1. BASIC INFORMATION
1.1 Desiree Number: PL0008.04.01
1.2 Title: Podkarpacie - Human resources development
1.3 Sector: Human Resources Development
1.4 Location: Podkarpacie Voivodship, Poland

2. OBJECTIVES:
2.1 Wider objective:
The wider objective of the project is achieving greater economic and social cohesion through the
development of human resources in the Podkarpacie region.

2.2 Immediate objectives:
The immediate objectives of the project directly address the priorities identified in the Podkarpacie
Voivodship Preliminary Operational Programme, and include:

- Increasing employability of the social groups threatened by unemployment (in particular the inhabitants
  of rural areas and small town and employees of declining industries – especially heavy industry,
education and health sector);
- Increasing entrepreneurship among persons threatened by unemployment (rural population in particular);
- Increasing adaptability, productivity and competitiveness of small and medium enterprises - sustaining
  jobs in SMEs;
- Increasing the competence of regional and local stakeholders in relation to the development of human
  resources;

The project will lead to increased adjustment capabilities of the human resources of the region to the changes
taking place on the labour market

2.3 Accession Partnership and NPAA priority:
The project reflects the Accession Partnership and its main priorities in the areas of labour market, social
policy and SMEs. Through the project the European Employment Strategy will be implemented and the
regional absorption potential for future participation in the European Social Fund will improve. It is
important to note that the activities envisaged in the project correspond mainly to the 3 & 4 European Social
Fund’s policy fields.

HRD projects proposed within the framework of ‘Economic and Social Cohesion Programme PHARE 2000’
will reinforce and complement other components of the Programme (development of physical infrastructure,
development of SMEs) by means of continuing vocational training. This is in accordance with the principles
of integrated programming followed under the EU structural funds, which require co-ordination of human
resources (ESF) projects with the activities taken under other (ERDF) components.

2.4 Contribution to National Development Plan:
The Preliminary National Development Plan recognises “Strengthening development potential of regions
and countering marginalization of certain areas” as one of the country’s main priorities. Since the
development of regions depends not only on physical infrastructure but also on the skills of the regional
work force and their access to knowledge, one of the crucial measures taken to insure regional economic and
social growth is Human Resources Development. HRD, which was awarded paramount importance in the
National Strategy for Increasing Employment and Human Resources Development as well as in the Regional
Development Strategy, identifies the promotion of employability and adaptability as an essential condition
for the successful implementation of development and restructuring processes in the voivodship as well as a
factor ensuring the increase of entrepreneurship.

2.5 Cross Border Impact: n.a.

3. DESCRIPTION
3.1 Background and justification:
The Podkarpacie region is situated in the South-eastern Poland. It covers 17, 900 square kilometres (5.7% of
the total area of Poland). It is inhabited by 2.12 million people (5.5 % of the total population of Poland).
The region has an industrial and agricultural character. 45% of those employed work in agriculture, and
59% of all inhabitants live in rural areas. Due to social, economic and environmental factors agriculture is
and will be the basis for regional development. The major problems facing agriculture in the Podkarpacie
region are low productivity (almost four times lower than the national average), low quality of offered
products and over-employment. To a large extent it is due to the low level of education among rural inhabitants (over 55% have not completed secondary school) and low economic activity of these people. Besides agriculture the region has relatively well developed steel and machinery industries. Presently those sectors are undergoing a process of intensive restructuring which has resulted in a reduction of employment.

The labour market in Podkarpacie Voivodship is characterised by: Extensive hidden unemployment in the rural areas; Low level of education and qualifications of the working population; Insufficient absorption of the regional labour market, with the SMEs as employers in particular; Low level of economic activity and entrepreneurship among the inhabitants; Inadequate capacities of local governments in relation to employment and labour market policy. Forecasts for the next several years: A gradual increase in unemployment in agriculture related to the adaptation to EU conditions; and Reduction of public sector employment related to the restructuring of heavy industry (e.g. the steel industry) located in Podkarpacie and to the reform of the education and health system.

From the perspective of the present situation in the labour market and forecasts for the years 2000-2003 it is important to: Adapt work force qualifications to the needs of the labour market; Stimulate private sector development, in particular the development of small and medium enterprises; Strengthen the role of local governments (poviats and gminas) in designing and implementation of developmental policies and promotion of human resources.

Persons with low level of education and with limited occupational skills are unable to adapt to the requirements of continuously changing labour market. Vocational training programmes, implemented in the region by the Employment Service (Labour Fund), have been primarily addressed to registered unemployed people. Therefore it has become indispensable to develop and offer preventive training courses which would upgrade and provide new qualifications for working population and persons threatened by unemployment before they get into unemployment. It is also important to retrain/stimulate entrepreneurship among rural inhabitants, particularly in the areas where the potential of already existing farms can be utilised (tourism and agro-tourism).

Another group which faces information and knowledge barriers are local small and medium size enterprises, especially the ones operating in rural areas. In order to secure their dynamic development resulting in increased competitiveness and the jobs creation potential, the upgrading of managerial skills among the SMEs staff members and introduction of new technologies is absolutely indispensable.

The insufficient capacities of local governments in relation to employment and labour market policy constitute yet another serious problem faced by the region. Although local governments, particularly in the areas affected by high unemployment rate (including hidden unemployment), constitute the only entities whose financial resources allow for active intervention at the local labour market, the inadequate knowledge and lack of specific skills among their staff members frequently limit their effectiveness. Provision of specific knowledge and skills related to the preparation and implementation of local employment initiatives (employment pacts) and local development programmes will increase the governments’ efficiency and facilitate co-operation with other partners as to creation and implementation of effective employment policy.

3.2 Linked activities:
Since such a wide range of activities will be implemented in the region for the first time, the project can be considered pioneering in the Podkarpacie Voivodship. It will, nonetheless, utilise the experiences already gained by institutions involved in regional continuing vocational training programmes.

The project will be harmonised with other actions implemented within the Integrated Phare 2000 Programme, those referring to the small and medium enterprises sector in particular. It will be co-ordinated with the national project “Strengthening Continuing Vocational Training System in Poland”, implemented by the Ministry of Labour and Social Policy. Within the framework of the national project trainers training and monitoring and evaluation will be provided. National project will also develop occupational standards and modular training methodology.

The project will be linked to activities performed by the government, regional government and institutions implementing and co-ordinating projects covering the areas to which the present project refers. The project will also refer to training activities financed from Labour Fund and conducted in the region by local labour offices and regional/local training institutions.

3.3 Results:
- Out of 3250 persons threatened with unemployment trained (in particular the inhabitants of rural areas and small town and employees of declining industries – especially heavy industry, education and health sector), re-trained and provided with counselling, ca. 850 will find permanent employment; 200 will start their own business, out of which 100 companies will be run by women;
• 2500 SMEs employees and managers trained in modern management methods, applied technologies, which will result in increased competitiveness and 375 job positions preserved;
• 552 representatives of local governments and social partners from poviats and gminas trained on designing and implementing local employment and development programmes; better preparation of regional and local administration for seeking and utilising resources from the European Social Fund.

3.4 Activities:
Proposed Project activities encompass three components:

1. Training and business counselling for persons threatened by unemployment
2. Training for employees of SMEs
3. Assistance to the development of local employment pacts

1. Training and business counselling for persons threatened by unemployment
This component of the project will concentrate on two types of goals:

1. Vocational training and job counselling for persons at risk of unemployment (in particular the inhabitants of rural areas and small towns and employees of declining industries – especially heavy industry, education and health sector)
2. Training and business counselling for start-ups (rural population in particular)

Although working persons threatened by loosing their jobs are a target group of this component, registered unemployed are also eligible to benefit from the vocational trainings. Voivodship Board in co-operation with employers representatives will define the exact criteria for the selection of participants and detailed scope of training, which is going to be provided. The training programmes will encompass guidance and the activities aimed at upgrading the qualifications, vocational training and training on starting up business activity. The training programme will be designed to meet the labour market requirements according to the list of jobs in demand, which is regularly updated by the Voivodship Labour Office responsible for the ongoing monitoring of the regional labour market. The list will be prepared in co-operation with employers representatives.

Ad. 1:
• Courses and guidance improving job search skills, vocational guidance and counselling
• Training aimed at upgrading and supplementing the qualifications (adjusted to the labour market and employers needs) which may include:
  - upgrading computer skills
  - upgrading secretarial skills
  - other courses enhancing the qualifications of the target group, adjusted to the participants’ needs

Ad. 2:
• Courses on starting and conducting business activity, including:
  - basics of economic activity
  - legal and financial aspects of conducting economic activity
  - business plan development
  - starting up tourist activity including special course for people inhabiting rural areas: agro-tourism.
• counselling for persons starting economic activity (legal and financial aspects of starting business)

Description of provided services:
− preparation of training and advisory programmes
− preparation of organisational base for training and counselling services,
− selection of participants,
− preparation of training materials for each participant,
− dissemination of information on the training offered
− implementation of training and counselling programmes,
− securing easy access to training
− final report on implementation of training

2. Training for employees of SMEs
Further development of SMEs operating in the region largely depends on upgrading managerial methods and introduction of new technologies. The training offered within the project should reach the SMEs employees and managers.

The Voivodship Board in co-operation with the representatives of SMEs will prepare the detailed characteristics of potential SMEs participating in the Project as well as the scope of training.
• Training related to:
- Management and organisational issues
- Management of human resources
- Finance management
- Marketing and promotion
- Other skills needed by local businesses - including computer skills and upgrading foreign language skills (sector specific courses, only as a part of vocational training)

- counselling related to implementation of new solutions in management
- special programmes will be offered on:
  - Modern technologies as well as management, marketing and other issues related to tourism (for SMEs operating in this sector)

- counselling related to implementation of modern technologies

**Description of provided services:**
- preparation of training and advisory programmes
- preparation of organisational base for training and counselling services,
- selection of participants,
- preparation of training materials for each participant,
- implementation of training and counselling programmes,
- final report on implementation of training

This subproject will be closely co-ordinated with other projects under Regional Operational Programme (SME grant scheme in particular).

All services provided directly to SMEs will meet the advisory, information, training and financial services standards of the National SME Services Network.

3. **Assistance to the development of local employment pacts**

Local governments, particularly in the rural areas, suffering from hidden unemployment and other areas of high unemployment are the only entities whose financial resources (National Labour Fund) allow for active intervention at the local labour market. Provision of specific knowledge and skills related to the preparation and implementation of local employment initiatives (employment pacts) and local development programmes will increase their efficiency and will facilitate better co-operation in creation and implementation of employment policy.

**Beneficiaries:**
About 552 representatives of poviats and gminas authorities and local stakeholders (social partners).

The Regional Steering Committee will define the exact number of poviats covered by this component.

**Scope of provided services:**
- Training related to:
  - methods of preparation of local human resources development projects (employment pacts) and local projects for employment promotion (tourism promotion etc.)
  - methods of co-operation among different levels of local government, social partners and other stakeholders
- TA related to:
  - analysis of the current labour market situation and recommendations for the appropriate actions
  - advice on creation and implementation of employment initiatives

**Description of provided services:**
- preparation of training and advisory programmes
- preparation of organisational base for training and advisory services,
- selection of participants,
- preparation of training materials for each participant,
- implementation of training and advisory programmes
- labour market analysis
- final report on implementation of training

4. **INSTITUTIONAL FRAMEWORK OF THE PROJECT:**

The Ministry of Regional Development and the Ministry of Labour and Social Policy will play the leading roles in the Programme. A Programme Monitoring Committee, chaired by the representatives of the Minister of Regional Development and the Minister of Labour, will comprise the representatives of the Ministry of Finance, Ministry of Education, Office of the Committee for European Integration, the Ministry of
Agriculture and Food Economy, Ministry of Transport and Maritime Economy, the Ministry of Environment, Natural Resources and Forestry and selected trade union and employers organisations as its members. At the regional level, Regional Monitoring Committee will be established, with the representatives of the regional and local administration units, non-government organisations and social partners organisations’ representatives as its members. Their tasks will be to monitor the Project implementation, ensure proper co-ordination of actions undertaken under the Project with other relevant activities of the Regional Operational Programme and to formulate recommendations as to any modifications needed for the effective realisation of the Project objectives.

5. **BUDGET (in EURO):**

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>Investment (IN)</th>
<th>Institution Building (IB)</th>
<th>Total Phare funds (=IN + IB)</th>
<th>Recipient (state budget)</th>
<th>Private Sector</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Training and business counselling for persons threatened by unemployment</td>
<td>2 115 000</td>
<td>0</td>
<td>2 115 000</td>
<td>705 000</td>
<td>-</td>
<td>2 820 000</td>
</tr>
<tr>
<td>2. Training for employees of SMEs</td>
<td>1 171 000</td>
<td>0</td>
<td>1 171 000</td>
<td>390 333</td>
<td>544 500</td>
<td>2 105 833</td>
</tr>
<tr>
<td>3. Assistance to the development of local employment pacts</td>
<td>714 000</td>
<td>0</td>
<td>714 000</td>
<td>238 000</td>
<td>-</td>
<td>952 000</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td>4 000 000</td>
<td>0</td>
<td>4 000 000</td>
<td>1 333 333</td>
<td>544 500</td>
<td>5 877 833</td>
</tr>
</tbody>
</table>

6. **IMPLEMENTATION ARRANGEMENTS:**

6.1 **Implementing Agency**
PAO: Undersecretary of State at the Ministry of Regional Development
Implementing Agency: Polish Agency for Regional Development

6.2 **Twinning:** n.a.

6.3 **Non-standard aspects:** n.a.

6.4 **Contracts:** It is planned that 3 contracts will be concluded under the project, one contract per each of the subprojects.

7. **IMPLEMENTATION SCHEDULE:**

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>Beginning of Contracting</th>
<th>Start of project activities</th>
<th>Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Training and business counselling for persons threatened by unemployment</td>
<td>1/01/2001</td>
<td>1/04/2001</td>
<td>30/09/2003</td>
</tr>
<tr>
<td>2. Training for employees of SMEs</td>
<td>1/01/2001</td>
<td>1/04/2001</td>
<td>30/09/2003</td>
</tr>
<tr>
<td>3. Assistance to the development of local employment pacts</td>
<td>1/01/2001</td>
<td>1/04/2001</td>
<td>30/09/2003</td>
</tr>
</tbody>
</table>

8. **EQUAL OPPORTUNITY:**
The issue of gender equality will be integrated into all levels of the objectives and actions under the project and it will be one of the primary criteria for the selection of trainees. On average minimum 40% of the trainees will be women representatives. Special emphasis will be put on the development of training programmes addressed to persons employed and threatened by the unemployment in order to adjust them to the needs of women.

9. **ENVIRONMENT:**
The issue of environment protection will be addressed during the provision of training and advisory services to local SMEs and persons planning to start-up business activity, in the area of agro-tourism in particular.

10. **RATES OF RETURN:** n.a.

11. **INVESTMENT CRITERIA:** n.a.
12. **CONDITIONALITY AND SEQUENCING:**

- Meeting by the Polish Government of the obligations included in the strategic documents e.g. National Programme for the Adoption of the Acquis and Accession Partnership.
- Co-financing of project costs through Polish sources and partly by the trainees.
- Timely preparation of the target population inventory by the Voivodship Board.
- Provision of technical and organisational support (rooms) as well as other information and materials for the work of evaluators by the Voivodship Board.
- Cohesion of the project training activities with other actions undertaken in the area by public administration units, local labour offices and other training institutions.

**BENCHMARKS:**

1. Contracting
2. Preparation of indicators and monitoring and evaluation plan of the project
3. Preparation of training and counselling services programmes for all target groups
4. Preparation of training-counselling base
5. Selection of trainees
6. Preparation of training and information materials
7. Provision of training and counselling services
8. Monitoring and evaluation
9. Periodic evaluation of the project
10. Final evaluation and final report
11. Ex-post evaluation performed by the Voivodship Board
# Annex 1: LOGFRAME PLANNING MATRIX FOR PROGRAMME:

**Podkarpacie - Human resources development**

<table>
<thead>
<tr>
<th>Date of drafting</th>
<th>November, 1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning period</td>
<td>01.2001 – 09.2003</td>
</tr>
</tbody>
</table>

## Programme No

### Wider Objective

Greater economic and social cohesion through the creation of conditions for the development of human resources in Podkarpacie

<table>
<thead>
<tr>
<th>Indicators of Achievement</th>
<th>Sources of information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher qualifications of the region’s human resources; Increasing economic growth in the region; Higher employability of the working population</td>
<td>Progress report on the implementation of Preliminary National Development Plan Progress report on Poland’s application for membership of the European Union</td>
<td>General growth rate and economic development of Poland and the voivodship will be maintained; Polish Government meeting the obligations included in the strategic documents i.e. NPAA &amp; AP</td>
</tr>
</tbody>
</table>

### Immediate Objectives

Increasing employability of the social groups threatened by unemployment (in particular the inhabitants of rural areas and small town and employees of declining industries – especially heavy industry, education and health sector); Entrepreneurship among groups threatened by unemployment (rural population in particular); Increasing adaptability, productivity and competitiveness of small and medium enterprises; sustained jobs; Increasing the competence of regional and local stakeholders in relation to HRD.

<table>
<thead>
<tr>
<th>Indicators of Achievement</th>
<th>Sources of information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>About 850 persons will find permanent jobs</td>
<td>Evaluation of training, final evaluation, reports on training implementation, documents of the project</td>
<td>Project implementation will be based on close co-operation among organisations and institutions involved in project implementation. Activity motivation of beneficiaries is the most important from the perspective of assumed results.</td>
</tr>
<tr>
<td>About 200 new companies will be started, including 100 run by women</td>
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<tr>
<td>Introduction of new solutions in at least 50% of companies participating in the project</td>
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<td>Local employment initiatives undertaken in at least 60% of self-governments participating in the project.</td>
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</table>

### Outcomes

Qualifications of persons threatened by unemployment upgraded; new qualifications provided; SMEs’ staff trained in modern management systems and applied technologies in small and medium enterprises; Regional and local stakeholders will be better prepared for seeking and utilising resources from the ESF

<table>
<thead>
<tr>
<th>Indicators of Achievement</th>
<th>Sources of information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>3250 persons threatened by unemployment trained trained; 2 500 trained; 552 persons trained;</td>
<td>Reports and training materials, progress reports, monitoring and evaluation reports, documents of the project</td>
<td>Active participation in training, seminars and meetings with advisors.</td>
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</table>

### Inputs

Vocational retraining and supplementary training upgrading professional qualifications of persons threatened by unemployment; Guidance and job counselling; Training on management and implementation of modern technologies for employees and managers of SMEs; Assistance for local stakeholders involved in the local employment initiatives

<table>
<thead>
<tr>
<th>Indicators of Achievement</th>
<th>Sources of information</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 480 man-days of work for experts; 3 000 days of training for persons threatened with unemployment provided and 400 man-days of work for advisors; 1500 days of training and 300 man-days of work for advisors. 57 days of training for local stakeholders and 600 man-days of work for advisors.</td>
<td>Contracts with sub-contractors (budgets, technical proposals) qualifications of contractors, progress reports.</td>
<td>Efficient selection process of project contractors and participants, high quality of services, undisturbed flow of financial resources.</td>
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### Annex 2: Cumulative implementation, contracting and disbursement schedule

#### Date of drafting: November 30, 1999

**Podkarpacie - Human resources development**

**Planning period:** 01.2001 – 09.2003

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Implementation</strong></td>
<td>D</td>
<td>C/I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>4 M€</td>
</tr>
<tr>
<td><strong>Contracting</strong></td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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</tr>
<tr>
<td><strong>Disbursement</strong></td>
<td>0.403</td>
<td>0.795</td>
<td>1.187</td>
<td>1.581</td>
<td>1.984</td>
<td>2.388</td>
<td>2.792</td>
<td>3.195</td>
<td>3.607</td>
<td>4</td>
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</tr>
</tbody>
</table>

Legend: D= design, C= contracting, I= implementation