1. Basic information:

1.1 Number: PL0006.01
1.2 Title: Institution building for rural development
1.3 Sector: Agriculture Twinning code: PL2000/IB/AG02
1.4 Location: Poland

2. Objectives:

2.1 Wider objective:
To enhance institutional capacities for the implementation of the structural and rural development policy. The acquisition of such capacity will ensure involved institution to develop and implement rural areas development programmes.

2.2 Immediate objectives:
- to develop and strengthen the institutional capacities of MARD to co-ordinate programming and monitoring the implementation of the rural development policy through central and regional programmes;
- to develop the monitoring system;
- to develop the system of assessment and analyses of the project/programmes to be implemented with the advisory institutions units.

2.3. Accession Partnership and NPAA priority:
The National Programme of Preparation for EU Membership emphasises as a short-term priority the establishment and implementation of a coherent structural and rural development policy for Poland. The Accession Partnership stressed the need to further elaborate and implement a rural economy including measures dealing with the modernisation of farming and related industries, administration of agricultural lands including issues of leasing, accompanying social measures, and raising public awareness on the future of farming in rural communities. This priority requires creation of the efficient administration structures for development and implementation of rural areas development policy trough programmes.

The Policy was adopted by the Government of Poland on July 13, 1999. All components of this Project are in line with both the Policy objectives and measures. In particular the Government recognises the role of public administration on local, regional and central level in the process of development and implementation of rural areas development programmes.

Moreover, off-farm employment mentioned as one of the main policy tiers and needs in terms of promoting and supporting off-farm rural businesses have been underlined.

3. Description:

3.1 Background and justification:
Implementation of coherent structural policy of rural development and agriculture requires co-ordination in preparation and monitoring of rural development programmes. Through decentralisation of the state functions requires an appropriate co-ordination between central, regional and local level in the process of development and realisation of rural development programmes. The Ministry of Agriculture and Rural Development performs the leading role in the process of implementation of the programmes for rural development and agriculture. It is responsible for overall programming and monitoring. The Agency of Restructuring and Modernisation of Agriculture is responsible for implementation of the programmes and act as paying agency. In January the Agency established regional branches, which would be directly responsible for implementation of programmes on regional level. The Marshal is responsible, according to the law on voivodship self-government, for creation and implementation of regional development strategy. Regional and local governments are responsible for implementation of projects under the regional strategy. State appointed voivod represents, according to the law on governmental administration in voivodship, the central government in the voivodship. He is responsible for ensuring that national policies are executed and enforced within the voivodship, and that the state institutions operating in the region perform their functions appropriately. The voivod performs the control over legality of self government’s acts and the financial control over actions undertaken by the self-government authorities financed by the state budget grants. Advisory agriculture services (ODR), directly linked to the Ministry of Agriculture and Rural Development, operates within the voivod’s office. Their duty is to provide to the farmers and agriculture associations’ advice and help. The implementation of the rural areas development programmes requires establishment of
appropriate relations intra-ministerial and with implementing and advisory institutions. This is a very specific process targeted on the specific areas having many difficulties in achieving goals stressed in national and regional strategies. The overall approach, proposed in Coherent structural policy of rural areas and agriculture development, requires participation of all local and regional institutions responsible for development and implementation of specific projects. The process of implementation should be well monitored. The analyses of monitoring reports help to moderate programmes and specific projects and address them to the real problems. The difficulties in these areas are effected by lack of active participation, very poor system of information transfer and lack of proper access to modern technology.

The project will focus on strengthening MARD capacities to establish the proper co-operation with implementing and advisory institutions in the field of programming and implementation of the rural development programmes. This will be the continuation of actions undertaken under the framework of SPP. The activities planned under SPP relate to the programming phase during the preparation of national strategy and focused on several specific issues concerning co-ordination, monitoring. In this project these actions should be broadened and should be targeted on establishment of appropriate links between relevant units of MARD as co-ordination inter-institutional necessary for implementation and monitoring of rural areas development programme.

3.2 Linked activities

1. From Phare and other foreign funds:
   - Special Preparatory Programme
     Project will be the continuation of actions undertaken under the framework of SPP. Actions related to the elaboration and development of operational programme had been undertaken in the twinning part of SPP. Furthermore, the seminars on selection criteria and accreditation process with the participation of Irish experts were prepared. The officials from the Ministry of Agriculture and Rural Development, ARMA and Ministry of Finances benefited from these seminars. The non-twinning part has recently started. The experiences from SPP should help to identify the real problems concerning the existing implementation structure. It will focus on specific issues concerning co-ordination and monitoring system inside the Ministry of Agriculture and Rural Development and on co-ordination and monitoring in relations of the Ministry with implementing and advisory institutions during the process of implementation of rural areas development programmes.
     - works on specific implementation and paying procedures and guidelines for operators in SAPARD, drafts of application forms are currently carried out in the Ministry of Agriculture and Rural Development. The Ministry, in co-operation with ARMA, is working on selection criteria and procedures for SAPARD. These works are financed only from state budget. The experiences from these actions will help to identify further problems for implementation process.
     - The team for working out the accreditation criteria was established in the Ministry of Finances. The representatives of MARD and ARMA participate in works of this team. The criteria which should meet a paying agency, should be prepared during the first half of this year.
   - Two regionally implemented programmes:
     - PHARE 1999 – Regional Development in Warminsko-Mazurskie and Podkarpackie Voivodships;
     - Know How Fund-Rural Development Programme in Lubelskie Voivodship; will be a practical experience for programmes implementation co-ordination and monitoring system. On the basis of that, the weak points of implementation system could be identify and the project would try to elaborate and propose necessary changes.

3.3 Results:

- project of inter-institutional co-ordination and monitoring structure proposed
- appropriate links for intra-ministerial and inter-institutional co-operation in the field of monitoring established;
- role of institutions involved in the process of monitoring defined;
- manual on inter-institutional co-ordination for central and local government administration (voivodship offices, marshal offices, county offices and municipality offices, implementation and advisory institutions dealing with implementation of rural development programmes);
- institutions participating in the process of implementation of rural areas development programmes fully trained, for example in project cycle management information techniques, techniques of market demand analyses, monitoring rules and financial analyses;
- implementation of recommendations for MARD, of changes in law and administrative structures, prepared and communicated;
• staff of all institutions involved in the process of co-ordination and monitoring informed about their role and duties.

3.4 Activities:

Twinning

Many actions undertaken under the framework of this Project will involve the provision of the support of Pre-Accession Advisor and short and medium term experts. The profile and number of these should therefore be commensurate with the tasks to be undertaken as indicated below:

Pre-Accession Advisor (PAA)

The PAA will be the general advisor to the Ministry of Agriculture and Rural Development and will provide support and advice in following areas:

• will act as a co-ordinator of short and medium term experts
• interpretation of rules and mechanisms set out by EU legislation concerning monitoring and evaluation of the implementation process, advice and support in the development and the establishment of co-ordination and monitoring structure and procedures inside MARD and with implementing and advisory institutions;
• acting as a link between the Polish authorities and Member States in the provision of on-going advice;
• preparing, organising and overseeing training seminars and best practice exchange;
• support and advice in the preparation of informational and publicity materials.

The PAA will operate within the Ministry of Agriculture and Rural Development. The main support will be provided to the Department of Pre-accession Assistance and Structural Funds-responsible for co-ordination and monitoring of SAPARD and World Bank Programme for Activation of Rural Areas and to the Department of Social Affairs and Education-responsible for co-operation with advisory services to the farmers and enterprises. Also through the every day contacts of MARD with its central and regional partners, the PA Advisor will co-operate with ARMA and National and Voivodship Advisory Centres and marshal and voivodship offices in specific issues concerning the co-ordination and monitoring issues.

Medium and short term EU experts under twinning

The support and advice provided by the medium and short term EU experts will involve on going advice to the Polish authorities concerning the development of institutional capacities related to the implementation of rural areas development programmes, monitoring and evaluation. The special attention should be given to the problem of appropriate advisory services system in the process of programmes implementation. The support will be provided to the MARD, ARMA, voivodships and marshals offices, and national and voivodships advisory services. The experts should provide the know-how amongst others from the following areas:

The overall co-ordination and implementation,
Monitoring systems and evaluation
Financial management of the programmes, the evaluation of co-financing provisions in the financial tables and practical impact of provisions to the implementation
Evaluation and permanent monitoring of coherency of the implemented programmes to the foreseen in the ex-ante evaluation results.

In this project, one twinning contract should be concluded for the twinning activities (PAA and medium and short term EU experts), and one contract for training and informational materials with delivery of PC equipment.

Training.

Training for relevant staff of MARD and implementing and advisory institutions in the field of project cycle management, stake holders, analyses logical framework, monitoring rules, financial analyses-800 persons from regional voivodship offices, marshal offices, ODR’s and regional branches from ARMA and 25 officers from MARD responsible for monitoring and evaluation of the programme.

• The monitoring procedures and structures training should be provided for MARD officials, marshal and voivodship offices staff, to ARMA staff and to ODR’s.
• The evaluation and financial management training should be targeted on the ODR’s, to the budget and finance control units in the voivodship offices and to the ARMA regional branches staff responsible for financial management.
• Training on project cycle management, stake holders, analyses logical framework should be provided to the ODR’s and marshal offices.

Study visits.
Study visits (3-5 days) in Poland and Member States (3-5 days) to exchange experiences and best practice examples in the area of this Project –for 80 officials from regions and 25 officials from MARD: monitoring system and structure evaluation

Preparation and print of **publications, informational leaflets**

**Software and hardware** required for PAA and medium and short term experts

### 4. Institutional framework:

The following institutions will participate in the project as beneficiaries:

- **Ministry of Agriculture and Rural Development:** playing a key role as a co-ordinator of the implementation of rural areas development programmes related to the National Strategy for Rural Areas and Agriculture. It has competencies in the area of monitoring according to the Polish law - PAA and the short and medium term EU experts;
- **Marshal and voivod’s offices:** responsible for implementation of regional development plans, state policy and control of implementation process according to the Polish law on state administration in the voivodships and on voivodship government-short and medium term experts and local experts;
- **Agency for Restructuring and Modernisation of Agriculture:** paying agency for several programmes in the field of agriculture and also implementing agency for programmes related for example to the improvement of training systems for farmers-medium and short term experts;
- **National and voivodship advisory centres for agriculture and rural areas development:** providing farmers, local administration, small and medium enterprises with information and advisory services-medium and short-term experts and local experts.

These institutions are involved in the process of implementation of rural development programmes. Close co-operation at the national level between MARD and ARMA and on the regional level between the marshal offices and regional branches of ARMA is carried out in the field of implementation of the programmes. The monitoring is the responsibility of MARD and is executed in region through the voivodship offices. The ODR will co-operate closely with regional branches of ARMA at the stage of project/programmes evaluation. The project will improve their institutional capacities to perform competencies in effective way and will established the transparent monitoring structure with well defined role of each institution in it.

### 5. Budget:

<table>
<thead>
<tr>
<th>Contracts</th>
<th>Investment (IN)</th>
<th>Institution building (IB)</th>
<th>Total PHARE (IN + IB)</th>
<th>Poland’s co-financing</th>
<th>IFI</th>
<th>Total</th>
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<td>Contract 1*:</td>
<td>100 000</td>
<td>1 000.000</td>
<td>1100.000</td>
<td>330 000</td>
<td>1 430 000</td>
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<td>Contract 2**:</td>
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<td>900.000</td>
<td>500.000</td>
<td>1 400 000</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>100 000</strong></td>
<td><strong>1900 000</strong></td>
<td><strong>2 000 000</strong></td>
<td><strong>830 000</strong></td>
<td><strong>2 830 000</strong></td>
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</table>

* Training and informational materials (in Poland, abroad and delivery of PC equipment and software)

** Twinning arrangements (PAA, long, medium and short term)

The Polish authorities have assured that the Government cofinancing is available either through the reserve budget foreseen specifically by the Ministry of Finance for this purpose each year, or directly through the budget of the relevant Ministry.

### 6. Implementation Arrangements:

#### 6.1 Implementing Agency:

PAO: P. Samecki, Undersecretary of State at the Office of the Committee for European Integration

Al. Ujazdowskie 9, Warsaw. Tel.: 4822 694 75 42, 4822 694 7195, 4822 694 6064. FAX: 4822 694 7194, 4822 625 0380. **CFCU:** Foundation “Cooperation Fund”, 6/12 Nowy Świat St., 00-400 Warsaw.

The CFCU is responsible for handling tendering, contracting and payments of contracts on behalf of the Ministry of Agriculture and Rural Development which itself shall be responsible for preparing projects and managing their technical implementation.

#### 6.2 Twinning:

The Ministry of Agriculture and Rural Development-Polish partner will co-ordinate in co-operation with regional partners (marshal’s offices, voivod’s offices and ARMA) horizontal activities in Poland as follows: recruitment of candidates for training and study visits, dissemination of information, elaboration of materials...
and manual. The contact person will be the director of the Department of Preaccession Assistance and Structural Funds in MARD, address: 00-930 Warsaw, Wspólna 30 str., tel: +48 22 623 25 55, fax:+48 22 623 20 51.

6.3 Non-standard aspects: n.a.

6.4 Contracts:
The following contracts shall be concluded:

- Twinning agreement (1 for twinning consortium)-contract for 1 year PAA and short and medium term experts 1000 expert-days -900.000 EUR
- Contract for materials, trainings, study visits and equipment/software - DIS procedure-1100.000 EUR

7. Implementation schedule:
7.1 Start of tendering/call for proposals: ToR preparation ready:- September 2000
7.2 Start of project activities: commencement of first contracts -April 2001
7.3 Project Completion: Expected date of last payments under last contract - December 2002

8. Equal opportunity:
Institutions and organisations existing in specific areas, whose aim is to support the activity of women outside agriculture in rural areas, will be covered by the project. The equality of chances will be ensured in the structure of employment of institutions formed in result of the implementation of the project. Requirements that the personnel of institutions - the beneficiaries of the project have to meet are the same regardless of sex.


10. Rate of return in the Project: n.a.

11. Investment criteria in the Project: n.a.

12. Sequencing/conditionally:
Detailed commitments of the Polish side include:

- assigning/employing indispensable personnel to activities connected with the project;
- selection of local experts financed from polish cofinancing;
- ensuring co-ordination between institutions connected with the project;
- legal backing;
- ensuring a legal framework for the introduction of changes resulting from the project;
- ensuring access to indispensable information and documents;
- co-financing the project.

Benchmarks

<table>
<thead>
<tr>
<th>No</th>
<th>Items</th>
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<th>2002</th>
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<td>I q</td>
<td>II q</td>
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<tr>
<td>1</td>
<td>Recommendation for MARD on co-ordination and monitoring structure proposed</td>
<td></td>
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<tr>
<td>2</td>
<td>Selection of local and EU medium and short term experts</td>
<td></td>
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<tr>
<td>3</td>
<td>Elaboration of training programmes</td>
<td></td>
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<tr>
<td>4</td>
<td>Selection of staff to be trained from MARD and implementation and advisory institutions</td>
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<tr>
<td>5</td>
<td>Selection of experts for study visits</td>
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<td>6</td>
<td>Elaboration of informational materials</td>
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<td>7</td>
<td>Elaboration and dissemination of the manual</td>
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### Annex 1: LOGFRAME PLANNING MATRIX FOR PROJECT:

<table>
<thead>
<tr>
<th>Programme Number</th>
<th>PL00</th>
<th>Project Title</th>
<th>Institution building for rural development</th>
<th>Date of Drafting</th>
<th>Planning Period</th>
<th>Total Budget of Project</th>
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<tr>
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<td>March 2000</td>
<td>Apr 2000- Dec. 2001</td>
<td>2.83MEURO</td>
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<table>
<thead>
<tr>
<th>Overall Objectives</th>
<th>Indicators of Achievement</th>
<th>Sources of Information</th>
<th>Assumptions and Risks</th>
</tr>
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<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
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<tr>
<td>• To enhance institutional capacities for the implementation of rural development</td>
<td>Preparing MARD and implementing and advisory institutions to implement the</td>
<td>documentation of Poland’s government; Ministry of Agriculture and Rural Development</td>
<td>A&lt;br&gt;• Involvement of Poland’s authorities in the preparation of the agricultural sector for EU integration,&lt;br&gt;• allocation by the government of appropriate human and financial resources to this end,&lt;br&gt;R&lt;br&gt;• legislative procedure making it difficult to introduce fast changes of legal acts,</td>
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<td></td>
<td>rural areas development programmes.</td>
<td>European Integration Committee, documentation of provincial, marshal, county and commune offices, documentation of non-governmental organisations, documents and reports of the European Commission and other EU institutions</td>
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<table>
<thead>
<tr>
<th>Immediate Objectives</th>
<th>Indicators of Achievement</th>
<th>Sources of Information</th>
<th>Assumptions and Risks</th>
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<tbody>
<tr>
<td>(5)</td>
<td>(6)</td>
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<tr>
<td>- to develop and strengthen the institutional capacities of MARD to co-ordinate programming and monitoring the implementation of the rural development policy through central and regional programmes;</td>
<td>MARD and implementation and advisory institutions ready to work out and implement rural areas development programmes</td>
<td>documentation of Poland’s government; documents and reports of the European Commission and other EU institutions; documentation of provincial, marshal, county and commune offices documentation of non-governmental organisations</td>
<td></td>
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<tr>
<td>- to develop the monitoring system;</td>
<td>Appropriate monitoring system established</td>
<td>A:&lt;br&gt;• good familiarity with legal and organisational conditions binding in the EU&lt;br&gt;• adjusting community models to home conditions</td>
<td></td>
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<tr>
<td>- to develop the system of assessment and analyses of the project/programmes to be implemented with the advisory institutions units.</td>
<td>advisory institutions ready to provide advisory services for persons undertaking economic activity outside the agriculture.</td>
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<table>
<thead>
<tr>
<th>Outputs of Project</th>
<th>Indicators of Achievement</th>
<th>Sources of Information</th>
<th>Assumptions and Risks</th>
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<tbody>
<tr>
<td>04.01 Institution building for rural development</td>
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</table>
project of inter-institutional co-ordination and monitoring structure proposed
appropriate links for intra-ministerial and inter-institutional co-operation in the field of monitoring established;
role of institutions involved in the process of monitoring defined;
manual on inter-institutional co-ordination for central and local government administration (voivodship offices, marshal offices, county offices and municipality offices), implementation and advisory institutions dealing with implementation of rural development programmes;
institutions participating in the process of implementation of rural areas development programmes fully trained, for example in project cycle management information techniques, techniques of market demand analyses, monitoring rules and financial analyses; recommendations for MARD, of changes in law and administrative structures, prepared, communicated and implemented;
staff of all institutions involved in the process of co-ordination and monitoring informed about their role and duties.

<table>
<thead>
<tr>
<th>Inputs</th>
<th>Indicators of Achievement</th>
<th>Sources of Information</th>
<th>Assumptions and Risks</th>
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<tr>
<td></td>
<td>Project of inter-institutional coordination in the process implementation of rural areas development programmes proposed; A manual used by government and local government and other implementing and advisory institutions. The scheme of institutional relations and competencies in the process of monitoring prepared. Trained staff of relevant institutions that will be engaged in implementing of rural development programmes. Implemented set of recommendations for the government and non-governmental administration. Acquired experiences extended onto the entire Poland.</td>
<td>Poland’s government’s documentation recommendations and publications, reports on the implementation of the programme, evaluation of the quality of training programmes; information materials of marshal, county and commune offices.</td>
<td>A: good familiarity with legal and organisational structures in the EU, making good use of models of member states, adjusting norms to home conditions. R: lack of approval of Poland’s government for the presented organisational structures, lack of agreement between institutions involved.</td>
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</tbody>
</table>

04.01 Institution building for rural development / 7
Training for relevant staff of MARD and implementing and advisory institutions in the field of project cycle management, stake holders, analyses logical framework, monitoring rules, financial analyses-800 persons from regional voivodship offices, marshal offices, ODR’s and regional branches from ARMA and 25 officials from MARD responsible for monitoring and evaluation of the programme.

EU PAA and medium and short-term experts to provide know how and experiences exchange in the field of co-ordination and monitoring system for implementation of rural areas development programmes.

Local experts (medium and short term) to identify the specific needs in case of implementation of rural areas development programmes, related to co-ordination and monitoring- pay from polish co-financing study visits in Poland and Member States (3-5 days) to exchange experiences and best practice examples in the area of this Project –for 80 officials from regions and 25 officials from MARD;

preparation and print of publications, informational leaflets, information on CD other support software and hardware required for PAA and medium and short term experts

<table>
<thead>
<tr>
<th>Training organised at home for 825 people;</th>
<th>Study visits paid to selected countries for 105 persons;</th>
<th>Assistance to be provided by home and foreign experts;</th>
<th>The required equipment bought;</th>
<th>Indispensable software bought/prepared;</th>
<th>Visible progress in the implementation of rural areas development programmes and management of this programmes</th>
<th>Reports on the implementation of the programme</th>
</tr>
</thead>
</table>

A:
- appropriate, high quality training programmes,
- appropriate selection of member states,
- appropriate selection of experts

R:
- insufficient resources of appropriate personnel in involved institutions,
- insufficient budget funds of involved institutions,
- inappropriate selection of the areas for the implementation of the project

Annex 2-4: Implementation, contracting and disbursement schedules

<table>
<thead>
<tr>
<th>Programme Title</th>
<th>Planning Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation schedule</td>
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<tr>
<td>Contracting schedule</td>
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<td>Disbursement schedule</td>
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