



NATIONAL
STRATEGY
OF REGIONAL
DEVELOPMENT
2030



National Strategy of Regional Development 2030

**Socially sensitive and territorially
sustainable development**

SUMMARY

Warsaw 2020

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WHAT IS THE NATIONAL STRATEGY OF REGIONAL DEVELOPMENT 2030?

The National Strategy of Regional Development 2030 (NSRD) was adopted by the Council of Ministers on 17 September 2019. The NSRD is the fundamental document for shaping regional policy in Poland until 2030.

Regional policy is to be understood as **coordinated action of public bodies (in particular the government and local governments) and socio-economic partners for the development of the different regions.**

The NSRD identifies development challenges of the country in the regional perspective until 2030, determines major directions and principles, specifies regional policy objectives until 2030 and actions to be taken by the government, local governments and other entities involved in the implementation of this policy, as well as establishes the implementation system and financial framework of the NSRD.

The NSRD does not provide a ready recipe for development. It disseminates **the necessary rules for its planning** at different levels – national, regional, local. The NSRD suggests action measures and focuses on:

- consistent and long-term support for vulnerable areas,
- developing entrepreneurship and innovativeness based on the existing advantages,
- activity and cooperation as important factors of gminas'/regions' success.

According to the *Strategy for Responsible Development for the period up to 2020 (including the perspective up to 2030)* (SRD), responsible development means also territorially sustainable development that **develops and efficiently applies local resources and potentials of all territories**, and in particular supports the development of the areas which are less resilient to crisis events, cannot fully build their development potential or lost their socio-economic functions. For regional policy this means taking action to **reduce the disparities in the level of socio-economic development of the different areas – both urban and rural.**

DEVELOPMENT CHALLENGES FACING THE COUNTRY IN THE REGIONAL CONTEXT UNTIL 2030 IN THE LIGHT OF TERRITORIAL ANALYSES

The changing development conditions trigger the evolution of the challenges faced by regional policy. Globalisation, digitalisation, demographic and climate change, resource scarcity and urbanisation constitute global mega-trends that will shape societies and economies in the years to come. These processes contribute to changes in the regions and, thereby, affect the directions of public intervention. Their early recognition and

adaptation to new conditions will allow the regions to achieve a significant development advantage.

On the basis of analyses, research and evaluation of the socio-economic situation in the country, the following challenges for regional policy until 2030 have been identified:

1. Adapting to climate change and limiting risks for the environment.
2. Counteracting the negative effects of demographic processes.
3. Developing and supporting human and social capital.
4. Increasing the productivity and innovativeness of regional economies.
5. Developing infrastructure which increases competitiveness, investment attractiveness and living conditions in the regions.
6. Increasing the effectiveness of development management (including financing development activities) and cooperation between local governments and between sectors.
7. Counteracting territorial disparities and spatial concentration of development challenges and eliminating crisis situations in degraded areas.

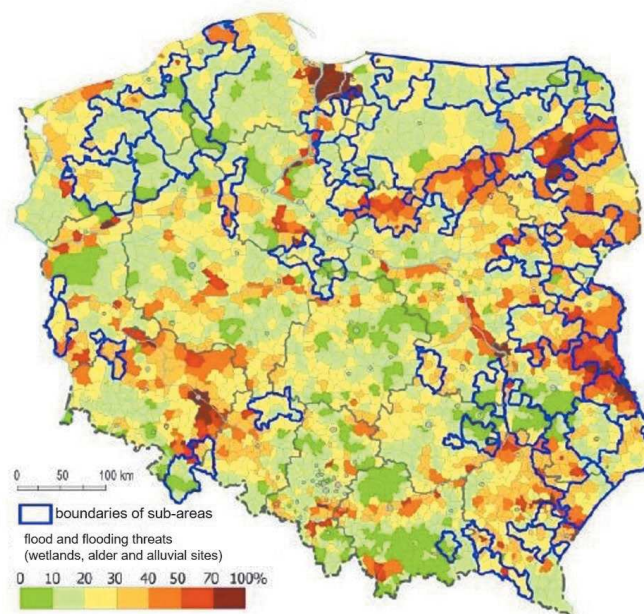
DEVELOPMENT CHALLENGES FACED BY REGIONS UNTIL 2030 IN THE LIGHT OF TERRITORIAL ANALYSES

CHALLENGE 1. ADAPTING TO CLIMATE CHANGE AND LIMITING RISKS FOR THE ENVIRONMENT

Climate change should be perceived as a dynamic process which simultaneously creates development problems and opportunities for the country and its regions. An unfavourable phenomenon related to climate change is global warming. The risks related to climate change result primarily from increasing

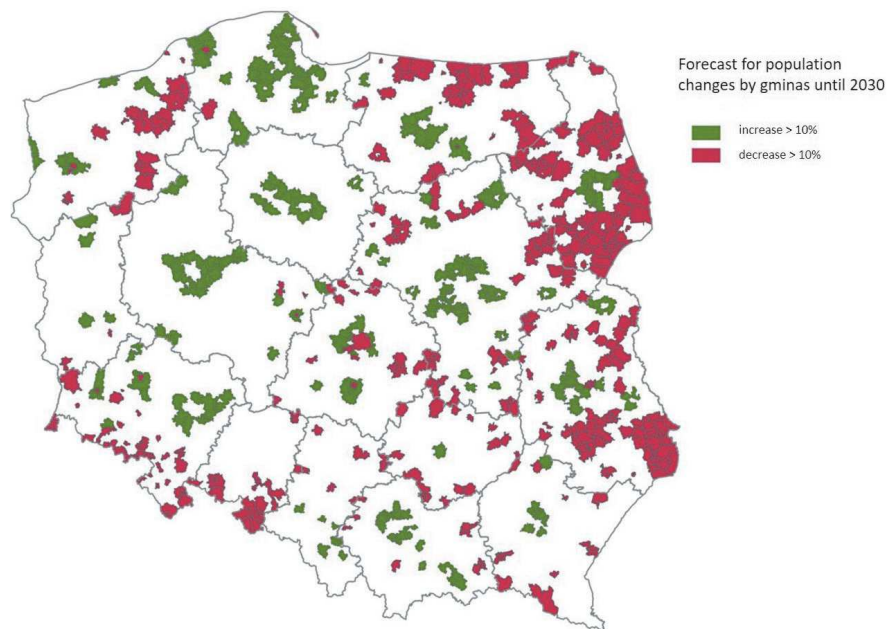
the frequency and intensity of extreme weather phenomena, such as droughts, floods, windstorms. Challenges for regional policy in the context of climate change include the problems of the agricultural sector, cities and areas where investment is accumulated. The losses caused affect economy branches and are costly for the administration. The negative effects of climate change may be minimised, however, in favourable territorial conditions, they can be exploited. Climate change that triggers risks may become a catalyst for

Figure 1. Flood and flooding threats



Source: IGSO PAS, Center for European International and Local Studies EUROREG University of Warsaw, *Performing an in-depth analysis of areas at risk of permanent marginalization and providing advisory and consultancy services in the field of corrective actions to overcome development barriers in these areas*, Warsaw 2018.

Figure 2. Population change forecast



Source: *National Strategy of Regional Development 2030*, Fig. 1, Warsaw 2019.

development by creating demand for new products, e.g., more durable construction materials and new types of services related to actions intended to minimise the negative effects of climate change.

CHALLENGE 2. COUNTERACTING THE NEGATIVE EFFECTS OF DEMOGRAPHIC PROCESSES

Since the early 1990s, Poland has been experiencing a slowdown in demographic growth. Significant changes in age structure of the population are observed. The process of ageing of Poland's population resulting from

the favourable phenomenon of extending life-expectancy is aggravated by low fertility rate. At the same time, these changes are intensified by the emigration of young people. For regional policy this means taking action to mitigate unfavourable effects of demographic processes and adjusting them to different territories. Their essence should focus on: limiting the effect of outflows of human capital resources, negative changes for economy structure or uncontrolled suburbanisation, both in the context of sustainable development of cities and rural areas. The above should be taken into account when planning measures concerning the provision of services, particularly in the context of transport or healthcare infrastructure.

CHALLENGE 3. DEVELOPING AND SUPPORTING HUMAN AND SOCIAL CAPITAL

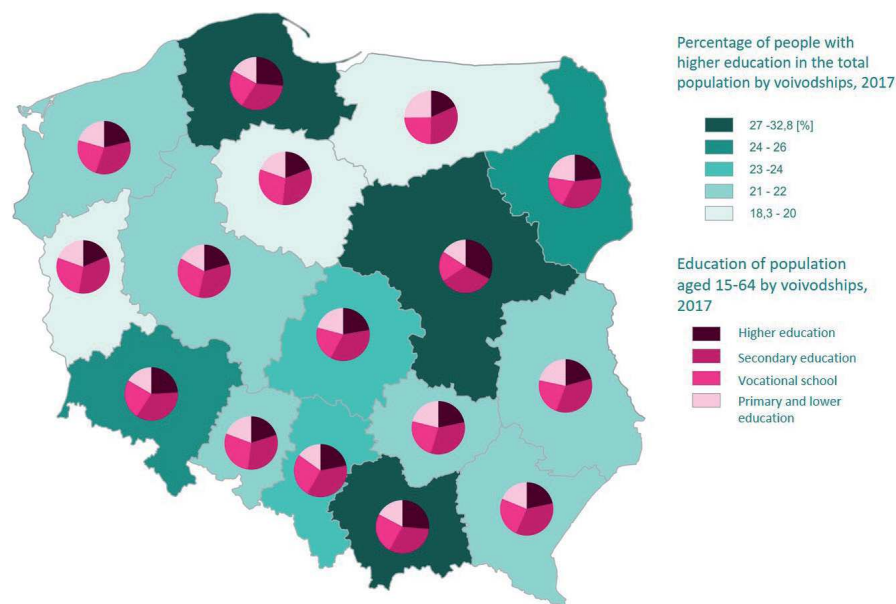
With respect to human capital, limited education activity of Poles has been observable for many years compared to other EU states, which results from unfavourable indicators of lifelong learning. Consequently, the education structure is not adapted to the needs of the labour market. Providing human resources for modern economy will require increasing the number of people with basic digital skills through digital education. As far as unemployment and stimulating professional activity is concerned, the problem is the group on the borderline between being employed and

unemployment and professional inactivity. Economic activation of young people and enhancing cooperation between the education system and labour market constitute significant measures in that area. What matters in the context of increasing the level of social capital are activities aimed to shape the creative, cultural and intellectual potential.

CHALLENGE 4. INCREASING THE PRODUCTIVITY AND INNOVATIVENESS OF REGIONAL ECONOMIES

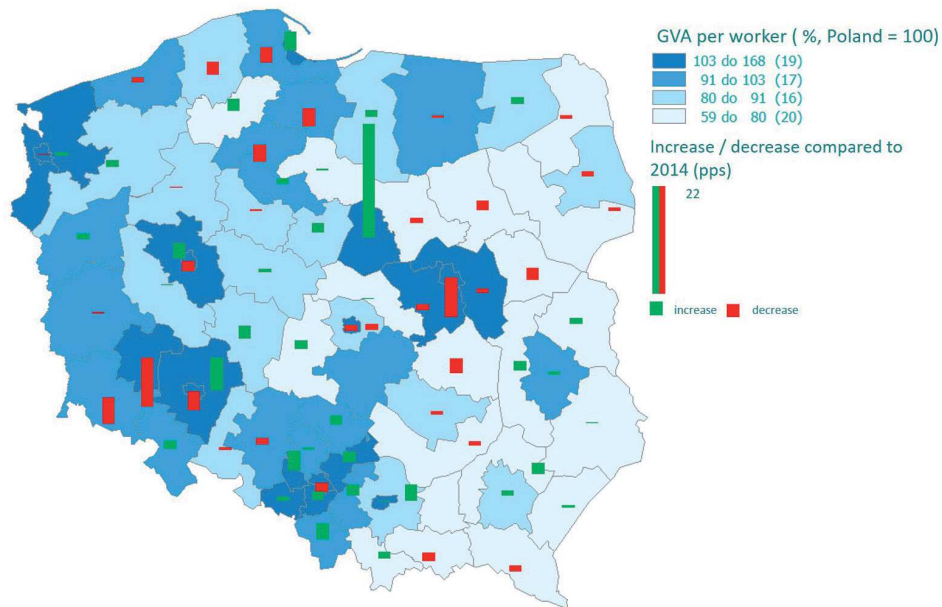
In the case of productivity of regional economies, intra-regional disparities are much more pronounced than

Figure 3. Population by educational attainment



Source: *National Strategy of Regional Development 2030*, Fig. 3, Warsaw 2019.

Figure 4. Productivity (GVA per worker) in sub-regions in 2016



Source: *National Strategy of Regional Development 2030*, Fig. 6, Warsaw 2019.

interregional disparities. High work efficiency values are characteristic for capital sub-regions in a given region and some neighbouring sub-regions as well as for sub-regions where big corporations have their offices. The challenge for regional policy is targeting actions to support the development and uptake of innovation using regional potential. Transforming regions into innovative regions requires creating appropriate conditions for enterprises so that they can develop under conditions of global competition, including by facilitating penetration of technologies and knowledge at regional level, as well as granting access to financial capital. This relates also to increasing the intensity of cooperation between enterprises with scientific and research units, extending the use of research and technology for the development of those sectors that

create the biggest economic opportunities and space for innovation.

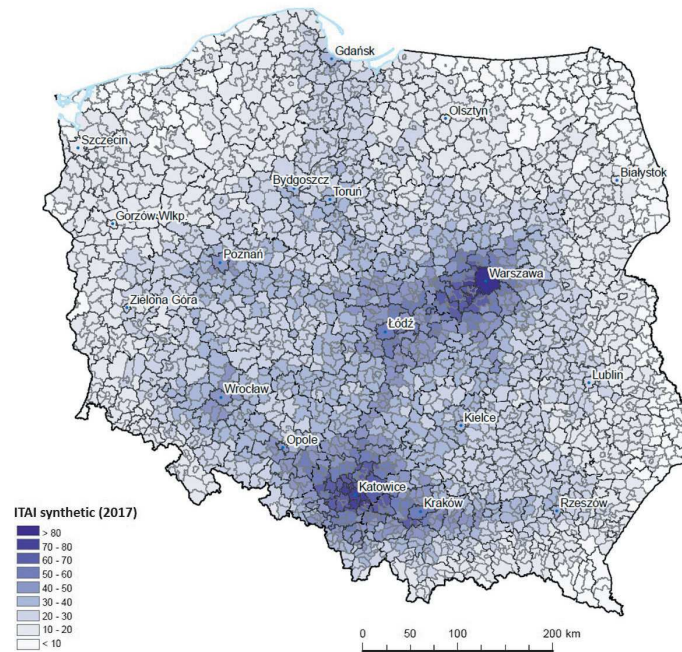
CHALLENGE 5. DEVELOPING INFRASTRUCTURE WHICH INCREASES COMPETITIVENESS, INVESTMENT ATTRACTIVENESS AND LIVING CONDITIONS IN THE REGIONS

Ensuring technical and social infrastructure to maintain the country's territorial cohesion and create regional competitiveness is a challenge for regional policy. From the point of view of transport infrastructure, it is important to fill the gaps and deficiencies in the basic

transport infrastructure at national, regional and local level with the aim to increase relevant accessibility of voivodeships and areas. Recently, local governments have made great progress in the development of urban infrastructure, which is connected with raising the standard of living. However, there are still differences in access to municipal infrastructure between urban and rural areas. It is important to provide infrastructure supporting access of all residents to high quality

public services, such as healthcare centres, educational and learning institutions, cultural centres or labour offices. Moreover, providing assistance in the process of developing and modernising ICT and telecommunications infrastructure, in particular in rural areas, proves challenging. Increased economic outlays in this area will ensure internet access as well as contribute to improving the competitiveness of the economy, consequently counteracting marginalisation of those regions.

Figure 5. Intermodal transport availability indicator (synthetic)



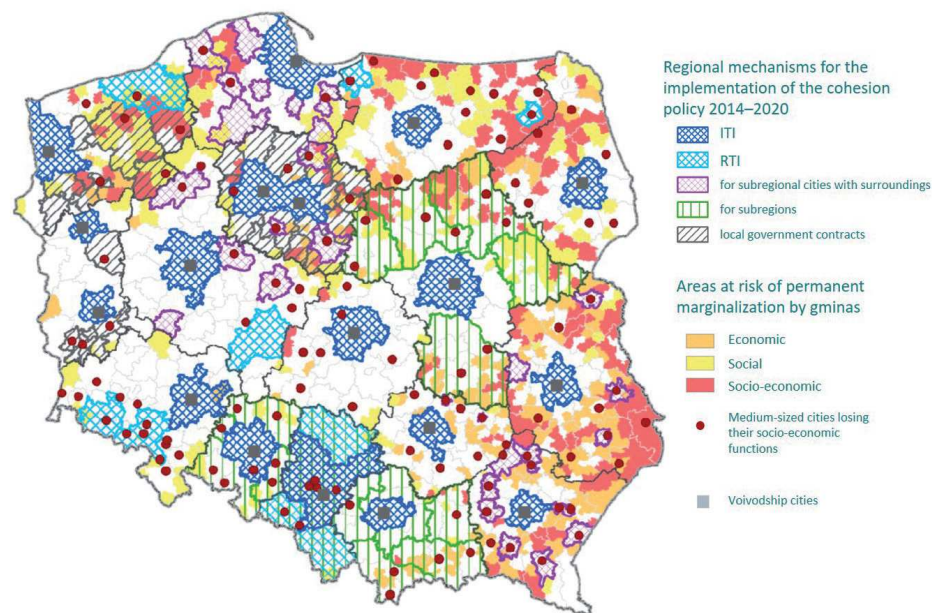
Source: Komornicki T., Rosik P., Stepniak M., Goliszek S., *Estimating the expected results of interventions using transport accessibility measures tailored to the needs of strategic and operational documents regarding the financial perspective 2014-2020 (update)*, Warsaw 2017.

CHALLENGE 6. INCREASING THE EFFECTIVENESS OF DEVELOPMENT MANAGEMENT (INCLUDING FINANCING DEVELOPMENT ACTIVITIES) AND COOPERATION BETWEEN LOCAL GOVERNMENTS AND BETWEEN SECTORS

Increasing institutional capacity to manage development at both national and regional and local level is a challenge for regional policy. For the quality of management at regional and local level, it is important to improve or develop new cooperation mechanisms to strengthen the system of co-managing

development processes, *i.e.* cooperation and partnerships between all Local Government Unit (LGU) levels and the government, entrepreneurs and society to solve problems and use potentials in functional territorial settings. It is equally important to ensure horizontal and multilevel coordination of development actions at national and regional level. This concerns also financing the development policy. The focus should be on economic efficiency and real added value of the implemented projects for socio-economic development of the regions, taking into account such factors as, e.g., internal potentials of the regions and the extent of the thematic structure of the funds relative to their needs.

Figure 6. Territorial mechanisms for the implementation of the cohesion policy 2014–2020



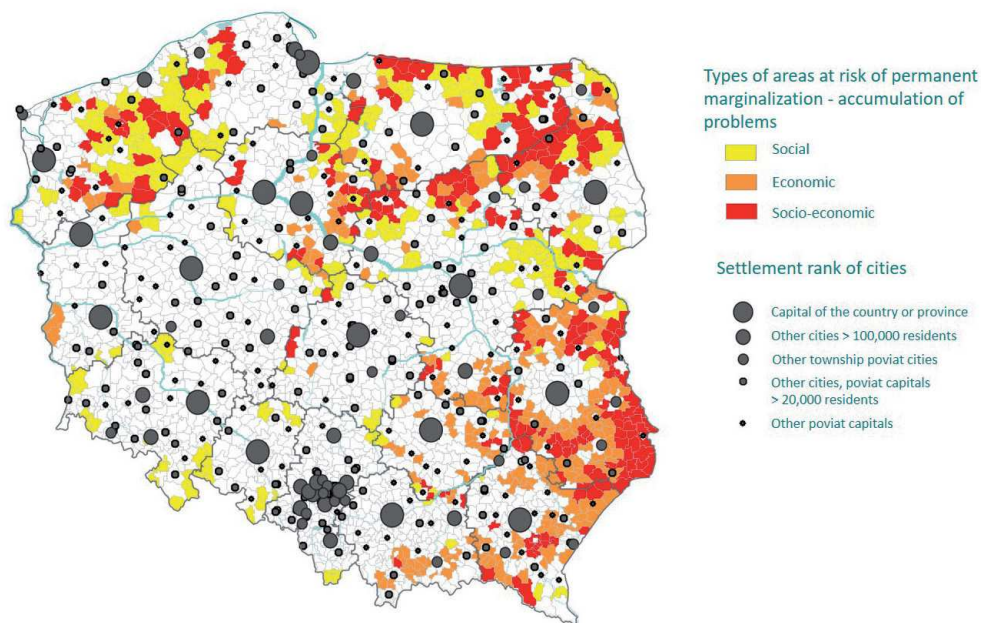
Source: Noworól A. Konsulting, *Analysis of the effectiveness and efficiency of territorial instruments implemented at regional and local level under the measures of cohesion policy 2014-2020 as well as territorial instruments and programs*, Warsaw 2018.

CHALLENGE 7. COUNTERACTING TERRITORIAL DISPARITIES AND SPATIAL CONCENTRATION OF DEVELOPMENT CHALLENGES AND ELIMINATING CRISIS SITUATIONS IN DEGRADED AREAS

Another challenge for regional policy is reducing disparities in the level of socio-economic development of sub-regions and counteracting the cumulation of socio-economic problems, particularly in peripheral areas located far from big urban centres and in areas where voivodeships meet. It is also important to reduce the disparities within cities and improve the living conditions and quality of life of residents in degraded

areas, as well as to increase the investment attractiveness and develop entrepreneurship. In the context of ensuring territorial cohesion, it is also important to increase the level of access to services (educational, health, cultural, social, transport, business advisory) and basic goods that determine the involvement of the residents of those areas in development processes, in particular by exploiting the potential of local communities and the social and solidarity-based economy sector. A challenge is also to ensure constant forms of cooperation between national and regional partners and enhancing cooperation and coordination of non-public institutions and entities working to develop those areas.

Figure 7. Areas at risk of permanent marginalisation



Source: *Strategy for Responsible Development*, Fig. 12, Warsaw 2017.

MAJOR DIRECTIONS OF CHANGE IN THE REGIONAL POLICY UNTIL 2030

Table 1. Selected aspects of regional policy under the NSRD 2030

	National Strategy of Regional Development 2030
MODEL	territorially sustainable development – a concept of focusing support on economically poorer areas and providing impulses for their development and integration with the wider surrounding
STRATEGIC ASSUMPTIONS	implementation of regional policy to a greater extent based on the objectives specified at national level and own resources with more active participation of the government, voivodeship self-governments and local governments as well as other socio-economic partners
TERRITORIAL CONCENTRATION (AREAS OF STRATEGIC INTERVENTION)	eastern Poland and Silesia as the areas of strategic intervention at regional level facing restructuring problems medium-sized cities losing their socio-economic functions and areas at risk of permanent marginalisation as the areas of strategic intervention (ASI) requiring priority intervention at national level addressed to the sub-regional level, due to cumulated negative socio-economic phenomena other areas of concentration of actions under regional policy at sub-regional level may be identified in voivodeship development strategies , e.g. sub-regional growth centres, areas requiring revitalisation, mountain or border areas, largest agglomerations, rural areas
THEMATIC CONCENTRATION	support dependent on good diagnostic recognition of potentials and problems of regions and different types of urban and rural areas, matching the objectives of the cohesion policy – increasing the role of and support for the development of smart specialisations continued measures supporting improvement in the competitiveness of the Polish regions in the European setting (major infrastructure projects, support for technology and innovation development, enterprises, human resources) implemented throughout the country with the growing share of other financing sources managed at European (e.g. CEF, Horizon Europe, InvestEU) and national level
INSTITUTIONAL MODEL	decentralised system of designing and implementing regional policy , where major role is played by voivodeship self-governments with more active involvement of local governments and other socio-economic partners, in particular in addressing sub-regional development challenges (e.g. under a territorial agreement) more active role of the government in solving identified problems and unused potentials at sub-regional level (identification of ASI) coordination of actions taken under various policies with greater involvement of sectoral ministers in the implementation and support of regional policy measures (sectoral contract)

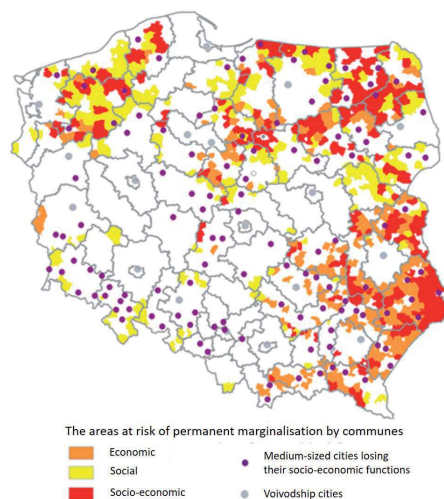
	National Strategy of Regional Development 2030
IMPLEMENTATION MECHANISMS	<p>introducing the possibility for a voivodeship self-government to enter into a number of contracts with the government at the same time – a programming contract (concerning co-financing Regional Operational Programme - ROP) and sectoral contracts (concerning territorial orientation of sectoral interventions in development programmes)</p> <p>the growing role of national instruments accounting for territorial differentiation (e.g. in development programmes) alongside the instruments and mechanisms for cohesion policy implementation</p> <p>strengthening and expanding grassroots mechanisms at regional level based on experience and good practices (e.g. regional territorial investments, local government contracts, territorial agreement)</p> <p>testing new support mechanisms by means of pilot projects</p>
FINANCING	<p>strengthening importance of national funds, including through actions to increase national contribution to finance regional policy</p> <p>increasing the role of refundable forms of support, including financial instruments, and popularising Public Private Partnerships (PPP)</p>

AREAS OF STRATEGIC INTERVENTION

ASI are – from the point of view of implementing regional policy – medium-sized cities losing their socio-economic functions and the areas at risk of permanent marginalisation, as well as eastern Poland and Silesia. Regions may – to the best of their knowledge

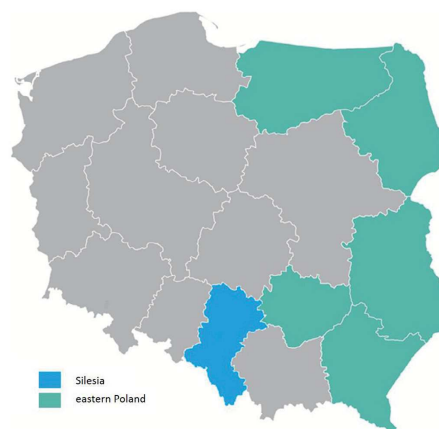
and needs – indicate their areas of strategic intervention as a response to development challenges, as this will involve the provision of specific support instruments or arrangement mechanisms.

Figure 8. Medium-sized cities losing their socio-economic functions and areas at risk of permanent marginalisation



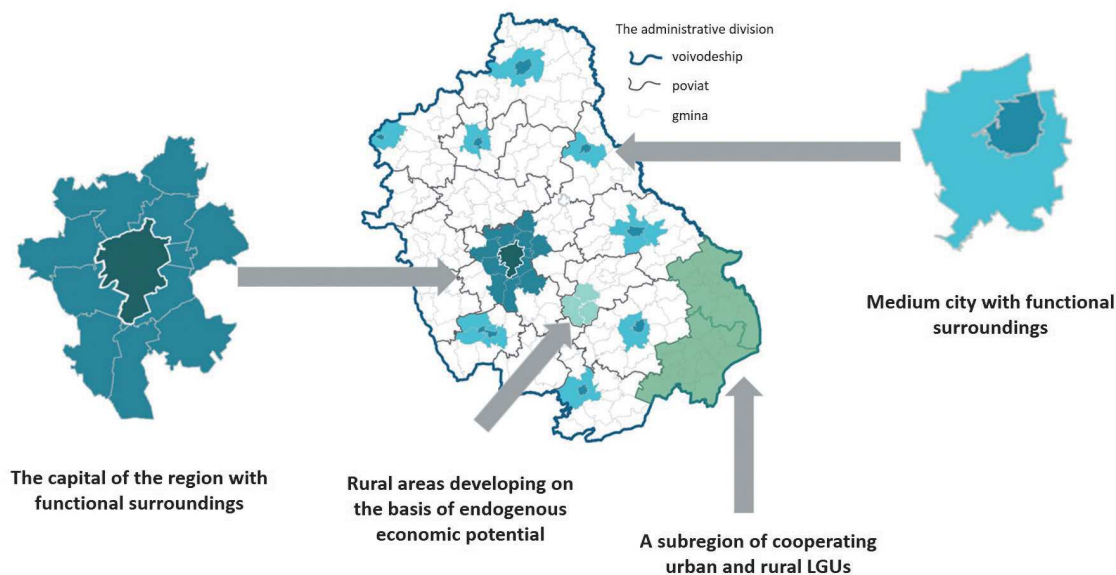
Source: *National Strategy of Regional Development 2030*, Fig. 19, Warsaw 2019.

Figure 9. Regions requiring special support under regional policy (eastern Poland macro-region and Silesia)



Source: own elaboration of the Ministry of Development Funds and Regional Policy.

Figure 10. Areas of strategic intervention (examples)



Source: *National Strategy of Regional Development 2030*, Fig. 17, Warsaw 2019.

When determining the ASI and the scope of intervention addressed to them, account should be taken of the **territorial conditions** and **functional links** (stemming e.g. from access to the labour market, public services, environment resources, technical infrastructure).

They allow to identify problems, barriers or potentials in a given territory, which consequently leads to selecting the extent of the ASI to which implementation instruments are addressed, to accommodate their development needs.

PRINCIPLES OF REGIONAL POLICY

1. **Subsidiarity** – each measure of individual development policies, including regional policy in particular, is programmed and implemented at the lowest possible, but simultaneously efficient with respect to given issue, administrative level.
2. **Integrated territorial approach** – determines the cohesion policy as a policy focused on utilising the internal development potential, territorial resources, including knowledge resources, and as a policy allowing to implement interventions, on the one hand addressing development challenges and, on the other, tailored to territorial characteristics.
3. **Partnership and cooperation** – entities jointly participating, making decisions and bearing responsibility in shaping the policy and achieving its objectives based on multi-level development management.
4. **Territorial and thematic concentration** – focusing interventions under regional policy on supporting a limited number of territories and concentrating resources, measures and actions on a limited number of support areas which have priority from the perspective of national and regional development.
5. **Making evidence-based decisions** – pursuing policy based on experience, collected data, conclusions, recommendations, analyses and assessment of its efficiency and effectiveness.
6. **Conditionality** – public support is granted only upon meeting certain conditions.
7. **Sustainable investment** – achieving the best possible results with the lowest possible pressure on the environment and surrounding areas as well as treating with preference the priority rule of reusing space in investment processes by local governments.

GENERAL OBJECTIVE AND SPECIFIC OBJECTIVES OF THE REGIONAL POLICY UNTIL 2030

The **regional policy** until 2030 focuses actions on levelling out the living standard and development opportunities of medium-sized cities that struggle to cope with the effects of losing their industrial and administrative functions, and usually in rural areas – at risk of permanent marginalisation. It provides them with support that requires taking comprehensive measures tailored to the local character of actions. By supporting competitiveness of the regions, the policy assumes continued measures aimed at **raising the quality of human and social capital and developing entrepreneurship and innovation**. The strategy attaches great importance to developing competencies within public administration that are necessary for pursuing an effective development policy, in particular in territories with low development potential.

Horizontal matters addressed by the objectives:

- improving competitiveness of the regions based on making optimal use of their potential for development, having a proactive innovation policy, developing human and social capital in

order to adjust their quality to the needs of the labour market and addressing infrastructural shortcomings,

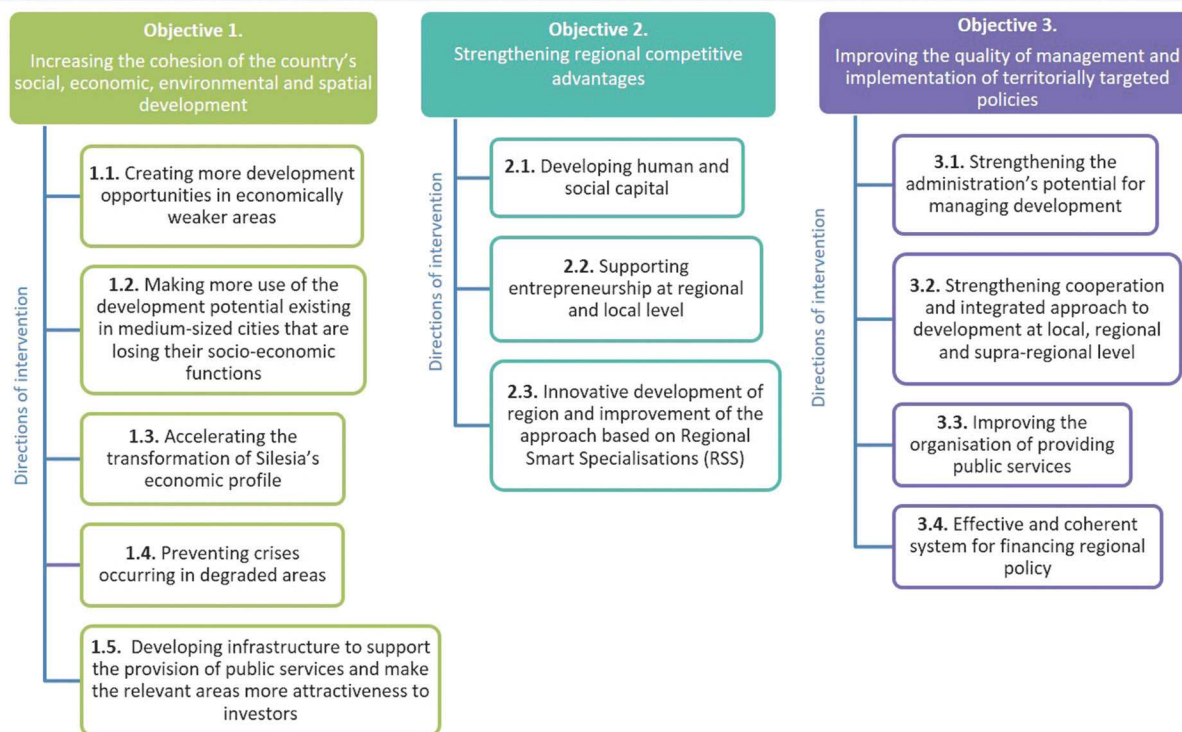
- improving access to public services, building a culture of solidarity, shared responsibility and cooperation,
- improving the administrative potential and functioning of institutions, as well as their cooperation and active involvement in development activities.

The main objective of the regional policy until 2030 will be implemented based on **three specific objectives** that complement one another. The role of the NSRD is to connect and coordinate horizontal measures taken to implement objectives, which include strengthening the competitiveness of all regions, cities and rural areas (objectives 2 and 3) with objective 1 which ensures greater cohesion in the country's development through providing support to areas that are economically weaker.

Scheme 1. The main and specific objectives of the NSRD

The main objective of NSRD 2030:

The main objective of regional policy is the effective use of endogenous potentials of territories and their specialization to achieve sustainable development of the country, which will create conditions for the growth of income of Polish residents while achieving coherence in the social, economic, environmental and spatial dimensions



OBJECTIVE 1. INCREASING THE COHESION OF THE COUNTRY'S SOCIAL, ECONOMIC, ENVIRONMENTAL AND SPATIAL DEVELOPMENT

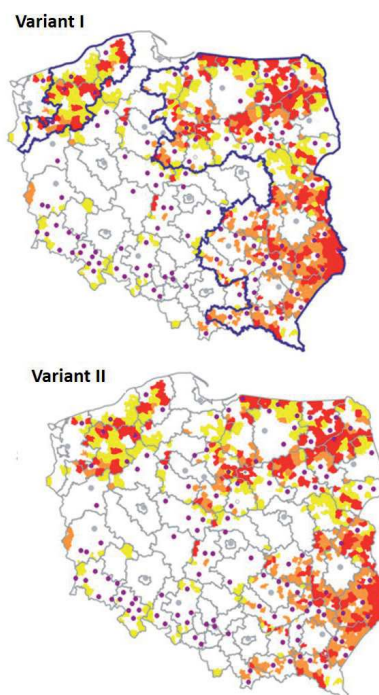
Directions of intervention

- 1.1. Creating more development opportunities in economically weaker areas
- 1.2. Making more use of the development potential existing in medium-sized cities that are losing their socio-economic functions
- 1.3. Accelerating the transformation of Silesia's economic profile
- 1.4. Preventing crises occurring in degraded areas
- 1.5. Developing infrastructure to support the provision of public services and make the relevant areas more attractiveness to investors

The intervention aims to:

- strengthen the coordination of development projects financed from various sources, that is EU programmes and initiatives and national funds,
- establish supra-regional cooperation in science and research – between universities as regards conducting scientific research and designing an educational offer that complements the actions taken by universities from outside the region,
- develop economic innovations and Informatons and Communications Technology (ICT),

Figure 11. Supra-regional programme 2020+



Source: *National Strategy of Regional Development 2030*, Fig. 19, Warsaw, 2019.

- address infrastructural shortcomings, including in broadband internet infrastructure,
- take measures to preserve ecologically valuable areas, e.g. through actions to protect the environment,
- support the development and modernisation of ICT and telecommunication infrastructure, in particular in rural areas.

Strategic projects / implementation mechanisms:

- Supra-regional programme 2020+, Partnership Initiative of Cities, Package for medium-sized cities,
- Bridges for Regions, Local roads, National Housing Programme, Accessibility Plus,
- programming contract (national programmes, preferences in ROP),
- sectoral contract / territorial agreement.

OBJECTIVE 2. STRENGTHENING REGIONAL COMPETITIVE ADVANTAGES



2.1. Developing human and social capital

develop the educational offer tailored to the needs declared by the said entrepreneurs,

2.2. Supporting entrepreneurship at regional and local level

- increase the entrepreneurs' willingness to invest in making their employees more knowledgeable and savvy when it comes to digital solutions,

2.3. Innovative development of region and improvement of the approach based on Regional Smart Specialisations (RSS)

- foster cooperation between local governments and social economy entities in implementing services locally, close to the people,

The intervention aims to:

- establish mechanisms to encourage universities to cooperate with entrepreneurs in order to

- launching initiatives that support local entrepreneurs,

- develop local authorities' competence in attracting and accommodating investors,
- develop culture and cooperation between business and science with the involvement of LGUs,
- make cooperation and information exchange between private enterprises and universities more dynamic within technology transfer centres, coordinate regional instruments to support innovation with funding instruments at national and international level,
- strengthen regional systems for promoting investments.

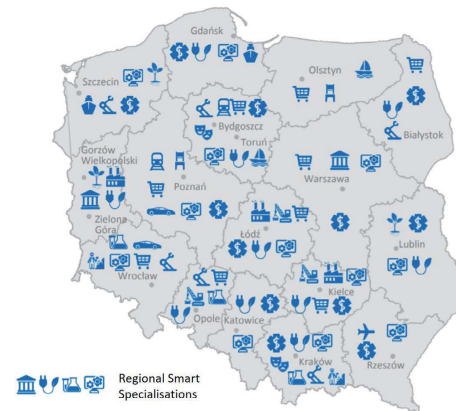
Strategic projects / implementation mechanisms:

- Innovation Manager Academy, Higher education reform, Integrated Classification System, Youth Guarantee, Polish Development Fund, coordination

system of National Smart Specializations and Regional Smart Specializations,

- territorial agreement.

Figure 12. Thematic concentration



Source: *Plan for Responsible Development*, Ministry of Development, Warsaw 2016.

OBJECTIVE 3. IMPROVING THE QUALITY OF MANAGEMENT AND IMPLEMENTATION OF TERRITORIALLY TARGETED POLICIES

Directions of intervention

3.1. Strengthening the administration's potential for managing development

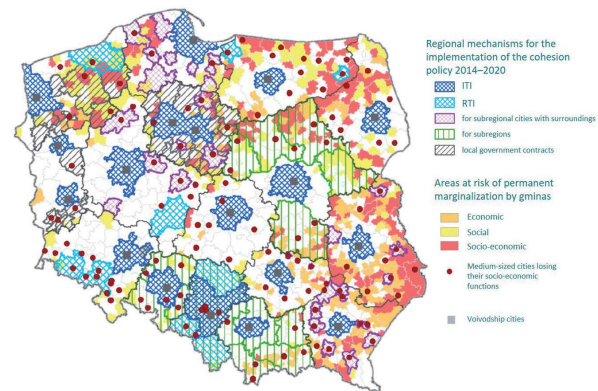
3.2. Strengthening cooperation and integrated approach to development at local, regional and supra-regional level

- 3.3. Improving the organisation of providing public services
- 3.4. Effective and coherent system for financing regional policy

The intervention aims to:

- foster cooperation between regional centres of analytics and with their national counterparts, as well as promote cost-benefit analyses,
- provide advisory support to local governments in the scope of improving the effectiveness of strategic planning at local and regional level and design strategic projects or integrated packages of actions,
- promote measures aimed at making cities more involved in international initiatives (such as Urban Innovative Actions, URBACT, EU Urban Agenda),
- introduce a universal nationwide public service monitoring system, one that provides access to data on key public services provided at the appropriate LGU level,
- design legal solutions that match the current needs and allow the LGUs to coordinate better and, where it is economically feasible, integrate the provision of public services.

Figure 13. Territorial mechanisms for the implementation of the cohesion policy 2014–2020



Source: Noworól A. Konsulting, op. cit. Fig. 6.

Strategic projects / implementation mechanisms:

- Advisory Support Centre,
- rational system of LGU financing, Public Service Monitoring System,
- territorial contract / agreement, supra-local and supra-regional policies.

NSRD OBJECTIVES IN RELATION TO THE THREE DIMENSIONS OF THE STRATEGY: REGIONS – CITIES – RURAL AREAS

Regions

Regions are the primary point of regional policy according to the NSRD. Polish regions differ in terms of their potential, barriers and the challenges they face. This diversity means an appropriately tailored public intervention whose measures depend on the territorial capital of each region individually. Therefore, optimal use should be made of own development potential to increase the competitiveness of the economy and ensure the right conditions for sustainable and balanced development.

Cities

Supporting urban centres contributes to building the competitive potential of the regions. The NSRD will support the development of all cities, *i.e.*: the largest

agglomerations, medium-sized cities and small cities with functional ties to rural areas, regardless of their size, location or their social, economic and administrative functions. Due to the fact that cities differ in terms of their size, location and functions, the measures addressed to them under the NSRD will also account for these differences.

Rural areas

One tremendously important aspect of the measures taken under the NSRD for the purpose of achieving development objectives is to ensure conditions for sustainable development in rural areas. The planned regional policy intervention refers to various types of rural areas and will differ not only depending on their development level, but also the functions that they serve.

Table 2. NSRD objectives in the regions-cities-rural areas structure

	Regions		Cities	Rural areas	
	Eastern Poland	Silesia	Medium-sized cities losing their socio-economic functions	Areas at risk of permanent marginalisation	Other rural areas developing on the basis of endogenous potentials
Objective 1 Cohesion	<p>raising investment attractiveness</p> <p>enhancing competitiveness</p> <p>improvement of transport accessibility</p> <p>social capital</p> <p>promoting entrepreneurial attitudes / economic activation</p>	<p>accelerating economic profile transformation</p> <p>preventing depopulation in cities</p> <p>improving air quality</p> <p>revitalising brownfield zones</p>	<p>rebuilding economic base</p> <p>development of entrepreneurship and fostering investment</p> <p>increasing settlement attractiveness</p> <p>revitalisation</p> <p>improving the quality of development management</p> <p>improving the quality of providing public services</p>	<p>incubating businesses that make use of local potential and resources</p> <p>improving access to public services</p> <p>complementing technical infrastructure</p> <p>increasing communication accessibility</p> <p>assigning new functions to degraded areas</p> <p>limiting the effects of the peripheral location of border areas</p> <p>improving the functioning quality of public institutions</p>	
Objective 2 Competitiveness	Regions		Cities	Rural areas	
			Cities of various sizes, serving various functions	Rural areas developing on the basis of endogenous potentials	
	<p>reinforcing innovation and competitiveness</p> <p>developing human capital clusters</p> <p>using regional smart specialisations for strengthening regional investment systems</p> <p>establishing cooperation between regional universities and the voivodeship and local self-government units in pursuit of regional development</p> <p>supporting locations of external investments</p>		<p>lifelong learning and vocational education</p> <p>establishing cooperation between universities and the local environment</p> <p>increased participation of cities in international initiatives</p> <p>creating network connections</p> <p>integrated public transport system</p> <p>technologically advanced and innovative solutions in city management (smart city)</p> <p>improving the quality of city space</p> <p>improving the quality of natural environment in cities</p> <p>fostering cooperation of cities with the surrounding gminas with respect to functional solutions (e.g. through Integrated Territorial Investment - ITI)</p>	<p>combating social and digital exclusion</p> <p>improving access to medical services and health prevention</p> <p>raising professional qualifications</p> <p>making use of natural resources and promoting cultural heritage</p> <p>including sub-regions in development processes through promoting innovation in enterprises, using broadband internet, building economic links</p>	

	Regions	Cities (of various sizes, serving various functions) and rural areas
Objective 3 Efficiency	<ul style="list-style-type: none"> improving competence in spatial planning strengthening mechanisms of strategic and financial planning and management advisory support for gminas and poviats in cooperation between local governments in functional areas supra-regional cooperation participation in cooperation mechanisms with government and local government units (programming and sectoral contract and territorial agreement) fostering Regional Development Funds 	<ul style="list-style-type: none"> supporting the development of functional links initiating and animating cooperation and partnerships between cities and within urban functional areas initiating urban-rural partnerships for the provision of public services and socio-economic development wider participation in international initiatives, building social capital through cooperation networks supporting the capacity for strategic, spatial and financial planning improving the functioning of public institutions (including through public procurement, innovation, cooperation with stakeholders) strengthening the role of growth centres in the provision of high-quality public services promoting innovative solutions in the provision of public services, including deinstitutionalisation of care services

THE NSRD IMPLEMENTATION SYSTEM

The NSRD implementation system serves the implementation of the principles and objectives of the regional policy until 2030. The assumptions for regional policy implementation identified in the document imply introducing an effective NSRD implementation

system based on efficiently functioning public institutions across different levels of management and equipping them with effective mechanisms and instruments, including appropriate legislative, legal and institutional solutions.

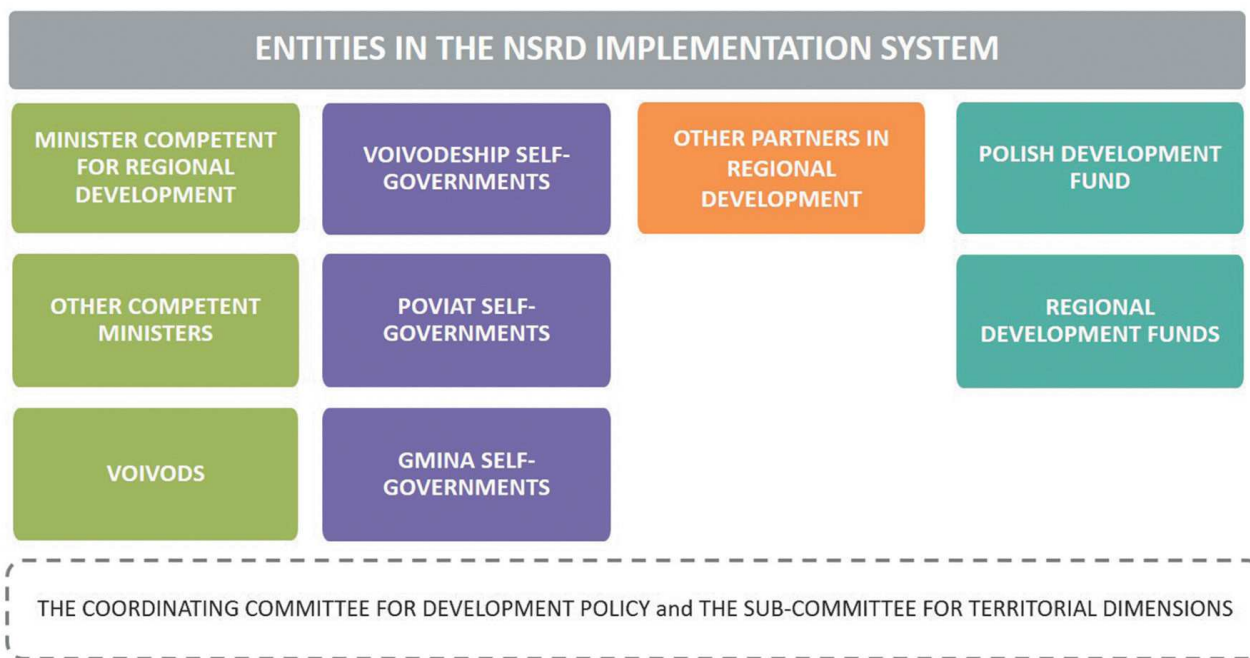
Scheme 2. The NSRD implementation system



ENTITIES IN THE NSRD IMPLEMENTATION SYSTEM

The institutional environment of the NSRD comprises entities (across different management levels) whose role and task is to pursue the objectives laid down in the strategy.

Scheme 3. Entities in the NSRD implementation system



TASKS OF ENTITIES TAKING PART IN THE NSRD IMPLEMENTATION SYSTEM

Prime Minister/Council of Ministers

The Council of Ministers is responsible for making the most important decisions related to strategic management and approval of the state's strategic objectives. It has direct control over managing the country's development, including regional policy. With regard to regional policy, the Council of Ministers, among other duties adopts the NSRD and approves its amendments, approves the instruments for regional policy implementation, that is development programmes implemented by competent ministers and operational programmes implemented at national level.

Minister competent for regional development

Has a leading role in the area of development policy, including territorially oriented policies, stimulating and monitoring the activities of administrations at national and regional level. The minister is responsible for:

- creating legal bases, methodological, organisational and institutional standards for pursuing regional policy,
- designing and implementing development activities at national level – prepares strategic as well as operational and implementation documents, manages their implementation and participates in the drafting of strategic documents by other ministers,

- coordinating development activities with significant territorial impact at national and European level,
- overseeing the implementation of development activities through appropriate monitoring and evaluation mechanisms.

Other competent ministers

Their role is to actively participate in designing and implementing regional policy, and in particular:

- designing development policies for specific sectors or areas, in line with the national objectives of the development policy,
- drawing up and implementing programmes to take account of the territorial dimension, including the areas of strategic intervention,
- preparing, negotiating and implementing the sector contract and participating in the territorial agreement,
- analysing the outcomes and effects of the implemented actions, including with regard to their impact on the development of individual territories.

Voivodes

Support from the Council of Ministers in implementation projects at regional level.

Voivodeship self-governments

The Voivodeship Board and Marshal, as representatives of the voivodeship self-government, play a key role in regional policy, together with the minister competent for regional policy. The most important tasks of voivodeship self-governments include:

- designing and managing development processes at regional level,
- building cooperation networks at regional level,
- coordinating measures taken as part of different sector policies at voivodeship level, including instruments of the EU cohesion policy and the state's regional policy,
- analysing trends and situations in the area of regional development and overseeing the course of regional policy implementation processes in voivodeships.

Poviat and gmina self-governments

Measures taken by local governments, that is gmina and poviat self-governments, determine the course of processes related to local development. The main task of a gmina is to conduct local public affairs. Gminas' own tasks involve accommodating the collective needs of a community. In addition to the above tasks, gminas perform delegated tasks in the area of government

administration. Gmina and poviat self-governments above all notably:

- participate in setting the directions of regional development within the framework of the policy realised by the government and voivodeship self-governments and ensure that the development of gminas and poviats is in line with the strategic objectives defined at regional level,
- take part in initiatives aimed at developing the supra-local policy and defining the directions for supra-local development based on cooperation with neighbouring gminas and poviats as well as social and economic partners,
- implement their own local development projects in line with the priorities set at specific regional level.

Other partners in regional development

The cooperation network at national, regional and local level involves entities with different statuses, namely representatives of social and economic partners, associations, non-governmental organisations (NGOs), academia, and private entities. Their participation, taking the form of partnerships, in the implementation of regional policy applies to all stages:

- participation in determining objectives and directions for regional development through participating in consultations on strategic documents and programmes drawn up at national, regional and local level,

- participation in the process (monitoring, evaluation) of implementing development policy objectives – participation in monitoring committees at national and regional level.

Among the significant partners of the NSRD are **the Polish Development Fund**, that is a group of financial and advisory institutions for entrepreneurs, local governments and private individuals, which offers instruments for the development of local governments and entrepreneurs and invests in the country's sustainable social and economic development, and fills the market gap in financing, and also **the Regional Development Funds** as a strong local financial base for voivodeships.

The main **entities supporting** the implementation of regional policy are:

- **The Coordinating Committee For Development Policy (CCDP)** – a consultative and advisory body of the Prime Minister. The fundamental objective of the CCDP is to ensure coordination of the process of designing and implementing the development policy, as well as strategic monitoring and evaluation of the instruments serving its implementation.
- **The sub-committee for territorial dimensions** will take over tasks related to **monitoring the NSRD**.

MECHANISMS OF ARRANGEMENTS BETWEEN THE GOVERNMENT AND LOCAL GOVERNMENTS

Integrated territorial approach, constituting one of the key principles of the country's regional policy, means striving to maximise the benefits related to the implementation of available development instruments and mechanisms with a territorial impact, which are subject to systematic analysis and assessment for impact on different types of areas where they are being implemented.

Conducting the development policy in a manner that is territorially oriented, taking into account the specificity of individual territories, designing a package of integrated investments and bringing out the potentials of

an area, is a vector of change in the perception of these areas as ones that go beyond the administrative boundaries. It means promoting and building cooperation networks between various entities, leading to greater involvement of partners across different management levels in shaping the development policy in their territory and thereby results in achieving economies of scale.

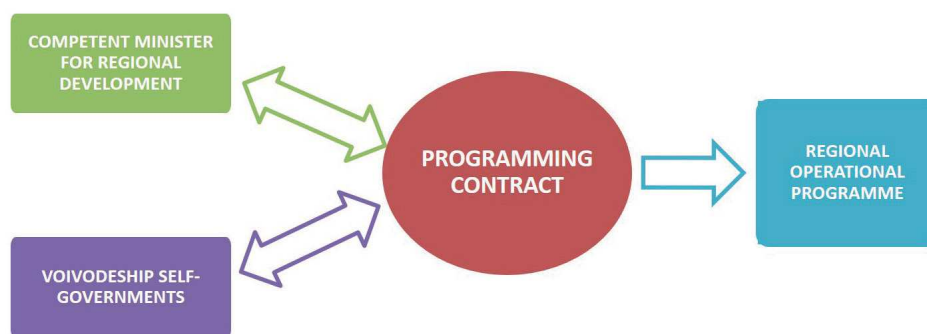
The main mechanisms that strengthen the integrated approach to development and cooperation at local, regional and supra-regional level in the NSRD are: **programming contract, sectoral contract** and **territorial agreement**.

Programming contract – a mechanism of agreements between the government (represented by a minister competent for regional development) and the voivodeship self-government, constituting a **commitment of the parties to perform tasks under the operational programme** (enabling the implementation of the partnership agreement for the years 2021–2027) **drawn up by the Voivodeship Board**. An agreement between parties sets out **the directions and conditions for**

subsidising a programme, including priority projects implemented under that programme. The outcomes of arrangements in the contract will have significant impact on the volume and allocation of a particular regional operational programme.

Its scope is limited to a voivodeship and should take into account the specific needs of areas of strategic intervention indicated at national or regional level.

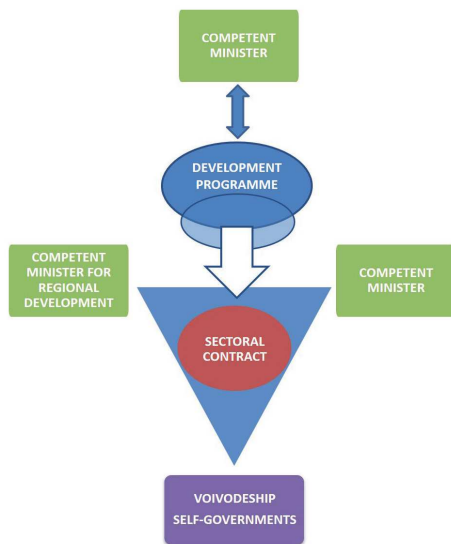
Scheme 4. Programming contract



Sectoral contract – a mechanism of agreements between a minister competent for the scope covered by a sector contract, minister competent for regional development and Voivodeship Board, **setting out the method of implementation, including financing, of development programmes prepared by the ministers competent for territorially oriented intervention**.

A sectoral contract is a mechanism unrelated to EU funds, which can be used for making arrangements with respect to the implementation of select development programmes with regard to territorially oriented intervention.

Scheme 5. Sectoral contract

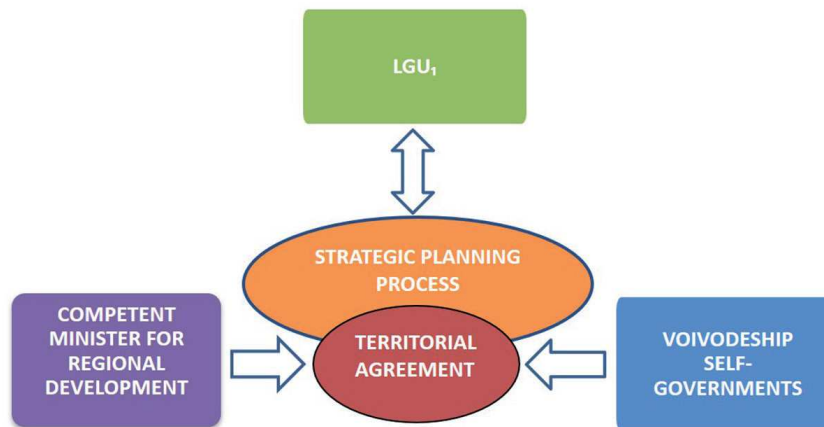


The territorial agreement is a mechanism:

- 1) **integrating intervention at supra-local level under various available territorial instruments,**
- 2) **based on bottom-up cooperation of partners,** including primarily an initiative coming from public authorities of local government units,
- 3) **based on the process of strategic analysis,** i.e. conducting an analysis identifying key problems and endogenous potentials of the area, then setting goals

and determining development projects that implement them adequate to the results of strategic analysis. The process of strategic development planning should end with the partners defining a list of development projects corresponding to previously identified problems and potentials of the area, which can be implemented and financed from various sources, in various forms and modes (independently and with national or EU support under national and regional programs operational, including through territorial instruments).

Scheme 6. Territorial agreement



LGU₁ – gminas, poviats, unions, agreements or associations

THE NSRD IMPLEMENTATION INSTRUMENTS

The NSRD will be implemented by programmes co-financed from both national and European funds.

Scheme 7. The NSRD implementation instruments



National operational programmes (NOP) under cohesion policy will be oriented towards:

- innovations, smart growth – support at all stages of creating innovation,
- labour market and adaptability, social inclusion and fight against poverty, education,
- good governance,
- improving air quality, low energy intensity, clean energy, limiting extreme effects of climate change, clean water, protection against floods and draught, biodiversity and nature conservation, as well as circular economy,
- energy security,
- trans-European and interregional accessibility,
- territorial cohesion.

Supra-regional programmes:

- intervention oriented towards improving conditions for entrepreneurship development and creating stable and high-quality workplaces, as well as improving investment attractiveness of eastern Poland voivodeships,

- intervention for economically weakest areas – covering areas at risk of permanent marginalisation and medium-sized cities losing their socio-economic functions, with interventions aimed at, among other things, removing development barriers, improving investment attractiveness, development of local entrepreneurship, activation of local human resources, stimulating local economic or social initiatives, as well as improving citizens' access to basic public services.

Regional operational programmes (ROP) – developed for every voivodeship. Under ROP, obligatory support will be provided to ASI located in the territory of a particular voivodeship, namely areas at risk of permanent marginalisation and medium-sized cities losing their socio-economic functions. Voivodeship self-government may indicate other ASI identified at regional level and included in the voivodeship development strategy.

Development programmes and other instruments financed from national funds – the regional policy until 2030 using national public funds will be implemented through development programmes, including multi-annual programmes, which serve as an instrument for development strategy implementation.

SOURCES OF FINANCING AND FINANCIAL FRAMEWORK OF THE NSRD

Projects undertaken on the basis and in accordance with the NSRD will be financed from:

- **state budget funds** – the objectives will be implemented as part of development programs or through other instruments at the discretion of individual ministers or voivods,
- **LGUs budget** – ensuring co-financing for projects implemented from foreign sources and financing own contribution under development programs or other instruments,
- **the cohesion policy budget** – regional operational programs for 2014-2020 and the Eastern Poland Operational Program for 2014-2020 together with the national public contribution,
- **funds withdrawn from financial engineering instruments** in the period 2007-2013 as well as financial instruments and repayable assistance in the period 2014-2020, subject to re-use in the form of repayable support,
- **other public funds**, including those from abroad, e.g. the European Investment Bank (EIB) and other International Financial Instist Mechanism, as well as other instruments based on public funds, e.g. National Fund for Enviromental Protection and Water Management (NFEP&WM), Bank Gospodarstwa Krajowego (BGK) instruments within the Polish Development Fund Group (PFR),
- **private funds**.

Scheme 8. Sources of financing



The implementation of all NSRD development objectives will require the involvement of significant public (domestic and foreign) and private funds. It is estimated that more than PLN 210 billion will be engaged by 2025 by the public sector, of which over 33 billion will come from the state budget (within budget parts 25, 29, 34, 39, 85). In the framework of cohesion policy, expenditure on the implementation of the strategy is expected to the amount of PLN 158 billion.

With a view to the unknown final shape of the future cohesion policy, the funds for the implementation of the NSRD objectives in 2026-2030 have not been

estimated. The provisions of the NSRD and projections regarding the structure of potential sources of financing for development activities envisaged in the strategy indicate that after 2020 the burden of financing development investments will be shifted - to a greater extent - to national resources (both public and private). The importance of EU funds will be relatively smaller, although still significant. The tasks of the public sector, previously carried out with significant EU co-financing, will be financed to a greater extent based on national public funds. These funds will come from the central budget and from local government budgets, which will become more important in financing development efforts.

MONITORING AND EVALUATION

NSRD monitoring is closely linked to the monitoring of public policies within the national system of development management. The process of monitoring the NSRD provides information on the progress and effects of strategy implementation, at the same time contributing to the process of monitoring the *Strategy for Responsible Development*.

The **minister competent for regional development** is in charge of organising the NSRD monitoring process and overseeing its proper functioning, and for that purpose draws up a **report on regional development in Poland**. The report is a fundamental element of monitoring the NSRD.

Preparation of the report is coordinated by the **National Territorial Observatory**. In the process of monitoring the NSRD, the analytical and information infrastructure in the area pertaining to the socio-economic situation and processes in the country and in regions is provided by **Statistics Poland**. The analytical and monitoring system for regional policy also includes **Regional Territorial Observatories** and **Voivodeship Regional Research Centres**. In order to ensure the complementarity of undertaken monitoring activities, close cooperation will be pursued with units operating as part of the system for the evaluation of the cohesion policy, namely the **National Evaluation Unit**.

NSRD SYSTEM OF INDICATORS

The indicators included in the NSRD present in more detail and complement the set of indicators for the 2nd Objective under the SRD. The data for indicators selected for monitoring NSRD objectives come

from public statistics. The source of data for indicators selected for monitoring of the NSRD objectives is public statistics. The STRATEG system will be primarily used for preparing NSRD reports.

Table 3. Indicators for monitoring the main goal of the NSRD, in accordance with Objective II of the SRD

Indicator	Unit of measurement	Territorial level	Indicator value in the base year	Indirect and target indicator value in 2025 and 2030	Source of data
Share of private sector investment outlays in total investment	%	1) Poland 2) average for 4 selected voivodeships with the lowest indicator value 3) average for 4 regions (NUTS 2 in accordance with NUTS 2016 revision) with the lowest indicator value	1) 69,7 (2017) 2) 58,6 ¹⁾ (2017) 3) 58,6 ²⁾ (2017)	bringing the level of select voivodeships/ regions closer to the national average	Statistics Poland
Differentiation of gross value added per 1 professionally active individual at regional level (NUTS2)	%	NUTS 2 1) in total 2) section A	1) 15,2 (2016) 2) 43,1 (2016)	maintaining the level	Statistics Poland
Differentiation of GDP per capita at sub-regional level (NUTS3)	%	NUTS 3	35,0 (2016)	maintaining the level	Statistics Poland
Ratio of average annual net disposable income per capita in a household in rural areas to city	%	Poland	68,9 (2017)	72,0 (2020) 75,0 (2030)	Statistics Poland

¹⁾ Voivodeships: Lubelskie, Podlaskie, Warmińsko-Mazurskie and Zachodniopomorskie.

²⁾ NUTS 2016 regions: Lubelski, Podlaski, Warmińsko-Mazurski and Zachodniopomorski.

SELECTED STRATEGIC PROJECTS FROM THE NRDS AND INTEGRATED STRATEGIES

<p>Infrastructure for development of rural areas</p>	<p>Comprehensive and integrated package of actions, setting out interventions from various national and EU sources, necessary for increasing the rural residents' access to basic public services and improving their quality, which covers:</p> <ul style="list-style-type: none"> – improving transport accessibility in rural areas – support for investments in water and sewage management, – construction and modernisation of a base of social and cultural services in rural areas, including schools and pre-schools, healthcare facilities, as well as support for the development of activity centres for rural residents, including based on school infrastructure, – eliminating territorial differences in terms of access to broadband internet.
<p>Package of actions supporting local governments in developing programmes and implementing revitalisation</p>	<p>Promoting revitalisation as a vital element of urban development, which ensure the sustainability of rules and instruments, comprehensiveness, funding mechanisms, legal and institutional improvements, as well as a clear monitoring and evaluation system and development of a system for ongoing monitoring of revitalisation activities.</p>
<p>Supra-regional programme for economically weakest areas (Programme 2020+)</p>	<p>Programme targeting economically weakest areas (known as Programme 2020+), which will be implemented after 2020 and will cover areas with the lowest GDP and facing developmental issues, meaning areas at risk of permanent marginalisation and medium-sized cities losing their socio-economic functions. Programme 2020+ involves the implementation of a comprehensive package of activities in the area of local entrepreneurship development, activation of local labour market resources, local economic and social initiatives, as well as improvement of access to basic public services among residents, which in the long-term should prevent the deepening of disparities in the economic development of sub-regions.</p>
<p>Advisory Support Centre</p>	<p>Addresses the need for support for local government administration, especially in the areas at risk of permanent marginalisation, in preparing development projects, multifaceted and integrated, which play a major role in improving the socio-economic situation in a functional area. The project will contribute to improving administrative efficiency in local governments, and, as a result – better implementation of public policies.</p>
<p>Package for medium-sized cities</p>	<p>Concerns cities with a population of over 20 thousand, as well as cities with a population of over 15 thousand, which are powiat capitals, excluding voivodeship capitals (currently 255 cities across Poland). Special support may be granted to urban centres which are most at risk of losing their socio-economic functions. It is based on two pillars: on the one hand, it is support for public investments, and on the other – creating conditions for private investments.</p>
<p>Programme for Silesia</p>	<p>Programme intended to change the region's economic profile by gradually replacing traditional economic sectors, such as mining and metallurgy, with new projects in more productive, innovative and technologically advanced sectors. After 2020, instruments will be introduced related to adapting national operational programmes to the objectives of the Programme for Silesia, mainly in the area of promoting investments and innovativeness.</p>

Innovation Manager Academy	Programme addressed to managers, aiming to transfer knowledge, develop abilities and shape attitudes and behaviours stimulating the development of innovative solutions in companies, as well as marketing and managing them. The projected outcome is companies' greater willingness and ability to stimulate innovative processes and derive business benefits from them, with eventual reliance on innovations as a source of competitive advantage.
National Housing Programme	Document setting out the main objectives and resources for the implementation of a state housing policy in the medium-term perspective (by 2030). The Programme covers both regulatory measures (concerning the investment process in construction and managing the existing housing resources), as well as financial activities (supporting specific housing development areas). The key element of the Programme is the 'Apartment+' package, which incorporates the following instruments: - construction of publicly available apartments for lease with moderate rent (including apartments offering the option of the lessee becoming the owner) on market principles, with the use of public land, among other things, - support for social housing projects, which involves separate instruments adjusted to the financial situation of final beneficiaries (social and municipal housing for the poorest, housing provided by social housing associations for people with average income). In addition to the social actions under the Package, a programme of rent subsidies has operated since 1 January 2019.
New opportunities for rural areas	Programme for professional activation of farmers and people involved in agricultural activity for the purposes of non-agricultural labour market, with the use of instruments financed under the cohesion policy, Rural Development Programme (RDP) 2014–2020 and national labour market instruments.
Government policy in the area of public-private partnership (PPP) development	Activities leading to an increase in the efficiency of public expenditure with regard to providing high-quality services and infrastructure and increasing the participation of capital, expert knowledge and experience of the private sector in public projects, by creating a better climate for public investments using the PPP mechanism.
Polish Development Fund (PDF)	Development-oriented institution with investment potential and professional ownership supervision. Combining the potential of individual institutions aims to create a synergy effect and will enhance the possibility of obtaining financing from the market to enable the implementation of large projects. The PDF plays a key role, e.g., in the investment policy, namely as a one-stop-shop for investors.
Professional Business Environment Institutions	Support for the process of entrepreneurship development in rural areas and in small cities through integrating business environment institutions whose offer addressed to customers in rural areas, promoting them and improving the quality and efficiency of provided services. They act to develop entrepreneurship in rural areas and in small cities.
System for coordinating National Smart Specialisations and Regional Smart Specialisations	Development and implementation of a model for coordinating NSS and RSS in order to synchronise support and ensure the complementarity and synergy of actions with regard to, e.g., animation of joint projects related to NSS and RSS, analysis of legislative, organisational, institutional, financial barriers, etc., development of innovation maps depicting enterprises' involvement in applying for public funds, as well as identification of sectors where entrepreneurs do not apply for public funding and are characterised by significant development potential and substantial private investment in R&D activity; development of joint action plans. The preparation and implementation of this strategic project is planned by 2020.
Partnership Initiative of Cities	Programme for exchanging and promoting knowledge among cities and other entities involved in shaping and implementing urban policy. The programme aims to identify good practices used with regard to key development challenges and disseminating them at local level, peer learning, as well as translating findings and recommendations into solutions to particular issues to the national level.

<p>Rational system for financing LGUs</p>	<p>The main directions of amendments to acts on the income of LGUs and other relevant acts and legal acts concern:</p> <ul style="list-style-type: none"> – increasing the diversity of sources of own income in financing LGU activity, in order to encourage them to manage public funds in a more rational manner, – ‘retaining’ funds which are not subject to actual interregional transfers in the regions (this concerns funds that are subject to transfer to the central level and later return to the region in another form), – linking the changes in the algorithm of the corrective and countervailing mechanism with LGUs’ expenditure needs and their profitability potential; these changes will favour the realisation of regional policy objectives.
<p>Bridges for Regions Programme</p>	<p>Programme intended to supplement local road infrastructure with missing bridge passages, which are parts of roads administered by LGUs, namely gmina, powiat or voivodeship roads, thus improving internal cohesion of communication in Polish regions. The programme secures funds for co-financing the costs of preparing investments. Construction of bridges is co-financed from the Local Government Roads Fund pursuant to the Act of 23 October 2018 on the Local Roads Fund (Polish Journal of Laws item 2161, as amended).</p>

<p style="text-align: center;">New Project Initiatives (selected)</p>	
<p>Accelerator for Pilot Projects</p>	<p>The project is aimed at supporting the implementation of experimental, pilot projects of special importance for the development of a particular region, including projects supporting urban and rural connections. Support will cover complex projects, taking into account local specificities and/or engaging the local community. Bonus points will be awarded to proposals concerning solutions, which could be applied in other territories. Financial support will be granted, e.g., for the implementation of such undertakings as project documentation, strategic and planning documents, small infrastructure projects, soft activities.</p>
<p>Innovative Territorial Partnerships</p>	<p>Pilot project intended to identify the factors that slow down development processes, as well as create and implement new, innovative solutions contributing to increasing the effectiveness of cohesion policy instruments in achieving the intended development objectives. The project seeks innovative solutions for the implementation of public tasks, in cooperation with various types of partners: public, private and social partners, as well as territorial partnerships: urban and rural or rural and urban.</p>
<p>Lower Silesia. Green Valley of Food and Health 2017–2020. Cooperation in support of the region’s increased competitiveness</p>	<p>The project involves relying on intellectual and technological resources, organisational experience and solid institutional cooperation – between science, business and administration – in Lower Silesia, in support of increased competitiveness of regional economy in the area of food and health, and improved quality of life of the region’s residents.</p>

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