

### III. Development of the railway station area in Sopot

Basic data about the project entitled "**Development of the railway station area in Sopot**". The aim of this project was a thorough revitalization of the railway station areas in Sopot, solving traffic problems in this area and creating a representative development, an architectural and functional showcase of the city of Sopot. The project is implemented on the basis of the provisions of the PPP Act and the Act on Concessions for Construction Works or Services and is based on the division of tasks and risks between:

- Sopot City Commune – as a public entity a
- Bałtycka Grupa Inwestycyjna SA – as a private partner

## Further information about the project

Date of conclusion of the PPP contract under the concession mode: January 23, 2012.

Value of the project: PLN 113.76 million.

Financing from EU funds: On January 7, 2013, a low-interest loan agreement (JESSICA) was signed: BGK and Bałtycka Grupa Inwestycyjna SA

Name of the program: preferential loan under the Regional Operational Program for the Pomeranian Voivodeship for 2007-2013 (priority axis III "Urban and metropolitan functions", measure 3.3 "City Development Infrastructure - Non-grant Support").

EU contribution: PLN 42 million

Cooperation period: Investment period (2 years) and 8 years of management period.

## Private partner

Based on the PPP agreement concluded by the Municipality of Sopot with the selected private partner, the main obligation of the private partner is:

- on areas purchased from the Commune - design and construction of commercial facilities, a hotel, parking lots and green areas and their equipment;
- in the commune's public areas intended for revitalization and managed for the duration of the PPP contract by the private partner (i.e. as part of the communication system), construction works consisting of building roads and adding greenery.

After the end of the public-private partnership agreement, the private partner will retain the ownership rights to the real estate acquired by it on the basis of this agreement, apart from the ownership rights to the premises of the new station and the communication system, which will be located on the commune's land.



Source: [ppp.gov.pl](http://ppp.gov.pl)

## Work on the revitalization of buildings in the area of the railway station in Sopot

- reconstruction of municipal roads,
- construction of new parking lots,
- improving road traffic organization,
- improving the quality of municipal green areas,
- improving public transport,
- tourism development,
- increasing the efficiency of management of municipal and railway public efficiency facilities and devices.

## Revitalization of the railway station in Sopot

As part of the project, a two-level city square was created, connected to the so-called "Monciak", i.e. ul. Bohaterów Monte Cassino, an underground parking lot for 300 cars (250 underground spaces and 50 above-ground spaces), a new railway station prepared to serve approximately 5,800 people a day, as well as a new hotel and a complex of shopping and service malls. After the investment is completed, the main point of this area is the bustling promenade, with numerous cafes and places to rest.

Building area - approximately 7,230 m<sup>2</sup>.  
Internal area - approximately 32,275 m<sup>2</sup>.

The entity involved in the implementation of the project is also PKP SA, which transferred the ownership rights to part of the land on which the project is being implemented to the private partner - in exchange for financial remuneration and obtaining ownership rights to the new Railway Station and common real estate.

## Remuneration of the private partner

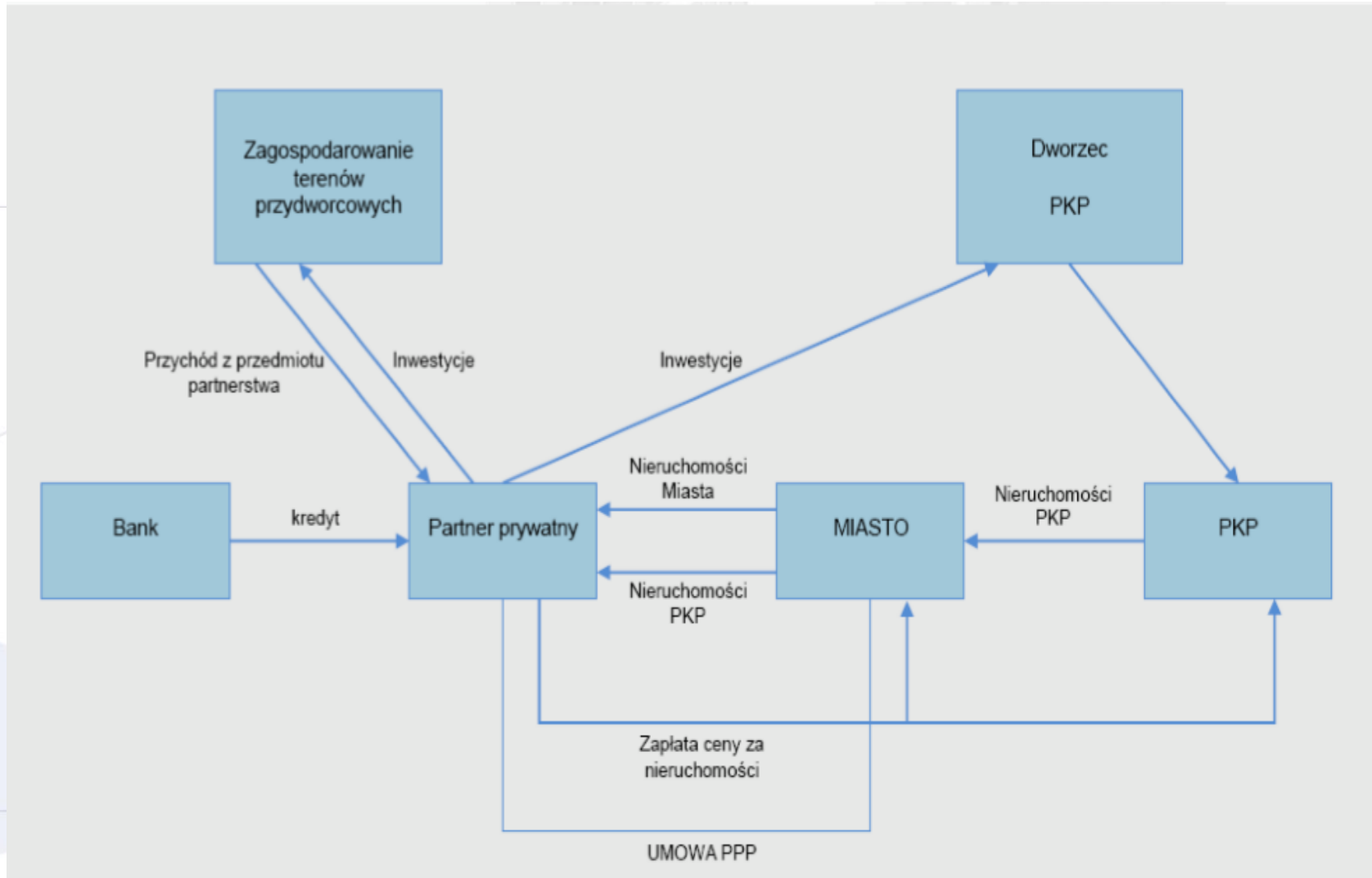
The exclusive remuneration of the private partner for the implementation of the project is the right to collect benefits from the PPP object, implemented on areas owned by the private partner, i.e. excluding the communication system and the railway station facility, to which the ownership rights will be held by the Municipality of Sopot and PKP SA, respectively.

## Project history

- 2008 - The Municipality of Sopot and PKP SA concluded an agreement which was intended to lead to the joint implementation of the Project. In accordance with the concluded agreement, a legal and economic and business advisor was selected and contracts were concluded with them.
- April 30, 2010 - The Sopot City Council adopted resolutions on initiating the procedure and implementing the Project.
- June 11, 2010 - an announcement about a concession for construction works and services, together with a description of the needs and requirements of the public entity, was published in the Official Journal of the European Union, with the deadline for submitting applications to participate in the procedure being September 9, 2010.
- September 9, 2010 - June 10, 2011 - period of negotiations with entities that submitted correct applications.
- June 10, 2011 - invitation to submit offers.
- January 23, 2012 - the president of Sopot, Jacek Karnowski, and the president of Bałtycka Grupa Inwestycyjna SA based in Gdańsk, Marcin Kaniewski, signed a public-private partnership agreement.
- On January 7, 2013, a low-interest loan agreement (JESSICA) was signed: BGK and Bałtycka Grupa Inwestycyjna SA
- December 2015, completion of works by Bałtycka Grupa Inwestycyjna SA



## Procedure



## IV. Waste Management System for the City of Poznań

Basic data about the project entitled "**Waste Management System for the City of Poznań**". The aim of this project is to build a municipal waste thermal processing installation with a capacity of 210,000. tons per year, which will allow the City of Poznań to meet the requirements arising from Polish and European law regarding the reduction of the amount of municipal waste sent to landfills, the recovery of part of the waste and the promotion and development of selective waste collection. The incineration plant will also produce over 100,000 per year. MW of electricity and over 300 thousand GJ of thermal energy recovered from burned waste. The project is implemented on the basis of the provisions of the PPP Act in the form of a competitive dialogue and is based on the division of tasks and risks between:

- City of Poznań – as a public entity a
- SITA Zielona Energia Sp. z o. o. – as a private partner

## Further information about the project

- Date of conclusion of the PPP agreement: April 8, 2013.
- Value of the project: PLN 1,041,555,785.
- EU funding: *Actions 2.1. Comprehensive projects in the field of municipal waste management, with particular emphasis on hazardous waste*, Operational Program Infrastructure and Environment for 2007-2013
- EU contribution: PLN 352 million
- Cooperation period: 25 years from the date of commencement of operation
- Model: DBFO

## Private partner

SITA Zielona Energia Sp. z o. o

The above entity was established by a consortium with a majority of contractor and operating companies belonging to the waste management industry. It was created for the purpose of participating, as a contractor, in the procedure for selecting a private partner.

Shareholders of the above-mentioned The consortium includes the following entities:

- 1.SUEZ ENVIRONEMENT;
- 2.SITA POLSKA;
- 3.MARGUERITE FUND.

The consortium selected the following entities to implement the investment: HITACHI Zosen INOVA as the technology and installation supplier and HOCHTIEF as the construction works contractor.

## Division of risks

The private partner bears the entire construction risk and the risk of availability of the project, and does not bear the risk associated with providing a specific amount of waste for the installation (demand risk). The obligation to ensure the waste stream lies with the city.

## Financing institutions

The financing providers for the project are a consortium of financial institutions, which includes:

1. PKO BANK POLSKI;
2. BANK PEKAO SA;
3. NATIONAL GOSPODARSTWA BANK.



Source: [ppp.gov.pl](http://ppp.gov.pl)

## Work on the Waste Management System for the City of Poznań

- arrangement and organization of municipal waste management in Poznań and surrounding communes,
- construction of a plant for thermal neutralization of the residual fraction of mixed municipal waste, based on a model that assumes achieving statutory levels of waste recovery, limiting the mass of stored waste, popularizing and further developing selective waste collection.



## Remuneration of the private partner

The primary source of remuneration for the private partner during the operation and management of the plant will be funds from the city budget.

Until the first day of availability of the installation, the private partner will not be entitled to any remuneration under the concluded PPP contract.

During the start-up period and from the first day of availability of the installation, the private partner will be entitled to remuneration, payable after each month, in accordance with the provisions of the annex to the PPP agreement - "Payment Mechanism" and the provisions of the concluded agreement.

Revenues obtained by the private partner in connection with the production and sale of electricity and heat will be taken into account when calculating the amount of remuneration due to the private partner.

**The concluded PPP agreement assumes that the private partner's remuneration mechanism is based on the availability fee model.**

## Project history

- Publication of the contract notice carried out under competitive dialogue for the selection of a private partner - April 2011.
- Signing the PPP contract – April 8, 2013
- Submission of an application for co-financing for a large project to the National Fund for Environmental Protection and Water Management (updated on the basis of the signed PPP agreement) on May 2013.
- Commissioning – end of 2016

## V. Concession for construction services - a small recreation and sports center in Poland

### Project history:

**10/2008** Submitting an application to the RPOWŚ

**10/2010** Signing the concession agreement

**7/2011** Signing the partnership agreement

**10/2011** Signing the co-financing agreement

**3/2013** Putting into use

### A complex of mineral swimming pools in Solec Zdrój

A model example of a successful hybrid PPP project for the construction of a center for sports and recreation

**Objective:** Design, construction, co-financing and management of the complex mineral pools

**Purchaser:** Solec Zdrój commune

**Concessionaire:** Malinowy Zdrój Sp z o. o

**Concession period:** 27 years +/- 3 years (shortened in case of faster return of the concession value)

**Value:** PLN 19,680 thousand

**Payments:** from end users (demand risk on the concessionaire's side) The commune has no influence on the ticket price

**Financing:** European funds PLN 16,000 thousand, commune budget PLN 1,200 thousand, partner financing private PLN 8,000 thousand

**Characteristic:** Construction and equipment of a swimming pool hall, divided into rehabilitation and recreational parts DBOT model. The facility aims to expand the region's tourist and health offer, using rich deposits of medicinal waters

**Attention:** The project passed the audit of the Supreme Audit Office. Only comments regarding reliability were submitted preparation of the project - insufficient scope of analysis