

#### **EUROPEAN COMMISSION**

Brussels, 23 May 2014

# Summary of the Partnership Agreement for Poland, 2014-2020

#### Overall information

The PA covers five funds: the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the European Social Fund (ESF), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF).

The PA focus on the following priorities:

- Promoting business environment and facilitating entrepreneurship and innovation,
- Social cohesion and active labour market participation,
- Network infrastructure for growth and jobs,
- Environment and resource efficiency.

These funds are the cornerstone of Poland's medium and long-term development strategy. They will mobilize additional public national and private funding for growth and job creation and will reduce regional disparities in Poland. Investments will focus on catching-up and building new competitive advantages. Catching-up will consist of pursuing the reduction of infrastructure gaps in transport, energy sector, environment, telecommunications, as well as enhancing the regulatory environment and public administration services. Building new competitive advantages in Poland means improving the innovation capacity of enterprises, but equally important is strengthening the link between universities, science and economy in order to transfer research results into Polish economy.

A focus will be put on investment in human capital within the European Social Fund. A comprehensive individual and demand-driven approach will be developed to increase the employability of the people most in need on the labour market through the support of concrete active labour market policy tools, enhancement of entrepreneurship, and focus on up-grading of skills and acquisition of new qualifications. This individual approach will be expanded to encompass activities aiming at the social inclusion of the most vulnerable groups. Support to education will concentrate on building partnerships with enterprises and labour market institutions in order to adapt to labour market needs and enable individuals to gain the key and transversal competences through participation in lifelong learning. A considerable amount of ESF is also dedicated to enhancing the effectiveness and efficiency of the public administration and public services in Poland with a special emphasis on improving Poland's business environment.

One of the key features of Poland's development goals is its shift to a low carbon economy, which means a reduction of primary energy consumption and an increasing share of renewable energy sources in the overall energy structure. Another crucial objective for Poland is the shift from imitation-based to an innovation-based development and to lever substantially business R&D expenditure, which implies

commercializing indigenous innovative ideas and requires closer cooperation between enterprises and researchers.

A very substantial share of ESIF will be devoted to upgrading Poland's infrastructure. In the transport sector, the Commission is of the opinion that the railway sector should play a key role in ensuring a real shift to sustainable mobility. In the waste and water sectors, considerable investments are needed to make sure EU environmental requirements are fulfilled.

As regards Poland's rural area the ESIF will contribute to increasing the competiveness of the Polish agriculture, the sustainable management of natural resources and climate action in rural areas as well as their balanced territorial development. To achieve these objectives, investments will be targeted to projects where they will achieve the highest impact.

Poland has chosen to finance investment under all 11 thematic objectives defined in the Regulations. Details on thematic objectives are presented in Table 1.

### **Chosen expected results**

Investments are aimed at addressing main development gaps and thus strengthening social, economic and territorial cohesion. ESI funds will assist Poland in achieving national targets of EU2020 and its flagship initiatives:

- R&I expenditure in relation to GDP is to increase from 0,9% to 1,7% levering private R&I spending from 0,3 to 0,8 GDP. One fourth of the expected change is to be delivered by the ESI Funds.
- Similarly the ESIF contribution to the achievement of the target of the Digital Agenda (100% broadband access) has been assessed at 25%.
- In relation to energy objectives, ESI Funds provide for more than one third of investment needed to achieve renewable energy share of 15%.
- The Funds will contribute to increased employment rate, reduced poverty and improved adaptation of education to the labour market needs.
- Increased transport accessibility<sup>1</sup>.
- The funds aim to improve the Polish business environment by reducing administrative burden for businesses.

The commitments made in the Polish National Reform Programme as well as the Council Recommendations for Poland (CSRs) have been reflected in the PA. With this approach, interventions co-financed from European Structural and Investment Funds (ESIF) will reinforce the efforts of Poland aimed to carry out the necessary reforms and the fulfilment of the Recommendations. The Partnership Agreement, which is the strategic framework for ESI Funds, sets out clear political commitments in line with the strategic goals of Europe 2020, the EU's growth strategy.

### **Budget**

Again, in 2014-2020 Poland is the largest beneficiary of Cohesion Policy (ERDF, ESF, Cohesion Fund) with 77,6 bln EUR including 252 million EUR for youth initiative and

<sup>&</sup>lt;sup>1</sup> Measured by a synthetic indicator (inter-branch transport accessibility).

700,7 million EUR for territorial cooperation. Additional 8,6 billion EUR will be devoted to development of agricultural sector and rural areas from European Agricultural Fund for Rural Development (EAFRD). The allocation for European Maritime and Fisheries Fund (EMFF) will be specified once the relevant fund-specific regulation enters into force. Details on the allocation are given in a table below.

Concentration of funds on limited number of priorities is one of the main principles of the reformed cohesion policy. For Poland, thematic concentration, meaning the level of ERDF or Cohesion Fund expenditure aimed at research and innovation (TO1), ICT (TO2), competitiveness of enterprises (TO3) and low carbon economy (TO4) in relation to allocation account for 59,7% in less developed regions and 69,1% for more developed region (Mazowsze), including 22,9% for low carbon economy. Thematic concentration is kept above the minimum requirements.

The share of ESF in the allocation of ESI Funds amounts to 24,7% or 13,2 billion EUR and is above the required minimum share of 24%.

The whole territory of Poland, except for the capital region of Mazowieckie, belongs to less developed regions. Poland transferred 3% of allocation to Mazowieckie (ca 1,5 bln EUR), a more developed region characterised by huge intra-regional disparities.

Significant attention is given to territorial dimension of interventions in particular in the area of urban development and access to public services. At least 5% of ERDF allocation will be invested in sustainable urban development actions implemented in Poland mainly through Integrated Territorial Investments in regional capital cities and their functional areas. At least 5% of total EAFRD contribution to the rural development programme will be reserved for Leader / CLLD.

Approximately 20% of allocation will make a contribution to climate change mitigation and adoption measures.

## **Programmes architecture**

Cohesion policy will be delivered by 23 operational programmes (OPs), so 1 more compared to 2007-13 period:

- 3 national OPs co-financed by ERDF (OP Smart Growth, OP Digital Poland, OP Development of Eastern Poland)
- 1 national OPs co-financed by ERDF and CF (OP Infrastructure and Environment);
- 1 national OP co-financed by CF (OP Technical Assistance);
- 1 national OP Knowledge, Education and, Development co-financed by ESF;
- 16 regional multi-fund OPs co-financed by ERDF and ESF;
- 1 national OP financed by the Fund for European Aid to the Most Deprived (FEAD)
- A larger share of allocation will be managed by regions (ca 55% of ERDF and 66% of ESF compared to 25% of ERDF in 2007-13).

Moreover 1 OP for Development of Rural Areas and 1 OP for maritime areas will be supported from EAFRD and EMFF.

Details on allocations to operational programmes are presented in table 2,3 and 4.

Table 1: Allocation: breakdown by thematic objective and by fund (except territorial cooperation).

The second secon	ERDF	ESF	<b>Cohesion Fund</b>	EAFRD	EMFF <sup>2</sup>	Ogółem
Thematic objective	Euro					
1. Strengthening research, technological development and innovation	9 920 577 133	0	0	68 720 000		9 989 297 133
2. Enhancing access to, and use and quality of, ICT	3 082 161 211	0	0	0		3 082 161 211
3. Enhancing the competitiveness of SMEs, of the agricultural sector (for the EAFRD) and of the fishery and aquaculture sector (for the EMFF)	5 608 753 712	0	0	3 792 292 519		9 401 046 231
4. Supporting the shift towards a low-carbon economy in all sectors	5 652 297 109	0	3 537 614 632	0		9 189 911 741
5. Promoting climate change adaptation, risk prevention and management	418 974 997	0	700 000 000	264 046 000		1 383 020 997
6. Preserving and protecting the environment and promoting resource efficiency	2 764 009 074	0	3 108 174 167	2 946 000 000		8 818 183 241
7. Promoting sustainable transport and removing bottlenecks in key network infrastructures	8 963 943 906	0	14 832 076 880	0		23 796 020 786
8. Promoting sustainable and quality employment and supporting labour mobility	219 214 988	5 032 446 285	0	263 383 000		5 515 044 273
9. Promoting social inclusion, combating poverty and any discrimination	2 634 044 018	2 673 616 270	0	1 103 951 100		6 411 611 388
10. Investing in education, training and vocational training for skills and lifelong learning	551 234 567	3 439 718 091	0	27 361 000		4 018 313 658
11. Enhancing institutional capacity of public authorities and stakeholders and efficient public administration	0	188 979 120	0	0		188 979 120
Total	39 815 210 715	11 334 759 766	22 177 865 679	8 465 753 619		81 793 589 779
						in addition
Technical assistance	398 659 520	1 186 872 322	1 030 123 363	132 527 195		2 748 182 400
Mobility programmes social innovation, transnational cooperation	0	670 532 150	0	0		670 532 150
Total	40 213 870 235	13 192 164 238	23 207 989 042	8 598 280 814		85 212 304 329

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<sup>&</sup>lt;sup>2</sup> To be specified once the relevant regulation on EMFF enters into force

**Table 2: Allocation to national OPs** 

Operational programme	Thematic objectives covered	ESI Fund	Allocation (mln EUR)
OP Infrastructure and Environment	TO 4, 5, 6, 7, 9	ERDF, CF	27. 413
OP Smart Growth	TO1, TO 3	ERDF	8. 613
OP Knowledge, Education, Development	TO 8,9,10,11	ESF	4. 436
OP Digital Poland	TO 2	ERDF	2. 172
OP Development of Eastern Poland	TO 3, 4, 7	ERDF	2.000
OP Technical Assistance	N/A	CF	0.700
16 Regional OPs	TO 1 – TO10	ERDF, ESF	31. 276

Table 3: Allocation for less developed regional OPs

Tuble of Thiocurron for less deve		including		
Region	Total allocation (EUR)	ERDF	ESF	
DOLNOŚLĄSKIE	2 252 546 589	1 618 916 106	633 630 483	
KUJAWSKO-POMORSKIE	1 903 540 287	1 368 083 592	535 456 695	
LUBELSKIE	2 230 958 174	1 603 400 406	627 557 768	
LUBUSKIE	906 929 693	651 814 747	255 114 946	
ŁÓDZKIE	2 256 049 115	1 621 433 387	634 615 728	
MAŁOPOLSKIE	2 878 215 972	2 068 587 710	809 628 262	
OPOLSKIE	944 967 792	679 152 913	265 814 879	
PODKARPACKIE	2 114 243 760	1 519 517 194	594 726 566	
PODLASKIE	1 213 595 877	872 217 214	341 378 663	
POMORSKIE	1 864 811 698	1 340 249 168	524 562 530	
ŚLĄSKIE	3 476 937 134	2 498 891 499	978 045 635	
ŚWIĘTOKRZYSKIE	1 364 543 593	980 704 066	383 839 527	
WARMIŃSKO-MAZURSKIE	1 728 272 095	1 242 117 496	486 154 599	
WIELKOPOLSKIE	2 450 206 417	1 760 975 177	689 231 240	
ZACHODNIOPOMORSKIE	1 601 239 216	1 150 818 353	450 420 863	
Total 15	29 187 057 412	20 976 879 028	8 210 178 384	

Table 4: Allocation for Mazowieckie (more developed region)

Region	Total allocation (EUR)	including			
Region	Total allocation (ECK)	ERDF	ESF		
MAZOWIECKIE	2 089 840 138	1 544 686 317	545 153 821		