



MINISTRY OF  
REGIONAL DEVELOPMENT

# **HUMAN CAPITAL**

## **Operational Programme**

**National Strategic Reference Framework 2007 – 2013**

Warsaw, 7 September 2007

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## INTRODUCTION

Pursuant to the National Strategic Reference Framework (NSRF) the entire intervention of the European Social Fund in Poland for the years 2007–2013 will be covered by the Operational Programme *Human Capital*, the objective of which is to allow full deployment of human resources through an increase in employment and of adaptation potential of enterprises and their personnel, improving the educational level of the society, reducing areas of social exclusion and support for establishment of administrative structures of the state. Within the Programme support would be provided to the following areas: employment, education, social integration, development of the adaptation potential of employees and enterprises, as well as issues related to development of human resources on rural areas, with creation of efficient and effective public administration of all levels as well as health promotion of human resources.

The term “human capital” was adopted as the one that best describes the essence of complex support to be implemented within the Operational Programme, whose objectives are strictly connected with the development of human capital both in its individual and social dimension. The term “human capital” is related to resources of knowledge, capabilities and potential contained in each human being and in the society as a whole, which form a base for abilities to work, adaptation to changing in the environment and ability of creating new solutions. In direct correlation with human capital is the social capital, which refers to resources of capabilities, information, culture, knowledge and creativity of individuals as well as ties between people and organisations. Simultaneously it should be emphasised that social capital is not only a mere sum of capital of particular individuals, but is also created by institutions and multiplied by their ability to cooperating.

The Operational Programme Human Capital is a response to challenges posed by the Lisbon Strategy on member states. Those challenges include: making Europe a more attractive place for investments and working, development of knowledge and innovations in support of development and creation of a bigger number of permanent work places. Through implementation of a general objective, and also of specific objectives defined within it, the Programme will contribute to bringing into life of provisions specified by the amended Lisbon Strategy on national level.

Pursuant to objectives determined in the revised Lisbon Strategy and to objectives of the EU cohesion policy, increasing employment through development of human and social capital is a fundamental condition contributing to fuller utilisation of work resources and in support of competitiveness of the economy. The employment level, advancement of social integration or creation of knowledge based society are factors that affect the social and economic growth and hence covered by implementation of the main objective of NSRF. Consequently the development of human resources is a fundamental element of the cohesion policy, which should be implemented parallel to infrastructural, technological and restructuring assistance to assure optimum impact of granted support. Measures that support the development of human resources in the context of competitiveness of the economy should be focused on the following issues:

- more effective use of labour resources,
- better flexibility of the labour market and greater adaptability of employees,
- enhancing the level of social cohesion,
- establishment of knowledge based society through development of education and qualifications,
- improving effectiveness of management in the public administration and of the quality of provided public services,
- development of health care as a factor that determined the quality of the labour resources,
- assuring cohesion in the extent of human resources development in the spatial dimension.

Objectives of the Programme have been defined pursuant to the principle of *strategic approach*. This principle comprises concentration of support on key areas and on most urgent issues that necessitate intervention related to employment and enhancing the human capital quality. Furthermore, the complex

nature of support was planned in such a way so as to allow appropriate extending of the extent of scope of available assistance, according to the specific nature of problems that occur on the Polish labour market.

The Operational Programme *Human Capital* comprises 9 Priorities, which are implemented in a parallel way on the central and regional level.

Centrally implemented Priorities are:

- Priority I Employment and social integration;
- Priority II Development of human resources and adaptation potential of enterprises and improvement in the health condition of working persons;
- Priority III High quality of the education system;
- Priority IV Higher education and science;
- Priority V Good governance;

Priorities implemented on a regional level are:

- Priority VI The labour market open for all;
- Priority VII Promotion of social integration;
- Priority VIII Regional human resources of the economy;
- Priority IX Development of education and competencies in the regions;

Additionally also Priority X Technical Assistance is to be implemented, the aim of which is to assure appropriate management, implementation and promotion of the European Social Fund.

Within the Programme ca. 60% allocated funds will be designated for support for the regions, while the remaining ca. 40% of funds will be implemented by sectors by relevant ministries. In the regional component funds will be allocated for support of individuals and social groups, while within the central component the funds will be designated first of all as support for structures and systems.

Pursuant to requirements specified in Article 37 *Regulation of the Council (CE) No. 1083/2006 setting up general regulations concerning the European Regional Development Fund, the European Social Fund and repealing regulation (CE) No. 1260/1999*, hereinafter called “regulation No. 1083/2006/CE”, the Operational Programme Human Capital comprises the following elements:

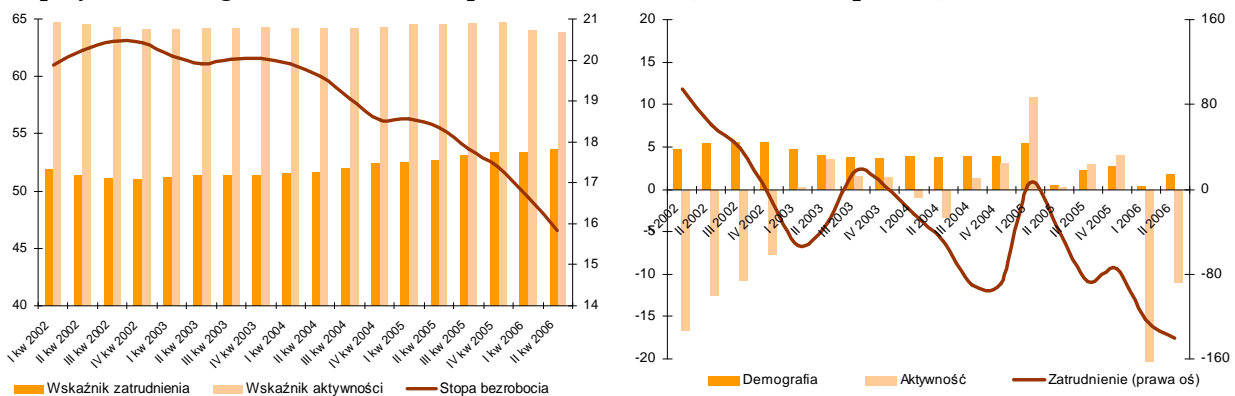
- a) social and economic diagnosis prepared taking into consideration a breakdown into particular support areas, i.e. employment, adaptability, social integration, education, administration and health care;
- b) SWOT analysis;
- c) information concerning the hitherto foreign assistance with respect to development of human resources;
- d) strategic part, containing an analysis of Programme coherence with strategic national and Community documents;
- e) description of particular priorities including their justification, objectives and indicators of their implementation;
- f) description of implementation system;
- g) information concerning the scope of complementariness with other Funds and Operational Programmes;
- h) financial plan.

# I. SOCIAL AND ECONOMIC DIAGNOSIS

## 1.1. Challenges facing the Polish labour market

The situation on the labour market in Poland in 2006 was markedly different from the situation in the countries of the European Union. Unemployment, despite a clear fall by the end of the year, reached at times 16%, almost twice the average unemployment rate in the EU, while the employment rate at the level of 53% was lower than the average level in the remaining Member States by as much as 11 percentage points. As a result, the scale of challenges facing the Polish labour market was undoubtedly the highest in the whole European Union. Low indicators may not be fully explained by factors connected to the economic situation, as the growth rate has been high, nor with the systemic transformation, as employment in other states of the region has been higher. Between 1998 and 2002, the number of those in employment decreased by more than 1.5 million (more than 10%), with the simultaneous increase in the number of the unemployed and the unemployment rate (from 10.6% in 1998 to 19.9% in 2002) and stabilisation of the number of economically active population. In the years 2003-2004, there took place a reversal of that negative trend and a slow growth of the employment rate and decrease of the unemployment rate. So far, the scale of the improvement has not been satisfactory.

**Figure 1. Employment rate, economic activity rate, unemployment rate, and decomposition of quarterly unemployment changes in Poland in the period 2002-2006 (until the 2<sup>nd</sup> quarter).**



**Note:** The decomposition is based on quarterly changes of the number of the unemployed aged 15-64 resulting from demographic factors, changes in economic activity and employment (in thousands of unemployed persons) in the period 2002-2006 (until the 2<sup>nd</sup> quarter) – factors diminishing the unemployment rate are located under the OX axis, while those increasing it – above it.

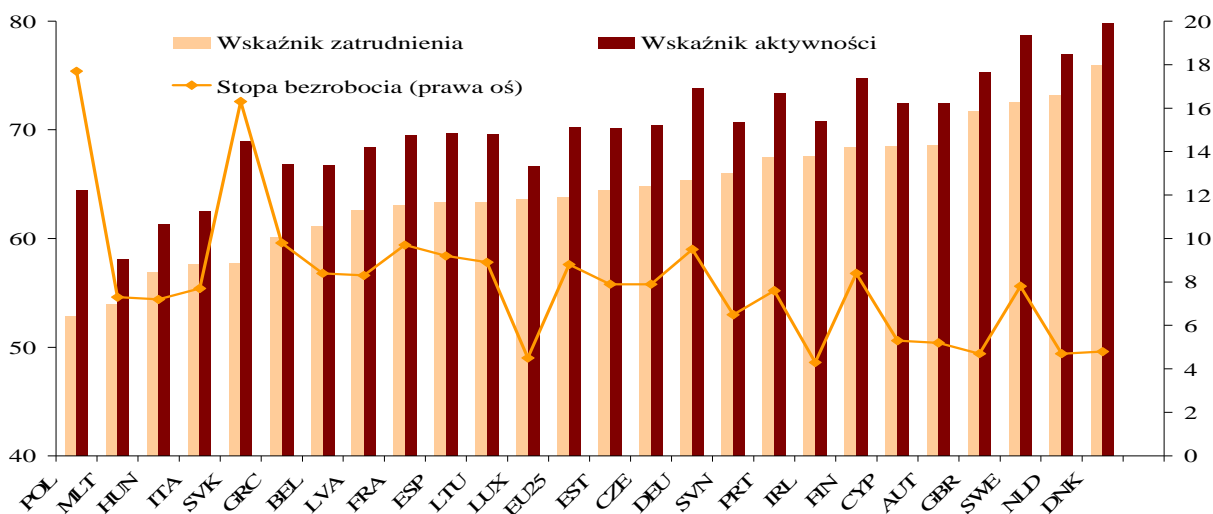
Source: Own study based on the BAEL (economic activity survey) data cleared of seasonal effects and methodological changes.

The deep transformations on the labour market in the years 1999-2002 (brought about by the economic crisis of 1998 and the slowdown of the economy in the years 2001-2002) resulted in the fact that **the current level of employment and economic activity in Poland is significantly worse not only from the highly productive economies of the EU15 countries and the new Community Member States (cf. Figure 2), whose level of development is close to that of Poland, but also from the less wealthy countries, which entered the EU, such as Bulgaria and Romania.** Also the unemployment rate in Poland is the highest in Europe, comparable only to the unemployment rate in Slovakia, where, however, employment and economic activity rates are much higher than in Poland.

Moreover, the unfavourable situation on the labour market is more and more determined by structural and institutional factors, including: inflexible labour market, maladjustment of professional qualifications to the needs of employers, high tax wedge, obstacles for geographical mobility (among others, problems in the functioning of the housing market) and social transfers enabling withdrawal from economic activity. **In fact,**

it is believed that structural unemployment constitutes more than 80% of total unemployment. The statement makes it clear that the scale of challenges facing Poland in the area of the labour market in the years to come significantly exceeds the one that is facing other European countries.

Figure 2. Economic activity rate, employment rate, and unemployment rate in the age group 15-64 in 2005.



Source: Eurostat.

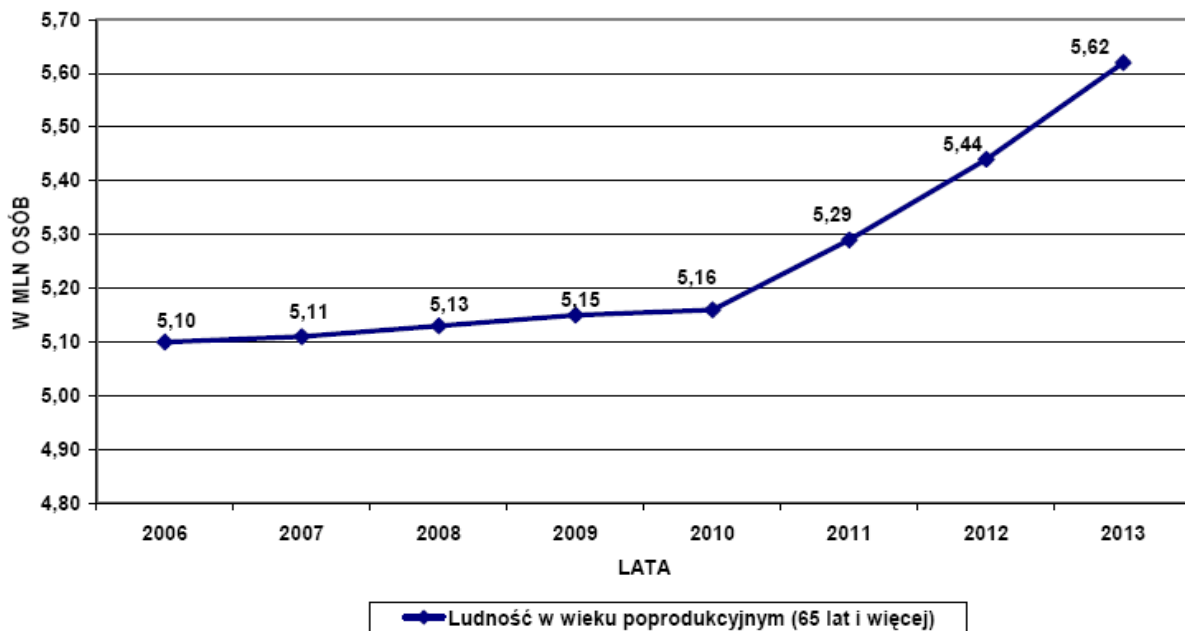
#### Demographic challenges

At present, lower intensity of using labour among persons above 50 years of age and under 25 years of age is the main factor determining the lower employment rate in Poland in comparison to the EU15 countries, whereas the structure of workforce by age explains only about 12% of the gap in the level of employment. It means that **the reasons for the low level of employment are mainly attributable to structural factors, while demographic factors do not constitute a serious barrier at present for the growth of employment.** It results from demographic prognoses that the situation will be changing quite rapidly over the next over a dozen years. It is an important challenge to develop appropriate solutions aimed at promoting active ageing, prevention of early retirement and increasing employability of elder workers. At present, the average **age of economic deactivation in Poland is one of the lowest among the EU Member States**, amounting in 2005 to 59.5 years of age (with the EU15 average of 61.1 and EU25 of 60.9 years of age).

At the same time, it is envisaged that the ageing process of the society will accelerate after 2011. The number of people of non-working age will increase to 8.5 million in 2020 (9.6 million in 2030). As a result of the processes, the population of Poland will decrease to 2030, as compared to 2000, by around 2.6 million people, while the demographic burden rate, i.e. the ratio of persons of non-working age to persons of working age, will increase from 24% at present to 46%. The scale of the problem of ageing of workforce is illustrated by the following figures.

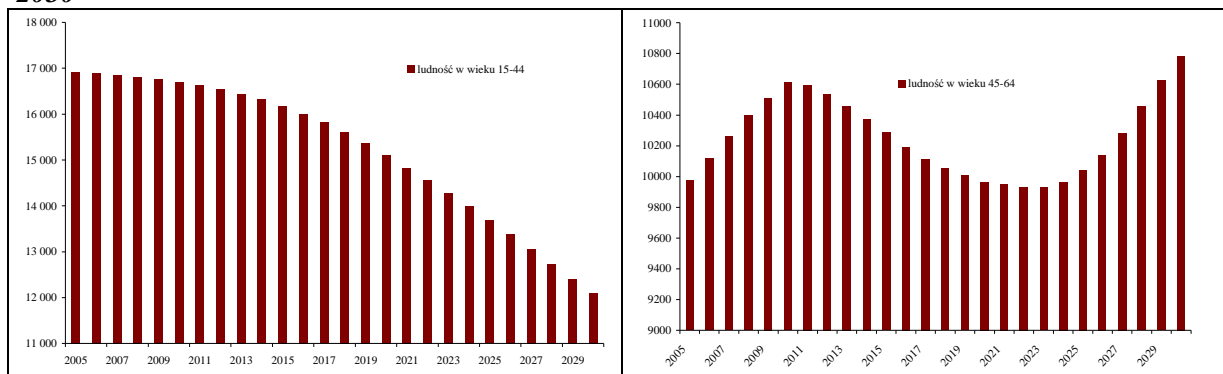


Figure 3. Demographical prognosis - people in the work age.



Source: CSO.

Figure 4. The number of people of working age (disaggregated into 15-44 and 45-64) in the years 2005-2030



Source: CSO.

It is estimated that, after 2010, population of working age will be decreasing and will amount to 22.6 million in 2020 (20.8 million in 2030). This situation will be caused by the low fertility rate, in place since mid-90's. Fertility rate is now at a very low level, yet since 2003 its growth has been recorded (from 1.22 to 1.24 in 2005). Demographic prognoses indicate that fast improvement should not be expected – fertility in Poland will stay, in the perspective of the next over a dozen years, at a level ensuring simple succession of generations.

The detailed social and economic diagnosis proves that the problems of the Polish labour market are mainly the result of structural factors. The basic challenges of the contemporary labour market comprise also harmonious adjustment of supply and demand, so that technological and structural changes in the economy would be smooth, and so that the available supply of workforce would be used in an optimum way. Only the change of structural factors might bring considerable and enduring effects in employment and the quality of life of the population. The key structural problems of Polish labour market include:

- low economic activity of older persons, connected to a high degree with the availability of alternative sources of income (in particular the possibility of early retirement),
- significant share of long-term unemployment,

- low level of education of most of unemployed persons and/or maladjustment of their qualifications to the requirements of the labour market,
- significant level of regional variation of the situation on the labour market with very low spatial mobility (especially of unemployed persons).

### 1.1.1. Changes in the labour market

As a result of the transformation, the Polish labour market has undergone significant changes. Dramatic fall of demand for work in the 90's, along with a slight increase of the workforce, found reflection in a dynamic growth of unemployment. Since 2003, the level of unemployment was stable, and since 2004, when the economic revival started, there has been observed its decrease. The phenomena reached different figures in different age groups. Although the percentage of the unemployed among persons aged under 45 was lowering gradually already since mid-2001, in the case of people aged from 45 to 54 one can only talk about its stabilisation.

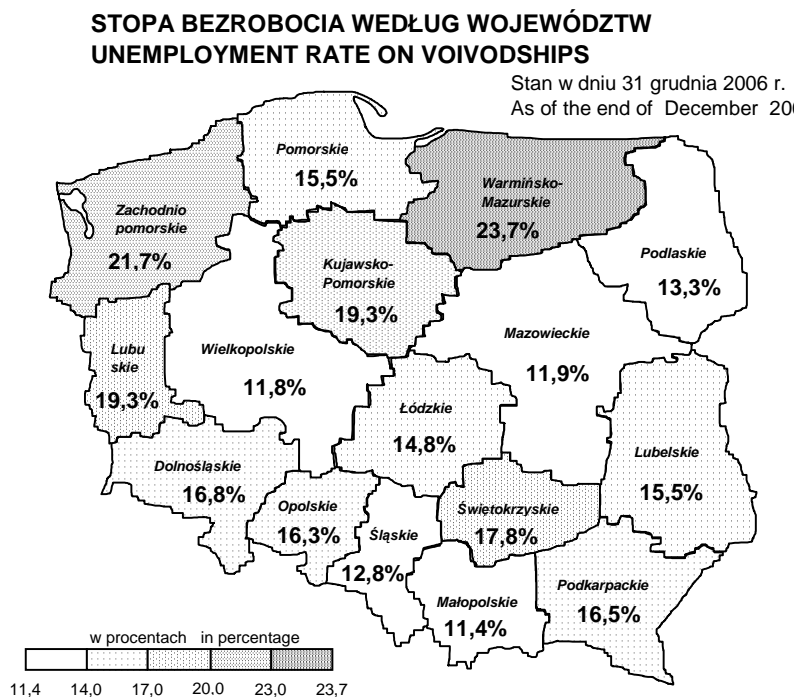
At the same time, the phenomenon commonly observed on the Polish labour market was undertaking employment in the black economy. A GUS survey from 2005 revealed that unregistered work was undertaken within nine months of 2004 by 1,317,000 people and the number was lower than the one established in 1998 by around 100,000 people. Thus, interest in working in the black economy did not increase in the period of adverse economic situation. The basic motive behind working in the black economy (declared by 57% of those working in this way) is the impossibility to find a legal job. Creating incentives for registering activity is closely connected to the level of fiscalism, but also the structure of the tax system. Relatively high taxation on low-qualified jobs, so also low-income jobs, constitutes a barrier for legalisation of employment. Regulations related to the minimum pay also play an important role. In conjunction with high tax and tax-related burdens of the lowest wages and salaries, the amount of the minimum pay limits the possibility to find a legal job by people with low qualifications, thus also – low work productivity, of those who are disadvantaged on the labour market anyway. The problem is particularly relevant for regions with low average pay, where the amount of pays may to a large extent limit the demand for low-qualified workforce.

**The situation on the labour market is characterised by significant regional variation**, though it is worth emphasising that the differences are not greater than in other countries of the EU of similar size (e.g. in Spain). The highest employment rates are recorded in the Mazowieckie, Lubelskie and Wielkopolskie Voivodships. On the other hand, in the 4<sup>th</sup> quarter of 2006, the highest unemployment rate was in the Warmińsko-Mazurskie, Zachodniopomorskie, as well as Lubuskie and Kujawsko-Pomorskim Voivodships.

It should be stressed at this point that the differences e.g. in unemployment rates between voivodships are much smaller than within the very voivodships. In 2006 five voivodships have got unemployment rate higher than 30%. In the end of 2006 the highest was registered in Zachodniopomorskie Voivodeship (poviats: łobeski – 35,8%, białogardzki – 34,4% świdnicki – 34,1%, drawski – 33,7%, gryficki – 33,2%, koszaliński – 31,8% and szczeciński – 31,2%) and Warmińsko-mazurskie Voviodeship (poviats: braniewski – 36,2%, węgorzewski – 36,0%, bartoszycki – 34,8%, piski – 33,2%, lidzbarski – 32,6%, gołdapski – 32,3% i kętrzyński -30,2%). Moreover the high unemployment rate was in powiats: nowodworski – 33,9% and bytowski – 31,6% in Pomorskie Voivodeship, and also in Mazowieckie Voivodeship (poviats: szydłowiecki – 36,8% and radomski – 31,7%).

The voivodships with the lowest internal variation of the situation on the labour market are: the Łódzkie, Lubelskie, Podlaskie and Śląskie, while the highest variation occurs in the Mazowieckie, Warmińsko – Mazurskie and Pomorskie. It is worth noticing, however, that, owing to the differences in the activity levels, it is not always so that the intra-regional variation of the unemployment rate is connected to higher variation in employment. Unemployment is very low in most of large cities, in many of them close to the frictional unemployment level. In terms of the indicators, small cities, in particular far away from large agglomerations, have the worst results.

Figure 5. Unemployment rate in view of voivodeships (at the end of 2006)



Source: CSO

Table 1. Employment rate for population aged 15-64 in total, by region.

	2003	2004	2005	2006
<b>Poland</b>	<b>51.20</b>	<b>51.70</b>	<b>52.80</b>	54,47
Dolnośląskie	46.40	47.20	49.30	52,88
Kujawsko-Pomorskie	50.40	50.20	51.50	51,28
Lubelskie	55.60	54.50	56.00	56,87
Lubuskie	46.00	47.90	51.10	53,00
Łódzkie	52.90	53.20	54.10	56,21
Małopolskie	53.60	54.60	55.00	55,86
Mazowieckie	56.70	57.00	57.60	58,94
Opolskie	49.20	50.90	52.50	54,96
Podkarpackie	52.10	51.30	52.30	53,82
Podlaskie	53.90	55.90	56.90	56,88
Pomorskie	49.60	49.60	51.00	53,70
Śląskie	46.90	48.10	49.50	51,37
Świętokrzyskie	49.50	49.30	51.60	54,57
Warmińsko-Mazurskie	47.30	48.10	48.70	50,65
Wielkopolskie	53.90	53.60	54.00	55,24
Zachodniopomorskie	46.10	48.00	48.30	49,54

Source: BAEL.

Taking into account the adaptation of labor resources to the changing economic and market situation, it is essential to anticipate the development trends related to the labor market. One of the most important conditions of the employment and unemployment level in Poland in period of 2007-2013 will be the demographic changes. In the period concerned, the process of aging of Polish society will proceed.

Population in post productive age (aged 65 and over) will increase of 510 000 (of 10%), and this process will be accelerated. According to the prognosis presented, the demographic situation will imply better opportunities for the employment level increase and decrease of unemployment after 2010.

**Table 2: Prognosis concerning the working persons in Poland 2007-2013**

Detailed	2006	2007	2008	2009	2010	2011	2012	2013
Population aged 15-64 (in thousands)	27009	27121	27208	27270	27304	27219	27079	26897
Employment index (in %)	53,0	54,0	55,0	56,0	57,0	58,0	59,0	60,0
<b>Working persons (in thousands)</b>	<b>14315</b>	<b>14645</b>	<b>14964</b>	<b>15271</b>	<b>15563</b>	<b>15787</b>	<b>15977</b>	<b>16138</b>
<b>Annual increase of working persons (in thousands)</b>	<b>X</b>	<b>330</b>	<b>319</b>	<b>307</b>	<b>297</b>	<b>224</b>	<b>190</b>	<b>161</b>

Source: Estimations of MSP based on Social Policy Budget Model, IBnGR

**Table 3. Prognosis concerning the unemployment in Poland 2007-2013**

Detailed	2006	2007	2008	2009	2010	2011	2012	2013
Working persons (in thousands)	14315	14645	14964	15271	15563	15787	15977	16138
Unemployment rate (in %)	16,0	15,3	14,6	13,9	13,2	12,5	11,5	10,0
<b>Unemployed (in thousands)</b>	<b>2727</b>	<b>2645</b>	<b>2558</b>	<b>2465</b>	<b>2367</b>	<b>2255</b>	<b>2076</b>	<b>1793</b>
<b>Annual decrease of unemployment (in thousands)</b>	<b>X</b>	<b>82</b>	<b>87</b>	<b>93</b>	<b>98</b>	<b>112</b>	<b>179</b>	<b>238</b>

Source: Estimations of MSP based on Social Policy Budget Model, IBnGR

### 1.1.2 Groups in special situation on the market

Groups in special situation on the labour market in Poland comprise women (especially those returning to the market after a period of deactivation related to childcare), young persons, persons over fifty with low level of professional qualifications or low level of education, persons in long-term unemployment and persons with disabilities.

**In Poland, just like in all EU countries, economic activity of women is lower than economic activity of men.** Economic activity rate for people aged 15-64 in 2006 was 47.1% for women and 62.2% for men, whereas employment rate was at the level of 40.4% and 55.1% respectively. At the same time, female employment rate in the EU countries is much higher – 71.9% in Denmark, 70.4% in Sweden, 66% in Finland.

Also the female unemployment rate – by the end of 2006 – was high and women accounted for 56.5% of the unemployed. At the same time, the proportion of unemployed women has been growing from year to year owing to the faster fall of the number of registered men than women. At the end of 2006, there were 100

unemployed men per 130 unemployed women (in the population, the ratio of men to women was 100 to 107). At the same time, female employment rates are strongly regionally differentiated – the highest female employment rate was recorded in 2005 in the Mazowieckie, Lubelskie and Podlaskie Voivodships, whereas the proportion of employed women was the lowest in the Zachodniopomorskie, Warmińsko-Mazurskie and Pomorskie Voivodships.

**Table 4. Female employment rate (aged 15-64) by region.**

Region	2003	2004	2005	2006
<b>Poland</b>	<b>46.00</b>	<b>46.20</b>	<b>46.80</b>	48,22
Dolnośląskie	42.60	42.70	44.00	46,87
Kujawsko-Pomorskie	44.60	44.40	44.90	44,69
Lubelskie	51.60	50.50	51.00	52,02
Lubuskie	41.50	42.70	44.40	46,82
Łódzkie	46.80	47.50	49.20	51,70
Małopolskie	49.40	49.70	49.80	50,30
Mazowieckie	52.30	52.50	51.80	53,58
Opolskie	42.80	43.80	44.40	46,98
Podkarpackie	47.80	46.20	48.00	48,35
Podlaskie	48.70	48.50	50.40	50,82
Pomorskie	43.40	43.00	43.30	46,49
Śląskie	40.70	42.70	43.80	43,60
Świętokrzyskie	44.80	44.50	47.10	50,11
Warmińsko-Mazurskie	41.70	41.60	42.40	43,98
Wielkopolskie	47.30	46.30	45.80	47,12
Zachodniopomorskie	41.30	43.30	41.80	42,34

Source: BAEŁ

**Women in Poland end their economic activity much earlier than men, and also start it later.** The greatest differences in terms of employment relate to people aged 25-30, which is connected to the period of childbirth and childcare. Part of women who were not economically active at that age return to the labour market at the age of 30-39, while in terms of economic activity the position of that age group is relatively good (economic activity rate for women aged 30-49 are lower in Poland than the EU15 average). However, it happens that the return is quite difficult, as a longer break in employment may lead to a loss or outdated of the possessed professional qualifications. Also the very employers are quite unwilling to employ young mothers, as they fear increased absences in that group of workers connected to the necessity of childcare. Also legal solutions, aimed at facilitating balancing of work and childcare (e.g. maternity leaves or parental leaves, guarantee of employment for women returning from parental leaves) are not always positively viewed by the employers. They are connected to a financial and organisational risk for the employers, related to employing women – particularly in the reproductive age. As a result, it may lead to intensification of utilisation of discriminating practices while recruiting new employees. At the same time, paradoxically, such arrangements may in themselves discourage young women from taking the decision to give birth to a child, as they are afraid that such a decision would influence their later professional career. **Return to the labour market after a break related to maternity and childcare is also made difficult by access to childcare services.** In 2004, only 2.6% of children in Poland aged 0-2 and about 38% of children aged 3-5 were attending nurseries and kindergartens.

About 650-700 thousand women under 35 years of age constitute a different group, which have no professional experience whatsoever or their professional experience is shorter than one year. For that group, it is necessary to build professional competences and the ability to move around the labour market practically from scratch. It requires both a training package and continuation of those actions in the form of traineeship and/or trainings in the job. Such a sequence of actions must be finished with the employment agency, so that the competences obtained through the previous actions would not become outdated.

One of the basic problems that draws attention while comparing the situation on the labour market of women and men are the differences in the amount of the average pay (the so-called gender pay gap). The proportion of persons with higher education among employed women is higher than among employed men, yet the average pay of women is lower. One can name the following reasons for that phenomenon: different structures of employment among women and men by sector (women work more often in sectors such as education, public administration, health care) and by occupation (men more often work as heads and directors) and years in employment (women in Poland often interrupt their professional career to perform household duties, moreover, they end economic activity earlier).

Women also more often than men experience discrimination on the labour market and meet stereotypical perception. As a rule, they earn less than men in same job, it is also more difficult for them to apply for a job or investment in the development of their competences and professional promotion (vertical discrimination). They are more endangered with loss of job in the case of redundancy situations. It results from surveys that about 23.5% of women in Poland have had direct contact with discrimination and unequal treatment on the labour market. In the context, it is indispensable to implement active measures to fight stereotypes on the labour market and stimulate potential employers to observe the principle of equal opportunities.

Unemployment is also higher among young persons and older persons who withdraw from the labour market much earlier than in other countries (the group is characterised by a low employment rate and relatively low unemployment).

In 2005, 33.5% of people aged 15-24 were economically active. The situation of adolescents on the Polish labour market has been worsening since 1998. Unemployment rate in that group<sup>1</sup> went up in the years 1998-2005 by 13 percentage points, from 29% to 42%, amounting to, in total, one fourth of the unemployed (626,800 people). According to the GUS data, in the 1<sup>st</sup> quarter of 2006, the unemployment rate of adolescents up to 24 years of age amounted to only 34,4%, which was connected to removal from the register (mainly because of the lack of confirmation of readiness to work), resulting, in most cases, from economic emigration. Such a high unemployment rate is a challenge for all economic and social entities (private and public).

Adolescents aged 15-18, who may not take up employment because of limitations resulting from the Labour Code and the compulsory education, except for persons undertaking apprenticeship (the so-called adolescent workers), are also an issue. At the same time, the growth of interest in engagement into learning at the higher level finds reflection in the low level of economic activity of people aged 20-24. Jobs are taken up by persons studying in the evening or extramural mode rather than the day mode, yet in that group over 40% persons learning at the higher level in the extramural and evening mode are without a job because of low supply of part-time jobs and still insufficient development of the service sector. Low economic activity of young adults, shown in the statistics of the labour market, is thus strongly related to the educational activity, though it should be noted that it is much higher in most of developed countries, which is a result of the fact that it is much easier for young people to take up an odd job, in particular in the service sector.

However, significant problems on the labour market are faced by people aged 20-24, who do not continue their education. In their case, unemployment is connected in particular to the stage of entering the labour market and is of frictional character, which is a normal, economic cost of looking for a job. Yet there are persons in that group who, because of the lack of appropriate education, will not find a job corresponding to their education, so they will remain unemployed for a longer time (on average, in each month of 2005, about 53% of young unemployed people were without a job for more than 6 months, while 34% for more than a year). The long period of unemployment may entail the risk of losing professional qualifications by young people and the risk of social exclusion. In the case of young people who have no professional experience or just a very short work experience, the devaluation of qualifications occurs at a much faster pace than in the case of people with longer record of work.

One of the basic problems of the Polish labour market is also very low economic activity of people of non-mobile age (45+). The phenomenon results from a high intensification in the last years of passive policies on the labour market dedicated to early deactivation. It has led to the fact that a large proportion of persons aged over 45, who lost their jobs in the last years, withdrew from the labour market for good. It is evidenced by

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<sup>1</sup> Unemployment among adolescents regards people aged 15-24 who do not attend a day school.

the low economic activity rate among people aged 45-64 and the relatively high unemployment rate in that group. The indicators in 2005 were at the level of 58.5% and 14.3%, the same indicators for the age group 15-64 amounted to 64.6% and 18% respectively. Unemployed people at the non-mobile age find it much more difficult to find a job – most often because of improper professional qualifications, being less willing to move home and/or to change qualifications. On average, in each month of 2005, more than 64% of the registered unemployed people at the age of 44-65 were unemployed for a time longer than 12 months.

The employment rate of both young adults and older persons differs significantly by region. The highest employment rate of young adults was noted in the Wielkopolskie, Lubelskie and Pomorskie Voivodships, while the highest employment rate among people at pre-retirement age occurred in the Lubelskie, Mazowieckie and Małopolskie Voivodships.

**Table 5. Employment rate of people aged 15-24 and 55-64 in total, by region.**

	2003	2004	2005	2006	2003	2004	2005	2006
	Persons aged 15-24				Persons aged 55-64			
<b>Poland</b>	21,20	21,70	22,50	24,00	26,90	26,20	27,20	28,02
Dolnośląskie	19,10	19,00	18,20	23,30	22,00	21,30	23,20	27,78
Kujawsko-pomorskie	20,30	22,50	24,00	25,55	23,80	23,10	25,20	24,35
Lubelskie	22,80	22,90	25,00	23,51	33,20	33,90	34,90	35,94
Lubuskie	18,10	18,80	23,40	21,95	20,00	19,50	22,30	24,11
Łódzkie	23,80	24,80	24,50	25,77	24,80	21,80	23,40	25,95
Małopolskie	24,30	22,00	21,40	23,80	30,10	31,80	33,20	32,16
Mazowieckie	24,20	23,80	24,30	24,68	35,80	34,40	33,30	35,12
Opolskie	18,80	20,40	20,40	25,71	23,80	23,70	26,10	27,72
Podkarpackie	17,30	18,10	17,20	19,06	35,30	33,60	32,20	33,33
Podlaskie	20,80	22,00	24,20	19,25	32,50	32,30	32,00	28,71
Pomorskie	20,50	22,00	24,60	27,60	26,20	25,50	27,20	25,50
Śląskie	18,60	20,10	22,30	24,78	18,10	18,20	18,60	20,23
Świętokrzyskie	15,80	17,30	18,50	22,48	26,40	27,30	30,80	31,08
Warmińsko-mazurskie	18,30	16,10	17,30	18,34	21,20	21,60	23,20	26,71
Wielkopolskie	26,40	26,90	27,90	27,95	29,10	26,30	26,90	25,90
Zachodniopomorskie	15,80	20,10	19,70	21,27	23,90	23,40	25,50	23,46

Source: BAEL.

Unemployment concerns also people with low professional qualifications, regardless of their age. The problem is not connected only to low educational attainment, but also maladjustment of the qualifications to the needs of the labour market. It pertains in particular to people with vocational education or lower. The persons accounted for almost 64% of all the unemployed registered in poviats labour offices in 2006, of which 55% of the long-term unemployed. Employment and economic activity rates of that group are much lower than the corresponding indicators for the whole population aged 15-64. Insufficient qualifications and their depreciation with age are connected above all with the economic transformation and employee's not keeping up with the requirements of the market, low adaptability of persons with initially low qualifications. What is of key importance is also low participation in lifelong learning. There is also a problem with motivation and attitude of the unemployed, who often do not agree with the necessity to completely change their qualifications.

The issue of missing qualifications, low adaptability and mobility pertains in particular to the long-term unemployed (who, in 2006, accounted for 51% of all the unemployed). Long time out of employment amplifies the depreciation of their qualifications and abilities, lowering the possibility to find a job in the future.

**Table 6. Proportion of the long-term unemployed in the total number of the unemployed in the surveyed group.**

<b>The long-term unemployed</b>	<b>2005</b>	<b>2006</b>
Total	52.5	51.2
Men	52.2	49.2
Women	52.9	53.2
Urban areas	51.8	50.7
Rural areas	54.0	52.2

Source: BAEL.

Also the labour market situation of people with disabilities is very disadvantageous. It finds expression in the low economic activity rate and high unemployment. It is largely influenced by the structure of the population of persons with disabilities by age, and, above all, by education and the level of professional qualifications. A more detailed description of that group can be found in the part devoted to social exclusion.

### 1.1.3 The impact of migration on the labour market

The dynamics of migration has significantly accelerated since the second part of 2003, which was directly connected to the prospect of the expansion of the European Union. **After 1 May 2004, the intensity of migration out of Poland clearly grew, which was linked to the possibility of taking up a job abroad.** It results from the BAEL data that, in 2005, there were on average about 45% more migrants going abroad than in 2005 (it should be remembered, though, that part of those people would also emigrate even if the expansion of the European Union had not taken place, so the proportion should not be looked at only in the context of the impact of accession on the intensity of migration abroad).

One of the most important criteria of the intensity of migration is the age of migrants – **young people dominate among the migrants.** It is so mainly because, in the case of older people, the expected benefits from migration are lower than the envisaged non-material losses (breaking family and social ties). An important role in taking the decision on migration away from the country is also played by the expected differences in the pay. A typical example of groups of employees, among whom that factor may play a decisive role, are those employed in the health sector. The data from the Ministry of Health concerning the number of certificates confirming professional qualifications, which are issued to physicians and nurses who want to go abroad, provide information about their migration plans.

Theoretically, one of the social-economic groups which could benefit from migration, are the unemployed (their alternative costs are lower than in the case of people in employment, for whom going abroad would entail a change of employer and loss of remuneration in Poland). **However, surveys reveal that the unemployed are relatively reluctant to migrate, both to another country and region.**

**Table 7. Main directions of the migrations of the Poles before and after Poland's accession to the European Union (until the 4<sup>th</sup> quarter of 2005).**

<b>Before accession</b>			<b>After accession</b>		
<b>Country</b>	<b>Number (thousands)</b>	<b>Share (%)</b>	<b>Country</b>	<b>Number (thousands)</b>	<b>Share (%)</b>
<b>Germany</b>	52.0	31	<b>United Kingdom</b>	65.9	22
<b>USA</b>	33.5	20	<b>Germany</b>	63.3	21
<b>Italy</b>	21.0	13	<b>USA</b>	37.4	13
<b>United Kingdom</b>	15.1	9	<b>Italy</b>	35.9	12
<b>Spain</b>	6.7	4	<b>Ireland</b>	17.6	6
<b>France</b>	6.7	4	<b>France</b>	12.5	4
<b>Netherlands</b>	6.7	4	<b>Spain</b>	11.1	4
<b>Belgium</b>	5.0	3	<b>Netherlands</b>	7.7	3
<b>Szwecja</b>	3.4	2	<b>Belgium</b>	6.8	2
<b>Austria</b>	3.4	2	<b>Sweden</b>	6.0	2
<b>Ireland</b>	1.7	1	<b>Austria</b>	6.0	2



<b>Other</b>	12.5	7	<b>Other</b>	24.8	8
<b>Total</b>	<b>167.7</b>	<b>100</b>	<b>Total</b>	<b>295.0</b>	<b>100</b>

Source: Own calculations based on the BAEL data.

The phenomenon of economic migration is tightly linked to processes existing on the labour market. The interdependencies are particularly visible at the regional and local levels, where emigration abroad may significantly influence the situation on the local labour market. **Furthermore, the structure of migration in Poland intensified the phenomenon of maladjustment of supply and demand for labour in relation to some occupations, for which there is specific demand on the markets of more developed countries.** In general, the following consequences of migration on the Polish market can be observed:

- migration (excl. seasonal) has a positive impact on the unemployment rate, especially in peripheral areas, where the rates are higher, directly diminishing unemployment (the effect of exporting unemployment) and indirectly increasing employment owing to the assumed multiplication effect related to the growth of consumption reinforced with transfers of the migrants' capital,
- intensification of migration with structural maladjustment of supply and demand on the Polish labour market may to some extent lead to reduction of unemployment, but also reduction of employment. Lacking production factors will specifically be perceptible in some regions and sectors, e.g. medical or construction, for which the demand on the target markets is high, intensifying the phenomenon of structural unemployment.

At the same time, a systematic inflow of economic migration to Poland has been recorded in the last years. In 2005, there was issued the total of 9304 work permits to foreigners, more than half of which were issued on the territory of the Mazowieckie Voivodship (4811). The largest group of foreigners taking up employment in Poland are citizens of Ukraine (2697), Vietnam (1087), Belarus (610) and Germany (518), then Russia (486), USA (452) and Turkey (415). Foreigners most often find employment in the care services sector, construction, restaurants and trade, often also take up seasonal jobs which do not require high and specialist professional qualifications.

**The scale of internal migration in Poland is relatively low compared to other countries of the Western Europe.** The scale of migration between voivodships oscillates around 10-11%, while the directions of the movement are to some extent determined by the situation on the labour market. The main inflow area was the Mazowieckie Voivodship, the outflow areas are agricultural voivodships, of which the greatest volume of outflow took place in the Lubelskie Voivodship. As, generally speaking, unemployment was correlated negatively with the amounts of pay, economic migration in a way took into account the difference between the probability of finding a job and of getting a pay rise. Yet their scale was so small that they did not significantly alter the differences existing on local labour markets. Most of the migrants were people aged 20-29, slightly more frequently women.

**Regional mobility may be particularly important in terms of the decrease of regional disproportions.** In countries with a high level of mobility, internal migrations and commuting to another region play the role of an adjustment mechanism – a sudden increase of unemployment leads to the flow of employees away from the region where the situation worsened to those, where the possibility of finding a job is relatively higher. However, in most of the EU countries – including Poland – the more characteristic reaction to a local shock is a fall of economic activity, whereas the role of regional mobility as a mechanism allowing its fast absorption is still limited.

The generally low level of internal migrations in Poland is connected, first and foremost, to the relatively lower readiness to move home among people with low educational attainment. The mobility of persons with high qualifications is not much lower in Poland than the mobility level of highly-qualified persons in other countries – there is, however, a gap on the part of the group of people who are simultaneously, because of the low level of human capital, more exposed to the risk of staying unemployed. What is more, surveys indicate that regional migrations are relatively rarely connected to taking up employment by the unemployed. Even in regions characterised by high unemployment rate, migration is relatively more often undertaken by persons in employment (cf. the data of the World Bank of 2006), whereas it is characteristic among persons who have lost a job that if they manage to find a new one – it is usually a job in the same region where they lived before taking up employment. The reason for the low intensity of internal migration in Poland is also the

relatively high, as compared to other EU countries, share of persons living on their income from their own agricultural farms.

#### 1.1.4 Labour market in rural areas

Rural areas and high employment in agriculture are a specific but an exceptionally important segment of the Polish labour market. Over the last over a dozen years, there took place in Poland a fall of the number of people working in agriculture. Between 1992 and 2005, employment in that sector decreased from about 3.5 million people to less than 2.5 million. In the years 1999-2002, particularly difficult for the Polish labour market, one could observe some slowdown of the outflow of those working in agriculture, which could suggest that **working in agriculture constituted a kind of “buffer” in the period of worsening of the labour market situation.** Despite significant decrease of the labour input in agriculture, people employed in agriculture still accounted for about 17% of the employed, which is a share several times higher than in developed countries. Additionally, Polish agriculture still is characteristic for its very low productivity, producing only about 4% of GDP.

**The number of people employed in agriculture, as well its productivity, is varies strongly between regions.** In general, low productive agriculture characterised by very small average sizes of farms and high employment is centred in eastern and south-eastern parts of Poland, while the so-called recovered lands is the area, where state-owned farms were much more frequent in the past, which is connected to smaller (at least at present) employment in agriculture and much bigger sizes of an average farm. **The occurrence of places with extremely high unemployment where the State-Owned Farms used to be is a characteristic feature of the macro-region.** The situation is different in the south-eastern voivodships, where the very small farms dominate in the structure of agriculture and where employment in agriculture is very high compared to the area of arable land. Moreover, petrification of that structure is noticeable, which results from limited mobility of young people. **What results from such variations is different evolution of employment in agriculture in particular voivodships.**

In the period 2000-2005, there took place a fall in the number of people working in agriculture by almost 10%. It testifies to the existence of the process of modernisation of agriculture and equalisation of differences in that scope between regions – to some extent, it is also a result of demographic and migration processes (ageing of population in employment in agriculture and outflow of younger people to work in other sections). At the same time, in part of traditionally agricultural voivodships – Podlaskie, Podkarpackie, as well as in the Małopolskie Voivodship – there were groups of poviats, where quite a significant growth of employment in agriculture took place, including in low-productive agriculture. The general fall of employment in agriculture in those voivodships was lower than the average (in the Małopolskie Voivodship there even occurred its growth – which was, what is more, a result of employment growth in low-productive farming).

One of key issues in rural unemployment is hidden unemployment. Precise establishment of its size is hampered by the fact that there is no single definition and statistical data in appropriate breakdowns. Only in the case of data coming from the National Population and Housing Census and the Agricultural Census it is possible to estimate the scale of the phenomenon. Assuming that hidden unemployment is to mean that people work mainly or only in their own agricultural farms and in the period of the last 12 months worked on average no more than 2 hours a day, the number of persons composing the population of the hidden unemployed reached the level of around 300,000 people. Specification of the basic characteristics of those people is difficult, though, due to no access to appropriate statistical data. **The presence of the phenomenon of hidden unemployment in rural areas is evidenced by higher than average employment and lower unemployment rate with a very low level of value produced in agriculture.**

On average in 2006, the employment activity rate of people living in rural areas was at the level 0.9 percentage point higher than in the analogous figure for the remaining areas, while the employment rate was higher accordingly by 1.2 percentage point. Also taking into account the intensity of unemployment, one can note clear differences suggesting that the labour market situation in rural areas is better in comparison to other areas of the country. The unemployment rate in 2006 in rural areas amounted to 12.9% which means that it was lower than in other areas by 0.9 percentage point.

The problems of population not connected to agriculture, who live in rural areas, are different. In the case of that group, there is a high overt unemployment rate with a clear tendency to change into long-term unemployment or economic inactivity. What is more, the structure of the unemployed in rural areas is much worse than in the case of the unemployed living in urban areas, which diminishes their chances for taking up a job.

In fact, however, part of those working and living in rural areas should be counted as the unemployed or even passive population, since if it had not been for the possibility of working (even a few hours a week) in their own agricultural farm, they would be unemployed. Such persons usually make their living thanks to non-earned sources of income granted to other members of the household – in particular the system of social transfers from insurance of farmers (pensions).

Inhabitants of rural areas, beside inhabitants of large agglomerations, are characterised by higher disposition to commute over long distances. **One can suppose that commuting to another region makes it possible for those people to find employment not connected with agriculture, probably bringing higher income than the income obtained in the place of living.** Commuting is for them an advantageous option, as it is not linked to the need to invest in a new dwelling. It does not mean that such a choice is not connected to the need to incur costs – commuting to work requires spending a lot of time (and financing the means of transport), yet the costs are relatively low because of the low productivity of those people; moreover, they are distributed over the whole period of working life. In the case of some people, especially those with secondary education and living in peripheral areas, commuting to bigger towns or cities may be the only way to take up a job corresponding to the abilities they may have.

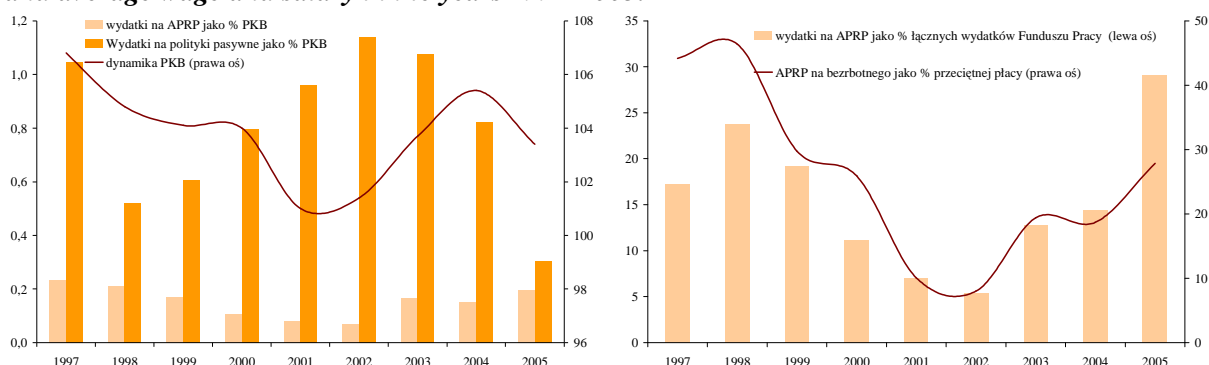
Thus, economic activation of the unemployed living in rural areas requires undertaking complex actions which will help them find employment in the non-agricultural sector.

### **1.1.5. Active labour market policy (APRP)**

In Poland, just like in other Central European countries, the share of APRP expenditures in GDP is lower than on average in Europe, which, on the one hand, reflects the generally lower expenditures on the labour market policy, on the other hand, it reflects the fact that **the Polish labour market policy model is based mostly on passive measures** (a similar model exists in Hungary and Slovakia). The dominance of passive policies in total expenditures on that purpose is, though, very high in Poland – the share of expenditures on active programmes, both in GDP and in total expenditures on the labour market policy, is in Poland one of the lowest in the OECD.

Funds on implementation of active and passive labour market policies come in Poland from the Labour Fund (FP), which finances concrete programmes implemented by poviats labour offices (PUP). The amounts of FP expenditures on active labour market policies have been fluctuating heavily since the beginning of the 90's, being clearly procyclical. An opposite tendency was noticeable in expenditures on unemployment benefits and pre-retirement benefits. It testifies to the exchangeability of the two types of policies in Poland – incited by the prioritised position of policies of passive character, which in the light of budget limitations push out active policies from public programmes. In 2006, only 38.7% of resources from the Labour Fund were designated to financing the APRP. The procyclical character of the share of expenditures on the APRP in GDP makes Poland differ from the other OECD countries, where it is stable over the whole cycle of economic situation. **International experience show that although the APRPs are not an effective means to lower unemployment in the period of recession, they have a potentially important impact on the pace of later reduction of unemployment, in particular in relation to groups with relatively smaller employment opportunities.** It seems then that diminishing the scale of the existing active labour market programmes in Poland, in the light of the rapid growth of the number of the unemployed in 1999, might have contributed to the prolongation of the durability of the impact of the demand shock on the Polish labour market.

**Figure 6. Expenditures on labour market policies and FP expenditures against the dynamic of GDP and average wage and salary in the years 1997-2005.**

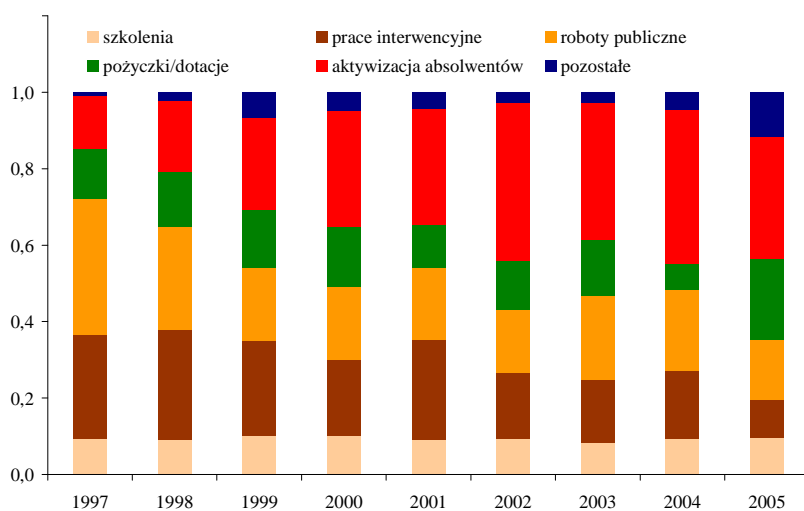


Source: "Employment in Poland in 2005", the Ministry of Economy and Labour. Data updated for 2005

Note: The fall of expenditures on passive policies in the years 2004-2005 results from legislative changes (ZUS took over the payments).

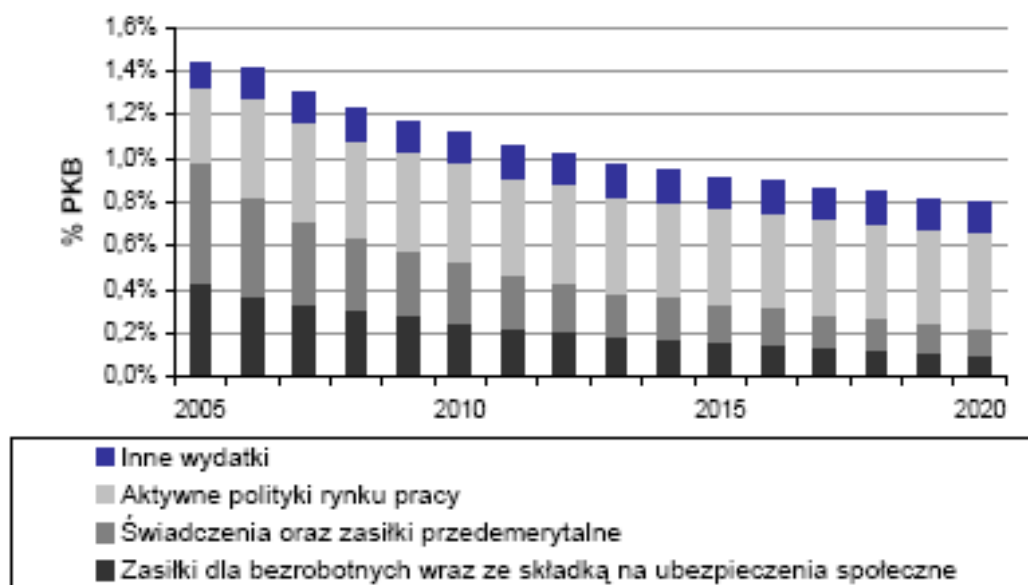
Expenditures on active labour market policies reached in 2005 about PLN 2 billion, i.e. 0.2% of GDP, of which a great majority fell on actions related to activation of graduates (30% of total expenditures). The amount of PLN 2,100 million was planned for financing programmes for active counteracting unemployment in 2006, while expenditures on active forms accounted for 33.5% of total planned expenditures. Expenditures on very popular subsidies for people starting running their own businesses grew significantly. The share of expenditures on public works and intervention works decreased considerably in the last years in comparison to the end of the 90s, while expenditures on projects for graduates went up (see Figure 5). Popularity, costs and effectiveness of utilisation of various projects of labour offices vary, but because of lack of detailed data, it is not possible to assess precisely the effectiveness of particular policies.

**Figure 7. Expenditures of the Labour Fund on active labour market policies (APRP) in the years 1997-2005.**



Source: Based on the data of the Ministry of Economy and Labour.

In the Strategy of Social Policy Development 2007-2013, the prognosis of the expenditures concerns to unemployment is included. In the forthcoming years the share of expenditures on the active policies will rise, while the share of expenditures on benefits, prepensions and unemployment benefits will decrease, what shows following figure:



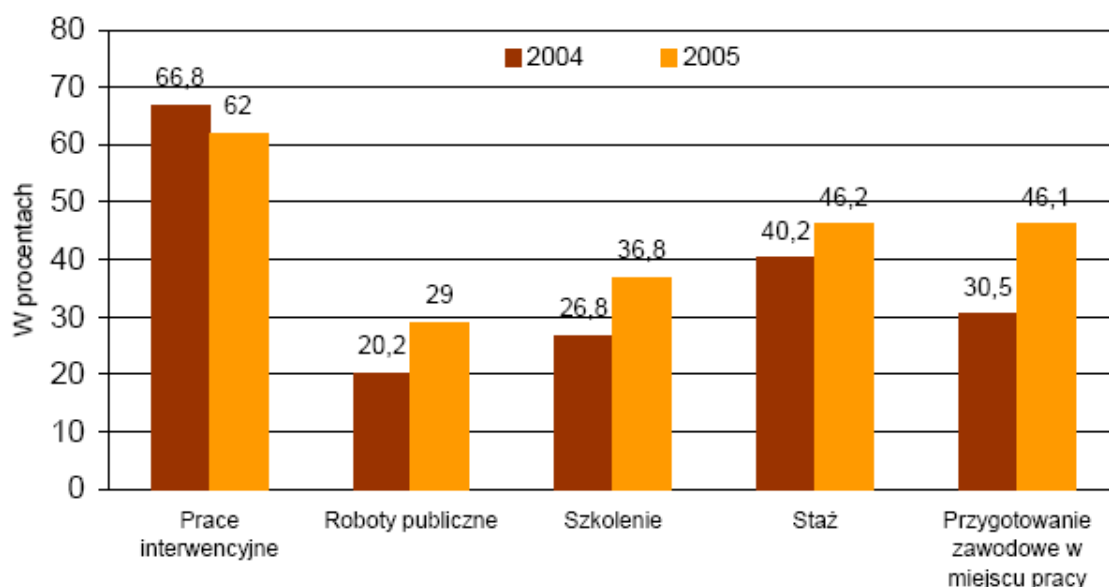
Source: Based on the data of the Ministry of Economy and Labour

International experiences show that fast and effective agency and advisory is a key element in the activities of employment services. Unfortunately, the activities remain underestimated on the Polish labour market, and their effectiveness and added value are far from the expected standards. **A large number of the unemployed remaining in the registers and the organisational and financial causes lead to the fact that the PUPs provide services of agency and advisory insufficiently in terms of their scope, directed to too narrow a group of people.** Data of the end of December 2005 show that there were 4600 unemployed persons per one advisor, which in practice makes efficient career advisory impossible. The services of career advisors are most often made use of by women, persons under 25 years of age, persons in short-term unemployment, and least frequently – persons with disabilities, the long-term unemployed, persons from rural areas. Yet, a lot should be done to increase the effectiveness of the role of career advisory, **which is connected to the need to increase the number of advisors (facilitating access), and improvement of their qualifications (about 40% of advisors are people without full specialist qualifications, though the situation is slowing improving).** Also the PUPs' knowledge of employment offers (both at the poviata, and the regional and national labour markets) is often insufficient. Low accessibility of agency and advisory services leads to underestimation of them by the unemployed, rarely believing in success in finding a job via the PUP, or the influence of a conversation with an advisor on their professional career. What is also neglected is the activation role of the PUPs under employment agency services, which should concentrate not only on presenting the unemployed with current employment offers but especially on encouraging them to independent, active looking for potential jobs – not only on the local market, but also outside it.

Labour agency services and career advisory are not always sufficient activities towards groups at special risk on the labour market – persons with lower qualifications, older persons or persons with disabilities. Even in the context of the growth of employment, such persons may not be attractive to employers and need wider support. Those groups need the implementation of active policies increasing their opportunities on the labour market, which is connected in particular to enhancing their skills and qualifications. **What is necessary is appropriate choice of the subject of the organised trainings, the places of traineeship and professional training, with the engagement of local employers and selection of participants of particular programmes by suitably qualified employees of the PUP.** The CASE (2004) survey revealed that, in the opinion of the PUP employees, the highest is the efficiency of: traineeship, trainings and advisory. Subsidising employment is somewhat less appreciated (because of the difficulty to choose an external

partner – employer), starting one’s own business, or professional training in the job (a little widespread tool). Difficulties in assessing the use of those instruments in the whole country is connected to the fact that some tools are in the form of financing linked to wider instruments – tasks, such as subsidising employment – thus, the knowledge about traineeship, or professional training and their effectiveness is limited. Subsidising employment is a costly policy, which brings profits for the unemployed in the form of temporary return to the labour market and the related income, yet rarely the unemployed covered with that policy improve their qualifications or attractiveness on the labour market in a significant way, thus in most cases they do not manage to find non-subsidised employment after the end of the job. Moreover, as is shown by surveys, a large proportion of the subsidised jobs would also come to being without the state’s support. In other countries, positive, long-term effects were recorded in the case of subsidising the employment of the unemployed returning to the labour market (women, the long-term unemployed). It is still necessary to examine the effectiveness of other forms of support used to create jobs in the Polish conditions (grants for starting one’s own business, reimbursement of part of the costs incurred on furnishing the workplace for an unemployed person), especially in the long run. International experiences to date show that financial aid in establishing a company brings positive effects in the group of educated men aged 25-44, while its effectiveness grows when accompanied by professional financial and technical advisory.

**Figure 9. Effectiveness of programmes implemented in period 2004-2005.**



Source: Ministry of Economy and Labour.

**An issue making performing active labour market policy by institutions appointed for that purpose difficult is insufficient knowledge about the needs of the labour market and the impossibility to measure the effects of implemented actions.** It hampers the choice of the most effective and proper methods in a given case. The initiatives undertaken by labour offices, targeted both at the supply (aimed at improving qualifications and attractiveness of the unemployed on the labour market) and at the demand side of the labour market (stimulating the creation of new jobs), are characterised by significant variation of the proportion of the unemployed finding employment and the expenses accompanying it. Improvement of the existing labour market monitoring system, making available new data and supplementing information gaps will enable close watching of the situation on the labour market for selected target groups and the creation of an effective labour market policy for them.

In regions with low level of economic activity, affected by deep restructuring of employment, effective activities of employment services are hampered by insufficient number of new jobs on the local market. In those areas, special programmes promoting entrepreneurship and developing one’s own business, targeted at the demand side of the labour market, are necessary. **An important role in the activities of the PUPs should be played by supporting spatial mobility (for instance, through financial support for people**

**commuting to work to other places), the help in finding employment on the territory of the whole country (seasonal and permanent) and support for people taking the decision to migrate.** The above-mentioned areas require also the development of tools from the border of social policy and labour market, enabling increasing income to persons especially threatened by poverty. Subsidised employment in the public sector (the so-called public works) constitutes an example of such activities, owing to which the long-term unemployed (most often entering it) maintain contact with the labour market and improve their financial situation (through the obtained income from labour and most often the right to benefit after the end of the programme).

**Moreover, it is necessary to broaden the number of addressees of the actions undertaken by the labour market institutions. Employment services avoid actions targeted at groups of high risk of exclusion from the labour market, which constitutes a negation of the empirically tested idea of profiling the APRP and addressing particular programmes to groups, where they are most needed, and not to groups, which may manage without them.** To date, aid under active policies was directed first of all to young people, while persons with disabilities and the unemployed caring for children were at the margin. The group of passive people is practically omitted, so it seems necessary to use specific tools from the border of labour market policy and social security with the view of social and professional reintegration of those groups.

### **1.1.6. Public Labour Market Institutions and other labour market institutions**

Public Employment Services (PSZ) comprise 16 voivodship labour offices and 339 poviats labour offices and their branches. In total, the structure of public employment services is composed of 355 offices, which service 379 poviats and 16 voivodships. At the end of 2006, PSZ employed around 19,933 people, of which 2,325 in voivodship, while 17,608 in poviats labour offices. As for the key personnel of the PSZ, by the end of 2006, in poviats and voivodship labour offices there worked the total of 2085 employment agents, 872 career advisors, 254 specialist for professional development, 663 specialist for programmes, 132 club leaders and 185 employees of the EURES national human resources network. It means that the specialised personnel occupied with direct customer service amounted to 4 191 people, which accounted for only 21% of all PSZ employees.

**High rotation of employees is a serious problem, with which both poviats and voivodship labour offices must struggle.** High fluctuation of staff has direct impact on the quality of servicing the unemployed and people looking for a job, it also hampers carrying out coherent and long-term actions targeted at the unemployed. The highest level of employee rotation is recorded in voivodships, in which there is simultaneously the highest level of unemployment in the country, i.e. in the following voivodships: Opolskie, Dolnośląskie, Śląskie and Lubuskie. Most of PZS employees have higher education, yet the proportion is much better in the voivodship labour offices (by the end of 2006, 85.3% of the employees of voivodship labour offices had higher education) than in poviats labour offices (53% accordingly). Most of PSZ employees are young people, aged 25-34 (39.1%), for whom that is usually the first job, where they only start gaining professional experience.

In the last years, there has been also recorded more and more dynamic development of the other institutions of the labour market, including employment agencies in the country and abroad, as well as temporary employment agencies. Their presence on the labour market has a positive impact on its functioning, alleviating the existing maladjustments and facilitating faster finding a job by people looking for it. By the end of 2006, in the National Register of Employment Agencies, there were registered 1420 personal advisory agencies, 780 career advisory agencies, 1433 temporary employment agencies and 1640 foreign employment agencies. The role which employment agencies play is evident from the increasing, from year to year, number of persons who find a job thanks to them. Agencies finding jobs abroad are more and more popular, the number of people employed by temporary employment agencies is steadily growing. Private employment agencies play a complementary role to PSZ, expanding the offer of services provided on the labour market and the group of their customers and thus contributing to facilitation of the functioning of that market.

An important role in the professional activation of the unemployed is also played by the other institutions acting in favour of the unemployed, including in particular non-government organisations acting to the

benefit of the unemployed, training institutions, as well as social dialogue and local partnership institutions. At present, cooperation between particular entities acting on the labour market is only rudimentary. **There are also no mechanisms which could constitute the platform for cooperation, in particular in the scope of monitoring of the labour market situation and creating common information standards and standards of the provided services.**

## **1.2 Adaptation of employees and enterprises to changes in the economy (adaptability)**

### **1.2.1. Economic transformation and restructuring of enterprises as the main challenge for employees and enterprises in Poland**

Harmonious adjustment of the supply and demand sides, so that technological and structural changes in economy would happen smoothly, and, at the same time, so that the available workforce resources would be used optimally, is the basic challenge of the contemporary market. In Poland, since the beginning of the 90s, the scope of instability of demand for labour in terms of quantity, quality and structure has been very high. Three main sources of structural changes may be enumerated:

- economic transformation, combining privatisation, change of the structure and management process, connected to the transition to market economy,
- restructuring, which is the result of transition from economy based on heavy industry to services-based economy, while in the case of Poland the unfinished employment restructuring process in agriculture coexists,
- restructuring at the level of enterprises, whose aim is to enhance competition of enterprises through changes in their structure, method of management and employee qualifications, as well as changes in the ways of working and means of communication.

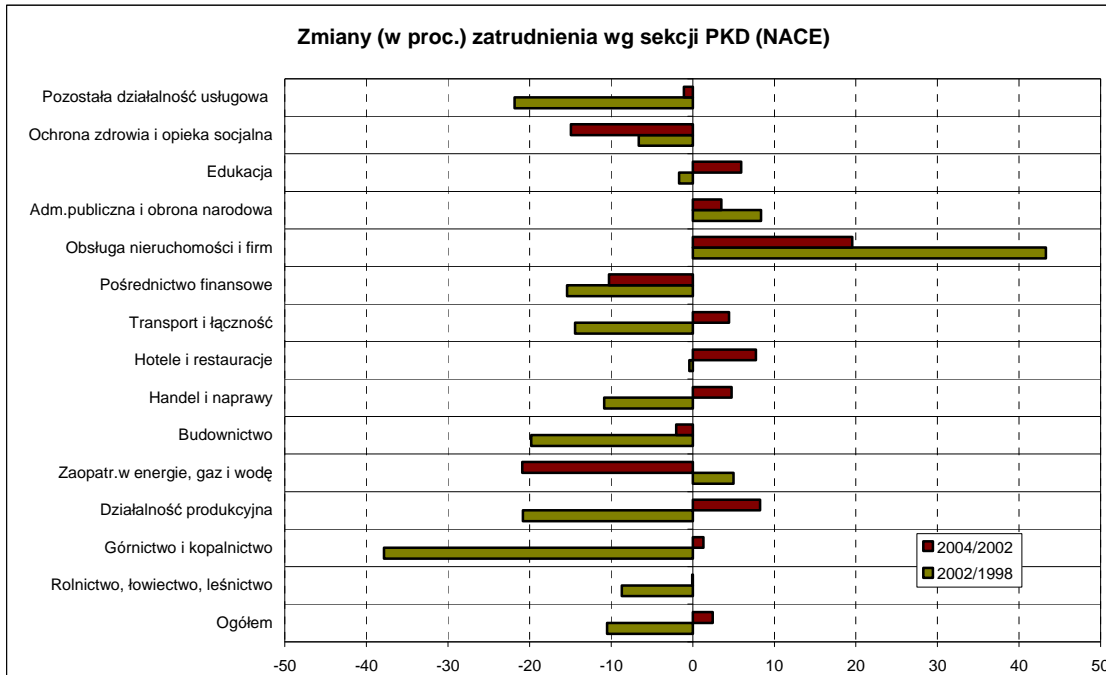
The ongoing restructuring processes contribute to the increase of work efficiency, among others through the transposition of human resources to the most effective parts of the economy and owing to the introduction of technological and organisational changes. Actions carried out in this way do not contribute to the implementation of the Lisbon Strategy objectives. It is the task of the state to facilitate carrying out the above processes, among others through appropriate influence on the quality of human capital.

At the same time, the restructuring process of the Polish economy significantly increased the expenditures incurred by the social security system. For example, only in 1991, 800,000 people retired (500,000 because of age and 300,000 because of illnesses or accidents). Diminishing incomes in the pension system, resulting from the reduction of the number of people paying contributions, resulted in **contribution growth and, as a consequence, growth of labour costs, which in turn affected adversely employment in Poland.**

In the period of transformation, the labour market changed radically in the scope of almost all structural characteristics. The changes have been and will be continued. In particular, **employment in agriculture and industry fell radically, while it increased in services.** A glance at the most detailed economy divisions into sections reveals that the changes of employment were highly differentiated within particular sections depending on the phase of the economic cycle and the kind of economic activity (Figure 10).



Figure 10. Changes (%) of employment by NACE section



Source: Own calculations based on the BAEL data.

**Deep structural changes of the employment structure required significant transpositions of workforce resources.** Already the fact that they took place is the result of a high mobility of economically active population, the more so, if we take into account the different character of most of the newly-established jobs, mainly in services, in comparison to the liquidated positions, mainly in industry. Some sections, reducing employment in the last years, still in the first half of the 90s, were developing dynamically (e.g. financial services, electricity, gas and water supply). **Such an instability of employment is a huge and new challenge for the economically active population.** In addition, irregularity of the changes over time (the reduction at a different time when the creation of new jobs) caused the fact that taking up a job in the developing sections of the economy generally could not take place directly after the loss of the previous one. Changeable directions of development contributed to the uncertainty in taking educational and employment decisions.

**The structure of employment, showing deep territorial differences, evokes various restructuring needs and thus poses various challenges as for qualifications for the economically active population. Restructuring processes in Poland pertained to the highest degree to agriculture, which, nevertheless, still is characterised by very low productivity, producing only about 4% of GDP.**

Therefore, it is a fundamental challenge for a large group of voivodships to **establish conditions for people employed in agriculture to move to other sectors of the economy.** In the voivodships: Lubelskie, Podlaskie and Świętokrzyskie, there work in agriculture more than 1/3 of the economically active, in the Podkarpackie Voivodship the ratio amounts to about 1/4, and in the Łódzkie Voivodship about 1/5. The proportions cannot be maintained in the long run, the more so, that agriculture is low productive in some of the voivodships, and because of the small average area of an agricultural farm and low class of arable land it is not possible to develop farming further.

Moreover, **for a few voivodships** (mainly: Śląskie and, though to a smaller extent, Dolnośląskie), **reduction of employment in mining and energy industries is a fundamental restructuring problem.** Restructuring of industrial processing, related to the intensification of technological changes, also is not spread evenly – apart from the Śląskie Voivodship, it is also of great importance (owing to high employment in industry) for the voivodships: Wielkopolskie and Lubuskie.

The development of market services depends strongly on the wealth of local population and companies, who create the demand for them. Services developed intensely in Silesia, in the Mazowieckie, Pomorskie and Zachodniopomorskie Voivodships, while least intensely in the agricultural voivodships. It is worth noting that **intensification of the difficulties in changing qualifications is the stronger the lower the educational attainment among people engaged in the work in sections under restructuring.** Furthermore, it can be noted that **growth of employment is higher in companies from regions with better infrastructure, as well as the human capital level. The lowest human capital level, on average, is in agriculture.** It is a condition for the success of restructuring that an appropriate number of new jobs in rural areas, but outside agriculture, is created, as well as the **creation of a proper number of new jobs for inhabitants of rural areas outside the rural areas.**

It results from the observations to date that faster and more intense restructuring and relocation of jobs to entities with higher manufacturing effectiveness and productivity diminished the total falls of employment in enterprises. Available studies prove also that deep restructuring of the industry, manifested in the significant redundancies, did not have to lead to worsening of the situation in relation to other subregions, as long as it was accompanied by the development of services and/or growth of productivity of industry – such a process took place e.g. in Kraków, Łódź, Wrocław, while it did not occur in Silesia.

Elimination of negative phenomena resulting from employment restructuring and adaptation of the dismissed employees should be implemented with the use of **outplacement** programmes, which are not applied in Poland sufficiently. The aim of outplacement is to alleviate the negative effects brought about by redundancies, both for the employees and the whole company. Outplacement services may be oriented especially on: the labour market (help in finding new employment), gaining new professional qualifications, or the development of entrepreneurship. Development of business-related services provided also for the restructured enterprises (**outsourcing**) is the method, which may contribute to the use of the dismissed workforce. The development of outsourcing should, however, be in compliance with the standards of business ethics.

**Employment in the public sector** (privatisation) has been decreasing systematically, while the private sector outside agriculture is accounting for more and more of the employed. It is worth noting that transfers between sectors are made with the use of privatisation of companies to a smaller and smaller extent. More often they consist in actual liquidation of jobs in the public sector and the creation of new jobs in other companies of the private sector, which requires high mobility of the employees. Until 1999, the number of hired workers in the private sector exceeded the number of hired workers in the public sector.

It is worth noting that the private sector did not take in such a number of people as were losing employment in the public sector. In the years 1998-2002, the number of jobs in the public sector decreased by almost 30%, i.e. by 1,677,000 people, while only a small proportion of them (532,000, that is less than 1/3) found jobs in the private sector outside agriculture. The proportions indicate that **mobility between sectors was failing.**

### **1.2.2. Employee health and employment rights protection**

Improvement of work safety and hygiene in Polish enterprises is a necessary condition for the growth of the competitive position of Polish economy in the aspect of the Lisbon Strategy. The actions undertaken in Poland should lead to achieving standard conditions close to those which exist in the countries of the European Union leading in that field, as well as to diminishing the losses from work accidents and occupational illnesses (estimated at present at about 4% of GDP). The analysis of the results of controls carried out in 2005 by the PIP and the data of the GUS concerning professional threats and their effects for working people show that **the state of employee safety and health protection of is still far from the expectations.** It should be stressed, however, that positive tendencies in that area have been recorded. In particular, the growth of the total number of people injured in accidents at work and the average frequency of accidents rate (the number of accidents per 1000 workers), which existed in the years 2003-2004, has been stopped. Lethal and serious accidents frequency rates reached in 2005 the levels of: 0.044 and 0.09 respectively. **These are the lowest lethal and serious accidents rates in the last decade.**

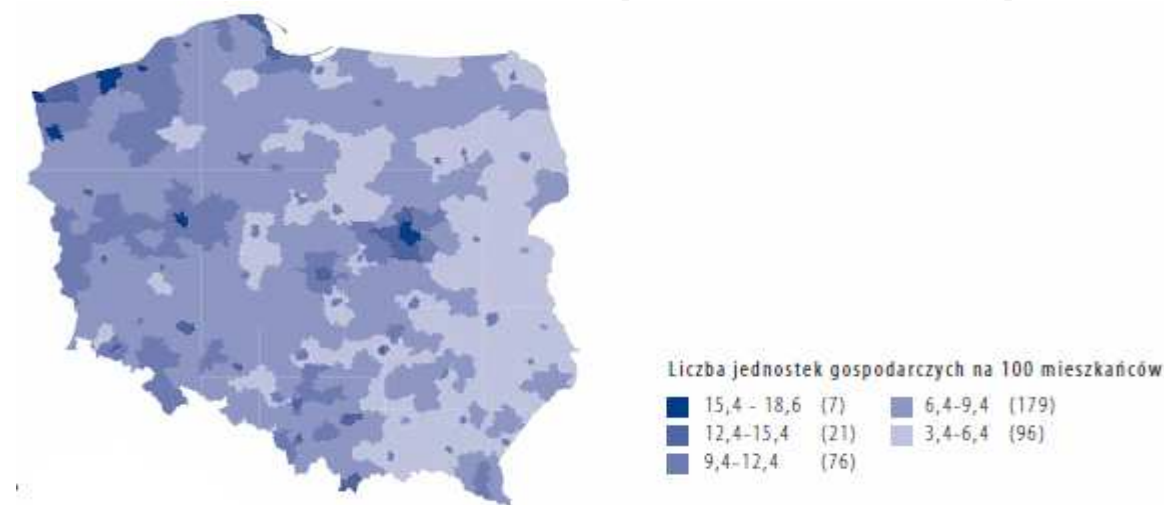
What is a serious **problem in Poland is compliance with employment rights**, especially in small companies, which is testified to by the results of the controls of the National Work Inspection (PIP). In 2005, there was recorded a significant growth of the scale of irregularities consisting in unreliable recording of working time – from 49% of controlled employers in 2004 to 60% in 2005. Such practices lead to a situation when employees do not get paid for extra hours. The inspectors determined also that more than 57% of the controlled employers did not ensure the employees the due number of days off work, while 43% – undisturbed rest for twenty four hours. In the opinion of the PIP, the basic reason for non-compliance with the working time provisions is **employing too small a number of workers in relation to the actual needs of the employer**. What is also disturbing are the results of the controls regarding compliance with the provisions concerning employing staff. There were detected irregularities at almost half of the employers regarding maintaining personal files of employees and the content of the issued employment certificates, while at almost one third – wrongly drawn up employment agreements.

### 1.2.3. Entrepreneurship and self-employment

**Newly-established economic entities play a central role in the creation of jobs and increase of employment. In the previous years, an essential role in alleviating the effects of restructuring of the public sector was played by self-employment. The energy relieved by the transformation was expressed in establishing small businesses, despite serious shortages of capital, but in an economy full of demand gaps.** The number of economic entities in the years 1993-2005 increased by over 1.5 million. The highest growth in the number of newly registered companies was recorded in the period of fast growth, 1995-1998. A huge majority (about 98%) of the newly registered businesses were small enterprises, with the number of employed under 9 people (the so-called microenterprises).

The development of entrepreneurship was uneven, though, in the scale of the country. The greatest part of the economic entities (per one inhabitant) was established in the Mazowiekie Voivodship and (which is surprising) in the Zachodniopomorskie Voivodship. The smallest number of enterprises exists at present in less developed, agricultural regions of eastern Poland: the number of microenterprises per one inhabitant in the Podkarpackie Voivodship is almost twice smaller than in the Zachodniopomorskie Voivodship. Moreover, the share of entrepreneurs in the total number of the employed outside agriculture is highly diversified depending on the size of the place – the smallest in rural areas, while the highest in towns up to 2,000 inhabitants, where it is probably impossible to find other employment opportunities, which makes the population start their own businesses (80% of them do not employ anybody, in comparison to the national average of 62%), offering most often the simplest services. On the other hand, enterprises offering highly productive services occur much more frequently in the largest cities. On the map and the table below, there is presented the geographical distribution of entrepreneurship in Poland.

*Figure 11. Number of registered economic entities per 100 inhabitants in 2004, by poviat.*



Source: Report “Employment in Poland, 2006” (the Ministry of Labour and Social Policy).

**Table 8. The number of registered enterprises (data from REGON), by size of employment and voivodeship in Poland in 2005.**

Voivodeship	Size of employment (persons)		
	0-9	10-49	50-249
<b>POLAND</b>	<b>3,436,841</b>	<b>145,745</b>	<b>28,343</b>
DOLNOŚLĄSKIE	290,315	9,909	2,028
KUJAWSKO-POMORSKIE	178,506	6,987	1,511
LUBELSKIE	141,780	5,934	1,143
LUBUSKIE	97,136	4,008	811
ŁÓDZKIE	236,681	10,526	1,976
MAŁOPOLSKIE	274,329	12,750	2,280
MAZOWIECKIE	573,205	22,829	4,609
OPOLSKIE	86,429	3,368	707
PODKARPACKIE	131,666	6,065	1,119
PODLASKIE	84,898	3,240	674
POMORSKIE	215,133	9,282	1,751
ŚLĄSKIE	402,339	19,825	3,510
ŚWIĘTOKRZYSKIE	99,439	4,045	803
WARMIŃSKO-MAZURSKIE	103,802	5,086	1,068
WIELKOPOLSKIE	322,312	15,502	3,014
ZACHODNIOPOMORSKIE	198,871	6,389	1,339

Source: CSO.

Since the deterioration of the economic situation in 1998, the number of small enterprises decreased significantly, just like the number of self-employed people not employing anyone else (the number of self-employed people working outside agriculture or as helping family members diminished by about 170,000). Intensified competition resulted in the fact that the existence of those economic undertakings was endangered. Some role was also played by legal factors and conditions, or fiscal ones.

In general, the ratio of the number of small enterprises to the population is higher in the western part, while low in the eastern part of the country. Mazowieckie is an exception, in particular Warsaw, where the number of newly-registered entities (including the self-employed) significantly exceeded the other regions and cities.

According to the data of 2006, **the self-employed account for about 19% of all economically active people in Poland** (of which about 700,000 are women). For the sake of comparison, the self-employed account for 22% in Greece, 19.8% in Romania, while 10.5% in Ireland and 5.2% in Estonia. Half of the self-employed in Poland are, however, farmers (about 1.6 million), whereas 40% have only basic vocational education. For those people, independent work is the only real chance of staying economically active. Outside agriculture, the high percentage of the self-employed can be found in construction, transport, health care and education.

The organisational potential of small economic ventures is insufficient, including also the quality of their human capital. Therefore it is necessary to ensure adequate counselling support, in particular for the SMEs during the process of creating and running business. In Poland such services are provided by the National SME Services Network (KSU). KSU consists non-commercial, voluntary co-operative organisations providing the following services: advisory – general and innovative, training, information and of nature financial – guarantees and granting loans for microenterprises, SMEs and self-employed. KSU is not a close system. The registration in this network is constantly open and systematically a new organisations can join the system. The legal foundation for this process is determined by the Minister of Economy and Labour regulation of 27 January 2005 concerning the National SME Services Network (Journal of Laws No 27, item 221).

As of 2005, 191 KSU centres were registered. 145 of these entities provide general advisory services, 19 – innovative services, 142 – informative services, 159 – trainings, 15 – financial services concerning financial guarantees and 42 – financial services concerning granting loans.

**Table 9. Number of organisations registered in KSU broken down by Voivodeships**

	<b>Number of KSU organisations in the region</b>
DOLNOŚLĄSKIE	13
KUJAWSKO-POMORSKIE	9
LUBELSKIE	11
LUBUSKIE	7
ŁÓDZKIE	9
MAŁOPOLSKIE	7
MAZOWIECKIE	18
OPOLSKIE	5
PODKARPACKIE	11
PODLASKIE	8
POMORSKIE	16
ŚLĄSKIE	30
ŚWIĘTOKRZYSKIE	8
WARMIŃSKO-MAZURSKIE	12
WIELKOPOLSKIE	14
ZACHODNIOPOMORSKIE	13
<b>POLAND</b>	<b>191</b>

Source: PARP report “Services realisation by the KSU organisations in the year 2005”.

In 2005, 202,676 clients were covered by KSU services, of whom 59% were from SMEs sector and 8% were self-employed persons. The KSU organisations from wielkopolskie, śląskie and świętokrzyskie voivodeships provide the most services for the KSU clients. Whereas the organisations from opolskie, podkarpackie and małopolskie voivodeships have got the lowest activity<sup>2</sup>.

Moreover, evaluations conducted by PARP show the necessity of constant implementation of activities aimed at enhancing the availability of consultants and increasing their knowledge as well as qualifications. The evaluations confirm that the activity of institutions supporting entrepreneurship in the regions depends particularly on the number of such institutions. Therefore, introducing new mechanisms, which stimulate creation of networks and institutions supporting entrepreneurship in the regions, is recommended. Additional support in this scope should also be aimed at promoting KSU services. It will increase recognisability of such organisations among entrepreneurs, and thus it will stimulate entrepreneurs to benefit from services delivered by KSU<sup>3</sup>.

Similarly, high costs related to the use of rooms, access to the Internet, and wider telecommunication services constitute a barrier for the development of small enterprises. Services for companies developed in the Mazowieckie Voivodship on a scale incomparable to other voivodships, its underdevelopment in some voivodships may be a real obstacle for the development of local enterprises, as well as inflow of capital from other regions or abroad. It pertains in particular to all above-mentioned agricultural voivodships. The number of active enterprises is in reality much lower than the number of registered entities. In 2004, they accounted for 50.4% of entities registered in REGON. The fall of the number of active enterprises in the years 1999-2001 (table below) corresponds to the period of the economic slowdown. The growth of the number of enterprises in 2002 results from the growth of the number of active small enterprises. The years 2003-2004 was the period of the highest unemployment rate, which reflects the fall of the number of active

<sup>2</sup> Source: [www.ksu.parp.gov.pl](http://www.ksu.parp.gov.pl)

<sup>3</sup> Source: “Evaluation of the quality of services delivered by the institutions registered in the National SME Services Network (KSU)”, PARP, Warsaw 2006.

enterprises. The growth of employment recorded since mid-2005 and in 2006, connected, among others, with the accessibility of structural funds, should lead to the growth of the number of active enterprises in the years to come, yet precise data in that scope are not yet available.

**Table 10. Number of active enterprises in the years 1999-2004.**

	1999	2000	2001	2002	2003	2004
<b>Total (size of employment)</b>	1,819,200	1,766,073	1,657,630	1,735,424	1,709,542	1,690,372
<b>0-9</b>	1,760,619	1,709,757	1,601,964	1,682,473	1,654,094	1,640,969
<b>10-49</b>	41,129	39,018	39,439	37,142	39,453	34,893
<b>50-249</b>	14,268	14,227	13,419	13,086	13,330	12,005
<b>&gt;249</b>	3,184	3,071	2,808	2,723	2,665	2,505

Source: GUS.

According to the GUS data, of all entities established in 2004, **62.3% were still active after a year from the moment of starting the business**. In respect of the kind of performed activity, the highest proportion of entities continuing the activities one year after the establishment was recorded in health care (79.1%), in industry (67.4%), real estate, renting and business activities (65.8%) and transport (65.3%). In the remaining areas, the survival rate was below 60% and was the lowest for entities performing activities in the field of hotels and restaurants (54.7%).

Companies established in 2003 had in 2005, that is **two years after the start of the business, the survival rate at the level of 50%**. Taking into account the basic kind of economic activity, the highest proportion of entities, which stayed on the market for two years, was recorded among transport entities (56.6%), and the lowest – in the field of hotels and restaurants (45.9%) and trade (47.9%).

Of the companies established in 2002, **only 35.2% were continuing operations three years after the establishment**. The highest percentage of entities which stayed on the market for three years was recorded among industrial entities (45.1%), the lowest – in the field of hotels and restaurants (only 24.6%). **One in three companies stays on the market on average on the Polish market (about 31.9%)**. Considering the basic kind of the performed economic activity, higher than average percentage of entities staying for four years on the market was recorded among industrial enterprises (38%), transport enterprises (34%) and the trade sector, as well as real estate, renting and business activities (32.6% each). The lowest survival rate was recorded in the field of hotels and restaurants (22.4%) and construction (25.3%).

Higher survival rate, both after a year and 2-4 years, was characteristic for **entities of legal persons** rather than entities of natural persons, as well as **those employing hired workers**, rather than those, where only the employers worked.

#### **1.2.4. Flexible forms of employment**

In Poland, over the last few years, there is recorded a **growing, though at a moderate pace, share of workers employed part-time**: in 2005, the proportion grew to 10.8% of the total number of the employed as compared to 10.5% in 1999. In the case of men, the proportion amounted to 8% (unchanged since 1999), while for women – 14.3% (growth from 13.6%). For the sake of comparison, the value of that indicator for the EU25 was in 2005 18.4% (growth from 16.1% in 1999); 7.4% (6.1% in 1999) of men and 32.3% (29.6% in 1999) of women worked part-time.

Thanks to working part-time, it is possible to balance work with family life, which is particularly important in the case of women (which is evidenced by the above statistics). However, one may not forget that part-time work often entails smaller opportunities for promotion and lower extra-pay benefits or their complete lack. It reflects, at least partly, lack of the possibility to get a full-time job.

**Employment for a specified period of time occurs in Poland twice as often** as on average in other EU states. The percentage of persons employed grew in Poland significantly from 4.6% in 1999 to 25.7% in

2005. Men were employed for a specified period of time slightly more frequently (26.5% in 2005, 5.2% in 1999) than women (24.7% and 3.9% respectively). For the sake of comparison, on average in the EU25 countries, the percentage of people employed for a specified period of time amounted to 14.5% in 2005 (12.2% in 1999) – 14% of men worked in that form (11.6% in 1999) and 15% of women (12.9% six years earlier). It should be remembered that the percentage of workers employed for a specified period of time changes procyclically – its current high value may be connected with the high growth recorded in Poland.

The market of **temporary employment** in Poland is estimated at more than 250,000 employees a year – since 2002, their number increased fivefold (from about 50,000). In 2006, 6,000-7,000 enterprises used temporary workers (a significant growth from about 1,000 in 2003). Almost half of the employed temporary workers worked on the basis of a contract signed for the period of from 3 to 12 months. About 63% of workers were employed in industrial processing (mainly as blue collar workers), 16% in trade and repairs, 6% in transport and warehousing, while 4% in construction and real estate, renting and business activities. The basic reason for taking up temporary employment in Poland for workers is lack of permanent job (40% of indications). About 1/4 employees indicated the willingness to gain professional experience, while 8% of employees the need of an additional job and 7% of employees in the pre-retirement age prolonged their professional career in this way. Employees, in turn, look for temporary workers mainly because of seasonal demand (more than 25% of indications). Flexibility and lowering costs are rarely mentioned as reasons (14% and 12% respectively).

Despite the intense development of the temporary employment market in Poland in the last years, the percentage of people employed in that form constitutes only about 0.4% of the total number of the employed (calculated per full time jobs), while the EU25 average amounts to 1.2%, in the United Kingdom exceeds 5%, while in the Netherlands, Belgium and France exceeds 2%.

Temporary employment is a particularly valuable solution for people with difficult access to the labour market: persons with disabilities, the long-term unemployed, women caring for children, older persons or persons without a record of work or returning to the labour market after a longer break. Owing to the possibility of independent establishment of the working hours, temporary work allows adjustment of the working life to other obligations.

Of the innovative forms of employment, the phenomenon of **teleworking** draws attention, although currently it is **not a popular form of employment** in Polish enterprises. According to the Eurobarometer 218 survey (2005), there was 6% of teleworkers in Poland in 2004 (of the total number of workers). It was a result below the European average, which is 11%. Whereas according to survey data from 2006, among enterprises from selected industries (likely to use teleworking), that form of employment is used in 13% of enterprises, while only 1 employee works in two out of three of them. The most frequently used legal form of employing teleworkers is contract of employment without a specified period of validity (37% of enterprises using teleworking). Another popular forms of employing teleworkers are also commission contracts (25%) and contracts for a specific task (21%). Low frequency of the use of teleworking in Polish enterprises is also evident from the fact that people classified by surveyors as teleworkers constitute 1% of all employees in the examined enterprises. One should, however, suppose that that form of performing work will be gaining popularity in connection to the growing awareness of the benefits resulting from the use of that solution among employees and employers (e.g. greater efficiency of the employee, saving the costs of maintaining workplaces in the company, the possibility to employ high-shelf professionals, shorter response time to changes on the market, alternative for agriculture and tourism – also in regions economically underdeveloped), as well as decreasing costs of Internet access. There are also planned changes in the labour law, regulating the issue of teleworking.

### **1.2.5. The use of information and communication technologies (ICT) in SME**

The level of using ICT in Polish SMEs is highly differentiated. Surveys carried out in 2006 for the Polish Agency for Enterprise Development (“research on innovation”) revealed that the average of 76% use the computer at least once a week at work in micro, 53% in small and 40% employees in medium companies. Computer with Internet access is used by the average of 76% employees from micro, 49% small and 33% of employees from medium companies. **Higher computerisation level and access to the Internet in the SME**

**sector is characteristic for enterprises located in urban agglomerations and in voivodships with the higher investment attractiveness.** The surveyed companies assess positively the level of familiarity with information and communication technologies of their employees and management, though difficulties with answering some very detailed questions of the survey justify the supposition that it is not exhaustive knowledge. Yet, it is undoubtedly higher in the group of companies with experience in the field of introducing innovation. The weakest was the assessment at the medium level of the familiarity with information and communication technologies among production workers. **The degree of utilisation of ICT among people working in a company is reflected in its profitability.** Companies, whose profitability was over 15%, simultaneously have the highest assessment of the degree of application of IT in their company.

**Educational attainment of the management is an important factor differentiating the degree of utilisation of ICT.** The higher the educational level of the management of a company, the more often its employees make use of information technologies.

A huge majority of companies apply the Internet for several possible uses, and the greater and more innovative the company, the higher the intensity of using Internet's resources. The most popular use of the Internet is e-banking, it is used by two out of three SME's, while among medium enterprises the proportion increases to 87%. Contacts with customers or suppliers via the Internet are declared by more than half of the companies.

Marketing innovation, which is using the Internet for marketing purposes (including, for instance, placing information about the company, offer in Internet databases, catalogues), is used by 38% of companies. That style of promotion is used by 50% of companies employing more than 10 employees. In the group of companies declaring marketing innovation, almost two third use Internet marketing for that purpose. The Internet as a tool for monitoring market competition is used by 37% of all surveyed enterprises. Higher intensity of using that possibility is characterised by companies operating in a network with other competitive enterprises.

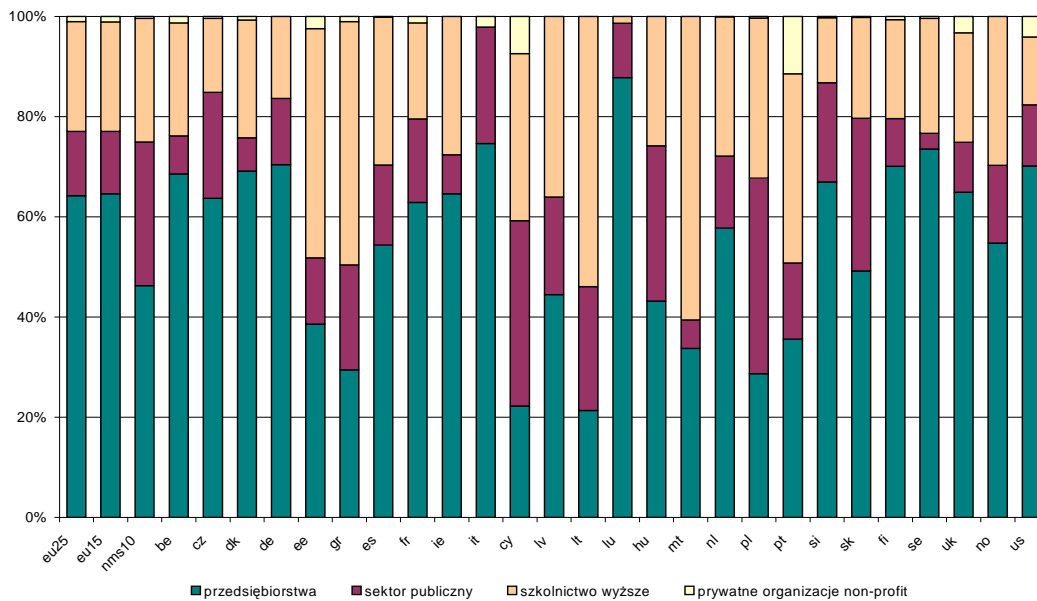
55% of all SMEs have their own websites, of which three fourth of small companies and 86% of medium companies. In the case of companies managed by persons with an academic degree, that percentage reaches almost 100%. The skill of using the Internet as a tool for reaching out to would-be customers is not linked with the size of the place a company is located; however, one can observe a significant linkage with the location in one of four regions of the highest investment attractiveness. Most companies with their own websites is recorded in regions with the highest investment attractiveness level.

#### **1.2.6. Technological challenges, innovation and knowledge transfer**

**Poland, in terms of innovation (understood as creation, a well as implementation of new technologies) comes on one of the last places among the EU and OECD countries.** In Poland, the share of people employed in high-tech sectors in industry in 2005 was 0.6%, while in services – 2.15%. In the EU15, that share was at the level of 1.1% and 3.5% respectively. Low level of expenditures on research and development, especially in the enterprise sector, is still an issue. In 2004, the share of R&D expenditures in relation to the GDP was at the level of only 0.56%, while the EU average for EU15 reached the level of 1.92%, while that share in the USA amounted to 2.66%. The situation was not improved significantly by the government programme implemented in 2000 entitled *Increasing Innovation of the Polish Economy until 2006*. It envisaged an increase of the expenditures on R&D to 1.5% of the GDP in 2006. According to latest available data, the share of R&D expenditures in relation to the GDP was in Poland at the level of 0.56% in 2005.



Figure 12. Structure of R&D expenditures in 2004.



Source: Eurostat.

**About 2/5 of expenditures on research and development was spent within the public sector, while only 30% was accounted for by expenditures on research projects in private enterprises. In comparison to other developed countries, the role of the public sector in Poland in financing R&D is definitely higher.** In the EU15 countries, 2/3 of expenditures on research and development are incurred by enterprises, whereas only 12.5% is accounted for by the public sector. Innovative activity within the public sector is carried out in particular through a network of research and development units (JBR), more than half of which is subject to the Ministry of Economy. A large proportion of them was established still at the time of the centrally steered economy and they service sectors, whose significance considerably decreased after 1990. Because of the higher effectiveness of innovation activities carried out within the private sector, measures aimed at increasing R&D expenditures should focus especially on removing the barriers and introduction of incentives for taking up research and innovation activities by private enterprises.

It results from the most recent available surveys that as much as **20% of Polish entrepreneurs do not know about the possibility of cooperation with the scientific centres.** As much as 40% of companies have never tried starting cooperation with scientists, and 56% of entrepreneurs **do not see the need to start cooperation** with the science sector, yet **those who started such cooperation are satisfied with it (68%)**. Only 3% of companies are disappointed with the effects of the cooperation, mainly because of low – in their opinion – competences of the scientists or their “too theoretical” approach to the issues they are interested in. Thanks to the cooperation, 61% of enterprises would like to implement innovative solutions, 51% – gain access to the latest knowledge, while only 43% – increase the competitive position of the company. On the other hand, cooperation with enterprises is not sought by about 15% of scientific centres, scientists are also of the opinion that they are more active in looking for ways of commercialisation of research. Scientists claim that the main obstacles in the implementation of their ideas are: **lack of companies financing their research (35%), lack of interest on the part of the scientists (30%), lack of sufficient incentives from the state (30%) and lack of competent intermediaries in the cooperation of science and business (25%)**. According to the scientists, cooperation with them will allow the company to: get higher profits and improve their competitive position on the market (62%) and create new jobs (39%).

Taking into consideration the importance of the cooperation of the R&D sector with the enterprises for the economic development of Poland, the results of the above survey should be considered as a very important indication for the tasks to be implemented in the future. **Enterprises should be made aware of the**

**necessity of cooperation with the science sector and the actual benefits resulting from such a cooperation, both parties should be enabled to start cooperation and create a platform of agreement.**

On the other hand, because of the significant technological underdevelopment, productivity in Poland, even without domestic innovations, could grow by means of transfer of technologies from more developed countries. **However, having an appropriate number of highly qualified staff is the precondition for adaptation of new technological and organisational solutions.** In the last years, we have been recording a growth of the quality of human capital in Poland, resulting from the growth of educational and professional aspirations, which should, in the future, accelerate the processes restructuring and modernisation of Polish economy.

### 1.2.7. Enhancing employee qualifications

Only about 5.2%, i.e. less than 1 million population aged 25-64 participates in education and trainings, which **makes Poland come among the EU25 countries with the lowest lifelong learning participation rate.** People disadvantaged at the labour market, that is the unemployed, people with low qualifications and older people, rarely participate in that kind of learning.

Regional variations of the participation of adults (aged 25-64) in lifelong learning are presented in the table below. It shows that the inhabitants of the following voivodships increase their qualifications most often: Mazowieckie, Dolnośląskie (6.2% each) and Lubelskie (5.8%), while least often: Podkarpackie (3.7%), Warmińsko-Mazurskie (3.9%) and Opolskie (4.0%).

*Table 11. Proportion of people participating in education and trainings in the population aged 25-64 in the years 2003-2005 (%).*

Voivodeship	2003	2004	2005
	[%]	[%]	[%]
<b>POLAND</b>	<b>4.8</b>	<b>5.3</b>	<b>5.2</b>
DOLNOŚLĄSKIE	5.3	6.4	6.2
KUJAWSKO-POMORSKIE	5.3	5.6	5.3
LUBELSKIE	4.6	6.6	5.8
LUBUSKIE	4.0	5.0	4.5
ŁÓDZKIE	4.6	5.3	5.2
MAŁOPOLSKIE	4.7	4.8	4.7
MAZOWIECKIE	6.3	6.2	6.2
OPOLSKIE	4.0	5.0	4.0
PODKARPACKIE	3.7	3.7	3.7
PODLASKIE	4.4	5.3	4.8
POMORSKIE	4.9	5.2	5.7
ŚLĄSKIE	5.1	5.4	5.7
ŚWIĘTOKRZYSKIE	3.5	4.3	4.1
WARMIŃSKO-MAZURSKIE	3.4	3.6	3.9
WIELKOPOLSKIE	4.2	4.8	4.2
ZACHODNIOPOMORSKIE	4.1	5.7	5.2

Source: CSO

About 90% of companies employing more than 9 employees declares participation of their employees in trainings. Micro businesses (employing from 1 to 9 people) are an exception: employee trainings are organised by only 59% of such companies. External and internal trainings are used to the same degree. The most popular form of trainings are open trainings – they account for as much as 70% of all external trainings.

**The highest educational needs regard the issues of administration and compulsory SHW trainings (53% of indications), as well as professional trainings directly related to the work performed in the company**

(49% of indications). It means that **the persons responsible for trainings see the need to learn mainly in the scope related to the basic activity of the company**. At the same time, more than 40% of companies feels the need to educate employees in fields such as marketing, promotion, advertisement, PR, sales techniques, as well as in the scope of personal abilities useful in running a business.

Polish employees, in most part, **do not see the need for constant improving and complementing their professional qualifications**. The habit of supplementing one's education after obtaining the formal one is not widespread. The main motives of employees, as far as participation in various types of learning is concerned, are in particular: expected promotion, expected pay rise or willingness to change job.

**E-learning is very unpopular**: only a small proportion of companies make use of it. It results from the conducted survey among the businessmen that, in the group of SME's, there is no demand for trainings carried out only via the Internet (only 3% of companies want to make use of e-learning only). Having a choice, businessmen prefer most often traditional methods of trainings. There exists a certain potential for conducting trainings in a combined form (combination of e-learning with traditional training) – one in four entrepreneurs would like to utilise that form of training. The reason for the perceived lack of preparation to carry out trainings of the e-learning type may be lack of knowledge and experience with that kind of trainings or lack of psychological readiness to adopt new technologies, which manifests itself, among others, through preference of traditional trainings. One third of the entrepreneurs claim that their companies are not prepared for Internet trainings.

In 2005, only 7% of all companies benefited from the trainings subsidised from the ESF. The main reason for such a limited utilisation of EU help in the scope of trainings was lack of knowledge about such a possibility. The greatest proportion of companies which in 2005 made use of the possibility of subsidising trainings from the ESF was among medium and large enterprises – it was 21% and 28% respectively.

It results from the OECD report that only one in eight Polish employees participates in trainings. The offer of training companies is used in particular by large and medium enterprises, as managers of those companies have the highest awareness of the fact that increasing employee's qualifications has a positive impact on the competitive position of the enterprise. The conviction that trainings must be effective and connected to the strategy of the company for the objective to be achieved, is more and more widespread.

Despite the fact that women and men have the same opportunities for participation in lifelong learning, some differences in that scope are perceptible. **Participation rate of women in trainings organised by small and medium enterprises is higher than that of men, while men, on average, participate in trainings for a longer time.**

Individuals are the second – beside companies – group of customers of training services. Over the last years, the interest in training services among individuals grew significantly. According to the data from the survey implemented in January 2006, 45% of Poles are interest in extending their qualifications and abilities (31% in 2000).

Most of people want to study foreign languages, extend specialist professional qualifications, develop IT skills and extend qualifications needed to get a job. The strongest **group interested in extending their qualifications are still young adults** – aged 25-29. **Participation in lifelong learning is thus connected to the age of the employee in a non-linear way** – until 30 years of age the probability of participation in a professional training, then it decreases. Companies do not invest in qualification resources of the youngest workers, nor create qualification opportunities for older people. The tendencies of the dependence of participation in lifelong learning on the age of the employee is much more visible in small and medium enterprises than in large ones.

What is particularly interesting is the very clear growth of the interest in extending one's knowledge among older persons: in the age group of population aged 50-59, it was twofold – from 16% in 2000 to 30% in 2006. The growth of the percentage of people participating in courses and trainings is visible in each age group.

In 2005, 24% of people at the age 15 and above participated in courses and trainings, while the percentage was 12% in 2000. Employees of the public sector are most determined, since as much as 63% of them perceives constant development as the way of improving their situation on the labour market. Whereas

**farmers are least interested in such learning** – only less than one fourth of them claim that education may contribute to the improvement of their live.

The training market in Poland is based on small economic entities – about 90% of companies operating on it are microenterprises, which employ just a few persons. About 3,000 entities are occupied with extra-school education. Only in Warsaw, various trainings are conducted by more than 1,000 companies, while in cities such as Cracow, Łódź or Wrocław there are registered 300-400 of them in each. At the same time, there are shortages of highly qualified trainers in Poland, so trainings are not infrequently conducted by lecturers with little experience, which has negative effect on their quality. Such a situation is taking place in particular in relation to open, ordinary schools. Young psychologists are most often trainers there, who have interpersonal competences. The second group of trainers are academic teachers. Experiences of other countries show that the job of a trainer should be performed by people who are experienced in business and are able to lead to changes in the behaviour of the employees. For that reason, it is necessary to **counteract the deterioration of the quality of trainings**. One of the ways to achieve that aim may be to **enhance the qualifications of the trainers themselves and implement a process of certification of their abilities**.

### **1.3. Counteracting social exclusion**

It was assumed under the National Integration Strategy, developed by representatives of government administration, local self-government administration, social partners and citizen organisations in 2004, that social exclusion was: lack or limitation of opportunities to participate, influence, using by persons and groups of the basic rights, public institutions, services, markets, which should be available for everyone. The concept of social exclusion is often associated with poverty, though it is different from that category by its dynamic and wider character connected to the complex character of factors leading to exclusion.

#### **1.3.1 Causes and areas of social exclusion**

The causes of social exclusion are, just like the very phenomenon, complex and dynamic, dependent on the social environment, political framework and social security schemes and – to a smaller extent – the actions of individuals. The causes of that phenomenon in Poland are:

- **structural factors** (influence of economic factors and social and demographic processes);
- **institutional factors** (lack or hampering the opportunities of satisfying vital needs as a result of a faulty operations of institutions responsible for their realisation);
- **social factors** (discrimination, unfavourable situation of the individual);

Among **structural factors**, which determine the difficult situation in Poland to the highest degree, the following are most often indicated:

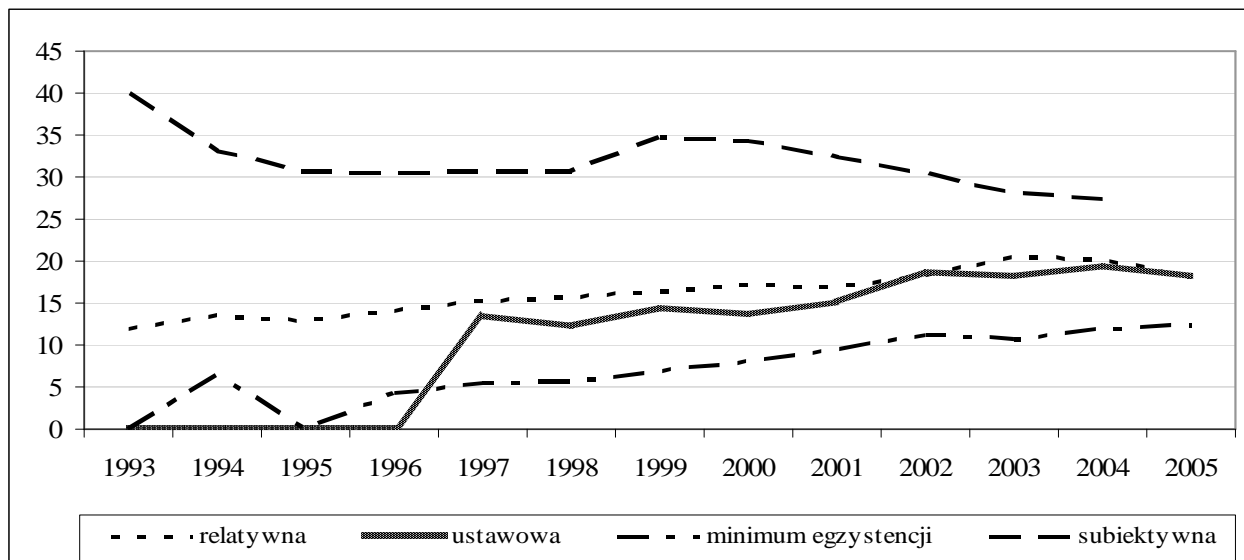
- position on the labour market – unemployment, low pay, long-term illness and disability,
- family situation – having many children, bringing up a child (or children) by one parent,
- educational attainment – low educational level, qualifications inadequate to the needs of the labour market
- place of living – living in rural areas, in a small town or in an underdeveloped area.

**Structural factors are aggravated by institutional factors**, leading to the process of social exclusion. Some of the most important of them are unequal access or lack of access of citizens to the basic social services in the following fields: education, health care, housing and culture. The third group of factors is connected with the shaping of unfavourable individual conditions, resulting from different life situations: unemployment, disability, orphanage, addictions or immigration.

**The factors may also occur jointly, interweaving with each other, which increases the scope and severity of exclusion, which finds reflection in low quality of life.** It regards in particular extreme poverty, whose level is in Poland indicated by the category of subsistence minimum (amounting in 2005 to PLN 387

for a person living on his or her own and PLN 1045 for an average family of four). **According to the GUS data, there live 12-13% of the population below that line, while 19% live below the statutory poverty line, indicated by the threshold of entering social assistance system.** Whereas the risk of poverty rate, after taking into account social transfers in the income of households amounted in 2005 to 21%.

**Figure 13. Scope of poverty in Poland in the years 1993-2005 (proportion of people below various poverty lines).**

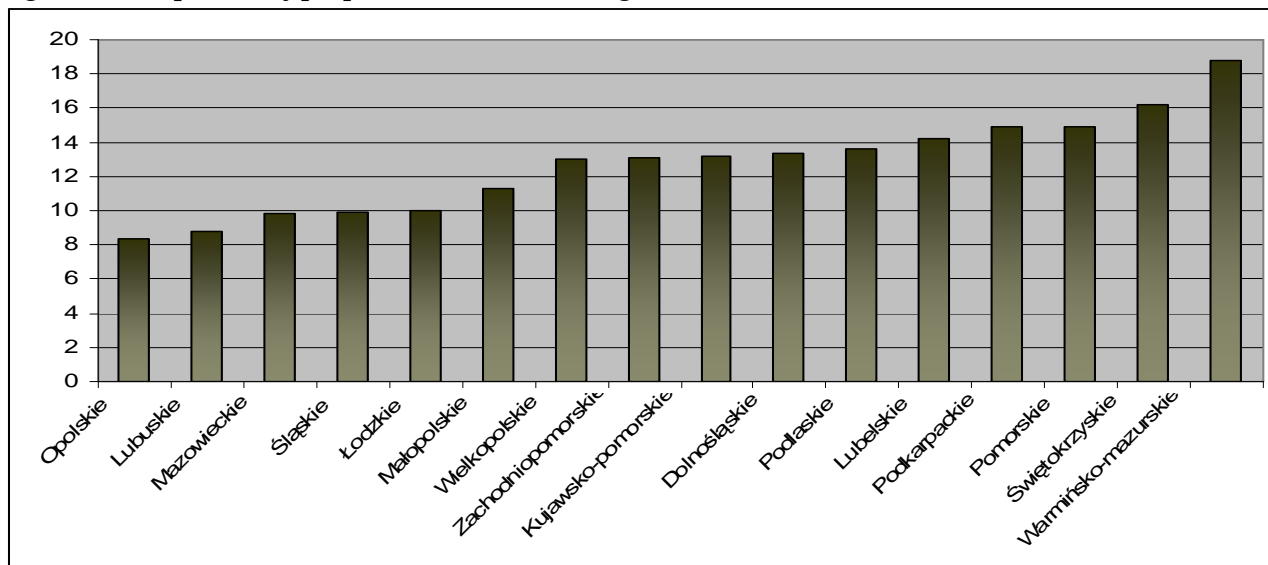


Source: the Ministry of Labour and Social Policy based on the CSO data.

For the evaluation of the phenomenon of poverty, it is important to specify its depth, the measure of which is the income or expenditure gap rate. It results from the surveys of the budgets of households carried out by the GUS that the average expenditure gap rate for households living in relative poverty was 22% in 2005 (in 2004 – 23%), while for households with expenditures lower than the statutory poverty threshold – 23% (in 2004 – 24%).

The phenomenon of poverty in Poland is also characterised by quit significant regional variations, while the difference between the voivodship with the lowest rate (Opolskie) and the region with the greatest risk of poverty (Warmińsko-Mazurskie) is more than twofold. Whereas in the voivodships: Lubuskie, Opolskie and Mazowieckie, the percentage of population living under the subsistence minimum does not exceed 10%, it already amounts to more than 16% in the Świętokrzyskie Voivodship and in the Warmińsko-Mazurskie Voivodship to about 18.4%. The high proportion of inhabitants of the voivodships of eastern Poland living below the subsistence minimum confirms the particularly difficult social and economic situation of that macro-region in comparison to the rest of the country.

**Figure 14. Proportion of people in households living below the subsistence minimum in 2005.**



Source: The Ministry of Labour and Social Policy

**The factor generally determining the social status, including the material situation of the individual and his or her family is the place occupied on the labour market. Results of surveys show that taking into account economy activity criterion those most at risk of poverty are unemployed and their families.** In 2005, among households, which contained at least one unemployed person, the extreme poverty rate was about 27%, while among households, where there were no unemployed persons – about 9%. Very often unemployment, mainly long - term unemployment is connected with receiving a benefits from social assistance. Families whose main source of living is based on social benefits others than pension are threatened by poverty and social exclusion in a significant way. Additionally, among the factors increasing the risk of social exclusion are having many children and the fact of living in small towns or in rural areas.

**The basic “path” to exclusion is growing up in a community with small resources of social capital, with lack of possibility of or limitation to obtaining appropriate qualifications and social abilities of participation in the life of the community.** Additional determinants are: dropping out of the labour market or belonging to a group especially at risk of exclusion because of the background (national and ethnical minorities, in particular the Romany minority) or negative social image (prisoners and former prisoners). Yet the process should be perceived dynamically (that is why it is a process, not a phenomenon) and in stages (each stage of the path is an effect of some factors from the past and the cause of further unfavourable events in the life of the excluded person).

### 1.3.2 Groups threatened by social exclusion

In spite of many factors comprising the exclusion process, one can differentiate a few most important social groups particularly at risk of exclusion or already subject to that process. Such groups include in particular:

#### Persons in long-term unemployment

According to the statutory definitions, persons in long-term unemployment are persons who have had no job for more than 12 months. At the end of 2006, their number was 1,139,446 people, which constituted 49.3% of all the registered unemployed. Thus, one in two unemployed persons stays in the records of the offices for more than a year. It is also worth emphasising that the level of long-term unemployment has been decreasing faster than the overall unemployment rate since 2004, which results, in turn, in the fact that the share of those

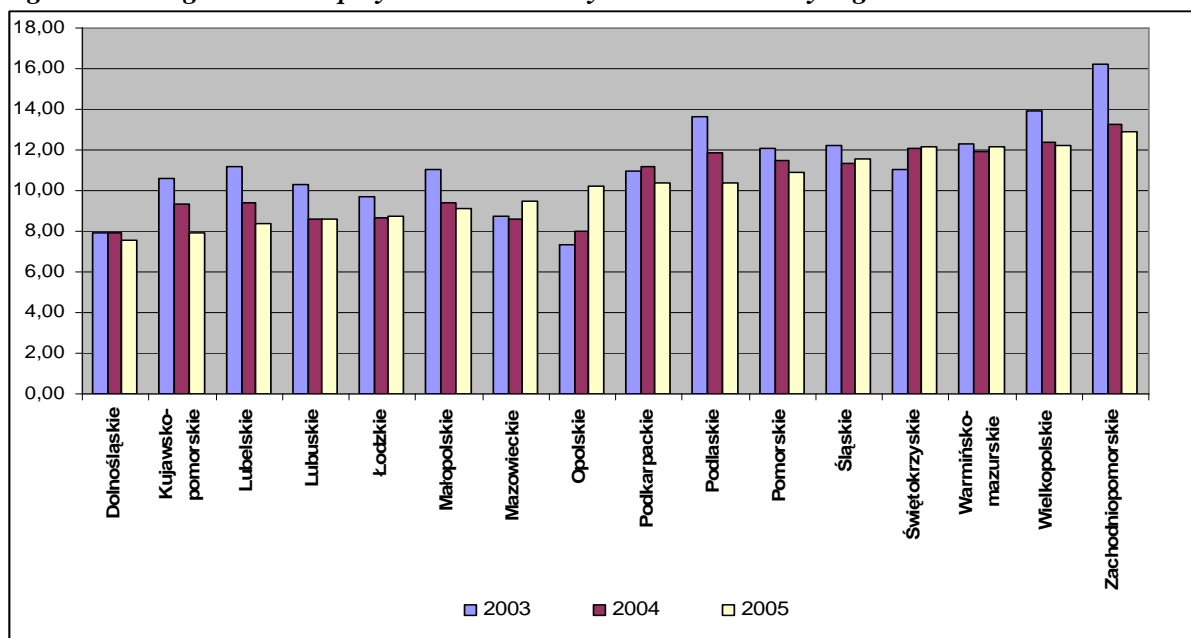
registered for the longest time in the structure of the unemployed is decreasing and the average time of remaining without a job is getting shorter. The rate at the end of 2006 was 15.2 months, while at the end of 2005 it was 15.4 months, and in 2004 – 15.9 months.

The long-term unemployed persons are often beneficiaries of social assistance. In 2005, more than 56% of families which made use of various forms of social assistance received help because of unemployment. The unemployed are beneficiaries of almost 85% of periodical benefits from social assistance. Pauperisation is also enhanced by performing a low-paid job, which usually happens to uneducated people. In the context, the phenomenon of the so-called “working poor” has been recorded for a few years, which refers to employees whose salaries are not providing satisfaction standard of living for themselves and their families. This group mainly consist of unqualified workers and some of farmers in Poland.

The long-term unemployed are not a differentiated group. They are most often characterised by: relatively low educational attainment, low income, limited degree of social and citizen activity, low self-esteem and demanding attitudes. Among the long-term unemployed are persons who have not had a job for over a dozen years and many years. Staying outside the labour market for longer than 2-3 years does not only lead to material degradation, but also social exclusion and has psychosocial consequences for the unemployed and their families. What is characteristic is the fact that, as results from the surveys, long-term unemployment has a tendency to fix and may become the phenomenon of social inheritance for whole families and social groups.

The figure presented below indicates some differences of the long-term unemployment rate by region. The Zachodniopomorskie Voivodship comes exceptionally bad in this respect, which results in particular from the location of the former State-Owned Farms on those territories. The best situation is recorded in the Dolnośląskie and Kujawsko-Pomorskie Voivodships, in particular in big cities which are characteristic for their dynamic growth (Wrocław, Toruń). In general, there was recorded a fall of the share of long-term unemployment, while that indicator grew slightly in some of the voivodships. The highest increase (by more than 2%) was recorded in the Opolskie Voivodship.

**Figure 15. Long-term unemployment rate in the years 2003-2005 by region.**

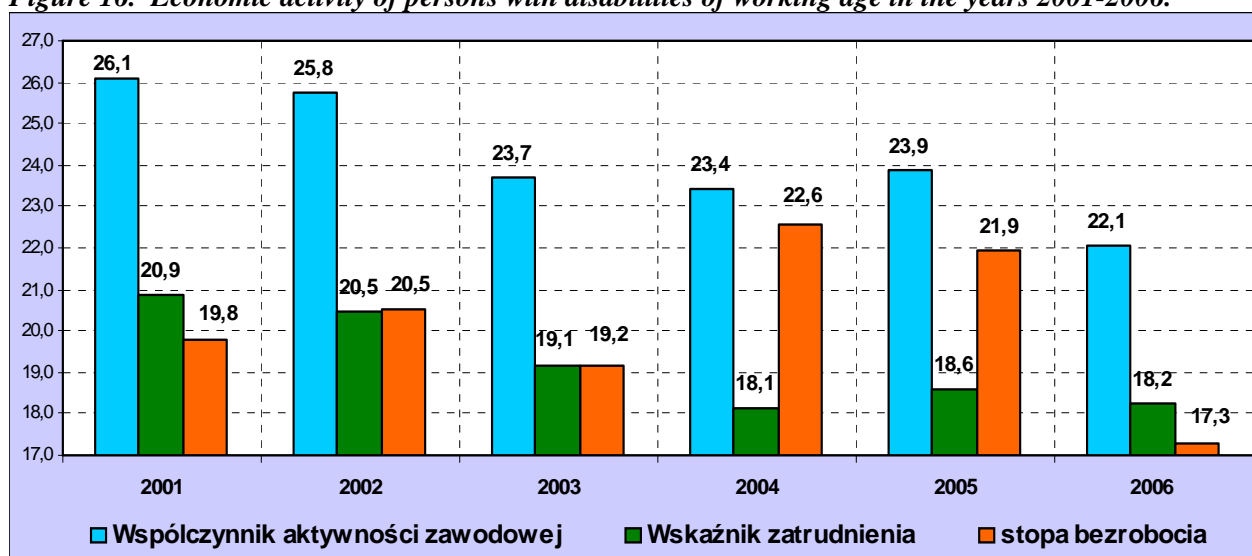


Source: CSO.

## Persons with disabilities

In the light of the results of the National population and Housing Census carried out by the Central Statistics Office in 2002, the number of persons with disabilities in Poland amounted at the moment of the survey to 5,457,000 people, while 4,450,000 people had legally confirmed disabilities, of which 4,326,000 aged 15 and over. The last number proved close to the number received from the survey of economic activity of the Polish population (BAEL) implemented in the 2<sup>nd</sup> quarter of 2002 (4,332,000 people). According to the BAEL, the number of persons legally disabled aged 15 and over has been gradually decreasing for years – mainly because the decreasing number of people receiving disability pensions related to inability to work. As a result, in 2006 it amounted to about 3.8 million people, that is 12.1% of the population at that age. Despite such a great number, only one in seven persons with disabilities functions on the labour market, while in the EU on average every second person does it. The source of living of 84% of the disabled are mainly social assistance benefits (disability pensions, pensions, benefits). The economic activity rate of persons with disabilities has been constantly decreasing since 1994, at a pace faster than for all employed people. Mean annual changes of the three basic labour market indicators in relation to persons with disabilities are presented in the following figure.

**Figure 16. Economic activity of persons with disabilities of working age in the years 2001-2006.**



Source: GUS.

The Census showed that almost 98% of persons with disabilities lived in single or family households, while about 100 thousand live in collective accommodation establishments, including in specialist centres. Most of the disabled persons in Poland are economically passive and their potential is not used by the economy. It is a consequence of the discrimination of that group on the labour market by their employers, the attitude of the persons with disabilities (passivity, low motivation), as well as much worse education and qualifications of the disabled persons. More than half of persons with disabilities have no more than vocational education. Persons with disabilities are mainly employed on a closed labour market, that is in sheltered work centres, where in 2005 worked about 200 thousand disabled people (40% of all employed), of which every second disabled person worked full time.

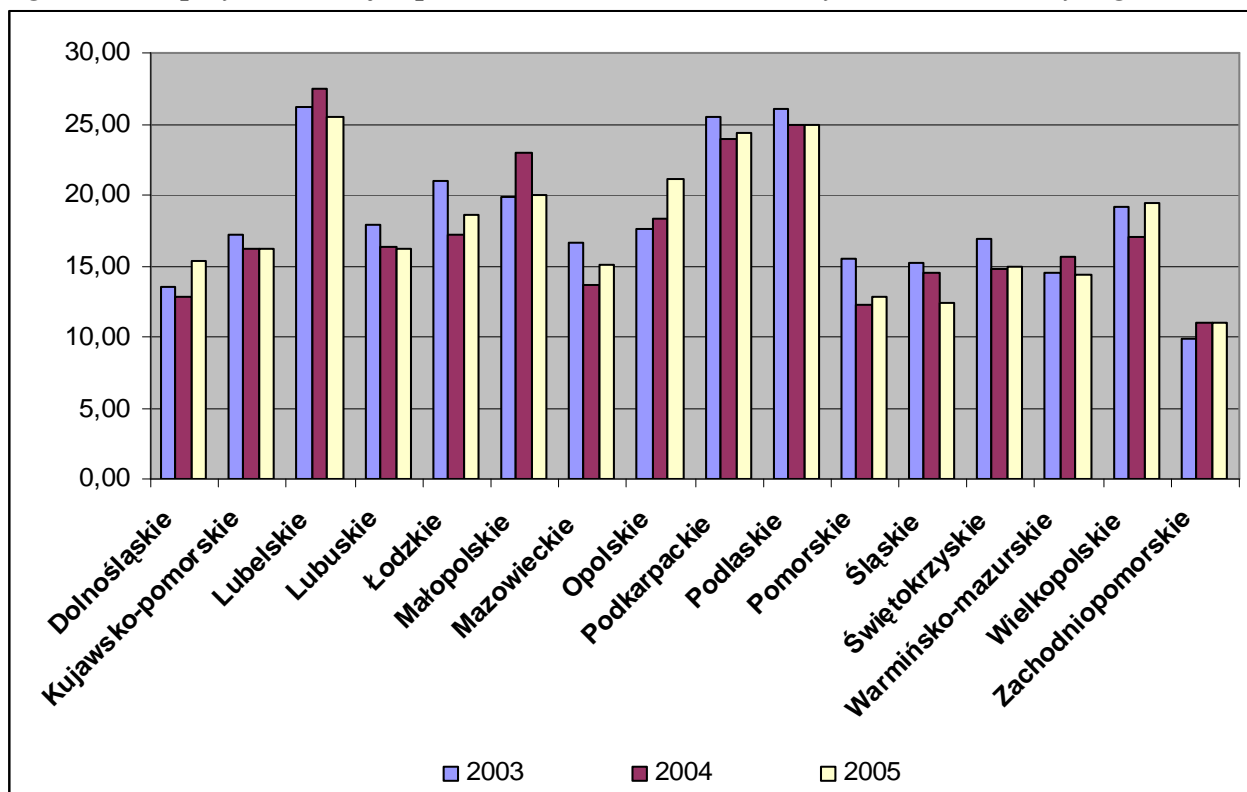
Among people with disabilities aged 15 and over, about 25% are accounted for by people with significant disability, 35% are people with moderate disability and almost 40% are people with slight disability. In the case of all three groups, the employment rate is low, but the lowest is in case of serious disability (3.4% in 2006). Results of surveys show also the need to focus the employment policy on that kind of disability, and not just the degree (disability can be divided into sensor, motor and psychic). Other measures on the labour market should be targeted at persons with motor disability, others at dumb-deaf, others at persons with psychic disability. In Poland, about 120,000 persons suffers from schizophrenia and other psychotic



disorders, whereas only about 11,000 people (7.5%) with mental illnesses were employed in sheltered work centres in 2005.

Moreover, employment of disabled people is characterised by a relatively high regional variation – the highest values are recorded in voivodships with a high share of agriculture. In 2005, in the Lubelskie, Podlaskie and Podkarpackie Voivodships, there worked about one fourth of the people with disabilities of working age, while the lowest employment rate was recorded in the Zachodniopomorskie Voivodship (10.9%).

**Figure 17** *Employment rate for persons with disabilities in the years 2003-2005 by region.*



Source: GUS BAEL.

### Children and adolescents

In Poland, there is the phenomenon of juvenilisation of poverty, that is overrepresentation of children among population in poverty in relation to their share in the whole population. Furthermore, the poverty rate among children is higher than among adults, in particular among the oldest population. It results from the surveys that 44% of the poor are less than 19 years old, while that age category accounts for less than 24% of the Polish population. At the same time, one in two people living below the subsistence minimum were not 19 years of age. The growth of the number of children depending on their parents in an obvious way decreases the financial resources falling on a family member. It should be stressed that, in the Polish realities, every subsequent child may significantly influence lowering the quality of life of family. In 2005, almost 2/5 of families bringing up four or more children had the level of expenditures below the subsistence minimum (55.9% below the relative poverty threshold). Also support for people brought up in families with a problem with alcohol or other pathologies is a very important issue from the point of view breaking the cycles of exclusion (poverty, alcoholism, addiction to social assistance, etc.). According to the State Agency for the Solution of Alcohol-related Problems (PARPA), about 1 million of children are brought up in families with alcohol abuse problems. In 2005, within social assistance, support covered almost 395,000 children and adolescents at risk of social maladjustment, including 115,000 of adolescents living in rural areas. 133,200 of children participated in classes organised at day-time support centres, while 261,500 children were covered by other forms of support.

Young persons, coming from disadvantaged communities, dysfunctional and pathological, with low educational attainment and numerous social deficits (related to the family, growing up, socialisation, education) are in particularly difficult situation on the labour market. Those are often adolescents living in caring-educational centres (about 82,000 persons in 2005), participating in Voluntary Work Corpses (about 30,000 people in 2005) or staying in reformatories and prisons. Each of the groups of adolescents is at risk of social exclusion, discrimination on the labour market, alienation and social atrophy. Activating them from the point of view of the labour market takes a lot of time and is extremely difficult. Poviats family assistance centres, subject to whom are caring-educational centres, have limited financial resources and organisational possibilities for social and professional activation of adolescents and monitoring their lives after leaving the centres. In turn, vocational education in those institutions is totally maladjusted to the requirements of contemporary economy and labour market. In the context, it is necessary to support adolescents on the labour market, in particular adolescents from disadvantaged communities, with lots of educational deficits.

### **Prisoners and persons leaving prisons**

Each year, prisons are left by some 30,000 people, who have a serious problem with finding a legal job. Even if they find employment, its conditions are very bad – usually a low-paid job in the black economy. In the prisons themselves, there are at present about 80,000 convicts, while only one in four may count on a job in the penal institution or under contracts between entrepreneurs and penal institutions (from among 21,000 of employed convicts, only 4 thousands were working outside the prison). At present, there is an incentive for employers from outside the prisons in the form of a pay to the full-time employed prisoner half of the minimum pay, yet the provisions do not allow performance of an unpaid job on behalf of territorial self-government entities or non-government organisations. What is more, employers are burdened with high costs of maintenance of the convicts during performing the job and they are responsible for ensuring necessary qualifications (if the convict does not have them). It means that only those convicts are employed outside the prisons whose working time for a given employer enables amortisation of the incurred costs – in fact, persons with sentences of less than 18 months are not employed. Those who leave penal institutions are burdened in two ways: their qualifications are most often outdated, and the time in prison stigmatises them in the eyes of employers. That is why there is a need for systemic measures for that social category, improving the situation of convicts and former prisoners on the labour market and leading to their successful rehabilitation.

### **Refugees and migrants**

A special group of persons disadvantaged on the labour market and at risk of social exclusion are migrants, persons staying on the territory of the country and applying for the refugee status. The number of refugees in 2004 was 8,000 persons and, though not high, it should be noted that refugees have many citizen and social rights, including the right to use the instruments of the labour market policy. Integration of persons applying for international protection in Poland regards in particular persons coming from the Russian Federation and considering themselves Chechens (about 81% of those submitting applications for granting the refugee status in 2004 and about 93% in 2005). In 2005, the refugee status was granted to 312 persons, of which 285 had been citizens of Russia. Social assistance centres and poviats centres for family assistance gave help aimed at supporting integration to 652 persons with the refugee status.

However, what seems to be the most serious problem is lack of coherent national policy concerning those people, in particular concerning people with tolerated stay. In 2005, the status of tolerated stay was granted to 1822 persons, of which 98% were Chechens. At the same time, the number of persons with that status is growing from year to year. The persons have the right to take up a job or register as the unemployed or make use of social assistance, yet without knowing the language and culture they are not capable of efficient and independent functioning in the Polish society. There are no effective integration programmes and initiatives aimed at activation of that category of persons.

## **The Roma**

The size of the community of the Polish Roma is extremely difficult to estimate. When the national population and housing census was carried out in June 2002, Romany nationality was declared by 12,731 citizens of the Republic of Poland, while 15,657 declared that they used the Romany language at home. Whereas data prepared by the voivodes, based on information sent by territorial self-government entities, estimate the number of Roma people living in Poland at 20,000.

The educational situation of the Romany population is in Poland quite difficult. About 200 Romany students are studying in more than a dozen of the so-called Romany classes (7 of them are located on the territory of the Małopolskie Voivodship), in which there study children and adolescents of different ages and at different advancement levels. Nevertheless, parents often, having a choice between the so-called integration class and the Romany class, choose the second one, being of the opinion that it is more appropriate for Romany children. About 70% of children of Polish Roma regularly go to schools, while their attendance is very low. It results from surveys of the Romany community that only about 30% of examined Roma had contact with labour offices and only 25% of surveyed expressed the willingness to participate in vocational training courses, despite very low educational attainment. Roma are also an ethnic minority, which (beside few exceptions) does not participate actively in public life. It partially results from insufficient citizen education, and partly also from the dislike of the traditional authorities for acting in public.

Help in integration of the Romany minority is implemented mainly within the Programme for the Romany Community in Poland, adopted by the Council of Ministers on 19 August 2003, planned for the years 2004-2013. Pursuant to the provisions of the document, educational measures are considered the priority, while the main aim of measures undertaken in the scope of economic activation is diminishing the unemployment rate among the Roma. It is particularly significant in the situation when it has long-term character and covers most of the Romany community (the unemployment rate among the Roma was in 2005 from 55% to 99.5%, depending on the region).

### **1.3.3 Systemic regulations on counteracting social exclusion**

**There is a series of legal regulations which are aimed at supporting economic and social activation of people at risk of social exclusion.** In the scope of active policy for counteracting social exclusion we deal with measures aimed at:

- decentralisation of tasks at the gmina and powiat level, by equipping gmina and powiat self-governments in competences and possibilities of constructing flexible projects and measures in accordance with local needs;
- socialisation of creating and implementing tasks by the creation of legal framework for public-social partnership enabling partner cooperation of non-government organisations with territorial self-government in the implementation of social services and covering areas of activities out of reach of the public sector;
- regionalisation of task coordination by enhancing the competences of self-government organisations at the voivodship level, including in the dimensions of programming, training and creating the targets for expenditures of European funds.
- the measures assume the combination of resources from the state budget, the budgets of self-governments and extra-budget funds for more effective achievement of the assumed goals. The solutions have two significant flaws
- immense dominance of budget grants in relation to the expenditures from self-government resources on the implementation of tasks for counteracting social exclusion, which are the effect of unfinished decentralisation of public finance and
- the resulting conviction about the ultimate responsibility of the government administration for the implementation of tasks for counteracting social exclusion.

**At the national level in 2004, representatives of government administration, self-government administration, social partners and non-government organisations adopted the agreed National Strategy for Social Integration, covering the period till the year 2010. Moreover, in 2005, the Council of Ministers adopted the Social Policy Strategy, 2007-2013, which was aimed at building an integrated state policy system in the scope of social integration.**

Pursuant to the provisions of the strategic documents and legal acts pertaining to social assistance, local self-government was obligated to the development and implementation of strategies for the solution of social problems, which would be aimed at integration of persons and groups of special risk. **The documents usually name in the first place the problems of unemployment, disability, addictions and family problems.** The authorities of gminas make the reservation that their programmes (whose aims are indicated very generally) will be implemented as long as it will be made possible by the financial situation of the gmina and the possibilities of obtaining external funds. In general, the documents provide for the cooperation in solving social problems with non-government organisations acting locally. Yet is a problem that the formal approach to the responsibility to develop programming documents, related to low awareness of the need for strategic planning, as well as too frequent lack of their connections in the vertical dimension.

**In counteracting social exclusion, what plays an important role beside the family are institutions belonging to the public sector and the community and voluntary sector.** The private sector is present only in some kinds of social services and is rather inaccessible for poor people, because of costs which must be incurred in connection to their implementation.

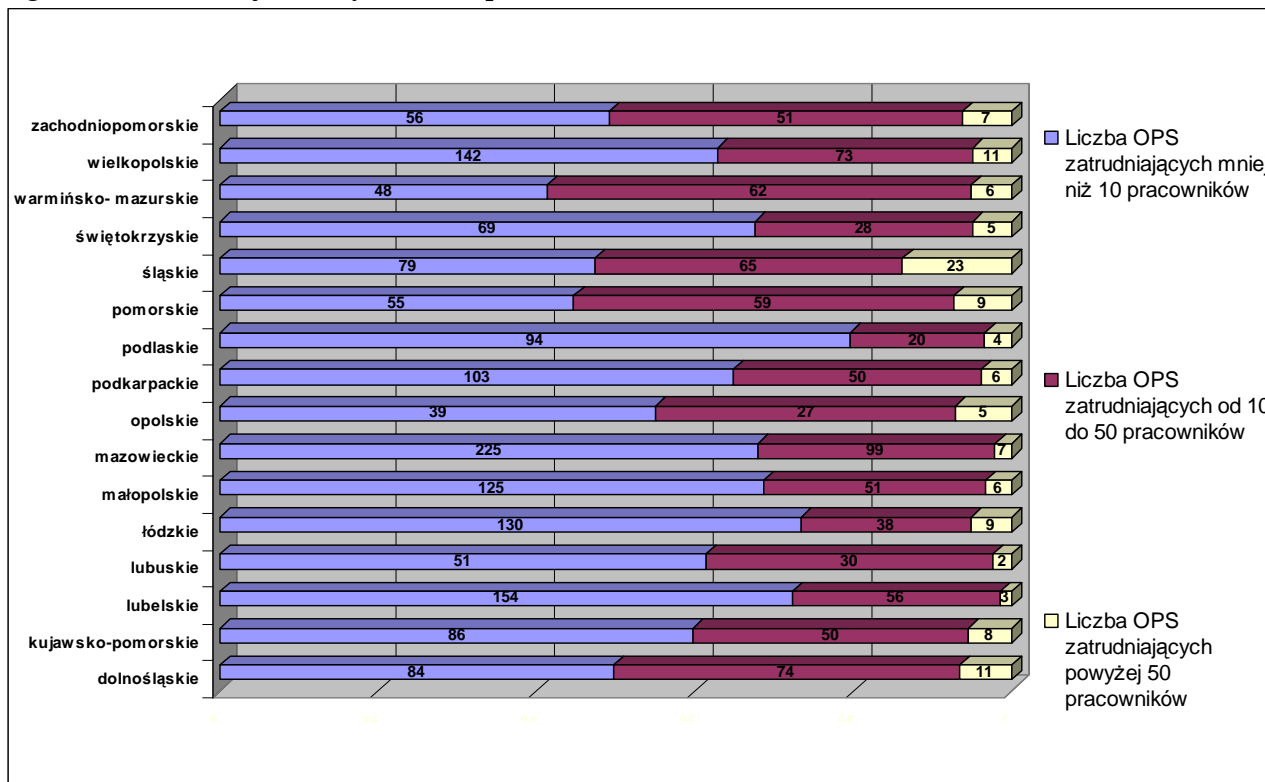
### **Self-government institutions**

The basic institution for counteracting social exclusion in gminas are social assistance centres (SAI), **employing in 2006 41,484 employees, of which 15,767 were qualified social workers,** directly working with groups at risk of social exclusion. Some of the basic tasks of the SAI's are:

- providing persons and families with support in overcoming difficult life situation, including social services and benefits in kind;
- providing income at the level of social intervention;
- helping to independence in solving vital problems;
- integrating persons and groups in the process of social exclusion with the local community.

The following figure shows the scale of employment in SAI's by voivodship.

Figure 18. Number of SAIs by voivodship and size.



Source: the Ministry of Labour and Social Policy.

At the level of powiat, there operate **State Centres for Family Assistance (PCPR)**, which employ **3,910 employees, of which 1,050 social workers**. PCPRs implement tasks of social assistance which exceed the scope of activities and the possibilities of a gmina (families at a crisis, children and adolescents without the care from parents, foster families, persons with mental illnesses, persons with disabilities, refugees). At the level of powiat, there also function **Powiat Labour Offices** which implement tasks in the scope of the labour market and employ about **18,600 employees**. Both powiat institutions implement also tasks for increasing the participation of persons with disabilities in the labour market.

At the level of the voivodship, there exist **Regional Centres of Social Policy (RCSP)**, whose tasks are, among others, development, updating and implementation of the voivodship strategy for social policy which is an integral part of the voivodship development strategy. **RCSPs employ 158 employees**, while the size and institutional potential of those entities are highly differentiated, depending on the region.

Measures from the scope of social integration, in particular economic activation of people at risk of exclusion carried out by social assistance units indicate **low effectiveness of the instruments of influencing that have been doing so far, especially in relation to persons who have been receiving financial benefits for a long time**. Although there are no surveys carried out at a large scale regarding the effectiveness of the functioning of activation tools, the still growing number of people receiving benefits and low percentage of people becoming independent seem to testify to **the need for further search for effective social policy instruments and the necessity to make SAI's staff professional to develop a more effective and proactive model of assistance**. Counteracting the addiction of people receiving benefits from the financial system of social security, solving the problem of unemployment and enhancing the professional qualifications of persons from disfavoured groups on the labour market requires using various forms and instruments of assistance, especially such that are targeted at stimulating activity and enterprising attitude among the excluded persons.

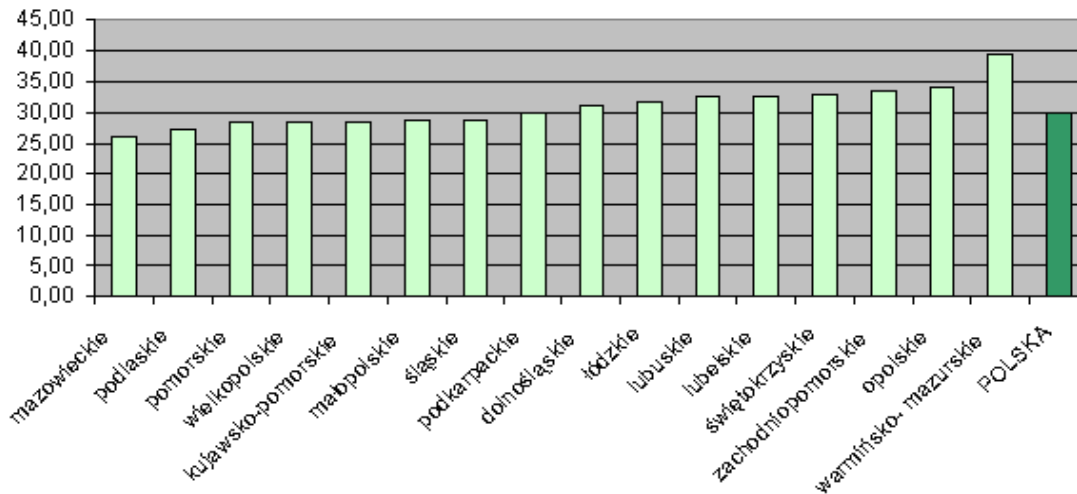
One of the reasons of limited effectiveness of the functioning of the social assistance services is also **lack of institutional coordination, both in the vertical and horizontal plane. It is perceptible mainly at the**

**junction of actions from the field of the labour market and social assistance.** Cooperation between various institutional agents is often hampered. Lack of common programming, informational and organisational measures (especially between the PCPR and the SAI, as well as the SAI and the PUP) results to a high degree from “narrow” interpretation of the public interest and sectoral perception of social problems. Difficulties are also a consequence of different priorities of particular institutions – SAIs want to help those who need assistance most, while PUPs – people showing the potential of employment success, which improves statistical results of the institution.

What is another significant obstacle is **lack of integrated system for educating social services employees.** In this context creation of service standards, based on coherent educational system, common curricula and integrated system of continuous education is necessary. It has educational and integrating virtues for better coordination. As mentioned before, **the priorities in that context also should be: increasing the organisational potential of social assistance institutions and improving the qualifications and updating the knowledge of social assistance employees.** It is also necessary to develop professional standards based on a coherent educational system, identical core curricula and an integrated system of lifelong learning, which would have not only the educational value, but also integrate for better cooperation.

Despite constant increasing of the scope of tasks of social assistance services, **the human potential of that sector is still insufficient. The statutory provision regarding the necessity of ensuring the services of at least social worker per 2000 inhabitants has still not been achieved (in 2005, it reached 0.8),** which indicates the need for further increasing expenditures on popularisation of social work and making the staff professional. The following figure pictures the structure of employment of social assistance sector employees by region. As can be easily seen, the number of people employed in relation to the number of inhabitants is more or less similar in all regions of the country, with the exception of the Warmińsko-Mazurskie Voivodship, where the number of people employed in social assistance is directly linked to the extent of poverty and high percentage of inhabitants receiving social assistance benefits.

**Figure 19. Number of workers employed in organisational entities of the social assistance system in 2006 per 10,000 population.**



Source: Based on the data from the Ministry of Labour and Social Policy.

### Non-governmental sector institutions

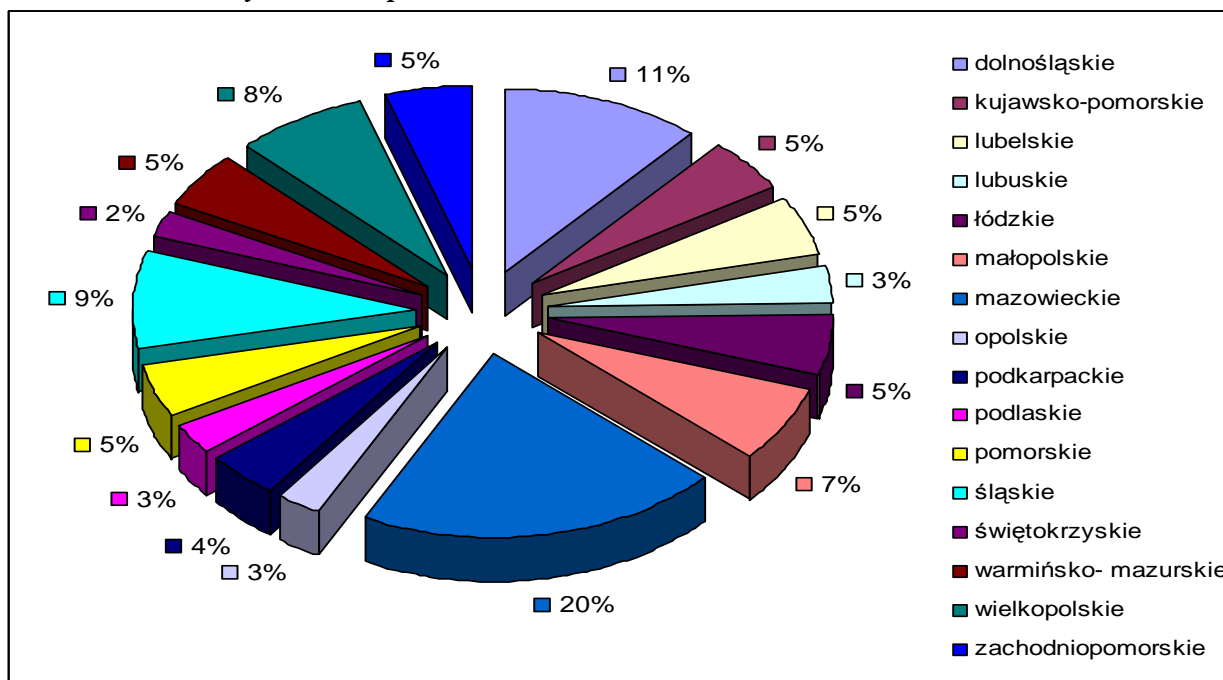
Non-government organisations are an important agent of measures in the field of fighting social exclusion. In the Klon/Jawor community sector database, there were 55,244 entities in April 2006, of which the number of **active organisations is estimated at about 30,000-35,000. About 10% of organisations was operating in the field interesting from the point of view of social exclusion, which is called in statistics “social services and assistance”** (according to the declaration that that is their most important field of operation) or

26.6% (according to the indication that that is only one of their fields of operation). The organisations cooperated in the scope of the implemented tasks in particular with gmina self-governments and marshal offices. To a much smaller extent with poviats, slightly with voivodship offices and marginally with central offices. Citizen Initiative Fund is supposed to be helpful in mutual actions, as well as in actions of the non-government organisations themselves (its planned budget for the years 2005-2007 amounts to PLN 90 million), as well as the tax mechanism of 1%, of which more than 680,000 citizens made use in 2005. Non-government organisations of that segment act in particular by means of:

- granting help and support to persons with disabilities and their families,
- complementing of the actions of the public sector by providing services in the health care, rehabilitation, education, social assistance and employment,
- popularisation of knowledge about social problems and effective ways of solving them,
- participation in social dialogue and representation of communities at risk of social exclusion.

Especially numerous among non-government organisations operating in the field of social assistance are organisations which provide various kinds of support to persons with disabilities. **It is estimated that the number operating in favour of and in the community of disabled and ill persons in Poland amounts to about 7,000.** The following figure presents regional variation in the scope of non-government organisations in favour of persons with disabilities. The most advantageous situation is recorded in Greater Poland and Silesia, while the smallest number of such entities operate in the Świętokrzyskie, Lubuskie, Podlaskie and Opolskie Voivodships.

**Figure 20. Numerous distribution of non-government organisations operating in favour of persons with disabilities in 2005 by voivodships.**



Source: Based on the Klon/Jawor database.

In the last years, there has also been developing in Poland the idea of social economy and social entrepreneurship, according to which social enterprises must meet both economic criteria and implement social goals. The former are in particular stability and autonomy of operations, as well as incur financial risk, the latter supporting social development at the local level, democratic rules of management and social perception of profit (profit is appropriated for integration needs or further development of the enterprise). Social cooperatives are a new kind of institution related to counteracting exclusion within social economy, which create jobs and opportunities for social activation of the unemployed, disabled, homeless or addicted. Furthermore, Social Integration Centres and Clubs are established by social assistance institutions or non-government organisations, operating in that area, which enable preparation of excluded persons for entering

the open labour market or establishing social cooperative. However, their development is not as dynamic as was expected, which results, among others, from financial and legal barriers which are encountered by potential participants and organisers of those social economy institutions. **Some of the main problems which the voluntary and community sector entities operating in the field of social integration face are:**

- lack of economic stability and financial resources for undertaking an initiative,
- complex formal procedures related to participation in the task implementation,
- competition of organisations in some areas,
- lack of effective cooperation with the public sector in solving social problems,
- deficit of professional human resources.

### **Public-social institutions**

Within institutional solutions, there were envisaged institutions functioning at the border of the public and social sectors:

- Local partnership is a new institution, but an institution which results from very obvious premises. Its main objective is to build permanent cooperation between government institutions, self-government institutions, local businessmen, non-governmental institutions and inhabitants, in favour of economic revival and improvement of the labour market situation.
- Social Integration Centres and Social Integration Clubs – institutions within social employment, established both by the self-government and non-government organisations in cooperation with the self-government. The institutions are aimed at social and economic reintegration of persons at risk of exclusion. Social employment is, thus, targeted at persons who for various reasons are not able to function independently on the open labour market as employees and find it difficult to participate in social life. In 2005, there functioned 35 Centres and about 100 Social Integration Clubs, while more than 1,500 people were covered by services from the scope of social and economic reintegration.
- Vocational Activity Establishments and Occupational Therapy Workshops – are institutions of occupational and social rehabilitation of persons with disabilities close to the idea of a social employment institution. In 2005, there functioned 571 occupational therapy workshops, which covered with their activities almost 18,500 of people with disabilities and 29 of vocational activity establishments.
- Support centres – are a series of self-government and non-government institutions (community self-help centre, daytime assistance centre, centre for mothers with small children and pregnant women, shelter and self-help club) of daytime stay, for people who, because of the age, illness or disability require partial care and assistance in satisfying the vital needs. At the end of 2006, there functioned 879 self-government and 353 non-governmental local assistance centres, financed from gmina's budgets and 118 self-government and 74 non-governmental assistance centres, translocally functioning, financed from powiat's budgets.

The institutions are aimed at social and economic reintegration of persons at risk of exclusion were established in the framework of CI EQUAL and Measure 1.5 HRD SOP as well. In the framework of CI EQUAL about 68 social enterprises were established and 2.394 persons were supported in social economy entities. However under the Measure 1.5 29 Social Integration Centers were supported , in which 3.006 persons were social and vocational reintegrated. Number of job created in social economy sector under the ESF support in the framework of CI EQUAL was about 250 and under the Measure 1.5 - 1113.

### **1.3.4 Instruments of counteracting social exclusion**

#### **Activation instruments**

That area of actions was well instrumentalised within the adopted legal regulations. Some of the most important ones are:

- social contract – as a new tool of a social worker combining financial support with economic and social activation, through a new form of public works and socially useful works (combination of social assistance instruments with the labour market);



- individual social employment programme – as an economic and social activation of persons who should regain their employability, who have lost it or have difficulties with activation because of individual features (disability);
- supported employment – as a tool enabling permanent adaptation (the disabled) or periodical (especially groups of the unemployed) on the open labour market for enabling adaptation;
- social economy – as a new tool enabling the creation of jobs in conjunction with social goals in the form of social enterprises.

**Additional activation instruments focus on groups especially at risk of exclusion:**

- individual programme of coming out of homelessness,
- individual programme for the Romany community,
- lifelong learning of the disabled,
- individual integration programme for refugees.

At present, most of activation instruments are still at the stage of implementation, that is why it is difficult to estimate their eventual effectiveness. **It results from the available data of the Ministry of Labour and Social Policy that the number of social contracts concluded between social workers and their customers in the period of 4 months of 2005, following the introduction of that activation instrument amounted to 30,300 (most of which were used in the Dolnośląskie, Śląskie and Małopolskie Voivodships, while least of which in Zachodniopomorskie, Pomorskie and Podlaskie Voivodships).** Unfortunately, there are no more recent surveys concerning the number of concluded contracts, yet it is beyond doubt that that area requires further development and constant evaluation. What is necessary is also increasing the competences of the employees of social assistance, labour market institutions and the voluntary and community sector (in particular in the scope of the ability to use the new activation instruments) by means of improving qualifications and lifelong learning.

**Caring and community instruments**

- two directions are important for counteracting social exclusion: building a long-term care system for older, disabled, and long-term ill people (social assistance centres, caring and health care centres and nursing homes),
- building a system of help to families which are incapable of bringing up children properly (caring and educational institutions).

In both cases, measures of institutional and stationary character are dominant, which leads to lack of integration with the local community.

Instruments of community character are developing very slowly and meet financial barriers and low competences of people operating in that area. The development of community services in long-term care is an action not only of integration focused, but also constitutes high potential in the potential of employment growth.

The development of community services for children and adolescents (foster families, family orphanages) contributes significantly to the limitation of the process of their exclusion or social maladjustment.

**Integration instruments**

Within the area of integration of both individuals, groups and local communities, there function a series of instruments aimed at assistance and counselling to the citizens. They are implemented by means of family and specialist counselling, citizen counselling and the creation and support of self-help institutions (social integration clubs).

The CAL project (Local Activity Centres) is an important tool for local integration which supports social integration of such an activity. According to the data of the CAL Association, there operated 165 such initiatives in the whole country.

Unfortunately, one of important shortcomings of social policy is the low share of measures of preventive nature focused on potential social assistance customers. The measures have been piloted by the government administration or independently, on a smaller scale with the resources of local self-governments and non-governmental institutions.

## 1.4. Human capital investments: education and training system

### 1.4.1. Characteristics of processes that take place in the area of education and training

The last decade brought a number of key changes in the functioning of the education sector and the educational base of the Poles. Many of the changes were positive and contributed to a significant growth in human capital investments. There may also be identified several problems facing the education and training system. The main elements of the diagnosis of the current situation and an attempt at identification of the mechanisms responsible for the processes existing in that area are presented below.

Considerable growth of educational aspirations of the Poles is one of the factors of key importance for the transformation of the whole educational sector after 1989. Between 1993 and 2004, the perception of the value of education as such and the aspirations related to the education of one's own children clearly grew (CBOS, 2004). In the light of the positive trends, **the attitude of older and uneducated people to raising their qualifications seems to be a problem**. They understand the necessity to gain knowledge by children but, as can be judged from the data concerning their participation in lifelong learning, they are not really willing to study themselves. There is no unequivocal diagnosis of that state of affairs.

A significant reform of the school system which was brought about by the introduction of lower secondary schools, introduction of standardised, nationwide external exams was in itself a key stimulus for various kinds of changes in the functioning of schools. What is a very important, new element, which will probably to contribute to the improvement of the widely understood quality of education and the improvement of educational results in the long run is the introduction of national standard exams after each educational level. Although it is still too early to observe results of that change (e.g. the first matura exam according to the new formula was carried out in 2005), international experiences suggest that **a combination of considerable freedom in the shaping of curricula in schools in conjunction with a unified examination system checking students' qualifications is truly beneficial**.

Educational system still faces to important challenges. Continuation of reforms on the one hand should contribute to level out inequalities in access to education. In this field it is important to eliminate barriers in access to education at pre-school level, barriers affecting gifted students in matters essential to economical development who are socially marginalised as well as barriers affecting adults. On the other hand the key challenge will be improving the quality of educational services by special development programmes of schools and universities, improving attractiveness of vocational and continuous education and enhancing qualifications and competences of teachers. In the result of introduced reforms educational system should meet requirements of modern knowledge based economy.

### 1.4.2. Access to educational services and the educational attainment of the society

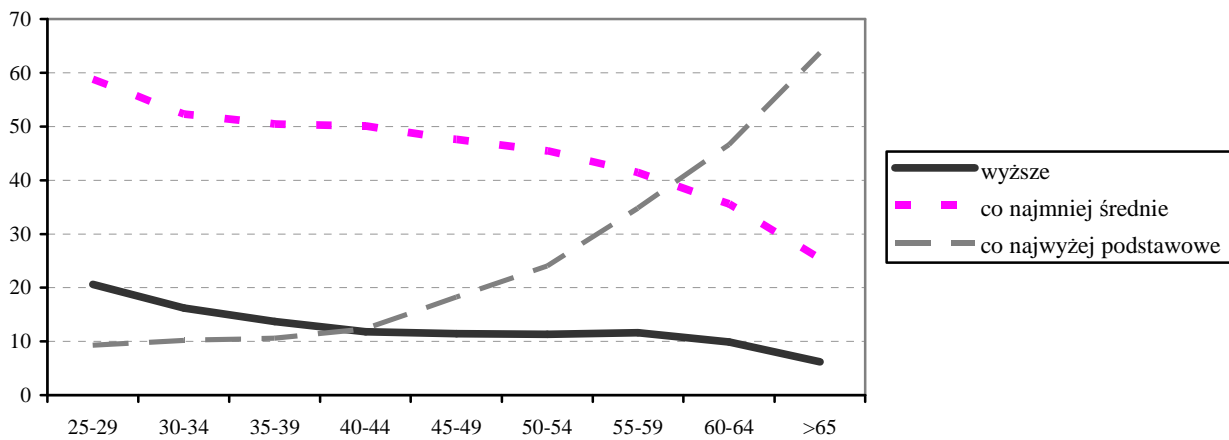
Since the end of the 80's, there has been perceptible a fast growth in the number of Poles with secondary education. Between 1988 and 2006, the share of people with higher education in the whole population (aged over 15) increased from 6.5% to 14.6%. The percentage of people with secondary education increased from less than 25% to almost 35%, while the proportion of people with no more than lower education fell from 45% to 31% (GUS, 2006). In comparison to the 2006 average of the European Union Member States, **the percentage of people with higher education was significantly lower in Poland**, while the proportion of people with at least secondary education<sup>4</sup> was in Poland higher than the UE average (Eurostat, 2005).

The educational boom of the last years caused the emergence of huge differences in the educational attainment of particular age groups (Figure 10). A similar phenomenon exists in many other UE states. In Poland, there also exists considerable differentiation between urban areas, **where 19.3% of population had higher education and rural areas, where the rate reached 6.7%**.

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<sup>4</sup> According to EUROSTAT methodology this category covers graduates from basic vocational schools (ISCED 3C)

**Figure 21. Level of education in various age groups in 2002**



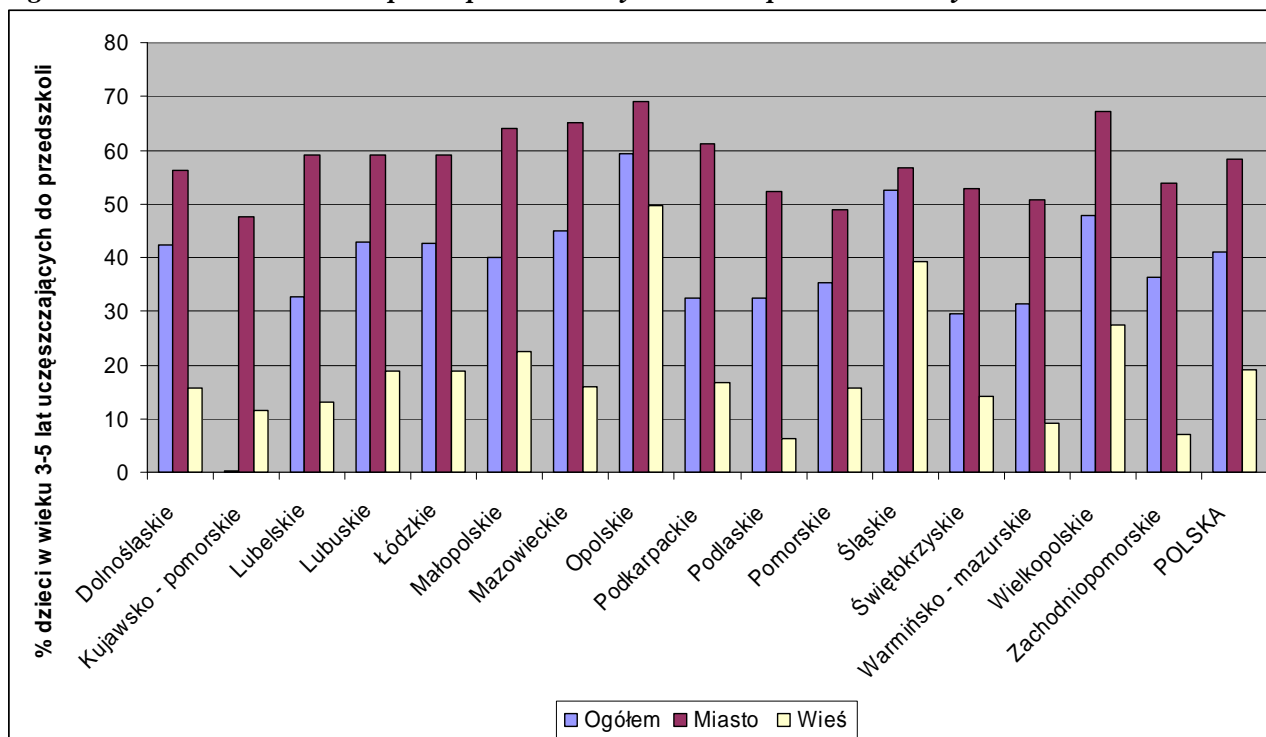
Source: GUS

The problem of access to educational services is varied depending on level of education. Thus factors determining inequalities in access to education should be considered in this profiles.

#### **Access to educational services at pre-school level and at the compulsory education level**

At the level of preschool education, which, as is shown by many international surveys, including those regarding Poland, is of immense importance for the prospects of future education, there are considerable differences in access to the preschool educational services. **Around 41% of children aged 3-5 attends kindergartens, while in most of EU states the rate exceeds 70%. There are huge differences between urban areas, where around 58% children aged 3-5 were attending kindergartens in the year 2005/2006, and rural areas, where the rate was ca. 19%. What is more, the participation of 3-5 year olds from rural areas in preschool education has grown only slightly in the last years. Such a situation most probably aggravates considerably the mechanism of inheritance of parents' social status – a very small proportion of kindergartens are located in poor, sparsely populated gminas.** What is more, on average, children of poorer educated parents start education later than children from families where parents have higher education. Thus, the differentiation of educational opportunities depending on social capital in families and the community starts already at the age of 3-5 lat. Preschool education has also wider social context – as a factor counteracting marginalisation.

Figure 22. Preschool education participation rate by voivodeship in the school year 2005/2006.



Source: CSO

At the level of accessibility of preschool education, differences between regions are clearly visible. The preschool participation rate (the ratio of the number of children aged 3-5 attending kindergartens to the total number of children aged 3-5) in the Podlaskie Voivodeship in the school year 2005/2006 amounted to only 29.6%, while the national average was 41.0%. In the same period, the highest value of the indicator, 59.5%, was achieved by the Opolskie Voivodeship. **The difference between the voivodeship with the lowest rate and those with the highest rate was thus almost twofold.** In the context, two groups of voivodeships could be distinguished. The first significantly exceeds the other regions in terms of the average rate (ca. 45 – 59%), and it includes the following voivodeships: Mazowieckie, Opolskie, Śląskie and Wielkopolskie. The second group shows rates of preschool participation much lower than the national average (values between 20 and 35%), to which the following voivodeships belong: Kujawsko-Pomorskie, Lubelskie, Podlaskie, Podkarpackie, Świętokrzyskie and Warmińsko-Mazurskie. **Regional differences in the scope of preschool participation rate are even more perceptible when looking only at rural areas. In this case, the difference between the voivodeship with the lowest rate (Podlaskie) and that with the highest rate (Opolskie) is eightfold.** Regional variation in the field of preschool participation shows, then, that regions with economy strongly dependent on agriculture, less urbanised and also less economically and socially developed have also much lower preschool participation rate than industrialised and urbanised regions.

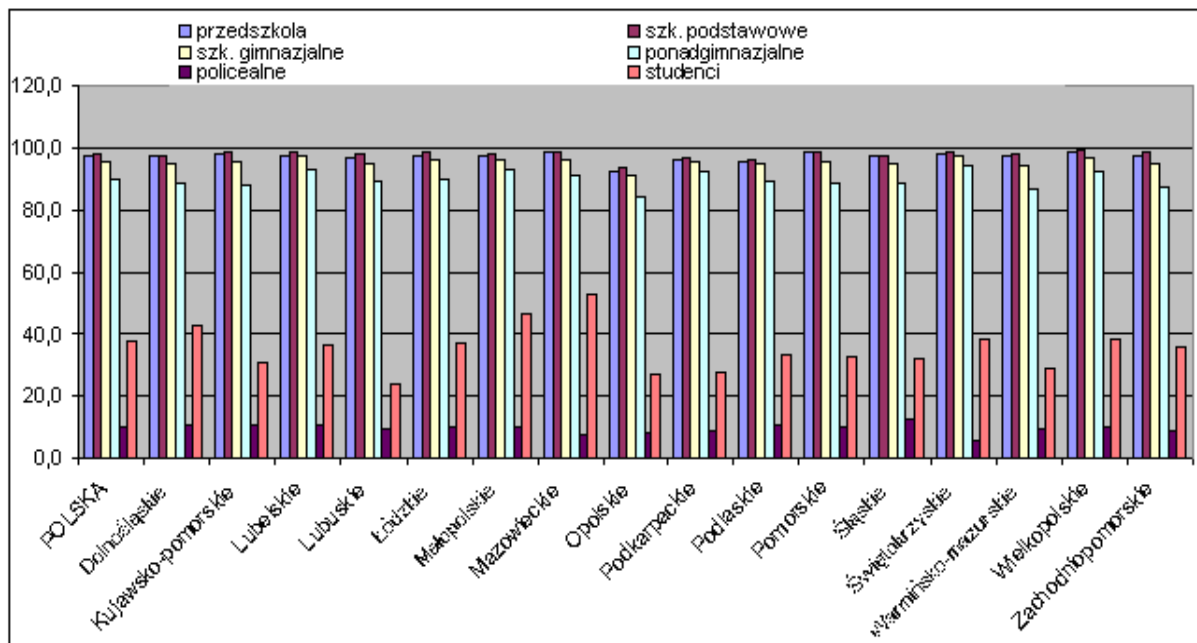
**The smallest disproportions in terms of access to educational services occur at the level of compulsory education in the primary and secondary school.** This situation is evidenced in low, as compared to the EU countries, “early drop-out” rate of students from the school system. According to the report of the EU Council and the European Commission of 2005 on the implementation of the Lisbon Strategy, the school system drop-out rate of adolescents aged 18-24 amounted to 5.5% in 2005, while the analogous average value in the EU Member States was 14.9%, thus three times higher. At the same time, **an analysis of the value of that indicator in Poland in the years 2003-2005 shows a positive tendency**, as there was a fall from 6.9% in 2003, to 5.7% in 2004 and 5.5% in 2005.

The phenomenon of early dropping out of the school system may also be analysed through the **non-compliance with the compulsory education index, which regards teenagers up to 18 years of age.** In the school year 2005/2006, the non-compliance with compulsory education index for the 6-15 age group was

only 1.4%, while for the 16-18 age group it amounted to 6.1%. Some of the most frequent reasons for non-compliance with the compulsory education, as revealed by surveys, are: parents' negligence or educational incapacity, often combined with social pathology, poor health condition of the child, serious poverty in the family, problem with access to school, as well as growth of migration.

**Whereas there are no important regional variations in accessibility of the compulsory education, which is evident from similar values of the gross schooling rate in particular voivodeships at the level of primary, lower secondary and upper secondary schools. The data are presented in the figure below.**

*Figure 23. Net schooling rate in kindergartens and among students of primary, lower secondary, upper secondary schools as well as higher education in the year 2005/2006.*



Source: Central Statistical Office, Education in the school year 2005/2006.

**Inequalities within schools still are a problem, in particular the phenomena of (implicit) segregation of students.** This phenomenon is connected to problem of social marginalisation. Both in primary and lower secondary schools there occur not infrequently instances of mechanisms of division into class units which might result in segregation of students based on the social capital of their families and local community, or even income level. According to GUS statistic 18,6% students aged 14 – 19 years come from families with incomes below the poverty level. The diagnosis in the field of social situation of people aged under 19 is presented in details in the part of diagnosis concerning social exclusion.

The **necessity to travel long distances to school** is an important issue in access to school (in particular the lower secondary level). The number of students living 4 to 5km away from school is 45,223 in urban and 104,423 in rural areas. 5 to 10km is the distance travelled by 56,038 and 122,247 students respectively. More than 10km – 19,847 in urban and 37,640 in rural areas. Urban schools create also better conditions for benefiting from extra-curricular classes. Corrective-compensational classes were attended by 12,906 students in urban areas (1.3% of the total number of students in urban areas), while only 4,994 students in rural areas (0.9%). Sociotherapeutic classes were attended by: 7,251 (0.71%) and 2,057 (0.37%) students respectively.

**The disproportions in access to extra classes are additional problem in the scope of inequalities of compulsory education. Extra-curricular classes in schools have a rich and long pedagogical tradition in informing and developing interests, in promoting gifted students, granting help to students with learning difficulties, in preventive actions and those connected to the choice of occupation.**

**In the 90's, there took place a significant fall in the number of extra-curricular classes and the number of students under their impact**, e.g., in the school year 1999/2000, 34.7% of the total number of students participated in the classes. Owing to the measures of the Ministry of National Education (legal, promotional), the number of classes **started to go gradually up**, so in the school year 2005/2006 – 61.4% of students participated in extra-curricular classes.

In the context of access to extra-curricular classes, the following thesis might be formulated:

- teachers often conduct them voluntarily (lack of budget and local self-government resources) or are financed from fees paid by parents (it excludes students from poorer families),
- they often do not take into account the needs of the students, are based on teaching forms and methods, and teaching resources which do not require financial outlays, they are inaccessible in some communities (rural, economically disadvantaged).

**The needs in the scope of extra-curricular classes relate mainly to:**

- **implementation of new, innovative, specialist teaching forms and methods** in extra-curricular environment ensuring the development of competences and abilities in the scope of, e.g. foreign languages, computer literacy, the impact of natural and mathematic sciences, in the scope of entrepreneurship and students' ability to find employment in the future and preparation to functioning in a democratic state,
- **equalisation of educational opportunities for students from rural communities**, commuting to school, from poor families (unemployed), disabled, showing talents and interests,
- **covering with preventive care students threatened with addictions and social pathologies** and students with learning difficulties, requiring strengthening in preparation for future occupation, in functioning in a social group.

### **Accessibility of educational services depending on the educational profile**

**In the last years, the structure of education at the medium level has changed.** Introduction of compulsory lower secondary schools delayed by one year the moment of choosing the further educational path (general, vocational). There has also been taking place a gradual change of the preferences of students, more and more of whom (ca. 56% in the school year 2005/2006 r.) choose general and specialised upper secondary schools. The popularity of basic vocational schools decreased dramatically (in 2005/2006 they were chosen by 13.8% of lower secondary school graduates), though the fall in popularity of those schools has stopped recently. As it seems, **a clear picture of the qualifications offered by particular types of schools has not been developed in the common awareness.** General upper secondary schools or specialised upper secondary schools are quite commonly considered a “better” choice, without the consciousness that completing them does not give any professional qualifications and usually requires further learning. The issue is particularly relevant for specialised upper secondary schools – in 2005, almost one third of their graduates failed at the matura exam. **What is missing is a good offer allowing fast acquiring professional qualifications by such persons.** On the supply side of educational services, it is still an issue to ensure attractiveness and adequate quality of vocational education.

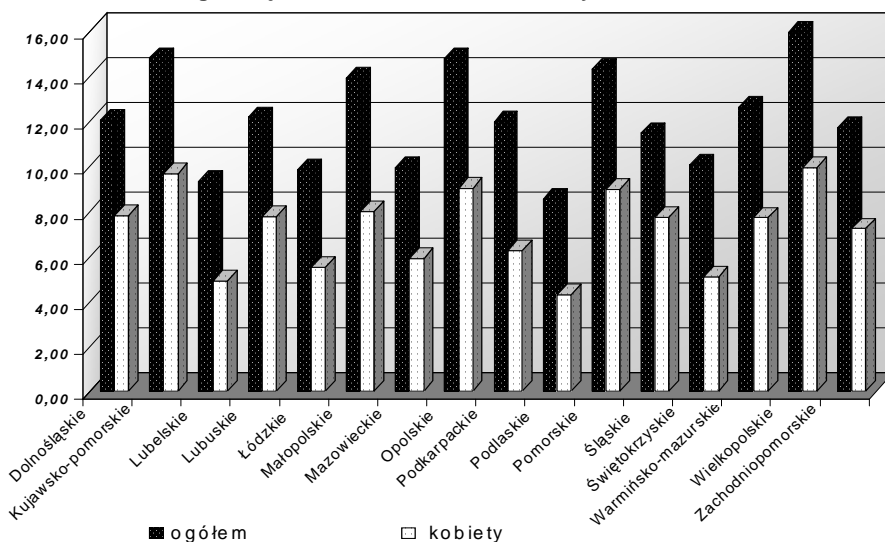
The reduction of vocational education was, in the 90's quite violent in character, connected to the fall of many enterprises which, on the one hand, supported or financed vocational schools, and on the other hand, offered jobs for the graduates. The process also caused a fall in the interest in that kind of education among the students. Additionally, the tendency to close vocational schools gained momentum in the wake of the implementation of the educational reform in the 90's: educational and administrative, as a consequence of which, education above the lower secondary level was specified as a responsibility of poviats authorities. Local self-governments, deciding what types of schools (vocational or general) to develop, taking into account, on the one hand, the costs of the functioning of the institution, which is much lower in the case of a general school, and on the other hand, the opinion of the inhabitants, who prefer general schools. Thus, **vocational education is in a disadvantageous position within local educational policies, which often omit the aspect of adjustment of the educational structure to the requirements and forecasts of the labour market.** The decrease in the importance of vocational education is most relevant for basic vocational schools, the number of which lowered from more than 3000 in 1991 to 778 in 2006. the process

was accompanied by a dramatic fall of the number of students in basic vocational schools from ca. 800,000 in 1991 to 230,000 in 2006. An opposite trend, though much less dynamic, could be perceived in relation to secondary vocational schools (ending in the matura exam). Their number grew from ca. 5,000 in 1991 to 6,376 in 2004, with almost unchanged number of students (ca. 800,000 in 1991 and 852,000 in 2004). An important tendency, which can be observed in vocational education, is **an increase in the interest in vocational education among adults, which enables adjustment of professional qualifications to the requirements of the labour market**. Despite the visible growing tendencies of that type of education, it is still **not popular enough** because of the costs which the people interested in learning must cover on their own.

**Low differentiation may be observed in terms of the choice of the learning profile by students living in particular voivodeships.** The figure below shows the differentiation of the net schooling rate for basic vocational schools broken down by voivodeships (with separation of females) in the school year 2005/2006. **The distribution of students in particular types of schools is similar in the breakdown into voivodeships.** The highest interest in learning in basic vocational schools can be observed among adolescents in the following voivodeships: Wielkopolskie, Opolskie and Kujawsko-Pomorskiego.

**Figure 24. Net schooling rate for basic vocational schools by voivodeship.**

**Współczynnik skolaryzacji netto w zasadniczych szkołach zawodowych według województw w roku szkolnym 2005/2006**



Source: Central Statistical Office, Education in the school year 2005/2006.

### Situation of students with disabilities

Pursuant to the Act on the educational system, **there has been created a system for educating disabled children and adolescents, which constitutes an integral part of the educational system in Poland.** In the school year 2004/2005, there functioned the total of 2,382 special primary, lower secondary and upper secondary schools, where 103,543 students attended. Whereas 68,600 students attended integration branches and generally accessible primary and lower secondary schools.

For many disabled students, the integration form of education is the most advantageous one, as it opens the opportunity for complete personal development for them. In integration branches there are employed additional teachers and specialists to co-organise integration education and helping students. Children and adolescents whose condition makes it impossible or very difficult to attend a school are provided with individual tutoring.

The most numerous group, that is the total of 98,753 in the school year 2003/2004 and 103,543 in the school year 2004/2005, at all levels of education, **were disabled students of special schools for: the deaf, hard of**

hearing, blind, sand-blind, students with motor disability, mental disability, with autism, with multiple disabilities.

Considering the difficulties that disabled students face in commuting to school, the Act on the educational system obliged gminas to ensure the students free of charge transport and care on the way to the nearest primary school or an institution enabling realisation of the compulsory education for children and adolescents with serious mental disability or reimbursement of the costs of travel of a student and carer in public means of transport if commuting is arranged by the parents. In the school year 2004/2005, 10,876 students were transported to school.

### Accessibility of education at the higher level

The most striking change has been **the impressive increase of the higher education participation rate – between 1990/91 and 2004/2005 the number of students increased fivefold – to almost 2 million people.** The net schooling rate grew from ca. 13% in 1990/91 to almost 50% in 2004/05.<sup>5</sup> **Almost one third of the students are studying at about 300 non-public universities,** which did not exist before 1990. They were established in many smaller cities, thanks to which a large proportion of the population of the country gained better access to higher education institutions located relatively near their homes. Nevertheless, concentration of population with higher education in large agglomeration shall be considered an important phenomenon.

Some of the factors determining access to higher education are in particular: network of higher education institutions, material support system for students coming from disadvantaged communities, competence level achieved in the upper secondary school. Although there took place an important increase in the society's educational aspirations, which has been testified to by the increase of the number of students, **there are still barriers limiting taking up studies by persons coming from communities threatened with marginalisation.** For people from those communities, the following factors are some of the main barriers: duplication of the social position of the parents and the accompanying lack of community support; awareness of the lacks in general education, as well as strictly economic factors. **The problem is relevant in particular for rural areas of the former State-Owned Farms, as well as the poorest urban communities.** Actions undertaken to date made the indicated problems less relevant for adolescents coming from rural areas, where gradual growth in the number of persons undertaking university studies can be observed. What is necessary for the growth of educational aspirations of adolescents coming from defavoured communities is the development of mechanisms enabling equalisation of educational differences at the level of upper secondary school and creating the opportunity for enrolling for a university, in particular the faculties which are attractive in terms of the labour market.

### Accessibility of continuous education

The educational system for adults was traditionally based in Poland on teaching in the school form. However, there have been recently growing opportunities for participation in trainings outside schools. **Participation rates of adults in the learning process are relatively low in comparison to other OECD states.** According to the results of surveys carried out by the GUS in 2005, **5.2% of adults aged 25-64 participated in trainings or other forms of education.** From among the OECD states carrying out comparable surveys, **Poland has the second lowest, just in front of Portugal, participation rate for trainings connected to employment and other forms of adult education.** Just like in most of the countries, the participation rate is exceptionally high among people with higher education, yet **that correlation in Poland is much stronger than in the remaining countries.** **The ratio of participation of people with higher education to people who have not completed upper secondary education is 6:1.** (in comparison, that ratio in the Scandinavian countries is, on average, 3:1). **Educational activity of the Poles is also determined by status, to a much higher extent than in other countries.** Employed persons participate in different kinds of trainings 15 times as often as persons professionally inactive.

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<sup>5</sup> The gross schooling rate is the percentage ratio of all students learning at a given level (in this case higher education institutions) to the population of those whose age is relevant for that level of education.



Regional variations are perceptible in the lifelong learning participation rate. The rate, measured as the ratio of the percentage share of persons studying and learning aged 25-64 to the total population in that age group, differs in various parts of the country. According to the GUS, the highest rate in 2005 was achieved in the Mazowieckie Voivodeship (6.2%), while the lowest in the Podkarpackie Voivodeship (3.7%). Ordering the values of the rate in particular voivodeships allows to separate a group of voivodeships which significantly exceed the national average (Mazowieckie, Dolnośląskie, Kujawsko-Pomorskie, Lubelskie and Śląskie) and a group of voivodeships with negative tendencies, some of which are the following: Podkarpackie, Warmińsko-Mazurskie, Opolskie and Lubuskie. Thus, however, also in this context it is difficult to separate geographical or economic factors, which would constitute a determinant of regional differences in the analysed period.

**The low education level of adults as compared to young people, who are completing their education at present**, is still a negative tendency. The tendency is visible both at the level of differences between generations in the scope of educational indicators, as well as examination of the skills of adults. In 2006, only 35.8% of the Poles had achieved full secondary education (as compared to 90% of young people who achieved full secondary education in 2002). The stratification **indicates very high needs in the area of lifelong learning for adults**, among others justified by partial outdated of knowledge and competences acquired in the young age by persons who are adults now. At the same time, analysis of the literacy level among adults (International Adult Literacy Studies – IALS) indicates that **Poland has one of the lowest literacy levels in the adult population among OECD countries**, i.e. 77% of the adult population do not reach level three, which is considered the minimum enabling effective participation in the contemporary society.

The above challenges that are facing adult education in Poland at present were not reflected so far in the reforms of the educational system undertaken since 1998. The first and second stage of the reform was focused in particular on measures related to education at the primary and lower secondary level. **Adult education was not a direct aim of the reforms carried out**, although the adult educational sector will indirectly benefit from better education of young people in the long run. A similar situation regarded vocational education, which was also covered by the reform, mainly in the scope of participation of young people in formal education. Nevertheless, an improvement of the vocational education quality at that level shall contribute also in the long run to an increase of the level and quality of adult education.

**The structure of supply of adult educational services in Poland is highly decentralised** (which significantly hinders coordination of actions undertaken in that field) **and insufficiently monitored**. It is estimated that, in 2005, the number of institutions provided trainings in the form of courses amounted to ca. 12,000, of which ca. 5,000 were schools, and more than 2,000 professional vocational development institutions (registered in local self-government units and under pedagogical supervision of the school superintendent). The remaining group of educational services providers **consists of institutions providing trainings on the basis of the law on economic activity, which are virtually beside any record or control**.

The high number of schools for adults ensuring formal education at the primary, lower secondary and upper secondary, as well as basic vocational and secondary vocational levels has been a distinctive quality of the Polish adult educational system. The schools offer adults, who have not completed a full education cycle, the opportunity to acquire the not completed level and complement it with subsequent stages. Despite the fact that more than half of schools for adults was offering vocational education in the school year 2002/2003, **a much higher number of students in schools offering general education indicates higher interest in that kind of learning**, which enables greater flexibility at a change of occupation and later continuation of formal education at the higher level.

An analysis of the demand for adult education manifests considerable differentiation in that field, determined by the above-mentioned factors: educational attainment, professional status, job and age. According to the Adult Educational Performance Survey (AEPS), in 2003, around 5.1 million adults took up some form of learning, of which 54% chose formal education, while 46% made use of non-school based forms of education (mainly the offer of training companies). **Restructuring challenges which cover both those in employment and those made redundant are an important factor determining the demand for lifelong learning**. In the case of the first group, vocational education helps maintain professional attractiveness of the current employees, in the case of the other one it is aimed at increasing employability and the chances of finding a job. In about 3/4 of cases the employers initiate and finance learning. The rather narrow range of trainings is most

often justified by both parties – employees and employer – with lack of needs, the employers indicate also the costs and the possibility of employing people with appropriate qualifications, recruited from outside. It is worth mentioning that the average frequency of trainings would rather go down, if some sections were excluded from the surveyed sample: financial intermediation – frequency of ca. 42%, and the public sector: administration – ca. 26% and education – 19%. Further sections are transport, warehouse management and telecommunications, as well as health care and social welfare (around 12–13%). In other sections, including industry, employer financed education for employees happens much less frequently. Beyond doubt, a large proportion of employees in education is accounted for by the public sector, which shows that trainings in private companies, on average, are an underestimated means of acting in favour of the improvement of one's position. It is so despite the competitive pressure, which, as it could seem, provides stimuli for improvement of the quality of employee qualifications.

### 1.4.3. The quality of services offered by the educational system

Problem of diversities in quality of educational offer is visible at all level of education including continuous education. This problem is demonstrated by differences in educational attainments of students, which one the one hand show differences between rural and urban areas and on the other hand differences between regions. Educational attainment of students are also differentiated depending on profile of education.

#### Differences of educational attainments according to PISA result

It is still too early to pass an opinion on the results of the postponement by one year of the moment of selection of a school type. **A significant improvement in the results of the PISA survey between 200 and 2003 may suggest positive effects** – in particular regarding motivation and the learning conditions of the weakest students. The greatest improvement in the results in mathematics and reading literacy took place among the weakest students aged 15, who in 2000 studied in basic vocational schools, and their equals in 2003 were in lower secondary schools.

**PISA surveys at the international level do not take into consideration information about the place where the students live.** Such data was introduced under the national PISA 2006 in relation to students of upper secondary schools. It regard the division into urban and rural areas and the size of the place (up to 3, 20, 50, 100, 200, 500, 1000 and above 1000 thousand population).

The PISA 2003 results concerning Polish low achievers in reading literacy depending on the location of school look as follows:

*Table 12. PISA 2003 results.*

low achievers in reading literacy	low achievers in mathematic literacy	Localisation of school (urban/rural/inhabitants)
21,7 %	29,0 %	Rural
16,5 %	23,0 %	Urban /under 20 000/
12,2 %	17,6%	Urban / 20 – 100 000/
9,4%	14,9 %	Urban /above 100 000/
<b>16,8 %</b>	<b>22,0 %</b>	<b>Poland average</b>
21,7 %	25,6 %	OECD average (students population)
<b>18,9%</b>	<b>21,4%</b>	<b>Average for OECD countries</b>

Source: CKE.

Regional differences may be observed in that area. **An analysis of the proportion of students in particular voivodships who in 2006 received the worst grades at the exam (0 to 15 points) indicate significant territorial variation.** In the Małopolskie Voivodeship the indicator was 3.0% for the humanistic part of the exam and 21.4% for the mathematical-natural one and those were the lowest values in the whole country. In the same year, the lowest result was achieved by the Dolnośląskie Voivodeship for the humanistic part of the lower secondary school leaving exam (5.8%) and the Warmińsko-Mazurskie Voivodeship for the Mathematical-natural one (28%). Just like in the case of preschool education, also here one **can differentiate between two groups of voivodeships: with the lowest problem intensification** (Małopolskie, Podkarpackie, Śląskie and Lubelskie) and **the highest** (Dolnośląskie, Lubuskie, Opolskie, Pomorskie and Warmińsko-Mazurskie). Yet it is not possible in this case to indicate unambiguously a correlation between intensity of the problem and the level of economic development of the region, the urbanisation rate or dependence on agriculture.

Results of external exams (the matura exam), which are carried out in general secondary and vocational schools, may now be used as a tool in comparing the quality of education. Comparison of results from 2006 when, for the first time after the introduction of the new matura exam the graduates of technical secondary schools took it, shows significant variation in that field. From among those taking the matura exam in mathematics, 97% of general upper secondary school graduates achieved a positive result, in the specialised upper secondary school the proportion was 80%, and 88% in the case of a technical upper secondary school. The differences were still greater in the case of the history exam (95%, 71% and 74% respectively) and biology (88%, 57% and 61% respectively).

### **Competences of teachers as a factor determining quality of educational offer**

**The teaching staff has similar educational attainment in urban and rural areas.** Also data concerning professional development are comparable. **Yet unfavourable tendencies in relation to rural areas occur in lower secondary schools and concern appointed and certified teachers.** In that context, teachers in urban schools come off much better: 65.8% appointed teachers and 67.7% certified teachers. In rural areas, the indicators are as follows: 34.2% and 32,3% respectively.

### **Quality standards in schools management**

It should also be noted that there is lack of tools allowing making systematic, at all levels of management of schools and institutions (school director, the leading body, the body exercising pedagogical superintendence) evaluation of the methods of implementation of the assumed short-term and long-term goals, in consequence the possibility of identifying the needs, thus the mechanisms of financing, administering and quality control of schools and institutions are limited.

### **ICT in education**

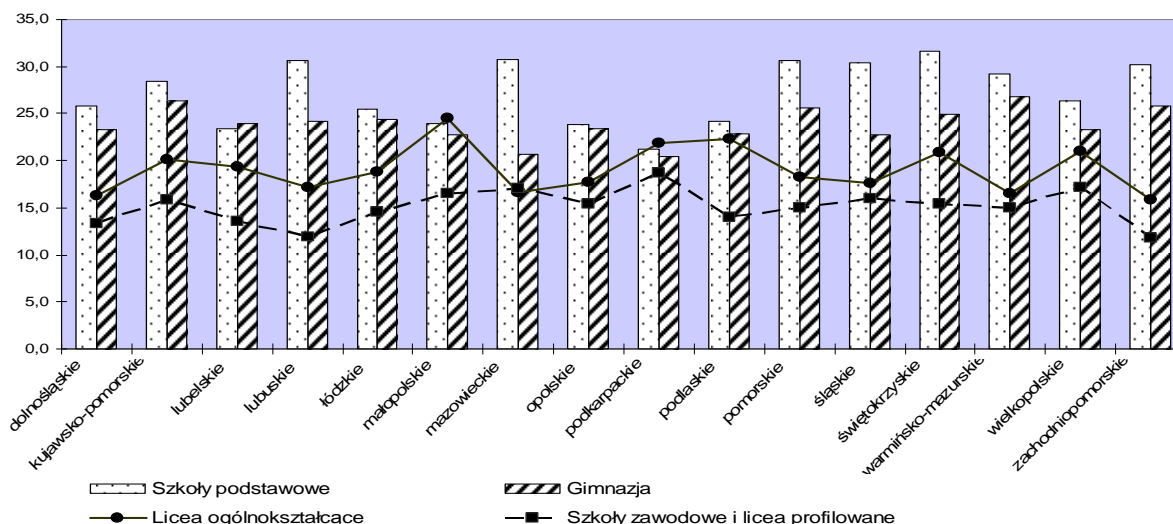
Another measure of the quality of education in the Polish system is the degree of utilisation of ICT in the learning process. At present, at every stage of education and within each educational profile, curricula include subjects regarding ICT or information technology. In 1998, the number of students per computer was 103. The department of education made many efforts to improve saturation of schools with computer equipment and other educational institutions. **Achieving the rate of 20 students per 1 computer in 2005 is the result of those efforts.** At the same time, the introduction of programmes of common trainings for teachers in application of ICT in education started. The actions were initiated by the department of education, as well as private companies supervised by the ministry. The greatest undertaking of that type was

the Programme “Intel Teach to the Future,” implemented in Poland in the years 2001-2005, in cooperation with the Intel and Microsoft corporations. The aim of the programme was to support teachers in maximum application of information and telecommunication technologies in the classroom. About 80,000 teachers were trained under the programme. **In total, about 200,000 people took part in all ICT trainings organised in Poland for teachers of various subjects.** Many of the teachers initiate the development of ICT in their schools and local communities.

Under the project “Computer Rooms for Schools,” co-financed from the ESF, computer rooms in 8,201 schools of various types were equipped in the years 2005-2006. Until the end of 2007, it is planned to equip further 11,753 schools. Application ICT to expand the existing teaching and educational resources was another action stimulated by the department of education. Establishing the educational portal “Scholaris” has been one of the greatest successes in that field. It was being created in two stages (stage 1 in the years 2003-2004 and stage 2 in the years 2005-006).

In the context, there are not emerging any significant regional variations, which is evident from a similar value of the **number of students per one computer with access to the Internet rate in the school, which pictures the level of utilisation of ICT in education.** In the context, regional differences are slight and it would be difficult to pinpoint factors determining them or specify trends in that area.

**Figure 25. Number of students per one computer with access to the Internet in the school year 2005/2006.**  
Liczba uczniów przypadająca na 1 komputer przeznaczony do użytku uczniów z dostępem do Internetu w roku szkolnym 2005/2006



Source: Central Statistical Office, Education in the school year 2005/2006.

### Learning quality in higher education.

Dramatic growth of the number of students and non-public universities, with simultaneous inadequate growth of the expenditures on higher education, **resulted in lowering the average quality of learning and greater variation of the quality of educational services.** It is partially a completely normal process and it would not be a serious problem, if two conditions were met: a well functioning accreditation system (guaranteeing maintaining quality at the at least minimum level) and a system granting university candidates and employers thorough knowledge about the kind of qualifications and knowledge which a given faculty in a given school may offer (based, e.g. on random surveys of candidates). It concerns both the quality of learning in a given faculty, and – above all – the prospective professional career after completing it.

Variation of the quality of learning is connected with such factors as: the structure of the teaching staff and their competences, access to modern teaching devices and materials, participation of students in traineeship and practices, competence level of persons undertaking studies.

**Establishment of a governmental institution for evaluation of the quality of learning (the National Accreditation Commission) was an answer to the need to verify it**, like the earlier commissions for particular communities (e.g. University Accreditation Commission). The evaluations made by the accreditation commissions **confirmed strong variation of the learning quality, both among particular universities and faculties.**

Learning quality is verified by accreditation commissions which require the evaluated bodies to prepare a detailed self-assessment report, which presents the strong and weaknesses of the learning process, as well as the development programme. The evaluations made by the National Accreditation Commission, presented to the minister responsible for higher education, result in taking key decisions for future education, such as: liquidation of faculties or suspending enrolment in the case of a negative assessment or granting the university additional budget resources in the case of an excellent opinion. In the case of granting conditional opinion, the unit is obligated to develop and implement a corrective programme in a given time.

**Access to information on the quality of learning, which the students may expect in departments of various universities, and in particular – about the opportunities for further career, created by different kinds of education, is still a disadvantage.** For that reason, the popularity of particular specialisations seem to diverge significantly from the optimum from the point of view of the processes existing on the labour market.

Such statement is reinforced by the comparison of the structure of students and graduates in Poland and other EU states. **The humanities seem over-represented with relatively low popularity of mathematical-natural sciences and technical studies.** As of 30 November 2005 (GUS), **the number of students at mathematical-natural and technical faculties amounted to 377,347 people, i.e. 19.3% of the total number of students**, of which the number of female was 110,872, i.e. 29.4% of the total number of students of those faculties. For the purpose of the calculation, data concerning the following faculties were taken into account: Science and Technology, Industry, Construction. The number of students on the first year of studies in the listed group of faculties was 93,656 people (the statistics does not take into account disaggregation by sex). The number of graduates was 50,896, which amounted to 13% of the total number of graduates; the number of female who graduated from those faculties was 18,616, which amounted to 36.6% of the total number of graduates from those faculties. **While the number of students of faculties, which were designated as “humanistic” in the document amounted to 679,766, which constituted 34.8% of the total student population**, of which the number of women was 457,704, which constituted 67.3% of the total number of those studying in those departments. For the purpose of the calculation, data concerning the following faculties were taken into account: Education, the Humanities and the Arts (the humanistic subgroup) and Social Sciences, Economy and Law (excluding the economic and administrative subgroup). The number of students on the first year of studies in the listed group of faculties was 155,307 people (the statistics does not take into account disaggregation by sex). The number of graduates was 98,537, which amounted to 25.2% of the total number of graduates; the number of women who graduated from those faculties was 73,050, which amounted to 74,1% of the total number of graduates from those faculties.<sup>6</sup>

**One of the reasons for the low interest in undertaking education in mathematical-natural and technical departments is the lack of compulsory matura exam in mathematics.** It means that the level of preparation of secondary school graduates from the subject which is the basis of the university curricula in that area is insufficient for undertaking the studies and achieving educational success at that level. One of the reasons for the low proportion of persons undertaking studies in the listed faculties is also the fact that **the educational offer in particular of most of non-public universities which do not provide such faculties.** The listed specialisations are usually faculties with high demand for resources and requiring creation of appropriate teaching basis and its constant modernisation, which entails incurring numerous financial expenditures.

The emerging (much simplified) **division into good universities located in the biggest cities and offering free of charge education to a large number of students and worse schools located in smaller centres, offering education, against payment, in faculties, which often are not preferred by the employers** does not influence equalisation of educational opportunities and employment opportunities. What is more, the key

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<sup>6</sup> Data coming from the GUS report “Higher Education Institutions and their finances” for 2005.

issue is the differentiation of the educational offer and its adjustment to the socio-economic conditions, in particular including foreign languages, the knowledge of which among students is still insufficient.

One of the barriers for the improvement of the quality of scientific research (and learning) is still the dominant **archaic model of professional career, where many people acquires masters degree at the same university, then doctoral degree, and then spends the whole professional life there.** Lack of mobility and an attitude of openness to competition does not favour the promotion of the best academics and the improvement of the quality of scientific research. The dynamics of changes in the field of academic advancement of university teachers indicates that it is a positive change which took place in the years of systemic transformation that the number of persons achieving doctoral degree grew threefold (from 1800 people in 1992 to 5460 in 2003) and their average age went down. It is still an issue though that similar dynamics is missing in the scope of granting the degree of assistant professor and the title of professor (for 3 years the statistics has been staying at the same level), and the relatively late age of acquiring promotions, which is a threat for the development of the scientific and teaching staff with the highest qualifications.

### Quality of continuous education

**What is an important element of the analysis of the condition of lifelong learning is the issue of the quality of the offered educational services,** which should become the focus of each lifelong learning strategy, as it is the lever for higher participation rates and higher private and social returns on investments in that form of education. **In Poland, the system of lifelong learning is not sufficiently based on tools guaranteeing high quality of the provided educational services,** which, on the one hand, is a result of the above-mentioned decentralisation and lack of coordination instruments, and on the other hand, insufficient monitoring of the interactions between supply and demand for educational services makes it impossible to ascertain if the forms and specialisations on offer correspond to the needs of individuals and employers. The first step taken in that scope was the establishment of the system of accreditation for institutions providing lifelong learning in non-school forms with keeping the voluntariness of undergoing the accreditation proceeding. **The system should be further developed,** and its current major challenge is specifying the target scope, in which it is to cover the market of lifelong learning.

#### 1.4.4. The connection between education and labour market needs

##### Vocational education

**Too weak link between the offer of vocational education with the labour market** is an important problem related to vocational education in the educational system. On the one hand, **the issue is related to the systemic and legal framework, in which the system of vocational education is functioning** and which are based on the Classification of Vocational Education. At present, the classification encompasses about 200 occupations, while learning is taking place in about 400 occupations, thus also some that are not included in the classification. However, the certificates and titles confirming vocational classifications are issued only for the occupations entered on the list of the classification of school occupations. On the other hand, there function at present also other classifications systematising occupations and specialisations on the labour market (e.g. the so-called economic classification covering ca. 2400 occupations or the international classification). **The Classification of Vocational Education** is thus blamed for **too low flexibility and maladjustment to the changing economic realities,** while works on its updating should have wide systemic framework and develop towards better monitoring of occupations emerging on the labour market and including them into the system of vocational education. Another element of vocational learning, which is underdeveloped at the moment, is **educational and career advisory,** which enables a choice of occupation in accordance with the predispositions of the student already at the stage preceding commencement of vocational education.

Another aspect of too weak link of vocational education with the labour market is **insufficient participation of employers** in the development of curricula and methods of realisation of vocational training. The situation requires remedial measures even more, since, as a result of the decline of vocational education, despite the high unemployment rate among the graduates, **employers have difficulties in finding graduates of vocational schools with sufficient qualifications to take up employment**. Although practical occupational learning is an element of vocational education entered into curricula, very often, in the context of outdated equipment of vocational schools in workstations for learning an occupation, not meeting the contemporary standards, and the lack of the possibility to enter into cooperation with the employers, **its importance for the qualifications obtained by a vocational school graduate is insignificant**. Participation of employers (mostly from the manufacturing industry) in the development of detailed curricula, realisation of traineeship at an appropriate level and furnishing vocational schools in exchange of the guarantee of employment of part of the graduates is a positive practice which should be reflected and encouraged both in systemic and legal solutions and direct actions of units of territorial self-government as the bodies responsible for vocational schools. **Establishing mechanisms of initiating cooperation between employers and vocational schools would enable adjustment of the supply of graduates to the demand created by the labour market**.

**Also the model of educating and developing the teachers of vocational education must change**. In the present form, preparation to take up the occupation of a teacher (also in a vocational school) is carried out in the form of university studies, which, by definition, sets the learning process for theory and knowledge **with insufficient reference to practice and skill**. In addition, teacher specialisations are too narrow, which results in the fact that the approach of one teacher – one subject remains in place. It guarantees good knowledge and teaching skill, but is inconsistent with the development of the competences of innovation and communication, the ability to create a “learning environment” and promote the development of learners. Vocational school teachers development system is underdeveloped, based mainly on elements within the educational system, **while specialist centres and structures in the economy are missing**, and that situation, in light of the changes in technology and work is an important threat to the quality of vocational training.

The problem of the link to the labour market in the context of lifelong learning regards **insufficient degree of cooperation and coordination of measures undertaken by various stakeholders**. The development of lifelong learning and reversal of the existing negative tendencies in that scope requires **horizontal coordination and cooperation at various levels** – between the right ministerial departments developing policies in the sphere of education, between government and self-government administration, but also between social and economic partners. **At the same time, it is vital that a national system and qualification framework (including vocational) should be developed**, increasing the mobility of employees by accepting qualifications obtained through lifelong learning by employers domestically and internationally.

#### **1.4.4 The linkage between tertiary educational institutions and the labour market**

The limited openness of scientific-academic circles to reforms, low mobility between sectors and unwillingness to undertake challenges are also some of the reasons for the too weak links of universities and scientific centres with business, in particular with high-tech enterprises (other causes may be connected with the existing legal regulations, e.g. related to financing universities from the state budget).

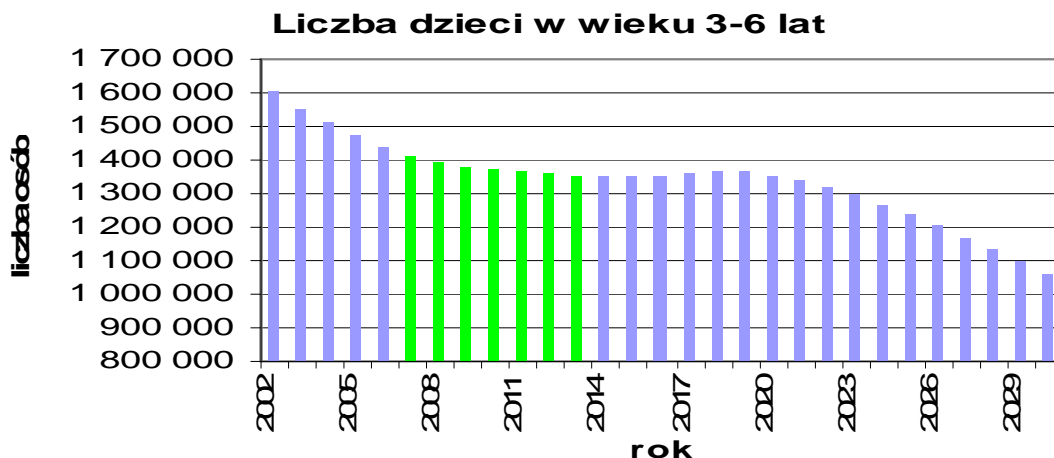
The above analysis of the condition of the education and training sector in the scope of the accessibility of education services, their quality and links to the labour market is horizontal in nature in relation to the administrative division of the country. It means that **there are no significant regional variations which would allow univocal classification of voivodeships with a clearly stronger or weaker condition of the education and training sector against the rest of the country**. Nevertheless, there may be identified some issues where regional variations are more clearly manifested.

#### **1.4.5. Influence of demographic prognosis on situation in educational system**

Number of children in preschool age has decreased in period to 2007 and in 2007 was smaller by 9,7% than in 2003. In period 2007 – 2013 the number of children in preschool age will stabilize. It means that emphasis should be placed on increasing number of children participating in preschool education, in

particular in rural areas, what is condition of further educational development as well as higher employability of its parents.

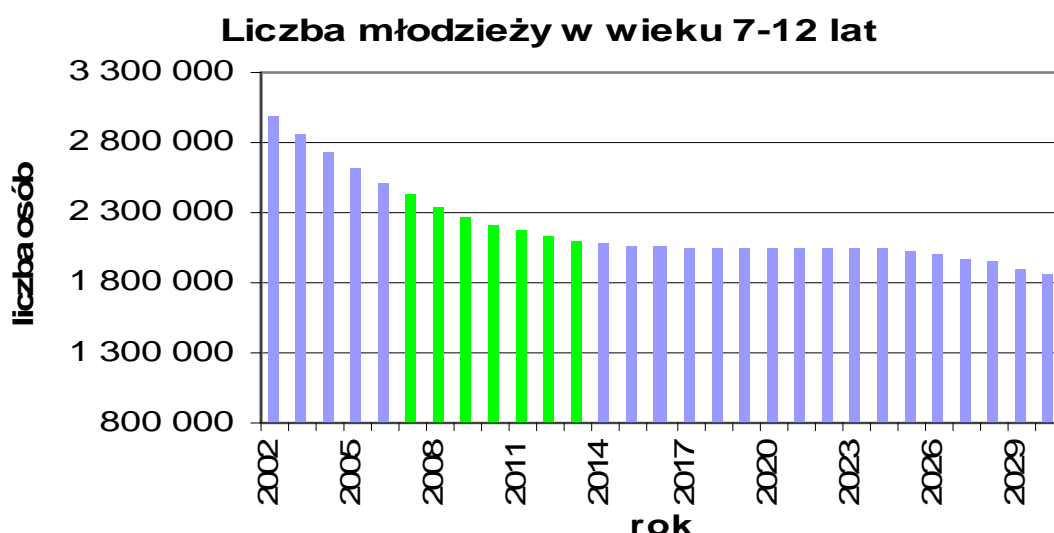
Figure 26. Demographic prognosis of children aged 3 – 6.



Source: NDP 2007 – 2013.

Decreasing number of children and youths may influence on necessity of limitation of number of schools in small town. In period 2007 – 2013 number of students aged 7 – 12 will be still decreasing. The alternative solution is to adapt small schools buildings to centres of continuous education as well as centres of local development, what could increase the level of social inclusion in those communities. It is envisaged that number of students in primary schools will stabilize in 2013 at the 28% smaller level than in 2003. In further years this trend will be fading due to current stabilized number of births.

Figure 27. Demographic prognosis of students aged 7 – 12.



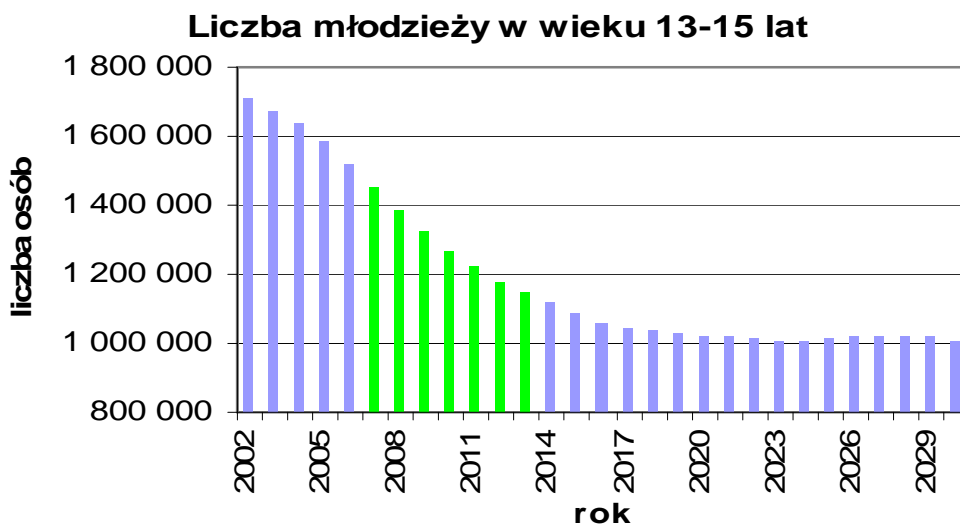
Źródło: NDP 2007 – 2013.

Number of students participating in education At lower secondary level (aged 13-15) will be decreasing. This trend is visible currently and number of student will stabilize not before 2014 at the level of 39%



smaller than in 2003. It is significant challenge for operationing of system of gymnasiums in particular placed in small towns. This is reflection of situation, which currently affects many primary schools.

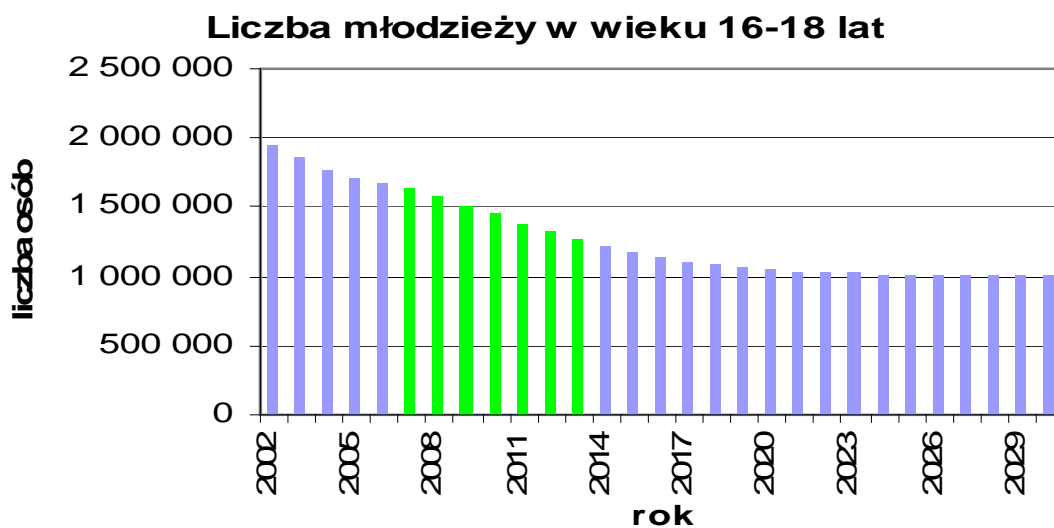
**Figure 28. Demographic prognosis of students aged 13 – 15.**



Source: NDP 2007 – 2013.

Number of students of upper secondary schools (aged 16 – 18) will be also systematically decreasing – this trend is very similar to presented above concerning students in lower secondary schools. In this age group decreasing will be a little deeper – by above 40% in relation to 2003. It is opportunity for increasing the share of population with secondary education in future on the basis of existing educational infrastructure.

Figure 29. Demographic prognosis of students aged 16 – 18.



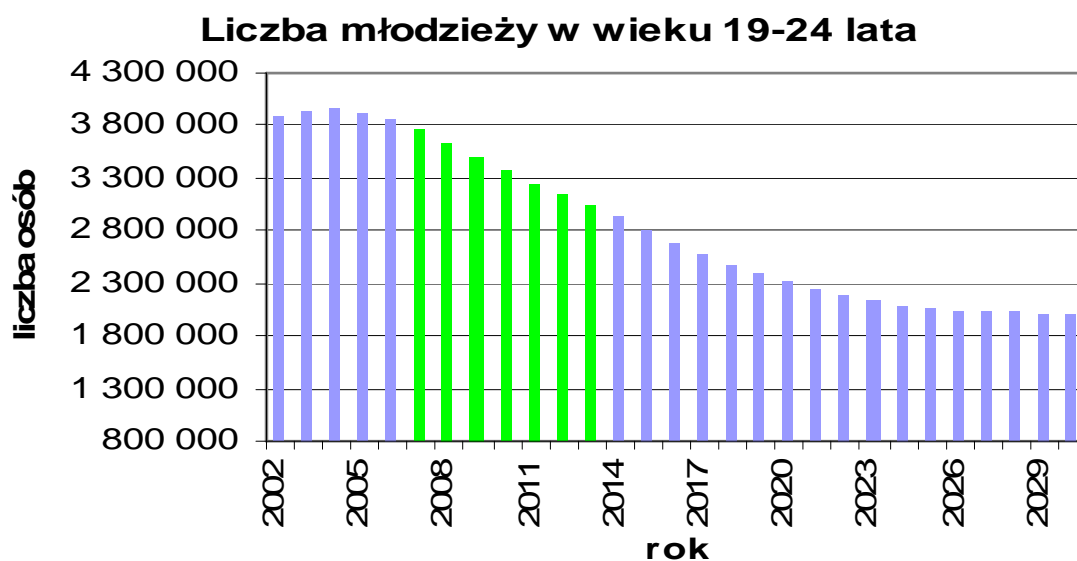
Source: NDP 2007 – 2013.

In conclusion period 2007 – 2013 should be considered as a period when number of children and youth participating in primary, lower secondary and upper secondary education will be decreasing. It is significant challenge for educational system – on the one hand it is opportunity for better education in smaller groups in schools, but on the other hand it is threat in particular in small towns that many schools may be wind up.

Demographic changes may also affect on decreasing demand on teacher’s profession , what should currently be taken into consideration.

Number of students aged 19 -24 had increasing before 2004. After 2004 the decreasing started at will last during the whole period 2007 – 2013. In result number of students in this age group will be smaller by 25% than in 2003.

Figure 30. Demographic prognosis of students aged 19 – 24.



Źródło: NPR 2007 – 2013.

#### 1.4.6. Research and development

In the Polish R&D sector, there were 123,431 people in 2005, of which 9,756 with the title of professor, 10,955 with the degree of assistant professor, 40,897 with the doctoral degree. **The highest number of scientists were employed by universities – 84,333, then research and development institutions – 21,703 and PAN research centres – 6,668.** Disaggregated by institutional sector, the employment was as follows: enterprise sector – 17,875 (14.5% of the total number of the employed scientists), government sector – 21,966 (17.8%) and higher education sector – 83,433 (67.6%).

**Cooperation between the science sector and the economy in Poland, expressed in particular by the degree of technology transfer, is assessed as insufficient.** The degree of technology transfer from science has been remaining on a very low level for years: in the years 2002-2004 only **1% of small companies and 2% of medium ones implemented innovations developed by scientific institutions.** However, process and product innovations were implemented in the same period by 20% of small and 22% of medium companies. Comparison of the data indicates that scientific institutions are of little importance as a source of innovations used by enterprises.<sup>7</sup>

**However, increasing the scope of cooperation between enterprises and scientists is necessary for the growth of innovation of Polish economy and maintaining its competitive position.** It results from surveys that the unsatisfactory state of affairs in this area results partly from economic or institutional reasons; whereas it is, too a high degree, a consequence of lack of knowledge about the benefits coming from cooperation, mutual distrust resulting from fixed stereotypes and lack of current contacts. In the report “Barriers for the cooperation between enterprises and scientific institutions,”<sup>8</sup> there were listed, among others, the following obstacles: **lack of information about the possibility of starting cooperation and ignorance of scientists and scientific institutions as to the market realities.** More than half of the businessmen asked about the reasons for not undertaking cooperation with research centres answers with “no need to.” It is in contrast with the opinions of businessmen who have already entered into cooperation with scientists. They claim that such cooperation ensures increasing innovation of the company and competitive success on the market. From the point of view of the scientific community, the most important issues in cooperation with the world of business are: lack of initiative and interest on the part of the enterprises with the activities of scientific institutions and insufficient financing of institutions mediating in contacts with enterprises.

**The condition of the R&D sector in Poland is testified to by lower than EU average share of scientists in professionally active population, very low share of research and development employees employed in the enterprise sector to the total number of research and development employees working in the country.** It has some obvious consequences, e.g. very low level of private expenditures on research and development. In 2004 they reached 0.17% GDP, while the EU average was more than six times higher (Eurostat, 2005).

### 1.5. Public administration

Attempts at making a diagnosis of the state of Polish public administration are made difficult by the lack of necessary data. No date, no comprehensive reports or analyses have been prepared, nor is there data picturing the condition of public administration entities, in particular in relation to self-government administration. It

<sup>7</sup> Based on the report “Innovation 2006. State of innovation, support methods, research programmes,” ed. A. Żołnierski, available at [http://pliki.parp.gov.pl/wydaw/rap\\_innowacyjnosc/raport\\_innowacyjnosc.pdf](http://pliki.parp.gov.pl/wydaw/rap_innowacyjnosc/raport_innowacyjnosc.pdf)

<sup>8</sup> Report developed by ARC Rynek i Opinia for On Bard Public Relations, ordered by the Ministry of Science and Higher Education, available at [http://www.nauka.gov.pl/mein/\\_gAllery/24/08/24087/20070213\\_raport\\_bariery\\_wspolpracy.pdf](http://www.nauka.gov.pl/mein/_gAllery/24/08/24087/20070213_raport_bariery_wspolpracy.pdf)

is necessary to develop a diagnosis of the condition of public administration, with particular focus on the self-government level, in the key aspects of its functioning in view of Lisbon Strategy. An additional difficulty in programming the scope of support for public administration is related to the fact that there has been developed so far no strategic document defining the key directions of the reform of that sector in the long-term perspective. Nevertheless, actions aimed at improvement of the quality of the functioning of public administration have been provided for in a few documents adopted by the Council of Ministers. Those documents include the National Reform Programme, 2005-2008, to implement the Lisbon Strategy, Regulation Reform Programme, Anti-corruption Strategy – II stage of implementation, 2005-2009, Targeted Strategy for the Development of Computerisation of Poland until 2013.

### 1.5.1 Characteristic of public administration

The essence of the current Polish public administration system is its sectoral (departmental) character. Administration system may be divided into sectoral institutions (Ministries and other units supervised by or subject to the minister of the department), which are responsible for shaping the policy and providing services in particular domains, such as health, education, environmental protection or agriculture. Sectoral division should theoretically be such that all domains of governmental tasks should be divided (no gaps) and none of the domains should fall under more than one body (no duplication). Moreover, the Polish administration system covers also a small number of “horizontal institutions” – establishing the “rules of the game” in the system. They are, e.g. the Ministry of Finance and the Ministry of Regional Development. At the moment, a special role in the functioning of the public administration is played by: the Chancellery of the Prime Minister, responsible for the implementation of tasks within government administration by civil service and the Public Procurement Office, which is responsible for the way of spending public money by the administration. The model of public administration is in Poland based also on the constitutional assumption that public administration consists of government administration – formerly state and self-government administration, which implements its tasks at the right level of administrative division of the state. The adopted pluralism orders the administrative matter: government administration implements tasks related to the state, while territorial self-government tasks serving the satisfaction of collective and individual needs of local self-government communities. It should be stressed at this point that also the former field tasks of the government administration belong to the tasks transmitted to the territorial self-government. Most of the public tasks implemented by the self-governments are tasks implemented in their own name and at their own risk. The role of the territorial self-government consists in the implementation of both types of tasks in order to satisfy the needs of local communities. In the context of the transmitted competences, self-government administration is a typical administration providing services, which, however, also has some tasks of the police administration nature, among others in the scope of issuing order regulations bidding on its territory. The public administration system is, thus, complex, and the responsibility issues are not always univocally established – the dualism existing at the voivodship level provides an example, where the competences of the voivode (and his or her office) in points cross with the competences of the marshal. In the **public administration in Poland defined in this way there were employed in 2005 (acc. to the data of the GUS) 368,000 employees**, as compared to about 315,000 in 2000. **Of that number, 165,000 employees were employed in the government administration and 202,000 in self-government administration.** Close-end funds and agencies are an important element of the public sector (though formally they are not administration units). In 2005, there existed 25 state close-end funds and 8 agencies and the National Health Fund. More or less the same proportion of men and women work in the public administration, and the share of people with higher education is one and a half times higher than on average for the whole economy and amounts to 38%. The highest number of civil servants completed higher education studies at faculties falling within social sciences. A very numerous group also graduated from law and the humanities, while business and administration take further positions, just like the technical faculties, architecture, nature, physics and others.

## 1.5.2 Civil service

Pursuant to Article 153 of the Constitution of the Republic of Poland of 2 April 1997, to ensure professional, integral, unbiased and politically neutral fulfilling the tasks of the state in government administration offices, there operates the civil service corps, whose superior is the President of the Council of Ministers. Organisation and functioning of the civil service is determined by the Act of 24 August 2006 on civil service (Journal of Laws of 2006, No. 170, item 1218), which came into force on 27 October 2006. Pursuant to Article 8, the tasks of the civil service shall be implemented, with the authorisation of the President of the Council of Ministers, by the Head of the Chancellery of the President of the Council of Ministers. Another legal act which has an impact on the functioning of the administration at the governmental level is the Act of 24 August 2006 on the state human resources and high state positions (Journal of Laws of 2006, No. 170, item 1217).

**Only a small proportion of people employed in administration are appointed officials.** Until the end of 2005, there were 3693 nominated civil servants (539 on the basis of an application for appointment for graduates of the KSAP and 3154 of civil servants who went through the appointment procedure), of whom 3599 were still in the civil service. In the opinion of the Supreme Chamber of Control (2005), despite the passage of a few years since the moment when the Act on civil service came into force, the fundamental objective related to the creation of the civil service has not been realised, that is ensuring unbiased, apolitical and competent implementation of the tasks of the state, without regard to the ongoing personal changes on the political positions in government administration. What received a particularly negative opinion was the hitherto method of implementation, by subsequent prime ministers, ministers and voivodes, of the responsibilities related to appointing officials in civil service. They did not undertake, on their own initiative, actions aimed at appointing officials through competition. As a result, there was preserved the state of temporariness in the occupation of higher positions by persons, who were entrusted with fulfilling the duties. As of 30 June 2004, 499 of the positions of directors and vice directors of the controlled offices (i.e. 65.1% of positions, which ought to have been appointed through competition) were appointed without competition, in the mode of entrusting with fulfilling the duties.

**There is no counterpart of the civil service model in self-government administration.** True reflection of that model in self-governments seems difficult (nevertheless, such a system or a similar one exists in many EU countries – like in Spain and Italy), among others, because of the fact that government administration has one superior – the Prime Minister, while particular territorial self-government units act independently.

A weakness of the functioning model of the civil service is the lack of fully shaped and stable legal system regulating its functioning. The highest threats for its functioning are mainly external: they are related to the willingness to subordinate administration – to a degree exceeding democratic standards – by subsequent governments and political groups. **In spite of the unfavourable phenomena, what is most important is the fact that – despite many problems rooted in history and other difficulties – a civil service corps was established in the 3<sup>rd</sup> Republic of Poland, while the very idea has not been openly questioned by anybody, though it must still be perceived as a task to be completed rather than an achieved goal.**

## 1.5.3 Strategic abilities of public administration to creation and implementation of key policies in view of Lisbon Strategy

The condition of public services influences at a large extent policies crucial for the implementation of Lisbon goals. Those goals in a mid-term perspective were articulated in the National Reform Programme. The NRP underlines the weight of comprehensive activities that need to be undertaken in order to improve the socio – economic conditions. Those activities are as follows: regulatory quality improvement, systemic measures aimed at the improvement of business creation and operation, improvement of economic judiciary. Effective implementation of public tasks is influenced by crucial projects related to reform of public administration: implementation of the system of multi-annual budgetary planning reflected in the NRP. Other challenges facing Polish administration are: introducing the public service standards, reform of remuneration of administration employees.

Surveys carried out by the World Bank that Poland is on a low position among EU Member States in terms of Regulatory Quality. The indicator enables evaluation of the ability of government administration to adopt high quality legislation, mainly in the area of the regulations of the business environment.

**Table 13. Regulatory Quality Index on the scale of -2.5 to + 2.5.**

<b>Quality Regulation</b>							
<b>Country</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2000</b>	<b>1998</b>	<b>1996</b>
<b>Belgium</b>	+1.24	+1.36	+1.35	+1.45	+0.69	+0.95	+1.17
<b>Bulgaria</b>	+0.63	+0.64	+0.58	+0.59	+0.15	+0.39	-0.02
<b>Cyprus</b>	+1.31	+1.27	+1.23	+1.21	+1.00	+1.02	+0.82
<b>Czech Republic</b>	+1.04	+0.98	+1.08	+1.10	+0.63	+0.70	+1.00
<b>Denmark</b>	+1.69	+1.80	+1.76	+1.72	+1.32	+1.25	+1.37
<b>Finland</b>	+1.74	+1.82	+1.90	+1.93	+1.72	+1.35	+1.26
<b>France</b>	+1.09	+1.10	+1.16	+1.19	+0.70	+0.85	+1.04
<b>Germany</b>	+1.38	+1.39	+1.51	+1.54	+1.30	+1.06	+1.31
<b>Greece</b>	+0.91	+0.92	+1.05	+1.11	+0.92	+0.74	+0.76
<b>Hungary</b>	+1.11	+1.15	+1.10	+1.17	+1.00	+1.04	+0.45
<b>Ireland</b>	+1.56	+1.61	+1.60	+1.61	+1.61	+1.38	+1.41
<b>Italy</b>	+0.94	+1.08	+1.13	+1.09	+0.70	+0.72	+0.62
<b>Latvia</b>	+1.03	+1.05	+1.01	+0.90	+0.46	+0.63	+0.45
<b>Lithuania</b>	+1.13	+1.18	+1.09	+1.01	+0.50	+0.14	+0.28
<b>Luxembourg</b>	+1.79	+1.94	+1.95	+1.91	+1.81	+1.13	+1.47
<b>Malta</b>	+1.24	+1.26	+1.21	+1.09	+0.38	+0.46	+0.43
<b>Netherlands</b>	+1.64	+1.73	+1.75	+1.87	+1.82	+1.36	+1.49
<b>Poland</b>	+0.82	+0.77	+0.54	+0.62	+0.64	+0.75	+0.38
<b>Portugal</b>	+1.20	+1.22	+1.30	+1.45	+0.97	+1.07	+1.20
<b>Slovakia</b>	+1.16	+1.14	+0.91	+0.73	+0.29	+0.22	+0.30
<b>Slovenia</b>	+0.86	+0.93	+0.85	+0.83	+0.58	+0.65	+0.45
<b>Spain</b>	+1.25	+1.31	+1.32	+1.38	+1.31	+1.04	+0.99
<b>United Kingdom</b>	+1.53	+1.74	+1.69	+1.75	+1.53	+1.44	+1.58

Source: <http://info.worldbank.org/governance/kkz2005/>.

The necessity to take actions in the scope of better formulation of legislation resulted in the study of the “Regulation Reform Programme” adopted by the Council of Ministers on 19 August 2006. The programme focuses on seven measures related to the improvement of the regulation environment in Poland: simplification of national legal acts, implementation of the EC’s simplification programme at the national level, enhancing the system of implementation of directives, using an administrative costs measurement and reduction system for enterprises, optimisation of regulatory impact assessment, strengthening the regulation potential thanks to cooperation with the EC and OECD with the SIGMA programme and implementation of the principle “Micro, small and medium enterprises first”.

Improvement of regulatory quality is one of the factors influencing the conditions of business operation. Other significant challenge is to improve the conditions of enterprise creation. According to OECD data the average time needed to enterprise creation is 31 days. It results from the fact that one-stop-shop system has not been established so far. Reducing the time needed to enterprise creation though establishing of such system will be a response to the Council conclusions adopted in March 2006. According to them average time needed to enterprise creation shall be limited to 7 days till 2007. Other challenge in this field is improvement of economic judiciary through measures aimed at reducing the average time of court proceedings. It is a major challenge considering the fact that according to NRP the average time of proceedings in economic cases is ca. 1000 days, while the NRP envisages its reducing to 150 days.

Other crucial challenge facing public administration is strengthening the potential to develop long-term strategies. Firstly it requires introducing new rules of public finance management, what was identified in NRP. Implementation of task – oriented budgetary planning will contribute to strengthen administration abilities to make analyses of unit cost of provided services and specify their qualitative parameters, remaining in relation to those costs. Task – oriented budgetary planning will also improve abilities to plan public services both annually and in long-term perspective, as well as increase the use of the potential of non-public entities in the scope of providing public services. In the present system, administrative units spend all budget resources by the end of the year, often on not necessary purchases, only so as to avoid losing the resources not utilised until 31 December. It does not take into account sufficiently the efficacy of the incurred expenditures and their actual impact on the social and economic reality. As a consequence, expenditures on administration are focused on entities, rather than tasks. It is often not realised what tasks are implemented by particular offices, what purposes implementation of the tasks serve and if they are implemented in an effective way. In that way introducing new rules of public finance management will contribute to strengthening the abilities to developing long-term strategies and programmes. That will accompanied by other activities aimed at strengthening the strategic planning abilities such as: increase of use analyses and studies in decision – making process, investment of analytic potential of administration units, strengthening the abilities to monitor implemented policies as well as their evaluation, improvement and improvement of quality and intensification of cooperation mechanisms between public administration units, between ministries as well as between government and self-government. Lack of appropriate interdepartmental, interregional or government-self- government consultation cause that national and regional documents are characterized by somewhat lack of coherence and hierarchy. Dispersal of goals, duplication of tasks,

In the area of capacity building special attention shall be also devoted to self- government units. Their location – close to a citizen, an enterprise justifies the investment in improving the quality of services rendered by self- government administration. Introducing client – oriented management standards will be of crucial importance for the improvement of effectiveness of public administration. In view of the lack of SGU analysis condition, the basis for capacity building measures shall be a comprehensive diagnosis of their condition. In general, one can show that the administrative potential of the institutions depends on the rank of the institution, the links to a higher level institution, stability of the implemented tasks, engagement of the entity into the building of their own administrative potential. Greater offices have better administrative potential – well-qualified staff, the possibility to enhancing qualifications and development of human resources, equipment in working order, enough auxiliary materials (office, specialist publications necessary for the work), etc. The best situation exists respectively in marshal offices, offices of cities with the poviats status, and gmina offices. Offices in rural gminas have the lowest institutional potential. Also in entities with smaller financial potential expenditures on the functioning of the office and maintaining the regulatory body were limited to satisfy the essential needs.

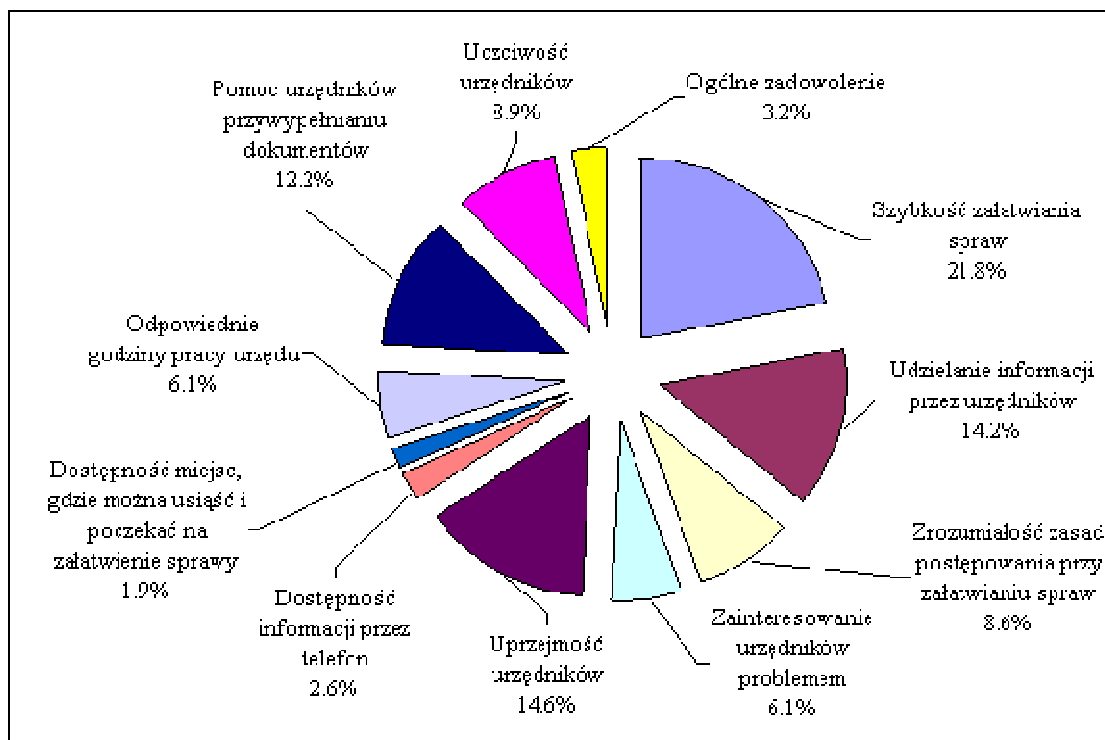
In the everyday practice of Polish administration, modern management methods are used rather rarely. The main shortcoming is the relatively narrow scope of applying the concept of process organisation in implementing the tasks of administration, which is characterised by the fact that organisation and functioning of the office are designed “bottom-up,” i.e. starting from the concrete need of the customer moving on to the analysis and organisation of the process towards the fullest possible satisfaction of the needs of the customer, which is reflected in high quality of the services provided. Whereas the procedures currently binding in the office are characterised by a high degree of complexity, long procedures, which entails lowering the performance and effectiveness of the performed actions. The lack of a clear division of competences, thus overlapping of decision-making competences, responsibilities and executive competences, should be viewed as the key weakness in that context.

In April 2006, the Supreme Chamber of Control carried out a control of the operating costs of self-government administration on a selected sample of (84) offices of territorial self-government entities. As results from the Pronouncement on audit results, in part of the gmina offices /starosties covered by the audit there were undertaken actions to enhance performance and improve customer service. In 21 offices/starosties, there were created citizen service offices employing several people, and in 22 – information points (1-2 employees). In customer service offices the citizens could resolve many issues, in the

points – obtaining information or taking forms. In the remaining offices such actions were not undertaken, mainly because of limited financial resources and lack of rooms.

As results form the following figure, what is most important for the assessment of the performance of the gmina or powiat office by the inhabitants is “time of settling issues.” Apart from that, another criterion of quality was the performance of the office evaluated in particular through the prism of the attitude of officials resolving administrative issues.

**Figure 31. Factors of resolving issues in an office/starosty.**



Source: Pronouncement on the results of the audit of the operating costs of the self-government administration, the Supreme Chamber of Control, April 2006.

All offices implemented the obligation to publicise public information on the website of the Public Information Bulletin. Most of the entities established their own websites, which enabled downloading from the Internet forms and documents necessary for resolving issues in the office. Circulation of documents in the electronic form was established in several offices. In not numerous offices, electronic mail was used not only for internal correspondence, but also correspondence with institutions and individuals. In more than a dozen entities, there was implemented a Quality Management System. However, in most cases, implementation of such a System had not been planned especially because of the related high costs. In opinion polls, customers of offices express the opinion that the difficulties in communication with the office and poor flow of information in the very administration constitute one of the most serious defects of administration.

Self-government employees of all territorial self-government entities covered by the audit participated in “external” trainings. Whereas the number of internal trainings was not high, from 1 to 20 (in the period of two and a half year), and their topics limited to the issues of work security and hygiene and implementation of the Quality Management System. Employees of most of the offices and powiat starosties participated in trainings regarding procedures in the scope of obtaining EU funds, including preparation of grant applications. The situation is complicated by the fact that there is no counterpart of the civil service model in self-government administration. True reflection of that model in self-governments seems difficult (nevertheless, such a system or a similar one exists in many EU countries – like in Spain and Italy), among others, because of the fact that government administration has one superior – the Prime Minister, while particular territorial self-government units act independently. Nevertheless, the current situation, in which



there are no uniform standards of proceeding, which should be observed by members of local governments, is definitely disadvantageous. There lack, among others, standards in the area of professional development, qualification procedure and promotion of officials. There is also no (unlike in the case of government administration employees) a uniform Official Code of Ethics, though some self-governments introduce their own, different codes. There is also no institution which could watch over compliance with the norms and rules specified for self-government officials – thus, in practice, supervision of the President of the Council of Ministers over the activity of territorial self-government is in that scope quite limited.

**Capacity building measures, related to government and self-government administration, aimed at effective implementation of policies crucial in view of Lisbon Strategy, will require preparation of an appropriate training offer. Its scope of the offer will result from a detailed training needs analysis matching the NPR goals. Investments in human capital require long – term and diverse approach both at the level of entire public administration and particular administrative units.**

### **Human resource management in government and self-government administration units**

**Human resource management in public administration often consists in limiting management to “administering” the staff.** Such tools as developing competence profiles, systematic investigation of training needs, qualification improving programmes, motivation systems are still used to a small degree and only in relation to the civil service corps. In the opinion of the NIK (2005), building an efficient and competent civil service ensuring integral performing of the state’s tasks requires financial outlays enabling improving the qualifications and professional skills of officials.

3,751 employees of the government administration were directed to participate in central trainings (i.e. planned and supervised by the body supervising civil service) in 2005. The number of the members of the civil service corps covered by various forms of educational undertakings was 125,000. 528 people were trained within Action 2.4 SPO RZL in 2005, while in 2006 – 3,994 people, whereas the training of about 9,867 people is planned for 2007. Members of the civil service highly evaluated and were willing to participate in all forms of learning. At the same time, employees of smaller offices in regions often manifested the need for access to a wider learning offer. However, too small budget resources of a given offices would not allow it.

What is an important problem in the scope of enhancing the performance of administration is the reimbursement system. The current government administration reimbursement system is very complex and incoherent, far from, for example, the best standards developed in the business sector. It results from the performed surveys that half of the surveys members of the civil service corps do not know the criteria for establishing the basic salary nor the amounts of rewards, also the system of promotion is not very transparent. The system hampers effective human resource and reimbursement policy in administration. It fixes the historically developed, not always justified from the substantial point of view variation of salaries between public administration units.

Human resource policy in public administration is characterised by problems similar to those existing in government administration. Also here, professionalisation of human resources is made difficult by significant changes in the staff after elections changing the ruling party.

**The above diagnosis, in particular the need of introducing the public service standards and necessity of improvement of legislation, is especially justified in view of Corruption Perception ranking.**

Poland occupies the 61st position out of 163 countries of the Corruption Perception Index ranking, ordering the countries by the scale of perceived corruption a, which is annually published by the Transparency International. It means that Poland with the result of 3.7 points was the worst among new Member States from the Central-Eastern Europe and among all EU Member States.

**Table 14. Poland's position in the Corruption Perception Index ranking in the years 1996-2006.**

CPI survey year	Number of covered countries	Poland's position in the ranking	Value of CPI for Poland
1996	54	24	5.6
1997	52	29	5.1
1998	85	40	4.6
1999	99	44	4.2
2000	90	43	4.1
2001	91	44	4.1
2002	102	45	4.0
2003	133	64	3.6
2004	146	67	3.5
2005	159	70	3.4
2006	163	61	3.7

Source: [www.transparency.pl](http://www.transparency.pl).

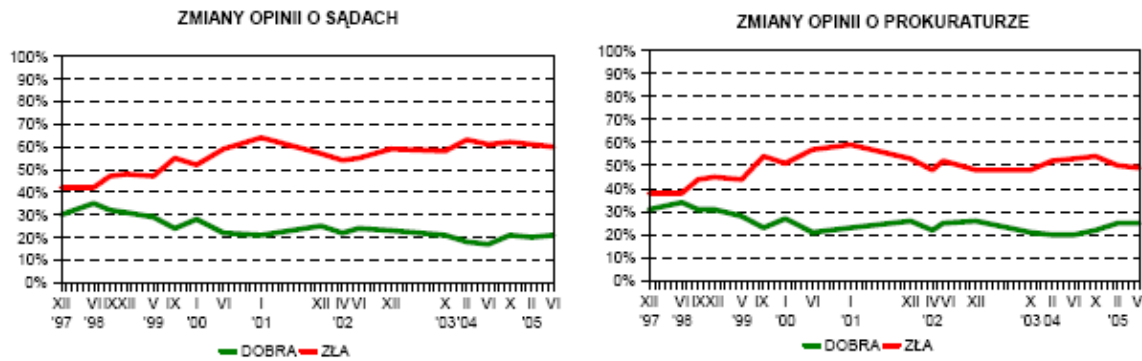
Some of the major causes, which favour the occurrence of corruption-prone situations in the activities of the state and self-government administration officials, public institutions and public economic entities are: excessive competences of one official, freedom in decision making – issueNegligence of documentation and reporting, weakness of internal control, resulting from bad organisation (ad hoc actions are mainly undertaken) and insufficient staffing, uUneven access to information regarding the possibility of making use of some discretionary privileges or access regulated goods lack of official's personal responsibility for the implementation of particular tasks, which results in "blurring" of individual responsibility for the decisions taken, lack of effective anti-corruption solutions, in particular weakness of the so-called anti-corruption act, which in the present form is devoid of effective instruments for enforcing its provisions.

Surveys of the phenomenon of corruption indicate a high degree of intensification of the phenomenon in the public sector – among public officials, representatives of the legislative, executive and court authority. The phenomenon of corruption indicates close correlation with the scope of executed official duties – bribes are most often given in the health care (56%), to traffic police (12%), in gmina, city and powiat offices (8%), while getting a job (5%) and to teachers in schools (5%)<sup>9</sup>.

Special capacity building measures requires Polish judiciary, what has been mentioned in view of the improvement of business operation. The number of cases heard by courts in Poland has grown a few times in the last years. Courts took over a series of types of cases, like fiscal cases or cases of delinquency, which used to be settled by other bodies. Additionally, the introduction of market economy mechanisms caused an increase of the role of the business register and register pledges and civil-legal instruments as the regulators of social and economic relations. One of the main reasons for the occurrence of the phenomenon called the "collapse of the administration of justice" is the fact that the growth of the number of cases is not accompanied by the growth of the number of jobs in jurisdiction and administration. The so-called prolixity of court proceedings was the consequence of the crisis. Legislative changes concerning judiciary, among others in the act – the Law on the structure of common courts or in procedures (civil and penal) consisted in, among other things, extending simplified procedures, leading to faster settling cases. Nevertheless, the opinion polls performed in 2005 revealed that the opinions on the performance of courts and public prosecutor's offices are still low. Only one in five surveyed persons evaluates positively the judiciary in Poland, an one in four the public prosecutor's offices.

<sup>9</sup> Data based on the *Public Opinion and the Members of the Parliament about Corruption – a Survey Report* by Anna Kubiak, PhD, under the Programme for Counteracting Corruption, Warsaw 2004, S. Batory Foundation

Figure 32. Changes of the opinions on the performance of courts and public prosecutor's offices.



Source: CBOS Survey "Evaluation of the public order bodies and administration of justice," 2005.

Improvement of the perception of the judiciary by the citizens will be one of the effects of the new solutions related to customer service successively introduced in courts, enhancing running of secretariats owing to IT solutions and improvement of the effectiveness of the use of judiciary and auxiliary staff.

Primarily, the improvement of courts effectiveness will require organisation changes. In that matter it is needed to increase the number of fully operable websites of district courts and the creation of such websites for provincial courts. Thus, websites of courts should fulfil the informative function and most of all enable direct contact with the court for the customers, later access into cases in which they participate, and at a still later stage – submitting documents and making payments.

It is also needed to increase the number of courts applying electronic office administration, which would undoubtedly influence enhancing the operations of courts and acceleration of court proceedings. Enhancing court operations is also connected to the introduction of improved internal communication between departments and branches of the court, which would result in simplification of the circulation of documents.

Customer service points, integrated with submitting offices in courts, are not sufficiently equipped in hardware and software enabling granting information to customers. There are courts, where customer services offices have been separated organisationally and functionally, where one can obtain general information and information about particular cases. "Customer" receives free leaflets, brochures, as well as templates of statements. In some points, the customer may also have access to the files in the presence of a court employee. The solution is being gradually introduced, the first court, where an Office was established was the Court in Suwałki. The next three were opened in 2004 in Cracow, Łódź, Gdańsk, under the Twinning project with the French Ministry of Justice. Subsequent ones were created in Świdnica, Piotrków Trybunalski, Częstochowa, Tomaszów Mazowiecki. The effect of the functioning of the points is in particular enhancing the operations of the court, relieving the court secretariats from providing information and building a positive image of the courts and the department, and then maintaining and strengthening positive opinions about the administration of justice. Because of the positive effects of the operations of the points, it is planned to expand the network in the years to come.

**on the other hand a key issue for the performance of judiciary in Poland is also the system of educating the employees of the bodies of judiciary.** The training offer will respond to the needs deriving from the NPR goals. In 2001, the obligation for constant improving one's professional qualifications was entered into the Law on the structure of common courts. The change of the model of educating staff took place in 2002, when, after approval of the Minister of Justice of the concept and directions of the changes in the education system, there was created a new department in the structure of the Ministry of Justice, currently called the Department of Lifelong Learning and Supervision over Legal Trainings. The unit has been implementing tasks in the scope of lifelong learning of judges, prosecutors and other employees. In accordance to the assumptions of the reform of the education system, educational standards should support the reform of administration of justice, improve the effectiveness of court proceeding and substantial

preparation of the officials. Since 1 September 2006, the National Centre for the Education of the Staff of Common Courts and the Public Prosecutor's Offices, which took over the tasks in that scope.

Because of the number of judiciary staff existing in Poland (about 10,000 judges and assessors), which is one of the highest in Europe, further increase of employment in that occupational group is not planned. What is planned, though, is a significant growth of the number of auxiliary staff, like judge's assistants, court secretaries. Furthermore, within the reform of judiciary, it is planned to improve the effectiveness of the judiciary and administrative personnel, which is also supposed to serve facilitation of court proceedings. Among others, the Office for Analyses and Establishing the Number of Posts in the Common Courts was established in the Ministry of Justice, whose main tasks include making analyses of the volume of work per judge and other common administration of justice employees, as well as deploying and using the staff in particular organisational units, also development and implementation of a regional programme of utilisation of all occupational groups of the common judiciary with the aim to ensure the number of jobs in courts appropriate for the actual needs resulting from the volume of work.

## **1.6. Cooperation between public administration and social and economic partners, including non-government organisations**

Cooperation of non-government organisations with public administration constitutes an important element of the binding constitutional order of the Republic of Poland. The Constitution of the Republic of Poland of 2 April 1997 included the principle of social dialogue and the principle of subsidiarity.

The Act of 23 April 2003 on public benefit activity and volunteerism (Journal of Laws of 2003, No. 96, item 873 as amended) regulated holistically the cooperation of the community and voluntary sector with public administration. Public administration is obligated to cooperate with non-government organisations in the scope of their public benefit activities. Cooperation is taking place according to the principle of subsidiarity, sovereignty of the parties, partnership, effectiveness, fair competition and transparency.

Pursuant to the Act on public benefit activity and volunteerism, non-government organisations are organisations which *are not entities of the public finance sector, in the understanding of the public finance provisions, and do not act to gain profit, legal persons or entities without legal personality established on the basis of the provisions of acts, including foundations and associations*. The Act covered with its scope also church and religious organisations, as well as associations of territorial self-government units, equalling them from the formal perspective in the scope of public benefit activity with non-government organisations.

According to the data of 2006, such a widely defined sector includes more than 120,000 organisations. Most of them are associations – about 55,000, trade unions – 18,500, church units – 15,000, Voluntary Fire Brigades – 15,000 and foundations – 8,000 (KLON/JAWOR Association, 2006). The scale of the participation of the Poles in the community and voluntary sector has been stable for a few years and has not grown (CBOS, 2004). Only one in four adults declares that he or she devotes his or her free time to social activity. At the same time, however, the same survey shows that about 2 million Poles are engaged as permanent volunteers. Such a situation is worse than the one in the EU countries, which can be explained by a shorter tradition of free citizen activities in Poland

Important differences pertain to the condition of the community and voluntary sector in urban and rural areas. The initiatives located in urban areas are greater, both in terms of the number of members (for member organisations), and in terms of employment and the budget. Annual income of 3/4 of rural initiatives do not exceed PLN 26,000 – that is over three times less than in the case of cities up to 50,000 population, and almost five times less than in the group of organisations from voivodship cities. Most of organisations located in rural areas or in small towns (up to 10,000 population) are sports clubs or recreation associations. Relatively high number of organisations from villages and small towns operates also in the area of environmental protection and local development. As for activities focused on human rights and initiatives supporting the development of the community and voluntary sector, in Warsaw, one in ten organisations is occupied with that kind of activity, while in villages and small towns – less than 1 in a 100 (the Ministry of Social Policy, 2006 based on KLON/JAWOR Association, 2006).

### 1.6.1. The importance of cooperation of public administration and non-government organisations

Cooperation of public administration with non-government organisations and its legal regulation is a manifestation of the new democratic order, in which the community and voluntary sector plays the role of a partner of public administration, not losing its sovereignty.

Non-government organisations have a great potential for activity in actions for the society. Providing social services is the key role played by the sector. Yet their function is not limited to active measures in favour of various social groups, but it is most importantly connected to the implementation of a specific added value to the provision of social services, which is constituted by competences – individualisation of actions towards customers, adjustment of tools to particular groups and their needs, high quality of services, monitoring the situation of the beneficiaries in the long time perspective, gaining independence by the beneficiaries – so that they would start coping with social problems and challenges of the labour market by themselves. **Public-social partnership focused on actual cooperation and solving social problems in cooperation of various entities and in a long time perspective is indispensable.**

Legal sanctioning of the cooperation between public administration and non-government organisations formed the basis for the development and institutionalisation of civic dialogue. Beside the traditionally understood social dialogue with the participation of social partners – organisations of employers and trade unions – there also functions civic dialogue between public administration and the community and voluntary sector. The sector participates, as a representative or speaker for social groups, in recognising the needs and **creating public policies**, as well as in reviewing the activities of public administration. Forms of cooperation, which also require significant support, are:

- mutual informing about planned focuses of activities and cooperation to harmonise the focuses;
- consulting drafts of normative acts in areas related to the statutory activities of the organisations;
- creating joint teams for advising and taking initiatives, comprising members of non-government organisations and representatives of appropriate bodies of public administration.

The importance of cooperation of public administration and the community and voluntary sector in the aspect of providing social services to citizens and creating public policies is confirmed by surveys, which show that exchanging information and commissioning public tasks are the most frequent form of cooperation between public administration and organisations (the Ministry of Social Policy, 2005)<sup>10</sup>.

What, beyond doubt, is a strong side of the system is the existence of legal regulations of the principles of cooperation between public administration and the community and voluntary sector, yet it should be noted that the organisations have much smaller potential for efficient implementation of the appropriated tasks. It is connected to a high degree to the insignificant potential in terms of organisation and staff of the entities and limited resources for training activities. Surveys carried out in 2006 by Klon/Jawor show that only **38% of the organisations participated in trainings in the previous year** (related to the general aspects of the functioning of the organisation or to the specific field, in which it operates). That was 11 percentage points more than 2 years earlier. In most cases (in 65% of organisations which participated in some trainings), their number did not exceed three in the previous year. Only 5% of the organisations which declared some kind of learning in the previous year went through 10 or more trainings. **Still trainings in the field of obtaining grants are most sought** (such a need is reported by 56.6% of entities). The result shows what deficits are most severe for the organisations. The second place on the scale of training needs was taken by **trainings in subjects specific for the organisation** (related to the particular field of the operations of the entity).

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<sup>10</sup> *Report on the functioning of the Act on public benefit activity and volunteerism*, the Ministry of Social Policy, Warsaw, 2005.

**Table 15. Training needs of non-government organisations (by indications of organisations).**

Subject of training	Proportion of organisations
Obtaining funds	56.6
Knowledge related to the specific field in which the organisation operates	36.5
Legal and formal issues related to the functioning of the organisation	33.1
Building organisation's image, promotion, cooperation with the media	28.2
Finances of the organisation (accounting, finance management)	24
Foreign languages	22.6
Building relations with other sectors, cooperation with public administration	16.3
Obtaining and organising the work of volunteers	16.3
Management of organisation's programmes (planning, evaluation)	15
Interpersonal skills (communication, self-presentation, negotiations)	14.5
Application of modern technologies (including the use of computer)	13.7
Human resource management (team building, chairing meetings, leadership)	11.1
Others	4.9

Source: *The survey Condition of the community and voluntary sector in Poland, 2006, Klon/Jawor.*

If the organisations are to fulfil their tasks effectively, in particular the tasks related to the implementation of public tasks and consulting and agreeing public policies, thus play the role of a partner for public administration, their potential must be adequately strengthened. Only that kind of approach guarantees full implementation of the principle of subsidiarity.

### **1.6.2. Areas of cooperation of public administration and non-government organisations**

The Act on public benefit activity and volunteerism names the areas of public benefit, where public administration bodies may commission public tasks to the community and voluntary sector. The tasks most often contracted by self-government administration bodies concern: popularisation of physical culture and sport (41% of territorial self-government bodies granted support to organisations in this area), culture, art, protection of cultural heritage and tradition (19%), regional studies and holidays for children and adolescents (17%), health care and promotion (16%), activities for persons with disabilities (15%), social assistance (15%). The least frequently contracted tasks concerned such areas as: promotion and organisation of volunteerism (2%), popularisation and protection of freedom and human rights and civil liberties, as well as actions enhancing the development of democracy (0.1%).

In the case of government administration at the central and voivodship level, 33% of offices commissioned tasks in the area of social assistance and science and education, 31% in the area of activities for persons with disabilities and regional studies and holidays for children and adolescents, 29% in health care and promotion. Among the areas, however, in which the government administration was contracting tasks least frequently, one should name: popularisation and protection of freedom and human rights and civil liberties, actions enhancing the development of democracy (only 8% of offices commissioned tasks from that scope), ecology and animal protection and protection of natural heritage (8%), promotion and organisation of volunteerism (6%) (the Ministry of Social Policy, 2005).

From the point of view of the ability of public administration to provide services for citizens, there is the need to support cooperation between the public sector and the community and voluntary sector – in that public-social partnership as a fundamental formula based on the principle of subsidiarity – in all areas specified in Article 4 of the Act of 24 April 2003 on public benefit activity and volunteerism.

Because of the relatively low level of commissioned tasks in the area of “popularisation and protection of freedom and human rights and civil liberties,” as well as “actions enhancing the development of democracy,” with the simultaneous low legal awareness of citizens and the limited access to legal assistance, what requires particular enhancement is both the area of legal and civic counselling, and social supervision over compliance with the principle of public administration responsibility towards the citizens and the principle of cooperation of public institutions with civic institutions.

### **1.6.3. Problems in cooperation of public administration with non-government organisations**

It follows from data concerning cooperation of public administration bodies with the non-government organisations that there is a number of issues regarding both cooperation and weaknesses of the partners. Although non-government organisations took over provision of services in particular domains, their potential in that scope is used insufficiently.

In the opinion of the public administration bodies, some of the weaknesses of the cooperation are insufficient familiarity with the Act on public benefit activity and volunteerism and the resulting regulations both by representatives of public administration and non governmental organisations. Officials indicated also a number of difficulties, emerging during financial support of the community and voluntary sector, through contract implementation of public tasks in the mode of an open tender, stressing that the competition procedure is too difficult and complex. Local self-government units at the gmina pointed at inadequate popularisation of information about the functioning of non-government organisations and the ways of implementing public tasks.

All public administration entities stressed also the weaknesses of the community and voluntary sector. What was particularly emphasised was the low awareness of the Act on public benefit activity and volunteerism, lack of human and organisational resources in non-government organisations for implementing new statutory tasks, thus also difficulties in correct completing bids for grants in open tenders, settling grants and drawing up reports on the implementation of public tasks. Territorial self-government entities emphasised also low activity of non-government organisations and lack of interest on the part of the non-government entities in cooperation (the Ministry of Social Policy, 2005)

Surveys among non-government organisations carried out in 2006 by the KLON/JAWOR Association showed that, in general, the cooperation with non-government administration is evaluated positively. One in two organisations assesses its influence on resolving local problems as good or very good. A similar opinion is declared by 30% of the society. What is disturbing is the weak cooperation of organisations with the self-government at the regional level and the fall of intensity of the contacts with the government administration at the regional and central level.

The problems most frequently mentioned by non-government organisations include too complicated formalities related to utilising the resources of grant providers, sponsors or European Union funds (the problem was relevant for 53.7% of organisations, as compared to 48.1% in 2004), excessive bureaucracy of public administration (51.5%, 48.2% in 2004), unclear rules of cooperation of organisations with public administration (37.7%, 37.4% in 2004) and excessive control by public administration (16.3%, 11% in 2004).

From the point of view of the possibilities of starting cooperation with public administration and its quality, also the underdeveloped human potential in non-government organisations is of importance, since 75% of them do not employ hired personnel (KLON/JAWOR Association, 2006). Problems with human potential have been growing in the last years.

It should be stressed at this point that the level, scale, dynamics and quality of partnership between public administration and non-government organisations shows significant variations by location and the level of activity of non-government organisations.

#### **1.6.4. Areas of cooperation of public administration and social partners**

The basic difficulty of the diagnosis describing the social dialogue condition resulted from the lack of comprehensive research on the above-mentioned subject. Any complex analysis related to the condition of the social partners, especially at regional and industrial level, as well as their needs indispensable for exercising their functions have not been so far available. Thus, one of the main challenges is to acquire the essential and most comprehensive data on this matter.

Social dialogue in Poland has been conducted since the 90s in the institutionalized and non-institutionalized form. Non-institutionalized dialogue may be conducted by concluding collective labour agreements and consultations and giving an opinion, which are the execution of the entitlements of social partners resulting from the legislation pertaining to them.

Exceptional obligations and competences are implied to the social partners due to their role as the representatives of the precisely defined group (employees and employers) and the existence of the objectives and proceedings which rule the dialogue. Use of these competences depends on the factual representativeness of the organizations which legitimates their position towards other organizations and the public administration. The representative social partners organizations have their own structure constructed in the form of network or confederation – they unite regional and industrial structures considered as an intermediary level between region or industry and national level. The criteria of representativeness were established in the law.

Among the institutions of social dialogue, the greatest role from the perspective of the scope of competences and nation-wide range of operations is fulfilled by the Tripartite Commission for Social and Economic Affairs. It is composed, on equal rights, by the representatives of: the government, representative trade unions and representative employer organisations.<sup>11</sup> The Tripartite Commission is the forum for social dialogue carried out with the view to reconcile the interests of employees, employers and the public good. Its competences include conducting social dialogue in the matters of reimbursements and social benefits, participation in the works on the draft budget act and considering issues of great social or economic importance, when it is important for maintaining social peace. Beside the Commission, there operate 13 tripartite industrial teams, whose main task is to agree documents such as government restructuring programmes for industries/sectors, social security packages for redundant employees. The teams comprise representatives of the government, trade unions and employer organisations operating in a given sector.

Voivodship Commissions for Social Dialogue operate at the level of voivodship. Commissions are appointed upon the proposal of social partners - the Tripartite Commission members. Besides, they delegate their representatives to the regional commissions. Commissions comprise the government (represented by the voivode) and also the self-government party (represented by the marshal of the voivodship).

Commissions give opinions and advice in matters covered by the scope of activities of trade unions or employer organisations, which fall under the competence of the government and self-government administration from the territory of the voivodship. They also pass judgment on voivodship development strategies. Regional dialogue carried out in the Voivodship Commissions enables relieving the national and industrial social dialogue institutions and adjustment to the local conditions of the detailed government

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<sup>11</sup> At present, members of the Commission on behalf of the unions are: NSZZ “Solidarność”, the All-Poland Alliance of Trade Unions and the Trade Unions Forum, and on behalf of the employers: the Polish Confederation of Private Employers, the Confederation of Polish Employers, the Association of Polish Crafts and the Business Centre Club.



policy objectives. Regional dialogue also enables diagnosing at an early stage potential threats of regional character and also relieving other social dialogue bodies (the Tripartite Commission and industrial bodies). Apart from contacts with other bodies, also tightening cooperation between the very Voivodship Commissions is essential.

The social dialogue condition in Poland is rather weak. This results from a low level of the social engagement. The participation in trade unions level does not exceed 6%, whereas an average percentage in the EU-25 countries amounts to 30%. The representativeness of employers organizations (measured as number of wage-earners employed in the member-companies) is one of the lowest in the EU-25 and amounts to 20% (comparing to average 60%; EC, 2006). The most important challenge for social partners organization is to guarantee a wide and fully professional representation of employers' and employees' interests regarded as a pre-condition for the effective social dialogue. However, according to surveys conducted one year after the establishment of Voivodship Commissions for Social Dialogue, most of respondents (64,3%) indicated that the regional social dialogue had almost no impact on solution of the local problems. According to 28,6% of respondents, the impact was mediocre (UNDP, 2003). Among the main difficulties identified within Voivodship Commissions for Social Dialogue, one can indicate the lack of organizational, material and expert basis for their activities, lack of legal instruments allowing them to influence the situation in regions as well as unclear division of competences between regional administration and self-government, which makes the cooperation with partners difficult. For above-mentioned reasons, the activity of regional bodies is not very intense.

So far the complex reports and analysis relating to the social dialogue have not been conducted; the condition of social dialogue institutions has not been properly described, too. The social awareness of the dialogue and its role for the social and economic development is also relatively low. The surveys carried in 2003 indicated that only 21,3% respondents linked the notion „social dialogue” with the negotiations between employers and employees (including 29% of entrepreneurs and 23% of wage-earners). However, for 34,4% respondents the notion “social dialogue” was unclear or unknown. Almost 50-52% of elderly (aged over 60), inhabitants of rural areas and people with lower and vocational education declared no knowledge about the social dialogue (CBOS, 2003).

## 1.7. Health care

Health is one of the main factors influencing growth and the quality of life of the society. **The health status of population aged 15-64 is directly reflected in the number of economically active persons and the labour quality and efficiency. An appropriate level of health care is the condition for increasing the share of the working age population (workforce) on the labour market,** prolongation of the economic life, increasing competition and lowering social costs. Improvement of population health influences also decreasing the costs of labour in Poland, among others through diminishing the expenditures on disability pensions and limiting sick leaves.

Population of Poland has been slightly falling since 1999, and negative demographic growth was recorded in 2002 for the first time in the post-war history of Poland. It is estimated that the number of births will be gradually declining until 2010, which will result in a significant dominance of the number of deaths over the number of births. As a consequence of the tendencies, in 2030, population of Poland will reach the estimated number of about 36.5 million. At the same time, the average life expectancy of the Polish population has been systematically increasing, so the age structure of the population has been changing and the proportion of older people aged 65 and over has been growing. **The Polish society has been growing older** and, according to the GUS forecast, the trend will be in place at least until 2030.

In the last 10 years, the average male life expectancy increased by over 4 years, while for females by over 3 years. The average life expectancy was in Poland in 2005 79.4 years for women and 70.8 years for men. It is still estimated that the Poles live shorter than the inhabitants of the developed countries of the European Union – the average female life expectancy is shorter by about 3.5 years and male by about 7 years.

*Table 16. Estimated life expectancy in selected countries in 2005 (years).*

	Women	Men
<b>Poland</b>	79.4	70.8
EU25	81.9	75.8
Czech Republic	79.1	72.9
Portugal	81.4	74.9
Lithuania	77.4	65.4
Greece	81.5	76.6
Germany	81.8	76.2
Estonia	78.1	67.3
Netherlands	81.6	77.2
Hungary	76.9	68.6
<b>Poland</b>	79.4	70.8

*Source: Prepared by the Ministry of Health based on Eurostat.*

In the context, health care should be adjusted to the current demographic trends, so the growing number of post-working age people should be taken into account while developing long-term strategies of human resource development. **One of the main aims of the health policy should be maintaining such a psycho-physical condition of older people which enable them the longest possible economic activity. Investments in the promotion of health and prevention of illnesses will allow maintaining the active participation in the society by the highest possible number of employees, thus maintaining their economic contribution** and decreasing the demographic burden rate. Health promotion implemented by propagating a healthy lifestyle and regular control tests, as well as health prevention will contribute to increasing the active participation of older people in the labour market.

The group which is at the highest health risk in Poland are men aged 45-59, with **overmortality of 60% in relation to the average European Union level and men aged 30-44** (overmortality of about 60%). The situation of men aged 60-74 is similar (overmortality of about 50%), as well as children aged under 15, whose risk of death is 40% higher than the risk of death of children in other EU Member States. The only group with lower mortality level than in the European Union countries are young women aged 15-29 (data for 2002). **In the light of the data, one should increase care and address preventive measures particularly to men aged 30-74 and children aged under 15. In the case of men, one may introduce an extended scope of prevention and health care in the workplace.** Such measures will contribute to decreasing the disparities between the average health status and life expectancy in the European Union and Poland.

The main causes of premature deaths in Poland are circulatory system diseases and malicious tumours. Some kinds of them are the causes of a growing number of deaths (especially the large intestine cancer, the prostate cancer and the lung cancer in women).

In 2004, there died in Poland 73,200 men and 28,900 women at the age of the greatest social and economic activity, i.e. at the age of 25-64 years. That number accounted for 37.6% of the total number of male deaths and 17% of female deaths. The main cause of the deaths in that age group are at present malicious tumours. However, the greatest difference in relation to the EU countries is recorded for circulatory system diseases. The mortality rate because of those diseases is in Poland about 80% higher than the EU average. Circulatory system diseases constitute the dominant cause of deaths among men aged over 45 and women aged over 65. Prophylaxis and health promotion play a key role in preventing those diseases.

Therefore, there must be created a wide range of preventive measures and diagnostic tests for circulatory system diseases (thus contributing to decreasing the disparity in the average life expectancy and health status in the EU) and for tumours to stopping and reversing the increasing trend in Poland. What is equally important is diminishing the differences in access to preventive measures and access to specialist care of rural population in comparison to urban population.

Health care system in Poland is based on the public sector (2,670 public health care institutions) and the private sector (13,870 non-public health care institutions), including 611 public hospitals and 170 non-public ones. Health care in Poland is financed from several sources. The most important are health insurance premiums within the public health insurance system. Through Social Insurance Institution or Agricultural Social Insurance Fund the resources are cumulated in the National Health Fund. It ensure constant and forecast level of the health care revenues. The existing financial system, to a large stand gives the autonomy of the health care revenues from the divisions of state budget resources. Primary health care (out-patient) was privatised to a significant degree and is characterised by a satisfactory level of financing from the current health insurance system (the National Health Fund). Whereas in-patient institutions belong predominantly to public entities and because of insufficient resources for their financing they have been gradually falling into debts, which in 2005 reached PLN 5.8 billion. Since the year 2002 the indebtedness of health care entities has increased. Since January 2002 to June 2004 the requested liabilities of public health care entities has been doubled. According to CSO, in the year 2002 over 60% health care entities report a losses. One of the reasons such difficult situation is low level of financing the health care. In Poland total health care expenses *per capita* are even five times lower than in other EU member states such as France or Germany.

According to prognosis of Health Ministry, formulated in *The Report "Financing the health care in Poland – Green Paper"* (2004), the share of public expenses on health care to the GDP, will increase from 4.5% in the year 2005 to 5.8% in the year 2020.

### **1.7.1 Prophylaxis and health promotion**

The Polish health care system is focused mainly on diagnosing and treating conditions, it deals with preventing them and propagation of healthy lifestyle to a smaller degree. One of the threats of the health care sector is low health awareness of the society. **Implementation of programmes from the scope of prophylaxis and health promotion contributes to reducing the occurrence of the two main causes of**

**premature deaths in Poland: circulatory system diseases and malicious tumours.** Health education and health promotion may significantly prevent mortality caused by circulatory system diseases. In turn, in the field of tumours, early detection is of crucial importance – in a stadium when the disease may be successfully cured.

Prophylaxis and health promotion programmes are the easiest to implement in schools and enterprises. Since mid-90s, the Ministry of Health in cooperation with other research and development units in the domain of Occupational Medicine (such as the Professor Jerzy Nofer Occupational Medicine Institute in Łódź, Occupational Medicine and Environmental Health Institute in Sosnowiec and Witold Chodźko Rural Medicine Institute in Lublin) have been successively implementing and completing numerous programmes of health policy and prevention of health threats (more than 55 programmes in the years 1999-2005). The most frequent aims of the measures are: giving appropriate priority to health promotion in the workplace, diagnosing the health needs of companies and sectors, as well as development of a strategy to meet them, obtaining resources for implementation of projects in that scope. One of the most important programmes introduced in 2004 was *Monitoring and Improving the Implementation of Regional Health Promotion Strategies for the Employed, in Accordance with the Good Practice of the European Network for Workplace Health Promotion*. The programme gained grants from the EU funds in the years 2005-2006.

### 1.7.2 Medical staff in Poland

The health care sector exists on the labour market in two ways. Firstly, without healthy citizens there are no healthy employees, thus a healthy population is the condition for satisfying the needs of the labour market. Furthermore, promotion of health, prophylaxis, knowledge about the healthy lifestyle, as well as access to services of a highly qualified personnel play an essential role in the prolongation of the economic activity of working population and increasing the labour market participation rate of both young and older people. Secondly, health sector employees should also be viewed as workforce, constituting an component of the labour market. The basic indicator characterising the human resources in health care in a given country is the number of physicians per population.

**Table 17. Number of working physicians – rate per 1000 population in selected countries in the years 1995-2004.**

	1995	1997	1999	2000	2002	2004
<b>Poland</b>	2.3	2.4	2.3	2.2	2.3	2.3
Czech Republic	3.0	3.1	3.1	3.4	3.5	3.9
France	3.2	3.3	3.3	3.3	3.3	
Germany	3.1	3.1	3.2	3.3	3.3	3.4
Hungary	3.0	3.0	3.1		3.2	3.3
Spain	2.5	2.9	3.0	3.1	2.9	3.4
Sweden	2.8	2.8	2.9	3.0		3.3
UK	1.8	1.9	2.0	2.0	2.1	2.2

Source: Prepared by the CSIOZ based on OECD Health Data 2004, data for 2004 – Eurostat.

In all countries mentioned in the table, a growing tendency of the rate in the last decade can be noticed. However, in Poland, the rate is significantly lower than in the juxtaposed countries of the EU (apart from the United Kingdom, where the rate has been fluctuating between 1.8 in 1995 and 2.2 in 2004). The number of physicians per 1000 population pictures the potential access to medical care..

In 2005, the total number of physicians who had the authority to practice in Poland was 126,576, so the rate per 1000 population was about 3.3. The number of physicians employed in public health care institutions

amounted to 76,043 – the rate per 1000 population was 2.0. The greatest number of physicians per 1000 population were employed in the Łódzkie (2.4), Mazowieckie (2.3), and Śląskie Voivodships (2.1). The smallest number was recorded in the voivodships: Warmińsko-Mazurskie (1.5), Opolskie (1.6), Wielkopolskie (1.7).

In 2005, the total number of nurses who had the authority to practice in Poland amounted to 273,810, thus the rate per 1000 population amounted to 7.1. In health care institutions, there were employed 178,790 nurses – the number of nurses per 1000 population rate was 4.6. The highest rate was recorded in the voivodships: Śląskie (5.4), Lubelskie (5.2), Świętokrzyskie (5.0), Podlaskie (4.9) and the lowest in the voivodships: Warmińsko-Mazurskie (4.0), Opolskie (4.1), Wielkopolskie (4.1), Zachodniopomorskie (4.2).

The number of nurses in Poland is clearly lower than the EU average and shows a decreasing tendency. It should be noted, however, that the data for Poland (submitted to the OECD) do not include nurses who are primarily employed in private practices. Whereas in most EU countries a growing tendency of the number of nurses per 1000 population rate has been recorded.

**Table 18. Number of employed nurses – rate per 1000 population in selected countries in the years 1995-2002.**

	1995	1997	1999	2000	2001	2002
Poland	5.5	5.6	5.1	4.9	4.8	4.8
Czech Republic	8.6	8.6	8.6	8.9	9.2	9.4
France	6.1	6.2	6.5	6.7	7	7.2
Germany		9.2	9.5	9.6	9.7	9.9
Hungary	8.0	7.9	7.9	8	8.3	8.5
Spain	5.8	6.3	6.5	6.4	6.5	7.1
Sweden	8.5	8.2	8.4	8.8		
UK	7.9	8.1	8.8	8.8	9	9.2

Source: Prepared by the CSIOZ based on OECD Health Data 2004.

The pay levels of health care employees is low, much below the national average. Comparison of the amounts of salaries of the health care employees and selected sectors of the economy confirms the quite common feeling that salaries in the health care are lower than in other sectors. The average monthly wages and salaries in the enterprise sector without the payment of rewards from profit as of the end 2005 amounted to PLN 2,509.26, while the pays in the health care sector in the same period were as follows: physicians PLN 3,331.98; nursing and midwifery specialists PLN 1,710.43; nurses PLN 1,662.30; midwives PLN 1,620.36 (according to the GUS data). For that reason, there is the risk of “outflow” of the medical staff from Poland, that is economic emigration particularly to other EU countries.

**Medical staff in Poland are well-qualified, while their abilities are highly evaluated also abroad. However, the constant progress of medicine and the ever higher specialisation require lifelong learning of the representatives of medical professions in Poland.** The indispensability of that learning is stressed by the statutory obligation of professional development in professions such as: physician, dentist, nurse, midwife, pharmacist, laboratory diagnostician. **Obtaining the title of a specialist is particularly important in realisation of the professional tasks of physicians and dentists.** Increasing the number of specialists will not only shorten the time of waiting for an appointment, but above all will improve the quality of the provided health services.

At present, the prioritised specialities from the point of view of the health needs of Poland are: anaesthesiology, clinical oncology, cardiology, geriatrics, family medicine and occupational medicine, radiology, epidemiology, pathomorphology and medical rehabilitation. Proper functioning of the system of post-graduate education is necessary also for people performing other medical professions. Pursuant to the

existing provisions, the title of a specialist in medical domains and other domains which are applied in the health care may be obtained by: nurses, midwives, pharmacists, laboratory diagnosticians, physiotherapist, as well as persons performing other occupations which are applied in the health care, such as psychologists, speech therapists, medical physicists. Also ensuring professional staff for the rapidly developing market of laboratory genetic and haematology tests should be considered a priority.

The enrolment limits for universities educating in the occupations of nurse and midwife are increased each year. According to the available estimates, a very quick dynamics of demand for nurses and midwives should be expected in that area. According to the forecasts of the Government Centre for Strategic Studies, the number of nurses should until 2010 amount to 328,600 and the number of midwives – 345,200. The growth of the demand for those occupations results, among others, from early retirement of their representatives, migration of nurses and midwives to other countries (particularly to the EU countries) and taking up employment outside the health sector.

In the context of the growth of the demand for primary care nurses and midwives, there grows the demand for persons who could fulfil coordinating tasks, administer the nursing staff and conduct research and teach in those subjects.

The approach to health care institutions as a specific form of enterprise requires from the staff managing the entities to constantly enhance one's knowledge, most of all in the scope of improving the effectiveness of managing health care sector institutions (effective cost management methods, financial analysis, human resource management, etc.). What is an especially important issue is the lack of adequate knowledge in the field of economics on the part of staff with medical education. In the last decade, professional education of the management of hospitals, outpatient institutions and health care administration (among others, the National Health Fund, public health centres) improved significantly. A significant role in the process of complementing competences was played by some medical universities, universities, universities of economics, as well as the Public Health School, which is and organisational unit of the Occupational Medicine Institute in Łódź. Complementing the knowledge of the management of health care institutions contributed to the fact that, in some of the institutions, educated managers are able to achieve satisfactory of good economic results, despite difficult and limited external conditions. Nevertheless, the number of trained staff is still insufficient, thus continuation of the actions leading to the improvement of the qualifications of the management must increase in scale.

In the scope of optimisation of the functioning of health care institutions, it is important that there should be introduced standards regarding management of the institutions, organisation of processes and quality management in such institutions. The current lack of standards or their limited occurrence are one of the reasons of the failure of reforms in the health sector and lack of unification of the system in various parts of the country.

Additionally, certification and accreditation of entities providing health services is very important in the context of improving quality in health care. The accreditation system of health care institutions is carried out in Poland by the Health Care Quality Monitoring Centre. Obtaining accreditation, a full one granted for the period of 3 years or a conditional one for 1 year, contributes to increasing the level of the provided services, enhancing effectiveness of the management and improving the security and satisfaction of patients.

**Table 19. Accreditations in the years 2004-2006.**

Year	Number of granted accreditations	of which	
		full	conditional
2004	19	18	1
2005	23	21	2
2006	23	21	2

*Source: Prepared based on the Quality Monitoring Centre data.*

At present, 60 hospitals of the 781 existing in Poland have accreditation. The number of entities obtaining accreditation is growing gradually. It is planned that about 30 hospitals will be subject to the accreditation procedure in 2007.

## 1.8. SWOT Analysis

<b><u>EMPLOYMENT</u></b>			
<b>STRENGTHS</b>	<b>WEAKNESSES</b>	<b>OPPORTUNITITES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>• Favourable demographic structure of the society, high proportion of young people in the structure of workforce</li> <li>• High economic activity rate for women aged 30-49</li> <li>• Growing share of non-public labour market institutions in labour agency and assistance for the unemployed</li> </ul>	<ul style="list-style-type: none"> <li>• The lowest employment rate and the higher unemployment rate in EU-27, particularly the youth unemployment</li> <li>• Low level of employment among the older people, occurrence of social transferrals encouraging to the early withdrawal from the labour market</li> <li>• High number of people in the working age vocationally passives</li> <li>• Low level of vocational and spatial mobility of the unemployed</li> <li>• Low level of education, maladjustment of vocational qualifications to the labour market needs</li> <li>• Ineffective structure of employment, including the occurrence of hidden unemployment in agriculture</li> <li>• Difficult access to employment for inhabitants of rural areas, lack of agriculture restructuring strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Embracing of growing number of unemployed with the active labour market instruments, better profiling of the ALMP</li> <li>• Creating the system of incentives encouraging to stay at the labour market, reducing access to the early deactivation systems</li> <li>• Development of communication infrastructure facilitating commuting to work, creating the system supporting spatial mobility</li> <li>• Facilitating an access to education and training, better connection of education with the labour market needs</li> <li>• Creating incentives to launch the registered economic activity</li> <li>• Creating the workplaces outside the agriculture</li> <li>• Development of caring services for people bringing up children</li> <li>• Development of the system of monitoring and evaluation of the labour market programmes</li> </ul> <p>Reform of the Public Employment</p>	<ul style="list-style-type: none"> <li>• Persistence of a low employment rate and high unemployment rate</li> <li>• Persistence of low demographic growth (“ageing of the society”)</li> <li>• Inability/unwillingness of the long-term unemployment to participate in activation programmes</li> <li>• Maladjustment of demand for and supply of labour, fixed by the economic migration structure</li> <li>• Lack of motivation to move from the black economy to legal employment</li> <li>• Low economic activity of older persons and persons with disabilities, related to the accessibility of alternative sources of income</li> <li>• Economic emigration of the high qualified workers</li> </ul>

	<ul style="list-style-type: none"> <li>• High regional and inter-regional variation of the unemployment rate</li> <li>• Lack of efficient solutions facilitating to reconcile private and professional life (difficult access to caring services)</li> <li>• Predominance of the passive instruments in relation to the active labour market instruments</li> <li>• Narrow scope of the ALMP which not embrace persons being much in need</li> <li>• Lack of the efficient system of programming, monitoring and evaluation of ALMP programmes</li> <li>• Lack of highly qualified staff in PES, large rotation of workers, large number of clients falling per 1 employment agent and career advisor.</li> </ul>	Services	
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**ADAPTABILITY**

<b>STRENGTHS</b>	<b>WEAKNESSES</b>	<b>OPPORTUNITITES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>• Growing utilisation of flexible forms of employment</li> <li>• Growing popularity of self-employment and various forms of economic activity</li> <li>• Growing number of training offers for employees of enterprises</li> </ul>	<ul style="list-style-type: none"> <li>• High non-pay costs of labour (“tax wedge”)</li> <li>• Low scale of lifelong learning, especially among employees most at risk of passivity – older and less-qualified</li> <li>• Unfinished restructuring of some sectors of the industry (e.g. the mining and energy industries)</li> <li>• Fear (distrust) of employees of</li> </ul>	<ul style="list-style-type: none"> <li>• Lowering of labour costs</li> <li>• Setting up a system of incentives (for employees and employers) to invest in life-long learning</li> <li>• Setting up (with the participation of social partners) a system for anticipating and management of economic change</li> <li>• Development of various forms of supporting small enterprises, including lowering the costs of</li> </ul>	<ul style="list-style-type: none"> <li>• Ageing of the society and growth of the number of working post-age population</li> <li>• Early economic deactivation age, especially of women</li> <li>• Inadequacy of the training offer to the needs of the labour market</li> <li>• Insufficient number of appropriately qualified trainers (lecturers)</li> <li>• Low interest of employers in</li> </ul>



	<p>companies undergoing the restructuring process; insufficient utilisation of outplacement</p> <ul style="list-style-type: none"> <li>• Low level of innovation of the economy, low R&amp;D expenditures in the public sector and in private enterprises</li> <li>• Low survival rate of enterprises</li> <li>• Weak network of entities providing services for entrepreneurship and innovation</li> <li>• Insufficient staff prepared to create and implement new technologies in enterprises</li> <li>• Low level of cooperation of entrepreneurs with the science sector in the area of transfer of knowledge</li> <li>• Low level of application of information and communication technologies in small and medium enterprises</li> <li>• Unsatisfactory situation in the area of legal protection of labour</li> </ul>	<p>starting a business and using business-related services</p> <ul style="list-style-type: none"> <li>• Increasing outlays for R&amp;D, improvement in the cooperation of employers with the science sector, investments in innovation and new technologies in enterprises</li> <li>• Popularisation of the Internet-based learning</li> <li>• Improvement in the awareness of workers' rights</li> </ul>	<p>educating the employees</p> <ul style="list-style-type: none"> <li>• Lack of consistently implemented policy of increasing R&amp;D expenditures, resulting in low level of budget resources devoted to science and too low share of private financing in total R&amp;D expenditures</li> <li>• Insufficiently prepared restructuring processes (without ensuring preparation for taking up another economic activity for the redundant employees)</li> <li>• Low popularisation of solutions aimed at making the labour market more flexible</li> </ul>
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**COUNTERACTING SOCIAL EXCLUSION**

<b>STRENGTHS</b>	<b>WEAKNESSES</b>	<b>OPPORTUNITITES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>• Legal regulations for counteracting social exclusion, promoting: activation and professional and social integration, social-public partnership, strategic approach</li> </ul>	<ul style="list-style-type: none"> <li>• High level of poverty gap, especially in families with many children</li> <li>• High level of long term unemployment</li> <li>• Lack of strategic planning of</li> </ul>	<ul style="list-style-type: none"> <li>• Creation of a comprehensive and cooperative system of social assistance and labour market institutions for social and vocational activation</li> <li>• Growing popularity of social</li> </ul>	<ul style="list-style-type: none"> <li>• Perception of social exclusion as a domain which is the sole responsibility of the minister responsible for the issues of social security</li> <li>• Spatial accumulation of problems</li> </ul>

<p>to social policy</p> <ul style="list-style-type: none"> <li>Existing network of professional self-governmental social assistance institutions and labour market institutions</li> <li>Existence of methods and tools of working with the local environment, groups and individuals</li> <li>Existence of an integrated programme for support for the Romany community</li> <li>Existence of the National Social Integration Strategy and Social Policy Strategy</li> <li>Development of the non-governmental sector, representing the rights and interests of social groups and building of a network of social services</li> </ul>	<p>actions for social integration by local self-governments</p> <ul style="list-style-type: none"> <li>Insufficient human potential of the assistance and social integration institutions</li> <li>Lack of coherent and complex system of social assistance staff education</li> <li>Low level of programme and organisational cooperation between the labour market institutions and the social assistance institutions and cooperation between SAI's of different level</li> <li>Small share of prevention measures targeted at persons at risk of social exclusion</li> <li>Ineffective activation policy towards socially excluded persons, in particular persons with disabilities</li> <li>Limited budgets of local self-governments for integration programmes for excluded persons</li> <li>Lack of a comprehensive policy towards immigrants</li> </ul>	<p>economy, enabling the building of a comprehensive system of social services and one that creates employment and integration opportunities for excluded persons</p> <ul style="list-style-type: none"> <li>Growing role of non-government organisations operating in the area of social integration</li> <li>Development of activation instruments, combining social and economic benefits</li> </ul>	<p>related to poverty and social exclusion</p> <ul style="list-style-type: none"> <li>High long-term unemployment rate, influencing limitation of social activity of the long-term unemployed persons</li> <li>Small share of prevention measures in the area of social exclusion</li> <li>Low popularisation of actions to improve competences and the number of the employees of social assistance institutions</li> <li>Low awareness of some of the risks leading to exclusion (e.g. related to addiction to alcohol, drugs)</li> </ul>
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**EDUCATION AND TRAINING SYSTEM**

<b>STRENGTHS</b>	<b>WEAKNESSES</b>	<b>OPPORTUNITITES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>Small regional differences in the field of participation in primary, lower secondary and upper</li> </ul>	<ul style="list-style-type: none"> <li>Low preschool education participation rate in particular in rural areas</li> </ul>	<ul style="list-style-type: none"> <li>Growing awareness of the value of education and educational aspirations</li> </ul>	<ul style="list-style-type: none"> <li>Inheritance of the social status, including the level of education</li> <li>Internal segregation of students in</li> </ul>

<p>secondary education</p> <ul style="list-style-type: none"> <li>• High schooling rate</li> <li>• Low percentage of people dropping out of the educational system</li> <li>• Development of higher education and growth of the schooling rate at the higher level</li> <li>• Autonomy of universities</li> <li>• Functioning of the system of external exams – availability of simple indicators</li> </ul>	<ul style="list-style-type: none"> <li>• Low rate of participation in continuous education</li> <li>• Insufficient development of the mechanisms and institutions ensuring high-quality education</li> <li>• Lack of effective monitoring system of education</li> <li>• Differences between regions and rural – urban areas in the field of quality of educational offer</li> <li>• Low quality and attractiveness of vocational education</li> <li>• Low quality of the offers of some of universities</li> <li>• Weak links of universities to other research institutions and the enterprise sector, in particular the high-tech sector</li> <li>• Low share of graduates from such faculties as mathematics, natural sciences and technical sciences in the total number of graduates of higher education institutions</li> <li>• Low quality and attractiveness of vocational education</li> <li>• Low commonness of cooperation between schools and employers</li> <li>• Weak connection of curricula with the labour market</li> <li>• Weak system of educational-vocational advisory</li> </ul>	<ul style="list-style-type: none"> <li>• Growing average educational attainment</li> <li>• Growing employment opportunities for graduates of faculties such as mathematical-natural and technical sciences</li> <li>• Competition from foreign universities (about students and the best researchers) which might enforce changes in the scientific and academic community</li> <li>• Participation of Poland in international educational surveys (i.a. PISA, PIAAC, PIRLS) and possibility of using their results for changes in educational system</li> </ul>	<p>primary and secondary schools connected to problem of social marginalisation</p> <ul style="list-style-type: none"> <li>• Lack of information about prospective careers after various educational paths – the risk of popularisation of “cheap” and “easy” faculties</li> <li>• Lack of a system of analyses and labour market forecasts related to the demand for graduates with particular qualifications</li> </ul>
<b><u>PUBLIC ADMINISTRATION AND PARTNERSHIP</u></b>			
	<b>WEAKNESSES</b>	<b>OPPORTUNITITES</b>	<b>THREATS</b>

STRENGTHS			
<ul style="list-style-type: none"> <li>• Relatively high level of education of the staff of public administration</li> <li>• Functioning of legal regulations specifying the rules of cooperation of the public sector with social partners and the NGOs and positive climate for creating public-social partnership</li> <li>• Growing role of the social dialogue at the national level</li> <li>• Increasing professionalisation of the non-government organisations' activities and positive evaluation of the impact of NGOs sector on local problems solution</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of comprehensive analysis of the condition of public administration</li> <li>• Low legal regulation quality</li> <li>• Lack of systemic regulation focused on improving of the conditions of setting up and functioning of business.</li> <li>• Unreasonable length of court proceedings, including economic cases</li> <li>• Lack of a commonly implemented long-term task-oriented budget planning</li> <li>• Not sufficient number of standards of the quality of client-oriented services in the self-government entities</li> <li>• Low activity of the Voivodship Commissions of Social Dialogue as regards their competences</li> <li>• Limited use of the potential of non-public entities in delivery of the public services</li> <li>• Weak financial, institutional and expert condition and inappropriate impact of work of NGOs, in particular in the rural areas</li> <li>• Low level of participation of NGOs in implementation the tasks concerning citizens' freedoms</li> </ul>	<ul style="list-style-type: none"> <li>• Political support and determination for implementation of the key administration reforms identified in the Lisbon Process</li> <li>• Existence of the sectoral reform programmes, e.g. Better Regulation Programme, Anticorruption Strategy, IT Strategy</li> <li>• Improvement of the socio-economic situation through client – oriented public services (concerning entrepreneurs and citizens)</li> <li>• Increasing efficiency of the public finance management through introducing new methods of financial management</li> <li>• Setting up long-term policies</li> <li>• Increasing number of the appointed civil servants</li> <li>• Increasing engagement of the social partners and NGOs potential in the implementation of public tasks, essential in the scope of Lisbon objectives</li> <li>• Increasing role of social consultations on different levels and stages of the legislative proceedings</li> <li>• Increasing role of the NGOs sector through introducing of the new institutions of civic</li> </ul>	<ul style="list-style-type: none"> <li>• Politicisation of public administration</li> <li>• Lack of a motivational reimbursement system</li> <li>• Corruption in administration and public services</li> <li>• Excessive regulation of procedures of providing services making the functioning of innovative non-government entities impossible</li> <li>• Lack of education of citizens about the potential role of non-government organisations</li> <li>• Decreasing engagement of citizens in the activities of the community and voluntary sector</li> </ul>

		dialogue	
<b><u>HEALTH CARE SECTOR</u></b>			
<b>STRENGTHS</b>	<b>WEAKNESSES</b>	<b>OPPORTUNITITES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>• Existence of a public health insurance</li> <li>• Highly qualified medical and scientific-academic staff</li> <li>• Existence of research and development units in the domain of occupational medicine, which conduct researches in the scope of preventing occupational diseases</li> <li>• Increasing number of entities with accreditation</li> </ul>	<ul style="list-style-type: none"> <li>• Inadequate allocation of health care resources compared to the needs</li> <li>• Debts of part of health care institutions</li> <li>• Low level of financing of health care</li> <li>• Low health awareness of the society</li> <li>• Overmortality of men in the medium age group, resulting in shorter life expectancy of the population in comparison to the EU countries</li> <li>• Not established norms/standards in the scope of quality and accessibility of services</li> </ul>	<ul style="list-style-type: none"> <li>• Improvement of early diagnostics of occupational and civilisation diseases through modernisation of the diagnostics base and improving the qualifications of the medical personnel</li> <li>• Improvement of the health insurance management system</li> <li>• Ownership changes in the health care sector</li> </ul>	<ul style="list-style-type: none"> <li>• Worsening of the health security status of the population</li> <li>• Outflow abroad of well-qualified medical staff from the health care system</li> <li>• Worsening of the accessibility of specialist medical services</li> </ul>

## II. HITHERTO FOREIGN ASSISTANCE RELATED TO DEVELOPMENT OF HUMAN RESOURCES

### 2.1. Pre-accession assistance

#### 2.1.1. PHARE

The total value of financial assistance granted to Poland within pre-accession instruments totals to 6 bn euro, with the allocation for the Phare programme for the years 1990 – 2003 standing at 3.9 bn euro.

The general objective of the Phare programme is granting assistance to candidate countries in their preparation for accession to the European Union. The Programme is directed at the integration process, and is focused on supporting priorities, which would help candidate countries conform to the Copenhagen criteria<sup>12</sup>. In subsequent editions of the Phare 2000–2003 programmes, which comprised the years 2000–2006, measures were undertaken aimed not only at enhancing the human resources quality, but also national and regional structures responsible for employment.

Projects aimed at supporting the development of human capital are being implemented among others within Phare programmes Social and Economic Cohesion, besides infrastructural projects and those aimed at SME development. Their aim is to support the four tiers of the European Employment Strategy: growth of employment possibilities, development of entrepreneurship, ability of becoming adapted and equal opportunities of men and women on the labour market. Those measures are to allow enhancing human potential in the regions, pursuant to principles of the European Social Fund. Projects implemented within Phare Socio-Economic Cohesion Development of Human Resources were both of a sectoral and regional nature. They cover the following types of measures: training and vocational counselling for the unemployed and for persons threatened by unemployment, job placement; some projects are directed at strictly defined groups, such as: persons leaving restructured branches of the economy, youth or graduates. In addition the programme comprises support for persons launching their business operation, and advancement of SME staff through general and specialised training courses. The programme also covers strengthening local institutional potential as regards unemployment counteracting through initiation of local partnership, counteracting unemployment and promotion of entrepreneurship.

#### a) PHARE 2000

Measures of the Phare 2000 SEC Programme comprise professional activation of persons who are unemployed or threatened by unemployment, counteracting social exclusion, advancement of staff in medium and small enterprises, as well as counselling and training with respect to establishment of local agreements in favour of employment. The Programme was implemented from December 2002 until February 2004 and comprised exclusively the following voivodships: lubelskie, śląskie, podkarpackie, podlaskie and warmińsko-mazurskie. 43 718 persons benefitted from this particular edition.

Within the programme Phare 2000 SEC, 31.5m EUR were contracted for measures related to development of human resources, of which 22 986 714.30 EUR were funds of the European Union. The usage of resources from the Phare fund for the programme stands at 99.9%. An important element of the programme were also measures connected with strengthening the local institutional potential as regards counteracting unemployment and creation of local employment pacts. Furthermore, in the years 2002–2003 implemented was the Phare 2000 *National vocational training system* project, which was directed at enhancement of

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<sup>12</sup> The Copenhagen criteria necessitate that the candidate country should achieve: stabilisation of institutions that guarantee democracy, respecting principles of law observing state, human rights and respecting the rights of minorities; furthermore, it must have functioning market economy as well as ability of coping with competition and market rights on the EU area, and also it must be able to take on commitments that result from membership.

instruments that stimulate demand for training and supply instruments that support the market of training services.

In measures connected with vocational activation of persons who are either unemployed or threatened by unemployment, in all voivodships covered by the programme organised were 1270 courses and trainings. Their subject was adapted to the analysed needs of the labour market and comprised vocational trainings, training courses teaching familiarity with the labour market and training courses for individuals (in particular inhabitants of rural areas, women and graduates) planning to launch their own economic activity. 19 759 persons used the organised training courses, which was over 300 more than assumed by project indicators. From those persons, 3236 found permanent jobs and 184 started their own business operation.

#### **b) PHARE 2001**

The regional component of Phare 2001 SEC HRD covered all the 16 voivodships. Its implementation lasted from November 2003 until March 2005. Within the programme SEC HRD contracted were 32.09m EUR from the available allocation of 32.99 m EUR, which totals to 97.27% of available funds. Besides support for the unemployed, trainings for SMEs and promotion of local development, a new priority appeared, and namely modernisation of the offer of vocational schools. 48 434 persons benefited from this edition.

On an assignment of PARP (Polish Agency for Entrepreneurship Development) executed were 16 regional projects (for all voivodships) by consortia of training and counselling companies. Services addressed at the unemployed use was made by 23 172 unemployed persons.

The projects concerned inter alia services for the unemployed, services for persons commencing their own economic activity, training courses for SME employees, training and counselling for local authorities, social partners and schools (a priority was restructuring of schools running vocational education). Over 17.5 thous.<sup>13</sup> persons either unemployed or threatened by potential unemployment completed vocational trainings, of which ca. 22% found employment. 5101 persons used training services countrywide, while according to data obtained from 14 voivodships, 298 (6.1%) persons with completed training established their own companies.

The first and the second measure within the regional component of Phare 2001 SEC HRD were aimed at counteracting adverse social consequences that result from the restructuring process. Depending on the region, beneficiaries of the programme comprised diverse social groups, especially employees of the light industry, railways, education and health protection system, as well as inhabitants of rural areas.

#### **c) PHARE 2002**

The regional component of Phare 2002 SEC HRD comprised 13 voivodships and was executed in the period from November 2004 until October 2005. Projects within this programme were in support of activation of persons either unemployed or threatened by potential unemployment (trainings, counselling, and placement) and support for persons commencing their business operation. Regional projects commissioned by PARP were still being implemented. Over 32,000 persons benefited from this edition of the programme. The most important event in this edition of Phare was instigation of grant funds, inter alia:

- Polish grant fund “Vocational activation of youth”,
- Polish grant fund “Counteracting social exclusion”;
- grant fund “Modernisation of Educational Offer in Vocational Schools”;
- Polish fund “Training Grants”.

In the period from 1 August 2004 until the end of May 2005 implemented was the Phare 2002 project entitled “Advancement of Abilities of the Public Employment Services in introducing the European Employment Strategy and participation in the EURES System”. On 15 October 2004 ended the deadline for

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<sup>13</sup> The presented figures were valid for the end of 2004.

submission of applications by interested organisations. A total of 24 grants were advanced for the sum of 506 947.30 euro, which comes up to 92.1% of allocated Phare funds.

Evaluation of Phare programmes from the years 1999 to 2002 performed by the European Commission has shown that assistance granted for the development of the sector of public administration and for the development of non-governmental organisations was to a high extent convergent with needs of the sector, and was directed immediately to areas in need of most urgent support. A need was pointed at of further development of plans and programme documents. The effectiveness of granted assistance varied depending on the programme, yet in general it was found to be sufficient. It was emphasised that during those editions of assistance programmes it was managed to implement those objectives, which were aimed at support of non-government organisations<sup>14</sup>.

#### **d) PHARE 2003**

The Phare 2003 edition was launched in September 2005 and is still underway. In this edition the regional HRD programme has covered all the voivodships. Owing to the advancement in implementation of programmes co-financed by the European Social Fund on the request of PARP the Phare HRD programme has changed its nature. Implementation of large scale training projects, which will be implemented within ESF, have been forborne. The majority of Phare 2003 projects were projects clearly directed at narrower scopes and groups. Budget of the programme stands at 24 752 132 EUR, including 17 84 0 346 EUR Phare funds. Measures proposed within the programme include the following:

- professional reorientation of persons either unemployed or threatened by potential unemployment – assistance in the form of training, courses, counselling services is to comprise ca. 10 000 persons,
- supporting local pacts in favour of employments – plans assume selection through a competition and as its consequence support with grants of ca. 50 Regional ESF Training Centres in Poland (ca. 3 in each voivodship),
- adaptation of the educational offer of vocational schools to requirements of the labour market – plans assume the selection of ca. 250 best educational projects, which will then be awarded with grants for the purchase of equipment necessary for their implementation.

#### **e) PHARE – Institutional Building (IB)**

The PHARE programme “Institutional Building” is defined as a process aimed at assisting new member states in building structures, strategies, development of human potential, management abilities necessary to strengthen the economic, social, legal and administrative potential. In institutional building measures are aimed at modernisation or establishment of completely new administrative and judiciary structures, maintaining principles of professionalism and neutrality.

Assistance from the Phare IB programme is to help in deployment of legal achievement of the European Union i.e. *acquis communautaire* and to become prepared to participate in EU policies. Approximately 30% of Phare means will be assigned for this Objective.

Support of Phare IB is in particular aimed at:

- facilitating implementation of twinning agreements between ministries, institutions, trade organisations (e.g. judiciary authorities and social partners), agencies, European, regional and local rank authorities,
- providing specialist technical counselling with respect to *acquis communautaire*, inter alia through TAIEX,
- assistance in establishment of amenities for training public administration of the central and regional rank

Furthermore financial and technical assistance may also be turned over to non-government organisations to:

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<sup>14</sup> The Country PHARE Evaluation Review: POLAND, EMS Poland, February 2004, <http://www.fundusze-strukturalne.gov.pl>



- support initiatives aimed at consolidation and further development of democratic principles and principles of law observing state;
- strengthen institutional abilities of non-government organisations and social partners of all ranks;
- support for inclusion and participation of individuals or groups, which are threatened by social, economic and political marginalisation owing to their culture, beliefs, sex, age, sexual orientation or disability.

By 28 February 2006 in pre-accession Phare IB assistance contracted were means standing at 533 723 980.97 EUR, which amounts to 86.77% of the total sum planned for this Objective. Resources already paid out within the ongoing projects stand at 396 418 268.30 EUR. From 2004 until now (state as on 28 February 2006) contracted were 17 687 384.91 EUR, which totals to 18.69% of the sum of 94 657 560.00 EUR assigned for this Objective. The paid out means stood at 490 288.77 EUR.

By August 2005 over 124,000 persons benefitted from the Phare Development of Human Resources, from among which a lot had gained employment directly following termination of their participation in the projects. Obvious successes of the Phare Programme also include:

- bigger interest of employers in investments made in qualifications of their staff;
- building of several local partnerships in support of employment;
- propagation of individual plans of measures as a method universally applied by the labour market institutions;
- modernisation of educational offer of vocational schools;
- gaining new partners and allies in measures in support of social integration.

Subsequent Phare editions were also to prepare the Polish public and non-public institutions to implementation of projects co-financed from the European Social Fund. This Objective was implemented to a large extent following instigation in 2004 within Phare 2002 of grant funds, to which local labour market institutions could apply with their own projects, which were best familiar with actual needs of support addressees. It is expected that all measures within Phare “Development of human resources” would be completed by November 2006.

### **2.1.2. Rural Development Programme (RDP)**

The objective of the Programme was widely understood economic growth of rural areas. Within the programme support was assured to measures leading to increase in non-agricultural employment on rural areas, decentralisation of public administration and regional development, as well as assistance in building institutional potential necessary to allow obtaining and utilisation of pre-accession and structural funds of the European Union.

The Rural Development Programme (RDP) comprised the following elements:

- Component A – Microloans,
- Subcomponent B–1 – Programme of Reorientation/Requalification,
- Subcomponent B–2 – Education,
- Subcomponent B–3 – Building institutional potential of local and regional administration,
- Component C – Rural infrastructure,
- Component D – Programme Management.

The main objectives of Component A – Microloans were focused on counteracting unemployment on the area of rural communes, urban and rural communes and in small towns with the number of inhabitants up to 20 000, through obtaining financial aid for the implemented non-agricultural business activity on rural areas. The second objective with the same importance was assuring availability of training courses and counselling to persons running their own economic activity or planning to launch it. Execution of the Component (i.e.

granting microloans) was started in January 2003 and ended in September 2004. In that period advanced were 4655 microloans for the total sum of PLN 56 061 400.

The objective of Reorientation/Requalification Programme (R/RP) was support for economic growth, increasing income and activation of inhabitants of rural areas through granting assistance in advancing and using their professional abilities.

Within (R/RP) financing covers the following types of measures:

- active forms of counteracting unemployment: job placement, training courses, periodical employment,
- supporting the development of small enterprises: entrepreneurship support centres, entrepreneurship incubators,
- working out local development plans for poviats focused on development of small enterprises and creation of new work places.

As regards education, implementation of the programme contributed to improvement of conditions and level of education in primary, junior high schools and special schools on rural areas. Financial support for this Objective from means of a loan advanced by the World Bank amounted to 25.937.000 EUR. In all voivodships investments were made in the existing school infrastructure (repairs and modernisation of school buildings and overhauls and equipping of common rooms and waiting rooms for children commuting to schools). In selected seven voivodships executed were training courses for teachers and school principals. Those were instruction trainings (a total of 8979 instruction trainings were delivered) and training courses related to information technologies (7716 training courses). Support of RDP constituted also valuable assistance for gminas in overhauls and modernisation of school infrastructure, and also in acquisitions of teaching materials. In addition it contributed to establishment of a transgmina teacher milieu and school principals sharing their experience inter alia via the Internet. An important effect of the Programme was also propagation of active teaching methods and workshop methods of training courses.

Together with funds from the state budget and own means of self-governments and other beneficiaries, the value of funds involved in the Programme amounted to over 260 m EUR. The programme was implemented in the period from 2001 until the end of 2004.

## **2.2. Assistance in the years 2004–2006**

In the years 2004–2006 support of EU structural funds for the development of human resources was executed to a large extent within the Sectoral Operational Programme Development of Human Resources (SOP HRD), Integrated Regional Development Operational Programme (IRDOP) and Community Initiative Programme EQUAL.

### **2.2.1. SOP HRD**

The objective of SOP HRD co-financed by the European Social Fund is: *Creation of an open knowledge based society by assuring conditions for the development of human resources through education, training and work.* Means assigned for the implementation of this Programme total to 1 960 110 929 EUR. Objectives of SOP HRD are implemented through the following Priorities:

### **Priority 1: Active policy of the labour market and professional and social integration**

The objective of this priority is strengthening the potential of institutional services for clients of employment service, social assistance and other institutions that operate in favour of the labour market. It is also expected to be conducive for measures in support of unemployed and persons from special risk groups. Within this priority implemented are measures for modernisation of instruments and institutions of the labour market and striving at improving the situation of the unemployed on the labour market, including in particular persons with lasting unemployment, persons with disabilities, persons coming from special risk groups as well as women and youth. Funds assigned for implementation of this priority amount to 946 062 544 EUR, including Community contribution of 709 522 784 EUR.

### **Priority 2: Development of knowledge based society**

The objective of this priority is extending access to education and enhancing its level. Also of importance is including information and communication technologies into the education process. Subsequent aims of the priority are: advancement of personnel qualifications, promotion of education with respect to entrepreneurship and promotion of flexible labour forms. This Priority is also to help improve the work quality of public administration through assuring appropriate training courses. Within this priority measures are being implemented which promote life long learning aimed at improving the quality of teaching in relation to needs of the labour market and providing support for development of human resources for modern economy and administration. Means designated for implementation of this priority amount to 988 566 943 EUR, in which the Community contribution stood at 741 400 000 EUR. Since launching of the SOP HRD programme until the end of 2005 positive opinions were issued in the part concerning ESF of a value of ca. PLN 6.7 bn, which comes up to 117% commitments for the programme for the years of 2004–2006. The value of agreements concluded for the programme stood at the end of December 2005 at over 3.4 bn PLN, which comes up to 59% allocations for the programme for the years of 2004 – 2006.

### **Results and impact of Programme implementation**

Right from the very beginning of Programme implementation assistance covered almost 872.9 thousand persons, including ca. 39.5% men and ca. 60.5% women. The biggest number of final beneficiaries (over 450 thous. persons) was in measures implemented on a regional level by Voivodship Job Offices: 1.2 “Perspectives for youth” and 1.3 “Counteracting and fighting lasting unemployment”. Concurrently by the end of 2006 assistance within SOP HRD covered 72.3 thous. enterprises.

An evaluation performed within measures supporting youth, persons with lasting unemployment and persons from particular risk groups has shown that after approximately six months since completion of participation in the project, 52.2% persons covered by assistance had jobs, and a small percentage (3.4%) ran their economic activity.

Similarly evaluation of the measure “Development of human resources for modern economy” has shown that almost a half of companies benefiting from support have noticed an improvement in functioning as compared to the period 6 months earlier, and 72% of them noticed a correlation between improvement and participation in ESF projects.

Evaluations of SOP HRD allowed formulation of conclusions of particular importance for the consequent programming period:

- providing cohesion of legal solutions assuring co-financing or assuring optional co-financing sources, of key importance is amendment of the act on promotion of employment and institutions of the labour market,
- elimination of duplicated and redundant elements of the institutional system,
- making procedures and principles of implementation more flexible, which is to be made possible by the act on principles of execution of development policy,

- avoiding segmentation of support – separate measures for diverse categories of persons (youth, persons with disabilities), which allows easier and more effective assistance coverage within a single project.

As was shown by the reporting system of the programme, its deployment on a regional level proved to be the most effective. Projects implemented in the regions have effectively responded to needs of the local labour market. This was possible because regional administration was able to adapt measures to the social and economic situation of the region, conditions of the labour market and needs of small and medium enterprises. This has also facilitated access to funds for potential project providers.

Conclusions from evaluation of SOP HRD indicate that implementation of projects directed inter alia on supporting the labour market, adaptativeness of cadres in the economy, social integration and education system on a regional level allow effective spending of granted means.

OP HC is going to continue measures instigated within SOP HRD with respect to:

- support for systems and structures related to the labour market, social integration and education,
- support for persons and social groups through advancement of competencies of employees working in the labour market institutions, social assistance teachers,
- assistance to unemployed persons, individuals looking for jobs and persons threatened by social exclusion,
- adaptation of qualifications of personnel and staff in enterprises,
- measures in support of improving the level and quality of education in the society conforming to the needs of the regional labour market.

The scope of support will be considerably extended within OP HC to allow enhancing the potential of public administration, institutions of the third sector and health protection.

### 2.2.2. IRDOP

The objective of the Integrated Regional Development Operational Programme (IRDOP) is **creation of conditions for better competitiveness of the regions and counteracting marginalisation a way that would be favourable to long-term economic growth of Poland, its economic, social and territorial cohesion and integration with the European Union**. Its implementation is taking place through four Priorities. Support covering investments in human capital is implemented within Priority 2 Strengthening the development of human resources in the regions. The objective of this Priority is to create appropriate conditions for the development of human resources on a local and regional level, as well as to improve abilities to programming and implementation of Project related to human resources on those levels. This Priority has been divided into the following Measures:

- Measure 2.1: Development of capabilities related to needs of the regional labour market and of possibilities of life-long learning in the region;
- Measure 2.2: Assuring equal education opportunities through scholarship programmes;
- Measure 2.3: Professional reorientation of persons leaving agriculture;
- Measure 2.4: Professional reorientation of persons threatened by restructuring processes;
- Measure 2.5: Promotion of entrepreneurship;
- Measure 2.6: Regional innovation strategies and knowledge transfer.

For implementation of Priority 2 of IRDOP, means were signed totalling to 598 655 828 EUR, including resources from structural funds totalling to 438 469 535 EUR.

Evaluation of the way that IRDOP affects solving local problems shows that implementation of the programme on a regional level has contributed to effectiveness of undertaken measures. Evaluation studies have shown that projects related to assuring equal opportunities and professional reorientation have conformed to needs of the local labour market and had a positive impact on development of the region.

Such an evaluation was to a large extent a result of better adaptation on a regional level to actual needs of the labour market.

Through evaluation of IRDOP important conclusions were made for the subsequent programming period:

- need of clear determination of competencies of particular institutions that participate in programme implementation,
- necessity of assuring an efficient system of financial flows,
- assuring effective communication, information and promotion channels,
- improving flexibility in reallocation of means by the voivodships self-government,
- flexible and extensive determination of categories of persons authorised to benefit from assistance.

OP HC will be continuing measures initiated within IRDOP related to:

- support for restructuring processes,
- implementation of scholarship programmes,
- propagation of knowledge transfer,
- life long learning system for adults,
- development of entrepreneurship.

### **2.2.3. Community Initiative EQUAL**

The community Initiative EQUAL is part of a strategy of the European Union aimed at creation of new and better work places and at assuring that no one would be deprived of access to them. As a Community Initiative financed from the European Social Fund, EQUAL is a platform that allows seeking and learning new ways of achieving objectives of the European Employment Strategy and Social Integration Process policy. It covers nine thematic scopes. Eight of them have been defined in the context of priorities of the European Employment Strategy, while the ninth covers specific needs of persons applying for the status of refugees.

In Poland within Priority 1 of EQUAL 5 topics were adopted for implementation; those topics comprise granting assistance in entering and returning to the labour market to persons with difficulties with integration or reintegration with the labour market, strengthening national social economy, supporting adaptation abilities of enterprises and employees to structural changes in the economy and applying information technologies, measures in support of reconciling family life with professional work, as well as assistance in social and vocational integration of persons applying for the refugee status.

For implementation of measures within the EQUAL Initiative in Poland, programmed for the period of 2004 – 2006, plans assume the sum of 178.5m EUR. Of this sum 133.9 m EUR will come from ESF resources, and 44.6m EUR from the national public financing. Implementation of EQUAL projects on the basis of principles of innovativeness, partnership along with involvement of target group and transnational cooperation has proven benefits and added value that result from application of those principles. However, conclusions drawn from implementation of EQUAL suggest that partnership and transnational cooperation have the biggest value when they result from actual needs of the ongoing undertaking (problem analysis and the assumed work plan, assumptions concerning final outcome).

The value of partnership cooperation with involvement of the target group is:

- effect of synergy resulting from endeavours at working out a common solution and withdrawal from fragmentary and frequently uncoordinated measures undertaken in the same areas;
- taking up cooperation between institutions and organisations that operate in the same areas or which represent diverse groups of the labour market stakeholders, which affects the process of mutual learning and withdrawal from one-sided perceiving of the problem;
- stimulation of rank-and-file methods of solving problems thanks to involvement in partnership cooperation of local societies and representatives of target groups;

- possibility of adapting solutions to actual needs of recipients through participation in creation and evaluation of projects.

The values of transnational cooperation are:

- support for innovativeness through access to research and solutions applied in other countries;
- increasing the potential of institutions that participate in cooperation;
- creation of transnational networks that work out solutions aimed at facilitating achievement of the Lisbon Strategy objectives.

The value of transnational cooperation understood in such a way was confirmed in conclusions from evaluation of transnational cooperation, presented in the first annual report prepared within current evaluation of the EQUAL programme. An analysis of transnational cooperation was prepared on the basis of information compiled during evaluation of 10 projects by the case study method and opinions presented in questionnaires for leaders, partners and the managing group (Monitoring Committee, Managing Authority, and National Support Framework). An additional source of information were opinions of four leaders of transnational partnerships.

**Participants of the EQUAL programme appraise well the usability of transnational cooperation** (the average note is 4 in a scale of 1-5). Almost 45% participants were of the opinion that transnational cooperation is very useful, and 39% say it is rather useful. Equally well appraised was the impact of transnational cooperation principles on implementation of objectives within the EQUAL programme. In the poll survey 33% respondents stated that principles of transnational cooperation serve very well implementation of EQUAL objectives, further 60% that they serve well. On average a Partnership is able to present one or two examples of advantages gained thanks to transnational cooperation; all respondents valued higher exchange of meritoric character connected directly with problems of implemented projects than typically managerial benefits.

Benefits connected with exchange of information and experience of a meritoric character are connected with the possibility of obtaining new instruments and techniques for support of beneficiaries and better understanding of problems of the target group. Examples concern both specific solutions and methods of operation (e.g. adaptation to conditions of one country of a model/instrument worked out in another country), as well as benefits that arise from possibility of looking at problems of the target group from a new perspective.

Managerial advantages include first of all taking up contacts with organisations from other countries. This effect may be defined as an element of institutional development of Polish entities (99 leaders and several hundred partners) for implementation of complex projects and cooperation with domestic and foreign partners. Following completion of the programme those institutions will be much better prepared to undertaking common projects with foreign partners. A lot of them will already have identified partners in other countries. The importance of this aspect of transnational cooperation is also reflected in opinions expressed by foreign partners, who drew attention to the very pragmatic Objective and namely **building strong partnerships, which in the future will participate in other European projects**. That is why Polish partners are interesting and valuable for them. In turn Polish partnerships are of the opinion that foreign partners are open to cooperation and willing to share experience.

Also worthy of attention is the scale of transnational cooperation, in which the Polish partnerships are participating. In such transnational partnerships in which participate Polish partnerships (143 agreements on transnational cooperation) a total of 489 partnerships from all countries of the European Union are involved. Partnerships from Italy (110), Spain (57), Germany (48) and France (36) are the most numerous in this group.

Within an analysis of transnational cooperation in EQUAL distinguished were several factors, which may have a direct impact on the effectiveness of transnational cooperation. These include inter alia: will and openness of process participants, familiarity with own needs and possibility of determination of parameters of sought solution abroad, having at disposal appropriately documented achievements which may be turned

over to interested foreign partners, method of organisation of transnational cooperation, ability of minimising the impact of external conditions on effects of transnational cooperation.

The above indicated factors that affect the effectiveness of transnational cooperation and conclusions from evaluation of cooperation by participants of the EQUAL programme form a basis for formulation of **recommendations for determination of transnational cooperation principles within OP HC:**

- 1) will of cooperation and openness to possibilities of transnational cooperation as a necessary condition for rational utilisation of funds for transnational cooperation – this leads to a necessity of formulating criteria/conditions for participation in transnational cooperation, which would allow unequivocal statement that transnational cooperation is a necessary instrument for implementation of project objectives and the project provider has realistic and clearly determined expectations as regards transnational cooperation;
- 2) transnational cooperation should contribute to achievement of objectives in specific priorities, and should not only be an additional factor assuring formal conformity with the requirements of implementation of transnational projects; furthermore a basis for establishing cooperation should be a plan of transnational cooperation that determines the needs and approach to transnational cooperation with potential partners;
- 3) a schedule for implementation of transnational cooperation should take into account the fact that transnational cooperation is more a process of mutual learning than a mechanism of simple creation of common products; hence the issue of having sufficient time is fundamental from the viewpoint of effectiveness of transnational cooperation; this was confirmed in opinions expressed by participants of the EQUAL programme, who pointed at the necessity of determination of the subject and results of transnational cooperation taking place much too early as one of the problems in transnational cooperation;
- 4) taking into consideration the fact that the Community database of ECDB proved to be successful as an instrument that facilitates establishing transnational cooperation, project providers who wish to undertake such cooperation within OP HC should be assured the possibility of making use of a similar instrument.

When formulating conclusions from implementation of the EQUAL programme it has to be emphasised that implementation of innovativeness, transnational cooperation and partnership principles allow achievement of results of better quality, enhances the potential of institutions and opens new development possibilities. Nevertheless it requires well organised external support for project providers. Such support is necessary in the stage of project preparation, their implementation, but also equally important in the stage of including worked out results to the implemented national policies. An evident success in implementation of the European Social Fund in Poland is an increase in activity of the unemployed and persons seeking jobs at whom the support had been addressed. Those persons increasingly frequently make use of available forms of assistance in the form of in-service training, training courses, subsidised employment or funds for undertaking economic activity. In structures of systems and organisations the flow of information and promotion of good practices has become more effective, as well as stimulation of activity and cooperation of diverse institutions in solving problems with the use and mutual exchange of experience.

Poland's accession to the European Union and access to EU funds to support growth is a real opportunity for economic growth of Poland. Advancement of competencies and qualifications of employed staff improves the competitiveness of Polish enterprises both on the national and EU market. Knowledge gained during training courses applied in practice may lead to higher attractiveness of Polish commodities and services for customers from the EU, which would in turn be transposed to an increase in export and hastening the economic growth of Poland. The hitherto assistance assigned for the Development of Human Resources has contributed to an increase in the number of small and medium enterprises as a result of occurrence of various assistance programmes addressed at this particular group of entities. The level of education and awareness of the employees have also grown, and so has the education level of owners and managerial staff in companies, and awareness related to the importance of human resources in operation of enterprises.

### III. IMPLEMENTATION STRATEGY FOR THE HUMAN CAPITAL OPERATIONAL PROGRAMME OBJECTIVES

#### 3.1. Main Objective

This chapter presents the strategy meeting the challenges identified in the socio-economic diagnosis as well as indicates how the Programme will contribute to the implementation of the framework strategic documents elaborated on the community and national level.

The Operational Programme Human Capital (OP HC) is one of the elements in an implementation system of the National Strategic Reference Framework 2007–2013, whose strategic objective is creation of appropriate conditions for increase in competitiveness of knowledge based economy and entrepreneurship, which assure higher employment and an increase in the level of social, economic and spatial cohesion.

The strategic objective of NSRF will be achieved through implementation of horizontal objectives that result from the Lisbon Strategy, Strategic Community Guidelines and conclusions from analysis of weaknesses and strengths of the Polish economy, as well as its opportunities and threats.

NSRF assumes the implementation of the following horizontal objectives:

1. Improvement of the operation standard of public institutions and development of partnership mechanisms,
2. Improvement of the human capital quality and enhancing social cohesion,
3. Establishment and modernisation of technical and social infrastructure of fundamental importance for better competitiveness of Poland,
4. Enhancing the adaptability of enterprises, including in particular the production sector with high added value and development of the service sector,
5. Increase in competitiveness of the Polish regions and counteracting their social, economic and spatial marginalisation,
6. Assuring equal development opportunities and enhancing structural changes on rural areas.

The Operational Programme Human Capital is covered by the main objective of NSRF 2007–2013 by implementing first of all the second horizontal objective, i.e. better quality of human capital and enhancing social cohesion. OP Human Capital implements this Objective through the main objective of the Programme, which has been formulated as:

***Increased level of employment and social cohesion***

In addition, apart from objective 2 of NSRF, OP Human Capital will also contribute with its scope of support to implementation of objective 1 of NSRF, which assumes better functioning quality of public institutions and development of partnership mechanisms, objective 4 of NSRF which comprises support for enterprises and raising qualifications of their employees, objective 5 of NSRF related to counteracting marginalisation of regions (as regards social development) and objective 6 of NSRF, which assumes support for rural areas.

#### **Indicators:**

- Increase of the rate of employment for people in the productive age (15-64 years) from 54.5% to 60%;
- Decrease of the at-risk-of-poverty rate after social transfers from 21% to 14%.



The table below provides an overview of the main strategic links between the Programme and the relevant Community and national strategies, which are described in section 3.3.

**Table 20. Cohesion between the OP HC and the relevant Community and national strategies**

<b>Community Strategic Guidelines</b>	<b>Integrated Guidelines on growth and jobs</b>	<b>National Strategic Reference Framework</b>	<b>National Reform Programme 2005-2008</b>	<b>Human Capital OP</b>
1.3. More and Better Jobs	17. Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion.	Improving the quality of human capital and enhancing social cohesion by:	Retaining the high pace of economic growth and stimulating the creation of new jobs while respecting the principles of sustainable development by:	Increased level of employment and social cohesion
1.3.1. Attract and retain more people in employment and modernise social protection systems.	18. Promote a lifecycle approach to work. 19. Ensure inclusive labour markets, enhance work attractiveness, and make work pay for job-seekers, including disadvantaged people and the inactive. 20. Improving matching of labour market needs.	Active labour market policy;  Counteracting poverty and preventing social exclusion;	Creation and retention of new jobs and reducing unemployment.	Objective 1: Improving the level of professional activity and ability to employing persons who are unemployed or professionally passive;  Objective 2: Reducing areas of social exclusion.  Objective 6: Enhancing territorial cohesion (horizontal objective)
1.3.2. Improving adaptability of workers and enterprises and the flexibility of the labour market.	21. Promoting flexibility combined with employment security and reduce labour market segmentation, having due regard to the role of social partners. 23. Expand and improve investment in	Establishing conditions favourable to entrepreneurship;  Improvement of the health potential of human capital;	Improving adaptability of workers and enterprises.	Objective 3: Enhancing the adaptability of employees and enterprises to changes that take place in the economy.

	human capital.			
1.3.3. Increase investment in human capital through better education and skills.	24. Adapt education and training systems in response to new competence requirements.	Improving the education standard of the society and improving the education level.	Investing in human capital.	Objective 4: Propagation of education in the society on each education level with concurrent improvement of the quality of educational services and their stronger correlation with needs of knowledge based economy  Objective 6: Enhancing territorial cohesion
1.3.4. Administrative capacity	2: to ensure sustainability economic growth 3: to promote efficient allocation of resources  14: to improve European and national regulations	Improving quality of public institutions functioning and complex partnership mechanisms	Improving the quality of legislation  Rationalization of the administrative procedures and decreasing business activity expenses  Implementing the multi-annual budgetary planning in a task based arrangement  Rationalization of the economic judiciary	Objective 5: Enhancing the potential of public administration as regards development of law and policies and providing high quality services, and strengthening partnership mechanisms (horizontal objective)

### 3.2. Strategic Objectives

The main objective will be achieved through implementation of strategic objectives. Strategic objectives have been defined on the basis of the completed social and economic diagnosis of Poland and the SWOT analysis, simultaneously taking into consideration provisions of elementary documents of a strategic nature, developed on the Community and national levels. All strategic objectives are complementary and contribute to implementation of the main objective. Strategic objectives of OP Human Capital are:

1. **Improving the level of professional activity and ability to employing persons who are unemployed or professionally passive**
2. **Reducing areas of social exclusion**

3. **Enhancing the adaptability of employees and enterprises to changes that take place in the economy**
4. **Propagation of education in the society on each education level with concurrent improvement of the quality of educational services and their stronger correlation with needs of knowledge based economy**
5. **Enhancing the potential of public administration as regards development of law and policies and providing high quality services, and strengthening partnership mechanisms**
6. **Enhancing territorial cohesion.**

Objectives of the Programme have been defined pursuant to the principle of the strategic objective. This principle comprises concentration of support on areas of key importance and the most important problems that require intervention as regards employment and improvement of the human capital quality. The structure of strategic objectives reflects the main direction of interventions within OP Human Capital in the years 2007 – 2013.

The first strategic objective concerns improving the quality of human capital through enhancing the employment potential and professional activity of the unemployed and persons professionally passive, and promotion of entrepreneurship. Implementation of the second objective will contribute to strengthening social cohesion and reducing areas of social exclusion first of all by providing indispensable social services in support of access to employment for persons excluded from the labour market or threatened by such exclusion. The subsequent Objective of OP Human Capital will be contributing in the first instance to enhancing enterprises and their employees as regards adaptation capabilities to social and economic changes connected with globalisation and restructuring processes. Implementation of the fourth objective of the Programme will contribute to strengthening human capital through enhanced education level of the society, improving accessibility of education services on each education level and better quality of education and training. The fifth objective refers to the sphere of state governance and partnership and is of a horizontal nature. Its implementation will contribute to creation of conditions for effective functioning of the state through enhancing the potential of public administration in the scope of development of high quality policies and programmes and effective implementation of the *good governance* principle. The sixth Objective is a horizontal objective and related to the spatial dimension of support. Its implementation will be facilitated by measures undertaken within priority axes implemented on a regional level. This objective assumes concentration of resources and means on those areas on which occur the most severe development problems as regards employment, social integration, adaptativeness of employees and enterprises and education.

### **3.2.1 Objective 1: Improving the level of professional activity and ability of finding employment by persons who are unemployed or professionally passive.**

The Polish labour market is facing challenges, which both owing to their scale and to the complexity of occurring problems, distinguish Poland negatively as compared to the remaining member states of the European Union.

Situation on the Polish labour market is determined in the first place by the high unemployment rate, which in the first instance results from structural factors, including also mismatching supply of work places to the needs of the economy that is undergoing modernisation. Also high is the level of lasting unemployment, which affects over 50 % of the unemployed and remains the least susceptible to impact of instruments of the Active Policy on the labour market. In addition an adverse phenomenon observed on the Polish labour market is the relatively low employment rate and the low professional activity level of persons in the production age, including especially older persons, who due to difficulties related to finding a job withdraw to professional passiveness.

Growth of employment is one of the priorities of the Lisbon Strategy and is treated as a way of counteracting social exclusion and reducing problems resulting from aging of the society. Each of the member states,

including also Poland, should strive to achieve by 2010 the employment rate of population at the production age (16-64 years) at the level of 70 %, employment rate of females at the level of 60 % and employment rate persons in the pre-retirement age at a level of at least 50 %. Those objectives are also reflected in provisions of the National Reform Programme, for the years 2005 – 2008, which assumes inter alia raising standards of services provided by Public Employment Services, and also increasing the range of impact of Active Policies of the labour market.

Support planned within the Operational Programme Human Capital will contribute directly to achieving the assumed objectives of the Lisbon Strategy, and remains concurrently within provisions of the European Employment Strategy and Strategic Community Guidelines for the years 2007 – 2013, including in particular Guideline 1.3 *Increasing the number and improving the quality of work places*. Pursuant to its provisions within OP HC measures are to be undertaken in favour of achievement of full employment, strengthening social and territorial cohesion and approach to work that is compliant with the life cycle of an individual. Support planned within OP HC will also be as response to Conclusions formulated during the spring summit of the Council of Europe from 2005 as regards implementation of objectives of the amended Lisbon Strategy, and also to recommendations addressed at Poland in the report from progress in implementation of the National Reform Programme with respect to employment, including in particular as regards completion of the reform of Public Employment Services and enhancing the effectiveness of services provided by them, and also professional activation of persons from groups in particularly difficult situation on the labour market. OP HC responds also to challenges identified within national strategic documents, including the National Employment Strategy for the years 2007 -2013 as regards the needs of levelling regional differences and raising the employment level, and also the National Reform Programme.

Support planned within OP HC will be focused on two priority directions, and namely on improvement of effectiveness and quality of services provided by institutions of the labour market, with concurrent increasing the employment potential and professional activity of persons who are unemployed and professionally passive. At the same time the specific nature of the Polish labour market requires adopting a different approach in both directions of measures, which takes into consideration on the one hand the needs of establishing harmonised standards of services provided in support of the unemployed on the entire area of Poland, and on the other hand the necessity of reducing interregional and local differences in access to employment and in the development level of human capital.

The diagnosis has shown that a fundamental problem occurs on the Polish labour market, and namely the inadequate accessibility and effectiveness of services provided by Public Employment Services. Similarly the National Reform Programme points at the necessity of implementing new harmonised organisational and financial solutions that would assure better access to services of the labour market provided in favour of the unemployed, as well as extending the offer and improvement of the quality of services provided by poviats and voivodship job offices. Within OP HC support for institutions of the labour market will be implemented sectionally on the entire area of Poland to establish a national system of services of a similar quality standard. Furthermore this support will be focused in particular on enhancing the organisational and human resources potential of Public Employment Services as the most important supplier of services addressed at the unemployed and persons seeking jobs. Results of the performed diagnosis pointed out that the effectiveness of instruments of the Active Policy of the labour market to a large extent depends on their accessibility and appropriate matching of provided services to requirements of the demand side of the labour market. As a consequence support to be implemented within OP HC will be oriented in the first place on working out organisational and system solutions aimed at improving access to services of the labour market (including especially job placement and vocational counselling), as well as on improving the effectiveness of provided services, inter alia through improvement of professional qualifications of the Public Employment Services staff and development of a monitoring and evaluation system of the effectiveness of undertaken measures in a long-term horizon.

A fundamental challenge for the employment policy in Poland is the occurrence of regional and intraregional differences, related inter alia with the differentiated level in the development of social and industrial infrastructure, access to education and uneven employment level in agriculture in different regions of Poland. This implies the necessity of taking into consideration the specific nature of interregional differentiation in the process of professional activation of the unemployed, simultaneously assuring coordination mechanisms for undertaken measures on a central level. Support oriented at unemployed professionally passive persons

will be focused first of all on those target groups, which are in the most difficult situation on the labour market. Pursuant to results of the diagnosis and priorities formulated in the National Reform Programme, those groups will comprise the following categories of the unemployed: young persons entering the labour market for the first time, women, persons with lasting unemployment, as well as persons in the pre-retirement age, who as a rule are characterised by low spatial and professional mobility. In additional special emphasis shall be placed in professional activation of persons inhabiting rural areas, who owing to a low education level and limited accessibility of work places in the non-agricultural sector experience severe difficulties connected with finding a job. To counteract unemployment on rural areas those persons will be covered by special requalification and entrepreneurship promotion programmes, adapted to needs of the regional labour market. The lasting character of achieved results depends to a large extent on the complexity of offered support, as well as appropriate adaptation of available instruments and services to individual needs of the unemployed and persons passive professionally. For this reason an essential task both of public and non-public institutions of the labour market is assuring effective mechanisms, which would allow diagnosing the situation of the unemployed in the context of requirements posed by the labour market.

Objective 1 will be implemented through support concentrated within two Priorities. In Priority I first of all I measures will be implemented which cover support of the system and institutions of the labour market, while within Priority VI support will be addressed at the unemployed and persons professionally passive, and will be aimed at improving professional activity level and their ability of becoming employed and entering the labour market.

#### **Indicators of Objective implementation:**

- Increase of the employment rate of persons in age 15-24 from 24% to 35.2%.
- Increase of the employment rate of persons in age 25-54 from 71.8% to 79.7%
- Increase of the employment rate of persons in age 55-64 from 28.1% to 35%
- Decrease of the rate of workload of Poviats Labour Offices – number of clients per one employment advisor from 2648 to 1770 persons.

#### **3.2.2. Objective 2: Reducing areas of social exclusion**

The relation between the labour market and the social and economic situation of persons and social groups is of a two-sided nature, because problems on the labour market imply lowering living standard and expansion of the poverty scope, while financial problems hinder access to commodities and services, and form a serious hindrance in seeking employment. The social and economic diagnosis indicates that the high level, absence of effective measures in relation to persons threatened by social exclusion hindered access to the labour market and also a low level of cooperation between institutions established to supporting excluded persons, and are favourable to creation and intensification of this phenomenon in Poland.

A fundamental challenge of a social character is the concentration of problems connected with impoverishment of a part of the society and there being no possibility of employment for some groups, which causes further limitation of their social activity and leads to exclusion. In such a context it is necessary to strive at strengthening social cohesion and limiting the poverty scale through development of active integration instruments, combines with a system of income support and possibilities of running economic activity, e.g. in entities of social economy. Of particular importance is to develop an environment to support persons with disabilities to improve the level of their professional readiness and develop abilities to obtaining (or to maintain) employment on an open labour market.

Dominating problems of social life indicated in the diagnosis include in the first place a high percentage of relative poverty, low indicator of professional activity of persons with disabilities and persons with lasting unemployment, as well as hindered possibilities of gaining and maintaining employment by those persons. A challenge for Poland in this context is first of all improvement of functioning conditions of persons threatened by exclusion and of their families, and creation of environment advantageous for their return to work and integration with the society. Owing to the differentiated aetiology of social exclusion and specific “development path” of this process as indicated in the diagnosis, the planned support should be of a flexible nature and be directed not only at elimination not only of consequences but also causes of that phenomenon

to counteract effectively further limiting of participation in social life. Granting support to persons and families, who experience various types of discrimination and due to absence of economic stability threatened by social exclusion, should help guide them to enter and remain on the labour market and assist in widely understood integration with the social environment.

Furthermore, taking into consideration the small effectiveness of activation measures implemented by social assistance institutions it is necessary to help them regain the integration function, which hitherto was limited by the exclusively interventional character of the social support system. The lack of standards for education and employment of social workers indicated in the diagnosis, the low effectiveness of measures aimed at assuring more autonomy of social assistance clients and insufficient usage of new integration instruments suggest the necessity of strengthening the social assistance institutions inter alia through organisation of wide scale system of training and education of staff for those institutions, improvement of both vertical and horizontal cooperation between diverse entities of the social policy, as well as between social policy institutions and labour market institutions, and also development of methods for coordination and monitoring of measures that are being executed also is needed.

Measures of social assistance should also be supplemented and extended within social employment, social entrepreneurship and through development of instruments for professional and social rehabilitation of persons with disabilities. Hitherto effectiveness evaluations of measures undertaken in relation to persons threatened by exclusion indicate the need of integrated measures, much more complex, which comprise both services related to regaining fulfilment of social roles, and which facilitate returning to the labour market. Offered forms of support should involve non-government organisations which operate in the area of social integration and support of development of active and innovative forms of counteracting social exclusion, correlated to the use of the labour market instruments (e.g. in the form of social economy entities). Furthermore it is necessary to counteract social exclusion through providing wider access to social work, selection of appropriate forms of obtaining or changing professional qualifications, help in adaptation to a specific work environment and support of independence and own activity of persons threatened by social and professional marginalisation.

Challenges that face the Polish system of social policy, which result from the nature of problems described in the diagnostic part, are also convergent with challenges identified in strategic documents related to this sector. In the *Joint Social Protection/Social Inclusion Report 2007*, recommendations addressed at Poland included inter alia the necessity: supporting active integration through i.e. further development of the active labour market policies instruments, ensuring social services supporting integration of persons with the labour market (in particular members of families with many children). Additionally one of the recommendation concerns strengthening of the social policy institutions and coordination of their actions on various levels, as well as rising the employment rate (in particular among the older employees and disabled persons). Measures implemented within the Programme responses to challenges defined in such a way through support of activation measures and facilitating access to the labour market and strengthening institutional and organisational abilities of entities in the sector of social assistance and integration. Instruments for achievement of those goals would comprise inter alia development of active integration forms in professional, social and education dimension, support for development of the social economy sector, creation of new social policy instruments and development of the existing ones, as well as promotion of public-social partnership and enhancing cooperation (first of all on a regional and local level) between the sector of social assistance institutions and labour market institutions.

Critical challenges related to integration are also posed by the National Action Plan for Social Integration in the years 2006 – 2008 (KPDI), which is prepared within the open method of coordination of the document that strengthens interactions with the Lisbon Strategy. As regards the first challenge defined by KPDI, and namely supporting families with children, OP HC assumes measures in favour of supporting integration with the labour market of employees following childbirth, promotion and support of flexible employment forms, which would allow combining professional activity with family obligations, and support for projects that broaden the scope of services related to childcare. Implementing the second objective of KPDI, and namely integration through activation, measures of the Programme aim at the reform and wider utilisation of tools and instruments in support of active integration of persons threatened by social exclusion through complex application of instruments of the labour market with measures of a supporting nature. The crucial role in activation of persons threatened by social exclusion should lead the social economy sector, which will be

supported under the OP HC. It is also necessary to assure better orientation of undertaken measures to support families and their members that experience difficulties in functioning on the labour market, as well as children from inefficient milieus in the educational and upbringing inefficiencies. The third challenge of KPDI, which assumes mobilisation and partnership in support of better programming of social policy, is reflected in the planned measures of building a public-social partnership, support for cooperation between the sector of social assistance and the labour market institutions and organisations of the third sector, establishment of a cohesive programming system of monitoring and evaluation of measures undertaken by social assistance units on a regional and local level, and increasing and improving the potential of social assistance institutions.

Provisions of the priority axis of social integration in OP HC are also comprised by the scope of priorities in the cohesion policy of the European Union, determined in the Strategic Community Guidelines for the years 2007 – 2013. In response to challenges determined in *Guideline 1.3.1 Attracting to the labour and prolongation of professional activity of an increasing number of persons and modernisation of social insurance systems*, the Programme will support initiatives aimed at improving access to the labour market and at facilitating social integration of migrants and persons with lasting unemployment, persons leaving correctional institutions, refugees experiencing problems with integration and persons with disabilities. Pursuant to provisions of the Strategic Community Guidelines the objective of those measures will be to achieve improvement in employment abilities through increasing their share in vocational training, rehabilitation and resocialisation, as well as necessary social support, but also through development of social economy and counteracting all forms of discrimination in work places.

The Objective will be implemented through support focused within two Priorities. Measures to be implemented in Priority I will cover the development of institutions of the labour market and social assistance and social integration and development and implementation of nationwide projects related to professional activation and social integration. Within Priority VII support will be directed at raising the level of professional activity and ability to employing persons or groups threatened by social exclusion that experience special difficulties on the labour market.

#### **Implementation indicators of the Objective:**

- Increase of the employment rate of persons with disabilities aged 15-64 years from 17.3% to 23%;
- Decrease of the long-term unemployment rate from 7.8% to 3%;
- Decrease of the share of people aged 18-59 years living in jobless households from 13.5% to 9.8%;
- Decrease of the rate of workload for Social Assistance Institutions – number of clients per one social worker from 295 to 180 persons.

### **3.2.3. Objective 3: Enhancing adaptability of employees and enterprises to changes that take place in the economy**

Enhancing adaptation abilities of employees, entrepreneurs and enterprises is one of the core challenges for the Polish economy, and in particular for the labour market. The socio-economic diagnosis and the SWOT analysis contained in the Programme clearly show that fundamental problems that occur in Poland with respect to adaptativeness and knowledge transfer are first of all the low professional activity level, especially among older persons, women and persons with lower professional qualifications, insufficient application of flexible employment forms and work organisation; low percentage of persons in the productive age in life long learning and absence of sufficient support for employees of restructured sectors and enterprises. Another diagnosed problem with respect to adaptativeness is also insufficient human resources prepared for the creation and deployment of new technologies in enterprises, and the lack of interest of entrepreneurs and scientists in mutual cooperation.

An issue of core importance concerning the adaptability in Poland is to allow adapting qualifications of professionally active population to needs of the labour market (this concerns first of all persons employed in

agriculture and fishery and employees of restructured enterprises, especially in the mining and energy sectors), as well as promotion of the life long learning concept, especially among persons with low or outdated professional qualifications. Available analyses (e.g. *Employment in Europe 2006*) have shown that increasing the share of persons with higher education in the total number of employed persons is a necessary condition, but insufficient for the growth of work productivity and hastening of economic growth. Equally important for establishment and expansion of the knowledge based economy is making investment in human capital, established by company employees. For this reason training programmes for employees should form a core element in the development strategy of an enterprise. Of particular importance is to assure convenient conditions for improvement of qualifications among employees in small and medium enterprises, especially in sectors with of priority rank for the economic growth of the country or region. Vocational training should consequently supplement formal education of the employees. Enhancing the life long learning system understood in such a way conforms to objectives specified in the European Employment Strategy and in the Community programme Education and Trainings 2010, in particular related to prolongation of the professional activity age, changes and advancement of occupational qualifications, and above all increasing the percentage of adults in life long learning (Objective: 12.5% persons aged 25-64 in 2010).

An additional condition for acquiring and maintaining competitive superiority on the market is also promotion and propagation of innovative and flexible work organisation forms. The diagnosis has shown that lack of stability in demand for work in the qualitative and quantitative sense enforces the need of assuring rapid and smooth adaptation – both of employees and of enterprises. Effective completion of restructuring processes in enterprises and sectors of the economy would depend on the already mentioned readiness to changing of adapting qualifications of employees, including especially as regards the most threatened persons, and namely older persons and those with lower qualifications, as well as on continuation of the already observed positive change in attitudes of social partners and the employees towards restructuring. Strengthening will also be necessary for cooperation of all stakeholders, i.e. social partners, local communities and self-government authorities and the labour market institutions with respect to monitoring socio-economic changes, which are taking place mainly on a local and regional level, as well as foreseeing market trends and those related to the labour market.

To allow the execution of the most efficient restructuring process, as friendly as possible to the employees, also to be supported is the social responsibility of enterprises, whose operation in an evident way affects the form of the local labour market and condition of the natural environment.

Furthermore, development of adaptability will also comprise promotion of the application of new technologies and innovative solutions aimed at improving work effectiveness and enhancing competitiveness of the enterprises. In such an aspect also important will be striving at improvement of the health condition and occupational safety and health of the employees. Appropriate health care, reducing absenteeism and improving the occupational safety and health level is transposed directly on the work productivity and competitiveness, and is an unavoidable challenge taking into consideration demographic trends. Those measures remain in full conformity with objectives specified in the Strategic Community Guidelines, especially in guidelines No. 1.3. *Increasing the number of work places and improvement of their quality*, in particular as regards prolongation of professional activity of a larger number of persons; enhancing adaptation abilities of employees and enterprises and flexibility of the labour market; making investments in human capital and supporting a good health level of the employees.

Simultaneously in conformity to provisions of the Open Coordination Method in the field of social inclusion and security, presented in the annual *Joint reports on social protection and social integration*, assuring equal access to health care will be assisted by support for raising qualifications of the medical personnel, and consequently increasing the number of specialists among health care staff. Furthermore, taking into consideration the existing considerable indebtedness of health care centres, of particular importance is striving to assure rational management of financial resources. Consequently the necessity arises of making investments in raising managerial qualifications of the management staff. Above mentioned solutions are coherent with the guidelines for Poland in the field of health care and long-term care included in *Joint Social Protection/Social Inclusion Report* regarding to better access to medical services and improving their effectiveness.



The absence of efficiently functioning cooperation system of enterprises with the scientific sector is a serious barrier in fulfilment of lasting growth of innovativeness and competitiveness of the entire economy. Consequently it is necessary to improve the awareness of entrepreneurs as regards possibilities of cooperation with scientific centres and advantages that result from it, further activation of scientists (encouraging them to respond to needs of business) and creation of cooperation platforms, contact exchange, dialogue of both sides. Projects aimed at supporting the cooperation of both sectors are an element contained first of all in provisions of guideline No. 1.2. *Improvement of the knowledge and innovativeness level in favour of growth*, in particular as regards promotion and supporting cooperation between enterprises and research institutes and providing services (especially those related to training and counselling) for enterprises, as well as promotion of academic entrepreneurship (including promotion of establishing companies of the *spin-off* and *spin-out* type).

The indicated directions of measures aimed at enhancing adaptation abilities of employees and entrepreneurs are coherent with objectives and priorities of basic strategic documents developed on a Community and national levels.

The second Objective is furthermore cohesive with objective determined in Guidelines on employment 2005-2008, especially in Guideline No. 21. *Promoting flexibility with concurrent assuring employment safety and reducing segmentation of the labour market taking into consideration the role of social partners*. Pursuant to the guideline, support would be assured in the first place to: flexible employment forms; more effective foreseeing and better management of changes, including economic restructuring; innovative and flexible forms of work organisation aimed at improving work quality and productivity, including health protection and safety; change in occupational status, including training courses. Furthermore, measures implemented within this objective conform to provisions of guidelines No. 18. *Promoting an approach to work in conformity to the human life cycle* (in particular through facilitating reconciliation of work with family life, support of active aging, improvement of health care in the work place) and 23. *Increasing and improvement of investments human capital* (mainly thanks to increasing the share of life long learning and in-service training throughout the entire period of professionally active life, in particular for older employees or those with lower qualifications).

Objective *Enhancing adaptation abilities of employees and enterprises to changes that take place in the economy* also conforms to objectives outlined in the National Reform Programme 2005–2008, especially in priorities: 2. *development of entrepreneurship*; 3. *Increase in innovativeness of enterprises* and – first of all – 6. *Enhancing adaptation abilities of employees and enterprises through investing in human capital*. Those measures comprise inter alia: completion of privatisation processes and support for restructured enterprises and their employees; enhancing the business environment institutions, especially through training and counselling services; development of cooperation between the R&D sphere and entrepreneurs; propagation of ICT in operation of enterprises and their application by the employees in their work place; propagation of knowledge concerning possibilities of undertaking work in various employment forms; promotion of application of flexible employment forms; propagation of the life long learning concept and investing in human capital in enterprises.

The Objective is going to be implemented by way of support concentrated within two Priorities. In Priority II the granted support will be of a transregional nature, and will be oriented at system based increasing of the adaptability of enterprises and their employees, including to supporting institutions that provide services for entrepreneurs and entities that run training operation. Priority VII will assure support as regards acquiring or changing occupational qualifications addressed directly at persons, in particular from groups of special risk (older or those with low qualifications), executed on the area of the region.

#### **Implementation indicators of the Objective:**

- Increase the % share of adult population aged 25-64 participating in education and training from 4.7% to 10%;
- Change of the share of the registered unemployed, who left the register as a result of taking up subsidized jobs in the reference year, in relation to the average number of the unemployed in this year from 49.3% to 80%;

- Chance of the proportions of persons employed according to economic sectors (agriculture / industry / services) from 17.4% to 12% / from 29.2% to 26% / from 53.4% to 62%.

### **3.2.4. Objective 4: Popularisation of education in the society at all educational levels with simultaneous increasing the quality of educational services and a stronger link between them and the needs of the knowledge economy**

The educational system in Poland is facing challenges brought about by the development of the knowledge society and economy. In this context, increasing the level of competition and innovation in the economy requires enhancing the scale and effectiveness of human capital investments.

The main objective of measures in the field of education and training under the Human Capital Operational Programme is to popularise education in the society at each educational level, in particular to increase the proportion of people with at least secondary education completed with the matura exam or higher. However, popularisation of education must be accompanied by increasing its effectiveness. Thus, it is necessary to ensure quality of learning corresponding to the standards of the knowledge society, with simultaneous closer adjustment of the specialisations to the requirements of the labour market.

Conclusions coming from the diagnosis and the SWOT analysis indicate the existence of weaknesses in the education and training system in Poland. They are concentrated around the following problems: the existence of differences in access to education for various social groups (in particular people living in rural and urban areas), insufficient tools for ensuring high quality educational services and their monitoring, low attractiveness and popularity of vocational education, low participation rate in adult education, insufficient links between the educational system and the needs of the labour market (both in terms of the content and the specialisations), as well as, last but not least, insufficient qualifications of the R&D system employees in creating links between science and economy.

In the context, it is indispensable to undertake actions at many layers, both for modernisation of the educational system and the introduction of new systemic instruments ensuring better adjustment of education and training to the labour market, as well as improvement of the situation of disadvantaged social groups in terms of access to education and training. The problems of education and training revealed in the diagnostic part, like the adopted logic of Community and national strategic documents, indicate the necessity of focusing measures under the fourth strategic goal around four key challenges to the education and training system, namely: enhancing access to educational services at all levels, improving the quality of education and training, enhancing the links between education and the needs of the labour market, better utilisation of the R&D sector potential for building a knowledge society and economy.

The challenge related to improving access to education will be addressed with measures aimed at removing the barriers, which, for particular social groups, such as people living in rural areas, make it difficult to make use of educational services at every level of education. Educational opportunities should be made equal at the initial stages of education, i.e. at the preschool stage, when the learning predispositions of the future students are informed, as well as disadvantaged students should be supported by offering them an attractive range of compensatory-specialist classes. It is necessary also to strengthen the adult education system and extend the offer of educational services addressed to that group of customers. It will contribute to elimination of the disproportions existing at present between various social groups. Increased access to education, enabling participation in education of all social groups, will have an actual impact on enhancing the influence of education and educational attainment as factors counteracting social exclusion and contributing to the improvement of the situation on the labour market.

Ensuring high quality of education within the educational system should take place through actions focused on facilitating management of processes and institutions composing the educational system in Poland, among others through the creation of structures responsible for carrying out effectiveness tests for the educational system, enhancing the system of external exams and professional development of teachers. Building high quality education requires also providing schools, universities and educational institutions with instruments

contributing to higher quality of learning (implementation of development programmes relating to enhancing key competences of students, improvement of the quality and offer of vocational schools), as well as the results of evaluation and monitoring of the performed educational activities.

In the context of the challenge related to the closest possible link between education and the needs of the economy and the labour market, it is necessary to undertake actions aimed at adjustment (both in terms of specialisations and the content) of the educational offer to the current requirements of the labour market and better preparation of the customers of educational services to efficient functioning in the knowledge society and economy. Systemic solutions enabling harmonisation of various vocational education systems through the National Qualifications Framework based on the outcomes of the learning process, development of the educational and career advisory system, as well as more extensive incorporation of a employers into development and implementation of the learning process both in the educational system and in higher education. It is also necessary to undertake actions which will contribute to the preparation of a larger number of graduates with qualifications corresponding to the contemporary economy by the educational system. In the context, measures should be implemented to increase the importance of the competence in mathematics and natural sciences, and in the higher education system will enhance attractiveness and popularity of education in departments of mathematics and natural sciences and technical departments.

The fourth challenge of the strategy in the area of education and training is the improvement of the utilisation of the R&D sector potential for building a knowledge society and economy. Actions in that scope require increasing the competences of the R&D staff in the scope of management skills and commercialisation of the results of the research and development projects. Higher qualifications of the R&D staff in that field will contribute to increasing the scale of cooperation between R&D institutions and enterprises, which is much lower now than the one in other countries of the European Union. What is also important is increasing the awareness of the importance of the role of scientific research in the economic growth through promotion of cooperation of businesses, business support institutions and scientific centres.

The above four main challenges addressed by the support of the education and training system under the Human Capital Operational Programme belong to the wider context of the EU cohesion policy set out in the Community Strategic Guidelines, 2007-2013 in Support of Growth and Jobs. In particular, the scope of the fourth strategic goal refers to Guideline 1.3.3 *Increasing investment in human capital through better education and skills*, as, on the one hand, it contributes to expanding and increasing the level of investment in human capital, and on the other hand, it contributes to modernisation of the education and training system in response to new economic conditions related to qualifications.

In the wider strategic context, the fourth strategic goal of the Human Capital Operational Programme corresponds to the objective of the Lisbon Strategy in the field of education and training covering an increase in human capital investments through better education and skills. The objectives are included in the EU programme *Education and training 2010* and, just like the fourth strategic goal, they comprise: improvement of the quality and effectiveness of educational systems, facilitating universal access to educational systems and intensification of the cooperation of educational systems with the external environment.

In the national context, the scope of the fourth strategic goal of the Human Capital Operational Programme corresponds to the challenges established in the National Reform Programme, 2005-2008. The NRP, starting from the lower level of education and skills of the Polish society in comparison to other EU Member States, specifies the need to increase the scale of investment in human capital, which should lead to an increase of the proportion of persons with secondary and higher education and popularisation of lifelong learning. In the area of education and training, the NRP provides for the necessity to: delineate strategic directions of actions in the educational system in favour of popularisation of the lifelong learning model, enhancing the quality of educating teachers and teaching staff, development of e-learning, development of a career advisory system, intensification of cooperation of educational institutions and employers, implementation of the National Qualifications System and the National Qualifications Framework, as well as elimination of barriers in access to education resulting from poverty and disability.

The goal is to be implemented through support focused under two Priorities. Under Priority III, there will be implemented measures related to support of the system and educational institutions, enabling its facilitation and modernisation towards improving the quality of the educational services. Also nation-wide programmes directed at equalisation of educational opportunities and development of students' key competences will be

implemented under that Priority. Priority IV will cover support to improve learning quality at the level of higher education and closer links of higher education with the needs of the competitive and innovative economy. Under Priority IX, support will be given to individuals, including: popularisation of preschool education, regional scholarship programmes and measures popularising the lifelong learning model.

Due to the specific conditions and diverse form of the lifelong learning, the support in this area will be given in several Priorities depending on the character, target and addressed groups. Support in the area of non-formal lifelong learning (e.g. trainings, courses and other forms of the vocational development) addressed to employees will be implemented within Priority VIII, at the same time allowing to increase the competitiveness of industrial staff, whereas support aimed at dissemination and better availability of formal lifelong learning will be implemented within Priority IX as a measure of increasing the level of education in the society.

#### **Implementation indicators of the Objective:**

- Increase of the share of people aged 15-64, according to level of education: secondary (including the basic vocational and post-secondary), tertiary, in relation to the total number of people at this age from 59.4% to 65% (secondary) and from 13.4% to 17% (tertiary);
- Change of the relation of the unemployment rate of people aged 15-24 to the unemployment rate of people aged 25-64 from 250 to 200;
- Increase of the share of academic graduates in Mathematics, Science and Technology in relation to total number of university graduates from 14.7% to 22%;
- Decrease of the share of students who obtained the lowest grades (0-15) in external examinations at the level of *gimnazjum* in mathematics – science part (1 percentage point decrease) and humanities part (0.4 percentage point decrease) in relation to total number of students undertaking the examinations;
- PISA results – decrease of the share of low achievers in reading literacy (from 16.8% to 15.2%) and mathematics (from 22% to 17.8%);
- Increase of the share of graduates completing secondary education in vocational schools giving access to tertiary education (ISCED 3B) in relation to total number of graduates completing secondary education (ISCED 3A and 3B) from 32% to 45%;
- Increase of the share of graduates completing basic vocational education (ISCED 3C) in relation to total number of graduates completing secondary education (ISCED 3A, 3B and 3C) from 12% to 14%;
- Increase of the share of graduates completing secondary vocational education (ISCED 3B i ISCED 3C) in relation to total number of graduates completing secondary education (ISCED 3A, B i C) from 37.2% to 43%;
- Increase of the share of faculties assessed by the State Accreditation Committee as *distinctive* in relation to total number of faculties assessed from 1.25% to 5%;
- Increase of the share of children aged 3-5 years in rural areas participating in forms of pre-school education from 19% to 30%.

#### **3.2.5. Objective 5: Enhancing the potential of public administration as regards development of law and policies and providing high quality services, and strengthening partnership mechanisms**

Enhancing development opportunities of the state as a result of membership in the European Union is only feasible when state organs responsible for development and implementation of policies are adequately prepared to carrying out their functions. Accessibility, efficiency and speed at which the administration operates are of core importance for the state of the economy, and effective state institutions are an important source of competitiveness and an economic growth factor. The Polish administration and public services have weaknesses caused inter alia by there being no system measures oriented at improving the quality of

their functioning. In many situations the ineffectiveness of state administration limits the inflow of investments, slow down the reform process and hinder activity of the citizens.

The main objective in OP Human Capital aimed at enhancing the administrative potential in Poland is preparing public administration to carrying out its fundamental function, and namely creation of conditions for social and economic growth of Poland. In this respect the most important issue is enhancing the abilities of the Polish administration to development of high effective policies and programmes and their effective implementation. This Objective conforms to objectives of the Lisbon Strategy, which assume better development of policies and their implementation to allow crating appropriate conditions for economic growth and employment. Furthermore it is covered by provisions of the Strategic Community Guidelines for the years 2007 – 2013. Guideline No. 1.3.4 – *Administrative abilities* as it assumes enhancing the potential of the administration as regards development and deployment of policies and programmes, constituting high quality regulations and support of cooperation between the public sector and the social and economic sector.

Problems in the field of *good governance* indicated in the diagnostic part point out to the necessity of focusing support on priority challenges to enhance the administrative potential, and namely enhancing abilities to constituting high quality regulations and development of long-term programmes and strategies, implementation of a system of long-term budget plans, improving the quality of public services, in particular those provided by entrepreneurs, rationalisation of the jurisdiction system especially with respect to economic jurisdiction and enhancing partnership mechanisms. Such formulation of priorities with respect to *good governance* reflects the scope of support for the public sector as provided for in the National Strategic Reference Framework 2007-2013. Objective 1 of NSRF *Improving the functioning quality of public institutions and development of partnership mechanisms* assumes support for measures advantageous for modernisation of the Polish institutional and regulatory system as well as development and supporting a partnership cooperation model for administration, social partners and non-government organisations.

Support planned within OP Human Capital also conforms to provisions of the National Reform Programme for the years 2005-2008, which as regards the microeconomic and structural policy foresees measures aimed at strengthening the regulatory potential of the administration (Measure 2.1. *Improving the quality of legal regulations*), as well as provisions of the Regulation Reform Programme, which is a complex action plan related to improving the quality of the law in Poland. The planned project will on the one hand contribute simplification of the existing legal regulations, especially those that affect functioning conditions of enterprises, and on the other hand are expected to help improve the quality of constituting new legal acts.

The above mentioned measures are also connected with support oriented at improving the quality of policies and services related to registration of economic activity and operation of enterprises (Measure 2.3 of the NRP *Rationalisation of administrative procedures and reducing costs of running economic activity*). It is also necessary to undertake measures related to simplification of procedures related to registration and running of economic activity, owing to the fact that better conditions or running economic activity through elimination of redundant administrative barriers and reducing costs connected with running of economic activity is a fundamental premise for the development of entrepreneurship in Poland. The elimination of redundant barriers for entrepreneurship is one of the most serious challenges in the sphere of development of economic policy faced by the Polish government and administration in the forthcoming years. Measures in this scope should in particular comprise setting up a ‘single counter’ system in administration offices. This would shorten the complicated and protracted procedure of registration of a company and would furthermore reduce financial burdens to be de facto borne by entrepreneurs before launching of operation. Deployment of the ‘single counter’ system is the first and fundamental stage in the rationalisation process of running economic activity. Subsequent mutually correlated measures would be related to reducing legal and administrative burdens for enterprises and simplification of legal regulations aimed at establishment of a stable and effective system of economic law.

As was shown by the diagnosis, owing to the growing role of territorial self-governments in creation of growth condition a necessity arises of having the process of development and implementation of policies and strategies rationalised, especially those of a regional and local scale. Support would also cover the development of coordination and strengthening mechanisms for cooperation between public administration units, especially in the vertical system (between government administration and territorial self-government

units). Implementation of those tasks would allow coordination of measures carried out by particular institutions within the same thematic scopes.

The low institutional potential of public administration units indicated in the diagnostic part necessitates undertaking actions oriented at the strengthening administration also in this scope, first of all through modernisation of the existing administrative structures, introduction of modern management methods and assuring a high quality of provided services. The essential element of building effective public services is using the modern IT technologies during the process of public service delivering. Such support instruments are reflected in provisions of the *Strategic trends of informatisation development in Poland until 2013*. One of the financial sources of such support is ERDF. Actions under the ESF and ERDF will be complementary.

The completed diagnosis and SWOT analysis of the public administration sector proved the absence of universally introduced management system by objectives and results, especially in the financial aspect, as one of the weaknesses in that sector. Of particular importance in this scope is modernisation of public finance management, the most important element of which is introducing in all public finance sector units a financial management system in a task aspect. Those measures are consistent with the National Reform Programme (Measure 1.7 *Introduction of a long-term budgetary planning system in task aspect*).

The scale of problems connected with corruption in public institutions mentioned in the diagnosis and the justified need of improving the transparency in public administration prove the necessity of implementing some tasks also in this respect. Projects planned for implementation in OP Human Capital are oriented inter alia on promotion of principles of ethical conduct, promotion of principles that eliminate corruption and increasing the awareness as regards professional ethics of public institution staff which are covered by provisions of the *Anticorruption Strategy - II stage of implementation 2005-2009*.

Problems indicated in the diagnosis related to functioning of the jurisdiction are also a condition for covering this sector by assistance. Clients of jurisdiction institutions encounter problems related with protraction of court proceedings result from absence of financial resources and human resources. The lasting nature and high costs of procedures in economic issues leads to adverse consequences for entrepreneurs and for economic turnover. For this reason it becomes necessary to assure effective functioning of the judiciary, especially as regards economic jurisdiction through measures oriented at improving the quality and timeliness of services, as well as providing the justice sector staff with indispensable competencies. Such measures are contained within the National Reform Programme (Measure 2.3. *Rationalisation of economic jurisdiction*) and conform to other measures undertaken by the Polish government in support of improving the operation of courts (e.g. rationalisation of legal proceedings).

Taking into consideration the fact that the diagnosis specified the absence of complex analyses related to functioning of public administration as an elementary difficulty in programming the scope of support for the public sector, plans assume diagnosing the condition of the government and self-government administration and of the judiciary. This will allow the development of complex analyses, which would describe the situation in the sector in the key scopes of its functioning. Support instruments will be oriented in the first place at improving functioning of administrative structures. In this scope, however, a complex approach to programming will be applied, which means that support would cover both administration units and persons employed in them. Significant supplementing of the planned reforms related to structures and systems would be trainings for persons involved in their development and subsequently in their implementation, correlated with the reform programmes that are being implemented. A premise of core importance for the development of an efficient and transparent public administration and judiciary is the professionalism of people employed in public institutions.

Support for the *good governance* principle is an element in creation of a modern and partnership based state. The elementary dimensions of this principle comprise the level of social participation. Cooperation of public administration with social partners and non-government organisations and their participation in agreements and implementation of legal regulations and public policies determines their quality. Social dialogue facilitates the establishment of a partnership based state model. Hence a need arises of measures oriented at its strengthening and development.

As regards providing public services, the potential of non-governmental organisations is still not used to a sufficient extent, although pursuant to the subsidiarity principle the biggest number of social services should be implemented on the lowest level possible by local communities and non-government organisations. Only

measures that exceed their capabilities should be taken over by higher ranks of public administration. Execution of the subsidiarity principle requires expansion of the scope of cooperation between public administration and social partners and non-government organisations.

Strengthening partnership mechanisms means intensification of cooperation of three groups of entities in creation of public policies and programmes by propagation of principles of consultations and supporting institutions of social and civil dialogue. This is particularly important owing to the problems specified in the SWOT analysis, such as the weakness of social dialogue institutions, low organisational and staff potential of non-government organisations, lack of readiness for cooperation with public administration and fund management and segmentation of the sector. Consequently it will become necessary to enhance the potential of social partners and non-government organisations in this scope.

The fifth Objective will be implemented within Priority V, which assumes measures oriented at enhancing the potential of public administration and judiciary, and also supporting cooperation of the administration with social partners and non-government organisations.

#### **Indicators of Objective implementation:**

- Increase of the regulatory quality from 0.82 to 1;
- Change of the corruption perception index from 3.7 to 5;
- Increase of the share of funds transferred to organizations and foundations from the public budget to finance or subsidise tasks delegated by self-government units from 0.6% to 1.2%.

#### **3.2.6 Objective 6: Enhancing territorial cohesion**

As was shown by the diagnosis, issues of unemployment, employment, as well as education level are differentiated from the spatial viewpoint. Support of regional human resources by measures related to improving access to employment, education, promotion of entrepreneurship will contribute in a significant way to reduction of regional differences on those areas. The enhancing of territorial cohesion is a special challenge in the context of ongoing restructuring processes and sectoral transformations, and also the necessity of hastening the development of the five poorest regions in Poland.

As regards territorial cohesion there is a necessity for regeneration of rural areas by diversification of economic activity on rural areas, improving professional and spatial mobility of persons living on rural areas and improving access to high quality education. Investing in development poles on rural areas, i.e. small towns and medium sized towns, in which institutions offering education services and supporting entrepreneurship would be concentrated, remains an issue of considerable importance. Support would also be oriented on areas of industries being restructured to create appropriate conditions for employment growth and hastening structural changes in those regions. Measures undertaken in support of human capital development in Eastern Poland, with increased financial assignments, would contribute to hastening development processes and more extensive including of those areas in processes of growth and employment.

This Objective is going to be implemented through support granted within four Priorities. In Priority VI support would be addressed at the unemployed to improve their opportunities on the labour market, and in Priority VII at persons threatened by social exclusion to improve the level of their professional activity and integration with the society. Measures within Priority VIII are oriented at improvement of the competitiveness in regions by providing support for enterprises and their employees, while in Priority IX for implementation of regional programmes assuring equal access to education to all citizens (also on the life long learning level).

#### **Indicators of Objective implementation:**

- Maintenance the regional diversification of the employment rate at level 5.2;
- Maintenance the regional diversification of the unemployment rate at level 15,

- Maintenance the regional diversification of entrepreneurship – economic entities recorded in the REGON register per 10 000 inhabitants at level 20,4%<sup>15</sup>
- Maintenance the regional diversification of results of examinations – average results of *gimnazjum* examinations in humanities part at level 2.7% and Mathematics and Science parts at level 3.0%<sup>16</sup>.

### **3.3. Complementariness of Objectives of the OP Human Capital and Integrated Guidelines Packet and Strategic Community Guidelines**

#### **3.3.1. Lisbon Strategy**

The Lisbon Agenda was Re-launched by the European Council in March 2005 with a sharper focus on the key priorities of jobs and growth. The new Structural Fund regulations for 2007-2013 have introduced a stronger strategic focus on supporting the Lisbon Agenda through Community Strategic Guidelines on Cohesion, and through stronger links between the ESF and the European Employment Strategy.

The December 2005 European Council agreed that targets should be set for the minimum proportion of the Structural Fund expenditure that should contribute to the Lisbon Agenda of promoting competitiveness and creating jobs. These targets are 60% for the Convergence Objective and 75% for the Regional Competitiveness and Employment Objective.

The Operational Programme Human Capital responds to challenges resulting from the revised Lisbon Strategy. Measures assumed within the programme overlap with guidelines of the Community that determine the implementation of each of the Lisbon objectives. Pursuant to provisions adopted in the National Strategic Reference Framework, Poland would strive to allocate 60% of funds available within the “Convergence” Objective for implementation of objectives of the Lisbon Strategy, determined in the Integrated Guideline Packet (the so-called *earmarking*). Within OP HC the share of expenditures assigned for implementation of the Lisbon Strategy stands at 83% of the total allocation of funds, which totals to 12% of allocation assigned for NSRF implementation. The funds would be assigned for measures connected with enhancing adaptive capabilities of employees, enterprises and entrepreneurs, especially by promoting and development of life long learning strategy, promotion of entrepreneurship innovativeness, and development and deployment of new and more innovative forms of work organisation. As regards restructuring of sectors and enterprises specialist services will be developed in this scope, as well as systems that allow anticipation of changes that take place on the labour market and determination of the so-called professions of the future. Furthermore, fulfilment of challenges resulting from the amended Lisbon Strategy would be made possible by measures related to improvement of access to employment and enhancing its durability, in particular by means of modernisation and supporting the labour market institutions, execution of active instruments on the labour market, supporting and promotion of self-employment and facilitations for launching economic activity, counteracting discrimination on the labour market related to sex, support for migrants in their entering the labour market, as well as promotion of active aging. As regards improving access to the labour market of key importance is also the establishment of paths for integration and return to employment for social groups and disfavoured persons, who are in an inferior position on the labour market. Effective execution of objectives of the new Lisbon Strategy will also be made possible by measures connected with improvement of the human capital quality. In this respect funds would be assigned for supporting the education process, implementation of reforms in the education systems oriented at having those systems adapted to needs of an economy based on innovations and knowledge and an open labour market. More extensive usage of knowledge and enhancing innovativeness and competitiveness of the economy would also be strengthened by executed related to supporting network cooperation between universities, research centres and enterprises.

<sup>15</sup> Regarding the target value of the indicator, in the period 2003-2006, its value increased from 15,63 to 20,44. Consequently, bearing in mind the changes in the economy mentioned above, maintaining the value of 20,4 seems to be justified.

<sup>16</sup> Fixing the target value at the same level as the baseline results from the fact that in 2004-2006, the coefficient of variation for the humanities part was decreasing from 4,39% to 2,70%, and for the Mathematics and Science part, its value decreased from 4,29% to 3,03%. An increase below this level seems to be rather unlikely. Furthermore, a differentiated level of difficulty of the examinations in respective years is a significant obstacle for the extrapolation of the tendencies observed.



### 3.3.2. Community Strategic Guidelines on Cohesion

The Community Strategic Guidelines on Cohesion provide an indicative framework for Cohesion and Structural Fund Programmes. They identify three main priorities for future spending:

- 1.1. Improving the attractiveness of Member States, regions and cities by improving accessibility, ensuring adequate quality and level of services, and preserving their environmental potential;
- 1.2. Encouraging innovation, entrepreneurship and the growth of the knowledge economy by research and innovation capacities, including new information and communication technologies; and
- 1.3. Creating more and better jobs by attracting more people into employment or entrepreneurial activity, improving adaptability of workers and enterprises and increasing investment in human capital.

The strategic objectives and priority axes of the Human Capital OP will primarily support the guideline on more and better jobs, but will also contribute to the others. The table below outlines main links between the programme and the Community Strategic Guidelines

**Table 21. Cohesion between Human Capital OP and Community Strategic Guidelines on Cohesion**

Community Strategic Guidelines on Cohesion	Human Capital OP
<p>Guideline 1.1: Making Europe and its regions more attractive places to invest and work</p> <ul style="list-style-type: none"> <li>• 1.1.1. Expand and improve transport infrastructure.</li> <li>• 1.1.2. Strengthen the synergies between environmental protection and growth.</li> <li>• 1.1.3. Address Europe's intensive use of traditional energy resources.</li> </ul>	<p>Sustainable development will be a horizontal theme. All activities will be expected to take account of relevant economic, environmental and social issues. Some projects may have a specific environmental focus (for example, projects which provide training in environmental management or the recycling of waste).</p>
<p>Guideline 1.2: Improving knowledge and innovation for growth</p> <ul style="list-style-type: none"> <li>• 1.2.1. Increase and improve investment in RTD.</li> <li>• 1.2.2. Facilitate innovation and promote entrepreneurships.</li> <li>• 1.2.3. Promote the information society for all.</li> <li>• 1.2.4. Improve access to finance.</li> </ul>	<p>Objective 3 (Priority: Enhancing the adaptability of employees and enterprises to changes that take place in the economy).</p>
<p>Guideline 1.3: More and better jobs</p> <ul style="list-style-type: none"> <li>• 1.3.1. Attract and retain more people in employment and modernize social protection systems</li> <li>• 1.3.2 Improve adaptability of workers and enterprises and the flexibility of the labour market.</li> </ul>	<p>Objective 1: Improving the level of professional activity and ability to employing persons who are unemployed or professionally passive</p> <p>Objective 2: Reducing areas of social exclusion</p> <p>Objective 3: Enhancing the adaptability of employees and enterprises to changes that take place in the economy</p>

<ul style="list-style-type: none"> <li>• 1.3.3. Increase investment in human capital through better education and skills.</li> <li>• 1.3.4. Administration Capacity.</li> <li>• 1.3.5. Help maintain a healthy labour force.</li> </ul>	<p>Objective 4: Propagation of education in the society on each education level with concurrent improvement of the quality of educational services and their stronger correlation with needs of knowledge based economy</p> <p>Objective 5: Enhancing the potential of public administration as regards development of law and policies and providing high quality services, and strengthening partnership mechanisms</p>
<p>Guideline 2: Territorial dimension of cohesion policy</p> <ul style="list-style-type: none"> <li>• 2.1. Contribution of cities to growth and jobs.</li> <li>• 2.2. Support the economic diversification of rural areas, fisheries areas and areas with natural handicaps.</li> <li>• 2.3. Cooperation.</li> <li>• 2.4. Cross-border cooperation.</li> <li>• 2.5. Transnational cooperation.</li> <li>• 2.6. Interregional cooperation.</li> </ul>	<p>Objective 6: Enhancing territorial cohesion</p>

### 3.3.3. Integrated Guidelines for Growth and Jobs

The June 2005 European Council approved the Integrated Guidelines for Growth and Jobs for the period 2005 – 2008. They are composed of macro-economic guidelines, micro-economic guidelines and employment guidelines.

The European Council in March 2006 confirmed that the Integrated Guidelines for Growth and Jobs remain valid. It also agreed that increasing employment opportunities should be one of the areas for priority action within the Lisbon Agenda. In particular, the Council called on Member States to: develop a lifecycle approach to work; pursue the shift towards active and preventative policies; and better focus on measures for those with low skills and low pay. It emphasised the need to improve the participation of young people, older workers and women. These are all issues which are central to the Human Capital OP.

The following table indicated how the Human Capital OP will support the employment guidelines, but also how will contribute to the macro-economic and micro-economic guidelines.

**Table 22. Cohesion between Human Capital OP and Integrated Guidelines for Growth and Jobs**

<b>Integrated Guidelines for Growth and Jobs</b>	<b>Human Capital OP</b>
<p>Guideline 2: to ensure sustainability economic growth</p> <p>Guideline 3: To promote efficient allocation of resources</p> <p>Guideline 14: To improve European and national regulations</p>	<p>Objective 5: Enhancing the potential of public administration as regards development of law and policies and providing high quality services, and strengthening partnership mechanisms</p>
<p>Guideline 7: To increase and improve investment in</p>	<p>Objective 3: Enhancing the adaptability of</p>

R&D Guideline 9: To facilitate the spread and effective use of ICT Guideline 15: To promote more entrepreneurial culture and create a supportive environment for SMEs Guideline 20: To improve matching of the labour market institutions and employees to the labour market needs Guideline 21: To improve adaptability of workers and enterprises	employees and enterprises to changes that take place in the economy
Guideline 17: To enhance the employment rate, improving quality and productivity at work Guideline 18: Promotion of lifecycle approach to work	Objective 1: Improving the level of professional activity and ability to employing persons who are unemployed or professionally passive
Guideline 19: To include to the labour market job seeking persons and disadvantages persons.	Objective 2: Reducing areas of social exclusion
Guideline 23: Investment in human capital through better education Guideline 24: Adapt education and training systems to the labour market needs	Objective 4: Propagation of education in the society on each education level with concurrent improvement of the quality of educational services and their stronger correlation with needs of knowledge based economy

### 3.3.4. 2007 Employment Recommendations for Poland

In March 2007, the European Council, having assessed the progress in the implementation of the National Reform Programme 2005 – 2008, endorsed employment recommendations for Poland. The recommendations identified the areas Poland is expected to give priority.

The table below shows the recommendations and how the Human Capital Operational Programme might address them.

**Table 23. Cohesion between Human Capital OP and Employment recommendations**

<b>Employment recommendations</b>	<b>Human Capital OP</b>
Complete the reform of Public Employment Services in order to increase the level and efficiency of active labour market policy, especially for older persons and youth;	Objective 1 Improving the level of professional activity and ability to employing persons who are unemployed or professionally passive: <ul style="list-style-type: none"> <li>• Priority I – measures supporting labour market institutions;</li> <li>• Priority VI – increasing Professional activity and employment ability of unemployed and professionally passive.</li> </ul>
Lower the tax burden on labour and review benefit systems to improve work incentives;	Action to address this recommendation is not within the scope of the programme.
Develop policies to increase adult	Objective 3: Enhancing the adaptability of employees and

participation in lifelong learning;	<p>enterprises to changes that take place in the economy:</p> <ul style="list-style-type: none"> <li>• Priority II – systemic support for increasing the adaptability of employees and enterprises;</li> <li>• Priority VIII – individual support in the scope of enquiring professional qualifications aimed in particular at older people and people with low qualifications.</li> </ul> <p>Objective 4 Propagation of education in the society on each education level with concurrent improvement of the quality of educational services and their stronger correlation with needs of knowledge based economy</p> <ul style="list-style-type: none"> <li>• Priority III – propagation of lifelong learning</li> <li>• Priority IX – enhancing the share of adult persons in age 25-64 participating in formal lifelong learning</li> </ul>
Modernise education and training systems in view of labour market needs.	<p>Objective 4: Propagation of education in the society on each education level with concurrent improvement of the quality of educational services and their stronger correlation with needs of knowledge based economy:</p> <ul style="list-style-type: none"> <li>• Priority III – support the education system and enhancing quality of education services;</li> <li>• Priority IV – increasing quality of tertiary education and better adjusting to the labour market needs ;</li> <li>• Priority IX – Individual support in the field of preschool education, scholarship programmes and dissemination of lifelong learning.</li> </ul>

### 3.3.5. Social protection and social inclusion objectives

The European Council adopted the Joint Report on social protection and social inclusion in March 2007. This edition of the Joint Report draws on the National Reports on Strategies for Social Protection and Social Inclusion which the Member States have submitted. The Human Capital OP will contribute to the relevant employment-related objectives of the EU in the field of social inclusion. It will contribute to the long-term goal, set by EU Member States at the Nice European Council in 2000, that there should be a decisive impact on the eradication of poverty across Europe by 2010.

The table below shows the challenges identified for Poland in the Joint Report on social protection and social inclusion and how the Human Capital OP will address them.

**Table 24. Cohesion between Human Capital OP and Joint Report on Social Protection and Social Inclusion**

<b>Joint Report on Social Protection and Social Inclusion</b>	<b>Operational Programme Human Capital</b>
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<p>To promote active inclusion by decreasing inequalities in the education system, further developing active labour market instruments, particularly for young people, women and older workers, implementing policies to make work pay for recipients of various forms of social transfers, and providing the social services needed to support integration in employment, especially for large families.</p>	<p>Objective 1: Improving the level of professional activity and ability of finding employment by persons who are unemployed or professionally passive:</p> <ul style="list-style-type: none"> <li>• Priority VI – increasing professional activity and ability of finding employment unemployed and professionally passive.</li> </ul> <p>Objective 2: Reducing areas of social exclusion:</p> <ul style="list-style-type: none"> <li>• Priority VII – enhancing the professional activity and ability of finding employment of people threaten by social exclusion;</li> </ul> <p>Objective 4: Popularisation of education in the society on each education level with simultaneous increasing the quality of educational services and their stronger correlation with needs of knowledge based economy:</p> <ul style="list-style-type: none"> <li>• Priority IX – Individual support in the field of preschool education, scholarship programmes and dissemination of lifelong learning.</li> </ul>
<p>Implementation of measures aimed at strengthening the administrative capacity of social assistance and labour market institutions, supported by mechanisms improving coordination of policies at various levels.</p>	<p>Objective 1: Improving the level of professional activity and ability to employing persons who are unemployed or professionally passive:</p> <ul style="list-style-type: none"> <li>• Priority I - measures supporting labour market institutions;</li> <li>• Priority I – measures supporting social assistance institutions;</li> </ul>
<p>To ensure that sufficient resources for adequate pensions are available until the funded schemes have matured, while monitoring future adequacy and raising the employment rate of older workers and people with disabilities.</p>	<p>Regarding to the indicator – enhancing employment rate of older persons and persons with disabilities:</p> <ul style="list-style-type: none"> <li>• Priority I</li> <li>• Priority VI</li> <li>• Priority VII</li> </ul>
<p>To continue rent system reform by reforming the farmers’ and disability pension and organising the conversion of funded pension savings into safe annuities.</p>	<p>Measures regarding to this challenges do not fall under the scope of OP HC</p>

<p>To ensure equal and better access to healthcare and LTC services by reducing regional discrepancies in supply (notably PHC), patients' direct financial burden of care and long waiting times, by increasing public health expenditure to address under-financing, and improve care purchasing and the administration of purchasing entities.</p> <p>To improve system efficiency by strengthening PHC, outpatient care and day-case surgery vis-à-vis inpatient care and implementing pharmaceutical reimbursement reform.</p>	<p>Objective 3: Enhancing the adaptability of employees and enterprises to changes that take place in the economy:</p> <ul style="list-style-type: none"> <li>• Priority II – systemic support for increasing the adaptability of employees and enterprises;</li> </ul>
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### 3.4. Justification for division of financial allocations for particular support areas within OP Human Capital

The division of ESF allocation in OP HC between particular support areas reflects the importance of challenges that exist in Poland concerning the development of human resources. Those challenges have been identified in the diagnostic part of OP HC and SWOT analysis. The division of allocation also takes into consideration experience gained during execution of SOP HRD, including also those connected with interest of beneficiaries, obtainable support and the hitherto extent of utilisation of financial means within the financial perspective of 2004–2006. Importance ascribed to particular areas results from striving to achieve concentration of support on measures with the highest added value and which best contribute to achieving objectives of the Lisbon Strategy.

Pursuant to the diagnosis and numerous Polish and Community social and economic diagnoses, an area of key importance that especially requires support is **employment**. The highest unemployment rate in the EU and the lowest employment rate caused the need of directing the highest financial means first of all on measures aimed at activation of the unemployed and persons professionally passive, and on strengthening the employment services system that assure support for activated persons. As in Poland social exclusion in the majority of cases results from lack of employment, also this area requires particular support. Measures executed within **social integration** serve first of all reducing the range of poverty and moderation of adverse effects of economic restructuring through professional activation of persons threatened by social exclusion, which has been ongoing in Poland since the nineties of the 20<sup>th</sup> century. Such support would allow efficient execution in Poland of the first priority of *Guidelines for employment policies of EU member states*, connected with increasing the number of professionally active persons and modernisation of social care systems. In addition measures connected with professional and social integration belong to the most efficiently implemented and settled ones within SOP HRD. As a consequence the value of funds designated for employment totals to ca. **21%**, and on social integration – ca. **17%** of ESF allocation contained in the Programme, of which within the regional Component over **95%** and almost **80%** of funds of the regional Component would be utilised.

The above presented diagnosis shows that technological lagging of Poland as compared to countries of UE-15 requires undertaking specific measures aimed at active execution of the concept of knowledge based economy. Faced by continuous technological changes and the growing level of innovativeness of global economies a necessity arises of continuous updating of the acquired education and of refreshing and extending the acquired professional abilities. In addition to improve access opportunities to employment for all age groups, but also for further improvement of work productivity and quality in Poland, a need arises for intensified and more effective investments in human capital already at the youngest age possible and acquiring the habit of life long learning. Taking into account the key importance of scientific units in the

creation of modern technologies applied in industry, which in turn contribute significantly to enhancing competitiveness of national economy and subsequently to quicker economic growth of the entire Community, special attention is also required by increasing the research potential of Polish universities and research institutes. The above mentioned measures also fulfil obligations imposed on membership states of the EU within the third priority *Guidelines for employment policies*, as well as the Community works programme *Education and training 2010*, which comprise increasing investments in human capital through better education and improved qualifications. Those premises determined advancing support for: **education** by a sum totalling to ca. **24%** of funds, of which ca. **63%** of funds is for the regional Component. The sector of **science** (including higher education) will obtain support, executed fully in the central component totalling to over **8%** of ESF allocation.

In times of progressing globalisation, both enterprises and employees are faced with a challenge and simultaneously also an opportunity of becoming adapted to the ongoing economic and social changes. In such a context Poland is not an exception: also the Polish enterprises have to be more flexible to be able to respond appropriately to unforeseen fluctuations in demand for their commodities and services, to use new technologies and be able to keep introducing innovations, to remain competitive. Employees must be able to cope with new ways of work and its organisation, including with increased utilisation of information and communication technologies, but in addition must to a much larger extent than before be ready to participate in life long learning, in particular through training and advancement of abilities useful in their profession. Furthermore, it should be emphasised that since the beginning of the economic transformations the Polish labour market keeps experiencing serious problems connected with restructuring processes, first of all privatisation of former state enterprises. A significant increase in the unemployment level observed in the nineties proved the low effectiveness of protective programmes for dismissed employees and their lack of adaptation abilities to the existing situation. As the restructuring process in enterprises, especially those in which the State Treasury holds a considerable ownership share, has not been completed yet, a clear need has arisen to address support for employees in enterprises to allow their smooth transition from one employment to another, in another work post, without increasing the group of the unemployed. Insignificant use by the managerial staff in enterprises of monitoring staff reduction programmes is consequently worthy of particular attention. The execution of those tasks would in particular allow effective implementation of the second priority of *Guidelines for employment policies*, which concerns increasing adaptation abilities of employees and enterprises. This justifies assigning for projects related to **adaptation abilities** ca. **21%** of ESF allocation in OP HC, of which on the regional and local level ca. **67%** of funds.

Diagnosis of situation related to work quality and abilities to execute elementary tasks of the Polish institutional and regulatory system indicates the necessity of fundamental modernisation of functioning of state institutions, including administration and the justice sector, and development of social dialogue and partnership. The main aim of tasks oriented at strengthening the administrative potential in Poland is to prepare the Polish administration to execution of its fundamental role, and namely creation of appropriate conditions for the socio-economic growth of Poland. Their establishment requires improving the regulatory quality as well as that of public policies and programmes, improving the institutional efficiency of public administration, enhancing the quality and availability of public services and professionalisation of clerical staff. Taking into consideration the requirement of Community guidelines to take into account the specific situation and problems of member states, measures in Poland need to be focused first of all on support for establishment and deployment of modern system solutions that rationalise functioning of public administration on all levels of the state territorial division. Furthermore, execution of public tasks should be based on cooperation between public administration and social partners, non-government organisations and trade organisations. A diagnosis of this sector points out to weaknesses connected with insufficient preparation of the third sector to execute public tasks. This requires both mechanisms of cooperation between public administration and institutions of the third sector, and propagation of a partnership based method of creation and execution of public tasks. In addition to allow implementation of a partnership based model of cooperation it is necessary to prepare social partners to fulfilling the role of an active partner of public administration and support those institutions to establish effective and professional involvement in processes of cooperation with the administration. Consequently a decision was taken to allocate for this field of supporting **institutional ability** and **development of partnership mechanisms** over **5%** of funds from OP HC.

Under the OP HC the significant emphasis will be put to the support for development of rural areas, which will be implemented horizontally under the most of the Programme Priorities. It ensure better cohesion between support given to the citizens of rural areas and the objectives of Programme and allow to reduce the disproportion between rural and urban areas. Simultaneously the particular problems of society in rural areas will be taken into account, including for example: relatively low employment rate, difficulties in access to education (especially in regards to preschool education), as well as relatively high level of poverty resulted from i.e. existing of hidden non-agricultural character unemployment. Measures aimed at supporting citizens of this areas will be implemented under the particular scopes of assistance and OP HC Priorities, through using available instruments within Programme. The scope of financial resources for supporting rural areas will be adequate to the scale of the needs. The estimated ESF resources under the Programme aimed at supporting rural areas inhabitants amount to 1,847,487,000 Euro, which is equivalent to 19% of total OP HC ESF allocation. During Programme implementation the scope of financial support given to rural areas will be monitored in detail.

### **3.5. Horizontal issues**

Measures implemented within OP HC will contribute to supporting the following issues:

- local development,
- development of information society,
- sustainable development,
- innovativeness and transnational cooperation,
- equal opportunities, including also gender mainstreaming
- partnership

#### **Local development**

OP HC will be supporting local development by financing projects aimed at enhancing social cohesion, i.e. covering such measures, which would entice to improving the quality of life, local environment, or development of mutual assistance of local communities and exchange of local services. In this respect also of significance are projects related to the development of enterprises and social economy (the third sector), i.e. establishment and support in the initial period of operation of small companies, common enterprises, initiatives aimed at developing resources of a region, advantageous for the local community. Within measures comprising services for persons there are plans for implementation of projects of a local importance and projects that sensitise local environments to the necessity of undertaking common measures. Increasing the involvement level of local communities in local growth by means of supporting local initiatives may help on solving problems of the labour market, reducing areas of social exclusion and advancing the education level.

#### **Development of information society**

Implementation of OP HC will contribute significantly to supporting a knowledge based society through development of human resources through advancement of professional qualifications and adaptation of abilities to needs of the labour market. In such a context it is essential to prepare the unemployed and persons seeking jobs to make use of modern information and communication technologies, including using the Internet, which would allow effects in the form of getting those persons ready to functioning on the labour market. Additionally to expanding knowledge related to advanced technologies, such as for example biotechnologies, new materials, information science), abilities of applying information and communication techniques, knowledge on modern forms of management and organisation, enterprises will open to new technologies, and their potential and competitiveness would grow. The planned measures, with support from ESF, would allow the development of appropriate professional qualifications, which in combination with



access to new technologies would affect positively both the situation of employees and of employers, and stimulate the growth of employment. Coping with global competition requires the propagation and development of diverse forms of life long learning, including education with the application of the Internet (*e-learning*). As regards expanding access to education and improving the education level of the society including in the education process information and communication technologies acquires special significance. Pupils and students provided with key competencies, which comprise knowledge and capabilities desired in the changing socio-economic reality, including especially capabilities related to the use of information and communication technologies will be better prepared to functioning on the labour market. In this context also important is training of teachers with respect to information and communication technologies. This concerns diverse forms of information technologies, such as teaching informatics subjects, applying information and communication technologies during diverse classes and in the non-school system for pupils interested with informatics.

### **Sustainable development**

Sustainable development means the right of fulfilling development aspirations of the present generation without violating the ability of satisfying needs and growth aspirations of the future generations. This definition shows that the economic and civilisation related growth of the present generation should not be taking place at the cost of exhausting non-renewable resources and destroying of the environment. Consequently a feature of this principle is striving at socio-economic development, concurrently placing emphasis on respecting the equilibrium of the natural environment. This means protection and enriching the environment and of the economic and social capital. Sustainable development focuses to a large extent on problems resulting from limitations as regards protection of the environment and of nature resources. However, one should bear in mind that existing barriers of an economic and social nature, such as lasting recession, or the phenomena of poverty and social exclusion. Of key importance is enhancing the ability of the Polish economy to dynamic growth with simultaneous striving at maintaining balance between core components of the development process, and in particular balancing economic growth, social growth and widely understood sphere of environment protection. Measures related to assuring sustainable development must concern both the natural environment, and the society and the economy, and also the way that they mutually affect each other.

The principle of sustainable development is of a horizontal nature and consequently will be taken into consideration during implementation of the main objective and all strategic objectives of the Programme. Measures implemented within OP HC will contribute to intensification of endeavours as regards protection of the environment in a long term horizon. The principle of sustainable development will be implemented by introducing issues connected with it to education and training co-financed from ESF resources. In particular measures implemented within OP Human Capital would be contributing to:

- improving ecological awareness, both among youth, working persons, the unemployed and entrepreneurs,
- assuring to small and medium entrepreneurs counselling and other service in the scope of ecology, and inter alia as regards environment protection management, impact of investments on the environment and spatial planning,
- providing training for the managerial staff at enterprises, inter alia related to environment management systems in an enterprise, requirements for enterprises resulting from legal regulations in the field of environment protection,
- promotion and creation of the so-called green jobs aiming at limiting unemployment and improving the state of the environment pursuant to the principle of sustainable development
- counteracting social exclusion, also on ecologically contaminated areas and on peripheral protected areas,
- advancing qualifications of government and self-government administration qualifications with respect to creation of policies and strategies, as well as legislation with respect to the environment,
- improvement of the process of transposition of EU directives as regards the environment,

- improvement of the consultation process of legal acts and policies related to environment protection and increasing the share of non-government organisations in such consultations.

The Managing Authority of OP Human Capital will assure that the sustainable development principle will be respected at each stage of Programme implementation. This concerns both the programming stage, during which the sustainable development principle was treated as a horizontal principle and was included in each strategic objective of OP Human Capital. In the implementation stage criteria for project selection will be applied, which would assure that the sustainable development principle will be respected. In the stage of monitoring and reporting monitoring conformity of measures undertaken within OP HC with the principle of sustainable development will be assured. In the evaluation stage the impact of OP HC on implementation of the sustainable development principle would be studied and evaluation reports would be conducted as regards effectiveness of support for sustainable economic growth, social development and widely comprehended environment protection sphere.

In the context of assessment of the impact of OP Human Capital on the environment and given the nature of the European Social Fund, focussing on immaterial operations related to Human Resources Development, this Operational Programme does not set the framework for operations likely to have significant environmental effects, such as infrastructure projects, especially the one listed in Annexes I and II to Directive 85/337/EEC as amended. Should infrastructure projects be envisaged subsequently, particularly using the flexibility clause of Article 34.2 of Regulation (EC) No1083/2006, the need for a Strategic Environmental Assessment would be revisited. Consequently, the Managing Authority considers – and the national authorities have agreed – that there is no need for a Strategic Environmental Assessment of this Operational Programme under Directive **2001/42/EC, at this time. This is without prejudice to any screening determinations that are deemed necessary according to national laws or other measures to implement Directive 2001/42/EC.**

#### **Innovativeness and transnational cooperation**

Pursuant to Article 7 and Article 8 of Regulation No. 1081/2006 the member states will be supporting promotion and application of innovative projects to national policy and transnational and interregional cooperation executed by means of exchange of information, experience, results and good practice, as well as through developing a complementary approach and coordinated or joints undertakings.

The possibility of implementing transnational cooperation and innovative approach is significant for achieving strategic objectives of OP Human Capital. The execution of such measures will be conducive to improving abilities to developing and applying better and more effective methods of achieving the assumed objectives. Transnational cooperation and innovative approach are considered as one of the instruments that are to facilitate seeking new solutions to problems on the labour market and social integration, modernisation and adapting Polish institutions and organisations to changing socio-economic conditions, determination and implementation of reforms aimed at implementation of the Lisbon Strategy.

Within the OP HC **the innovative approach should** be comprehended as:

- orientation on supporting new non-standard groups on the labour market and solving a problem which up to now was not a subject of state policy,
- utilisation of new instruments in solving the hitherto problems on the labour market, including adaptation of solutions which were proven successful in other countries, regions or in different contexts (e.g. to another target group); this category also comprises the development, modification of the hitherto applied instruments to improve their adequacy, efficiency and effectiveness.

To allow maximum utilisation of effects of the innovative approach, such **innovative measures must be accompanied by measures oriented at dissemination and inclusion of achieved results to the main stream of the policy.**

**Transnational cooperation** should contribute to achieving objectives in the given priority, by making use of experience of partners from other EU regions and countries. Hence transnational cooperation enables testing ready solutions, which have already be applied in other places, or working out new ones with participation of partners from other EU regions and countries. Transnational cooperation is conducive to creation of considerable added value for partners involved in project implementation.

Within OP HC a few forms of transnational cooperation are feasible:

- cooperation between projects implemented in various countries; cooperation may also be established with projects not co-financed by ESF, however in such an event results of transnational cooperation must contribute to achievement of project objectives;
- cooperation between institution networks that operate in similar fields;
- cooperation between institutions that operate in the same field and which support each other; public sector institutions are entitled to such cooperation; this type of cooperation is also feasible for institutions involved in ESF implementation; in such an option results of transnational cooperation must contribute to improving the functioning of a given institution.

To maximise effects of transnational cooperation and innovative approach, in implementation of such measures also the partnership principle should be applied. The partnership principle means that projects are implemented not by individual project providers, but by partnerships of a few organisations and institutions. The aim of the partnership is to find a solution of the problem through versatile and innovative approach that utilises diverse experience gained by all partners.

With partnership also relates the empowerment principle – i.e. involvement in the process of working out innovative solutions of representatives of target groups. Taking into consideration opinions of the most interested persons gives better guarantee for effectiveness of achieved output. For this reason each project provider must anticipate an appropriate form of involvement of target group representatives.

**Implementation of transnational cooperation and innovative approach is feasible in all priority axes of OP Human Capital.** This approach will allow the most flexible implementation of the analysed principles, and simultaneously will facilitate the application of developed innovative tools and gained experience resulting from transnational cooperation in other measures.

Of core importance for the success of innovative and transnational measures **is selection of areas on which such measures may be implemented.** In particular innovative measures must meet the actual needs. They should also be in line with sectoral strategies adopted for given areas. Otherwise effects of innovative measures would not arouse appropriate interest and as a consequence would not be applied in practice. Furthermore **transnational cooperation and innovative approach should be focused on implementation of those specific objectives of priority axes, the implementation of which requires a new approach or a possibility of exchanging experience and mutual learning on transnational level would provide a considerable added value.** In addition such an approach assumes focusing those measures on the most complex problems in the field of employment, social integration, adaptability of employees and enterprises, education and good governance. An example of such an approach is planned within OP HC, use of opportunities created by transnational cooperation and innovative approach in development and deployment of effective methods: professional and social activation of target groups in the most difficult situation on the labour market, improving adaptation abilities of enterprises and their staff as regards abilities of adaptation to social and economic changes related to globalisation and restructuring processes, supporting correlations of education with needs of the economy and the labour market, enhancing abilities of public administration to creating appropriate conditions for socio-economic development of Poland. In that manner the transnational cooperation will contribute to the achievement of strategic objectives of the Programme. It is also envisaged that transnational cooperation will be conducive to enhancing institutional abilities of entities responsible for management and implementation of OP Human Capital. The above mentioned areas are examples of areas in which transnational cooperation and innovative approach could allow the best effects. Pursuant to recommendations that result from experience gained during implementation of transnational cooperation within the Community Initiative EQUAL, implementation of transnational cooperation should be based on accurately determine expectations as regards the anticipated impact of its execution on achievement of objectives in particular priority axes, as well as particular projects. Hence determination of specific areas and target groups in transnational cooperation would be progressing in two ways:

- through relevant Intermediate Bodies for areas in which the added value of transnational cooperation may be determine in the stage of selecting projects for implementation,
- through project providers who are already implementing projects, under condition that the project provider would be able to prove the necessity of implementation of transnational cooperation, as

well as realistic and clearly defined expectations as regards its impact on achievement of assumed project objectives.

Selection of areas for innovative measures shall be done with participation of all interested partners, including especially social partners and non-government organisations. Themes would be proposed by the Managing Authority in cooperation with all the interested entities and approved by the Monitoring Committee. Selection of Themes would be based on the following assumptions:

- needs of policies and practice as regards innovativeness of solutions,
- coordination between Themes for Priorities implemented on a central and regional levels to assure better concentration of funds and increasing the impact of innovative measures,
- coherence with specific objectives of particular priority axes.

Every two years on the basis of an evaluation of thitherto implemented projects and changing situation on the labour market, Themes will be verified by the Managing Authority with the participation of all the interested entities.

From 1% to 5% of allocations of financial resources within each priority axis would be assigned for implementation of transnational cooperation and innovative approach. Duties of intermediate bodies include assuring imlementation of projects within transnational cooperation and innovative approach in each of the priority axes.

As was shown by experience of the Community Initiative EQUAL, implementation of innovative and transnational projects is difficult and creates a lot of problems for project providers that result from the nature of undertakings being implemented. It is also a challenge for institutions responsible for supervision over those projects. For this reason it is important to assure appropriate assistance both in the stage of preparing project concepts and during their implementation, both on the level of project providers and on that of intermediate bodies. Consequently the Managing Authority responsible for the general supervision over support for innovative and transnational measures will assure support from technical assistance funds, which in particular comprises the following:

- preparing intermediate bodies to selecting projects within transnational cooperation and innovative approach,
- organising training and counselling for project providers implementing transnational cooperation and innovative projects,
- support for Polish project providers in seeking a partner for transnational cooperation and for entities from other countries in seeking a Polish partner,
- support for the process of dissemination and incorporation of results of projects related to transnational cooperation and innovative approach to the main policy, including management of the worked out results in transnational cooperation and innovative approach projects and keeping appropriate data base, promotion and making results available.

### **Equal opportunities**

On all stages of structural funds implementation the European Union indicates as objectives the elimination of disparities and fighting all symptoms of discrimination, including inter alia discrimination owing to age, sex, race and disability. Equal opportunities is comprehended in OP HC not only as equal opportunities for men and women, but also as equal access of all persons to education, information and employment. By eliminating all physical, financial, social or psychological barriers that hinder or discourage to taking full part in social life it should be endeavoured to allow to all persons active participation in the labour market and integration with the environment.

Managing Authority of the OP Human Capital will assure that the principle of equal opportunities is respected on each stage of Programme implementation.

One of the priority directions for interventions in ESF, which conforms directly to challenges that result from the principle of equal opportunities, is support persons with disabilities in increase their access to the labour market, in improving their occupational training and improving abilities to finding employment. In the

programming stage the specific situation of persons with disabilities on the labour market was taken into consideration. In such a context it is particularly important to create conditions for equal participation of those persons in social and professional life. This will be implemented in particular through:

- increasing the employment level of persons with disabilities as a group in a special situation on the labour market,
- facilitating access to education and advancement of qualifications or acquiring new ones by persons with disabilities,
- development of assisting services which are to facilitate including in the labour market (e.g. related to transport, care or assuring participation of work assistants or trainers)
- extending access to consultancy, vocational counselling, information and consultations,
- creation of a friendly support system and development of instruments of an activation character.

OP Human Capital will be contributing to increase the participation of disabled persons in social life within particular priority axes. Under the Priority I and VII, through implementation of national and regional projects related to professional and social activation, which identify and promote the best solutions, implementation of active integration instruments, advancing qualifications of persons with disabilities and creation of conditions for their employment. In Priority II and VIII support will be provided for improving and adaptation of professional qualifications of disabled persons employed in enterprises to needs of modern economy. Within Priority III and IX measures will be undertaken oriented at promotion of distance learning programmes (including e-learning) addressed at persons, who owing to their disability may not participate in traditional forms of training, also studies and analyses that diagnose the nature of barriers that hinder access to education, establishment of a system of Internet education and professional information for disabled pupils and teaching for pupils with special education needs. Furthermore, Priority IV assumes measures related to development of educational curricula and teaching materials adapted to students with special education needs. It is anticipated that an instrument conducive to supporting assuring equal opportunities of this group of assistance beneficiaries would be *cross – financing*, oriented inter alia on adaptation of work premises and places to needs of persons with disabilities.

In the implementation stage appropriate criteria for selection of projects would be formulated, in the manner that would take into consideration needs of disfavoured social groups, including persons with disabilities. The Managing Authority of OP HC shall guarantee that persons with disabilities will be supported through appropriate activation instruments and services, and will also assure that friendly conditions would be created for participation of those persons in all projects addressed at them. In such a context of core importance is improving access to persons with disabilities to services needed by them, with concurrent assuring by project providers appropriate participation conditions in trainings that take into consideration specific needs of this group of persons, for example by organisation of trainings in premises free of functional barriers, adapted to OSH requirements. In the monitoring and reporting stage continuous monitoring will be assured, as well as collection of data concerning implemented projects oriented at professional and social integration of persons with disabilities. In the evaluation stage is planned to conduct of evaluations that allow assess the effectiveness of assistance delivered to persons with diverse levels and types of disabilities and monitoring of further fate of those persons after completion of participation in the project.

### **Gender mainstreaming**

The principle of gender mainstreaming is one of the horizontal principles of policies of the European Union pursuant to provisions of the Amsterdam Treaty Articles 2 and 3. Commitment of member states to elimination of all forms of inequality and promoting equal opportunities between women and men is also expressed in programmed implemented with involvement of structural funds.

Provisions of regulations for the years 2007 - 2013, both the general regulation (Regulation No. 1083/2006/CE), and the regulation related to the European Social Fund (Regulation No. 1081/2006/CE) oblige the member state to respecting the principle and to including this principle in the main policies. Within the Operational Programme Human Capital the principle of gender mainstreaming would be implemented on each stage of programme implementation.

In the programming stage the different situation of women and men on the labour market was taken into consideration. Consequently core importance for ESF interventions in the context of equal opportunities of women and men within OP HC is acquired by:

- The necessity of increasing the employment of women and men, including in particular of women, as a group which is in a specific situation on the labour market;
- Rising professional qualifications of women and men, including especially support for persons with low and outdated qualifications, e.g. women returning to the labour market after maternity and childcare leave;
- Expanding economic activity of women and men as a response to market challenges, stimulation of entrepreneurship attitudes;
- Reconciliation of work with family life through improving access to care services over children and dependents, which would allow full participation in education and the labour market and promotion of new work organisation forms.

Pursuant to the adopted programming strategy it was decided that the principle of equal opportunities of women and men will be treated as a horizontal sectional principle for all Priorities within OP Human Capital.

Apart from the sectional approach OP HC would be promoting system solutions conducive to dissemination of that principle. Within Priority 1 measures will be oriented at establishment of system solutions in support of equal opportunities, reconciliation of work and private life, mobility and requalification, as well as promoting equal opportunities of women and men on the labour market and elimination of stereotypic perceiving of female and male roles in professional and social lives. Within Priority 2 support will be addressed at dissemination among enterprises, including among the human resources management, of the concept of equal opportunities of women and men, creation of incentives for development of plans aimed at supporting gender mainstreaming and diversity management in the work place. Within regional Priorities measures will be undertaken aim at improving opportunities of gaining employment, entering the labour market, rising of professional qualifications. Particular emphasis will be placed on increasing employment among women, which the diagnosis has shown to be the disfavoured group on the labour market.

In the implementation stage a principle envisages that the projects will be based on the diagnosis that comprises the situation of women and men in the given area and a gender impact assessment. Each project implemented within OP HC will contain a description of the assessment of impact on the situation of both sexes. This will allow verification and evaluation of its differentiated impact on women and men to prevent the occurrences of any inequality of discriminations. Such an analysis would also enable verification whether the project actually contributes to including the needs of women and men through for example offering diverse customised support forms responding to different needs of project female and male participants. The appraisal of quality of a project would also progress on the basis of the resented analysis and will be taking into consideration the impact on the situation of women and men.

In addition in the stage of implementation, criteria for project selection would take into account needs of various social groups on those areas, including preference to disfavoured groups. Such an approach would allow creation of projects within the so-called positive measures, which enable changing the adverse situation of the given gender in the particular area, and consequently improving its social and occupational opportunities.

Classification of projects would be as follows:

- Positive projects – specific measures oriented at elimination of the existing disparities between women and men;
- Equal opportunity projects – measures, which in a general way contribute to assuring gender equality.

In the stage of monitoring and reporting a system of indicators in the Operational Programme will enable compilation and collection of statistical data in a division by gender. Reporting will take into consideration the above identified classification of projects and their potential impact on equal opportunities of women and men within OP HC.

In the stage of evaluation reports will comprise the impact of OP HC on implementation of the principle of equal opportunities for women and men. In addition data from the informatic system that compiles data on project participants would enable systematic and complex conduct of evaluation studies as regards support in a division by gender, monitoring further fate of participants and effectiveness of assistance, in a division by gender.

## **Partnership**

Pursuant to Article 11 of Council Regulation No. 1083/2006 partnership entities include local self-governments, social and economic partners (employer organisations and trade unions) and entities that represent the civil society (non-governmental organisations).

The participation of partners was taken into account at all stages and levels of OP HC implementation.

In the **programming stage** the role of partners in achieving programme provisions and their needs as regards strengthening of their potential were taken into account. Hence participation of social and economic partners, self-government authorities and non-governmental organisations in consultation of provisions in OP HC and in discussions on the form of support areas covered by the Programme.

In the **implementation stage** partners will play an important role in the Monitoring Committee of OP HC and in Monitoring Subcommittees of OP HC. According to the partnership principle, in MC of OP HC participate: government, self-governments, social and economic partners and representatives of non-governmental organisations. While appointing members of the Committee will be taken into consideration at the pursuit to the sustainable participation of the government, self-governments, social and economic partners as well as the highest possible effectiveness and quality of their work.

In the **monitoring stage** the partnership principle will be taken into account through participation of partners in the reporting system, handing over information about progress in the Programme and participation in discussions on results of Programme evaluation.

Within appropriate Priorities of the Programme support will be provided to social partners and non-governmental organisations, which could be the beneficiaries as project providers or as direct support recipients.

### Support for social partners within OP HC

Taking into account the role of social partners in implementation of OP HC objectives by, particular Priorities include solutions enhancing the importance of social dialogue, creating the potential of social partners necessary for their implementation of public tasks and support were granted to cooperation of social partners, establishment of coalitions at national, regional and local levels.

OP HC took into consideration appropriate allocation of ESF resources on supporting the principle of partnership pursuant to Regulation No. 1081/2006. Social partners may be beneficiaries of all Priorities, either as project providers through an open call of proposals, either as direct recipients of support. Direct support for social partners would be implemented mainly under Priority II *Development of human resources and adaptation potential of enterprises and improvement of health state of working persons* and Priority V *Good governance*.

Under **Priority II** *Development of human resources and adaptation potential of enterprises and improvement of health state of working persons* as well as under Priority VIII *Regional human resources in the economy* support is aimed to enhance the potential of social partners in order to assure their effective participation in the reform process. Employer organisations and trade unions will obtain support for implementation of projects implemented in partnership, the aim of which would be increasing the adaptation potential of employees and enterprises. Key issues is also to ensure higher involvement of social partners in the anticipation an management of economic change.

Within **Priority V** *Good Governance* one of the objectives is strengthening the potential of social partners and social dialogue institutions at national and regional level. In this objective support will be provided for system tasks aimed at strengthening the potential of social partners and facilitating participation of social dialogue entities in the process of agreeing public policies, including the development of social dialogue institutions, improvement of functioning of social partner organisations, support for participation of social

partners in European social dialogue structures, enhancing the representativeness of social partners organisations inter alia through promotion of knowledge on social dialogue instruments and mechanisms.

Within the Priority would be also support for the cooperation of public administration with social partners and strengthening consultation mechanisms necessary for effective implementation of statutory rights of social partners, including also constituting and implementation of policies, programmes, public strategies and regulations.

It envisaged that for measures specified in Article 5 par. 3 of Regulation 1081/2006, i.e. for trainings, measures aimed at creation of cooperation network, strengthening social dialogue and operation undertaken jointly by social partners ca. 1% of ESF resources will be assigned within the Programme. Having evaluated the support for social partners, taking into account the level of use of funds as well as the effects of undertaken activities, the allocation for the above mentioned activities may be increased.

### **3.6. Justification of the ESF support division between the central and regional levels**

As it was mentioned in the diagnosis (chapter 2.2 *Assistance in the years 2004-2006*), the implementing of the SOP HRD and Priority 2 of the IROP shows that support realised in the regional level is the most effective, which is proved by the number of beneficiaries covered by support as well as the support efficiency. This fact is also confirmed by the evaluation, reporting and the value of payments made. Moreover, the fact of diversity of regions in Poland determine the need of adjusting the support to the local and regional needs. Therefore, it is planned that the majority of funds (ca. 60%) will be implemented at regional level by the regional authorities. This approach ensures that the instruments of support which are available within the HC OP will be appropriate for a voivodship's needs.

As far as the division of duties between central and regional components is concerned, as a general rule, system and structures will be supported at national level (i.e. National Qualification Framework, external examination system or Public Employment Services structures), whereas at regional level the measures will be dedicated individuals and social groups.

With respect to the need of developing standard solutions, which could be used in the country at central level, the complex improving of system and structures, as well as of nation-wide or interregional character of support for social groups with similar needs, is foreseen. Undertaken approach is also determined by the present law in Poland. At national level, specialised institutions deliver services for specific groups and entities. For example, National Fund for Rehabilitation of Disabled Persons (PFRON) realizes duties in relation to the social and vocational rehabilitation of persons with disabilities, Polish Agency for Enterprise Development (PARP) is responsible for supporting entities, while the Voluntary Labour Corps realise duties in the scope of youth professional activation, counteracting marginalisation and social exclusion of this group.

The proper demarcation of support, implemented at national and regional level will be guaranteed by more detailed regulations in the national programming documents. The demarcation line will be distinctly described, which will allow to avoid overlapping of areas of intervention at mentioned levels. The precise demarcation line is especially important in respect of Priority 1 and Priorities 6 and 7, where the aid will be granted in employment and social integration areas. Support division of this areas has been made in relation to Polish law. At national level, the aid for specified target groups will be delivered on the basis of the Polish regulations. Under the regional Priorities the support will be provided for social groups from particular regions. The selection of projects in the regional component will be in particular based on a call for proposals, which will ensure innovative approach towards the labour market challenges.

In the adaptability area, at national level, support will be provided for enterprises and their employees through calls of proposals organised by PARP. The beneficiaries of this activities could be enterprises, whose business offices are located in several voivodships. Implementing of projects which have interregional character will allow to cover all employees of such enterprises with unified trainings. Such unified and standard trainings implemented at national level will concern for instance financial or law issues. Furthermore, PARP will be responsible for the implementation of large, systemic projects aimed at promoting and popularising new solutions in the area of increasing adaptability of enterprises and



employees. On the other hand, in the regional component support will be aimed at enterprises and their employees from particular voivodship as well as for individuals who want to raise their qualifications at their own initiative.

Within OP general rules were introduced which refer to the demarcation lines between activities implemented at central and regional levels. The complementary of support implemented at this two levels of OP will be regulated in the national programming documents – such aspects like: the measures character, the territorial range of implemented activities, target groups which such activities are aimed at and institutions that will implement the tasks, will be precisely described in the mentioned documents.



The second Objective of National Strategic Reference Framework  
Improvement of the human capital quality and enhancing social cohesion

Main Objective of OP Human Capital  
Increased level of employment and social cohesion

**Objective 1:**  
Improving the level of professional activity and ability of finding employment by persons who are unemployed or professionally passive

**Objective 2:**  
Reducing areas of social exclusion

**Objective 3:**  
Enhancing adaptability of employees and enterprises to changes that take place in the economy

**Objective 4:**  
Propagation of education in the society on each education level with concurrent improvement of the quality of educational services and their stronger correlation with needs of knowledge based economy

**Objective 5:**  
Enhancing the potential of public administration as regards development of law and policies and providing high quality services, and strengthening partnership mechanisms

**Objective 6:**  
Enhancing territorial cohesion

Priority I

Priority I

Priority II

Priority III

Priority V

centrally

Priority IV

Priority VI

Priority VII

Priority VIII

Priority IX

Priority VI

Priority VII

Priority VIII

Priority IX

regionally

socio-economic diagnosis

## IV. PRIORITIES AND ASSISTANCE AREAS

### 4.1. Priority I: Employment and social integration.

#### **Justification of Priority implementation:**

The specific nature of changes which are taking place on the national labour market, correlated with the dynamics of socio-demographic transformations, as well as the maintained high level of unemployment and economic diversification of the society pose new challenges for the labour market institutions, assistance and social integration. This leads to the necessity of seeking new and more adequate system solutions, in conformity to guidelines of the revised Lisbon Strategy and provisions of the national employment and social policy strategies.

Poverty and social exclusion in Poland are strictly correlated with being left jobless and lack of professional activity, while unemployment is one of the main reasons for using social assistance. In such a context the creation of conditions for wider access to employment and obtaining income persons in milieus threatened by social exclusion acquires special significance. Combining active instruments of the labour market and tools conducive to social integration is an effective way of counteracting the phenomenon of social exclusion and overcoming a situation of social and professional helplessness.

A particularly important role in improving opportunities for employment of persons who are either unemployed or seeking jobs is played by public employment services, while enhancing their human resources and organisational potential is of key importance for improving the effectiveness of tasks undertaken by them. Furthermore, a serious problem, both related to the labour market institutions and the social assistance institutions, is the lack of an integrated system of human resources training, considerable rotation of employees and insufficient level of substantial competencies in implementation of tasks with respect to professional and social activation. The role of non-public institutions in the labour market is rising. Thus it is necessary to develop nationwide training system for the staff of this institutions and systematically increase their competences in delivering services to unemployed and seeking job persons. Consequently it becomes necessary to advance the competencies of personnel working in the labour market institutions that handle prevention services, including especially job placement and vocational counselling, and also to implement extensive trainings and other forms of training for employees who directly handle activation of persons benefiting from the social assistance allowances. In addition there is a necessity of assuring instructions related to more extensive application of social contracts, and programmes and instruments aimed at activation of persons with disabilities, which effectively links vocational activation and social inclusion instruments.

A vital issue is to work out new mechanisms and improve the ones that already exist with respect to rationalisation of the professional activation system addressed at persons who are unemployed and persons threatened by social exclusion. This would be possible thanks to extending the scope of the Active Labour Market Policy, inter alia through assuring a high level of coordination and cohesion of undertaken measures, expansion of the information and experience exchange system between units that provide assistance and introduction of harmonised standards of provided services and integrated training programs leading to development harmonised methods in the employment and social inclusion area. Under the Priority the partnerships between different entities working in aid of social inclusion will be supported.

Simultaneously the transregional level of tasks implementation anticipated within Priority I is conducive to better use of the potential of Polish institutions that operate in support of the unemployed and disadvantaged persons. Those entities, which have human resources with appropriate qualifications, institutional capabilities and experience in implementation of tasks aimed at assisting disadvantaged persons, will assure the desired conditions for execution of complex projects for social

and professional activation of groups that require special support on a nationwide level (including: the Roma people, some groups of persons with disabilities, youth threatened by social exclusion and persons in penitentiary units). Consequently a part of tasks addressed at persons coming from those social groups would be implemented on a central level by specialised institutions with substantial background.

In addition within Priority I there are plans of implementing projects aimed at propagation of concepts of equality for women and men in access to employment, reconciliation of work with family life, as well as elimination of all symptoms of discrimination in the field of employment. Within the Priority assistance will also be oriented at creation of specific system solutions of a national and transregional rank, aimed at promotion of geographical and occupational mobility and assuring an advantageous migration balance of labour resources in the context of intensifying migration movements.

As regards to ensure complete monitoring of two individual political areas covered under the Priority I, the construction of Priority envisages to define separated objectives and indicators for employment and social inclusion. Poland accept the obligation for separately monitoring and reporting achieved targets, including annual reports of ESF support within this two areas. The classification of measures under the Priority is coherent with the classification of expenditures in Regulation No 1828/2006.

Activities undertaken under the Priority I will be complementary with instruments under Priority VI and VII. Enhancing qualifications of the employees of labour market institutions and social assistance institutions envisaged in Priority I (i.a. through I and II level studies, postgraduates studies, PhD studies, vocational courses, including I and II level of specialization of social worker profession) will be completed by different forms of raising skills in non-school system through training, counseling conducted at the regional level. Additionally, the development and dissemination of active labour market policies and active social integration instruments as well as technical and methodical support for PES and SAI under Priority I will enable above services to implement tasks envisaged under regional Priorities.

### **Specific Objective 1: Modernisation of Public Employment Services (PES).**

#### **Targets:**

- 1.1 Implementing service standards in 100 % of PES on the entire area of Poland.
- 1.2 Including all key PES employees by training or other form of professional advancement, including as regards services for unemployed and seeking jobs persons.

#### **Output indicator:**

1. Number of key PES employees who upgraded their qualifications due to the assistance provided,
2. Number of PES which participated in projects aiming at implementation of standards of services,

#### **Result indicator:**

1. % of key PES employees, who upgraded their qualifications due to the assistance provided,
2. % of PES which implemented standards of services,
3. "ESF impact on the functioning of PES" indicator<sup>17</sup>.

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<sup>17</sup> This indicator will measure the impact of ESF on functioning of the SAIs by taking into consideration, i.a. the quality of services provided, satisfaction of employees and clients. The indicator is to be measured 2 times in the programming period by means of evaluation. The first evaluation survey is to take place in 2009. The baseline is to be set whereas the target value of the indicator will be verified.

**Specific Objective 1 will be implemented in particular by:**

- Development of nationwide training system for PES staff and improving PES staff skills, in particular in the fields of providing services of job placement and vocational counselling, propagation of occupational information and services for the unemployed and seeking jobs persons (including persons who come from rural areas),
- Development and implementing of integrated training programmes for the staff in the labour market institutions and social assistance institutions,
- Establishment and development of informatic instruments and systems for PES,
- Improving access to programmes and services of the labour market, inter alia by development of a network of institutions, introducing new methods and instruments of professional activation and application of modern communication and information technologies in the field of professional activation of the unemployed and seeking jobs persons,
- Development of coordinated cooperation system and information exchange between PES and non-public labour market institutions on a national, regional and local level,
- Establishment and development of a national system of uniform service standards delivered by PES,
- Performance of reviews, studies and expert opinions as regards demand and supply of labour resources, and also establishment and development nationwide monitoring and forecasting situation on the labour market, including the area of migration policy and respecting the principles of equal opportunities on the labour market,
- Development of a national system for monitoring and forecasting the situation on the labour market, including as regards migration policy,
- Creating a monitoring and evaluation system of the impact of implemented programmes on the situation on the labour market (with particular emphasis on the situation of women and the unemployed living on rural areas),
- Identification and promotion of the best practices and solutions related to professional activation of the unemployed.

**Specific Objective 2: To broaden the impact of the Active Labour Market Policies****Target:**

**2.1** To cover with assistance 100 thousand persons from groups requiring special assistance.

**Output indicator:**

1. The number of people, who completed their participation in projects under the Priority (total/F/M). broken down by:
  - a. youth in danger of social exclusion,
  - b. prisoners
  - c. persons staying in borstals,
  - d. Roma people
  - e. persons with disabilities

**Result indicator:**

1. % share of people, who found a job within 6 months after completing participation in the project in relation to total number of people, who completed participation in projects (total / f / m), including:
  - % share of those, who become self-employed (total/f/m).

**Specific Objective 2 will be implemented in particular by:**

- Development and implementation of nationwide programmes addressed at specific target groups, including at persons in penitentiary institutions, youth threatened by social exclusion, persons in reformatory, members of the Roma community and persons with disabilities.
- Development of instruments oriented at early identification of individual needs of the unemployed and seeking jobs persons, and planning professional advancement (including inter alia a wider use of Individual Action Plans and development of instruments that facilitate diagnosing training needs of the unemployed),
- Propagation of job placement and vocational counselling, for example by applying modern information and communication technologies and improving access to non-standard methods and solutions as regards the provided services,
- Improving access to information on services provided by the labour market institutions on the regional level addressed at the unemployed and seeking employment persons, and improvement of the information exchange system concerning the available job offers and possibilities of advancing professional qualifications between specific institutions of the labour market,
- Establishment, implementation and promotion of complex solutions aimed at propagation of the notion of equal opportunities, reconciliation of family life with work, and geographical and professional mobility,
- Establishment and implementation of nationwide programmes and solutions related to migration policy,

**Specific Objective 3: Supporting social assistance institutions and establishing partnership aimed at development of social integration.****Targets:**

- 3.1** Implementation of service standards in 90% of social assistance institutions.
- 3.2** To cover 70% staff of social assistance institutions (which handle directly active integration issues) by trainings and other forms of qualification improving (e.g. studies of the first and second degree post-graduate studies, doctoral studies, and occupational training courses including first and second degree specialisation in the profession of social worker).
- 3.3** 25% social assistance institutions who have concluded social contracts with over 10% of all their clients.
- 3.4** 50% of projects oriented at persons excluded socially would be implemented within the partnership.

**Output indicators:**

1. Number of institutions, which took part in system programmes for implementation of standards of services,

2. Number of key employees of the social assistance institutions, who upgraded their qualifications as a result of assistance provided (total/F/ M).

**Result indicators:**

1. % share of social assistance institutions, in which standards of services were implemented,
2. % share of employees of social assistance institutions, who upgraded their qualifications as a result of assistance provided (total/f/m),
3. % share of social assistance institutions, which entered into social contracts with more than 10% of all clients,
4. % share of projects carried out by the social assistance institutions in a partnership, including:
  - partnerships with public employment services
  - partnerships with other social assistance institutions
  - public-social partnerships,
5. “ESF impact on the functioning of PES” indicator<sup>18</sup>.

**Specific Objective 3 will be implemented in particular by:**

- Improvement of qualifications of the social assistance and social integration institutions personnel through school type training aimed at increasing the potential as regards execution of activation measures (e.g. studies of the first and second degree, post-graduate studies, doctoral studies, and occupational training courses) and first and second degree specialisation in the profession of social worker,
- Improving cooperation between social assistance and social integration institutions with labour market institutions in support of socially excluded persons and their integration with the labour market,
- Development of cooperation between social assistance institutions on various administrative levels (voivodship, poviat and gmina levels) – especially as regards monitoring and evaluation of the effectiveness of measures, and also forecasting the situation with respect to social policy,
- Propagation of forms of active integration and social work,
- Consolidation and development of IT systems for social welfare and social integration institutions,
- Development of a national system of thematic and specialist trainings,
- Development and implementation of active integration instruments and measures within social assistance institutions (e.g. social contracts, local activity programmes, assistance instruments for persons with disabilities) addressed at persons who experience social exclusion,
- Expanding the offer of social assistance and social integration institutions as regards activation services,
- Development and propagation of service standards in social welfare,

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<sup>18</sup> This indicator will measure the impact of ESF on functioning of SAIs by taking into consideration, i.a. the quality of services provided, satisfaction of employees and clients. The indicator is to be measured 2 times in the programming period by means of evaluation. The first evaluation survey is to take place in 2009. The baseline is to be set whereas the target value of the indicator will be verified.



- Identification and promotion of the best practices and solutions with respect to assistance and social integration,
- Supporting the establishment and development of public and social partnership in favour of excluded persons.

**Budget of Priority I**

<b>Priority I</b>	<b>Total</b>	<b>ESF</b>	<b>Priority/Total (ESF in %)</b>	<b>National contribution</b>
Employment and social integration	506 189 358 EUR	430 260 954 EUR	4.43 %	75 928 404 EUR

## 4.2. Priority II: Development of Human Resources and adaptation potential of enterprises and improving the health condition of working persons

### Justification of Priority implementation:

Transition from an economy based on work and capital to a knowledge based economy, in which a fundamental role is played by information, *know-how*, and information and communication technologies, leads to the necessity of investing in knowledge and abilities of staff in the Polish enterprises. It is necessary to include social and economic partners and the employees in this process, as well as adaptation of the training system to needs of the labour market. Also required is enhancing the adaptation potential of enterprises through supporting new solutions related to work organisation and forms of employment. Furthermore there is a necessity of introducing a universal planning system for paths of employee careers in enterprises. What is more, supporting mobility between sectors of science and the economy should affect the development of Human Resources in the R&D sphere and increasing the scale of knowledge transfer. Measures in this respect are aimed at enhancing the competitiveness of enterprises, as well as maintaining the existing work places. Within this Priority assistance would also be granted for transregional and nationwide training projects (including postgraduate studies) and counselling for employees and entrepreneurs and for social partners who operate in support of enhancing the adaptation abilities of employees and enterprises.

Pursuant to the diagnosis just as important is providing necessary knowledge related to development trends, execution of innovative strategies, modern management methods and techniques, work organisation and assuring conducive conditions for use of training services consistent with the development direction of companies.

Barriers for the development of entrepreneurship indicated in this diagnosis require taking up system measures related to propagation, improving the quality, its evaluation and development of training, information and counselling services offered by training institutions and entities that provide services related to development of entrepreneurship and innovativeness of enterprises.

Within this Priority executed are nationwide and transregional training projects (including postgraduate studies) and counselling addressed to workers and entrepreneurs as well as to social partners operating for increasing adaptability of workers and enterprises. They are intended for companies, groups of companies or their branches which are in many regions of Poland and the application of which within particular voivodships would have been hindered. There is a necessity of improving the availability and adaptation of trainings to needs of enterprises, also through the assuring of e-learning trainings and blended learning forms. This would have a positive effect on application of new technologies in enterprises, which is consistent with economic trends, and also with provisions of the Lisbon Strategy. Particular emphasis should be put at the older workers (aged over 50). Complementary instruments are executed in Priority VIII as they concern employees working for enterprises, which do not have a transnational nature (i.e. within a single voivodship).

At the same time - to improve functioning of the supply context with considerable increased demand and intense competition on the market, planned is financing for a system measures related to propagation, improving the quality and development of training, information and counselling services offered by institutions specialised in services supporting the development of entrepreneurship and innovation in enterprises. It is of particular importance the appropriate adaptation of the offer of training institutions to assure that they offer current knowledge and services and that they apply appropriate methods and forms of training.

The development of enterprises, meeting needs of the competition or maintaining a position on the market depend to an increasing extent on developing an efficient **system of forecasting and managing of economic change**. It is necessary to implement research projects aimed at forecasting development directions and changes in the economy and in its particular sectors, and consequently –

demand for new professions and qualifications. As a result, relevant strategies and rapid response instruments will be prepared in order to enable to workers employed in sectors and enterprises affected by restructuring changes of transregional scope to acquire new profession or new qualification. In this context it is crucial to increase commitment of the social partners. These operations will be complementary with instruments of the Priority VIII within which support will be delivered to platforms of cooperation between the subjects involved in forecasting and managing of economic change at regional and local level as well as strategies and rapid response instruments in case of restructuring process in enterprises of regional scope.

In addition it is necessity to implement new forms and methods of work organisation, management and strategic planning, which would allow better utilisation of human resources and increase the adaptation potential of enterprises. Measures in this scope will not only assist enhancing the competitiveness of enterprises, but also help maintain the already existing work places and equilibrium between flexibility and competitiveness on the one hand, and security of employment on the other (*flexicurity*).

Supporting business development institutions (granting loans, guarantees and collaterals to entrepreneurs and persons starting their economic activity, and also institutions that provide informatic and counselling services and which grant information about databases of training offers) would allow better availability of the offered services and assistance to enterprises. The measure enables development of the existing networks that support the development of entrepreneurship nationwide, which provide services for persons who plan to commence economic activity, start-ups and enterprises.

In the context of enhancing adaptation abilities of Polish enterprises and their employees it is also vital to assure appropriate health insurance inter alia through assuring conditions favourable to improving and maintaining a good health state of working persons. Under the ESF interventions for particular occupational groups it would be possible to develop preventive programmes and programmes for persons with diagnosed occupational disease, to support their return to work.

Simultaneously particular attention should be drawn to enhancing adaptation abilities of health sector employees, who constitute a big professional group in Poland, as their abilities and high competencies play an important role in the context of assuring adequate health care for the society. Improving the opportunities for advancement of qualification of the health care personnel – both of medical personnel and employees responsible for management of health care centres, acquires particular importance in the context of present demographic changes (aging of the society) and the existing threat of further reduction of human resources of this sector (inter alia as a result of migration of staff abroad). Hence within this Priority diverse forms of education and professional training of medical personnel will be implemented, in particular in deficit professions and specialties.

Additionally in a situation of considerable indebtedness of health care centres and ongoing property transformations (an increasing role of the private sector), striving at improvement of management effectiveness in health care centres becomes justified, with concurrent improving of the quality of granted benefits. For this purpose support will be granted to development of competencies of managerial staff and administrators of public resources, and carrying out accreditation and certification of health care centres. It is assumed that this would have a positive effect on the efficient of functioning of health care centres, first of all with respect to administering financial resources.

### **Specific Objective 1: Development and improvement of functioning of system support for adaptation abilities of employees and enterprises.**

#### **Targets:**

- 1.1 Covering by counselling, training service or other forms of qualification advancement of 90% consultants providing services aimed at development of entrepreneurship in accredited institutions;

- 1.2 Covering by counselling, training service or other forms of qualification advancement (which lead to obtaining generally acknowledged certificates) of 4000 persons being a part of the training staff;
- 1.3 Covering 350 000 enterprises and persons intending to commence economic activity by services provided in support of entrepreneurship development in accredited institutions

**Output indicator:**

1. Number of consultants providing services for development of entrepreneurship in accredited institutions, who were covered by advisory or training services or other forms of raising qualifications,
2. Number of people in training staff, who upgraded their qualifications in a way leading to obtaining a generally acknowledged certificate,
3. Number of companies and people intending to establish own economic activity, who benefited from services provided in accredited institutions.

**Result indicators:**

1. % share of consultants providing services for development of entrepreneurship in accredited institutions covered by advisory or training services or other forms of raising qualifications in relation to total number of consultants in accredited institutions ,
2. % share of people in training staff, who obtained a certificate in relation to total number of training staff ,
3. % share of enterprises taking advantage of services provided for development of entrepreneurship in accredited institutions to total number of active companies .

**Specific Objective 1 will be implemented in particular by:**

- Improving the quality of services provided for enterprises by training institutions and institutions supporting entrepreneurship and innovativeness of enterprises, in particular through:
  - development and propagation of organisational standards in institutions and the standard of services provided by them,
  - advancement of qualifications and abilities of employees that provide training and counselling services aimed at supporting the development of entrepreneurship and innovativeness of enterprises,
  - supporting the process of certification for qualifications of the training personnel,
- Supporting the system of complex services provided by institutions to entrepreneurs and persons wishing to launch economic activity.

**Specific Objective 2: Development of labour resources with high qualifications and with adaptation abilities.**

**Targets:**

- 2.1 Including by assistance 100 000 enterprises which invest in training their employees (projects of a transnational character);
- 2.2 Advancement of qualification of 350 000 employees in enterprises thanks to their participation in trainings (projects of a transnational character)

**Output indicators:**

1. Number of companies covered by provided assistance

2. Number of enterprises' employees, who completed participation in training programmes, including:
  - number of persons aged 50 and more

**Result indicator:**

1. % share of enterprises, which invest in training of employees to total number of active companies.

**Specific Objective 2 will be implemented in particular by:**

- Open and close training and counselling of a transregional character for entrepreneurs or groups of entrepreneurs and employees of enterprises, and postgraduate studies for entrepreneurs and personnel in enterprises,
- Studies and analyses and the remaining system projects, including forecasting development directions of qualifications and professions, promotion and propagation of education new forms and methods, including e-learning and hybrid type training (mixed trainings),
- Promotion of new forms and methods of work organisation, including: part time employment, temporary work and telework,
- Assistance for entrepreneurs related to diagnosing training needs of employees,
- Promotion of the culture of investing in trainings for employees, especially in SMEs and in relation to employees with low qualifications and older employees,
- Propagation of strategic planning, execution of innovative strategies and modern management methods in enterprises,
- Development of process management standards in enterprises,
- Promotion of professionalisation in the human resources administration function in an enterprise,
- Popularisation of research and development measures, innovative measures and assisting intersectoral mobility of a transregional character.

**Specific Objective 3: Improving the functioning of the system of anticipating and managing economic change**

**Targets:**

- 3.1 Performance of a review of anticipated effects resulting from restructuring in 'sensitive' industries<sup>19</sup> on the labour market,
- 3.2 Development of quick response strategies and instruments in the event of occurrence of economic change, adapted to industries affected by restructuring processes,
- 3.3 Including 1800 members of representative social partners by assistance within the Priority.

**Output indicators:**

1. Number of sectors (branches), for which an analysis of expected effects of restructuring under the Priority was carried out,
2. Number of employees threatened by negative results of restructuring processes (economic change), who were covered by rapid reaction activities,

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<sup>19</sup> Mining, railways, agriculture, fishing (fishery) and steel, shipyard, textile and armament industries.

3. Number of delegates of representative organisations of social partners on the central level, who were covered by the assistance.

**Result indicators:**

1. % share of employees, who found a job, established own economic activity, continued their employment in the previous workplace within 6 months after completing participation in the project, – to the total number of employees, who completed participation in projects,
2. % share of representative organizations of social partners at the state level, covered by the assistance under the Priority – to the total number of these organizations.

**Specific Objective 3 will be implemented in particular by:**

- Trainings and counselling to support restructuring processes (economic change) on a transregional level;
- Increasing the involvement of social partners in measures aimed at improving the adaptation potential of enterprises and employees, and at increasing work productivity;
- Studies and analyses concerning forecasting and active management of economic change on a national level.

**Specific Objective 4: Improving the health state of working persons through development of preventive programmes and programmes supporting return to work.**

**Expected effect:**

- 4.1. Development of 10 complex preventive programmes and programmes that support returning to work for particular employee groups /professional groups

**Output indicator:**

1. Number of preventive programmes and programmes for helping in returning to work prepared under the Priority.

**Result indicator:**

1. % share of occupational diseases for which preventive programmes and programmes for helping in returning to work were prepared.

**Specific Objective 4 will be implemented in particular by:**

- Development of preventive programmes adapted to the needs of specific groups of employees, in particular oriented at reducing the occurrence of occupational diseases,
- Development of programmes oriented at return to work of specific groups of employees with diagnosed occupational diseases,
- Implementation of selected programmes.

**Specific Objective 5: Increasing qualifications and skills of medical personnel.**

**Targets:**

- 5.1 Increasing by 100% the number of oncologists; by 50% the number of cardiologists; by 35% the number of occupational medicine physicians who have completed their specialisation,
- 5.2 Increasing by 200% (from 12 000 to 36 000) the number of nurses and midwives who have completed bridging studies within OP HC.

**Output indicators:**

1. Number of nurses and midwives, who completed bridging studies under the Priority,
2. Number of deficit doctors:
  - oncology,
  - cardiology,
  - occupational medicine,who completed a full course cycle within specialisation programme under the Priority.

**Outcome indicators:**

1. Share of nurses and midwives who have graduated from bridging studies within Priority axis, in the total number of nurses and midwives,
2. Number of specialized doctors per 100 thousand inhabitants, divided to:
  - a) oncologists,
  - b) cardiologists,
  - c) occupational medicine

**Specific Objective 5 will be implemented in particular by:**

- Professional education for nurses and midwives, in particular within bridging studies,
- Education within the specialisation process for physicians of deficit specialities, such as: oncology, cardiology, occupational medicine,
- Postgraduate education of representatives in other medical professions.

**Specific Objective 6: Enhancing the quality in health care entities****Targets:**

- 6.1** Increasing by 300% (from 8% to 32%) the share of health care entities with accreditation in the total number of health care entities
- 6.2** Training 1500 representatives of managerial personnel and public resources administrators in the health sector in relevant training related to management

**Output indicators:**

1. Number of representatives of managing staff and holders of public funds in the health care sector, who completed training in management under the Priority;
2. Number of health care entities accredited by the Health Care Quality Monitoring Centre

**Result indicators:**

1. % share of health care entities, whose managing staff representatives completed trainings in management under the Priority;
2. % share of health care entities having accreditation at the Health Care Quality Monitoring Centre

**Specific Objective 6 will be implemented in particular by:**

- Development of certification and accreditation systems in health care entities,
- Training of managerial staff and public resources administrators in the health sector,
- Development of qualification standards for the staff that manages the health care sector.

**Budget for Priority II**

<b>Priority II</b>	<b>Total</b>	<b>ESF</b>	<b>Priority/Total (ESF in %)</b>	<b>National contribution</b>
Development of Human Resources and adaptability potential of enterprises and improving the health state of working persons	778 011 906 EUR	661 310 120 EUR	6.81%	116 701 786 EUR



### **4.3. Priority III: High quality of the educational system**

#### **Justification of Priority implementation:**

Growth and enhancing employment are not possible without a greater scale of the investment in education and improving the effectiveness of education. The closer the connections between economy and the educational system forces, the greater the need for modernisation of educational institutions and curricula.

Priority III focuses on improving the performance of the educational system by introducing systemic solutions regarding to monitoring and evaluation, development of educational surveys and their linkage to educational policy. The new solutions include measures in the field of increasing the effectiveness of pedagogical supervision handled by educational offices in vovoidships (curators).

To ensure high quality of education, it is necessary to develop the system of collecting and analysing qualitative and quantitative data in the area of education. The task will be implemented, among others, through the development of an objective tool for the evaluation of the effects of undertaken actions in the area of education, supporting the development of learning systems by comprehensive research and analytical measures. Obtaining objective statistical data will be facilitated by an extensive Educational Information System. At the same time, an appropriately strengthened system of external exams will ensure sound information about the results of learning, thus also the effectiveness of the educational system institutions..

The results of studies and analyses will be used in forming the state educational policy, contributing to the improvement of core curricula, as well as standards of teacher education. They will also be used to enhance the system of financing education, which will contribute to the increase of the effectiveness of management in educational institutions. The introduction of innovative solutions (regarding, among others, modern forms of learning) will be preceded – if necessary – by financing measures of pilot character.

The modernisation of learning system, improvement teachers qualifications as well as developing and implementing innovate, transregional programmes of enhancing teachers qualifications and also development of accreditation in-service teacher training centres, will result in improving the quality of learning.

The actualisation of curricula, developing of innovative teaching programmes and didactic materials, especially in the field of improving the key competences in the area of science, mathematic and technology will lead to adjustment the education offer to the labour market needs. Development of Scholaris – the education portal will result in propagating innovating teaching methods and programmes among teachers.

It is foreseen to implement transregional programmes of developing mathematic, science and technology skills, which contributes to school development projects implemented under the Priority IX in regions. It would enhance students ability for further employment.

Another form of combining the educational offer with the needs of the labour market would be the innovating forms of increasing teachers qualifications within entrepreneurships, including among others: internships, apprenticeships longer than two weeks.

Adjustment the education system (learning and training) to the needs of the knowledge based economy will be achieved by developing and implementing the National Qualification System, predated by establishing the National Qualification Framework, which will be coherent to European Qualification Framework. It will facilitate confirmation of general and vocational qualifications obtained in extra-school forms, as a result of trainings and professional work, as well as it will ensure the desired comparability between various forms of learning. Thus, it will contribute to facilitation of graduates' functioning on the domestic and international labour market.

**Specific objective 1: Enhancing the education system in monitoring, evaluation and educational research and its use in the educational policy and education management.**

**Targets:**

1.1 Implementing 95% of the Action Plan for enhancement evaluation and research capacities of the education system.

**Output indicator:**

1. number of analytical and research projects carried out under the Action Plan;
2. number of schools in which the instrument and methodology of measuring EVA (educational value-added) was implemented;
3. number of persons employed in the schools supervising system who participated in projects under the Priority

**Result indicator:**

1. Implementing the Action Plan for enhancement of monitoring, evaluation and research capacities of the education system – divided into stages to be monitored.
2. % share of schools, which evaluate the quality of their work by using the EVA indicator (educational value added);
3. % share of schools covered with modernised schools supervising system using the EVA measurement

**Specific objective 1 will be implemented particularly through:**

- Preparing and implementing the idea of institutional research background
- Research on the functioning of the education system, education effectiveness and adjusting its content to labour market needs, considering in particular social groups at risk of marginalisation
- Upgrading data collection and analysis relating to the functioning of the education system, i.a.: through Educational Information System
- Developing and modernising the external examination system, including research how to use results of external examinations in the educational policy
- Enhancing the effectiveness of school supervising system

**Specific objective 2: Increasing quality of initial and in-service teacher training system**

**Targets:**

Introducing by 13% in-service teachers training institutions (i.a. tertiary education institutions and teacher training colleges) new forms and principles of teacher training

To cover 15% of teacher in-service training centres with uniform accreditation system.

**Output indicator:**

1. number of tertiary education institutions and teacher education establishments which implemented new forms and principles of teacher education;
2. number of teacher in-service training centres which obtained accreditation

**Result indicator:**

1. % share of tertiary education institutions and teacher education establishments which implemented new forms and principles of teacher training in relation to total number of these entities<sup>20</sup>;
2. % share of public teacher in-service training centres which obtained accreditation in relation to total number of these centres<sup>21</sup>

**Specific objective 2 will be implemented particularly through:**

- Modernising existing teacher education forms and preparing the new ones (including practical training)
- Support for the accreditation system of teacher education establishments and in-service teacher training centres

**Specific objective 3: Strengthening the link between the educational and training offer and the needs of the labour market, in particular by adjusting teaching programmes and teaching materials (including textbooks) and introducing new forms of in-service teacher training at enterprises.**

**Targets:**

- 3.1.** Review of all curricula being in force
- 3.2.** Implementing 100 innovative teaching programmes, including the scope of maths, science, technology and entrepreneurship
- 3.3.** To cover 15% of teachers and trainers of practical vocational training by vocational training at enterprises.

**Output indicators:**

1. number of core curricula reviewed at the level of lower and upper secondary education in order to meet labour market needs.
2. number of innovative teaching programmes in entrepreneurship, mathematics, natural and technical sciences elaborated and disseminated
3. number of teachers and trainers of vocational training, who participated in internships / apprenticeships in enterprises under the Priority

**Result indicators:**

1. % share of core curricula reviewed at the level of lower and upper secondary education in relation to total number of core curricula at this level of education.
2. % share of teachers and trainers of practical vocational training, who participated in internships in enterprises (under the Priority) in relation to all of teachers and trainers of practical vocational training.

**Specific objective 3 will be implemented particularly through:**

- modernising the process of education, among others through:
  - a) improvement of curricula,
  - b) developing of innovative teaching programmes, in particular within the scope of maths, science, technology and entrepreneurship

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<sup>20</sup> In 2006 there were 442 tertiary education institutions and 105 teacher education entities

<sup>21</sup> In 2006 there were 508 entities.

- development and pilot implement of innovative learning methods, transregional programmes of increasing students key competences
- development of educational and vocational advisory service
- development and implementation, transregional innovative in-service teacher training programmes at enterprises
- dissemination of innovative programmes, methods and best practices (didactic and organizational) for example through development of educational portal Scholris.

**Specific objective 4: Development and implementation of the National Qualification Framework and the National Qualification System and dissemination of the life long learning**

**Targets:**

- 4.1.** Implementation 100% of the Action Plan covering development of the National Qualification Framework /coherent with European Qualification Framework/ and development and implementation of the National Qualification System

**Output indicator:**

1. number of professions systematized in the National Qualifications Framework

**Result indicator:**

1. Implementation of 100% of the Action Plan for introducing the National Qualifications Framework linked with European Qualification Framework (divided into stages to be monitored).

**Specific objective 4 will be implemented particularly through:**

- developing the system and popularising the model of lifelong learning
- developing and implementing the National Qualification Framework and the National Qualification System

**Budget of Priority III**

<b>Priority III</b>	<b>Total</b>	<b>ESF</b>	<b>Priority/total (ESF in %)</b>	<b>National funds</b>
High quality of the educational system	EUR 1,456,236,268	EUR 1,237,800,828	12.75%	EUR 218,435,440

#### 4.4. Priority IV: Tertiary education and science

##### **Justification of Priority implementation:**

The changes in the Polish economy which were taking place in the 90s aroused educational aspirations of young people. As grows the level of education, so grows the probability of finding a job and getting better salary, as well as the occupational mobility of the employees. All that leads to the fact that the proportion of adolescents taking up tertiary education has been significantly growing since the beginning of the nineties till the present. At the same time, however, there are many structural problems in the area of higher education, some of which are: variation in the quality of learning, low popularity of sciences and too low pace of the growth of the number of academic staff in comparison to the rapid growth of the number of students.

In the European perspective, both the Lisbon Strategy and the document *The Role of Universities in the Europe of Knowledge*, developed by the European Commission within the Bologna Process clearly stress the role which higher education should play in the development of knowledge based economy, thanks to which about half of new jobs are now being created in Europe at present. However, achievement of that goal makes the European higher education face a series of challenges such as: ensuring high quality of learning, close cooperation of higher education institutions with the economy sector, in particular high-tech industry, openness and international cooperation of academic communities, as well as mobility of students and the academic staff. The challenges are just as relevant for the present condition of tertiary education in Poland.

The necessity of closer linkage of science sector to economy needs increasing qualifications of research and development sector staff in particular in the field of research projects management as well as commercialisation of the results of research and development studies.

Priority IV focuses on improving the performance of tertiary education institutions, both by creating favourable conditions in terms of the system and organisation for effective management of higher education, and by evoking stimuli for development, influencing accessibility and development of those specialisations, whose importance for an economy based on knowledge is the highest.

Systemic support under the Priority will be dedicated to the analysis of the condition of Polish higher education, pinpointing deficiencies and developing effective tools for management and ensuring high quality of education. Moreover, works in the scope of developing and modernisation of teaching methods and curricula, as well as the standards of international recognition of accreditations will contribute to the increase of openness and mobility of academic communities.

Graduates from mathematical-natural and technical faculties, which are most important for knowledge economy, may play a key role in the development of the competitive position and innovation of Polish economy. In the present structure of graduates, graduates of those faculties are an insufficient, small proportion. That is why it is necessary to stimulate demand for graduates of sciences by ordering education on mathematical-natural and technical faculties. There is also need of introducing educational programmes in the field of industrial property protection, industrial design and R&D marketing.

Implementation of the objective of the Priority will be also supported by university development programmes. The programmes might cover a series of issues selected by a given university (like the development of the educational offer, including e-learning, improvement of the staff, organisation of traineeship and practices for students, cooperation with employers and scientific entities in the scope of implementation of the learning process and international cooperation). In the context, what will particularly be supported will be learning at the higher level on mathematical-natural and technical faculties, because of their key significance for the needs of the labour market and competitive position of the economy.

Parallel projects related to human capital in the area of research and innovation, among others in the scope of forming the abilities of managing scientific research and commercialisation of its results, will serve the purpose of improving the competitive position of the economy and enterprises. They will contribute to enhancing the qualifications of the R&D system staff, improvement of the quality and effectiveness of research, and consequently the growth of the innovation of the economy.

### **Specific objective 1: Adjusting of education at the tertiary level to the needs of the economy and the labour market**

#### **Target:**

**1.1** Increasing by 7% the share of students participating in traineeship and practices (including those participating in traineeship and practices of the length of more than 3 months).

#### **Output indicator:**

1. Number of students who participated in internships/ apprenticeships supported by ESF under the Priority

2. Number of students who participated in internships/placements lasting at least 3 months

#### **Result indicator:**

1. % share of students participating in internships/apprenticeships supported by ESF in relation to total number of students

2. % share of students participating in internships/ placements lasting at least 3 months in relation to total number of students

### **Specific objective 1 will be implemented particularly through:**

- Research in the area of the functioning of the university, effectiveness and quality of learning and adjustment to the labour market needs
- Implementation of university development programmes, covering, among others, extension of the offer and increasing the quality of learning, strengthening the employability of future graduates through student traineeship and practices, cooperation of the university with employers, scientific centres and foreign partners, development of e-learning as a form of learning at the tertiary level and improving qualifications of the academic staff in the scope resulting from the university development programme

### **Specific objective 2: Improving the quality of educational offer of tertiary education institutions**

#### **Targets:**

**2.1** Increasing from 1,25% to 5% the proportion of faculties of tertiary education institutions which obtained the “excellent” grade in the evaluation process of the National Accreditation Commission.

**2.2** Increasing to 27% the proportion of tertiary education institutions which implemented models of quality management and learning quality control.

**2.3** Increasing to 22,5 the proportion of tertiary education institutions which implemented development programmes in relation to overall number of tertiary education institutions.

#### **Product indicator:**

1. number of tertiary education institutions which have implemented models of effective management and quality control under the Priority, including:

- a) public institutions

b) private institutions

2. number of development programmes introduced by tertiary education institutions under the Priority.

**Result indicator:**

1. % share of tertiary education institutions which have implemented models of effective management and quality control in relation to total number of these institutions, including:

a) public institutions

b) private institutions.

2. % share of tertiary education institutions which have implemented development programmes in relation to total number of these institutions.

**Specific objective 2 will be implemented particularly through:**

- Studies in the area of the functioning of the university, effectiveness and quality of learning and adjustment of the needs of the labour market
- Developing models of effective management in tertiary education,
- Developing modern learning programmes in higher education corresponding to the requirements of knowledge economy (including also distance learning programmes),
- Developing standards of mutual recognising of accreditation decisions within the European Higher Education Area
- Implementing university development programmes, covering, among others, extension of the offer and increasing the quality of learning, strengthening the employability of future graduates through student traineeship and practices, cooperation of the university with employers, scientific centres and foreign partners, development of e-learning as a form of learning at the higher level and improving qualifications of the academic staff in the scope resulting from the university development programme

**Specific objective 3: Enhancing the attractiveness of education at the tertiary level in the field of mathematical-natural and technical sciences (SMT)**

**Targets:**

**3.1.** Increasing to 22 % the proportion of graduates from mathematical-natural and technical faculties.

**3.2.** Decreasing by 33% the share of students who do not continue education after first year of mathematical-natural and technical faculties

**Output indicator**

1. number of tertiary education institutions offering compensatory courses addressed to first-year students of SMT.

2. number of 1st year students of the SMT faculties contracted by the minister responsible for tertiary education.

3. number of graduates in the SMT faculties contracted by the minister responsible for tertiary education

**Result indicator:**

1. % share of students who no longer continue their studies after first year of SMT faculties in relation to total number of students who started first year of SMT studying supported under the Priority.

**Specific objective 3 will be implemented particularly through:**

- commissioning education of a certain number of students at mathematical-natural and technical faculties to tertiary education institutions by the minister relevant for tertiary education
- implementation of compensatory programmes addressed to first year students of mathematical-natural and technical faculties covering improving competences necessary for continuing studies on those faculties

**Specific objective 4: Improving the qualifications of the R&D system staff in the scope of management of scientific research and commercialisation of the results of research and development studies**

**Targets:**

**4.1.** Increasing to 7,3% the proportion of R&D system employees who improved their qualifications in the scope of management of scientific research and commercialisation of the results of research and development studies

**Output indicator:**

1. number R&D staff who have up-graded their skills in the field of exploitation of research results and their use in economy under the Priority (total/F/M)

**Result indicator:**

1. % share of R&D staff who have up-graded their skills under the Priority in the field of exploitation of research results and their use in economy in relation to overall number of R&D employees.

**Specific objective 4 will be implemented particularly through:**

- Trainings, courses, post-graduate studies and other forms of increasing qualifications of the R&D sector staff in the scope of management of scientific research and commercialisation of the results of research and development studies
- Projects related to increasing the awareness of the R&D employees and entrepreneurs in the scope of the weight of scientific research and development studies for the economy

**Budget of Priority IV**

<b>Priority IV</b>	<b>Total</b>	<b>ESF</b>	<b>Priority/total (ESF in %)</b>	<b>National funds</b>
Higher education and science	EUR 960,366,839	EUR 816,311,813	8.41%	EUR 144,055,026



#### 4.5. Priority V: Good governance

##### **Justification of Priority implementation:**

Efficient and effective administration affects the economic growth and state development. Thus, within the Priority *Good governance* support will be aimed at improving the administrative potential, especially in the areas fundamental for implementation of the Lisbon Strategy and National Reform Programme. Priority V responds to certain challenges identified in the Lisbon process, such as for example regulatory improvement, improving conditions for operation of enterprises, improvement of public finance management.

The Priority envisages support for strengthening the regulatory potential of the Polish administration through improving the legislation and review of the already existing legal acts in view of possibilities of their potential simplification. Support oriented on improving the regulatory quality will be consistent with the Programme of Regulatory Reform adopted by the Council of Ministers in August 2006. Measures within Priority V will be focused on four key aspects related to improving the regulatory quality, such as simplification of national legal acts, improvement of the implementation system of the European Union directives, in particular those related to the environment and the Common Market, optimisation of the impact assessment and implementation of a system that measures administrative costs. As regards problems of administrative burdens, a starting point is to indicate those legal acts that generate the biggest administrative costs and burdens for enterprises. Problems of measuring administrative burdens will also be included in the impact assessment system.. The impact assessment requires presenting information and calculations that show whether the planned regulation would impose on enterprises additional administrative loads or whether it would intensify the complexity of administrative procedures. In such a context a vital issue is also to work out Poland's position as regards determination of objectives in reducing administrative burdens. Pursuant to decisions taken by the spring the Council, the EU member states should define by the end of 2008 specific objectives of such reduction at a national level. Poland undertook to present to the European Commission objectives in reducing administrative burdens in 2008. Measures promoted by Priority V are conducive for achievement of the objective

Due to the fact that a considerable part of legal acts is issued by authorities at the self-government level, this Priority also provides measures aimed at enhancing the regulatory potential of those entities. Nevertheless at present it is not possible to define specific obligations or to determine measurable effects of implementation of this support. Poland undertakes to carry out an analysis of needs in this respect and to inform the European Commission, with the second annual implementation report on the issue of quantifiable assistance effects.

Another key objective within Priority V is to improve the standard of services and policies connected with enterprise registration and operation of enterprises. It is necessary to undertake measures related to simplification of those procedures considering the fact that improvement of conditions related to business operation is a fundamental premise for the development of entrepreneurship in Poland. The first step to achieving the planned target, and namely shortening the average waiting time for enterprise registration to 7 days, is the introduction of a 'one-stop-shop' system and reduction of administrative costs related to registration. Also measures oriented at improvement of economic jurisdiction and enhancing the competencies of its staff will be conducive to improving the quality of services provided for entrepreneurs and enhancing the competencies of the staff, which as an effect will allow shortening the average time of economic judicial proceedings.

The available analyses show a necessity of supporting certain key projects connected with the reform of public administration. The first crucial measure is to prepare the administration to managing finance in a task-oriented way and to implement the multi-annual budgetary planning in public administration units. The implementation of this measure will be a direct response to a challenge identified in the National Reform Programme. The second important measure will be to improve human resources

management in public administration, in particular through development of a new system of remuneration in all government administration entities, improving the system valuating work post and support for human resources departments in government and self-government administration units. An inherent aspect in strengthening the potential of administration is also to provide the staff with competencies indispensable for implementation of tasks ascribed to public administration, including those within the scope of implemented reforms. Thirdly this Priority will be conducive to improving standards in management of administration units. As regards territorial self-government units of key importance is to implement solutions conducive to improving the quality and availability of services provided by authorities. The implementation of those tasks will lead to optimisation of resources utilisation by self-government administration units and ensure effectiveness of client services. Taking into account the growing role of territorial self-governments in creating development conditions it is indispensable to support enhancement their strategic abilities, which would be advantageous in improvement of the quality of long-term strategies or development programmes. Projects implemented in this scope will be accompanied by a detailed need analysis.

The fourth key measure is to improve the efficiency of the judiciary through organisation of customer service points in courts, modernisation of management systems and training in those key areas which will enable to achieve of targets promoted by Priority V. The analysis of needs in this respect has been based first of all by provisions of the Strategic Plan of the Ministry of Justice and Central Board for Prison Services for the years 2007-2010. Modernisation processes may be accompanied by measures connected with development of system provisions and ITC tools aimed at assisting management in public administration entities. This will nevertheless be support of an auxiliary character and will consequently be limited to measures that supplement implementation of reforms in the public sector. Main activities linked to the informatisation of a state, according to the *Strategy of Poland's Informatization until 2013* will be financed by EFRR.

Furthermore, it is necessary to assure a partnership cooperation model between public administration and social partners and non-governmental organisations, in particular as regards their active participation in the implementation process of the Lisbon Strategy. This refers to enhancing consultation mechanisms and cooperation with social partners and non-governmental organisations as regards constituting and implementation of public policies and legal regulations, and to implementation of public tasks, including also to measures connected with social supervision over public institutions. Due to the absence of appropriate instruments for assessment of the effectiveness of social consultations it is necessary to carry out analyses needed for a diagnosis of the existing situation. On such a basis in subsequent years of programme implementation measures will be planned conducive for achieving specific results in this scope. The set out targets will be reflected in one of the Annual Reports submitted to the Commission.

Furthermore, concurrent strengthening the potential of third sector organisations of is also necessary, in order to ensure effective and professional way they could participate in diverse forms of cooperation with public sector. Such support should be implemented through development of the institutional network of the non-governmental sector which on a regional and local level will be providing assistance of a counselling and training scope for non-governmental organisations. The effect will be first of all strengthening human resources of an organisation and consequently more effective implementation of the assigned public tasks. Another element of equal significance for implementation of the Lisbon Strategy associated with the support for judiciary, is increasing availability and improving quality of services in free of charge legal and civil counselling. Organisations of the third sector play in the process a key role, especially at the local level. As regards enhancing the potential of social partners (organisations of employers and trade unions) support will be oriented in the first place at representative social partners organisations which participate in diverse forms of social dialogue, including also dialogue at the European level, and which have the character of confederations. They will be included by measures aimed at enhancing their potential in a way allowing them to play effectively the role of representatives of the interests of employees and employers within the dialogue with public administration. This is due to the fact that improving the quality of social dialogue requires significant enhancing of the potential of partnership organisations and consistent development of their competencies.

Priority V will allow raising professional competences of public administration staff. The training offer that will be prepared under the Priority will be based on a detailed analysis and will be a direct response to the relevant needs under Priority V.

### **Specific Objective 1: Improving regulatory potential of public administration**

#### **Targets:**

- 1.1 Simplification of national legal acts
- 1.2 Improvement of the implementation system for EU directives
- 1.3 Optimisation of a impact assessment system
- 1.4 Implementation of a system measuring administrative costs
- 1.5 Rationalisation of the process of constituting local laws and administrative acts by territorial self-government units

#### **Output indicators:**

1. Number of public administration employees who have completed training in a division into:
  - government administration
  - self-government administration
2. Number of proposals on simplifications of legal acts most relevant in terms of conducting economic activity

#### **Result indicators:**

1. Degree of implementation of the Regulation Reform Programme (% of implementation as per stages)
2. Number of simplifications of legal acts most relevant in terms of conducting economic activity, put into effect

#### **Specific Objective 1 will be implemented in particular by:**

- Improvement of the impact assessment system i. a. by optimisation of the methodology, support for reorganisation of structure in ministries structure, equipping the expert network in ministries with necessary competencies
- implementation of programmes aimed at legal acts simplification, in particular through identification of incoherent provisions, development of simplification programmes, monitoring of their implementation
- Improvement of legislative methods and techniques in the government administration, in particular through training and improvement of an access to legislative applications
- Establishing and implementation of a system enabling monitoring the state of legislation process within the Council of Ministers and particular Ministries
- Strengthening the self-government units potential in order to prepare high quality local legal acts and administrative acts
- Establishing and implementation of a system enabling the correct transposition of relevant Directives
- Establishing of network to exchange information on transposition of EU Directives with the Commission

- Equipping administration staff with competences necessary to effective implementation of reforms

## **Specific Objective 2: Improvement of quality of the public policies and services related to enterprise creation and business operation**

### **Targets:**

- 2.1. Reduced the average time of waiting for enterprise registration from 31 to 7 days
- 2.2. Decreased legislation burden for enterprise creation by 25%
- 2.3. Reduced by 20% the average time for procedures in economic cases<sup>22</sup>

### **Output indicator:**

1. Number of employees who have completed training, in a division into:
  - Employees of public administration
  - Employees of justice administration

### **Result indicators:**

1. Average number of days required for registration of economic activity
2. Average administrative costs of registration of economic activity
3. Average duration of legal proceedings in economic cases

### **Specific Objective 2 will be implemented in particular by:**

- Support for implementation of the ‘one- stop- shop’ system system for start-ups, in particular through introduction of quality management standards, reorganisation of public administration units
- Simplification of administrative procedures related to enterprise creation
- Increasing the quality and accessibility of services rendered by tax administration
- Development and implementation of programmes including diagnosing, measurement and reduction of administrative burdens
- Equipping judiciary staff dealing with economic cases with necessary competences
- Promotion and recommendations of benefits conciliatory jurisdiction

## **Specific Objective 3: Modernisation of management in public administration and justice administration**

### **Targets:**

- 3.1 Modernisation of financial management: implementation of multi-annual budgetary planning by all administrators of budgetary means
- 3.2 Improvement of human resources management: implementation of a new remuneration system in all government administration units

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<sup>22</sup> To approach this provision to those specified in the National Reform Programme, the value of the objective be revised within the midterm programme review.

**3.3** Introducing in 65% of government administration units (100% Ministries and central units, 100% voivodship units) 75% Marshal offices, 60% of self-government units at the poviats and gmina level measures related to improvement of management standards within those units.

**3.4** 20% reduction of the number of cases the adjudication of which exceeds 12 months through improvement of management in the justice administration.

**Output indicators:**

1. % share of holders of public financial resources, who were covered by assistance concerning preparation and implementation of a multi-annual task budgetary planning
2. Number of public administration entities, who were covered by assistance concerning improvement of management standards, broken down by:
  - a) central public administration offices
    - ministries and central offices,
    - voivodship offices,
  - b) Marshall offices,
  - c) poviats offices,
  - d) gmina offices
3. Number of client service centres established in courts due to the ESF support
4. Number of employees of the Justice who completed participation in projects under the Priority

**Result indicators:**

1. Degree of execution of the Implementation Plan for multi-annual budgetary task planning
2. % share of public administration units covered by assistance concerning improvement of management, broken down by
  - a) central public administration offices
    - ministries and central offices,
    - voivodship offices,
  - b) Marshall offices,
  - c) poviats offices,
  - d) gmina offices
3. % share of cases handled by courts for longer than 12 months

**Specific Objective 3 will be implemented in particular by:**

- Diagnosing, i.a. through analyses and surveys, the state of public administration in crucial areas of its functioning
- Revision of all legal acts related to public finance management
- Development of methodology and skills related to multi-annual budgetary planning and strategic planning,
- Implementation of the system of multi-annual budgetary planning and task-oriented budgetary planning
- Development and implementation of the system of public tasks evaluation based on indicators

- Enhancing the abilities to draft and implement policies, strategies and Programmes (from programming stage to evaluation), in particular those prepared by self-government units,
- Strengthening the divisions of self-government units responsible for monitoring and evaluation, particularly local and regional policies and strategies
- Improvement of quality and intensification of cooperation mechanisms between public administration units, both in the horizontal aspect (cooperation between ministries) as well as vertical (between government and self-government)
- Introducing new methods of management in the government and self-government administration related to the functioning of an entire organization, as well as in the specific areas of its functioning, e.g., internal communication, risk management,
- Increasing the quality of services rendered by self-governments units, in particular through establishing and dissemination customer service standards, creation of customer service points,
- Development of assumptions of ICT in order to support management in the public administration,
- Development and implementation of the altered remuneration system in the public administration as well as assessment of job positions in government administration,
- Strengthening HRM units in the government and self-government administration,
- Raising the professional qualification of staff employed in the public administration and public services, in particular through training needs analyses, equipping administration staff with competences necessary to effective implementation of reforms<sup>23</sup>
- Development of competence standards for self-government administration employees,
- Strengthening the ethical culture of employees of public administration and services, particularly through providing advisory services and promotion of ethical attitude,
- Increasing the quality and accessibility of services rendered by judiciary, in particular those for entrepreneurs, e.g. through creation of customer service points, reorganisation of administrative units in courts, improving technical - administrative service in courts

**Specific Objective 4: Strengthening of the potential of social partners and non-government organisations oriented at enhancing their active participation in the process of implementing the Lisbon Strategy<sup>24</sup>**

**Targets:**

- 4.1** Improving the effectiveness of consultation mechanisms and cooperation with social partners and non-government organisations as regards creation and implementation of public policies and legal regulations

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<sup>23</sup>

<sup>24</sup> Measures oriented at enhancing the potential of social partners and non-government organisations are of a horizontal nature and are correlated with assistance fields assumed within the remaining three specific objectives in Priority V. Assistance for partners and non-government organisations is connected with the role of those entities in the process of supporting the modernisation of state structures and first of all will be conducive to increasing their participation in the implementation process of necessary reforms, optimisation of the law constituting process and implementation of the good governance principle.

- 4.2 Increasing to 15% the percentage of non-government organisations benefiting from assistance networks which strengthens their abilities to implement public tasks
- 4.3 Increasing by 250% of the number of poviats covered by free of charge legal and civil counselling.
- 4.4 Assistance for 100 % representative<sup>25</sup> social partner organisations during development of their potential.

**Output indicators:**

1. The number of persons who have completed their participation in a project, including:
  - number of representatives of NGOs,
  - number of representatives of social partners.
2. Number of institutions supporting NGOs covered by assistance
3. Number of poviats, in which free-of-charge legal and civic consultancy programmes were implemented
4. Number of representative organisations of social partners covered by assistance concerning development of their potential

**Result indicators:**

1. % share of public administration units, which consulted on and created normative legal acts in cooperation with NGOs and social partners, broken down by:
  - a) gmina officers,
  - b) powiat staroste offices,
  - c) Marshall offices,
  - d) voivodship offices
  - e) ministries
  - f) central offices,
2. % share of NGOs taking advantage of “assistance networks”
3. % share of poviats covered by free-of-charge legal and civic consultancy

**Specific Objective 4 will be implemented in particular by:**

- Studies, analyses and research on social and civic dialogue, their condition, perspectives of further development, as well as the scope of needs of the social and civic dialogue participants
- Monitoring and evaluation of cooperation between public administration and social and civic dialogue institutions
- Promotion and dissemination of the cooperation between public administration, social partners and non-governmental organizations through e.g. dissemination of best practices, preparation and realization of informational campaigns,

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<sup>25</sup> Representative ones in understanding of the Act of 6 July 2001 on tripartite Committee for Social and Economic Issues and voivodship social dialogue commissions (Legal Journal No. 100 item 1080).

- Strengthening of the broad-scoped public consultation on legal regulation and coordination of the public policies, including electronic consultation,
- Dissemination of the cooperation between public administration, social partners and NGOs in area of coordination of public policies,
- Elaboration and dissemination of the standards of the cooperation between public administration, social partners and NGOs,
- Creation regional and local information and assistance centers for NGOs, as well as support for newly established and already existing ones, in particular through e.g. improving their training and counseling offer,
- Development and implementation of programmes concerning the public scrutiny over public sector
- Creation and support for territorial and sector networking within the NGOs and social partners,
- Development and implementation of programmes concerning citizens and legal counseling
- Elaboration and dissemination of the standards for the third sector, aimed at the high quality delivery of the public services (tasks) as well as the coordination of public policies in cooperation with public administration
- Reinforcement of the national and regional institutions of social dialogue through e.g. strengthening of their administrative and expert resources, improving the functioning of the information systems
- Preparation and implementation of programmes oriented towards the development of social dialogue
- Improving the functioning of the social partners organizations through e.g. implementing of the programmes focused on their development, improving the management and communication processes within them, creation and implementation of training programmes for experts.
- Support for the participation of social partners in activities of the European structures of social dialogue
- Strengthening the competences of the public administration personnel in area of cooperation with NGOs and social partners.

#### **Budget of Priority V**

<b>Priority V</b>	<b>Total</b>	<b>ESF</b>	<b>Priority/total (ESF in %)</b>	<b>National contribution</b>
Good governance	610 854 094 EUR	519 225 980 EUR	5.35 %	91 628 114 EUR



#### **4.6. Priority VI: The labour market open for all**

##### **Justification of Priority implementation:**

Professional activation of the unemployed and persons professionally passive is the fundamental challenge for the employment policy of the state, especially in the context of ongoing social, economic and demographic changes. In addition owing to regional and local differentiation in the unemployment level, as well as better possibility of identification of specific problems that occur on the local labour market, assistance addressed at the unemployed and persons professionally passive will be executed first of all on a regional level, with cooperation and involvement of a big group of entities who are operating in support of professional activation in the region.

Assistance within the Priority would be focused on the selected target groups, which experience the biggest difficulties related to entry and maintaining a position on the labour market. Those groups comprise inter alia young persons (under 25 years), with no professional experience of qualifications needed to find employment, women (including especially single mothers), older persons (older than fifty), who have difficulties with adaptation to requirements of modernising economy, as well as persons with disabilities, seeking employment on an open labour market. In addition assistance within this Priority will be addressed at persons with lasting unemployment, whose reintegration with the labour market is as a rule more time consuming and requires the application of diverse activation instruments.

Another fundamental problem of the Polish labour market is the occurrence of hidden unemployment, which concerns to the biggest extent inhabitants of rural areas, including especially in towns of former state run farms. Consequently it becomes necessary to create appropriate conditions for employment in non-agricultural sector, and also providing incentives and opportunities for seeking jobs outside agriculture.

Within this Priority considerable emphasis would be placed on improving the quality of services provided to the unemployed and persons professionally passive, including especially early identification of clients of the labour market institutions and diagnosis possibilities for their professional advancement, and also for improving the availability of job placement and vocational counselling services, which play a core role in the initial period of being out of employment. An important element in support within the Priority will also be the establishment of conditions favourable to employing the unemployed, which include inter alia measures aimed at advancement or change of professional qualifications in the form of trainings, courses and practice training and opportunities of gaining professional experience in the work place. Furthermore assistance would be focused on the development of entrepreneurship and self-employment, and would inter alia include counselling, training and financial and legal services addressed at persons wishing to launch their economic activity.

The effectiveness of execution of the above listed measures depends to large extent on creation of appropriate organisational and institutional conditions by means of granting assistance to public and non-public entities that provide services aimed at professional activation of the unemployed, which is strictly correlated with the specific nature of tasks executed by it. Contrary to tasks undertaken on a central level, assistance addressed at the labour market institutions in the region would be focused first of all on advancing qualifications of employees in the non-school system (through courses, counselling and trainings). In addition, to improve access to job placement services and vocational counselling, it will be possible to provide assistance to employing core personnel responsible for execution of measures addressed at the unemployed on a regional level.

## **Specific Objective 1: Increasing the impact range of the Active Policy on the labour market**

### **Targets:**

- 1.1 To cover 45% of the registered unemployed and persons seeking jobs by assistance
- 1.2 To cover 100% key employees of PES by trainings implemented in a non-school system, which are important from the viewpoint of regional labour market.

### **Output indicators:**

1. Number of people, who completed participation in projects carried out under the Priority (total/f/m), including:
  - number of persons covered by Individual Action Plans (total/f/m),
2. Number of people, who received grants for establishing their own economic activity (total/f/m),
3. Number of key employees of PSZ, who have completed their participation in trainings organized in extracurricular system, important in terms of regional labour market (total/f/m).

### **Result indicators:**

1. Activation indicator – % share of people, who commenced to participate in an activation form, in relation to the number of people registered as unemployed in the same period of time (total/f/m),
2. % share of the unemployed and job-seekers, who found a job within 6 months after completing participation in the project, to the total number of people, who completed participation in the projects (total/f/m), including:
  - % share of people, who became self-employed (total/f/m),
3. % share of key PES employees who have completed participation in trainings organized in extracurricular system, important in terms of regional labour market (total/f/m),
4. Number of jobs created due to ESF support granted for establishing economic activity

### **Specific Objective 1 will be implemented in particular by:**

- Propagation of job placement and vocational counselling on a regional level, including inter alia by means of improving access to provided services and application of modern information and communication technologies,
- Development of instruments oriented at early identification of individual needs of persons who are either unemployed or seeking jobs, and planning professional advancement (including inter alia intensifying application of Individual Action Plans and development of instruments that facilitate diagnosing training needs of the unemployed),
- Improving access to information on services provided by the labour market institutions on the regional level,
- Assisting institutions and organisations that operate in favour of professional activation of the unemployed and persons seeking jobs in the region, strictly correlated with needs and specific nature of executed projects, including inter alia instructions, counselling and trainings implemented in non-school forms,
- Establishment and development of a system of monitoring and forecasting situation on the regional labour market (including inter alia supporting the establishment and development of regional labour market observation centres, and also performance of studies and analyses related to labour demand and supply in the region).

## **Specific Objective 2: Increasing the employment level among young persons**

### **Targets:**

- 2.1 Including all young unemployed persons (15-24 years) by assistance within Active Policy of the labour market within a period of up to 100 days since the date of registration by 2010

### **Output indicators:**

1. Number of people aged 15-24, who have completed participation in the project (total/f/m), including:
  - persons from rural areas (general/females/males);
2. Number of people aged 15-24, who received grants for establishing economic activity (total/f/m).

### **Result indicators:**

1. % share of people, who obtained support under the Priority within the first 100 days after their registration as unemployed in a labour office in the group of the young people (aged 15-24), (total/f/m),
2. Activation indicator – % share of people, who have commenced to participate in an activation form, in relation to the number of people registered as unemployed in the same period of time in the group of the young people (15-24 years of age), (total/f/m);
3. % share of the unemployed and job-seekers aged 15-24, who found a job within 6 months after completing participation in the project, in total number of people, who have completed participation in these projects (total/f/m), including:
  - % share of people, who became self-employed (total/f/m)
4. Number of jobs created due to ESF support granted for establishing economic activity.

### **Specific Objective 2 will be implemented in particular by:**

- Facilitating entry to the labour market to young persons not being under employment contracts (15-24 years), by comprising them by diverse forms of assistance and occupational activation programmes (including inter alia job placement, vocational counselling, in-service training, vocational trainings, trainings and subsidised employment),
- Development of instruments oriented at early identification of needs of the young persons not being under employment contract and supporting planning of professional advancement (including inter alia more extensive application of Individual Action Plans and diagnosis training needs pursuant to the specific nature of the regional labour market),
- Supporting the development of entrepreneurship among youth, inter alia through providing counselling and training assistance for persons launching their economic activity and granting funds assigned for the development of entrepreneurship, including also in a cooperative form,
- Creation of incentives for employers (including in particular small and medium entrepreneurs) to employing young persons not being under employment contracts, inter alia through development of a training system strictly adapted to needs of the employers and propagation of tripartite training agreements,
- Propagation of flexible employment forms and alternative work organisation methods (including inter alia telework, part-time work, on-call duty, self-employment),
- Supporting volunteerism as a transition stage leading to taking up employment and allowing gaining professional experience.

**Specific Objective 3: Decreasing unemployment among persons in a particularly difficult situation on the labour market (women, persons with lasting unemployment, persons with disabilities, the unemployed living on rural areas)**

**Targets:**

- 3.1 To cover 50% unemployed women by the labour market instruments and training service
- 3.2 To cover 50% persons with lasting unemployment by the labour market instruments and training service
- 3.3 To cover 35% unemployed persons with disabilities by the labour market instruments and training service
- 3.4 To cover 50% the unemployed living on rural areas by the labour market instruments and training service

**Output indicators:**

- 1. The number of persons, who have completed their participation in a project (general/females/males), including:
  - persons with disabilities (general/females/males),
  - long-term unemployed (general/females/males),
  - persons from rural areas (general/females/males).
- 2. Number of people, who received grants for establishing economic activity (total/f/m) broken down by:
  - persons with disabilities (general/females/males),
  - long-term unemployed (general/females/males),
  - persons from rural areas (general/females/males).
- 3. Number of projects supporting the development of local initiatives

**Result indicators:**

- 1. Activation indicator – % share of people, who commenced to participate in an activation form, in relation to the number of people registered as unemployed in the same period of time (total/f/m) in groups:
  - persons with disabilities (general/females/males),
  - long-term unemployed (general/females/males),
  - persons from rural areas (general/females/males).
- 2. % share of the unemployed and job-seekers, who found a job within 6 months after completing participation in the project in total number of people, who have completed participation in the projects (total/f/m) broken down by:
  - persons with disabilities (general/females/males),
  - long-term unemployed (total/f/m) (general/females/males),
  - persons from rural areas (general/females/males).
- 3. % share of the unemployed and job-seekers, who become self-employed, in the total number of those, who have taken up work within 6 months after completing participation in the project,
- 4. Number of jobs created due to ESF support granted for establishing economic activity.

**Specific Objective 3 will be implemented in particular by:**

- Facilitating entry to the labour market to persons from groups in a particularly difficult situation on the labour market, not being under employment contracts, by comprising them by diverse forms of assistance and occupational activation programmes (including inter alia job placement, vocational counselling, in-service training, vocational trainings, trainings and subsidised employment),
- Supporting the development of entrepreneurship persons from groups in a particularly difficult situation on the labour market, not being under employment contract, inter alia through providing counselling and training assistance for persons launching their economic activity and granting funds assigned for the development of entrepreneurship, including also in a cooperative form
- Creation of incentives for employers (including in particular small and medium entrepreneurs) to employing persons from groups in a particularly difficult situation on the labour market , not being under employment contracts, inter alia through development of a training system strictly adapted to needs of the employers and propagation of tripartite training agreements
- Development of instruments oriented at early identification of needs of the persons from groups in a particularly difficult situation on the labour market, not being under employment contract (including inter alia more extensive application of Individual Action Plans and diagnosis training needs pursuant to the specific nature of the regional labour market),
- Propagation of flexible employment forms and alternative work organisation methods (including inter alia telework, part-time work, on-call duty, self-employment,
- Promotion and propagation of solutions aimed at improving spatial and professional mobility,
- Assuring auxiliary assistance (care over children and dependents) for persons participating in professional activation programmes,
- Support for the development of local initiatives aimed at improving the level of professional activity of persons not being under employment contract, conducive for execution of the development strategy of human capital on rural areas.

#### **Specific Objective 4: Increasing the employment level among older persons**

##### **Targets:**

- 4.1 To cover 40% of older unemployed persons (50-64 years) by instruments of the labour market and training service.

##### **Output indicators:**

1. Number of people at the age of 50-64, who have completed participation in the project (total/f/m),
2. Number of people aged 50-64, who received grants for establishing economic activity (total/f/m),

##### **Result indicators:**

1. Activation indicator – % share of people, who commenced to participate in an activation form, in relation to the number of people registered as unemployed in the same period of time in the group of people at the age of 50-64 (total/f/m),
2. % share of people aged 50-64 registered as unemployed or job-seekers, who found a job within 6 months after completing participation in the project, to the total number of those, who have completed participation in projects (total/f/m), including:
  - % share of people who became self-employed (total/f/m),

3. Number of jobs created due to ESF support granted for establishing economic activity.

**Specific Objective 4 will be implemented in particular by:**

- Including persons aged 50-64, not being under employment contract, by diverse assistance forms and professional activation programmes (which comprise inter alia job placement and vocational counselling, in-service training, training, professional preparation in the work place and subsidised employment),
- Development of instruments oriented at improving and updating competencies and professional qualifications of persons aged 50-64 years, who are not being under employment contract, pursuant to needs of the labour market (inter alia knowledge of foreign languages, computer literacy and familiarity with office equipment),
- Supporting the development of entrepreneurship among persons aged 50-64, not being under employment contract inter alia by granting counselling and training assistance for persons starting their economic activity and assigning funds for the development of entrepreneurship, including also in a cooperative form,
- Inducing employers (including in particular small and medium entrepreneurs) to employing persons aged 50-64, inter alia by creation of a system of trainings strictly adapted to needs of employers and propagation of tripartite training agreements,
- Promotion of spatial and professional mobility of persons aged 50-64, not being under employment contract.

**Budget of Priority VI**

<b>Priority VI</b>	<b>Total</b>	<b>ESF</b>	<b>Priority/Total (ESF in %)</b>	<b>National contribution</b>
The labour market open for all	2 256 929 201 EUR	1 918 389 821 EUR	19.7	338 539 380 EUR

## **4.7. Priority VII: Promotion of social integration**

### **Justification of Priority implementation:**

The description of the social integration area in Poland presented in the diagnosis indicates that the risk of exclusion and the poverty range concerns first of all families the members of which come from groups which are on a specific situation on the labour market and have to cope with the problem of unemployment. For this reason it is necessary to assure measures oriented on enhancing chances to find a job, first of all on reducing deficits resulting from lack of access to specific commodities and services which leads to limiting opportunities of specific social groups for having equal share in family, social and occupational life as the rest of the society.

An important support element within the Priority would be elimination of diverse barriers (organisational, legal or psychological ones) which are encountered by persons threatened by social exclusion, experiencing discrimination problems on the labour market. This problem concerns in the first place persons with disabilities, persons with lasting unemployment, immigrants, persons leaving penitentiary institutions and women, who are perceived in a stereotypical way by employers and by the social environment as employees who are characterised by lower availability and professionally mobile. As some groups threatened by social exclusion may be supported both by social assistance institutions and by public employment services it was assumed that persons who benefit from the services of social assistance system would be receiving assistance through that system, while assistance in professional readaptation and access to the labour market for those persons, who are not social assistance clients, would be provided by the labour market institutions.

Also vital is creation of conditions conducive to the development of adaptation employment forms, including in the social economy sector, which by combining social goals with economic ones forms an effective instrument for activation of persons who experience difficulties connected with entry to the labour market and maintaining their position there. In such a context of core importance is supporting social entrepreneurship and entities that operate in support of its development, inter alia through counselling, training and financial and legislative services. Support within the Priority would hence be designated not only for social economy entities but also for institutions appointed for its supporting, which by assuring the indispensable knowledge and experience related to principles of running economic activity, managing human resources or applying legal regulations allow the development and functioning of a social economy.

In addition special emphasis within the Priority would be placed on execution of assistance in favour of inhabitants of rural areas, where the level of social and economic growth is much lower than in urbanised centres as a consequence of which numerous barriers appear, not only in access to infrastructure, but also in opportunities of advancing qualifications or making use of social services. Consequently through a system of minor financial grants initiatives would be supported which are oriented at improving abilities of employing, improving social mobility and activity of the inhabitants and development of local initiatives on rural areas aimed at reducing disparities between those areas and municipal areas.

A vital factor that enhances the structure of environment conducive to professional activity is also propagation of social dialogue, local partnership and cooperation in favour of development of human resources on a regional and local level inter alia through building partnership relations in the process of programming, execution and evaluation of local social policy strategies.

To assure appropriate conditions for executing by social assistance and social integration institution tasks related to active integration, it is necessary to establish also on the regional level possibilities of qualification advancement of their staff and of the organisational potential strictly correlated with the specific character of tasks executed by them, first of all through trainings and courses executed in non-school forms, and propagation of social work and active integration in local communities.

## **Specific Objective 1: Improving access to the labour market for persons threatened by social exclusion**

### **Targets:**

- 1.1** To cover 15% clients of social assistance institutions (who are also in the age of professional activity, are not employed and benefit from social welfare) by measures of active integration
- 1.2** To cover 10% clients of social assistance institutions (in the age of professional activity) by social contracts
- 1.3** To cover 100% social assistance and integration institutions personnel (directly handling active integration) by trainings and other forms of qualification advancement in a non-school system

### **Output indicators:**

1. Number of people threatened by social exclusion, who have completed participation in projects concerning active integration, including persons from rural areas (total/f/m),
2. Number of social assistance institutions' clients covered by social contracts under the projects,
3. Number of social assistance and social integration institutions' employees (directly working on active integration), who upgraded their qualifications in extracurricular forms due to ESF support (total/f/m),
4. Number of projects supporting the development of initiatives aiming at mobilisation and integration of local communities.

### **Result indicators:**

1. % share of SAIs' clients, covered by social contracts (total/f/m),
2. Effectiveness indicator – % share of beneficiaries, who found a job within 6 months after completing participation in the project in total number of people, who took part in the projects (total/f/m),
3. % share of clients of social assistance institutions who are at economic activity age and do not work who have been covered by activities of active integration under the Priority (total/f/m),
4. % share of social assistance and social integration institutions' employees (directly working on active integration), who upgraded their qualifications in extracurricular forms (total/f/m).

### **Specific Objective 1 will be implemented in particular by:**

- Development of employment forms, professional activation and work places for persons with dysfunctions that hinder integration (including alternative employment forms),
- Assuring access to active integration measures through more extensive application of social contracts and implementation of social and professional activation instruments and programmes (in particular for persons with lasting unemployment and the persons with disabilities),
- Propagation of forms of active integration and social work,
- Assistance and promotion of volunteerism as a form of integration of persons from groups threatened by social exclusion,
- Supporting innovative measures oriented at seeking new forms and methods of preventing social exclusion,



- Development and enhancing the availability of high standard social services, which enable improving opportunities on the labour market (in particular for persons with disabilities), as well as care services, enabling reconciling professional activity with family life
- Supporting the development of initiative for activation and integration of local communities conducive to execution of the strategy for development of human capital on rural areas,
- Strengthening and developing institutions of social assistance and social integration (inter alia by means of propagation of active social integration and social work, training, counselling and development of cooperation).

**Specific Objective 2: Strengthening and extending the scope of operation of the social economy sector**

**Targets:**

- 2.1 Assuring functioning of institutions that assist social economy (at least two in each voivodship)
- 2.2 30% of own receipts of social economy entities in the general value of their receipts.

**Output indicators:**

1. Number of institutions supporting social economy, which received assistance under the Priority,
2. Number of social economy initiatives supported by ESF,
3. Number of persons who obtained support within social economy institutions (total/f/m)

**Result indicators:**

1. Number of jobs created in the social economy sector due to ESF support
2. % share of social economy units' own revenue in relation to total value of their revenues.

**Specific Objective 2 will be implemented in particular by:**

- Assistance for the establishment and operation of entities which activate professionally persons threatened by social exclusion,
- Assuring financial and organisational assistance for entities and institutions which intend to establish a social economy unit, and supporting institutions which support social economy entities,
- Assistance for initiatives of self-organisation and self-assistance among professionally passive and socially excluded persons to allow their reintegration with the labour market,
- Promotion and assistance for employment in the sector of social economy.

**Budget of Priority VII**

Priority VII	Total	ESF	Priority/Total (ESF in %)	National contribution
Promotion of social integration	1 552 906 053 EUR	1 319 970 145 EUR	13.5	232 935 908 EUR

#### **4.8. Priority VIII: Regional human resources for the economy**

##### **Justification of Priority implementation:**

Organisational changes, including also implementation of restructuring processes, lead to a risk of employment reductions. To counteract the increase in unemployment caused by adaptation and modernisation processes in management of those processes it is necessary to provide assistance to enterprises, local self-government, the labour market institutions, as well as the employees. While the intensity of restructuring processes differs in regions, economic change management concerns all enterprises to the same extent. For this reason raising competencies of personnel in enterprises in management of organisational changes and transition through change processes by means of development of human resources is a fundamental challenge which is to assure lasting and stable economic growth of the regions. In this context particular attention and evident assistance are required, in the first instance, by measures aimed at establishment and active functioning of local partnerships the aim of which is better anticipation of changes that take place on the local labour market and development of remedial measures and quick response instruments in the event of an unforeseeable economic change. Secondly in the case of implementation of restructuring processes the social responsibility of enterprises is of particular importance, and remarkably the impact of enterprises on the local labour market. That is why, the measures aimed at making entrepreneurs aware of their responsibility for the local community and the state of the natural environment are necessary.

Those activities would be complementary with the instruments provided by Priority II aimed at the construction of the economic change anticipation and management system on the national level as well as efficient counteracting against the effects of the restructuring industries or transregional companies.

Modernisation and adaptation processes also enforce continuous updating, improvement and changing in qualifications and skills of employees. Growing interest in raising competencies and skills by the employees, as well as by their employers, increases the demand for trainings. This trend should be supported, as in comparison to other European countries the Polish enterprises tend to organise trainings and participate in them much less frequently. The most serious competency gap of employees concerns ICT, technology and production, sales and finance. A huge potential of growing demand for trainings lies with developing companies, which nevertheless have no sufficient funds or experience to find the training they would need. In many cases these are small companies, whose access to training is limited also owing to their organisational character.

For this reason on the one hand, there is a need for adaptation of the training offer to the needs and the financial resources of interested entities. That is why it is so important to work out and develop e-learning programmes, leasing and purchase of platforms for the distance learning and their use as the training instruments in the region, which would allow a larger number of people to access the training offer. On the other hand, the training offer should be adapted to the development priorities of the region, and strengthen its comparative advantage and growth potential. The stress would be laid on the trainings of the employees aged over 50. The activities envisaged in this Priority would be complementary with those implemented in Priority II concerning the training projects for transregional companies.

Training and counselling measures for enterprises are complementary with those implemented within Priority VI, in which assistance would be oriented at counselling and training for persons who intend to launch their economic activity and in the period of the first 12 months of running such an activity.

Measures that comprise acquiring new professional qualifications and skills of working persons and assistance in chose of a new profession (vocational counselling) are also addressed at persons seeking jobs outside sectors of agriculture and fishery.

The high innovative activity of enterprises and fruitful use of knowledge and scientific research by the industrial sector are presently the key competitiveness factors, both on the national and regional levels.

The scale of creating and absorbing innovations is highly unsatisfactory in Poland. The low involvement of business in financing research and development field shows that there is a lack of cooperation between industry and R+D as well as indicates a structural weakness of the research and development sector in Poland.

One of the ways of improving the level of innovativeness of Polish enterprises and establishing closer links between science and industry on regional level is setting up of a partnership for support of innovation in the region and working out of the consensus as regards joint strategic measures. Implementation of the measures will be conducive for strengthening advantageous processes and changes, which are presently taking place in particular regions with respect to adequate perceiving and supporting innovativeness in enterprises. Also investments in young scientific personnel, realised by means of scientific doctoral scholarships, will be conducive for improvement of innovativeness and enhancing competitiveness of the region.

### **Specific Objective 1: Developing a skilled and adaptable workforce**

#### **Targets:**

- 1.1. To cover 140 000 enterprises with assistance as regards trainings for their personnel;
- 1.2. To cover 200 000 adult working persons with assistance in the form of trainings or requalification courses.

#### **Output indicator:**

1. Number of companies covered by support under training programmes (regional projects);
2. Number of adult working persons, who have taken part in training programmes, including:
  - the number of persons aged over 50.

#### **Result indicators:**

1. % share of companies, whose employees have completed participation in training under the Priority – in total number of active companies (regional projects);
2. % share of employees, whose salary increased within 6 months after completing participation in the project.

#### **Specific Objective 1 will be implemented in particular by:**

- General and specific training for business managers and employees – at regional level – in respect of, *inter alia*, management, identification of the needs for upgrading employees' qualifications, improvement of work organization, health and safety at work management, implementation of eco-friendly technologies, usage of ICT as well as flexible forms of working,
- Counselling for micro, small and medium enterprises
- Acquiring new qualifications and upgrading qualifications and skills needed in workplace by adults as well as support in respect of choosing a new profession,
- Creating and developing Regional Innovation Strategies,
- Establishment and development of cooperation and information exchange networks between research institutions and enterprises,
- Support for cooperation of employees and researchers aimed at knowledge transfer between science sector and enterprises, in particular by apprenticeship and practical training of: employees in science entities and researchers in enterprises,
- Promoting the idea of establishing companies linking universities and industry (spin-offs/spin-outs),

- Training and counselling for university academics or other researchers, PhD students, students and university graduates who want to establish their own company like spin-off/spin-out,
- Scientific scholarships for PhD students who study in areas deemed to be of particularly high importance as regards region's development

**Specific objective 2: Improving the system of anticipation and management of economic change**

**Targets:**

- 2.1** To provide support for 75% of stakeholders involved in platforms of cooperation in respect of anticipation, management and evaluation of restructuring processes, in particular between social partners, local and regional authorities, local community and labour market institutions;
- 2.2** To develop rapid-response strategies and measures in the event of economic change, adapted to the needs of the region and enterprises which have been affected by the restructuring processes.

**Output indicators:**

1. Number of entities granted assistance in the field of effective anticipation and management of change;
2. Number of employees in danger of negative results of restructuring in companies, who have been covered by rapid reaction activities;
3. Number of partnerships (cooperation networks) established at local and regional level.

**Result indicators:**

1. Quotient of the number of employees threatened by negative results of restructuring, covered by rapid reaction activities and the number of employees subject to lay-offs reported to labour offices;
2. % share of employees, who found a job, began economic activity or continued their work in their previous workplace within 6 months after completing participation in the project.

**Specific Objective 2 will be implemented in particular by:**

- Studies and analyses of development trends and forecasting economic change in a region, including creation and destruction of jobs, also in agriculture, fishery and forestry as well as devising appropriate countermeasures in voivodship development strategies,
- Support in setting up local partnerships (composed of, *inter alia*, local and regional authorities, local and regional labour offices, Voivodship Commissions of Social Dialogue, Voivodship and Poviats Employment Councils and Agricultural Counselling Centres) which aim at devising and implementing strategies of anticipation and management of economic change at local and regional levels,
- Support in devising and implementing outplacement programs for employers who undergo restructuring, including training and vocational counselling,
- Training and measures aimed at setting up cooperation networks (partnerships) in respect of strengthening the social dialogue and joint initiatives undertaken at local and regional levels, in particular with the aim of delivering the Lisbon Strategy,
- Dissemination of the concept of “flexicurity” among the stakeholders,
- Promoting the corporate social responsibility, in particular as regards the labour market and working conditions.

**Budget of Priority VIII**

<b>Priority VIII</b>	<b>Total</b>	<b>ESF</b>	<b>Priority/general (ESF in %)</b>	<b>National contribution</b>
Regional human resources for the economy	1 588 479 612 EUR	1 350 207 670 EUR	13.91%	238 271 942 EUR

#### **4.9. Priority IX: Development of education and competences in the regions**

##### **Justification of Priority implementation:**

Priority IX is considered to be an answer for the problem of unequal access to education as regards those who meet the obstacles in this area according to the diagnosis. Analysis presented in the Programme indicates in particular the need of support focused on individuals and institutions carrying out the educational process aimed at creation of equal opportunities in access to education, as well as dissemination of preschool and lifelong learning. The said problem concerns also the elimination of the in-school segregation phenomenon linked caused by the social exclusion.

Dissemination of preschool education and, as a result, equalization of the educational chances of children at the initial stage of education, requires systemic implementation of flexible forms of preschool education, especially in rural areas, where preschool education is insufficiently widespread. Ensuring equal and wide access to preschool education will contribute to the earliest possible identification of educational barriers and their elimination.

The programmes focused on adults enabling them to complete or supplement their formal qualification (general or vocational) as well as the counselling and advisory services on formal lifelong learning would serve the diminishment of disproportions regarding the access to the lifelong learning, especially in the rural and disadvantaged urban areas. At the same time, the support granted to the formal lifelong learning institutions allow them to e.g. upgrading the quality of the offered services, their adaptation to the needs of the regional labour market and implementation of innovative educational methods.

An important element of Priority IX will constitute instruments of direct support for particularly gifted students (especially as regards the natural science and technology) of schools and other educational entities growing up in the poorest families through financial assistance for local and regional scholarship programmes. The anticipated result of these activities would be the increase of number of students covered with support who attend the higher education level, foremost on faculties important for the development of the knowledge based economy.

Under the Priority the activities aimed at diminishing the inequalities in the quality of education (learning and training) between rural and urban areas are also envisaged. For this purpose, one will implement the development projects for schools and other educational institutions, introducing a new model of work in school and serving for the upgrading education quality. These projects include e.g. school activities in favour of raising of the key competencies of students, foremost in the area of maths, technical and nature subjects through e.g. extracurricular and out-of-school activities. As a consequence, the disproportions between particular students in schools as well as between schools and between students in urban and rural areas would be diminished. Furthermore, the new model of work in school envisages improvement of the school management.

Implementation of regional educational policies requires adjustment of the vocational specialisations at the level of voivodship to regional and local conditions of the labour market and economy. Under the Priority, on the one hand this objective will be achieved by means of the modernization of vocational education and its adaptation to the regional needs in accordance with regional development strategy, in close cooperation with entrepreneurship. These activities will be supplemented by providing modern teaching materials, including textbooks for schools and other educational entities engaged in vocational education.

On the other hand, educational and vocational counselling projects will provide students and other participants of educational process with information useful while choosing specialisation increasing employment opportunities. Thus, comprehensive support implemented under the Priority will contribute to the enhancement of the attractiveness and popularity of vocational education.

The improvement of the quality of education and the management of school system will be achieved by the implementation of programmes focused on the professional development and qualification upgrading for teaching and administration staff of the educational system.

What is an important element of the Priority is also support for counteracting marginalisation of rural areas. The present conditions result in the tendency of the processes determining social and economic development to focus on more urbanised centres. The disfavoured situation of human resources in rural areas is also influenced by many negative factors, some of which, in the context of the character of Priority IX, are: low level of education resulting from hampered access to educational services, as well as low awareness of the benefits coming from education. In this light, Priority IX covers also support for initiatives of local inhabitants of rural areas in the scope of actions contributing to increasing accessibility of educational and training offer, improving the level of education of inhabitants, in particular occupational abilities not related to agriculture.

**Specific objective 1: Diminishing the disparities in access to education between rural and urban areas at all educational levels except higher education**

**Targets:**

- 1.1. To cover 6% of children aged 3-5 with different forms of preschool education in rural areas
- 1.2. To increase of 100 % of adults aged 25-64 participating in formal lifelong learning

**Output indicators:**

1. The number of pre-school education establishments supported under the Priority.
2. The number of adults aged 25-64 who participated in formal continuing education under the Priority;
3. The number of grassroots community initiatives launched under the Priority

**Result indicators:**

1. % share of children aged 3–5 participating in pre-school education in rural areas supported under the Priority in relation to total number of children in this group.
2. % share of adults aged 25-64 participating in formal continuing education supported under the programme in relation to total number of adults in this age group
3. Coverage % of gminas with grassroots community initiatives.

**Specific objective 1 will be implemented in particular by:**

- Regional programmes contributing to popularisation of preschool education
- Financial support for regional as well as local scholarship programmes for particularly gifted students (especially as regards maths, natural science and technology) from the poorest families
- Implementation of programmes focused on adults, enabling supplementing or improving formal qualifications (general and vocational),
- Advisory and information services in the scope of formal lifelong learning
- Support for institutions conducting formal lifelong learning, enabling, among others, improving the quality of the provided services, their adjustment to the needs of the regional labour market and implementation of innovative forms of lifelong learning
- Support for social grassroot initiatives undertaken by rural population for counteracting marginalisation of rural areas in the field of education and trainings

**Specific objective 2: Diminishing the disproportion in the quality of educational services (concerning general education), in particular between urban and rural areas**

**Target:**

**2.1** To introduce in 60% of schools (primary, secondary and upper secondary) development projects including the modern management system, extracurricular and out-of-school activities (80% schools in rural areas, 42% schools in urban areas).

**Product indicators:**

1. The number of schools (primary, lower secondary, upper secondary providing general education) which implemented development programmes under the Priority, broken down by:
  - a) urban areas
  - b) rural areas.

**Result indicators:**

1. % share of schools (primary, lower secondary, upper secondary providing general education) which implemented development programmes in relation to total number of these schools, broken down by:
  - a) urban areas,
  - b) rural areas

**Specific objective 2 will be implemented in particular by:**

- Implementing of development projects aiming at enhancing of the quality of education (including the extracurricular and out-of-school activities) which cover:
- Reducing the educational disproportions in the process of learning
- Enhancing the efficiency of education concerning the key competences in terms of further educational pathways and labour market needs (in particular: mathematics, natural and technical sciences, linguistic competences, ICT, entrepreneurship)
- Implementing programmes focused on efficient school management.

**Specific objective 3: Increasing the attractiveness and quality of vocational training**

**Targets:**

- 3.1.** Increasing to 45% the proportion of persons obtaining upper secondary education in vocational learning institutions (ISCED 3B) to the number of all persons obtaining upper secondary education (ISCED 3A and ISCED 3B)
- 3.2.** Increasing to 43% the proportion of persons obtaining education in vocational learning institutions (ISCED 3B and ISCED 3C) to the number of all persons obtaining secondary education (ISCED 3A, B and C)

**Product indicator:**

1. The number of schools providing vocational education which implemented development programmes;
2. The number of schools which cooperated with enterprises in the field of implementation of development programmes

**Result indicator:**



1. % share of schools providing vocational education which implemented development programmes in relation to total number of these schools;
2. % share of schools which cooperated with enterprises in the field of implementation of development programmes;
3. number of students of vocational education schools, who participated in internships/ apprenticeships under the Priority.

**Specific objective 3 will be implemented in particular by:**

- Diagnosing of the educational needs in the context of local and regional labour market;
- Enriching the offer of the vocational counselling in schools,
- Modernization of the vocational learning offer and its adjustment to the needs of local and regional labour market,
- Cooperation programmes for schools and other vocational training institutions with entrepreneurs and labour market institutions
- Equipping schools and other vocational training institutions with modern teaching materials including textbooks
- Implementation of the vocational schools development projects focused on the increase of the quality of education (including extracurricular and out-of-school activities) which cover:
- Reducing the educational disproportions in the learning process
- Enhancing the efficiency of education concerning the key competences in terms of further educational pathways and labour market needs (in particular: mathematics, natural and technical sciences, linguistic competences, ICT, entrepreneurship)
- Implementing programmes focused on efficient school management

**Specific objective 4: Strengthening the professional development and improving the occupational qualification of teachers, foremost in the rural areas**

**Target:**

4.1 To increase to 11,0% the percentage of teachers improving their occupational qualification through short term forms of the vocational development under the Priority axe (including the percentage of teachers in the rural area to 33% and in vocational education teachers to 8%)

**Product indicators:**

1. The number of teachers who participated in short forms of in-service teachers training under the Priority:
  - a. teachers in rural areas
  - b. VET teachers / trainers

**Result indicators:**

1. % share of teachers who upgraded their competences via short forms of in-service teachers training in relation to total number of teachers:
  - a. teachers in rural areas,
  - b. VET teachers / trainers

**Specific objective 4 will be implemented in particular by:**

- Post-graduate studies, courses and trainings for teachers and trainers employed in the school lifelong learning centres, school employees and school administration employees in accordance with regional education policy
- Programmes aimed at completing of the formal qualifications of teachers
- Programmes aimed at teachers' adjustment to the changing demographic situation in the school system

**Budget of Priority IX**

<b>Priority IX</b>	<b>Total</b>	<b>ESF</b>	<b>Priority/total (ESF in %)</b>	<b>National funds</b>
Development of education and competences in the regions	EUR 1,253,425,446	EUR 1,065,411,629	10.97 %	EUR 188,013,817

#### **4.10. Priority X: Technical Assistance**

##### **Justification of Priority implementation:**

One of the fundamental conditions for participation in EU structural funds management is assuring adequate administrative potential for funds management pursuant to the binding Community regulations.

The priority of technical assistance will assure assistance for the programme management and implementation processes, and also effective utilisation of EU and national resources pursuant to the Community law and policy, by means of:

- maintaining high quality and cohesion in measures connected with Programme implementation,
- guaranteeing the consistency of implemented projects with Community regulations and policies,
- introduction and implementation of appropriate management and control procedures, pursuant to standards of the European Commission,
- organisation of a system of information, promotion and trainings,
- implementation and organisation of informatic instruments system to facilitate efficient management and implementation of measures.

Management, implementation, monitoring and evaluation and control of measures planned within the Programme require providing suitable potential and abilities from institutions involved in the above mentioned measures. To be able to cope with such high requirements it is necessary to assure on all implementation levels personnel responsible for those measures, with adequate competencies, trained and having at disposal appropriate resources for implementation of assigned tasks.

**Specific Objective 1: Assuring organisational, administrative and financial support for the management, implementation, monitoring, control and work processes of OP HR Monitoring Committee, aimed at facilitating efficient implementation of OP HR and effective use of ESF resources.**

##### **Specific Objective 1 will be implemented in particular by:**

- covering employment costs in institutions responsible for execution of OP HR measures in the regions. Financing costs of employment in the Managing Institution and in institutions playing the role of Intermediate Bodies and Intermediate Bodies of the second degree, which simultaneously are government administration authorities, will be granted within Operational Programme Technical Assistance 2007-2013,
- rent of facilities (among others office premises, archive facilities), overhauls of the premises and fitting out the work posts for institutions that participate in management and implementation of the Programme,
- purchase and installation of office, computer and audiovisual equipment, clerical and archiving equipment and also telecommunication, informatic and teleinformatic equipment,
- covering usage costs of equipment and fittings and purchase of necessary licences and informatic software, and also purchase of telecommunication and teleinformatic services to allow effective implementation of the programme,
- continuous advancement of qualifications of personnel involved in management and implementation of priority axes co-financed by OP HR among others through trainings, seminars, workshops, instruction courses, and also through studies and education continuation as well as stage, in-service trainings, study visits in other countries that participate in ESF execution,

- development of expert opinions, analyses, studies, reports and concepts for the needs of Programme execution and purchase of other external services indispensable for efficient Programme execution,
- assuring efficient monitoring and audit of projects executed within the Programme,
- transnational cooperation, exchange of experience and good practices with other countries.

**Specific Objective 2: Assuring organisational, administrative and financial support for the process of evaluation, information and promotion of ESF, aimed at efficient implementation of OP HR and effective utilisation of ESF resources**

**Specific Objective 2 will be implemented in particular by:**

- assuring efficient evaluation for the Programme and projects executed within the Programme,
- development of expert opinions, analyses, studies, reports and concepts for the needs of Programme execution,
- efficient and effective execution of obligations concerning information and promotion measures executed by member states related to assistance granted from structural funds,
- transnational cooperation, exchange of experience and good practices with other countries.

**Budget of Priority X**

<b>Priority I</b>	<b>Total</b>	<b>ESF</b>	<b>Priority/Total (ESF in %)</b>	<b>National contribution</b>
Technical Assistance	456 808 282 EUR	388 287 040 EUR	4.00%	68 521 242 EUR

## V. COMPLEMENTARITY OF THE PROVIDED SUPPORT WITH OTHER FUNDS AND OPERATIONAL PROGRAMMES

### Complementarity of the ESF support with the support provided within the framework of European Regional Development Fund and Cohesion Fund

Scope of support provided within the framework of Operational Program 'Human Resources Development' (OP HC) is complementary with the support from the European Regional Fund envisaged in the Innovative Economy Operational Programme, Eastern Poland's Development Operational Programme 2007-2013 and 16 Regional Operational Programmes. At the same time, some priorities of OP HC are complementary with the support granted within the Cohesion Fund in its Operational Programme Infrastructure and Environment. In the areas at risk of overlapping of areas of support the demarcation lines between given operational programmes shall be applied. The demarcation line between particular Funds and operational programmes is included in the obligatory document at national level. Moreover, the Managing Authority, Intermediate Bodies and other institutions involved in HC OP implementation will ensure that a common system will be established in order to avoid double financing of the same operations. The institutions involved in implementation of ERDF and Cohesion Fund will be also involved in this system. The coordination of support within ESF, ERDF and Cohesion Fund will be ensured at the level of Coordination Committee. The Committee will be responsible for taking decisions on possible modifications of demarcation line.

The support envisaged for being provided within the framework of the Operational Programme Innovative Economy (OP IG) shows some complementarity with the scope of support provided within the framework of OP HC, at the simultaneous maintenance of division of competence resulting from so called line of demarcation. Complementarity of strategic objectives of both Programmes refers, first of all, to promoting innovativeness of enterprises and creation of sustainable and better jobs. Within the framework of OP IG, development of information society and knowledge based economy, research and development of modern technologies, R&D investments in companies, investment in innovation as well as creation of cooperation links among groups of companies or institutions cooperating with business are supported. Within the framework of OP HC projects related to using ICT for learning processes (including in the form of *e-learning* and *blended learning*) in order to enhance *e-skills* of Programme's ultimate beneficiaries are in particular financed. Moreover, the support realized within the framework of Priorities III and IV of OP HC, aimed at strengthening competences of the population in mathematical and natural sciences through building up the position of these sciences in the education (within the general and higher educational system), shall be complementary with tasks carried out within the framework of Priority I of OP IG 'Research and Development of Modern Technology'. A similar interaction takes place between Priority IV OP HC, in which activities for upgrading the qualifications of the R&D staff shall be carried out, and Priority II of OP IG, where a support for the R&B infrastructure has been envisaged. As far as modernization of the public administration functioning is concerned, the scope of support for this sector, as provided for in Priority V OP HC, is complementary to the activities envisaged for realization in Priority VII "Information Society – establishment of electronic administration" of OP IG, which are aimed at improving the conditions of undertaking economic activity through increase in accessibility of public administration information resources and public services in the digital form for citizens and enterprises.

The assistance within Priority V HC OP is also complementary with the scope of assistance under the Priority II Infrastructure of information society of OP Development of Eastern Poland (PO RPW). Within PO RPW, the support of activities aimed at increasing quality of public services in the digital form as well as improvement the information exchange between self-governments and public administration institutions is envisaged. In the scope of measures aimed at increasing the quality of services delivered by the public administration, the support envisaged under the Priority V HC OP will be complementary with the assistance within OP Technical Assistance. However the activities

undertaken within HC OP will have different character from those, envisaged in OP TA. The intervention instruments within OP TA are aimed at improving implementation process of the NSRF, their goal is also to ensure continuity of programming structural interventions, as well as information and promotion of the operations financed from structural funds. In particular within OP TA support human resources involved in implementing the NSRF, the IT support of implementing the NSRF as well as support of implementing structural funds is envisaged.

OP HC (particularly, in its Priority IV 'Higher Education and Science') will also be complementary with Priority I 'Modern Economy' of the Eastern Poland's Development Operational Programme 2007–2013, in which framework a support will be provided for modernizing the infrastructure in universities, development of infrastructure for the Society of Information, supporting innovation and improving the conditions for business activity.

Moreover, the OP HC Priorities will be complementary with the support from European Regional Development Fund which is realized in the 16 Regional Operational Programmes. Especially, this refers to issues related to the area of research and development, innovation, building the Society of Information, supporting development of existing small business. The support through OP HC and the 16 ROP's is also complementary in the area of supporting the structures providing local services for creation of new jobs, investment in culture, investment in education (primarily the vocational education and investments in the health care infrastructure and in social infrastructure) and implementation of the *e-government* IT systems to improve the access to the services provided via electronic systems.

ESF, through OP HC, will give support (including financial) to persons who intend to launch their own business activity, regardless of their labour market status. The above support will include a complex set of instruments, including financing of small, basic investments in equipment and devices necessary to start up and pursue activity in the initial stage. Maximum amount of support given shall be determined by Polish authorities.

In the case of ERDF the support will concentrate on the investment assistance for already existing *start-up* companies enabling their further development.

Moreover, within the framework of the Innovative Economy Operational Programme (ERDF resources) financial support for launching *spin-off*<sup>26</sup> or *spin-out*<sup>27</sup> business activity will be granted, whereas ESF, through OP HC, will finance only entities of that kind establishment promotion and give training and counselling support to scientific personnel in universities and research institutions, PhDs, students and graduates of universities (up to 12 months since their graduation) who intend to launch business activity of that kind. OP HC will also co-finance promotion and propagation of academic entrepreneurship in order to commercialize knowledge and skills of the team operating at the university or in the industry.

Moreover, the OP HC activities will be complementary with activities taken up within the framework of Operational Programme Infrastructure and Environment, particularly by: complementarity of Priority II OP HC with Priority XIII OP I&E 'Health Security and Improvement of Effectiveness of the Health Care System', where activities shall be taken for development of medical life-saving system as well as investments in health care infrastructure of an extra-regional meaning. Furthermore, complementarity of Priority III OP HC 'High Quality Educational System' with Priority XII 'Culture and National Heritage' OP I&E, which envisages possibility of building, development and modernization of artistic schools and universities, shall be ensured. At the same time, a support provided within the framework of Priority IV OP HC for development and ensuring high quality of higher education will be complementary with the

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<sup>26</sup> Wherever in OP HC reference is made to spin-off, it means a new enterprise which has been established by at least one scientific or research establishment employee (person with at least PhD degree) or student or graduate of university in order to commercialize innovative ideas (knowledge) or technology, usually in some way dependent (organizationally, formal legally, financially etc.) on parent organization (i.e. university).

<sup>27</sup> Wherever in OP HC reference is made to spin-out, it means a new enterprise which has been established by at least one scientific or research establishment employee (person with at least PhD degree) or student or graduate of university in order to commercialize innovative ideas (knowledge) or technology, usually independent in organisational respect from parent entity (i.e. university) and having independent financing sources.

support provided within the framework of Priority XIV OP I&E ‘Infrastructure of Universities’, encompassing development of infrastructure of higher educational centers, used for training specialists in modern technologies.

### **Complementarity of the ESF support with the support within the framework of European Agricultural Fund for Rural Development and European Fisheries Fund**

Detailed rules of complementarity between ESF, European Agricultural Fund for Rural Development (EAFRD) and European Fisheries Fund (EFF) are defined in the national document “The demarcation line between Operational Programmes of Cohesion Policy, Common Agriculture Policy and Common Fisheries Policy”. This document has an obligatory character and it will be subject to approval by the European Commission.

Support realized within the regional component of OP HC, including particularly: assistance for the unemployed, social integration, education and adaptability, is also provided for habitants of rural areas, including farmers, forest officers, fishermen and is a supplement to interventions envisaged in the provisions regulating functioning of EFF and EAFRD.

The OP HC support is complementary also regarding activities co-financed by EAFRD, realized by *Rural Development Programme 2007-2013* (RDP) and European Fisheries Fund (EFF), which are implemented by Operational Programme *Sustainable Development of Fishing Sector and Coastal Fishing Areas 2007–2013* (PO ZRSRiNOR). According to the EFS scope of intervention, in OP HC retraining courses and advisory services concerning choice of new professions are organized, including trainings for farmers, forest officers and employees of agricultural-food industry, as well as for people working in the fishing and fishery sector, who are seeking for jobs in other sectors, want to acquire new qualifications or wish to complete their comprehensive education.

Professional trainings for farmers, forest officers and employees of agricultural-food industry are financed by EAFRD (Axis 1 RDP). Professional trainings for fishers and people working in the fishing sector are in general financed by EFF (Axis 3 PO ZRSRiNOR). However, modification of this rule is possible as a result of agreements reached by relevant Managing Authorities with simultaneous cooperation and consultations with relevant service of the European Commission. ESF through OP HC will not finance trainings in the food processing sector. professional trainings in this area will be financed within the framework of RDP 2007-2013.

Within OP HC financial resources are granted for starting up business activity in each economy sector including the aim of rural areas restructuring related to the necessity of promotion of persons leaving agriculture professional reorientation. However, those persons who have already received investment support from EFROW or EFF, are excluded from ESF support. ESF, within the framework of OP HC, will also not give financial support related to undertaking business activity in the agriculture sector. In order to avoid of double financing, before the expiration of given grace period, the support under the European Agricultural Fund for Rural Development will not be given to start – ups co-financed from ESF.

European Social Fund, through OP HC, supports also grass-roots social initiatives taken up by rural populations in order to counteract marginalization of rural areas in education and trainings, and initiatives directed towards improving employability, mobility and social activity of habitants, as well as promotion of local initiatives on rural areas (‘small grants’)<sup>28</sup>. The above activities, co-financed by EFS, are complementary with activities co-financed by EAFRD and EFF, serving the support for rural areas and carried out by Local Activity Groups and Coastal Activity Groups. In relation to local initiatives supported under HC OP, special attention will be devoted to areas at risk of overlapping the support under the European Agricultural Fund for Rural Development, i. a. training, development of tourism and agro tourism on rural areas, raising the quality of products and services, the purchase of software and hardware. In order to avoid of double financing, cross-check will be conducted.

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<sup>28</sup> Amount shall be determined by Managing Authority.

The Managing Authority, Intermediate Bodies and other institutions involved in HC OP implementation will ensure in particular through establishing a common system aimed at avoiding double financing of the same operation co-financed by ESF and other funds. The institutions involved in implementation of European Fishery Fund and European Agricultural Fund for Rural Development will be also involved in this system. Detailed principles of conducting cross-checks will be described in documents at the national level which regulate the implementation of programmes financed within the Cohesion Policy and Common Agriculture and Fishery Policy. The above principles will be presented within the HC OP Monitoring Committee and Coordination Committee along with the first annual HC OP implementation report. The coordination of implementation of structural funds and Cohesion Fund with the instruments of the European Fishery Fund and European Agricultural Fund for Rural Development (implementation, monitoring, periodic evaluation) will be ensured within the NSRF Coordination Committee thanks to participation of representatives of IZ PROW and IZ PO ZRSRiNOR.

The cooperation of institutions involves the stage of programming, implementation, monitoring and evaluation in the area of measures aimed at rural areas and areas dependable on fishery development. Within the Coordination Committee representatives of both Ministries will participate in the monitoring committees or other bodies established within the NSRF, EAFRD and EFF implementation systems as well as (in the area of impact on above mentioned fields of responsibility) giving opinion on annual reports on implementation of operational programmes. Regional HC OP subcommittees and the ROP Monitoring Committee will be responsible for ensuring complementarity of activities undertaken in regions.

#### **Complementarity of support in supranational cooperation**

Within the area related to supranational cooperation OP HC presents complementarity with activities taken up under Operational Programme of Interregional Cooperation (INTERREG IVC) and under programmes belonging to Life Long Learning Programme, especially Leonardo da Vinci and Erasmus. In OP HC complementary activities will be taken up with support under Priority I 'Innovation and Knowledge-Based Economy' of INTERREG IVC. This Priority shows complementarity with Priorities I, II, VI and VIII of OP HC. Scope of support in these Priorities is complementary in the scope of supporting R&B, counteracting unemployment, promoting enterprise, upgrading qualifications of personnel related with transfer of knowledge and exchange of good practices and experiences in these areas. Moreover, under Priorities III and IX of OP HC actions complementary with the support envisaged in Leonardo da Vinci Programme will be taken in order to implement innovative educational solutions for upgrading professional qualifications, as well as projects improving the quality of vocational and life-long education. The educational activities carried out under OP HC within the framework of Priority IV will be complementary with the objectives of ERASMUS Programme, which aims at developing international cooperation among universities and supporting mobility of students and scholars. In the case of activities co-financed under ESF and activities carried out under the LEADER+ Programme financed by the Guidance Section of the European Agricultural Guidance and Guarantee Fund, there is no risk of multiplication of support within the area of supranational cooperation. That is because supranational cooperation is not envisaged in realization of projects carried out under OP HC and directed towards supporting local initiatives and pacts for rural communities' activation.

It is predicted that the activities for supranational cooperation under OP HC and under other programmes will be complementary and supplementary with each other, which will be achieved on the stage of selection of the projects within the framework of Operational Programme Human Capital.



## **VI. IMPLEMENTATION SYSTEM IN THE OPERATIONAL PROGRAMME HUMAN CAPITAL**

### **6.1. Management and implementation**

According to art. 60 of Council Regulation (WE) 1083/2006, Managing Authority (MA), supervised by Monitoring Committee of OP HC is responsible for proper management and implementation of the Operational Programme Human Capital. According to provisions of Act on the Principles of the Regional Development Policy, minister responsible for regional development acts as a Managing Authority of the Operating Programme Human Capital. In accordance with internal regulations prepared by minister responsible for regional development a specific unit of the Ministry of Regional Development plays a role of Managing Authority. Currently this function is played by Department for European Social Fund Management.

Because of the material scope of the programme and financial weight of individual priorities, management and supervision of implementation of individual priorities have been given entrusted to Intermediate Bodies (IB). In the central component, where, first of all, nation-wide systemic support is realized, functions of Intermediate Bodies have been entrusted to competent ministers. On the other hand, support for individuals, in accordance with the decision of decentralization, is provided primarily within the scope of the regional component; therefore responsibilities of the Intermediate Bodies have been transferred to voivodship self-governments.

Moreover, each Intermediate Body, considering the specifics of the Priority it is responsible for and the experience of the body acting on the territory, may, upon an agreement with the Managing Authority, delegate a part of the duties to 2nd Level Intermediate Bodies (IB2).

Regardless of the level of delegation, the Managing Authority is still fully responsible for correct realization of the Programme.

The organizational scheme which indicates the relations between Managing Authority, Certifying Body, Audit Body and institution competent for receiving payments from the European Commission is included in annex No. 1

#### **6.1.1. Managing Authority**

Duties of the Managing Authority of OP HC include preparation of criteria for selection of projects, which will be then submitted to the Monitoring Committee for approval, in accordance with art. 65, letter a) of the Council Regulation (WE) no 1083/2006 of 11 July 2006 setting forth the general rules of European Regional Development Fund, Social Fund and Cohesion Fund and repealing the Regulation (WE) no 1260/1999.

The basic specific responsibilities of the Managing Authority of the OP HC include:

- preparation of description of a managing and control system for OP HC,
- preparation of procedures for the Managing Authority of the OP HC and approving procedures for the Intermediate Bodies;
- preparation, in cooperation with the Intermediate Bodies, standard reports, standard applications and other documents related to the Programme;
- preparation of guidelines concerning eligibility of expenditures upon OP HC,
- preparation of guidelines concerning implementation of innovative projects and supranational cooperation;

- establishment of a Monitoring Committee of OP HC, controlling its work and providing it with appropriate documents making it possible to monitor implementation of OP HC in line with its objectives;
- preparation of periodical, annual and final reports on realization of the OP HC and submitting them to the Monitoring Committee of OP HC for approval;
- submission of annual and final reports on realization of OP HC to European Commission after their approval by the Monitoring Committee;
- preparation of expenditure acknowledgements and declarations, as well as payment applications within the framework of OP HC to a Certifying Body;
- evaluation of realization progress of OP HC on the basis of reports;
- monitoring realization degree of indicators and deviations in realization of selected indicators;
- controlling realization of OP HC on the ground of Annual Control Plan, including conducting systemic inspections in IB and, in particularly justified cases, inspections on the project sites;
- preparation of guidelines for Intermediate Bodies concerning preparation of Annual Controlling Plans within the framework of priorities and their approval, supervision of the Intermediate Bodies during inspections carried out by them;
- preparation of incompliance reports and passing them over to competent bodies, as per the National Strategic Reference Framework realization system;
- assuring evaluation of OP HZ is conducted in accordance with EU requirements; these duties particularly refer to development of evaluation plan for OP HC and cooperation with the Intermediate Bodies in preparation of their evaluation plans, conducting evaluations of OP HC and supervising evaluations conducted by the Intermediate Bodies;
- assuring the beneficiaries maintain a separate accounting system or use an appropriate accountancy code for all transactions related to the operation, without a detriment to the accountancy rules;
- supplying the Certifying Body with all necessary information on procedures and verifications conducted concerning expenditures borne with the purpose of certification;
- assuring the internal audits conducted in the Managing Authority by internal auditing units are harmonized and monitored within the framework of the operational programme, in accordance with generally adopted standards of auditing, international agreements and adequate regulations to managing and controlling the public resources provided by the EU budget;
- participation in implementation and utilization of IT systems for the needs of monitoring and control;
- submitting annual and multiannual prognosis on OP KL expenditures for the running year and the following year to the European Commission;
- development of a detailed Communication Plan for OP HC and supervision of communication activities conducted by the Intermediate Bodies;
- assuring realization of OP HC complies with requirements for information and promotion;
- maintenance of all documentation related to OP HC implementation for 3 years after the programme closing or partial closing date.

### **6.1.2. Intermediate Bodies**

The OP HC Managing Authority delegates some of its duties, particularly those involving management of structural funds, to Intermediate Bodies. However, making this delegation, the OP HC

Managing retains whole responsibility for the entire realization of the Programme. Such a delegation is based on a specific agreement/contract<sup>29</sup>, which shall define:

- the Intermediate Body's duties and responsibilities;
- system of monitoring and controlling by the Managing Authority of works conducted by the Intermediate Body.

Competent ministers play the roles of Intermediate Bodies for the central component of OP HC.

Activities related to Priority V *Good Governance* are an exemption, where projects are commissioned to realization by 2nd Level Intermediate Bodies and their coordination is ensured by the OP HC Managing Authority.

Operations related to realization of Priority X *Technical Assistance* are also coordinated directly by the OP HC Managing Authority.

For Priorities VI–IX duties of the Intermediate Bodies are delegated to individual voivodship self-governments.

Chief duties of the Intermediate Bodies under the OP HC include:

- management of individual Priorities realized within the framework of OP HC. The Intermediate Body takes responsible for appropriate realization of the Priority, and the OP HC Managing Authority is responsible for all incompliances;
- preparation of criteria for selection of projects within the Priority framework, on the basis of documents prepared by the MA;
- preparation of description of the IB management and control system;

Particularly, the Intermediate Body is responsible for:

- selection of projects proposed for realization within OP HC;
- assuring that the selection of projects to be financed is conducted in accordance with criteria used for OP HC and that these projects are in line with applicable EU and national rules throughout the time of their realization;
- making decisions on financing a project selected and entering into agreements with beneficiaries;
- checking if co-financed products and services are delivered and if expenditures declared by beneficiaries have been really borne and comply with applicable EU and national regulations;
- making sure the beneficiaries and all bodies involved in realization of the priority used separate accounting systems or appropriate accounting codes for all financial operations related to the project;
- maintenance of a registering system and retaining detailed accountancy registers in an electronic form on each project under the priority, as well as collection of data necessary for financial management, monitoring, verification, audits and evaluation;
- electronic monitoring of realization of the priority under OP HC;
- making settlements of agreements with beneficiaries in accordance with adopted procedures and making payments, including preparation of expenditure declarations and acknowledgements under the priority and submitting them to the OP KL Managing Authority;
- supplying all necessary information on procedures and verifications conducted in relation to expenditures for the needs of certificates to the OP HC Managing Authority;
- approving procedures for the IB2;

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<sup>29</sup> The definitive versions of agreements/contracts will be sent to the European Commissions with the first OP HC Annual Implementation Report.

- monitoring progress of implementation of contracts for subsidizing the projects;
- monitoring realization of indicators and deviations in their realization;
- inspection of the undertaken projects and submitting the inspection reports to the OP HC Managing Authority;
- conducting systemic controls in IP2 in order to ensure correctness of the system and delivering the control results to the OP HC Managing Authority;
- preparation of annual and multiannual prognosis of expenditures under the priority and submission of these to the OP HC Managing Authority;
- preparation of periodic, annual and final reports on realization of the project and submission of these to the OP HC Managing Authority;
- conducting evaluations of the project according to procedures defined by the OP HC Managing Authority;
- recovery of sums unduly paid to beneficiaries under the OP HC priority;
- carrying out promotion and information campaigns under the realized OP HC priority;
- assuring that the priority is realized in compliance with requirements of information and promotion under the OP HC;
- storage of all OP HC implementation documentation for 3 years after the program closing or partial closing date;

The Intermediate Body may define 2nd Level Intermediate Bodies and delegate some of its duties to them. Such a delegation does not release the Intermediate Body from its full responsibility for the entire realization of the Priority under the OP HC.

### **6.1.3. 2nd Level Intermediate Body**

Tasks delegated to a 2nd Level Intermediate Body can be entrusted to a body having appropriate competence and experience in realization of such projects. A 2<sup>nd</sup> Level Intermediate Body may be an entity chosen in accordance with provisions of Act on the Principles of the Regional Development Policy.

Entrusting an entity with the role of a 2nd Level Intermediate Body will be based on an agreement/contract between the Intermediate Body and an institution indicated/selected to this role by the Managing Authority's approval. An exemption is the activities related to realization of Priority V *Good Governance*, where an agreement/contract is signed directly by the OP HC Managing Authority and an entity indicated/selected to playing the role of a 2nd Level Intermediate Body.

Tasks entrusted to 2nd Level Intermediate Bodies may be connected with:

- receiving applications from beneficiaries;
- selecting projects for subsidizing and entering into contracts with beneficiaries;
- submitting expenditure declarations and acknowledgements to the Intermediate Bodies;
- monitoring individual projects;
- verification of utilization of funds by the beneficiaries, including on-site controls;
- preparation of periodic, annual and final reports on the activities;
- archiving all project-related documentation for 3 years after the program closing or partial closing date.

A list of Intermediate Bodies and 2nd Level Intermediate Bodies of OP HC is given in annex no 2 to the Programme.

#### **6.1.4 Selection of projects proceedings**

The selection of a project depends on compliance with the criteria approved by the Monitoring Committee (in accordance with art. 65 letter b) of Regulation 1083/2006) and on authorization of the project for cofinancing issued by the OP HC Managing Authority or the Intermediate Body. These strategic, formal and material criteria (including preparation of the appropriated documentation and readiness to implement) will be the same for all potential beneficiaries of all projects related to the same category of operation of the OP.

In accordance with the Act on the Principles of the Regional Development Policy, in the framework of the OP, the below-mentioned procedures of selection will be used: individual, competition, systemic and of technical assistance. Depending on the characteristics of the priority axis, the necessary balance between different procedures of selection will be assured. The use of specific procedure should serve for attaining the objectives of the specific priority axis of OP. The details of the scope of the specific procedure in the priority axis and the institutions engaged in the selection procedure will be defined in the national document The Detailed Description of the Priorities of The OP HC. The procedure of selection will be in line with the relevant guidelines of the Ministry of Regional Development.

## **6.2. Financial Management**

### **6.2.1 Financial flows**

The institution responsible for receiving payments made by the European Commission is the Ministry of Finance. According to the regulations of Ministry of Finance, service of the bank accounts assigned for the payments from the Communities is assured by the Paying Authority Department.

Funds provided by the European Commission as advances, periodic payments and final balance payments shall be included in the National Budget as its revenues. Then, the projects will be financed from payments transferred from the National Budget.

Funds for financing the OP HC projects shall be provided in accordance with the Act of 30 June 2005 on *public finances* and the Act of 6 December 2006 *on the Principles of the Development Policy Making* and will originate entirely from domestic sources i.e. from the National Budget, budgets of territorial self-government units and from purpose funds. The detailed procedures concerning the financial flows will be defined in the Payments and Settlements Guidelines of Minister of Regional Development.

Managing Authority planned the funds for expenditures financing the implementation of the OP in accordance with rules governing the National Budget realization, within the annual limits of expenditures envisaged in the Budgetary Act. These limits will be established during the work on the Budget Act for the year concerned on the basis of the HC OP payment table and multi-annual limits applied to liabilities and expenditures specified in the HC OP to ensure efficient and timely programme implementation.

Within OP HC the following types of financial flows can be identified:

- I. In the case of projects selected through a competition procedure in the central component, the Intermediate Body ensures funds for financing the projects within yearly limits of expenditures defined in the budgetary proposal. These limits are defined in the budgetary part of a given holder upon and agreement with the Minister of Regional Development, in the course of works on the budgetary proposal for the year. Funds are given to beneficiaries in the form of a development grant, according to regulations on public finances, as an advance or reimbursement of expenditures borne under an agreement for

subsidizing the project. Payments of development subsidies for the beneficiaries are made in tranches as per a payment schedule accepted by the Parties of the agreement for subsidizing the project (Priority I-V).

- II. In the case of projects selected through a competition procedure funds for financing the projects are ensured in the budgetary part by the Minister of Regional Development and transferred as an advance in the form of a development subsidy for the voivodship self-government. The amount of funds for a voivodship shall be defined in a voivodship agreement, and the system of transferring and settlement of this money shall be defined in agreements concluded between the Managing Authority and the voivodship self-governments.

The beneficiaries receive the funds in the form of a development subsidy from the voivodship self-government, according to regulations on public finances, as an advance or reimbursement of expenditures borne upon the agreement for subsidizing the project. Payments of development subsidies for the beneficiaries are made in tranches as per a payment schedule accepted by the Parties of the agreement for subsidizing the project (Priority VI-IX).

- III. In the case of systemic projects (including the projects concerning technical assistance) and competition projects carried out by beneficiaries being state-owned budgetary entities, entirety of funds for financing the projects is secured in the budgets of those entities within the framework of their annual expenditure limits. These limits are defined in the budgetary part of the holder upon an agreement with the Minister of Regional Development, in the course of works on the budgetary proposal for the year (Priority I-X)
- IV. In the case of those systemic projects, which are realized by state-owned legal entities operating in the form of agencies, funds for financing the projects are transferred in the form of development subsidies by an appropriate holder of a budgetary part and are spent by the agency in accordance with regulations on public finances (Priority II).
- V. In the case of projects realized by beneficiaries being budgetary units of a voivodship self-government, funds for financing the projects are secured in financial plans of these units (Priority VI-IX).
- VI. In the case of those systemic projects, which are carried out by poviats offices of employment, funds for financing the projects are transferred by the holder of the Labor Fund, i.e. the Minister of Labor and Social Policy, directly to the poviat self-government and are spent in accordance with the act of 20 April 2004 *on promotion of employment and on labor market institutions* (Priority VI).
- VII. In the case of projects realized by National Fund for Rehabilitation of Disabled Persons (PFRON), financial resources for the projects are secured in the PFRON financial plan for the financial year (Priority I).
- VIII. In the case of projects under the OP HC technical assistance, realized by voivodship self-governments, funds for financing the projects are secured in the budgetary part of the Minister of Regional Development and transferred as an advance in the form of development grants for the voivodship self-government (Priority X).

### **Certification of expenditures**

A beneficiary shall submit to the Intermediate Body (2nd Level Intermediary Body) all necessary documents used for certification of expenditures borne for realization of projects, i.e. payment applications containing the project financial and material progress, not less frequently than one per 3 months. Transfer of the next tranche of funds for the beneficiary may depend on clearing accounts for a defined part of funds received so far for the purposes of the project.

In defined periods of time, the Intermediate Body, on the grounds of expenditures approved upon the regional priority/component of OP HC, shall prepare expenditure acknowledgements and declarations and submit them to the Managing Authority. Based on the approved expenditure acknowledgements

and declarations upon the regional priority/component of the OP HC, the Managing Authority prepares an expenditure acknowledgement and declaration and a payment application within the framework of the programme and submits it to the certifying body.

At least quarterly, before the European Commission, the certifying body conducts certification of expenditures upon OP HC, on the basis of acknowledgements received from the Managing Authority.

### **Procedures concerning interest rates**

For the purposes of service of the payments received from the European Union within the financial perspective 2007-2013, the similar system of bank accounts as it was in the perspective 2004-2006 will be established. There will be two kinds of accounts: 1<sup>st</sup> level accounts – the fund accounts and 2<sup>nd</sup> level accounts – the programme accounts.

All bank accounts: the fund accounts as well as the programme accounts will yield interest rates assigned to the accounts. Immediately after the interest rates would have been assessed, the Institution receiving payments from the EC will transfer appropriate sums to the National Budget income account. They will be used for purpose of domestic cofinancing.

### **6.2.2. Certifying body**

In accordance with art. 35 par. 2 p. of the Act of 6 December 2006 *on the Principles of the Development Policy Making*, Minister responsible for regional development certifies to the EC regularity of expenditures made within the framework of the operational programmes. The role of Certifying Body is played by the organizational unit of the Ministry of Regional Development established basing on the organizational regulations of Ministry by the minister responsible for regional development. Currently this role is played by Certifying Body Department. Certifying Body is in charge of certification of the expenditures incurred within ERDF, ESF and CF. In the scope of its duties, constitutes a functionally detached from the Managing Authorities, including the OP HC Managing Authority organizational unit of the Ministry of Regional Development. The Managing Authorities reported to other members of Ministry management, whereas member of management responsible for Certifying Body reports directly to Minister of Regional Development and decides independently on performing and refraining the process of certification of the expenditure declaration and of payment application.

The main duties of the certifying body include certification of declarations of expenditures borne by beneficiaries and certification of payment applications submitted by the OP HC Managing Authority in front of the European Commission.

Specifically, the certifying body's responsibilities include:

- preparation and submission expenditure acknowledgements and declarations and payment applications for OP HC to the Commission;
- confirming that a juxtaposition of expenditures upon OP HC is correct and results from reliable accountancy systems and that it was prepared on the grounds of verifiable source documents;
- confirming that declared expenditures were borne in accordance with appropriate EU and national regulations;
- preparation of requirements for expenditure certification;
- taking under consideration the entirety of results of audits of operational programmes, which were carried out by the auditing body;
- maintenance of accounting documentation in an electronic form of all expenditures declared to the Commission;

- keeping a record of sums envisaged for recovery and return to the EU budget and of the sums withdrawn in the result of cancellation of the whole or a part of the financial input to the project;
- paying controlling visits, for the certification purposes, in the Managing Authority, and visiting spottily other bodies responsible for implementation of the programme;
- making necessary improvements to the system.

The Certifying Body receives from the Managing Authority information on procedures and verifications carried out in relation to expenditures shown in the expenditure declarations.

## **6.3. Audit and control procedures**

### **6.3.1. Audit Body**

Chief Inspector of Fiscal Control is responsible for conducting audits within the framework of the Operational Programme Human Capital. This body is independent from the OP HC Managing Authority, the Intermediate Bodies and the Certifying Body for OP HC. The Chief Inspector of Fiscal Control takes the full responsibility for conducting the audit functions envisaged in the Council Regulation no 1083/2006 and this function is held by a secretary or undersecretary of state in the Ministry of Finances under provisions of the act of 28 September 1991 on fiscal control<sup>30</sup>.

These tasks are carried out through organizational units of the fiscal control subordinated to the Chief Inspector of Fiscal Control, i.e. a designated organizational unit in the Ministry of Finances (currently - Department of Certification and Acknowledgement of EU) and 16 fiscal control offices (in each voivodship). In all fiscal control offices designated organizational units were created to control the EU funds at the beneficiaries' and in local bodies involved in implementation of EU funds in Poland.

The Audit Body is responsible for all works related to the issue of document ensuring that management and control system of OP HC complies with the provisions of the Council Regulation no 1083/2006, including preparation of the report with the results of evaluation of setting up systems and the opinion concerning the compliance of the management and controlling system with art. 58-62 of regulation. The documents must be send before the first application for periodical payment is submitted or not later than 12 months after approval of the OP.

Main duties of the audit body are to ensure a correct and effective realization of deepened financial control throughout the whole system of structural funds utilization.

Main duties of the audit body include:

- assuring the audits for verification of effective functioning of the management and controlling OP HC system are conducted in compliance with the IAS standards (INTOSAI, IIA, IFAC);
- assuring the project audits are conducted on appropriate samples for verification of declared expenditures;
- presentation to the Commission, in 9 months after approving the OP HC, a strategy of audit, encompassing entities conducting the audits, implemented methodology, methods of random checks for the needs of the audit and an indicative audit plan in order to assure the audit of main entities and equable distribution of audits in the programming period
- preparation of a report on assessment of compliance of the OP HC management and control system with art. 58 - 62 of the Council Regulation no 1083/2006/WE (in accordance with art. 71 section 2 of the Council Regulation no 1083/2006/WE);

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<sup>30</sup> Journal of Law of 2004 no 8, item 65, with later amendments.



- preparation of procedures for Fiscal Control Offices concerning the way of carrying out audits in OP HC;
- until 31 December each year in years 2008-2015:
  - a) submitting to the EC the annual audit report, containing results of all audits carried out during the period of 12 months, until 30 June of the given year together with the audit strategy for the OP HC and informing about all deficiencies identified in the system of management and controlling of the Programme. The first report which should be submitted until 31 December 2008 refers to the period from 1 January 2007 to 30 June 2008. Information concerning audits conducted after 1 July 2015 will be included to the final audit report, enclosed to the closure declaration;
  - b) issue of the opinions based on controls and audits conducted on for its own responsibility, concerning the efficiency of work of the management and controlling system in order to give the rational assurance that declarations of expenditure presented to the EC are reliable and simultaneously to give the rational assurance that transactions are legal and regular;
  - c) submitting of the partial closure of Programme, declaration of the partial closure, including the appraisal of the legality and regularity of expenditure.
  - d) Submitting to the EC, not later than 31 March 2017, the closure declaration, containing the appraisal of the application for payment of the final balance as well as legality and regularity of transactions being a basis for expenditures included in the final declaration of expenditure, to which the final audit report is enclosed.

### **6.3.2. Controlling tasks**

The OP HC Managing Authority is responsible for controlling the implementation of the OP HC and for adherence to and following relevant regulations and rules concerning the programme implementation.

For the sake of its controlling role, the OP HC Managing Authority ensures realization of two types of checks in the OP HC implementation system:

- systemic control in those bodies, to whom the Managing Authority delegated individual duties, and
- control of projects, including verification if the declared expenditures have been really borne, and the goods or services have been really delivered in accordance with the decision of subsidizing.

The OP HC Managing Authority, who controls the Intermediate Bodies, is responsible for carrying out the systemic control. In case the 2<sup>nd</sup> Level Intermediate Bodies are involved in the implementation system, then the systemic controls are conducted by the Intermediate Bodies. Activities connected with realization of Priority V *Good Governance* are an exemption, as checks in the 2<sup>nd</sup> Level Intermediate Bodies are conducted directly by the OP HC Managing Authority. The purpose of the systemic control is to verify if the OP HC procedures and the managing and control system in a selected body are followed, are effective and compliant with law.

The Managing Authority delegated tasks related to conducting controls on project sites to the Intermediate Bodies. If the Intermediate Bodies have delegated some duties to the 2<sup>nd</sup> Level Intermediate Bodies, then the IB2, within their area, are responsible for carrying out controls of the projects, including those checks, which are referred to in art. 13 section 2 of the Regulation (WE) no 1828/2006 of 8 December 2006, which establishes detailed procedures for execution of the Council Regulation (WE) no 1083/2006, setting forth general rules concerning the European Regional Development Fund, European Social Fund and Cohesion Fund, and the EU Parliament and Council

Regulation (WE) no 1080/2006 on the European Regional Development Fund. In particularly justified cases, also the OP HC Managing Authority conducts controls on project sites.

The checks on the project sites can be conducted on a sample defined by the Managing Authority on the basis of a methodology of project sample selection (e.g. risk analysis).

Within the scope of controlling the progress of OP HC realization, the Managing Authority undertakes the following steps:

- preparation of an annual plan of controls for the Managing Authority and carrying out systemic controls in the Intermediate Bodies within the framework of OP HC;
- cooperation with the Intermediate Bodies in preparation of the plans of control and their approvals;
- preparation of rules for conducting the controls for the Intermediate Bodies, including the on-site controls;
- supervising the Intermediate Bodies in carrying out the controls by them;
- in justified cases, carrying out on site controls.

## **6.4. Monitoring**

Monitoring helps to ensure proper quality of implementation of OP HC. It is conducted by the OP HC Managing Authority and the Monitoring Committee for OP HC and by the Intermediate Bodies and Monitoring Subcommittees.

### **6.4.1. Monitoring Committee**

The OP HC Monitoring Committee shall be formed within 3 months after delivery of the European Commission decision on approval for OP HC to Poland. The committee shall consist of representatives of the following bodies: the Minister of Regional Development, who is a coordinator of the National Strategic Reference Framework, the Minister of Finances, the OP HC Managing Authority, other ministers competent because of the OP HC scope of operation, local self-governments, social and economic partners, and, with an advisory voice, representatives of the European Commission. The Monitoring Committee is chaired by a representative of the OP HC Managing Authority.

The Monitoring Committee watches over effectiveness and quality of implementation of OP HC. Its duties include particularly:

- analyzing and adapting criteria for transferring subsidies under OP HC and approving possible changes to these criteria;
- recommending the Managing Authority to accept annual Action Plans prepared by the central component OP HC Intermediate Bodies;
- periodic progress checks within the scope of achieving the detailed objectives defined in OP HC, on the basis of documents submitted by the OP HC Managing Authority and the IP;
- analyzing results of implementation of OP HC, and, in particular, meeting the objectives defined for each priority and results of evaluations connected with monitoring OP HC, especially when the monitoring shows substantial deviations from the objectives originally defined or when changes to OP HC have been requested;
- analyzing and approving annual and final reports on realization of OP HC;

- becoming familiar with annual reports on OP HC controls and the European Commission comments to these reports;
- submitting to the OP HC Managing Authority proposals for changes to the Programme, which could facilitate meeting the objectives of the European Social Fund defined in the general regulation concerning this fund or those helping to improve management of OP HC, including the financial management;
- analyzing and approving all proposals for changes to the content of the Commission's decision on the ESF input;

In OP HC, 16 OP HC Monitoring Sub-committees shall be formed for the regional component of the program. On the level of an individual region, it is planned to establish one OP HC Monitoring Sub-committee for Priorities VI-IX OP HC. The OP HC Monitoring Sub-committees shall be appointed on the ground of a resolution by the OP HC Monitoring Committee, which delegates some of its duties connected with monitoring to the regional level within the framework of the area of support. The Subcommittee's duties shall include confirmation of reports on realization of the Priorities, recommendation to the Managing Authority acceptance of Action Plans prepared by the regional component OP HC Intermediate Bodies and monitoring realization of Priorities on the level of voivodships. The subcommittees will be responsible for complementarity of the activities funded by the ESF with the activities founded within the framework of the Regional Ops, OP Eastern Poland and CAFP Instruments.

Monitoring is conducted based on defined in OP HC financial indicators and indicators referring to products and results, quantifying objectives of all individual priorities. Wherever possible, appropriate statistical data will consider a division by gender and by size of projects carried out by beneficiaries.

#### **6.4.2. Reporting system**

The primary tool for monitoring OP HC are the reports prepared on all levels of implementation of the Programme. Information on progress is prepared and submitted by: beneficiaries, 2nd Level Intermediate Bodies, Intermediate Bodies and the Managing Authority in clearly defined times. The information is prepared on the basis of standard reports defined by the Managing Body in cooperation with the Intermediate Bodies. The forms are available to all Programme participants at the Internet site [www.efs.gov.pl](http://www.efs.gov.pl). A payment application, in its part concerning completion of the project, plays the role of a report submitted by the beneficiary. A payment application is submitted at least quarterly. The reports are verified as to their formal and material content by a unit superior to the one, which prepares the report.

A supplementary tool at monitoring of the Programme is the Monthly Information prepared by all bodies involved in implementation of OP HC, beginning from the 2nd Intermediate Bodies.

On the Program level, the Managing Authority is the body responsible for correct course of monitoring, on the Priority level – this is the Intermediate Body, and on the Action level – the Intermediate Body or 2nd Level Intermediate Body.

Material progress of OP HC is measured with indicators defined on the Priority level, as prepared by the Managing Authority in cooperation with the Intermediate Bodies.

Data concerning final beneficiaries receiving the support (inter alia, with splitting into gender and age groups and types of support received) and institutions and companies (inter alia, with consideration to their sizes) is available in the OP HC's IT system. This data is regularly updated and information on the final beneficiaries is recorded in the system at the moment, when the beneficiary receives the first form of support.

The reports require emphasizing analysis of available data, and results of this should form a base for conducting a evaluating research.

Data necessary for measure of the OP HC indicators will be disaggregated in accordance with annex XXIII to the Council Regulation no 1828/2006. Personal data will be collected and categorized according to annex XXIII, and will be submitted to the EC via SFC 2007.

### **Reporting on implementation of the regional component**

OP HC, despite the insulated regional component, still remains a national sectoral programme and as such contains sectoral objectives defined in the scale of the whole country. Monitoring of realization of the regional component is an object of cooperation between the Managing Authority and the Intermediate Bodies (i.e. voivodship self-government).

For the fact that most of the OP HC funds are assigned for utilization in the regional component, value of target indicators have been disaggregated from the national level to the regional level, which will improve managing the Programme and enable identification of the distance between individual voivodships to the national target value and will make it possible to identify priority areas for the regions.

Considering the above, the Managing Authority have decided not to include regional indicators in the Programme, because they will not reflect the way the objectives adopted on the national level are achieved. These indicators have been included in the national document, which describes provisions of the Programme in detail. The Managing Authority agrees to monitor continually the level of achieving the objectives reflected in the disaggregated indicators, defined for each voivodship, and to inform the European Commission on a periodical (yearly) basis on progress in implementation of the Programme.

### **Monitoring of OP HC implementation in the NSRF context**

In order to monitor achieving the Lisbon Strategy objectives, particularly in the areas concerning improvements in the quality of the human capital and strengthening the institutional abilities of public administration, subsidized by ESF, one can use the objectives and monitoring indicators of the OP HC implementation, which are in accordance with the monitoring system of the Lisbon Strategy objectives on the level of NSRF.

Moreover, for satisfactory realization of the coordinating role for horizontal policies, as well as for strategic monitoring and evaluation of realization of NSRF, a Coordinating Committee (CC) has been established under the guidance of a minister competent in the matters of regional development, consisting of representatives of ministers involved in realization of individual operational programmes and bodies managing regional operating programmes, of a minister competent in public finances, a minister responsible for coordination of the Lisbon Process in Poland, a minister responsible for realization of Common Agricultural Policy (CAP) and Common Fisheries Policy (CFP).

Within the scope of horizontal policies, CC shall monitor realization of policies belonging to the policy of development, particularly to the policies of competitiveness, cohesion, Common Agricultural Policy and Common Fisheries Policy. CC shall formulate opinions and recommendations on the course of implementation of horizontal policies (including the rule of equal opportunities and the rule of sustainable development) in order to ensure a coherent realization of the development policy.

The NSRF Coordination Committee will establish a Working Group in which the managing authorities of the relevant ERDF, ESF, EAFRD and EFF programmes are represented. The task of this Working Group is develop proposals for cross checking mechanisms for investments supported under the different programmes (e.g. relevant questions in application forms, sample checks, joint access to databases) to avoid double financing and to guarantee that demarcation lines are respected.

## **6.5. Evaluation**

Evaluation helps to improve quality, effectiveness and coherence of assistance provided within the framework of the cohesion policy and strategy and implementation of OP HC, in reference to the

specific structural problems on the national and regional level, with consideration given to the principle of sustainable development and applicable Community regulations concerning the impact on the environment and the strategic environmental assessments.

The OP HC Managing Authority is responsible for conducting and coordination of evaluation of OP HC. Its main duties include:

- preparation of an evaluation plan for various phases of realization of OP HC,
- making sure an estimating evaluation is conducted – before commencement of realization of OP HC (*ex-ante* evaluation),
- making sure evaluations connected with monitoring the realization of OP HC are conducted, particularly in case the monitoring reveals substantial deviations from originally defined objectives or when proposals for changes in OP are made,
- OP HC evaluation of strategic character and evaluation of the horizontal subjects,
- cooperation with the Intermediate Bodies in evaluation of individual Priorities;
- cooperation with European Commission in strategic evaluations prepared by the Commission;
- cooperation with the European Commission in evaluations connected with monitoring of realization of OP HC prepared on the Commission's initiative;
- cooperation with the European Commission in evaluation at the end of OP HC (*ex-post* evaluation).

Managing Authority is responsible for evaluation at the level of OP in particular for **evaluation of horizontal issues** as well as for **achieving the main objective of OP** - increasing level of employment and social cohesion **and its strategic objectives**: 1) improving the level of professional activity and ability to employing persons who are unemployed or professionally passive , 2) reducing areas of social exclusion, 3) enhancing the adaptability of employees and enterprises to changes that take place in the economy, 3) propagation of education in the society on each education level with concurrent improvement of the quality of educational services and their stronger correlation with needs of knowledge based economy, 4) enhancing the potential of public administration as regards development of law and policies and providing high quality services, and strengthening partnership mechanisms and 5) Enhancing territorial cohesion. Managing authority will also evaluate the influence of OP **for achieving goals of Lisbon Strategy** through the strategic evaluations. In particular the new instruments and form of assistance will be the subject of assessment.

Intermediate Bodies (first level) are responsible for evaluation at the level of OP priority axes.

Detailed tasks related to evaluation of HC OP are specified in evaluation plan as well as in periodical plans of activities in the filed of evaluation, prepared at the level of Managing Authority and Intermediate Bodies (first level). Information on planned and implemented evaluation surveys in the framework of HC OP will be submitted to National Evaluation Unit and European Commission.

Managing Authority will establish HC OP Evaluation Steering Group where all the Intermediate Bodies (first level), National Evaluation Unit responsible for evaluation at the level of NSRF and representatives of social partners participating in Monitoring Committee will be represented. European Commission will be also represented in HC OP Evaluation Steering Group. HC OP Evaluation Steering Group has a strategic character and i.a. is responsible for giving an opinion on HC OP Evaluation Plan. HC OP Evaluation Steering Group will be working on the basis of task groups being established for thematic evaluations.

Managing Authority recommends to Intermediate Bodies establishing evaluation steering groups also at the level of central and regional priority axes.

In the framework of technical assistance allocation proper share of financial resources dedicated for conducting evaluation of HC OP will be guaranteed. Proper amount of financial resources will be dedicated for Managing Authority as well as for Intermediate Bodies.

## **6.6. Exchange of electronic data for compliance with requirements concerning payments, monitoring and evaluation**

The Minister in charge of regional development supervises the Information System and specifies the standards for data collection by all participants to the system for implementing the NSRF.

The Minister in charge of public finance is responsible for building and development of the IT system on the basis of standards for collecting data specified by the Minister in charge of regional development.

Under article 58 d) and article 60 c) of the Council Regulation 1083/2006 the system of management and control should be equipped with reliable, computerized systems of accountancy and bookkeeping, monitoring and financial reporting, which are to ensure registration and storage of accounting records for all operations within the framework of the operational programme and secure collection of data on realization of each and every operation, as necessary for financial management, monitoring, verification, audit and evaluation.

In relation to the above, for the purposes of management and reporting, the managing authorities, intermediate bodies, 2nd-level intermediate bodies and the certifying authority will use two basic IT systems, namely:

- A financial-and-accounting system meeting the requirements of the Accountancy Law,
- National Information System for monitoring and reporting

National Information System is compatible with the audit and monitoring system setting up for the Programme.

Access to the data collected in the National Information System is available to all entities engaged in the implementation process, that means: Managing Authority, the Intermediate Bodies, 2<sup>nd</sup> level Intermediate Bodies, Certifying Authority and Audit Body in the scope of the exercise of their tasks.

Moreover, it was assumed that a local system of monitoring, evaluation and reporting for OP HC, which is the Monitoring Subsystem of the European Social Fund 2007 (PEFS 2007) will operate, being a continuation of the PEFS system, which operated during the programming period 2004-2006.

The experiences and conclusions from the programming period 2004-2006 will be taken into consideration during the creation of the information system of the OP.

### National Information System

National Information System, which is available for the needs of monitoring and reporting, shall collect on the national level all data necessary for the management and control system of the Operational Programme.

According to the accepted guidelines, the National Information System shall first of all be a registering system, which means that it will collect data entered into the main data base after the events, e.g. after acknowledgement that a submitted application fulfills formal requirements. In particular, the system shall make it possible to collect data within the following areas:

- recording data concerning operational programmes;
- servicing the project life-cycle, including:
  - recording applications (in the system only the applications fulfilling formal requirements will be recorded);
  - recording agreements for subsidizing,
  - recording payment applications,
  - recording data concerning controls of individual projects;
  - recording data concerning incompliances;

- maintaining a registry of recovered sums (including a debtor registry)

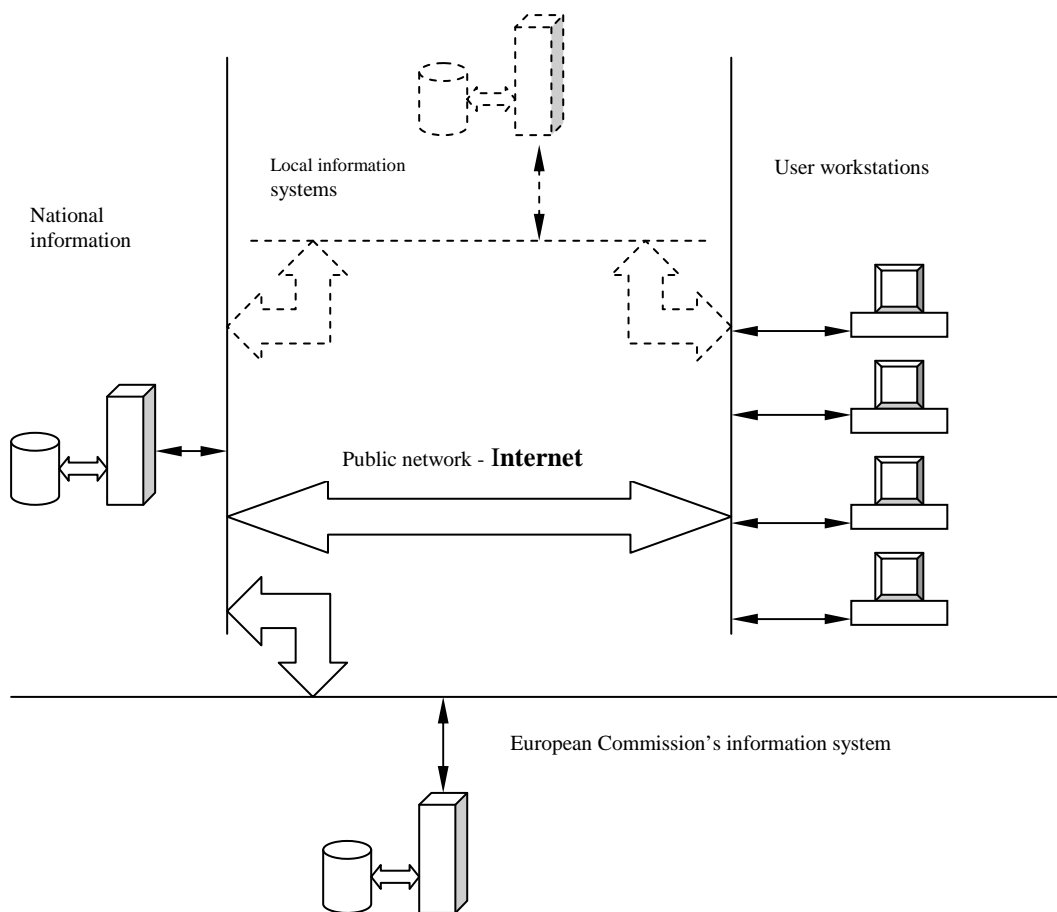
The National Information System will allow for generation of specific reports, in particular:

- Charts of expenditures from the level of the intermediate body and charts of expenditures and applications for disbursement prepared on higher levels
- Expenditure forecasts

The National Information System will include and submit data described in the Annex III to the Council Regulation no 1828/2006.

The National Information System will be established on the basis of the web technology. That means that the access to the data collected in the central database will be available via web explorer on each computer having access to the public network of Internet.

The architecture of the National Information System has been presented in the diagram below.



The National Information System will be fully functioning and will be tested by the independent external auditor until 31 December 2007. The EC will be informed about the results of the audit and will receive the copy of the audit report.

Description of the procedures ensuring sureness of the information systems of accountant reporting, monitoring and finances.

The security policy of the national Information System is implemented on different levels.

The use of the secure protocol https together with suitable architecture of the web access instrument in the seat of system operator (Ministry of Finance) minimize a risk of illegal access to the system and –

as a consequence – modification of the data in the system by not authorized persons. Furthermore, it prevents from the data changes during the data transmission to the server.

The developed functionality of the authorization system for users (three dimensional model of authorization: system function, the level of implementation, region) implies that users have the access only to the data necessary for them to exercise their tasks.

The adequate policy of safety copy making guarantees that in a case of a serious breakdown of the system, which can cause the destruction of the database, the data collected in it until a day before an accident would be recovered.

#### Monitoring Subsystem of the European Social Fund 2007

The basic features of PEFS 2007 include:

1. Requirements concerning system administration (i.e. administration of users, roles and rights, servicing the vocabularies and assistance systems, personal data protection).
2. Integration with the National Information System (transmission of data from and to the national system).
3. Collecting data on:
  - projects carried out under Operational Programme Human Capital.
  - beneficiaries realizing a project for final beneficiaries, within the framework of the Project.
  - final beneficiaries taking part in projects of the Programme.
4. Analysis of collected data in order to facilitate evaluating research activities on each level of implementation.
5. Utilization of collected data for the purposes of reporting on realization of the Projects, Priorities and Programme.

Additionally, on the level of a PEFS 2007 beneficiary, it shall be widened by two independent applications, which will be used by the beneficiaries:

- Application Generator – software for preparation of electronic applications for subsidizing projects.
- Beneficiary's Module – software helping a beneficiary to collect and submit all necessary valid information on final beneficiaries of OP HC, as well as payment applications (data archived or ongoingly updated and transferred in the form of personal and financial data or characteristics of support given to individual final beneficiaries, upon realization of a project to a superior body).

The system will be fully functioning and will be tested by the independent external auditor until 30 June 2008. The EC will be informed about the results of the audit and will receive the copy of the audit report.

The electronic exchange of data with the European Commission in accordance with art. 39 Regulation no. 1828/2006 of 8 December 2006

The principles of the access to the system of electronic exchange of data with the RC (SFC 2007) were laid down in the Procedure of the users' access authorization to the system of electronic exchange with the EC SFC 2007, presented by the Ministry of Regional Development.

Complying with this procedure, the organizational unit within the Ministry of Regional Development plays the role of MS Liaison for ESF, ERDF and CF acting in accordance with the obligation compelled by art. 41 of the Regulation no 1828/2006, which states that Member States have to apply for the access to the system SFC 2007 in a centralized way. According to the EC regulations, functions



of MS Liaison and MS Deputy Liaison is imposed on two officers approved by the EC in the above-mentioned unit.

In order to assure the security of the access to SFC 2007, the procedure provides for the rules of application for the users' access. According to the rules approved at domestic level and Node Hierarchy structure, the access to the system (as Key Users) is provided only for employees of the given institutions:

- National level coordinating institution (Member State Authority)
- Managing Authority (Member State Managing Authority)
- Certifying Body (Certifying Authority)
- Audit Authority.

The procedure defines also the rules of the verification of the candidature for user conducted by MS Liaison as well as adequacy of the access applied (Permissions, Role) and rules of information about changes concerning Key Users.

The list of Key Users (who have the access to SFC 2007) is carried out in the organizational unit within the Ministry of Regional development who plays the role of MS Liaison, in accordance with provisions concerning the personal data protection.

## **6.7. Information and promotion**

In accordance with the art. 2 section 1 of the Regulation (WE) no 1828/2006 of 8 December 2006, which establishes detailed procedures for execution of the Council Regulation (WE) no 1083/2006, setting forth general rules concerning the European Regional Development Fund, European Social Fund and Cohesion Fund, and the EU Parliament and Council Regulation (WE) no 1081/2006 on the European Social Fund Poland draws up European Funds in Poland Communication Strategy 2007-2013 concerning all funds and programmes. Common Strategy is aimed at providing effective coordination of activities performed by particular institutions, thanks to which effectiveness and efficiency of the information and promotion activities will increase.

Communication strategy is being drawn up by the Coordinating Authority NSRO (located in the structure of the ministry responsible for regional development) in cooperation with Managing Authorities. The above Strategy takes into account rules adopted in the Minister of Regional Development Guidelines in the scope of information and promotion.

Communication Strategy sets out basic rules of performing information and promotion activities for the purpose of all operational programmes and National Strategic Framework of Reference, in particular aims and keynote, target groups definition, indication of the institutions involved in information and promotion activities and required minimum of the performed activities.

The OP HC Managing Authority shall prepare a Communication Plan for the operational programme containing aims of activities, target group characteristics, description of the planned information, promotion and training activities, description of the division of tasks and the level of responsibility in the scope of information, promotion and training activities between IZ and particular IP and 2<sup>nd</sup> level IP/IW, description of the activities of IZ, IP, IW/2<sup>nd</sup> level IP and other partners involved in the process of information and promotion in the framework of the operational programme, including entities mentioned in the art. 5 section 3 of the executory regulation, framework schedule, indicative budget, manner of evaluation of activities and reporting on the level of realization of the information, promotion and training activities. The OP HC Communication Plan is subject to consultations with the Coordinating Authority NSRO in the scope of its compliance with the Communication Strategy and then to approval of the OP HC Monitoring Committee.

The OP HC Managing Authority will also be preparing an annual executory action plan.

Within the framework of the OP HC adequate resources under Priority X Technical Assistance have been assigned to proper realization of the information and promotion obligations by the Member States.

## VII. Financing of OP Human Capital

According to NSRF, the total value of financial resources involved in realization of the Operational Programme Human Capital in years 2007–2013 will be equal to 14.6% of all funds assigned to realization of Operational Programmes, which is 11,420,207,059 EUR. In this amount, the value of allocation from the European Social Fund (ESF) will be about 9,707,176,000 EUR, and the national input will amount to abt. 1,713,031,059 EUR. Level of the national co-financing has been estimated to be on the minimum level, i.e. 15%.

Within the Programme, about 60% of allocated funds shall be assigned to support realized by regions, and the remaining 40% shall be implemented sectorally by competent ministries.

The amount of ESF funds falling to each voivodship (marked as  $EFS_W$ ) within the OP HC regional component is calculated based on product of the ESF sum allocated for financing the regional component Priorities ( $EFS_{KR}$ ) and value of the coefficient resulting from the algorithm ( $A_R$ ), where (see below) 3% of the above mentioned funds have been assigned additionally to the eastern Poland voivodships ( $EFS_{3\%W}$ ), therefore:

$$EFS_W = 97\% * EFS_{KR} * A_R + EFS_{3\%W}.$$

The algorithm of distribution of the ESF funds among the regions (voivodships) within the regional component is as follows:

$$A_R = (w_l \times 0,4) + (w_p \times 0,15) + (w_b \times 0,25) + (w_r \times 0,1) + (w_{PKB} \times 0,1)$$

where:

$A_R$  – value of ESF to be used in a voivodship, as results from the algorithm;

$w_l$  – voivodship-country population ratio (weight 0.4);

$w_p$  – the ration of the number of small and minimum-size companies (as per the employment – from 10 to 249 people) in a voivodship to the total number of such companies in the country (weight 0.15),

$w_b$  – the ration of the unemployed registered in a voivodship to the total number of unemployed registered in the country (weight 0.25);

$w_r$  – a described below indicator for people living from agriculture per 100 ha of farmland, adjusted by the number of such people in the region (weight 0.1);

$w_{PKB}$  – a described below indicator for regional diversity in GNP per capita (weight 0.1);

where values of the coefficient weights remain in range (0; 1) and satisfy this equation:

$$w_m + w_p + w_b + w_r + w_{PKB} = 1.$$

All coefficients of the algorithm are constructed in such a way, that the following equation is true:

$$\sum_{R=1}^{16} w = 1$$

i.e., each coefficient for the country – being the sum of all such coefficients for the voivodships – should always be equal to ‘1’.

The coefficient  $w_r$ , is determined based on the number of people earning their living off work in their own farm in a voivodship ( $R_W$ ) per each 100 ha of farmland in the region (where  $Z_W$  refers to the

number of hectares of farmland in the voivodship – in hundreds). This coefficient takes the following form:

$$w_r = \frac{\frac{R_W^2}{R_K Z_W}}{\sum_{R=1}^{16} \frac{R_W^2}{R_K Z_W}}$$

Then, the coefficient  $w_{PKB}$  is based on the GNP value in a voivodship ( $PKB_W$ ) in relation to the whole country's GNP ( $PKB_K$ ), adjusted by the ratio of the region population ( $L_W$ ) to the country's population ( $L_K$ ). This coefficient is expressed by the following formula:

$$w_{PKB} = \frac{\frac{2L_W}{L_K} - \frac{PKB_W}{PKB_K}}{\sum_{R=1}^{16} \left( \frac{2L_W}{L_K} - \frac{PKB_W}{PKB_K} \right)}$$

Additional financial resources (equal to 3% of the regional component allocation) have been allocated for the good of the following voivodships: Lubelskie, Podlaskie, Podkarpackie, Świętokrzyskie and Warmińsko-Mazurskie, as they are the poorest regions within EU-25. That is because a diagnosis proves that in most cases the identified weaknesses and threats related to development of human resources are the strongest in this part of Poland. Therefore, preferences for these areas result from, first of all, the intention to avoid social and economic marginalization of the eastern Poland and the intention to enforce social cohesion not only with other regions of Poland, but with the remaining regions of EU as well. Secondly, additional funds will make it possible to utilize the potential of the local populations and will be a supplement (in the form of a 'soft support') to the actions planned within the framework of the Regional Operational Programmes for these voivodships, and especially of the Operational Programme Development of the Eastern Poland, particularly in the respect of building a new, knowledge-based economy as well as promotion of innovation and regional centers of growth.

Allocation of 3% of the ESF was based on the coefficient for the population in five Eastern Poland's voivodships, which is described by this formula:

$$EFS_{3\%W} = EFS_{KR} * 3\% * \frac{L_W}{L_C}$$

where:

$EFS_{3\%W}$  – additional allocation falling to a voivodship ( $EFS_{3\%W} = 0$  for the non-Eastern regions);

$L_W$  – population of an Eastern voivodship ( $L_W = 0$  for the non-Eastern regions);

$L_C$  – total population in the five Eastern Polish voivodships.

The source data for the algorithm were obtained from the Regional Data Bank maintained by the National Statistical Office (for the end of 2005) from the internet site <http://www.stat.gov.pl>, with exclusion to the data on GNP (for the end of 2003) and the number of people earning their living off agriculture in voivodships (according to the Census of 2002).

### **The scope and general rules of implementation of cross-financing in OP HC**

Expenditures related to realization of projects under OP HC are, in accordance with applicable Community regulations, financed by the European Social Fund. Nevertheless, under art. 34 section 2

of the Council Regulation (WE) no 1083/2006 of 11 July 2006 establishing general rules for European Regional Development Fund, European Social Fund and Cohesion Fund, and repealing the Regulation (WE) no 1260/1999, ERDF and ESF may finance in a complementary way and with reservation of the 10% maximum level of the EU subsidizing for each priority axis of an operational programme, all activities subject to assistance from other funds, providing this is necessary for proper realization of the operation and that these are directly connected with it'.

Therefore there is a possibility of extending the catalogue of expenditures co-financed by the European Social Fund to eligible costs within the European Regional Development Fund – so called *cross-financing*. The Managing Authority will assure that the project is supported only from the OP at the moment. The double financing from different OP of the same operation is not allowed.

In the case of OP HC, *cross-financing* may concern exclusively such expenditure categories, which result from the need of realization of an individual project, and it is a logic supplement to activities subsidized by ESF. Moreover, it must be directly interrelated with main tasks realized within this project.

Value of expenditures under *cross-financing* shall not exceed 10% of all eligible expenditures being the budget of the project. In the case of actions concerning social integration, value of expenditures eligible for *cross-financing* has been increased to 15%, in compliance with art. 3 section 7 of the Regulation (WE) no 1081/2006.

The *cross-financing* level shall be verified in two stages:

- application for ESF – the applicant shall be obliged to estimate (in the part of the application concerning the budget) the *cross-financing* costs within the framework of the project; these costs will be verified by the Intermediate Body (2<sup>nd</sup> Level Intermediate Body) during the assessment of the project subsidizing application;
- clearing the funds in the project – the beneficiary shall be obliged to present the level of expenditures borne within *cross-financing* in his payment application submitted during realization of the project; this solution will help the Intermediate Bodies (2<sup>nd</sup> Level Intermediate Bodies) monitor the *cross-financing* level reached in both a single project or in the whole priority axis.

Moreover, within the framework of the OP implementation, there will function the system informing about cross-financed projects, which can allow to entirely monitor the applied principle and to find out the risk of the double financing. All data concerning this risk will be submitted to the Managing Authority.

*Cross-financing* is possible in projects realized under all OP HC Priorities.

Types of expenditures eligible within the framework of support granted under Priorities I - IX, as subject to *cross-financing*, refer basically to:

- a. purchase or lease of equipment, and
- b. adaptation of buildings, rooms or work stands.

Investments under OP HC do not encompass construction of new houses, extensive construction works, repairs to buildings, but only equipment and small adaptation works related to realized ESF projects.

At covering the above expenditures, the rule of equal opportunities shall be followed, especially for the needs of the disabled persons.

Detailed rules for *cross-financing* contain guidelines concerning eligibility of expenditures in OP HC, issued by the Managing Authority.

Typical types of projects connected with *cross-financing*.

*Priority I 'Employment and Social Integration'*

Support by cross-financing under Priority I is closely connected with the specifics of the projects and refers to purchase of equipment and computer hardware for public employment agencies and for public social help agencies, as well as to purchase of equipment necessary for functioning of the

system for coordination and transferring data among institutions of the labor market and social assistance. Moreover, within cross-financing, construction of a system to monitor activities realized within the area of employment and social integration, and – in the case of the systemic projects – supplying equipment for work stands for indicated disabled persons and unemployed youth under a subsidized employment and other equipment necessary for realization of the support in the case of other systemic beneficiaries.

#### *Priority II ‘Development of Human Resources and Adaptability of Companies and Improvement of Health of the Working People’*

Assistance provided under Priority II, being a type of cross-financing, is first of all connected with organization of trainings and advice for employees of companies and for entrepreneurs. Funds defined as cross-financing are used for purchasing office and computer equipment for training centers and for adaptation of buildings, where the training takes place, for the needs of the disabled. Moreover, in order to start up e-learning programmes, a support in line with the ERDF intervention area is allocated for purchasing or leasing of computer equipment used for trainings and e-learning platforms.

Within the framework of Priority II, thanks to cross-financing, it is possible to buy computer equipment and materials for those organizations and bodies, which work for development of enterprise and innovativeness in companies or for their networks. The cross-financing funds can also be used for financing repairs and adaptation of rooms belonging to business-related organizations or institutions for the needs of tasks realized by them.

#### *Priority III ‘High Quality System of Education’*

The cross-financing support provided under Priority III is related with modernizing the system of education and its individual institutional structures. The assistance granted by cross-financing is used for office and computer equipment and materials for the educational institutions (Central Examinational Commission, entities responsible for researching, monitoring and evaluation within the scope of operation of the system of education and entities forming the institutional system of the National Qualification System). A support in this area is supplementary to the ESF support and enables a swift realization of new tasks assigned to the above mentioned bodies.

Additionally, the cross-financing support is directed to schools and educational centers carrying out projects in equalization of educational chances of students and development of their key competences by additional extracurricular activities. In this area the support is aimed at purchasing of educational materials necessary for realization development programmes by schools and adaptation of educational infrastructure to the needs of the disabled students. The support in this area does not interfere with the support provided by ERDF in the framework of Regional OPs due to the characteristics of equipment purchase, limited to the needs of realization of the educational process financed by ESF. It means that investments under OP HC do not encompass construction of new buildings, extensive construction works, repairs to schools, but only equipment and small adaptation works related to realized ESF projects.

#### *Priority IV ‘Higher Education and Science’*

The cross-financing support under Priority IV refers to purchasing of educational materials and modernization of educational infrastructure of universities realizing educational programmes aimed at improving quality of education, its better adaptation to the requirements of the labor market and to development of e-learning programmes. In this respect the support in line with the ERDF intervention area can be assigned to equipping educational buildings of universities with laboratories necessary for increasing the quality of educational services (particularly, for the mathematical, natural and technical sciences), adaptation of buildings to the needs of the disabled and to purchasing of computer equipment, and construction of ICT infrastructure, as necessary for starting up education in the e-learning system. As in the case of education, there is no threat of interference between the scope of

Priority IV and other operational programmes, because support within its framework is limited to the expenditures for infrastructural background necessary for achieving the ESF support objectives.

#### *Priority V 'Good Governance'*

Within the framework of Priority V, the cross-financing support is connected with purchasing of IT tools facilitating management in public administration, purchasing IT hardware and software necessary for implementation of improvements in functioning of public administration and the judiciary bodies, hardware and platforms necessary for e-learning educational programmes. Within the framework of cross-financing it is also possible to develop and implement *e-Council of Ministers and e-Committee of the Council of Ministers* – a system facilitating monitoring of legislation works. Within the area of social partnership, ESF requires a supplementation with cross-financing, which is assigned for equipping the beneficiaries of the assistance with necessary ICT infrastructure to facilitate flow of information among all agents (NGO's, social partners, e.g. at networking), creation of data bases.

There is no danger of overlapping the scope of cross-financing under Priority V of OP HC with other operational programmes for the fact, that within its framework the support is limited to activities supplementary to implemented reforms in the public sector.

#### *Priority VI 'Labor Market Open to All'*

In Priority VI cross-financing support is related with activities for increasing employment and professional activity in the region. It includes purchase of office equipment and materials as part of equipping work stands, adaptation of rooms and work stands to the needs of the disabled, and purchase of equipment and materials necessary for realization of the projects.

#### *Priority VII 'Promotion of Social Integration'*

In Priority VII cross-financing support is related with activities for raising the level of occupational activity and social integration of people in danger of exclusion. It includes purchase of office equipment and materials as part of equipping work stands, adaptation of rooms and work stands to the needs of the disabled, and purchase of equipment and materials necessary for functioning of the social economic sector, including: vocational activity centers, social integration centers and social integration clubs.

#### *Priority VIII 'Regional Staff of Economy'*

In Priority VIII the cross-financing support is primarily assigned to adaptation of buildings belonging to educational institutions for the disabled and to purchasing equipment used for educational and advisory activities. Moreover, the cross-financing funds are used for purchasing hardware and software for creation of data bases and communication systems and for creation of platforms for cooperation between entrepreneurs and employees of the science sector in transferring the knowledge.

#### *Priority IX 'Education and Competences in Regions'*

In Priority IX the cross-financing support is connected with dissemination of pre-school and continual education, as well as with adaptation of the offer and quality of vocational education to the needs of the labor market. In the case of the pre-school education, of which the particularly difficult situation is observed in rural areas, it is necessary to connect the ESF support with an infrastructural support aimed at adaptation of the existing infrastructure to requirements of the pre-school education (such as sanitary and children's safety requirements). Concerning the vocational education, the ESF support

requires supplementing with the cross-financing support allocated for providing vocational schools with necessary machines and equipment for realization of an educational process in accordance with the contemporary standards of the labor market. On the other hand, in education of adults, the ESF support is aimed at dissemination of the formal education among adult people also by strengthening of services of the continual education provided in the e-learning system. This way, the ESF support shall be supplemented by providing the continual education centers with necessary ICT infrastructure for running the e-learning programmes. Additionally, the cross-financing support is directed to schools and educational centers, which carry out projects for equalizing the opportunities of the students and development of their key competences by additional extracurricular activities.

The support in this area does not interfere with the support provided by ERDF in the framework of Regional OPs due to the characteristics of equipment purchase, limited to the needs of realization of the educational process financed by ESF. It means that investments under OP HC do not encompass construction of new buildings, extensive construction works, repairs to schools, but only equipment and small adaptation works related to realized ESF projects.

Under Priority X OP HC *Technical Assistance* eligible expenditures which include cross-financing, refer basically to:

- purchasing of office, computer and audiovisual equipment and materials, office, ICT, informatics and data communication equipment, and
- adaptation, construction, development, purchase or lease of office or conference rooms or those for archives.

### **Public assistance**

All assistance provided under OP HC from public funds must fulfill procedural and material requirements concerning granting public assistance, which are valid on the day of the assistance. The Managing Authority shall make sure that the public assistance is provided in accordance with all relevant regulations of the EU law.

### **Public procurements**

The Managing Authority ensures that public contracts or concessions awarded, concerning projects benefiting from the assistance of the European Social Fund comply with the provisions of Directives 2004/17/EC, 2004/18/EC, Regulation (EC) No 1564/2005 or the Treaty principles where applicable.

### **EIB loans**

Financing measures under the ESF might be in the future partly covered by the EBI loans. The total amount of such loans is estimated at 571.010.353 EUR. The loans could only be used to cover the ESF contribution and the national contribution from the public funds. However, at present, such loans are not foreseen.



**Table 25. Financial table for Operational Programme Human Capital 2007 - 2013 with division to priorities and sources of financing in Euro by current prices.**

Priority	Community input	National input			Total	EU funds indicator	For information purposes	
		Total	National public input	Private input			EBI loans	Other financing
	1	2=3+4	3	4	5=1+2	6=1/5	7	8
I. Employment and Social Integration	430 260 954	75 928 404	75 928 404	0	506 189 358	0.85	0	0
II. Development of Human Resources and Adaptability of Companies and Improvement of Health of the Working People	661 310 120	116 701 786	116 701 786	0	778 011 906	0.85	0	0
III. High Quality of Educational System	855 300 828	150 935 440	150 935 440	0	1 006 236 268	0.85	0	0
IV. Higher Education and Science	816 311 813	144 055 026	144 055 026	0	960 366 839	0.85	0	0
V. Good Governance	519 225 980	91 628 114	91 628 114	0	610 854 094	0.85	0	0
VI. Labor Market Open for All	1 918 389 821	338 539 380	338 539 380	0	2 256 929 201	0.85	0	0
VII. Promotion of Social Integration	1 319 970 145	232 935 908	232 935 908	0	1 552 906 053	0.85	0	0
VIII. Regional Staff of Economy	1 350 207 670	238 271 942	238 271 942	0	1 588 479 612	0.85	0	0
IX. Development of Education and Competences in Regions	1 447 911 629	255 513 817	255 513 817	0	1 703 425 446	0.85	0	0
X. Technical Assistance	388 287 040	68 521 242	68 521 242	0	456 808 282	0.85	0	0
<b>TOTAL OP HC:</b>	<b>9 707 176 000</b>	<b>1 713 031 059</b>	<b>1 713 031 059</b>	<b>0</b>	<b>11 420 207 059</b>	<b>0.85</b>	<b>0</b>	<b>0</b>

**Table 26. Financial table for Operational Programme Human Capital 2007 – 2013 with division to years at current prices.**

	European Social Fund	Cohesion Fund	Total
	1	2	3
2007	1 360 817 999		1 360 817 999
2008	1 392 684 131		1 392 684 131
2009	1 424 340 441		1 424 340 441
2010	1 405 759 510		1 405 759 510
2011	1 379 509 630		1 379 509 630
2012	1 354 096 998		1 354 096 998
2013	1 389 967 291		1 389 967 291
2007 - 2013	9 707 176 000		9 707 176 000

**Table 27. Estimative financial table of liabilities for the Operational Programme Human Capital in Euro, divided into priority axis and split into intervention categories at current prices.**

Priority themes	
Code	Sum
62	761 847 584
63	175 653 111
64	628 127 367
65	481 222 545
66	1 282 343 211
67	44 674 223
68	450 001 234
69	221 543 678
70	25 891 770
71	1 089 027 900
72	1 254 481 806
73	1 710 411 629
74	603 326 307
80	71 110 615
81	519 225 980
85	330 043 984
86	58 243 056
Total	9 707 176 000

Form of financing	
Code	Sum
01	9 707 176 000
Total	9 707 176 000

Territory	
Code	Sum
05	1 847 487 277
00	7 859 688 723
Total	9 707 176 000

## VIII. RESULTS OF SOCIAL CONSULTATIONS ON THE PROGRAMME

### 8.1. Purpose and legal basis of the consultations

The process of consultation lasted from June to September 2006 and was a continuation of consultations on the National Strategic Framework of Reference for 2007-2013 that had been running since March 2006 and forming frameworks for all operational programmes in the new programming period.

Consultations on OP HC were meant to inspire a wide social debate on the strategy of social and economic development of the country, collecting opinions remarks from various communities and social and economic partners interested in chances for development of projects and initiatives at a support with funds from European Social Fund, of which utilization is envisaged in the Programme.

The duty of conducting social consultation on the Operational Programme results from the Regulation no 1083/2006/WE. Under art. 11 of the Regulation, the Member Countries shall closely cooperate in preparation and realization of operational programmes with competent regional, local and other public authorities, economic and social partners, as well as with other competent entities representing the civic society.

### 8.2. Course of consultations

The process of social consultations was carried out through a cycle of conferences and meetings of representatives of the Ministry of Regional Development with members of self-governments and socio-economic partners in all voivodships between 6 July and late September 2006. At that time 25 regional, 3 thematic and 4 cross-sectional conferences were held with almost 3.5 thousand participants. The regional conferences were co-organized by offices of the marshals of voivodships, at active participation of offices of voivodships. Discussions running during these consultations focused both on the general shape of the OP HC project, and on detailed provisions of individual Priorities.

The discussions on the Programme were accompanied by a number of promotional and informative actions. For the needs of the consultations, information materials were made available, which, along with the OP HC draft, were distributed to all interested partners and made available to the participants of the conferences. The draft of the Program was published on the MRR internet site ([www.mrr.gov.pl](http://www.mrr.gov.pl)) and on official sites of the ministries and regional self-governments involved in the programming process, and the participants of the consultations were able to furnish and express opinions on this document by e-mail to a special address. Some conferences drew also attention of nation-wide and local media.

Because of the intention to carry out the consultations on the grounds of possibly widest group of recipients being representative to the society, each time representatives of the following groups and communities were invited to the debate within the framework of the consultation:

- experts and scholars, representatives of scientific centers (Polish Science Association, universities and R&D centers);
- voivodship self-governments and other levels of territorial self-government bodies;
- institutions carrying out projects within the framework of Sectoral Operational Programme Development of Human Resources, Integrated Regional Development Operational Programme and Community Initiative EQUAL,

- social and economic partners, i.e. organizations of entrepreneurs and employers, trade unions, professional self-governments, church authorities and the others, whose area of interest includes issues related to OP HC.

### **8.3. Most frequent comments and postulates**

Majority of comments delivered in the process of social consultation on the Programme concerned the issues, which, in accordance with the adopted system of work, will be regulated in separate documents. Many of them referred to the fact that the provisions of OP HC are too general, that individual actions were not identified; potential beneficiaries and assistance target groups were not indicated. The MMR representatives, who ran the consultative meetings, explained that these issues would be regulated in a document presenting a detailed description of the Programme. Moreover, discussions running within the framework of the consultations oscillated mainly around the following areas:

- form and structure of the Programme – there were voices calling for more detailed and concrete provisions, and putting more stress on individual themes;
- socio-economic diagnosis – participants pointed out the lack of coherence in the internal diagnosis, insufficient connection with the objectives and strategy of the Programme, shallow analysis of certain aspects of the actual situation of the country, the lack of consideration to regional differentiation;
- system of realization – participants emphasized the necessity of creation of a clearer and simplified system of implementation, which considers experience from the period of ESF implementation in 2004 – 2006;
- way of distribution of funds among different priorities.

### **8.4. Results of consultations**

In the result of the discussions and ascertainments carried out with representatives of groups participating in the process of assessment of OP HC, as well as after analyzing a number of submitted comments and proposals regarding the Program, the following modifications were made in it.

The diagnostic part of the Programme was amended, first of all, by supplementing the existing provisions with more in-depth analysis of individual areas of assistance, in accordance with the proposals delivered during the consultations. The description of cooperation between the 3<sup>rd</sup> sector with the public administration was supplemented with a subsection on condition of Polish vocational education, and information on the health care system and medical personnel was amended. Moreover, a chapter describing a regional characteristic of areas of support under European Social Fund was added based on statistical data on Polish voivodships, and statistical information within the whole diagnosis was updated. Corrections were introduced in the SWOT analysis, which in its present form reflects the situation at the beginning of realization of OP HC better.

The Programme realization indicators underwent a substantial modification. The changes referred to both the scope of the definitions and the way data is collected, as well as the indicators base values were added and their target values were estimated. Product, result and influence indicators were extracted and allocated to respective levels of realization of the Programme.

An important issue, set forth many times during the consultations, was introduction of solutions supporting equality of men and women in access to the offered assistance. Therefore, the horizontal rule of equality between men and women was emphasized (gender mainstreaming) by introduction of detailed provisions ensuring its implementation on each stage of realization of the Programme. Moreover, the document emphasized the necessity of taking actions for harmonizing professional life

with private life by facilitating the access to child and dependant person care services, which will enable women to participate fully in education and labor market.

Similarly, in response to specific requirements of the disabled, which were signaled many times by various groups focused on social integration, a stronger emphasis was placed on the issue of counteracting discrimination in access to labor market by highlighting the horizontal rule of equal opportunities. The current provisions of the Programme, to a larger extent than before, pay consideration to the necessity of providing equal chances and possibilities to participate in the carried out projects, regardless the age, sex or degree of disability.

Because in the course of the consultations some doubts regarding coherence of the whole OP HC document appeared, as well as regarding a strong connection of the diagnosis with defined priorities, the Programme was analyzed once again from this angle and its provisions were adapted to changes brought in the diagnosis by making a reference to key challenges of the labor market (challenges related to demographic situation, growing economical mass migration), condition of the vocational education and development of the social economy sector. Rules for justification of realization of Priorities were modified, as well as selection of different types of assistance, so that they were more suitable for the problems, opportunities and threats for development of human capital identified in the diagnosis.

Those postulated changes to the system of realization of OP HC, which were taken under consideration, referred to, inter alia, creation of a possibility to apply for the assistance by small beneficiaries and a wider than previously utilization of public-social partnership institution, which make it possible to provide assistance for small organizations acting together with public entities. Numerous aids are being planned for the process of application for subsidizing a project, such as conducting a material assessment before the formal one to avoid putting potential beneficiaries in danger of having to bear costs of preparation of a project.

Moreover, during the consultations a number of detailed comments were raised regarding concrete areas of support and taking them under consideration resulted in introduction of the following modifications.

#### **In the area of employment:**

- Actions aimed at systemic solutions in supporting those who migrate for employment were included. This refers to both the migrants coming to Poland in search of work and to limiting the economic mass emigration of the young and educated from Poland.
- Scope of assistance under all-Polish and supraregional programmes of professional activation was particularized by specialized entities.
- Systemic solutions for promotion of equal opportunities of women and men and reconciliation of professional and private life were introduced.
- In connection with the widened scope of assistance, the volume of financial resources for activities within this area was increased.
- Researches and analysis concerning regional labor markets were made possible.

#### **In the area of education:**

- Detailed forms of assistance within the scope of adaptation of the education to requirements of the labor market and supporting the higher education system.
- Assistance for the system of lifelong learning was supplemented.
- Detailed areas of assistance, used for equalization of educational opportunities, improving the level of education and popularization of lifelong learning were defined.
- The catalogue of forms of assistance was enlarged by extracurricular educational activities for students.

- The scope of assistance was extended to pre-school education.

**In the area of strengthening administrative capabilities:**

- The objective of Priority V was reformulated to emphasize two main areas, which the assistance refers to: increasing the potential of public administration and supporting the cooperation between the public administration and the NGO's.
- The scope of assistance was redefined, placing a bigger stress upon, inter alia, supporting a partnership model of cooperation between public administration and social and economic partners and development of social dialogue.
- A consideration was given to provisions referring to creation and supporting of agreements within the third sector, advisory and educational help for NGO's, who carry out public projects, standardization of realization of public services and support to institutions of social dialogue within the scope of development of public policies.
- The scope of assistance was extended to themes belonging to legal and civic counseling and social supervision of public administration's compliance with rules of its responsibility towards the citizens.
- The name of Priority V was changed to „Good Governance”, so that it could better express the character of the support envisaged in the Priority.

**Within the scope of social integration:**

- Zapewniono wspieranie powstawania i rozwoju różnych form działalności gospodarczej, w tym w również podmiotów ekonomii społecznej (spółdzielni i spółdzielni socjalnych).
- Rozszerzono wsparcie dla instytucji i organizacji działających na rzecz aktywizacji zawodowej i integracji społecznej w regionie (zarówno publicznych jak i niepublicznych).
- Podkreślono priorytetowe traktowanie grup społecznych szczególnie wymagających wsparcia w procesie realizacji usług i instrumentów aktywizacji zawodowej (kobiety, osoby młode, niepełnosprawne).

## **8.5. Conclusions**

The provisions of Operational Programme Human Capital, which were submitted for consideration, provoked an intended discussion about both the areas and priorities of assistance, and allocation of funds for their realization. Generally, the contents of this document met a positive response from the partners; however there was some positive criticism and voices calling for changes. Participants of the meetings approved of the general concept of the programme and directions of assistance, at the same time, setting forth numerous detailed remarks. In the general perception, the OP HC objectives and the included therein strategy for utilization of European Social Fund in Poland in 2007-2013 create a unique chance for economic development and modernization of many important areas of social life.

In the result of the social consultations the Programme was complemented and modified, and its present provisions provide a better picture of opinions and positions of various social partners and groups, helping to define an appropriate vision of development and making strategic choices.

## IX. EVALUATION EX ANTE OF OPERATIONAL PROGRAMME HUMAN CAPITAL

### 9.1. Results of evaluation *ex ante*

The evaluation *ex ante* of the Programme was conducted in accordance with art. 48 section 2 of the Regulation no 1083/2006/WE in order to ensure a good quality of the Programme: a better suitability for the needs and socio-economic circumstances, increased coherence of the Programme, effective utilization of allocations and preparation of a maximally effective implementation programme. The most important research methods used by the evaluator included: analysis of documentation and interviews and workshops with parties interested in the Programme.

The evaluator formulated recommendations for four areas of the analysis.

1. In the diagnostic part key recommendations encompassed:

- Implementation of a dynamic depiction in the context of predictions concerning the labor market;
- Systematizing the diagnosis by problems and requirements – not problematic areas (sectors),
- Prioritization of problematic areas;
- Inclusive analysis of issues concerning the labor market and social integration in the view of a strong connection between unemployment and social exclusion;
- Consideration to the regional dimension of problems;
- Stronger consideration to issues related to discrimination and equal opportunities on the labor market, particularly for women and the disabled;
- Indication of possibilities and deficiencies of social partners and obligation of public administration to partnership cooperation;
- Reformulation of the SWOT analysis;
- Inclusion of experience at implementation of programmes co-financed with ESF in years 2004 - 2006.

2. The evaluator stated that the Programme is consistent with the examined strategic EU documents and national policies (including the National Strategic Framework of Reference) and realizes the horizontal rules in the correct way, excluding the rule of equal opportunities of men and women. Recommendations included:

- Inclusion of the horizontal rule of equal opportunities of men and women (*gender mainstreaming*), as well as description of its objectives and measures,
- Extension of provisions of the strategy for partnership, innovative projects and supranational cooperation.

3. In the result of the analysis of internal coherence of OP HC, the evaluator proposed fundamental reconstruction of the Programme. Retaining the main objective of the Programme, he proposed the following alternative detailed objectives:

- Social integration;
- Improvement of the condition of small business and existing entrepreneurs;
- Development of the society of information;

- Increased employment;
- Higher effectiveness of public services;
- Lower incidence among employees;
- Higher activity of habitants of rural areas in social and public life.

The evaluator attached an alternative set of Priorities to these objectives, proposing at the same time connection of Priorities implemented centrally and regionally, concerning the same areas of intervention and introduction of central and regional components within the framework of each Priority.

- Promotion of social integrity;
- Development of human resources in companies;
- Development of entrepreneurship and enterprise;
- High quality of education;
- Activation of the unemployed;
- Effective country;
- Prevention, promotion and improvement of health;
- Activation of rural areas.

Should the above Programme structure is not accepted, the evaluator recommended a redefinition of the Priority objectives according to the evaluation results. Moreover, because of the long period of the Programme implementation, making provisions for a future modification of the list of actions (types of assistance) and selection of more effective solutions was recommended.

The evaluation assessed also the quality of the system of indicators as the whole, and individual indicators. The system of indicators was evaluated as a system extending to a substantial proportion of the programme expenditures, requiring provision an appropriate quantity of information and adequate to the importance of individual Priorities; however, the lack of a clear division between indicators of result and action was identified. A modification or removal of selected indicators was recommended because of ambiguity in interpretation or the lack of access to data.

4. Concerning the implementation system, in the case of retaining of separation between the Priorities implemented centrally and regionally, referred to the same areas of assistance, the evaluator recommended to ensure coherence in the intervention by:

- Introduction of supervision by the Intermediate Bodies for the centrally implemented Priorities over regional Intermediate Bodies;
- Creation of Monitoring Subcommittees for pairs of priorities interconnected thematically;
- Making it possible that in both priorities from a 'thematic pair', similar projects were carried out, respectively: supraregional or regional and local.

For a better adaptation of the assistance to regional needs and abilities of implementation, the evaluator proposed higher flexibility in allocation to Priorities within the quotes granted to each region.

The evaluator also identified the following risks connected with the Programme implementation:

- Insufficient number (well prepared) projects towards the funds allocated;
- Inordinate bureaucracy in administration of the Programme;
- Insufficient institutional abilities;



- Insufficiently competent and efficient cooperation among entities of the implementation system;
- Excessive burden upon the Intermediate Bodies resulting from the lack of delegations to Implementing Bodies;
- Insufficient cooperation with beneficiaries;
- Lack of coherence between interventions under priorities implemented centrally and regionally;
- Threats to financial flows on the level of Implementing Bodies;
- Lack of multiannual financing at inclusion of the structural funds in the national budget.

## **9.2. Changes brought to the Programme**

In the diagnostic part of the Programme, descriptions of regional diversities as to different areas of assistance were added, including descriptions of the diagnosed problems, which will facilitate creation of regional development strategies and implementation of the assistance.

Once again, problems concerning adaptation of labor force to the changing situation on the labor market were analyzed, but enlarged was the diagnostic part about problems of disadvantaged social groups on the labor market, such as women and those, whose difficult position results from a disability, age or insufficient qualifications.

The diagnostic part concerning the 3rd sector was enlarged by characteristics of its potential and barriers in cooperation with public administration and the role of the public and social partnership in creation of policies was described.

The SWOT analysis was modified. Inter alia, among the strengths a strong participation of young people in the labor force was taken into account, among the opportunities – development of active policies for the labor market, and among the weaknesses – low territorial mobility of labor force and low professional activity level of people at the age of 50 and more.

In response to the diagnosed problems, the strategic part of the Programme was complemented with a description of the way of realization of the rule of equal opportunities and counteracting discrimination, such as discrimination because of age, sex or disability. In particular, a description of realization of the rule of equal opportunities of men and women on all levels of the Programme implementation was made more extensive. Moreover, in Priority I a systemic support was introduced for realization of the rule of equal opportunities and reconciliation of family and professional life. Also, the Programme monitoring system was developed in such a way that values of the indicators defined as a number or participation of people were calculated with division to women and men.

In the strategic part of the Programme, the rule of partnership and innovative activities were defined, as well as the way of implementation of supranational cooperation and innovativeness was defined with consideration to partnership and inclusion of target groups.

The programme was also complemented with description of how the assistance granted under the European Social Fund for years 2004 – 2006 is to be continued and how experiences in implementation and evaluation of these programmes could be utilized, particularly in order to ensure efficiency of the implementation system.

In order to increase coherence between the Programme and Copenhagen Declaration and Bologna Declaration and the National Programme for Reforms, development and implementation of the National Framework of Qualifications was included in Priority III.

The changes made in the system of indicators comply with the evaluator's recommendations. For each Priority indicators were defined on three different levels: product, result and impact (influence). Some of the indicators were reformulated for a better clarity, whereas the indicators of a low reliability were removed; additionally, base and target values were defined.

### 9.3. Recommendations set aside

The diagnosis included in the Programme pictures the situation in the area of human resources and the challenges the labor market and other sectors subject to the intervention in Poland are facing at the beginning of realization of OP HC. Making allowances in the diagnostic part of the operational programme for additional multiannual predictions is not required and despite the fact that it could have a positive effect on the intervention programming, it is not possible because of the lack of reliable data or macroeconomic models. The diagnostic part of the Programme was not re-drawn up as the key socio-economic issues of the country were described therein, whereas the degree and correctness of their identification are independent from the structure of the text.

The purpose of the evaluation was to conduct an analysis and assessment of the Project in the view of possible shortcomings or errors in the diagnosis, strategy, Priorities and forms of assistance. However, the doer did not comment on the contents of the proposed objectives and Priorities, but automatically assumed a different approach. Basing on general problem areas, which he defined as: employment, social integration, entrepreneurship, education and training, public administration and health, the evaluator presented an alternative arrangement of the objectives and Priorities, prepared during workshops with those interested in the Programme. In their vast majority, the evaluator's comments and recommendations referred to the recommended alternative form of the Programme, and only their limited part – to the project submitted for evaluation. Because the alternative structure of the Programme was not accepted, only the latter group of recommendations could be taken into account during modification of the Programme.

Arrangement of the objectives and Priorities was not modified in the recommended way, because, as the analysis of the evaluation results showed, the Programme structure proposed by the evaluator considered the same key challenges in the socio-economic development and strategic direction of assistance, which had been defined in the OP HC draft, whereas the alternative objectives were covered by detailed objectives and Priority objectives provided for by the OP HC draft.

A separate Priority for innovative projects and those carried out at supranational cooperation was not created, but a possibility for their realization was retained within most of the Priorities. The existing arrangement will facilitate better utilization of experiences from implementation of PIW EQUAL at a simultaneous close interconnection between this thematic area and the priority objectives of OP HC. The adopted solution will also make it easier to include collected experiences in the main stream activities, which is a grave added value of innovation.

The recommended by the evaluator connection of Priorities implemented centrally and regionally was not accepted, as well as the unification of types of assistance. The assistance within the framework of the Priorities was designed in accordance with the rule of subsidiarity and on the basis of experiences from implementation of SPO RZL in 2004 – 2006. The assistance forms were assigned to Priorities in either the central or regional component, according to the most appropriate level of solving the socio-economic problems. Therefore the problems connected with structures and systems are solved by assistance implemented on the central level, whereas assistance to be provided directly to people is implemented on the regional level. In this way the forms of support included in the priorities of the 'thematic pairs' are complementary and similar. On the other hand, the Managing Authority and Monitoring Committee are responsible for assurance of intervention coherence on the central level. In the view of providing the intervention coherence, the evaluator proposed building a two-stage system of implementation for Priorities implemented regionally, where the central-level Intermediate Body might play the role of a first-stage Intermediate Body, superior to regional Intermediate Bodies. However, the doer did not characterize the suggested solution in such a way that its implementation, requiring a general reconstruction and development of the designed system of implementation, could be feasible. This solution could at the same time lead to subordination of regional entities to central Intermediate Bodies, and, consequently, to limiting the role of regions in creation of development strategies and policies and in adaptation of the assistance to regional specifics. In this way the risks

identified by the evaluator, such as excessive bureaucracy in the Programme administration, malfunctioning cooperation between entities belonging to the implementation system, might gain their importance.

In the financial matters, the algorithm of distribution of funds among regions was not modified, because the valid version of the algorithm had been accepted within the National Strategic Framework of Reference. A postulate for making the allocation for Priorities more flexible within the framework of the funds allocated to each of the regions. The allocations for Priorities result from analysis of the needs in those areas and the intended effect of the assistance (measured by the means of the indicator system) in a given area on the all-Polish level. Nevertheless, a possibility of a more flexible usage of the allocations within Priorities was envisaged.

Detailed lists of forms of assistance are defined in the document specifying the provisions of OP HC and, according to the evaluator's recommendation, a possibility of their modification in the future is envisaged with the aim of selection of the most effective solutions, whenever such a necessity is identified. Moreover, recommendations referring to the implementation system and a possible risk are taken into account in detailed documents and guidelines on implementation of OP HC.

## X. LIST OF ABBREVIATIONS USED IN THE PROGRAMME

APRP	– Active Labor Market Policy [Aktywna Polityka Rynku Pracy]
B+R	– Research and Development Sector [sektor badań i rozwoju]
BAED	– Adult Education Survey [Badanie Aktywności Edukacyjnej Dorosłych]
BAEL	– Labor Force Survey [Badanie Aktywności Ekonomicznej Ludności]
CASE	– Center for Social and Economic Research [Centrum Analiz Społeczno-Ekonomicznych]
CIS	– Centers of Social Integration [Centra Integracji Społecznej]
CSIOZ	– Health Care Informatics Systems Center [Centrum Systemów Informacyjnych Ochrony Zdrowia]
CZSW	– Central Board of Prison Service [Centralny Zarząd Służby Więziennej]
EFS	– European Social Fund [Europejski Fundusz Społeczny]
EFRR	– European Regional Development Fund [Europejski Fundusz Rozwoju Regionalnego]
EIB	- European Investment Bank
FIO	– Fund for Civil Initiatives [Fundusz Inicjatyw Obywatelskich]
FP	– Labor Fund [Fundusz Pracy]
GUS	– Central Statistical Office [Główny Urząd Statystyczny]
IC	– Certifying Body [Instytucja Certyfikująca]
ICT	– Information and Communication Technologies [Technologie informacyjno-komunikacyjne]
IP	– Intermediate Body [Instytucja Pośrednicząca]
IW	– Implementing Body [Instytucja Wdrażająca]
IZ	– Managing Authority [Instytucja Zarządzająca]
KE	– European Commission [Komisja Europejska]
KIS	– Clubs of Social Inclusion [Kluby Integracji Społecznej]
KM	– Monitoring Committee [Komitet Monitorujący]
KPR	– National Programme of Reforms 2005-2008 [Krajowy Program Reform na lata 2005–2008]
KSAP	– National School of Public Administration [Krajowa Szkoła Administracji Publicznej]
MF	– Ministry of Finances [Ministerstwo Finansów]
MGiP	– Ministry of Economy and Labor [Ministerstwo Gospodarki i Pracy]
MGPiPS	– Ministry of Economy, Labor and Social Policy [Ministerstwo Gospodarki, Pracy i Polityki Społecznej]
MNiSzW	– Ministry of Science and Higher Education [Ministerstwo Nauki i Szkolnictwa Wyższego]
MPiPS	– Ministry of Labor and Social Policy [Ministerstwo Pracy i Polityki Społecznej]

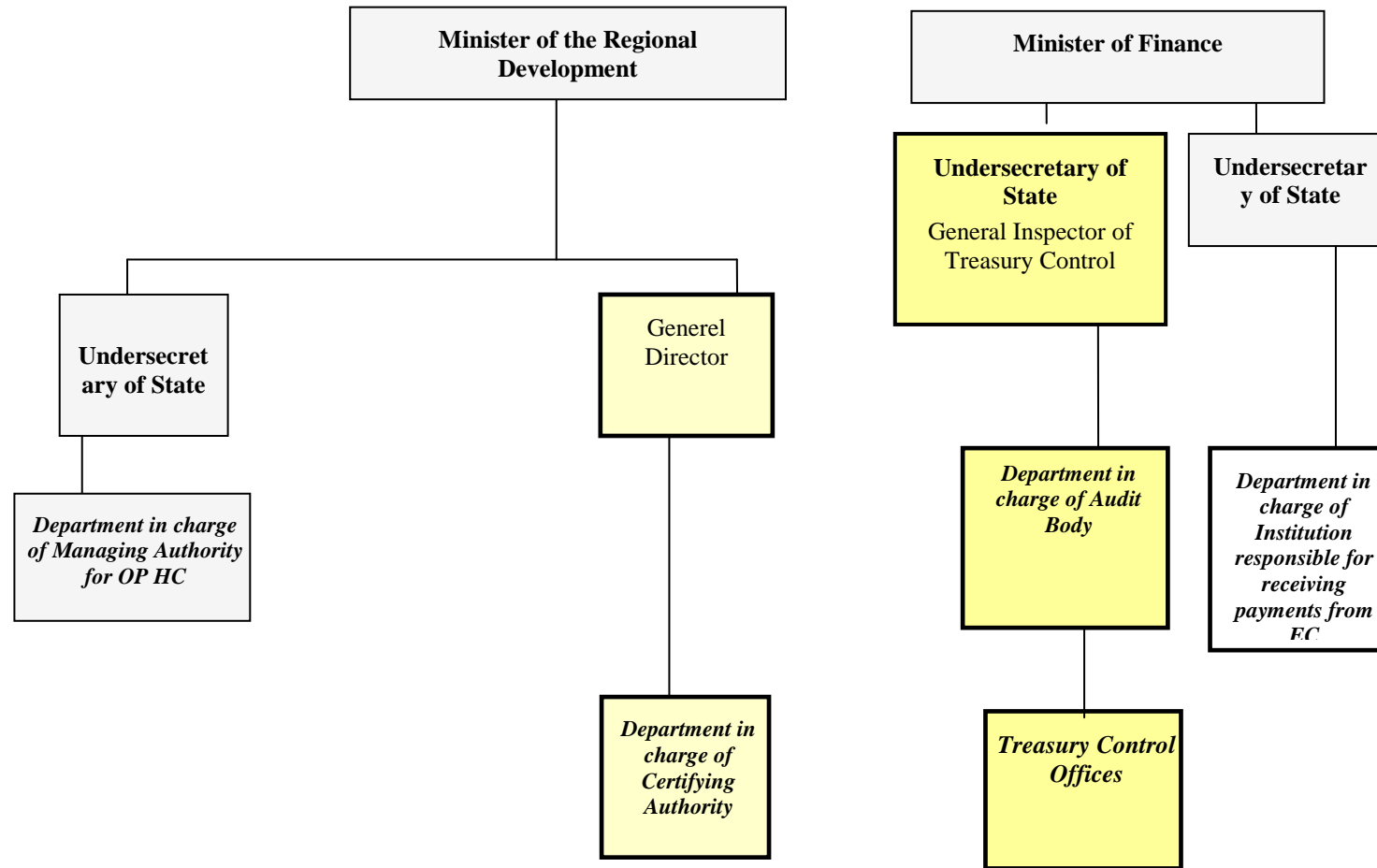
MPS	– Ministry of Social Policy [Ministerstwo Polityki Społecznej]
MSWiA	– Ministry of Internal Affairs and Administration [Ministerstwo Spraw Wewnętrznych i Administracji]
MŚP	– small and medium-sized enterprises [małe i średnie przedsiębiorstwa]
NBP	– National Bank of Poland [Narodowy Bank Polski]
NFZ	– National Health Fund [Narodowy Fundusz Zdrowia]
NIK	– Supreme Chamber of Control [Najwyższa Izba Kontroli]
NSRF	– National Strategic Reference Framework 2007-2013 [Narodowe Strategiczne Ramy Odniesienia 2007 - 2013]
OECD	– Organization for Economic Co-operation and Development [Organizacja Współpracy Gospodarczej i Rozwoju]
OHP	– Voluntary Corps of Labor [Ochotnicze Hufce Pracy]
PAOW	– Programme for Activation of Rural Areas [Program Aktywizacji Obszarów Wiejskich]
PARP	– Polish Agency for Enterprise Development [Polska Agencja Rozwoju Przedsiębiorczości]
PCPR	– Poviats Centers of Help to Families [Powiatowe Centra Pomocy Rodzinie]
PFRON	– State Fund for Rehabilitation of Disabled Persons [Państwowy Fundusz Rehabilitacji Osób Niepełnosprawnych]
PGR	– National Farm [Państwowe Gospodarstwa Rolne]
Phare IB	– Phare Institution Building
Phare SSG RZL	– Phare Economic and Social Cohesion Development of Human Resources [Phare Spójność Społeczno Gospodarcza Rozwój Zasobów Ludzkich]
PKB	– Gross National Product [Produkt Krajowy Brutto]
PO	– Operational Programme [Program Operacyjny]
OP I&E	– Operational Programme ‘Infrastructure and Environment’ [Program Operacyjny Infrastruktura i Środowisko] 2007–2013
OP IG	– Innovative Economy Operational Programme [Program Operacyjny Innowacyjna Gospodarka] 2007–2013
OP HC	– Operational Programme ‘Human Capital’ [Program Operacyjny Kapitał Ludzki]
PORPW	– Operational Programme ‘Development of Eastern Poland’ [Program Operacyjny Rozwój Polski Wschodniej] 2007–2013
PSZ	– Public Services of Employment [Publiczne Służby Zatrudnienia]
PUP	– Poviats Office of Employment [Powiatowy Urząd Pracy]
RCSP	– Regional Centers of Social Policy [Regionalne Ośrodki Polityki Społecznej]
SPO RZL	– Sectoral Operational Programme ‘Development of Human Resources’ [Sektorowy Program Operacyjny Rozwój Zasobów Ludzkich] 2004–2006
TAIEX	– Technical Assistance Information Exchange
UE	– European Union [Unia Europejska]
WKDS	– Voivodship Commission for Social Dialogue [Wojewódzka Komisja Dialogu Społecznego]

- ZPORR – Integrated Operational Programme for Regional Development [Zintegrowany Program Operacyjny Rozwoju Regionalnego] 2004–2006
- ZUS – Social Insurance Institution [Zakład Ubezpieczeń Społecznych]

## XI. ANNEXES

### Annex no 1

Organisational scheme demonstrating place of the Management Authority, Certifying Authority, Audit Authority and the Institution responsible for receiving payments from the European Commission



## Annex No 2

### Table of Intermediate Bodies and 2nd Level Intermediate Bodies

#### Intermediate Bodies and 2nd Level Intermediate Bodies of the OP HC Central Component

OP HC Priority	Intermediate Body	2nd Level Intermediate Body
I. Employment and Social Integration	Minister competent in labor issues	1. Human Resources Development Center 2. Minister competent in public administration issues
II. Development of Human Resources and adaptability of Companies and Improvement of Health of Working People	Minister competent in labor issues	1. Polish Enterprise Development Agency 2. Minister competent for health issues
III. High Quality of the System of Education	Minister competent in issues of education	lack
IV. Higher Education and Science	Minister competent in higher education	Minister competent in higher education issues
V. Good Governance	coordination of activities by the OP HC Managing Authority	1. Minister competent in public administration issues 2. Minister competent in labor issues 3. Head of Chancellery of the Prime Minister

#### Intermediate Bodies and 2nd Level Intermediate Bodies of the OP HC Regional Component

Voivodship	Intermediate Body	2nd Level Intermediate Body
Dolnośląskie	Office of the Marshal	Dolnośląski Wojewódzki Urząd Pracy [Voivodship Employment Office] w Wałbrzychu
Kujawsko-pomorskie	Office of the Marshal	1. Wojewódzki Urząd Pracy [Voivodship Employment Office] w Toruniu 2. Regionalny Ośrodek Polityki Społecznej w Toruniu
Lubelskie	Office of the Marshal	Wojewódzki Urząd Pracy [Voivodship Employment Office] w Lublinie
Lubuskie	Office of the Marshal	Wojewódzki Urząd Pracy [Voivodship Employment Office] w Zielonej Górze
Łódzkie	Office of the Marshal	Wojewódzki Urząd Pracy [Voivodship Employment Office] w Łodzi
Małopolskie	Office of the Marshal	Wojewódzki Urząd Pracy [Voivodship Employment Office] w Krakowie
Mazowieckie	Office of the Marshal	1. Wojewódzki Urząd Pracy [Voivodship Employment Office] w Warszawie 2. Mazowiecka Jednostka Wdrażania



		Programów Unijnych [Mazovian Center for Implementation of EU Programmes]
Opolskie	Office of the Marshal	Wojewódzki Urząd Pracy [Voivodship Employment Office ] w Opolu
Podkarpackie	Wojewódzki Urząd Pracy [Voivodship Employment Office] w Rzeszowie	lack
Podlaskie	Office of the Marshal	Wojewódzki Urząd Pracy [Voivodship Employment Office ] w Białymstoku
Pomorskie	Office of the Marshal	Wojewódzki Urząd Pracy [Voivodship Employment Office ] w Gdańsku
Śląskie	Office of the Marshal	Wojewódzki Urząd Pracy [Voivodship Employment Office ] w Katowicach
Świętokrzyskie	Świętokrzyskie Biuro Rozwoju Regionalnego [Świętokrzyskie Regional Development Office]	Wojewódzki Urząd Pracy [Voivodship Employment Office ] w Kielcach
Warmińsko-mazurskie	Office of the Marshal	Wojewódzki Urząd Pracy [Voivodship Employment Office ] w Olsztynie
Wielkopolskie	Wojewódzki Urząd Pracy [Voivodship Employment Office ] w Poznaniu	lack
Zachodniopomorskie	Wojewódzki Urząd Pracy [Voivodship Employment Office ] w Szczecinie	lack

## Annex No 3

### Table of indicators

#### Indicators for monitoring of HC OP strategic objectives

Strategic objectives	Indicators	Baseline (2006) <sup>31</sup>	Target (2013)	Source of data
<b>Main objective of HC OP</b>				
<b>Increase the level of employment and social cohesion</b>	Rate of employment for people in the productive age (15-64 years) (total F/M)	T: 54.5% F: 48.2% M: 60.9%	T: 60% F: 56,5% M: 63,5%	LFS <sup>33</sup>
	At-risk-of-poverty rate after social transfers (total, F/M <sup>32</sup> )	T: 21% F: 20% M: 21% /2005/	T: 14% F: 13% M: 14%	EUROSTAT
<b>Strategic objectives of HC OP</b>				
<b>1. Increasing the level of economic activity and employability of the unemployed and economically inactive persons</b>	1.1. Employment rate broken down into main age groups: 15-24, 25-54, 55-64 years (total, F/M)	15-24, T: 24.0% 15-24, F: 21.0% 15-24, M: 26.9%  25-54, T: 71.8% 25-54, F: 65.3% 25-54, M: 78.3%  55-64, T: 28.1% 55-64, F: 19.0% 55-64, M: 38.4%	15-24, T: 35.2% 15-24, F: 28.8% 15-24, M: 41.0%  25-54, T: 79.7% 25-54, F: 74.6 % 25-54, M: 81.1 %  55-64, T: 35% 55-64, F: 28% 55-64, M: 45%	LFS
	1.2. Rate of workload of Poviats Labour Offices – number of clients per one employment advisor	2648 persons	1770 persons	SYRIUSZ/ MPiPS <sup>34</sup> reports

<sup>31</sup> if not indicated otherwise

<sup>32</sup> F – women, M – men; in case of some indicators, where the data will be collected according to gender, the target value was not indicated due to no available data, the monitoring of data for these indicators will be conducted according to gender in forthcoming reporting periods.

<sup>33</sup> Labour Force Survey (BAEL)

<b>2. Reducing the scope of social exclusion</b>	2.1. Employment rate of persons with disabilities aged 15-64 years (total, F/M)	T: 17.3% F: 14.5% M: 19.8%	T: 23% F: 19% M: 27%	LFS
	2.2. Long-term unemployment rate (total, F/M)	T: 7.8% F: 8.6% M: 7.1%	T: 3% F: 3% M: 3%	GUS <sup>35</sup> /LFS
	2.3. People aged 18-59 years living in jobless households (total, F/M)	T: 13.5% F: 14.6% M: 12.3%	T: 9.8% F: 10.8% M: 8.8%	EUROSTAT
	2.4. Rate of workload for Social Assistance Institutions – number of clients per one social worker	295 persons	180 persons	SYRIUSZ/ MPiPS reports
<b>3. Improvement of employees and companies' adaptability to changes taking place in the economy.</b>	3.1 % share of adult population aged 25-64 participating in education and training (total/ F /M)	T: 4.7 % F: 5.1 % M: 4.3 %	T: 10 % F: 11 % M: 9 %	EUROSTAT
	3.2 % share of the registered unemployed, who left the register as a result of taking up subsidized jobs in the reference year, in relation to the average number of the unemployed in this year (total, F/M)	T: 49.3% F: 42.1% M: 58.1%	T: 80 % F: 70 % M: 90 %	LFS
	3.3 Proportions of persons employed according to economic sectors (agriculture / industry / services)	A: 17.4 % I: 29.2 % S: 53.4 % /2005/	A: 12 % I: 26 % S: 62 %	GUS/LFS

<sup>34</sup> Ministry of Labour and Social Policy

<sup>35</sup> Central Statistical Office

<b>4. Promotion of the society's education at all levels of teaching in parallel to improvement of the quality of educational services and their tighter links with prerequisites of the knowledge-based economy.</b>	4.1 % share of people aged 15-64 , according to level of education: secondary (including the basic vocational and post-secondary), tertiary, in relation to the total number of people at this age (total/ F/ M)	S/ T: 59.4 % S/ F: 56 % S/ M: 63.2 % T/ T: 13.4 % T/ F: 14.6 % T/ M: 12.2 % /2005/	S/ T: 65 % S/ F: 61 % S/ M: 69 % T/ T: 17 % T/ F: 18 % T/ M: 15 %	GUS/ LFS
	4.2 Relation of the unemployment rate of people aged 15-24 to the unemployment rate of people aged 25-64	T: 250 F: 245 M: 256	T: 200 F: 196 M: 204	LFS
	4.3 % share of academic graduates in Mathematics, Science and Technology in relation to total number of university graduates (total/ F/ M)	T: 14.7 % F: 7.8 % M: 27.5 % /2005/	T: 22 % F: 13 % M: 31 %	Own calculations based on GUS
	4.4 % share of students who obtained the lowest grades (0-15) in external examinations at the level of <i>gimnazjum</i> in mathematics – science part and humanities part in relation to total number of students undertaking the examinations	M-S: 20,4% H: 3,4%	M-S: 19,4% H: 3%	Central Examination Board
	4.5 PISA results – low achievers in reading literacy and mathematics (as % share)	<i>Total:</i> Maths: 22,0 reading: 16,8 <i>Rural:</i> Maths: 29,0 reading: 21,7	<i>Total:</i> Maths: 17,8 reading: 15,2 <i>Rural:</i> Maths: 24,4 reading: 19,8	Institute of Philosophy and Sociology of the Polish Academy of Sciences
	4.6 % share of graduates completing secondary education in vocational schools giving access to tertiary education (ISCED 3B) in relation to total number of graduates completing secondary education (ISCED 3A and 3B)	32%	45%	Educational Information System (SIO)
	4.7 % share of graduates completing basic vocational education (ISCED 3C) in relation to total number of graduates completing secondary education (ISCED 3A, 3B and 3C)	12%	14%	SIO

	4.8 % share of graduates completing secondary vocational education (ISCED 3B i ISCED 3C) in relation to total number of graduates completing secondary education (ISCED 3A, B i C)	37,2%	43%	SIO
	4.9 % share of faculties assessed by the State Accreditation Committee as <i>distinctive</i> in relation to total number of faculties assessed	1,25%	5%	State Accreditation Committee
	4.10% share of children aged 3-5 years in rural areas participating in forms of pre-school education	19%	30%	GUS
<b>5. Increasing the potential of public administration in terms of developing policies and providing high quality services</b>	5.1 Regulatory quality	0.82 /2005/	1	World Bank (governance indicators)
	5.2 Corruption perception index <sup>36</sup>	3,7	5	Transparency International survey
	5.3 Development of cooperation – measured by % share of funds transferred to organizations and foundations from the public budget to finance or subsidise tasks delegated by self-government units	0.6% /2005/	1.2%	MF <sup>37</sup> (2005) MPiPS (DPP)

<sup>36</sup> Corruption Perception Index is measured by Transparency International survey (10 indicates no corruption).

<sup>37</sup> Ministry of Finance

<b>6. Increasing territorial cohesion</b>	6.1 Regional diversification of the employment rate (coefficient of variation) <sup>38</sup>	5.2 /2005/	5.2	LFS
	6.2 Regional diversification of the unemployment rate (coefficient of variation) <sup>39</sup>	15 /2005/	15	LFS
	6.3 Regional diversification of entrepreneurship – economic entities recorded in the REGON register per 10 000 inhabitants (coefficient of variation) <sup>40</sup>	20,4 /2005/	20,4	CSO
	6.4 Regional diversification of results of examinations – average results of <i>gimnazjum</i> examinations in humanities part and Mathematics and Science parts (coefficient of variation) <sup>41</sup>	H: 2,7 M-P: 3,0	H: 2,7 M-P: 3,0	Central Examination Board

Indicators for monitoring the Priorities of OP HC

#### PRIORITY I: EMPLOYMENT AND SOCIAL INTEGRATION

Specific objective	Result indicator	Baseline and target value (source of data, frequency)	Main types of activities	Output indicator	Baseline and target value (source of data, frequency)
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<sup>38</sup> Regarding the target value of the indicator, in the period 2002-2005, there was a substantial reduction of regional disparities for the employment rate. Disadvantaged regions still have a relatively high value of this indicator, close to national average. Consequently, regional disparities in the field of employment and unemployment rate are low, and substantial increase of the value of the indicator in question is rather unlikely. In future, the increase of employment rate in disadvantaged voivodeships may take place at a lower pace compared to the country's average. Furthermore, the changes in the manufacturing structure in these regions represent a crucial challenge as they contribute to improving the productivity and do not always lead to increasing the level of employment in these regions. Bearing in mind the aforementioned factors, it is justified to maintain the target value at the level not higher than the baseline (*Comments to the project of HC OP indicators*, Instytut Badań Strukturalnych, Warszawa, August 2006).

<sup>39</sup> See comments on the employment rate in the footnote above.

<sup>40</sup> Regarding the target value of the indicator, in the period 2003-2006, its value increased from 15,63 to 20,44. Consequently, bearing in mind the changes in the economy mentioned above, maintaining the value of 20,4 seems to be justified.

<sup>41</sup> Fixing the target value at the same level as the baseline results from the fact that in 2004-2006, the coefficient of variation for the humanities part was decreasing from 4,39% to 2,70%, and for the Mathematics and Science part, its value decreased from 4,29% to 3,03%. An increase below this level seems to be rather unlikely. Furthermore, a differentiated level of difficulty of the examinations in respective years is a significant obstacle for the extrapolation of the tendencies observed.

<b>Specific objective 1:</b> Modernising the Public Employment Services (PES)	1. % of key PES employees, who upgraded their qualifications due to the assistance provided.	1. B: 0, T: 100%; (ESF reporting, yearly)	<ul style="list-style-type: none"> <li>- Development of nationwide training system for PES staff and improving PES staff skills, in particular in the fields of providing services of job placement and vocational counselling, propagation of occupational information and services for the unemployed and seeking jobs persons (including persons who come from rural areas),</li> <li>- Development and implementing of integrated training programmes for the staff in the labour market institutions and social assistance institutions,</li> <li>- Establishment and development of informatic instruments and systems for PES,</li> <li>- Improving access to programmes and services of the labour market, inter alia by development of a network of institutions, introducing new methods and instruments of professional activation and application of modern communication and information technologies in the field of professional activation of the unemployed and seeking jobs persons,</li> <li>- Development of coordinated cooperation system and information exchange between PES and non-public labour market institutions on a national, regional and local level,</li> <li>- Establishment and development of a national system of uniform service standards delivered by PES,</li> <li>- Performance of reviews, studies and expert opinions as regards demand and supply of labour resources, and also establishment and</li> </ul>	1. Number of key PES employees who upgraded their qualifications due to the assistance provided	1. B: 0, T: 4 200 (ESF reporting/ PEFS, half-yearly)
	2. % of PES which implemented standards of services	2. B: 0, T: 100%; (MPiPS; yearly)		2. Number of PES which participated in projects aiming at implementation of standards of services.	2. B: 0, T: 355 (ESF reporting/ PEFS <sup>42</sup> , half-yearly)
	3. "ESF impact on the functioning of PES" indicator <sup>43</sup>	3. n/a (evaluation, 2 times in the programming period 2007-2013)			

			<p>development nationwide monitoring and forecasting situation on the labour market, including the area of migration policy and respecting the principles of equal opportunities on the labour market,</p> <ul style="list-style-type: none"> <li>- Development of a national system for monitoring and forecasting the situation on the labour market, including as regards migration policy,</li> <li>- Creating a monitoring and evaluation system of the impact of implemented programmes on the situation on the labour market (with particular emphasis on the situation of women and the unemployed living on rural areas),</li> <li>- Identification and promotion of the best practices and solutions related to professional activation of the unemployed.</li> </ul>		
<p><b>Specific objective 2:</b> To broaden the impact of the Active Labour Market Policies</p>	<p>1. % share of people, who found a job within 6 months after completing participation in the project in relation to total number of people, who completed participation in projects (total / f / m), including:</p> <ul style="list-style-type: none"> <li>➤ % share of those, who become self-employed (total/f/m).</li> </ul>	<p>1. B: n/a, T: 30%, ➤ 7% (evaluation, every 2 years beginning in 2009)</p>	<ul style="list-style-type: none"> <li>- Development and implementation of nationwide programmes addressed at specific target groups, including at persons in penitentiary institutions, youth threatened by social exclusion, persons in reformatory, members of the Roma community and persons with disabilities.</li> <li>- Development of instruments oriented at early identification of individual needs of the unemployed and seeking jobs persons, and planning professional advancement (including inter alia a wider use of Individual Action Plans and development of instruments that facilitate diagnosing</li> </ul>	<p>1. Number of people, who completed their participation in projects under the Priority (total/F/M). broken down by:</p> <ul style="list-style-type: none"> <li>a) youth in danger of social exclusion</li> <li>b) prisoners</li> <li>c) persons staying at borstals</li> <li>d) Roma people</li> <li>e) persons with disabilities</li> </ul>	<p>1. B: 0, T: 100 000, a) 27 000 b) 38 000 c) 5 000 d) 15 000 e) 15 000 (EFS reporting/PEFS, half-yearly)</p>

<sup>42</sup> Sub-system for ESF monitoring

<sup>43</sup> This indicator will measure the impact of ESF on functioning of the SAIs by taking into consideration, i.a. the quality of services provided, satisfaction of employees and clients. The indicator is to be measured 2 times in the programming period by means of evaluation. The first evaluation survey is to take place in 2009. The baseline is to be set whereas the target value of the indicator will be verified.



			<p>training needs of the unemployed),</p> <ul style="list-style-type: none"> <li>- Propagation of job placement and vocational counselling, for example by applying modern information and communication technologies and improving access to non-standard methods and solutions as regards the provided services,</li> <li>- Improving access to information on services provided by the labour market institutions on the regional level addressed at the unemployed and seeking employment persons, and improvement of the information exchange system concerning the available job offers and possibilities of advancing professional qualifications between specific institutions of the labour market,</li> <li>- Establishment, implementation and promotion of complex solutions aimed at propagation of the notion of equal opportunities, reconciliation of family life with work, and geographical and professional mobility,</li> <li>- Establishment and implementation of nationwide programmes and solutions related to migration policy,</li> </ul>		
<p><b>Specific objective 3:</b> Supporting social assistance institutions and establishing partnership aimed at development of social integration.</p>	<p>1. % share of social assistance institutions, in which standards of services were implemented</p>	<p>1. B: 0, T: 90%, (ESF reporting/ PEFS/ MPiPS, yearly)</p>	<ul style="list-style-type: none"> <li>- Improvement of qualifications of the social assistance and social integration institutions personnel through school type training aimed at increasing the potential as regards execution of activation measures (e.g. studies of the first and second degree, post-graduate studies, doctoral studies, and occupational training courses) and first and second degree specialisation in the profession of social worker,</li> <li>- Improving cooperation between social</li> </ul>	<p>1. Number of institutions, which took part in system programmes for implementation of standards of services,</p>	<p>1. B: 0, T: 1 300, (ESF reporting/ PEFS, half-yearly)</p>
	<p>2. % share of employees of social assistance institutions, who upgraded their qualifications as a result of assistance provided (total/f/m),</p>	<p>2.B: 0, T: 70%, (ESF reporting/ PEFS/ MPiPS,</p>		<p>2. Number of key employees of the social assistance institutions, who upgraded their qualifications as a result of assistance provided (total/F/ M).</p>	<p>2. B: 0, T: 12 000. (ESF reporting/ PEFS, half-</p>

		yearly)	<p>assistance and social integration institutions with labour market institutions in support of socially excluded persons and their integration with the labour market,</p> <ul style="list-style-type: none"> <li>- Development of cooperation between social assistance institutions on various administrative levels (voivodship, poviat and gmina levels) – especially as regards monitoring and evaluation of the effectiveness of measures, and also forecasting the situation with respect to social policy,</li> <li>- Propagation of forms of active integration and social work,</li> <li>- Consolidation and development of IT systems for social welfare and social integration institutions,</li> <li>- Development of a national system of thematic and specialist trainings,</li> <li>- Development and implementation of active integration instruments and measures within social assistance institutions (e.g. social contracts, local activity programmes, assistance instruments for persons with disabilities) addressed at persons who experience social exclusion,</li> <li>- Expanding the offer of social assistance and social integration institutions as regards activation services,</li> <li>- Development and propagation of service standards in social welfare,</li> <li>- Identification and promotion of the best</li> </ul>		yearly)	
	3. % share of social assistance institutions, which entered into social contracts with more than 10% of all clients.	3. B: 5%, T: 25% (ESF reporting/ PEFS, yearly)				
	4. % share of projects carried out by the social assistance institutions in a partnership, including: a) partnerships with public employment services, b) partnerships with other social assistance institutions, c) public-social partnerships,	4. B: n/a, T: 50% a) 15% b) 20% c) 15% (ESF reporting/ PEFS/ MPiPS, yearly)				
	5. “ESF impact on the functioning of PES” indicator <sup>44</sup>	5. n/a (evaluation, 2 times in the programming period 2007-2013)				

			practices and solutions with respect to assistance and social integration, <ul style="list-style-type: none"> <li>– Supporting the establishment and development of public and social partnership in favour of excluded persons.</li> </ul>		
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**PRIORITY II: DEVELOPMENT OF HUMAN RESOURCES AND ADAPTATION POTENTIAL OF ENTERPRISES AND IMPROVING THE HEALTH CONDITION OF WORKING PERSONS**

Specific objective	Result indicator	Baseline and target value (source of data, frequency)	Main types of activities	Output indicator	Baseline and target value (source of data, frequency)
Specific objective 1: Development and improvement of functioning of system support for adaptation abilities of employees and enterprises.	1. % share of consultants providing services for development of entrepreneurship in accredited institutions covered by advisory or training services or other forms of raising qualifications in relation to total number of consultants in accredited institutions.	1. B: 0, T: 90% (ESF reporting/ KSU <sup>45</sup> reports, yearly)	<ul style="list-style-type: none"> <li>– Improving the quality of services provided for enterprises by training institutions and institutions supporting entrepreneurship and innovativeness of enterprises, in particular through: <ul style="list-style-type: none"> <li>– development and propagation of organisational standards in institutions and the standard of services provided by them,</li> <li>– advancement of qualifications and abilities of employees that provide training and counselling services aimed at supporting the development of entrepreneurship and innovativeness of enterprises,</li> </ul> </li> </ul>	1. Number of consultants providing services for development of entrepreneurship in accredited institutions, who were covered by advisory or training services or other forms of raising qualifications.	1. B: 0, T: 1600 (ESF reporting, half-yearly)
	2. % share of people in training staff, who obtained a certificate in relation to total	2. B: 0, T: 30%		2. Number of people in training staff, who upgraded their qualifications in a way leading to obtaining a generally	2. B: 0, T: 4000

<sup>44</sup> This indicator will measure the impact of ESF on functioning of SAIs by taking into consideration, i.a. the quality of services provided, satisfaction of employees and clients. The indicator is to be measured 2 times in the programming period by means of evaluation. The first evaluation survey is to take place in 2009. The baseline is to be set whereas the target value of the indicator will be verified.

<sup>45</sup> National Services System for SMEs

	number of training staff;	(ESF reporting/ PARP <sup>46</sup> , yearly)	<ul style="list-style-type: none"> <li>- supporting the process of certification for qualifications of the training personnel,</li> <li>- Supporting the system of complex services provided by institutions to entrepreneurs and persons wishing to launch economic activity.</li> </ul>	acknowledged certificate.	(ESF reporting, half-yearly)
	3. % share of companies taking advantage of services provided for development of entrepreneurship in accredited institutions to total number of active companies	3. B: 0, T: 20% (ESF reporting/ KSU reports, yearly)		3. Number of companies and people intending to establish own economic activity, who benefited from services provided in accredited institutions.	3. B: 0 T: 350 000 (ESF reporting/ KSU reports, half-yearly)
Specific objective 2: Development of labour resources with high qualifications and with adaptation abilities.	1. % share of enterprises, which invest in training of employees to total number of active companies	1. B: n/a T: 7% (ESF reporting/ GUS, yearly)	<ul style="list-style-type: none"> <li>- Open and close training and counselling of a transregional character for entrepreneurs or groups of entrepreneurs and employees of enterprises, and postgraduate studies for entrepreneurs and personnel in enterprises,</li> <li>- Studies and analyses and the remaining system projects, including forecasting development directions of qualifications and professions, promotion and propagation of education new forms and methods, including e-learning and hybrid type training (mixed trainings),</li> <li>- Promotion of new forms and methods of work organisation, including: part time employment, temporary work and telework,</li> <li>- Assistance for entrepreneurs related to diagnosing training needs of employees,</li> <li>- Promotion of the culture of investing in trainings for employees, especially in SMEs and in relation to employees with low qualifications and older employees,</li> </ul>	1. Number of companies covered by provided assistance	1. B: 0, T: 60 000 (ESF reporting, half-yearly)
				2. Number of enterprises' employees, who completed participation in training programmes, including ➤ number of persons aged 50 and more	2. B: 0, T: 350 000 ➤ 70 000 (ESF reporting, half-yearly)

<sup>46</sup> Polish Agency for Enterprise Development.

			<ul style="list-style-type: none"> <li>- Propagation of strategic planning, execution of innovative strategies and modern management methods in enterprises,</li> <li>- Development of process management standards in enterprises,</li> <li>- Promotion of professionalisation in the human resources administration function in an enterprise,</li> <li>- Popularisation of research and development measures, innovative measures and assisting intersectoral mobility of a transregional character.</li> </ul>		
Specific objective 3: Improving the functioning of the system of anticipating and managing economic change	1. % share of employees, who found a job, established own economic activity, continued their employment in the previous workplace within 6 months after completing participation in the project, – to the total number of employees, who completed participation in projects	1. B: n/a., T: 30%  (evaluation, every 2 years beginning in 2009)	<ul style="list-style-type: none"> <li>- Trainings and counselling to support restructuring processes (economic change) on a transregional level;</li> <li>- Increasing the involvement of social partners in measures aimed at improving the adaptation potential of enterprises and employees, and at increasing work productivity;</li> <li>- Studies and analyses concerning forecasting and active management of economic change on a national level.</li> </ul>	1. Number of sectors (branches), for which an analysis of expected effects of restructuring under the Priority was carried out.	1. B: 0, T: 8  (ESF reporting, half-yearly)
	2. % share of representative organisations of social partners at the state level, covered by the assistance under the Priority – to the total number of these organizations	2. B: 0, T: 100%  (ESF reporting/ GUS, yearly)		2. Number of employees threatened by negative results of restructuring processes (economic change), who were covered by rapid reaction activities.	2. B: 0, T: 2300  (ESF reporting, half-yearly)
				3. Number of delegates of representative organisations of social partners on the central level, who were covered by the assistance.	3. B: 0, T: 1800  (ESF reporting, half-yearly)

<p>Specific objective 4: Improving the health state of working persons through development of preventive programmes and programmes supporting return to work</p>	<p>1. % share of occupational diseases for which preventive programmes and programmes for helping in returning to work were prepared.</p>	<p>1. B: 0, T: 38% (ESF reporting/MZ<sup>47</sup>, yearly)</p>	<ul style="list-style-type: none"> <li>- Development of preventive programmes adapted to the needs of specific groups of employees, in particular oriented at reducing the occurrence of occupational diseases,</li> <li>- Development of programmes oriented at return to work of specific groups of employees with diagnosed occupational diseases,</li> <li>- Implementation of selected programmes.</li> </ul>	<p>1. Number of preventive programmes and programmes for helping in returning to work prepared under the Priority.</p>	<p>1. B: 0, T: 10 (ESF reporting, half-yearly)</p>
<p>Specific objective 5: Increasing qualifications and skills of medical personnel.</p>	<p>1. % share of nurses and midwives, who completed bridging studies under the Priority to the total number of nurses and midwives.</p>	<p>1. B: 0, T: 7,83% (ESF reporting/MZ, yearly)</p>	<ul style="list-style-type: none"> <li>- Professional education for nurses and midwives, in particular within bridging studies,</li> <li>- Education within the specialisation process for physicians of deficit specialities, such as: oncology, cardiology, occupational medicine,</li> <li>- Postgraduate education of representatives in other medical professions.</li> </ul>	<p>1. Number of nurses and midwives, who completed bridging studies under the Priority.</p>	<p>1. B: 0, T: 24 000 (ESF reporting, half-yearly)</p>
	<p>2. Number of specialized doctors per 100 thousand inhabitants, divided to: d) oncologists, e) cardiologists, f) occupational medicine.</p>	<p>2. B: a) 1,01 b) 5,43 c) 4,24 T: a) 2,06 b) 8,33 c) 5,86 (MZ, yearly)</p>		<p>2. Number of deficit doctors: • oncology, • cardiology, • occupational medicine, who completed a full course cycle within specialisation programme under the Priority</p>	<p>2. B: a) 0 b) 0 c) 0 T: a) 311 b) 404 c) 362 (ESF)</p>

<sup>47</sup> Ministry of Health

					reporting, half-yearly)
Specific objective 6: Enhancing the quality in health care entities	1. % share of health care entities, whose managing staff representatives completed trainings in management under the Priority	1. B: 0, T: 50% (ESF reporting/MZ, yearly)	<ul style="list-style-type: none"> <li>- Development of certification and accreditation systems in health care entities,</li> <li>- Training of managerial staff and public resources administrators in the health sector,</li> <li>- Development of qualification standards for the staff that manages the health care sector</li> </ul>	1. Number of representatives of managing staff and holders of public funds in the health care sector, who completed training in management under the Priority	1.B: 0, T: 1500 (ESF reporting, half-yearly)
	2. % share of health care entities having accreditation at the Health Care Quality Monitoring Centre	2. B: 8%, T: 32% (MZ, yearly)		2. Number of health care entities accredited by the Health Care Quality Monitoring Centre	2. B: 62 T: 250 (MZ, yearly)

**PRIORITY III: HIGH QUALITY EDUCATIONAL SYSTEM**

Specific objective	Result indicator	Baseline and target value (source of data, frequency)	Main types of activities	Output indicator	Baseline and target values (source of data, frequency)
<b>Specific objective 1:</b> Enhancing the education system in monitoring, evaluation and educational	1. Implementing the Action Plan for enhancement of monitoring, evaluation and research capacities of the education system – divided into stages to be monitored	1. B: 0% T: 95% (ESF reporting, half-yearly)	<ul style="list-style-type: none"> <li>- Preparing and implementing the idea of institutional research background</li> <li>- Research on the functioning of the education system, education effectiveness and adjusting its content to labour market needs, considering in particular social</li> </ul>	1. number of analytical and research projects carried out under the Action Plan	1. B: 0 , T:10 (ESF reporting, half-yearly)

research and its use in the educational policy and education management.	2. % share of schools, which evaluate the quality of their work by using the EVA indicator (educational value added)	2. B: 0 T: 80% (MEN <sup>48</sup> / GUS, yearly)	<ul style="list-style-type: none"> <li>- groups at risk of marginalisation</li> <li>- Upgrading data collection and analysis relating to the functioning of the education system, i.a.: through Educational Information System</li> <li>- Developing and modernising the external examination system, including research how to use results of external examinations in the educational policy</li> <li>- Enhancing the effectiveness of school supervising system</li> </ul>	2. number of schools in which the instrument and methodology of measuring EVA (educational value-added) was implemented	2. B: 0 T: 30 499 (MEN, half-yearly)
	3. % share of schools covered with modernised schools supervising system using the EVA measurement	3. B: 0 T: 80% (MEN/ GUS, yearly)		3. number of persons employed in the schools supervising system who participated in projects under the Priority	3. B: 0, T: 1280 (MEN/ ESF reporting, half-yearly)
<b>Specific objective 2:</b> Increasing quality of initial and in-service teacher training system	1. % share of tertiary education institutions and teacher education establishments which implemented new forms and principles of teacher training in relation to total number of these entities	1. B: 0%, T:13% (ESF reporting/ GUS, yearly)	<ul style="list-style-type: none"> <li>- Modernising existing teacher education forms and preparing the new ones (including practical training)</li> <li>- Support for the accreditation system of teacher education establishments and in-service teacher training centres</li> </ul>	1. number of tertiary education institutions and teacher education establishments which implemented new forms and principles of teacher education	1. B: 0, T: 71 (MEN/ ESF reporting, half-yearly)
	2. % share of public teacher in-service training centres which obtained accreditation in relation to total number of these centres	2. B: 0%, T:15% (ESF reporting/ MEN, yearly)		2. number of teacher in-service training centres which obtained accreditation	2. B: 0, T: 76 (ESF reporting, half-yearly)
<b>Specific Objective 3:</b> Strengthening the link between the educational and training offer and the needs of the labour market, in particular by adjusting teaching programmes and teaching materials (including	1. % share of core curricula reviewed at the level of lower and upper secondary education in relation to total number of core curricula at this level of education	1. B: 0 T: 100% (ESF reporting, half-yearly)	<ul style="list-style-type: none"> <li>- Modernization of education process i.a. through: <ul style="list-style-type: none"> <li>o improvement of curricula</li> <li>o development of innovative learning programmes, particularly in the field of mathematics, science and technology and entrepreneurship</li> <li>o preparation and implementation of innovative didactic materials and educational methods</li> </ul> </li> <li>- cross-border programmes to develop key</li> </ul>	1. number of core curricula reviewed at the level of lower and upper secondary education in order to meet labour market needs	1. B: 0 T: 144 (MEN/ ESF reporting, half-yearly)
	2. % share of teachers and trainers of practical vocational training, who participated in internships in enterprises (under the Priority) in relation	2. B: 0 T: 15% (ESF reporting/ GUS, yearly)		2. number of innovative teaching programmes in entrepreneurship, mathematics, natural and technical sciences elaborated and disseminated	2. B: 0 T:100 (MEN/ ESF reporting, half-yearly)

<sup>48</sup> Ministry of National Education



textbooks) and introducing new forms of in-service teacher training at enterprises.	to all of teachers and trainers of practical vocational training		<ul style="list-style-type: none"> <li>– competences of pupils</li> <li>– development of a system of educational and vocational counselling</li> <li>– preparation and implementation of innovative, cross-border programmes of vocational teachers' education in cooperation with enterprises</li> <li>– dissemination of innovative programmes, methods and best practice (didactic and organisational) i.a. through development of educational web portal - Scholaris</li> </ul>	3. number of teachers and trainers of vocational training, who participated in internships / apprenticeships in enterprises under the Priority	3. B: 0 T: 14 500 (ESF reporting, half-yearly)
<b>Specific Objective 4:</b> Development and implementation of the National Qualification Framework and the National Qualification System and dissemination of the life long learning	1. Implementation of 100% of the Action Plan for introducing the National Qualifications Framework linked with European Qualification Framework (divided into stages to be monitored)	1. B: 0, T: 100% (MEN/ ESF reporting, half-yearly)	<ul style="list-style-type: none"> <li>- Developing, promoting the lifelong learning model</li> <li>- Preparing and introducing the National Qualifications Framework and the National Qualifications System</li> </ul>	1. number of professions systematized in the National Qualifications Framework	1.B: 0 T: 350 (ESF reporting/ MEN, half-yearly)

**PRIORITY IV: TETRIARY EDUCATION AND SCIENCE**

Specific objective	Result indicator	Baseline and target value (source of data, frequency)	Main types of activities	Output indicator	Baseline and target value (source of data, frequency)
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<b>Specific objective 1:</b> Adjusting of education at the tertiary level to the needs of the economy and the labour market	1. % share of students participating in internships/apprenticeships supported by ESF in relation to total number of students	1. B: 0, T: 7% (ESF reporting/ GUS, yearly)	<ul style="list-style-type: none"> <li>– Research in the area of the functioning of the university, effectiveness and quality of learning and adjustment to the labour market needs</li> <li>– Implementation of university development programmes, covering, among others, extension of the offer and increasing the quality of learning, strengthening the employability of future graduates through student traineeship and practices, cooperation of the university with employers, scientific centres and foreign partners, development of e-learning as a form of learning at the tertiary level and improving qualifications of the academic staff in the scope resulting from the university development programme</li> </ul>	1. number of students who participated in internships/apprenticeships supported by ESF under the Priority	1. B: 0, T: 140 000 (ESF reporting, half-yearly)
	2. % share of students participating in internships/ placements lasting at least 3 months in relation to total number of students	2. B: 0, T: 1,5% (ESF reporting/ GUS, yearly)		2. number of students who participated in internships/placements lasting at least 3 months.	2. B: 0, T: 28 000 (ESF reporting, half-yearly)
<b>Specific objective 2:</b> Improving the quality of educational offer of tertiary education institutions	1. % share of tertiary education institutions which have implemented models of effective management and quality control in relation to total number of these institutions, including: a) public institutions b) private institutions	1. B: 0, T: 27%, a) 20%, b) 30% (ESF reporting/ MNISW <sup>49</sup> , yearly)	<ul style="list-style-type: none"> <li>– Studies in the area of the functioning of the university, effectiveness and quality of learning and adjustment of the needs of the labour market</li> <li>– Developing models of effective management in tertiary education,</li> <li>– Developing modern learning programmes in higher education corresponding to the requirements of knowledge economy (including also distance learning programmes),</li> <li>– Developing standards of mutual recognising of accreditation decisions within the European Higher Education Area</li> </ul>	1. number of tertiary education institutions which have implemented models of effective management and quality control under the Priority, including: a) public institutions b) private institutions	1. B: 0, T: 120 a) 26 b) 94 (ESF reporting, half-yearly)
	2. % share of tertiary education institutions which have implemented development programmes in relation to total number of these institutions	2. B:0, T: 22,5% (ESF reporting/ MNISW, yearly)		2. number of development programmes introduced by tertiary education institutions under the Priority	2. B:0 T:100 (ESF reporting, half-yearly)

<sup>49</sup> Ministry of Science and Higher Education

			<ul style="list-style-type: none"> <li>– Implementing university development programmes, covering, among others, extension of the offer and increasing the quality of learning, strengthening the employability of future graduates through student traineeship and practices, cooperation of the university with employers, scientific centres and foreign partners, development of e-learning as a form of learning at the higher level and improving qualifications of the academic staff in the scope resulting from the university development programme</li> </ul>		
<b>Specific objective 3:</b> Enhancing the attractiveness of education at the tertiary level in the field of mathematical-natural and technical sciences (SMT)	1. % share of students who no longer continue their studies after first year of SMT faculties in relation to total number of students who started first year of SMT studying supported under the Priority	1. B: 25,5% T: 17,9% (yearly average) (GUS, yearly)	<ul style="list-style-type: none"> <li>– commissioning education of a certain number of students at mathematical-natural and technical faculties to tertiary education institutions by the minister relevant for tertiary education</li> </ul>	1. number of tertiary education institutions offering compensatory courses addressed to first-year students of SMT	1. B: n/a, T:48 (ESF reporting/ MNISW, half-yearly)
			<ul style="list-style-type: none"> <li>– implementation of compensatory programmes addressed to first year students of mathematical-natural and technical faculties covering improving competences necessary for continuing studies on those faculties</li> </ul>	2. number of 1st year students of the SMT faculties contracted by the minister responsible for tertiary education	2. B: 0, T:20 800 (ESF reporting/ MNISW, half-yearly)
				3. number of graduates in the SMT faculties contracted by the minister responsible for tertiary education	3. B: 0 T:18000 (ESF reporting/ MNISW, yearly beginning in 2012)
<b>Specific objective 4:</b> Improving the qualifications of the R&D system staff in the scope of management of scientific research and commercialisation	1. % share of R&D staff who have up-graded their skills under the Priority in the field of exploitation of research results and their use in economy in relation to overall number of R&D employees	1. B: 0, T: 7,3 % (ESF reporting/ GUS, yearly).	<ul style="list-style-type: none"> <li>– Trainings, courses, post-graduate studies and other forms of increasing qualifications of the R&amp;D sector staff in the scope of management of scientific research and commercialisation of the results of research and development studies</li> <li>– Projects related to increasing the awareness of the R&amp;D employees and</li> </ul>	1. number R&D staff who have up-graded their skills in the field of exploitation of research results and their use in economy under the Priority (total/F/M)	1.B: 0 F: 0 M:0 T: 9000 F: 3000 M: 6000 (ESF reporting, half-yearly)

of the results of research and development studies			entrepreneurs in the scope of the weight of scientific research and development studies for the economy		
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**PRIORITY V: GOOD GOVERNANCE**

Specific objective	Result indicator	Baseline and target value (source of data, frequency)	Main types of activities	Output indicator	Baseline and target value (source of data, frequency)
<b>Specific objective 1:</b> Improving of regulatory potential of public administration	1. Degree of implementation of the Regulation Reform Programme (% of implementation as per stages)	1. B: 0, T: 90% (MG <sup>50</sup> , yearly)	<ul style="list-style-type: none"> <li>– Improvement of the impact assessment system i. a. by optimisation of the methodology, support for reorganisation of structure in ministries structure, equipping the expert network in ministries with necessary competencies</li> <li>– implementation of programmes aimed at legal acts simplification, in particular through identification of incoherent provisions, development of simplification programmes, monitoring of their implementation</li> </ul>	1. Number of public administration employees, who have completed training, broken down by: <ul style="list-style-type: none"> <li>- government administration</li> <li>- self-government administration</li> </ul>	1. <b>B:0, T: 11 300</b> B: 0, T: 2 800 – govmt. adm.; B: 0, T: 8 500 – self-gvmt. adm (ESF reporting, half-yearly)
	2. Number of simplifications of legal acts most relevant in terms of conducting economic activity, put into effect	2. B: 0, T: 40 (MG, yearly)	<ul style="list-style-type: none"> <li>– Improvement of legislative methods and techniques in the government administration, in particular through training and improvement of an access to legislative applications</li> <li>– Establishing and implementation of a system enabling monitoring the state of legislation process within the</li> </ul>	2. Number of proposals on simplifications of legal acts most relevant in terms of conducting economic activity	2. B: 0, T: 70 (ESF reporting, yearly)

<sup>50</sup> Ministry of Economy

			<p>Council of Ministers and particular Ministries</p> <ul style="list-style-type: none"> <li>- Strengthening the self-government units potential in order to prepare high quality local legal acts and administrative acts</li> <li>- Establishing and implementation of a system enabling the correct transposition of relevant Directives</li> <li>- Establishing of network to exchange information on transposition of EU Directives with the Commission</li> <li>- Equipping administration staff with competences necessary to effective implementation of reforms</li> </ul>		
<p><b>Specific objective 2:</b> Improvement of quality of the public policies and services related to enterprise creation and business operation</p>	<p>1. Average number of days required for registration of economic activity</p>	<p>1. B: 31, T: 7 (World Bank/ MG, yearly)</p>	<ul style="list-style-type: none"> <li>- Support for implementation of the ‘one-stop- shop’ system system for start-ups, in particular through introduction of quality management standards, reorganisation of public administration units</li> <li>- Simplification of administrative procedures related to enterprise creation</li> <li>- Increasing the quality and accessibility of services rendered by tax administration</li> <li>- Development and implementation of programmes including diagnosing, measurement and reduction of administrative burdens</li> <li>- Equipping judiciary staff dealing with economic cases with necessary competences</li> <li>- Promotion and recommendations of</li> </ul>	<p>1. Number of employees, who have completed training, broken down by:</p> <p>a) public administration employees, b) justice administration employees.</p>	<p>1. B:0, T: 25 750 a) 25 000 b) 750 (ESF reporting, half-yearly)</p>
	<p>2. Average administrative costs of registration of economic activity</p>	<p>2. B: <i>ascertained till October 2007 on the basis of research,</i> T: <i>ascertained till the end of 2007 on the basis of research lower by 25% compared to baseline</i> (MG, yearly)</p>			

	3. Average duration of legal proceedings in economic cases	3. B: 9.4 months, T: 7.5 months (MS, yearly)	benefits conciliatory jurisdiction		
<b>Specific objective 3:</b> Modernisation of management in public administration and justice administration	1. Degree of execution of the Implementation Plan for multi-annual budgetary task planning	1. B: 0, T: 100% (KPRM <sup>51</sup> , yearly)	– Diagnosing, i.a. through analyses and surveys, the state of public administration in crucial areas of its functioning – Revision of all legal acts related to public finance management	1.% share of holders of public financial resources, who were covered by assistance concerning preparation and implementation of a multi-annual task budgetary planning	1. B: 0, T: 100% (KPRM, ESF monitoring, half-yearly)
	2. % share of public administration units covered by assistance concerning improvement of management, broken down by: a) central public administration offices ➤ ministries and central offices, ➤ voivodship offices, b) Marshall offices, c) poviatic offices, d) gmina offices	2. B: 0 T: 62% a. 65% ➤ 100% ➤ 100% b. 75% c. 60% d. 60% (KPRM/MSWiA <sup>52</sup> /ESF reporting, half-yearly)	– Development of methodology and skills related to multi-annual budgetary planning and strategic planning, – Implementation of the system of multi-annual budgetary planning and task-oriented budgetary planning – Development and implementation of the system of public tasks evaluation based on indicators – Enhancing the abilities to draft and implement policies, strategies and Programmes (from programming stage to evaluation), in particular those prepared by self-government units, – Strengthening the divisions of self-government units responsible for monitoring and evaluation, particularly local and regional policies and strategies – Improvement of quality and	2. Number of public administration entities, who were covered by assistance concerning improvement of management standards, broken down by: e) central public administration offices ➤ ministries and central offices, ➤ voivodship offices, f) Marshall offices, g) poviatic offices, h) gmina offices	2. B: 0 T: 3 226 a. 1500 ➤ 63 ➤ 16 b. 12 c. 227 d. 1487 (ESF reporting, half-yearly)
	3. % share of cases handled by courts for longer than 12 months	3. B: 16,7% T: 13,3% (MS <sup>53</sup> , yearly).	–	3. Number of client service centres established in courts due to the ESF support	3. B: 0, T: 84 (ESF reporting, half-yearly)
			–	4. Number of employees of the Justice who completed participation in projects under the Priority	4. B: 0 T: 19 000 (ESF reporting, half-yearly)

<sup>51</sup> The Chancellery of the Prime Minister

			<p>intensification of cooperation mechanisms between public administration units, both in the horizontal aspect (cooperation between ministries) as well as vertical (between government and self-government)</p> <ul style="list-style-type: none"> <li>- Introducing new methods of management in the government and self-government administration related to the functioning of an entire organization, as well as in the specific areas of its functioning, e.g., internal communication, risk management,</li> <li>- Increasing the quality of services rendered by self-governments units, in particular through establishing and dissemination customer service standards, creation of customer service points,</li> <li>- Development of assumptions of ICT in order to support management in the public administration,</li> <li>- Development and implementation of the altered remuneration system in the public administration as well as assessment of job positions in government administration,</li> <li>- Strengthening HRM units in the government and self-government administration,</li> <li>- Raising the professional qualification of staff employed in the public administration and public services, in particular through training needs analyses, equipping administration staff with competences necessary to effective implementation of reforms</li> </ul>	
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			<ul style="list-style-type: none"> <li>- Development of competence standards for self-government administration employees,</li> <li>- Strengthening the ethical culture of employees of public administration and services, particularly through providing advisory services and promotion of ethical attitude,</li> <li>- Increasing the quality and accessibility of services rendered by judiciary, in particular those for entrepreneurs, e.g. through creation of customer service points, reorganisation of administrative units in courts, improving technical - administrative service in courts</li> </ul>		
<b>Specific objective 4:</b> Strengthening of the potential of social partners and non-government organisations oriented at enhancing their active participation in the process of implementing the Lisbon Strategy	1. % share of public administration units, which consulted on and created normative legal acts in cooperation with NGOs and social partners, broken down by: <ul style="list-style-type: none"> <li>a) gmina offices,</li> <li>b) powiat staroste offices,</li> <li>c) Marshall offices</li> <li>d) voivodship offices</li> <li>e) ministries</li> <li>f) central offices</li> </ul>	1. B: <ul style="list-style-type: none"> <li>a. 35,5%</li> <li>b. 55%</li> <li>c. 87,5%</li> <li>d. 33,3%</li> <li>e. 33,3%</li> <li>f. 89,5%</li> </ul> T: <ul style="list-style-type: none"> <li>a. 100%</li> <li>b. 100%</li> <li>c. 100%</li> <li>d. 53,3%</li> <li>e. 50%</li> <li>f. 100%</li> </ul> (MPiPS/DPP, yearly)	<ul style="list-style-type: none"> <li>- Studies, analyses and research on social and civic dialogue, their condition, perspectives of further development, as well as the scope of needs of the social and civic dialogue participants</li> <li>- Monitoring and evaluation of cooperation between public administration and social and civic dialogue institutions</li> <li>- Promotion and dissemination of the cooperation between public administration, social partners and non-governmental organizations through e.g. dissemination of best practices, preparation and realization of informational campaigns,</li> <li>- Strengthening of the broad-scoped public consultation on legal regulation</li> </ul>	1. Number of persons, who completed participation in project, including: <ul style="list-style-type: none"> <li>a) number of representatives of NGOs,</li> <li>b) number of representatives of social partners.</li> </ul>	1. B: 0, T: n/a <i>to be sent with the first AIR from HC OP</i> (ESF reporting, half-yearly)
	2. % share of NGOs taking advantage of “assistance networks”	2. B: 8.5%, T: 15% (MPiPS,		2. Number of institutions supporting NGOs covered by assistance	2. B: 0, T: 100 (ESF reporting, half-

<sup>52</sup> Ministry of Interior and Administration

<sup>53</sup> Ministry of Justice



		yearly)	and coordination of the public policies, including electronic consultation,		yearly)
	3. % share of poviats covered by free-of-charge legal and civic consultancy	3. B: 11%, T: 39% (MPiPS/ ESF reporting, half-yearly)	<ul style="list-style-type: none"> <li>- Dissemination of the cooperation between public administration, social partners and NGOs in area of coordination of public policies,</li> <li>- Elaboration and dissemination of the standards of the cooperation between public administration, social partners and NGOs,</li> <li>- Creation regional and local information and assistance centers for NGOs, as well as support for newly established and already existing ones, in particular through e.g. improving their training and counseling offer,</li> <li>- Development and implementation of programmes concerning the public scrutiny over public sector</li> <li>- Creation and support for territorial and sector networking within the NGOs and social partners,</li> <li>- Development and implementation of programmes concerning citizens and legal counseling</li> <li>- Elaboration and dissemination of the standards for the third sector, aimed at the high quality delivery of the public services (tasks) as well as the coordination of public policies in cooperation with public administration</li> <li>- Reinforcement of the national and regional institutions of social dialogue through e.g. strengthening of their administrative and expert resources, improving the functioning of the</li> </ul>	3. Number of poviats, in which free-of-charge legal and civic consultancy programmes were implemented.	3. B: 0, T: 112 (ESF reporting, half-yearly)
				4. Number of representative organisations of social partners covered by assistance concerning development of their potential	4. B: 0, T: 7 (ESF reporting, half-yearly)

			<p>information systems</p> <ul style="list-style-type: none"> <li>- Preparation and implementation of programmes oriented towards the development of social dialogue</li> <li>- Improving the functioning of the social partners organizations through e.g. implementing of the programmes focused on their development, improving the management and communication processes within them, creation and implementation of training programmes for experts.</li> <li>- Support for the participation of social partners in activities of the European structures of social dialogue</li> <li>- Strengthening the competences of the public administration personnel in area of cooperation with NGOs and social partners.</li> </ul>		
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**PRIORITY: VI LABOR MARKET OPEN FOR ALL**

<b>Specific objective</b>	<b>Result indicator</b>	<b>Baseline and target value (source of data, frequency)</b>	<b>Main types of activities</b>	<b>Output indicator</b>	<b>Baseline and target value (source of data, frequency)</b>
<b>Specific objective 1:</b> Increasing coverage of the Labour Market Active Policy	1. Activation indicator – % share of people, who commenced to participate in an activation form, in relation to the number of people registered as unemployed in the same period of time	1. B: 22.6% (F-25.5%, M-19,8%), T: 45% (MPiPS; yearly)	<ul style="list-style-type: none"> <li>- Better access to services of labor market by development of institution networks, introduction of economic activation methods and instruments and introduction of modern communication and informatics technology under the Labor Market Active Policy,</li> <li>- Dissemination of employment consultancy</li> </ul>	1. Number of people, who completed participation in projects carried out under the Priority (total/f/m), including: <ul style="list-style-type: none"> <li>➤ number of persons covered by <i>Individual Action Plans</i>(total/f/m),</li> </ul>	1. B: 0, T: 950 000, o 285000 (ESF reporting/ PEFS, half-yearly)

	(total/f/m)		<p>and advice on the regional level,</p> <ul style="list-style-type: none"> <li>- Development of instruments facilitating early identification of needs of the unemployed (e.g. by using more of the Individual Action Plans),</li> </ul>		
	2. % share of the unemployed and job-seekers, who found a job within 6 months after completing participation in the project, to the total number of people, who completed participation in the projects (total/f/m), including: <ul style="list-style-type: none"> <li>o % share of people, who became self-employed (total/f/m)</li> </ul>	2. B: no data, T: 55%, > 20% (evaluation, every 2 years beginning in 2009)	<ul style="list-style-type: none"> <li>- Better access to information of services provided by the labor market institutions, directed to the unemployed,</li> <li>- Creation of a system for monitoring and evaluation of the impact of the realized programmes on the situation on the regional labor market (with a particular consideration to the unemployed living in rural areas),</li> <li>- Creation and development of a system for monitoring and evaluation of effectiveness of services provided by the labor market institutions on the regional level (including assistance at construction and development of regional observatories of the labor market),</li> <li>- Supporting institutions and organizations working for economic activation and social integration in a region, by trainings, consultancy and promotion of job recruitment, occupational advice and active social integration.</li> </ul>	2. Number of people, who received grants for establishing their own economic activity (total/f/m)	3. B: 0, T: 100 000 (ESF reporting/ PEFS, half-yearly)
	3. % share of key PES employees who have completed participation in trainings organized in extracurricular system, important in terms of regional labour market (total/f/m)	3. B: 0 T:100% (ESF reporting/ PEFS/ MPiPS; yearly)	<ul style="list-style-type: none"> <li>- Supporting institutions and organizations working for economic activation and social integration in a region, by trainings, consultancy and promotion of job recruitment, occupational advice and active social integration.</li> </ul>	3. Number of key employees of PSZ, who have completed their participation in trainings organized in extracurricular system, important in terms of regional labour market (total/f/m)	2. B: 0, T: 4 200, (ESF reporting/ PEFS, half-yearly)
	4. Number of jobs created due to ESF support granted for establishing economic activity	3. B: 0 T: 110 000 (ESF reporting/ PEFS, yearly)			
<b>Specific objective 2: Increasing employment among the young people</b>	1. % share of people, who obtained support under the Priority within the first 100 days after their registration as unemployed in a labour office in the group of the young people (aged 15-24), (total/f/m)	1. B: 24.8% (F-29.9%, M-19,4%), T: 50% (ESF reporting/ PEFS/ MPiPS; yearly)	<ul style="list-style-type: none"> <li>- Easier access to the labor market for the young unemployed (15-24 years of age) by offering them various forms of support and occupational activation programmes (with consideration to recruitment and employment consultancy, internships, vocational trainings, courses, subsidizing the employment),</li> </ul>	1. Number of people aged 15-24, who have completed participation in the project (total/f/m), including: <ul style="list-style-type: none"> <li>o people from rural areas (total/f/m)</li> </ul>	1. B: 0, T: 250 000, o 75 000; (ESF reporting/ PEFS, half-yearly)

	2. Activation indicator – % share of people, who have commenced to participate in an activation form, in relation to the number of people registered as unemployed in the same period of time in the group of the young people (15-24 years of age), (total/f/m)	2. B: O: 24,8% F: 29,9% M: 19,4% T: 50% (MPiPS; yearly)	<ul style="list-style-type: none"> <li>– Supporting development of entrepreneurship among the youth by, inter alia, providing them with advisory-training support for those, who intend to begin their own business, and granting funds assigned for development of enterprise, including the cooperatives,</li> <li>– Encouraging the employers (including those small and medium-size) to employ young people, who do not have a job, by creation of a training system accepted and strictly adapted to the employers' requirements,</li> <li>– Supporting voluntary service as a transitory stage on the way to employments an a solution helping in acquiring professional experience,</li> <li>– Development of instruments enabling an early identification of needs of the young, who do not have a job (as a wider usage of Individual Action Plans), taking the labor market requirements under consideration.</li> </ul>	2. Number of people aged 15-24, who received grants for establishing economic activity (total/f/m)	2. B: 0, T: 25 000 (ESF reporting/ PEFS, half-yearly)	
	3. % share of the unemployed and job-seekers aged 15-24, who found a job within 6 months after completing participation in the project, in total number of people, who have completed participation in these projects (total/f/m), including: - % share of people, who became self-employed (total/f/m)	3. B: 56% ➢ 9% T: 58% ➢ 10% (evaluation, every 2 years beginning in 2009)				
	4. Number of jobs created due to ESF support granted for establishing economic activity	4. B: 0 T: 27 000 (ESF reporting, yearly)				
<b>Specific objective 3:</b> Reduction of unemployment among people disadvantaged on the labor market (women, the long-term unemployed, persons with disabilities and the unemployed living in rural areas)	1. Activation indicator – % share of people, who commenced to participate in an activation form, in relation to the number of people registered as unemployed in the same period of time (total/f/m) in groups: a) persons with disabilities (total/f/m) , b) long-term unemployed (total/f/m),	1. B: O: 22,6% F: 25,5% M: 19,8% a) O: 17,4% n/a broken down by gender b) O: 24% F: 25,2%, M: 22,7% c) O: 24%	<ul style="list-style-type: none"> <li>– Easier entering the labour market for members of disadvantaged groups, not being employed, by providing for them various forms of support and economic activation programmes (considering e.g. recruitment and occupational consultancy, internships, courses or subsidized employment),</li> <li>– Supporting development of enterprise among people from groups disadvantaged on the labour market, who do are not employed, by providing for them advisory-training support for people beginning business activity and by</li> </ul>	1. Number of people, who completed participation in the project (total/f/m), including: a) persons with disabilities (total/f/m) , b) long-term unemployed (total/f/m), c) persons from rural areas (total/f/m);	1. B: 0 T: 400 000, a) 30 000, b) 100 000 c) 160 000 (ESF reporting/ PEFS; half-yearly)	

<p>c) persons from rural areas (total/f/m)</p>	<p>F: 27,4%, M: 21% T: 45% a) 35% b) 50% c) 50% (MPiPS, yearly)</p>	<p>granting funds allocated for development of enterprise, including in the form of cooperatives,</p> <ul style="list-style-type: none"> <li>- Encouraging the employers (including those small and medium-size) to employ people belonging to groups disadvantaged on the labour market, who do not have a job, by creation of a training system accepted and strictly adapted to the employers' requirements,</li> </ul>		
<p>2. % share of the unemployed and job-seekers, who found a job within 6 months after completing participation in the project in total number of people, who have completed participation in the projects (total/f/m) broken down by:</p> <ul style="list-style-type: none"> <li>a) persons with disabilities (total/f/m)</li> <li>b) long-term unemployed (total/f/m),</li> <li>c) persons from rural areas (total/f/m)</li> </ul>	<p>2. B: b/d a) 32% b) n/a c) n/a T: 35% a) 35% b) 35% c) 35% (evaluation, every 2 years beginning in 2009)</p>	<ul style="list-style-type: none"> <li>- Development of instruments enabling an early identification of needs of people belonging to groups disadvantaged on the labour market, who do not have a job (by, inter alia, a wider usage of Individual Action Plans), with consideration to the labour market requirements,</li> <li>- Dissemination of flexible forms of employment and alternative methods of work organization,</li> <li>- Promotion of spatial and professional mobility,</li> <li>- Providing accompanying support (child care and care over dependants) for people participating in occupational activation programmes,</li> </ul>	<p>2. Number of people, who received grants for establishing economic activity (total/f/m) broken down by:</p> <ul style="list-style-type: none"> <li>a) persons with disabilities (total/f/m)</li> <li>b) long-term unemployed (total/f/m),</li> <li>c) persons from rural areas (total/f/m)</li> </ul>	<p>2. B: 0 T: 40 000 a) 3 000 b) 10 000 c) 16 000 (ESF reporting/ PEFS, half-yearly)</p>
<p>3. % share of the unemployed and job-seekers, who become self-employed, in the total number of those, who have taken up work within 6 months after completing participation in the project,</p>	<p>3. B: n/a, T: 10% (evaluation, every 2 years beginning in 2009)</p>	<ul style="list-style-type: none"> <li>- Support for development of local initiatives for raising economic activity, contributing to realization of the human capital development strategy in rural areas.</li> </ul>	<p>3. Number of projects supporting the development of local initiatives</p>	<p>3. B: 0 T: 150 000 (ESF reporting/ PEFS, half-yearly)</p>
<p>4. Number of jobs created due to ESF support granted for establishing economic activity</p>	<p>4. B: 0 T: 44 000 (ESF reporting/ PEFS, yearly)</p>			

<b>Specific objective 4:</b> Higher employment among older people	1. Activation indicator – % share of people, who commenced to participate in an activation form, in relation to the number of people registered as unemployed in the same period of time in the group of people at the age of 50-64 (total/f/m)	1. B: 19.4% (F-15.9%, M-21.5%), T: 40% (MPiPS, yearly)	<ul style="list-style-type: none"> <li>– Inclusion of people at the age of 50-64, not having a job, in various forms of support and economic activation programmes (with consideration to recruitment and employment consultancy, internships, vocational trainings, courses, subsidizing the employment),</li> <li>– Development of instruments for raising professional qualifications of people at the age of 50-64, who do not have a job, in accordance with requirements of the labor market (such as foreign languages, computer skills),</li> <li>– Supporting development of enterprise among people at the age of 50-64 by providing advisory-training support for those who intend to begin business activity and by granting funds related with enterprise development, including the cooperative business,</li> <li>– Encouragement of employers (especially those small and medium-size) to employ people at the age of 50-64 by, inter alia, creation of a training system tailored strictly to the needs of the employers,</li> <li>– Promotion of spatial and professional mobility among people at the age of 50-64.</li> </ul>	1. Number of people at the age of 50-64, who have completed participation in the project (total/f/m)	1. B: 0, T: 150 000; (ESF reporting/ PEFS, half-yearly)
	2. % share of people aged 50-64 registered as unemployed or job-seekers, who found a job within 6 months after completing participation in the project, to the total number of those, who have completed participation in projects (total/f/m), including: - % share of people who became self-employed (total/f/m)	2.B: b/d T: 35%, ➤ 10% (evaluation, every 2 years beginning in 2009)		2. Number of people aged 50-64, who received grants for establishing economic activity (total/f/m)	2. B: 0, T: 10 500 (ESF reporting/ PEFS, half-yearly)
	3. Number of jobs created due to ESF support granted for establishing economic activity	3. B: 0 T: 11 500 (ESF reporting/ PEFS, yearly)			

**PRIORITY VII: PROMOTION OF SOCIAL INCLUSION**

<b>Specific objective</b>	<b>Result indicator</b>	<b>Baseline and target value (source of data, frequency)</b>	<b>Main types of activities</b>	<b>Output indicator</b>	<b>Baseline and target value (source of data, frequency)</b>
<b>Specific objective 1:</b> Better access to the labor market for people threatened by social exclusion	1. % share of SAIs' clients, covered by social contracts (total/f/m)	1. B: n/a, T: 10% (ESF reporting/ PEFS/ MPiPS, yearly)	<ul style="list-style-type: none"> <li>- Development of employment, professional activation and jobs for people with dysfunctions making social integration difficult (including alternative forms of employment),</li> <li>- Ensuring access to forms of active integration by a wider implementation of social contract and instruments for socio-professional integration (particularly for the long-term unemployed and persons with disabilities),</li> <li>- Popularization of forms of active integration and social work,</li> <li>- Support and promotion of voluntary service as a form of integration of people in danger of exclusion,</li> <li>- Support for innovative activities oriented on searching for new forma and methods of preventing social exclusion,</li> <li>- Development and a better access to high quality social services enabling an increase of chances on the labor market (particularly for persons with</li> </ul>	1. Number of people threatened by social exclusion, who have completed participation in projects concerning active integration (total/f/m) including: <ul style="list-style-type: none"> <li>• persons from rural areas</li> </ul>	1. B: 0, T: 630 000; (ESF reporting/ PEFS, half-yearly)
	2. Effectiveness indicator – % share of beneficiaries, who found a job within 6 months after completing participation in the project in total number of people, who took part in the projects (total/f/m),	2. B: 34%, T: 40% (evaluation, every 2 years beginning in 2009)		2. Number of social assistance institutions' clients covered by social contracts under the projects	2. B: 0, T: 420 000; (ESF reporting/ PEFS, half-yearly)
	3. % share of clients of social assistance institutions who are at economic activity age and do not work who have been covered by activities of active integration under the Priority (total/f/m),	3. B: 0, T: 15% (ESF reporting/ PEFS/ MPiPS, yearly)		3. Number of social assistance and social integration institutions' employees (directly working on active integration), who upgraded their qualifications in extracurricular forms due to ESF support (total/f/m)	3. B: 0, T: 17 000 (ESF reporting/ PEFS, half-yearly)

	4. % share of social assistance and social integration institutions' employees (directly working on active integration), who upgraded their qualifications in extracurricular forms (total/f/m).	4. B: 0, T: 100% (ESF reporting/ PEFS/ MPiPS, yearly)	<p>disabilities),</p> <ul style="list-style-type: none"> <li>- Promoting and supporting employment in the social economy sector,</li> <li>- Support for self-organization and self-help initiatives among economically passive and socially excluded people in order to reintegrate them with the labour market,</li> <li>- Development and providing diversified forms of consultancy and advice leading to social and professional integration,</li> <li>- Support for development of initiatives for activation and integration of local communities, contributing to realization of strategies for development of human capital in rural areas,</li> <li>- Strengthening and development of social assistance and social integration institutions (by such activities as dissemination of active integration and social work, trainings, consultancy, development of cooperation),</li> <li>- Supporting the dialogue and partnership (including the public- social partnership) and cooperation for development of human resources in the regions.</li> </ul>	4. Number of projects supporting the development of initiatives aiming at mobilisation and integration of local communities	4. B: 0 T: 2 200 (ESF reporting, half-yearly)
<b>Specific objective 2:</b> Strengthening and widening of the range of activity of the social economy sector	1. Number of jobs created in the social economy sector due to ESF support	1. B: n/a, T: 7 000; (evaluation, every 2 years beginning in 2009)	<ul style="list-style-type: none"> <li>- Support for creation and activity of entities activating people in danger of exclusion,</li> <li>- Providing a financial and organizational support for entities and institutions intending to create a social economy unit.</li> </ul>	1. Number of institutions supporting social economy, which received assistance under the Priority	1. B: 0, T: 40 (ESF reporting/ PEFS, half-yearly)
	2. % share of social economy	2. B: n/a,		2. Number of social economy initiatives	2. B: 0,



	units' own revenue in relation to total value of their revenues.	T: 30%. (evaluation, 2 times in the programming period 2007-2013)		supported by ESF	T: 350 (ESF reporting/ PEFS, half-yearly)
				3. Number of persons who obtained support within social economy institutions (total/f/m)	3. B: 0 T: 29 000 (ESF reporting/ PEFS, half-yearly)

**PRIORITY VIII: REGIONAL HUMAN RESOURCES FOR THE ECONOMY**

Specific objective	Result indicator	Baseline and target value (source of data, frequency)	Main types of activities	Output indicator	Baseline and target value (source of data, frequency)
<b>Specific objective 1:</b> Developing a skilled and adaptable workforce	1. % share of companies, whose employees have completed participation in training under the Priority – in total number of active companies (regional projects).	1. B: n/a T: 6% (ESF reporting/ GUS, yearly)	<ul style="list-style-type: none"> <li>– General and specific training for business managers and employees – at regional level – in respect of, <i>inter alia</i>, management, identification of the needs for upgrading employees' qualifications, improvement of work organization, health and safety at work management, implementation of eco-friendly technologies, usage of ICT as well as flexible forms of working,</li> <li>– Counselling for micro, small and medium enterprises</li> <li>– Acquiring new qualifications and upgrading qualifications and skills needed in workplace by adults as well as support in respect of choosing a new profession,</li> <li>– Creating and developing Regional</li> </ul>	1. Number of companies covered by support under training programmes (regional projects)	1. B: 0, T: 140 000 (ESF reporting, half-yearly)
	2. % share of employees, whose salary increased within 6 months after completing participation in the project.	2. B: n/a T: 10% (evaluation, every 2 years beginning in 2009)		2. Number of adult working persons, who have taken part in training programmes, including: <ul style="list-style-type: none"> <li>➤ number of people aged 50 and more</li> </ul>	2. B: 0, T: 200 000 ➤ 40 000 (ESF reporting, half-yearly)

			<p>Innovation Strategies,</p> <ul style="list-style-type: none"> <li>- Establishment and development of cooperation and information exchange networks between research institutions and enterprises,</li> <li>- Support for cooperation of employees and researchers aimed at knowledge transfer between science sector and enterprises, in particular by apprenticeship and practical training of: employees in science entities and researchers in enterprises,</li> <li>- Promoting the idea of establishing companies linking universities and industry (spin-offs/spin-outs),</li> <li>- Training and counselling for university academics or other researchers, PhD students, students and university graduates who want to establish their own company like spin-off/spin-out,</li> <li>- Scientific scholarships for PhD students who study in areas deemed to be of particularly high importance as regards region's development</li> </ul>		
<b>Specific objective 2:</b> Improving the system of anticipation and management of economic change	1. Quotient of the number of employees threatened by negative results of restructuring, covered by rapid reaction activities and the number of employees subject to lay-offs reported to labour offices.	1. B: n/a, T: 10% (ESF reporting/ labour offices, yearly)	<ul style="list-style-type: none"> <li>- Studies and analyses of development trends and forecasting economic change in a region, including creation and destruction of jobs, also in agriculture, fishery and forestry as well as devising appropriate countermeasures in voivodship development strategies,</li> <li>- Support in setting up local partnerships (composed of, <i>inter alia</i>, local and regional authorities, local and regional labour offices, Voivodship Commissions of Social Dialogue, Voivodship and Poviats Employment Councils and Agricultural Counselling Centres) which aim at</li> </ul>	1. Number of entities granted assistance in the field of effective anticipation and management of change	1. B: 0, T: 500 (ESF reporting, yearly)
	2. % share of employees, who found a job, began economic activity or continued their work in their previous workplace within 6 months	2. B: 0, T: 30% (evaluation, every 2 years beginning in			2. Number of employees in danger of negative results of restructuring in companies, who have been covered by rapid reaction activities.

	after completing participation in the project.	2009)	<p>devising and implementing strategies of anticipation and management of economic change at local and regional levels,</p> <ul style="list-style-type: none"> <li>- Support in devising and implementing outplacement programs for employers who undergo restructuring, including training and vocational counselling,</li> <li>- Training and measures aimed at setting up cooperation networks (partnerships) in respect of strengthening the social dialogue and joint initiatives undertaken at local and regional levels, in particular with the aim of delivering the Lisbon Strategy,</li> <li>- Dissemination of the concept of “flexicurity” among the stakeholders,</li> <li>- Promoting the corporate social responsibility, in particular as regards the labour market and working conditions.</li> </ul>		
				3. Number of partnerships (cooperation networks) established at local and regional level.	3. B: 0, T: 200 (ESF reporting, yearly)

**PRIORITY IX: DEVELOPMENT OF EDUCATION AND COMPETENCE IN REGIONS**

<b>Specific objective</b>	<b>Result indicator</b>	<b>Baseline and target value (source of data, frequency)</b>	<b>Main types of activities</b>	<b>Output indicator</b>	<b>Baseline and target value (source of data, frequency)</b>
<b>Specific objective 1:</b> Diminishing the disparities in access to education between rural and urban areas at all	1. % share of children aged 3–5 participating in pre-school education in rural areas supported under the Priority in relation to total number of children in this group	1. B: 0% , T: 6% (ESF reporting, yearly)	<ul style="list-style-type: none"> <li>- Regional programmes contributing to popularisation of preschool education</li> <li>- Financial support for regional as well as local scholarship programmes for particularly gifted students (especially as regards maths, natural science and technology) from the poorest families</li> <li>- Implementation of programmes focused on adults, enabling supplementing or improving</li> </ul>	1. number of pre-school education establishments supported under the Priority	1. B: 0, T: 2000 (ESF reporting, half-yearly)
	2. % share of adults aged 25-64 participating in formal continuing education supported	2. B: 0,5%, T: 1% (MEN/ ESF)		2. number of adults aged 25-64 who participated in formal continuing education under the Priority	2. B: 0, T: 140 000 (ESF reporting,

educational levels except higher education	under the programme in relation to total number of adults in this age group	reporting, yearly)	formal qualifications (general and vocational), – Advisory and information services in the scope of formal lifelong learning		half-yearly)
	3. Coverage % of gminas with grassroots community initiatives	3. B:0 T: 75% (ESF reporting/ GUS, yearly)	– Support for institutions conducting formal lifelong learning, enabling, among others, improving the quality of the provided services, their adjustment to the needs of the regional labour market and implementation of innovative forms of lifelong learning – Support for social grassroot initiatives undertaken by rural population for counteracting marginalisation of rural areas in the field of education and trainings	3. number of grassroots community initiatives launched under the Priority	3. B: 0 T: 2000 (ESF reporting, half-yearly)
<b>Specific objective 2:</b> Diminishing the disproportion in the quality of educational services (concerning general education), in particular between urban and rural areas	1. % share of schools (primary, lower secondary, upper secondary providing general education) which implemented development programmes in relation to total number of these schools, broken down by: a) urban areas b) rural areas	1. B: 0%, T: 60% a) 42% b) 80% (ESF reporting/ MEN, yearly)	– Implementing of development projects aiming at enhancing of the quality of education (including the extracurricular and out-of-school activities) which cover: – Reducing the educational disproportions in the process of learning – Enhancing the efficiency of education concerning the key competences in terms of further educational pathways and labour market needs (in particular: mathematics, natural and technical sciences, linguistic competences, ICT, entrepreneurship) – Implementing programmes focused on efficient school management	1. number of schools (primary, lower secondary, upper secondary providing general education) which implemented development programmes under the Priority, broken down by: a) urban areas b) rural areas	1. B: 0, T: 15 600 a) 4700 b) 10 900 (ESF reporting, half-yearly)
<b>Specific objective 3:</b> Increasing attractiveness and quality of vocational training	1. % share of schools providing vocational education which implemented development programmes in relation to total number of these schools,	1. B: 0 T: 50%, (ESF reporting/ MEN, yearly)	– Diagnosing of the educational needs in the context of local and regional labour market; – Enriching the offer of the vocational counselling in schools, – Modernization of the vocational learning offer and its adjustment to the needs of local and regional labour market,	1. number of schools providing vocational education which implemented development programmes,	1. B: 0 T: 3000 (ESF reporting/ MEN, half-yearly)
	2. % share of schools which cooperated with enterprises in the field of implementation of development programmes	2. B: 0 T: 38% (ESF reporting/ MEN, yearly)	– Cooperation programmes for schools and other vocational training institutions with	2. number of schools which cooperated with enterprises in the field of implementation of development programmes	2. B: 0 T: 2250 (ESF reporting/ MEN, half-yearly)

	3. number of students of vocational education schools, who participated in internships/ apprenticeships under the Priority.	3. B: 0 T: 950 000 (ESF reporting/ MEN, yearly)	<p>entrepreneurs and labour market institutions</p> <ul style="list-style-type: none"> <li>– Equipping schools and other vocational training institutions with modern teaching materials including textbooks</li> <li>– Implementation of the vocational schools development projects focused on the increase of the quality of education (including extracurricular and out-of-school activities) which cover: <ul style="list-style-type: none"> <li>– Reducing the educational disproportions in the learning process</li> <li>– Enhancing the efficiency of education concerning the key competences in terms of further educational pathways and labour market needs (in particular: mathematics, natural and technical sciences, linguistic competences, ICT, entrepreneurship)</li> </ul> </li> <li>– Implementing programmes focused on efficient school management</li> </ul>		
<b>Specific objective 4:</b> Strengthening the professional development and improving the occupational qualification of teachers, foremost in the rural areas	1. % share of teachers who upgraded their competences via short forms of in-service teachers training in relation to total number of teachers. a) teachers in rural areas b) VET teachers / trainers	1. B: 0 T: 11% a) B: 0 T: 33% b) B: 0 T: 8% (ESF reporting/ MEN, yearly)	<ul style="list-style-type: none"> <li>– Post-graduate studies, courses and trainings for teachers and trainers employed in the school lifelong learning centres, school employees and school administration employees in accordance with regional education policy</li> <li>– Programmes aimed at completing of the formal qualifications of teachers</li> <li>– Programmes aimed at teachers' adjustment to the changing demographic situation in the school system</li> </ul>	1. number of teachers who participated in short forms of in-service teachers training under the Priority. a) teachers in rural areas b) VET teachers / trainers	1. B: 0, a) B: 0, b) B: 0 T: 80 700 a) 65 000 b) 7 700 (ESF reporting, yearly)

