

FINANCING MEMORANDUM

The European Commission, hereinafter referred to as "THE COMMISSION", acting for and on behalf of the European Community, hereinafter referred to as "**THE COMMUNITY**"

on the one part, and

The Government of **Poland**, hereinafter referred to as "**THE RECIPIENT**"

on the other part,

HAVE AGREED AS FOLLOWS:

The measure referred to in Article 1 below shall be executed and financed out of the budget resources of THE COMMUNITY in accordance with the provisions set out in this Memorandum. The technical, legal, and administrative framework within which the measure referred to in Article 1 below shall be implemented is set out in the General Conditions annexed to the Framework Agreement of **31 May 1990** between THE COMMISSION and THE RECIPIENT, and supplemented by the terms of this Memorandum and the Special Provisions annexed hereto.

ARTICLE 1 - NATURE AND SUBJECT

As part of its aid programme, THE COMMUNITY shall contribute, by way of grant, towards the financing of the following MEASURE:

<u>Programme number</u>	PL0009.
<u>Title</u> between	Phare 2000 - Cross Border Co-operation Programme Poland and Germany
<u>Duration</u>	Until 31st December 2002.

ARTICLE 2 - COMMITMENT OF THE COMMUNITY

The financial contribution of THE COMMUNITY is fixed at a maximum of **44.0 MEUR** hereinafter referred to as "THE EC GRANT".

ARTICLE 3 - DURATION AND EXPIRY

For the present MEASURE, THE EC GRANT is hereby available for contracting until **31st December 2002** subject to the provisions of this Memorandum. All contracts must be signed by this date. Any balance of funds of the EC GRANT which have not been contracted by this date shall be cancelled. The deadline for disbursement of THE EC GRANT is **31st December 2003**. All disbursements must be completed by the deadline for disbursement. THE COMMISSION may however, in exceptional circumstances, agree to an appropriate extension of the contracting period or of the disbursement period, should this be requested in due time and properly justified by THE RECIPIENT. This Memorandum shall expire at the expiry of the disbursement period of the EC GRANT. All the funds which have not been disbursed shall be returned to the Commission.

ARTICLE 4 - ADDRESSES

Correspondence relating to the execution of THE MEASURE, stating THE MEASURE'S number and title, shall be addressed to the following:

for the COMMUNITY:

Delegation of the European Commission in Poland
Al. Ujazdowskie 14
PL-00478 Warsaw
Poland
Fax: (+48-22) 625 04 30

for THE RECIPIENT:

Ministry of Internal Affairs and Administration
ul.Stefana Batorego 5
PL-02-591
Warsaw
Fax: (+48-22) 661.89.66

ARTICLE 5 - NUMBER OF ORIGINALS

This Memorandum is drawn up in duplicate in the English language.

ARTICLE 6 - ENTRY INTO FORCE

This Memorandum shall enter into force on the date on which it has been signed by both parties. No expenditure incurred before this date is eligible for the EC GRANT.

The Annexes shall be deemed an integral part of this Memorandum.

Done at
Date:

Done at
Date:

for THE RECIPIENT
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for THE COMMUNITY
Mr. Bruno Dethomas
Head of the Delegation of the
European Commission in Poland

Annex 1 Framework Agreement (Annexes A & B)
Annex 2 Special Provisions (Annex C)

Annex 2 - Special Provisions (Annex C)

1. SUMMARY

Following the reorientation of the Phare programme from a demand-driven to an accession-driven approach, the 2000 Phare programming exercise was undertaken on the basis of the overall priorities outlined in the Accession Partnership. Also in accordance with Commission Regulation 2760/98, which updates and consolidates the Phare Cross Border Co-operation Programme initiated in 1994, it takes into consideration the enhanced pre-accession strategy. This is the first programming that takes place under the auspices of the Joint Programming Document required by Regulation 2760/98. However, pending the adoption of the corresponding Interreg III programme, the JPD will remain provisional in nature, and may need to be updated upon approval of this programme.

1.1. The 2000 Cross Border Co-operation Programme will continue to finance actions of a structural nature in border regions of Poland sharing common border with Germany building upon existing structures and procedures.

1.2. Continuing in line with the 1999 programme and reflecting the forthcoming territorial NUTS categorisations, the eligible areas in the Programme are defined as the first two lines of powiats. This notion corresponds to NUTS III, which is still being defined at the national level, and is third territorial level unit. Contiguity and coherence with the neighbouring CBC programmes in particular PL/CZ has also been taken into consideration in this programme.

1.3 The programming process takes place this year in the framework of the Joint Programming Document (JPD) developed jointly between Poland and Germany. Henceforth the projects are presented according to the regional administrative structures - that is by Voivod.

1.4. The projects covered by the programme encompass:

- *Transport*
Equipment for border area control services; construction / upgrading of link roads and by-passes; modernisation & supply of equipment for trunk roads
- *Environment*
sewage & waste water treatment and management
- *Small Projects Fund/Small Infrastructure Fund*
Euro-Regions - Small Fund, *Small Infrastructure Fund*

1.5. The implementation will be carried out by the Implementing Authority for Phare Cross-Border Co-operation Programme at the Ministry of Internal Affairs and Administration.

- 1.6. The European Union contribution to the programme will be 44 M EURO .
- 1.7 This 2000 Cross Border Co-operation Programme will expire for disbursement on 31st December 2003.

2. STRATEGY

The region bordering Germany is regarded by the Polish Government as a development priority area in the view of its strategic location in transport lines and integration process with the European Union. The Strategic approach is defined by the Joint Programming Document developed by the Polish and German sides in collaboration. For the purposes of the JPD the German-Polish border area consists of three Länder on the German side: Mecklenburg-Vorpommern, Brandenburg and Saxony, and the corresponding neighbouring Polish Voivodships: Zachodniopomorskie, Lubuskie and Dolnoslaskie (Lower Silesia). The Euroregions associated are Pomerania, Pro Europa Viadrina, Spree-Neisse-Bober(Szprewa-Nysa-Bohr), and Neisse/Nysa.

This strategic approach is to emphasise the Polish and German parts of the border areas as a single entity, where a joint, sustainable programme for improving social and economic activities should be developed. This is done in the context of the National Development Programme. (Economic and Social Cohesion is a short-term priority of the 1999 Accession Partnership with Poland. In December 1999, the Polish Government approved a preliminary National Development Plan (NDP) as an annex to its National Programme for the Adoption of the Acquis). While each of the sub-programmes is focuses on its specific elements, two main fields of activity have been identified along the whole border:

The first is to remove existing barriers and improve the basic conditions for development and co-operation in the border area. One of the most important aspects for further development is a modern and effective infrastructure in areas such as traffic, water supply, waste treatment, etc.

The second is to realise the potential for better economic, rural and social development. These can be released mainly by using the potential of economic co-operation across many fields including tourism. Furthermore, to maintain the long term existence of a productive agriculture as basis for living in rural areas, together with sustainable policy towards the protection of the environment is an important aspect. Finally, the social and cultural dimensions essential to an enhanced quality of life, including education and training are important factors to establish societal institutions that further cross-border development.

To assure the proper monitoring and assessment of the achievements of each measure (and the supporting projects) the establishment of base-line indicators is necessary for each of the following priorities, to serve as a reference point for the measurement of programme performance.

- Promotion of enterprise development and business co-operation
- Improving Infrastructure
- Environment
- Agriculture and Rural Development

- Training and Employment
- Co-operation (Security, Culture, People to people Actions, including Small Project Fund)

In respect of financing choices and in particular in comparison with the use of Interreg funds, it should be noted that the German side disposed of much higher resources for a longer period for these priorities and is therefore able to concentrate on the "second stage" economic developments since the fundamental infrastructure is catered for. The Polish side on the other hand still has a number of infrastructure problems to resolve. It is, in fact, largely with the CBC programme as a catalyst that the Polish side has been able to address these issues.

2000 Programming process

The total amount available for Poland in 2000 for CBC will be 55 M€, of which 44 M€ is for Poland/Germany. The remaining funds are dealt with under the separate PL/Baltic (2 M€)¹, PL/CZ (5 M€) and PL/SK (4 M€) programmes which are the subject of separate Financing Proposals.

The 2000 Programme project selection process is now fully defined within the JPD and takes place according to a sequence of qualifying stages. At the first stage, the independent expert panel checks quality and eligibility. Then the joint PL/D regional sub-committees apply their ranking and finally the Joint Cooperation Committee (Polish-German), which regroups the regional sub-committees, the national levels and the European Commission, delivers its opinion.

In addition, the recommendations of the Special Report of the Court of Auditors on Phare CBC have been taken into account.

3. DESCRIPTION OF PROJECTS

The Phare contribution to the projects described is provided for hard infrastructure constructions, the purchase of equipment and training where appropriate as designated in detail in the relevant project 'fiche'. IFIs are not involved in CBC projects but bilateral or other national donors with their specific conditionalities may contribute as indicated in the project fiches.

3.1.1 Modernisation of the national road No 4 (Dolnoslaskie Voivodship) PL0009-01

The national road No 4 is an important element of the road network connecting Poland with Germany connecting the border crossing at Görlitz/Zgorzelec to the hinterland. Several projects under the national budget have been taken up in order to improve the road traffic. However, much work needs to be carried out since the road

¹ An additional 1 M€ is provided for the Baltic Sea Region under the budget line B7-537, bringing the total CBC Baltic allocation to 3 M€ and is the subject of a separate Financing proposal

is not ready to take the increasingly heavy traffic and that over the last 10 years the road has not been subject to any large repair project. This project concerns the reinforcement of the pavement to reach EU axle loads including the reconstruction of the existing junctions; construction of the sidewalks and bus bays in towns; repair of bridges; improvement of the road drainage system

3.1.2 Modernisation of Voivodship road no. 289 Brody – Zasieki (Lubuskie Voivodship) PL0009-02

The project provides for the construction of the border bridge crossing Łużycka river and the modernisation of 12 km of a road and the construction of 0.8 km of a new road. The modernisation is for increasing the carrying capacity, making the section uniform and adaptation to the present and forecast traffic intensity. Road no. 289 is situated in the border zone. When the new border bridge in Zasieki is completed, the modernised road section including the newly constructed 1 km of a new road will provide direct access to the border crossing in Zasieki.

3.1.3 Modernization of national road No. 3 - (Lubuskie Voivodship) PL0009-03

The project provides for the construction of the first stage of the western ring-road of Gorzów Wlkp., from Kasprzaka Street to Sulęcińska Street". Being part of the A-3 national road, which links international border crossings Świnoujście - Ystad - Lubawka - Prague, it takes heavy traffic from the border. Due to heavy transit traffic the city centre is often blocked and the excessive quantities of exhaust gases and excessive noise levels severely degrade the environment. Also the vibration created by this heavy traffic damages the underground pipe networks and many buildings in the city centre. The construction of a ring road for Gorzów Wlkp. is therefore a major priority of the City Council. This project represents the continuation of accepted programme of modernization of communication network within the limits of Gorzów Wlkp. where Phare financial support has been provided in the past.

3.1.4 Modernisation of Road 41106 Międzywodzie - Wolin (Zachodniopomorskie Voivodship) PL0009-04

The project will result in the putting into operation of a modern local road, of total length of 18.2 km, together with a bicycle path. This will relieve traffic on the Dziwnów – Parłówko road, which is overburdened with tourist traffic during the summer months and radically improve safety conditions whilst contributing to the tourist exchange with Germany, especially during the weekends. The project is linked to previous actions taken by the Wolin Island Community Union aimed at removing barriers to tourism development on the island. The project will radically improve environmental conditions in the Kamień sub-region and will have a particularly positive effect on Kamień Pomorski itself – given its health resort status.

3.1.5 Bridge crossing over Regalica River in Szczecin (Zachodniopomorskie Voivodship) PL0009-05

The project is concerned with the construction of two viaducts and is located on the National Road No. 116, which runs from the Polish – German Border to Central Poland. In the functional spatial structure of the city of Szczecin the left bank side is

dominant, and embraces the downtown area plus numerous residential and industrial areas. The right bank area provides mainly residential areas. In order for both sides of the town to function appropriately, they should be provided with the possibility of adequate communication, both private and commercial, but the physical barrier of the Odra River now impedes this. The project will create new road – streetcar inter-connection between the two banks and it will ensure efficient functioning of the road communication system in Szczecin. Within the framework of this investment, bridges, viaducts and feeder roads are being constructed and their realisation will allow for integration of the areas located on both sides of the river.

3.1.6 Modernisation of national road No 6 section Goleniów – Nowogard PL0009-06

This project is for the Modernisation of National Road No 6 on section Goleniów - Nowogard so as to eliminate transit traffic from the town of Goleniów. The road modernisation will bring it up the EU requirements.

3.1.7 Strengthening Security at the Border PL0009-07

The Polish and the German law enforcement agencies of Police and Border Guard have been working together closely over the past years and supported by the Phare programme and bilateral assistance have developed their joint management of the current external border to high levels. The resulting decreased numbers of illegal migrants reflects the efficiency of these operational links. Previous programmes have extended specialist language skills, provided document checking equipment and installed basic telecommunications links. This project, closely discussed by both partners, will further extend the technical capability of the Polish side in these areas, and provide for an additional domain of joint activity with the purchase of surveillance and associated equipment. The project consists of three sub-projects: purchase of 4 portable infrared cameras and 2 cars equipped with technological surveillance devices; purchase of 10 off-road vehicles and of computer teletransmission equipment; continuation of modernisation of the Foreign languages regional laboratory (Szczecin) and the Training and linguistic centre (Zielona Gora). The conditionality attached to the project is that the Polish and Germans side should continue to work together and that expertise from the German side will be solicited during implementation.

3.2.1 Modernisation of a sewage treatment plant for the town of Zgorzelec (Dolnoslaskie Voivodship) PL0009-08

The direct objective of the project is to reduce the volume of pollutants discharged into Nysa Luzycka from the Zgorzelec district by means of modernisation of a sewage treatment plant for the town of Zgorzelec. This will enable the plant to purify 12,000m³ sewage per day to a degree that meets the European Union standards. The following facilities will be modernised: a building of the main pumping station, a building of grids, a dephosphorization chamber, a sediment airing chamber, a secondary settler and a sediment distribution building. The following facilities will be built: a gauging channel, distribution chambers, nitrification and denitrification chambers, a return and excess sediment pumping station, a PIX installation, grids between facilities and technological chambers, roads, cable lines, a control system. As

a result of substantial improvement of the natural environment, the sanitary conditions of living of inhabitants in the Nysa Luzycka and Odra border belt will improve and public health benefits will accrue.

3.2.2 Sewage disposal in the municipality of Mirsk (Dolnoslaskie Voivodship) PL0009-09

The town of Mirsk is situated at an upriver section of the Kwisa river. It has a population of 4.472. Its sewerage system was built before 1945 and the sewage from this system is conveyed to a tank that was built in 1918. The town section located on the right bank of the river, as well as villages (Giebultów - population 1543, Mroczkowice - population 285, Kamien - population 154, Krobica - population 334, Orlowice - population 367) do not have any sewerage systems. The sewage is disposed to cesspools or transported and disposed of illegally in fields, woods or drainage ditches. The leakage of cesspools and infiltration of sewage into ground waters is also a problem. This project addresses the urgent need to provide these communities with facilities to protect the soil and ground water against further deterioration. The direct objective is to develop the regional water protection infrastructure by constructing of a 48.2 km sewerage section and 4 sewage pumping stations. Once the project is complete there will be a net increase of water purity and a net decrease of leakage of waste matter into the soil and ground waters. This will improve public health and provide safer conditions for visitors to the area.

3.2.3 Construction of a Municipal Refuse Processing at Trzebień near Boleslawiec (Dolnoslaskie Voivodship) PL0009-10

The project has been initiated by the Boleslawiec Town authorities and is aimed at providing a comprehensive solution in respect of municipal refuse management. The Town of Boleslawiec have already begun to introduce a modern system of municipal waste disposal - which includes educating the public, targetted refuse collection, segregation, transport, processing and rendering operations. The Municipal Refuse Processing Plant in Trzebien is seen as the key element of the system. The project provides for the construction of a refuse sorting station together with a processing line, a new dumping-ground quarter and the purchase of means of means of transport

3.2.4 Extension of the System of Wastewater treatment in Krosno Odrzańskie” - (Lubuskie Voivodship) PL0009-11

The project is continuation of the project: "Construction of the Wastewater Treatment Plant for the Town of Krosno Odrzańskie" financed under PHARE CBC Poland – Germany 1998. The project consists of the extension and rebuilding of the existing sewerage system of the Town with closure of numerous uncontrolled outflows of wastewater into the Odra and Bóbr rivers and directing wastewater into the wastewater treatment plant. Extension of the sewerage system will enable connection to the system adjoining localities: Raduszec Stary, Marcinowice, Chyże and Łochowice. During last three years the town built over 5 km of the distribution sewerage system in order to develop wastewater management in the Town. The wastewater treatment plant and the extension of the sewerage system will enable the closure of a number of unsanitary ponds and bring numerous health benefits.

3.2.5 Regional Waste Management Program for the CZG Union of Communities (Lubuskie Voivodship) PL0009-12

The objective of the project is to manage the municipal waste disposal and ensure correct and safe storage of waste in thirteen communities located in the border zone - in the two rows of border powiats of: Cybinka , Dębno, Górzycyca, Kostrzyn, Krzeszyce, Lubniewice, Ośno, Rzepin, Słońsk, Słubice, Sulęcín, Torzym, Witnica). To date, all the member communities of CZG have fulfilled the waste management tasks on an individual basis. Every community has a waste dump, but those facilities are not equipped with appropriate protection against negative impact of the dumped waste on the environment. Since the community residents have realised that there is a need to solve the problem of appropriate waste management, an initiative to solve the problem on a shared basis has been taken. The investment, including the construction of the Municipal Waste Utilisation Plant, is a unique project on a supra-local scale. It should be noted that the comprehensive approach is intended to follow Council Directive 75/442/EEC of 15 July 1975 on waste.

3.2.6 Cross border environmental protection and disaster prevention in Poland (Świnoujście, Szczecin) and Germany (Ostvorpommern, Uecker-Randow and Greifswald) - (Zachodniopomorskie Voivodship) PL0009-13

The co-operation between Polish and German fire brigades was established by an agreement signed on 22 December 1993. Subsequently, the German party analysed the status of environmental protection and threats in this region and, as a result, introduced a development project into Interreg II. ("Cross border environmental protection and disaster prevention in Ostvorpommern and Uecker-Randow districts and the town of Greifswald (D) and Świnoujście and Police districts and the town of Szczecin (PL)). This current Phare CBC project provides for complementary actions on the Polish side. It is for the refurbishment and modernisation of the Polish Province Headquarters of State Fire Brigade, providing also appropriate computer/communication networks, and for a number of specialised vehicles of various kinds. It is envisaged that the project may be complemented by a second stage at a later date.

3.2.7 Cross border environment protection and combating results of catastrophes and natural calamities in the Zachodniopomorskie Voivodship - EUROLAS II PL0009-14

The Westpomeranian Voivodship is one of the most wooded regions of Poland since forests cover about 33% of its area. The unspoilt countryside has encouraged the development of tourism. Unfortunately, fire is a severe hazard since the trees are mainly conifers and the ground is very dry. Rapid development of the cross border traffic, both commercial and private increases the threat of fire threat on the Polish-German border. High afforestation of the area located on both sides of the border makes emergency actions very difficult and causes the necessity to undertake preventive measures. Existing under-investment of the Regional Directorate of National Forests in Szczecin does not allow own financing of the planned project.

This project is for the development of effective forest fire monitoring (with specialised equipment) and fire fighting. It includes the equipping of some 18

organisational units for "light" detection, providing specialist vehicles for first stage fire fighting; purchasing equipment used to crush chopped parts of trees and to make fire preventive belts, to modernise and maintain fire roads which make forest accessible for fire brigades. Additionally, the project will enhance the forest "infrastructure" with such elements observation points and "resistant" roads.

3.2.8 Sewage system in the Municipality of Kolbaskowo (Zachodniopomorskie Voivodship) PL0009-15

The project is for the completion of the sewage treatment system of the municipality of Kolbaskowo enabling the provision of sewage treatment for the towns of Barnisław, Warnik, Bobolin and Karwowo. The implementation of this project together with completion of the waste water treatment plant financed from the Phare CBC 1999 Programme will finally solve the municipal sewage management problems. The highly positive cross border effect arises from the geographic situation of Kolbaskowo near the mouth of the Odra river. The Municipality of Kołbaskowo located in the direct neighbourhood of the Germany hosts three border crossings points. The positive impact of the project will cover German side of the river as well as areas located down the river, around the Szczecin Bay and close to the Baltic Sea. This will also positively influence protected areas of the International Landscape Park of the Lower Odra Valley and birds sanctuary of Świdwie.

Where applicable, compliance with the Urban Waste Water Treatment directive (91/271/EEC as amended by Directive 98/15/EEC) and related decision 93/48/EEC and the Sewage Sludge Directive 86/278/EEC will be ensured. Furthermore, an environmental impact assessment according to the EU Environmental Impact Assessment Directive (85/337/EEC as amended by 97/11/EC) will be carried out for all investment projects where applicable and according to this directive.

3.3.1 Small project Fund PL0009-16

To encourage local initiatives for small scale projects in the field of cross border co-operation between neighbours, this Fund has proved successful since its introduction in the 1995 programme. It is managed and co-ordinated by Euro-regions located on the Polish-German border. Decisions can be proposed at that level for all small projects up to an agreed ceiling, and are confirmed by the Director of the Implementing Authority and the Commission Delegation, under responsibility of the PAO. The continuation is encouraged by the positive opinion received in the CBC report of November 1998 produced and distributed to MS and by ongoing permanent assessment of the projects themselves by independent experts appointed by the Commission and working in Poland. The SPF includes small infrastructure projects according to the standardised guidelines developed in co-operation with European Commission. As concerns the administrative support for operating JSPF, the Phare contribution may finance indirect (overhead) costs up to 7%² of total amount eligible costs as defined in the DIS manual. This is conditional upon the provision of at least the same amount from the regions for covering the management costs of the operation. This financial support is provided to the administrative structures running the JSPF, normally situated in the Euroregions.

² To maintain continuity on the Polish side the ceiling is expected to remain at 5%

Under the Phare 2000 programme a specific allocation is made here for small infrastructure projects. The eligible area for the Fund is the Euroregion in the extent defined on 31st December 1999.

On the same basis a separate allocation is made for "people to people" actions in which the eligible area is also the Euroregion in the extent defined on 31st December 1999.

3.3.2 Strategic Framework PL0009-17

The Phare 2000 CBC programme for PL/D is established in the framework of the Joint Programming Document in the direction of alignment with Interreg III. Fundamental to the measurement of the achievements expected over the period 2000-2006, is the establishment of "static" base-line indicators notably for economic development, transport and environmental measures.

The retrospective assessments of the PL/D CBC Programme since 1994 undertaken by the EU Court of Auditors, the Polish National Audit authorities and the Commission's own studies are to be taken into account. The current programme sets aside a specific allocation to strengthen the oversight functions using independent expertise for analysis, monitoring and preparing recommendations. Priority is to be given first to "dynamic" investments with an analysis of the transport throughput and bottlenecks at border crossing points. The objective is to improve the effectiveness of the measures applied notably by the CBC programme, with a so as to improve efficiency.

In keeping with the requirements of the Financial and Phare Regulations notably as directed under the rules for tendering and contracting, part of the programme allocation is devoted to the professional checking of tender documentation related in particular to infrastructure.

As required by the Joint Co-operation Committee and the new CBC regulation, part of the Programme allocation must also be devoted to the preparation and maintaining of a socio-economic study/joint PL/D regional development plan defining strategic and tactical objectives/priorities. This provides the framework for future programming in a multi-annual perspective in the overall context of the Polish National Development Programme, as well as synergy with the forthcoming Ispa and Sapard funding. The document encompassing these aspects is the Joint Programming Document, which will be similar to the corresponding Interreg programme upon its adoption.

It is also necessary to provide some financial assistance to the Regional Steering Committees as well as The Joint Co-operation Committee in the scope of interpreting services during official meetings, of preparation of meeting papers for their members and to cover other activities performed by these bodies directly related to the CBC programme (costs of experts to evaluate project proposals, travels and organisation costs etc.). This part of allocation shall also cover costs of monitoring of results achieved within the programme since 1994.

4. BUDGET (M€)

Sub-program	Sub-programme number	Phare		Total Phare
		IB	Investment	
PL/D	PL/D	2.9	41.1	44
Total		2.9	41.1	44

List of projects:

PL0009-01	Modernisation of the national road No 4 (Dolnoslaskie Voivodship)
PL0009-02	Modernisation of Voivodship road no. 289 Brody – Zasieki (Lubuskie Voivodship)
PL0009-03	Modernization of national road No. 3 - (Lubuskie Voivodship)
PL0009-04	Modernisation of Road 41106 Międzywodzie - Wolin (Zachodniopomorskie Voivodship)
PL0009-05	Bridge crossing over Regalica River in Szczecin (Zachodniopomorskie Voivodship)
PL0009-06	Modernisation of national road No 6 section Goleniów – Nowogard
PL0009-07	Strengthening Security at the Border
PL0009-08	Modernisation of a sewage treatment plant for the town of Zgorzelec (Dolnoslaskie Voivodship)
PL0009-09	Sewage disposal in the municipality of Mirsk (Dolnoslaskie Voivodship)
PL0009-10	Construction of a Municipal Refuse Processing at Trzebień near Bolesławiec (Dolnoslaskie Voivodship)
PL0009-11	Extension of the System of Wastewater treatment in Krosno Odrzańskie” - (Lubuskie Voivodship)
PL0009-12	Regional Waste Management Program for the CZG Union of Communities (Lubuskie Voivodship)
PL0009-13	Cross border environmental protection and disaster prevention in Poland (Świnoujście, Szczecin) and Germany (Ostvorpommern, Uecker-Randow and Greifswald) - (Zachodniopomorskie Voivodship)
PL0009-14	Cross border environment protection and combating results of catastrophes and natural calamities in the Westpomeranian Voivodeship - EUROLAS II
PL0009-15	Sewage system in the Municipality of Kołbaskowo (Zachodniopomorskie Voivodship)
PL0009-16	Small project Fund
PL0009-17	Strategic Framework

5. Implementation Arrangements

5.1 Joint Co-operation Committee

The Joint Cooperation Committee required by the Regulation (EC) No 2760/98 of 18 December 1998 subsumes the membership and role of the Joint Programming and Monitoring Committee was established on the basis of the Framework Agreement signed between Polish and German authorities on the 20 December 1994.

5.1.1 Composition

The co-chairmen of the Committee are:

on the Polish side: Director of the Implementing Authority of the Phare Cross Border Co-operation Programme, Ministry of Internal Affairs and Administration

on the German side: Director of the Department for Regional Policy, Ministry of Economy and Technology

The co-chairmen define the composition of their respective delegations to the Committee and may set up special working groups consisting of representatives of local and regional authorities and representatives of ministries and other Polish and German institutions concerned.

The European Commission representatives will participate in the meetings of the Committee. They will look to the conformity of proposed measures and projects with EU-requirements. They will also take a view on the complementarity of project proposals with respect to INTERREG.

5.1.2 Frequency and Place of Meetings

The ordinary meetings of the Committee are held every six months alternately in each of the countries concerned. Extraordinary meetings may be required during the period of preparation of programmes and annual financing proposals, or if there are any special implementation issues. Such meetings may be called at any time by agreement of the co-chairmen or the Commission. Extraordinary meetings called at the request of the Commission may be held in Brussels.

5.1.3 Secretariats and Working Groups

The preparation of reports, agendas and minutes of the meetings of the Committee will be organised by the co-chairmen and their services.

Technical Assistance, including interpretation and translation support to the Committee, the Secretariats and the joint working groups may be provided from funds of PHARE Cross Border Co-operation and INTERREG III.

5.1.4 Activities of the Committee

The Committee in the scope of its activities will monitor needs, select project and evaluate the realisation of measures under PHARE Cross Border Co-operation and of the relevant measures of INTERREG III. The Committee - deciding by consensus - should in particular:

- give its opinion on the objectives, priorities and CBC measures proposed for inclusion in the Indicative Multi-annual PHARE CBC programme and the Operational Programmes of INTERREG III;
- approve the selection of specific projects;
- receive reports on progress, reviews and evaluations of the approved programmes and their component parts;
- initiate and support activities which can promote Cross Border Co-operation and make more effective current and future CBC programmes.

The implementation arrangement envisages involvement of the local and regional authorities from border regions as well as a structure that ensures co-ordination with the authorities of the Member State including the selection of joint projects eligible for financing in the framework of the Cross Border Co-operation Programme, as well as projects eligible for financing by INTERREG in future years. The European Commission representatives participate in its meetings and will be present therefore whenever programming matters are discussed and decided.

Special working groups consisting of representatives of local / regional authorities and/or ministries and other Polish and German institutions concerned will co-ordinate the implementation of the projects on both sides of the border.

5.2 Steering Committee of the Programme

A Polish Steering Committee is established, the tasks of which are the confirmation and possible identification of projects, selection procedure confirmation / evaluation and monitoring of the programme as a whole. This steering committee, thus mandated, ensures the overall inter-ministerial co-ordination

It consists of the following institutions:

- Ministry of Internal Affairs and Administration
- Ministry of Finance
- Ministry of Transport and Maritime Economy
- Ministry of Environment
- Ministry of Foreign Affairs
- Office of the Committee for European Integration
- Ministry of Economy
- Ministry of Regional Development
- Self-Governmental Regional Parliament (Zachodnio-Pomorskie, Lubuskie, Dolnoslaskie)
- Voivodships (Zachodnio-Pomorskie, Lubuskie, Dolnoslaskie)
- Eligible Euroregions
- Implementing Authority for the Phare Cross Border Co-operation Programme
- EC Delegation

The Steering Committee will meet regularly, at least once in 6 months.

5.3 Institutional Arrangements

The overall co-ordination and financial responsibility for the Programme will lie with the Ministry of Internal Affairs and Administration which has established under the PAO the Implementing Agency (herein after named the 'Authority') for the Phare Cross Border Co-operation Programme. The responsibility of the Director of the Implementing Authority, is exercised under the PAO.

The Implementing Authority will delegate responsibilities to the relevant authorities, (in accordance with the usual Memorandum of Understanding referred to below), inter alia the Voivodships, mayors and presidents of cities where special working teams designated to the implementation of the Cross-border Co-operation Programme will be established. The delegated responsibilities will include implementation obligations

under the Decentralised Implementation System. A Programme Authorising Officer will be nominated by the signatory of the Financing Memorandum.

Local Project Managers at project level will be directly responsible for project implementation.

5.4 Implementation Arrangements

The programme will be managed in accordance with the Phare Decentralised Implementation System (DIS) Procedures. The National Aid Coordinator (NAC) will have overall responsibility for programming, monitoring and implementation of Phare programmes.

The National Fund (NF) in the Ministry of Finance, headed by the National Authorising Officer (NAO), will supervise the financial management of the Programme, and will be responsible for reporting to the European Commission. Appropriate financial control shall be carried out by the competent national financial control authority with respect to the implementation of the programme.

The Commission will transfer funds to the NF in accordance with the Memorandum of Understanding signed between the Commission and Poland on 24 December 1998. Funds will be transferred following requests from the NAO. A payment of up to 20 % of the funds to be managed locally will be transferred to the NF following signature of the Financing Memorandum and the Financing Agreements (FAs) between the NF and the Implementing Agency (IA): the Implementing Authority for the Phare Cross Border Co-operation Programme under the responsibility of the PAO within the Ministry of Internal Affairs and Administration. The responsibility of the Director of the Implementing Authority is exercised under the PAO.

The provisions foreseen in articles 2 and 13 of the MoU on the NF must also be met. Furthermore, the NAO must submit to the Commission the designation of the PAO and a description of the system put in place, highlighting the flow of information between the NF and the IA and the manner in which the payment function will be carried out.

Four replenishments will be made of up to 20 % of the funds to be managed locally or the full balance of the budget whichever is the lesser amount. The first replenishment will be triggered when 10% of the budget has been disbursed by the IA. The second replenishment may be requested when 30% of the total budget in force has been disbursed. The trigger point for the third replenishment is 50%, and for the final fourth instalment when 70% is disbursed. Save for express prior authorisation from the Commission HQ, no replenishment request may be made if the aggregate of the funds deposited in the NF and the IAs exceeds 10% of the total budget in force of the commitment. Exceptionally the NAO may request an advance payment of more than 20% in accordance with the procedures laid down in the aforesaid Memorandum of Understanding.

The National Fund will transfer funds to Implementing Agencies (IA) in accordance with Financing Agreements (FAs) signed between the NFs and the IA where applicable. Each individual FA will be endorsed in advance by the European

Commission. The IA is to be headed by a Programme Authorising Officer (PAO) appointed by the NAO after consultation with the NAC. The PAO will be responsible for all the operations carried out by the IA.

A separate bank account, denominated in EUR will be opened and managed by the NF in a separate accounting system in the Central Bank. In principle, all bank accounts will be interest bearing. Interest will be reported to the European Commission. If the Commission so decides, on the basis of a proposal from the NAO, interest may be reinvested in the Programme. The same procedures will apply to any funds transferred to an IA.

The NAO and the PAOs will ensure that all contracts are prepared in accordance with the procedures set out in the DIS Manual, except for twinning arrangements for which separate measures have been defined by the Commission.

All contracts must be concluded by 31st December 2002. All disbursements must be made by 31st December 2003. All contracts must be greater than 2 million EUR unless otherwise agreed by the Commission.

Any funds not used by the expiry date of the programme will be recovered by the Commission.

For those contracts with funds retained for a warranty period extending beyond the end of the disbursement period of the programme, the overall total of funds related to those contracts, as calculated by the PAO and established by the Commission, will be paid to the Implementing Agency before the official closure of the programme. The Implementing Agency assumes full responsibility of depositing the funds until final payment is due and for ensuring that said funds will only be used to make payments related to the retention clauses. The Implementing Agency further assumes full responsibility towards the contractors for fulfilling the obligations related to the retention clauses. Interests accrued on the funds deposited will be paid to the Commission after final payment to the contractors. Funds not paid out to the contractors after final payments have been settled shall be reimbursed to the Commission. An overview of the use of funds deposited on warranty accounts - and notably of the payments made out of them - and of interests accrued will annually be provided by the NAO to the Commission.

All contracts made by the Implementing Authority will be done in accordance with the procedures set out in the above mentioned DIS manual unless otherwise specified in the Memorandum of Understanding referred to in Special Conditions and in respect of the following:

- Small infrastructure implementation modalities will follow those established for the small infrastructure components of existing PHARE programmes active in Poland, in particular STRUDER.
- Similarly the modalities for the "Euro-Regions - Small Fund" will draw on existing established practice of PHARE in Poland. The precise details will be covered in the Memorandum of Understanding referred to below under Special Conditions.

5.5 Special Conditions

The Government of Poland carries the legal liability to carry out the projects specified under the programme to good end and shall carry out by its own means any work on which contractors default.

In the measures specified under this programme in which the Community grant contributes to the financing of revenue generating activities, the Commission shall determine, in consultation with the Implementing Authority specific arrangements for financing which could include co-financing by the project revenues or reimbursement of the initial grant.

The European Union's financial contribution is limited to the maximum amount defined above in "1. IDENTIFICATION". This contribution will not cover the any additional costs, cost increases or extensions which must therefore be catered for by the implementing and contracting authorities.

Taking into account the characteristics of the projects and their co-financing nature, special arrangements including the way of organisation of the implementation will be jointly agreed separately in a separate Memorandum of Understanding.

6. MONITORING AND ASSESSMENT

A Joint Monitoring Committee (JMC) will be established. It will include the NAO, the NAC and the Commission. The JMC will meet at least once a year to review all Phare funded programmes in order to assess their progress towards meeting the objectives set out in Financing Memoranda and the Accession Partnership. The JMC may recommend a change of priorities and/or the re-allocation of Phare funds.

The JMC will be assisted by Monitoring Sub-Committees (MSC) which will include the NAC, the PAO of the CBC Programmes and the Commission Services. The MSC will review in detail the progress of each programme, including its components and contracts, on the basis of regular Monitoring and Assessment reports produced with the assistance of external consultants (in accordance with the provisions of the DIS Manual), and will put forward recommendations on aspects of management and design, ensuring these are effected. The MSC will report to the JMC, to which it will submit overall detailed reports on all Phare financed programmes.

7. AUDIT AND EVALUATION

The accounts and operations of the NF, and, where applicable, the CFCU and all relevant IAs may be checked at the Commission's discretion by an outside auditor contracted by the EC without prejudice to the responsibilities of the Commission and the European Union's Court of Auditors as referred to in the General Conditions relating to the Financing Memorandum attached to the Framework Agreement.

The Commission Services shall ensure that an ex-post evaluation is carried out after completion of the Programme.

8. VISIBILITY/PUBLICITY

The appropriate PAO will be responsible for ensuring that the necessary measures are taken to ensure appropriate publicity for all activities financed from the Programme. This will be done in close liaison with the Commission Delegation. Further details are at the Annex III "Visibility/Publicity".

9. SPECIAL CONDITIONS

In the event that agreed commitments are not met for reasons which are within the control of the Government of Poland, the Commission may review the programme with a view, at the Commission's discretion, to cancelling all or part of it and/or to reallocate unused funds for other purposes consistent with the objectives of the global Phare programme.

Annexes.
Annex 1 - Project fiches

INFORMATION AND PUBLICITY FOR THE PHARE, ISPA AND SAPARD PROGRAMMES OF THE EUROPEAN COMMUNITIES

1. Objective and scope

Information and publicity measures concerning assistance from the European Community Phare Programme are intended to increase public awareness and transparency of EU action and to create a consistent image of the measures concerned in all applicant countries. Information and publicity shall concern measures receiving a contribution from the Phare Programme.

2. General principles

The appropriate Programme Authorising Officer in charge of the implementation of Financing Memoranda, and other forms of assistance shall be responsible for publicity on the spot. Publicity shall be carried out in co-operation with the EC Delegations, which shall be informed of measures taken for this purpose.

The competent national and regional authorities shall take all the appropriate administrative steps to ensure the effective application of these arrangements and to collaborate with the EC Delegations on the spot.

The information and publicity measures described below are based on the provisions of the regulations and decisions applicable to the Structural Funds. They are :

- Art. 32 of Regulation (EEC) No 4253/88, as amended by Regulation (EEC) No 2082/93, Official Journal of the European Communities No L193/20, 31 July 1993;
- Commission Decision of 31 May 1994; Official Journal of the European Communities No L 152/39, 18 June 1994.

Information and publicity measures must comply with the provisions of the above mentioned regulation and decision. A manual on compliance is available to national, regional and local authorities from the EC Delegation in the country concerned.

3. Information and publicity concerning Phare programmes

Information and publicity shall be the subject of a coherent set of measures defined by the competent national, regional and local authorities in collaboration with the EC Delegations for the duration of the Financing Memorandum and shall concern both programmes and other forms of assistance.

The costs of information and publicity relating to individual projects shall be met from the budget for those projects.

When Phare programmes are implemented, the measures set out at (a) and (b) below shall apply:

- (a) The competent authorities of the applicant countries shall publish the content of programmes and other forms of assistance in the most appropriate form. They shall ensure that such documents are appropriately disseminated and shall hold them available for interested parties. They shall ensure the consistent presentation throughout the territory of the applicant country of information and publicity material produced.
- (b) Information and publicity measures on the spot shall include the following :
 - (i) In the case of infrastructure investments with a cost exceeding EUR 1 million :

- billboards erected on the sites, to be installed in accordance with the provisions of the regulation and decision mentioned in paragraph 2 above, and the technical specifications of the manual to be provided by the EC Delegation in the country concerned.
- permanent commemorative plaques for infrastructures accessible to the general public, to be installed in accordance with the provisions of the regulation and decision mentioned in paragraph 2 above, and the technical specifications of the manual to be provided by the EC Delegation in the country concerned.

(ii) In the case of productive investments, measures to develop local potential and all other measures receiving financial assistance from Phare, ISPA or SAPARD :

- measures to make potential beneficiaries and the general public aware of Phare, ISPA or SAPARD assistance, in accordance with the provisions cited at paragraph 3(b)(i) above.
- measures targeting applicants for public aids part-financed by Phare, ISPA or SAPARD in the form of an indication on the forms to be filled out by such applications, that part of the aid comes from the EU, and specifically, the Phare, ISPA or SAPARD Programmes in accordance with the provisions outlined above.

4. Visibility of EU assistance in business circles and among potential beneficiaries and the general public

4.1 Business circles

Business circles must be involved as closely as possible with the assistance which concerns them most directly.

The authorities responsible for implementing assistance shall ensure the existence of appropriate channels for disseminating information to potential beneficiaries, particularly SMEs. These should include an indication of the administrative procedures to be followed.

4.2 Other potential beneficiaries

The authorities responsible for implementing assistance shall ensure the existence of appropriate channels for disseminating information to all persons who benefit or could benefit from measures concerning training, employment or the development of human resources. To this end, they shall secure the co-operation of vocational training bodies involved in employment, business and groups of business, training centres and non-governmental organisations.

Forms

Forms issued by national, regional or local authorities concerning the announcement of, application for and grant of assistance intended for final beneficiaries or any other person eligible for such assistance shall indicate that the EU, and specifically the Phare, ISPA or SAPARD Programmes, is providing financial support. The notification of aid sent to beneficiaries shall mention the amount or percentage of the assistance financed by the Programme in question. If such documents bear the national or regional emblem, they shall also bear the EU logo of the same size.

4.3 The general public

The media

The competent authorities shall inform the media in the most appropriate manner about actions co-financed by the EU, and Phare, ISPA or SAPARD in particular. Such participation shall be fairly reflected in this information.

To this end, the launch of operations (once they have been adopted by the Commission) and important phases in their implementation shall be the subject of information measures, particularly in respect of

regional media (press, radio and television). Appropriate collaboration must be ensured with the EC Delegation in the applicant country.

The principles laid down in the two preceding paragraphs shall apply to advertisements such as press releases or publicity communiqués.

Information events

The organisers of information events such as conferences, seminars, fairs and exhibitions in connection with the implementation of operations part-financed by the Phare, ISPA or SAPARD Programmes shall undertake to make explicit the participation of the EU. The opportunity could be taken of displaying the European flags in meeting rooms and the EU logo upon documents depending on the circumstances. The EC Delegation in the applicant country shall assist, as necessary, in the preparation and implementation of such events.

Information material

Publications (such as brochures and pamphlets) about programmes or similar measures financed or co-financed by Phare, ISPA or SAPARD should, on the title page, contain a clear indication of the EU participation as well as the EU logo where the national or regional emblem is used.

Where such publications include a preface, it should be signed by both the person responsible in the applicant country and, for the Commission, the Delegate of the Commission to ensure that EU participation is made clear.

Such publications shall refer to the national and regional bodies responsible for informing interested parties.

The above-mentioned principles shall also apply to audio-visual material.

5. Special arrangements concerning billboards, commemorative plaques and posters

In order to ensure the visibility of measures part-financed by the Phare, ISPA or SAPARD Programmes, applicant countries shall ensure that the following information and publicity measures are complied with :

Billboards

Billboards providing information on EU participation in the financing of the investment should be erected on the sites of all projects in which EU participation amounts to EUR 1 million or more. Even where the competent national or regional authorities do not erect a billboard announcing their own involvement in financing the EU assistance must nevertheless be announced on a special billboard. Billboards must be of a size which is appreciable to the scale of operation (taking into account the amount of co-financing from the EU) and should be prepared according to the instructions contained in the technical manual obtainable from EC Delegations, referred to above.

Billboards shall be removed not earlier than six months after completion of the work and replaced, wherever possible, by a commemorative plaque in accordance with the specifications outlined in the technical manual referred to above.

Commemorative plaques

Permanent commemorative plaques should be placed at sites accessible to the general public (congress centres, airports, stations, etc.). In addition to the EU logo, such plaques must mention the EU part-financing together with a mention of the relevant Programme (Phare, ISPA or SAPARD).

Where a national, regional or local authority or another final beneficiary decides to erect a billboard, place a commemorative plaque, display a poster or take any other step to provide information about projects with a cost of less than EUR 1 million, the EU participation must also be indicated.

6. Final provisions

The national, regional or local authorities concerned may, in any event, carry out additional measures if they deem this appropriate. They shall consult the EC Delegation and inform it of the initiatives they take so that the Delegation may participate appropriately in their realisation.

In order to facilitate the implementation of these provisions, the Commission, through its Delegations on the spot, shall provide technical assistance in the form of guidance on design requirements, where necessary. A manual will be prepared in the relevant national language, which will contain detailed design guidelines in electronic form and this will be available upon request.

Annex 4 - Budget breakdown per project

Sub-programmes	Investment	IB	Total Phare (IB+ Inv.)	Recipient (Co-financing)	Total
PL/D	41.1	2.9	44	29.013	73.013
Total	41.1	2.9	44	29.013	73.013

Budget breakdown per project (M€).

PL0009	Project title	Total Phare	Institution building (indicative)	Investment (indicative)
01	Road No 4 Zgorz-Krzywa	2	0	2
02	Road No289 Brody-Zas	4	0	4
03	Road No 3 Gorzow Wlk	4	0	4
04	Road No 41106 Wolin	2	0	2
05	Bridge over Regalica River	2	0	2
06	Road No 6 Goleniow-Nowogard	2.73	0	2.73
07	Police & Border Guards	2	0	2
08	WTP Zgorzelec-Jedrzychowice	2	0	2
09	Sewage Disposal Mirsk	2	0	2
10	Refuse Processing Plant Trzebien	2	0	2
11	WTP Krosno Odrzanskie	2.25	0	2.25
12	CZG-12 Waste Management	2.48	0	2.48
13	Environmental protection Westpomern	2	0	2
14	Eurolas II Westpomern	2	0	2
15	Sewage system Kolbaskowo	2	0	2
16	Small Project Fund	7.64	2	5.64
17	Strategic Framework	0.9	0.9	0
	TOTALS	44	2.9	41.1