1. **Basic information:**
1.1 CRIS Number: 2003/005-710.03.03
1.2 Title: Road Border Crossing in Hrebenne
1.3 Sector: Justice and Home Affairs
1.4 Location: Republic of Poland, Lublin voivodship, Polish-Ukrainian border, in Hrebenne

2. **Objectives:**
2.1. **Overall objectives:**
Achievement of EU standards on the Polish eastern border
Stimulation of economic development of the region and cross-border co-operation between Poland and Ukraine.

2.2. **Project purpose/Immediate objectives:**
- increase of the border crossing capacity (achievement of the desired capacity of 3,000 vehicles per day and reduction of waiting time by 20%),
- increased safety of the future eastern border of the UE, particularly considering quantity and value of illegal or smuggled goods and/or people discovered;
- improved border crossing efficiency including reduction of the waiting time at the border and better social conditions for customs services, border guards and other users alike.

2.3. **Accession Partnership and the NPAA priorities**
This project is in line with the AP in the priorities:
Continue efforts in upgrading the equipment at the border crossing points, but also the green and blue border and in particular at the future external border of the Union; allocating adequate national budgetary and administrative resources; align cross-border surveillance, ensure exclusively civilian co-ordinated crime fighting services.

NPAA policy priorities:
Justice and Internal Affairs - to adapt the national border protection system to EU standards, to fight organized crime
Transportation - adjustment of the road transportation standards to the Acquis Communataire;

2.4. **Contribution to the National Development Plan – N/A.**

2.5. **Cross Border Impact:**
Road Border Crossing in Hrebenne is situated along national road No. 17 Warsaw- Lublin- Hrebenne, which is the shortest road link between Warsaw and Lvov. Implementation of the project will increase the border crossing capacity up to 3,000 vehicles a day, which will considerably improve conditions to develop trade and services in the border area especially between Zamosc, Tomaszow Lubelski and Lubycza Krolewska.

3. **Description:**
3.1. Background and justification:
Road Border Crossing at Hrebenne was opened to international traffic in 1992. It is both a passenger and cargo border crossing occupying an area of 3.02 ha, of which 2.0 ha are paved surfaces. Border crossing operates non-stop 24 hours a day. It is located along the national road No.17 Warsaw - Lublin – Lvov which it is the shortest road link Odessa-Warsaw-Gdansk. Implementation of the project will increase the border crossing capacity, eliminate existing queues and upgrade the operation principles to European Union standards.
In the year 2001 the actual traffic through the border crossing was as follows:

- Passenger cars - 801 170
- Lorries - 35 469
- Coaches - 21 510
- Passengers - 2 594 582

At present Hrebenne Border Crossing is one of the most important Polish border crossings with Ukraine, but due to limited capacity the waiting time is up to tens of hours. The Polish and Ukrainian governments concluded an agreement on 18 May 1992 which a.o. includes the border crossing in Hrebenne. In this agreement both sides declared to make all efforts necessary to improve the flow of people and goods across the border, including infrastructure measures, to inform each other and agree on the steps taken to achieve this objective.

In addition, both governments concluded on 25th June 2001 an agreement on co-operation in the scope of controlling the passengers, goods and vehicles crossing the Polish-Ukrainian border. In accordance with the agreement, the border facilities will be adjusted to make the joint clearance of the Ukrainian and Polish border services possible. To achieve this result, the proper rooms and facilities have already been envisaged. Because this agreement does not specify in detail on which border crossings the joint clearance will be performed (specific border crossings will be agreed on by exchange of diplomatic notes between the national governments), there have not been made so far any detailed settlements with the Ukrainian side concerning the joint clearance on this particular border crossing. However, it is planned to create there the proper conditions to carry out such joint actions. It is envisaged that the customs control on this border crossing will take place on the Polish side. Nevertheless, taking into consideration the above agreement, all facilities needed for customs control are planned in this way that the customs control could be carried out – if both sides reach an agreement regarding this particular border crossing - jointly by the Polish and Ukrainian services. The infrastructure envisaged to be built there would make such a joint control possible.

In case of any savings in the project budget a stationary X-ray equipment for lorry scanning is foreseen to be purchased and installed.

The Ukrainian side will not participate in project implementation and will not finance it in any way. However, the Ukrainian authorities plan to modernise the border crossing on their side and they have already developed the design (initial documentation). In accordance with this documentation, the infrastructure already in existence will be used for the passenger cars and coaches, while for lorries it is envisaged to build a terminal. The commencement of the works depends on the availability of funds – it is possible to start the works in 2003.

The Polish side has informed the Ukrainian partners on this project. The investment discussed during the meeting of the Polish-Ukrainian Intergovernmental Council on Cross Border Co-operation that was held on 6 May 2002. The Ukrainian partners confirmed then great significance of extension of the border crossing for improving the traffic flow and communication among the inhabitants on both sides of the border.

The next meeting, during which matters of border services will be discussed, was planned for November 2002 in Rzeszow. The meeting originally planned for November 2002 in Rzeszow is postponed for January 2003.

The project within Phare 2001 is in its initial stage of realisation. An agreement for preparing tender dossier has already been signed. The closing date for preparation is December 2002.

3.2. Linked activities:
Extension of Hrebenne Border Crossing is planned in three stages:
STAGE 1
The previous edition of PHARE 2001 involved construction of the embankments, building of the main administration for Border Guards and Customs Office (no 33), phyto-sanitary and veterinary buildings (no 9), building of technical base (no 34), umbrella roofing over clearance area (no 14 and 30) and area fitting. Contract value amounts to 8 MEUR including 6 MUER from the PHARE funds. Numbers in brackets apply to the plan of the extension of the border crossing. It is attached to the project fiche as annex 6.

STAGE 2
PHARE 2002 will involve construction of buildings such as: passport control booths (no 13, 21, 29), umbrella roofing over clearance area (no 22), storehouses (no 24), customs individual control building (no 10, 36), customs clearance building for coaches and buses (no 28), sanitary facilities (no 23, 31), water intake point (W) and sewage treatment plant (K) and roads and areas. Contract value amounts to 6.7 MUER including 5 MUER from the PHARE funds.

STAGE 3
Moreover, within the range of the PHARE 2003, other capacity buildings, roads and areas, fence, radio-communication tower, weight bridges, area fitting and tele-information networks will be constructed.
Expected contract value is 6.7 MUER.

3.3 Results
Project implementation will result in improvement of the traffic flow through the Road Border Crossing in Hrebenne. Implementation of works will complete the extension works in the target way.
The effects will be as follows:
• Achievement of the desired capacity of 3,000 vehicles per day and reduction of waiting time by 20%)
• providing optimal working and sanitary conditions both for Border Guards and Customs
• creating of 120 new work places.
• increase of effectiveness in detection of goods smuggling
In addition, the project will contribute significantly to the improvement of the cross-border co-operation with Ukraine and economic development of the region.

3.4. Activities
One single contract will include (all objects that are to be built under this project are underlined on the enclosed site map):
- passport and customs control booths (no 1, 2, 5, 16, 17, 18, 32) – 9 pcs.
- dynamic scales (no 3, 19) – 6 pcs.
- weight bridges (no 4, 20) – 2 pcs.
- umbrella roofing over clearance area (no 6)
- sanitary facilities (no 7, 15, 23a)
- customs cash desks and shipping building (no 11, 15a, 31a)
- passenger cars customs special control building (no 36, 43)
- building for guard dogs (no 37)
- radio communication tower – 70 m high (no 38)
- radiometric gates (no 39) – 4 pcs.
- lorries customs special control building with loading platform (no 40, 41)
- area fitting
- tele-information networks
- roads and areas
- fences
- stationary X-ray equipment for lorry scanning (in case of any savings in the project budget)

The contract value amounts to 6.67MEUR. Before realisation of the Phare 2003 project, the border crossing will operate on the basis of the present infrastructure and Phare 2001 and 2002 projects will be carried out. Realisation of the Phare 2003 project will complete the construction works concerning the desired shape of the border crossing. Immediately after completion of the works, necessary equipment will be provided and installed. Supply and installation of the equipment for the border crossing will be financed from budgetary means (no equipment for the border services will be financed by PHARE, but from the own budget. The equipment will be financed within a separate contract and it is not subject of this project). Implementation schedule of the above actions is provided in the Annex 2.

The plans for the each sector foreseen at this location were designed in agreement with all the border services to avoid duplication of facilities that could be shared. The Governor of Lublin Voivodship is responsible for proper co-ordination of works conducted by these services and for proper operation of this border crossing.

The Polish side has been using the own resources all the time also to finance training of staff in the basic requirements of veterinary controls on imports to assist in intelligence gathering for the operation of veterinary border controls and avoid possible evasion of the rules. It is planned to intensify the training before completion of the project.

All objects that are to be built under this project are underlined on the enclosed site map.

3.5. Lessons learned:
Even though there has already been Phare projects realised at the Road Border Crossing in Hrebenne, no reports have been done yet.

4. Institutional framework:
4.1 Institutions involved in the project implementation: Implementing Authority for PHARE Programme, Governor of Lublin Voivodship (Employer and future owner of the property on behalf of State Treasury represented by Lubelski Zarzad Drogowych Przejsc Granicznych w Chelmie). Assigned responsibilities for the institutions involved will be as follows:

a) **Beneficiary**  - Governor of Lublin Voivodship.
b) **Engineer**  - Lubelski Zarzad Drogowych Przejsc Granicznych in Chelm (for Phare 2001, 2002 and Phare 2003 projects)
c) **Owner**  - State Treasury
d) **Co-ordinator**  - Implementing Authority for PHARE Cross Border Co-operation Programme.

4.2 Project results will not change the institutional framework described above;

5. Budget

<table>
<thead>
<tr>
<th>Phare funding</th>
<th>Investment (INV)</th>
<th>Institutional Building (IB)</th>
<th>Total Phare</th>
<th>National Co-financing</th>
<th>IFIs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract</td>
<td>5,0</td>
<td>-</td>
<td>5,0</td>
<td>1,67</td>
<td>-</td>
<td>6,67</td>
</tr>
<tr>
<td>Totals</td>
<td><strong>5,0</strong></td>
<td><strong>-</strong></td>
<td><strong>5,0</strong></td>
<td><strong>1,67</strong></td>
<td><strong>-</strong></td>
<td><strong>6,67</strong></td>
</tr>
</tbody>
</table>
Polish authorities assure that co-financing is available through the reserve budget foreseen specially by the Ministry of finance for this purpose each year or directly through the budget of the relevant Ministry.

6. Implementation arrangements.

6.1. Implementing Agency:
Implementing Authority for Phare Cross Border Co-operation Programme
Director, Ms Grazyna Weclewska, Krucza 36 Street; 00-522 Warszawa;
phone +48 (22) 695 99 10/11; fax: +48 (22) 695 99 12/13; e-mail: Phare@wwpwp.it.pl
Project Authorising Officer (PAO) Mr Jerzy Mazurek, Under-secretary of State in the Ministry of Internal Affairs and Administration; Batorego 5 Street; 02-591 Warsaw,
phone: +48 (22) 621 03 91, fax: +48 (22) 849 52 13; e-mail: wydzei@die.mswia.gov.pl

6.2. Twinning: N/A

6.3. Non-standard aspects.

Non-standard procedures will not be used in the project. The project will be implemented according to guidelines outlined in the “Practical Guide to contract procedures financed from the general budget of the European Communities in the context of external action”.

6.4. Contracts:
One International open tender will be carried out. Contract value – 6,67 MEUR (contract will cover jointly the Phare and the Polish contribution).

7. Implementation schedule
Start of the tendering process: 1st quarter 2004
Start of project implementation: 2nd quarter 2004
Completion of the project: 4th quarter 2006

8. Equal opportunities
Appropriate professional qualifications rather than gender or age will constitute the criteria for employment evaluation and selection responsible for the project implementation and progress. Implemented project will serve the entire community regardless of gender or age.

9. Environmental impact
During the procedure of extension of the border crossing, the appropriate authorities – administrator of Lubycza Krolewska, expressed the necessity of preparing the environmental impact assessment for the project. The assessment was prepared and delivered to the European Commission (Phare 2002). While preparing decision for the conditions of spatial development of the area, a new assessment was prepared in May 2002. Recommendations included in the assessment will be taken into consideration while carrying out the project.
- All newly constructed buildings and facilities at the border crossing will be connected to sewerage disposal systems and the collected sewerage will be directed to the nearby sewage treatment plant
- rain water will be cleared by means of a separator
- the noise caused by the traffic will not exceed 50dB during the day time or at night
- waste material will be collected selectively in closed containers, which will be kept in the storage places
- as the outcome of the spatial order of buildings, roads and green areas the landscape will
improve.

10. Rates of return
Detailed analysis of economic profitability of the project titled “Extension of the Road Border Crossing in Hrebenne” is available at beneficiary offices. The results of the economical analysis are as follows:
Economic Internal Rate of Return (EIRR) – 27,17%
The Feasibility study for this project was prepared and delivered to the EU Delegation (Phare 2002). Updated version of the feasibility study including Phare 2003 project will be submitted to the EC Delegation in Warsaw by 31st December 2002.

11. Investment criteria
11.1. Catalytic effect:
Implementation of the project will accomplish the final stage of the border crossing extension, satisfying EU road border crossing standards. It will also fulfil Poland’s obligations resulting from application for EU accession. The project realisation will enhance the local economic development.

11.2. Co-financing:
Extension of the Road Border Crossing at Hrebenne - stage III will be co-financed by the state budget. Polish contribution will amount to 1,7 MEUR, which constitutes over 25% of the total budget for the project. Joint co-financing will apply.

11.3. Additonality:
PHARE contribution constitutes complementary funds, which will enable the completion of the entire investment. Phare funds do not limit or exclude any other financing sources.

11.4. Project readiness and size:
The necessary grounds for the extension of the border crossing have been purchased. All necessary legal proceedings (including building permits) will have been enacted by the end of 2002. The technical design is already prepared. The total project expenditure amounts to 6.67 MEUR, including Phare programme contribution of 5,0 MEUR.

11.5. Sustainability:
Applied technologies and equipment will ensure long term operation of the border crossing according to the EU standards. Financial means for operations and maintenance will be assured by Governor of Lublin Voivodship (state budget).

11.6. Conformity with the state aid requirements.
The investment does not infringe the Association Treaty in the section concerning state aid.

12. Conditionalities and sequencing
The project implementing institution, Board of the Lublin Road Border Crossing in Chelm, is prepared to implement the investment from PHARE funds. Its staff has been trained in respect of applying the FIDIC provisions, and the IFI requirements.
In order to commence the investment it is necessary to obtain funds.
The following sequencing of activities is foreseen:
- tender documentation to be prepared by Project Engineer till the end of 1st quarter 2004
- signing of the contract with Contractor after the tender till the end of 2nd quarter 2004
- contract completion, achievement of project objective till the end of 3rd quarter 2006
- In case of any savings in the project budget a stationary X-ray equipment for lorry scanning is foreseen to be installed till the 4th quarter 2006.

In addition, conditionalities of the project implementation are as follows:
- the extended feasibility study in Polish has been delivered to the EC Delegation
- Updated version of the feasibility study including Phare 2003 project will be submitted to the EC Delegation in Warsaw by 31st December 2002.
- environmental impact assessment was delivered to the EC Delegation
- all details about this investment were forwarded to the Ukrainian side at the meeting of the Polish-Ukrainian Intergovernmental Council on Cross Border Co-operation on 6 May 2002
- information regarding the Ukrainian plans which refer to the improvement of this border crossing was gathered at the same meeting
- Ukrainian side was and shall be informed about plans concerning investments and traffic conditions on the Polish side of border crossings.
### Logframe for the project:

**Extension of the Road Border Crossing in Hrebenne**

### Programme title and number:

<table>
<thead>
<tr>
<th><strong>Contracting period expires 30/11/2005</strong></th>
<th><strong>Disbursement period expires 30/11/2006</strong></th>
</tr>
</thead>
</table>

### Overall objectives

<table>
<thead>
<tr>
<th></th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>GDP increase per capita in the voivodship</td>
<td>1. Statistical data</td>
</tr>
<tr>
<td>2.</td>
<td>Increase in the number of tourists</td>
<td>2. Before and 3 years after completion of the project</td>
</tr>
</tbody>
</table>

### Project purpose (Immediate objectives)

<table>
<thead>
<tr>
<th></th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Waiting time reduction by 20%</td>
<td>1. Statistical data</td>
<td>Assumption is made that domestic economy remains stable</td>
</tr>
<tr>
<td>2.</td>
<td>Increased quantity of illegal smuggled goods discovered</td>
<td>2. Before and 1 year after the completion of the project</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Achievement of the desired capacity of 3,000 vehicles per day</td>
<td>3. reports issued by the Border Guard (Straz Graniczna) and the Voivodship Statistical Office (WUS)</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Creation of 120 new work places.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Results

<table>
<thead>
<tr>
<th></th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Buildings of the total capacity of 9,500 m³</td>
<td>1. Over-taking of the works report</td>
<td>Assumption is made that the project supervision and management is efficient and professional</td>
</tr>
<tr>
<td>2.</td>
<td>Roads and squares of a total area of 40,000 m²</td>
<td>2. Immediately after the completion of the project.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Handed to the beneficiary by the project engineer</td>
<td></td>
</tr>
</tbody>
</table>

### Activities

<table>
<thead>
<tr>
<th></th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Changes in the local spatial plans (completed)</td>
<td>1. According to the technical requirements: inspection protocols, sub-contractor documentation and completion documents and payment certificates signed</td>
<td>Assumption is made that all necessary funds are allocated and financing scheme available</td>
</tr>
<tr>
<td>2.</td>
<td>Purchase of grounds (completed)</td>
<td>2. After completing each task or stage of works.</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Preparation of technical documentation (completed)</td>
<td>3. Handed to the beneficiary by the project engineer</td>
<td></td>
</tr>
</tbody>
</table>

### Preconditions:

Financing Memorandum signed Lublin Voivodship authorities decision to implement Integrated Border Management Programme
Annex 2-3: Implementation, contracting and disbursement schedules:

<table>
<thead>
<tr>
<th>Plan</th>
<th>1(^{st}) quarter 2004</th>
<th>2(^{nd}) quarter 2004</th>
<th>3(^{rd}) quarter 2004</th>
<th>4(^{th}) quarter 2004</th>
<th>1(^{st}) quarter 2005</th>
<th>2(^{nd}) quarter 2005</th>
<th>3(^{rd}) quarter 2005</th>
<th>4(^{th}) quarter 2005</th>
<th>1(^{st}) quarter 2006</th>
<th>2(^{nd}) quarter 2006</th>
<th>3(^{rd}) quarter 2006</th>
<th>4(^{th}) quarter 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementati on schedule</td>
<td>D</td>
<td>C</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>I</td>
<td>I</td>
</tr>
<tr>
<td>Contracting schedule</td>
<td>5.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disbursement schedule</td>
<td>0.8</td>
<td>1.0</td>
<td>1.5</td>
<td>2.0</td>
<td>2.5</td>
<td>3.0</td>
<td>3.5</td>
<td>4.0</td>
<td>4.5</td>
<td>5.0</td>
<td>5.0</td>
<td></td>
</tr>
</tbody>
</table>

Date of drafting: August 2002
Planning period: 1\(^{st}\) quarter 2004 – 4\(^{th}\) quarter 2006

Extension of the Road Border Crossing in Hrebenne

Budget allocation
Cost Estimate (in MEUR)

<table>
<thead>
<tr>
<th>Date of drafting: August 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning period: 1(^{st}) quarter 2004 – 4(^{th}) quarter 2006</td>
</tr>
</tbody>
</table>

Extension of the Border Crossing in Hrebenne