THE PROBLEM OF THE SO-CALLED READINESS AS THE DETERMINANT OF THE EFFECTIVE ABSORPTION OF STRUCTURAL FUNDS, BASED ON THE EXAMPLE OF THE PODLASKIE REGION IN POLAND

Anna Daszuta

The main objective of this paper is to try to define so called “readiness” as a determinant of the successful absorption of the Structural Fund and the Cohesion Fund at the regional level. The author outlines five specific aspects of this “readiness”: financial, institutional, personnel, legal and documentation. These aspects are described based upon the findings of two studies done in the form of surveys with two specific target groups. The first study was done in January 2003 and the surveys were distributed to all of the local authorities at gmina and powiat levels. The purpose of this particular survey was to measure the level of preparation for the new tasks connected with the Structural Funds absorption.

The aim of the second study, done in December 2004, was the same as the previous one but the target group was regional clerks from the Voivod’s Office, the Voivodship Labour Office and the Podlaskie Voivodship Marshal’s Office.

Because Poland is just on the brink of joining the European Union it will take a couple of years to be able to clearly say how well Podlaskie region prepared to the Structural Funds absorption was.

1. Brief Description of the Podlaskie Region

The Podlaskie region is one of sixteen voivodships within the administrative structure of Poland, which was introduced January 1st, 1999. The region is categorized as NUTS II which is one out of two common features for all of the Polish regions. The second feature of the voivodships is that they are all subject to Objective 1 of the EU regional policy. Podlaskie is a border region, located in the north-eastern corner of Poland. The Podlaskie region encompasses two main local communities, powiats (17) and gminas (118). Administrative dualism exists at the regional level. The self-governing bodies Sejmik, which consists of the Regional Parliament and the Voivodship Board, which is the executive body headed by the Marshal, together determine the strategy for the region’s development. However, the Voivode itself represents the central government and is therefore responsible for, among other things, transferring budgetary funds to the self-governmental units at the regional, powiats and gmina level. The gmina is the basic administrative unit which holds a wide range of responsibilities including preparing and implementing local development strategies and plans.

The Podlaskie region is one of the poorest Polish regions. It closes a significant number of different economic and social statistics. The following describes some of the characteristics of the region:

- Low GDP per capita.
- Significant share of employment in agriculture.
- Weak urban structure.
- Underdevelopment of physical infrastructure.
- Underdevelopment of the industrial and services base.
- Negative dynamic of the population growth.
- Relatively low technological and innovative levels.
- Low level of use of manufacturing resources.

2. The Rules and the Objectives of Structural Funds Use. The Programming Procedure and the System of Implementation

2.1 Rules and Objectives of Structural Funds Use

The strategic objective of the EU regional policy is to strengthen the socio-economic cohesion of the regions of the Member States. The following objectives are being realized with support from the Structural Funds and the Cohesion Fund - the financial instruments of the regional policy:

- Objective 1 – The promotion of development and structural adjustment of regions whose development is lagging behind;
- Objective 2 – The support of economic and social conversion of areas facing structural difficulties (i.e. dominantly agricultural areas, areas degraded by industry, areas where industry is diminishing etc.);

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Objective 3 – The support of adaptation and modernization of policies and systems of education, training and employment.

The structural policy has been regulated with the use of rules, based on which the support from the Structural Funds is being granted. The most important regulations are as follows:

- Concentration – Support must go to those regions where the economic situation is the most critical.
- Partnership – Co-operation among all levels of public authorities is necessary as well as the co-operation between public authorities, social organizations and economic units;
- Programming – Multiannual, complex development programmes to be subsequently co-financed by the SF need to be prepared at the central or regional level.
- Additionality – National contributions must be made to the projects supported by the SF.
- Control and Monitoring – Monitoring of the programme realization is necessary from the point of view of the objectives defined.

The structural policy which is being realized within the European Union expresses the solidarity of the wealthier Member States and their regions with poorer states and regions. Without the structural policy it is not possible to make the next step forward toward integration which is a transition from the single European market to the monetary union. In order to make this step forward, it is necessary for the states aspiring to join the monetary union, to meet the so-called convergence conditions (i.e. low inflation, limited level of public debt and stable exchange rate of the national currency). The European funds exist to support poorer states to meet those conditions.

2.2 Programming Procedure and Programming Documents in Poland

The programming procedures of the structural policy depend on the objective to the realization of which they are to lead. The EC Regulation No 1260/1999 which sets out general provisions for the Structural Funds comprises of four types of documents for the areas covered by Objective 1.

- The National Development Plan (NDP) – A programming document that establishes a base for planning the individual areas of structural intervention, as well as integrated multiannual operational programmes of a horizontal and regional nature;
- The Community Support Framework (CSF) – A document containing the strategy and the priorities of the Structural Funds (SF) and the Member State operations. It also outlines their objectives, the financial share of the SF and other financial resources; these are realized implemented through operational programmes. CSF is adopted by the European Commission after negotiations with a specific Member State based on the NDP;
- Operational Programme (OP) – A document aimed at the realization of the CSF, it contains a set of coherent strategic priorities including multiannual measures eligible for the SF and other financial instruments;
- Programme Compliment (PC) – This document compliments the OP and contains a detailed description of the realization strategy and priority objectives. It also includes the ex-ante assessment, monitoring indicators, budgets for each operation, institutional system and information campaign.

The National Development Plan for 2004-2006 was developed in Poland. It was adopted by the Cabinet on January 14th, 2004. For the years 2004-2006, the total financial support from the EU (provided in this document) amounts to approximately 11.4 billion euros. According to the initial allocation, European structural resources will be spent in Poland under the sector of operational programmes (SOP), the Integrated Regional Operational Programme (IROP), the Strategy of use of the Cohesion Fund and operational programmes for the Community Initiatives. The following SOPs have been developed:

- SOP Improvement of the Competitiveness of Enterprises: 17,8% of the total (1300 million euros);
- SOP Human Resources Development: 17,3 % of the total (1270,4 million euros);
- SOP Restructuring and Modernization of Food Sector and Rural Development : 4,4 % of the total (1055,0 million euros);
- SOP Fishery and Fish Processing: 2,4 % of the total (178,6 million euros);

2 Article 1 of Council Regulation No 1260/1999 laying down the general provisions on the Structural Funds
• SOP Transport: 8.6% of the total (627.2 million euros);
• IROP: 39.2% of the total (2869.5 million euros);
• OP Technical Assistance: 0.3% of the total (20 million euros).

4.1% (314.6 million euros) of the total of Structural Funds was allocated for realization of the Community Initiatives. 2 Initiatives - Equal and Interreg - will be realized in Poland in the years 2004-2006. 3733.3 million euros from the Cohesion Fund will be involved in Poland in the period of the NDP realization, of which 50% will be reserved for transport projects and projects of environmental protection infrastructure.

The following diagram, extracted from the IROP (page 85), presents the Integrated Regional Operational Programme as an element of European Regional Development Fund (ERDF) and European Social Fund (ESF) programming:

Diagram 1. Integrated Regional Operational Programme (IROP) as an element of ERDF and ESF programming

Source: IROP for the years 2004-2006, p. 85

It was originally envisaged (2000) that all the Polish regions should be independent in the development of their Regional Operational Programmes, which being a part of the National Development Plan were to create a sound base for negotiating the Community Support Framework with the European Commission. Regional authorities were to be responsible for analyzing the current socio-economic situation within their particular regions and for defining, based on the results of the analysis, the development priorities, objectives and measures that would help the regions to achieve the objectives. Moreover, some pilot projects aimed at the preparation of Regional Operational Programmes for the selected Polish regions (among others, for Podlaskie) were implemented in the years 1999-2002. In the end, the central government decided to change the programming system making the decision of development, on behalf of the regions and in the consultation process with the regional authorities,
the Integrated Regional Development Programme (IROP), that was to replace the Regional Operational Programmes (ROP) and that was to be “one answer” for the problems of all the 16 Polish regions. Beside the IROP, several Sector Operational Programmes were also decided to be prepared at the central level. By doing so, the ROPs were pushed to the position of the supportive, complementary documents, staying out of the negotiations with EC and ipso facto not too essential. The ROPs simply had to be in accordance with the IROP (that means the same priorities and the same measures). We could call that “art for art”, couldn’t we? Of course, we could try to justify the solution adopted at the central level with lack of experience of the self-governmental authorities in programming to structural funds, insufficient qualifications of the regional clerks or lack of the administrative potential. It could be discussed long whether the adopted solution is right, even though because the central government is planning to entrust the task of preparation of the ROPs for the next programming period to the regions, according precisely to the original proposition.

It was mentioned at the beginning of this section, that the objective of the regional policy is to reduce development disparities between the regions in the Member States. I am afraid that in the case of Poland, disparities will even increase. Why? Let’s look at the criteria for distributing money between 16 Polish regions under the IROP\(^3\). They are the following:\(^4\):

- Population of the region (10% of allocation will be done according to these criteria).
- Average GDP/person in the last 3 years (80%).
- Unemployment rate (10%).

Indicative distribution of structural funds contribution between voivodships in the years 2004-2006 is shown below.

**Table 2. Indicative distribution of structural funds contribution between voivodships in the years 2004-2006 is presented below.**

<table>
<thead>
<tr>
<th>Regions</th>
<th>Structural Funds</th>
<th>Per inhabitant Poland=100</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Million euros</td>
<td>in %</td>
</tr>
<tr>
<td>Dolnośląskie</td>
<td>223,6</td>
<td>8.10</td>
</tr>
<tr>
<td>Kujawsko-Pomorskie</td>
<td>142,0</td>
<td>5.14</td>
</tr>
<tr>
<td>Lubelskie</td>
<td>201,0</td>
<td>7.28</td>
</tr>
<tr>
<td>Lubuskie</td>
<td>82,5</td>
<td>2.99</td>
</tr>
<tr>
<td>Łódzkie</td>
<td>157,1</td>
<td>5.69</td>
</tr>
<tr>
<td>Małopolskie</td>
<td>185,2</td>
<td>6.71</td>
</tr>
<tr>
<td>Mazowieckie</td>
<td>299,9</td>
<td>10.86</td>
</tr>
<tr>
<td>Opolskie</td>
<td>76,8</td>
<td>2.78</td>
</tr>
<tr>
<td>Podkarpackie</td>
<td>192,0</td>
<td>6.96</td>
</tr>
<tr>
<td><strong>Podlaskie</strong></td>
<td><strong>110,0</strong></td>
<td><strong>3.98</strong></td>
</tr>
<tr>
<td>Pomorskie</td>
<td>159,6</td>
<td>5.78</td>
</tr>
<tr>
<td>Śląskie</td>
<td>279,8</td>
<td>10.14</td>
</tr>
<tr>
<td>Świętokrzyskie</td>
<td>133,1</td>
<td>4.82</td>
</tr>
<tr>
<td>Warmińsko-Mazurskie</td>
<td>182,0</td>
<td>6.59</td>
</tr>
<tr>
<td>Wielkopolskie</td>
<td>196,0</td>
<td>7.10</td>
</tr>
<tr>
<td>Zachodniopomorskie</td>
<td>140,0</td>
<td>5.07</td>
</tr>
<tr>
<td><strong>In total</strong></td>
<td><strong>2 760.7</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**Public transport in agglomerations** 167.9

**Technical assistance** 39.9

**POLAND** 2968.5

Source: IROP for the years 2004-2006, p. 130

The Podlaskie region, which is one of the poorest Polish voivodships, is placed at number 13 in the rank by million euros and also by the percentage of funds available (less than 4% of the total amount of support under the IROP). That means that we are loosing from the very beginning.

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\(^3\) IROP is the only OP that will be implemented at the regional level and the only one in which money are distributed to the individual regions, that is the most important OP for the local and regional authorities.

\(^4\) IROP 2004-2006, p. 129-130
2.3. Implementation of IROP, Responsibilities of the Regional Authorities

The European Commission imposed on the Member States a number of responsibilities in the area of coordination of the Structural Funds programming and implementation process. Different states use different mechanisms of coordination, because the central governments of the member structural funds. The states must divide their responsibilities and tasks in accordance with the existing administrative system existing in the particular state.

A Managing Authority is being selected for every operational programme. In accordance with Article 34 of Council Regulation No 1260/1999, the Managing Authority is responsible for the efficient and correct management and implementation of the operational programme. The Managing Authority of the IROP is the Ministry of the Economy, Labour and Social Policy – Department for Implementation of Regional Development Programmes.

Under the supervision of the IROP Managing Authority, within each of the 16 voivodships, operate Intermediate Bodies. The duties of the Intermediate Body have been entrusted to the Voivodship Office. The main responsibilities of Voivod Offices as the Intermediate Body are the following:

- Signing the Agreements Granting Structural Funding with Final Beneficiaries;
- Chairmanship and provision of the secretariat to the IROP Monitoring Subcommittee;
- Transferring data provided by Final Beneficiaries into the Monitoring and Control Information System (SIMIK);
- Assuring compliance with Community policies (pursuant to Article 12) of all operations carried out within the IROP in the voivodship as well as assurance of adherence to the rules being in force in the Community as regards concluding public procurement contracts, and forwarding relevant information;
- Preparation, in co-operation with the Marshal Office, of annual reports on the implementation of IROP in the voivodship concerned, and after, the approval of the IROP Monitoring Subcommittee, who then forwards these to the IROP Managing Authority;
- Preparation, in co-operation with the Marshal Office, of a final report on IROP implementation in the voivodship concerned and, after approval by the respective Monitoring Subcommittee, forwarding this to the IROP Managing Authority;
- Operating IROP accounts at the voivodship level in which funds from ERDF and ESF for IROP are held.

At the regional level, beside the Voivod Office, there are also units participating in the management of the regional component of IROP - Marshal Offices. In the IROP implementation, the Marshal Office is responsible for:

- Receiving applications for potential IROP projects (financed under ERDF) in the voivodship. Chairmanship of and provision of secretariat to the Regional Steering Committee;
- Forwarding the ranking of eligible projects, recommended by the Regional Steering Committee, to the Intermediate Body, on the basis of which the Agreement Granting Structural Funding for the Project between the Intermediate Body and the Final Beneficiaries is signed;
- Forwarding the approved annual Framework Plans in relation with the Priority II and Measure 3.4; prepared by the Final Beneficiaries to the Intermediate Body (the Voivodship Office);
- Forwarding information on selection of the Final Beneficiaries for the IROP Priority II and the Measure 3.4. Micro-enterprises, to the Intermediate Body, on the basis thereof the Agreement Granting

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6 In Article 9 of Regulation 1260/1999 the definition of Final Beneficiary says “Final beneficiaries are bodies and public or private firms responsible for commissioning operations. In the case of aid schemes pursuant to Article 87 of the Treaty and in the case of aid granted by bodies designed by the Member States, the final beneficiaries are the bodies which grant the aid.

7 IROP, p. 133
Structural Funding for the Measure between the Intermediate Body and the above mentioned Final Beneficiaries is signed;

- Preparation of applications for amendments of the Programme Complement and the operational programme, then transferring them to the IROP Monitoring Subcommittee, which, after positive recommendation, forwards them to the IROP Monitoring Committee to be accepted;
- Informing the general public about the EU co-financing of projects implemented under the IROP (i.a. dissemination of application forms);
- Drawing up reports on information and promotion (part of annual report)\(^8\).

In addition to the responsibilities mentioned above, the Voivodship Board appoints the Regional Steering Committee, which consists of representatives of the voivodship self-governing bodies, representatives of the Intermediate Body, IROP Managing Authority, lead ministries in respect of their tasks implemented under the IROP at the regional level, representatives of respective gmina and powiat self-governing bodies and representatives of socio-economic partners from within the voivodship. The role of the RSC is to manage the implementation of the regional components of the IROP. The Marshal chairs the Committee and ensures support for its work. The Voivod holds the function of its deputy.

3. The Issue of Readiness as the Determinant of the Effective Structural Funds Absorption

How then, can we get the hard rain fall onto Podlaskie from the grand cloud of structural funds which will hang over the state, instead of the region only receiving a small shower? How can we ensure that this cloud will not simply float away to the other regions? The rule, for, is that in the case of inability of use of the structural funds allocated for a particular region by this region, the funds can be moved to the other regions for realization of those measures, where resources have run out. Trying to find the answer for the above questions we are reaching the problem of so-called readiness. What does the “readiness” mean? How can it be defined? I do understand and define the readiness as the existence of the capacity enabling efficient absorption of the Structural Funds and the Cohesion Fund at the regional level. I have identified five different areas of “readiness”:

- Finance;
- Institutions;
- Legalities;
- Documentation;
- Personnel.

The readiness could be compared to the hand of a pianist. Each aspect is like one finger. When all his fingers are strong, the pianist plays his enchanted melody showcasing all of his talent. However if one of the pianist’s fingers is week, no matter how hard he works, he will never be at his best and will not win the highest prize.

3.1 Financial Readiness

Additionality is one of the main rules governing structural funds. It refers to the concept that the support of the EU should only compliment the resources of the individual Member State. It is expected that EU assistance doesn’t lead to a decrease or elimination of the member state’s own contributions to its development. The rule of additionality makes it necessary for the state budget, budgets of self-governing bodies as well as private companies looking to take advantage of the co-financing, to secure their financial resources in order to make a contribution. In other words, additionality guarantees member states own input into the investments to be realized with the help of Structural Funds. Taking into consideration the current state of the public finances in Poland, the problem of self-governing bodies incurring large debts and also the problem of SMEs with access to external financial resources, ensuring a member states own input may create serious obstacles in trying to gain SF assistance. To complicate things further, the rule of reimbursement was introduced for the expenditures for the undertakings accepted for realization under the particular operational programmes. The proper financial installation is one of the key elements in deciding on the success of a planned investment. The financial installation is crucial particularly in the case of the projects applying for SF assistance just because of the necessity of ensuring their own contribution and the rule of reimbursement. In such a situation, the proper financial installation can guarantee a continuing financial flow.

\(^8\) IROP, p. 133
When searching for the optimal financial resource for a planned investment, self-governments are prompting co-operation with different units. The public – private partnership (PPP) having been practiced in Western Europe since the 70’s is still new in Poland. PPP may contribute in a positive way to the increase of self-governing bodies’ activity effectiveness and at the same time stimulate improved development at the regional level. In the current dramatic situation of the state finances, getting private capitals for the common public-private undertakings could be a good method for getting resources for investments by self-governments. However, the main barrier for entering the PPP lies in the people’s mentality. Our society is a closed society. For a long time, under the previous regime, private initiatives were made difficult by the authorities. Many people saw entrepreneurs as swindlers or not trustworthy. It will take time for people to change their outlook. One method of achieving a shift in our current way of thinking would be to have an information campaign showing the positive benefits for PPPs in different European states and their measurable advantages.

In addition to the public – private partnership, authorities from all three levels of self-governing bodies as well as private companies, NGO’s and all the other actors looking to get support from the SF, should be opened also to the other types of partnerships which exist: public – public and private – private. Research conducted in the Podlaskie region in January 2003, which focused on the gminas and powiats authorities, revealed that only 3 out of 68 units who participated in the research were not associated with any organization such as associations of gminas or powiats, association of Polish towns and cities, associations of rural gminas and many other existing. The significant majority of gminas was a member of at least 2 of them. I think that from one hand it is a good result and a good sign for the future, but from the other hand it shows that there are still some local authorities not interested in any co-operation, which may cause a problem for their development.

Let us go back to the question of financing the development. The research mentioned above also showed how low level of budgetary resources is being spent for development in gminas and powiats of Podlaskie region. In regard to the questions concerning the percentage of budget spent for investments in the years 2000-2003 almost 48% of the units mentioned that they spent less than 15%, 10,8% of the units spent on investments less than 10%. The average expenditures for investments amounted 17,35%. The rule is, therefore that the poorest gmina, the less resources for development is being spent.

In December 2003, I conducted some research with the aim of finding out how regional officials prepare themselves to take on the new tasks connected with the absorption of SF find themselves, their offices to be ready. I asked around 40 employees of the Marshal Office, the Voivod Office and the Voivodship Labour Office what kind of barriers stand in the way of the effective SF absorption within the region they see. Answering this open question, a significant number of respondents mentioned the “lack of financial resources of self-governing bodies to ensure their own input”. It was also mentioned quite often that there is a “lack of the financial input of beneficiaries” together with the rule of reimbursement and relatively long time to get the money reimbursed.

The second question was regarding the barriers standing in the way of the effective realization of new tasks connected with the SF absorption by the office where you work. Once again, respondents also frequently mentioned a lack of resources in the office budget.

The results of the 2 researches could be one of the sound arguments for entering partnerships by Podlaskie gminas and powiats in order to increase the economic development of the region.

3.2 Institutional Readiness

What is meant by “institutional readiness”? I will define it as the potential of the self-governing body of all three levels: gmina, powiat and region, Voivod’s Office, potential of non-governmental organizations, training institutions, enterprises and all the other actors applying for the SF to generate and implement projects. Therefore, institutional readiness also refers to the potential of the institutions that are a part of the programming and implementation system to the effective and efficient realization of the tasks which imposed on them and which are tied with creation of the programming documents, monitoring and control of the co-financed projects. Last year, some changes took place within the Podlaskie Voivodship. For example, the organizational structures of the Marshal Office (MO), the Voivodship Labour Office (VLO) and the Voivod Office (VO) were changed. New divisions (VO) and new units (MO) were established within which employees will participate in activities related to the SF absorption. The result of my personal research is that employment in the MO and VLO increased significantly. For example, the number of employees of the Department of the Regional Policy and Structural Funds in the MO increased from 14 up to over 30. In the Voivod Office, the rotation of personnel between different divisions took place rather than having to take on new staff.

In response to the question of level of preparation within your own office, from the point of view of the new tasks connected with the SF absorption, over 78% of respondents answered that they found their offices to be

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9 The Podlaskie Voivodship Marshal’s Office made an access to the surveys available. The author of this paper has done the analysis.
well prepared. Only 1 person of those interviewed felt their offices were “very well” prepared and only 2 people answered “badly” prepared. However, not all of the participants would have answered honestly in the fear that the surveys may fall into the hands of their directors. This conclusion is supported by the responses of regional officials to the question concerning barriers standing in the way of effective realization of the new tasks connected with the SF absorption by the office that they work for. The following are some of the answers:

- Not enough IT equipment;
- Not enough knowledge of clerks;
- Lack of the qualified personnel;
- Too much red tape and a complicated system of gaining funds;
- Not enough training in the form of workshops;
- Some of the beneficiaries are unprepared.

The notion that our local self-governing bodies are not very well prepared to take advantage of the SF is evident in the answers given by gminas and powiats of Podlaskie region to my survey. 51% of respondents said that they are not qualified enough to justify their choices and they gave the following reasons:

- Lack of training, workshops on project preparation and management;
- Lack of personnel and those who are working are ill-prepared;
- The process of implementing new procedures is disorganized;
- Lack of clear guidelines and lack of information;
- Too many complicated application forms;
- Lack of experience in the field of preparing and managing projects;
- Limited financial resources.

In response to another question concerning the probability of using the external support while developing projects, 54% of the participants answered positively. In my opinion, one of the main reasons for this is the lack of experience in the field of developing projects and applying for EU funds. Of course, there are important influences which have all of the above mentioned problems. The market opened a wide gate for private consulting companies willing to assist project promoters in their tasks and offering their support in gaining EU funds. This is why it is of such importance that training institutions, advisory and consulting companies are professionally prepared and provide services of the highest quality, what is not so easy, because the truth is that almost nobody in Poland, not mentioned Podlaskie, had an opportunity to learn how the Structural Funds machinery really works. I think that only on an individual level do people have the opportunity to learn from the experience of different Member States already taking advantage from the SF. Our local consulting companies may have some experience in gaining pre-accession funds from PHARE or ISPA or SAPARD but in the case of SF, the procedures differ a lot. I have limited my research to the local and regional authorities, for analyzing the institutional readiness to the SF absorption. However, I will eventually extend my research and also cover NGO’s and SMEs, taking into special consideration advisory and consulting companies.

Talking about the institutional readiness we shall bear human resources in mind, what leads us to the next aspect of readiness linked very close to the institutional one – the personnel readiness.

3.3. Personnel Readiness

“Personnel readiness” can be defined as the existence of properly qualified civil servants and self-governmental clerks who are specifically prepared for the tasks connected with the SF absorption. Are we, in Podlaskie, prepared for these new tasks in terms of our human resources? It is undoubtedly difficult to assess. My research shows that the regional clerks from Podlaskie that will be dealing with programming, monitoring, control, projects development etc. are on average 35 years of age, they have a higher education (98% of responses), they speak foreign languages (most of them English, Russian taken the second place and the least amount speaks German). They are computer literate. In addition, they assess their own knowledge of the EU regional policy as good (48%) or very good (32%). Out of the participants, 48% felt that their knowledge of the legal regulations concerning the SF, the SF implementation system in Poland, monitoring and control of the projects to be realized with the SF support, the role and responsibilities of the Marshal Office and the Voivod Office in the programming and implementation process was satisfactory and 40% felt their knowledge on this topic was good. However, almost in the eve of accession, these same civil servants have expressed the need for a wide range of training, from the programming to SF, filling out application forms to IROP and assessment of applications, generating projects, detailed training on the role of the individual units in the SF implementation process, internal audit, verifying and confirming payments, finishing at the public procurement procedures.

I also asked in my survey, how they essentially find themselves prepared for their new duties? Out of the answers, “good”, “quite good” and “not good enough” – each option was chosen by 32% of the respondents. The reason for these different responses? The respondents gave the following: small number of training sessions, lack of the final version of the manual on implementation of the individual operational programmes and lack of the final versions of the operational programmes and their compliments.
I have already mentioned that it is very difficult to assess objectively the personnel readiness for the SF absorption within the Podlasie region. The surveys give us some insight into some of these issues at hand but they are based on the subjective view of the respondents. The reality of the next couple of years will verify the level of readiness and will lead to further conclusions.

3.4. Legal Readiness

I will define “legal readiness” as the adaptation of our Polish law to the European Union legislation. From the Structural Funds point, the most critical part passed at the beginning of March, with the new Public Procurement Law adjusting our tendering procedures to EU regulations. The Act of Law on Public Finances that would include the Structural Funds and the Cohesion Funds to the sources of public finances is also no less important than passing the Act of Law on the National Development Plan. Delays of works on that law not only caused major delays in establishing institutions necessary to manage structural projects but also created much confusion in administrative structures. The legal base for establishing, monitoring and steering committees at the central and regional level was missing. The central problem is also lack of the Law on Public-Private Partnership that was to enable a wider scale of involvement of private units in financing the EU projects. The legal readiness also means, regulation of the state of land ownership which is crucial in the case of infrastructural projects being realized by local authorities. We must remember that the first programming period is very short, only covering 2004-2006. In order to be on schedule with the realization of planned projects, the project promoters should today, at the end of the preparatory phase, regulate where it is necessary, the state of land ownership and complete all the necessary formalities. No less important, in my opinion, is the legal awareness of clerks at all levels. In order to perform their tasks effectively, the clerks must know the law and they must be able to navigate through all of the procedures to make the decision-making process more efficient. But how to expect from the clerks they know documents and procedures, which the final versions do not exist? My personal research has shown that the regional authorities openly blame the lead ministries responsible for the preparation of programming documents, guidelines, application forms etc. The respondents accuse the central level of the government of having a lack of critical legislation, “occlusion” in the information flow, negligence, long delays in the preparative work and even a lack of a realistic grasp of the state of the economy.

3.5. Documentation Readiness

The final type of readiness that I will define is readiness in the area of documentation. Here I am referring to the existence of the proper number of good quality projects and preparation of the technical documentation such as plans, localization drafts, business plans, feasibility studies that are the obligatory attachments such projects. Again, what is the situation in the Podlaskie region? The Marshal Office oversees a pilot internet database of project propositions which have been submitted for co-financing from the European Regional Development Fund. This database, of a purely informative nature, enables us to draw up some not very optimistic conclusions on the state of our “documentation readiness”. All of the project propositions submitted to this database by the priorities and measures of IROP are being assessed by the clerks and are given a rank 1, 2 or 3, where 1 means that the project has to go before it will be ready for co-financing. Out of the total number of 320 project propositions entered into the database only 25 were given a rank of 1, 189 projects were given a rank of 2 and the rest, 106 projects were given a rank of 3. This demonstrates that we may have a serious problem with not having very many submissions of adequate projects (meeting the formal criteria, essentially well prepared, completed) that will let the region absorb the majority of the resources available for the Podlaskie region under the IROP. Whether we succeed or not and whether we take advantage of the SF and make good use of these funds will only become apparent over the next couple of years. Today, we can only try to guess the level of the SF absorption within the Podlaskie region in the first programming period. This was exactly the final (open) question I posed in my survey. The average amount of SF use, according to my respondents, was 47.4%. Almost half of the answers were between the ranges of 10% to 50%. As I have already stated, the reality of the first programming period will show whether we are the net payers of the EU or not. I hope that despite the many barriers that exist, we will manage to overcome the problems and succeed.

10 Grosse, T. G. „Stan przygotowań administracji regionalnej do wykorzystania pomocy strukturalnej UE.” Analizy i Opinie 18 (January 2004): 3
References: