1. Basic Information
   1.1. CRIS number: 2002/000-606.12
   1.2. Title: Railway viaduct over Poludniowa Street - Szczecin
   1.3 Sector: Cross-Border Cooperation / Infrastructure
   1.4. Location: Poland, West Pomeranian Voivodeship, County and City of Szczecin

2. Objectives:
   2.1. Wider objective: “Improvement above regional and internal installations of the border area from transport infrastructure point of view (roads, railways, waterways, air transportation) with particular emphasis on accessibility of towns of central importance, industrial areas and tourism attractions, increase of capacity of border crossings and improvement of safety in the border areas” – Priority B-2 JPD

   2.2. Project purpose:
   ♦ Creation of efficient communication system per EU standards of the city section in direction of nearby border crossings in Kolbaskowo and Rosówek and improvement of national and international railway traffic.
   ♦ Improvement of traffic safety.
   ♦ Improvement of natural environment state.

2.3 Accession Partnership and NPAA Priorities – The Project is compatible with:
   ♦ Mid-term goal of the document “Partnership for membership” in the area of transportation i.e. “Termination of adaptation work and reinforcement of administrative and executive abilities in road transportation (market accessibility, safety on the roads)...”; at the same time the foreseen investment contributes to implementation of presuppositions of “Partnership for membership” in the area of development of trans-European networks as per European standards.
   ♦ Priority 9.1 from the chapter “Transport policy” NPPC i.e. “Adaptation of the law and reinforcement of administrative and executive abilities in road transportation”

2.4 Contribution to National (possibly preliminary) Development Plan (NDP) and Joint Program Document (JPD) – the Project implements:
   ♦ Development axis No. 3 WNPR i.e. “Integration of Polish economy through modernisation and improvement of transportation networks” and Development axis No 6 WNPR i.e. “Reinforcement of development potential of the regions and counteraction to marginal role of some regions”
   ♦ Priority B-1 JPD i.e. “Activities for further technical improvement of economy related infrastructure towards implementation of innovative potentials of the region”, Priority B-2 JPD i.e. “Improvement above regional and internal installations of the border area from transport infrastructure point of view (roads, railways, waterways, air transportation) with particular emphasis on accessibility of towns of central importance, industrial areas and tourism attractions, increase of capacity of border crossings and improvement of safety in the border areas and Priority B-3 i.e. “Activities for creation of infrastructure conditions for development of specific tourism offer, improvement of tourist road infrastructure (horse back riding roads, hiking trails, horse carriage trails, water and bike roads)”.
   ♦ II Area of cross-border cooperation in Euroregion „Pomerania” i.e. “Activities in favor of adding value to technical and transportation infrastructures in compliance with competitiveness and economy in favor of improvement citizen’s quality of life”
   ♦ Strategic goal 2 “Development strategy of West Pomeranian Voivodeship” i.e. “General accessibility of goods, services and information”, Intermediate goal 1 i.e. “Creation of balanced, accessible and integrated transportation system”.
2.5 Cross Border Impact:

- Implementation of the project will contribute to rationalization of cross-border communication through adaptation of the whole town section of National Road No.13 to the EU standards. This road leads the traffic to and from downtown Szczecin in direction of border crossings in Kolbaskowo and Rosówek and further towards Berlin and central Germany.
- Modernisation of the viaduct above Poludniowa Str. will reinforce and complement railway and roadway communicational axis which go through Szczecin; West-East and North-South.
- Modernisation of communication infrastructure will facilitate and intensify contacts between local communities from Poland and Germany.
- Implementation of this investment will activate socio-economical activities of the near border zone and will capacitate better possibilities for learning about tourism and historical values of towns and cities located in the vicinity of Polish-German border.
- The project will directly contribute to improvement of safety on the main transit road from Szczecin in direction to Germany.
- The project will have positive impact on natural environment state in direct vicinity of Polish-German border.

3 Description

3.1 Background and justification: The project is a result of implementation of one of the major investment priorities for the City of Szczecin, modernisation of the whole city section of National Road No.13 being one of them. This road connects with border crossings in, Kolbaskowo and Rosówek; major reason for undertaking this tasks is the need for creation of within the boundaries of the city an efficient and safe transport corridor, which will regulate traffic from downtown Szczecin in direction to Germany; additionally implementation of the project directly meets requirements of JPD and Development Strategy of the West Pomeranian Voivodeship, where particular emphasis was placed on improvement of region’s transport infrastructure state.

3.2 Linked activities: Reconstruction of a railway viaduct over Poludniowa Str. in Szczecin is a continuation of the project “Modernisation of National Road No.13, section of Mieszka I Str. and Poludniowa Str. to city limits”. This is one of the conditions for construction of collision free connection between Szczecin downtown and border crossings in Kolbaskowo and Rosówek; this task results directly from regional concept relating to communicational infrastructure, work has been divided into several stages:

- In 1997 using county’s own financial resources construction of road viaduct (N) on the course of Mieszka I Str. was started.
- In 1998, within the framework of PHARE Program CBC’96 contract for the amount of 2 M Euro was signed and implemented, thanks to this contract a second roadway section from road viaduct over PKP rails to Milczanska Str. was constructed; total length of the constructed amounted approx. 1 km.
- IN 1998 from PHARE resources 2,5 M EUR was awarded for further tasks covering section of National Road No.13 from Milczanska Str. to Krakowska Str.; this section was completed in 2001.
- In 1999 from PHARE resources 2,5 M EUR was awarded for the task covering section of National Road No.13 from Krakowska Str. to the city limits, implementation of this contract was started in March 2001.
- In 2001 from PHARE resources 2 M EUR was awarded for implementation of the investment covering modernisation of National Road No.13 section of Mieszka I Str from Milczanska Str. to Bohaterów Warszawy Str..
- Modernisation of Mieszka I Str. and Poludniowa Str. is connected with the contract co-financed from PHARE’95 resources for upgrade of National Road No.13, leading to the national border which was implemented and completed in 1998 by the General Directorate of Public Roads.
3.3 Results: As a result of the project a new three span railroad viaduct with each span of 13.40 m will be constructed as well as new section of National Road No.13 with a length of 300 m on the course of Poludniowa Str.. Completion of above mentioned tasks will allow to build a second two line roadway on Poludniowa Str., eliminating “a bottleneck” in this area helping to improve traffic capacity, safety, improvement of public transportation as well as achievement of EU standards in the area of transport policy and communal infrastructure.

3.4 Activities: In order to duly complete the project it would be imperative to undertake appropriate investments and activities. Basic costs needed to conduct the task for all of the investment will be 5.5 M EUR (PHARE share – 2.0 M EUR); additionally proper implementation of the investment will require conformity tough technological regimes, choice of appropriately qualified staff and use of high quality materials and equipment. Expenditures mentioned will allow to take appropriate actions i.e. modernisation the railway viaduct, reconstruction of the contact and lighting system laying electrical, phone and fiber optic cables and construction of second 300 m roadway on Poludniowa Str. in Szczecin.

3.5 Lessons learned:
♦ In the course of the experiences gained so far, the city has used the EU financial help within PHARE CBC program a few times. The considered project is the continuation of activities, co-financed by PHARE CBC budget, crowning the modernization of the city whole section of national road No. 13. Up to now, first two stages of the investment have been accomplished (PHARE CBC’96 and PHARE CBC’98), activities within the other two (PHARE CBC’99 and PHARE CBC’2001) have been initiated. The works undertaken so far by the beneficiary have been constantly monitored by the representatives and consultants of European Commission, thanks to which any tiny corrections to the way of investment organization and realization could be implemented as they came. With reference to the above, it seems obvious that any conclusions, coming from realization of the previous stages of the investment, have been accepted and used by the beneficiary, in the process of the current project preparation. The project mover has, among others, accepted fully realistic scheme of work on the investment, introduced elements of permanent project evaluation (also during the works) and improved activity organization within the institution of the beneficiary.

4. Institutional framework:
This investment has full approval of local authorities:
♦ West Pomeranian Voivode
♦ Marshal of the West Pomeranian Voivodeship
♦ Association of Polish Counties Euroregion “Pomerania”
♦ Municipality of Szczecin
♦ Administrative Board of Szczecin

The beneficiary will provide resources imperative for maintenance and functioning of the project after it has been implemented.
♦ County and City of Szczecin will be petitioner and investor.
♦ This project will not cause any changes in the existing institutional structure.
♦ The engineer will be appointed through public tender.
♦ County and City of Szczecin will own the assets, however it will be public.
5. Budget according the table below:

<table>
<thead>
<tr>
<th>Contract 1</th>
<th>Total</th>
<th>Total</th>
<th>Local</th>
<th>Financial</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,0</td>
<td>-</td>
<td>2,0</td>
<td>3,5</td>
<td>-</td>
</tr>
</tbody>
</table>

Co-financing will be available.

6. Implementation arrangements:

6.1. Implementing Agency:
- PHARE CBC Implementing Authority
  Ministry of Internal Affairs and Administration
  00-522 Warsaw, Krucza 36
  Phone: +4822 6959910, telefax: +4822 6959912
  E-mail: Phare@wwwpw.it.pl
- PAO:
  Mr Zenon Kosiniak-Kamysz
  Undersecretary of State
  Ministry of Internal Affairs and Administration
  02-591 Warsaw, Stefana Batorego 5
  Phone: +4822 8451000, telefax: +4822 6287012.

6.2. Twinning
- Does not apply

6.3. Non standard aspects
- During preparation and implementation of the project beneficiary will strictly obey contracting procedures DIS (decentralized implementation system), as described in “Practical Guide for implementation of PHARE, ISPA and SAPARD programs”.

6.4. Contracts
One contract, 5.5M€, - joint co-financing

7. Implementation schedule:
7.1. Start of tender proceedings
- 1st-2nd quarter of 2003
7.2. Start of the project
- 1st quarter 2004
7.3. Finish of the project
- 4th quarter 2005

8. Equal Opportunity:
- The only criteria for choice and evaluation of employees would be their qualifications and professional experience; man and women will have equal chances in employment during implementation phase of the project; employment structure during implementation phase will reveal women participation amongst employed.

9. Impact on environment (applies only to investment projects):
- Project impact assessment on the environment was prepared in 2000.
- Report from this assessment is available at beneficiary’s office.
• The project fulfills all of the requirements of the EU in the area of natural environment protection and does not have a negative influence on it’s state; as a result of project implementation there will be reduction of exhaust fumes and noise.

10. Rates of return: (applies only to investment projects)
• Financial Investment Rate of Return (FIRR) amounts to 30.56%.
• Economical Rate of Return (ERR) amounts to 35.49%.
• Net Prorated Value NPV reaches zero at the discount rate equal 30.56%.
• A financial and economical analysis of the project was prepared in June 2000.

11. Investment criteria: (applies only to investment projects)
11.1. Catalytic effect
Implementation of the project will contribute to more global view on the need of modernisation of the whole transportation structure in the Polish-German border vicinity; it will increase the interest of the aforementioned subject amongst central, regional and furthermore local and county authorities; additionally the project will in long term period contribute to growth of the economy in the region and will strengthen tourism potential of Szczecin.

11.2. Co-financing
Share of other parties in project financing is not excluded, in particular from the private sector, which is directly interested in the project outcome. Nevertheless, the prime and certain source of co-financing on the Polish part originates from County and City of Szczecin budget resources, which in the period 2003-2005 will be ensured in the amount of 3.5 million EUR. This has become possible due to appropriate guarantees already included in the “Investment plan of the city of Szczecin for the period 2001-2005”. The Polish contribution to the contract will exceed 63.6% of the total value of the contract.

11.3. Addiitionality
Co-financing of the project by PHARE is of additional character, taking into account the fact that there are other investments with a significant share from the beneficiary and other entities side; potential PHARE resources for implementation of the last stage of the project will not substitute other sources of financing, providing those could be attracted.

11.4. Project readiness and size
The project is completely ready for implementation in financial and technical respect; all economic and technical analyses have been conducted.; license for construction has been approved; cost of investment of this contract amounts to 5.5 M EUR (PHARE share out of this – 2.0 M EUR).

11.5. Sustainability
Implementation of the project is compatible with EU accession priorities in the area of transportation and will be a sustainable investment with a long-term perspective (at least 20 years); it will meet EU standards in the area of common law in the given sector; operational and maintenance costs in the future will be liability of County and City of Szczecin.

11.6. Compliance with state aids provisions
The project will be implemented in accordance to state aid regulated in Art. 63 of the European Treaty.

11.7. Contribution to National Development Plan and Joint Programming Document – The project confirms to:
Development axis No 3 NDP i.e. “Integration of Polish economy through modernisation and enlargement of transportation networks” and Development axis No 6 NDP "Strengthening of development potential of the regions and counteraction to marginality of some areas”.
Priority B-1 JPD i.e. “Activities for further technical development and infrastructure close to the economy towards implementation of the innovative potentials of the region”, Priority B-2 JPD i.e. “Activities for improvement of above-regional and internal territorial development of the region in regards of transport infrastructure (roadways, railways, waterways, air transportation) with particular allowance for accessibility to localities of central significance, industrial areas and tourism attractions, increase of border crossing capacities and increase of safety in the border area, and Priority B-3 "Activities for creation of infrastructure conditions for development of specific tourism offer, improvement of tourist road infrastructure (horse back riding roads, hiking trails, horse carriage trails, water and bike roads)”.

12. Conditionality and sequencing:
- Considering the existing expertises and opinions the project is not conditioned by any particular risk.
- Selection of Project Engineer – January 2003; responsible - City of Szczecin.
♦ Preparation of tender documentation – April 2003; responsible – City of Szczecin.
♦ Agreement on the materials with the Implementing Authorities – June 2003; responsible – Project Engineer.
♦ Tender announcement – July 2003; responsible – City of Szczecin.
♦ Selection of the tenderer and contract signing – December 2004; responsible – City of Szczecin.
♦ Investment completion, last payment – December 2005.
Annex 1 “Reconstruction of railway viaduct over Poludniowa Str. in Szczecin on the course of National Road No.13”

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Improvement of the above regional and internal installations of the border area from transport infrastructure point of view with particular emphasis on accessibility of towns of central importance, industrial areas and tourism attractions, increase of capacity of border crossings and improvement of safety in the border areas” – Priority B-2 JPD</td>
<td>Increase by at least 10% in the amount of tourists arriving to Szczecin for the period at least 2 days from the nearest border crossings. Development of economical and cultural contacts through increase of people crossing the borders in small border traffic by minimum of 5%. Drop of unemployment rate by at least 2%. Decrease in traffic accidents on border crossing access roads by at least 10%.</td>
<td>Based on statistical data 3 years after the investment prepared by; Border Patrol, GUS, WUS, PUP, Police and Municipality of Szczecin.</td>
<td>Lack of initiatives from neighboring counties, as well as from representatives of regional and central authorities in the area of increase of accessibility to the border crossings and improvement of communicational infrastructure state in border region.</td>
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<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation of efficient communication system as per EU standards on the city section in direction to nearby border and improvement of national and international railway traffic. Improvement of road traffic safety. Improvement of natural environment state.</td>
<td>Shortening by at least 5% the time driving in direction of the border through increase of traffic flow. Decrease in number of traffic accidents on the city section of National Road No.13 involving vehicles and pedestrians by at least 5%. Decrease of communication related emission level by at least 3%. Decrease of noise level by at least 10%.</td>
<td>General traffic level measurements GDDP (General Directorate of Public Roads) (periodically) Statistical data 1 year after completion of the investment prepared by beneficiary services (City’s technical service, City’s traffic engineer) Yearly reports from Police and medical emergency services. National and Regional reports on natural environment state, data from the Department of Communal Economy and Environmental Protection Department - Municipality of Szczecin.</td>
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<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>

Program name and number

Final date of contracting: 15/10/2204
Final payment date: 15/10/2005
Construction of a new railway viaduct over Poludniowa Str.
Opening of a two roadway National Road No.13 on the whole of city section, connecting Szczecin with border crossings in Kolbaskowo and Rosówek.

Conformity with parameters of project, tender and contract documentation i.e. Viaduct – three span overall length 3 x 13.40m. Road – two roadways width 2 x 7 m and length 300m. Acceptance for usage of the viaduct and the road.

Periodic reports from contract engineer. Constant monitoring by the beneficiary. Technical receipt by building supervisory and beneficiary directly after completion of the investment. Acceptance for exploitation issued by appropriate services (Police, Polish Railways – PKP).

Lack of financial resources for further other investments aimed for improvement of communication infrastructure in this region of the city.
Too large increase in the number of users of newly modernised road.
Weak coordination of services associated with traffic engineering (issue of traffic flow).

### Activities

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconstruction of the railway viaduct over Poludniowa Str.</td>
<td>Financial resources imperative for reconstruction of the viaduct and modernisation of the road within one construction contract: <strong>Total – 5,5 M EUR</strong>&lt;br&gt;<strong>PHARE share – 2,0 M EUR</strong>&lt;br&gt;<strong>Beneficiary share – 3,5 M EUR</strong></td>
<td>Availability of all resources (financial, material, human) according to timetable planned. Atmospheric conditions. Changes amongst proposed contractors and employee turnover. Proper cooperation with Polish Railways.</td>
</tr>
<tr>
<td>Reconstruction of contact and lighting systems. Laying electrical, phone and fiber optics cables underneath the tracks. Modernisation of the road on the course of Poludniowa Str. through construction of a second 300 m two line roadway.</td>
<td></td>
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<tr>
<td>Modernisation of the road on the course of Poludniowa Str. as per project within one construction contract.</td>
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</table>

### Preconditions:
Project implementation as per stipulations of “Four Year Investment Plan of the City of Szczecin for 2001-2005”

### Annex 2-3: Implementation, contracting and disbursement schedules

<table>
<thead>
<tr>
<th>Implementation schedule</th>
<th>Contracting schedule</th>
<th>Disbursement schedule</th>
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</thead>
<tbody>
<tr>
<td>I '03 D</td>
<td>II '03 D</td>
<td>III '03 C</td>
</tr>
<tr>
<td>IV '03 C</td>
<td>I '04 I</td>
<td>II '04 I</td>
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<tr>
<td>III '04 I</td>
<td>IV '04 I</td>
<td>V '05 I</td>
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<tr>
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<td>2</td>
</tr>
</tbody>
</table>

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