1. **Basic Information**

1.1. Number: PL01.08.06
1.3. Sector: infrastructure
1.4. Location: Poland, Lubuskie Voievodship, the Slubice town. Project is located on the Polish Germany border and cross border check point Frankfurt on the Oder River - Slubice.

2. **Objectives:**

2.1. Wider objective.

Co-operation enlargement and decreasing of the development disproportions between Frankfurt and Slubice towns. Improvement of the economic development conditions in the border area.

2.2. Immediate objectives

Improvement of the communication conditions in the cross-border area Frankfurt-Slubice. Increasing of the Slubice inhabitants life standards. Making communal services of Slubice available to Frankfurt inhabitants.

2.3. Priority ‘Accession Partnership’ (AP) and National Programme Adaptation for Accession (NPAA)

In accordance with both ‘Accession Partnership’ and ‘National Programme Adaptation for Accession’, the project is connected with the priority ‘Transport’ due to extension of the communication infrastructure connected with transnational traffic. The main priority in the transport section shall be the continuation of the transport infrastructure modernisation and its extension, especially in the range of the border check points and their accessing roads.

2.4. Participation in the National Development Plan (or Initial NDP) and Joined Programme Document (JPD) Phare CBC/Phare CBC, or Phare CBC/Interreg IIIA

The project is according to Initial National Development Plan in priority 4.6.1. ‘Extension and modernisation of the infrastructure in range of reinforcement the regional competition’. Component a) ‘Infrastructure development of the over local meaning’ as well as priority 4.6.5 ‘Development of the transnational co-operation of the regions’.

The project is in accordance with the Joined Programme Document Phare CBC Poland-Germany/Interreg IIIA for years 2000-2006 in scope of Priority II, Task II.2 ‘Improvement of technical and communal infrastructure’ as the development of undertaking connected with border twin towns and their tourism infrastructure development.

The project is an execution of the main aim I of the Development Strategy of Lubuskie Voievodship in the range of Operating aim 1.4. ‘Wide-ranging transborder and inter regional co-operation’ Implementing of the Slubice-Frankfurt 2003 Strategy is one of the main priority of the document.

2.5. Cross Border Impact

The project is an integral part of Frankfurt and Slubice Development Strategy that was passed during the common meeting of the both City Councils in June 2000. The improvement of communication in the cross border area shall be reached by the Strategy implementation due to simultaneous work on the both sites of the border including the roads connected Bus Station in Slubice and Railway Station in Frankfurt. The new routes safely connecting the Slubice leisure areas with the border check point shall be carried out to make them available for inhabitants. The project shall enable the implementation of the common undertaking of transborder integration of the both towns in 2003 due to 750th anniversary of the City establishment. ‘The European Garden Exhibition 2003’ and ‘Hansa’s Days Festival’ with participation of 140 towns is expected during the anniversary.

The project is strictly related to the JPD priority: infrastructure and measure concerning development of the municipal infrastructure.

3. **Description**

3.1. Background and justification

The project is the common initiative of Slubice and Frankfurt’s local authorities, which decided together to solve the problems of economy development fulfilling the inhabitant’s needs including the modernisation of both towns technical infrastructure. Due to the lower level of the Slubice town infrastructure the project has been directed just to this region. The Slubice town is not able to
develop only itself because of the close urban structures linking two towns as the result of its previous history (the same administrative unit). The common development strategy of the both towns indicates that the future investments shall fulfil the towns’ inhabitants needs. The main point of the development is the area of the border bridge so the investments shall be directed there. Working out of the part of the Integrated Development Strategy Frankfurt – Slubice 2003 shall impact on the border traffic efficiency as well it is the condition of the proper carrying out of the programmed activities on the Polish site due to 750\textsuperscript{th} anniversary of joined town Frankfurt-Slubice. The construction and opening of ferry line on the Oder River along the access roads, landscape fittings for the Zielone Wzgórze housing area including the water waste collector shall be carried out in the implementation of the II phase of the integrated development strategy.

3.2. Linked activities

The following undertakings, in the area of the Slubice town, have been carried out in the Phare Programme frame: building up the Collegium Polonicum of the Viadrina University (Phare CBC Programme 1997), construction of the Cargo Customs Terminal in Swiecko, construction of technical infrastructure for housing area (Polish-German Phare CBC Programme 1998); the common spatial and structural plan for both towns was elaborated and both towns participated in the project titled ‘Modern management of the town development financed from Tempus-Phare programme; the common report concerns the actual situation and endangered of the natural environment of the Slubice and Frankfurt on the Oder River towns; programme titled ‘The City of 2020’ (listing of the greenery and the programme of its development by 2020) as well as the information integral system of eco-development for Slubice and Frankfurt on the Oder River.

The German part is implementing the projects connected with the improvement of efficiency of the border check point traffic flow and the bridge traffic flow (redecorating and replacing the customs building and reconstruction of the bridge; total amount of the projects 22 million DM financed by Department of Road Construction of Brandenburg). Ongoing investment in Frankfurt include the following reconstruction and adaptation of the common areas: renovation and reconstruction of Karol Marx Street (leads to the border bridge); reconstruction of the Nadbobrzanska Promenade; renovation of the railway station along with surrounding areas; development of the Anger Square; modernisation-renovation of the Getraudenplatz; development of the stadium surrounding areas. Planned total cost of all undertakings within years 1999-2003 is 670.3 million DM.

3.3. Results

The project shall create the new, common system for both border towns that have historical background as one town, but were built up in artificial way after 1954 as independence towns. The project is the result of UE urban and development strategy programme for Polish-German transborder area. The decreasing of disproportion in development of the both area shall be the result of the project as well as the bridge traffic flow and border check point flow shall increase. It should enable to hand over the border traffic to the Polish site. The amount, quality and access to services shall be improved for the both towns’ inhabitants.

3.4. Outputs

The following work shall be carried out:

- Construction of the 2,100 m long and 6m wide roads in the surrounding areas of the bridge including 9,200m long and 3m wide path routes along the Oder River connecting the border bridge with the leisure areas. Reconstruction of the Przyjazn Park located in the centre of the town including exchanging of the overpass heating pipe system, that clashes with the project, into pre-isolated underground net. Modernisation of the OSiR Stadium and park facilities in its area.

3.5. Inputs

The project shall be carried out in the frame of the construction contract for total amount of 2,7000 EUR including 2.000 MEUR from Phare CBC Fund and 0.700 MEUR from the Slubice town budget.

- Reconstruction of the Przyjazn Park located in the centre of the town including exchanging of the overpass heating pipe system;
- Construction of the 2,100 m long and 6m wide roads in the surrounding areas of the bridge;
- Construction of the 9,200m long and 3m wide path routes along the Oder River connecting the border bridge with the leisure areas (stadium and parks);
- Modernisation of the OSiR Stadium and park facilities in its area.

4. Institutional frames:
4.1 The project shall be carried out in the frame of existing structure of the Slubice Municipality Office.
4.2 Implementation of the project will not cause changes in the internal Beneficiary structure.
4.3 Does not concern.
4.4 The engineer of the contract shall be selected by the tender procedure. The Slubice Commune shall be the owner of the all objects.

5. Budget

<table>
<thead>
<tr>
<th>Contract</th>
<th>Building works</th>
<th>IB</th>
<th>Total PHARE</th>
<th>Own contribution</th>
<th>IFIs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.000 MEUR</td>
<td>0</td>
<td>2.000 MEUR</td>
<td>0.700 MEUR</td>
<td>0</td>
<td>2.7 MEUR</td>
</tr>
<tr>
<td>Total</td>
<td>2.000 MEUR</td>
<td>0</td>
<td>2.000 MEUR</td>
<td>0.700 MEUR</td>
<td>0</td>
<td>2.7 MEUR</td>
</tr>
</tbody>
</table>

6. Implementation arrangements:
6.1 IMPLEMENTING AGENCY: The Implementing Authority for Phare Cross Border Co-operation Programme
   Krucza 36 Street; 00-522 Warsaw
   e-mail: Phare@wwpwp.it.pl

6.2. Twinning
   * Does not concern.

6.3. Non-standard aspects
   The project shall be implemented rigorously to DIS standards.

6.4. Contracts
   The implementation of the contract shall be carried out in the frame of the only one constraction contract for total amount of 2.7 MEUR.

7. Implementation schedule:
7.1. Beginning of the tender procedure IV 2001
7.2. Beginning of the project implementation I/2002
7.3. Ending of the project II/2003

8. Equal opportunity:
   The involvement into the project shall be depended only on the qualification and neither gender nor nationality shall be considered.

9. Natural Environment Impact
   The evaluation of the project impact on the natural environment was carried out in 2000 by eng. Mrs. Alicja Wleklinska, the entitled expert of the Environmental Impact Evaluation ID no. WL-00-010/2000 issued by the Lubuski Voievode. The report is available in the Applicant’s office.
   Planning investment shall have a great impact on the environment improvement incommensurately with the project’s implementation expenditures.
   Carrying out of the trimming and sanitary works shall impact on the improvement of conditions in the surrounding forest complexes including the settlement conditions for wildlife. Growing of new plant species shall impact on improvement of the forest eco-systems resistance. The systematic sanitary works shall decrease a forest pest menace.

10. Rate of return
   The discount rate was assumed i = 10. Such accounted profitability rate of the project indicates that the return of invested expenditure by the commune shall have place after 17 years since the beginning of the project implementation where IRR rate is 9.76% and NPV = 25,055 EUR, Arr = -4.5%.
   The character of the project excludes the profitability of the undertaking. The reached effects have only economical and additional commune’s incomes impact.

11. Investment criticism
11.1. Catalysing activity
Implementation of the project enables to create new ways of co-operation and management of transborder municipalities as well as enables to take advantages of the investments carried out by the German site in the Frankfurt town.

11.2. Co-financing
The project is financed in 74% from the Phare Fund and in 26% from the Slubice Municipality budget. Its implementation increases the private capital investments in the Slubice area.

11.3. Complementation
The Phare financial means shall be supplemented by the means from additional sources. Luck of direct incomes from the investment exploitation does not let financed it from the incomes and commercial credits.

11.4. Ongoing activities and their impact
All study facilities and project works have been carried out. The lands in the area of the undertaking are owned by the Applicant. The total cost of the project – 2,7 MEUR including 2,000 MEUR from Phare Fund

11.5. Durability
The project is worked out in the accordance with bilateral, Polish and German, urban plan arrangements. All the operating, mending and maintenance costs of the built infrastructure constructions in the frame of the project shall be covered by the Slubice Municipality.

11.6. Accordance with the rules of the National assistance
The project is directed to the public administration unit and does not violate the association law in range of the National assistance to economic parties.

11.7. Contribution to National Development Plan and Joined Programme Document
The project is in accordance with the Initial National Development Plan in the range of priority 4.6.1 ‘Extension and Modernisation of Infrastructure in Range of reinforcement the regional competition’. Component a) ‘Infrastructure development of the over local meaning’ as well as with the priority 4.6.5. ‘Develoment of the transnational co-operation of the regions’.

The project is in accordance with the Joined Programme Document Phare CBC Poland-Germany/Interreg IIIA for 2000-2006 in range of priority II, task II.2 ‘Improvement of communal and technical infrastructures’ as an undertaking concerning the development of twins towns and tourism facilities infrastructure in the cross border area.

12. Conditionality and sequencing:
The tender documentation shall be carried out to June 2001
The contract shall be undersigned to January 2002
The deadline of finishing all work connected to the Garden 2003 project shall be carried out by the end of 2002.
April 2003 – hand over of the infrastructure erected within the investment part of the project programme.
May 2003- beginning of the activities due to the implementation of the common undertakings in the range of European Garden Frankfurt – Slubice 2003.
## Annex 1: LogFrame – Slubice communal infrastructure

<table>
<thead>
<tr>
<th>Project number:</th>
<th>Project title</th>
<th>Total budget of the project</th>
<th>Date of drafting:</th>
<th>November 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Total EUR:2,700,000 Phare EUR:2,000,000</td>
<td>Planning period:</td>
<td>June 2001-May 2003</td>
</tr>
</tbody>
</table>

### Wider Objective

<table>
<thead>
<tr>
<th>Indicators of Achievement</th>
<th>Sources of information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reinforcement of the c-operation and decreasing of the development disproportions between the Frankfurt and Slubice towns. Improvement of the cross border area economic development.</td>
<td>Municipality Office of the Slubice town and the Statistical Office</td>
<td>Proper implementation of the Slubice-Frankfurt development strategy</td>
</tr>
</tbody>
</table>

### Immediate Objectives

<table>
<thead>
<tr>
<th>Indicators of Achievement</th>
<th>Sources of information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement of the traffic conditions in the nearby areas of the border check point Frankfurt-Slubice. Improvement of the Slubice inhabitants’ life standards. Making Slubice communal services available to Frankfurt inhabitants.</td>
<td>Slubice Municipality Office</td>
<td>Assure of the proper financing and co-ordinating works on the both sides of the border</td>
</tr>
</tbody>
</table>

### Results/Outputs

<table>
<thead>
<tr>
<th>Indicators of Achievement</th>
<th>Sources of information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>The project implementation shall resulted in the decreasing of disproportion in development between two towns. The bridge traffic flow and check border point traffic flow shall increase and shall enable to hand over the border traffic to Polish site. The amount, quality and access to the services shall be improved for the both towns’ inhabitants.</td>
<td>Office construction services of the Starostwo and Municipality</td>
<td>Keep the right pace of the work schedule and assuring the financing of the all elements of the programme</td>
</tr>
</tbody>
</table>

### Activities

<table>
<thead>
<tr>
<th>Inputs</th>
<th>Sources of information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carried out of the building works in accordance with the assumptions and constructing of the roads in the neighbour bridge area including approximately 2100m and 6m wide streets, walking routs along the Oder river that connect the bridge with the leisure centre (9200m long and 3m wide). Reconstruction of the Przyjazn Park located in the Slubice centre including exchanging of the overpass heating pipe system, that clashes with the project, into pre-isolated underground net, modernisation of the OsiR stadium and the park facilities in its area.</td>
<td>Beneficent and the contract engineer reports. Project monitoring.</td>
<td>Accurate qualifications of the contractors and the contract engineer</td>
</tr>
</tbody>
</table>

| Construction contracts for amount of 2.7 MEUR | | |
### Annexes 2-4: Implementation, contracting and disbursement schedules

<table>
<thead>
<tr>
<th></th>
<th>Date of Drafting</th>
<th>Planning Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>November 2000</td>
<td>June 2001 – May 2003</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Budget Allocation</th>
<th>Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(in MEUR)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>I ’02</th>
<th>II ’02</th>
<th>III ’02</th>
<th>IV ’02</th>
<th>I ’03</th>
<th>II ’03</th>
<th>III ’03</th>
<th>IV ’03</th>
<th>I’ 04 – IV ’04</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PLANNED</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>I</td>
<td>II</td>
<td>III</td>
<td>IV</td>
<td>V</td>
<td>VI</td>
<td>VII</td>
<td>VIII</td>
<td>IX</td>
</tr>
<tr>
<td>Implementation schedule</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contracting</td>
<td>C</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td></td>
</tr>
<tr>
<td>Disbursement</td>
<td>2.000</td>
<td>0.4</td>
<td>0.9</td>
<td>1.5</td>
<td>1.9</td>
<td>2</td>
<td>2.000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Legend:**
- **D** = design of sub-projects
- **C** = tendering and contracting
- **I** = contract implementation and payment

**Budget Allocation**

- 2.000 MEUR
- 2.000 MEUR
- 2.000 MEUR
Annex no 5
Refers to the financial economy and analysis as well as natural environmental impact.

Finance analysis

Project financing

Financing sources and disbursements
- Own sources
The commune is going to finance the project from the following means:
Own means – 0.700 MEUR expenditure to bear
- Exterior sources
Reminding means shall come from Phare Fund – 2.000 MEUR

Inputs and their schedule

<table>
<thead>
<tr>
<th>INPUTS</th>
<th>2002</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own</td>
<td>700.000</td>
<td>26</td>
</tr>
<tr>
<td>PHARE</td>
<td>2,000.000</td>
<td>74</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,700,000</td>
<td>100.00</td>
</tr>
</tbody>
</table>

The implementation of the investment is planned in 2002.

Operating period

Projected exchanges in the range of the stadium, park, roads and pipe net modernisation let estimate the period of operating for 20 years. The significant expenditures are not planned during the 20 years of operating.

Year-long operating costs
2% of investment value was assumed - 54.000 EUR per year
2.5% of investment value was assumed as depreciation rate - 67.500 EUR rocznie.

The reached effects due to the investment implementation

Incomes sources
Effects reached as a result of the implementation of the projects are only economic demission because the undertaking does not generate the incomes.
Planned additional costs of the undertaking Garden 2000 shall be bear in 2003 and be equil to amount of 378,453 EUR.
Additional incomes shall be the additional benefits as follows:
1. Transborder trade incomes
2. Taxes of the natural and legal persons’ properties.
3. Commune participation in the income taxes of natural and legal persons.
The additional incomes due to properties gaining do not exist in fact.
- Incomes increasing due to higher ground tax
Implementation of the communal infrastructure development project shall become an important argument in raising of the local fees connected with the improvement of the area standard
The incomes obtained from the ground properties tax are as follow:
- from natural persons 33.456 EUR,
- from legal persons 10.314 EUR.
The project area includes 72 ha, and the area of planned entertainments includes 1920 ha.
A raise of 5% is assumed above the planned level i.e. – 2,188 EUR per year.
- Increasing of the incomes from tourism.
One of the measurable benefit results from modernisation of the town and communal structures is the improvement of the tourism and trade attractiveness of the area. The town location is conducive to the development of the transborder trade.
The direct financial benefits, obtaining by the commune due to the tourism development, are difficult to estimate and in this connection the assumptions in the analysis are encompassed as increased taxes coming in the commune budget.
- Increasing of the incomes due to the development of economy activities
The commune and town budgets participate in the tax division coming in from the National Treasure. Plan for 2000 and 2001 is as follows:

Table no 2
Planned commune shares in income tax

<table>
<thead>
<tr>
<th>Shares in National Budget</th>
<th>Plan 2000</th>
<th>Plan 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax from natural persons (§ 15)</td>
<td>995.569</td>
<td>1.022.081</td>
</tr>
<tr>
<td>Income tax from legal persons (§ 16)</td>
<td>70.120</td>
<td>70.120</td>
</tr>
</tbody>
</table>

Annually the commune reaches approximately 2.5% of income tax increase. Assuming the increase of economic development, the income tax coming in the commune budget after 2002 shall be 2.5% higher with relation to planned one. Additional incomes shall amount to 30,000 EUR per year. Besides, the commune receives incomes from leasing of the market places in the border area as follows: The number of 1.301 stalls insure employment for 1,127 persons and incomes in amount of 1,361,281.44 EUR.

Increasing of the leasing fees in amount of 3% from planned 40,838 EUR has been assumed.

_Economy_

- Decreasing of unemployment rate
- Additional benefits receives during the project implementation are due to taking advantage of local labours employment during the construction work. The creation of 50 workplaces has been assumed by 2002 and the same number shall be involved in the events service. Simultaneously, increasing of the transborder traffic shall lead to the development of the local trade and shall enable employment to 200 persons in private trade sector by 2002. It shall results in limitation in the local unemployment rate, thereby it shall periodically limit the number of doles.

The average monthly dole, in the period of the project implementation, is assumed in amount of 770 PLN including all burdens. Above assumptions shall lead to savings as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>2002</th>
<th>2003</th>
<th>following years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings in EUR</td>
<td>116,564</td>
<td>582,818</td>
<td>233,127</td>
</tr>
</tbody>
</table>

_Breakdown of the additional incomes_

<table>
<thead>
<tr>
<th>Additional incomes</th>
<th>2002</th>
<th>From 2000 /EUR/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Properties tax</td>
<td>2.188</td>
<td></td>
</tr>
<tr>
<td>Share in income tax</td>
<td>30.000</td>
<td></td>
</tr>
<tr>
<td>Growth in market places leasing</td>
<td>40,838</td>
<td></td>
</tr>
<tr>
<td>Total indirect incomes</td>
<td>73,026</td>
<td></td>
</tr>
<tr>
<td>Savings result from unemployment limitation</td>
<td>116,564</td>
<td>582,818 (233,127)</td>
</tr>
</tbody>
</table>

_Operating prediction_

_Assumption_

Far-reaching financial analysis includes the expectation period from 2002 to 2022 of infrastructure operation. The financial efficiency of the undertaking was carried out by using out the Excel calculating sheet. The following indicators were assumed:

- 20 years long lasting searching period
- data base presentation in annual divisions
- price and cost data base calculated in October 2000
- the costs land prices level calculated in October 2000 were assumed as constant during the searches and the assumption of the lack of inflation and currency rate changes during the period was considered.
- The EUR rate equal to 3.9623 PLN was assumed (source: Bank Handlowy S.A. in Warsaw)
- Deadline for the investment completion – 2002 was assumed
- The steady level of incomes and costs of operating during all long period of the investment running was assumed.

**Economic evaluation of the project**

Discounted inputs in 2002 are shown in the table No 3

<table>
<thead>
<tr>
<th>Table no 3</th>
<th>DISCOUNTED INPUTS EUR/PLN =3,9623</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of periods</td>
<td>N</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Inputs</td>
<td>EUR</td>
<td>0</td>
<td>2,700,000</td>
</tr>
<tr>
<td>i – discounted rate</td>
<td>i = 10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discounted coefficient</td>
<td>(1+i)^n</td>
<td>1,100</td>
<td>1,210</td>
</tr>
<tr>
<td>Updated inputs</td>
<td>NVn x 1/(1+i)^n</td>
<td>0</td>
<td>2,231,405</td>
</tr>
</tbody>
</table>

**Estimation of the financial and economic CF**

Financial CF and economic CF are shown in the table No 4. Financial CF includes the loss indicated by the operating costs of the investment. Economic CF concerns the extra incomes as: additional incomes due to increasing of the properties tax, incomes result from the town economy development as well as from the savings e.g. limitation of the unemployment rate.

**Static economic evaluation of the investment project**

ARR – accountant rate of return was stipulated as a quotient of the average annual profit during the period of the investment operating and as the capital value of the initial investment financing x 100%.

\[
ARR = \frac{-121500}{2700000} = -4.5\%
\]

**Dynamic economy evaluation of the investment – pointing out of the FIRR and EIRR**

Accountants are carried out on the base of updated value of inputs NVn, current value of savings CFn and netto present value of the investment NPV. The discount rate i=10% was assumed

Discounted cash flow, netto present value and internal rate of return are shown in the table No 5

**Summary and conclusions**

The discount rate was assumed i = 10. Such accounted profitability rate of the project indicates that the return of invested expenditure by the commune shall have place after 17 years since the beginning of the project implementation where IRR rate is 9.76% and NPV = 25,055 EUR, ARR = -4.5%.

The character of the project excludes the profitability of the undertaking. The reached effects have only economical and additional commune’s incomes impact.
Natural environmental impact (final conclusion)

Planned investments for implementation in the Slubice area shall insignificantly impact on the components of the environment, however the highest impact shall take place during the period of installation and building works.

The limitation of the impact on the environment, during that period, shall be reached due to keep to the high standards assumed in range of building works within the project implementation.

Built up constructions shall operate unfailingly and in accordance with the safety principles as well as do not impact on the environment.

Evaluated project is environmental friendly because it does not only improve the area in scope of the hygiene problems but also has impact on the spatial harmony and its aesthetics, what more leads to direct protection of the environment and its proper riding in the entire area. Except these, the project contributes to the creating excellent conditions for leisure in the Slubice town.

The City Council and the Commune Slubice efforts to implement the investment as quick as possible are rightly and environmental friendly and all efforts to obtain the grants for it are fully legitimated in accordance with the presented evaluation.