

Integrated, territorially sensitive system of planning and implementation of public policies in Poland.

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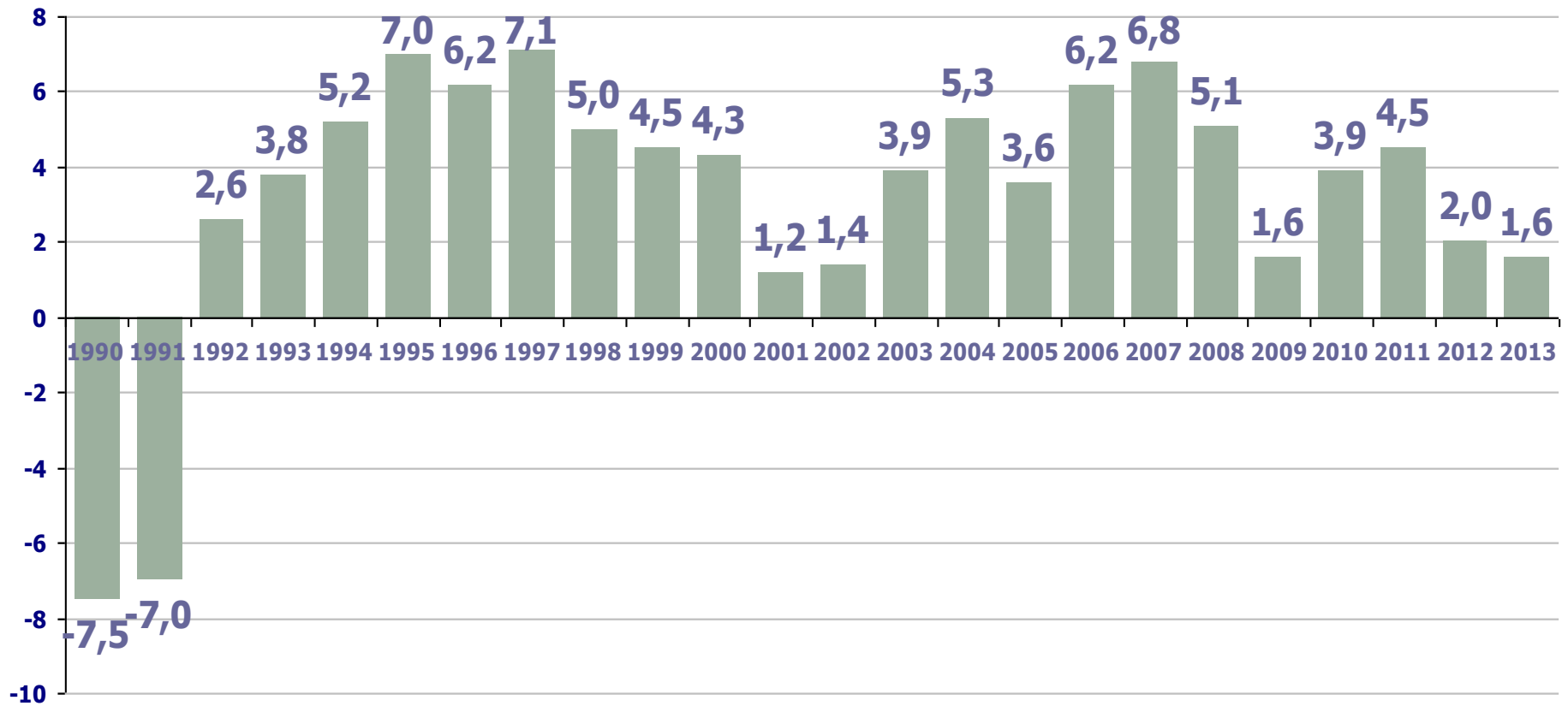
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Plan of the presentation

- 1. Context: Poland – main socio-economic and governance facts**
- 2. The integrated system of planning and implementation of development policies**
- 3. Regional policy in Poland – main facts and trends**
- 4. Lessons learned**

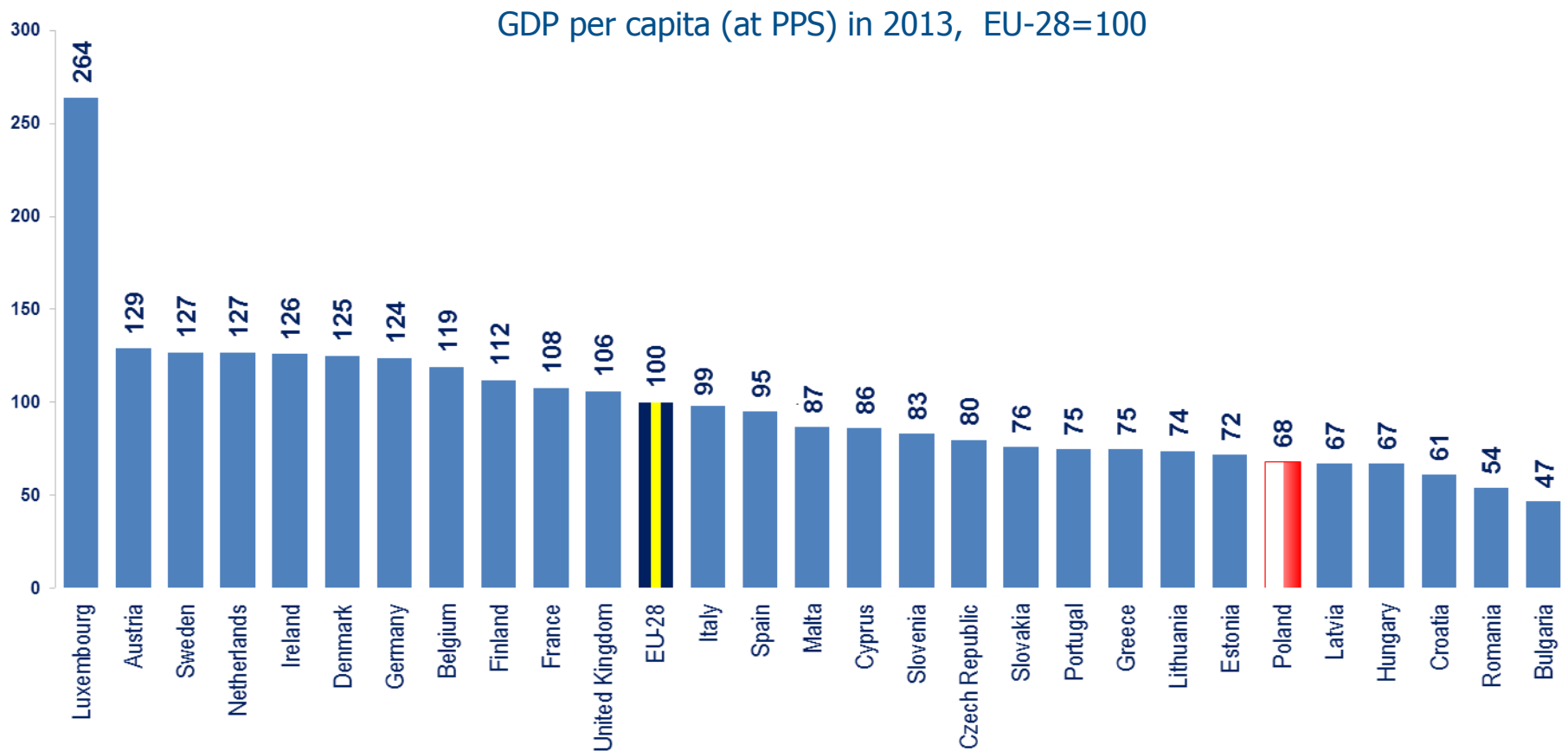
GDP GROWTH RATE



Source: CSO

Trends in Poland's development compared to the EU

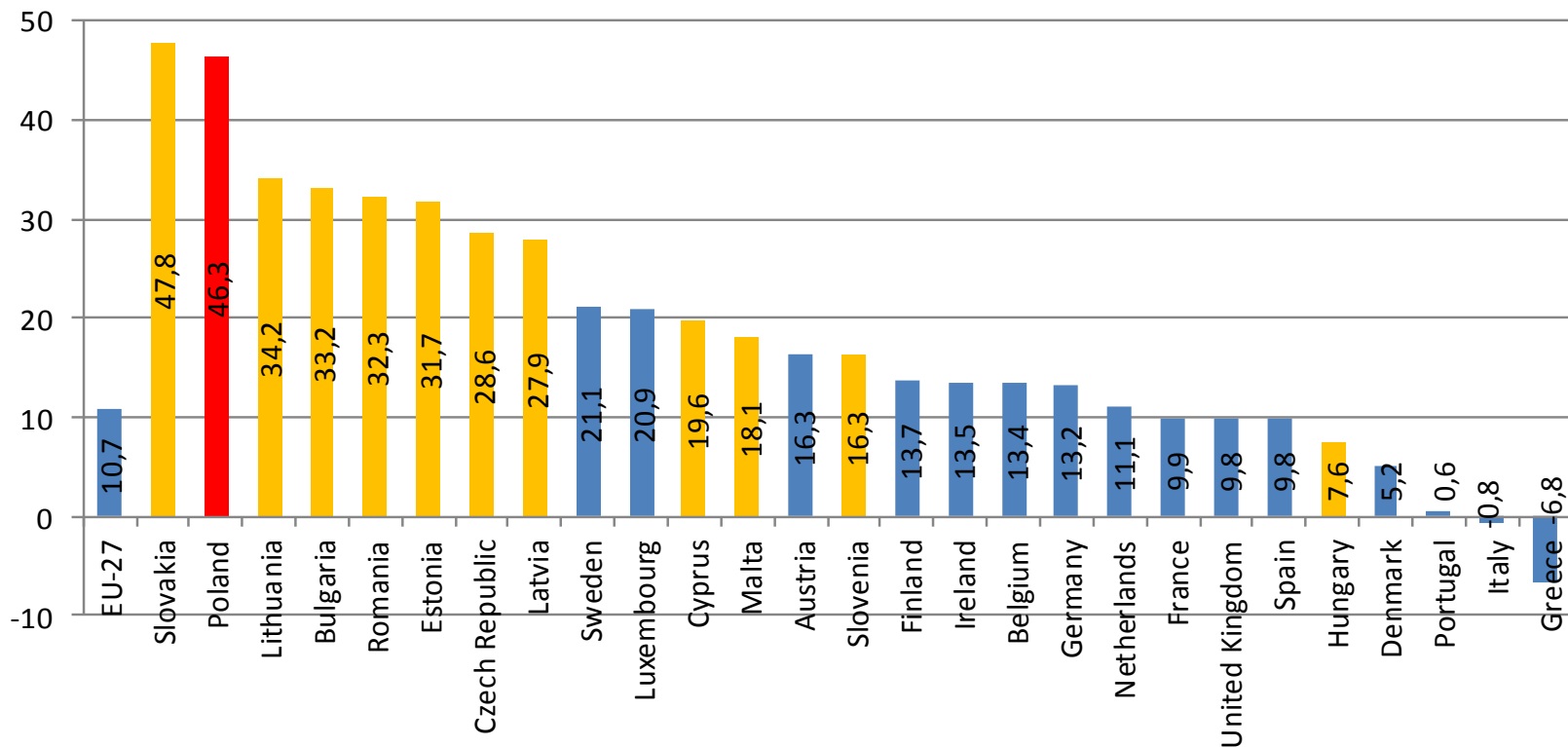
In 2013 GDP per capita calculated according to the ppp accounted for 68% of the EU average, i.e. it was 19 p.p. higher than in 2003.



Source: Eurostat

Impact of growth on national convergence

Since accession in 2004 Poland was– with Slovakia – one of the fastest growing EU economies

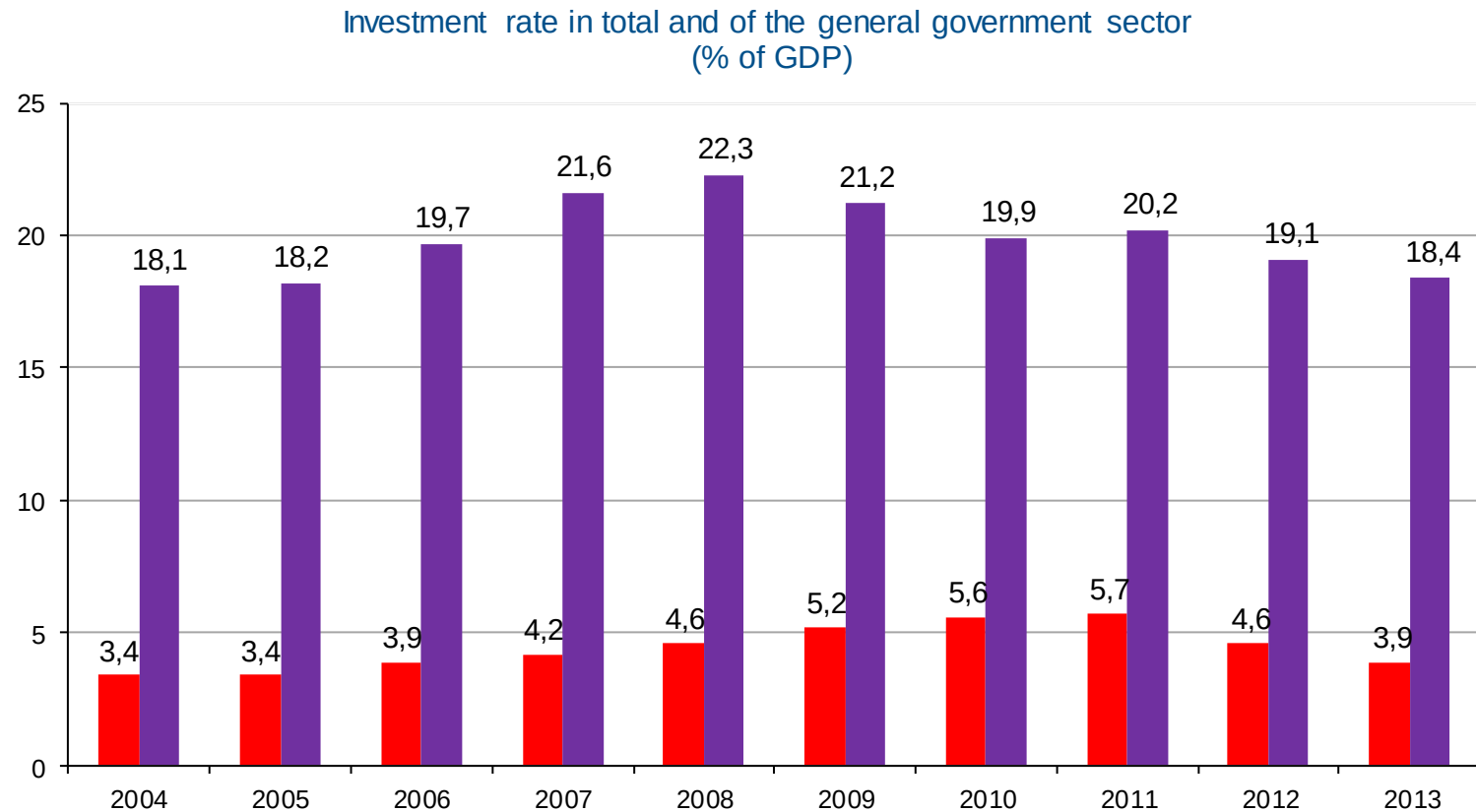


Structure of the Polish economy compared to the EU (%)

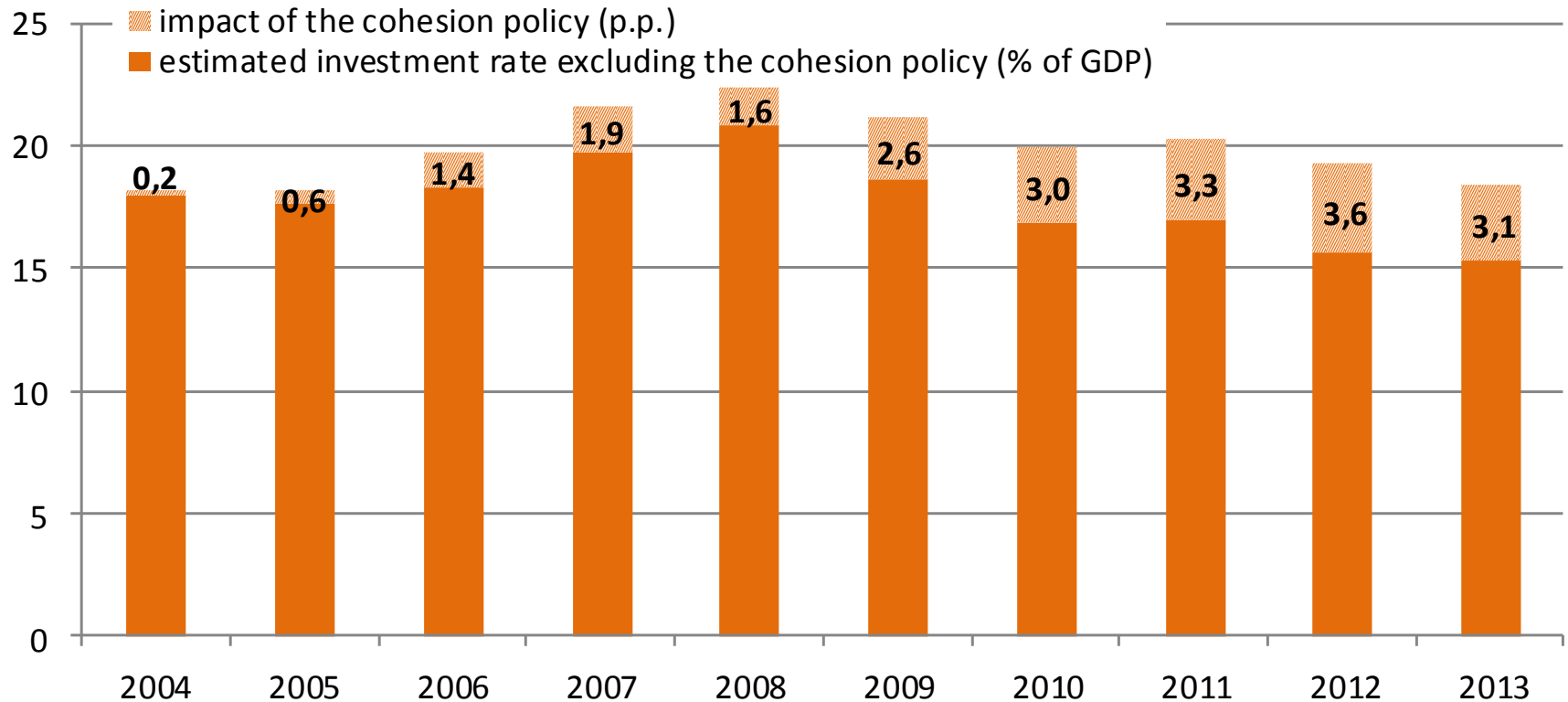
	1995	2003	2013	2013 EU-27
Gross value added (GVA)				
Sector I (agriculture)	8.0	4.4	3.8	1.7
Sector II (industry + construction)	35.2	29.6	31.3	24.8
Sector III (services)	56.8	65.9	64.9	73.5
Employment (15+, LFS)				
Sector I (agriculture)	26.9	18.2	12.0	4.9
Sector II (industry + construction)	29.7	28.5	30.5	24.4
Sector III (services)	43.4	53.3	57.5	70.7

Factors of economic growth in Poland. Impact of the crisis

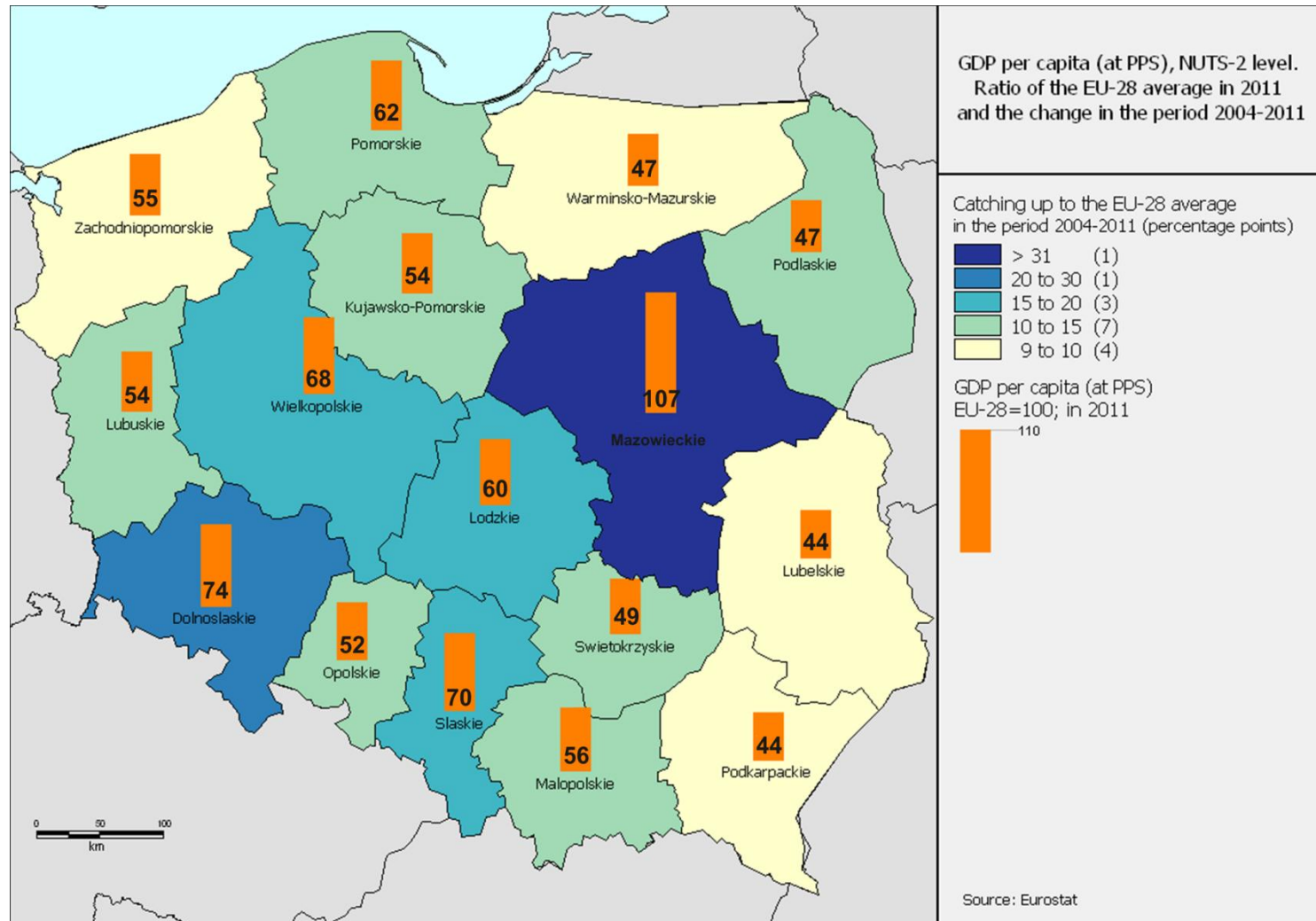
- Increase in the investment rate following EU accession – until 2008,
- Decrease in the investment rate from 22.3% of GDP in 2008 to 18.4% in 2013, including in the investment rate of the general government sector.



Impact of the cohesion policy on the investment rate in Poland in the years 2004-2013

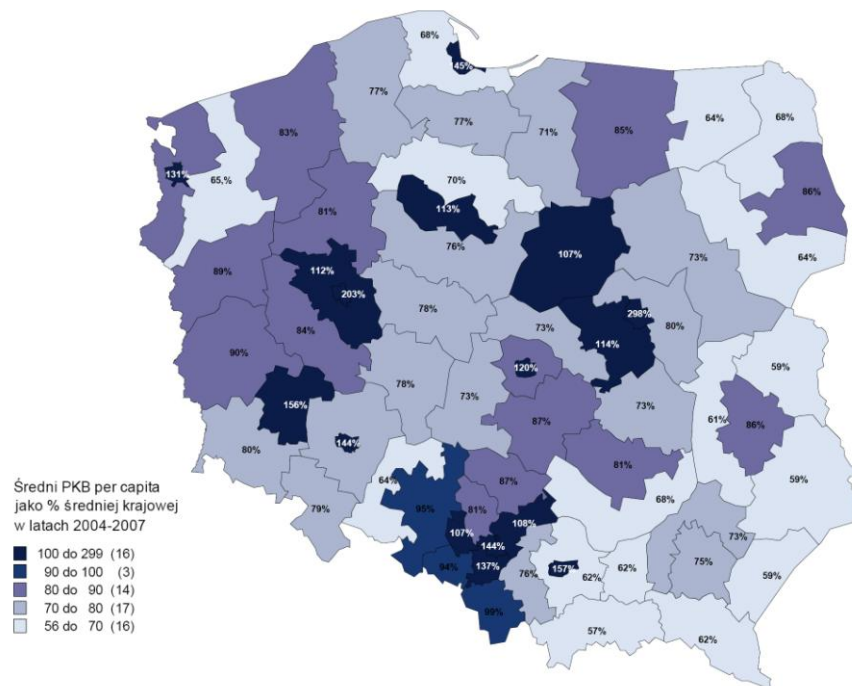
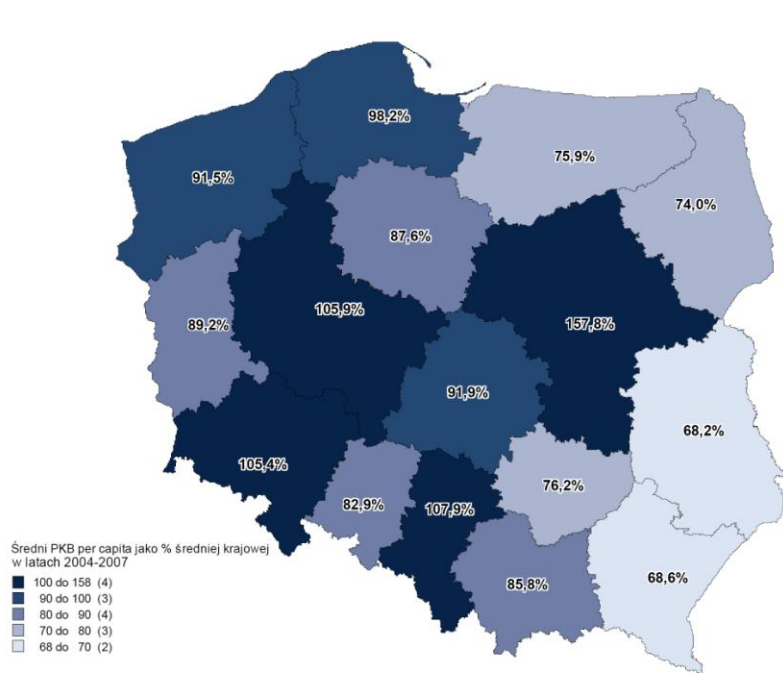


GDP per capita by voivodeships (EU-28=100)



Differences in GDP pc at the NUTS-2 level increases slightly due to higher economic growth in well-developed regions, but it remains below the EU average (ratio poorest – wealthiest was in 2004 1: 2,1; in 2011 - 1 : 2,4).

Disparities in Poland at NUTS II and NUTS III regions

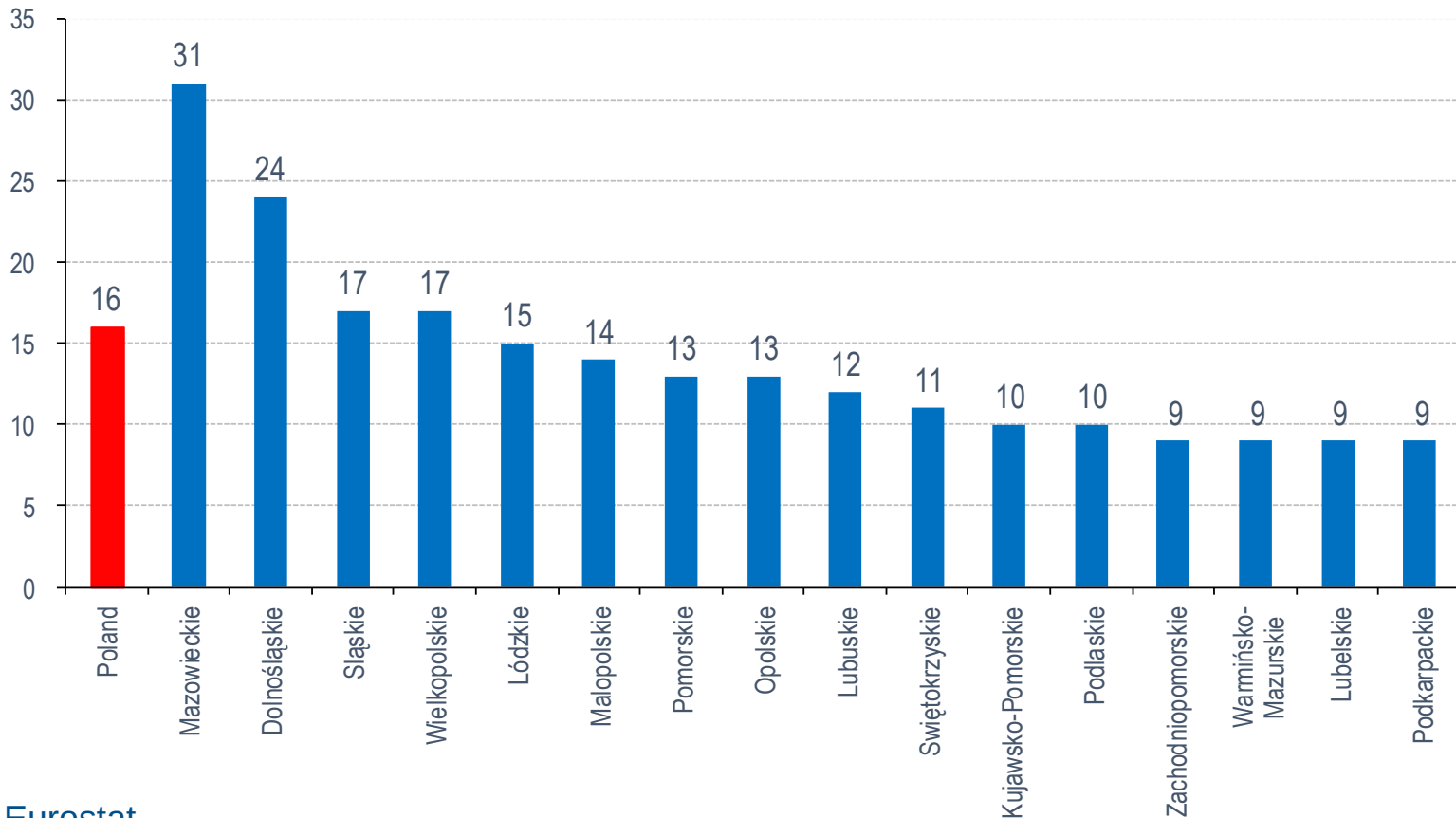


Disparities are not the biggest territorial issue !

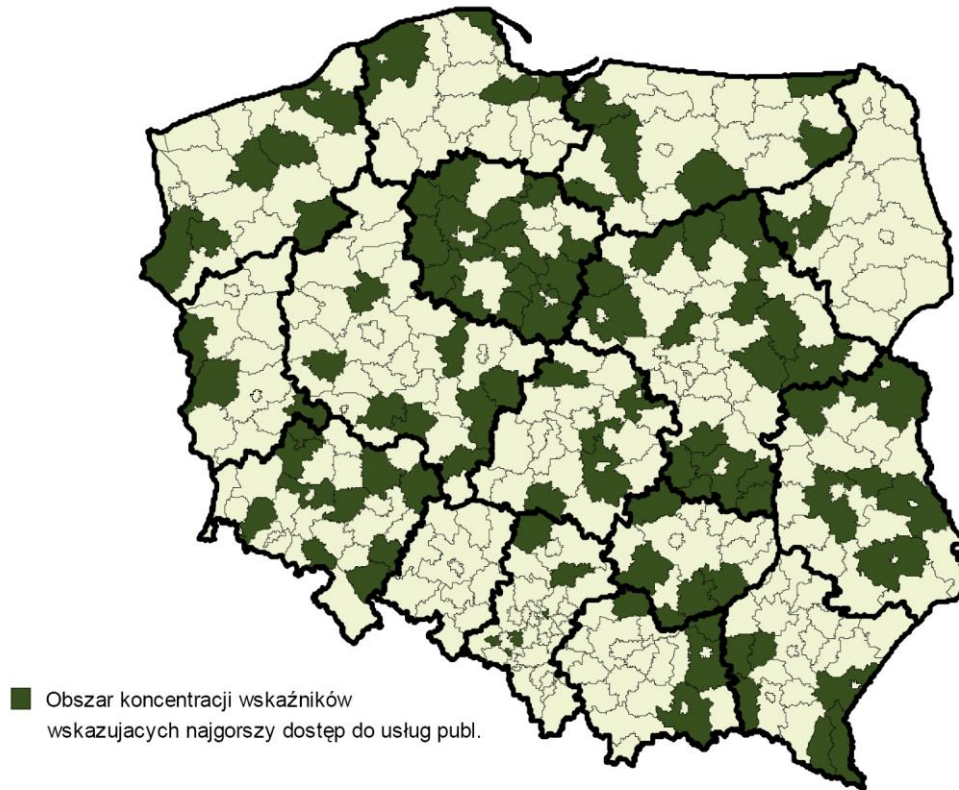
Convergence of voivodeships to the EU

The process of real convergence to the EU covered all Polish regions, but in less developed regions the process was slower.
Effect – disparities widening!

Changes in GDP per capita at PPS, EU-27=100, in voivodeships in the years 2004-2011 (p.p.)



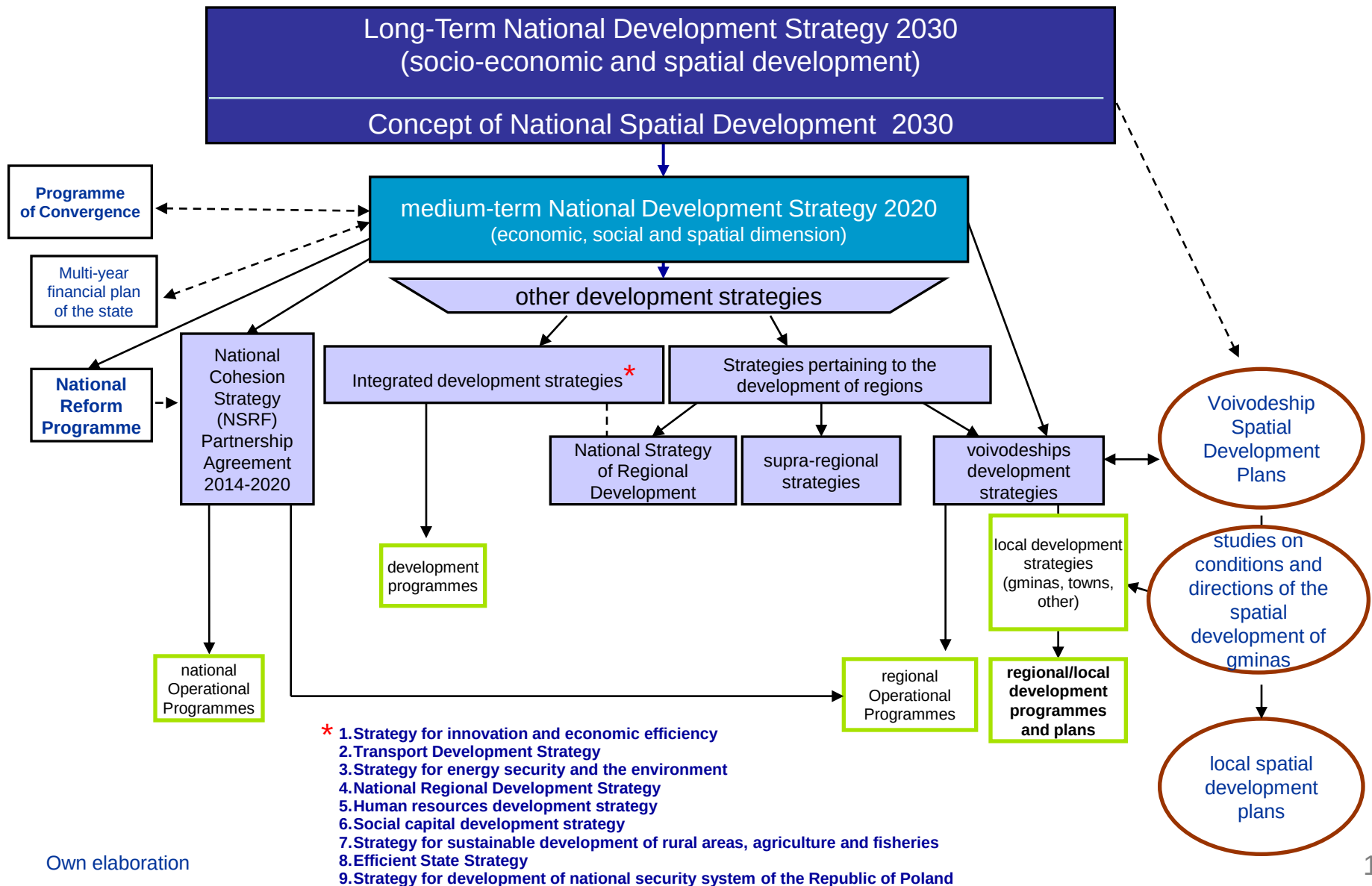
**Low access to essential public services – different pattern from the
map of disparities
- rural versus metropolitan areas**



Factors influencing the thinking about the integrated system of planning and implementation



The system of programming and coordination of strategic documents



2008

40 development strategies

23 Operational Programmes

113 development programmes

34 other documents

- weakness and ineffectiveness of the programming system,
- insufficient connection of the programming level with the operational level,
- weak cooperation between the entities that implement the development policy,
- separation of spatial planning from the socio-economic planning,
- insufficient specification of relations between the development policy and regional policy,
- absence of a transparent financing system for the development policy,

**2008 – reduction in the number of documents
from 406 to 210**

**Tools to make things happen.
Actions aimed at improving
the effectiveness of development policy**

**1. Legislative actions - An act
of 6th December 2006 on the Principles of Conducting
the Development Policy (amendment, 2014, March)**

**2. Systemic solutions („Principles of the system
of national development management”
adopted on 27th April 2009)**

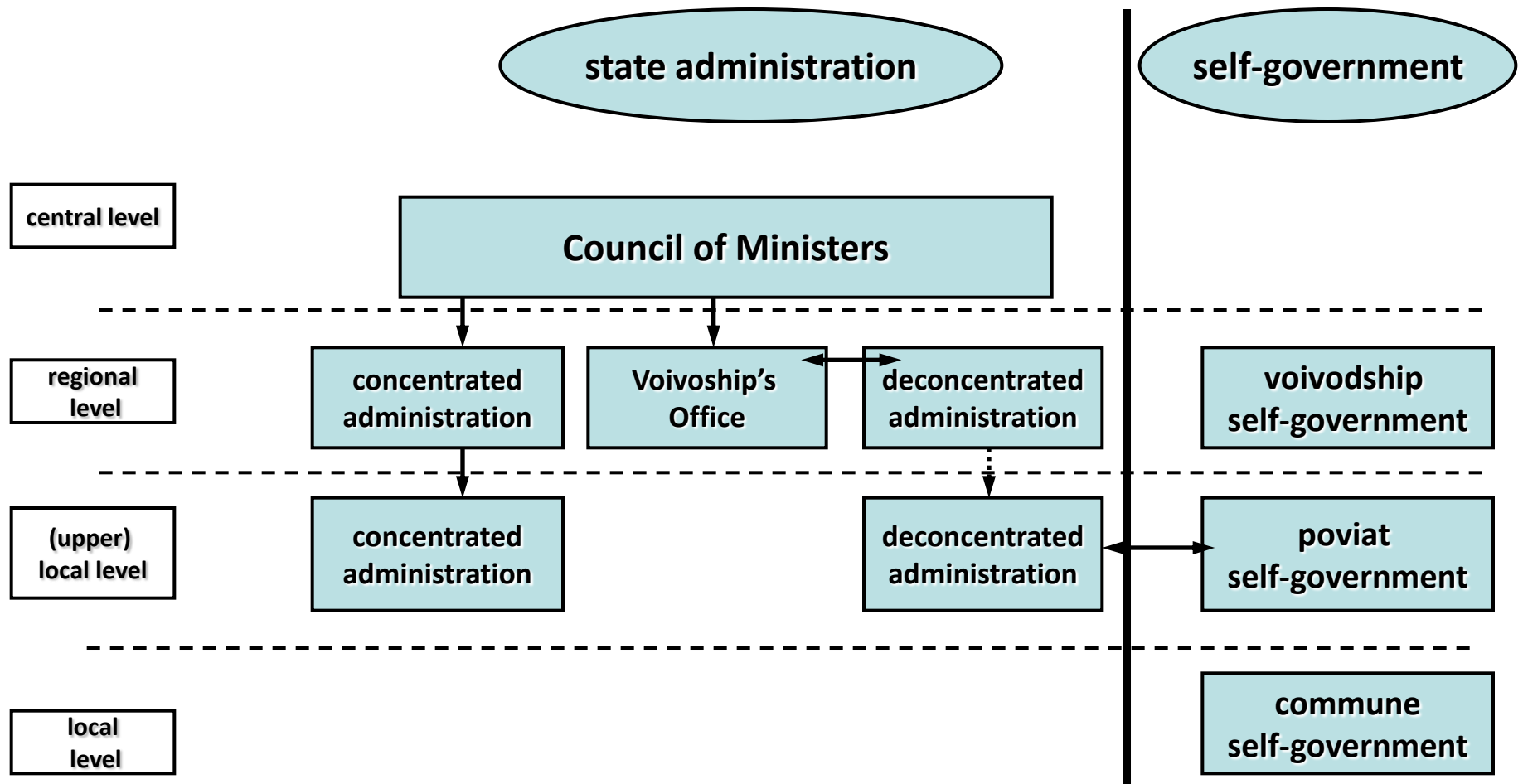
**3. Putting strategic documents in order
 („System and hierarchy of strategic documents”
adopted on 24th November 2009)**

**4. New national development strategies – Long-term,
Mid-term NDS, 9 field strategies**

**5. Opinion on conformity of
strategic documents with Mid-term NDS**

**6. Strengthening of the development management
abilities of public administration
(project financed with structural funds)**

Structure of public administration



Institutional system of strategic programming and coordination

Prime Minister – direct supervision over the strategic management

The Council of Ministers – the most important decisions and approval of national strategic objectives

Coordination Committee for Development Policy – opinion-giving and advisory body to the Prime Minister (chaired by the Minister in charge of regional policy)

Ministry of Infrastructure and Development – EU policy, day to day coordination with ministries and regions,, medium term development strategy, national regional development strategy, national spatial development concept,

The Ministers and heads of central offices take initiatives arising from their own competences and scopes of duties

Regional authorities – regional development strategies, programmes

Growing importance of other partners: cities, rural areas, functional areas, social and economic partners

Succes factors. Tools of assuring coordination and quality

➤Evaluation of effectiveness of particular development policy instruments

- annual report on **the implementation of the Action Plan for** mid-term NDS;
 - requirement of ex ante evaluation of development programmes;
 - report concerning socio-economic, regional and spatial development prepared every three years.

➤Development of best practices and their popularisation

- methodology of preparing strategic documents;
- unified terminology related to strategic programming
- course of training for public administration officers.

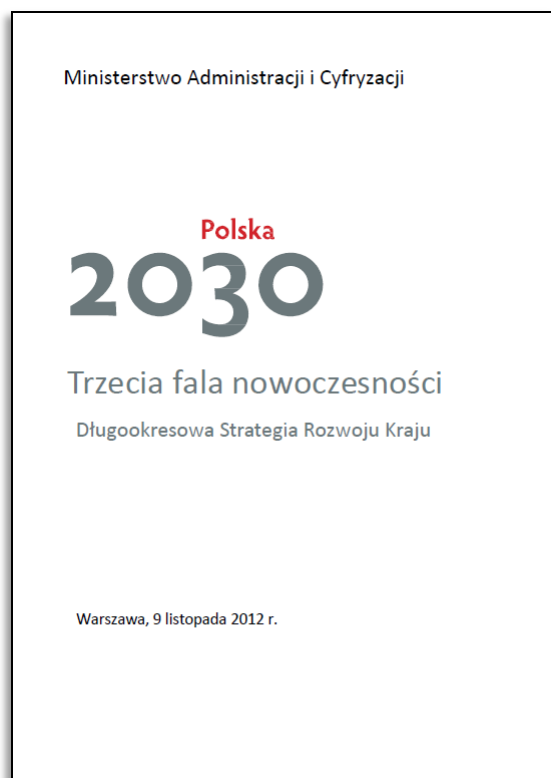
➤Ensuring effective financing of development policy

- long-term estimated financial programme;
- performance budget;
- new role of territorial (vojvodship) contracts

New instruments, new experiences:

- A set of the guidelines - horizontal, systemic, operational - on the strategic programming;
- Institutional coordination & cooperation in programming process;
- The uniform system of indicators based on official statistics and available on the modern internet platform (STRATEG);
- Evaluation process (reports, analysis, reviews, conferences);

The long-term national development strategy



The main objective: improvement of the life quality in Poland due to a stable and high economic growth, allowing for modernization of the country.



AREA OF MODERNISATION
improvement of competitiveness and innovativeness of country's economy



AREA OF DIFFUSION
Territorial balancing of development potentials



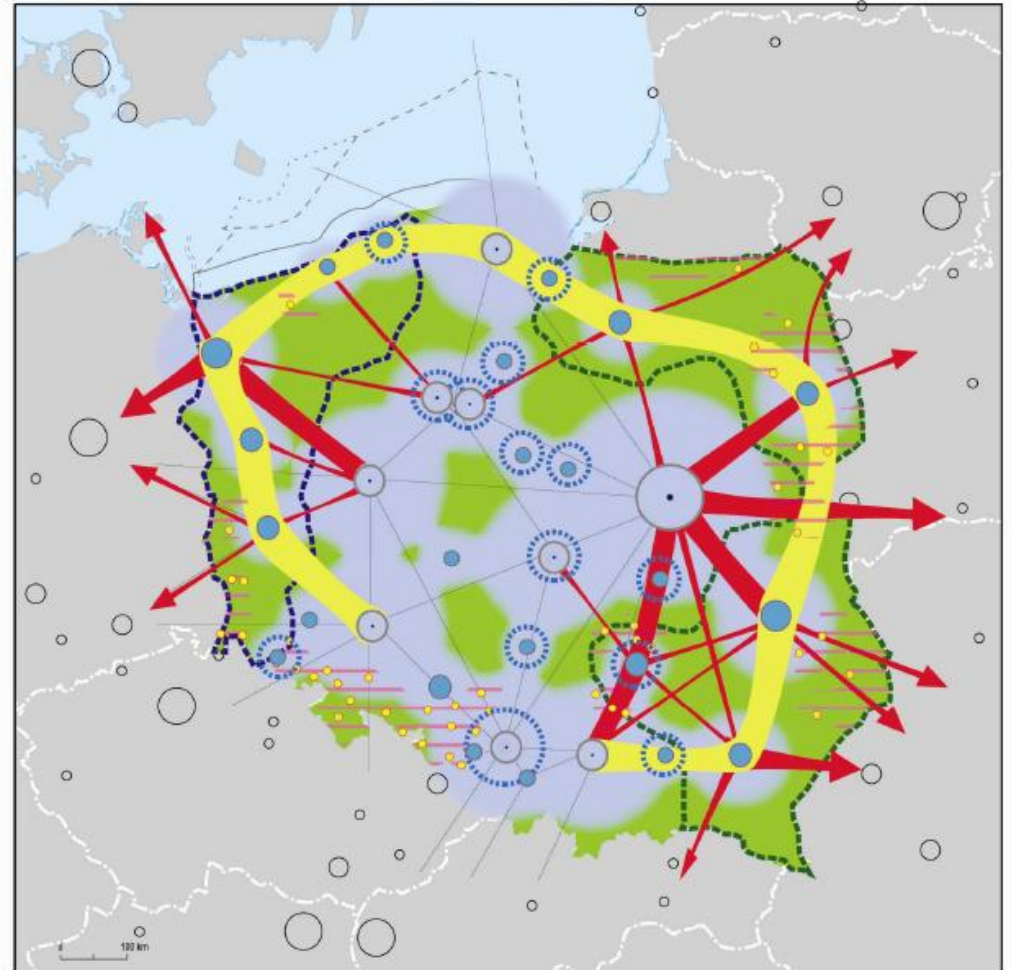
AREA OF EFFECTIVENESS
improvement of effectiveness and efficiency of the state

National Spatial Development Policy 2030 – Objectives

- 1 To improve competitiveness of Poland's major urban centres in the European context through functional integration while preserving the pro-cohesive polycentric settlement structure
- 2 To enhance internal cohesion and achieve sustainable territorial development by promoting functional integration, creating conditions for spreading/expansion of development factors, multifunctional development of rural areas, and using all territories' internal potentials.
- 3 To improve Poland's connectivity in different dimensions by developing transport and telecommunications infrastructure.
- 4 To develop spatial structures supporting the achievement and preservation of Poland's high-quality natural environment and landscape.
- 5 To enhance spatial structure's resistance to natural calamities and loss of energy security, and to develop spatial structures supporting national defence capabilities
- 6 To restore and consolidate spatial order

National Spatial Development Concept 2030

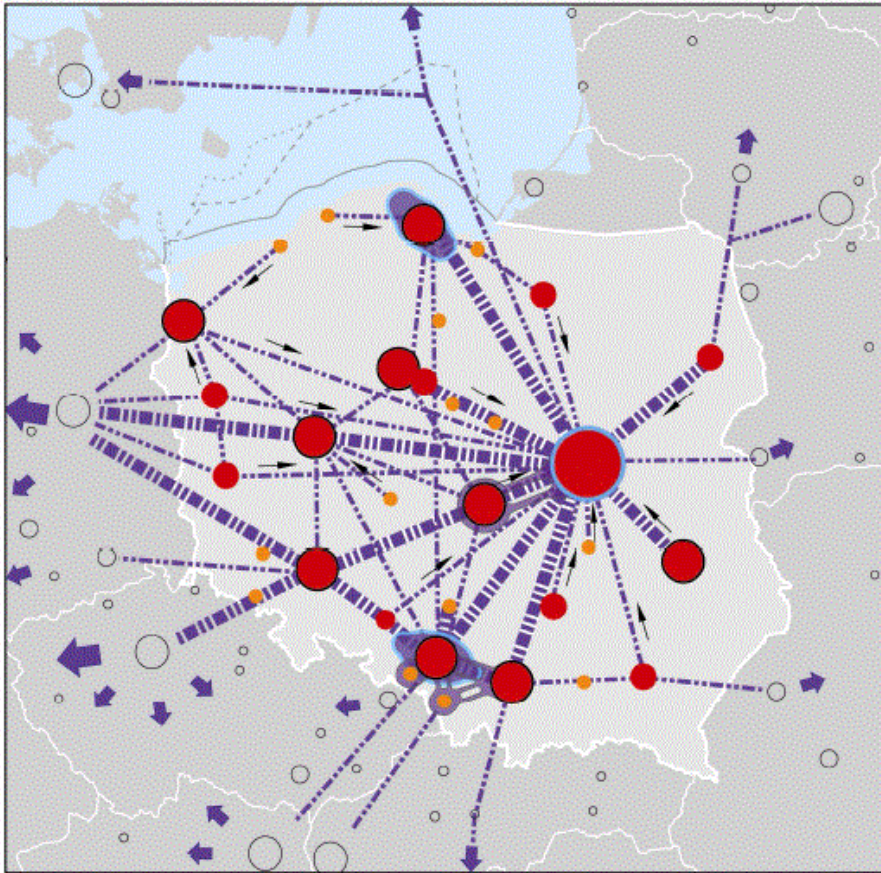
The core and the peripheries -
The need to mobilize potential



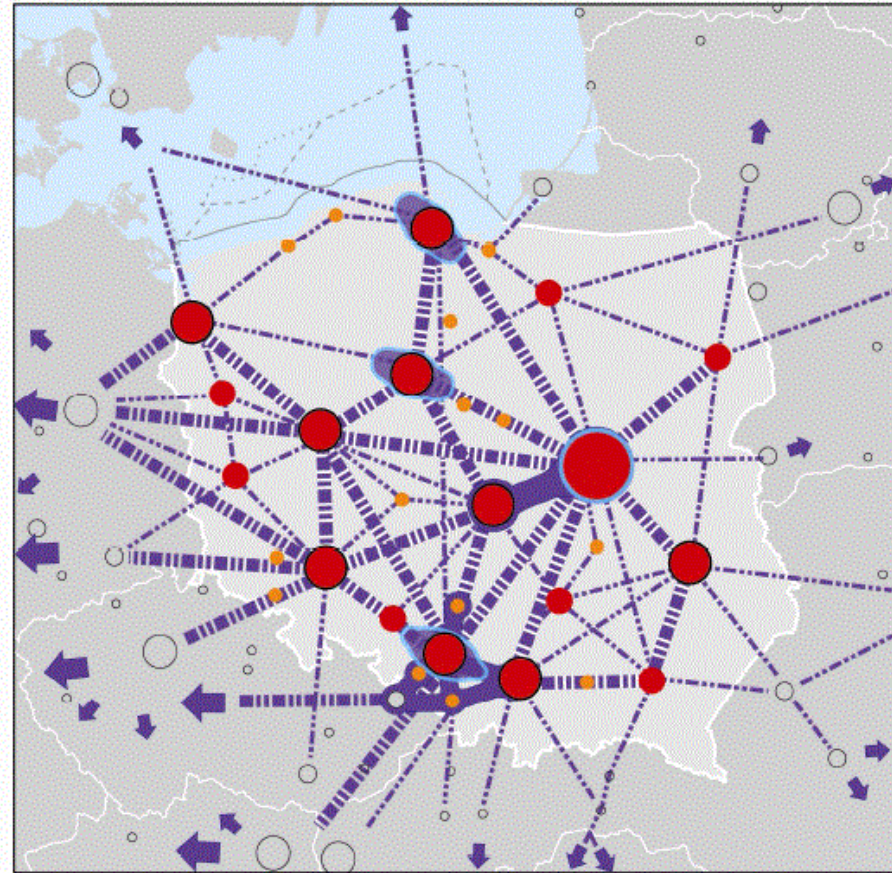
National Spatial Development Concept 2030

Functional integration of main urban areas

2010



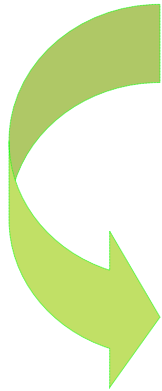
2030



Change brought by the regional policy

In the area of regional policy Poland in recent 20 years has undergone shift from:

Centrally run, concentration of efforts on given problem areas with very modest impact



Multilevel system of programming and decision making
integrated, coordinated, multi level
EU Cohesion Policy-like system
becoming the major development instrument

regional



- **Territorial integrated, functional approach**
- Regional policy is **not only policy for poor areas – it is a policy for all Polish regions and territories** supporting in the best possible way in using their development potential and where is a necessity providing external resources
- **Regional policy is effective** – in order to deliver it supports necessary institutional, legal and financial changes
- Regional policy has an **integrated character**:
 - ✓ integration of **different public policies** at national and regional level
 - ✓ **coordination** of national policies
- **Integrated approach** – investment mix

National Regional Development Policy. Regions-Cities-Rural Areas. 2010-2020

- ✓ Defines strategic **objectives and activities** of public entities in reference to territories, to achieve strategic development objectives on national level;
- ✓ **Reforms the way of planning and implementing the regional policy**, including public policies with territorial influence (managing these policies, cooperation, coordination, monitoring and evaluation);
- ✓ Includes the proposals of a **new role of voivodship self-government and other public entities** in the implementation of regional policy;
- ✓ **Regional policy perceived broader than before** – as a public intervention aimed to achieve development goals, through territorially oriented measures, where regional level is a main level of planning and implementation;
- ✓ Regional policy is an **integrated element of development policy** contributing to achieving national objectives through involving territorial resources.

NSRD 20110-2020. Strategic objectives

- ✓ Objectives of NSRD reflect the main areas of intervention of the strategy until 2020
- ✓ They create the „**triad**”: **competitiveness – cohesion – efficiency**



- ✓ The set of objectives of NSRD is an answer for the strategic dilemma of regional policy

differences ↔ *potentials*
regions ↔ *functional areas*

Regional policy in Poland. Way forward

- ✓ No need to change objectives
- ✓ More EU resources programmed and implemented directly at regional level (currently 40%);
- ✓ The use of a new EU territorial instruments – Integrated territorial Investments (ITI) to support functional integration of metropolitan areas – Poland is a front runner in this regard
- ✓ Further focus of efficiency and growth – a need to generate funds locally!
- ✓ Rationalization of self-government financing system (politically difficult);
- ✓ Legislative works on alignment of spatial and socio-economic system of planning and implementation.

Cont. Regional policy. Way forward

- Setting up standards of providing access to public services (difficult);
- Preparation of national urban policy:
- Introduction of territorial contracts (2014);
- Strengthening monitoring, evaluation and coordination institutions (territorial observatories, cooperation with statistical offices at all level, improvement in the quality of data and evaluation),
- Enhancement of a dialogue with all development partners,
- Preparing changes in competence acts regarding self-government (politically difficult).

Lessons learned

- Complex and sophisticated programming system of strategies, programs and plans.
- Efficient and strong coordination system at national, regional and local level (in hands of public administration) of all funds with territorial impact (not only those labeled as RD funds)
 - territorial issues discussed at highest political level,
 - inclusion of all funds in one budget programming system,
 - institutional system of consultation involving many stakeholders and development partners
- Difficulty with the use of strategies as a management tool at the highest political level
- The problem of bureaucracy - overregulation of the system.

Thank you for the attention

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Ministry of Infrastructure and Development**

**Ministry of Infrastructure and Development
www.mir.gov.pl**

**Presentation prepared with the use of slajds of Mr. Stanislaw Sudak, deputy director
and Eugeniusz Sadowski; counsellor to the Minister, Department for Strategic
Coordination**

What we should consider as funds for RD?

- Not all funds spend in regions or different territories (cities, rural areas, other) should be considered as funds for RD.
- Only those which are used to achieve territorial goals (not sectoral) should be taken into account
- Other funds can be included only on condition that the are coordinated at the phase of programming and implementation of programs and/or at least projects
- This requires very sophisticated system of programming and institutional arrangements – **territorial approach is more challenging then sectoral !**

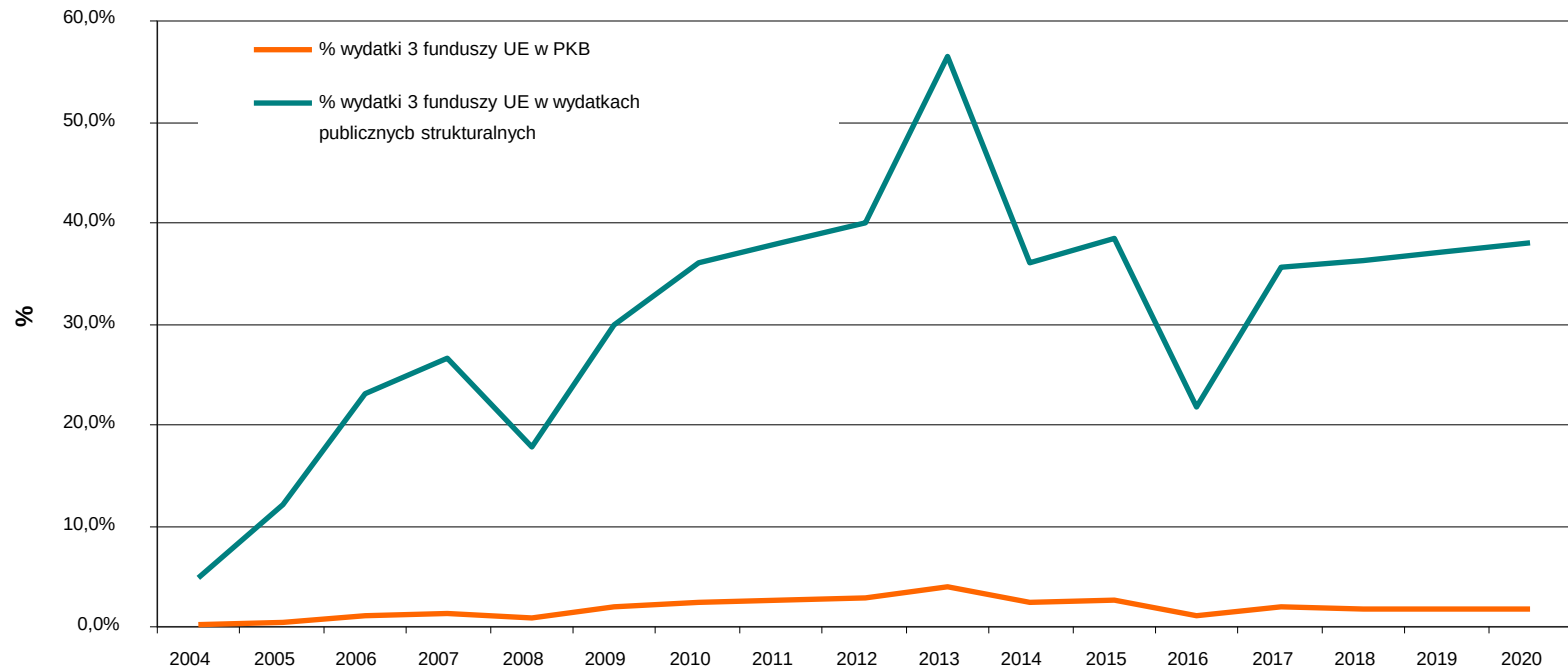
What we should consider as funds for RD?

- There is possible to conduct regional (territorial) development without self-governing level of administration (regional or/and local) and even without shifting money to lower tiers of the public administration
- In many countries there is understandable threat of fiscal decentralisation (budgetary, political, minority issues, low administration capacity, etc)
- In Poland **we believe that decentralization of functions of the state, including fiscal decentralisation, is more cost efficient and allows for mobilisation of territorial and external resources (financial, human, physical).**

Poland. Funding sources for RD.

- The first funding source is the EU – namely cohesion policy

Share of ERDF, ESF and CF in GDP PKB and public structural expenditure
In Poland between 2004-2012 and 2013-2020 (estimated)



Poland. Funding sources for RD.

- Not all funds can be treated directly as instruments for regional development – majority of them are still programmed and implemented sectorally (2/3) but....
 - majority of them are strongly coordinated to achieve the goals of regional and territorial strategies (at the level of the budget – multiannual plans- strategies and plans territorial contracts)
- Other sources of funding include:
 - own resources: 60% comes from sub national level (local and regional)
 - other donors (Norway, Lichtenstein, Island, Switzerland,)
 - Loans from IFI are treated as own resources (they appear in the national, regional or local budgets)

Poland. Management and implementing structures of RD

- At present **management functions for RD** are located in public administration at:
 - National level (allocation of funds, sectoral programs, coordination, projects),
 - Regional level (allocation of funds at regional level, regional programs, projects)
 - Local level (projects).
- The role of regional level in management of funds is growing (now 50% of allocation of ERDF and ESF) but Soon we will face the problem of the year 2020!
- Also the role of local is being gradually strengthened – big cities becoming more and more powerful (ITI helpful in this regard)
- The comprehensive system of vertical and horizontal coordination

Poland. Management and implementing structures of RD

- **Implementation functions** are assigned to public administration and various types of public and private organisations and agencies
- Role of RDAs (and this type of organisations) has decreased – but still is crucial in implementation of RD in some specialised areas (SMEs support, business promotion, FDI, etc).
- Implementation of parts of programs and projects also tendered
- Standardised procedures instead of unified institutions structures

Poland. Conditions for implementing efficient RD Policy

- Complex and sophisticated programming system of strategies, programs and plans.
- Efficient and strong coordination system at national, regional and local level (in hands of public administration) of all funds with territorial impact (not only those labeled as RD funds)
 - territorial issues discussed at highest political level,
 - inclusion of all funds in one budget programming system,
 - institutional system of consultation involving many stakeholders and development partners

Poland. Conditions for implementing efficient RD Policy

- Reduction of transaction costs achieved through:
 - creating ownership at regional and local thanks also to fiscal decentralisation,
 - the system of partnership with stakeholders (but there is always a threat of creating the well functioning system of „clients”)
 - system of manuals, trainings and learning by doing

Poland. Challenges for coming years

- New programming perspective – change of the paradigm what requires administrative capacity at strategic and implementation level
 - Strategic coordination in regard to the EU objectives
 - Focus on results
 - Integrated approach (combination of different sources to achieve territorially born goals)
- Many development actors (some say too many).
- Increase in national funding for RD – the use of loans instead of grants
- Involvement of private sector (incentives)- limited success with implementing the concept of ppp