1. Basic Information

1.1 Désirée Number: SR0107.07
1.2 Title: Tourism Development VELKA DOMASA
1.3 Sector: Economic and Social Cohesion
1.4 Location: Slovak Republic, NUTS II Region Slovakia – East, Presov Region. The Project area extends over two districts: Stropkov and Vranov n/Toplou

2. Objectives

2.1 Overall Objective(s):

- Creation of conditions for sustainable development of the tourism sector in the Presov region.
- Reduction of unemployment/social disparities in the districts Vranov n/Toplou and Stropkov.
- Development of SME in the tourism sector in the Velka Domasa region.

2.2 Project purpose:

Creation of conditions for stabilisation and further growth of tourism in Velka Domasa.

2.3 Accession Partnership and NPAA priority

Short-term priority
Stimulation of domestic and foreign investment, including SMEs.

Medium-term priority
Promotion of competitiveness of the private sector, including SMEs.
Development of a national policy for economic and social cohesion; preparation for the implementation of regional development programmes and Community initiatives.

The project is also in line with the NPAA 2000 priorities set in the chapter 3.4.6 dealing with the SMEs.

2.4 Contribution to the National Development Plan

The proposed project is in accordance with the National Plan of Regional Development of the Slovak Republic (NDP) adopted by the Decree of SR Government 240/2001. The location of the proposed project is in the region Slovakia – East.

The project contributes to the achievement of the global objective – “Development of production and services based on the utilisation of domestic resources” and the specific goal – “Development of tourism and spa”.

The Project is in line with the Sector Operational Program Tourism and with the Regional Operational Program of the region Slovakia – East.

2.5 Cross Border Impact

No direct cross-border impact is envisaged.

3. Description

3.1 Background and justification:

The proposed project is in compliance with the National Programme of Tourism Development in the Slovak Republic adopted by the Decree of SR Government 185/2001.

The Presov region is situated in the Northern part of Eastern Slovakia. It borders with Poland in the North and with Ukraine in the East. The nature is particularly pleasant with hills, forests and rivers. This scarsely populated region is appreciated for recreational and tourism activities.

From the social and economic point of view, the territory is one of the less advanced in Slovakia. Under-capitalisation, obsolete production plants and technologies and lack of investment capital are the common features for most economical activities in the region. The current unemployment rate is approximately 28%.

The water reservoir Velka Domasa has been originally designed as a multi-purpose reservoir dam intended for industrial water supply, recreation, power generation and flood protection. This artificial lake is 18 km long, with maximum depth exceeding 25 m. The total volume of the reservoir is 166.5 millions m³. The morphology, uneven terrain, relatively favourable climatic conditions and water cleanness create exceptionally good conditions for recreation, fishing and water sports.

The water reservoir Velka Domasa belongs to the Ondava river basin. The Ondava catchment area up to the reservoir is 832 km². In this area live some 35,000 inhabitants in 99 settlements. The main sources of pollution of the water in Velka Domasa reservoir are non-adequate waste water treatment and land erosion caused by current agriculture and forestry practices. Only 8 of the 99 settlements have a public sewer system (total number of inhabitants connected to the sewer system 10,000).

The local Tourism sector

In terms of possibilities of economic and social revival of the region, tourism has the highest development potential, connected with the water reservoir Velka Domasa.

Till the early ‘90s Velka Domasa, one of the principal recreation areas in Slovakia, was visited by 600,000 to 750,000 tourists a year, almost exclusively in the summer season. Removal of restrictions on free travelling after 1989, demographic changes and bad management of small recreational facilities led to a drop in the numbers of visitors by almost one third, to 400,000. Also the spending capacity of tourists decreased and their demand for services changed. This resulted also in the decline of services (accommodation, dining) as well as the existing tourism infrastructure. Nowadays, tourists visit this area during the summer season seeking the unspoilt nature and of rural
tourism. The current direct employment in tourism – 244 people – is almost fully seasonal. The estimated secondary employment in activities related with tourism is approximately 60 people.

Around the reservoir Velka Domasa there were built 8 recreational centres, which have a total visitor attendance 25,000, maximal 37,000 persons per day. These are:
- Polany (23 ha), capacity 6,000 persons per day
- Holcikovce (17,2 ha), capacity 7,800 persons per day
- Fishing camp (3,0 ha)
- Nova Kelca (26,8 ha), capacity 3,000 persons per day
- Peninsula Kelca (1 ha), autocamping capacity 200 persons per day
- Youths camp (10 ha), capacity 900 persons per day
- Dobra (32,7 ha), capacity 1,500 persons per day
- Valkov (28 ha), capacity 6,000 persons per day

The bathing area of the Valkov strand is 220 ha, capacity 6,600 persons per day.

Redevelopment through tourism for the Velka Domasa area is expressly mentioned in District Operational Plans of Vranov n/T. and of Stropkov.

_Scope of the Tourism Development Velka Domasa Project_

The tourism infrastructure of the area is not adequate. A first step to develop the area will be to build the missing basic infrastructure in the Velka Domasa area. This infrastructure will have to meet the EU criteria in terms of environmental as well as economic effectiveness.

The first priority, that conditions the success, is the quality of the water in the reservoir. The main task consists in the elimination of the most important sources of water contamination in the basin.

The Project will:
- provide modernisation and development of transport infrastructure, sewerage and waste water treatment plants of towns and villages of the region Velka Domasa,
- contribute to the protection and improvement of the quality of the environment and to the development of tourism.

### 3.2 Linked activities:

On-going
The programme for the development of SMEs – the National Agency for the Development of Small and Medium Enterprises NADSME – Support Loan Programme, Micro-Loan Scheme, Risk Capital (supported by Phare in 1999 at the national level, and in 2000, with the exception of the Support Loan Programme, at the level of the priority region of Slovakia - East).
- Consultancy for small and medium-size businesses – realised by NADSME.
- Re-qualification programme CEPAC “I Am Starting My Business”.
- Project PHARE 2000 Regional Fund for the Development of Human Resources. Programme SAPARD – priorities in the field of forestry and diversification of income in rural areas.
Completed
A project whose successful completion has been conditional for the viability and the future of the success of the Velka Domasa project is the construction of the Svidnik Waste Water Plant. This plant, completed in 2000 and successfully operating since January 2001, removes in fact the highest and most damaging pollution source from the feeding river Ondava.

Planned:
Phare SR980804 – Pilot Tourism Grant Scheme (SPP priority B) – Preparation of an application for assistance in preparing a Tourism Master Plan, a Tourism Market Analysis, a Marketing and Promotion action and to prepare, plan and monitor a tourism vocational training programme.

3.3 Results:
- Sewerage system and waste water treatment in the area improved.
- The localities dedicated to tourism accessible by suitable roads and parking facilities created.
- Information services to tourists in Velka Domasa locality and tourist facilities developed.

The water quality in the water reservoir will steadily meet the national as well as EC criteria, including the Council Directive 76/160/EEC of 8th December 1975 on the quality of water for swimming. The transport inside the locality Velka Domasa will be improved resulting in higher transport safety. The tourist will get appropriate information on existing possibilities for recreational and leisure activities resulting in the better use of the existing tourism facilities.

3.4 Activities:
To achieve the above mentioned results four main activities are foreseen in this project:
1. Construction of the system for the waste water collection and treatment
2. Improvement of transport infrastructure
3. Creation of general tourism services
4. Project supervision and co-ordination

Activity 1: Construction of the system of the waste water treatment
With the aim to comply with the EU standards on water for bathing, this activity will focus on building/upgrading of the identified waste water treatment plants (WWTP) and sewerage systems in the following municipalities:

Stropkov, population of 11,519 inhabitants
Upgrading of the WWTP, PE 15.000
1,174 MEUR

Stropkov town quarter Sítíniky, population of 450 inhabitants
Building a WWTP, PE 500
0,133 MEUR
Construction of a gravity flow discharging sewerage system from the waste water treatment plant, DN 300, 593 m long 0.066 MEUR
House connections, DN 150 - 738 m 0.039 MEUR
Total investment costs: 0.238 MEUR

Bzany, population of 154 inhabitants
Building a WWTP, PE 170, investment costs 0.069 MEUR
Construction of a gravity flow sewerage system, DN 300, 1660 m long 0.129 MEUR
House connections, DN 150, 300 m long 0.016 MEUR
Total investment costs: 0.214 MEUR

Lomne, population of 345 inhabitants
Building a WWTP, PE 350 0.074 MEUR
Construction of a gravity flow sewerage system, DN 300, 2645 m long 0.255 MEUR
House connections, DN 150, 409 m long 0.025 MEUR
Total investment costs: 0.354 MEUR

Turany, population of 411 inhabitants
Building a WWTP, PE 450 0.092 MEUR
Construction of a gravity flow sewerage system, DN 300, 3000 m long, construction of a force main, DN 80 mm, 480 m long, 1 pumping station 0.247 MEUR
House connections, DN 150, 650 m long 0.034 MEUR
Total investment costs: 0.373 MEUR

Nová Kelca, population of 374 inhabitants (tourism centre)
Upgrading of the WWTP, PE 1800 0.218 MEUR

Recreational area of Nová Kelca, including the sewerage in the Nova Kelca village
Building 2 small WWTP, PE 50 and PE 120 0.071 MEUR
Construction of a gravity flow sewerage system length 2272 m, DN 300,
Construction of a force main
DN 50, 690 m long
DN 100, 225 m long
DN 150, 646 m long,
7 pumping stations 0.405 MEUR
Total investment cost: 0.476 MEUR

Means: Works are foreseen for completing the above described investments. The total cost for this activity is 3.047 MEUR, out of which Phare will finance 2.571 MEUR. The national co-financing is 0.476 MEUR and is foreseen to finance the investment in the recreational area in Nova Kelca.
**Activity 2: Improvement of transport infrastructure**

The accessibility of the different tourism centres and recreation areas in the Velka Domasa locality will be improved by completing the following transport infrastructure and related services:

- Local and utility roads (1.5 km) and parking (100 cars) in the village of Nová Kelca: 0.652 MEUR
- Local and utility roads (1.1 km) in the recreational area of Dobrá - Bogárka, (cadastre of Kvakovce): 0.186 MEUR
- Parking lots for 450 cars in the recreation area of Dobrá (cadastre of Kvakovce): 0.229 MEUR
- Road rehabilitation (4 km), parking (460 cars): 0.312 MEUR
- Technical geological surveys and engineering for new transport infrastructures in the recreation area Valkov (cadastre of Bzany): 0.113 MEUR

**Means:** Works and supply of services for a total value of 1,492 MEUR. This activity is foreseen for the national co-financing.

**Activity 3: Creation of general tourism services**

With the aim to improve the orientation of the tourists coming to the Velka Domasa locality as well as the information of the tourists on different leisure activities/tourism facilities offered within this area the establishment of the Tourist Information Centre (TIC) of Domasa is proposed. This comprise the reconstruction of the TIC building, procurement of IT and office equipment for a total value of 0.025 MEUR.

**Means:** Works and supply of equipment for a total value 0.025 MEUR. This activity is foreseen for Phare financing.

**Activity 4: Project supervision and co-ordination**

In order to ensure the successful implementation of the project in its complexity the Project Managing Unit formed within the Regional Development Agency Presov will be strengthened with competent Slovak engineers: 0.104 MEUR

**Means:** Technical assistance in the total value 0.104 MEUR. 3 Slovak senior experts on return basis having a good background in tourism project management and infrastructure projects management (transport, water) are requested for a total input of 39 m/m. This activity is foreseen for Phare financing.

4. **Institutional Framework**

The relevant SR Institutions have been identified and contacted to secure their support, active participation and, where needed, to verify their agreement in principle on the project’s activities.

- Ministry of Construction and Regional Development: recipient institution
- Regional Association of Velka Domasa (RAVD): final beneficiary and applicant of the Project.
- Regional Development Agency Presov in charge of project management.
- Slovak Environmental Agency, Regional Office in Presov
- Slovak Governmental Office;
• Regional Office in Presov;
• District Offices in Vranov n/Toplou and Stropkov
• Municipalities directly concerned by the Project: Stropkov, Nova Kelca, Bzany, Turany, Lomne, Mala Domasa, Kvakovce.
• State Health Institutes in Svidnik, Vranov n/Toplou and Stropkov
• Slovak Water Management Company (Bodrog & Hornad)
• State Road Administration
• District Police Corps: Stropkov, Vranov.

Ownership of Project works and facilities
The individual municipalities will be the owners of the structures (facilities and construction) built on their territories: roads, parking and WWTPs.

The Municipalities will secure the property of the lands on which the specific facilities will have to be constructed. This is already the case of most of the activities. The acquisition of the remaining land will be completed by the end of 2001 at the latest.

The Tourist Information Center in Nova Kelca will become property of the local Municipality and will be rented to the RAVD (Regional Association of Velka Domasa).

Operation of Project structures
Transport infrastructures – roads and parkings – will be managed and maintained directly by the municipalities themselves or through subcontracting. To operate and control the WWTPs which requires more specialised technicians, procurement of chemicals and disposal of residues, a central support structure will be identified. This will either be one of the larger municipalities that could, for a service charge, take care of this operational aspect or a water company operating at the regional level in the future.

The cost of these operations has been included in the financial analysis. The Tourism Information Centre will be operated by the RAVD directly.

Project Implementation
The Presov Regional Development Agency will act on behalf of the RAVD as the project manager.

The “Employer” will be the Regional Association Velka Domasa representing and acting on behalf of the single Municipalities.

5. Detailed Budget

<table>
<thead>
<tr>
<th>Phare Support</th>
<th>National Co-financing</th>
<th>TOTAL in MEUR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment</td>
<td>Institution Building</td>
</tr>
<tr>
<td>Activity 1</td>
<td>2,571</td>
<td>-</td>
</tr>
<tr>
<td>Activity 2</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Activity 3</td>
<td>0,025</td>
<td>-</td>
</tr>
<tr>
<td>Activity 4</td>
<td>-</td>
<td>0,104</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,596</strong></td>
<td><strong>0,104</strong></td>
</tr>
</tbody>
</table>
The co-financing provided from national sources (as funds or in kind: work, materials, services, land etc.) is expected to be as follows:

<table>
<thead>
<tr>
<th>Investor/Financing org.</th>
<th>MEUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipalities</td>
<td>0.702</td>
</tr>
<tr>
<td>Regional Association of Velka Domasa</td>
<td>0.332</td>
</tr>
<tr>
<td>State budget (20% of the total investment costs)</td>
<td>0.934</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1.968</strong></td>
</tr>
</tbody>
</table>

The co-financing for investment projects co-financed by Phare is allocated in the state budget 2002, pursuant to the Decree of SR Government 135/2001.

6. **Implementation Arrangements**

6.1 **Implementing Agency**
Implementing Agency for Regional Development
Ministry of Construction and Regional Development of SR
Špitálska 8
816 44 Bratislava
Contact: Mr. Július Slovák
Tel: 00 421 7 / 5975 3819 (20)
Fax: 00 421 7 / 5975 3833

For technical implementation
Regional Development Agency Presov

6.2 **Twinning:** not applicable

6.3 **Non-standard aspects**
All activities will be procured according to DIS manual.

6.4 **Contracts**
One Works contract for a total value of 2,596 MEUR. One Service contract for a total value of 0,104 MEUR.

7. **Implementation Schedule**
7.1 Start of tendering: I. Q. 2002
7.2 Start of project activity II. Q. 2002
7.3 Project Completion IV. Q. 2003
8. **Equal Opportunity**

For Project implementation women will be involved in design, organisational and technical activities in shares corresponding to their presence in the technical and liberal professions.

The presence of women will be particularly important in the tourism economy created by the project and their participation to vocational training courses will be encouraged.

9. **Environment**

*Initial environmental screening*

Pursuant to the Act No. 391/2001 amending Act No. 127/1994 (EIA), the initial environmental screening procedure has started in January 2001. The project was submitted for public comments in every municipality involved on 14/02/2001. The relevant regional authorities have also been informed about the project including the District Public Hygiene Officer and the dam operator (Slovak Water Management Company). The positions of these authorities towards the project are positive.

As none of the activities included in the project reaches the limit values for a mandatory environmental impact assessment and the character of each particular activity is environmentally positive, it is not expected that the Ministry of Environment will request a full environmental impact assessment of the project but only a declaratory one.

*Environmental Impact Assessment*

The Ministry of Environment started the declaratory process on assessing the impact of the project on the environment in line with the act 127/94. The Environmental Impact Assessment has not been produced yet, and, most likely, it will not be required from the Ministry of Environment. In the unlikely case it would be necessary to obtain the overall EIA, the procedure has already been initiated.

It is important to mention that an EIA concerning the possibilities of using the water basin Domasa for water management purposes for drinking was produced and submitted to the Ministry of Environment in 1996. Domasa has been assessed as one of the alternatives of the construction of water reservoir Tichy potok. However the latter option has been rejected.

*Major environmental effects.*

Sewerage systems and WWTP

The realisation of the proposed activities of the Project will lead to reducing the pollutant load in the water reservoir, as shown in the following table:

<table>
<thead>
<tr>
<th>Reduction by</th>
<th>t/year</th>
<th>t/year</th>
<th>t/year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>BOD</td>
<td>N</td>
<td>P</td>
</tr>
<tr>
<td>Stropkov</td>
<td>61.9</td>
<td>69.5</td>
<td>0.01</td>
</tr>
<tr>
<td>Stropkov Sitníky</td>
<td>4.9</td>
<td>0.9</td>
<td>0.04</td>
</tr>
<tr>
<td>Bzany</td>
<td>2.2</td>
<td>0.4</td>
<td>0.09</td>
</tr>
<tr>
<td>Lomnč</td>
<td>4.4</td>
<td>0.8</td>
<td>0.18</td>
</tr>
<tr>
<td>Turany</td>
<td>5.9</td>
<td>1.1</td>
<td>0.25</td>
</tr>
<tr>
<td>Nova Kelca</td>
<td>0.86</td>
<td>0.16</td>
<td>0.03</td>
</tr>
<tr>
<td>RC Nova Kelca</td>
<td>5.4</td>
<td>1.0</td>
<td>0.20</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>85.6</strong></td>
<td><strong>73.9</strong></td>
<td><strong>0.80</strong></td>
</tr>
</tbody>
</table>

BOD - biological oxygen demand, N - total nitrogen, P - phosphor
Roads and parking lots
The rehabilitation and construction of roads will reduce harmful effects of the traffic on the ground, water and atmosphere (leaks of fuel and lubricants, fumes). The proposed parking lots will have their own system of rainwater absorption and treatment, eliminating the underground and surface water pollution caused by uncontrolled parking along the roads and in grassy areas nearby the water basin.

10. Rates of return
The project has been evaluated according to the economic Internal Rate of Return (IRR) and the Economic Benefit-Cost Ratio (B/C). These ratios have been calculated for a period of 20 years considering the investment costs covered by the municipalities and RAVD and including operation/maintenance and depreciation costs and are the following:

Financial IRR: -2%
Financial NPV(5%): -0.419 MEUR
Economic B/C: 2

The feasibility study has been completed on April 30, 2001.

11. Investment criteria

11.1 Catalytic effect:
The Phare support will allow the main applicant to conceive and launch a project that would not have been accessible otherwise. Specifically, besides the pure dimensions of the project, Phare support allows to consider an integrated regional perspective and to co-ordinate a set of otherwise separate actions enhancing the apparent synergies and joint positive economical effects. This action will contribute in an important way to the rehabilitation of the economy of a region of Eastern Slovakia that needs developing, contributing to the improvement of the social and economical conditions of the local population.

11.2 Co-financing
The Regional Association Velka Domasa will undertake to rise seed capital from local private and public organisations. These funds, together with other funds of national origin, are expected to amount to approximately 42% of the project budget.

11.3 Additionality:
The financial IRR after 20 years is slightly negative (-2%) and after 30 years becomes positive (3%). This is achieved only due to the fact that a grant covering 58% of the total investment costs is assumed. The grant is not displacing any other private investors.

11.4 Project readiness and Size:
The Land-use Decisions will be issued by March 31, 2001. The Project Technical documentation is advanced but not completed for all the activities. The Technical documentation necessary for contracting will be ready by December 31, 2001. The building permits are expected to be available by December 31, 2001.
The size of the project is 4,668 MEUR more than double the threshold of 2 MEUR.

11.5 Sustainability:
The investment will be sustainable as shown in the Financial and Economical analysis forming the annex of the project fiche and will pay for future maintenance and operating costs. Its results will comply with EU norms and standards on water and will be in line with EU sector policy acquis. These results will not have adverse effects on the environment.

11.6 Compliance with state aid provisions
Investments respect the State Aid provisions of the Europe Agreement and the Act No. 231/99 on State Aid.

11.7 Contribution to National Development Plan
The project offers the solution of improvement of country image, developing new activities in the area of services and tourist industry, reduction of unemployment and improvement of environment of Velka Domasa region.

The project is in line with the NDP approved by Decree of SR Government 240/2001 and contributes to the achievement of the global objective – “Development of production and services based on the utilisation of domestic resources” and the specific goal – “Development of tourism and spa”.

The Project is in line also with specific objectives of the proposed National Development Plan, specific objectives “development of tourism and spas”. The sustainable attendance up to 400,000 tourists/year will be ensured and the conditions for further growth of the yearly attendance will be created.

12. Conditionality and sequencing

- All land necessary for the completion of the described activities are owned by the applicant and/or municipalities represented by the applicant. (By RAVD)

- Provision of a formal agreement from the Authority governing the Water Basin and Dam system on a commonly acceptable frame of operation on the water levels. (By RAVD and RDA Presov).

Annexes
1. Logframe matrix
2. Detailed implementation schedule
3. Cumulative contracting and disbursement schedule
## LOGFRAME PLANNING MATRIX

<table>
<thead>
<tr>
<th>Tourism Development Veľká Domaša</th>
<th>Programme name and number: SR0107.07</th>
<th>Date of drafting: April 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contracting period expires: 30.11.2003</td>
<td>Disbursement period expires: 30.11.2004</td>
</tr>
<tr>
<td></td>
<td>Total Budget: 4.7 MEUR</td>
<td>PHARE contribution: 2.7 MEUR</td>
</tr>
</tbody>
</table>

### Overall Objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>Verifiable Indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Creation of conditions for sustainable development of tourism sector in the Presov Region</strong></td>
<td>Trend of income from tourism</td>
<td>Data and figures from Regional authorities and Associations</td>
</tr>
<tr>
<td><strong>Reduction of unemployment/social disparities in the Districts Vranov n/Toplou and Stropkov</strong></td>
<td>Trend of employment/unemployment rates</td>
<td>Annual National Labour office record</td>
</tr>
<tr>
<td><strong>Development of SMEs in the tourism sector in the Veľká Domaša region</strong></td>
<td>No of new SMEs established after the project</td>
<td>Record of Chamber of Commerce</td>
</tr>
</tbody>
</table>

### Project Purpose

<table>
<thead>
<tr>
<th>Objective</th>
<th>Verifiable Indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Creation of conditions for stabilisation and further growth of tourism in Veľká Domaša area</strong></td>
<td>400.000 served tourists/potential visitors per year</td>
<td>Data and figures from Regional Association Veľká Domaša</td>
</tr>
<tr>
<td><strong>No of Tourist/nights in existing facilities</strong></td>
<td>National Labour office records</td>
<td></td>
</tr>
</tbody>
</table>

### Results

<table>
<thead>
<tr>
<th>Objective</th>
<th>Verifiable Indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sewerage system and waste water treatment in the area improved.</strong></td>
<td>Waste water management system for 13.000 inhabitants in line EU directives</td>
<td>Reports from Project’s Implementation Unit.</td>
</tr>
<tr>
<td><strong>Reduction of pollution per year: BOD 85.6 t, N 73.9 t</strong></td>
<td>Records of the Tourism Association</td>
<td></td>
</tr>
<tr>
<td><strong>1.100 new parking places</strong></td>
<td>Water quality measurements by the relevant authorities</td>
<td></td>
</tr>
<tr>
<td><strong>6.600 m of improved/constructed roads</strong></td>
<td>Co-operation with the Slovak Water Management Authority on the lake’s water regime</td>
<td></td>
</tr>
</tbody>
</table>

### Assumptions

- Favourable and stable conditions for the development of SME’s (financial and legislative)
- Implementation of the National Tourism Development strategy
- Co-operation with the Slovak Water Management Authority on the lake’s water regime
- Availability and quality of human resources

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12
<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Cost</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| 1. Construction of the system for the waste water collection and treatment | Works                                | 3,047 MEUR | • Promotion campaign ongoing  
|                                                     |                                      |          | • Specific training/requalification programmes available |
| 2. Improvement of transport infrastructure          | Works and supply of services         | 1,492 MEUR |                                                       |
| 3. Creation of general tourism services             | Works and supply of equipment        | 0,025 MEUR |                                                       |
| 4. Project supervision and co-ordination            | Technical assistance                 | 0,104 MEUR |                                                       |

**Preconditions**
Building permits obtained by the end of 2001 at the latest.
## CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE (MEUR)

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Contracted</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,668</td>
</tr>
<tr>
<td>Disbursed</td>
<td>0.2</td>
<td>0.6</td>
<td>1.0</td>
<td>1.4</td>
<td>1.8</td>
<td>2.2</td>
<td>2.5</td>
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### Indicative time implementation chart

<table>
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<tr>
<th>Activity 1 – waste water handling</th>
<th>2002</th>
<th>2003</th>
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<tbody>
<tr>
<td>Stropkov</td>
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<tr>
<td>Sitníky</td>
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<td>F</td>
<td>F</td>
</tr>
<tr>
<td>Bzany</td>
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<td>M</td>
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<td>Lomne</td>
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<td>A</td>
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<tr>
<td>Turany</td>
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<td>S</td>
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<tr>
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<td>O</td>
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<td>RC Nova Kelca</td>
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<thead>
<tr>
<th>Activity 2 – transport infrastructure</th>
<th>2002</th>
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<th>2004</th>
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<tr>
<td>Nova Kelca</td>
<td>J</td>
<td>J</td>
<td>J</td>
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<tr>
<td>Dobra-Bogarka</td>
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<td>F</td>
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<td>Dobra</td>
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<td>M</td>
<td>M</td>
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<td>Valkov (incl survey)</td>
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<tr>
<th>Activity 3 – Creation of general tourism services</th>
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<th>2004</th>
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<tr>
<td>Orientation and Information system</td>
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<td>Tourism information Centre</td>
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<table>
<thead>
<tr>
<th>Activity 4 – Project supervision</th>
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<tr>
<td></td>
<td>J</td>
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