1. **Basic Information**

1.1. **CRIS number:** 2003/004-379/05.41

1.2. **Title:** Stimulation of economic development in the Region of Szczecinek

1.3. **Sector:** Economic and Social Cohesion

1.4. **Location:** Poland, Zachodniopomorskie Voivodship, Municipality of Szczecinek including towns: Szczecinek, Swiatki, Parsecko and Trzesieka

2. **Objectives**

2.1. **Overall Objective**
Increase in the activities in production and services sectors in the Region of Szczecinek

2.2. **Project purpose / immediate objective**
Generating appropriate conditions for SME creation and further development by providing appropriate sanitary and road accessibility infrastructure in investment areas

2.3. **Accession Partnership and NPAA priority**
The project is designed to address issues related to the AP priority in economic and social cohesion policy regarding the preparation for the implementation of regional programmes and Community Initiatives. The project in particular responds to the economic criterion identified in the AP concerning improving the competitiveness of the Polish economy. The project corresponds also to the NPAA priority "Regional policy and co-ordination of structural instruments”.

2.4. **Contribution to Draft National Development Plan**
The project is in line with the sixth axis of the preliminary NDP, which is “Strengthening development potential of regions and counteracting marginalisation of certain areas”. The priorities of this axis will be implemented by means of several measures including development and modernisation of infrastructure serving to strengthen competitiveness of regions. The project is compliant with the priorities of the Operational Programme of the Zachodniopomorskie Voivodship.

2.5. **Cross Border Impact:** N/A

3. **Description**

3.1. **Background and justification**
The City of Szczecinek (41,019 inhabitants; 2002) is situated in the south-eastern part of the Zachodniopomorskie Voivodship, in the Poviat of Szczecinek. The poviat is the fourth largest in the voivodship (81,698 inhabitants, area of 1765 km²). The City borders directly the Rural Municipality of Szczecinek (10,415 inhabitants; 2002) that surrounds the City.

Szczecinek is a local industrial centre, the Town Council, Poviat offices and institutions (City Hall, Poviat Office, Court, Tax Office, hospital, banks, etc.) are located there. The seats of the majority of secondary schools in the region and branches of universities, such as the Technical University of Koszalin and the Higher School of Trade are placed in Szczecinek.

The Szczecinek Region faces high unemployment. In May 2002 there were 4,893 unemployed registered in the City, and the unemployment rate was 18.2% (in relation to 2000, an increase in absolute figures and percentage points by 608 people and 1.8% respectively); in the Rural Municipality of Szczecinek 1,777 unemployed and the unemployment rate of 29.3%; in February 2002 the unemployment rate in the Poviat reached 35.3%. The main factors contributing to the difficult situation on the labour market include too small number of new investments and insufficient economic infrastructure in the region.

Thus, it is crucial to create favourable conditions for establishing new companies among others by the development of an appropriate sanitary and road infrastructure. Providing infrastructure in investment areas is the precondition of further development of the region, especially that large companies already existing in the City, such as Elda, Elamilk, KPPD and Kronospan, need small SME sector companies to provide competitive services and co-operation. It has been found that each new job in a large company
generates from 7 to 10 additional jobs in co-operating companies. The process is related to the tendency to reduce cost in a company by outsourcing certain services. In order to provide an efficient support for the development of SME companies servicing the above mentioned large companies and to attract new investors, it is necessary to supplement the technical infrastructure in industrial areas of the City and Municipality of Szczecinek.

In the City of Szczecinek, it is necessary to provide infrastructure for the area situated in Zone “E”. The area encompasses the district of Krainska (where 100% technical infrastructure is available except appropriate access roads) and the district of Raciborki (missing sanitary infrastructure). According to the Local Spatial Development Plan, these areas are designated as predominantly industrial investment locations.

In the Rural Municipality of Szczecinek, from Trzesieka and towards Parsecko (the area is adjacent to Szczecinek), the development of services and crafts can be observed. It is related to a favourable location next to provincial road no. 172, and proximity of the City. Near Trzesieka new service companies are established. They either operate independently or co-operate with companies situated in the City of Szczecinek. Lack of appropriate sanitary infrastructure discourages new investors and constitutes an obstacle to further development of SME companies in this location. In order to provide adequate sewage system, it is necessary to build a pressure collector with a connection to the existing sewage system and Sewage Treatment Plant in Szczecinek. This investment comprises construction of pressure collectors from Parsecko to the expansion tank situated in the centre of Trzesieki. This will provide connection to the sanitary system for prospective and already existing companies in the western part of Trzesieka, and a planned regional Municipal Solid Waste Treatment Plant with a landfill, as well as an a mineral aggregate mine in Parsecko (after completion of the project, the mine will connect to the system using its own resources). The construction of the Solid Waste Treatment Plant is necessary to achieve further sustainable development of the region. Land designated for the plant (ZUOK) and landfill are situated in the immediate vicinity of collectors.

The area of the City and Municipality of Szczecinek is attractive for tourism. According to the “Strategy for the Development and Promotion of Tourism in the City and Municipality of Szczecinek”, an optimum tourist capacity of the City and Municipality of Szczecinek is about 6,000 people a day. Currently there are 2,500 accommodation places available (both in hotels and at camping sites). An obstacle to further development of this activity is the lack of appropriate infrastructure. Through the Town of Światki, situated in the immediate vicinity of Szczecinek, near national road no. 20, situated on a lake and surrounded with forests, passes many tourist trails. It is a natural tourist centre of the region. Therefore, there is a considerable demand for hotel and similar services. It has been estimated that in Światki, there is demand for 10 – 15 tourist hotels or guesthouses providing accommodation for about 200 people. Further development of accommodation facilities is impossible due to the lack of infrastructure.

Local governments have documented the fact that investors are interested in establishing their companies in the project area. Local authorities have received 48 letters of intent from various entrepreneurs. In the opinion of the local entrepreneurs, expressed in those letters, new investment areas will generate about 378 new job places. It is estimated, that within 3 years from the completion of the project, on the area covered by new infrastructure, there will be 110 new SMEs and 420 new jobs created.

The City of Szczecinek and its immediate vicinity constitute a very attractive investment area. It is situated at the cross roads of national roads no. 11 and 20, provincial road no. 172 and next to a Poznan – Kolobrzeg railway line. This guarantees well transportation connections with the rest of the country. The project, which constitutes a complement to previous investment stimulating development, is one of major opportunities for the development of Szczecinek and its region.

3.2. Linked activities

The Municipality of Szczecinek

In late 1999 and early 2000, the Strategy for the Development of the Municipality of Szczecinek was adopted, defining directions for the development. Following the tasks stipulated in the strategy, several investment projects were implemented, with financing provided from the municipal budget, National Environmental Fund (NFOSiGW), and the World Bank under the Programme for the Development of Rural Areas, including such projects as:
- provision of 100% sewerage network in towns of Skotniki (4,657m of sanitary network, 3,500m of pressure collector)
- Turowo (8,000m of sanitary network, 3,000m of pressure collector)
- Godzimierz (3,850m b of sanitary network, 2,500m of pressure collector)
- sewerage network was provided in the following towns: Wierzchowo (2,883m sanitary network, 1,400m of pressure collector)
- sewage treatment plant of 165 m$^3$/d in Turowo was modernised.

An activity which directly contributes to the possibility of implementing the project is the undergoing construction of Stage I of the sanitary network in Trzesieka (8,000m of sanitary network, 3,500m pressure collector)

The City of Szczecinek

In 1999 – 2001, for example, the City implemented, among others, two infrastructure projects, co-financed from Phare CBC. These are:

- construction of sewage treatment plant in Szczecinek, Stage II – Construction of sanitary collector B – Contract No. PL9802.02.01.07-L001. The projects included the construction of a sanitary collector (Ø300 and Ø600, total length 3252.4m), and reconstruction of Kwiatowa Street of total area 1,793.61m$^2$. The value of the contract was 571,106.99 euro.
- construction of sewage treatment plant in Szczecinek, Stage II – Construction of sanitary collector B, Pilska Housing Estate – Contract No. PL9802.02.01.07-L002 (district of Krainska also called Pilska). The project involved the construction of Ø150 and Ø300 sanitary network of total length 3489 m, Ø 200 and Ø 800 rainwater network of total length 3901 m, and 4 separators. The value of the contract was 754,814.00 euro.

The Investment project had direct impact on the further project proposals submitted to Phare 2003 ESC, since they enabled to direct sewage from the district of Krainska, Raciborki and the Town of Swiatki to the sewage treatment plant. After implementing the investment in the district of Krainska, it was possible to modernise access roads.

The City of Szczecinek, together with Bank Zachodni WBK, implements the Local Entrepreneurship Partner Programme with the following objectives: (1) Active participation in the process of developing small and medium-sized enterprises on local markets; (2) In parallel to service offer addressed to SMEs, offering additional services such as training and advising, organised together with local governments and NGOs. The Programme aims at supporting the process of establishing and developing businesses in the city and in its immediate vicinity.

The Poviat Authorities in Szczecinek

According to the strategic objectives defined in the Strategy for the Development of the Poviat of Szczecinek, introduces measures supporting the development of entrepreneurship and fighting unemployment.

Since 2001, together with the Society for the Support of Small Enterprises in Borne Sulinowo, the Poviat authorities has been providing preferential 8% interest loans (difference between commercial and preferential interest rates is covered by the Poviat Employment Office) for the unemployed and people running their businesses in the Poviat. In 2001 loans granted contributed to establishing 5 permanent jobs.

special agreement was signed with the Bank Zachodni WBK in order to provide loans for companies creating new jobs. The Bank will grant loans to businesses eligible to apply for loans from the Employment Fund. On the other hand, the Poviat Authorities, through the Employment Office, will reimburse the difference between the commercial interest rate and preferential floating interest rate applied to loans contracted in the Employment Fund. Such loans are cheap, and due to the involvement of the bank it is possible to grant many similar loans.

Currently, a registration procedure is pending in the Court to establish the Credit Guarantee Fund. The Fund is the association of all municipalities in the Poviat of Szczecinek and Poviat authorities. The aim of the association is to provide guarantees for the unemployed, who contract loans or credits in a bank and do not have required collateral. It is expected that in the first period, the association will enable to establish 15 new jobs.

The Poviat Authorities in Szczecinek obtained a certificate of completing a training called “Developing institutional potential of local and regional administration” under the World Bank pilot programme in the framework of the Programme for Developing Rural Areas. Under the programme a project “Pozwól sobie pomóc” (Let yourself be helped) was developed. The project stipulated establishing municipal support clubs in the municipalities of the Poviat of Szczecinek. It is planned that the project will integrate into the labour market 720 unemployed who remain without job for longer than 2 years.

All the activities mentioned aim at stimulating economic growth in the region and are in line with the objectives of the project.
3.3. **Results**

The implementation of the project will provide the following location with 100% of technical infrastructure:

? Provided basic technical infrastructure (water supply and sewage systems) in the industrial district of **Raciborki** in Szczecinek, on the total area of about 115 ha, including approx. 83 ha of land designated for SME and services operation (ca. 76% of the whole area) and approx. 32 ha for developing housing and services (ca. 24% of the whole area).

? Modernised approx. 5.4 km access roads to the industrial district of **Krainska** in Szczecinek. It will improve accessibility of the area of about 116 ha., of which approx. 93 ha have been designated to develop industrial and storage facilities (80% of the whole area) and approx. 23 ha for SME and services operation (20% of the whole area) Along Warynskiego Street.

? Provided basic technical infrastructure (water supply, sewerage, and rainwater system) in the Town of **Swiatki**. The total investment area equipped with infrastructure will be approx. 48 ha, of which nearly 31 ha (65% of the whole area) will be designated for a commerce and tourist programme.

? Provided the basic sanitary infrastructure (sewerage network) in **Trzesieka** and a part of **Parsecko**. The total investment area of land to be equipped with the sanitary network and pressure collector, which will enable to treat sewage from **Trzesieka**, amounts to about 67 ha, of which 70% is scheduled for SME and services operation.

3.4. **Activities**

? In the industrial district of **Raciborki** in Szczecinek:
- construction of ∅ 32 to ∅100 water mains of total length approx. 4.8 km;
- construction of ∅ 160 to ∅ 200 sanitary network of total length ca. 3.8 km,
- construction of ∅ 110 pressure pipe of total length ca. 1,2 km,
- construction of 1 sewage pumping station,
- refurbishment and reinstallation of road surface after implementation of the works

? In the industrial district of **Krainska** in Szczecinek
- modernisation of ca. 5.4 km of roads to provide road access for companies Along Warynskiego Street,
- construction of ∅ 160 to ∅ 600 rainwater sewerage of total length about 1 km.

? In Town of **Swiatki**
- construction of ∅ 40 to ∅ 300 water supply network of total length about 9,0 km;
- construction of ∅ 160 to ∅ 200 gravitational sewerage network of total length about 6,6 km,
- construction of 4 sewage pumping stations,
- construction of ∅ 90 to ∅ 140 pressure ducts of total length ca. 140
- construction of 3,3 km ∅ 200 to ∅ 400 rainwater drainage network of total length ca. 2,9 km
- installation of 5 sand and oil separators
- refurbishment and reinstallation of road surface after implementation of the works

? In **Trzesieka** and a part of **Parsecko**:  
- construction of gravitational sewerage network of total length ca. 0.8 km,
- construction of pressure collectors of total length ca 3,8 m,
- construction of 2 sewage pumping stations
- refurbishment and reinstallation of road surface after implementation of the works

3.5. **Lessons learned**

? Under the Final Assessment Report for Assistance funded under PL-9808 Special Preparatory Programme (SPP) and PL-9909 Regional Policy and Cohesion, prepared by OMAS, some recommendations have been made. They are also relevant to the above-mentioned project. Therefore the Ministry of Economy together with the IA and Office of the Committee for European Integration have established stronger institutional co-operation between those organizations (responsible for the programming and implementation of the Phare – ESC assistance).

? LPM (Logical Planning Matrix) methodology is applied correctly and contains clear, quantifiable indicators of achievement of the project’s objectives.

? The implementation of the Phare 2003 ESC Programme should be based on the experience gained during the implementation of previous Phare programmes, especially ESC 2000, 2001 and 2002 ESC Programmes. Therefore documents concerning land acquisition and conformity with the local spatial development plans are required during the current programming exercise. For this purpose the Polish authorities (Ministry of Economy and Office of the Committee for
European Integration) have established a scrutiny system (in form of a checklist) that should be used at the early stage of programming Phare 2003 ESC, eliminating proposals which do not meet the above-mentioned criteria.

4. **Institutional Framework**

According to the agreement with the Municipality of Szczecinek, Urban Municipality of Szczecinek, and the Poviat of Szczecinek signed on 06.06.2002, the project will be jointly implemented by the above-mentioned local governments. The contribution of the beneficiaries to the project will include the following tasks and costs:

- Municipality of Szczecinek: construction of the sewerage network in Trzesieka and a part of Parsecko.
- Poviat of Szczecinek: construction of the water supply network, sanitary and rainwater networks in Świętaki and connecting them to the municipal water and sewerage network of the City of Szczecinek.
- Urban Municipality of Szczecinek: construction of the water supply and sanitary networks in the district of Raciborki.
- Poviat of Szczecinek and Urban Municipality of Szczecinek: modernisation of access roads to the industrial district of Krainska.

The beneficiaries appointed the Municipality of Szczecinek, as the Employer, to represent their interests. The municipality was authorised to sign contracts related to the project. The municipality was appointed due to its experience gained during the implementation of previous infrastructure projects cofinanced from Phare CBC. Additionally, the Urban Municipality of Szczecinek is the owner of a sewage treatment plant to which sewage will be collected from the project area. The Municipality of Szczecinek will open a bank account for the purpose of the project. The bank account will be common for all three local governments and will be used to receive and make payments regarding the project.

The procedure of an open public tender will be used to select the Project Manager / Engineer according to the provision of the Public Procurement Act. The cost of employing the project engineer will be covered jointly by the three beneficiaries, proportionally to the value of their tasks.

The owners of the investment will be the beneficiaries, each according to the scope of tasks designated. The sanitary and rainwater networks will be administered by:

- On the area of the City of Szczecinek: Water and Sewage Company (Przedsiębiorstwo Wodociągów i Kanalizacji Sp. z o.o.), 100% owned by the Urban Municipality of Szczecinek.
- On the area of the Rural Municipality of Szczecinek: Water and Sewage Company (Zakład Budżetowy Gminy Zakład Wodociągów i Kanalizacji), 100% owned by the Rural Municipality of Szczecinek.

All sewage from the project area will be diverted to the sewage treatment plant in Szczecinek operated by the Water and Sewage Company (PWIK Sp. z o.o.) from Szczecinek.

Water supplied through the network will be taken from the water purification plant in Szczecinek operated by the Water and Sewage Company (PWIK Sp. z o.o.) from Szczecinek.

Newly built, extended, and modernised roads will be operated by:

- Poviat road: Waryńskiego Street – Poviat Road Management Company in Szczecinek;
- other roads: Municipality of Szczecinek.

5. **Detailed Budget**

<table>
<thead>
<tr>
<th>Investment Support</th>
<th>Institution Building</th>
<th>Total Phare</th>
<th>National co-financing</th>
<th>International &amp; Financial Institutions</th>
<th>Total</th>
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<td>TOTAL</td>
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<td>2 000 000</td>
<td>1 037 000</td>
<td>3 037 000</td>
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</table>

The overall value of the investment (3,037 MEUR) including the cost of employing Engineer / Project Manager. The cost of employment of the Project Manager will be covered entirely by the Employer. Beneficiaries guarantee to cover all costs regarding the implementation of the project and not covered by Phare. Co-financing will be available.
6. **IMPLEMENTATION ARRANGEMENTS**

6.1. **Implementing Agency**

- PAO: Ms. Krystyna Gurbiel, Undersecretary Of State In The Ministry Of Economy, Labour and Social Policy, Pl. Trzech Krzyzy 3/5, 00-507 Warsaw, Poland, Phone: + 48.22.693.56.28, 629.31.47, Fax: + 48.22.693.40.05

- Implementing Authority for Phare Cross Border Co-operation Programme, Contact person: Ms. Grazyna Weclawska, Krucza 36 Street, 00-522 Warsaw, Poland, Phone +48.22.695.99.10-11, Fax +48.22.695.99.12-13

6.2. **Twinning**: N/A

6.3. **Non-standard aspects**: N/A

6.4. **Contracts**

   It is expected that within the framework of the project, 2 contracts will be signed:

   - With the Engineer. It is planned that the value of this contract will amount to approximately 3% of the overall value of the project that is approximately 0.091 MEUR. The cost of Engineer’s employment will be covered from the budgets of the Employer.

   - With the Contractor, for implementing the works encompassed by the project. Phare contribution in the value of this contract will amount to 2.0 MEUR, beneficiary’s co-financing will amount to 0.946 MEUR. Contract will be subject to joint co-financing.

7. **IMPLEMENTATION SCHEDULE**

- Start of tendering/call for proposals: third quarter 2003
- Start of project activity: fourth quarter 2003
- Project completion: third quarter 2005

8. **EQUAL OPPORTUNITIES**

   Procedures related to the implementation of the project will be implemented according to the law and will respect equal opportunities for all interested institutions and natural persons in spite of their sex, race and nationality. The employment of men and women will be based on applicable EU standards with reference to EOE (Equal Opportunity of Employment), which will be announced in official press advertisements during the recruitment procedures.

9. **ENVIRONMENT**

   For the purpose of the project, Environmental Impact Assessment Reports were developed regarding the modernisation of access roads to the industrial district of Krainska, works related to the sanitary networks in the district of Raciborki, and the Towns of Parsecko, Trzesieka, and Swiatki. The assessments were carried out according to Directive 85/337 EEC of 27.06.1985 on the assessment of environmental effects of certain public and private projects, and including Directive of the European Commission 97/11/EC of 3 March 1997 introducing amendments to Directive 85/337 EEC. EIA is available in Beneficiary office.

10. **RATES OF RETURN**

   For the purpose of the project, a feasibility study was provided on the basis of Tebodin B.V. and UNIDO guidelines. The study produced the following results:

   - Financial Internal Rate of Return (FIRR) = 2.12%
   - Economic Internal Rate of Return (EIRR) = 20.40%

   FS is available in Beneficiary office.
11 INVESTMENT CRITERIA

11.1. Catalytic effect
The Phare support will be conducive to achieving economic and social cohesion goals in Zachodniopomorskie voivodeship, which otherwise could be attained only in a more distant future and on a more modest and less efficient scale.

11.2. Co-financing
The project is co-financed by the Polish sources. The national contribution amounts to 34 % of the total project cost.

11.3. Additionality
The financial means transferred to the Beneficiary for the project implementation, covering the investment costs as they are planned within the project do not displace other financing sources, especially from the private sector and the IFI system; it is solely the co-financing of identified priorities and does not replace national resources.

11.4. Project readiness and size
The project is ready to be implemented. The project possesses all necessary technical documentation and before October 28, 2002 will possess all necessary permissions. Environmental Impact Assessment as well as Feasibility Study have been prepared.
Beneficiaries possess the right to manage the land for construction purposes.

11.5. Sustainability
The project, after its implementation, will be financed from income generated by fees for using water and collecting sewage. The cost of road maintenance in the district of Krainska will be borne by the City of Szczecinek and Poviat Authorities within the implementation of their own tasks.
The budgets of beneficiaries (Municipality of Szczecinek, Urban Municipality of Szczecinek, and Poviat of Szczecinek) will guarantee a sustainable functioning of the project.

11.6. Compliance with state aids provisions
All aspects of the project will be developed with respect to the state aids provisions of the European Agreement.

11.7. Contribution to Draft National Development Plan
The project is in line with the fifth axis of the draft NDP, which is “Strengthening development potential of regions and counteracting marginalisation of certain areas”. This axis will be implemented by means of several priorities including development and modernisation of infrastructure serving to strengthen competitiveness.

12. CONDITIONALITY AND SEQUENCING

The successful implementation of the project is dependent on the following assumptions:

? No economic downturn in the country and region may cause inadequate financial capacity to establish companies.
? All necessary funds will be available and the staff engaged in the project will be professional and efficient
? Favourable weather conditions will prevail

Sequencing (Milestones)

? Planned date of preparation of tender documents: 30.06.2003
? Planned date of announcing the tender: 14.07.2003
? Planned date of signing of the contract: 30.10.2003
? Planned date of completion of the works: 30.09.2005

ANNEXES

Annex 1: Log-frame matrix
Annex 2: Implementation schedule
Annex 3: Contracting schedule
Annex 4: Disbursement schedule
Annex 5: EIA
Annex 6: Habitats
### ANNEX 1 - PROJECT LOGICAL FRAMEWORK MATRIX

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Increase in the activities in production and services sectors in the Region of Szczecinek | Increase in turnover of the local companies. | How: Data from Tax Office, WUS and GUS  
When: 5 years after project completion  
Who: Marshall Office of Zachodniopomorskie Voivodship | Economic decline in the country and region may cause inadequate financial capacity to establish companies. |

<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
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</table>
| Generating appropriate conditions for SME creation and further development by providing appropriate sanitary and road accessibility infrastructure in investment areas | Creation of ca. 110 new SME companies on the project area  
Creation of ca. 420 new jobs. | How: Data from the WUS REGON Office  
Municipal statistical data  
When: 2 years after completion of the project  
Who: beneficiary | Economic decline in the country and region may cause inadequate financial capacity to establish companies. |

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
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</table>
| Provision of the investment sites in Raciborki, Krainska, Swiatki, Trzesieka and Parsecko with all the necessary infrastructure, amounting to approx. 280 ha. | Opening altogether 499 ha of land for investment  
Modernised 5.4 km of roads  
New 19.6 km of sewage network  
New sewage pump station 7 PCs  
Newt 3.90 km of rainwater drainage network  
New 13.8 km water supply network  
New sand bed filter and oil separator 5 PCs | How:  
Municipal statistical data  
Data from the beneficiary  
Works taking over documents  
When: Immediately after completion of works  
Who: The beneficiary | Assumption is made that necessary funds will be available |

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<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
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| Construction of sewage system and water supply in Raciborki. Modernisation of access roads to industrial district of Krainska. Construction of sewage network, and water supply in Swiatki. Construction of sewerage system in Trzesieka and Parsecko. | Contract for the implementation of the Project  
Total budget: 3.037 MEUR  
Phare budget: 2.00 MEUR  
Beneficiary’s budget: 1.037 MEUR | Assumption is made that staff engaged in the project will be professional and efficient  
Favourable weather conditions will prevail |

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<tr>
<th>Preconditions</th>
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Resolution no. 417/02 of the City Executive Board in Szczecinek of 3 June 2002  
Resolution no. XXXIV/238/2001 of the Poviat Council of 28 December 2001 |
### Project Title: Stimulation of Economic Development in the Region of Szczecinek

**Date of Drafting**: 01/2003-09/2005

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<th>Planning period</th>
<th>Budget allocation</th>
<th>Cost estimate M€</th>
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<td>01/2003-09/2005</td>
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#### Planned Implementation Schedule Per Quarters

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

### Implementation Process

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</table>

Legend:  
**D** = design of sub-projects;  
**C** = tendering and contracting;  
**I** = contract implementation and payment.
1. Assessment of effects on sites of nature conservation importance

1.1. Is the project likely to affect sites of nature conservation importance (i.e. potential Natura 2000 sites)\(^1\)?

- Yes  [x]  No  [ ]

- If yes - please go to question 1.2.
- If no - please fill out Annex I (Declaration by the authority responsible for sites of nature conservation importance = potential future Natura 2000 sites)

1.2. In this case an appropriate assessment according to art. 6(3) of the directive 92/43/EEC ("Habitats Directive") is obligatory.

1.2.1. Have this appropriate assessment been carried out ?

- Yes  [x]  No  [ ]

This appropriate assessment can take the form of an EIA according to Directive 85/337/EEC as amended by 97/11/EC. If this is not the case, please describe briefly the procedure carried out and include a non-technical summary of the impact study.

**Summary of Environmental Impact Assessment**

Developed by dr inż. Ryszard Ingielewicz, mgr inż. Jan Myszkier, and dr inż. Adam Zagubien in 2002
For the purpose of the project, Environmental Impact Assessment Reports have been made regarding the construction of the sanitary infrastructure in the district of Raciborki, Towns of Światki and Parsecko, and rebuilding and modernisation of access roads to the industrial district of Krainska. The reports were made in line with Directive 85/337 EEC of 27.06.1985 concerning assessing environmental effects of certain public and private investments, taking into consideration Directive of European Commission 97/11/EC of 3 March 1997 amending Directive 85/337 EEC.

**Reports pertaining to the construction of sanitary infrastructure concluded as follows:**

1. The lack of sanitary infrastructure in the district of Raciborki constitutes a serious barrier to the economic development of the City of Szczecinek in the southward direction.
2. The lack of sanitary infrastructure in Towns of Trzesieka, Światki, and Parsecko hampers their further economic development.
3. Investments planned are situated in the following catchment areas:
   - Catchment of River Gwda, tributary of River Notec, which is the tributary of River Warta, tributary of River Odra
   - catchment of River Parseta, the destination basin is the Baltic Sea.

\(^1\) For the purpose of the Pre-Accession instruments a site of nature conservation importance (= potential future Natura 2000 site) in candidate countries is a site falling under one or more of the following categories:

(a) sites, which have been identified by the competent national authorities as sites to be proposed for the Natura 2000 network as laid down in the Birds Directive (79/409/EEC) and Habitats Directive (92/43/EEC)
(b) sites listed in the latest inventory of Important Bird Areas (IBA 2000) for candidate countries or (if available) equivalent more detailed scientific inventories endorsed by national authorities
(c) wetlands of international importance designated under the Ramsar Convention or qualifying for such protection
(d) areas to which the Bern convention on the conservation of European Wildlife and Natural Habitats (Art. 4) applies, in particular sites meeting the criteria of the Emerald network
(e) areas protected under national nature conservation legislation
4. The existing residential houses are connected to closed sewage tanks or directly to drainage ditches. In Światki, they are connected to the existing insufficient sewage treatment plant.
5. After implementing the project, sewage will be diverted to the new sewage treatment plant in Szczecinek which has large excess capacity and fulfils European sewage treatment standards.
6. In the period of 2 years after the completion of the project, the existing pollution of ground and water in the project area will be eliminated and natural state of the environment restored due to self-regulation processes.
7. Additionally, due to the implementation of the project:
   - The quality of water in rivers of Gwda and Paseta will improve and consequently the cleanliness of water in the Baltic Sea,
   - Emission of sulphur hydrogen, odour substances, and disease bacteria will be eliminated in the project area,
   - Emission of pollution caused by vehicles transporting sewage will be eliminated,
   - During the construction works, there will be a temporary increase in burdensome activities in the project area. However, after completion of the project, the causes of nuisance will cease to exist. This includes noise caused by means of transport, construction equipment, and air pollution caused by an increased traffic and operation of construction machines.
   - Considering the character of the project, no social conflicts are expected.

Assessment concerning modernisation of access roads to district of Krainska concluded as follows:
1. Currently the streets have improved quality surfaces. Majority of them consist of cinder and ground, except Warynskiego Street which has asphalt surface layer of poor technical condition.
2. The scope of the project covers the provision of new surfaces, construction of pavements and car parks as well as the construction of accesses to particular plots, industrial plants, workshops and wholesale establishments.
3. Warynskiego Street passes through industrial and storage areas and constitutes the main traffic route leading to existing companies, including Kronospan Wood Processing Company, the largest one in the Region of Szczecinek.
4. The report considered the impact of the project on the environment during the construction and operation stages. The EIA considered the impact on the following factors:
   - atmospheric air,
   - acoustic conditions,
   - vibrations,
   - underground and surface waters,
   - soil, plants and animals,
   - human health,
   - waste management.
5. Considering the character of the project it was decided that the main negative impact factors, both during construction and operation, will be noise and air pollution. The report indicated that the limit emission levels for the two factors will not be exceeded during developing the area concerned.
6. It was proved that:
   - Comparing to the situation without the project, its implementation will lead to the decrease in the emission of noise and exhausts to the environment through improving the efficiency of traffic.
   - Road traffic safety will improve,
   - The problem of excess dust levels caused by the traffic on roads without hardened surfaces will be solved,
   - The traffic along Warynskiego Street comprises mainly heavy vehicles. The rebuilding of the road will improve noise, air pollution, and vibration levels caused by heavy vehicle transport (axle load higher than 12 t).
7. During the construction phase, in case noisy machines and equipment are used, it would be advisable to use light portable screens to be placed from the side of residential areas. Employees operating the equipment should be protected according to Occupational Safety and Hygiene regulations. No social conflicts are expected caused as a result of the implementation of the project, since its implementation will improve the quality of life of the inhabitants.
1.2.2. Based on the results of the above appropriate assessment, will the project have a significant negative impact on a site of nature conservation importance?

Yes [ ] No [x]

- **If yes**, please fill out **Annex II** *(Information to the Commission according to Article 6(4) of the Habitats Directive. This Annex has to be signed by the authority responsible for sites of nature conservation importance = potential future Natura 2000 sites)*

- **If no**, please fill out **Annex I** *(Declaration by the authority responsible for sites of nature conservation importance = potential future Natura 2000 sites)*
ANNEX I - Declaration by the authority responsible for sites of nature conservation importance
(= potential future Natura 2000 sites)
(EQUIVALENT TO Annex I(a) of the Cohesion Fund form)

Responsible authority:
Having examined\(^2\) the project application Phare 2003 – Social And Economic Cohesion Programme (title). **Stimulating Economic Development in Region of Szczecinek**
which is to be located at Urban Municipality of Szczecinek and Municipality of Szczecinek
we declare that (tick the appropriate box):

☐ The project is not likely to have significant effects on a site of nature conservation importance on the following grounds:

……………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………

Therefore an appropriate assessment required by Article 6 (3) was not deemed necessary.

☑ Following an appropriate assessment, according to Art. 6(3) of Directive 92/43/EEC, the project will not have significant negative effects on a site of nature conservation importance.

Signed: ...............................
(Authority responsible for monitoring sites of nature conservation importance)
Official Seal:

\(^2\) taking into account the requirements of Art. 6(3) of Directive 92/43/EEC
### 1. PROJECT

Name of the site affected:

This site is (please tick):
- ☐ a site identified by the national competent authority as qualifying under Art. 4(1) and (2) of the Birds directive (79/409/EEC)
- ☐ a site identified by the national competent authority as qualifying under Art. 4(1) of the Habitats directive (92/43/EEC)
- ☐ a site listed in the latest inventory on Important Bird Areas (IBA 2000) or (if available) in an equivalent more detailed scientific inventories endorsed by national authorities
- ☐ a wetland of international importance designated under the Ramsar Convention or qualifying for such protection
- ☐ a site to which the Bern convention on the conservation of European Wildlife and Natural Habitats (Art. 4) applies, in particular a site meeting the criteria of the Emerald network
- ☐ areas protected under national nature conservation legislation

Summary of the project having an effect on the site:

### 2. NEGATIVE EFFECTS

Summary of the assessment of the negative effects on the site:

N.B.: this summary should focus on the adverse effect expected on the conservation value of the site, include the appropriate maps and describe the already decided mitigation measures.

### 3. ALTERNATIVE SOLUTIONS

Summary of alternative solutions studied by the candidate country:

Reasons why the competent national authorities have concluded that there is absence of alternative solutions:

### 4. IMPERATIVE REASONS

Reason to nevertheless carry out this plan or project:
- ☐ Imperative reasons of overriding public interest, including those of a social or economic nature (in the absence of priority habitat/species)
- ☐ Human health
- ☐ Public safety
- ☐ Beneficial consequences of primary importance for the environment
- ☐ Other imperative reasons of overriding public interest

Short description of the reason:

### 5. COMPENSATION MEASURES

Foreseen compensatory measures and timetable:
ENVIRONMENTAL IMPACT ASSESSMENT

(Please complete this section for each project in case of grouped applications)

Stimulating economic development in Region of Szczecinek

1. Development consent

   Has development consent\(^3\) already been given to this project?

   \[\begin{array}{ll}
   \text{Yes} & \square \\
   \text{No} & \times \\
   \end{array}\]

   \text{If yes, on which date } \underline{09/09/2002}\text{ /}

   \text{If no, when was the formal request for the development consent introduced } \underline{09/09/2002}

   \text{and by which date is the final decision expected? } \underline{28/10/02}

   Specify the competent authority or authorities, which has given or will give the development consent

   \text{County of Szczecinek}

   Is the above authority considered to be the competent authority responsible for performing the duties of


   \[\begin{array}{ll}
   \text{Yes} & \times \\
   \text{No} & \square \\
   \end{array}\]

   - \text{If no, please specify for this project who is designated as competent authority for the purposes of}

   the EIA Directive:

   …………………………………………………………………………………………………………………………………………………………..


2.1. Is the project a class of development covered by:

   \text{Annex I of Directive 85/337/EEC, as}

   \text{amended by Directive 91/11/EC } \square \text{ (go to question 2.2)}

   \text{Annex II of Directive 85/337/EEC, as}

   \text{amended by Directive 91/11/EC x (go to question 2.4)}

   \text{Not covered by Directive 85/337/EEC, as}

   \text{amended by Directive 91/11/EC } \square \text{ (only the section on nature conservation needs to be completed)}

2.2. Has an EIA already been carried out?

   \[\begin{array}{ll}
   \text{Yes} & \square \\
   \text{No} & \square \\
   \end{array}\]

   \text{If yes, has the EIA been carried out before development consent has been given?}

   \[\begin{array}{ll}
   \text{Yes} & \square \\
   \text{No} & \square \\
   \end{array}\]

   On which date has it been finalised \underline{09/09/2002}

   \text{If no, provide an estimation of the date when the procedure will be finalised } \underline{09/09/2002}

\(^3\) i.e. decision of the competent authority or authorities which entitle the developer to proceed with the project

\(^4\) Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment

(OJ L 175 of 5.7.1985) as amended by Directive 97/11/EC (OJ L 73 of 3.3.1997). Text of these directives as well as

a consolidated version of both can be found on: http://www.europa.eu.int/comm/environment/eia/eia-

legalcontext.htm
2.3. When covered by Annex I of the EIA Directive a similar\(^5\) procedure as the one described in the EIA directive will need to be applied and the following documents included.

**Necessary documents are:**

a) the [non-technical summary of the Environmental Impact Study](#) carried out for the project. A non-technical summary shall include at least:

- a description of the project comprising information on the site, design and size of the project
- a description of the measures envisaged in order to avoid, reduce and, if possible, remedy significant adverse effects
- the data required to identify and assess the main (direct and indirect effects) which the project is likely to have on the environment on the following factors:
  - human beings, fauna and flora (including those environmentally sensitive areas which might fall in future under the protection of the Birds (79/409/EEC) and Habitats (92/43/EEC) Directives);
  - soil, water, air, climate and the landscape
  - material assets and the cultural heritage
  - the interaction between the factors mentioned in the first, second and third indents
- and any further information which might derive from any of the obligations deriving from Annex IV of the EIA Directive.

b) the results of consultations with the competent environmental authorities; indicating in what way the concerns of the designated consultees have been taken into account.

c) the results of consultations with the public concerned. The information provided should cover the following:

- the concerned public which has been consulted
- the places where the information has been consulted
- the time which has been given to the public in order to express its opinion
- the way in which the public has been informed (for example, by bill-posting within a certain radius, publication in local newspapers, organisations of exhibitions with plans, drawings, tables, graphs, models, etc.)
- the manner in which the public has been consulted (for example, by written submissions, by public enquiry, etc.)
- the way in which the concerns of the public have been taken into account.

d) in case a project is likely to have significant effects on the environment in another state the results of the [transboundary consultation](#) with those states effected by the project needs to be provided demonstrating that the procedure of article 7 of the EIA Directive. In addition, information indicating in what way the concerns of the designated consultees and concerned public have been taken into account will also need to be provided.

e) Evidence that the decision to grant or refuse development consent has been made available to the public by the competent authority, including the

- the content of the decision and conditions attached thereto,
- the main reasons and considerations on which the decision has been based,
- a description, where necessary, of the main measures to avoid, reduce and, if possible, offset the major adverse effects.

Note: In relation to b), c) and d) these may be represented in the form of a statement, conclusion or certification by the competent environmental authorities describing and testifying that all obligation as described in the intends above have been followed.

2.4. When covered by Annex II of the EIA Directive has an Environmental Impact Assessment been carried out for this project?

- Yes [x]  
- No [ ]

If yes include the necessary documents (see question 2.3.).

If no explain the reasons\(^6\) and give the thresholds, criteria or case by case examination carried out to reach the conclusion that the project has no significant environmental effects:

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\(^5\) A guidance document describing the minimum criteria to ensure that a similar procedure has been applied can be found on [http://www.inforegio.cec.eu.int](http://www.inforegio.cec.eu.int)

\(^6\) The specific reasons why the project was not considered to have a significant impact on the environment.
Use more space if necessary

Have the results of the determination whether a project listed in Annex II of the Directive requires a formal EIA or not (made by the competent authority) made available to the public?

Yes [ ] No [ ]

If yes, on which date \_01\_06\_02\_