

Enclosure to Regulation No Z/4/07  
of the Person Performing the Functions of  
Voivodship Self-government Organs– the  
Podlaskie Voivodship Board of 5<sup>th</sup> March 2007

**REGIONAL OPERATIONAL PROGRAMME  
FOR PODLASKIE VOIVODSHIP  
2007 – 2013**

*(Draft version<sup>1</sup>)*



**Podlaskie Voivodship Marshal's Office**

*Adopted by the Person Performing the Functions of Voivodship Self-government Organs  
– the Podlaskie Voivodship Board  
on 5<sup>th</sup> March 2007*

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<sup>1</sup> The English translation of *Regional Operational Programme for Podlaskie Voivodship 2007 – 2013* is aimed at helping non-Polish speakers to understand the provisions of the draft, but the Polish version remains the only original one. Podlaskie Voivodship Marshal's Office has made an effort to ensure quality of the translation but it bears no responsibility for any mistakes in the English version of the document.

## **CONTENTS**

INTRODUCTION .....	4
1. DIAGNOSIS OF PODLASKIE VOIVODSHIP SOCIO-ECONOMICAL SITUATION .....	5
1.1. PRESENT STATE DIAGNOSIS .....	5
1.1.1. Region’s spatial conditions .....	5
1.1.2. Resources and labour market .....	7
1.1.3. Region’s economic development .....	14
1.1.4. Technical infrastructure .....	24
1.1.5. Social infrastructure .....	31
1.1.6. Rural areas .....	34
1.1.7. Financial position of local self-governments .....	35
1.2. SWOT ANALYSIS .....	37
1.3. NATIONAL AND FOREIGN ASSISTANCE .....	42
1.3.1. National financial assistance for the Podlaskie Voivodship for the years 1999–2005 .....	42
1.2.3. Foreign financial assistance for the Podlaskie Voivodship for the years 1999 – 2005 .....	49
2. DEVELOPMENT STRATEGY OF THE PODLASKIE VOIVODSHIP .....	68
3. OBJECTIVES OF THE REGIONAL OPERATIONAL PROGRAMME OF THE PODLASKIE VOIVODSHIP FOR THE YEARS 2007-2013 .....	70
4. REGIONAL OPERATIONAL PROGRAMME FOR PODLASKIE VOIVODSHIP 2007 – 2013 AND NATIONAL STRATEGIC REFERENCE NETWORK 2007 – 2013 .....	76
5. PRIORITY AXES AND MEASURES REALISED WITHIN THE FRAMEWORK OF REGIONAL OPERATIONAL PROGRAMME FOR PODLASKIE VOIVODSHIP 2007-2013 .....	79
5.1. PRIORITY AXIS I: Increase of innovation and support of entrepreneurship in the region .....	79
5.2. PRIORITY AXIS II: Development of transport infrastructure .....	82
5.3. PRIORITY AXIS III: Tourism Development .....	87
5.4. PRIORITY AXIS IV: Information Society .....	89
5.5. PRIORITY AXIS V: Development of Infrastructure for Environmental Protection .....	91
5.6. PRIORITY AXIS VI: Local Infrastructure Development .....	94
5.7. PRIORITY AXIS VII: Social Infrastructure Development .....	96
5.8. PRIORITY AXIS VIII: Technical Assistance .....	99
5.9. COMPLEMENTARITY OF ROP PV WITH EUROPEAN FISERIES FUND .....	101
5.10. APPROACH TO SUSTAINABLE DEVELOPMENT OF URBAN AREAS OF ROP PV .....	102

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6. INDICATIVE FINANCIAL PLAN .....	103
7. IMPLEMENTATION SYSTEM FOR THE REGIONAL OPERATIONAL PROGRAMME FOR PODLASKIE VOIVODESHIP FOR YEARS 2007-2013 .....	107
8. EVALUATION OF THE PROGRAMME BEFORE BEGINNING OF IMPLEMENTATION (EVALUATION EX-ANTE) TOGETHER WITH EVALUATION OF EXPECTED MACROECONOMIC EFFECT .....	117
9. FORECAST OF THE ENVIRONMENTAL IMPACT ASSESSMENT OF REGIONAL OPERATIONAL PROGRAMME FOR PODLASKIE VOIVODESHIP FOR YEARS 2007-2013 .....	122
10. SOCIAL CONSULTATIONS ON THE PROJECT OF REGIONAL OPERATIONAL PROGRAMME FOR PODLASKIE VOIVODESHIP FOR YEARS 2007 – 2013 .....	124
THE LIST OF TERMS USED IN THE PROGRAMME.....	129
THE LIST OF ABBREVIATIONS USED IN THE PROGRAMME.....	139
ANNEXES .....	141
CONTEXTUAL INDEXES .....	142

## **INTRODUCTION**

“Regional Operational Programme for Podlaskie Voivodship 2007 – 2013” (ROP PV) constitutes the most crucial instrument of regional policy fulfilling the objectives of “Podlaskie Voivodship Development Strategy to 2020”.

The objectives and priority axes of ROP PV are coherent with the directions of development outlined at the national level in “National Strategic Reference Framework 2007 – 2013” and at the Community level in “Cohesion Policy in Support of Growth and Jobs: Community Strategic Guidelines 2007 - 2013” and the renewed Lisbon Strategy.

The structure and programme's realization procedure fits in Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999.

The programme, realizing one of the three objectives defined in Art. 3 of the aforementioned Regulation, namely the Convergence, takes actions leading to the decrease in economic, social and territorial disproportions throughout the Community.

The national legal grounds for the preparation, implementation and realization of the document, is the Act of 6 December 2006 on rules of conduct for development policy (Journal of Laws 2006 No 227, item 1658).

According to the principle of subsidiarity – a fundamental principle of the European Union – the Regional Operational Programmes are being drafted at voivodship level, responding to the necessity of tackling the problems of each particular region in an effective way. Decentralization, understood as such, gives the opportunity to increase the number of funds transferred and move a series of actions down to the local level.

“Regional Operational Programme for Podlaskie Voivodship 2007 – 2013” indicates the objectives and priority axes of development for Podlaskie Voivodship to realize in the forthcoming programming period. It also introduces measures with their brief description. The realization of PVROP aims at the reduction of disparities between the levels of development of Podlaskie Voivodship and other Polish regions.

The provisions of ROP PV facilitate the realization of infrastructural projects, as well as those focussing on support for SME sector, which will be drawn up and implemented by local self-government units, NGOs, institutions of business environment and government administration units. It will be of utmost importance to make proper use of and exchange the to-date experiences in the implementation of structural funds 2004 – 2006 and to disseminate examples of good practices for the new programming period. Public-private partnership, as an instrument of co-operation between the public and private sectors, may as well play a crucial role as far as the development of Podlaskie Voivodship in 2007 – 2013 is concerned.

The document was subject to broad social consultations carried out through regional conferences, which gathered representatives of local self-governments, NGOs, social and economic partners and other institutions vital to the region's development.

## **1. DIAGNOSIS OF PODLASKIE VOIVODSHIP SOCIO-ECONOMICAL SITUATION**

### **1.1. PRESENT STATE DIAGNOSIS**

#### **1.1.1. Region's spatial conditions**

**Location.** Podlaskie Voivodship is located in the north-eastern part of Poland. It borders on three other voivodships: Warmińsko-Mazurskie, Mazowieckie and a short stretch of Lubelskie. To the north-east it borders on Lithuania (borderline of about 100 km) and to the east with Belarus (about 250 km). Podlaskie Voivodship is the internal (with Lithuania) and external (with Belarus) border of the European Union. The capital of the region is the City of Białystok, located about 180 km away from country's capital – Warsaw.

Podlaskie Voivodship covers an area of 20 180 km<sup>2</sup>, i.e. 6.5% of country's total area, and is the 6<sup>th</sup> largest voivodship in Poland. It is divided into 14 powiats and 3 cities with powiat status, 118 gminas and 3304 village councils (sołectwo). The settlement system consists of 36 towns and 3945 rural places. The Nomenclature of Territorial Units for Statistical Purposes (NTS) additionally divides Podlaskie Voivodship into two subregions: białostocko-suwalski and łomżyński<sup>2</sup>.

**Degree of urbanisation.** Population density in Podlaskie Voivodship comes to 59.4 pop. / km<sup>2</sup> (national average 122 pop. /km<sup>2</sup>; EU 25 average – 118 pop. /km<sup>2</sup>), which puts the region in 15<sup>th</sup> place in Poland. The degree of urbanisation (58.1%) corresponds with the nationwide average, while 45% of region's total urban population lives in the City of Białystok. Urban network density equals 18 towns per 10 thousand km<sup>2</sup>, which makes 15<sup>th</sup> place nationwide.

The settlement structure features the predominance of urban population – 48%. 33.5% of population lives in rural gminas and 18.5% in urban-rural ones. The indicators of average population in gminas are about 25 – 30% lower than the national average.

**Settlement system.** The urban settlement system comprises 36 towns, the town network being denser in the central and western parts of the voivodship. On average there are 14 thousand people to each town in the voivodship, which places it 7<sup>th</sup> among other voivodships. The functional structure of the settlement system singles out the development centre of the voivodship – “Europol” – the City of Białystok (291.7 thousand inhabitants) and two over regional development centres – Suwałki (68.9 thousand) and Łomża (63.8 thousand). The population density of urban areas varies strongly and depends on housing structure, the relation of invested to total area, physiographic conditions, and stretches from 3 167 pop.

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<sup>2</sup> The Nomenclature of Territorial Units for Statistical Purposes (NTS) was introduced by a Regulation of the Council of Ministers, dated 13 July 2000 (Journal of Laws No 58 item 685). NTS is a five-level hierarchic classification used in the process of collecting information, conducting statistical surveys and presenting their results in spatial terms. The Nomenclature of Territorial Units for Statistical Purposes (NTS) divides Poland into territorial units on 5 levels, first three being the regional levels, remaining two being the local ones: level 1 – regions (6); level 2 – voivodships (16); level 3 – subregions (45); level 4 – powiats and cities with powiat status (314 + 65); level 5 – gminas (2478).

/km<sup>2</sup> in Białystok to 29 pop. /km<sup>2</sup> in Suraż. Over last 10 years there has been a tendency to transform larger rural gmina villages of historically developed traditions and urban spatial structures into towns. Since 1990 the urban population has increased by nearly 6.2%.

On the other hand, the settlement system of rural areas, comprising 3 947 units, features rich diversity in terms of population and housing density, which derives from both historically shaped property relations and natural conditions. An average rate of rural population in Podlaskie comes to 125.4 persons. In the functional structure, the agricultural function predominates in most villages. 82 villages are seats of gminas with well developed relevant services and some economic functions (agriculture and forestry services, local industry, transport, tourism etc.).

**Natural values.** Podlaskie Voivodship is a lowland region (average elevation of about 150 m AMSL), with almost all of it being situated within the Vistula Basin. The main rivers are the Narew, Biebrza and Bug. An important element of hydrographical system and, at the same time, an exceptional ecological and recreational value is the lake complex of Suwałki and Augustów Lakeland together with the lakes of Rajgród, the largest of them being Wigry, Hańcza, Szurpiły, Sajno, Dreństwo, Serwy, Necko and Rajgrodzkie. The degree of afforestation of the voivodship comes to 29.3% (compared to the country's 28.7%). Main forest ranges can be found in the north and eastern parts of the region. Picturesque landscapes of opulent nature preserved in its primaeval state are formed by Białowieża, Augustów, Knyszyn and Kurpie Primaeval Forests. The region features high degree of purity of natural environment: witness Europe's largest marshland area in the Narew and Biebrza River valleys, as well as the valleys of the Bug and Nurzec, Narew and Supraśl, Biebrza and Pisa, Czarna Hańcza and Szeszupa – the areas of unique natural and landscape values.

**Protected areas.** Uncommon natural values of Podlaskie Voivodship have been taken under various forms of protection, hence 4 national parks functioning in the region: Białowiecki, Biebrzański, Narwiański and Wigierski (23 nationwide), 3 landscape parks: Łomżyński Landscape Park of the Narew River Valley, Knyszyńska Primaeval Forest Landscape Park and Suwałki Landscape Park (120 nationwide), 89 natural reserves (1385 nationwide), 15 protected landscape areas (445 nationwide), 1614.4 ha of ecological grounds (6177 nationwide) and 2110 natural monuments (34385 nationwide). Due to its unique natural values, the Białowiecki National Park was recognised in 1977 by UNESCO as World Biosphere Reserve, and, as the only Polish natural site, was inscribed into UNESCO World Heritage List in 1979. Since 1992, a considerable part of Białowieża Primaeval Forest, located on both sides of Polish-Belarusian border, has been one of world's seven and Europe's three transborder UNESCO World Heritage sites.

These lands have been linked together into a single coherent ecological system of protected areas, fixed in local spatial plans and covering about 32% of the voivodship's area (30% nationwide); 1 inhabitant to 5335 m<sup>2</sup> (2429 m<sup>2</sup> nationwide). At the same time, out of consideration for its unique natural and cultural values, the entire area of the voivodship was also included in the eco-region the Green Lungs of Poland (ZPP).

Moreover, bearing in mind the significance attached by the European Union to high standards of environmental protection, the implementation of the European Protected Areas Network NATURA 2000<sup>3</sup> covers c 26% of region's area.

**Raw materials.** Podlaskie Voivodship is not abundant in raw materials. The region's resources consist mainly of iron ore deposits and elements of thin soil (located within the Suwałki Landscape Park) – unexploited due to unprofitability of extraction – and rock raw materials making the basis for construction and building materials industry.

Common mineral ores are being quarried in the voivodship, which meet the basic needs of regional industry to a large extent – natural aggregates, gravels, argillaceous raw materials for sanitary ware, quartz sands for cellular concrete and calcareous-sandy bricks, peats, writing and lake chalk.

In Podlaskie Voivodship there are also some deposits of therapeutic mud in the vicinity of Augustów and Supraśl.

### **1.1.2. Resources and labour market**

**Demographics.** The population of Podlaskie Voivodship at the end of 2005 totalled 1.999,7 thousand people (3.14% of country's population), which placed the region 14<sup>th</sup> in Poland. Compared to the year 2000, when the population totalled 1.210,7 thousand people, the population has fallen by c 11 thousand. Thus in the 2000-2005 period Podlaskie Voivodship noted a negative population growth of -0.9% (-0.25% nationwide), compared to the average -0.7% in the 5 voivodships of Eastern Poland (from -1.36% in Świętokrzyskie to 0.07% in Warmińsko-Mazurskie). The town population reached 710 thousand i.e. 59% of total population of the voivodship. Low population density of 59.4 pop. /km<sup>2</sup> is chiefly due to the low degree of urbanisation in the voivodship.

Migration is another key factor in the voivodship's population number. While the number of internal migrations decreases (from 9.1/1000 pop. in 2000 to 8.2/1000 pop. in 2005, compared to Eastern Poland's constant of 8/1000 pop. and Poland's increase from 7.7 to 8.3/1000 pop.), there is a constant increase in external and international migrations. In 2000 the net migration for Podlaskie Voivodship equalled c -1.6 thousand (-1.3/1000 pop., compared to Poland's average of -0.5 and to the five voivodships' of Eastern Poland average of -1.4), while in 2005 -1.9 thousand (-1.6/1000 pop.; Poland -0.3, Eastern Poland -1.8). Migration growth dynamics in Podlaskie Voivodship in the period 2005 to 2000 came to 46% (Lubelskie – 65%, Świętokrzyskie – 8.4%). One particularly disadvantageous phenomenon is the migration of well educated people, who could strengthen the region's human resources potential.

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<sup>3</sup> The creation of NATURA 2000 network is the only task to legally and politically bind Poland as regards the creation of ecological networks. The legal grounds of the creation of the European Protected Areas Network are the articles 3 and 10 of Directive 43/92/EEC of 21 May 1992 on conservation of natural habitats and wild fauna and flora.

**Table 1. Population projection of Podlaskie Voivodship and its towns with powiat status  
2005 – 2030 (in thousand)**

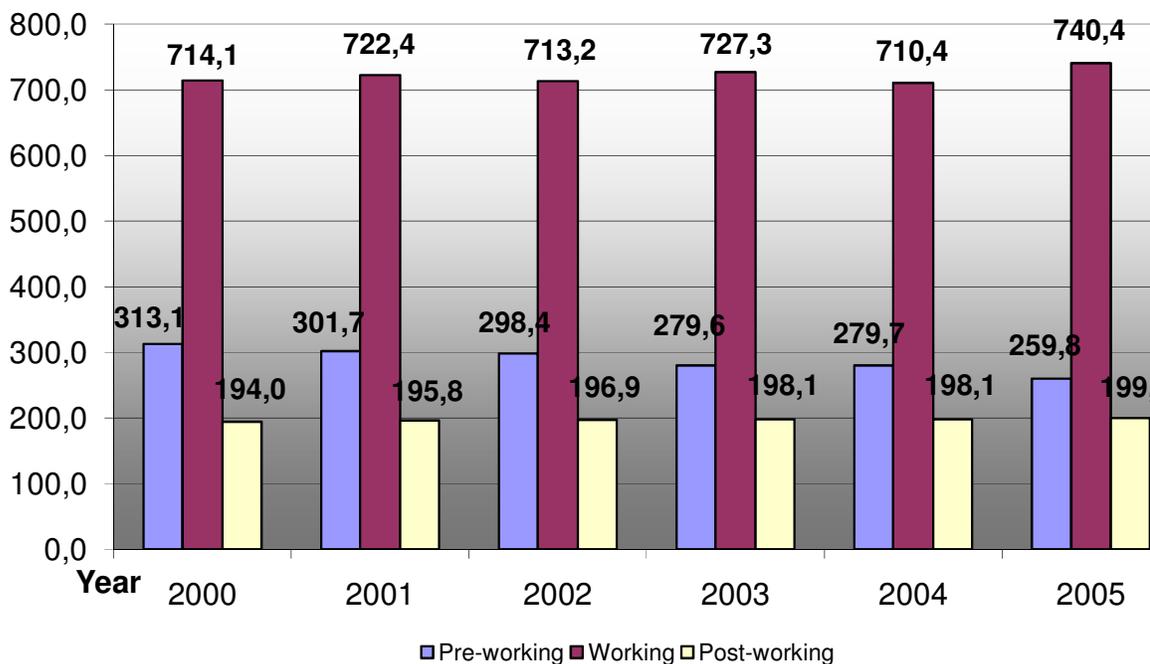
<b>VOIVODSHIP</b>	<b>2005*</b>	<b>2010</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>
<b>Podlaskie</b>	1199,7	1189,9	1178,9	1165,5	1145,8	1118,4
<b>City of Białystok</b>	291,8	295,1	293,1	287,5	277,8	264,6
<b>City of Suwałki</b>	69,2	70,3	70,4	70,0	68,5	66,1
<b>City of Łomża</b>	63,8	63,7	63,0	61,9	60,0	57,3

Source: Central Statistical Office (GUS) 2004, Assumptions to the population projection of Poland 2003-2030: [www.stat.gov.pl](http://www.stat.gov.pl) (\* 31.12.2005)

These unfavourable demographic changes are forecast to steadily continue until 2030. The population decrease in the voivodship will mainly affect the eastern parts of the region. Only systemic changes made at national level will be able to counteract these tendencies.

The voivodship's largest city and its capital is Białystok, a city of over 291.8 thousand inhabitants, the economic, scientific and cultural centre of north-eastern Poland. Only two more towns in the region have a population of more than 50 thousand – Suwałki (69.3 thousand) and Łomża (63.8 thousand). Augustów, Bielsk Podlaski, Grajewo, Hajnówka, Zambrów and Sokółka have a population of between 20 and 30 thousand. Other towns are small – not having more than 15 thousand inhabitants. The settlement system of rural areas is highly fragmented; on average there are 125.4 persons to one village (259 nationwide).

**Diagram 1. Podlaskie Voivodship structure of population by age (in thousand)**



The age structure of Podlaskie Voivodship population features higher than average percentage of people in pre-working age (Podlaskie – 23.2%, Poland – 22%, EU – 16.4%) and in post-working age (Podlaskie – 16.4%, Poland – 15%, EU – 16.5%), and a lower percentage of people in working age (Podlaskie – 60.35%, Poland – 63%, EU – 67.1%).

**Specificity of multicultural society.** Podlaskie Voivodship is a multicultural and multinational region, the most ethnically diverse region in Poland. Besides Poles there live Belarusians, Lithuanians, Ukrainians, Tartars and Romanies. The ethnic diversity is mirrored in numerous cultural relics and monuments including folk architecture and places of historical interest. In addition, Podlaskie Voivodship is renowned for its rich, colourful rites and customs, typical of a cultural borderland. There are many sacred places of various religions, some of them being sanctuaries of pilgrimages. Regional specificity of Podlaskie together with the care and concern of state and self-government authorities to preserve region's multicultural character, favour the cultivation of traditions and rites by ethnic minorities.

**NGOs.** The idea of a civil society is to increase citizens' activity for public and social welfare, on both citizen – NGO and NGO – public authority levels. Thus it is crucial to increase interaction within the network of mutual connections between the public sphere and the society. It will be possible to achieve this goal through the support of mechanisms of effective co-operation between the 3<sup>rd</sup> sector and public authorities, including the three tiers of self-government.

In 2002<sup>4</sup> there were 41.5 thousand active NGOs in Poland (52 thousand in 2004), of which there were 36.5 thousand associations, 5 thousand foundations (in 2004 respectively: 45 thousand and 7 thousand). In 2002 in Podlaskie Voivodship there were 1.3 thousand NGOs, which placed it 13<sup>th</sup> nationwide (c 3%). For comparison, most of NGOs were registered in Mazowieckie Voivodship (7.2 thousand) and Śląskie (4.5 thousand), the least in Świętokrzyskie (1.1 thousand) and Opolskie (0.8 thousand). In 2004 in Podlaskie Voivodship there were 1.6 thousand NGOs (Mazowieckie – 9.6 thousand, Śląskie – 5.6 thousand, Świętokrzyskie – 1.3 thousand, Opolskie – 1.1 thousand), which again placed it 13<sup>th</sup> nationwide (c 3%).

The index of registered NGOs to 10 thousand people in Podlaskie Voivodship equalled 10.5 in 2002 (8<sup>th</sup> nationwide), and 13.41 in 2004 (7<sup>th</sup>).

In the abovementioned period, the dynamics of growth in NGOs number came to 27% (6<sup>th</sup> nationwide). The biggest growth was typical of Opolskie (38%) and Mazowieckie (34%), while other regions of Eastern Poland, except for Świętokrzyskie (lowest growth of 18%), noted similar growth rate.

The spatial distribution of NGOs in Podlaskie Voivodship (per 10 thousand people) indicates a relatively high activity in the northern part of the region (the City of Suwałki, the powiats of Sejny, Suwałki and Augustów), which then decreases in Białystok, Łomża and south-eastern part of the region (powiats of Bielsk Podlaski and Hajnówka), to reach its lowest point in both eastern and western parts of the region (powiats of Sokółka, Kolno and Łomża).

**Education.** Education level of population determines the quality and potential of region's human resources. Podlaskie Voivodship enjoys a trend of constant growth in education level of population. In the years 1988 – 2002<sup>5</sup> the percentage of people with post-primary education increased from c 46% to 61%. In these terms, the inhabitants of rural areas observed more significant changes, raising their education level more rapidly, since the index for rural areas rose from 27.9% in 1988 to 45% in 2002, compared to the increase in urban areas from 61.3% in 1988 to 71.1% in 2002. Still, despite this dynamic growth, the education level in rural areas remains a barrier to necessary transformations, does not favour development and production streamlining, hinders effective vocational reorientation and undertaking of new economic initiatives. Another problem is a fact that the educational network focuses in largest cities, which further reduces the chances of raising the education level.

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<sup>4</sup> Data based on reports of KLON/JAWOR Association – *Basic facts on NGOs – 2002 Research report* and *Basic facts on NGOs – 2004 Research report* by REGON register of April 2002 and September 2004.

<sup>5</sup> Source: *National Census 1988 and National Population and Housing Census 2002*.

**Table 2. Education level of population aged 15 and over (in %)**

Education level	1988			2002		
	total	town	country	total	town	country
Tertiary	5,3	8,8	1,5	9,5	13,5	3,7
Secondary and post-secondary	22,9	33,4	11,0	32,1	39,9	20,7
Basic vocational	17,3	19,1	15,4	18,9	17,8	20,5
Primary	40,6	33,2	49,0	32,2	24,1	44,0
Incomplete primary, no school education, undetermined education	13,8	5,6	23,1	7,3	4,7	11,1

Source: National Population and Housing Census 2002 and National Agricultural Census 2002

At the same time, by the year, we observe a rapid growth in the number of tertiary students and graduates. This group perceives education as a form of protection against unemployment and a better job perspective. In the period in question, the most dynamic growth was typical of the group with tertiary education, its percentage in total population aged 15 and over having increased from 5.3% to 9.5% (8<sup>th</sup> – 9<sup>th</sup> nationwide, at national average of 10.2%). In 2002, 13.5% of the urban population was of tertiary education compared to 8.8% in 1988; 3.7% and 1.5% of the rural population respectively.

At the same time, it is more common for women to gain tertiary education (10.2%, compared to 8% of men), secondary and post-secondary (34.6% and 26.8% respectively). Yet, as regards basic vocational education, men prevailed (23.8% of men and 12.8% of women).

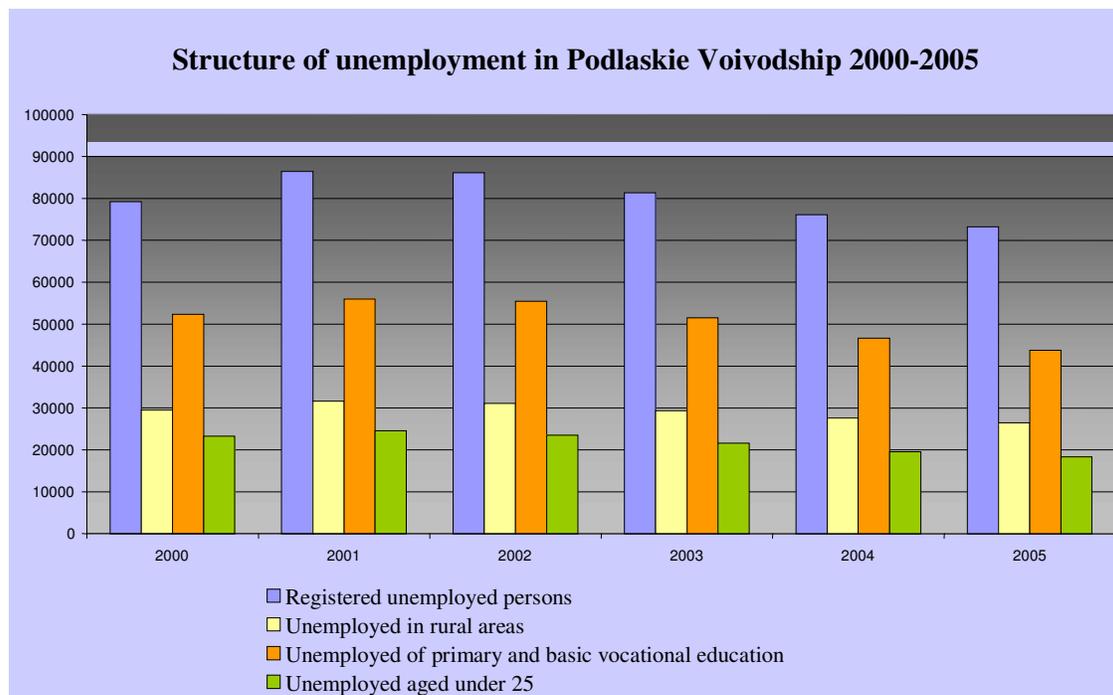
One of most important instruments aiming at increasing the activity of working age population is the so-called lifelong learning, including the system of Practical Education Centres (CKP) / Lifelong Learning Centres (CKU). The data of 2002 showed that more than 19% of population aged 13 and over continued education, of which 15.4% day-time and 3.9% evening and weekend.

**Labour market. Unemployment.** On the basis of Labour Force Survey (LFS), in the first quarter of 2006, the economic activity of population aged 15 and over in Podlaskie Voivodship comprised 882 thousand people (of which 482 thousand vocationally active – 408 thousand employed, 74 thousand unemployed). There were 400 thousand economically inactive persons. Compared to first quarter of 2005, the number of vocationally active people fell by 14 thousand (i.e. 2.8%); the number of vocationally inactive also fell by 14 thousand (i.e. 3.4%).

Average employment in the enterprise sector in August 2006 reached the level of 94 404 persons, which means an increase of 3.3% compared to August 2005. Average employment in

the public sector in August 2006 reached 12 438 persons, which means a drop of 5.8% compared to same period of previous year, though in the private sector it reached 81 966 persons and rose by 5% compared to the one noted year before.

**Diagram 2. Structure of unemployment in Podlaskie Voivodship 2000-2005**



Source: Central Statistical Office (GUS) – own study by Podlaskie Voivodship Marshal's Office

At the end of August 2006, the number of the unemployed registered in the Powiat Labour Offices of Podlaskie Voivodship reached 63 121 persons and was lower than year before by 6 672 persons, i.e. 9.7%. Of the total number of unemployed, women constituted 53% (51.4% year before), inhabitants of rural areas constituted 36% (35.9% in 2005), 90% were not entitled to unemployment benefit (90.1% year before).

At the end of June 2006, persons aged 25-34 constituted major percentage of the unemployed (26.2%). Persons aged 45-54 constituted second largest group of unemployed (24.1%). People aged 60-64 made the group least afflicted with unemployment (1.2% total).

At the end of June 2006, most of the unemployed were of primary and lower secondary education level (20 663 persons; 31.3% total) and of basic vocational (17 777 persons; 27.5%). Tertiary graduates were least afflicted with unemployment – 4 229 persons; 6.5% total.

At the end of August 2006, the registered unemployment rate was running at 13.5% (EU – 8.7%) and fell by 0.1% compared to analogous period of previous year.

In August 2006, the average monthly gross wage and salary in enterprise sector was running at 2237.62 PLN, i.e. 6.9% higher than year before. In June 2006, the average monthly gross

wage and salary in enterprise sector was running at 2160.47 PLN, i.e. 5.3% higher than year before. In the private sector the average monthly gross wage and salary in August 2006 reached 2166.80 PLN and was by 537.49 PLN higher than in the public sector. Compared to the analogous period of previous year the average monthly gross wage and salary in the private sector rose by 8.4%, while by 1.8% in the public sector\*.

**Table 3. Regional labour market – by powiats 2000-2004**

Powiats	Employed total*			Registered unemployment rate in %			Average monthly gross wage and salary in PLN		
	2000	2002	2004	2000	2002	2004	2000	2002	2004
<b>Podlaskie Voivodship</b>	<b>200814</b>	<b>186310</b>	<b>188343</b>	<b>13,8</b>	<b>15,1</b>	<b>16,1</b>	<b>1675,71</b>	<b>1958,00</b>	<b>2107,50</b>
augustowski	7865	7204	7796	18,4	19,1	21,0	-	2349,22	2531,42
białostocki	14818	13525	15258	14,1	16,2	17,2	-	1708,40	1833,86
bielski	9185	8187	8207	9,2	8,9	10,3	-	1785,87	2005,19
hajnowski	9557	8214	8892	10,1	10,7	11,3	-	1689,69	1810,80
moniecki	3595	3499	3503	10,2	9,3	12,3	-	1784,58	1956,54
sejneński	2112	1982	1984	19,3	20,0	24,6	-	1778,57	1889,23
siemiatycki	5608	5139	5051	7,2	7,6	9,6	-	1778,46	1912,02
sokólski	8753	7751	7943	14,8	15,8	17,5	-	1769,61	1898,66
suwalski	2348	2423	2360	12,3	14,4	16,2	-	1771,43	1974,64
grajewski	6155	5805	5800	21,3	21,5	25,3	-	2079,11	2206,24
kolneński	3663	3307	3201	16,9	17,6	20,9	-	1742,78	1903,10
łomżyński	3173	3050	3229	14,1	14,0	15,9	-	1881,91	1989,40
wysokomazowiecki	6535	6321	6531	10,0	10,2	12,5	-	1806,90	1949,15
zambrowski	5662	5204	5119	16,0	16,9	19,7	-	1742,30	1840,20
<b>Cities with powiat status</b>									
Białystok	80624	75861	74452	11,7	14,2	13,3	-	2087,45	2281,63
Suwałki	14118	13239	16189	18,9	23,7	20,1	-	1908,06	1977,27
Łomża	17043	15599	12828	21,6	23,1	21,2	-	1895,81	1944,97

\* by actual workplace; excluding economic entities employing up to 9 persons as well as persons employed on private farms in agriculture

\* Source: The Voivodship Labour Office in Białystok.

Presented data shows high intra-voivodship disparities. There is no connection between the unemployment rate and gross monthly wage or salary. It should be noticed, that, on the voivodship scale, the registered unemployment rate is low parallel to low gross monthly wage or salary level, compared to national average. This proves the phenomenon of hidden unemployment.

### **1.1.3. Region's economic development**

Technological level and degree of innovation is relatively low in region's industry. So is the exploitation degree of production capital. Furthermore, both foreign and domestic capital shows little interest in investing in Podlaskie Voivodship.

In 2004, the economic structure showed a 44.7% share of market services (46.3% in 2000), a 17.8% share of industry (18.4% in 2000), a 19.9% share of non-market services (19% in 2000), and a 12.1% share (country's highest) of agriculture, forestry and fishery measured by gross value added (9.9% in 2000). Agriculture is a substantial branch of industry of Podlaskie Voivodship. It is evenly distributed as regards resources. Nonetheless, one should note the underdeveloped level of technical infrastructure in rural areas, which does not meet the inhabitants' needs.

Out of consideration for environmentally protected areas, linked together within the ecological network of NATURA 2000 and being co-financed by the EU, there is a necessity to smooth out economic effects caused by environmental protection (discontinuation of detrimental production) through alternative ways of economic development e.g. sustainable tourism, multifunctional forestry, extensive agriculture.

In addition, the chances of development for the production sector should be sought in the high quality raw material base for agricultural processing, well established production and export traditions in some branches of industry (e.g. dairy, meat processing, brewing, tobacco, textile and timber industry), the proximity and good connections with the ready eastern market, substantial scientific research potential of academic centres and the quality of environment favouring hi-tech industry.

**GDP and gross added value.** Podlaskie Voivodship features one of lowest levels of economic development. In 2003 the value of GDP reached 19 424 million PLN, which constituted 2.4% of Poland's GDP<sup>6</sup>. The average value of GDP per capita in the region in 2003 came to 16 105 PLN, which constituted c 75.4% of national average.

In 1995-2003 Podlaskie Voivodship was one of the four regions to have maintained its percentage share in GDP – retaining its growth rate at 2.4% (only Mazowieckie and

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<sup>6</sup> Source: Statistical Yearbook of Podlaskie Voivodship, Białystok 2005; Statistical Bulletin of Podlaskie Voivodship, Białystok 2005.

Wielkopolskie raised their share in GDP) and moving steadily up from 16<sup>th</sup> place in Poland in 1995 to 14<sup>th</sup> place in 2003. This means a proportionally higher economic growth of the region on a national scale compared to majority of other regions.

As in Poland, so in Podlaskie Voivodship there were fundamental changes in 1995-2003 in economy structure – the share of industry and agriculture decreased for the benefit of services, especially market services. In 2003 the industry share in gross value added constituted 18.1% (EU – 20.6%), whereas services – 67.1% (EU – 71.5%). The agriculture share had decreased over the years from 16% in 1995 to 9.2% in 2003 (EU – 1.9%).

Value of sold production in industry in 2004 reached 1 079.5 million PLN, whereas value of sold production per capita places the region 15<sup>th</sup> in Poland.

**Agriculture.** Podlaskie Voivodship is a region of agricultural character. According to GUS data, in 2005 agricultural lands constituted 54.0% of total voivodship area (compared to 54.8% in 2004). The vast majority of agriculture is connected with the private sector, which holds 98.5% (98.3% in 2004) of agricultural land. There are 111 thousand active private farms, with the average area of private farms exceeding 1 ha of agricultural land featuring constant growth and reaching in 2005 11.5 ha (11.3 ha in 2004).

**Table 4. Number and area of private farms**

Area	total	up to 1 ha	over 1ha	1 – 2 ha	2 – 5 ha	5 - 10 ha	10 - 20 ha	20 - 50 ha	50 - 100 ha	100 ha and over
<b>Poland</b>	<b>2839664</b>	<b>987887</b>	<b>1851777</b>	<b>484194</b>	<b>593758</b>	<b>402944</b>	<b>256945</b>	<b>94622</b>	<b>14166</b>	<b>5148</b>
Podlaskie	116055	21150	94905	13580	16848	22801	29273	11592	662	149

Source: Central Statistical Office GUS 2004

In 2005, Podlaskie Voivodship had a 13.8% share of country's cattle stock and a 4.8% share of pigs herd (in 2004 – 13.5% and 4.8% respectively). The number of cattle heads per 100 ha of agricultural land was country's highest and amounted to 68 heads, compared to country's average of 34 (in 2004 – 63 to 32 heads respectively). The number of pigs' heads, however, was running below country's average – 82 heads compared to country's 118 (in 2004 – 75 to 107 heads respectively). In 2004, Podlaskie Voivodship had a 5.8% share in global agricultural output and a 5.6% share in market agricultural output (in 2003 – 5.9% and 5.7%). Animal output prevailed in the structure of market agricultural output (86.3% to 86.9% in 2003) with a large share of milk output and pigs for slaughter.

Over the last years, Podlaskie Voivodship has observed an increase in dairy cattle stock and in average farm area. Slow as this process has been, it experienced additional slow down with the introduction of area direct payments and milk quota system.

Podlaskie Voivodship Centre of Agricultural Counselling in Szepietowo, together with its network of powiat counselling teams, provide counselling on introduction of new varieties

and production technologies, as well as help to acquire EU grants, which is of particular importance bearing in mind the region's agricultural character. The centre is renowned for holding agricultural fairs and exhibitions of nationwide recognition.

Soils in Podlaskie Voivodship are not fertile (highly acidic and of low humus content) and the climate is highly unsettled. The largest share of agricultural lands falls to those of IV and V quality class. The structure of agricultural lands shows the largest share of meadows and pastures which comprise 35.1% of the area (the largest share in Poland), whereas the total area of orchards is very small (0.3%). The share of arable lands is lower than country's average and amounts 64.6%. Crop production is dominated by not so laborious crops, mainly cereals and potatoes. Low level of soil pollution and ecologically pure areas provide potential for the development of eco-agriculture. Vast area of meadows and pastures favours cattle husbandry, mainly dairy cattle. The cattle stock shows growth tendency (with country's highest index of 66.1 heads per 100 ha of agricultural lands). The share of cow heads in total number of cattle heads in 2004 amounted to 54.5% (compared to 52.4% nationwide). The region takes its significant place in milk production in Poland.

Unfortunately, the high share of agriculture, however well developed and constantly modernised, is unfavourable to the region's economy and lowers the GDP index by its low efficiency.

**Industry.** The Podlaskie Voivodship industry depends mainly on predominant agriculture, with key position held by manufacture of food products and beverages – a 44% share in industry branch structure. The region's industry is based mainly on native raw materials. The leading branches of food processing industry are: meat, fruit and vegetable, brewing, distilling, milling and the best developed branch of milk processing. The milk processing plants of Podlaskie are the biggest and most modern works of this kind in Poland. A part of their output is being exported to very demanding western markets.

Despite the high share of food production and processing in the region's industry (55.9%), manufacture of machinery and equipment (4.3% share of production of industry), manufacture of textiles (7%) and manufacture of wood and wood products (11.8%) also play an important part in region's industry. The technological level of industry is relatively low.

Except for farm processing, evenly distributed in relation to its raw material base, the biggest industrial centres are focused in region's largest cities: in Białystok – region's largest industrial centre featuring well developed building, light, electrical and food industries, in Łomża and Suwałki.

The main market for the goods of Podlaskie origin is the Warsaw conurbation, due to its absorption capacity and close location.

*Podlaskie Voivodship Development Strategy to 2020* defined the region's leading areas of economic development and based priority pro-development measures on the most potent and most active branches of region's industry. Cluster areas of support have therefore embraced

dairy and machinery<sup>7</sup> industries alongside wood industry (including manufacturing of furniture). Tourism was also indicated as a potential leading branch of Podlaskie Voivodship development. Although it is not a predominant branch of economy and its share in the region's GDP is negligible, it is perceived as a yet unexploited potential, which may positively influence the voivodship's economic growth once right support is provided.

**Enterprises and business environment institutions.** According to Central Statistical Office data of 2005, there were 88.9 thousand recorded entities of the national economy in Podlaskie Voivodship (85.8 thousand in 2000; 96.9 thousand in 2003), of which 96.4% in the private sector.

The SME sector, with its 99.8% share in the total number of enterprises, plays an important role in region's economy. Spatial distribution of SMEs in the region is very uneven and concentrates mainly in the cities. Lack of own resources and external financial support, difficulties in credit acquisition, market barriers (including domestic and foreign market demand and competition) and labour force barriers (improper vocational preparation, lack of funds for personnel training) are among the most important barriers of SME development in the region.

Economic growth depends, to a great extent, on business environment institutions (financial, insurance, counselling, fair and promotion, real estate, scientific research), whose main task is to create favourable climate for entrepreneurship. In Podlaskie Voivodship, there is a total of 26 such institutions, of which there are 5 business loan, guarantee and credit funds (1 operating in the area of risk capital – *venture capital* (which constitutes 4% of country's total number of such funds)), 3 technology transfer centres (c 7%), 17 training and counselling centres (c 6%) and 1 scientific industrial park. The number of business environment institutions in the region constitutes c 4.6% of country's total, and places the voivodship 13<sup>th</sup> nationwide.

Low number of institutions of business support and their uneven dislocation limits effective support of entrepreneurship development. Due to the fact, that these institutions are focused in region's three largest cities – Białystok, Łomża and Suwałki – their impact is highly restricted in the rural areas. Most of business environment institutions are recorded in the region's capital – Białystok – which serves as entrepreneurship centre of the voivodship.

**Foreign trade.** The Podlaskie Voivodship share in foreign trade turnover reflects its level of economic development and remains relatively low. The region's border location, however potentially profitable, hasn't boosted the Podlaskie share of foreign trade turnover in country's total; this being caused by low level of region's development.

In 2000, the value of exports per capita amounted to 338 USD (compared to EU average of 5229.2 USD), value of imports – 355 USD (EU – 5327.2 USD), whereas, in 2004, value of

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<sup>7</sup> Within the framework of Industrial Cluster Development (INCLUD) project, funded by Interreg III B CADSES Programme (May 2003 – December 2004), and as the result of analysis of existing potential clusters in the selected Eastern European countries (incl. Podlaskie), two Podlaskie industry branches were identified as potential clusters, namely dairy industry and manufacture of machinery and equipment (manufacture of agricultural machinery).

exports amounted to 862 USD (EU – 7912.9 USD), value of imports – 695 USD<sup>8</sup> (EU – 7841.6 USD). This 2.5-fold increase (4<sup>th</sup> place nationwide) was accompanied by an average annual growth dynamics of exports value of 26.7% (4<sup>th</sup> place nationwide, above national average). In absolute numbers, the value of exports in 2004 amounted to 624.6 million USD, at growth dynamics of 172.7% (national highest) in comparison to 2000.

Farm and food products constituted a significant share in the voivodship's exports and amounted to 23.4% and 27.2% (national highest) in 2002 and 2004 respectively, at the same time showing a constant growth tendency.

The exports recipients' structure indicates that, in 2004, c 73%<sup>9</sup> of the Podlaskie Voivodship export was directed at EU market (import from EU amounted to c 52%) and c 17.5% was directed at Russian, Ukrainian and Belarusian markets (with import of c 32% - which in both cases placed the region 1<sup>st</sup> nationwide).

Total amount of exports and imports per capita in 2004 amounted to 1556 USD (14<sup>th</sup> nationwide).

Despite significant changes in trade structure and constant increase, particularly in terms of exports, region's share in country's total foreign trade was insignificant and in 2000 reached 1.3% in exports and 0.9% in imports, in 2004 1.5% and 1.1% respectively.

Thus, on one hand, the connections with EU market undergo constant tightening process, which is perfectly natural within single market, whereas, on the other hand, contacts and trade exchange with the eastern countries still depend on the region's border location.

**Innovation space and R&D.** The level of innovation development, determined by the number of investments in innovation areas, including both economy and R&D sphere, significantly influences region's competitiveness. The elements of permanent competition advantages depend on the activity of institutions supporting R&D research and implementation. In these terms, Podlaskie Voivodship belongs to the least developed regions in Poland.

Within the scope of investments in enterprises in industry, expenditures on innovation activity reached 138.4 million PLN in 2000, 276.7 million PLN in 2003 and 246.4 million PLN in 2004, which constituted c 1.6 – 1.8% of total expenditures in Poland, and ranked the region 14<sup>th</sup> – 15<sup>th</sup> nationwide. Expenditures on R&D activity in the region amounted to 36.3 million PLN in 2000 and reached 51.5 million PLN in 2004 (1% and 13<sup>th</sup> place nationwide, compared to R&D expenditures in Mazowieckie of 44% and in Małopolskie of 12.5%). Employment in the R&D sector had maintained its growth tendency since 2000, and in 2004 reached 2.4

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<sup>8</sup> Acc. to *Handel zagraniczny Małopolski. Metodologia badań oraz analiza obrotów w latach 2000 – 2004 (Małopolskie Voivodship Foreign Trade. Research. Methodology and Turnover Analysis 2000 - 2004)*. K. Gawlikowska-Hueckel, S. Umiński, Małopolskie Voivodship Marshal's Office, Kraków 2005.

<sup>9</sup> In 2001, the Podlaskie Voivodship exports to EU countries was to have amounted to 53%, whereas to the eastern markets (former USSR countries) c 35% - acc to *Profil wrażliwości gospodarki regionalnej na integrację z Unią Europejską – województwo podlaskie. (European Integration Regional Economy Sensitivity Profile – Podlaskie Voivodship)*, S. Umiński, Institute for Market Economics, Gdańsk 2003.

thousand (1.9% of country's total), with the index of employed in R&D by 1000 vocationally active persons at 1.8 (compared to country's average of 3.6).

It should also be noted that, over the 2000 – 2004 period, the number of R&D entities in Podlaskie Voivodship had increased from 8 to 21 (2.2% of country's total). The structure of expenditures in R&D sector is favourable as well. In 2004, 43.4% (31.1% in 2003) of total R&D expenditures in the region fell to capital expenditures (national 2<sup>nd</sup> best outcome to Lubelskie Voivodship), whereas 56.6% (68.9% in 2003) fell to current expenditures. Therefore, capital expenditure average significantly exceeded national average of a mere 19.8% (14.5% in 2003).

Nevertheless, the overall state of Podlaskie R&D base is highly unsatisfactory: there is still a small number of R&D entities, R&D expenditures are low and, simultaneously, the scientific potential is underexploited with no bright perspectives on the setup of new scientific units. The most potent R&D centre in the region is the Medical Academy in Białystok, which conducts research of innovative character. Institutions supporting co-operation between economy and R&D in the region have so far proved themselves unable to change this situation. They are: Poland-East Science and Technology Park in Suwałki, and three technology transfer centres – Eastern Centre of Technology Transfer (at the University in Białystok), Innovation and Technology Transfer Centre (at the Białystok Polytechnic) and Polish Federation of Engineering Associations NOT in Białystok. These conditions surely add to the region's low level of innovativeness.

**Investments.** Podlaskie Voivodship features a low level of external investments, including foreign investments. According to PAIIZ (The Polish Information and Foreign Investment Agency (*Polska Agencja Informacji i Inwestycji Zagranicznych S.A. - PAIIZ*)) estimates, up to 2004, only 1.6% of total foreign direct investments (FDI) in Poland were located in Podlaskie<sup>10</sup>. The negligible level of foreign investments in the voivodship was accompanied by insignificant interest in the region's investment opportunities, which means that the region is not taken under account in investment location analyses drawn up by incoming investors. Since the share of so-called *greenfield* investments in the total FDI inflow has been rising over the last years (2002 – 37%, 2003 – 51%, 2004 – 58%) with the privatisation share falling at the same time (2002 – 36%, 2003 – 22%, 2004 – 17%), it suggests a possibility of focussing investors' attention at Podlaskie to locate capital in new facilities.

The Suwałki Special Economic Zone J.S.C. (SSEZ) – one of 14 active in Poland, functioning in both Podlaskie and Warmińsko-Mazurskie Voivodships – is an entity responsible for attracting and serving investors. It covers the area of 288.94 ha and consists of 4 subzones: in Suwałki (116.19 ha), in Ełk (104.65 ha), in Gołdap (57.15 ha) and in Grajewo (10.93 ha). At the end of 2005 there were 55 active business entities in the zone (out of a total of 62 entities granted business activity permission). Total value of investment expenditures in the zone amounted to (at the end of each year, in PLN million): 2001 – 289, 2002 – 325, 2003 – 355.5,

<sup>10</sup> Acc to PAIIZ 2005 data, accumulated value of foreign investments in 1993-2004 amounted to USD 84.48 billion at the end of 2004. Investments exceeding USD 1 million reached the level of USD 80.65 billion, while investments below USD 1 million were estimated at USD 3.83 billion.

2004 – 399.9, 2005 – 478.1. At the end of 2005, the SSEZ share in total investment expenditures in special economic zones equalled 1.9%. Expenditure growth dynamics places SSEZ at the bottom of the table. Workplaces generated by investments amounted to: 2306 in 2001, 2695 in 2002, 3235 in 2004, 3739 in 2005 (3.3% of country's total).

At the end of 2004, out of 90.9 thousand entities of national economy recorded in the voivodship, only 397 featured foreign capital participation (acc to PAiIZ data, there were 51.5 thousand firms with foreign capital participation at that time in Poland). Eight of region's largest investors (incl. American Tobacco Industries Plc, PepsiCo, Pfleiderer) have located investments exceeding 1 million USD each. Foreign investors' interest focuses mainly on distribution rather than production ventures.

**Table 5. Podlaskie Voivodship investment attractiveness**

Transport accessibility		Labour resources and costs		Sales market		Economic infrastructure		Social infrastructure		Public safety		Attractiveness to investors		Voivodship investment attractiveness*	
R*	C*	R	C	R	C	R	C	R	C	R	C	R	C	R	C
16	E	15	E	12	D	16	E	14	E	3	A	13	D	16	E

Source: Institute for Market Economics 2005

\*NOTE: voivodship rank with regard to its investment attractiveness is the resultant of partial indicators

R\* - voivodship rank, C\* - class

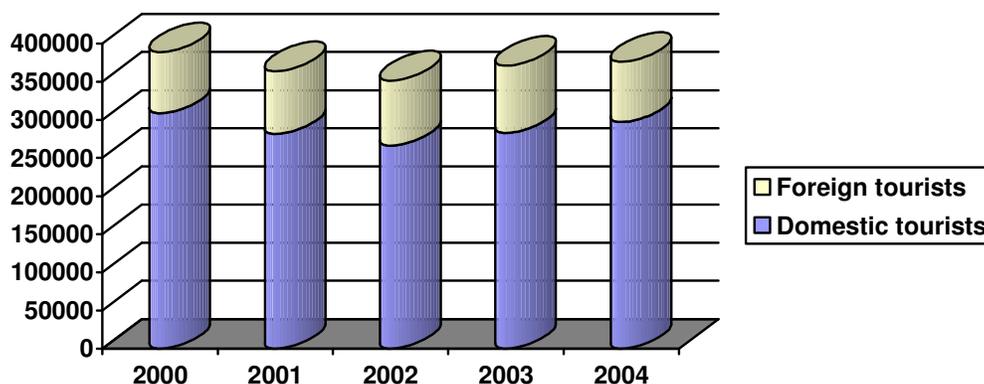
Low level of interest in Podlaskie Voivodship showed by external, especially foreign, capital is due to the region's low attractiveness, particularly of its rural areas, caused by low degree of urbanisation and infrastructure development, uncompetitive human resources etc. However, unsatisfactory transport accessibility and small number of investment locations with provided technical infrastructure remain the basic barriers.

**Tourism.** Podlaskie Voivodship is a region of outstanding natural and scenic values. As such, it is particularly attractive for those keen on close contact with nature. The region features marshlands, unique on European scale, primaeval forests and other large forest ranges, pure, unspoilt air, and rich cultural heritage. The voivodship is located within the functional area of the Green Lungs of Poland. The region's national and landscape parks together with the Narew, Biebrza and Bug river valleys and the Suwałki-Augustów Lakeland, provide exceptional natural, historical and recreational values and favour the development of agritourism, sightseeing and qualified tourism as well as health resorts and spas.

Traditional forms of tourism are accompanied in Podlaskie Voivodship by a fast growing trend of active tourism: *kayaking* – on the Augustów Canal, which connects all the major Augustów lakes with the Vistula and Neman river basins; *cycling, hiking, horseback riding* – in the national and landscape parks and the Narew and Biebrza river valleys; *natural tourism*

– closely related to the region’s character, e.g. the White Stork Trail with Pentowo – the European White Stork Village. Numerous sights of historic interest – the evidence of the region’s border location and its multicultural and ethnic heritage – are embedded in the characteristic natural landscape of Podlaskie. Multicultural wealth inclines development of culture tourism (e.g. *the Tartar Trail* with its mosques and mizars, *the Land of Open Shutters* with its wooden houses of beautifully ornamented shutters, *the Podlaskie Voivodship Religions’ Trail* showing region’s cultural and religious diversity).

**Diagram 3. Tourists in collective accommodation establishments  
2000-2004**



Source: Central Statistical Office (GUS), Warszawa 2005

In 2004, there were 376 thousand guests in tourist accommodation facilities, of which 79 thousand foreigners; in 2000, 388.9 thousand and 79.9 thousand respectively. At the same time, nights at tourist establishments of collective accommodation, in 2000, totalled 790 thousand (of which 120 thousand foreigners’ nights) and, in 2004, 675 thousand (of which 117 thousand foreigners’ nights).

**Table 6. Tourist establishments of collective accommodation and number of bed-places  
in Podlaskie Voivodship 2000-2004**

Year	2000	2001	2002	2003	2004	% share of national total in 2004
<b>Tourist establishments of collective accommodation</b>	223	205	201	188	<b>188</b>	<b>2,7%*</b>
<b>Number of bed-places</b>	<b>15.814</b>	<b>25.090</b>	<b>14.047</b>	<b>12.897</b>	<b>12.581</b>	<b>2,15%**</b>

Source: Central Statistical Office (GUS), Warszawa 2005, [www.stat.gov.pl](http://www.stat.gov.pl); \* - the number of tourist establishments of collective accommodation in 2004 totalled 6 972, \*\* - number of bed-places totalled 584 672

Of 188 tourist facilities, with 12.5 thousand bed-places at their disposal, there are only 22 hotels of higher standards. Such a low number of hotels reflects a serious lack of high standard infrastructure, thus impeding region’s tourist development. Tourist base and level of services do not meet customers’ needs, whereas poor transport connections do not provide for

fast and safe travelling. Immediate investments in this sector are indispensable to increasing tourism influence on overall economic growth.

The number of foreign tourists in Podlaskie Voivodship has been growing since 2002, when it amounted to 0.7 million tourists, to reach 1.2 million in 2005<sup>11</sup>. Hence, growth dynamics reached 30% and equalled voivodship's best indicators of late 90s 20<sup>th</sup> c. According to analyses by Institute of Tourism, Belarusians, Russians, Ukrainians and citizens of the Baltic States (Lithuania, Latvia, Estonia) constituted a vast majority of inbound foreign tourists. However, tourists from Western Europe constitute a relatively small share in the total number of inbound foreign tourists in Podlaskie Voivodship. In terms of purposes of visit, business related visits, visiting relatives and friends and transit were predominant. It is noted that, foreign visitors stay mainly at private guesthouses, visits do not exceed 3 days and the highest tourist activity falls to summertime.

**Health resorts and spas.** Besides high quality tourism, the region's nature creates perfect conditions for medical treatment and rehabilitation. There are three centres in Podlaskie, which provide natural conditions for spa development:

- **Augustów** (located at the edge of the Augustów Primaeval Forest, by Necko and Sajno lakes; health resort status since 1970; featuring substantial resources of therapeutic mineral waters, rich curative mud deposits and specific, favourable microclimate of surrounding pine forests; treatment of cardiovascular and movement apparatus diseases, as well as rheumatic disorder),
- **Supraśl** (located in the Knyszyńska Primaeval Forest, 12 km away from Białystok – the region's capital; health resort status since 2001; main health values based on favourable microclimate of surrounding pine forests and nearby rich mud deposits; treatment of rheumatic disorder, cardiovascular and respiratory system diseases),
- **Mielnik** (located in the Bug river valley, in the so-called Podlaskie Bug Ravine, borders to the east on Belarus; features favourable climate and deposits of thermal salt mineral waters yet unexploited, though a potential hydrotherapy base).

Currently Augustów and Supraśl have a health resort status (Mielnik undergoes the qualification procedure), yet active health treatment is conducted only in Augustów. Both health resorts of Podlaskie lack adequate base to fully exploit its potential.

**Domestic co-operation.** Podlaskie Voivodship borders on three other voivodships: Warmińsko-Mazurskie, Mazowieckie and Lubelskie. Due to the fact, that each voivodship individually adopts its development priorities, the defined areas of mutual co-operation may vary.

Since 2002, Podlaskie Voivodship has been the founding member of the *Association of the Voivodships of the Republic of Poland*, an organisation which aims at supporting the idea of

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<sup>11</sup> Source: Institute of Tourism comments and reports of 2002 – 2005.

local self-government, securing the voivodships' common interests and their social and economical development. Within its structure, the association features the *Committee on Eastern Poland* (the only one to be set up on territorial basis, which means that, the eastern voivodships have been defined as a serious problem area). Hence it provides an institutional dimension for co-operation between the voivodships of eastern Poland (Podlaskie, Warmińsko-Mazurskie, Lubelskie, Podkarpackie and Mazowieckie) in the scope of faster social and economic growth of signatory regions and levelling the disparities between regions in an effective way.

One of fundamental areas of intervoivodship co-operation, of strategic importance to Podlaskie, is *the Green Lungs of Poland Agreement*. *The Agreement* was signed for the first time in 1988, but after many revisions and updates, such as those adjusting its provisions to the country's new administrative division and the introduction of new self-governed voivodships, it was reactivated in 2004. Apart from ecological, natural and cultural development, *the Agreement* aims at economic growth of north-eastern Poland in accordance with the ambitions and needs of the region's inhabitants and the idea of sustainable development.

Since the region's development potential is concentrated mainly in the metropolitan area of Białystok and in Suwałki and Łomża – former capitals of respective voivodships (before the reduction of voivodships from 49 to 16), the voivodship ought to pay particularly close attention to its border areas to avoid their marginalisation. It is in the region's strategic interest to combat marginalisation through initiating and strengthening overlocal and inter-regional co-operation.

**Foreign co-operation.** Podlaskie Voivodship runs a multidirectional co-operation with foreign partners. The priorities and objectives of this co-operation are indicated in the resolution adopted by the Sejmik (Regional Assembly) of Podlaskie Voivodship on 10 May 2006 *on the priorities of foreign co-operation of Podlaskie Voivodship*, and include contacts with Lithuanian, Belarusian and Russian regions on which Podlaskie borders, regions of EU Member States, member regions of the Conference of Peripheral Maritime Regions (CPMR), member regions of Euroregions “Niemen” and “Puszcza Białowieska”.

Podlaskie Voivodship has signed *co-operation agreements* with: Hrodna Voblast (Province) in Belarus, Autonomous Province of Bolzano in Italy and the Italian-Polish Chamber of Commerce in Milan, which is authorised by the Regional Council of Lombardy to represent it in foreign contacts. Furthermore, Podlaskie has signed *declarations of intent* to co-operate with Autonomous Province of Trento in Italy, Häme Region in Finland. Despite the lack of appropriate agreements, the ongoing co-operation with Värmland Region in Sweden, Saône-et-Loire Department in France and Land of Brandenburg in Germany are of vital importance for the region's development.

Podlaskie Voivodship is a member region of the Conference of Peripheral Maritime Regions (CPMR) – an international organisation, which brings together 154 regions of 27 European countries (also from outside EU). All the member regions – located in the sea basins – co-

operate together to enhance their competitiveness and liquidate the disparities between central and peripheral Europe.

**Euroregions.** Euroregions are transborder areas providing framework for co-operation between entities representing regions of two or more countries. Euroregions' objectives are to facilitate and develop economic co-operation, expand infrastructure, protect environment, tourism, culture and education activities.

There are 17 euroregions on Polish borders, of which two in Podlaskie Voivodship – Euroregion “Niemen” (since 1997) and Euroregion “Puszcza Białowieska” (since 2002).

Euroregion “Niemen” consists of – on the Polish side: Podlaskie Voivodship (excluding a part of former Łomżyńskie Voivodship) and a part of Warmińsko-Mazurskie Voivodship (gminas which were included in the former Suwalskie Voivodship); on the Lithuanian side: Alytus, Marijampolė and Vilnius Counties; on the Belarusian side: Hrodna Voblast; on the Russian side: Chernyakhovsk, Gusev, Ozyorsk, Krasnoznamyonsk and Nesterov districts (Kaliningrad Oblast).

Euroregion “Puszcza Białowieska” covers a unique on European and world's scale complex of primaeval forests – Puszcza Białowieska – and consists of Hajnowski Powiat (on the Polish side) and Kamyanyets, Svislach and Pruzhany districts (on the Belarusian side).

#### **1.1.4. Technical infrastructure**

Located in the geographic centre of Europe, Podlaskie Voivodship is predestined to play a significant role in both domestic and international transport systems. Important transport routes cross in Podlaskie: west-east (from Berlin, through Warsaw, Hrodna, Minsk to Moscow) and north-south (from Helsinki, through the Baltic States to Warsaw). The European Conference of Ministers of Transport in Crete (1994) and in Helsinki (1997), determined road and railway routes of trans-European importance. The Warsaw – Kaunas – Riga – Tallinn – Helsinki route was included in I Pan-European Transport Corridor. The prerequisite of a pan-European corridor is the sustainable development of at least two modes of transport. This precondition is met by the development plans of the VIA BALTICA road and RAIL BALTICA railway line transport network, which runs through the metropolitan area of Białystok – the transport centre of Podlaskie. Furthermore, in the perspective of the region's development, one should take into account the potential and exploitation opportunities provided by trans-shipment railway stations featuring both normal and broad-gauge lines of Belarusian railway network, e.g. Siemianówka, Kuźnica Białostocka, Sokółka, Zubki Białostockie.

Planned openings of local road and pedestrian border crossings may contribute to the mobilisation of borderlands, not only in interpersonal and inter-regional terms, but also in the field of local and regional tourism.

## **Road network**

The following roads are of strategic national and regional importance:

- No 8 Warszawa - Białystok - Augustów - Suwałki – Budzisko - state border,
- No 16 Olsztyn - Elk - Augustów - Pomorze - Poćkuny - Ogrodniki - state border,
- No 19 state border - Kuźnica - Białystok - Bielsk Podlaski - Siemiatycze - Lublin - Rzeszów,
- No 61 Warszawa - Ostrołęka - Łomża - Grajewo - Augustów,
- No 63 Pisz - Kolno - Kisielnica - Łomża - Zambrów - Czyżew - Sokołów Podlaski,
- No 65 state border - Gołdap - Elk - Grajewo - Mońki - Białystok - Bobrowniki - state border,
- No 66 Zambrów - Wysokie Mazowieckie - Brańsk - Bielsk Podlaski - Kleszczele - Czeremcha - state border.

The network of hard surface roads in Podlaskie Voivodship totals 10 683 km (of which 8 362 km of improved surface). The basic road network of Podlaskie Voivodship is composed of 984 km of national roads, 1 189 km of voivodship roads, 6 390 km of powiat roads and 2 068 km of gmina roads. Hard surface roads density index equals 52.9 km / 100 km<sup>2</sup> compared to national average of 79.9 km / 100 km<sup>2</sup>, which places the voivodship 15<sup>th</sup> nationwide.

Spatial road layout is sufficient to serve the settlement system, yet the roads' technical condition is unsatisfactory. The road network in Podlaskie Voivodship was modernised in 70s and 80s, however some sections date back to 60s. This makes a serious barrier to the development of agriculture, small-scale industry (particularly farm and food industry) and services, lowering the standard of living at the same time.

On the other hand, surface conditions and overall quality of national roads in Podlaskie Voivodship in the period 1998-2004 were satisfactory. While, in 1998, 35% of national roads in the voivodship were specified as good (37% as unsatisfactory, to be repaired in 1-3 years; 28% as bad, in need of immediate repair), in 2004, these indicators equalled respectively: 67% - 22% - 11%. In 2005, this positive trend collapsed and the share of roads in bad state (in need of immediate repair) rose from 11 to 16%. This proves the inadequacy of funds available for road surface maintenance in the conditions of dynamic traffic growth, especially heavy vehicle traffic, exceeding road capacity.

The following rates of vehicle traffic increase on the roads of Podlaskie Voivodship over the period 2000-2005, indicate both national and international importance of these routes:

- international roads – 1.44 (nationwide highest),
- other national roads – 1.25,

- national roads total – 1.31 (nationwide highest),

compared to national average of 1.18<sup>12</sup>

Due to considerable increase in traffic, inadequate standard of road surfaces and limited maintenance funds, the process of road surface degradation quickens, reaching its peak on voivodship roads of transit character. These roads are in critical condition as regards longitudinal evenness and carrying capacity. Nearly 35% of voivodship roads do not meet technical conditions regarding roadway width.

Road border crossings in Podlaskie Voivodship are located in Budzisko and Ogrodniki (with Lithuania) and in Kuźnica Białostocka, Bobrowniki, Połowce and Białowieża (with Belarus).

### **Railway network.**

The mainframe of the railway network is composed of:

- No 6 Zielonka - Małkinia - Białystok - Sokółka - Kuźnica Białostocka – state border,
- No 40 Sokółka - Augustów - Suwałki,
- No 51 Suwałki - Trakiszki - state border,
- No 31 Siedlce - Czeremcha - Hajnówka - Siemianówka - state border,
- No 32 Czeremcha - Bielsk Podlaski - Białystok,
- No 38 Białystok - Grajewo - Ełk - Głomno,
- No 39 Olecko - Suwałki,
- No 43 Czeremcha - state border,
- No 36 Ostrołęka - Śniadowo - Łapy,
- No 37 Białystok - Zubki Białostockie - state border.

I Pan-European Transport Corridor E 75 (RAIL BALTICA), subject of international agreements AGC/AGTC, runs through Podlaskie Voivodship and covers the line Warsaw – Białystok – Sokółka – Suwałki – Trakiszki – state border with Lithuania.

The railway network in the voivodship is composed of 682 km normal-gauge lines in use (of which only a mere of 220 km electrified), which constitutes 3.4% of national railway line total length. There are also 55 km of broad-gauge lines in the region (state border – Kuźnica Białostocka – Gieniusze and state border – Siemianówka – Chryzanów), which are joined to Belarusian railway network. The index of railway line density equals 3.4 km / 100 km<sup>2</sup> (compared to national average of 7.1 km / 100 km<sup>2</sup>), which ranks the region 15<sup>th</sup> nationwide.

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<sup>12</sup> General Directorate for National Roads and Motorways, Białystok Department – data based on the synthesis of results of General Traffic Measurement in 2005.

The railway lines require modernisation and adjustment to European standards. The lines subject to the AGC European agreement, once modernised, will be adjusted to the speeds of 160 km/h for passenger traffic and 120 km/h for cargo traffic, with load of 225 kN/axle. The region lacks in a fast railway which would shorten the time of travel to and fro Warsaw and other conurbations. Over the last years, the downturn in the economy had greatly influenced the decrease in both passenger and cargo rail transport, which rendered some lines, especially peripheral ones, unprofitable, thus leading to their shutdown. The majority of railway station infrastructure in the region is in unsatisfactory state – many of them were devastated, some do not meet actual needs. It is forecast, that this situation will force PKP S. A. (Polish State Railways J. S. C.) to privatise some of the stations, e. g. by handing them over to local self-governments.

The self-governments of Podlaskie Voivodship take actions to make use of existing railway infrastructure (e. g. gmina of Białystok, gmina of Sokoły) or to ensure better accessibility of railway transport by restoring unprofitable passenger lines (voivodship self-government).

Railway border crossings in Podlaskie Voivodship are located in Trakisзки (with Lithuania) and Kuźnica Białostocka, Siemianówka and Czeremcha (with Belarus).

**Air transport.** The air transport in Podlaskie Voivodship does not exist. The sports and medical airfields in Białystok and Suwałki are not adapted to air transport purposes. The airfield in Białystok is being used by the Podlaskie Unit of Polish Border Guard. The region's transport accessibility, including air transport, determines the voivodship's investment and tourist attractiveness, hence the rate of economic growth.

It is planned to modernise the Krywlany airfield in Białystok and adapt it to serve air transport purposes (to reach the passenger transport index of 65-70 thousand/year and cargo transport index of 1.2 – 1.3 thousand tonnes/year within 10 years from opening), and then to build Podlaskie regional airport in the Białystok area, local airport in Suwałki and a sports and medical airfield near Czerwony Bór in the gmina of Zambrów.

**Inland water transport.** The inland water transport in Podlaskie Voivodship is limited to tourist traffic only. The Augustów Canal, built in first half of 19<sup>th</sup> c., a part of the water route connecting the Vistula through the Narew, Biebrza, Netta and Czarna Hańcza rivers to the Neman, is nowadays only of local importance, serving wood rafting purposes. In the interwar period, the Augustów Canal became a tourist attraction as a scenic route for kayaking, sailing and passenger cruises. The Polish section of the canal still serves these purposes, yet to a limited extent. The Belarusian section, together with the international border crossing in Rudawka – Lesnaja, is being reconstructed.

The government of Belarus has put forth some projects, according to which goods would be rafted from Brest through the Bug to the Vistula and then through the Bydgoszcz Canal to the Oder and onward to Germany.

**Telecommunications.** Over the last years, there has been a rapid growth in telecommunication systems, which has greatly reduced the lag behind other regions.

The number of telephone subscribers per 1000 persons remains one of the basic indicators showing the degree of development of telecommunication market. Over the 2001-2005 period, the telephone density index rose in Podlaskie Voivodship from 286.3 in 2001 (9<sup>th</sup> nationwide) to 303.6 at the end of 2005 (8<sup>th</sup> nationwide), at the national average of 295.8 and 308.3 respectively. As regards the rural areas, in 2005, this indicator equalled 186.2, which, in comparison to the national average of 150.6, ranked the voivodship 2<sup>nd</sup> nationwide.

Still, there is much to be done in Podlaskie Voivodship in terms of the accessibility of IT infrastructure in schools.

**Table 7. Access to IT infrastructure in Podlaskie Voivodship in 2002**

Type of school	Number of schools with computer rooms (in %)		Number of students per 1 computer		Number of students per 1 computer with Internet access	
	Podlaskie	POLAND	Podlaskie	POLAND	Podlaskie	POLAND
Primary	61%	56,2%	42	44	63	79
Lower-secondary	98,3%	97,2%	22	28	23	30
Secondary	91,9%	93,9%	22	20	24	22
Secondary vocational	70,0%	45,8%	19	18	23	23

Source: "Computer education 2002", Ministry of National Education and Sport 2002

In 2002, the percentage rate of schools with computer rooms in Podlaskie Voivodship equalled 71.3% (national average – 63.7%) and was country's highest. Computer accessibility, however, was less favourable, as the index of students per computer at that time reached 28 (30 in Poland) and was one of country's lowest. Furthermore, the number of students per computer with Internet access amounted to 33, which, compared to national average of 38, placed the voivodship last nationwide. One should note high indices that characterised voivodship's secondary vocational schools compared to the rest of the country and to other types of school as well.

**Table 8. Projection of computer penetration and Internet access in Podlaskie Voivodship in 2007-2013**

	Number of households (in thousands)	% of households with computer	Number of households with computer (in thousands)	% of households with a computer and Internet access	Number of households with a computer and Internet access (in thousands)	Persons per computer	Number of population with Internet access (in thousands)
2007							
total	409	35,0%	143	32,0%	131	4,2	549
urban	259	43,9%	113	40,4%	105	4,2	439

*Draft of Regional Operational Programme for Podlaskie Voivodship 2007 – 2013*

*Adopted by the Person Performing the Functions of Voivodship Self-government Organs – the Podlaskie Voivodship Board  
on 5<sup>th</sup> March 2007*

areas							
rural areas	150	19,7%	30	17,5%	26	4,2	110
2009							
total	408	47,0%	192	38,5%	157	4,1	644
urban areas	259	58,6%	152	49,0%	127	4,1	520
rural areas	149	26,9%	40	20,0%	30	4,1	122
2011							
total	407	56,0%	228	45,0%	183	4	731
urban areas	259	70,0%	181	58,0%	150	4	601
rural areas	148	31,8%	47	22,0%	33	4	130
2013							
total	406	62,0%	252	55,0%	223	3,9	870
urban areas	258	77,5%	200	67,0%	173	3,9	674
rural areas	148	36,0%	52	34,0%	50	3,9	196

*Source: starting data by Central Statistical Office (GUS) Yearbook of Voivodships 2005; Social Diagnosis 2005, surveys carried out in selected powiaty of Podlaskie Voivodship 2006*

**Power and gas industry.** The electrical energy infrastructure of Podlaskie Voivodship features diversified supplies and a relatively well developed high voltage system, except for the northern part of the region. In addition, due to the out-of-date medium and low voltage networks in need of modernisation, some rural areas suffer temporary blackouts.

The power system of Podlaskie Voivodship also includes renewable energy sources, the development of which is Poland's duty as EU Member State. Ecology and region's location within the Green Lungs of Poland bring this issue to a special dimension. The protection of the voivodship's unique natural values and their preservation in unchanged and unpolluted state justify the development and support of undertakings in this field.

Favourable conditions of wind energy exploitation (water energy to a smaller extent), large quantity of unused natural biomass (largest share of renewable energy sources) and large areas of marginal agricultural lands useful in energy crops cultivation may facilitate the development of power system in the region based on renewable energy sources. It is projected, that largest investments will be generated in the fields of biomass energy and wind energy installations.

**Table 9. Podlaskie Voivodship energy potential and current and projected consumption of renewable energy sources in 2010**

RENEWABLE ENERGY SOURCES	VOIVODSHIP'S ENERGY POTENTIAL	CURRENT ENERGY CONSUMPTION	PROJECTED ENERGY CONSUMPTION IN 2010
	[TJ]	[TJ]	[TJ]
Solar energy	121.230	0,75	4,00
Wind energy	79.560	24,72	1.182,00
Hydropower	360	20,64	23,00
Geothermal energy	1.600.000	0,00	0,00
Biomass	43.138	3.181,00	6.000,00
Heat pumps	300.00	0,18	1,00
<b>TOTAL</b>	<b>2.144.288</b>	<b>3.327,29</b>	<b>7.210,00</b>

Source: "Practical aspects of renewable energy sources exploitation. Podlaskie Voivodship energy plan" – Podlaska Fundacja Rozwoju Regionalnego (Podlaskie Regional Development Foundation), Białystok 2006

Podlaskie Voivodship natural gas network is one of country's least developed (1012.7 km long) and supplies only 10 towns, which places the region last on the national scale as regards gas reception and consumption. Three transborder gas pipelines from Russia and Belarus will provide for the region future power needs.

**Water and sewage management.** Podlaskie Voivodship is poorly fitted with waterworks system (10 620 km long). At the end of 2004, all of the urban areas and the seats of gminas were fitted with waterworks system, which supplied water to 1 030.7 thousand people. The municipal waterworks are supplied mainly with underground waters, except for the City of Białystok, which gets its water supply from surface waters of the Supraśl River. The underground waters in the voivodship are of good quality and require quantity and quality protection. Water production in compliance with the EU quality standards requires the adjustment and improvement of water treatment plants.

Sewage infrastructure in Podlaskie is better developed in urban areas and far less developed in rural areas. At the end of 2004, the length of sewage system, which served 683 900 people, equalled 1 878 km.

In Podlaskie Voivodship there are 29 industrial waste water treatment plants (4 mechanical, 24 biological and 1 with increased biogen removal) and 100 municipal waste water treatment plants (67 biological and 33 with increased biogen removal). 49.4% of population use waste water treatment plants with increased biogen removal, whereas 11.7% use biological waste water treatment plants.

Precipitation waters from developed areas are discharged mainly into surface waters. Storm sewers are found only in towns, excluding the majority of urban areas of extensive

development. Storm sewers' outlets are mostly unequipped with purifying systems e. g. separators, sedimentation tanks.

The water and sewage management system in Podlaskie Voivodship needs further development, particularly in terms of protected areas and the sanitary security of municipal water intakes.

**Waste management.** Municipal waste in Podlaskie Voivodship is mainly landfilled. At the moment, there are 122 legalised landfill areas, yet, due to their poor technical condition, they do not provide satisfactory protection against negative environmental impact. Solid waste is also collected in random places, so-called "wild landfills". The waste disposed at roadsides, lakeshores and riverbanks poses a serious problem as well. The waste left over by those crossing the border also requires urgent intervention.

In Podlaskie Voivodship there are 2 active landfills of industrial waste. The majority of waste produced by the industrial sector is recovered and only a small part is stored at municipal landfills. The asbestos waste poses a problem, since landfilling is at present the only way to utilise it (except for the gmina of Miastkowo, which has a separate landfill plot to store asbestos waste). The majority of medical waste is neutralised at the 4 hospital incinerators specially adjusted to utilise medical waste, whereas the rest is handed over to utilisation plants outside the voivodship. It is necessary to introduce an overlocal system of waste management and implement selective waste collection and modern technologies of waste recovery and utilisation.

Waste management requires to be adjusted to EU directives (including the construction of installations allowing waste recovery for energy production).

#### **1.1.5. Social infrastructure**

Within the scope of education, health care, culture, social care and sport, the social sphere is relatively well developed in Podlaskie Voivodship at the overlocal level. The quality of many services and their accessibility to local societies (of the rural areas in particular) remain the basic limitations. The improvement of living conditions and the quality of available instruments in the social dimension is of high importance for the region's development.

**Health care and social welfare.** In 2004, 26 general hospitals, including 2 university hospitals, provided the health care base in Podlaskie Voivodship. The ambulatory medical care was provided by 741 centres, including 114 public out-patient clinics, 67 medical centres and c 350 medical practices. As regards the number of persons to 1 bed in general hospitals (188), the region is ranked 4<sup>th</sup> nationwide. Although both the material base of the health service and the number of provided services do not differ from national averages, the quality of health care and the medical service market are still unsatisfactory, which afflicts the rural areas in the first place.

One should bear in mind that some social groups are subject to constant impoverishment (unemployment, low income) which results in growing disparities in standards of living. This

means the increase in the demand for social welfare provided by public institutions or NGOs on one hand, and in the demand for better accessibility and a wider range of support on the other. People and families in difficult situation may report to social welfare centres competent with respect to the place of residence or stay. In Podlaskie Voivodship there are 118 social welfare centres at the gmina level (of which 18 urban, 18 urban-rural and 82 rural), 14 Powiat Family Care Centres on the powiat level, and, in the cities with powiat status (Białystok, Suwałki, Łomża), city social welfare centres and 4 Crisis Intervention Centres. Furthermore, in Podlaskie Voivodship, there are 26 centres for adoption, emergency care and education, 22 social care homes, 10 community homes for mutual aid and 2 powiat support centres for persons with mental disorders. The system of child and family care is supported by churches and religious unions and a wide range of NGOs, which run social care homes, care stations, meal and clothing distribution points and day care centres including community centres, care and education centres, sociotherapy centres, family counselling centres, rehabilitation points and mutual aid groups.

Yet, the number of existing centres does not meet the current and constantly growing needs in the scope of social welfare. Most of them require extension and modernisation to meet the defined standards. It is of particular importance to strengthen the health and social care infrastructure in the rural areas.

**Education.** Podlaskie Voivodship features a well developed network of educational establishments. The educational process is conducted at all levels, including Ph. D. level. In Podlaskie Voivodship, the 2004/2005 school year, there were 159 establishments of pre-primary education (168 in 2002/2003), 520 primary schools (568 in 2002/2003) and 218 lower secondary schools (205 in 2002/2003).

As regards youth education, in the 2004/2005 school year, there were 53 basic vocational schools (77 in 2002/2003), 80 general secondary schools (74 in 2002/2003), 68 specialised secondary schools (61 in 2002/2003), 99 vocational and technical secondary schools (197 in 2002/2003) and 118 post-secondary schools (94 in 2002/2003). As for adult education, there were 161 schools for adults (191 in 2002/2003). The number of students in the aforementioned establishments (excluding pre-primary education) in 2004/2005 school year totalled 227 588 persons (214 366 in 2002/2003<sup>13</sup>).

Tertiary education is based mainly in Białystok, region's scientific and academic centre, which features 19 institutions of higher education, including 3 branches of Warsaw higher educational schools and a branch of Papal College of Theology in Poznań. There are also active higher educational schools in Łomża (4), Suwałki (3) and single ones in Siemiatycze, Drohiczyn, Supraśl and Bielsk Podlaski. The number of tertiary students in the voivodship in 2004/2005 academic year totalled over 53 thousand, compared to 45 thousand in the

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<sup>13</sup> Source: "Podlaskie Voivodship – subregions, powiats, gminas" Białystok Statistical Centre 2005, "Podlaskie Voivodship – subregions, powiats, gminas" Białystok Statistical Centre 2004, Yearbook of Podlaskie Voivodship 2003.

2000/2001 academic year; the number of graduates totalled 7 thousand and 10.5 thousand<sup>14</sup> respectively.

**Culture.** The cultural diversity of Podlaskie is one of its greatest assets both on national and European scale. For ages, Podlaskie has been the “melting pot” of various cultures, nations and religions, which left an unparalleled heritage of physical and intangible culture.

In the field of culture and cultural heritage in the voivodship there are c 400 cultural institutions financed by local self-governments of all levels, of which there are 256 public libraries, 166 cultural establishments, clubs and centres, 22 museums, 5 theatres and musical institutions and 19 cinemas (based on Central Statistical Office data of 2005). Voivodship’s largest cities are its cultural centres. They seat the majority of creative associations and other cultural organisations. Białystok – the region’s capital – seats the greatest cultural institutions, such as the Aleksander Węgierko Drama Theatre, the Białystok Puppet Theatre, the Podlaskie Opera and Philharmonic, the Podlaskie Museum, the Voivodship Cultural Animation Centre and the Łukasz Górnicki Podlaskie Library. Białystok is also the seat of state and private art schools (including 2 branches of Warsaw higher educational schools), art galleries and cultural establishments. About 20 newspaper titles are being published in Białystok, there are 5 radio stations and a regional branch of Polish Television. The region’s capital hosts the largest cultural community and numerous artistic ensembles.

Despite the relatively limited material base, we observe dynamic development of cultural events of both domestic and international significance. Among the most important cultural events, one should distinguish the “Witold Lutosławski Nationwide Young Conductors Review” held by the Podlaskie Opera and Philharmonic, the “International Theatre Festival SUITCASE” held in Łomża, the International Festival of Orthodox Music in Hajnówka, “Hora Cantavi” – the International Choir Recital in Suwałki, the International Contest of Piano Duos in Białystok, the Wag Brothers’ International Festival of Nature Films, the Nationwide Folk Shepherd’s Instrument Contest in Ciechanowiec, the International Konopielka Meetings in Knyszyn along many regional ones, emphasizing the voivodship’s specificity. The amateur artistic movement is one of most popular forms of active cultural participation. There are over 330 amateur artistic ensembles in the voivodship functioning within the structures of various cultural establishments, centres and clubs.

The protection of intangible culture aims at preserving customs, rites and songs typical of our region and its inhabitants. Apart from museums, the Voivodship Cultural Animation Centre and the Regional Cultural Centres in Łomża and Suwałki record and popularise this heritage of past generations.

**Region’s dwelling stocks.** As of the end of 2004, in Podlaskie Voivodship, there were 396.6 thousand dwellings, i.e. by 12.4 thousand (3.2%) more than in 2000. The number of dwellings to 1000 pop. had increased at that time from 317 to 330 (332 nationwide). About 2/3 of

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<sup>14</sup> Source: Yearbook of Podlaskie Voivodship 2003, Yearbook of Podlaskie Voivodship 2004, Yearbook of Podlaskie Voivodship 2005.

dwelling stocks is focused in urban areas, of which 27.5% in Białystok, and almost 11% in both Łomża and Suwałki.

The average usable floor space in the voivodship amounts to 72.4 m<sup>2</sup> (69 m<sup>2</sup> nationwide) and had increased over the 2000-2004 period by 7.7 m<sup>2</sup>, i.e. by 11.2%. The dwellings in rural areas are larger than in urban areas on average by 25 m<sup>2</sup>, i.e. by 40%. The usable floor space per person equals 23.9 m<sup>2</sup> (22.9 m<sup>2</sup> nationwide) and is higher than in 2000 by 3.1 m<sup>2</sup>, i.e. by 15%.

The dwelling ownership structure is predominated by the stocks of natural persons – 58% (55% nationwide), of which 95% in rural and 36% in urban areas. Housing cooperatives have a 1/3 share of total dwellings number, of which 52% in urban areas.

The main barriers of regional housing development in larger towns, in Białystok and its suburban zone in particular, are as follows:

- lack in municipal areas suitable for development, especially those with technical infrastructure accompanied by gminas' passivity in their creation;
- falling behind with providing one-family housing development with municipal technical and social infrastructure, mainly due to the dispersion of development directions;
- exaggerated number of areas planned for development exceeding actual needs, which results in unfavourable dispersion of development lowering civilisation and functional standards.

It takes appropriate spatial policy, real estate management and selective support of infrastructure development to overcome these barriers.

#### **1.1.6. Rural areas**

The rural areas of Podlaskie feature a relatively large share of agricultural land (higher than Poland's average) compared to the total area. The structure of agricultural land in Podlaskie Voivodship reflects a large share of cattle stock in total livestock and, typical of the region, very high index of cattle heads to a hectare. Meadows and pastures have a much greater share in the agricultural land structure in Podlaskie than in other voivodships.

Crop output is dominated by cereals and potatoes, which is typical of all voivodships. In the scope of animal output, Podlaskie was ranked 3<sup>rd</sup> in Poland as regards milk production.

In Podlaskie Voivodship, the population of rural areas totals 491 597, which makes 40.9% of total voivodship's population. The unemployed from rural areas make 36.27% of the total number of the unemployed in the region.

Despite its substantial resources of surface waters, Podlaskie Voivodship, just as other Polish regions, suffers from periodical water shortages, mainly due to the lack of appropriate

hydrotechnical infrastructure (containers for small and large retention). It is also connected with the relief and water relations.

Domestic, industrial and agricultural waste waters of various degrees of treatment as well as precipitation waters discharged into the sewage system are the major sources of pollution for surface waters. In spite of a significant progress made over the last decade in the development of waste waters management in rural areas, it still lags behind the needs.

Assuming that the length of sewage system should equal c 0.65 of the length of waterworks system, one should build c 7553.1 km of sewers in Podlaskie Voivodship to be joined to the existing 1878.4 km.

This unfavourable situation is mainly due to the high cost of sewer system construction, exacerbated in the rural areas by disperse settlement, which may require from 10 to 20 km of sewers per one inhabitant.

### **1.1.7. Financial position of local self-governments**

Financial means of Podlaskie Voivodship are closely correlated with the voivodship's and country's economic situation. They also depend on the political and economic situation of the neighbouring countries, on the regulations of political and economic relations with Lithuania, Belarus, Russia and Ukraine and on the EU economic policy.

The voivodship's income depends indirectly on the country's economic position, the profitability of entities conducting economic activity in the voivodship and the income of the voivodship inhabitants.

Table 10 shows budget income and expenditure of powiats and cities with powiat status in the voivodship in 2000 and 2004. The data indicates low growth rate in rural powiats – both income and expenditure had risen by c 5%. Cities with powiat status demonstrate better financial position, as the growth rate had exceeded 25%.

**Table 10. Activity of local self-government entities  
in the scope of income and expenditure**

No	Powiats and cities with powiat status	Budget income of powiats and cities with powiat status in thousands PLN		Budget expenditure of powiats and cities with powiat status in thousands PLN		Investment outlays in enterprises in thousands PLN	
		2000	2004	2000	2004	2000	2004
1	Augustowski	32603,7	33502,3	32313,9	32440,8	40984,1	53946
2	Białostocki	51502,4	64347,6	51256,4	60660,9	69410,3	74438

*Draft of Regional Operational Programme for Podlaskie Voivodship 2007 – 2013*

*Adopted by the Person Performing the Functions of Voivodship Self-government Organs – the Podlaskie Voivodship Board  
on 5<sup>th</sup> March 2007*

3	Bielski	34024,2	36142,9	34491,4	35876,8	64877,1	66666
4	Grajewski	27298,3	25161,8	27744,3	24553,2	31507,5	102633
5	Hajnowski	29947,4	25608,9	29713,1	26382,4	25010,7	45092
6	Kolneński	16680,7	14943,4	16609,0	14596,1	7325,3	8140
7	Łomżyński	15820,0	19425,7	15611,3	19061,1	16620,5	33970
8	Moniecki	20041,1	19405,3	20014,7	20836,2	11884,1	35798
9	Sejneński	13454,9	12864,7	13172,8	13401,8	6235,8	6743
10	Siemiatycki	24722,2	25361,7	24342,0	25533,7	61360,7	229641
11	Sokólski	35482,3	33824,2	35078,2	36518,5	21287,1	27663
12	Suwalski	12649,1	16425,2	12174,7	17616,7	8714,4	16105
13	Wysokomazowiecki	30502,8	33796,1	30044,1	33559,4	68220,7	48364
14	Zambrowski	23713,5	23414,3	23649,9	22348,4	16419,9	26644
15	<b>Powiats total</b>	<b>368442,5</b>	<b>384224,1</b>	<b>366215,6</b>	<b>383386</b>	<b>1221385,4</b>	<b>775843</b>
16	Białystok	454254,8	579388,6	495696,9	616025,0	604673,9	428787
17	Łomża	119398,1	143419,6	126160,8	141087,5	95622,8	79132
18	Suwałki	141000,3	172302,8	143354,3	202487,4	71230,5	74536
19	<b>Cities total</b>	<b>714653,2</b>	<b>895111,0</b>	<b>765212,0</b>	<b>959599,9</b>	<b>771527,2</b>	<b>582455</b>

## 1.2. SWOT ANALYSIS

The choice of appropriate and most effective development policy for Podlaskie Voivodship must be based on a thorough analysis of various factors which impact current development. Collection of all essential data available at the programme's draw up process, and its reasoning analysis make the starting point for constructing planning documents of this kind.

The leading tool used to assess the growth and decline factors, which are subject to inner and outer conditions, is the SWOT analysis. To fully depict the essence of development problems of Podlaskie Voivodship it was decided to step aside from the universal SWOT scheme and apply the thematic scope through the identification of the voivodship's main development problems. The thematic areas, delimited in accordance with the division used in the Community Support Framework, refer to the following fields: economical, social, infrastructural and environmental, rural areas and agriculture. Due to the significance of tourism in Podlaskie Voivodship, it has been added as a part of infrastructure and environment section. Then, each individual thematic area has been assessed using the typical method of universal SWOT analysis, i.e. Strengths/Weaknesses and Opportunities/Threats.

**Table 11. Strengths and weaknesses, opportunities and threats of Podlaskie Voivodship.**

Strengths	Weaknesses
<b>Macro-economic situation, innovation and other framework conditions</b>	
<ul style="list-style-type: none"> <li>- highly specialised milk production,</li> <li>- base of native resources for the development of farm and food, wood and construction industries,</li> <li>- well developed education infrastructure,</li> <li>- the process of restructuring of state owned companies nearing its end,</li> <li>- the existence of Suwałki Special Economic Zone,</li> <li>- significant share of private sector in Podlaskie GDP,</li> <li>- location in the vicinity of the Warsaw conurbation</li> </ul>	<ul style="list-style-type: none"> <li>- low efficiency of the economy,</li> <li>- region's low competitiveness,</li> <li>- voivodship's low investment attractiveness,</li> <li>- low level of innovation,</li> <li>- insufficiently developed and unevenly dislocated network of institutions of business environment,</li> <li>- low population density,</li> <li>- gradual decrease in population number,</li> <li>- region's low export activity</li> </ul>
<b>Human resources, equal opportunities and social issues</b>	
<ul style="list-style-type: none"> <li>- large share of population in productive age,</li> <li>- well qualified labour force,</li> <li>- low labour costs,</li> <li>- low crime rate and high crime detectability,</li> <li>- <u>growing system of lifelong learning,</u></li> </ul>	<ul style="list-style-type: none"> <li>- hidden unemployment, mostly in the rural areas,</li> <li>- unemployment among large percentage of vocationally active population aged 18-34,</li> <li>- poorly adjusted education profiles to the needs of labour market,</li> </ul>

<ul style="list-style-type: none"> <li>- richness of tangible ethnic culture,</li> <li>- qualified medical personnel</li> </ul>	<ul style="list-style-type: none"> <li>- small percentage of population with tertiary education,</li> <li>- poor quality of health service and insufficiently developed health service market, particularly in the rural areas,</li> <li>- virtually unexploited scientific potential, lack in creating scientific research centres,</li> <li>- low labour force mobility</li> <li>- insufficient funds for development of culture and preservation of cultural heritage</li> </ul>
<b>Infrastructure, spatial aspects, environment, tourism</b>	
<ul style="list-style-type: none"> <li>- good transport network layout,</li> <li>- pure, unchanged by human activity natural environment – the whole region being a part of the Green Lungs of Poland,</li> <li>- outstanding natural and cultural values, including national and landscape parks, facilitating the development of tourism,</li> <li>- four national parks</li> </ul>	<ul style="list-style-type: none"> <li>- bad technical condition of transport infrastructure,</li> <li>- region's poor transport accessibility,</li> <li>- lack of investment areas with technical infrastructure for economic activity,</li> <li>- poorly developed tourist base in the region,</li> <li>- low level of Internet exploitation,</li> <li>- low level of waste recovery</li> </ul>
<b>Rural areas</b>	
<ul style="list-style-type: none"> <li>- good base for the development of farm and food industry,</li> <li>- high level of milk production,</li> <li>- well developed settlement system,</li> <li>- favourable conditions for agritourism development,</li> <li>- the entrepreneurial spirit of rural areas population in diversifying economic activity,</li> <li>- well developed agricultural counselling</li> </ul>	<ul style="list-style-type: none"> <li>- poorly developed technical and social infrastructure in rural areas,</li> <li>- low capital level in farms and general underfunding in agriculture,</li> <li>- excessive employment in agriculture,</li> <li>- low quality of agricultural production space and unfavourable agrarian structure</li> </ul>

<b>Opportunities</b>	<b>Threats</b>
<b>Macro-economic situation, innovation and other framework conditions</b>	
<ul style="list-style-type: none"> <li>- development of co-operation with the Warsaw conurbation,</li> <li>- opening the economy to international co-operation, including the development of borderland co-operation,</li> <li>- more effective co-operation between the scientific sphere and the private sector, including the increase in both private and</li> </ul>	<ul style="list-style-type: none"> <li>- Eastern border seal off against Polish goods,</li> <li>- increasing level of gminas' debts,</li> <li>- social and ecological conflicts regarding locations of infrastructural investments,</li> <li>- lasting region's low investment attractiveness accompanied by small inflow of both domestic and foreign</li> </ul>

<ul style="list-style-type: none"> <li>- public investments in scientific research,</li> <li>- creating new scientific research centres, particularly in the hi-tech field,</li> <li>- intensifying co-operation with partner regions,</li> <li>- borderland location</li> </ul>	<p>investments</p>
<p><b>Human resources, equal opportunities and social issues</b></p>	
<ul style="list-style-type: none"> <li>- increasing NGOs' significance in activities of social character,</li> <li>- effective co-operation of public administration, the third sector and the private sector within the public-private partnership framework,</li> <li>- increase in the labour force mobility,</li> <li>- adjusting education to the labour market needs,</li> <li>- development of flexible and efficient forms of employment and care and education services,</li> <li>- increase in population's education level,</li> <li>- development of e-services and broadband access</li> </ul>	<ul style="list-style-type: none"> <li>- unfavourable demographic trends, including excessive emigration,</li> <li>- deepening impoverishment of certain social groups and growing disparities in living conditions,</li> <li>- emigration of well educated people</li> </ul>
<p><b>Infrastructure, spatial aspects, environment, tourism</b></p>	
<ul style="list-style-type: none"> <li>- realisation of governmental programme of roads and railways construction and modernisation,</li> <li>- opening new border crossings,</li> <li>- increase in broadband Internet access,</li> <li>- increase in the interest of alternative energy sources,</li> <li>- introduction of new, environment friendly technologies,</li> <li>- development of brand tourist products,</li> <li>- development of qualified tourism, including natural and cultural tourism</li> </ul>	<ul style="list-style-type: none"> <li>- omitting Podlaskie Voivodship in planning national investments,</li> <li>- danger of intensification of differences between environment protection and strategic regional socio-economic growth,</li> <li>- depopulation of region's eastern parts</li> </ul>
<p><b>Rural areas</b></p>	
<ul style="list-style-type: none"> <li>- development of produce farms,</li> <li>- development of economic activities outside agriculture,</li> <li>- growing areas of private farms,</li> <li>- development of regional products' market,</li> <li>- multifunctional development of rural areas based on assistance programmes</li> </ul>	<ul style="list-style-type: none"> <li>- centralisation of agricultural policy limiting the role of regional self-government,</li> <li>- reluctance to invest in the rural areas, including investments outside agriculture,</li> <li>- growing poverty particularly among the smallholders</li> </ul>

Podlaskie Voivodship has many assets at its disposal; whether the actions undertaken within the framework of defined strategic objectives and priorities will prove successful depends on their rational exploitation. The main task before the voivodship's self-government is the necessity to take optimal advantage of the strengths and development opportunities predefined in each individual area. The projection of development directions set forth in *the Podlaskie Voivodship Development Strategy to 2020* requires effective channelling of pro-development activities parallel to minimising the results of existing weaknesses and threats to region's further development.

The description of region's current macro-economic situation and its level of innovation are the two elements that most fully depict voivodship's actual economic growth, thus providing the base to assess the region's development level and its economic attractiveness, including investment attractiveness. The predefined weaknesses indicate low efficiency of the economy predominantly based on traditional industries and featuring low level of innovation of applied technology (however, one should note the large and dynamic growth of highly specialised milk production). On the other hand, insufficiently developed and unevenly dislocated network of business environment institutions makes it difficult for economic entities to achieve their development goals. The existing institutions and higher education schools do not provide the R&D sphere with innovation instruments and technological solutions necessary for further development. Yet, there is some visible space for more effective co-operation between the scientific sphere and the private sector, including the increase in both public and private outlays on scientific researches and creation of scientific research centres, particularly in the hi-tech field. There are also some positive elements of development, which include a significant share of the private sector in the GDP and still growing, yet relatively low compared to the other regions, exports. One should also pay special attention to the support of SMEs – the economic entities generating new workplaces and increasing region's competitiveness on the market. The balance shows that *de facto* the region's competitiveness is limited.

In the forthcoming programming period, we anticipate a range of activities focused on enhancing the region's investment attractiveness and on the increase in both domestic and foreign investments inflow. There is a serious lack in suitable investment areas provided with technical infrastructure for economic activity, which makes a huge investment barrier. The region's investment attractiveness from the foreign capital's point of view is currently one of the fundamental elements of high competitiveness. New workplaces and the creation of around investment infrastructure are greatly needed for the region's development.

From investors' interest's and region's development point of view, qualified labour force and large share of population in the production age are Podlaskie's advantages. Added to low labour costs, developed system of lifelong learning and education profiles, which are planned to be adjusted to the labour market needs in the next programming period, it may prove to have an immense positive impact on the pro-development activities. More effective co-operation between the public administration, the third sector and the private sector within the public-private partnership framework, the development of flexible and effective forms of employment and care and education services will favour this process.

A problem, which needs to be addressed in the sphere of Podlaskie Voivodship human resources, is unemployment, especially among the rural population. Among the vocationally active unemployed people, the population aged 18-34 is the group of particular risk. Facing the population decrease and the emigration of those in productive age, especially the youth, the co-operation of Podlaskie self-governments of all levels shall be of utmost importance. The increasing NGOs' significance in activities of social character may aid this process and contribute to the development of civil society as well.

Ethnic and religious diversity of the population of Podlaskie is a vital element of the region's culture, its asset and strength, which should be conserved and supported. The activities realised in this scope, such as festivals, contests, reviews, publications, conferences, etc., contribute to mutual recognition and understanding, teach tolerance and peaceful coexistence between nations. They also create good conditions for foreign co-operation and cultural exchange, particularly with Belarus, Lithuania and Ukraine.

One of the determinants of Podlaskie Voivodship development is the region's transport accessibility. While the voivodship features a good layout and spatial dislocation of transport network, the technical condition of transport infrastructure is still unsatisfactory. The governmental programme of road construction and modernisation, the result of government's global approach to solve country's transport problems, shall be incorporated in OP Development of Eastern Poland and sectoral operational programmes 2007-2013. A range of investments realised in the region in the scope of modernisation and expansion of regional, national and international road and railway connections shall improve their quality (Białystok is a junction of two national roads of express road standards, one of which being a part of pan-European transport corridor).

A severe limitation in this scope is the danger of intensification of differences between environment protection and strategic regional socio-economic growth, including transport infrastructure. Pure natural environment, virtually unchanged by human activity, remains the region's unquestionable asset. Outstanding natural values preserved in the national and landscape parks prove the regard for natural values. Planned actions envisage exploitation of chances given by natural environment through the increase of interest in alternative energy sources and introducing new, environmentally safe technologies. Thus, the socio-economic development, according to the rule of sustainable development, shall consider both the care for natural heritage and the necessity of ensuring the region's natural way of development.

The future of Podlaskie Voivodship should also be connected with the development of tourism. The region provides a perfect base for both summer holidays and weekend leisure. The limitation of the region's tourist potential is not only the lack in tourist accommodation and leisure infrastructure, but the short tourist season (comprising only the summer months) as well. Besides the existing natural and cultural heritage values, there has been defined a need to extend the tourist season and open the region for tourists in winter as well. Hence the planned investments in this field in the 2007-2013 programming period. Furthermore, the increase in the region's transport accessibility shall be another vital field of actions, opening the region for domestic, foreign and transit tourists through the extension of transport and

border crossing infrastructure. Extending the impact of brand tourist products promotional policy, perceived as the region's quality export marks, is another means of tourist sector development in Podlaskie Voivodship.

The involvement of large human and economic potential in the sphere of rural development and agriculture, stresses the significance of this matter in Podlaskie Voivodship. Rural areas' basic weakness is its insufficiently developed technical and social infrastructure, which results in reluctant investments in the rural areas, including investments outside agriculture. As regards the instruments of social policy, the low quality of health service and insufficiently developed medical services market are striking, yet, at the same time, the educational structure is relatively well developed. The rural areas development objectives shall therefore include combating disparities in the standards of living and accessibility to social and educational infrastructure, to realise the rule of equal opportunities as fully as possible.

The economy features excessive employment in agriculture, the to-date underfunding, low capital level in farms, low quality of agricultural production space and unfavourable agrarian structure. On the other hand, the strong position of the base for farm and food industry (including dairy industry) is well marked, which stems not only from the purity of natural environment, but from well-organised production and the introduction of high standards on milk producing farms as well. This makes a good example of a modern look at farm production and increasing its competitiveness on both domestic and foreign markets. In addition, agricultural counselling is well developed, there are favourable conditions and perspectives for development of agritourism, the regional products' market is growing dynamically.

However, it is forecast, that a change of employment structure in the rural areas shall be one of the basic tasks, as the to-date process features the increase in the areas of private farms and leads to the development of produce farms. The reforms should therefore concentrate on the multifunctional development of rural areas and on the support of entrepreneurship and diversification of economic activities, including *making conditions for job creation in production, services and commerce outside agriculture*.

### 1.3. NATIONAL AND FOREIGN ASSISTANCE

#### 1.3.1. National financial assistance for the Podlaskie Voivodship for the years 1999–2005

Table 12 illustrates the amount of expected expenditures for the Podlaskie Voivodship within the framework of expenditures of the National Budget for the years 1999 – 2005 (voivodes budget).

**Table 1: Plan of expenditures of the Podlaskie Voivodship by divisions**

Name of division	Plan for 1999	Plan for 2000	Plan for 2001	Plan for 2002	Plan for 2003	Plan for 2004	Plan for 2005
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*Adopted by the Person Performing the Functions of Voivodship Self-government Organs – the Podlaskie Voivodship Board on 5<sup>th</sup> March 2007*

	in thou. PLN						
<b>Podlaskie Voivodship</b>	<b>591 450,00</b>	<b>513 657,00</b>	<b>560 170,00</b>	<b>548 658,00</b>	<b>405 646,00</b>	<b>374 488,00</b>	<b>434 644,00</b>
Building Industry	1 951,00	3053,00					
Agriculture and Hunting	44 874,00	43 579,00	40 481,00	35 243,00	36 097,00	37 354,00	36 265,00
Forestry	2 878,00	2 996,00	1 426,00	1 171,00	1 209,00	59,00	51,00
Fishery and Fish Culture			770,00	713,00	754,00	780,00	854,00
Trade	1 956,00	2 003,00	2 280,00	2 102,00	2 215,00	2 479,00	2 895,00
Transport and Communication	2565,00		44 190,00	58 849,00	61 860,00	71 549,00	5 889,00
Housing Management	2 516,00	1 851,00	1 358,00	1 086,00	1 195,00	925,00	805,00
Service Activities	88,00		4 721,00	4 322,00	4 685,00	5 349,00	6 408,00
Public Administration	54 387,00	66 771,00	33 302,00	32 770,00	35 047,00	51 229,00	46 339,00
National Defense	280,00	278,00	196,00	169,00	174,00	445,00	500,00
Public Security and Fire Protection	149 508,00	173 002,00	188 480,00	201 687,00	44 173,00	49 555,00	50 705,00
Various Settlements	104,00	100,00	76,00	55,00	60,00	1 060,00	452,00
Education	75 399,00	7 394,00	21 110,00	7 053,00	7 694,00	5 292,00	5 363,00
Health Care	54 912,00	43 518,00	42 754,00	14 655,00	15 088,00	14 257,00	12 575,00
Social Welfare	152 728,00	133 598,00	156 109,00	170 295,00	175 878,00	123 111,00	254 117,00
Remaining tasks in the area of Social Politics						1 353,00	1 873,00
Educational Pedagogical Assistance			774,00	979,00	1 014,00	642,00	560,00
Public Utilities and Environmental Protection	27 200,00	17 167,00	17 037,00	14 571,00	15 108,00	5 354,00	5 255,00
Culture and Protection of National Heritage	11 672,00	920,00	3 775,00	1 676,00	1 729,00	1 900,00	2 078,00
Botanical and Zoological Gardens, Natural Regions and Preserved Nature Objects			1 331,00	1 262,00	1 666,00	1 795,00	1 660,00
Tourism and Repose	282,00						
Grants for Financing of Economical Tasks	6 816,00	14 110,00					
Various Activities	1 334,00	3 317,00					

*Source: The Finance Ministry, "Report on the completion of the National Budget for the years: 1999; 2000, 2001, 2002, 2003, 2004, 2005" (author's elaboration)*

In accordance with table 13, within the framework of the multiannual investments, the following are expected:

**Table 13: Expenditures for multiannual investments in the Podlaskie Voivodship (in thou. PLN)**

Investor / Name of Task	Total for Task	1999	2000	2001	2002	2003	2004	2005
		Healthcare Administration Board in Białystok /Enlargement and modernisation of Hospital of Ministry of the Interior and	<b>82 738</b>	5 000	10 000	33 227	12 780	21 731

Administration in Białystok							
Integrated Voivodship Hospital in Łomża	<b>23 708</b>	23 708					
Medical University of Białystok/ Paediatrics Institute in Białystok	<b>77 074</b>	20 000	23 261	22 044	11 769		
Marshal's Office/ Enlargement and modernisation of Obstetrics and Gynaecology Hospital	<b>44 761</b>		12 000	20 000	12 761		
Podlaskie Voivodship Office/ Enlargement and modernisation of international border crossing in Kuźnica	<b>196 651</b>			24 675	46 500	30 200	62 306
District Court in Białystok/ Construction of building for Provincial Court in Białystok	<b>128 896</b>					10 000	40 000

Source: The Finance Ministry, "Report on the completion of the National Budget for the years: 1999; 2000, 2001, 2002, 2003, 2004, 2005" (author's compilation)

Table 14 depicts the scheduled amounts in the Podlaskie Voivodship within the framework of targeted grants for the financing of the tasks in the area of government administration and others ordered by law, carried out by entities of the local government in the years 1999 – 2005.

**Table 14: Scheduled expenditures for investments in the scope of government administration in the Podlaskie Voivodship (in thou. PLN)**

Appropriation	1999	2000	2001	2002	2003	2004	2005
For municipalities of Podlaskie Voivodship	93.058	98.989	102 466	118 751	123 414	84 902	190 640
For poviats of Podlaskie Voivodship	157.033	175.412	192 250	184 159	77 724	66 768	66 523
For voivodship self-governments of the Podlaskie Voivodship	1.031	11.967	27 204	7 232	24 001	19 870	5 599

Source: The Finance Ministry, "Report on the completion of the National Budget for the years: 1999; 2000, 2001, 2002, 2003, 2004, 2005" (author's compilation)

Within the framework of targeted reserves for the years 1999 – 2000 for development of the Białowiecki National Park, there are expected 30.000.000 PLN

**Voivodship contracts** for the years 2001-2006:

The voivodship contract for the Podlaskie Voivodship was first transacted in 2001 and spanned a period of 3 years.

Within the framework of **the Voivodship contract for the years 2001-2003** there were 420 tasks completed, including 204 investments of ministers proper. For realisation of the

contract, the parties committed to appropriate in total: 553 986,648 thou. PLN and 366 thou. EURO.

The sources of financing of the contract were:

- national funds originating from the national budget (taking into account funds of ministers proper and funds remaining at the disposal of the Voivode - 63 870,358 thou. PLN);
- funds from the budget of the European Community;
- funds from the budgets of the local territorial governments;
- funds from other entities.

The government party committed to render accessible for the realization of the contract a total of 128.673 thou. PLN

The local territorial governments committed to render accessible for realization of the contract in total 109 876,636 thou. PLN, other entities 96 866,654 thou. PLN

Within the framework of the Voivodship contract 2001 – 2003, from the scheduled funds of the European Community budget there were utilized over 96% of funds from the National Budget (not taking into account the projects being realized within the PHARE framework).

The realisation of tasks arising from the contract (contributed to the improvement of safety on the Podlaskie Voivodship's roads (18 investments were realized in the area of transport). Over 25 thou. m<sup>2</sup> of voivodship roads were modernised, their pavement was reinforced. The realisation of tasks influenced the growth of density of road network with bituminous pavement, the increase of fluidity of traffic flow and road capacity, which is related to the decrease in travel time. Moreover, walkways, driveways, culverts, and bridges were constructed.

The realisation of tasks in the scope of environmental protection, i.e. construction of sanitary sewer network, connection of new households to the sewer network, construction of waste treatment plants, has caused the decrease in the Podlaskie Voivodship's ecological destruction. Construction of the water pipe network and connection of new households to the water pipe network, as well as the expansion of the transport infrastructure - all tied to realisation of environmental conservation goals, encourages the increased attractiveness of the region, in particular the development of hotels and other tourist accommodations.

There were 87 health care-related and social welfare-related investments realized in the course of the contract. Repair works were completed in connection with restructuring of the existing ones, and creating new departments in 25 healthcare facilities, and equipment and instrumentation were bought. Also, modernisation of orphanages and outreach facilities and welfare centres was carried out. Moreover, new workrooms and specialised clinics for outpatients were created in the above facilities.

From sources granted within the framework of the contract, 182 educational tasks were subsidized. Elementary schools, junior high schools, and school gymnasiums were built, and equipment for Internet workrooms was purchased. In effect, proper working conditions for carrying out teaching activities were created.

In the scope of culture and protection of national heritage 5 projects were carried out. The concert hall of the Białystok Philharmonic, the A. Węgierka Theatre in Białystok, the Doll and Actor's Theatre in Łomża were all modernised. The Festival of Orthodox Christian Music in Hajnówka and open-air opening performances of doll theatres for children were subsidized.

Twenty-nine investments were realized in the scope of fitness and sport, including gymnasiums, swimming pools and sports fields, and construction of the Sports Arena at the Academic Sports Centre of the Białystok Technical University begun.

Another – annual – voivodship contract was transacted in **2004**.

For the realization of the **contract for the Podlaskie Voivodship for 2004**, the parties appropriated in total 45 876,98 thou. PLN

The sources of financing of the contract were:

- resources made available by the government party (originating from the national budget described in the Budget Act for 2004<sup>15</sup> as funds for voivodeships' contracts and part-financing regional development programmes),
- expected funds made available by the government party (originating from the budgets of the local territorial self-governments and other entities).

For the realisation of the contract in 2004, the government party committed to render accessible a total of 38 885 thou. PLN from national resources originating from the national budget, including:

- for part-financing tasks of own local governments indicated in the list resulting from preferences and activities of the Assistance Programme for 2004, and for settling of investments of multiannual the local self-government units: 30 925 thou. PLN
- for part-financing projects contained within the framework of the Integrated Operational Regional Development Programme and realised within the framework of IW INTERREG III: 7 960 thou. PLN

The expected value of funds for realisation of the voivodship contract in 2004 made available by the self-government party amounted to 6 991,98 thou. PLN The sources of financing from the territorial local-government party were the budgets of:

- voivodship,
- poviats,
- municipalities,
- other entities.

Within the framework of the voivodship contract for 2004, 75 tasks were completed in the Podlaskie Voivodship.

Over 172 thou. m2 of roads were modernised. Nearly 16 km of water pipe network and 3 km of sanitary sewer network were laid. Thirty-nine household waste treatment plants were also created.

Within the framework of tasks in the scope of modernisation and development of the health care system, 2 hospitals were modernised, specialised medical equipment was purchased – 59 pieces – and 5 rescue ambulances with equipment, and a sanitary ambulance. Ten educational units were also modernised (computer workrooms and gymnasiums, among others, were created), and 5 sports buildings, including the continuing construction of the Sports Arena at the Academic Sports Centre of the Białystok Technical University.

The contract also included investments in the scope of culture and cultural heritage. Museums and historical objects, as well as purchase of musical instruments for the Białystok Philharmonic and modernization of the A. Węgiełka Theatre in Białystok, were included.

Two Loan Funds aiding the activity of SME were also created, and 6 promotional projects were realised, including one related to the creation of voivodship's investment offer.

**The next voivodship contract transacted spans two years: 2005-2006.**

In order to achieve the objectives tied to regional development in the Podlaskie Voivodship, for the execution of the activities included in the contract in 2005, the planned disbursement

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<sup>15</sup> - Budget Law for 2004, dated 23 January 2004 roku (Dz.U. 2004 Nr 17, poz. 176).

was as follows: 13 254 000 PLN from the national budget, 4 640 100 PLN from funds of local self-governments, 1 025 280 PLN from funds originating from other sources (Table 15).

**Table 15. Financial inputs for executing measures included in the contract in 2005 (in thou. PLN)**

Nr.	Measure	Funds made accessible by the government party	Funds made accessible by self-government party	Funds originating from other sources	Private funds
1	I.1 Development of voivodship's transportation system	4 840 590,00	1 399 017,92	0	0
2	I.3 Development of regional social infrastructure	3 543 450,00	1 195 201,67	410 000,00	132 000,00
3	I.4 Development of tourist and sport infrastructure	1 914 180,00	1 365 961,36	300 000,00	50 000,00
4	III.3 Creation of conditions to favour development of culture and protection of cultural heritage	2 690 780,00	611 583,00	10 000,00	86 780,00
5	III.7 Advancement of voivodship	265 000,00	68 336,50	30 500,00	6 000,00
	<b>Total</b>	<b>13 254 000,00</b>	<b>4 640 100,45</b>	<b>750 500,00</b>	<b>274 780,00</b>

Source: The Podlaskie Voivodship Marshal's Office (author's compilation)

Within the framework of activities included in the contract in 2005, 46 projects were completed.

Altogether, in 2005, a grant in the amount of 11.641.201,29 PLN was transferred to the self-governments, which amounts to 87,83% of the awarded grant. From the planned resources 5 117 650,64 PLN were utilised from the funds of local self-governments' budgets (110,29%), while 1 031 746,63 PLN from other funds (100,63%).

In total, in 2005, 40 projects were implemented. On the grounds of the Cabinet's Regulation dated 13 December 2005<sup>16</sup>, the deadline for completion of six tasks was moved to 2006 with part-financing in the amount of 1.603.789,00 PLN, i.e. 12,1% of the plan.

As a result, from funds made available by the government party for carrying out tasks covered under the contract in 2005, 9.009,71 PLN (0,07% of the plan) were not utilised due to results of bidding.

Work tied to the implementation of investments within the Voivodship Contract in 2005 was conducted in a proper manner. The biggest problem turned out to be too short a time to utilise the funds.

For the execution of measures covered by the Voivodship Contract for the Podlaskie Voivodship for 2005-2006 in 2006, the government party made available financial resources in the amount of 16.440.584 PLN, which were established on the grounds of the legacy of the budget law for 2006.

In 2006, for execution of measures covered under the contract and implemented exclusively with the use of national public funds, the self-government party committed to make available financial resources in the amount not less than 5 558 512,35 PLN (this amount was respectively written out to the local self-government budget, other resources, and private funds).

<sup>16</sup> - Cabinet's Regulation dated 13 December 2005 in the matter of national budget expenditures, which in 2005 does not expire with the end of the budget year (Dz.U. Nr 245, poz. 2082).

**Table 16. Financial inputs for executing measures included in the contract in 2006 (in thou. PLN)**

Nr.	Measure	Funds made accessible by the government party	Funds made accessible by self-government party	Funds originating from other sources	Private funds
1	I.1 Development of voivodship's transportation system	12 057 300,00	4 128 001,27	0	0
2	I.3 Development of regional social infrastructure	1 500 000,00	750 000,00	156 232,10	0
3	I.4 Development of tourist and sport infrastructure	2 038 790,00	1 060 219,60	1 206 528,94	102 792,00
4	III.3 Creation of conditions to favour development of culture and protection of cultural heritage	696 733,00	46 827,00	10 098,00	108 750,00
5	III.7 Promotion of voivodship	144 494,00	323 108,00	0	0
	<b>Total</b>	<b>16 437 317,00</b>	<b>6 308 155,87</b>	<b>1 372 859,04</b>	<b>211 542,00</b>

Source: The Podlaskie Voivodship Marshal's Office (author's compilation)

In 2006, 27 tasks in all were realised for the total amount of financial inputs of 24 329 873,91 PLN

Altogether, in 2006, a grant in the amount of 15.389.051,19 PLN was transferred to the self-governments, which is 93,6% of the awarded amount of grant. In total, 21 projects were implemented. Unutilised remained 35.289,81 PLN (0,2% of the plan).

In connection with emergence of unforeseen difficulties in the completion deadline of 5 tasks, on the grounds of the Cabinet's Regulation dated 11 December 2006 on the matter of national budget expenditures, which in 2006 did not expire with the end of the budget year (Dz.U. Nr 232, poz. 1689), the deadline for their completion was moved to 2007 with part-financing in the amount of 1.016.243,00 PLN, i.e. 6,18 % of the plan.

#### **Assessment of efficiency and effectiveness of the implementation of the National Development Plan for 2004–2006 within the framework of the Voivodship Contract for the Podlaskie Voivodship for 2005–2006 in the section concerning the part-financing of own local-government tasks.**

By implementing individual measures within the frameworks of appointed priorities contained in the voivodship contract, a number of effects was reached having impact on the socio-economic situation in the Podlaskie Voivodship.

In connection with the fact that the Podlaskie Voivodship is characterised by low standard of infrastructure, especially in the area of transport, the activities undertaken were focused on reaching effects such as the expansion and modernisation of the poviats and municipal road networks.

In the scope of development of the voivodship transport system, 11,995 km of road surface pavement was reinforced and rebuilt, walkways and parking bays, and street lighting were all rebuilt. The effects thus gained influenced the decrease in travel time, improved travel comfort and safety, and also increased access to investment areas, and improved the internal transportation cohesion of the region. Moreover, design documentation

will be prepared for the Krywany Airport in Białystok. Realisation of this project will contribute to efficient and speedy flow of passengers.

In the scope of the development of regional social infrastructure, teaching facilities and outreach facilities were developed and modernised. These effects influenced the improvement of conditions and the level of services provided in accordance with the standards stipulated by law.

In the scope of tourist and sports infrastructure, stadiums, fields, and sport arenas were constructed, and recreational objects were modernised, which influenced the increase in accessibility of tourist and sports objects, their increased standard and the provision of hotels, and other tourist accommodations.

The subject matter of the measure was also the support of development of culture through expansion, adaptation and modernisation of historical objects: Assumption of the Holiest Virgin Mary Church in Białystok, Cathedral in Drohiczyn, Church in Narew. The successive modernisation as well as expansion of existing cultural outposts will contribute to the enrichment of the tourist offer of the Podlaskie Voivodship, among other things, the Museum of Icons in Supraśl and the Museum of Agriculture in Ciechanowiec.

Implementation of projects written in the Contract in Priority III, complies with such objectives as promotion and popularisation of the voivodship, with particular allowance for qualities of the natural environment. The outcome was publishing of various tourist folders.

### **1.2.3. Foreign financial assistance for the Podlaskie Voivodship for the years 1999 – 2005**

As a result of the strengthened pre-accession strategy, accepted by the Council of Europe starting as of the end of 1997, financial assistance for non-member states was started and appropriated for conducting reforms indispensable for gaining membership in the European Union. Activation of special accession funds: PHARE, ISPA, and SAPARD, allowed for intensification of these activities.

The sum of foreign assistance resources obtained in the years 1993 – 2006 for various types of investments in the Podlaskie Voivodship amounts to 326.585.481,40 PLN. In the aggregate value of resources won in the years 1993 – 2006:

- hard projects make up the amount of 324 182 265,40 PLN,
- soft projects make up the amount of 2 403 216,00 PLN.

In the years 1993 – 2005, projects supported by assistance resources were realised by all poviats of the Podlaskie Voivodship.

Beginning in 1999, the Podlaskie Voivodship was the beneficiary of UE assistance resources within the framework of programmes: PHARE, ISPA, SAPARD. Total assistance of UE funds for these years amounted to 147,553 mln Euro.

#### **PHARE:**

Within the PHARE programme the following measures were supported:

- increasing the activities of the productive sector. These activities were directed at aiding diversification of economic activity, development of the private sector and modernisation of the industry;
- strengthening of the human potential, the aim of which was assisting the four pillars of the European Social Strategy, i.e.: widening the possibility of obtaining work,

- development of entrepreneurship, assisting in adopting processes in enterprises, activation of enterprise employees, equalization of chances for women and men;
- improvement of the infrastructure connected to conducting business activity.

These measures were focused on infrastructure projects, which in direct manner served the productive sector and the environment of local entrepreneurs. In this area, investments could be financed that improved access to places where the industry and business were expanding, as well as infrastructure in the scope of conservation of environment conducive to the development of investments.

The biggest infrastructure projects part-financed from PHARE resources include: Modernisation and expansion of the international border crossing in Kuźnica (12 445 450,98 Euro); Extension of national route 61 between Szczuczyn – Grajewo section, Grabowo – Szczuczyn section (6 770 555,46 Euro); Modernisation of national route 8 (former 19) Szypliszki II Szypliszki - Suwałki section (6 000 000,00 Euro), and the project titled *Tunnel in the Białystok bypass* (4 320 000,00 Euro), addendum of which was the activity carried out within the framework of PHARE 2001 Social and Economic Cohesion titled *The Białystok roads system* (3 012 701,81 Euro).

Among the soft projects, the biggest ones were realised within the framework of several editions of the PHARE programme Social and Economic Cohesion: Development of Human Resources PHARE 2000 SEC (2 576 821,00 Euro); Promotion of Employment and Development of Human Resources PHARE 2001 SEC (1 816 867,50 Euro); Project concerning the development of the regional development of human resources PHARE 2002 SSG (1 146 000,00 Euro). The Voivodship Labour Office in Białystok implemented all of these projects.

Within the framework of realisation of Assistance for Small and Medium Enterprises component of the PHARE SEC programme (main projects: Grant Investment Fund, Enterprise Development Programme, Export Enterprise Development Programme, Internet Enterprise Development Programme, Information Technologies for Enterprise), investment, training, and consulting assistance was also available to entrepreneurs from the Podlaskie Voivodship. Implementation of that component was the responsibility of the Podlaska Foundation of Regional Development as Regional Financing Institution. Among the assistance possibilities offered, the Grant Investment Fund was of particular interest. In all, during the realisation of the SME until the end of 2005, 584 grant agreements were signed (including 75 agreements that were denied), including 529 agreements in the scope of GIF.

The Podlaskie Voivodship, as one of five voivodships in the nation, was qualified for the PHARE 2000 Social and Economic Cohesion programme and benefited from the funds of all editions of this programme. In all, from the PHARE SEC allocated funds in the amount of 54 804 602,78 Euro, until the end of 2005, 44 501 915,19 Euro were disbursed, i.e. over 81% of PHARE allocated funds for the Podlaskie Voivodship: within the framework of the Development of Human Resources component, over 96% of allocated funds were utilised; within the framework of the Small and Medium Enterprises component, over 68% of allocated funds were utilised; within the framework of the Infrastructure component, over 81% of allocated funds were utilised.

**Table 17. Funds allocated, contracted, and utilized within the framework of PHARE SEC editions by component (in euro)\***

*Draft of Regional Operational Programme for Podlaskie Voivodship 2007 – 2013*

*Adopted by the Person Performing the Functions of Voivodship Self-government Organs – the Podlaskie Voivodship Board  
on 5<sup>th</sup> March 2007*

<b>FUNDS</b>	<b>Development of Human Resources</b>	<b>Support of Small and Medium Enterprises</b>	<b>Infrastructure Component</b>	<b>TOTAL</b>
<b>Allocated</b>	5 539 688,50	8 683 407,00	40 581 507,28	54 804 602,78
<b>Contracted</b>	5 538 848,25	7 466 622,61	39 875 527,39	52 880 998,25
<b>Utilised</b>	5 347 397,97	5 965 918,86	33 188 598,36	44 501 915,19

\* As of 31.12.2005.

Within the framework of the edition of PHARE 2000 SEC (realisation completed at the end of 2005), in total, 53 628 180,29 Euro were disbursed, including 20 226 377,34 Euro from PHARE funds (approx. 95% of allocated funds for the voivodship were utilised), and 19 145 242,15 Euro from national public funds. Moreover, in the realisation of Support of Small and Medium Enterprises and Development of Human Resources component, 14 million Euro of private resources were engaged.

Within the framework of the edition of PHARE 2001 SEC (realisation completed at the end of 2005), in total, 30 783 224,53 Euro were disbursed, including 15 641 457,74 Euro from PHARE funds (over 93% of allocated funds for the voivodship were utilised) and 5 870 942,12 Euro from national public funds. Moreover, in the realisation of Support of Small and Medium Enterprises and Development of Human Resources component, 9 million Euro of private resources were engaged.

Within the framework of the edition of PHARE 2002 SEC, in all 14 006 497,36 Euro were disbursed, including 7 097 761,99 Euro from PHARE resources (over 75% of allocated funds for the voivodship were utilised) and 6 216 464,38 Euro from national public funds (value of private engaged funds: 692 270,99 Euro). In the case of PHARE 2003 SEC, in all 2 149 519,97 Euro were disbursed, including 1 536 318,12 Euro from PHARE resources (over 20% of allocated funds for the voivodship were utilised) and 613 201,85 Euro from national public funds (value of private funds engaged: 0 Euro).

*Draft of Regional Operational Programme for Podlaskie Voivodship 2007 – 2013*

*Adopted by the Person Performing the Functions of Voivodship Self-government Organs – the Podlaskie Voivodship Board  
on 5<sup>th</sup> March 2007*

**Table 18. Funds allocated, contracted, and used within the framework of PHARE SEC editions by individual projects (in euro)\***

<b>PHARE 2000 - SEC</b>					
<b>Nr.</b>	<b>Project Title</b>	<b>Allocation value – total*</b>	<b>PHARE<sup>17</sup> Funds</b>	<b>Funds utilised - total</b>	<b>Utilised PHARE Funds</b>
1.	Tunnel in the Białystok bypass	16 450 000,00	4 320 000,00	13 018 991,44	4 320 000,00
2.	Modernisation of national route 61 (Grajewo – Rajgród section)	5 900 000,00	3 800 000,00	8 485 004,00	3 800 000,00
3.	Modernisation and promotion of the Augustów Canal	6 949 654,00	4 229 504,00	6 385 111,97	3 835 920,51
4.	Small infrastructure investments	3 867 000,00	2 900 000,00	3 891 587,92	2 577 263,72
5.	Development of Small and Medium Enterprises	18 754 172,00	3 516 407,00	18 456 154,04	3 212 380,59
6.	Development of Human Resources	3 685 761,00	2 576 821,00	3 391 330,92	2 480 812,52
	<b>TOTAL</b>	<b>55 606 587,00</b>	<b>21 342 732,00</b>	<b>53 628 180,29</b>	<b>20 226 377,34</b>
<b>PHARE 2001 – SEC</b>					
<b>Nr.</b>	<b>Project Title</b>	<b>Allocation value – total*</b>	<b>PHARE Funds</b>	<b>Funds utilised - total</b>	<b>Utilised PHARE Funds</b>
1.	The Białystok roads system	4 155 456,24	3 012 701,81	4 154 641,58	3 011 887,15
2.	Extension of national route 61 (Szczuczyn – Grajewo section, Grabowo – Szczuczyn section)	9 227 407,28	6 770 555,46	8 708 441,80	6 291 537,42
3.	Water and wastewater management system in Łomża	3 306 178,76	2 381 040,53	3 300 798,53	2 375 660,30
4.	Promotion of Development of Small and Medium Enterprises	14 585 182,62	2 797 000,00	12 174 256,77	2 188 031,16
5.	Promotion of Employment and Development of Human Resources	2 422 490,00	1 816 867,50	2 445 085,85	1 774 341,71
	<b>TOTAL</b>	<b>33 696 714,90</b>	<b>16 778 165,30</b>	<b>30 783 224,53</b>	<b>15 641 457,74</b>

*Draft of Regional Operational Programme for Podlaskie Voivodship 2007 – 2013*

*Adopted by the Person Performing the Functions of Voivodship Self-government Organs – the Podlaskie Voivodship Board  
on 5<sup>th</sup> March 2007*

<b>PHARE 2002 - SEC</b>					
<b>Nr.</b>	<b>Project Title</b>	<b>Allocation value – total*</b>	<b>PHARE Funds</b>	<b>Funds utilised - total</b>	<b>Utilised PHARE Funds</b>
1.	Improvement of investment terrain in Białystok	3 556 456,01	2 446 675,05	3 586 073,76	2 445 653,50
2.	Modernisation of national route 61 (Barszcze - Netta section)	5 700 000,00	2 900 000,00	4 583 579,94	994 357,64
3.	Improvement of access to investment terrain in Suwałki	2 934 240,20	2 000 000,00	2 934 240,20	2 000 000,00
4.	Polish Entrepreneurship: Regional Program of Assistance for Small and Medium Enterprises	2 320 000,00	870 000,00	1 446 278,47	565 507,11
5.	Project concerning regional development of human resources	1 528 000,00	1 146 000,00	1 456 324,99	1 092 243,74
	<b>TOTAL</b>	<b>16 038 696,21</b>	<b>9 362 675,05</b>	<b>14 006 497,36</b>	<b>7 097 761,99</b>
<b>PHARE 2003 - SEC</b>					
<b>Nr.</b>	<b>Project Title</b>	<b>Allocation value – total*</b>	<b>PHARE Funds</b>	<b>Funds utilised - total</b>	<b>Utilised PHARE Funds</b>
1.	Development of investments in Białystok	3 317 038,26	2 400 000,00	1 672 300,29	1 079 886,12
2.	Development of Small and Medium Enterprises in Łomża	4 626 536,39	3 421 030,43	477 219,68	456 432,00
3.	Regional Program of Assistance for Small and Medium Enterprises	4 000 000,00	1 500 000,00	0,00	0,00
	<b>TOTAL</b>	<b>11 943 574,65</b>	<b>7 321 030,43</b>	<b>2 149 519,97</b>	<b>1 536 318,12</b>

\* As of 31.12.2005.

An essential role was also played by projects supported from PHARE CBC Baltic Sea Region programme and the PHARE Programme, National Program for Poland, Integrated Eastern Border coordinated by “Euroregion Niemen” Society, and General Directorate for National Roads and Motorways - Białystok Division. Considering the general value of assignments, infrastructure projects were predominant among projects carried out, as illustrated by tables below.

**Table 19. Resources utilised by General Directorate for National Roads and Motorways - Białystok Division in the period of 1999 – 2003 (in thou. euro)**

1999	2000	2001	2002	2003	TOTAL
-	-	-	488,2	4 511,8	<b>5 000</b>

**Table 20. Resources contracted from PHARE programmes serviced by Euroregion Niemen, 1999 – 2003 edition**

Program	Fund	1999	2000	2001	2002	2003	TOTAL
		thou. euro	thou. euro	thou. euro	thou. euro	thou. euro	thou. euro
National Program for Poland – Eastern Border	Small Projects Fund	-	243,4	389,79	310,02	709,12	<b>1652,33</b>
	Small Infrastructure Project Fund	-	-	-	1112,87	946,09	<b>2058,96</b>
	Infrastructure Infra Business Fund	-	-	-	-	5116,29	<b>5116,29</b>
<b>Subtotal</b>		<b>-</b>	<b>243,4</b>	<b>389,79</b>	<b>1422,89</b>	<b>6771,5</b>	<b>8827,58</b>
Cross-Border Programme of Cooperation in the Baltic Sea Region	Small Projects Fund	253,36	260,83	305,22	239,05	285,66	<b>1344,12</b>
	Assistance Scheme	-	-	182,83	646,31	-	<b>829,14</b>
	Institutional Assistance	-	-	90,75	416,5	1162,11	<b>1669,36</b>
<b>Subtotal</b>		<b>253,36</b>	<b>260,83</b>	<b>578,8</b>	<b>1301,86</b>	<b>1447,77</b>	<b>3842,62</b>
<b>Total</b>		<b>253,36</b>	<b>504,23</b>	<b>968,59</b>	<b>2724,75</b>	<b>8219,27</b>	<b>12670,2</b>

## ISPA

Assistance of the Community within the framework of ISPA included financing undertakings in the area of environmental conservation and transport in the following manner:

- investment projects,
- technically and financially independent project stages, with separate preliminary studies, feasibility studies, and technical analyses indispensable for implementation of the enterprise,
- groups of projects,
- systems of projects closely connected to each other.

In the case of projects carried out within the framework of the ISPA Fund it was accepted that, fundamentally, the total cost of the undertaking cannot be less than 5 million Euro, so that the investments carried out within the framework of the fund could make a significant impact on the situation in the scope of environmental conservation and transport.

Within the framework of the amount of 16 490 960,00 Euro won in the years 2000 - 2002 from the ISPA Programme, two assignments were carried out (both approved for implementation in 2001):

–water quality improvement in Białystok: project concerning the improvement of quality of drinking water aimed at meeting the requirements resulting from the Polish law and the European Union law, modernisation of existing wastewater treatment plant by improving systems of removing nitrates, sludge and biogases (total eligible costs: 18 316 000,00 Euro; max. subsidy from ISPA: 10 256 960,00 Euro);

– water quality improvement in Suwałki: project concerning the erection of water purification plant and modernisation of wastewater treatment plant, and also the expansion of the water line network and the sewer network (total eligible costs: 12 468 000,00 Euro; max. subsidy from ISPA: 6 234 000,00 Euro).

**Table 21. Funds used within the ISPA framework (in mln Euro)**

Number of projects	Value of projects	IPSA subsidy
2	30 784,00	16 490,96

Moreover, in 2002, *Technical assistance in drawing up a project for the modernisation of the railway line E75, Warszawa – Białystok – Sokółka – Trakiszki – national border section*, a project for technical assistance from the transport sector, was approved for implementation (total eligible costs: 3 000 000; max. subsidy from ISPA: 2 400 000,00 Euro).

## SAPARD

Within the framework of the SAPARD Programme as an instrument of a pre-accession programme for agriculture and rural development, the following general objectives for Poland were defined:

- improvement of competitiveness of Polish farming and agricultural and food processing, both on the national and the international markets,
- adjustment of the agricultural and food to the requirements of the Uniform Market in the range of sanitary, hygiene and quality requirements,
- assistance to multifunctional development of rural areas through the development of technical infrastructure and creation of conditions for undertaking non-agricultural economic activity in rural regions.

In the Podlaskie Voivodship, projects were carried out within the framework of the following activities:

- SAPARD Measure 1 – Improvement of processing and marketing of produce and fish
- SAPARD Measure 2 – Investments in farming
- SAPARD Measure 3 – Development and improvement of infrastructure of rural areas
- SAPARD Measure 4 – Diversification of business activity in rural areas

**Table 22. Implementation of SAPARD (since activation on 09.07.2002)  
in the Podlaskie Voivodship\***

Measure	Number of application forms filed	Amount of proposed assistance (PLN)	Number of agreements signed	Amount of agreements signed (PLN)	Amount of payments realised (PLN)
1. Improvement of processing and marketing of produce and fish	82	130 932 796,57	65	117 419 203,67	106 528 281,11
2. Investments in farms	499	28 432 553,41	447	25 818 539,08	25 123 145,42
3. Development and improvement of infrastructure of rural areas	366	135 418 278,61	241	89 385 218,53	88 273 891,41
4. Diversification of business activity in rural areas	520	30 134 639,07	296	18 390 334,17	13 572 565,85
<b>TOTAL</b>	<b>1 467</b>	<b>324 918 267,66</b>	<b>1 049</b>	<b>251 013 295,45</b>	<b>233 497 883,79</b>

\* As of 31.12.2006.

**Activation of Rural Areas Programme (ARAP)**, as one of first programmes supporting the preparation for using European Union pre-accession and structural funds, was carried out on the grounds of the Credit Agreement, signed between the Republic of Poland and the International Bank for Reconstruction and Development on 25.07.2000, and the agreement for the appropriation of funds for the Podlaskie Voivodship, contracted between the Minister of Agriculture and Rural Development and the Podlaskie Voivodship on 12.10.2000.

The Podlaskie Voivodship was awarded the amount of 3 544 704,00 Euro, within the framework of which components of ARAP concerning investments were carried out, i.e.:

- Component C - infrastructure – subsidies for investments in the scope of water supply, sewage disposal and treatment, waste management, and municipal and poviats roads (2 831 031,00 Euro);
- Subcomponent B2 - education (713 673,00 Euro);
- Component B3 – establishing institutional potential of local and regional administration, within the framework of which institutional measures were carried out (institutional analysis, preparation of the Institutional Development Plan, and technical assistance to entities participating in the IDP) as well as Nationwide Training Programme (training for employees of public administration of the Podlaskie Voivodship).

Implementation of ARAP was completed by June 2005.

**Table 23. Value of subsidies for activities carried out within the framework of Activation of Rural Areas Programme in the years 2001-2005 (in mln Euro)**

2001	2002	2003	2004	2005	TOTAL
0,076	2,236	0,519	0,431	0,285	<b>3,547</b>

### Structural funds

The Podlaskie Voivodship received the largest pool of funds from UE structural funds for the regional development within the framework of the **Integrated Regional Operational Programme**. For the realisation of the programme in the years 2004-2006, the Voivodship was awarded in all 109 886 093,00 Euro, i.e. 421 577 995,79 PLN (converted at the exchange rate of 1 Euro = 3,8365 PLN on 31.12.2005) from the funds of the European Regional Development Fund and European Social Fund. The tasks are implemented within three main priorities: Priority I: *Expansion and modernisation of infrastructure serving the strengthening competitiveness of the regions* (allocation: 250 951 419,25 PLN), Priority II: *Strengthening development of human resources in the regions* (allocation: 63 102 364,51 PLN), Priority III: *Local development* (allocation: 107 524 212,03 PLN), and Priority IV: *Technical assistance supporting the implementation process of the IROP*.

In accordance with the structure of the IROP implementation in Poland, two Implementing Institutions (II) exist in the Podlaskie Voivodship: Marshal's Office of the Podlaskie Voivodship as the II for Measures 2.2, 2.5, 2.6, 3.4, Voivodship Labour Office in Białystok as the II for 2.1, 2.3, 2.4, and Intermediary Body located at the Podlaskie Voivodship Office in Białystok. The final decision regarding the selection of projects is at the discretion of the Podlaskie Voivodship Board (Priorities I and III, excluding Measure 3.4: *Microenterprises*) or Implementing Institutions (Priority II and Measure 3.4). In all of these institutions over 80 persons are involved in work at implementing the programme.

The table below presents the state of financial advancement in implementation of the Integrated Regional Operational Programme in the Podlaskie Voivodship as of the end of 2005 (table 24).

**Table 24. Level of fund utilisation within the IROP framework in the Podlaskie Voivodship**

	Allocation for the Podlaskie Voivodship for the years 2004-2006 (EUR)	Funds allocated for the years 2004-2006 converted at the rate (1 EUR = 3,8365 PLN)	Number of application forms and their ERDF/ESF* subsidised value accepted by the Voivodship Board and adopted for realisation		Number and value of contracts (decisions) to subsidise		Level of contracting in relation to allocated funds for the years 2004-2006
<b>TOTAL</b>	<b>109 886 093,00</b>	<b>428 654 660,19</b>	<b>395</b>	<b>375 603 880,60</b>	<b>367</b>	<b>333 642 961,53</b>	<b>77,83</b>
<b>Priority 1</b>	<b>65 411 552,00</b>	<b>255 163 923,20</b>	<b>55</b>	<b>241 141 591,42</b>	<b>52</b>	<b>218 422 798,30</b>	<b>85,60</b>
Measure 1.1	31 785 600,00	121 945 454,40	19	129 470 644,53	18	115 656 221,97	94,84
Measure 1.2	10 757 400,00	41 270 765,10	8	38 801 060,54	7	32 782 070,73	79,43
Measure 1.3	9 612 969,00	36 880 155,57	23	32 531 024,17	22	29 680 838,55	80,48
Submes. 1.3.1	-	-	3	4 852 504,70	3	4 639 082,18	-

*Draft of Regional Operational Programme for Podlaskie Voivodship 2007 – 2013*

*Adopted by the Person Performing the Functions of Voivodship Self-government Organs – the Podlaskie Voivodship Board  
on 5<sup>th</sup> March 2007*

Submes. 1.3.2	-	-	20	27 678 519,47	19	25 041 756,37	-
Measure 1.4	7 946 400,00	30 486 363,60	4	18 790 326,64	4	18 790 326,62	61,64
Measure 1.5	5 309 183,00	20 368 680,58	1	21 548 535,54	1	21 513 340,43	105,62
Measure 1.6	-	-	-	-	0	-	-
<b>Priority 2</b>	<b>16 447 899,00</b>	<b>64 161 609,21</b>	<b>155</b>	<b>40 678 779,67</b>	<b>141</b>	<b>34 983 053,05</b>	7,03
Measure 2.1	4 950 000,00	18 990 675,00	42	12 690 452,79	41	12 433 677,77	-
Measure 2.2	2 805 000,00	10 761 382,50	74	8 918 904,81	74	8 908 884,21	38,81
type I	-	-	42	7 544 488,15	42	7 534 467,55	-
type II	-	-	32	1 374 416,66	32	1 374 416,66	-
Measure 2.3	2 310 052,00	8 862 514,50	16	5 831 382,54	10	3 695 661,54	41,70
Measure 2.4	2 916 312,00	11 188 430,99	11	5 748 306,79	7	3 833 851,91	34,26
Measure 2.5	1 816 535,00	6 969 136,53	8	5 692 957,62	5	4 314 202,50	-
Measure 2.6	1 650 000,00	6330225,00	4	1 796 775,12	4	1 796 775,12	4,09
<b>Priority 3</b>	<b>28 026 642,00</b>	<b>109 329 127,78</b>	<b>185</b>	<b>93 783 509,51</b>	<b>133</b>	<b>78 794 000,10</b>	22,83
Measure 3.1	14 685 600,00	56 341 304,40	41	43 946 961,44	41	37 654 671,93	37,35
Measure 3.2	4 090 434,00	15 692 950,04	22	16 819 046,52	21	14 371 700,59	91,58
Measure 3.3	2 182 400,00	8 372 777,60	2	8 604 782,75	2	6 977 978,16	83,34
Measure 3.4	2 976 208,00	11 418 221,99	109	7 831 525,60	58	4 344 313,85	38,05
Measure 3.5	4 092 000,00	15 698 958,00	11	16 581 193,20	11	15 445 335,57	98,38
Submes. 3.5.1	-	-	8	13 863 035,09	8	12 727 177,46	-
Submes. 3.5.2	-	-	3	2 718 158,11	3	2 718 158,11	-
<b>Priority 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>1 443 110,08</b>	-
Measure 4.1	-	-	-	-	12	805 103,05	-
Measure 4.2	-	-	-	-	15	430 610,41	-
Measure 4.3	-	-	-	-	14	207 396,62	-
Expenditures related to ERDF*	-	-	-	-	226	298 659 908,48	-
Expenditures related to ESF*	-	-	-	-	141	34 983 053,05	-

\* ERDF - European Regional Development Fund; ESF - European Social Fund.

The comparison sheet of contracted funds in the territorial division shows, when it comes to using of funds, the main cities in the voivodship are leading the way: Białystok (2 projects; total value of project subsidies: 48 632 822,04 PLN), Suwałki (3 projects; total value of project subsidies: 22 030 892,96 PLN), and Łomża (6 projects; total value of project subsidies: 19 656 444,95 PLN); carrying out large infrastructure projects on its territory. This follows, among other things, from the experience of these cities in implementing large infrastructure projects realised within the framework of the PHARE Social and Economic Cohesion programme; for instance, the city of Białystok, within the framework of the PHARE SEC edition, realised 4 large infrastructure projects.

The comparison balance sheet below, relating to the realisation of payments within the framework of the IROP, indicates successive increase in the value of payments made on behalf of the beneficiaries carrying out projects subsidised from IROP. The least funds were subsidised the beneficiaries of Priority II – as of 30 April 2006, only 1,67% of allocations. This is, among other things, related to the two-stage structure of implementing this priority, and what follows, a two-stage verification of beneficiary application forms for payments and payments of funds from loans negotiated by the Implementing Institutions.

**Table 25. Funds contracted and paid out within the framework of IROP  
in the years 2004 – 2005 (PLN)**

FUNDS	2004	2005	TOTAL
CONTRACTED	90 083 586,11	243 559 375,42	333 642 961,53
PAID OUT	0,00	61 707 421,78	61 707 421,78

**Table 26. Funds contracted and paid out within the framework of IROP as of  
the end of 2005, 30.03.2006, and 30.04.2006 (PLN)**

PRIORITY	Value of payments realised until the end of 2005	Value of payments realised until 31.03.2006	Value of payments realised until 30.04.2006
Priority I	30 658 257,32	52 347 361,12	54 321 877,68
Priority II	715 291,58	983 788,77	1 077 303,00
Priority III	30 333 872,88	42 902 746,20	43 376 803,20
<b>TOTAL</b>	<b>61 707 421,78</b>	<b>96 233 896,06</b>	<b>97 709 453,91</b>

PRIORITY	Value of payments realised until the end of 2005 as % of allocation	Value of payments realised until 31.03.2006 as % of allocation	Value of payments realised until 31.04.2006 as % of allocation
Priority I	12,22	20,38	21,15
Priority II	1,13	1,52	1,67
Priority III	28,21	38,99	39,42
<b>TOTAL</b>	<b>14,64</b>	<b>22,31</b>	<b>22,65</b>

The voivodship self-government or other entities at the regional level also partake in implementing certain measures within the framework of **sectoral operational programmes**, for which the Managing Authorities are proper ministers or internal entities subordinate to the ministers – Minister of Economy, Minister of Agriculture and Rural Development, Department for ESF Management in Ministry of Regional Development.

Within the framework of the **Sectoral Operational Programme “Restructuring and modernisation of the food sector and rural development 2004-2006”** in the Podlaskie Voivodship, some of the measures are implemented by the Agency for Restructuring and Modernisation of Agriculture – Regional Branch Office in Łomża and by the Podlaskie Voivodship Marshal’s Office in Białystok.

For some of the measures within the framework of SOP’s “*Restructuring and modernisation of the food sector and rural development 2004-2006*”, the Implementing Institution and at the same time the Final Beneficiary, the Agency for Restructuring and Modernisation of Agriculture was established. The Podlaskie Voivodship’s ARMA Regional Branch Office implements the following Measures throughout the voivodship:

- 1.1 *Investments in farms,*
- 1.2 *Facilitating the start for young farmers,*
- 1.5 *Improvement of processing and marketing of agricultural goods,*

- 2.4 *Diversifying agricultural and agriculture-related activities for the purpose of ensuring variety of measures or alternate sources of income,*
- 2.6 *Development and improvement of technical infrastructure related to agriculture.*

Detailed description of financial aspects of implementing SOP's "Restructuring and modernisation of the food sector and rural development 2004-2006" in the Podlaskie Voivodship is presented in the table below.

**Table 27. Implementation of SOP's "Restructuring and modernisation of the food sector and rural development 2004-2006" by The Podlaskie Voivodship's ARMA\*  
Regional Branch Office**

Measure	Number of application forms filed	Amount of assistance filed (PLN)**	Number of contracts signed	Value of contracts signed (PLN)**	Rate of limit utilisation	Amount of payments realised (PLN)**
1.1. Investments in farms	2166	228 445 639,30	1880	193 577 400,26	97,56%	116 555 527,22
1.2 Facilitating the start for young farmers	1516	75 800 000,00	1156	57 800 000,00	101,35%	57 800 000,00
1.5 Improvement of processing and marketing of agricultural goods	65	195 151 674,70	52	150 697 884,00	Regional envelope missing	46 492 369,00
2.4 Diversifying agricultural and agriculture-related activities for the purpose of ensuring variety of measures or alternate sources of income	480	34 377 082,19	264	18 193 341,50	83,05%	5 350 592,50
2.6 Development and improvement of technical infrastructure related to agriculture	548	20 101 866,71	404	13 622 621,00	104,08%	4 822 824,50
<b>TOTAL</b>	<b>4775</b>	<b>553 876 262,90</b>	<b>3756</b>	<b>433 891 246,76</b>		<b>231 021 313,22</b>

\* as of 31.12.2006

\*\* applies only to EAGGF appropriations

The Podlaskie Voivodship Marshal's Office in Białystok is, in turn, implementing - within the framework of the Sectoral Operational Programme "Restructuring and modernisation of the food sector and rural development 2004-2006" – the following Measures: 2.2 *Integration of land property*, 2.3 *Renovation of rural areas and preservation and protection of cultural heritage*, and 2.5 *Agricultural water resources management*. Until the end of 2006, the Podlaskie Voivodship Board directed for realisation 1 project within Measure 2.2 *Integration*

of land property valued at 3 516 835 PLN – total amount (2 813 468 PLN – UE contribution), 74 projects within Measure 2.3 *Renovation of rural areas and preservation and protection of cultural heritage* valued at 18 234 628 PLN (UE contribution). In the case of Measure 2.5 *Agricultural water resources management* 10 decisions were issued in the total amount – 17 026 175 PLN (UE contribution – 11 822 013 PLN). As a result of the carried through public procurements, the project sums decreased, as presented in the table below.

In accordance with the Contract entered into by the Ministry of Agriculture and Rural Development and both the Voivodship self-government and the Agency for Restructuring and Modernisation of Agriculture dated 07.01.2005, until the end of 2006 ARMA carried out payments totalling 2 105 048 PLN (UE contribution).

**Table 28. Implementation of SOP’s “Restructuring and modernisation of the food sector and rural development 2004-2006” by the Podlaskie Voivodship Marshal’s Office\***

Measure	Number of application forms filed	Amount of assistance filed (PLN)**	Number of contracts signed	Value of contracts signed (PLN)**	Rate of limit utilisation	Amount of payments realised (PLN)**
2.2 Integration of land property	1	2 821 470,40	1	2 813 468	103,46 %	0
2.3 Renovation of rural areas and preservation and protection of cultural heritage	124	30 532 269,31	74	16 655 075	100,51 %	2 105 048
2.5 Agricultural water resources management	20	27 144 826,90	10	11 554 494	47,25 %	0
<b>TOTAL</b>			<b>85</b>	<b>31 023 037</b>	<b>70,92 %</b>	<b>2 105 048</b>

\* as of 31.12.2006

\*\* applies only to EAGGF appropriations

During the period of European Union structural funds programming for the years 2000-2006, the Podlaskie Voivodship self-government has also participated in implementation of the **Sectoral Operational Programme “Human Resources Development 2004-2006” (SPO HRD)** supported by the European Social Fund. The function of the Final Beneficiary (Implementing Institution) within the framework of Measures 1.2. *Perspectives for youth* and 1.3. *Counteracting and combating long-term unemployment.*, i.e. Measures in case of which the regional system of implementation was adopted, was given to the Voivodship Labour Office in Białystok. Within the framework of the above Measures, projects of the labour market are realised in the scope of assisting unemployed youth, alumni, and persons with long-term unemployment. The amount of allocations for the Podlaskie Voivodship within the framework of SPO HRD amounted to 43 084 493,75 PLN, within this for Measure 1.2 – 23 289 886,77 PLN and for Measure 1.3 – 19 794 606,98 PLN. Detailed state of financial advancement in implementing the SPO HRD in the Podlaskie Voivodship is presented in the table below.

**Table 29. State of implementation of Sectoral Operational Programme’s “Human Resources Development” by VLO Białystok\***

Measure	Number of application forms filed	Amount of assistance filed (PLN)**	Number of contracts signed	Value of contracts signed (PLN)**	Rate of limit utilisation	Amount of payments realised (PLN)**
1.2 Perspectives for youth	47	35 606 076,10	36	23 289 886,77	100,00%	14 544 207,48
1.3 Counteracting and combating long-term unemployment	49	32 473 755,70	34	19 794 606,98	100,00%	9 729 273,86
<b>TOTAL</b>				<b>43 084 493,75</b>	<b>100,00%</b>	24 273 481,34

\* as of 31.12.2006

\*\* applies only to ESF resources

Within the framework of the **Sectoral Operational Programme’s “Enhancement of the Competitiveness of Enterprises, years 2004-2006”** part-funded within European Regional Development Fund some measures were implemented by Regional Financing Institution – the Podlaska Regional Development Foundation in Białystok. The regional dimension concerns the following Measures: 2.1 *Enhancement of competitiveness of small and medium enterprises through consulting*, and 2.3 *Enhancement of competitiveness of small and medium enterprises through investments*. In view of the shortage of limits of financial resources in the breakdown into regions, a detailed scheme of financial assistance for beneficiaries from the territory of the Podlaskie Voivodship is presented in the statement below.

**Table 30. State of SOP ICE by PRDF in Białystok\***

Measure	Number of application forms filed	Amount of assistance filed (PLN)**	Number of contracts signed	Value of contracts signed (PLN)**	Rate of limit utilisation	Amount of payments realised (PLN)**
2.1 Enhancement of competitiveness of small and medium enterprises through consulting	86	2 526 967,00	47	1 266 043,50	Regional envelope missing	331 979,00
2.3 Enhancement of competitiveness of small and medium enterprises through investments	809	325 115 658,51	126	74 664 587,24	Regional envelope missing	36 625 675,54
<b>TOTAL</b>						

\* as of 31.12.2006

\*\* applies only to ERDF resources

\*\*\* applies to contracts ended and cleared

## **Evaluation of efficiency of up to the present pre-accession assistance and European Community funds for the region**

Within the framework of Poland's preparation of joining the European Union, the Podlaskie Voivodship, starting in the year 2000, has been utilizing funds coming from four editions of the PHARE– Social and Economic Cohesion programme. The conducted projects are directed at supporting the production sector, development of human resources in the region as well as expansion and modernisation of infrastructure.

In the scope of the infrastructure component in the years 2000 – 2005, realisation of eleven large projects and 14 small municipality investments was started.

Realisation of tasks carried out within the PHARE 2000 framework was completed, i.e.:

- Modernisation of national route 61 (Grajewo – Rajgród section),
- Tunnel in the Białystok bypass,
- Modernisation and promotion of the Augustów Canal,
- Small Infrastructure Investments within the framework of which 14 municipal investments were part-financed in the scope of modernisation of roads, construction of water pipe and sewage networks, wastewater treatment plants,
- A project within the scope of development of human resources,
- Development of SME – Investment Grant Scheme.

Realisation of tasks carried out within the PHARE 2001 framework was completed, i.e.:

- The Białystok roads system,
- Extension of national route 61 (Szczuczyn-Grajewo sec., Grabowo-Szczuczyn sec.),
- Water and wastewater management system in Łomża,
- Employment promotion and development of human resources,
- Promotion of development of small and medium enterprises.

The remaining editions of PHARE SEC (2002, 2003) are still in the course of implementation with a varying degree of technical advancement of work. Projects being realised concern: modernisation of national route 61, Barszcze-Netta sec. (PHARE 2002), improvement of access to investment terrain in Suwałki (PHARE 2002 SEC) and in Białystok (PHARE 2002 SEC), development of investments in Białystok (PHARE 2003 SEC), development of Small and Medium Enterprises in Łomża (PHARE 2003 SEC).

The outcome of project implementation of the PHARE SEC programme is also financial, training, and consulting assistance, for small and medium enterprises operating in the region within the framework of main subprojects, which are:

- Investment Grant Scheme,
- Entrepreneurship Development Programme,
- Export Entrepreneurship Development Programme,
- Internet Entrepreneurship Development Programme,
- Information Technologies for Enterprises.

The experience in implementing this component transposed itself directly onto the realisation of Measure 3.4 IRDP “Microentrepreneurships”. It is noticeable that entrepreneurs from the Podlaskie Voivodship in particular are seeking the possibility of financing the purchase of fixed assets allowing the introduction of new services/products in the enterprise. During the implementation of the PHARE SEC programme, among the offered possibilities of assistance of particular interest was the Investment Grant Scheme of the SME component (from 584 grant agreements 529 were in the scope of IGS), and within Measure 3.4 IRDP all

projects, for which subsidy agreements were signed, were investment projects (no consulting projects).

In the scope of projects realised within the framework of Human Resources Development component subprojects were/are carried out relating to, among other things:

- active functioning of labour market for the unemployed and other persons meeting difficulties on the labour market,
- promoting entrepreneurship through training,
- promoting adaptive abilities within the framework of which training for employees of SME was conducted,
- assisting development of local partnership cooperation in the field of employment through organised training,
- training and business consulting for persons in danger of unemployment,
- promoting the basis of entrepreneurship in secondary schools.

Within the framework of individual PHARE editions:

- built/modernised/rebuilt **61,1321 km** of voivodship, poviat, and municipal roads,
- built/rebuilt **approx. 30,8 km** of water pipe line,
- built/rebuilt **64,42 km** of sewer system,
- built **0,66 km** of gas pipe line.

The participation of the Podlaskie Voivodship in all of the PHARE SEC editions influenced the improvement of voivodship's competitiveness versus other regions of Poland. First and foremost, it made it possible for the local self-government entities, entrepreneurs, and other institutions to familiarize themselves with the procedures of implementing projects co-financed from European Union resources. It can be supposed that the observed high activity of entities applying within the framework of the Integrated Regional Operational Programme 2004-2006 is, among other things, the effect of realised pre-accession programmes in the Podlaskie Voivodship.

Within the framework of Activation of Rural Areas Programme (ARAP) infrastructure investments were realised in the range of water supply, sewage disposal and treatment, waste management, as well as municipal and poviat roads (component C), tasks supporting development of education in rural areas (subcomponent B2), tasks supporting development of institutional potential of local and regional administration (component B3).

Within the framework of appropriated resources for component C (2 831 031,00 Euro), 49 infrastructure investments were implemented, including: 11 poviat roads, 29 municipal roads, 6 water pipe lines, 3 sewage system investments.

Material outcome of implemented projects is:

- construction and modernisation of 111,748 km of roads,
- installation of 98,442 km water pipe lines,
- completion of 920 pcs. of water service lines,
- completion of 213 pcs. of household water treatment facilities,
- completion of 4,915 km of sewage system,
- completion of 321 pcs. of sewer service lines.

At the same time, while implementing component C, all the entities of local self-government had the possibility of benefiting from a training programme concerning the realisation of infrastructure projects in rural municipalities. The training was aimed at

preparing beneficiaries for efficient utilisation of public financial resources for infrastructure investments. Within the framework of this programme a possibility of cost free participation in training existed for 2-3 representatives of all local self-government entities in the Podlaskie Voivodship. One hundred and forty seven local self-government employees from 84 local self-government entities took advantage of the proposed offer.

On the other hand, within the framework of subcomponent B2 (713 673,00 Euro), 89 proposals were implemented (made up of 142 projects), which were filed by local self-government entities for renovations and furnishing of schools, and common rooms situated in rural areas. Within the framework of this task, 21 renovations of common rooms and 79 renovations of schools were carried out, as well as furnishing for 26 common rooms and 16 preschool classrooms.

Implementation of tasks in the scope of building institutional potential of local and regional administration - component B3, institutional measures were realised, Institutional Development Plan was prepared (entities participating in IDP received information equipment and software in the amount equivalent to 395 667,00 Euro), as well as within the framework of all-Poland Training Programme training for employees of public administration of the Podlaskie Voivodship was carried out.

Within the framework of the Integrated Regional Operational Programme until the end of 2005 within the framework of **Priority I – Expansion and modernisation of infrastructure serving the strengthening of competitiveness of the regions**, 52 projects were carried out for a total sum of subsidy from ERDF of 218 422 798,30 PLN, which makes up over 85% of resources allocated for Priority I within the framework of IROP 2004-2006. Implementation of 13 projects was completed for a total sum of subsidy from ERDF of 16 515 699,32 PLN. Expenditures for over 30 mln PLN were refunded (12,22% of value of allocation granted for Priority I).

Within the framework of **Priority II – Strengthening of human resources development in the regions**, in the above mentioned period 141 projects were carried out for a total sum of subsidy from ESF of 34 983 053,05 PLN, which makes up over 54% of resources allocated for Priority II within the framework of IROP 2004-2006. In all, in the Priority II projects 21 772 persons participated, including 15 378 persons coming from rural areas. Within the framework of Measure 2.2 *Equalising educational opportunities through grant programmes*, the subsidy assistance from inception of realisation involves 9 959 pupils and students, including 9 449 persons coming from rural areas. Implementation of 30 projects was completed for a total sum of subsidy of ESF of 3 153 171,29 PLN. Expenditures in the amount of over 715 thou. PLN (1,13% of the value of allocation granted for Priority II) were refunded.

Within the framework of **Priority III – Local development**, in the above mentioned period 133 projects were carried out for a total sum of subsidy from ERDF of 78 794 000,00 PLN, which makes up over 72% of resources allocated for Priority III within the framework of IROP 2004-2006. As a result of implementing only Measure 3.4 *Microenterprises*, subsidy agreements included 58 projects of entrepreneurs from the Podlaskie Voivodship (ERDF value of over 4 mln PLN) and another 51 agreements are planned to be signed in the amount of subsidy of over 3 mln PLN. In all, in Priority III implementation of 74 projects was completed for a total amount of subsidy from ERDF of 36 887 796,35 PLN. Expenditures in the amount of over 30 mln PLN (28,21% of the value of allocation granted for Priority III) were refunded.

Within the framework of **Priority IV – Technical assistance**, in the above mentioned period 41 projects were carried out for a total sum of subsidy from ERDF of 1 443 110,08 PLN. Implementation of projects was completed for a total sum of subsidy of ERDF of

710 814,65 PLN. Expenditures in the amount of over 34 thou. PLN (0,46% of the value of allocation granted for Priority IV) were refunded.

The number of project initiators competing for subsidies for carrying out own tasks, proves great interest in the possibility of benefiting from subsidies within the structural funds resources. Until the end of December 2005 within the framework of IROP Priorities: *I. Development and modernisation of the infrastructure to enhance the competitiveness of regions, II. Strengthening the human resources development in regions, and III. Local development*, 1219 application forms were filed for a total amount of subsidies of over 1,53 mld PLN Amongst the submitted application forms as well as based upon their formal and substantive evaluation, the Board of the Podlaskie Voivodship chose for realisation 395 application forms for a total amount of subsidies of over 375,6 mln PLN Such high an activeness of the project authors results, among other things, from experience in winning resources from pre-accession funds implemented in the voivodship beginning in the 90's. Above all, however, it is evidence of the enormous need of the Podlaskie Voivodship and its inhabitants in the scope of regional development.

The most application forms were filed in Measures: 3.4 *Microenterprises* (298) and 3.1. *Rural regions* (275). Great popularity of Measures 3.4 and experience in utilising resources within the framework of pre-accession programme PHARE Social and Economic Cohesion in the scope of small and medium enterprises show, that this should be one of the most important directions of assistance in next period's programming. Comparing the quantity and the value of application forms filed to other IROP Measures, the least popular was Measure 3.3 *Degraded urban, post-industrial and post-military areas*, where only 4 application forms were filed for a total amount of subsidy of nearly 19 mln PLN However, the greatest amount of subsidy – over 129 mln PLN, was granted for the realisation of projects in the scope of Measure 1.1 *Modernisation and expansion of the regional transport system*.

Until the end of December 2005, 31 agreements in the total amount of subsidies of 81 588 802,76 PLN for subsidising projects of regional significance, of which beneficiaries are, among other things, the voivodship self-government, institutions of higher education, and also hospitals.

Within the framework of IROP Priority I and III, until 31 December 2005, 127 agreements were signed for a total amount of subsidy of 19 292 872 484,55 PLN. This makes up 84,39% of resources allocated for these Priorities for the Podlaskie Voivodship.

Moreover, 7 agreements of financing a Measure within the framework of Priority II and Measure 3.4 for a total amount of subsidy of 54 125 757,60 PLN.

Within Technical Assistance (Priority IV), 41 agreements and decisions to subsidise were signed for a total amount of subsidy of 1 443 110,08 PLN.

The main beneficiaries of IROP are the voivodship's largest cities: Białystok, Suwałki, and Łomża, implementing large infrastructure investments. Creating possibilities of financing tasks in large cities should be one of the directions of next period's programme.

Until the end of 2005, completion of implementation of 88 projects of the value of 56 556 666,96 PLN were monitored by the Podlaskie Voivodship Labour Office.

Since the beginning of realisation of IROP in the Podlaskie Voivodship until the end of 2005:

- constructed/modernised **109,47 km** of voivodship, powiat, and municipal roads,
- constructed **193,87 km** of water pipe line,
- constructed **54,25 km** of sewage system,
- constructed/modernised **4** water purification plants,
- modernised **3** wastewater treatment plants,
- renovated/modernised **4** educational facilities and **12** healthcare facilities,

- purchased **93 pcs.** of medical equipment for hospitals.

## **2. DEVELOPMENT STRATEGY OF THE PODLASKIE VOIVODSHIP**

*The Development Strategy of the Podlaskie Voivodship until 2020* was enacted by the Podlaskie Voivodship Sejm on 30 January 2006. It describes the mission in the development of the voivodship, marks out objectives and assigns priorities to them.

The Mission of The Development Strategy of the Podlaskie Voivodship is:

**The Podlaskie Voivodship - a region of active and balanced development  
with the use of qualities of the natural environment and multicultural tradition; a  
borderland.**

Seven particular objectives were marked out focusing on increasing investment and tourist attractiveness of the voivodship, competitiveness of the Podlaskie businesses, as well as developing human resources in accordance with the needs of the local job market.

Objectives will be realised through 3 priorities interfering in technical infrastructure, social and economical base of the voivodship.

Implementation of the Strategy will allow for enhanced socio-economic cohesion and competitiveness of the region through conditions created for fuller utilisation of its potential, and will also strengthen the development of metropolitan functions of Białystok – capital and the region’s most dynamically developing city.

The instruments of implementation of *The Development Strategy of the Podlaskie Voivodship until 2020* will be:

- Regional Operational Programme for the Podlaskie Voivodship for the years 2007-2013,
- OP Innovative Economy,
- OP Infrastructure and Environment,
- OP Human Capital,
- OP Development of Eastern Poland,
- European Territorial Cooperation Programmes, and
- Rural Areas Development Programme.

**Figure 4. Realisation of objectives of the Development Strategy of the Podlaskie Voivodship until 2020 in individual Operational Programmes and RADP**

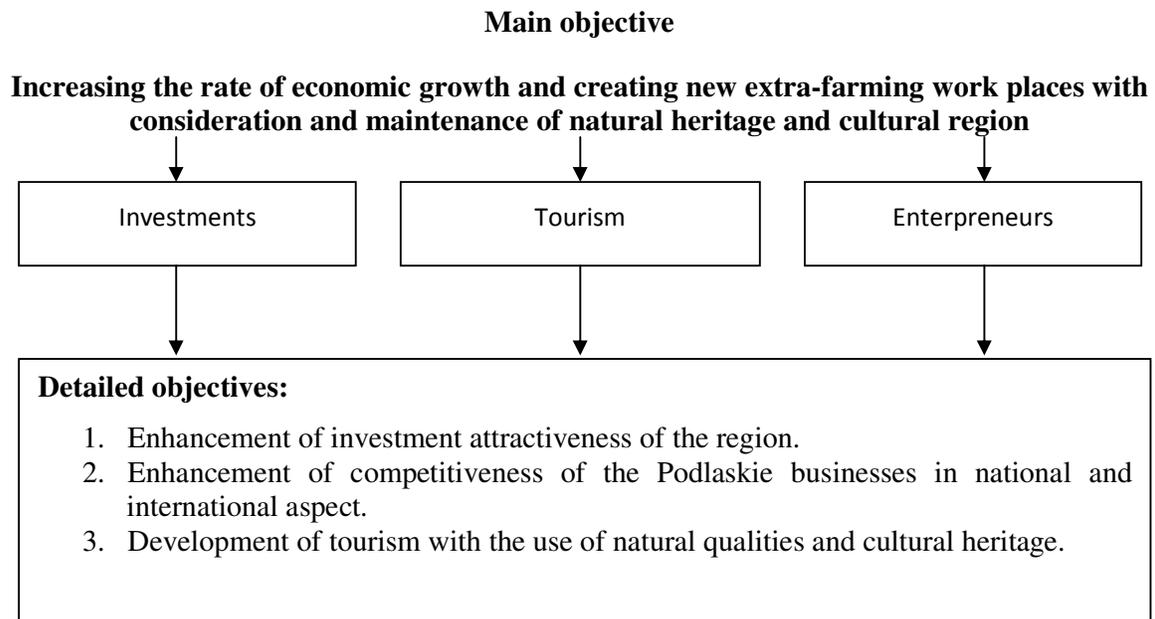
<b>PROGRAMY OPERACYJNE</b>  <b>CELE SZCZEGÓŁOWE SRWP</b>	<b>Regional Operational Programme of the Podlaskie Voivodship for the years 2007-2013</b>	<b>OP Innovative Economy</b>	<b>OP Infrastructure and Environment</b>	<b>OP Human Capital</b>	<b>OP Development of Eastern Poland</b>	<b>European Territorial Cooperation Programmes (documents in the course of programming)</b>	<b>RADP</b>
<b>Enhancing investment attractiveness of the voivodship</b>	X	X	X	X	X		
<b>Development of human resources in accordance with the needs of the job market</b>	X			X			
<b>Enhancing competitiveness of the Podlaskie businesses in national and international aspect</b>	X	X		X			
<b>Conservation of natural environment</b>	X		X			X	
<b>Development of tourism with the use of natural qualities and cultural heritage</b>	X		X	X		X	
<b>Utilising cross-border and trans-border location of the voivodship</b>						X	
<b>Development of farming and creation of conditions of multifunctional development of the countryside</b>	X			X			X

### **3. OBJECTIVES OF THE REGIONAL OPERATIONAL PROGRAMME OF THE PODLASKIE VOIVODSHIP FOR THE YEARS 2007-2013**

*Regional Operational Programme of the Podlaskie Voivodship for the years 2007-2013* indicated the objectives of development, emerging directly from the *Development Strategy of the Podlaskie Voivodship until 2020*, correlated with the presumptions of the strategic documents of the national level.

Main objective and its derivative, the detailed objectives, will be carried out through priority axes and measures described in detail in the next chapter.

**Figure 5. Objective arrangement of Regional Operational Programme for Podlaskie Voivodship for the years 2007-2013**



The Podlaskie Voivodship is one of the poorest regions of the European Union. The main objective of the programme thus indicates the necessity of acceleration of economic development of the voivodship. The chances are thought to be in three areas: investments and entrepreneurs as the most essential socio-economic growth factors of the region, and tourism as a branch of economy, for which the voivodship possesses natural-landscape-cultural potential.

**Table 31. Indicators of realisation of ROP's main objective**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year (2015)	Measurement frequency	Source of information
Value of GDP	mIn PLN	21 741	23 263	annually	CSO
Number of work places created as a result of programme realisation, including:	nr.	0	2000	annually	MA
- for women	nr.	0	1000	annually	MA
- for men	nr.	0	1000	annually	MA
- in rural areas	nr.	0	500	annually	MA

### Strategy for implementing the objectives

#### Objective 1:

<b>Enhancing investment attractiveness of the voivodship</b>
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The Podlaskie Voivodship is classified as one of the least attractive in the country in terms of investments.

The development of road infrastructure is an indispensable condition to ensure easy and effective access to the region. Improving the network of transport connections will contribute to the development of business activity, will make access to attractive tourist and recreational areas easier, and also, in a more distant perspective, will result in the increase of employment in the voivodship.

Taking into account that the Podlaskie Voivodship borders Belarus and Lithuania, investing in the roads network creates an opportunity for dynamic development of the region situated along the existing and planned European transport corridors linking Central Europe with the Baltic countries.

Opening the Podlaskie air space to air transport through development of necessary infrastructure, would make the region more attractive for both Polish and foreign investors. The indispensable condition is expansion of the network of local airports, with the Podlaskie regional airport as the target. Investment development of the Podlaskie Voivodship will be conducted in consideration of the natural environment.

The element attesting to the attractiveness of the region is the level of social infrastructure. Creation of modern teaching base is the answer to the need for a highly skilled labour force consisting of specialists from diverse fields of economy. Implementation of the objective will be carried out through optimisation of school networks, their expansion, modernisation, and equipping them as best as possible.

Enhancing the investment attractiveness of the Podlaskie Voivodship will also be conducted through increasing the level of public safety, ensuring proper protection and a sense of safety for inhabitants and investors alike – both individual and institutional.

Implementation of intended measure will positively influence the development and investment attractiveness of the region with a strong metropolitan city of Białystok, as a regional centre for business, administration, culture, trade and services.

**Table 32. Indicators of realisation of Objective 1**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year (2015)	Measurement frequency	Source of information
Length of roads with surface improved created as a result of programme implementation	km	0	200	annually	Beneficiaries
Time savings in: - new and rebuilt roads - modernised railways	%	100	7 1	annually	Beneficiaries
Value of new foreign investments owing to assistance within programme framework	mln euro	0	100	annually	Beneficiaries
Area of ground made accessible for investment	ha	0	500	annually	Beneficiaries

Objective 2:

<b>Enhancement of competitiveness of the Podlaskie businesses in national and international aspect</b>
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The Podlaskie Voivodship is characterised by a significant share of small and medium-sized enterprises in the total number of private entities in the region's economy and their participation in producing the regional GDP. The principal problems of this sector, beside the shortage of capital, are: insufficient number of institutions in the surrounding of businesses, skilled labour force, new technologies, and modern information systems. A study addressing the needs of instructional and educational offers as well as financial and loan support of persons intending to either start or expand economic activity, will influence the increase of the degree of economic activation as well as creation of new jobs.

The key to enhancing competitiveness of the Podlaskie businesses is innovation. A fast rate of development of techniques and modern technology implies that only innovative enterprises can come into existence and maintain themselves on the market, hence extremely crucial element of assistance will have to be measures strengthening innovative competitiveness of the Podlaskie enterprises.

Moreover, it is anticipated that strengthening the relationship of science and business will stimulate the SME sector to utilize new technologies, will improve circumstances of development of small enterprises situated near institutions for higher learning as well as

science and research institutes, will drive the development of information systems, and, as a result, will contribute to lasting economic growth. This will also cause the creation of embryos of efficient system of stimulation, transfer, and promotion of innovation.

The element stifling development of the Podlaskie enterprises are difficulties in accessing inexpensive resources to finance further investments. Henceforth, a necessity exists to expand fund system – i.e. guarantor and loan system, as well as creating development funds of high-risk type.

Investments in SME and an easier access to resources will also allow for development of businesses and starting operations for entrepreneurs from rural areas. Creation of conditions which are suitable for operating private businesses for inhabitants of rural areas and small towns will result in decreased employment in the agricultural sector. A big opportunity is seen in the development of tourism and agro-tourism. Creation of alternative sources of employment for farmers will hold back the process of depopulation of rural areas.

Local initiatives of economic activity will be supported through the introduction of new technologies and modern working tools. An important part will also be delivered by the support of environment processing and cooperating businesses.

**Table 33. Indicators of realisation of Objective 2**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year (2015)	Measurement frequency	Source of information
Additional investments created owing to assistance within programme framework	mln euro	0	0,8	annually	Beneficiaries
Number of patents generated within programme framework	nr	0	20	annually	Beneficiaries
Value of export of the Podlaskie businesses supported within programme framework	mln euro	0	6	annually	Beneficiaries

Objective 3:

**Development of tourism with the use of natural qualities and cultural heritage**

The Podlaskie Voivodship, situated within the area of Poland's Green Lungs, is a special terrain due to its richness of the natural environment. Air purity and slight, in comparison with other regions of the European Union, human interference in the environment bestows upon these areas a distinctive aura and a feeling of exceptional climate and unique character. Distinction to this area is also given by the variety, and sometimes the uniqueness, of different species of plants and animals found here. Particular dimension of its conservation manifests itself in national and scenic parks, nature preserves, and other areas of conserved landscape. Precious in the aspect of nature, the biodiversity was also included within the framework of European Ecological Network NATURA 2000, encompassed within the framework of areas of

special protection of birds and special areas of habitation, which makes up approx. 26,2% of voivodship's area.

Unique natural conditions create numerous possibilities for cultivating tourism, for instance traditional historical and cultural heritage tourism, natural tourism, boating, or a peculiar kind of recreation, i.e. therapeutics and spa tourism.

The essence of the limited possibilities of increasing the use of the existing potential of the region, especially in the scope of dominant in the Podlaskie Voivodship nature tourism is the short tourist season and condition of the infrastructure base. The tourist season nearly coincides with the vacationing season, including only the period starting May/June until the end of September. However, the limitations of infrastructure nature comprise elements of the lodging base - oftentimes inadequate to the needs of tourists, especially with reference to a base of higher standards, and also the infrastructure accompanying sporting activities, including winter sports or utilising the tourist season in an active manner. In both cases it concerns its irregular distribution throughout the region.

The fundamental developmental objectives, thus, have to be directed towards making the Podlaskie Voivodship, in the long perspective, available to tourists by prolongation of the tourist season. The means of achieving the assumed objectives will be: the implementation of activities and projects, above all, in the area of making available the restored and renovated objects of historical and cultural heritage, also in the area of improving quality of lodging base and accompanying infrastructure, and recreational and repose base, and also investments in the basic technical infrastructure, which includes the roads, water pipe, and sewer networks in the rural areas.

Also, an essential and constant element of tourism development strategy of the region is development of alternative tourism on the base of multicultural tradition of the region, as well as the prospective directions of the tourism sector, for instance: spa health services or business tourism. In this area the assistance will concentrate on supporting initiatives and measures increasing the tourist attractiveness of the Podlaskie Voivodship.

**Table 34. Indicators of realisation of Objective 3**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year (2015)	Measurement frequency	Source of information
Number of tourists visiting the region - including foreign	person	398 271 85 981	477 982 94 580	annually	CSO
Number of lodgings in tourist objects generated within the framework of programme realisation	nr.	0	500	annually	Beneficiaries

Above objectives will be realised through the following priority axes:

Priority Axis I      **Increase of innovation and support of entrepreneurship in the region**

Priority Axis II     **Development of transport infrastructure**

Priority Axis III	<b>Tourism development</b>
Priority Axis IV	<b>Information society</b>
Priority Axis V	<b>Development of infrastructure for environmental protection</b>
Priority Axis VI	<b>Development of local infrastructure</b>
Priority Axis VII	<b>Development of social infrastructure</b>
Priority Axis VIII	<b>Technical assistance</b>

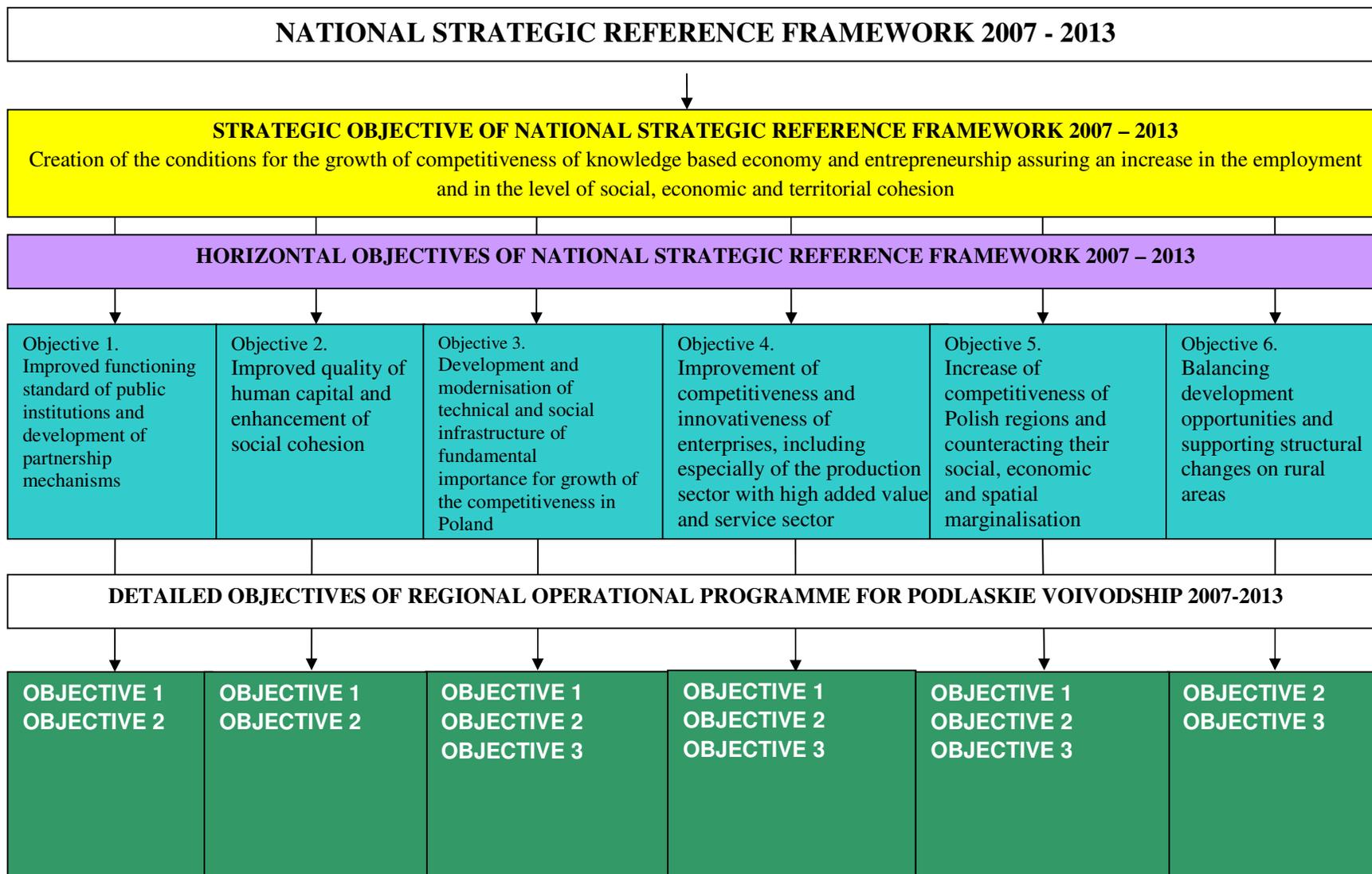
#### **4. REGIONAL OPERATIONAL PROGRAMME FOR PODLASKIE VOIVODSHIP 2007 – 2013 AND NATIONAL STRATEGIC REFERENCE NETWORK 2007 – 2013**

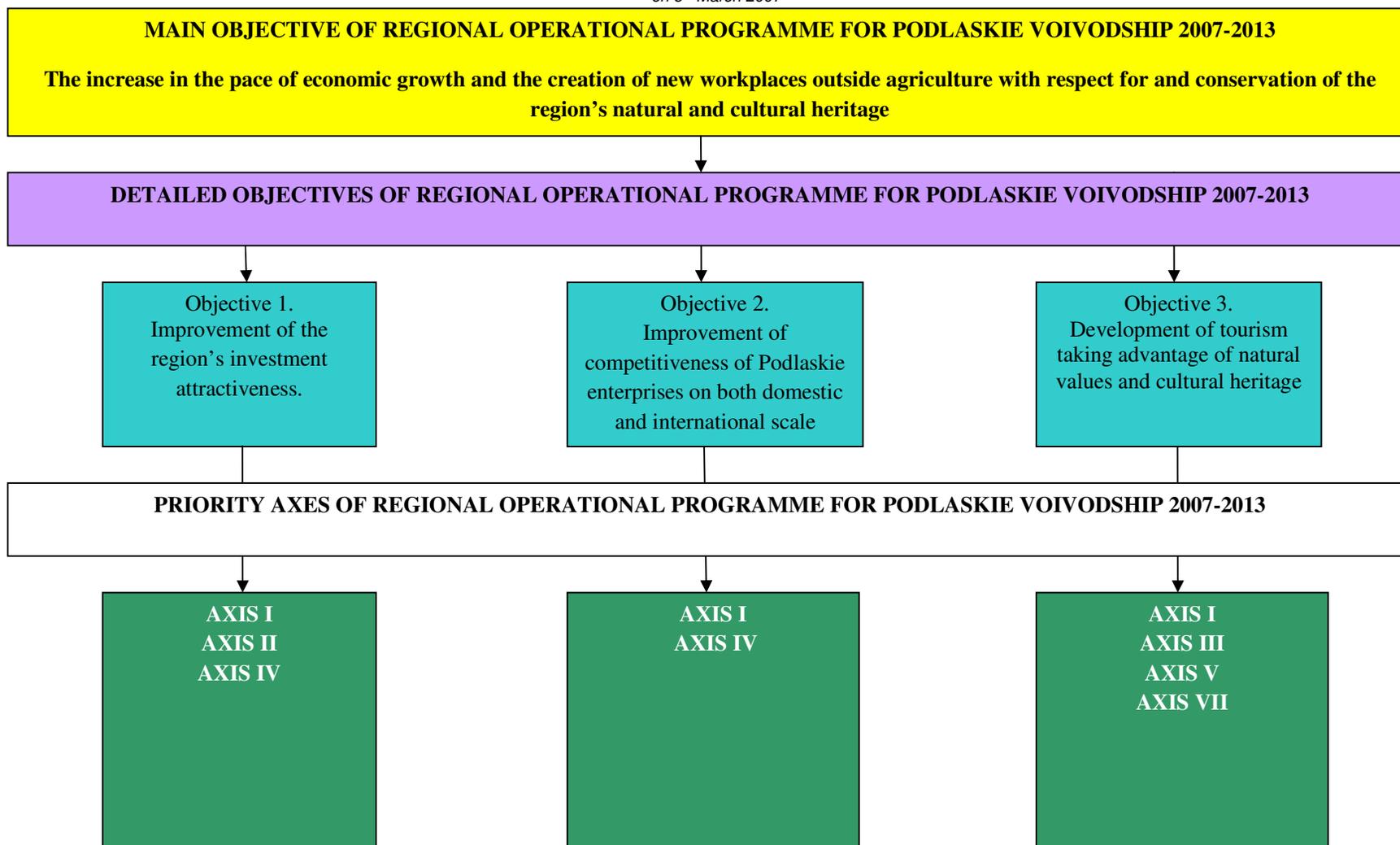
The objectives and priority axes of *Regional Operational Programme for Podlaskie Voivodship 2007-2013* must be coherent with *Podlaskie Voivodship Development Strategy to 2020*, and, at the same time, should realise the objectives of National Strategic Reference Framework 2007-2013.

The diagrams below show the correlation between the objectives and priorities/priority axes of National Strategic Reference Framework and Regional Operational Programme for Podlaskie Voivodship.

The first one shows the correlation between the objectives of National Strategic Reference Framework and the objectives of Regional Operational Programme for Podlaskie Voivodship 2007-2013; indicates which ROP objectives realise each individual NSRF objective. As we can see, each particular NSRF objective (ERDF funded) shall be realised by more than one ROP objective.

The second diagram gives a more detailed picture at the Programme level, showing which ROP priority axes contribute directly to achieving specific ROP objectives. Each objective has several priority axes assigned to it.





## **5. PRIORITY AXES AND MEASURES REALISED WITHIN THE FRAMEWORK OF REGIONAL OPERATIONAL PROGRAMME FOR PODLASKIE VOIVODSHIP 2007-2013**

### **5.1. PRIORITY AXIS I: Increase of innovation and support of entrepreneurship in the region**

#### **Main objective of Priority Axis:**

Improvement of competitiveness and innovativeness of Podlaskie Voivodship economy
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#### **Justification of Priority Axis**

The innovative development of Podlaskie Voivodship is mainly based on the *Regional Innovation Strategy for Podlaskie Voivodship*, a document adopted in 2005, of fundamental importance for development of entrepreneurship and its relations with institutions of business environment, higher education establishments and scientific units. It indicates areas in which Podlaskie Voivodship features low innovation potential, which is chiefly due to low level of expenditures on research and development sphere (R&D) and poor co-operation between R&D and economy. The knowledge potential present in R&D sphere and the technical infrastructure very often do not correspond with enterprises' needs. A structural weakness of R&D sector is focusing its activities mainly on basic research and reacting to enterprises' market needs to a lesser degree. It is emphasised that, the innovative activity is not only R&D sphere, but also production and other activities connected with introducing innovative products to the market. The innovative activity is also linked to exploitation of information technologies, including the development of entrepreneurs access to information and public services on-line.

Within the framework of Priority Axis, the actions that shall be supported in the first place are those that favour the dynamic growth of the three industrial clusters described in *Podlaskie Voivodship Development Strategy to 2020*, namely food (mainly dairy), wood (including furniture) and machinery and also, due to its significance for the voivodship, in the tourism sector.

#### **Description of Priority Axis**

Within the framework of Priority Axis, in the scope of development of innovativeness, the projects that shall be supported include research projects, creation and development of infrastructure adjusted to the needs of technologically advanced enterprises, i.e. thoroughly prepared investment areas, industrial parks, scientific and technological parks, technology incubators (including business incubators). Projects aimed at renovation of post-industrial and post-military facilities, which makes them ready for investments increasing the level of innovativeness in the voivodship (e.g. industrial parks, investor service centres, promotion centres, centres of vocational training etc.) shall be subject to support as well.

The economy of Podlaskie Voivodship is to a large extent based on SMEs, which generate a large number of workplaces. Since this phenomenon is present throughout Europe, it is

reflected in the Lisbon Strategy and other European programming documents. To reduce development barriers in this sector, the Priority Axis shall provide two levels of support.

The assistance shall be of indirect character, and shall provide access to financial instruments resting at the disposal of institutions of business environment. There shall be actions undertaken to make it easier for the entrepreneurs to access external capital and labour resources, namely the creation and co-funding of loan and guarantee funds and other funds supporting SMEs. To facilitate the start-up of newly established enterprises, entrepreneurship counselling support shall be provided as well.

A vital element of entrepreneurship support shall be the instruments of direct funding granted to the entrepreneurs' investment initiatives. Investment activities which improve the competitiveness of enterprises are planned to be supported in the forms of investment grants for existing and newly established SMEs and micro-enterprises. In addition, investment activities which adjust enterprises' infrastructure to the requirements of environment protection shall be supported.

The support given within the framework of Priority Axis is to contribute to the increase in positive socio-economic effects and to the improvement of the region's attractiveness and competitiveness.

Beneficiaries of Priority Axis are:

- territorial self-government units, their unions and associations,
- organizational units of territorial self-government with legal personality,
- government administration,
- scientific units,
- higher education establishments,
- social and economic partners,
- NGO's,
- institutions of business environment,
- units of the public finance sector with legal personality (not mentioned above),
- entrepreneurs.

Detailed categories of eligible beneficiaries will be indicated in ROP Complement.

Cross-financing:

Within Priority Axis I, in well justified cases of project or part of project realization, **it is accepted** to finance these activities that are covered by ESF intervention. The share of co-financing may not exceed 10% of the eligible costs of the project.

This possibility is limited to only these activities/projects that are essentials both for good project realization and are directly connected with the project (it will be described in further part of works).

Complementarity with other programmes:

OP Innovative Economy	Priority Axis 1. Research and development of new technologies
	Priority Axis 2. R&D infrastructure

	Priority Axis 3. Capital for innovation
	Priority Axis 4. Investments in innovative undertakings
	Priority Axis 5. Diffusion of innovation
	Priority Axis 6. Polish economy on the international market
OP Development of Eastern Poland	Priority 1. Modern economy Measure 1.3. Support for innovations
OP Human Capital	Priority 2. Development of human resources and adaptation potential of enterprises Priority 8. Personnel for regional economy Priority 10. Partnership for development of rural areas
Rural Areas Development Programme	Axis 1. Improvement of competitiveness of the agricultural and forestry sector Measure: Increase in the added value of basic farm and forest production Axis 3. Quality of life in rural areas and diversification of the rural economy Measure: Establishment and development of micro-enterprises
OP Infrastructure and Environment	Priority 4. Initiatives aimed at adjusting enterprises to the requirements of environment protection

Categories of intervention:

- 01 - R&TD activities in research centres,
- 02 - R&TD infrastructure (including physical plant, instrumentation and high-speed computer networks linking research centres) and centres of competence in a specific technology,
- 03 - Technology transfer and improvement of cooperation networks between small and medium-sized businesses (SMEs), between these and other businesses and universities, post-secondary education establishments of all kinds, regional authorities, research centres and scientific and technological poles (scientific and technological parks, technopoles, etc.),
- 04 - Assistance to R&TD, particularly in SMEs (including access to R&TD services in research centres),
- 05 - Advanced support services for firms and groups of firms,
- 07 - Investment in firms directly linked to research and innovation (innovative technologies, establishment of new firms by universities, existing R&TD centres and firms, etc.),
- 08 - Other investment in firms,
- 09 - Other measures to stimulate research and innovation and entrepreneurship in SMEs.

Area of realization of Priority Axis: Area of Podlaskie Voivodship excluding projects supported within OP Development of Eastern Poland framework

Monitoring indicators of Priority Axis:

**Table No 35. Monitoring indicators – PRIORITY AXIS I:  
Improvement of competitiveness and innovativeness of Podlaskie Voivodship economy**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year (2015)	Measurement frequency	Source of information
<b>Product</b>					
Number of R&D projects	piece	0	40	annually	MA
Number of co-operation projects between enterprises and scientific units	Piece	0	10	annually	MA
Number of projects promoting business, entrepreneurship and new technologies	piece	0	20	annually	MA
Number of projects of direct investment assistance for SMEs	piece	0	600	annually	MA
Of which those in the two first years since activity start-up	piece	0	100	annually	MA
<b>Result</b>					
Number of enterprises which have used the infrastructure of scientific and technological parks, industrial parks and technology incubators	piece	0	30	annually	Beneficiaries
Number of created workplaces in R&D (research jobs only, 5 years after project's commencement)	piece	0	20	annually	Beneficiaries
Number of enterprises subject to support within the programme	piece	0	400	annually	Beneficiaries

## 5.2. PRIORITY AXIS II: Development of transport infrastructure

### Main objective of Priority Axis:

Improvement of transport accessibility of Podlaskie Voivodship through modernisation of transport infrastructure influencing the region's development

### Justification of Priority Axis

The socio-economic growth of Podlaskie Voivodship is being slowed down as a result of large disparities in the development of infrastructure, especially transport infrastructure, between the region and rest of the country. This greatly reduces the chances to match the competition pressure brought by other Polish regions and hinders socio-economic integration. This situation has even worsened since Poland joined the EU.

The condition of transport network layout does not provide the right service quality for both passenger and cargo transport. It hampers both regional and international exchange, in consequence leading to the lack of interest in locating new investments in Podlaskie and paralysing the development of urban areas.

The development of transport infrastructure has a great impact on the increase of attractiveness of Podlaskie Voivodship as a place of work, investment, education, residence and leisure. Initiatives directed at the improvement of transport accessibility of Podlaskie Voivodship and at the increase in the mobility of population will influence the growth of economic and business activity, which determines the region's development opportunities.

### **Description of Priority Axis**

The unsatisfactory technical condition of most roads and engineered facilities, combined with constantly growing traffic volume, poses a serious problem as far as the road infrastructure in Podlaskie Voivodship is concerned.

In order to improve the Podlaskie Voivodship transport accessibility one needs constant undertakings directed at the creation of coherent road network of high quality. It will be achieved by the improvement of parameters of voivodship, powiat and gmina roads to higher technical classes as well as by introducing new engineering solutions e.g. junctions, intersections and cloverleaves at the crossing points.

Once the S8 road is modernised, the need shall arise to build roads to distribute traffic and secure transport accessibility for towns located along the express road. Therefore, it shall be indispensable to reduce the number of traffic inputs and outputs and to extend the network of local roads to serve adjacent areas and thus separate local from transit traffic.

Hence, the Priority Axis shall support projects concerning: construction and reconstruction of voivodship roads adjusting them to the projected volume of traffic and their role in serving region's development areas, construction and reconstruction of powiat and gmina roads which provide for the voivodship's proper socio-economic functioning, construction and modernisation of in-town streets including ringroads, flyovers and other road engineered facilities. Support shall also be given for accompanying road safety (prevention and tracking) and environment protection infrastructure, including equipment for road rescue systems and projects concerning Intelligent Transport Systems.

The existing road and railway connections are insufficient to compensate for the region's peripheral location. Air transport is a significant factor in the development of cities, regions, economy and, because of its long range and short travel time, improves the standards of living. The region's development depends on the development of its regional growth centres, its capital in particular. To develop its metropolitan functions and create endogenic growth impulses, Białystok needs a modern airport capable of serving international transport both passenger and cargo. With the view of Białystok reaching the "Europol" status, it requires direct transport accessibility, which may be provided by a regional airport.

The even development of Podlaskie Voivodship, in particular the necessity to exploit its tourist potential and to provide external investors with appropriate services through the improvement of voivodship's transport accessibility, require the construction of small local airports.

The Priority Axis shall be realised in this field by the construction of a Podlaskie target regional airport, the modernisation and adaptation of sports and medical airfields to enable them to hold irregular air transport. Projects on air transport safety shall also be supported.

In Podlaskie Voivodship, the urban road network and accompanying technical and engineered infrastructure require serious reconstruction and adjustment to the needs of proper socio-economic development. The regional in-town roads of poor technical parameters and deteriorating surfaces do not provide appropriate safety standards and do not meet the users' expectations. This situation worsens the standards of living and deters new investments. Road accidents and growing traffic congestion force the creation of integrated system of public transport in larger cities.

Efficient functioning of transport system in urban areas depends on synchronisation of road and railway networks and on the capability to increase the share of public transport in total passenger transport.

The construction and extension of transport infrastructure, including the facilities enabling the integration of various modes of transport, shall ensure fast passenger transport within the urban areas and the improvement of service comfort.

Within the field of public transport the projects supported shall concern the following: construction, adaptation, extension, renovation and reconstruction of auxiliary infrastructure improving safety and accessibility of public transport networks; construction, reconstruction, extension and modernisation of public transport infrastructure connected with equipment purchase (including the rolling stock); creating conditions for exploitation of railway infrastructure to suit the needs of urban public transport system development, purchase and installation of telematic devices; construction, reconstruction and extension of stops, stations and transfer nodes – integrated with systems of various transport modes, including “Park & Ride” and “Bike & Park” systems with accompanying passenger service infrastructure, as well as Intelligent Transport Systems regarding passenger public transport.

Due to the lack of sufficient financial resources, the technical condition of railway infrastructure is deteriorating. Only the most important lines are being kept in working order, others are subject to repairs ensuring safety of traffic, which is being organised as technical conditions allow.

The decline in demand for railway transport in Podlaskie Voivodship may mean further shutdowns of unprofitable lines. Railway stations and stops are in unsatisfactory condition, with a number of them not corresponding to actual needs.

There is a need to extend and modernise the railway network as a branch of transport least demanding on the environment, particularly in areas of natural and environmental values.

One should strive to adjust the shape of Podlaskie Voivodship railway infrastructure to meet international, domestic and regional demand and to substantiate the rationality of costly investments. Support shall be directed at the creation of combined transport (road-rail) and establishment of logistics centres (within multimodal transport). The improvement of technical condition of railway infrastructure shall directly relieve traffic on the roads.

Thus, the projects which will be realised within the Priority Axis shall concern railway lines renovation, modernisation of railway infrastructure of regional importance, construction, extension, renovation and reconstruction of auxiliary infrastructure increasing safety and accessibility to railway transport network (parking lots, equipment for railway traffic steering, passenger service infrastructure, e.g. stations, waiting rooms), and also purchase of railway transport equipment (rolling stock).

Beneficiaries of Priority Axis are:

- territorial self-government units, their unions and associations,
- organizational units of territorial self-government with legal personality,
- social and economic partners,
- NGO's,
- government administration,
- units of the public finance sector with legal personality (not mentioned above),
- entrepreneurs.

Detailed categories of eligible beneficiaries will be indicated in ROP Complement.

Cross-financing:

Within Priority Axis II, **it is not accepted** to finance these activities that are covered by ESF intervention.

Complementarity with other programmes:

OP Infrastructure and Environment	Priority 6. Road and air transport network TEN-T Priority 7. Environment-friendly transport Priority 8. Transport safety and national transport networks Priority 9. Road infrastructure in Eastern Poland
OP Development of Eastern Poland	Priority 2. Voivodship growth centres Measure 2.1. Systems of city public transport Priority 3. Road infrastructure
Rural Areas Development Programme	Axis 1. Improvement of competitiveness of the agricultural and forestry sector Measure: Improvement and development of infrastructure connected with development and adjustment of agriculture and forestry

Categories of intervention:

- 16 – Railways
- 18 – Railway rolling stock
- 23 – Regional/local roads
- 24 – Bicycle paths
- 25 – City transport
- 26 – Multimodal transport
- 28 – Intelligent transport systems
- 29 – Airports

Area of realization of Priority Axis: Area of Podlaskie Voivodship excluding projects supported within OP Development of Eastern Poland framework

Monitoring indicators of Priority Axis:

**Table No 36. Monitoring indicators – PRIORITY AXIS II:  
Development of transport infrastructure**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year (2015)	Measurement frequency	Source of information
<b>Product</b>					
Number of transport infrastructure projects, of which: - road transport - airport construction/modernisation - public transport - railway transport	pieces	0	33 20 3 5 5	annually	MA
Number of projects on improvement of cities' attractiveness	pieces	0	12	annually	MA
Length of new roads subject to support within the programme	km	0	20	annually	Beneficiaries
Length of reconstructed roads subject to support within the programme	km	0	100	annually	Beneficiaries
<b>Result</b>					
Growth of population using city transport	%	0	1%	annually	Beneficiaries
Number of people using regional railway transport	persons	0	2 500 000	annually	Beneficiaries
Number of people using air transport	persons	0	300 000	annually	Beneficiaries

### **5.3. PRIORITY AXIS III: Tourism Development**

#### **Main objective of Priority Axis:**

Growth of tourism attractiveness and competitiveness of Podlaskie Voivodeship
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#### **Justification of the Priority Axis**

Podlaskie Voivodeship owe good conditions for tourism, sport and recreation development to existence of forest complex, diversified postglacial lie of land, numerous lakes in the northern part of the region, lowland valley rivers with unique in Europe swamps as well as varied, in terms of ethnic cultural environment, clean environment. Use of natural environment, recreation and cultural values, creates chance for the development of region and new work places provided that sport and tourist base is improved.

Additional possibility for the region is health-resort tourism development. Big forests complex, uncontaminated air and deposits of therapeutic mud enhance the importance of medical and therapeutical functions in Augustów and Supraśl.

Support of tourism, sport and recreation infrastructure thorough elaboration of suitable projects, investment facilitations, complex tourist development, and creation of new jobs in tourism and around tourism sectors will result in creation of new tourist products and extending the tourist season in Podlaskie Voivodeship (also in winter time) generating additional profits in that sector and at the same time providing citizens with additional income.

#### **Description of the Priority Axis**

Within Priority Axis foreseen to be supported are projects concerning tourism, sport and recreation infrastructure, health-resort infrastructure, establishing exhibition and conference centers, business tourism development, creation and development of cohesive system of Podlaskie Voivodeship promotion increasing investment and tourism attractiveness of the region. It is possible to support activities concerning promotion of regional brand enhancing the economy of the voivodeship and projects improving safety of tourist flows (monitoring system of strategic points of holiday resorts, establishment of seasonal police stations operating in the places with high tourist flows).

Investments aiming at extending tourist season, and what follows, longer staying of tourists in the region will be cofinanced. It will be accomplished thorough development and modernisation of infrastructure contributing to the development of active leisure, including construction and modernisation of sport, recreation and water transport infrastructure, implementation of investment projects connected with development of therapeutic and recreation functions, elaboration and establishment of information systems and centres, as well as accommodation and gastronomic infrastructure development.

#### **Beneficiaries of Priority Axis are:**

- territorial self-government units, their unions and associations,

- organizational units of territorial self-government with legal personality,
- social and economic partners,
- NGO's,
- The National Forests and its organizational units,
- national and landscape parks,
- units of the public finance sector with legal personality (not mentioned above),
- churches and religious unions and legal persons of churches and religious unions,
- entrepreneurs.

Detailed categories of eligible beneficiaries will be indicated in ROP Complement.

Cross-financing:

Within Priority Axis III, in well justified cases of project or part of project realization, **it is accepted** to finance these activities, that are covered by ESF intervention. The share of cofinancing may not exceed 10% of the eligible costs of the project.

This possibility is limited to only these activities/projects, that are essentials both for good project realization and are directly connected with the project (it will be described in further part of works).

Complementarity with other programmes:

OP Innovative Economy	Priority axis 6. Polish economy on the international market
OP Development of Eastern Poland	Priority II: Provincial growth centres Measure 2.2 Infrastructure of congress and fair-related tourism.
Rural Areas Development Programme	Axis 3. Quality of life in rural areas and diversification of the rural economy Measure: Restoration and development of villages Measure: Establishment and development of micro enterprises

Category of intervention:

- 31 – Inland water roads (local and regional)
- 55 – Promotion of environment features
- 56 - Protection and valorization of environment heritage
- 57 – Other support to improve quality of tourist services

Area of realization of Priority Axis: Area of Podlaskie Voivodeship

Monitoring indicators of Priority Axis:

**Table No 37. Monitoring indicators – PRIORITY AXIS III:  
Tourism Development**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year (2015)	Measurement frequency	Source of information
<b>Product</b>					
Number of projects for tourism development	piece	0	15	annually	MA
Number of projects for sport and recreational infrastructure	piece	0	5	annually	MA
<b>Result</b>					
Number of new job places including woman	person	0	50	annually	beneficiaries
	person	0	30	annually	beneficiaries
Number of tourists using tourism and sport infrastructure supported within Programme	person	0	100 000	annually	beneficiaries

#### 5.4. PRIORITY AXIS IV: Information Society

**Main objective of Priority Axis:**

Popularizing the use of telecommunication systems and increase in the access to electronic services through development of regional teleinformation infrastructure

**Justification of the Priority Axis**

Universality, accessibility and level of information services development has a significant importance for the development of knowledge based economy. Thanks to high competitiveness of well developed network of information services their accessibility increase and their costs of use decrease. Wide possibilities that give application of electronic techniques concerns all fields of social and economic life and cause elimination of institutional and regional barriers and national borders. Establishing broadband infrastructure, especially in rural areas, excludes marginalization of these areas, and equalizes the disparities in access and use of Internet and other information techniques, in particular between big centers, rural areas and small cities. This activity is particularly important for areas located far from economic centers.

Concentration of activities will also focus on e-services development and establishing of infrastructure providing citizens with access to broadband Internet „(last mile)“.

Within Priority Axis supported projects will focus on improving access conditions to Internet, communication development and improvement of Access to public information, electronic economy (e-business), public and commercial e-services (incl. e-government, e-education, e-health, e-security), with particular consideration of equalizing the disparities in access to network and services in rural areas and small cities.

Realization of the Priority Axis will be carried out by construction of backbone local and regional broadband networks connected with broadband network at central level, construction of local and regional teleinformation networks, creation of Public Internet Access Points and

electronic platforms at regional and local level, and Geographical Systems of Spatial Information for regional and local level.

Beneficiaries of Priority Axis are:

- territorial self-government units, their unions and associations,
- organizational units of territorial self-government with legal personality,
- units of the public finance sector with legal personality (not mentioned above),
- social and economic partners,
- NGO's,
- government organizations,
- scientific organizations,
- higher education institutions,
- entrepreneurs.

Detailed categories of eligible beneficiaries will be indicated in ROP Complement.

Cross-financing:

Within Priority Axis IV, in well justified cases of project or part of project realization, **it is accepted** to finance these activities, that are covered by ESF intervention. The share of cofinancing may not exceed 10% of the eligible costs of the project.

This possibility is limited to only these activities/projects, that are essentials both for good project realization and are directly connected with the project (it will be described in further part of works).

Complementarity with other programmes:

OP Innovative Economy	Priority Axis 1. Research and development of new technologies Priority Axis 2. R&D infrastructure Priority Axis 7. Information society establishment and development
OP Development of Eastern Poland	Priority 1: Modern economy 1.2. Infrastructure of information society
OP Human Capital	Priority 1. Employment and social integration

Category of intervention:

- 10 - Telephone infrastructure (including broadband network)
- 11 – Information and communication technologies (*access, security, interoperating, hazards prevention, research, innovations, digital content, etc.*),
- 13 - Services and applications for citizens (*e-health, e-administration, e-education, e-inclusion, etc.*).
- 14 – Services and applications for small and medium enterprises (*e-commerce, education and training, networking, etc.*)

Area of realization of Priority Axis: Area of Podlaskie Voivodeship

Monitoring indicators of Priority Axis:

**Table No 38. Monitoring indicators – PRIORITY AXIS IV:  
Information Society**

Name of indicator	Indicat or	Value in the base year	Assumed value in the target year	Measurement frequency	Source of information
<b>Product</b>					
Number of projects of information Society	piece	0	8	annually	MA
Number of Public Internet Access Points ( PIAP) created	piece	0	300	annually	beneficiaries
<b>Result</b>					
Number of people having broadband Internet access	person	0	350 000	annually	beneficiaries
Number of Public Internet Access Points ( PIAP) users	person	0	300 000	annually	beneficiaries
Number of people using available Internet public services	person	0	150 000	annually	beneficiaries

## 5.5. PRIORITY AXIS V: Development of Infrastructure for Environmental Protection

### Main objective of Priority Axis:

Preservation of natural environment heritage through infrastructure investments reducing negative civilization effects.

### Justification of the Priority Axis

Podlaskie Voivodeship plays an important ecological role in the country and in the whole Europe. Characteristic feature of natural environment in Podlaskie Voivodeship is its high biological diversity. It results from great range of types of well preserved, unchanged landscapes. Outstanding attributes of natural environment impose obligation to sustain these goods for future generations. 32% of voivodeship area constitutes coherent, multispatial ecological system of protected areas.

Growing threats and adverse phenomena resulting from business activities require systematic care and approach to improve and sustain current state of natural environment in region.

### Description of the Priority Axis

Activities within this Priority Axis should aim to support complex projects concerning protection of natural habitats (ecosystems) on protected areas, preserve endangered species and genetic diversity of plants, animals and mushrooms. Support will be given to the projects that contribute to the restraint of biological diversity losses at each level of its organization, that is diversity of intraspecies and overspecies (ecosystems and landscapes). Within the

Programme support will be given to the investment projects concerning construction, modernization and equipping infrastructure and ecological education centers, including those promoting Natura 2000 areas.

The objective of this Axis is to implement projects improving the quality of air, water supply systems, quality of underground and overground waters, minimalizing quantities of produced wastes and introducing methods of their recycling and neutralizing, natural environment management, developing ecological awareness and improving growth of unconventional renewable source of energy use.

The water and sewage management system in Podlaskie Voivodship needs further development, particularly in terms of protected areas and the sanitary security of municipal water intakes.

The main direction of activities will be focused on sewage system development, particularly where insufficient use of existing waste water treatment plants occurs. The investments will influence, first of all, living conditions in the region and increase access to recreation and tourist attractive areas. Support will cover investments improving range and quality of functioning of the municipal infrastructure, including water treatment plants. Within the Programme the projects that will be implemented concern waste management envisaged in the Voivode Programme for Waste Management – installations and systems serving max. 150 thousand inhabitants.

One should not forget about the necessity of protection against natural hazards (constant monitoring of objects environmentally hazardous and routes of the transport of hazardous materials in the voivodeship, setting the collectors of so called after accidents wastes), as well as fire protection.

Beneficiaries of Priority Axis are:

- territorial self-government units, their unions and associations,
- organizational units of territorial self-government with legal personality,
- central government,
- The National Forests and its organizational units,
- national and landscape parks,
- units of the public finance sector with legal personality (not mentioned above),
- NGO's,
- water companies,
- entrepreneurs.

Detailed categories of eligible beneficiaries will be indicated in ROP Complement.

Cross-financing:

Within Priority Axis IV, in well justified cases of project or part of project realization, **it is accepted** to finance these activities, that are covered by ESF intervention. The share of cofinancing may not exceed 10% of the eligible costs of the project.

This possibility is limited to only these activities/projects, that are essentials both for good project realization and are directly connected with the project (it will be described in further part of works).

Complementarity with other programmes:

OP Infrastructure and the Environment	Priority I: Water and sewage management Priority II: Waste disposal management and the protection of earth Priority V: Natural environment protection and the development of ecological habits Priority X: Environment-friendly energy infrastructure
Rural Areas Development Programme	Axis 3. Quality of life in rural areas and diversification of the rural economy Measure: Basic services for rural population and economy

Category of intervention:

- 39 – Renewable energy : wind
- 40 – Renewable energy: solar
- 41 - Renewable energy: biomass
- 42 - Renewable energy: hydroelectric, geothermal and other
- 44 - Municipal and industrial waste management
- 45 - Drinking water (management and distribution)
- 46 - Water-sewage management
- 47 – Air quality
- 48 – Sewage treatment
- 51 - Promotion of bio-diversity and environment Prevention (incl. NATURA 2000)
- 54 – Other activities for natural environment protection and hazards prevention

Area of realization of Priority Axis: Area of Podlaskie Voivodship

Monitoring indicators of Priority Axis:

**Table No 39. Monitoring indicators – PRIORITY AXIS V:  
Development of Infrastructure for Environmental Protection**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year (2015)	Measurement frequency	Source of information
<b>Product</b>					
Number of waste water treatment plants constructed /modernised in result of programme realization	piece	0	4	annually	MA
Number of drinking water treatment plants established in result of programme realization	piece	0	7	annually	MA

Number of projects under waste management	piece	0	5	annually	MA
Number of projects under quality of air improvement	piece	0	4	annually	MA
Number of projects under renewable energy	piece	0	4	annually	MA
Number of projects under hazards prevention	piece	0	2	annually	MA
<b>Result</b>					
Potential volume of installed capacity from renewable energy sources	MW	0	5	annually	MA
Number of people connected to water supply system in result of programme realization	person	0	6 000	annually	beneficiaries
Number of people connected to sewerage system in result of programme realization	person	0	6 500	annually	beneficiaries
Number of newly created or recultivated waste dumps in result of programme realization	piece	0	10	annually	beneficiaries

## **5.6. PRIORITY AXIS VI: Local Infrastructure Development**

### **Main objective of Priority Axis:**

Counteraction of social and economic marginalization of less developed areas.
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### **Justification of the Priority Axis**

Considerable areas of Podlaskie Voivodship are threatened with social and economic marginalization. The problem in particular concerns considerable number of rural gminas. Alarming is the high unemployment rate, low education level, low occupational mobility of local societies and low creativity in non-agriculture job search.

About the attractiveness of the rural areas for investors decides, first of all, well developed technical infrastructure. Modernization and applying the latest technologies in farms would increase their productivity and have influence on natural environment improvement.

Promotion of environment-friendly models of production and consumption by the use of new sources of energy and minimalizing the negative influence on environment seem to be necessary to proper rural areas development.

Rural areas require improvement of technical and social infrastructure in order to increase its attractiveness and economic activation.

### **Description of the Priority Axis**

Within Priority Axis foreseen to be supported are projects concerning construction or modernization of local gminas and poviats roads, projects improving the quality of air, concerning construction or modernization of water supply systems, water consumption, systems of sewage disposal and treatment, projects concerning the use of renewable energy and flood protection.

Beneficiaries of Priority Axis are:

- territorial self-government units, their unions and associations,
- organizational units of territorial self-government with legal personality,
- entrepreneurs.

Detailed categories of eligible beneficiaries will be indicated in ROP Complement.

Cross-financing:

Within Priority Axis VI **it is not accepted** to finance these activities, that are covered by ESF intervention.

Complementarity with other programmes:

Rural Areas Development  
Programme

Axis 1. Improving the competitiveness of the  
agricultural and forestry sector

Measure: Improvement and development of  
infrastructure connected with agriculture and forestry  
development and adjustment

Axis 3. Quality of life in rural areas and diversification  
of the rural economy

Measure: Basic services for rural population and  
economy Measure: Restoration and development of  
villages

Category of intervention:

- 23 – Regional/local roads
- 39 – Renewable energy : wind
- 40 – Renewable energy: solar
- 41 - Renewable energy: biomass
- 45 - Drinking water (management and distribution)
- 42 - Renewable energy: hydroelectric, geothermal and other
- 46 - Water-sewage management
- 47 – Air quality

Area of realization of Priority Axis: Rural areas of Podlaskie Voivodship

Monitoring indicators of Priority Axis:

**Table No 40. Monitoring indicators – PRIORITY AXIS VI:  
Local Infrastructure Development**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year (2015)	Measurement frequency	Source of information
<b>Product</b>					
Number of projects concerning local infrastructure, including: - construction/modernisation of roads, - environment protection - renewable energy	piece	0	160 120 7	annually	MA
Number of kilometres of new poviats and gmina roads established in result of projects realization	km	0	20	annually	beneficiaries
Number of kilometres of reconstructed poviats and gmina roads established in result of projects realization	km	0	100	annually	beneficiaries
<b>Result</b>					
Number of people connected to water supply system in result of projects realization in rural areas	person	0	2 000	annually	beneficiaries
Number of people connected to sewerage system in result of projects realization in rural areas	person	0	2 500	annually	beneficiaries

## 5.7. PRIORITY AXIS VII: Social Infrastructure Development

### Main objective of Priority Axis:

Increase of the investment attractiveness of the region through improvement of the social infrastructure quality

### Justification of the Priority Axis

Taking into consideration Podlaskie Voivodship development and improvement of the quality of life it is necessary to provide proper level of social infrastructure and good access to it – under education, health care and potential of historic and cultural heritage of the region.

### Description of the Priority Axis

Provision of proper standard of educational infrastructure shall support the improvement of education quality, education level of inhabitants of Podlaskie Voivodship and better access to it, including institutions ensuring equal educational opportunities (Centre of Practical Training). Realization of these activities should be based on construction, rebuilding and modernization of kindergartens, primary schools, lower secondary schools

(gymnasiums), upper secondary schools, tertiary schools carrying out didactic, science and research activities (e.g. didactic rooms, libraries, laboratories, equipment and other objects for didactic, science and research purposes, sport objects, campuses) and social base for pupils, students, teachers and lecturers, equipping the kindergartens, schools educational institutions and tertiary schools in modern equipment, teaching aids.

Well developed health care should constitute an element developing the strong potential of the society of Podlaskie Voivodship'. Therefore, support shall be provided for the development of health care infrastructure guaranteeing high quality of services, ensuring implementation and use of modern techniques and medical procedures. It requires rebuilding, modernization and proper equipping of hospitals, diagnostic centers and other providing specialist health care. It is necessary to improve quality of services, as well as extending their diagnostic and therapeutic possibilities and informatization of health care units. Within the Priority Axis support shall be given to the activities concerning construction and rebuilding of health care objects, equipping them with suitable medical equipment and purchase of information systems and computer hardware.

Podlaskie Voivodship is multi cultural, multi ethnic and multi religious region. Use of regional historic and cultural heritage resources and at the same time developing cultural tourism, require supporting the institutions dealing with culture and art through rebuilding, construction, and increasing the access to culture objects as well as construction of new culture centers. This type of support will result in wider and diversified range of cultural offers, in internal and external promotion of cultural achievement of the region. Within Priority Axis supported shall be investments related to protection and conservation of cultural heritage objects, conservation of movable monuments, libraries, archives, restoration and revitalization of historical city complex, postindustrial and postmilitary sites of historical value for culture purposes, as well as projects concerning preparation and establishment of culture information systems, including modern network of internet information and promotion of cultural heritage.

Beneficiaries of Priority Axis are:

- territorial self-government units, their unions and associations
- organizational units of territorial self-government with legal personality,
- central government,
- higher education institutions
- legal and natural persons that manager schools and educational institutions
- health care institutions operating in public system of health care
- units of the public finance sector with legal personality (not mentioned above),
- culture institutions,
- social and economic partners,
- NGO's,
- national and landscapes parks,
- churches and religious unions and legal persons of churches and religious unions,
- entrepreneurs.

Detailed categories of eligible beneficiaries will be indicated in ROP Complement.

Cross-financing:

Within Priority Axis IV, in well justified cases of project or part of project realization, **it is accepted** to finance these activities, that are covered by ESF intervention. The share of cofinancing may not exceed 10% of the eligible costs of the project.

This possibility is limited to only these activities/projects, that are essentials both for good project realization and are directly connected with the project (it will be described in further part of works).

Complementarity with other programmes:

OP Human Capital	Priority 3: High quality of educational systems Priority 4. Third level education and science Priority 6. Diseases prevention, health promotion and improvement of health condition of working age population Priority 8. Personnel for regional economy Priority 7. Labour market open for all and promotion of social inclusion Priority 9. Development of education and competences in regions
OP Development of Eastern Poland	Priority I: Modern economy Measure 1.1. Infrastructure of universities
OP Infrastructure and the Environment	Priority V: Natural environment protection and the development of ecological habits Measure 5.4 Development of the citizens' attitude supporting environment protection including biological diversity Priority XII: Culture and cultural heritage Priority XIII: Health security and the improvement of the effectiveness of the healthcare system
Rural Areas Development Programme	Axis 3. Quality of life in rural areas and diversification of the rural economy Measure: Restoration and development of villages

Category of intervention:

- 58 - The protection and preservation of cultural Heritage
- 59 – The development of cultural infrastructure
- 60 –Other support for cultural services improvement
- 75 – Educational infrastructure
- 76 – Health care infrastructure
- 77 –Care and education infrastructure
- 79 – Other social infrastructure

Area of realization of Priority Axis: Area of Podlaskie Voivodship

With exclusion of the projects supported under OP Development of Eastern Poland

Monitoring indicators of Priority Axis:

**Table No 41. Monitoring indicators – PRIORITY AXIS VII:  
Social Infrastructure Development**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year (2015)	Measurement frequency	Source of information
<b>Product</b>					
Number of infrastructure projects including areas of: - education - health care - culture and cultural heritage protection	piece	0	10 20 4	annually	MA
Number of new or modernised infrastructure objects of - education - health care - culture	piece	0	10 20 4	annually	beneficiaries
<b>Result</b>					
Number of students and pupils using infrastructure supported in result of projects realization	person	0	20 000	annually	beneficiaries
Potential number of specialised medical researches conducted by the use of the equipment purchased within projects realization (technical capacities of purchased equipment during year)	piece	0	45 000	annually	beneficiaries

## 5.8. PRIORITY AXIS VIII: Technical Assistance

**Main objective of Priority Axis:**

Support to the institutions involved in the ROP implementation in Podlaskie Voivodship
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**Justification of the Priority Axis**

The objective of Priority Axis is to achieve the efficient management, implementation, monitoring, evaluation and control ROP PV system and ensure fluent transition between subsequent programming periods of structural aid.

Technical assistance will support:

- financing well qualified staff employed to implement ROP PV at voivodship level and financing staff engaged in closing IROP implementation
- upgrading professional qualifications of staff involved in ROP PV 2007-2013 implementation and next programming period by participating in e.g.: trainings, seminars, conferences, stages, study visits and other forms of constant education
- organization of trainings, seminars, conferences, and seminars for beneficiaries
- expert support on programme realization, preparation of analyses, expertises, evaluations of ROP PV, researches evaluating programme
- purchase of office materials and equipment, hardware, specialist software, telecommunication and audiovisual equipment and vehicles.
- monitoring process, financial control, programme audit, appraisal, selection and control of projects realization
- organization and servicing the Monitoring Committee sessions and works concerning projects selection and appraisal
- financing different forms of programme promotion and information activities preparation and dissemination of promotion materials, organization of events promoting ROP PV 2007-2013 and next programming period, publishing and disseminating information materials like e.g. brochures, folders, bulletins and as well programming documents, manuals of the procedures, establishing information ROP PV point, preparation and administration of ROP PV web site/portal
- construction, rebuilding, rent, reconditioning, adaptation or purchase of office space and providing current functioning of ROP PV Managing Authority
- programming period 2014-2020 incl. financing staff engaged in programming for 2014-2020, preparation of necessary documents and analyses concerning next programming period, reimbursement of consultation costs concerning next programming period incl. delegations, organization of seminars and conferences
- process of project preparation and implementation within ROP PV
- costs of ROP PV documents archiving

Beneficiaries of Priority Axis are:

- Managing Authority ROP,
- The bodies participating in management of ROP

Complementarity with other programmes:

OP Technical Assistance

National Cohesion Strategy (National Strategic Reference Framework 2007-2013 in support of growth and jobs)

Community Strategic Guidelines

Category of intervention:

85 – Preparation, implementation, monitoring and control

86 - Evaluation, research, communication and information

Area of realization of Priority Axis: Area of Podlaskie Voivodship

Monitoring indicators of Priority Axis:

**Table No 42. Monitoring indicators.– PRIORITY AXIS VIII:  
Technical Assistance**

Name of indicator	Indicator	Value in the base year	Assumed value in the target year	Measurement frequency	Source of information
Number of posts coofinanced from TA RPO PV	piece	0	120	annually	MA
Number of people covered with trainings	person	0	1400	annually	MA
Number of prepared expertises, analyses and assessments of the programme	piece	0	30	annually	MA
Number of carried out evaluations of the programme	piece	0	10	annually	MA
Number of purchased office materials and equipment essential for ROP implementation	piece	0	400	annually	MA
Number of promotion forms and information campaigns	piece	0	50	annually	MA
Number of meetings of teams for projects evaluation	piece	0	350	annually	MA
Number of Monitoring Committees meetings	piece	0	22	annually	MA
Number of worked out documentations for projects	piece	0	30	annually	MA
Area of rented, renovated, rebuilded or bought office space	m2	0	1500	annually	MA

## 5.9. COMPLEMENTARITY OF ROP PV WITH EUROPEAN FISERIES FUND

Instruments of support envisaged within ROP PV Priority Axis, aroused from social and economic diagnosis of Podlaskie Voivodship, shall be complementary with European Fisheries Fund.

## **5.10. APPROACH TO SUSTAINABLE DEVELOPMENT OF URBAN AREAS OF ROP PV**

Support for sustainable development of urban areas in Regional Operational Programme for Podlaskie Voivodship for years 2007 – 2013 is treated horizontally. It means, there is no defined priority axis dedicated exceptionally for urban areas development.

Economic, social and ecological problems in urban areas shall be realized horizontally in ROP PV through: Increase of innovation and support of entrepreneurship in Podlaskie Voivodship economy (Priority Axis I), Development of Transport Infrastructure (Priority Axis II), Information Society (Priority Axis IV), Development of Social Infrastructure (Priority Axis VII) Development of Infrastructure for Environmental Protection (Priority Axis V).

**6. INDICATIVE FINANCIAL PLAN**

Indicative financial plan – Allocation of financial ERDF funds per Priority Axes ROP PV for years 2007-2013

**Table no. 43. Indicative financial plan for years 2007-2013**

	<b>Name of Priority Axis</b>	<b>share in % of funds intended for implementation of Priority Axis</b>	<b>Amount in euro</b>
<b>Priority Axis I</b>	Increase of innovation and support of entrepreneurship in the region	24	152 689 892
<b>Priority Axis II</b>	Development of Transport Infrastructure	23	146 327 813
<b>Priority Axis III</b>	Tourism Development	12	76 344 946
<b>Priority Axis IV</b>	Information Society	8	50 896 631
<b>Priority Axis V</b>	Development of Infrastructure for Environmental Protection	5	31 810 394
<b>Priority Axis VI</b>	Development of Local Infrastructure	14	89 069 104
<b>Priority Axis VII</b>	Development of Social Infrastructure	10	63 620 788
<b>Priority Axis VIII</b>	Technical Assistance	4	25 448 315
	<b>TOTAL:</b>	<b>100</b>	<b>636 207 883</b>

**Table no. 44. Financial funds for Regionalnego Operational Programme for Podlaskie Voivodship per years (in euro)**

	European Regional Development Fund / European Social Fund	Cohesion Fund	Total
	1	2	3=1+2
2007	89 187 951	-	89 187 951
2008	91 276 456	-	91 276 456
2009	93 351 209	-	93 351 209
2010	92 133 416	-	92 133 416
2011	90 413 000	-	90 413 000
2012	88 747 457	-	88 747 457
2013	91 098 394	-	91 098 394
<b>2007-2013</b>	<b>636 207 883</b>	<b>-</b>	<b>636 207 883</b>

**Table no. 45. Financial funds for Regionalnego Operational Programme for Podlaskie Voivodship in division into Priority Axes and financial sources (in euro)**

	Community contribution	National contribution			Total	Indicator of the contribution of EU funds	For information purposes	
		Total	Public contribution	Private contribution			Loans of EIB	Other financing
	1	2=3+4	3	4	5=1+2	6=1/5	7	8
<b>Priority Axis 1</b>	152 689 892	50 896 631	22 903 484	27 993 147	203 586 523	0,75		
<b>Priority Axis 2</b>	146 327 813	16 258 646	16 258 646	0,0	162 586 459	0,90		
<b>Priority Axis 3</b>	76 344 946	8 482 772	8 482 772	0,0	84 827 718	0,90		
<b>Priority Axis 4</b>	50 896 631	8 981 758	8 981 758	0,0	59 878 389	0,85		
<b>Priority Axis 5</b>	31 810 394	5 613 599	5 613 599	0,0	37 423 993	0,85		
<b>Priority Axis 6</b>	89 069 104	9 896 567	9 896 567	0,0	98 965 671	0,90		
<b>Priority Axis 7</b>	63 620 788	11 227 198	11 227 198	0,0	74 847 986	0,85		
<b>Priority Axis 8</b>	25 448 315	2 827 591	2 827 591	0,0	28 275 906	0,90		
<b>Total</b>	<b>636 207 883</b>	<b>114 184 761</b>	<b>86 191 614</b>	<b>27 993 147</b>	<b>750 392 644</b>	<b>0,85</b>		

**Table no. 46. Allocation of financial funds according to category, programmed use of funds contribution in ROP PV for years 2007-2013 (in euro)**

Priority issues		Form of financing		Territory	
Code	Total	Code	Amount	Code	Amount
1	8 000 473	1	624 707 883	1	394 632 686
2	25 000 000	2		2	
3	4 500 000	3	11 500 000	3	
4	672 000	4		4	
5	24 517 000	reserve		5	241 575 197
6		Sum	636 207 883	6	
7	20 000 000			7	
8	40 000 000			8	
9	30 000 419			9	
10	25 500 000			10	
11	5 375 310			0	
12				reserve	
13	11 876 000			Sum	636 207 883
14	8 145 321				
15					
16	5 500 000				
17					
18	4 500 000				
19					
20					
21					
22					
23	104 889 275				
24	3 680 000				
25	20 000 000				
26	8 000 000				
27					
28	6 000 000				
29	46 000 000				
30					
31	1 500 000				
32					
33					
34					
35					
36					
37					
38					
39	3 340 000				
40	3 340 000				
41	3 340 000				
42	3 340 000				
43					

*Draft of Regional Operational Programme for Podlaskie Voivodship 2007 – 2013*

*Adopted by the Person Performing the Functions of Voivodship Self-government Organs – the Podlaskie Voivodship Board  
on 5<sup>th</sup> March 2007*

44	8 063 303
45	10 928 591
46	24 504 527
47	3 995 040
48	
49	
50	
51	3 217 024
52	
53	
54	2 848 016
55	3 800 000
56	20 040 000
57	51 004 946
58	3 640 000
59	29 120 000
60	3 640 000
61	
62	
63	
64	
65	
66	
67	
68	
69	
70	
71	
72	
73	
74	
75	8 220 000
76	16 000 000
77	1 500 788
78	
79	1 500 000
80	
81	
82	
83	
84	
85	21 631 068
86	3 817 247
TOTAL	636 207 883
Reserve	
SUM with ROP	636 207 883

## **7. IMPLEMENTATION SYSTEM FOR THE REGIONAL OPERATIONAL PROGRAMME FOR PODLASKIE VOIVODESHIP FOR YEARS 2007-2013**

### **Executory provisions**

#### **1. Competences of institutions engaged in management of regional operational programme.**

##### **A. Coordination**

###### **Coordination on the NSRF level - Minister relevant for issues of regional development**

Minister relevant for issues of regional development is in charge of correct functioning of implementation system of NSRF, and responsible for conducting evaluating research on the NSRF level, including horizontal research as well as supplementary research and research *ad hoc*, resulting from monitoring of NSRF implementation.

Coordination of 16 Regional Operational Programmes – Authority Coordinating Regional Operational Programmes

Function of Authority Coordinating ROP (AC ROP) will perform Minister relevant for issues of regional development operated, in subject scope, by Department of Regional Programmes Coordination (DRP) being part of MRD.

Authority Coordinating ROP is responsible particularly for:

- verification of regional operational programmes in terms of their compliance with NSRF;
- negotiation of regional operational programmes with EC in co-operation with authorities managing ROP;
- assertion of cohesion of applied guidelines;
- monitoring of the effects of ROP implementation in regions (comparison analyses).

Mutual relations and detailed scope of duties and division of assignments between Authority Coordinating ROP and Authority Managing ROP of Podlaskie Voivodeship will be determined in agreement concluded between these bodies.

##### **B. Managing Regional Operational Programme**

###### **Authority Managing ROP**

Function of Authority Managing Regional Operational Programme for Podlaskie Voivodeship for years 2007 - 2013 performs Board of Podlaskie Voivodeship. Managing Authority, according to article 60 in Council Regulation No. 1083/2006, is responsible for managing

regional operational programme and its implementation according to the principle of proper management of finances, and particularly for:

- the assertion, that operations are chosen for financing according to criteria having application to regional operational programme and that they fulfil community and national principles throughout the whole period of their implementation;
- the verification, that co-financed goods and services are delivered and that expenditures declared by beneficiaries for operations were actually incurred and are compliant with community and national principles;
- the assertion of existence of computer system for registration and storage of accounting records for every operation included in regional operational programme and assertion, that data on the subject of implementation necessary for objectives of financial managing, monitoring, verification, audit and evaluation are gathered;
- the assertion of maintenance, by beneficiaries and other bodies attending in implementation of operations, separate accounting system or appropriate accounting code for all transactions connected with operation, without damage to national accounting rules;
- the assertion, that evaluation of regional operational programme, being in question in article 48 section 3 in Council Regulation No. 1083/2006 is carried out according to article 47 aforementioned regulation;
- the establishing of procedures for assertion, that all documents concerning expenditures and audits, required for assertion of proper audit path, are stored in accordance to requirements in article 90 in Council Regulation No. 1083/2006;
- assertion of receiving by certifying authority all necessary information about procedures and verifications conducted with reference to expenditures for the needs of certification;
- managing of work done by monitoring committee and providing it documentation necessary in order to allow quality monitoring of implementation operational programme in the light of its detailed objectives;
- drawing up and submitting to Commission annual and final reports from implementation, after their previous approval by monitoring committee;
- assertion of observance of requirements within the scope information and promotion established in article 69 in Council Regulation No. 1083/2006;
- providing European Commission with information allowing it performing evaluations of big projects.

Authority Managing ROP for Podlaskie Voivodship can designate parts of their managing or operating assignments to other bodies. Making designation, Authority Managing ROP of Podlaskie Voivodship keeps however total responsibility for entire implementation of ROP.

### **Intermediate Bodies**

Regional Operational Programme for Podlaskie Voivodship does not intend to appoint the Intermediate Bodies.

## **Certifying Authority**

Minister relevant for issues of regional development, as responsible for establishment of certifying system in accordance with requirements of Union law and Polish law and for assertion its proper functioning in agreement with minister relevant for issues of public finances will determine general rules and certifying procedures, which will be bases for functioning to all certifying authorities.

Function of institution responsible for certification of expenditures incurred as a part of all regional operational programmes performs Department of Certifying Authority, created inside the structure of Department of Regional Development.

Certifying authority of operational programme is responsible in particular for:

- drawing up and submitting to the Commission authenticated expenditure declarations and petitions for payment;
- certification, that expenditure declaration is precise, results from reliable accounting systems and is based on verifiable supplementary documentation;
- certification, that declared expenditures are in accordance with having application of community and national rules as well as were incurred in relation to operations selected for financing in accordance to criteria having application in programme and fulfil community and national rules;
- assertion, in order to certify, that certifying authority received from managing authority proper information on the subject of the procedures and verifications conducted in relation with expenditures contained in the expenditure declarations;
- consideration, in order to certify, results of all audits conducted by audit authority or on its responsibility;
- maintaining the electronic form of accounting records concerning the expenditures declared to Commission;
- keeping the record of amounts being subject to recovering procedure and amounts withdrawn after annulment of all or part of contribution for this operation. Amounts recovered are refunded to general budget of European Union before closing of the operational programme by means of their deductions from next expenditure declaration;
- where anticipated – verification and approval of manuals of procedures for regional intermediate certifying authorities.

Certifying authority for regional operational programmes delegates, on the basis of concluded agreement, part of the functions connected with certification to Voivode Offices.

## **Auditing Authority**

For Regional Operational Programme for Podlaskie Voivodeship function of auditing authority performs **General Inspector of Fiscal Control**. These tasks are performed through distinguished organizational unit in Ministry of Finance, i.e. Department of Certification and Authentication of European Union Funds as well as offices of fiscal control.

Auditing Authority is responsible for assertion, that the audits of managing system and of operational programme control as well as the controls of projects are performed on the basis of right sample and in accordance with the international recognized audit standards.

Auditing authority carries out tasks determined in article 62 and article 71 section 2 in Council Regulation No. 1083/2006. These tasks apply first of all to:

- assertion of conducting the audits in order to verify the effectiveness of managing system functioning as well as control of operational programme;
- assertion of conducting the audits of the operations on the basis of right sample in order to verify declared expenditures;
- presenting to Commission, within nine months from approval of operational programme, strategy of audit including bodies, which will carry out audits, methodology, which will be applied, methods of selection of data samples for the operation audit purposes as well as indicative planning out of audits in order to assertion of conducting the audit of major bodies and even distribution of audits in all programming period;
- submitting to Commission annual audit report, presenting results of audits conducted in the period of previous 12 months, ended on June 30<sup>th</sup> given year, according to audit strategy for operational programme as well as informing of all gaps detected in the systems of management and programme control. First report, which should be submitted not later than on December 31<sup>st</sup> 2008, includes period from January 1<sup>st</sup> 2007 to June 30<sup>th</sup> 2008. Information concerning the audits conducted after July 1<sup>st</sup> 2015 will be included in the final audit report, being a supplement to closing declaration;
- issuing opinions, on the basis of controls and audits conducted on its responsibility, on question whether system of management and control functions effectively, so as to give rational assertion, that expenditure declarations presented to Commission are right and to give in the process rationale assertion, that transactions being their basis are in accordance with law and are correct;
- submitting, in right cases, according to article 88 in Council regulation No. 1083/2006, declaration of partial closing, containing assessment of conformity with law and correctness of given expenditures;
- submitting to Commission, not later than on March 31<sup>st</sup> 2017 closing declaration, containing confirmation assessment of application for closing balance payment as well as compliance in law and correctness of transactions being basis of expenditures included in final expenditure declaration, to which is attached final audit report.

From conducted audit activities, audit authority draws up reports along with possible recommendations. For implementation of recommendation in time limits determined by audit authority is responsible Authority Managing Regional Operational Programme for Podlaskie Voivodeship.

#### **Authority competent for receiving payments coming from European Commission**

Funds transferred by European Commission as advances, periodical payments and closing balance payments for the operational programmes will be received on distinguished bank accounts, managed by minister relevant for issues of public finances.

### **Authority or authorities responsible for effecting the payments for the beneficiaries**

Managing Authority will be responsible for the payments for the beneficiaries.

## **2. Monitoring**

Monitoring Committee of Regional Operational Programme for Podlaskie Voivodship will be appointed within three months from the date of handing over to Poland decision of programme approval by European Commission. In the Committee will be included representatives among others managing authority, or possibly intermediate bodies, minister relevant for issues of regional development as ROP coordinator, local governments as well as social and economic partners.

Monitoring Committee of Regional Operational Programme for Podlaskie Voivodship assures the effectiveness and quality of implementation of regional operational programme according to the following rules:

- analyses and approves criteria of selecting the projects as part of regional operational programme in time limit of six months after approval of operational programme and approves all changes of these criteria according to programming needs;
- makes periodical review of progress on the way to achieving specific objectives of operational programme on the basis of the documents being submitted by managing authority;
- analyses results of implementation, in particular achieving of objectives described for each priority axis as well as evaluation, being in question in article 48 section 3 in Council regulation No. 1083/2006;
- analyses and approves annual and final reports of implementation, being in question in article 67 in Council Regulation No. 1083/2006;
- is informed of contents of annual audit report or its part related to regional operational programme and of all essential remarks, which Commission may present, after analysing that report or related to that part of the report;
- may act to managing authority with a motion for carrying out all kinds of inspections or analysis of operational programme being able presumably contribute in achieving funds' objectives , being in question in article 3 in Council regulation No. 1083/2006, or to improving its programme management, including financial management;
- analyses and approves all motions for the change of contents of Commission decision in the matter of funds contribution.

### **Reports on implementation of Regional Operational Programme for Podlaskie Voivodship for years 2007-2013**

From 2008, and next till June 30<sup>th</sup> of each year, Managing Authority will send to European Commission annual report and till March 31<sup>st</sup> 2017 final report of implementation of ROP PV.

Reports will contain the following information:

- progress attained during implementation of operational programme and priority axes in reference to specific, verifiable objectives with the use of indicators accepted in ROP PV,
- information concerning financial execution of operational programme, with details for each priority axis:
  - expenditures incurred by beneficiaries, included in applications for payment sent to managing authority and relevant public contribution,
  - total amount of payment received from Commission as well as quantity data concerning financial indicators contained in Regional ROPPV,
  - expenditures incurred by body responsible for making payments for the beneficiaries;
- exclusively for the informational purposes, indicative partition of funds' allocation according to category,
- steps taken by Managing Authority or Monitoring Committee in order to assure quality and effectiveness of implementation, in particular:
  - measures within the scope of monitoring and evaluation, including the ways of data gathering,
  - compilation of all significant problems, encountered during implementation of the operational programme as well as all taken means, including in relevant cases, in response to comments raised by Commission,
  - using the technical assistance;
- means taken within the scope of dissemination of information about operational programme and its promotion,
- information concerning significant problems connected with the observance of community law, met during implementation of operational programme as well as taken precautionary measures,
- in relevant cases, progress and financing of big projects,
- use of support released as a result of annulment of grants resulting from their improper use,
- information on the subject of cases of detected fundamental modifications of projects' sustainability.

### **Evaluation of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013**

Managing Authority is responsible for conducting the evaluation of ROP PV.

To its tasks belong:

- drawing up plan of evaluation, including different phases of programme implementation,

- assertion of carrying out evaluation ex ante – before starting the programme implementation,
- assertion of carrying out evaluation connected with monitoring of programme implementation, particularly in a case when monitoring reveals significant derogations to the initially determined objectives or when proposals of changes in the programme are presented,
- handing over the evaluation's results connected with monitoring of ROP PV to Monitoring Committee as well as to European Commission,
- publicity of the results of carried out evaluations,
- assertion of carrying out till June 30<sup>th</sup> 2011 evaluation of extent of implementation of ROPPV with reference to chosen priority axes, results of which will serve the allocation of national reserve execution,
- co-operation with European Commission in evaluations connected with monitoring of programme implementation as well as strategic evaluations carried out on the initiative of Commission,
- co-operation with European Commission in evaluation ex-post (final evaluation of ROP PV),
- co-operation with National Assessment Authority in evaluations connected with monitoring of implementation of the programme organized by managing authorities as well as evaluations carried out on the initiatives of National Assessment Authority,
- evaluating researches will be implemented particularly by the independent external bodies, and the results of the evaluation will be made available to the public opinion.

### **The exchange of electronic data in order to fulfil requirements concerning the payments, monitoring and evaluation**

Minister relevant for issues of regional development is responsible for establishment of functioning secure electronic system of information exchange with European Commission as well as providing access accreditation to the system for the institutions involved in implementation of operational programmes. Minister relevant for issues of regional development leads monitoring over computer system and determines standards within the scope of data collecting by all attendants of the system of implementation of NSRF.

Minister relevant for issues of public finances is responsible for creation and development of computer system based on standards within the scope of collecting the data determined by minister relevant for issues of regional development.

Authority Managing ROP in co-operation with NSRF coordinator, is responsible for inserting the data to the computer system as well as introducing local system.

### **3. Control**

Within the scope of controlling the implementation of ROP PV, fundamental control function of Managing Authority is:

1. Verification of expenditures based on checking:

- delivering the goods and services co-financed within the projects,
- actually incurred expenditures in operations declared by beneficiaries,
- compliance of incurred expenditures with community and national rules – including horizontal policies: competition, environmental protection and non-discrimination.

Verification of expenditures based on:

- administrative verification (“from behind the desk”) of all payment applications submitted by beneficiaries – it is not necessary verification of all documents certifying the expenditures included in particular payment application – it is allowed possibility of verification on the basis of examining the sample,
  - verification of expenditures in the form of projects control in the place – is suggested applying the rule of selection the test – it does not exclude the possibility of control implementation in the place for all projects.
2. Drawing up in written form the standards and procedures carrying out the verification of payment applications as well as controls in the place.
  3. Storing the information on the subject of all carried out verifications and controls i.e. information concerning the scope, date and results of verification and control, as well as measures taken as a result of revealed irregularities.

#### **4. Information and promotion**

Managing Authority of Regional Operational Programme for Podlaskie Voivodship, according to the communication strategy, is responsible for broad popularization of the information about operational programme, including showing financial deposit of appropriate funds as well as providing all interested parties with access to the information.

Managing Authority provides access for potential beneficiaries to detailed information concerning:

- terms of qualifying for receiving subsidy within the scope of the operational programme,
- procedures of examining the applications for subsidy as well as time of lasting of the individual procedures,
- selection criteria of the operations for cofinancing,
- information points on the regional level, where information can be obtained on the subject of operational programmes.

#### **5. Financial flows**

Funds transferred by European Commission as an advance, periodical and final payment will be received on separate bank account managed in euros by the Minister of Finance in National Polish Bank. Funds from the account, after currency exchanging to zlotys will be transferred to the central account of revenue to the national budget and will constitute its revenue.

Next, funds from the national budget will be transferred to the ROP of Podlaskie Voivodship, according to the laws in force, procedures within this scope as well as provisions of voivodship contract, concluded on the basis of article 20 section 5 in the Act of Parliament from December 6<sup>th</sup> 2006 concerning the rules of managing the development policy.

On the basis of voivodship contract, local self-government as Authority Managing ROP will be receiving funds from the national budget, in the form of development grant for expenditures, offered to finance the implementation of ROP, within the scope of annual limits described in the budget act. These limits will be described in agreement with Minister of Regional Development during the works on the budget act on the basis of the ROP payments' tables as well as perennial limits of obligations described for ROP, so as to ensure efficient and on time programme implementation. Grant will constitute income of regional self-government.

Grant may be transferred in the form of advance or repayment of expenditures incurred on implementation of ROP, on the basis of agreed schedule, prepared by regional self-government.

The basis for transferring first development grant for the ROP is decision of European Commission approving the programme. Next grants will be transferred according to the arrangements being in effect within this scope.

Payments for the beneficiaries of ROP will be made by Managing Authority in the form of refunds incurred expenditures or advance. The basis for funds transferring will be contract between one of aforementioned institutions and beneficiary as well as correctly prepared and approved payment application.

Funds will be transferred to the accounts designated by beneficiaries, mainly in the form of refunds. In justified cases, if behind it stands important interest of beneficiaries' category or specificity of projects (measures), funds will be able to be transferred in the form of advance.

In the case of own MA projects funds will be granted on the basis of the resolution of Voivodship Board.

Pursuant to the list of beneficiaries' payment claims, MA transfers to Certifying Authority overall payment claims.

Certifying Authority after successful verification of the claim sends it to European Commission in order to refund incurred expenditures.

## **6. Partnership, equality opportunities for women and men as well as non-discrimination principle**

Implementation of Regional Operational Programme for Podlaskie Voivodship, in each stage of works on the Programme (planning, implementation and monitoring of assistance), is based on applying the partnership principle. Their own contribution in preparing the Programme brought – next to authorities of territorial self-government – also social and economical partners, non-governmental organizations and other partners participating in social consultations. Also on the stage of Programme's implementation is anticipated creation of Committee Monitoring The Programme, in which will be included apart from representatives

of institutions of government and self-governments in voivodeship also social and economical partners.

The basic rule in the each stage of works on the Programme is non-discrimination of persons on account of any circumstances, as for example sex, race, background, religion, world view, age or sexual orientation. Assured will be mechanisms assuring during the implementation of the programme equal treatment of women and men. Non-discrimination principle will have special application in selecting the projects for financing within the scope of ROP. In the stage of monitoring, reporting and evaluation, as long as character of assistance will allow for it, data will be presented divided into sex.

## **8. EVALUATION OF THE PROGRAMME BEFORE BEGINNING OF IMPLEMENTATION (EVALUATION EX-ANTE) TOGETHER WITH EVALUATION OF EXPECTED MACROECONOMIC EFFECT**

According to the requirement of article 48 section 2 in Council Regulation (EC) No 1083/2006 from July 11<sup>th</sup> 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund repealing Regulation (EC) No 1260/1999 and ordered by Ministry of Regional Development, WYG International Limited Liability Company worked out evaluation ex-ante of the ROP PV project (version accepted by Board of Podlaskie Voivodeship in June 2006). At the same time process of creating the legal basis for operating programs, their constructing, modifying and evaluating was continued. These determinants constituted significant (but probably unavoidable) limitation, so as for the region preparing objective regional programme, as well as for the team carrying out its evaluation. ROP PV evaluation contains all standard elements, anticipated for evaluation of operational programmes and considers specific of the region. Methodology of evaluation is in accordance with methodology of evaluation ex-ante operational programmes for years 2007-2013, outlined by European Commission in October 2005.

### **The scope of ROP evaluation includes:**

- verification of social-economical analysis and its quality in terms of identified needs of regional development (*research task no 1*),
- evaluation of economic justification and internal cohesion of production part of ROP (*research task no 2*),
- evaluation of cohesion of ROP's external part with policies: community, national and regional (*research task no 3*),
- evaluation of anticipated results and impact (*research task no 4*),
- evaluation of proposed system of implementation of operational programme (*research task no. 5*).

ROP assumptions, including in particular assessment, objectives, priorities and measures were evaluated first of all in the light of such strategic documents, as:

- Strategic guidelines of Community – with reference to the level of European Union,
- National Strategic Reference Framework, National Development Strategy, programmes and environmental policies within the country – with reference to national level,
- Strategic Development of Voivodeship – with reference to regional level. .

Supplementary significance in examination of external cohesion have number of other documents concerning economical and social processes, ecology as well as spatial development. Each research task of evaluation ex-ante contains expansion, conclusions and recommendations, which were used for the needs of perfecting contents of ROP.

### **Conclusions and recommendations**

*Diagnosis of operating programme (Task no 1)*

Diagnosis part of ROP was evaluated as correct. Accurately were selected areas of diagnosis and problems of regional development were identified, its needs and accompanying challenges. It was evaluated, that occurrences, which may influence (both positively and negatively) the dynamics of modernization measures in the region were correctly described. The level of accuracy and usefulness of SWOT analysis was evaluated, in general, positively. In a relatively correct manner were pointed strong and weak points of the region, as well as associated with them opportunities and threats. The level of diagnosis completeness and SWOT analysis included in ROP PV in general was evaluated as correct, but incomplete. Below are presented recommendations, and order of listing indicates their importance.

Recommended were:

- supplementing the diagnosis part with additional prognostic elements,
- performing the extrapolating identification of consequences of current trends of regional development on the assumption that there is no intervention,
- raising the informational value of cited data by describing their dynamics, their juxtaposing with situation in other regions, determining their consequences for regional development process,
- assuring the complete logical and substantive correlation between diagnostic part and its synthesis expressed in SWOT analysis,
- verification of legitimacy of assigning particular occurrences and processes to definite dimension of SWOT analysis,
- updating of presented data.

*Projecting part of operational programme (Task no 2)*

Projecting part of ROP, in general, was acknowledged as correct, although recommended was supplementing and imparting to it the better precision of description. Projected interventions were evaluated as potentially successful and effective. Was acknowledged as impossible evaluation of accuracy of financial projections and recommended:

- supplementing the descriptions of detailed objectives,
- supplementing the description of priorities,
- transparent description of measures, their description and tools of their implementation, as well as preparing the indicators of their monitoring, description of the types of projects being implemented within the scope of the measures,
- expanding the categories of beneficiaries: in priority II – social organizations, in priority III – companies, in priority IV – companies, in priority V – NGO,
- preparing the indicative financial plan and additional financial tables according to the model of proper regulation,
- preparing the indicative list of major projects, list of programmes of public assistance and register of key projects.

*Cohesion of external operational programme (Task no 3)*

Carried out analysis of external cohesion ROP PV with superior programme documents (*Strategic Guidance of Community, Lisbon Strategy, National Strategic Reference Framework*) and basic national policies and environmental programmes, such as with *Operational Programme Development of Eastern Poland* and *Development Strategy of Podlaskie Voivodeship to 2020* shows its high level of occurrence. This cohesion was found

both on the level of assessment valuations, values and constitutive objectives for analysed documents as well as in the sphere of priority areas of intervention.

*Evaluation of anticipated results and impact (Task no 4)*

Evaluated was, that indicators' list of ROP of Podlaskie Voivodship needs several supplements and changes. Recommended was introduction of result indicators in the form "number of newly created places of work as direct intervention effect (divided into men and women)" at the ROP level, what needs introducing it also on the level of all the priorities, if creating such places is anticipated. Result indicators of primary objective should contain measures of ROP influencing on the growth of GDP as well as decrease of unemployment in the region, calculated on the basis of HERMIN model. Indicators of priorities implementation classified as correct and factually justified, and also in accordance with requirements of EU, yet were improperly assigned. Recommended was describing the basic and assumed values, for all indicators. Recognized was, that monitoring of ROP of Podlaskie Voivodship should also contain list of contextual indicators. Chosen indicators may be used as impact indicators on the level of detailed objectives, primarily for the needs of defining regional background for changes provoked by intervention within the scope of priorities connected with particular detailed objective.

*Implementation system of operational programme (Task no 5)*

Description of implementation system recognized as rather general and based mainly on union regulations, NSRF and available, at the moment of preparing the analysed version of the operational programme, directives MRD. Recommended was clarification of description in following areas:

- management structure – showing the way of functioning of whole system and convincing the reader, that system is able to function efficiently, effectively and clearly; apart from pointing out the competences of individual institutions should be drawn the way of their functioning, mutual co-operation for the effective and successful implementation of ROP,
- intermediate bodies (alternatively implementing) – their pointing out at least in the subjective context, which means pointing out, what priorities and measures will be allocated outsider of MA ROP and to how many institutions as well as pointing out reasons of such decision,
- authority auditing, certifying and voivodship office as intermediate body in certification as well as evaluating unit within the scope of MA – should also be verified descriptions of institutions in the context of gaps and contradictions in competences,
- adding the descriptions of authority auditing, certifying and voivodship offices, contents of Committee Monitoring ROP, evaluating unit; descriptions of elements of programme promotion, more precise descriptions of financial system, so would be possible evaluation of lucidness of procedures: initiation and circulation of financial flows. Should be also added to the competences of managing authority general procedures of electronic data exchange concerning payment, monitoring and evaluation,
- concentration (in accordance with NSRF) in The Committee Monitoring ROP (acting in the name of Board of Voivodship) of coordination's development strategy of objectives of particular voivodship, with objectives and mechanisms of implementation on the regional level of different operational programmes objective no. 1 and objective np. 3 in cohesion policy and common agricultural policy,

- pointing out general tools and instruments of exchanging the experiences and creating the network on the levels: international, national and regional in the context of creating community's added value by implementing system.

### **Changes made in ROP PV as an effect of evaluation process:**

Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013 during the stage of drawing up was subjected to many changes, what was the effect of carried out social consultations of the programme, and also resulted from considering the recommendations presented at the meetings and in the way of exchanging correspondence with evaluators, and finally compiled in the report "Assessment evaluation of the project: Operational Programme for years 2007-2013 in Podlaskie Voivodeship". Presented in it motions and recommendations served for making changes in project of the document and influenced the final form of the Programme.

In *diagnosis part* social-economic analysis was completed, presented issue was enriched with data showing dynamics of indicators describing region on the background of the country and EU. New issues were, or already existing issues were modified. SWOT analysis was correlated with diagnosis. In SWOT analysis significant changes were made, excluding repeating issues, ordering them according to chances, threats as well as weak and strong points, and also hierarchizing them. In *projecting part* of ROP description of the detailed objectives and priorities' characteristic was supplemented. Were refined also characteristics of measures and indicators of their monitoring. Categories of beneficiaries were extended according to directions. Possible was also extending the part concerning the financial planning. Within the scope of *expected results and impact* refined system of results' indicators for main objective and individual priorities. Determined were basic and assumed rates for all indicators. Part of ROP responsible for implementation system of operational programme (managing system along with indicating all institutions engaged in implementation of ROP, altogether with their competences and tasks) was also extended.

Results of evaluation ex-ante will be also used during the work over the system of Programme implementation.

### **Evaluation of expected macroeconomic effect of the funds' use within the scope of ROP PV**

Commissioned by Ministry of Regional Development, Research Institute of Market Economy worked out "Forecast of influencing the macroeconomic implementation of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013". This study contains results of simulation for the most important economic categories in the period included in ROP as well as in the next following years. Accepted was hypothetical assumption, that polish economy does not receive in this period any other appropriations from union funds and, that level of funds take-up within the scope of ROP will be 100%. Analysis was made with the use of MaMoR2 model being so called *computable general equilibrium model*, CGE.

Analysis of influence of ROP funds on GDP show, that its level will be the lowest in the first three years of using the funds, and after that in the next years will start to increase and reach its maximum in year 2015 amounting 3,4% over reference level (reference level relates to the projection of economic situation in the case of lack of funds). Similarly looks analysis of

influence on GDP dynamics; the biggest increase of the dynamics of GDP growth takes place in year 2013, when it equals 0,65%. On the demand side growth of gross national product allows the growth private consumption and investment capital. Private consumption increases in the first periods of simulation, reaching in year 2013 level 1,8% over referencing level. After year 2015 level decreases slightly although still stays on the substantial level. Capital investments stay over the referencing level in almost the whole period of funds disbursement (they increase along with influx of the new funds and not until the second period of simulation, dynamics of investment decreases). The highest investment level is seen in year 2013 (18,2% over reference level). Improvement of economic situation will not be without influence on the labour market (and unemployment level). Big GDP increase helps with visible increase of employment. In the effect of funds use, average employment level in years 2007-2013 will rise in comparison with referencing level of 0,1% (0,5% in years 2007-2020), and in year 2013 difference will amount 0,5%. Analysed funds will allow to increase the medium-year employment level of 0,1 thousand people in years 2007-2013 (1,2 thousand people in years 2007-2020), in relation to basic scenario. At the same time we can observe increase of real remunerations in reference to the reference level. In years 2007-2013 they are on average higher of 1,1% from observed in the scenario being reference point (2,4% in years 2007-2020). In year 2013 remunerations are 3,1% over reference value and then grow, reaching maximum deviations in years 2015-2016 in the rate of 4,2%. Total real gross population income are in years 2007-2013 on average higher than observed in basic scenario of 1,0% (1,8% in years 2007-2020). In year 2013 deviation amounts 2,5%. Apart from increasing the income on account of labour, in increasing the gross income contributes also increasing the revenues from capital, which holders are households. Increased funds influx creates increase in work efficiency. In years 2007-2013 reference level was exceeded on average of 1,0%, and in year 2013 difference amounts 2,1% (in years 2007-2020 average deviation amounts to 1,4%). Taking under consideration, that employment level in economy in years covered by ROP is higher than reference value on average of 0,1%, that means decidedly bigger contribution of work efficiency increase in GDP increase. Analysed funds influence directly infrastructure reserves and material capital. Value of basic infrastructure increases as the effect of financial measures in analysed funds on average of 1,1% in relation to level from basic scenario in years 2007-2013 (2,5% in years 2007-2020). In year 2013 deviations amounts to 3,0% (and increases in next years, as long as these funds are expended). Funds of analysed programme cause changes of capital material reserve. Its average reserve in companies in years 2007-2013 increases in comparison to the reference level of 0,8% (1,9% in years 2007-2020). In year 2013 deviation amounts to 2,4% and keeps increasing, because in economy lasts adapting process, and furthermore in the next two years incurred are further investment expenditures, financed from analysed funds. The highest level reaches in year 2016 (3,6%) and in year 2020 deviation from basic level amounts to 2,4%.

## **9. FORECAST OF THE ENVIRONMENTAL IMPACT ASSESSMENT OF REGIONAL OPERATIONAL PROGRAMME FOR PODLASKIE VOIVODESHIP FOR YEARS 2007-2013**

“Forecast of the environmental impact analysis of project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013” is a document, which describes and predicts the scope of influence on the state of environment of implementation priority axes and measures of ROP PV for years 2007-2013. Forecast includes a number of decisions proposing solutions preventing and correcting possible negative results of programme implementation. Responsibility of preparing the forecast results from the act Environmental Protection Law from April 27<sup>th</sup> 2001 (Law Gazette No. 62 entry 627 with later changes), and Directive 2001/42/EC from June 27<sup>th</sup> 2001 European Union. The scope of forecast is described in article 41 section 2 of act Environmental Protection Law. Its main objectives is to evaluate a degree and way of including the issues of sustainable development and environmental protection in all parts of ROP, evaluation of potential environmental results of implementing the ROP regulations, preparing the recommendations allowing to prevent potentially negative impact of some measures taken during programme implementation.

Forecast Document contains seven main parts as well as introduction, summary, bibliography and annexes. Fundamental parts of the Forecast are: state of the environment in podlaskie voivodeship, evaluation of ROP’s influence on the environment, predicted changes in the state of environment in the case of implementing or lack of implementing the measures proposed in ROP, preventing, correcting or natural compensation of negative influences on the environment which might be the result of implementation of projected document, predicted methods of ROP implementation and methodology of evaluation.

In the part *State of the environment in podlaskie voivodeship* was made the environmental analysis of voivodeship paying special attention to its state and natural resources, paying attention to considerably lower, than national average, degree of degradation and pollution. Were presented basic data concerning the climate, atmospheric air, area and structure of land, soil, surface and underground waters and forests. In details were described protected areas, constituting significant part of territory of podlaskie voivodeship and also cultural and scenic values. Was also discussed existing technical infrastructure of environmental protection as well as the most important problems, which solving should be considered in ROP.

The key element of the Forecast is part concerning *Evaluation of ROP impact on the environment*. Were put through evaluation, of influencing the environment, priority axes and directions of ROP measures. At the end of each subsection were proposed solutions correcting the negative impact of particular priority axis on the environment. As a result of performed analysis were selected three priority axes, the most important for discussed issues. They are: Priority Axis V – Development of infrastructure for environmental protection, Priority Axis III – Tourism development as well as Priority Axis II – Development of transport infrastructure, which was evaluated as the strongest influencing on the environment, on account of big investments in road infrastructure and airports. The vital role plays Priority Axis V, because concentrates mainly measures within the scope of environmental protection. In section was found also evaluation of cohesion ROP with documents defining the objectives of environmental protection on the national and international level.

*Changes predicted in the state of environment in the case of implementation or lack of implementation the measures proposed in ROP* were presented in the next part of the Forecast. On the account of the general character of the ROP project’s results, was not possible detailed evaluation of the environmental effects, and only making the general

forecast and pointing out the probable changes, which might occur, among others, in climate, atmospheric air, surface waters and soil. General conclusion coming from the section is the statement, that measures taken within the scope of ROP will have for sure broad and diversified impact on the state of environment in podlaskie voivodeship, both positive and negative.

The next important section is the part devoted to *preventing, correcting or natural compensating the negative impact on the environment, which might be the result of implementation of projected document*. As significant impact recognized exclusively influence having negative effect on the environment. The main attention was focused on Priority Axis II – Development of transport infrastructure on account of its broad scope of influencing on the environment. In section were mentioned individual groups of measures, which will be taken within the scope of ROP as well as way of minimalizing their results. On account of border location of podlaskie voivodeship, attention was also paid to potential transborder influences, in particular concerning air pollution, soil as well as on creating spatial policy and working out the systems of projected areas with neighbouring countries and bordering voivodeships.

*Predicted methods of RPO implementation* are the next part of the Forecast, which was dedicated to presenting the institution engaged in the process of preparing ROP. Described were functions and the role of authority coordinating, managing, implementing, Monitoring Committee and also financing, certifying and auditing body.

*Uncertainty areas* are the section, in which were pointed out and described the elements hindering accomplishing the full evaluation of influencing the environment. General character of regulations of the project Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013 was the main reason of the difficulty in executing the forecast. Its compilation in the correct and reliable way needs, in many cases, precise informations, which will be included in the supplement to ROPPV. The long programming period, which includes ROPPV, is also not in favor of predicting the results of influencing the Programme on the environment. Real influencing of ROPPV's implementation on the environment and people's health, will depend on kind and quantity of projects implemented in the field.

In the part titled *Methodology of evaluation* the authors of the study presented plan of the conduct, assumptions and rules, by which they were guided during creating the Forecast.

In the section closing the document described was the process of consulting the project Regional Operational Programme along with the forecast of influencing the environment. Juxtaposition of the comments proposed to the Forecast was placed in proper annex.

The fundamental conclusion resulting from prepared document of the forecast is the conclusion, that priorities and measures planned in ROPPV for years 2007-2013, despite broad and diversified influence, will not bring the significant influence on the natural environment and people's health.

## **10. SOCIAL CONSULTATIONS ON THE PROJECT OF REGIONAL OPERATIONAL PROGRAMME FOR PODLASKIE VOIVODESHIP FOR YEARS 2007 – 2013**

### **Introduction**

„Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013” is a instrument of the regional policy implementing strategic objectives and priorities of “Development Strategy of Podlaskie Voivodeship to the year 2020”. At the same time the document implements the assumptions of “National Strategic Reference Framework for years 2007-2013”, which integrate main priorities of Strategic Community Guidelines (SCG) with polish priorities.

„Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013” shows and defines the most important issues of economic - social development in podlaskie voivodeship. It presents the general needs of voivodeship and directions of its implementation.

### **Evaluation of the document**

Works on preparing Regional Operational Programme started in the year 2005.

In June 2005 Board of Podlaskie Voivodeship accepted “Preliminary outline of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013”. In it were pointed objectives and development priorities, which podlaskie voivodeship will implement in coming programming period.

In June 2005 was prepared “Preliminary project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013”.

On May 17<sup>th</sup> 2006 took place bilateral meeting, during which was discussed in details project of the document, and comments, proposed during it, were took into consideration.

In June 2006 to the Board of Podlaskie Voivodeship was presented „Preliminary project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013” for the purpose of approval.

As a result of influx of new directives and new programme documents on the ministry level, structure of the ROP arrangement underwent the constant changes.

In accordance to regulations of act Environmental Protection Law from April 27<sup>th</sup> 2001, ROP project was subjected to evaluation of influencing the environment and was created “Forecast of influencing on environment the project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013”.

In September 2006 Board of Podlaskie Voivodeship accepted „Project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013” along with “Forecast of influencing on environment the project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013” and “Investment plan” including list of key projects, which implementation has essential influence on reaching the objectives on the level

of operational programme (according to the procedures of preparing the operational programme).

In October 2006 was accepted next version of the Project of ROPPV for years 2007-2013, which was sent to the Ministry of Regional Development in order to carry out consultations and interdepartment agreements – according to act no. 49 of Council of Ministers from March 19<sup>th</sup> 2002 The Work Rules of Council of Ministers.

In November 2006 up for debate of Board of Podlaskie Voivodeship was brought forward version of the ROP project considering comments sent by Ministries. In that shape that version was handed over to the Council of Ministers' Committee, and next to the Council of Ministers.

### **Internet website**

Along with beginning of works on the Regional Operational Programme was initiated internet website of Marshal Office of Podlaskie Voivodeship ([www.wrotapodlasia.pl/pl/gospodarka/polityka\\_regionalna](http://www.wrotapodlasia.pl/pl/gospodarka/polityka_regionalna)), on which were published current information about the Programme, state of works, taken measures as well as organized meetings and conferences.

The first announcement of initiating the consultations on the ROPPV project was placed already in November 2005. Within few months, were sent plenty propositions of changes from the representatives of self-governing environments and their organization bodies, employers, institutions of culture and science, ecological organizations, businessmen and their unions, associations, higher education institutions, churches and religious associations, national parks, business surrounding institutions and organizations supporting enterprise development and innovation, banks, cooperatives and housing communities.

### **Information in the press**

Board of Podlaskie Voivodeship on June 5<sup>th</sup> 2006, by way of the advertisement in the local press, began works on the investment plan, inviting the potential beneficiaries to submitting the projects.

Board of Podlaskie Voivodeship assuring the possibility of participating the society in the counseling process preceding the take over of programme documents, on July 26<sup>th</sup> 2006 in the local press published advertisement, that on the internet site of Marshal Office was inserted the project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013 along with the Forecast of influencing on the environment (comments by mail and in the electronic form of tables inserted on the websites were collected to August 31<sup>st</sup>).

### **Consultations**

According to the Regulation of President of the Council of Ministers from January 13<sup>th</sup> 2005 in the matter of procedures and dates of consultations as well as cooperation at working out the National Development Plan, operational programmes and strategy of using the Cohesion Fund, Project of “Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013” was subjected to consultations.

One of the first stages of consultations were so called the internal consultations, which were held in March 2006. Took part in them Departments of Marshal Office of Podlaskie Voivodeship, of which factual comments were considered.

Were held numerous meetings and conferences organized by Ministry of Regional Development in order to hand over to the self-governments information concerning the material scope and arrangement of the Programme.

Apart from that the Programme was consulted during the organized regional conferences, in which took part the representatives of territorial self-governing bodies, out-of-government organizations, social and economic partners as well as other institutions essential from the point of view of regional development.

### **Consultation meetings**

One of the first conferences in year 2006, during which was consulted “Project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013” was meeting in Jachranka on January 26-27<sup>th</sup> for the representatives of National System of Services for SME. That meeting was meant to bring closer and verify put down in ROP schemes of support for NSS centres and other organizations supporting the enterprise in the regions.

Regulations included in Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013 concerning the environmental protection, were consulted within the scope of conference, which took place in the training centre of Environment Department in Dębe near Warsaw on March 2-3<sup>rd</sup> 2006. The leading topic of the conference was establishing the demarcation line between OP Infrastructure and Environment and ROP.

Along with the acceding of Poland to the European Union, our country is obliged to apply community regulations concerning help provided from public funds. Numerous documents, in the form of guidelines and notes of European Commission concerning the public help, concern also Regional Operational Programme. Complicated procedures of providing the public help were the subject of the meeting in Konstancin on April 13-14<sup>th</sup> 2006.

On April 26-27<sup>th</sup> 2006 in Training Centre of National Forests in Malinówka took place meeting of experts for Integration with European Union from regional authorities of National Forests. One of the topics of the conference was presentation of the project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013.

On May 9-10<sup>th</sup> 2006 in Ptasia Osada on Narew took place regional workshops “Local initiatives for environmental protection. Partnership for balanced development” organized by Ecodevelopment Foundation of Lower Silesia, Institute of Environmental Economy as well as WWF (World Wide Found for Nature). These workshop were intended for representatives of the district self-governments as well as partners wanting to take active part in implementation of local proecological initiatives and shaping the ecological image of the district.

On May 22<sup>nd</sup> 2006 in Białystok took place social consultations of the project of National Cohesion Strategy as well as of the project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013. In that meeting took part the broad circle of representatives of different environments. That included representatives of self-governments, labour unions of regional civil administration, institutions of regional development as well as members of parliament, senators, businessmen, employers and representatives of church world, the world of science, culture and youth.

From June to September 2006 in Department of Regional Development took place working meetings concerning establishing the indexes of monitoring and evaluation, being measure of objectives, which should be reached, engaged reserves, obtained products, effects as well as other product and result variables in referende to ROP.

### **Regional consultations**

The essential influence on the shape of ROP of Podlaskie Voivodeship had conferences concerning regional consultations of the Programme, organized by Marshal Office of Podlaskie Voivodeship. Presented were main assumptions, objectives and priorities of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013. Meetings were the opportunity for direct confrontation between expectations of local environments and content of ROP. In them took part all environments engaged in the development process of the voivodeship: representatives of territorial self-governments and their organizations, economic self-governments, institutions of regional development, organizations of businessmen and employers, representatives of companies, labor unions, representatives of out-of-government organizations, members of parliament and senators. During the conference along with ROPPV for years 2007-2013 presented and consulted was also “Forecast of influencing the environment of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013”. At the meetings were distributed information materials concerning ROPPV for years 2007-2013 in printed and electronic form.

- First regional conference took place in Suwałki – July 4<sup>th</sup> 2006
- Next regional conference took place in Łomża – August 24<sup>th</sup> 2006
- Last regional conference took place in Białymstok – August 31<sup>st</sup> 2006.

### **Poviat consultations**

From September to November 2006 took place poviat consultations, in which took part representatives of districts, poviats and their organizational bodies, local companies, societies, agencies and out-of-government organizations. The consultations were held under Marshal of Podlaskie Voivodeship auspices and were organized by Białystok Foundation of Personnel Training. These meetings aimed at introducing the content of ROPPV for years 2007-2013 as well as at collecting the comments of local self-government.

**Table no. 47. Compilation of carried out the poviat consultations in podlaskie voivodeship**

<b>Schedule of poviat seminars of the project SELF-GOVERNMENT IN EUROPEAN UNION</b>		
<b>Item number</b>	<b>Poviat</b>	<b>Date and location of seminar</b>
1.	Sejny	September 26 <sup>th</sup> 2006 seat of the Office of a Poviat Starost in Sejny Piłsudskiego Street 34, 16-500 Sejny
2.	Grajewo	September 27 <sup>th</sup> 2006 room in School Complex in Wojewodzin Wojewodzin 52, 19-200 Grajewo

*Draft of Regional Operational Programme for Podlaskie Voivodship 2007 – 2013*

*Adopted by the Person Performing the Functions of Voivodship Self-government Organs – the Podlaskie Voivodship Board  
on 5<sup>th</sup> March 2007*

3.	Zambrów	September 28 <sup>th</sup> 2006 seat of the Office of a Powiat Starost in Zambrów Fabryczna Street 3, 18 – 300 Zambrów
4.	Łomża	October 2 <sup>nd</sup> 2006 seat of the Office of a Powiat Starost in Łomża Szosa Zambrowska Street 1/27, 18-400 Łomża
5.	Kolno	October 4 <sup>th</sup> 2006 seat of the Office of a Powiat Starost in Kolno Wojska Polskiego Street 20, 18-500 Kolno
6.	Hajnówka	October 11 <sup>th</sup> 2006 seat of the Office of a Powiat Starost in Hajnówka A Zina Street 1, 17-200 Hajnówka
7.	Siemiatycze	October 16 <sup>th</sup> 2006 seat of the Office of a Powiat Starost in Siemiatycze Legionów Piłsudskiego Street 3, 17-300 Siemiatycze
8.	Białystok	October 18 <sup>th</sup> 2006 seat of the Office of a Powiat Starost in Białystok Borsucza Street 2, 15-569 Białystok
9.	Suwałki	October 19 <sup>th</sup> 2006 conference room in the Restaurant „Polish Tavern” Kościuszki Street 101 a, 16-400 Suwałki
10.	Augustów	October 21 <sup>st</sup> 2006 conference room in Officer Yacht Club „Pacific” Sportowa Street 1, 16-300 Augustów
11.	Wysokie Mazowieckie	October 23 <sup>rd</sup> 2006 seat of the Office of a Powiat Starost in Wysokie Mazowieckie Ludowa Street 15 a, 18-200 Wysokie Mazowieckie
12.	Sokółka	October 26 <sup>th</sup> 2006 seat of the Office of a Powiat Starost in Sokółka Piłsudskiego Street 8, 16 – 100 Sokółka
13.	Bielsk Podlaski	November 3 <sup>rd</sup> 2006 After-school room in School Boarding House Mickiewicza Street 122, 17-100 Bielsk Podlaski
14.	Mońki	November 6 <sup>th</sup> 2006 seat of the Office of a Powiat Starost in Mońki Słowackiego Street 5a, 19-100 Mońki

Big influence on the shape of ROP of Podlaskie Voivodeship had organized information meetings and comments proposed to the programme within the scope of large-scale regional consultations and interdepartment consultations.

Furthermore, according to the decisions of act from April 27<sup>th</sup> 2001 Environmental Protection Law documents concerning the regional development and different branches of the economy along with forecast of influencing the environment are subjects to the additional giving a opinion by the appropriate authorities. Required opinions along with comments to the project of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013 (version from October 27<sup>th</sup> 2006) as well as the project of “Forecast of influencing the environment of Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013” were proposed by Podlaskie Voivode and by National Sanitary Inspector in Białystok and were considered in works on the document’s project.

The definitive form of regulations is decided by European Commission, on which lies the responsibility of carrying out the evaluation of the programme’s project.

## **THE LIST OF TERMS USED IN THE PROGRAMME**

### **SWOT Analysis**

Method allowing to analyze the strengths and weaknesses of the region/company/sector/economy towards opportunities and threats created by the environment. The abbreviations SWOT comes from the first letters: strengths, weaknesses, opportunities, threats.

### **Audit**

The whole of measures, by which is obtained independent evaluation of the institution's functioning, legality, thrift, functionality, reliability. Audit is usually done by separate section, subordinated directly to the manager of the institution (internal audit) or by the external body (external audit).

### **Beneficiary**

In accordance with the act from December 6<sup>th</sup> 2006 concerning the rules of carrying on development policy, beneficiary is physical person, legal person or organizational unit without legal status, for which that act grants legal capacity, implementing projects financed from the Budget or from foreign sources on the basis of agreement of financing partially the project.

### **Measure**

The instrument of help implementing operating priority within the scope of operating programme, with separate purpose and rules of implementation; a group of projects implementing the same objective within the scope of priority of operational programme.

### **Efficiency (of the funds' use)**

The evaluation criterion comparing the size of outlays on the programme implementation (e.g. financial, administrative, human resources) with the real achievements.

### **European Regional Development Fund ERDF**

One of the Structural Funds. Its task is to reduce disparities in the development level between EU regions. ERDF co-finances the implementation of Objectives 1 and 2 of the EU Structural policy. In particular, the Fund provides support for production investments, infrastructure development, local development initiatives and for small and medium enterprises (Regulation of European Parliament and Council of July 14<sup>th</sup> 2004 concerning European

Regional Development Fund).

### **European Social Fund – ESF**

One of the structural funds, which serves in achieving economical and social cohesion as well as high level of employment in European Union by financing the measures within the scope of: active policy of labour market, preventing the occurrence of social exclusion, constant education, adaptation and enterprise development, equalling the women opportunities on the labour market.

### **Evaluation**

Evaluation/assessment of the quality (level) of programme implementation (i.e. its factual results) in comparison with the earlier assumptions (i.e. expected effects). In contrast with monitoring or control evaluation relates to long-term effects (influence). Fundamental goal of evaluation is constant improving effectiveness of programmes implemented by public authorities. It is carried out in order to achieve positive social and economic effects connected directly with particular programme as well as to expand the clarity and to promote the measures taken by public authorities. Evaluation is carried as: ex-ante evaluation, mid-term evaluation and ex-post evaluation.

### **Community financial contribution**

The size of funds allocated by European Commission within the scope of financial help, being definite proportion of eligible costs of operational programme or project.

### **Pre-accession Funds**

Funds of the non-returnable financial help provided by European Union for the candidate countries. Their most important task was preparing these countries for membership in EU as well as help in levelling the economic differences. To the instruments functioning within the scope of these funds were included: PHARE, ISPA, SAPARD.

### **Structural Funds**

EU financial resources enabling assistance in restructuring and modernisation of member states' economies by way of intervention in the key sectors and regions (improvement of the structure). The structural funds, in the programming period 2007-2013,

comprise of European Regional Development Fund (ERDF) and European Social Fund (ESF).

<b>Knowledge-based economy</b>	Economy, which is characterized by fast development of fields connected with processing the information and science development, mainly the industry branches ranking as so called high-tech, and also techniques and services of information society.
<b>Innovation</b>	The enterprises' capability to create and implement innovation and the actual skill of introducing novel and modernised products, new or modified technological or organisational and technical processes.
<b>Authority Coordinating ROP</b>	Minister right for regional development by designated for this cell in Department of Regional Development.
<b>Authority Managing ROP</b>	Board of particular voivodeship responsible for preparing and supervising of implementation of regional operational programme.
<b>Intermediate body</b>	Public or private body, on which managing authority delegates part of the entitlements.
<b>Categories (fields) of intervention of structural funds</b>	Thematic areas/issues which include help on the rules being in effect in the European Community. The field of structural funds intervention is helpful upon identification, examination and monitoring of measures. Categories of intervention are used to draft annual reports on the structural funds and their financial load, in order to facilitate transfer of information on various policies. To the main fields of intervention included: agriculture, forestry, promoting the adjustment and development of agricultural areas, fishery, assistance for big enterprises, assistance for small and medium enterprises, tourism, transport infrastructure, telecommunication infrastructure and information infrastructure, energy infrastructure, environmental infrastructure, physical planning and restoration, social infrastructure and public health protection.
<b>European Commission</b>	The authority representing UE, equipped with right of

legislative initiative and powers to coordinate community measures, to control the applying of community law as well as treaties accepted by Community. It contains 25 commissioners, elected for 5 years. In the common understanding it contains not only this authority, but also serving it (carrying out the entrusted them tasks) bureaucratic system.

### **Monitoring Committee**

The body appointed the each operational programme by member country in agreement with monitoring authority; its task is, among the others, approving the criteria of choosing the projects, accepting the programme elaboration, periodical evaluation of the progress in the range of achieving the detailed objectives described in the programme and in the programme supplement. Included in the committee monitoring the programme are representatives of governmental side, self-governmental side as well as social and economic partners.

### **Region Competitiveness**

A set of features deciding the attractiveness of the region from the viewpoint of placing the investment or dwelling place: also the list of technological advantage or lower prices of products and services created in the region, in comparison with other regions.

### **Voivodeship contract**

The agreement concluded between Council of Ministers and voivodeship self-government, determines the scope and method as well as conditions of implementation the measures resulting form operational programmes.

### **Financial control**

The mechanisms and measures ensuring the correct functioning of the process of raising and distribution of the public funds and the property distribution.

### **Convergence**

Process of reducing the diversifications between countries of European Union as well as the assimilation of social-economic structures.

<b>Eligible costs</b>	Costs, which qualify for refund from the union funds.
<b>Total cost</b>	Total costs of scheduled actions and operations comprising both eligible and non-eligible costs.
<b>Eligibility of projects</b>	Project is eligible, which means that it can be approved for co-financing from the resources of structural funds, if it is in accordance with requirements of that particular fund and with community policies as well as it is coherent with the approved operational programme and fulfils detailed criteria described for particular measure in detailing the operational programme.
<b>Eligibility of expenditure</b>	Expenditure is eligible, when was incurred within the scope of the approved project, implemented with the help of structural funds and meets the requirements described in detail in the Commission Regulation No. 448/2004. Of the expenditure eligibility decide, in order, Community rules, rules included in the supplements to operational programmes as well as alternatively additionally other rules set by managing authority.
<b>Monitoring</b>	Systematic observation of the selected indicators depicting dynamics and structure of the occurrences included in the objectives of projects, operational programmes, strategy of implementation of Cohesion Fund and National Development plan as well as Community Support Framework, having the objective of assuring the returnable information on the subject of implementation progress of these documents with their schedule.
<b>Financial monitoring</b>	Monitoring of management of financial resources from the structural funds allocated for operational programmes and projects; it is the basis for evaluating the effectiveness of their spending.
<b>Physical monitoring</b>	Monitoring of the process of operational programme and projects implementation through the system of indicators laid down in the programming documents.
<b>National Strategic Reference</b>	Strategic document determining priorities and spending

**Framework 2007- 2013  
(National Cohesion Strategy)**

areas as well as system of union funds implementation: European Regional Development Fund (ERDF), European Social Fund (ESF) and Cohesion Fund within the scope of Community budget for years 2007-2013.

**Irregularities**

The all divergences to the established by managing authority, implementing authority as well as beneficiary final way of spending the funds within the scope of operational programmes or projects.

**Environmental Impact  
Assessment EIA**

Examination to specify, describe and assess direct and indirect effects of a given project on: humans and the natural environmental components (the fauna and the flora, waters, soils, air, climate, landscape), impact between these elements; material goods and cultural heritage; the environment impact assessment should be carried out according to polish legislation and the relevant EU directives on environmental protection.

**Impact**

Consequences for direct recipients following their participation in the project or the completion of given investment as well as indirect consequences for other recipients who benefited from or experienced losses due to the project implementation.

**Operation**

Project or group of projects chosen by managing authority with given operational programme or on its responsibility, according to criteria established by monitoring committee and implemented by one or more beneficiaries, which enable achieving the objectives of priority connected with given projects.

**State aid**

Aid within the meaning of article 87 of the EC Treaty, i.e. support provided by country (administration of central government, regional or local) or from public funds to support entities running economic activities, having selective character (concerning particular entities or production of given goods), which disturbs or is in danger of disturbing the competition and has the influence on trade exchange between member countries of EU.

<b>Rural areas</b>	Areas outside the administrative borders of the cities; cities with population under 20 thousands.
<b>Priority Axis/Priority</b>	One of the priorities of strategy included in the operational programme, defined as the group of measures mutually connected, implementing detailed and measurable objectives.
<b>Product</b>	In cohesion policy of the European Union defined as result of the project implementation.
<b>Gross Domestic Product (GDP)</b>	Synthetic measure of the social-economic level of a country, converted for single citizen, it is the indicator used in the EU cohesion policy as a criterion of funds' granting from the Cohesion Fund.
<b>Operational programme</b>	Document being implemented within the scope of country's structural policy, accepted by Council of Ministers and European Commission to implement Community Support Framework, consisting the set of priorities and multi-annual measures that can be implemented under one or several structural funds, one or several other available financial instruments as well as European Investment Bank.
<b>Public national funds</b>	Financial funds from the Budget and national special funds, funds from the budgets of territorial self-government authorities, funds from other authorities of the public finances sector, as well as the other funds of the authorities and organizational-legal forms of public finances sector.
<b>Public community funds</b>	Financial resources from the European Community Budget, in particular from structural funds, mentioned in the regulations of the European Union concerning the European Regional Development Fund, the European Social Fund, concerning the support for rural areas development from European Agriculture Guidance and Guarantee Fund as well as changing and annulling some regulations, regulation concerning the Instrument for Financial Support of Fishery and regulation establishing the Cohesion Fund, included in annex to the budget act and serving the implementation

the National Development Plan.

**Reporting**

Report made by managing authority of progress of implementation of the programme or projects co-financed from public community funds.

**Results**

Direct and immediate effects of the implemented operational programme or project. The results provide information on the changes resulting from the programme or project experienced by beneficiaries of assistance, directly after obtaining the support.

**The Lisbon Strategy**

Social-economic programme of the European Union, with the objective of creating in Europe to the year 2010 the most competitive and dynamic economy in the world, based on knowledge, capable of long-term development, creating the bigger number of better workplaces as well as characterized by better social cohesion. Was enacted in the year 2000 during the European Council summit in Lisbon.

**Feasibility study**

The study carried out at the stage of project formulation to verify if the given project has a good basis for implementation and that it complies with the needs of potential beneficiaries. The study should constitute the plan of the project; it must specify and critically examine all the operational details of its implementation, thus trading, technical, financial, economic, institutional, socio-cultural and economic profitability and consequently clear justification for the project implementation objective.

**Subsidiary**

One of the basic political rules of the European Union. It denotes, that on the community level should be taken only these measures, which ensure better effectiveness and efficiency, than in the case when carrying out the appropriate actions leave to the exclusive competence of the governments of particular member countries.

**Information System of Monitoring and Control of Financial Structural Funds and Cohesion Funds (ISMAC)**

Information tool enabling the managing, monitoring, control and assessment of the operational programmes financed from the structural funds; it was created according to the need of data and information interchange on the subject of structural funds and

Cohesion Fund.

<b>Indicative financial plan</b>	A kind of financial plan, detailing for each priority and financial year contribution from each Fund in particular measures and operations. That plan is created during the preparation of the programme documents.
<b>Programme complement</b>	The document separate for each operational programme, implementing the assistance strategies and priorities, containing also detailed elements on the level of measures implementing particular priorities of operational programme.
<b>Implementation</b>	Carrying out the project of the programme. A stage of implementation comes after programming stage.
<b>Joint Classification of Territorial Units for Statistics (NUTS)</b>	Established by Regulation (EC) No. 1059/2003 of the European Parliament and Council from May 26 <sup>th</sup> 2003 – it replaced previously applied the Nomenclature of Territorial Units for Statistics (NUTS), temporarily established by Statistical Office of the European Community in cooperation with the national statistical offices. Drawn up on the basis of existing administrative division and population criterion. The classification is aiming at ensuring the collecting, working out and making available, within the EC area, comparable data for particular regional statistics. NUTS classification is hierarchical – it divides each member country to territorial units on the level NUTS 1, of which each is divided to territorial units on the level NUTS 2, and then these are divided to territorial units on the level NUTS 3. In Poland the equivalent of NUTS classification is the Nomenclature of Territorial Units for Statistics, created by Regulation of the Council of Ministers from July 13 <sup>th</sup> 2000 concerning the introduction of the Nomenclature of Territorial Units for Statistics (NUTS) (law gazette No. 58, poz. 685, with later changes). It divides country into territories, hierarchically connected units on the following levels: NTS 1 – region; NTS 2 – voivodeships; NTS 3 – subregions; NTS 4 – poviats and cities with rights of a poviat; NTS 5 – gminas.
<b>National co-financing</b>	Contribution from national funds to programmes or

projects implemented with the contribution of EU funds.

### **Cross-financing rule**

The rule to ease implementation of the one-fund operational programmes, relaying on financing the measures, which are the part of intervention area of other structural fund. This rule is applied only to the measures, which are essential both for successful implementation of the project or group of projects, as for directly connected with project or group of projects. Share of the funds possible to seize by this rule is limited to 10% on the priority level.

### **Sustainable Development**

(translated also as permanent); such socio-economic development, integrating the process of political, economic and social measures, sustaining the natural balance and stability of basic natural processes, to guarantee the possibility of satisfying the needs of separate communities or citizens both present generation, and future generations.

## **THE LIST OF ABBREVIATIONS USED IN THE PROGRAMME**

<b>AGC</b>	European Agreement on Main International Railway Lines
<b>AGTC</b>	European Agreement on Important International Combined Transport Lines and Related Installations
<b>REAP</b>	Research of Economic Activity of Population
<b>DFI</b>	Direct Foreign Investments
<b>R&amp;D</b>	Research and Development Sector
<b>PYC / CCE</b>	Practical Training Centre / Centre of Continual Education
<b>CPMR</b>	Conference of Peripheral Maritime Regions
<b>DRP</b>	Department of Regional Programmes Coordination
<b>ESF</b>	European Social Fund
<b>ERDF</b>	European Regional Development Fund
<b>IGF</b>	Investment Grants Fund
<b>GDNRM</b>	General Directorate for National Road and Motorways
<b>CSO</b>	Central Statistical Office
<b>ICT</b>	Information and Communication Technology
<b>CA</b>	Coordinating Authority
<b>IB</b>	Intermediate Body
<b>ISPA</b>	Instrument for Structural Policies for Pre-Accession
<b>IA</b>	Implementing Authority
<b>CI</b>	Community Initiative on Border Cooperation
<b>INTERREG</b>	
<b>MA</b>	Managing Authority
<b>EC</b>	European Commission
<b>PAC</b>	Project Appraisal Committee
<b>DPPWP</b>	National Programme of Public Wastes Purification
<b>RA</b>	Rest Area
<b>MRD</b>	Ministry of Regional Development
<b>MIAA</b>	Ministry of Internal Affairs and Administration
<b>SME</b>	Small and Medium Enterprises
<b>NSRF</b>	National Strategic Reference Framework for years 2007-2013
<b>NUTS</b>	Nomenclature of Territorial Units for Statistics
<b>SAIFI</b>	State Agency of Information and Foreign Investments

<b>PPAI</b>	Public Points with Access to Internet
<b>PHARE ESC</b>	PHARE Economic and Social Cohesion
<b>PLN</b>	International Marking Polish Zloty
<b>GDP</b>	Gross Domestic Product
<b>PSR</b>	Polish State Railways
<b>PSR PRL</b>	Polish State Railways Polish Railway Lines
<b>OP</b>	Operational Programme
<b>IDP</b>	Institutional Development Plan
<b>RADP</b>	Rural Areas Development Programme
<b>TA</b>	Technical Assistance
<b>RNR</b>	Right Number of Residents
<b>RADP</b>	Rural Areas Development Programme
<b>ROPPV</b>	Regional Operational Programme for Podlaskie Voivodeship for years 2007-2013
<b>SAPARD</b>	Special Accession Programme for Agriculture and Rural Development
<b>SSEZ</b>	Suwalska Special Economic Zone Public Limited Company
<b>SGC</b>	Strategic guidelines of Community for economic, social and territorial cohesion for years 2007-2013
<b>EU</b>	European Union
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organization
<b>VLO</b>	Voivodeship Labour Office
<b>IOPRD</b>	Integrated Operational Programme of Regional Development for years 2004-2006
<b>GLP</b>	Green Lungs of Poland

## **ANNEXES**

In the present stage of works on the ROP of Podlaskie Voivodeship the big projects were not identified within the meaning of Council Regulation (EC) No. 1083/2006 from July 11<sup>th</sup> 2006 lying down general provisions on the European Regional Development Fund, European Social Fund and Cohesion Fund and repealing Regulation (EC) No. 1260/1999.

**CONTEXTUAL INDEXES**

Item number	Variable/Index	Unit of measurement	Index value	State in year	Territorial cross section (NTS)	Source	Comments*
<b>SOCIETY</b>							
1.	Population in podlaskie voivodeship – total, of which urban areas rural areas	thous.	1199,7 709,9 489,7	2005	NTS 2	CSO	context for indexes of Priority Axis VII
2.	Internal migration of population for permanent residences – net total of which urban areas rural areas - net of external migration	persons	<b>-1838</b> -1367 -471 -103	2005	NTS 2	CSO	context for indexes of Priority Axis VII
3.	Education of population age 15 and higher (total = 100) - secondary and post-secondary - basic vocational - tertiary of which in rural areas	%	32,1 18,9 9,5 3,7	May 20 <sup>th</sup> 2002	NTS 2	CSO	context for indexes of Priority Axis VII
4.	Number of graduates of tertiary education (state and non-state including foreigners)	persons	10 366	2004/2005	NTS 2	CSO	context for indexes of Priority Axis VII
5.	Households equipped with personal computer of which with internet access	% of total households	30,59 19,66	2005	NTS 2	CSO	context for indexes of Priority Axis IV
6.	Schools for children, youth and adults equipped with computers  Share of schools equipped with computers according to level of education: - primary - lower secondary - upper secondary - post-secondary	% of particular school group	822  93,6 79,8 32,7 22,6	2005/2006	NTS 2, urban areas /rural areas	CSO	context for indexes of Priority Axis IV
<b>LABOUR MARKET. UNEMPLOYMENT</b>							
1.	Economically active population <b>total</b> of which employed		<b>499</b> 422		NTS 2, urban areas /rural areas	CSO	context for indexes of Priority Axis I

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Item number	Variable/Index	Unit of measurement	Index value	State in year	Territorial cross section (NTS)	Source	Comments*
	of which at working age of which below 25 years 25-55 years 55 and more years of which: - women - men	thous.	395 38 330 54 227 272	4 <sup>th</sup> quarter of 2005			
2.	Employed total of which: previous year = 100 in private sector in SME	persons (%)  persons	387 933  99,8% 294 751 121 087	2005	NTS 2	CSO	context for indexes of Priority Axis I
3.	Employment index according to BAEL: <b>Total</b> Of total in age: 15-24 25-34 35-44 45-54 55 years and more Men Woman	%	<b>46,6</b>  22,1 69,9 79,5 70,0 19,2 55,1 38,9	4 <sup>th</sup> quarter of 2005	NTS 2, urban areas /rural areas	CSO	context for indexes of Priority Axis I
4.	Number of people working in agriculture	persons	136 906	2005	NTS 2	CSO	context for indexes of Priority Axis I
5.	Unemployment rate: according to BAEL - of which women  Registered - of which women	%	15,6 19,4  15,6	4 <sup>th</sup> quarter of 2005	NTS 2; urban areas /rural areas	CSO	context for indexes of Priority Axis I
<b>ECONOMY</b>							
1.	Gross domestic product per capita	zł	18 056	2004	NTS 2	CSO	context for indexes of Priority Axis I
2.	GDP growth (in current prices) previous year = 100	%	107,7	2004	NTS 2	CSO	context for indexes of Priority Axis I
3.	Added gross value per employed person according to kinds of activity: total -agriculture, hunting and forestry; fishery -industry of which manufacturing	zł	49750 17755  54984 53064	2004	NTS 2	CSO	context for indexes of Priority Axis I

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Item number	Variable/Index	Unit of measurement	Index value	State in year	Territorial cross section (NTS)	Source	Comments*
	- construction - market services - non-market services		73383 78358 55096				
4.	Employed in national economy according to kinds of activity (voivodship = 100) total -agriculture, hunting and forestry; fishery -industry of which manufacturing - construction - market services - non-market services	%	100,0  36,0 15,1 13,7 3,4 27,1 18,5	2005	NTS 2	CSO	context for indexes of Priority Axis I
5.	Employed in national economy according to kinds of activity (previous year = 100) <b>total</b> -agriculture, hunting and forestry; fishery -industry of which manufacturing - construction - market services - non-market services	%	<b>99,8</b> 100,0 95,9 95,7 101,6 100,4 101,6	2005	NTS 2	CSO	context for indexes of Priority Axis I
6.	Entities in national economy registered in register REGON of which: Small (below 10 persons) Medium (10-49 persons) Big (50 persons and more)	absolute values	88915 84898 3240 777	2005	NTS2 urban areas /rural areas	CSO	context for indexes of Priority Axis I
7.	Investment outlays on fixed assets per capita (in national economy)  of which in private sector	zl	2720  1539	2005	NTS 2	CSO NPB	context for indexes of Priority Axis I
8.	Expenditures* on research and development activity (current prices)  *without depreciation on fixed assets	thous. zl	61421,7	2005	NTS 2	CSO	context for indexes of Priority Axis I

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Item number	Variable/Index	Unit of measurement	Index value	State in year	Territorial cross section (NTS)	Source	Comments*
9.	Employed in research and development activity	persons	2386	2005	NTS 2	CSO	context for indexes of Priority Axis I
10.	Expenditures on innovation in industry* total (current prices) * Data concern economic entities, with number of employees exceeding 49 persons	thous. zł	304 543,7	2005	NTS 2	CSO	context for indexes of Priority Axis I
11.	Value of sold production of innovation enterprises* in industry * Data concern economic entities, with number of employees exceeding 49 persons	thous. zł	8 851 396,6	2005	NTS 2	CSO	context for indexes of Priority Axis I
12.	Value of sold production of products newly introduced on the market in years 2003-2005 innovation enterprises* in industry * Data concern economic entities, with number of employees exceeding 49 persons	thous. zł	856 307,2	2005	NTS 2	CSO	context for indexes of Priority Axis I
<b>TRANSPORT</b>							
1.	Hard surface public roads as of December 31 <sup>st</sup> - voivodship - powiat - gmina	km	1243,0 6451,8 2341,1	2005	NTS 2	General Directorate for National Road and Motorways	context for indexes of Priority Axis II and VI
2.	Railway lines operated* as of December 31 <sup>st</sup> *PSR network and other entities managing railway network	km	682	2005	NTS 2	CSO	context for indexes of Priority Axis II
3.	Population in cities operated by municipal public transport services Transport of passengers by municipal public transport services * *Entities and municipal public transport services with more than 9 employees.	thous. persons mln	544 112	2005	NTS 2	CSO	context for indexes of Priority Axis II

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Item number	Variable/Index	Unit of measurement	Index value	State in year	Territorial cross section (NTS)	Source	Comments*
4.	Fatalities of road traffic accidents: -per 100 thous. vehicles* -per 100 thous. population  *Registered in powiat starosta offices.	persons	39,30 17,60	2005	NTS 2	CSO	context for indexes of Priority Axis II and VI
<b>ENVIRONMENT</b>							
1.	Population using sewerage - of which in rural areas Population using sewerage in % of population <b>total</b> - of which in rural areas	thous. thous. % %	692,9 72,1 <b>57,8</b> 14,7	2005	NTS 2	CSO	context for indexes of Priority Axis V and VI
2.	Population using water-lines - of which in rural areas Population using water-lines in % of population <b>total</b> - of which in rural areas	thous. thous. % %	1034,2 354,2 <b>86,2</b> 72,3	2005	NTS 2	CSO	context for indexes of Priority Axis V and VI
3.	Population using* waste water treatment plants in % of population <b>total**</b> - of which in rural areas * To the year 2000 defined as population served by waste water treatment plants; estimated data; as of December 31 <sup>st</sup> . ** Based on balances	% %	<b>61,2</b> 14,2	2005	NTS 2	CSO	context for indexes of Priority Axis V and VI
4.	Total emission of pollutants air* - particulates - gases of which sulphur dioxide of which nitrogen oxides** - gases (without CO <sup>2</sup> )  *Plants generating substantial air pollution. ** Expressed in nitrogen dioxide.	t/year t/km <sup>2</sup> t/year t/ km <sup>2</sup> t/ year t/ year t/ year	2004 0,1 1799787 89,2 5251 3627 12501	2005	NTS 2	CSO	context for indexes of Priority Axis V and VI
5.	Municipal and industrial waste water treated: - per km <sup>2</sup> of land - in % of waste water requiring treatment	dam <sup>3</sup> %	1,9 99,2	2005	NTS 2	CSO	context for indexes of Priority Axis V and VI
6.	Waste generated during the year - total - recovered	thous. t/ year thous. t/	927,9 795,1	2005	NTS 2	CSO	context for indexes of Priority Axis V

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Item number	Variable/Index	Unit of measurement	Index value	State in year	Territorial cross section (NTS)	Source	Comments*
		year					
7.	Collected municipal waste	t	267990,50	2005	NTS 2	CSO	context for indexes of Priority Axis V
8.	Energy coming from renewable sources (Installed power)	MW	3,36	2005	NTS 2	Agency of Energy Market	context for indexes of Priority Axis V and VI
9.	Share of energy production from RES in total production	%	1,3	2005	NTS 2	Economy Department, President of Power Regulation Office/CSO	context for indexes of Priority Axis V and VI
10.	Legally protected areas possessing unique environmental value in % of total area	%	32	2005	NTS 2	CSO	context for indexes of Priority Axis V
11.	Land reclaimed Land managed Land degraded	ha	58 8 115	2005	NTS 2	CSO	context for indexes of Priority Axis V
12.	Emission of CO <sub>2</sub>	thous. t	1787,3	2005	NTS 2	CSO	context for indexes of Priority Axis V
<b>TOURISM</b>							
1.	Number of collective tourist accommodation establishments	items	180	2005	NTS 2	CSO	context for indexes of Priority Axis III
2.	Number of beds	items	11 769	2005	NTS 2	CSO	context for indexes of Priority Axis III
3.	Night spent in collective tourist accommodation establishments -of which by foreign tourists	in thous.	806,1 132,0	2005	NTS 2	CSO	context for indexes of Priority Axis III
4.	Tourists accommodated -of which foreign tourists	persons	398271 85981	2005	NTS 2	CSO	context for indexes of Priority Axis III
5.	Catering establishments in collective tourist accommodation establishments	items	168	2005	NTS 2	CSO	context for indexes of Priority Axis III