1. Basic Information
   1.1. CRIS Number 2002/000-606.14
   1.2. Title: Renovation of province road no 107 in section between Kamien Pom. - Parlówko and by-pass Kamien Pomorskie
   1.4. Location: Poland, Western Pomeranian Province, District of Kamien Pomorski, distance from the border-35 - 40km.

2. Objectives
   2.1. Overall objective
   Improvement of technical and tourism road infrastructure for transit traffic between the country border, Szczecin and seacoast as well as in area of Kamien Pomorski.
   2.2. Project purpose
   Increase of the road capacity.
   Moving the transit traffic out of the city of Kamien Pomorski and cutting of passing time through a town.
   Improvement of traffic safety.
   Adaptation of geometric elements, condition of pavement and wheel load capacity of the road to requirements of the European Community.
   2.3. Priorities of "Partnership for Membership", "National Programme of Membership Preparation".
   This project is conformable to sector priorities and medium term objectives contained in "National Programme of Membership Preparation" (Point 9 Transportation Policy, priority 9.2, point A, task A4) as well as in "Partnership for Membership": "completion of adaptive works as well as enforcement of administrative and executive abilities in road transportation".
   2.4. Contribution to realisation of the National (or Preliminary) Development Plan (NPR) and Joint Programme Document (JPD) Phare CBC / Interreg IIIA. The project conforms to development direction laid down in WNPR (Preliminary National Development Programme) - "Integration of Polish Economy by modernisation and development of transportation network" and in JPD document, by realisation of objectives stated in "tree of aims", especially:
   - Activities for further improvement of economical infrastructure.
   - Activities for improvement of over-regional and internal development of the land regarding to transportation infrastructure in the Region.
   The project conforms to Province development strategy by generalisation of accessibility to goods, services and information for habitants and by adaptation and modernisation of integrated transport system.
   2.5. Cross Border Impact.
   Activities aiming to develop technical and tourism infrastructure have been recognised in JPD as a one of main objectives and priorities of co-operation between the Lands Meklemburg - Vorpommern / Brandenburg and Western Pomeranian Province.
   Economical and cultural co-operation development within POMERANIA EROREGION cross border co-operation programme will take place as a result of these activities. Cross border Development Outline and Activities of Pomerania Euroregion for years 2000 - 2006 in chapter "Communication and communication infrastructure - over-regional connections of Euroregion with European communication system", Table 16 "Regional lines of communication in direction North - South and West - East" outlines communication line RW2 for transportation: the road with considerable waypoints: Greifswald - Wolgast / Anklam - Ahlbeck - Swinoujscie - Kamien Pom. - Trzebiatów - Kolobrzeg.

   Improvement of traffic conditions as well as shortening of driving time will take place through Szczecin to seaside resorts especially in summer during high season tourism traffic.
   Simulation of cross-border effect has been presented in enclosure as a connection of the above project to analysis of transportation activity, which is presented in TransLogis project.

3. Description
   3.1. Background and justification.
   - Realisation of the project will allow developing of cross - border traffic and will encourage German tourists to use opportunities of Polish retail and tourism offer. It will cause in balancing of conditions on Polish side and between the two countries. Investment realisation
will allow for stronger support of local autonomy development and for activation of local societies from border regions. It will suppress very dangerous and difficult passage through overcrowded streets of Kamien Pomorski town. It will shrink the way from 2,8 km down to 1,0 km and shorten the passage time by about 80%.

3.2. Activities linked to the project.
The applied project is a continuation of a task appointed for financing within Phare CBC 2001 programme in the city of Kamien Pom. scheduled for realisation for years 2003 - 2004:
- Building of a bridge on Swiniec canal together with access roads.
- Building of a roundabout on crossing of the roads 103 and 107.

In the nearest time rebuilding of the crossing of roads 3 and 107 is planned as a two-level junction.

3.3. Results of the project
- Modernisation of the road 102 section of 14,5 km by achieving technical parameters of G class, widening of the pavement out of towns up to 7,0 m.
- Building of about 1 km of the new road.
- Improvement of the pavement condition.
- Enforcing of the pavement.

3.4. Activities
- Building of a by pass of the city of Kamien Pom., length of 1,0 km.
- Modernisation of the road in section Parlówko - Kamien Pom. length of 14,5 km - improvement of communication solutions and land development between town Dobropole, Jarzyslaw and Rekowo, and rebuilding of crossing of the roads 106 and 107 in Rzewnowo.
- Rebuilding of pavement construction on section of 14,5 km.
- Rebuilding of two bridges in Rekowo.

3.5 Lessons learned
The first project qualified to Phare CBC 2001 programme, applied by ZZDW, was "Building of the bridge on the province road no 107 together with rebuilding the crossing of roads no 103 and 107". Since realisation of this investment is now on the stage of preparation ZZDW in Koszalin so far has not experience in executing of Phare CBC programmes.

4. Administrative framework
Engaged institutions: Ministry of Internal affairs and Administration, Executive Authority of Cross Border Phare Programme, Marshal Office of the Western Pomeranian Province, Western Pomeranian Board of the Province Roads in Koszalin. The project will not result in changes of the above administrative framework. Engineer of the project - to be appointed by public tender. Employer - Western Pomeranian Board of the Province Roads in Koszalin acting on behalf of the Board of Province. Owner of the goods created as a result of the project: public real estate, which constitutes the Province property.

5. Budget: as scheduled below:

<table>
<thead>
<tr>
<th>PHARE CBC 2002 financing</th>
<th>Investment support</th>
<th>Support within administrative development</th>
<th>PHARE CBC 2002 total</th>
<th>National co-financing</th>
<th>Financing by international financing institutions</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>Contract 1</td>
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<td>0,7</td>
<td>-</td>
<td>2,8</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,1</td>
<td>-</td>
<td>2,1</td>
<td>0,7</td>
<td>-</td>
<td>2,8</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, 36 Krucza Street, Poland
Phone: +4822 6959910/11
Telefax: +4822 6959912/13
PAO:
Mr Zenon Kosiniak – Kamysz
Under-secretary of State
Ministry of Internal Affairs and Administration
02-591 Warsaw, 5 Batorego Street, Poland

6.2. Twinning
- Not applicable
6.3. Non standard aspects
- DIS procedures (Decentralised Phare Realisation System - Practical Guide of Realisation of Phare, ISPA and SAPARD Programmes) will be strictly obeyed.
6.4. Contracts
- Number of contracts - 1, Value of the contract - 2.8 MEUR, - joint co-financing

7. Implementation schedule
7.2. Commencement of project operation
- Planned commencement of contract realisation - third quarter of year 2003.
7.3. Completion of the project - fourth quarter of year 2004.

8. Equal opportunity
Participation of men and women in realisation of this project will be equal, according to Equal Opportunity of Employment Act of European Community.
Conformity with point 5.2.3 of the Joint Programme Document / JPD / Compliance with equalisation of opportunities for men and women.
“Support subsidies shall be constantly involved with regard to aspect of equality of rights.”

9. Influence on environment: (refers to investment projects only)
Evaluation of influence of this project on environment was made in 2001. Following are the most important factors of environmental impact included in the evaluation's conclusion:
Realisation of the investment will adhere to provisions included in acts of local law. In regard to conditions of the location one may state that there are no strife with factors of geomorphology, morphology and anthropogeny, hydrology, geology and hydrogeology as well as the nature. Increase of pressure on the above factors will not take place. The investment will result in increase of traffic smoothness in this area and will influence reduction of arduous noise. There is no increase of arduousness caused by realisation and later operation of this investment.

10. Rates of return: (refers to investment projects only)
The contract contained in the application is only a part of total investment aiming to improve of traffic conditions on road number 107 and in city of Kamien Pom. Complete economical advantages will be achieved after realisation of the project applied for, and tasks qualified for financing within Phare CBC 2001 that is building of bridge on Swiniec canal and building of roundabout on crossing of roads 107 and 103 in the city of Kamien Pom.
Factors presented below refer to the total investment:
Internal Rate of Return - IRR = 24.12%
The Internal Rate of Return is an interest rate, at which, the present value of benefits expected from the spoken investment will equal value of disbursement. IRR, known as the rate including the time factor, is a discount rate equating the present value of cash inflows to the initial investment, making The Net Present Value equals zero.
Evaluation of effectiveness was based on:
"Temporary instruction for evaluation of economical effectiveness of civil engineering projects in prices of the year 1999" compiled on basis of "Temporary instruction for evaluation of economical effectiveness of civil engineering projects" IBDiM Warszawa 1993 and subsequent updating, according to the World Bank recommendations.
“Prognosis of the traffic on the national roads network till the year 2015” elaborated by Transprojekt Warszawa in 1997.
Preliminary investment cost estimation for the designed modernisation.
Predicted realisation schedule and planned volume of outlay.
Technical data: the length of sections, technical condition of the pavement according to SOSN (System of Pavement Condition Evaluation), geometric parameters.
A feasibility study of the project has been done.

11. **Investment criteria:** (refers to investment projects only)
   11.1. Catalytic effect
   Present spending on road maintenance does not allow for separation of sufficient means for modernisation of roads. Gaining of means from Phare fund for rebuilding of the most important roads in border region will effect in necessity of saving means by local authorities of all levels for modernisation of remaining road network. Impediment due to bad condition of road network become main obstruction in regional development and increase of financing will speed up regional economy and will attract investors.
The project will help in adaptation of EC regulation - "acquis communautaire".
   11.2. Co-financing
   Budget of the Province will participate after warranty of financing the project by Phare Fund.
   11.3. Supplementation
   Planned means from Phare will not release other sources of financing from paying on road engineering, on the contrary it will force local budgets to be more active in modernisation of roads in border area.
   11.4. Readiness of the project and it's size.
   ▪ The project is prepared for realisation.
   ▪ The task is included in the communal plan of land development.
   ▪ The investor owns the land necessary to execute the project.
   ▪ All technical studies necessary to commence realisation have been done.
   ▪ The project conforms to requirement regarding the size of the project - 2,8 MEUR, contribution of Polish party amounts 25% of the contract value.
   ▪ Western Pomeranian Board of the Province Roads owns the proper equipment and qualified staff what allows smooth realisation of the project.
   11.5. Persistence
   The project conforms to standards of EC and complies with EC sector law. In long term perspective, that is after Poland joins EC, the project is able to exist unaided. As regards to financing the project will self-supporting - modernised road will be managed and maintained by financial means of the Board of the Province.
   11.6. Conformity with rules of the state support.
The investment conforms to rules of European Act on the state support. It is accepted by the Board of the Province and is guaranteed to receive co-financing by the Board.
   11.7. Contribution to National Development Plan and to Joint Programme Document
   The project meets goals outlined in Joint Programme Document JPD:
   ▪ General goal - improvement of technical and tourism infrastructure.
   ▪ Direct goal - activities for improvement of over-regional and internal development of the land regarding to transportation infrastructure in the Region.
In regard of rebuilding and modernisation of transport infrastructure the project conforms to the direction outlined in National Development Plan "Integration of Polish Economy by modernisation and development of transportation network".

12. **Conditions and order of most important activities:**
The project has been accepted by the Board of the Province, has got guarantee of financing and is ready for implementation. There are no other conditions, which would limit realisation of the project, expected.
The most important tasks during realisation of the project:
   - Adjustment of tender materials with Implementing Authority.
   - Commencement of works by General Contractor - III quarter of 2003.
Annexes required for project fiche
1. LogFrame matrix with information on present value of factors mentioned in column 2 of the logic matrix.

2. Detailed table of tasks realisation.

3. Quarterly timetables of contracting and disbursing of means for the whole period of programme (with period of disbursing means).
<table>
<thead>
<tr>
<th>Annex 1 LOGFRAME PLANNING MATRIX:</th>
<th>Programme name and number</th>
<th>PHARE CBC 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovation of province road no 107 in section between Kamien Pom. - Parlówko together with building of by-pass of the city Kamien Pom.</td>
<td>Contracting period expires 15/10/2004</td>
<td>Disbursement period expires 15/10/2005</td>
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<table>
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<tr>
<th>Overall objective:</th>
<th>Objectively Verifiable Indicators:</th>
<th>Sources of Verification:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- improvement of technical and economical road infrastructure for transit traffic between the country border and seacoast as well as in area of Kamien Pom.</td>
<td>- building of 1.0 km of the new road and renovating of 14.5 km of the existing road with capacity of 100 kN/axis,</td>
<td>- reports of General Statistical Office, - reports of Marshal Office, - reports of Western Pomeranian Board of the Province Roads made directly after realisation is completed and later on within 10 years,</td>
</tr>
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<table>
<thead>
<tr>
<th>Project purpose Objectively Verifiable Indicators:</th>
<th>Sources of Verification:</th>
<th>Assumptions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- increase of the traffic capacity, - improvement of safety, - moving the transit traffic out of the city of Kamien Pomorski, - shaping of road parameters to requirements of EC,</td>
<td>- achieving technical parameters of the road in G class according to design directions, - reduction of accidents by 15%, - increase of SDR (Average Daily Traffic) by 20%, - shortening of passage time through Kamien Pom. by 80%,</td>
<td>- building of a bridge on Swiniec canal, - building of roundabout on crossing of roads 103 and 107 carried out within Phare 2001,</td>
</tr>
</tbody>
</table>

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<tr>
<th>Results: Objectively Verifiable Indicators:</th>
<th>Sources of Verification:</th>
<th>Assumptions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- renovation of the road section of 14.5 km, - building of 1.0 km of the new road, - rebuilding of two bridges,</td>
<td>- length of section modernised - 14.5 km, width in towns - 7.00 m, - class of the pavement condition A according to SOSN, - increase of bridges capacity will be achieved directly after implementation,</td>
<td>There is a lack of factors threatening implementation of the project.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activities:</th>
<th>Means:</th>
<th>Assumptions:</th>
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<tbody>
<tr>
<td>- building of by-pass of the Kamien Pom. city, - rebuilding of the pavement construction in section of 14.5 km, - rebuilding of 2 bridges in Rekowo,</td>
<td>- number of contracts to be realised within the project - 1</td>
<td>Total budget: 2.8 MEUR Phare budget: 2.1 MEUR</td>
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<td>There is a lack of factors threatening implementation of the project.</td>
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| Preconditions: | |
|---------------------------------------------------| |
| The decision to realise the project has been taken by the Board of the Province. | |
Annex 2-4: Implementation, contracting and disbursement schedule

Renovation of province road no 107 in section between Kamien Pom. - Parlówko together with building of by-pass of the city Kamien Pom.

| Date of Drafting | October 2001 |
| Planning Period | 2003 – 2004 |

<table>
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<th>Implementation schedule</th>
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<th>IV ’03</th>
<th>I ’04</th>
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<th>III ’04</th>
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<th>I ’05 – IV ’05</th>
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Legend: D = designing of sub-projects / C = tendering and contracting / I = contract implementation and payment