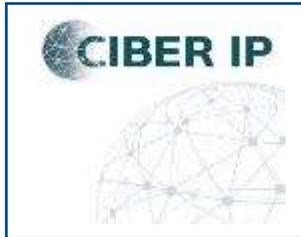


Effects of these measures

Measures to be taken in operation and maintenance

Actions to take

Priority tasks



- **Employees** in risk condition - **Telework**
- Road employees in the field only for operations and maintenance works
- **Contingency plan: TMC and Network supervision** adopted **backup mechanisms**, with **rotation/prevention of their teams**
- **Operation adjusted** according to the **expected traffic decrease**
- **Ensure** necessary antiseptics and PPE - **mask, gloves, face shield and hydro-gel**
- **Upgrade and intensify the hygiene and cleaning services**
- **Minimise the interaction** in the workplaces
- **Telework - focus on cybersecurity**
- **Special and periodic sterilisation of critical equipment / spaces by nebulization**



COVID-19 Crisis – National Road Administration ON



Effects of these measures

Measures to be taken in operation and maintenance

Actions to take



employment situation 14/04/2020	%	Business Area	Corporate Area	employment situation 17/04/2020	%
Employees at work in the service	39,6	38,0	1,6	Employees at work in the service	19,3
Employees at work in telework	47,9	35,2	12,8	Employees at work in telework	71,5
Employees at work in back-up	7,4	7,3	0,1	Employees at home (schools off)	4,5
Unavailable employees	5,1	4,4	0,7	Unavailable employees (other reasons)	4,7
TOTAL	100,0	84,9	15,1	TOTAL	100

COVID-19 Crisis – National Road Administration ON



Effects of these measures

Measures to be taken in operation and maintenance

■ Actions to take

- Alongside health professionals, security, rescue and armed forces, **IP professionals are also considered essential service workers;**
- **IP provides** an essential **public service to the population** and that the citizen counts on;
- **IP proceeds to the decentralization of critical operational activities**, minimizing risk of contagion in the command, control and monitoring centers of the IP group activities;
- **IP guarantees** the continuity of a set of maintenance work on the network in order to guarantee the **circulation, safety and operability of the infrastructure** and, also, to **avoid the collapse of labor structures**, essential elements for the recovery of the economy;
- For ongoing works, **contingency plans will be verified / updated to ensure the maintenance of contractual obligations.**

COVID-19 Crisis – National Road Administration ON

operational activities and maintenance works



COVID-19 Crisis – National Road Administration ON

operational activities and maintenance works



PIARC's Covid19 – 6 Key Issues

Portuguese Road Sector Ecosystem



Portuguese Road Sector Ecosystem



não paramos
ESTAMOS ON
RESPOSTA DE PORTUGAL AO COVID-19



PT Team

TC 2.4 RNO & ITS



Ricardo Tiago
rtiago@imt-ip.pt



Vasco Gonçalves
vasco.goncalves@infraestruturasdeportugal.pt

Thank You



Stay Safe / Stay @ Home



COVID-19: Impact and response in Uganda

Dr. Mark Henry Rubarenzya

Head - Research and Development



Uganda National Roads Authority

22 April 2020

Dr. Mark Henry Rubarenzya

- Head - Research and Development, Uganda National Roads Authority
- PIARC's First Delegate of Uganda
- PIARC Committee Member, Climate Change and Resilience of Road Networks
- Board Member, International Road Federation (IRF) Africa
- Vice President, Uganda Institution of Professional Engineers



Key discussion Points

- Introduce UNRA
- COVID-19: Uganda Government response
- Economic Impact of COVID-19 on Uganda
- Impact on the UNRA Operations
- UNRA response
- Questions going forward

Disclaimer: The views expressed herein do not necessarily represent those of UNRA



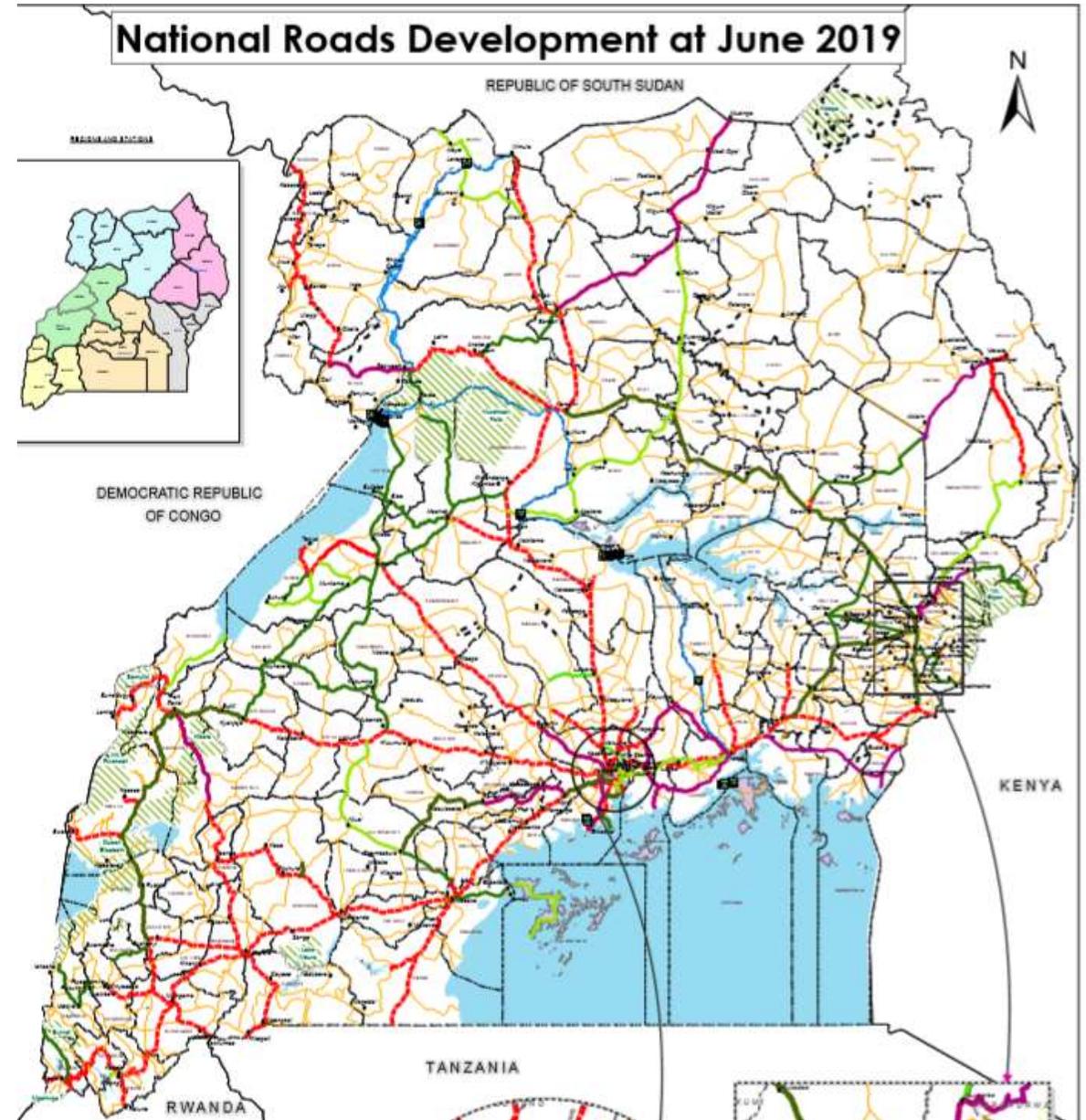
UNRA

- A Semi-autonomous Agency
- Responsible for the management, maintenance and development of the national road network
- Offers advisory services to Government on matters concerning roads
- Under the General Supervision of the Minister of Works and Transport
- Operates through 1 Head office, 23 stations
- Underwent a transformation process in 2015



Our Scope

- 20,856Km of National Roads
 - 24% paved
 - 76% unpaved
- 10 ferry crossings
- 661 major structures (bridges & box culverts)
- 14 Weigh Stations (fixed & mobile)



Key Initiatives post 2015

- Governance & Stakeholder Relations
- Processes & Systems Improvements
- Improvement of Staff Capacity & Equipment
- Evolving towards Paperless Environment
- Research and Development

COVID-19: Uganda Government response

- March 7: MOH guidelines to prevent importation of COVID-19
- March 11: MOH guidelines against mass gatherings
- March 21: 1st infection confirmed
- March 22: International borders closed
- March 25: Public Transport suspended for an initial 14 days
- March 31: National lockdown
- April 14: Lockdown extended for 21 days until May 5
- April 19: COVID-19 curve is flat and at times it is tending to zero
- April 21: To-date 56 cases; 38 recovered; 0 fatalities



Economic Impact of COVID-19 on Uganda

- Projection for economic growth revised from 6.0% to between 5.2 - 5.7 %
- Banking system: Construction is among the sectors likely to be most affected by NPLs
- Loan Disbursements are projected to decline by 50% to June 2020 due to likely delays in projects execution and a disruption in the supply of project inputs
- Likely slowdown in the rate of execution of Development Projects, especially in the transport and the energy sectors due to the impact on project financing as well as the likely impact on required inputs that are imported
- There is a risk to private sector financing for PPP projects, which could delay completion of planned projects

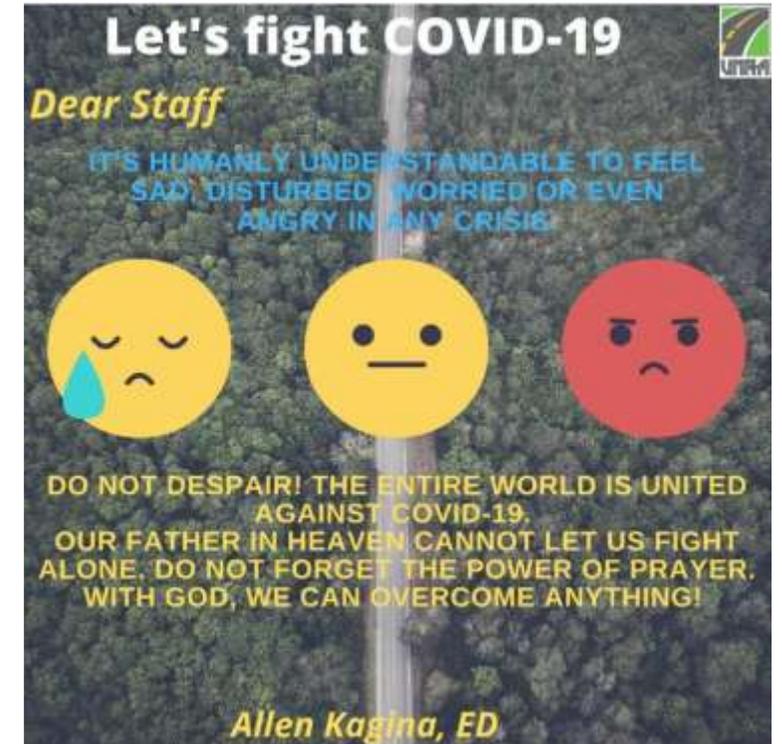
Impact on UNRA operations

- Staff matters
 - Ensuring employee health and safety
- Stakeholder relations
 - Diversified communication
- Access of network
 - Roads in use for transit (internal and regional)
 - Most ferries operational



Impact on UNRA operations

- Project activities
- PPDA procurement guidance (March 24)
 - Bids submitted in soft copy
 - Provision made for bid extension
 - Pre-bid meetings suspended;
 - Limited attendees at procurement related meetings
- Financing



UNRA response

- March 3: Business Continuity Management Team established
 - Ensure good health for staff
 - Continuity of our business
 - Balance operations with government directives
 - Contributed to national response
- Staff matters
 - Early and frequent updates to staff
 - March 25: remote working advised
 - Provision of sanitisers, thermometers, masks, etc
 - Staff working with customers
 - Staff working in the field



UNRA response

- Project activities
 - Essential maintenance activities ongoing
 - Network planning field studies
 - Expatriates not able to enter country
 - Contractors tasked to adhere to governments COVID-19 measures
- Opportunity to enhance use of existing technology
 - Remote work with existing ICT tools
- Financing
 - No toll roads on network



Questions going forward

- Future financing priorities
 - Government
 - Development Partners
- Altered productivity
 - Asset value
 - Economic considerations
- Cyber Security
- How long will lockdown last
 - Strategy and Execution



Thank you for your attention!



Dr. Mark Henry Rubarenzya

mark.rubarenzya@unra.go.ug

Uganda National Roads Authority
3-5 New Portbell Road, UAP Business Park
Nakawa, Kampala, **UGANDA**



[rubarenzya](#)



[@MHRubarenzya](#)



Uganda National Roads Authority

www.unra.go.ug





Financing and procurement procedures in emergency and non-emergency cases

Francesco Longo

Technical Committee 1.3 Finance and Procurement

Paris

22 April 2020



Francesco Longo

- **Anas S.p.A. – International Finance manager**

Structuring leader for PPP investments in road infrastructure projects

Geographical areas: Europe, Asia, Latin America, Africa

Job applied skills: PPP models, Project Financing, M&A, Cost-Benefit Analysis, Financial Modelling, Risk Management and credit risk optimization, Value for Money

- Project Manager certified
- Auditor certified
- PIARC - Italian TC 1.3 – Deputy Chair
- PIARC – International TC 1.3 – Member – Co-leader WG1.3.1

Summary

- 1. Procurement procedures**
- 2. Emergency procedures in Italy**
- 3. Limits of emergency procedures**
- 4. Proposed solutions**

1 Procurement procedures

Overview

Contracts are normally awarded by tender, which involves different types of procedures.

- **Open procedure** - In an open procedure anyone can submit a complete offer. This is the most frequently used procedure.
- **Restricted procedure** - In a restricted procedure anyone can apply to participate, but only who has been pre-selected will be able to submit an offer.
- **Competitive negotiated procedure** - In a competitive negotiated procedure anyone can apply to participate, but only who has been pre-selected will be invited to submit an initial offer and to negotiate. Contracting entities can only use this procedure when the specific or complex nature of the purchase requires negotiation, while in the defense and security, water, energy, transport and postal services sectors they can use it as a standard procedure.
- **Competitive dialogue** - This procedure can be used with the aim of proposing a method to meet a need defined by the contracting authority.
- **Innovation partnership** - This procedure can be used if there is a need to purchase a good or service not available yet on the market.
- **Design competition** - This procedure is used to collect ideas for a project.

2 Emergency procedures in Italy

Overview

In emergency situations, the law provides for a particular power on the part of the Government to declare a state of emergency. The condition to exercise the power of ordinance is the existence of an emergency situation, characterized by three elements: unpredictability, temporariness, the impossibility of proceeding with ordinary tools.

Once the state of emergency has been declared (by Decree of the President of the Council of Ministers), the interventions are carried out through ordinances in compliance with the general principles of the legal system to achieve the following goals:

- To implement the interventions following the declaration of the state of emergency;
- To avoid dangerous situations or greater damage to people or things.

As recognized by the administrative jurisprudence, the exercise of powers derogating from the primary legislation is allowed only on condition that these are temporally limited derogations and provided that these powers are well defined in the content, in the times, in the operating procedures.

This constitution justifies, at the constitutional level, the result of an overall balance of interests and values, due to the need to ensure the concrete and immediate care of certain interests deemed prevalent which require immediate and urgent intervention which, as such, would not be compatible with a strict legal predetermination of the content of the act to be adopted.

2 Emergency procedures in Italy

Case: COVID-19 Emergency

In the D.L. March 17, 2020, n. 18 so-called “Cura Italia Decree“, in order to deal with the epidemiological emergency from COVID-19, some exceptions to Legislative Decree 50/2016 ("Procurement Code") have been included.

With the aforementioned decree, for example, it was envisaged that, until the emergency situation continues, the acquisition of "supplies and services by companies, agencies and entities of the National Health Service used in emergency response activities COVID-19, if it is financed exclusively through donations, takes place by direct assignment, without prior consultation of two or more economic operators, for amounts not exceeding the thresholds referred to Directive 2014/24/EU.

In order to deal with emergency situations, therefore, it is possible to provide for exceptions to the Procurement Code, in compliance with the general principles of the legal system and European Directives, of various types, for example:

- Possibility to set deadlines for the receipt of requests to participate and reduced offers compared to ordinary ones;
- Possibility of simplified publication of tenders;
- Possibility for the successful tenderers to declare with self-certification the possession of the participation requirements and subsequent control by the administration which subsequently verifies the existence of the declared requirements.

2 Emergency procedures in Italy

Case: Ponte Morandi Emergency

As a result of the collapse of a stretch of the Polcevera viaduct of the A10 motorway, in the Municipality of Genoa, known as the Morandi bridge, which took place on August 14, 2018, the activities for the demolition, removal, design, assignment and reconstruction of the infrastructure and the restoration of the connected road system, an **Extraordinary Commissioner for reconstruction** has been appointed. The engagement of the extraordinary Commissioner is for twelve months and can be extended or renewed for no more than three years from the first appointment.

In accordance with Article 32 of Directive 2014/24 / EU of the European Parliament and of the Council of 26 February 2014, the Extraordinary Commissioner entrusts the implementation of the activities relating to the restoration of the road system, as well as the preparatory and related activities, to one or more economic operators who have no direct or indirect participation in toll road concession companies, or they are not controlled by the latter or, in any case, they are not connected to them, also in order to avoid an undue competitive advantage in the system of motorway concessions.

Article. 32 of Directive 2004/24 / EU - "Use of the negotiated procedure without prior publication", provides that contracting authorities can award public contracts through a negotiated procedure without prior publication of a tender in the presence of strictly identified cases of extreme urgency provided by unforeseeable events by the contracting authority which are allowed to derogate the terms for open procedures or for restricted procedures or for competitive procedures with negotiation.

2 Emergency procedures in Italy

Case: Ponte Morandi Emergency

According to the decree 13 November 2018 signed by the extraordinary commissioner, the activities for demolition, removal, disposal and landfilling of the resulting materials, design, assignment and reconstruction of the infrastructure and the restoration of the connected road system, supervision and safety of works, are awarded through one or more negotiated procedures without prior publication of notices or notices.

The companies to whom the market consultation should be addressed must be identified among the primary companies in the sector of demolitions and construction of large structures, with particular reference to railway and motorway bridges and viaducts, that, considering the significant complexity of the works subject to contract, are in conditions, due to high professional capacity and experience, also internationally, to ensure the execution of the interventions according to the best technical standards in a limited time span.

The Commissioner exercises a decisive influence on the type or work design, in derogation of the Italian rules.

It should also be noted that by decree of the Minister of the Interior, special administrative simplification measures are identified for the release of the anti-mafia documentation, also in derogation from the related standards.

3 Limits of emergency procedures

The recent implementation of emergency procedures can hopefully allow the start of a debate aimed at streamlining and improving normal procedures by identifying an intermediate solution, while maintaining the following conditions generally suffering in emergency procedures:

- **Completeness of preliminary analysis;**
- **Respect for transparency;**
- **Respect for competition;**
- **Optimization of resources;**
- **Safeguarding the quality of the products / services requested.**
- It is appropriate to indicate that, even before the effects of the administrative procedures, two other elements determine the times of realization of the projects of public utility, that are the political commitment and the financial solidity of the States.
- Another decisive element, both in terms of the procedure and financial structuring, is the use of the tools resulting from the ongoing digital transformation, now considered with greater attention as their service guarantee the continuation of activities, despite the social distancing.

4 Proposed solutions

Structuring process

In order to standardize an intermediate procedure that collect both best practices of emergency situations and important conditions typical of non-emergency situations, Italian institutions are improving a common set of structuring tools and methodologies that make the process leaner and secure.

The following steps are critical to ensure the success of a project:

- 1. Financing methods analysis.** This analysis concerns the study of the macroeconomic, fiscal and financial environment that will characterize the project. It furthermore concerns the analysis of international experiences in financing infrastructure projects and the possibility of applying these experiences to the program that is being studied.
- 2. Cost Benefit Analysis.** The socio-economic analysis that must be conducted, based on the level of detail available from technical studies, aims to investigate the project's influence and includes social indicators on the territory's population as well as the description of the positive and negative impact that would be generated with the project's completion and commissioning. Cost/benefit assessments analyze the social, economic and environmental impact on the population directly affected by the infrastructure, assessing the expected economic benefits, according to international methodologies.

4 Proposed solutions

Structuring process

3. **Financial modeling.** This activity aims to design the optimal financial structure in order to minimize government grants and increase the project's feasibility in terms of funding and profitability by private markets and / or institutional investors. It is not compulsory to balance the financial plan by using the weighted average cost of capital, however is important that equity has an adequate return mainly generated by commercial revenues, whose prediction must be elaborated using rigorous methods.
4. **Risk Management.** The main risks of the project have to be identified, assigned and quantified after the implementation of mitigation mechanisms according to applicable regulations and to international methodologies. The value of public contingencies (which must be allocated by public sector) will be determined based on probabilistic models, according to international methodologies under an appropriate regulatory framework, including the variables that may have an impact on the project's development.
5. **Value for money.** The Value for Money is the result of a comparison between the present value of costs adjusted to include the risk of developing a project under the scheme of public project (PW) and the present value of risk-adjusted costs of the same project under a public-private partnership scheme (PPP). The development of this kind of quantitative analysis offers the possibility to identify the best scheme for the implementation and financing of the project.

4 Proposed solutions

Structuring process

6. **Guarantees mechanism.** In order to guarantee the obligations assumed with the contract, the contractor provides:
 - A performance bond up to the amount of half of 10% of the amount of the works of the contract.
 - An insurance policy to cover all execution risks from any cause determined within the limits of the nature and type of risks that can be insured on the reference market.
 - A ten-year indemnity policy to cover the risks of total or partial ruin of the works or the risks deriving from serious constructional defects;
 - An insurance policy, with effect from the start of O&M until the expiry of the Contract to cover damage relating to the Plants;
 - A guarantee against the O&M obligations assumed, equal to 3% of the total amount of the monetary operating costs.

The digitalization of the public administration, and therefore the rapid access to financial and legal information of the private market, combined with the automation of the analysis tools, is giving a strong contribution to speeding up the approval process of each described step.

The transformation is underway.

2 Emergency procedures in Italy

Case: COVID-19 Emergency

In the D.L. March 17, 2020, n. 18 so-called “Cura Italia Decree“, in order to deal with the epidemiological emergency from COVID-19, some exceptions to Legislative Decree 50/2016 ("Procurement Code") have been included.

With the aforementioned decree, for example, it was envisaged that, until the emergency situation continues, the acquisition of "supplies and services by companies, agencies and entities of the National Health Service used in emergency response activities COVID-19, if it is financed exclusively through donations, takes place by direct assignment, without prior consultation of two or more economic operators, for amounts not exceeding the thresholds referred to Directive 2014/24/EU.

In order to deal with emergency situations, therefore, it is possible to provide for exceptions to the Procurement Code, in compliance with the general principles of the legal system and European Directives, of various types, for example:

- Possibility to set deadlines for the receipt of requests to participate and reduced offers compared to ordinary ones;
- Possibility of simplified publication of tenders;
- Possibility for the successful tenderers to declare with self-certification the possession of the participation requirements and subsequent control by the administration which subsequently verifies the existence of the declared requirements.

Thank you for your attention!



Francesco Longo

TC 1.3 Finance and Procurement

f.longo@stradeanas.it

World Road Association (PIARC)
Grande Arche – Paroi Sud – 5° étage
92055 – La Défense Cedex – France



@PIARC_Roads



World Road
Association PIARC



World Road
Association PIARC



World Road
Association PIARC

www.piarc.org



Questions and Answers

Moderated by Christos Xenophontos



Our Speakers today

- Patrick Malléjacq, Secretary General, PIARC
- Olivier Quoy, Atlandes, France, Member of PIARC TC 2.3 on Freight
- Ricardo Tiago, Institute for Mobility and Transport, Portugal, Member of PIARC TC 2.4 on Road Network Operations / ITS
- Mark Rubarenzya, National Roads Authority, Uganda, Member of PIARC TC 1.4 on Climate change and resilience of road networks
- Francesco Longo, ANAS, Italy, Member of PIARC TC 1.3 on Finance and procurement

Conclusion and Next Steps



Disclaimer

Since time is of the essence, it is likely that knowledge and practice that is shared will not have been officially approved by each country's official authorities.

“The ideas and examples shared here are for illustration only. They do not necessarily represent official policy. Ideas presented will be subject to further evaluation and use in deriving recommendations on policy and practice in due course. While care has been taken in the preparation of this material, no responsibility is accepted for any damage that may be caused.”

Thank you for your attention

- Further PIARC webinars are planned
- We are planning webinars in French and webinars in Spanish too
 - In Spanish on Thursday 23 April at 16h00 (Paris)
- A summary of the first four webinars is being published
- <https://www.piarc.org/en/News-Agenda-PIARC/Coronavirus-PIARC-and-Covid-19>

Two PIARC polls are now open

In order to allow everyone to contribute, two polls are now open:

- To identify issues of concern:

<https://forms.gle/cgi8WCeQYyCeNFQA>

- To identify stakeholders who wish to share their practices :

<https://forms.gle/8sPYw3qhZoySQueJ9>

Those two links are also available from PIARC's website.

PIARC's Response Team: Contact details

- christos.xenophontos@dot.ri.gov
- jmblanco@fomento.es
- vgalasso@deloitte.it
- jonathan.spear@atkinsacuity.com
- s.palchetti@stradeanas.it
- yukio-adachi@hanshin-exp.co.jp
- caroline.evans@arcadis.com
- martin.ruesch@rapp.ch
- If needed, contact info@piarc.org

Thank you for your attention!



Patrick Mallejacq

PIARC Secretary General

patrick.mallejacq@piarc.org

@PMallejacq

World Road Association (PIARC)
Grande Arche – Paroi Sud – 5^e étage
92055 – La Défense Cedex – France



@PIARC_Roads



World Road
Association PIARC



World Road
Association PIARC



World Road
Association PIARC

www.piarc.org

