1. Basic Information
1.1. CRIS Number: 2002/000-196.01.03
1.2. Title: Enhancement of Public Employment Service (PES) capabilities to implement the European Employment Strategy and to participate in the EURES system
1.3. Sector: Social Policy
1.4. Location: Poland

2. Objectives
2.1. Overall objective
Preparation of Public Employment Services (PES) to implement the European Employment Strategy and to participate in the EURES system

2.2. Project purpose/immediate objectives
1. Better consolidation, co-ordination and monitoring of the PES operations.
   In order to maintain high standards of services rendered and to ensure their homogeneity, the Minister of Labour and Social Policy will prepare service provision standards for PES (the task supported under Phare 2001 project). A system of the task contracts, laid down in appropriate legislation, that are concluded between the President of the NLO and the heads of powiats, will facilitate the implementation of a co-ordinated employment strategy meeting the recommendations included in the Treaty of Amsterdam.
   It is indispensable, however, to develop such a legal formula of the task contracting system that will ensure an equilibrium between the expectations as to the results formulated by the main disposer of the Labour Fund (being the government representative) and the possibilities to meet them in specific local conditions, and – at the same time – mindful of the expectations of local governments (that implement that policy) as to the pool of funding that will be placed at their disposal.
   The establishment of the National Labour Market Monitoring System (NLMMS) will eliminate those deficiencies. Its data base will be regularly input with source data coming from powiat labour offices (PLOs). It will be so designed that the Ministry of Labour and Social Policy (MoLSP) and National Labour Office (NLO) could make queries and analyse its data (after an appropriate training).
   A major problem faced when consolidating the activities pursued by PES within a new decentralized system and in ensuring that they are able to implement the European Employment Strategy are the qualifications of their staff. To this end several steps will be taken aimed at a continuing upgrading of staff qualifications, to begin with job characteristics (vocational qualification standards) for individual professions used by PES, development of new training curricula and manuals, within a system of preliminary training courses and vocational upgrading, and within a regulatory framework that will guarantee the maintenance of such a system. It will be a major task to train trainers and to carry out a number of pilot training courses that will test the new curricula. This task’s implementation will be accompanied by a series of study visits by specialists representing the foregoing institutions.
   Additionally, another significant tool envisaged to support the consolidation of employment services will be a labour market Internet portal that will include the elements of distance learning and discussion groups (accessible only to those who are entitled).
   PES in Poland have not as yet been trained in the area of future operations in the united Europe. While the training devoted to European Social Fund (ESF) absorption has recently begun (to develop full-scale under project PL01.01.13) and scheduled to start soon is the training on participation in the social benefit co-ordination system, (regarding unemployment benefits), the knowledge of international job-broking and vocational guidance is highly limited.
   The staff of MoLPS, NLO, VLOs (voivodship labour offices) and PLOs will be trained in service provision in the European dimension (under the new curricula developed under Immediate Objective 1). Task-related language courses will constitute a very important training component. It will also be necessary for specialists from MoLSP, NLO and VLOs to undertake study visits regarding organizational models, qualifications and training programmes devoted to operations within the framework of the EURES system.
3. Development of technical infrastructure enabling involvement of PES in the implementation of the European Employment Strategy.

“The PULS” - a homogenous computerised information system is currently in its final phase of implementation. It will enable an efficient discharge of all the tasks vested in PLOs and facilitate data collection and exchange at the national level. The system operates as a set of local networks. Missing, however, is a nationwide IT network, although the majority of PLOs have access to the Internet (usually via telephone lines). Preliminary steps have been taken at the NLO to develop a system of information exchange about jobs – to serve as the support system when the EURES system is implemented.

To attain that goal, it will be necessary to conclude work on the development and implementation of special-purpose software and to build permanent trunks among all PES units in Poland, thus to enable offer exchange at the national level. It is also necessary to develop specialized software for the National Labour Market Monitoring System (NLMMS), and PES portal. It will also be necessary to purchase equipment that will guarantee appropriate operation of both the National Monitoring System and the National Job Offer Exchange. It will include servers to be used by MoLSP and NLO, and computers for VLOs (minimum 16) and PLOs (minimum 350).

2.3. Accession Partnership and NPAA priorities

This project complies with a short-term priority of the Accession Partnership, i.e., “Development of the national employment policy to enable its future incorporation in the European Employment Strategy and to initiate joint labour market review.” It also complies with a medium-term priority namely, “The strengthening of appropriate administrative structures.” It also implements Priority 13.1: “Implementation of the National Employment Strategy of Employment growth and Human Resources Development in the years 2000-2006 through National Plans of Actions for Employment” and 13.7 “Preparation of system of administration for the European Social Fund” of Section 13 “Social Policy and Employment” and medium-term priority 2.2: “Preparing the labour administration for functioning within the common system of labour information exchange” of Section 2 “Free Movement of Persons” of the National Program for the Adoption of the Acquis (NPAA).

The project also stems from the Joint Position of the European Union on free movement of persons dated May 31, 2001 (the Joint Position identifies as one of major tasks the development of foundations for the future operation of the EURES system with support from the European Union). It also implements the recommendations of the Joint Assessment Paper on Employment Policy (JAP) as well as the conclusions from JAP Follow up seminar on national labour market programmes monitoring system.

Also the Regular Report from the Commission on Poland’s Progress Towards Accession states that consistent efforts will be required to ensure full implementation of the measures outlined in the adopted strategy. In particular, there should be close monitoring of the capacity of the public employment service, in its newly decentralised form, to contribute to the delivery of a coherent employment strategy at the national level.

2.4. Contribution to the National Development Plan

The project is line with National Strategy for Employment an Human Resource Development (HRD) 2000-2006. It is also of a vital importance for the implementation of the priorities identified in the Preliminary National Development Plan (HRD section) by strengthening the competency of key institutions in the area of occupational activation of young people, long-term unemployment, unemployment of women and other risk groups on local labour markets.

2.5 Cross Border Impact:

n/a

3. Description

3.1. Background and justification

Polish public employment service as a special government administration was created in the early 1990s. The PES included: the National Labour Office (NLO) - responsible to the Minister of Labour and in charge of supervision of the whole system, implementation of policies in line with the act on employment and counteracting unemployment and distribution of the National Labour Fund to the lower tiers of the PES, the intermediary - the voivodship labour offices (VLOs) and the core PES institutions – 350 local labour offices in charge of delivery of services (job broking, vocational guidance, subsidised employment) to the unemployed and contracting training and other services to local service providers. Since early 1990 PES in Poland have been systematically developed and their scope of services has expanded – in order to comply with the EU model. With the support of the EU Member States (bilateral agreements, Phare projects, International Labour Office -ILO
projects) and the World Bank loan, Poland has developed a centralised network of PES. The IT system (Information Technology System) has been put in place (based on local networks) and equipment standards have been developed. A system to monitor the efficiency of implemented tasks has been launched. Thousands of employees have been trained in modern methods and forms of service provision. Manuals, training curricula and trainer training programs have been developed and disseminated.

In 1998, Poland implemented an administrative reform which entailed, in the first place, the establishment of 16 large and self-governed provinces (regions) that replaced the existing 49 provinces, and about 350 self-governed middle-level units (the so-called powiats - districts), and secondly, devolution to local governments of the majority of tasks previously vested in central government. The reformed system became effective as of January 1, 1999, but the reform of employment services, owing to their specificity and the nationwide nature of unemployment, which called for a transitional period, was took effect a year later. The PES includes today:

- the NLO - National Labour Office - central administration office supervised by the Minister of Labour; the office is responsible for the Labour Fund operations, distributing funds to local governments and enforcing standards of services,
- VLOs - voivodship labour offices (part of the regional self-government administration) helping the NLO to run PES, responsible for overlooking PES operations from the point of view of the regional development strategies, conducting labour market studies as well as for activities outside the scope PES operations such as the implementation of the regional employment promotion programmes (for example HRD part of the Phare Economic and Social Cohesion - ESC)
- core PES – the powiat labour offices (PLOs) - part of the powiat self-government administration in charge of the delivering services to the unemployed, they receive the National Labour Fund resources (on the basis of legally defined mathematical formula) from the National Labour Office.

Today, we come to face a situation that, on the one hand, there is quite an extraordinary decentralization of tasks and full powers have been vested in local governments, while on the other hand, the central government has a limited say about the operation of employment offices. Accordingly, there is a need to come forth with and implement measures aimed at ensuring greater organizational consistency of this highly dispersed system, to maintain what has already been accomplished, to upgrade staff qualifications, to improve procedures and standards of service provision.

The National Employment Strategy adopted by the Polish government in January 2000 envisages that employment services will be strengthened through a wide variety of measures. It identifies priorities related to active labour market programmes. They include:

1. continued transformations aimed at fostering preventive approach and including the development of individual action plans for all job seekers that register for the first time and greater efforts to identify persons at risk of long-term unemployment,
2. enhanced training and other activities aimed at improving employability and curbed spending on public works,
3. enhanced monitoring, research and analysis of the efficiency of various forms of unemployment prevention to be used as the basis in the development of future programmes.

The Joint Assessment Paper (JAP) signed by the Deputy Prime Minister and the Commissioner for Employment and Social Affairs in January 2001 also lays down directions of the development of public employment services. They are as follows:

- to provide public employment services with the funding and structures indispensable to guarantee high quality of services rendered by them across the country and to promote the departure from passive to active measures,
- to ensure that social partners play an active role in the shaping of employment policy – particularly when it comes to enhancing adaptability of companies and their employees.

The JAP Follow up seminar determined a number of recommendations concerning monitoring of the PES activities. It was agreed that the Ministry of Labour and Social Policy will present on yearly basis a report on the progress in JAP implementation. To this end a list of indicators has been agreed of which (a) some could be applied in the first report in 2002 on the basis of the existing public statistics and (b)
the application of others require some corrections in the data gathering system (not earlier than in 2003) which is linked with the necessary amendments in the law.

3.2. Linked activities

**Previous programmes:**
- Employment Promotion and Service Project (World Bank loan 3338-POL, 1991-1999, Component 3-4). Within the framework of the programme 5,000 computer stations (INTEL-PENTIUM) have been installed to enable local job-brokers to operate PULS system, 3,000 officers have been trained and the local networks for PULS system have been established. This provides a good basis for introduction of EURES system.
- Employment Promotion and Service Project (World Bank loan 3338-POL, 1991-1999, Component 2 and 8). The scope of the programme included, among other things, the development of methodologies and dissemination of good practices for:
  - measuring effectiveness of labour market programmes
  - vocational guidance provided by public institutions (local labour offices)
  - job broking provided by public institutions (local labour offices)
- Special Preparatory Programme for Structural Funds (SPP) – Phare 1998. Part of the programme implemented by MoLSP was to support the preparation of National Employment Strategy and to build a capacity for ESF absorption. Further development of PES has been identified as an important priority of the National Strategy and precondition for efficient absorption of ESF.

**Current Programmes:**
- Phare ESC 2000 (and 2001). The Ministry for Regional Development and the Ministry of Labour are responsible for co-ordination. Individual projects will be in line with priorities supported by European Regional Development Plan (ERDF) and ESF. The Ministry of Labour is responsible for co-ordination of HRD projects (ESF type of projects). Employment promotion services (guidance, information, counselling) constitute a major part of all regional HRD projects. Under the national component of Phare ESC 2001 HRD project quality standards for PES services will be developed.
- Phare 2000 “National Vocational Training System (CVT)” (PL0003.11). The project covers the area of training services (modular methodology, training standards, trainer training).

3.3. Results

**Objective 1:**
- Legal and procedural framework for a system of contracting the tasks and monitoring of the operation of PES developed.
- The framework and content of the National Labour Market Monitoring System developed. Monitoring system will cover all the necessary indicators including those agreed during the JAP follow-up seminar
- MoLSP and NLO staff trained to analyse the National Labour Market Monitoring System data
- Qualification standards for occupations used by PES designed; new or updated training curricula and manuals prepared and published, a scope of the training system and legal framework for the PES staff training system prepared
- MoLPS and NLO personnel trained to implement co-ordinated policy, monitoring of services and new internal training system (including trainer training)
- Basis of PES portal prepared

**Objective 2:**
- Organisational solutions and procedures underlying legal regulations which enable appropriate task implementation within the EURES system prepared
- MoLSP, NLO, VLOs and PLOs staff trained in service provision in the European dimension on the basis of new curricula developed under Objective 1 (including the issue of the EURES introduction and task-related language courses)

**Objective 3**
- Software enabling the national exchange of job offers developed and made operational
- Software for the National Labour Market Monitoring System and PES portal developed and made operational
- Permanent trunks in place connecting all PES links
- Hardware for National Job Offers Base, PES portal and National Labour Market Monitoring System installed
3.4. Activities

**Contract 1: Technical assistance**
- TA (1 man/month) – expert will develop a legal framework of the system of the task contracting and monitoring – compliant with the prevailing legal order
- TA (46 man/months) – experts will develop a framework for the NLMMS operations on the basis on diagnosis covering the current monitoring system, other similar national system functioning in Poland and parallel national systems functioning in the selected Member States as well as the analyses of possibilities under PULS system in this respect. They will also collaborate with experts developing technical basis of the system (under Objective 3) and will participate in personnel training
- Training – on analysis of NLMMS data (training for 10 participants) and on a new training curricula (for 100 participants)
- TA (62 man/months) – experts will develop the vocational qualifications standards for categories of occupations used in PES (in compliance with the methodology adopted in project PL0003.11), they will review the existing training curricula, carry sample analysis of training needs of PES employees, develop training curricula and manuals, carry pilot training to develop final versions of the above mentioned training materials which will be published and distributed. They will also develop basis of the PES internal training system and respective legal regulations. Based on the analysis of training needs, information shortages faced by PES staff, and solutions adopted in selected EU countries, the experts will also design the content of PES portal.
- Study visits: for 20 persons each (+2 interpreters) on monitoring, and PES internal training systems.
- Conference (for 100 participants) – on the co-ordination and consolidation of PES
- TA (4 man/months) – experts will develop the organisational basis for EURES after having analysed the respective systems in the Member States
- Study visit: for 20 persons (MoLSP, NLO, VLOs) related to EURES
- Training for PES personnel (on the basis of curricula developed under Objective 1 – for 800 PES staff)

**Contract 2: Technical Assistance**
- TA (170 man/months) – experts will:
  - develop and implement computer applications to handle job offers and the trunks
  - develop and implement computer applications for NLMMS, prepare training materials and run training courses in co-operating with experts under Objective 1
  - prepare technical aspects and implement PES portal

**Contract 3: Investment**
- Purchase of equipment: Hardware – 3 servers (1 for NLO - for National Job Offers Base, 1 for NLO – portal, 1 for MoLSP – monitoring system), 16 PCs for all 16 VLOs and 350 PCs for all 350 PLOs

4. Institutional framework

The main beneficiary of all actions under this project will be the Ministry of Labour and Social Policy (MoLSP).

**Labour Market Policy Department of the MoLSP** is in charge of designing and implementation of policies and programmes aimed at the National Employment and HRD Strategy implementation and monitoring of activities funded under the Labour Fund and of the PES. The Department will have a leading role in the project implementation.

**Department for Pre-accession and Structural Programmes of the MoLSP** as a unit in charge of all pre-accession projects in MoLSP will be responsible for ongoing management of the project and co-ordination of it’s activities with other pre-accession programmes (projects related to ESF preparations in particular).

**Public employment services:**

**National Labour Office (NLO)**: central administration office supervised by the Minister of Labour; the office is responsible for Labour Fund operations (distributing funds to local governments) and setting up standards for public employment services.

**Voivodship Labour Offices (VLOs)** – offices constitute a part of Regional Self-governments' administration (Marshal administration), they are responsible for developing regional HRD policies and supervision of HRD measures under Phare ESC Programme and other regional HRD programmes.
Powiat Labour Offices (PLOs) – offices constitute a part of powiat administration, they are responsible for delivery of EPS (public mode) and management of Labour Fund operations

5. Budget
All costs in MEURO

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<thead>
<tr>
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<th>Financed by PHARE</th>
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<tbody>
<tr>
<td></td>
<td>Investment</td>
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<tr>
<td>Contract 1</td>
<td>Technical assistance</td>
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<tr>
<td>Contract 2</td>
<td>Technical assistance</td>
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<tr>
<td>Contract 3</td>
<td>Investment</td>
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<td>TOTAL</td>
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The Polish authorities assure that the cofinancing is available either through the reserve budget foreseen specifically by the Ministry of Finance for this purpose or through the budget of the relevant Ministry.

6. Implementation arrangements
6.1 Implementing Agency:
PAO: Pawel Samecki, Under-secretary of State at the Office of the Committee for European Integration, Aleje Ujazdowskie 9, 00-918 Warsaw; phone +48 22 455 52 41, fax +48 22 455 52 43
CFCU: Foundation “Co-operation Fund”, Mr Wojciech Paciorkiewicz, Director, 4a Górnoślaska Street, 00-444 Warsaw; phone +48 22 622 84 64, fax:+48 22 622 72 12

The CFCU is responsible for handling tendering, contracting and payments of contracts on behalf on the Ministry of Labour and Social Policy

6.2. Twinning: n.a.

6.3. Non-standards aspects:
Tender procedures and contracts will be carry out according to Practical Guide to Phare, Ispa & Sapard

6.4. Contracts
Three contracts envisaged: one for 2.000 MEURO (Technical Assistance), one for 0.500 MEURO (Technical Assistance) and one for 1.000 MEURO (Investments).

7. Implementation schedule
7.1. Start of tendering/call for proposals: August 2002
7.2. Start of project activity: January 2003
7.3. Project completion: December 2004

8. Equal opportunities
Activities undertaken by PES are based on equal opportunities principle. The PES is implementing projects aimed at promotion of employability of women. Women’s participation rate in PES interventions will be included as a category under the National Labour Market Monitoring System developed under this project.


11. Investment criteria: n.a.

12. Conditionalities and sequencing
The most important pre-condition for the project implementation – “The National Employment and HRD Strategy” has been prepared. Successful implementation of the project depends on the appropriate and efficient co-operation of all institutions involved – the co-operation (consensus) between the central and regional and local administration in particular.
In addition, the actual collection of all necessary data on effectiveness of Labour Market Policy measures will require a legal adaptation. The law will be adopted in the fourth quarter of 2003..
The purchase of equipment will take place after the software specifications have been prepared but prior to its implementation. It is in accordance with the principle that the detailed equipment requirements are determined by the software designers.
## Annex 1 – Logframe matrix

**2002/000-196.01.03 - Enhancement of public employment service capabilities to implement the European Strategy and to participate in the EURES system**

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
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</thead>
</table>
| Preparation of public employment services (PES) to implement European employment strategy and to participate in the EURES system | Competency of the key institutions strengthened  
Foundation for the operation of EURES system developed | National statistics  
Annual National Employment Plan |

<table>
<thead>
<tr>
<th>Project purpose (Immediate Objectives)</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
</table>
Reports on training delivered.  
Manuels published.  
Internet portal. The law regulating collection of data |

| | | Assumptions |
| | | Efficient project management  
Effective co-operation among the partners involved |

### Milestones

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<th>Total budget</th>
<th>Phare Budget</th>
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<td>3.910M€</td>
<td>3.5M€</td>
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### Deadline

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<th>Contracting</th>
<th>Disbursement</th>
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<tr>
<td>31/07/2004</td>
<td>31/07/2005</td>
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<tr>
<td>Results</td>
<td>Objectively Verifiable Indicators</td>
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<tr>
<td>Legal and procedural framework for a system of contracting the tasks and monitoring of the operation of PES developed. The framework and content of the National Labour Market Monitoring System developed. MoLSP and NLO staff trained to analyse the National Labour Market Monitoring System data. Qualification standards for occupations used by PES designed; new or updated training curricula and manuals prepared and published, a scope of the training system and legal framework for the PES staff training system prepared. MoLPS and NLO personnel trained to implement co-ordinated policy, monitoring of services and new internal training system (including trainer training). Basis of PES portal prepared. Organisational solutions and procedures underlying legal regulations which enable appropriate task implementation within the EURES system prepared. MoLSP, NLO, VLOs and PLOs staff trained in service provision in the European dimension on the basis of new curricula developed under Objective 1 (including the issue of the EURES introduction and task-related language courses). Software enabling the national exchange of job offers developed and made operational. Permanent trunks in place connecting all PES links. Software for the National Labour Market Monitoring System developed and made operational. Hardware for National Job Offers Base, PES portal and National Labour Market Monitoring System installed.</td>
<td>Training curricula and manuals developed. Basis for PES internal training developed. The contents of PES portal designed. 10 persons from MoLSP and PES trained on analysis of NLMMS. 100 persons from MoLSP and PES trained on new curricula. 20 persons from MoLSP and PES acquainted on monitoring and PES internal training systems. National conference for 100 persons on the co-ordination and consolidation of PES organised. Organisational basis for EURES developed 800 PES staff trained. 20 persons from MoLSP, NLO, VLOs acquainted with EURES system. Special-purpose software to handle job offers and trunks developed and permanent trunks built in all PES units in Poland. Technical aspects for PES portal prepared. The purchased equipment in place.</td>
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<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
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<tr>
<td>Contract 1; legal framework of a system of the contracting and monitoring; framework for the NLMMS operations: development of standards qualifications, development of training curricula and manuals; development of organisational basis for EURES; Training for MoLSP and PES staff on analyses of NLMMS data and new curricula. Study visits: on monitoring and PES internal Training system: EURES system. Conference on the co-ordination and consolidation of PES. Contract 2: development and practical use of a software to handle job offers and the trunks, development and practical use of a software for NLMMS; preparation of technical aspects and creation of PES portal. Contract 3: purchase of equipment for MoLSP, NLO, VLOs and PLOs;</td>
<td>Technical Assistance Investments</td>
<td>Proper project management Proper co-ordination activities Proper co-financing of the project</td>
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<th>Preconditions</th>
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<tr>
<td>Appropriate co-financing</td>
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### Annex 2 – 3: Implementation, Contracting and disbursement schedule

<table>
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<tr>
<th>Date of Drafting</th>
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#### 2002/000-196.01.03 - Enhancement of Public Employment Services (PES) capabilities to implement the European Employment Strategy and to participate in the EURES system

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#### Budget Allocation Cost Estimate (in MEUR)

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**Legend:**
- D = design of sub-projects
- C = tendering and contracting
- I = contract implementation and payment