1.** BASIC INFORMATION**

1.1. **CRIS Number:** 2003/004-379/01.07  
   **Twinning number:** OT/02

1.2. **Title:** Improving ESF management and implementation

1.3. **Sector:** Social policy

1.4. **Location:** Poland

2. **Objectives**

2.1. **Overall objective**  
Improving the system for ESF management and implementation.

2.2. **Immediate objectives**  
- Fine-tuning of systems and schemes - verification and improvement  
- Strengthening Managing Authority, ESF Control and Monitoring Unit, Intermediate Bodies and Final Beneficiaries capabilities  
- Preparation of ESF Unit as a Managing Authority in the MoLSP to conduct mid-term and ex-post evaluation, including the support in drawing the conclusions from the evaluation for the next programming period  
- Support in terms of programming assumptions for the next programming period 2007-2014  
- Support for institutions chosen to be involved in EQUAL Community Initiative including assumptions for the next programming period  
- Support for the regional authorities in terms of preparations to the extended requirements for the next programming period  
- Upgrading and extending the monitoring system for ESF funds implementation and IT subsystem  
- Promotion and information of ESF activities:  
  - Enhancement of project promoters capabilities

2.3. **Accession Partnership and NPAA priority**  
The project is designed to address issues related to AP priorities in social policy and employment, namely the “Continue to support social partners capacity-building efforts, in particular with view to their future role in the elaboration and implementation of Community employment and social policy, including the European Social Fund” and also “Regional policy and co-ordination of structural instruments” priority, which defines following objectives:  
- establishing the national development plan and defining the implementation structures of the final plan  
- defining the bodies in charge of the implementation of SF and the Cohesion Fund, in particular the Managing and Paying authorities; establishing a clear division of responsibilities  
- ensuring effective interministerial co-ordination and clarifying responsibilities of regional policy issues  
- setting up required monitoring and evaluation system for SF, in particular for ex ante evaluation and for the collection and processing of the relevant statistical information and indicators including regional statistics for the purposes of ex-ante evaluation  
- improving the budgetary system according to SF standards; establishing financial control arrangements for SF management, establishing and proper staff functioning for future managing and paying authorities for SF management  
- developing the technical preparation of projects eligible for Structural and Cohesion Funds assistance (project pipeline)

2.4. **Contribution to National Development Plan**  
The project will contribute to implementation of the National Development Plan through further developing programming, managing and institutional capacities for ESF absorption.

2.5. **Cross Border Impact:** N/A
3. DESCRIPTION

3.1. Background and justification

The Ministry of Labour and Social Policy (MoLSP) began preparation work for the absorption of the European Social Fund (ESF) in 1998. The formal decision designating the MoLSP as the institution in charge of preparations for programming and implementing ESF was taken by the Council of Ministers in May 1999. This decision was reflected in the negotiating positions regarding “Social policy and employment” (Chapter 13) and “Regional policy and co-ordination of structural instruments” (Chapter 21).

The following assumptions were made:

- MoLSP will play a leading role in ESF implementation irrespectively to the type of OP
- the Sectoral Operational Programme Human Resource Development (SOP HRD) and Integrated Regional Operational Programme (IROP) resulting from the Community Support Framework will be supported by ESF
- MoLSP will play the role of the Managing Authority for the SOP HRD. In the process of implementation of the SOP HRD also the Ministry of National Education and Sport, Plenipotentiary for the Equal Status of Women and Men and Polish Agency for Enterprise and Development will take part
- tasks are divided between national and regional OPs on the basis of competency criteria (resulting from the legal framework) as well as efficiency and subsidiarity criteria. Analysis of the regional development strategies has also been made in order to establish the division of responsibilities between national and regional programmes

Till the current project implementation (end of 2003/beging of 2004) the mechanisms of ESF absorption (systems and schemes concerning application and selection process, flow of documents, monitoring, promotion and information as well as audit) will be completed and tested, with the assistance provided within the following Phare projects:

- Phare 2001 “Development of the programming and management capacities for ESF implementation”
- Phare 2002 “Further development of ESF management capacities and the mechanisms for ESF programmes implementation”

The implementation and co-ordination of the mentioned above projects is under the MoLSP responsibility, namely the Department for Pre-accession and Structural Funds, which is responsible also for co-ordination of the preparations to ESF absorption, including co-operation with other ministries, regions and other partners in preparing National Development Plan and operational programmes, planning activities of structural funds and implementing Phare pilot ESF projects within Social and Economic Cohesion Programmes. After the Poland’s accession to the EU, the Department is to be transformed into ESF Department and responsible for ESF programming, managing of SOP HRD, co-ordination, monitoring and control of all ESF actions, audit and evaluation (this position is incorporated in the Conclusions of the JAP Follow-up Seminar).

The Department gained EC assistance within the framework of the Phare ‘98 SPP Programme in order to facilitate the work of the new Unit to implement its tasks. The further development of the Department, namely setting up a structure, which reflects specific competency requirements at the central level is being supported by the Phare 2001 “Development of programming and management capacities for ESF implementation” project. The Department will be re-organised and within the current Department’s organisation new units will be established to deal with specific and appropriate tasks, which will be essential for ESF management and implementation. Special assistance within the Phare 2001 ESF project will be given to fulfil the tasks related to Managing Authority functions, financial management, monitoring and audit. The capacities of Managing Authority, Intermediate Bodies and Final Beneficiaries will be further developed within Phare 2002 project “Further development of ESF management capacities and the mechanisms for ESF programmes implementation”. The Phare 2002 project will also provide assistance to the ESF Control and Monitoring Unit, responsible for the control of all ESF expenditures within SOP HRD and IROP.

As the tasks related to the creation of ESF programmes implementation mechanisms will be completed within mentioned before Phare projects this project is suppose only to improve them, taking into account the practical implementation, and provide so-called fine-tuning.

As far as the intermediate bodies and final beneficiaries are concerned the institutions will also receive assistance within the previous projects. The Phare 2001 “Development of programming and management capacities and the mechanisms for ESF programmes implementation” project will mainly concentrate on the intermediate institutions and will support the identification of final beneficiaries. The
Phare 2002 will provide further assistance to those identified institutions to enable them to fulfil the relevant tasks. The enhancement of the mentioned above institutions' capabilities is also the aim of the current project. The continuation is caused by ongoing implementation of the ESF activities and the needs of practical implementation. The previous projects are aiming mostly at creating the systems whereas the current project is meant to support practical implementation process, facilitating the implementation by providing assistance in solving problems and overcoming obstacles which can occur during the practical exercise. Bearing in mind that Poland will be a beneficiary of significant amounts of EU financial means, which absorption is extremely complicated even for the Member States the project is of crucial importance.

As the lack of experience in designing HRD projects among grass-roots and Vocational Education Training (VET) organisations causes significant problems for the appropriate absorption of HRD programmes one of the components of the Phare 2001 “Development of programming and management capacities for ESF implementation” and Phare 2002 “Further development of ESF management capacities and the mechanisms for ESF programmes implementation” projects are dedicated to assist the development of regional and local capacities for participation in ESF implementation, mainly by delivering the training for trainers. Taking into account that Poland will be beneficiary of significant ESF resources and that the process of training project providers has an on-going character (new institutions and new staff), the further assistance in developing the capacities of potential project providers is absolutely essential.

In the first programming period 2000-2006 it was decided that only one Integrated Regional Operational Programme will be realised. For the next programming period it is envisaged to develop 16 regional OPs. Therefore the need to support the regional administration in terms of programming phase as well as implementation is significant.

The preparation for Community Initiative EQUAL is also foreseen to be supported within the current projects. The Managing Authority will receive help in terms of effective management and implementation of the Initiative under the mentioned above Phare 2002 project (within 2001 project only initial assistance, mainly concerning programming will be provided). The current project aim is to support institutions participating in the EQUAL Initiative implementation and to provide assumptions for the next programming period.

The preparations towards programming and implementation of the ESF in Poland is still before actual implementation of tasks indicated in the Phare 2002 project “Further development of the ESF management capacities and the mechanisms for ESF programmes implementation”. The implementation of Phare 2001 project “Development of programming and management capacities for ESF implementation” has just begun. Moreover, the implementation of the current project will take place during the first programming period for Poland. Taking into account described above conditions it is extremely difficult at this stage to anticipate and describe in details the actual needs for the implementation period of the Phare 2003 project. The experience of the Finnish and British experts, that the Ministry of Labour and Social Policy is co-operating with, indicates that ESF implementation process is very difficult, therefore the aid received in future within this project will be extremely important and it will concentrate on a practical issues and problems related to ESF absorption.

The general programming logic of Phare projects concerning ESF absorption in Poland is as follows:

- Phare 2001 project supports development of the programming documents, identification of involved institutions (intermediate institutions and final beneficiaries), strengthening ESF Unit as the Managing Authority and providing initial training for trainers of potential project providers
- Phare 2002 project envisages very strong support for identified in the previous project institutions, development of the ESF Control-Monitoring Unit, support in effective management of EQUAL Initiative, assistance to project providers (development of project pipeline)
- Phare 2003 project will support the evaluation and improvement of ESF absorption (including EQUAL Initiative) taking into account the practical implementation process. The main aim of the project will be facilitating the implementation by providing assistance in solving problems and overcoming obstacles which can occur during the practical implementation. The project is also foreseen to provide assumptions for the next programming period.

Current project envisages upgrading and extending of the IT subsystem in order to adopt it to the new programming period (2007-2013). The purchase of the equipment (software and hardware) will be mostly meant for newly identified final beneficiaries and intermediate bodies that can appear during the next programming period. The list of final beneficiaries and intermediate bodies for the first programming period for Poland (2004-2006) consist of Ministry of Labour and Social Policy, Ministry of Education and Sport, Polish Agency for Enterprise Development, National Found for Rehabilitation of Disabled Persons
and Voivodship Labour Offices. First programming period for Poland will last only three years. This caused limitation of the scope of priorities and activities planned for implementation. Moreover the implementation structure was planned to be simple (one Integrated Regional Operational Programme) in order to make the implementation process easy. The scope of priorities and actions for the next programming period (2007-2013) will be different. It is planned to implement 16 regional operational programmes. Therefore the implementation structure will be more complicated and will consist of new final beneficiaries and intermediate bodies. In this respect it is very important to enable institutions, identified for the next programming period, to acquit themselves of monitoring and management requirements. Current project will provide equipment necessary for those institutions to implement and monitor planned activities.

The general logic of Phare support to the development at ESF IT system as follows:

- **Phare 2001 project** supports purchase of equipment limited to software. Within this project there is need to build IT subsystem for European Social Fund. This need comes from the specific ESF requirements (extended project data, activities on the field of monitoring and evaluation) that central IT system for European structural funds in Poland (SIMIK) is not able to meet. IT subsystem will consist of: database applications, web page for project’s application form, net applications for all bodies taking part in ESF process, on-line internet software for applying, managing, monitoring and evaluation IT subsystem functions, including monitoring on the field of final recipient level.

- Within Phare 2002 project the investments will be limited to software and hardware. In the part of software the functionality of IT subsystem for European Social Fund will be extended by new applications for system users. It is also possible that unexpected software needs will appear as it is difficult to estimate this before the project start. In the part of hardware it is envisaged to provide: workstations for IT system users, database servers, firewalls, scanners, modems, etc.

- In terms of Phare 2003 project the IT subsystem created within Phare 2001 and Phare 2002 project fiches will be upgraded and extended in order to adopt it to the new programming period (2007-2013). Therefore it might occur various requirements for software and hardware concerning the further development of the ESF IT subsystem (such as additional workstations, net connections, database applications, routers, etc.)

### 3.2. Linked activities

**Phare 1998 Special Preparatory Programme – Actions 1.2, 2.6 and 2.11.**

The project assisted the Department for Labour Market Policy to prepare the mechanisms for the implementation of the National Strategy for Employment and HRD and to help design HRD measures in the draft NDP. Within the framework of action 2.6, the Department for Pre-accession and Structural Programmes has organised several training courses, conferences and workshops for crucial ESF partners (ministries, regional authorities, local authorities, NGOs) related to various thematic (competency) fields (programming, management, evaluation etc.) Training activities were also supported by the SPP-ESF project implemented by European Training Foundation (ETF). The National Training Institute for ESF has been set up. Personnel from the MoLSP and other institutions (NLO, Ministry of Education, regions) participated in study visits. Member States’ advisors actively supported the work of the Pre-accession Department.

**Phare 2000 “Continuous Vocational Training System”**

Twinning project implementation will start in the second half of 2001. The project addresses the following issues related to ESF implementation:

- development of system solutions (institutional set up, design of policies) in the area of life long learning policy
- designing tools for life long learning programmes (modular training, occupational standards)
- training for project (training) promoters
- monitoring and evaluation of the regional HRD projects under Phare Economic and Social Cohesion – developing monitoring methodologies for ESF.

**Phare Economic and Social Cohesion**

The Phare 2000 programme covers 5 Polish regions and will be implemented under the responsibility of the Ministry of Economy. The MoLSP (Department for Pre-accession and Structural Programmes) in co-operation with regional authorities has developed 5 HRD (ESF type) projects to be implemented in 2001-2003. The total Phare contribution is 23,4 M€. Direct objectives of the projects are the following:
- employability and entrepreneurship promotion (prevention of unemployment) – services to unemployed and people at risk of unemployment, assistance to start-ups
- adaptability promotion (sustaining jobs) - enhancing skills in SMEs
- encouraging local partnerships for employment

Indirect objectives include:
- expansion of labour market programmes to new areas and target groups,
- strengthening regional competencies in HRD as well as non-public service providers (however, the anticipated size of contracts is not conducive to local organisation development).

For the Phare 2001 allocation the MoLSP has developed a project that integrates national (horizontal) and regional actions. The project covers all regions of Poland. The regional component envisages schemes responding to the same direct objectives as Phare 2000 (with more emphasis being put on sector restructuring problems). The National component, apart from IB type of actions, envisages also implementation of a measure aimed at young job seekers (high quality, IT related training within the framework of Individual Action Plans).

Phare 2002 “Economic and social cohesion”
In terms of HRD, two projects are envisaged to be realised: regional and national. Regional HRD projects are directly linked with the five priorities of axis 4.3 and 4.4 of the National Development Plan and measures implemented under this project. The regional projects are implemented under supervision of the Ministry of Labour (including evaluation and monitoring functions) in order to secure co-ordination of all HRD activities and coherent implementation of all HRD priorities of the National Development Plan.

Phare 2002 National Human Resources Development Project
The main activities of the project are aimed at counteracting the unemployment in specified social groups in Poland. However within the contract for Technical Assistance among other tasks there is planned basic training for successful applicants/project promoters.

Phare PL9904.02 – Establishment of a financial control capacity
This project is to ensure effective financial control over public spending with a particular emphasis on the funds from the European Union. The initial model of IT infrastructure (IT systems, hardware) necessary for the effective implementation of the desired system is to be established.

Phare PL0003.04 – Internal financial control at regional level
This project will provide co-financing for institution building and equipment for the establishment and development of a computerised management, monitoring and control system for EU funds at regional level and for the strengthening of financial control at regional level.

The two mentioned above projects are supporting Ministry of Finance in developing the monitoring and financial control IT system. The development of the part of the IT system for ESF absorption will also receive small support (contract for 0,2 M€) within the Phare 2001 project. Within Phare 2002 the ESF IT subsystem is supported by amount of 1,2 M€. As there is still the need to increase the efficiency of the system developed by the Ministry of Finance in the field of ESF monitoring, the project will extend the IT system to newly identified final beneficiaries and Regional Labour Offices (including hardware). It will also support upgrading of the system by specific information required by ESF (information on the level of individuals) and provide training for the relevant staff.

Phare 2001 Development of programming and management capacities for ESF implementation
The project identifies two main objectives: the further development of the ESF Unit within the Ministry of Labour, assisting the Pre-Accession and Structural Programmes Department in setting up the structure reflecting the specific competency requirements at the central level, and the development of regional and local capacities for participation in ESF programmes.

Phare 2002 “Further development of ESF management capacities and the mechanisms for ESF programmes implementation”
The Phare 2002 project is the further development of the Phare 2001 project. All beneficiaries of the Phare 2001 project will receive further assistance in practical use of the gained knowledge and skills to settle down the required mechanisms and procedures and to prepare the relevant documents and strategies. The identified institutions (intermediary bodies, final beneficiaries) within the Phare 2001 project will receive assistance within this project.

Phare 2002 “Preparation of public administration for effective management of EU structural instruments”
The component 1 “Strengthening the skills of central and regional administration for the effective programming and management of structural instruments operations” will provide some extent assistance to all Structural Funds implementation process. Namely the project will provide assistance in the following fields:
- enhancing the capability of the future CSF Managing Authority to fulfil co-ordination, programming, management, monitoring, evaluation and controlling requirements deriving from the Structural Funds regulations (as described COM 1260/99)
- development of the final version of the programming documents (including Operational Programmes, Programme Complements) for the use of the structural funds.

The other components are mainly concentrated on the tasks related to ERDF.

3.3. Results

Contract 1 – twinning assistance

- Systems and schemes improved, including:
  - application and selection processes verified and amended
  - flow of application documents between involved bodies made more efficient
  - the reporting system improved
- Managing Authority, ESF Control-Monitoring Unit, Intermediate Bodies and Final Beneficiaries capabilities strengthened, particularly in terms of:
  - project management selection and implementation tasks
  - monitoring requirements
  - financial flow
  - eligibility criteria
  - preparing the auditing processes
- ESF Unit in MoLSP prepared to conduct mid-term and ex-post evaluation, including the support in drawing the conclusions from the evaluation for the next programming period
- Support in terms of programming assumptions for the next programming period 2007-2014
- Capabilities of institutions chosen to participate in Community Initiative EQUAL strengthened
- Support in terms of assumptions for the next EQUAL programming period 2007-2014 prepared
- Regional authorities competencies to implement ESF enhanced
- Regional authorities supported in terms of programming tasks for the next programming period (2007-2014)
- Monitoring system for ESF funds implementation improved

Contract 2 - technical assistance

Information and promotion campaign designed and implemented, including:
- publications, leaflets prepared
- website information available
- national conference, seminars, workshops conducted

Contract 3 - technical assistance

Project promoters capabilities strengthened by:
- Further training for trainers
- Training of potential project promoters
- Training of social partners
- Preparation of high quality training materials
- Next good quality projects ready to receive ESF assistance within all measures of SOP HRD and IROP prepared

Contract 4 - investment

The IT system extended and upgraded to meet the next programming period requirements

3.4. Activities

The preparations towards programming and implementation of the ESF in Poland is still before actual implementation of tasks indicated in the Phare 2002 project “Further development of the ESF management capacities and the mechanisms for ESF programmes implementation”. The implementation of Phare 2001 project “Development of programming and management capacities for ESF implementation” has just begun. Moreover, the implementation of the current project will take place
during the first programming period for Poland. Taking into account described above conditions it is clear that the actual project will have to build on the previous ones, and might need more specification once the 2001 and 2002 projects are further advanced or finished. The project will support the practical ESF implementation process, facilitating its implementation by providing assistance in solving problems and overcoming obstacles which can occur during the practical implementation.

For the moment the following tasks can be identified:

**Contract 1 – twinning assistance**

Long-term PAA (16 man/months EU expert) supported by 3 EU medium-term experts (18 man/months) and 9 EU short-term experts (27 man/months) will provide tailored-maid assistance within the twinning assistance contract. Assistance will be provided in the form of know-how transfer, providing advice and recommendations, analysis, training.

The assistance will refer to the following fields:

- Fine-tuning of systems and schemes (1 medium term expert – 6 man/months), with special assistance given to the verification and improvement of:
  - application and selection processes
  - flow of applications and other documents between involved bodies
- Strengthening Managing Authorities (MA), ESF Control-Monitoring Unit, Intermediate Bodies (IB) and Final Beneficiaries (FB) capabilities especially in terms of:
  - project management, selection and implementation tasks
  - support for the MA and ESF Control-monitoring Unit in terms of preparation of financial data:
    - expenditures lists creation
    - invoices’ verification
  - fulfilling the eligibility rule
  - designing of expenditures prognosis
  - monitoring requirements, namely support for the in terms of:
    - control and the “deepened” control of the projects being implemented within the programme
    - preparing to the auditing processes
    - preparing the Monitoring Committee and Steering Committees meetings
  - support for the IB in terms of:
    - preparation of regular reports for MA on activities implementation
    - formal verification of invoices received from the FB
    - registration of the invoices within the SIMIK system
- 1 medium term expert – 6 man/months and 3 short term experts – 9 man/months.

- Preparation of ESF Unit as a Managing Authority in the MoLSP to conduct mid-term evaluation (1 short term expert – 3 man/months).
- Support of institutions chosen to be involved in EQUAL Community Initiative and the programming assumptions for the next programming period (1 medium term expert – 6 man/months)
- Support of the regional authorities in terms of implementation and development of the programming tasks for the next programming period (2007-2014) (4 short term experts – 12 man/months)
- Upgrading and extending the monitoring system for ESF funds implementation (1 short term expert – 3 man/months).

Some of the above experts will also closely co-operate with National Training Institute for European Social Fund placed in Polish Agency for Enterprise Development. The number of the EU experts is possible to be changed by the suggestions of the PAA during the programme implementation.

**Contract 2 – technical assistance**

This contract will be implemented by the technical assistance (general TA framework contract). The overall aim of the component is to design and implement information and promotion campaign, namely:

- to prepare publications, leaflets
- to make website information available
- to conduct national conference, seminars, workshops (for representatives of the ESF Unit).

**Contract 3 – technical assistance**

This contract will be implemented by the technical assistance (general TA framework contract).
The overall aim of the component is to enhance the project promoters capabilities. This should be achieved by:

- implementation of the integrated system of training provided to the potential project providers related to submit and manage good quality projects carried out under the ESF assistance. Therefore, the training should cover, between the others, following fields:
  - general issues concerning SF and ESF
  - ESF rules (legal framework, who can apply, how much and what can be claimed, added value, funding, costs, data protection, sub contracting, intercompany trading and interdepartmental trading etc.)
  - preparing the application forms
  - eligibility
  - payments, invoices
  - publicity
  - global grants rules

- provision of further training for trainers of the potential project promoters on ESF requirements and on good quality projects preparation and implementation. Training should include:
  - preparation of the application forms
  - development of the capacities essential to fulfil the relevant ESF projects requirements (legal requirements, eligible costs, added value, equal opportunities, monitoring and financial management of the project, etc.)

- providing training to the social partners, participating in the process of programming and implementation of ESF concerning general issues on SF and ESF (realisation of the partnership rule)

One of the experts will closely co-operate with National Training Institute for European Social Fund placed in Polish Agency for Enterprise Development.

**Contract 4 - investment**

The contract for equipment and software will extend the IT system in order to adopt it to the new programming period (2007-2013). The purchase of the equipment will be mostly meant for newly identified final beneficiaries and intermediate bodies that can appear during the next programming period. Final beneficiaries and intermediate bodies are according to the Council Regulation (EC) No 1260/1999 institutions involved in implementation process of planned activities and/or responsible for commissioning operations. The list of final beneficiaries and intermediate bodies for the first programming period for Poland (2004-2006) consist of Ministry of Labour and Social Policy, Ministry of Education and Sport, Polish Agency for Enterprise Development, National Found for Rehabilitation of Disabled Persons and Voivodship Labour Offices. However shorter period of time (only three years) caused limitation of the scope of priorities and activities planned for implementation. The scope of priorities and actions for the next programming period (2007-2013) will be different and is connected with wider list of implementing institutions. Moreover at the moment it is difficult to precise in details the needs in that area as the specific requirements and rules for the 2007-2013 programming period are not known yet. The scope of purchased equipment will be limited to software and hardware (workstations, net connections, database applications, routers etc.). Further information about relevant equipment and the logic of Phare projects support is placed in chapter 3.1 **Background and justification**.

**3.5. Lessons learned**

Under the Final Assessment Report for Assistance funded under PL-9808 Special Preparatory Programme (SPP) and PL-9909 Regional Policy and Cohesion, prepared by OMAS, some recommendations have been made. They are also relevant to the above-mentioned project. Therefore the Ministry of Labour and Social Policy together with the IA and Office of the Committee for European Integration have established stronger institutional co-operation between those organisations (responsible for the programming and implementation of current project).

Under the Annual Assessment Report No. R/PL/PIB/00063 recommendations were made which are relevant to current project. Designed recommendations concerning the strengthening of the structure of the public institution (recipient) under Phare programmes and the scope of the project to fit their objectives in relation to their contribution to the attainment of the *acquis communautaire* and the actions necessary on the part of the Polish government to support this process, have been considered while defining the scope of the current project.

**4. INSTITUTIONAL FRAMEWORK**
Department for Pre-accession and Structural Programmes, Ministry of Labour and Social Policy. The Unit was established in 1998 as a nucleus of the future ESF Unit (see: “Background and Justification” section). The Department will be the main beneficiary of the project. It will also be responsible for the project implementation and management. The project leader (Director of the Department) will be responsible for ensuring proper co-operation between all institutions involved in the project implementation.

Department of Labour Market Policy, Ministry of Labour and Social Policy responsible for development and co-ordination of implementation of the employment policy.

Department of Social Welfare, Ministry of Labour and Social Policy responsible for programming and co-ordination of social welfare policy.

Ministry of the National Education and Sport responsible for the formal education system.

Office of Government Plenipotentiary for the Disabled, MoLSP responsible for programming and co-ordination of policy towards the disabled.

Secretary of Government Plenipotentiary for Equal Status of Men and Women, Chancellery of the Prime Minister responsible for programming of the equal opportunities policy.

Polish Agency for Enterprise Development responsible for implementation of actions concerning SME development and promotion of entrepreneurship.

Regional Labour Offices – these 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.

Regional service providers: The network of NGOs (foundations, associations), local development agencies and training institutions capable of delivering ESF-type employment services covers all the regions of Poland. However, as compared to the network of non-public institutions involved in SME services (strongly supported under previous Phare programmes), services provided by this network are not sufficiently utilised. There is a need to promote ESF-related knowledge among these institutions as well as to encourage them to form an informal network (equipped with detailed procedures, guidance for actions and operational standards) in order to promote concerted HRD initiatives. Several institutions (national agencies and associations, powiat labour offices) should be also considered as potential final beneficiaries of ESF projects.

Office of the Committee for European Integration (OCEI) is responsible for the overall co-ordination of pre-accession funds as well as for decentralisation process what is the essential basis for future Structural Funds/Cohesion Fund implementation. Therefore following the model of the Special Preparatory Programme for Structural Funds under Phare 98 and bearing in mind the necessity of preparation of a coherent system of implementation and co-ordination of Structural Funds/Cohesion Fund, OCEI will be the co-ordinator of projects under Phare 2002/2003 performed by the Ministry of Economy responsible for Regional Development and Ministry of Labour and Social Policy. It requires relevant information and reporting system from both beneficiaries.

5. DETAILED BUDGET

<table>
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<tr>
<th>Contract 1 – Twinning</th>
<th>Investment Support (IN) €</th>
<th>Institution Building (IB) €</th>
<th>Total Phare (IN+IB) €</th>
<th>National Co-financing €</th>
<th>TOTAL €</th>
</tr>
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<tbody>
<tr>
<td>1 100 000</td>
<td>1 100 000</td>
<td>200 000</td>
<td>1 300 000</td>
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</tr>
<tr>
<td>Contract 2 – Technical assistance</td>
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<tr>
<td>Contract 3 – Technical assistance</td>
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<td>TOTAL PROJECT</td>
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<td>2 800 000</td>
<td>3 000 000</td>
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</tr>
</tbody>
</table>

Co-financing will be available.

6. IMPLEMENTATION ARRANGEMENT

6.1. Implementing Agency
6.2. Twinning
Activities within contract 1 will be implemented in the framework of twinning. Twinning package will consist of a long term PAA, medium and short term EU experts, conferences, seminars and training.

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6.3. Non-standard aspects: N/A

6.4. Contracts
Three contracts envisaged: one twinning covenant (0.500 M€), two contracts for technical assistance (0.800 and 1.500 M€) and one standard contract for investment and software (0.200 M€).
The Polish co-financing will cover costs of plane tickets, room provisions for PAA and experts, rooms renting for conferences and seminars, etc. (0.600 M€).
Contracts 2 and 3 for technical assistance (national co-financing - 0.100 and 0.300 M€) and for investment (national co-financing - 0.100) will be jointly co-financed from the Polish sources.

7. IMPLEMENTATION SCHEDULE

? Start of tendering/call for proposals: October 2003
? Start of project activity: March 2004
? Project Completion: June 2006

8. EQUAL OPPORTUNITY

The project will promote equality between genders since it will contribute to the participation in the Community Initiative EQUAL and introducing the Equal Opportunity Mainstreaming Strategy.

9. ENVIRONMENT N/A

10. RATES OF RETURN N/A

11. INVESTMENT CRITERIA N/A

12. Conditionality and sequencing

The most important precondition for the project implementation – “The National Strategy for Employment and Human Resource Development” – has been prepared. Another pre-condition, which is the establishment of the future ESF Unit, has also been met. The key benchmarks during project implementation will include:

- Decision of Phare Management policy reached by mid 2003
- Financing Memorandum signed by the end of September 2003
- Twinning agreement signed (for twinning part of the project): April 2004
- Activities start: March 2004

Successful implementation of the project depends on the appropriate co-ordination of the project activities, effective co-operation between institutions and commitment of all institutions involved in the project implementation.
<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving the system for ESF implementation</td>
<td>ESF administrative structures and project delivery system fully developed. Poland prepared to effectively use ESF support. Full implementation of requirements deriving from the SF regulations.</td>
<td>The EU decision concerning the ESF support for Poland.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project purpose (Immediate Objectives)</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fine-tuning of systems and schemes. Strengthening Managing Authorities, ESF Control-Monitoring Unit, Intermediate Bodies and Final Beneficiaries capabilities. Preparation of ESF Unit as a Managing Authority in the MoLSP to conduct mid-term evaluation. Support of institutions chosen to be involved in EQUAL Community Initiative including assumptions for the next programming period. Support of the regional authorities in terms of the programming tasks for the next programming period (2007-2014). Upgrading and extending the monitoring system for ESF funds implementation and IT subsystem. Promotion and information of ESF activities. Enhancement of project promoters capabilities. Trainers for potential project promoters trained on ESF requirements and on good quality projects preparation and implementation. The IT system extended and upgraded to meet the next programming period requirements</td>
<td>Level of effectiveness and sufficiency in management of ESF implementation. Quality and quantity of projects managed and implemented. Level of partners’ involvement in EQUAL Community Initiative. Quality of programmes prepared by regional authorities. Level of the IT and monitoring systems’ adjustment to the next programming period (2007-2013). Quality of the information and promotion campaign.</td>
<td>Relevant documents. EU decisions Reports on programmes implementation The stakeholders and partners opinions. Number of good quality applications from local project providers. The IT data base.</td>
<td>Commitment of all stakeholders to work in concerted way. Need for actual implementation of recommendations produced within a project (for instance: the decisions on organisational changes, competencies of institutions)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Systems and schemes improved. Managing Authorities, ESF Control-monitoring Unit, Intermediate bodies and Final Beneficiaries capabilities strengthened. ESF Unit in MoLSP prepared to conduct mid-term evaluation. Capabilities of institutions chosen to participate in Community Initiative | Systems and schemes more efficient Sufficient amount of good quality projects to be financed by ESF Managing authorities, Intermediate Bodies and Final Beneficiaries capable to manage selection and implementation of the projects, to monitor the implementation and to | Reports on programmes implementation Reports on project implementation The stakeholders and partners opinions The project providers quality of fulfilling the interactive application forms IT data base | Quality and a number of staff working in the ESF Unit, NTI and in the others involved institutions Commitment of the national and regional authorities to implement programmes on HRD Commitment of the national and regional
EQUAL strengthened. Regional authorities supported in terms of programming tasks for the next programming period (2007-2014). Monitoring system for ESF funds implementation improved. Information and promotion campaign designed and implemented. Trainers for potential project promoters trained on ESF requirements and on good quality projects preparation and implementation. The IT system extended and upgraded to meet the next programming period requirements.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract 1 Tailored-maid assistance within the twinning assistance contract. Assistance will be provided in the form of know-how transfer, providing advice and recommendations, analysis, training. Contract 2 Introducing of information and promotion campaign. Contract 3 Project promoters capabilities will be strengthened by: provision of training for trainers of the potential project promoters on ESF requirements and on good quality projects preparation and implementation. Implementation of the integrated system of training provided to the potential project providers related to submit and manage good quality projects carried out under the ESF assistance. providing training to the potential project providers (social partners), participating in the process of programming and implementation of ESF concerning general issues on SF and ESF. Contract 4 The contract for equipment and software will extend the IT system in order to adopt it to the new programming period (2007-2013).</td>
<td>Long-term PAA (16 man/months EU expert) supported by 3 EU medium-term experts (18 man/months) and 9 EU short-term experts (27 man/months). Contract 2 will be implemented by the technical assistance (general TA framework contract). Contract 3 will be implemented by the technical assistance (general TA framework contract). Contract 4 envisages purchase of the equipment and software.</td>
<td>authorities to co-operate with grass-roots initiatives for employment promotion</td>
</tr>
</tbody>
</table>

Preconditions
Securing co-financing for the project
**ANNEXES 2-3-4: DETAILED IMPLEMENTATION CHART, CONTRACTING AND DISBURSEMENT SCHEDULE OF THE PROJECT**

**PROJECT TITLE:** IMPROVEMENT OF THE MANAGING STRUCTURES IMPLEMENTING THE EU STRUCTURAL FUNDS AND COHESION FUND IN THE TRANSPORT SECTOR

<table>
<thead>
<tr>
<th>Date of Drafting</th>
<th>05.09.2002</th>
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<td>Planning period</td>
<td>IV 2003 – II 2006</td>
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**PLANNED IMPLEMENTATION SCHEDULE PER QUARTERS**

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>IMPLEMENTATION</td>
<td></td>
<td>D</td>
<td>D/C</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>
</tr>
<tr>
<td>CONTRACTING</td>
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<tr>
<td>DISBURSEMENT</td>
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<td>1,35</td>
<td>1,50</td>
<td>1,80</td>
<td>2,20</td>
<td>2,50</td>
<td>3,00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Budget allocation: Cost estimate: M€

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