



The Board of Lubelskie Voivodeship

**REGIONAL OPERATIONAL
PROGRAMME
OF
LUBELSKIE VOIVODESHIP
2007 – 2013**



**NARODOWA
STRATEGIA SPÓJNOŚCI**



**The Document was approved by the European Commission
on 2 October 2007.**

INTRODUCTION

European structural funds make the period of 2007-2013 an unprecedented chance for the development of Lubelskie Voivodeship . Our Voivodeship has an opportunity to take advantage of even larger sums of subsidies than in 2004-2006 financial perspective. Among other operational Programmes, *Regional Operational Programme for the Lubelskie Voivodship 2007-2013* (ROP LV) plays an exceptional role, because, unlike other instruments of this sort, it was prepared and is administered by the local government of Lubelskie Voivodeship . Regional character of ROP LV allows for even more effective absorption of the European Funds, quicker development of the Voivodeship and filling the civilization gap between Lubelskie and other regions of European Union by means of complying with the new Lisbon Strategy in economic development and increase of employment.

ROP LV is one of 16 regional operational programmes, which realize the National Development Strategy and National Strategic Reference Framework (National Cohesion Strategy), as well as contribute to economic growth and increase of employment.

Regional Operational Programme for the Lubelskie Voivodship 2007-2013 will play an essential role in completing the task by attaining its main objective: **increasing the competitiveness of Lubelskie Voivodeship that will lead to economic growth and increase of employment, taking natural and cultural resources into account.**

The main objective of the Programme stems directly from the superior target of the *Development Strategy of the Lubelskie Voivodship for the years 2006-2020* and is adjusted to a shorter period of ROP LV operational range. The target is tailored to remove barriers to progress and makes the basis to modernise the economic structures and enhance social, economic and territorial coherence.

Implementing the projects as a part of ROP LV will contribute to achieving targets set by the Community Strategic Guidelines for Cohesion 2007-2013 and the targets included in the national strategic and operational documents.

The legal framework of ROP LV are: Council Regulation (EC) No 1083/2006 of the European Parliament and the Council of 5 July 2006 on the European Regional Development Fund and repealing the Regulation (EC) No 1783/1999 and 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 conclusions of the ex-ante evaluation and social consultations as well as the proposals of the European Commission and the Ministry of Regional Development were taken into consideration in the process of creating the Programme.

Because an operational programme can be financed from one fund only, ROP LV will be a tool to accomplish these actions defined in the Strategy of Development of Lubelskie Voivodship that can be subsidised from the European Regional Development Fund. The actions accomplished in the Programme will be co-funded by both public and private money.

The works on this Programme were preceded by socio-economic diagnosis of Lubelskie Voivodeship , which gave basis for the strategy of target achieving. The next stage involved defining priority axes and allocating funds for their implementing. Efforts have also been made to

prove the coherence of the Programme with other operational Programmes, especially to European Agricultural Fund for Rural Development (EAFRD) co-financed from the European Agricultural Fund and to Operational Programme – Human Capital, co-financed from the European Social Fund. Financial plan and the system of implementation have been prepared. The results of ex-ante evaluation with the assessment of expected macroeconomic effects and the influence of the Programme on the environment have been presented. The following document also shows the results of social consultations.

Contents:

Chapter 1.

SOCIO-ECONOMIC SITUATION IN LUBELSKIE VOIVODESHIP	p. 6
1.1. Diagnosis.....	p. 6
1.1.1. Axiology and determinants.....	p. 6
1.1.2. Economy and competitiveness.....	p. 11
1.1.3. Society and human resources.....	p. 31
1.1.4. Territory and its attractiveness.....	p. 46
1.2. Effectiveness of the use of public aid for the Lubelskie Voivodship in 1999-2006 period.....	p. 69
1.2.1. Introduction.....	p. 69
1.2.2. Financial effects.....	p. 70
1.2.3. Tangible effects.....	p. 74
1.3. SWOT analysis.....	p. 90

Chapter 2.

STRATEGY OF IMPLEMENTING OF THE REGIONAL OPERATIONAL

PROGRAMME	p. 95
2.1. Main objective of ROP LV.....	p. 95
2.2. Specific objectives of ROP LV.....	p. 97
2.3. Strategy of implementing the objectives.....	p. 102
2.3.1 ROP coherence with the objectives and priorities of National Reform Programme for 2005-2008 to implement the re-launched Lisbon Strategy.....	p. 104
2.3.2 ROP coherence with the objectives and priorities of National Strategic Reference Framework for 2007-2013 in support of growth and jobs (National Cohesion Strategy).....	p. 104
2.4 ROP LV coherence with other Programmes co-financed from the Cohesion Fund and with other Programmes co-financed from the European Agricultural Fund for Rural Development and European Fisheries Fund.....	p. 105
2.4.1 ROP LV coherence with European Agricultural Fund for Rural Development.....	p. 105
2.4.2 ROP LV coherence with Operational Programme – Development of Easter Poland.....	p. 107
2.4.3 ROP LV coherence with Operational Programme – Human Capital.....	p. 107
2.4.4 ROP LV coherence with European Fisheries Fund.....	p. 108
2.4.5 Demarcation.....	p. 108
2.4.6 Cross-checking mechanisms.....	p. 109
2.5 EU horizontal policies in Regional Operational Programme for Lubelskie Voivodeship 2007-2013.....	p. 109

Chapter 3.

PRIORITY AXES IN REGIONAL OPERATIONAL PROGRAMME FOR LUBELSKIE VOIVODESHIP 2007-2013	p. 113
Priority axis I: Entrepreneurship and innovation.....	p. 113

Priority axis II: Economic infrastructure.....	p. 119
Priority axis III: Urban areas attractiveness and investment sites.....	p. 124
Priority axis IV: Information society.....	p. 128
Priority axis V: Transport.....	p. 132
Priority axis VI: Environment and clean energy.....	p. 140
Priority axis VII: Culture, tourism and interregional cooperation.....	p. 147
Priority axis VIII: Social infrastructure.....	p. 154
Priority axis IX: Technical assistance.....	p. 161
Chapter 4.	
FINANCING PLAN.....	p. 164
Chapter 5.	
THE SYSTEM OF IMPLEMENTING REGIONAL OPERATIONAL PROGRAMME.....	p. 171
5.1 The competence of ROP managing institutions - coordination.....	p. 171
5.1.1 NSRF level coordination – Minister of Regional Development.....	p. 171
5.1.2 Coordination of 16 Regional Operational Programmes –Coordinating Body for the Regional Operational Programmes.....	p. 172
5.1.3 Coordination of ROP with other NSRF Programmes and other EU Programmes.....	p. 172
5.2 Management of Regional Operational Programme for Lubelskie Voivodeship.....	p. 173
5.2.1 Managing Authority for the Regional Operational Programme for Lubelskie Voivodeship	p. 173
5.2.2 2 nd degree Intermediary Institution.....	p. 174
5.2.3 Certifying Institution.....	p. 175
5.2.4 Auditing Body.....	p. 177
5.2.5 Institution authorized to receive payments from the European Commission.....	p. 178
5.2.6 Financial flows.....	p. 179
5.2.7 Interest receiving procedures.....	p. 180
5.2.8 Public aid, public procurement and profit-generating projects.....	p. 180
5.3 The procedure of project selection under ROP LV 2007-2013.....	p. 181
5.4 National Information System for Monitoring and Reporting 2007-2013 (SIMIK 07-13)....	p. 181
5.5 Procedures for ensuring reliability of computer reporting and monitoring systems.....	p. 184
5.6 Information of the Internal communication between „central institution“(MS Liaison)” and the institutions accessing SFC2007.....	p. 184
5.7 Monitoring.....	p. 185
5.8 Control.....	p. 186
5.9 Evaluation.....	p. 187
5.10 Communication and publicity.....	p. 189
5.11 Partnership principle.....	p. 191
5.12 Cross-financing compliance mechanisms.....	p. 192
Chapter 6.	
EX-ANTE EVALUATION AND PREDICTED MACROECONOMIC EFFECT	p. 193
Chapter 7.	
THE EVALUATION OF THE INFLUENCE ON ENVIRONMENT	p. 195

7.1 Legal basis.....	p. 195
7.2 Prognosis drawing and consulting of ROP LV influence on the environment.....	p. 195
7.3 Methodology.....	p. 196
7.4 ROP in the light of crucial national documents.....	p. 197
7.5 Potentiality of significant influence on the environment.....	p. 198
7.5.1 Negative effects.....	p. 198
7.5.2 Positive effects.....	p. 198
7.6 Conclusions and references.....	p. 199
Annexes:	
Annex 1. Indicative list of large projects.....	p. 201
Annex 2. List of context indicators to ROP.....	p. 102
Annex 3. Institutional diagram of ROP LV.....	p. 207
Annex 4. Organizational diagram for ROP Managing Authority, Coordinating Institution, Certificating Institution, Auditing Institution and the institution authorized to receive payments from the European Commission.....	p. 208
Annex 5. Financial flows and certification in ROP LV.....	p. 209

Chapter 1.

Socio-economic situation in Lubelskie Voivodeship

1.1. Diagnosis

1.1.1. Axiology and determinants

Thematic scope and axiological premises

The following diagnosis of the development of Lubelskie Voivodeship is based on internal and external determinants of the regional development. Not only is it grounded on the necessity to present the socio-economic, ecological and territorial characteristics of the region, but it also relates to the implementation of the policy coherence of European Union. The thematic scope and the form of the diagnosis comply with the guidelines of creating operational programmes. They intend the diagnostic areas to be selective and synthesising as well as to be connected with the objectives and priority axes of the European Union cohesion policy in social, economic and territorial dimensions.

The basis of the diagnosis and of the future pro-development actions are, on one hand, the areas of support resulting from the current shape of cohesion policy, and, on the other hand, most fundamental values and principles that form the development targets of European Community.

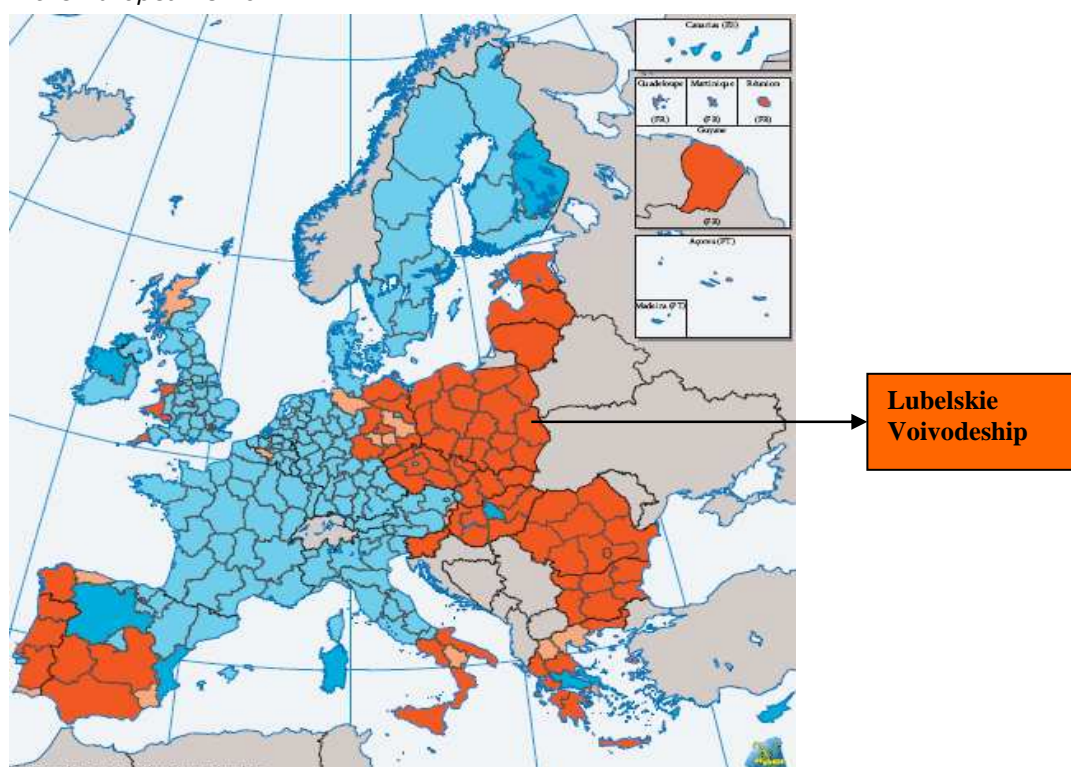
The following axiological premises formed the basis of the diagnosis and future developmental directions for Lubelskie Voivodeship :

- *sustainable development principle* (the improvement of the life quality of present and future generations and preservation of the nature, cultural heritage and proper demographic structure of the society)
- *knowledge- and innovation-based society and economy* (recognition of education, knowledge, information and culture as the foundations of socio-economic development)
- *solidarity and social equality* (equality of opportunities for all communities and social groups, strong cultural identity on local and regional level, preventing all forms of discrimination and social exclusion)
- *subsidiarity and good governance* (the development of territorial governments and civil society with respect to the autonomy and partnership between state administration, self-government structures and non-governmental organizations)
- *partnership and cooperation* (enhancing the integration and cohesion of European Community)

External conditions

Lubelskie Voivodeship is one of 254 regions in European Union, and its future development will largely depend on factors and process that will take place beyond the region. It is difficult to predict all factors that will affect the region and the range of their influence at this stage of programming, however, an overview of the most crucial determinants that may influence the region the most is presented below.

Map 1. Regions in the European Union



Source: DG Region

a) General characteristics of Lubelskie Voivodeship

Lubelskie Voivodeship is situated in Eastern Poland. It is a large region (over 25,000 sq km), however, it is relatively sparsely populated (2.180.000 people as at the end of 2005). As for the density of population, the Voivodeship ranks as 12th in Poland (71.3 of national average and 76.3% of the EU average). One of the lowest urbanization indicators (47%) is characteristic for the region and ranks it as 14th in Poland.

As for administrative division of the Voivodeship, there are 4 urban counties (miasto powiatowe) (Lublin, Chełm, Biała Podlaska and Zamość), 16 urban communes (gmina miejska), 21 urban-rural communes (gmina miejsko-wiejska) and 172 rural communes (gmina wiejska). 3 NUTS 3 subregions were distinguished in the Voivodeship: Biała Podlaska subregion, Chełm-Zamość subregion and Lublin subregion. As the largest economic and academic centre in Eastern Poland,

Lublin subregion, with Lublin as a regional capital, is the most developed subregion of the Voivodeship.

Lubelskie Voivodeship is situated on the eastern border of European Union, far from major development centres of Poland and Europe. At the distance of nearly 470 km the Voivodeship border is at the same time the European Union border with Ukraine and Belorussia. The border location can generate both opportunities and threats for the region.

The development of trans-border cooperation with Belorussia and Ukraine and the improvement of state and international roads accessibility should be the means to overcome the problems related to the peripheral location of the Voivodeship. In order to achieve this, the infrastructure that constitutes the main transport corridors should be prioritised, including A2 motorway in TEN-T corridor, state roads no 17 and 12 in auxiliary TEN-T corridor connecting the North of Europe and Ukraine, as well as road S19, connecting the Baltic States with central Europe.

b) Historical backwardness in the development of the region

Lubelskie Voivodeship, like the whole Eastern Poland, is a relatively weakly developed region. The reason for this is the fact that the modernization of urbanizing, industrialising, technology and agriculture that came from Western Europe, did not reach the regions eastwards from the Vistula River. The backwardness of the region is deeply rooted; therefore, the problem is difficult to overcome in a short perspective¹. Much more financial and organizational effort may be necessary to remove the barriers in economic, social and institutional structures.

c) Globalization and competition within network systems

Modern economy is shaped by three interconnected processes: globalization, competition and innovations. The regions that are capable of creating and absorbing innovations achieve long-lasting advantage over others. Innovative enterprises look for places with favourable conditions to locate their factories. In competing for new investments, quantitative factors (natural resources accessibility, workforce, transportation infrastructure) gradually give place to qualitative factors (qualification of employees, reliable and fast infrastructure, R&D base, business support institutions, effective administration, favourable life and working conditions). Not only human capital (comprised of skills and qualifications of individuals) but also social capital, understood as cooperativeness, trust and institutional effectiveness gain significance. Lubelskie Voivodeship is about to meet a challenge of using the internal potential to create foundations for an efficient system of innovation and to compete on a national and international market.

¹ The expertise of prof. Grzegorz Gorzelak „Strategiczne kierunki rozwoju Polski Wschodniej”, prepared for the purposes of Socio-Economic Strategy of the Development of Eastern Poland to 2020.

d) Integration processes in the European Union

As a result of integration processes and the implementation of European Community policy, gradual integration of European Union will be visible in:

- strengthening and promoting the mechanisms of free competition in the whole area of European Union;
- creating favourable conditions for free flow of people, goods, information and capital,
- initiating and co-financing the development of technical infrastructure on the national and European level;
- creating comprehensive network systems to accelerate and rationalize the creation and diffusion of innovations;
- restructuring rural areas and creating uniform conditions for competition for the European agricultural sector.

Numerous analyses that estimate the possible influence of integration processes on the regional development in Poland show that Lubelskie Voivodeship may see a number of favourable opportunities in a longer perspective: an increased turnover in international trade, a significant inflow of foreign investments and a transfer of new technologies into the industry. The sectors which are most vulnerable to negative results of integration are agriculture and labour market. These negative results include: liquidation of a significant number of farms and degradation and depopulation of rural areas, resulting from economic emigration to other EU regions².

e) The scale of possible payment transfer and the effectiveness of its use

Preliminary estimations show that Lubelskie Voivodeship may become one of the major beneficiaries of EU structural policy. It is estimated that the total inflow of EU structural funds to Lubelskie Voivodeship might amount to 5 bln Euro, which constitutes approx. 6% of accumulated GDP in 2007-2013 period. Approximately 60% of this amount (€3 bln) will originate from regional and national operational programmes, implementing EU coherence policy. The remaining amount (about €2 bln) will be available through the tools of Common Agricultural Policy (development of rural areas and direct payments for farms).

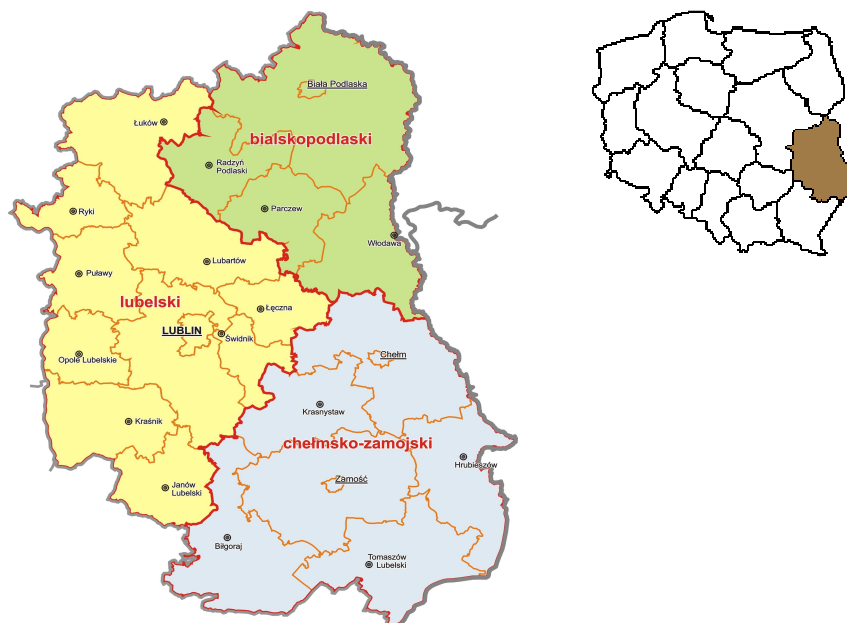
The scales of financial transfers as well as the scope of their interventions create a unique opportunity to modernize the regional economy and make up for the long-term civilization backwardness. The absorption and efficient use of the funds will depend on various factors, including pro-developmental strategy of the funds' allocation (according to the Lisbon Strategy), the institutional efficiency of the implementing structures and financial condition of the beneficiaries.

The key element in the process of acquiring the funds will be the territorial self-government units. The final success of the Voivodeship structural policy will depend on their involvement and financial capabilities. Despite a relatively low investment potential of the local self-government in Lubelskie Voivodeship (estimated in total at PLN 3.6 bln), complete utilization of the funds granted

² The Profile of the sensitivity of regional economy to integration with the European Union: Lubelskie Voivodeship, ed. by Stanislaw Umiński, GIME (IBnGR), Gdańsk, 2003.

seems to be feasible. Complete absorption, though, will depend on efficient solvency management of the local self-government units and the presence of effective mechanisms of costs refunding.

Map 2. NUTS III division of Lubelskie Voivodeship

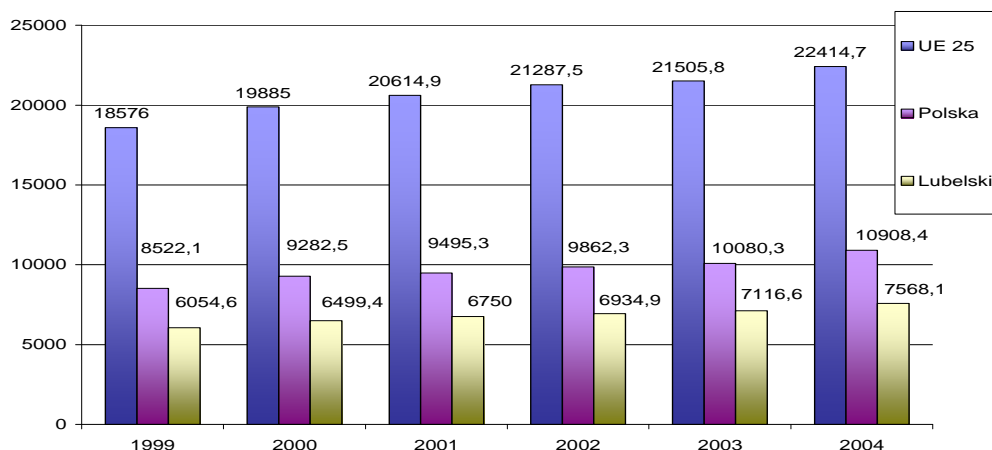


1.1.2. Economy and Competitiveness

Gross Domestic Product

The most fundamental indicator that defines economic potential of a region is the volume of its Gross Domestic Product (GDP) per capita. In 2004 GDP per capita was PLN 16.8 thousand (€7.568 in purchasing power parity), what accounted for 69% of average GDP per capita for Poland and 33.8% of the EU average GDP. The share of Lubelskie Voivodeship in the national GDP was as little as 4%, and has been successively falling for several years.

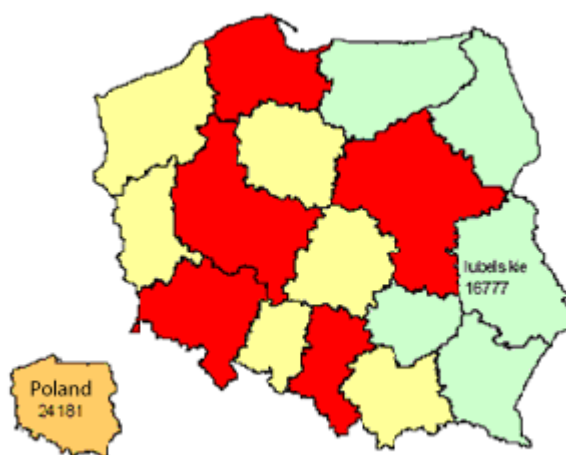
Chart 1. GDP per capita in European Union, Poland and Lubelskie Voivodeship (according to purchasing power parity, in EUR)



Source: Own compilation based on Eurostat data

Slower economic development of Lubelskie Voivodeship with relation to national average results largely from unfavourable structure of regional economy and low level of capital investments and restructuring of properties. The shortage of own resources forced a search for external sources, including direct foreign investments and structural funds. Taking into consideration the small potential of the region to attract foreign investments, structural funds, which are available through regional and national operational Programmes, seem to be the most important resources for financing the modernizing processes and stimulating the economy. The amount of funds funnelled to particular investment areas will improve the dynamics of GDP growth, what should accelerate the convergence process in a long term perspective³.

Map 3. GDP per capita (PLN)



Source: *The living conditions in the Lubelskie Voivodeship in 2003-2005*, Statistical Office in Lublin, Lublin 2006

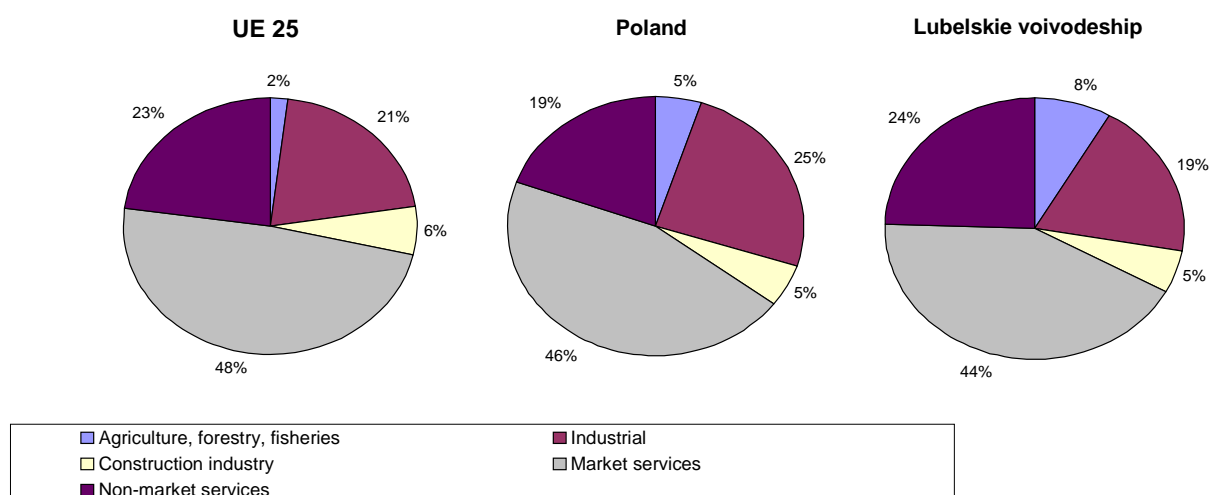
³ Based on the Forecast of the macroeconomic impact of the implementation of the Regional Operational Program of the Lubelskie voivodeship for 2007-2013 prepared by GIME it turns out that only due to the use of the funds available within the ROP may the level of GDP increase by an average of 1.8%, compared to the situation where such funds would not exist.

Economy structure

The factor that decides on the competitiveness of economy is the volume and structure of Gross Value Added (GVA). In 2004, the value of GVA was approx. PLN 32.6 bln, what made 4% of national and 0.16 EU GVA⁴. Similarly to GDP, the growth dynamics of GVA has been decreasing for the last few years, what does not allow for effective levelling the disproportions in the Voivodeship development.

Unfavourable structure of Gross Value Added in the Voivodeship is the result of lower than average industry share in the production of GVA and its significant decrease in the last 5 years. It has an additional influence on the Voivodeship participation in national industrial production, which was around 2.3% in 2006. As regards the values of industrial production, Lubelskie ranks 11th in Poland.

Graph 2. GVA structure economy sectors in 2004



Source: Own compilation based on Eurostat

Underdeveloped market services sector and large participation of agriculture in employment market and in GVA creation are the indicators of unfavourable economy structure. In spite of positive changes of the growth of market services from 42% in 1999 to 47% in 2004, the share of the sector in GVA production and employment is below the country's average. On the other hand, large participation of non-market services that include almost 18.7% (20.0% in Poland) of employees and generating almost 23% of regional GVA (16.4% in Poland), proves the regional economy's still large dependency on public funds, which finance most non-market services to the largest extend.

The key to the improvement of economic indicators of the Voivodeship seems to be the further modernization of agriculture, leading to the decrease of employment in agriculture and the improvement of its effectiveness. The share of active agriculture (including forestry and fisheries) in GVA production has been systematically decreasing but is still larger than the national level. It decreased from 10.8% to 8.4% (5.4% to 5% in Poland) in the period of 1999-2004. The process is

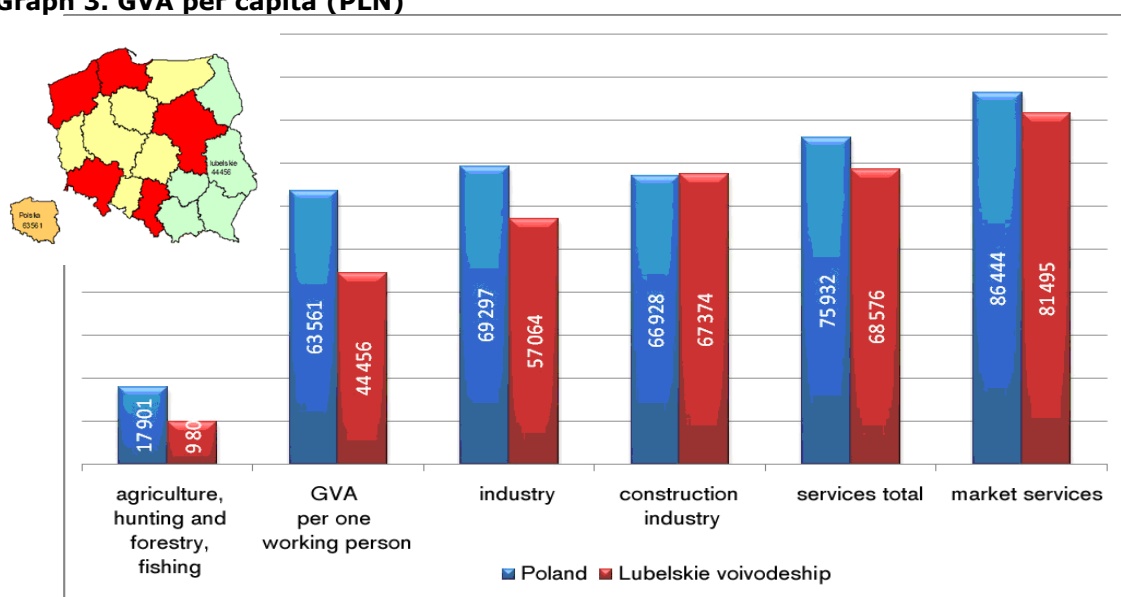
⁴ Including purchasing power parity

accompanied by the decrease of employment in agriculture (by 12% in comparison with 1999). Presently, the employment in agriculture is 38.4% (Poland – 16.5%, EU – approx. 5%)

Economy effectiveness

The main indicator describing the effectiveness of economy is the value of work in gross value added (GVA) per employer. In 2004, GVA per one working person amounted to PLN 44.5 thousand, what constituted 70% of national average. Lower indicators were recorded in all sectors of economy, and the largest differences appear in agriculture and industry, in which work efficiency is 54% and 80% of national average respectively. GVA per employee was larger than national average by 0.6% in construction industry only. Low values of GVA per employee prove the unfavourable structure of the economy and indicate its uncompetitive character.

Graph 3. GVA per capita (PLN)



Source: *The living conditions in Lubelskie Voivodeship in 2003-2005*, Statistical Office in Lublin, Lublin 2006

In spite of unfavourable economic structure and its low effectiveness, the coming years will bring an increase in value added in Lubelskie Voivodeship and other positive changes in the structure of its creation (increasing share of market services and decreasing share of agriculture). The average annual increase of GVA in Lubelskie in 2004-2012, considering integration effects (influence of structural funds, direct foreign investments, trade liberalization and demand effects), is estimated at 4.8% (Poland – 5.5%). The predicted growth of value added will, to large extent, result from direct farm subsidies and low level of remuneration⁵. It seems that in order to attain these forecasts, the combination of structural funds intervention and endogenic growth factors of the Voivodship will be necessary.

⁵ The Profile of the sensitivity of the regional economy to the integration with the European Union – Lubelskie voivodeship, GIME, Gdańsk, 2003

Fixed assets

The foundation of regional economy development is the value of fixed assets and its potential to regenerate and increase. Gross value of fixed assets in Lubelskie Voivodeship economy was PLN 82.4 bln in 2004, what constituted 4.5% of country's assets (ranked as 8th in Poland). However, in the value of fixed assets per capita, Lubelskie Voivodeship ranks as last but one in Poland (PLN 37.4 thousand in Lubelskie against PLN 45.8 thousand in Poland).

The slow pace of modernization and fixed assets exchange were another unfavourable phenomena in the region. Regeneration ratio, measured with the value of total investments in 2000-2004 period was 23.8% for Lubelskie Voivodeship (34% in Poland). Lack of modernization prospects for fixed assets directly translates into high wear and tear of tangible assets, which is almost 50% for Lubelskie Voivodeship and has been showing a growing tendency.

Capital investment in the economy

The value of capital investment in the national economy in Lubelskie Voivodeship slightly exceeded PLN 4.4 bln, what constituted 3.4% of the expenditures in Poland (ranked as 11th). However, spending PLN 1.992 per capita on investments ranks Lubelskie as the last in Poland – national average – PLN 3.343. In EU-25 the value in industry only exceeds 8.000 PLN. Between 1998 and 2003, capital investment was falling systematically in all sectors of Lubelskie Voivodeship economy. The negative tendency threshold was as late as in 2004 when an increase against the previous year was by PLN 400 mln.

Limited involvement of direct foreign investments in Lubelskie Voivodeship (2.2% of direct foreign investments in Poland in 2003) makes foreign capital a less significant source of investments in the region – foreign investments in the region make only 7% of total investments. That is why, the key to improve the situation in capital investment and acceleration of modernization processes in Poland may be directing appropriate volume of structural funds into the development of production capacity and widely understood economic infrastructure.

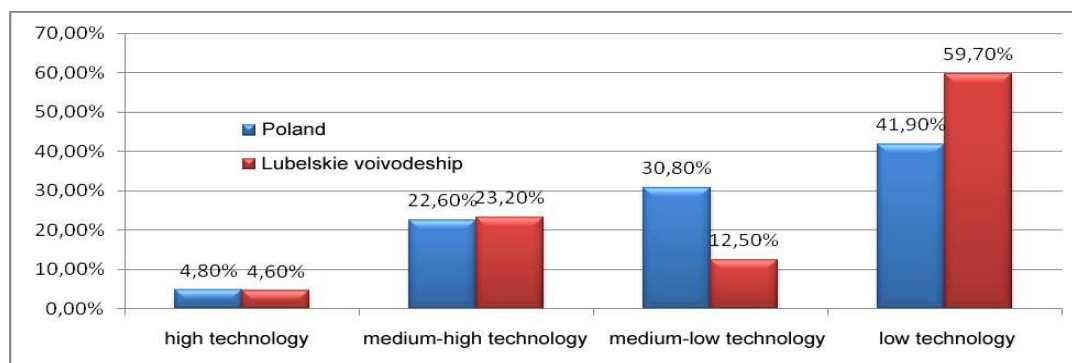
Industry and its competitiveness

Production sector and well developed industry determine the strength and competitiveness of economy. Meanwhile, Lubelskie Voivodeship is a region of low level of industrialization. The contribution of the Voivodeship in national industrial production is 2.7% and has been decreasing for the last few years. As for industrial production, Lubelskie Voivodeship was ranked 11 in Poland. In 2005 industry sector employed 108 thousand people (3.7% of national industrial employment – ranks 16th in Poland). The value of production per employee was PLN 185 thousand what accounted for 88% of national average.

The most important branches of industrial production in the region are low-level of technological advancement products, including food production (27.3% of the sold production), furniture production (8.5% of the sold production), machinery and tools (6.7%), non-metal

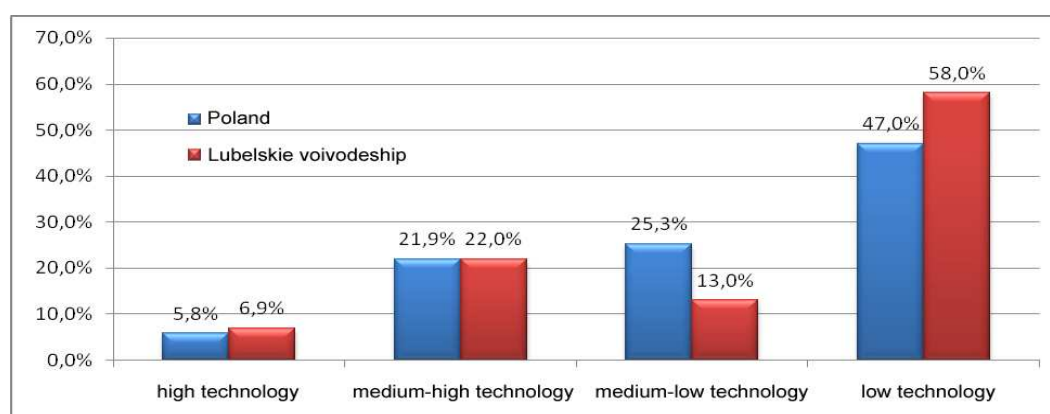
products (5.3%), metal products (3.7%). It is estimated that only 4.6% of industrial production is produced in high-technology branches (4.8% in Poland). Low-technology is predominant and constitutes almost 60% of the value of industrial production.

Graph 4. Production of various levels of technological advancement in the region and in Poland.



Source: CSO (GUS), 2004

Graph 5. Employment in production sector, by technological advancement



Source: CSO (GUS), 2004

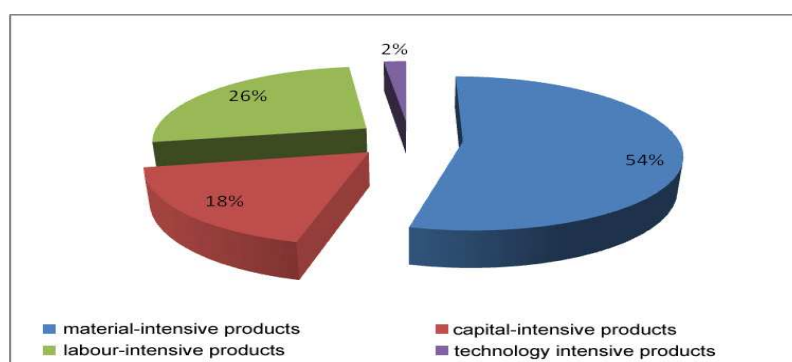
Innovativeness of the regional production sector is relatively low as compared to the national level, what is illustrated by the quantity of new and modernized products quotient in total industrial production. In 2004 the value of the quotient was 15% of industrial production and 18.6% for industrial processing, while national average was 17% and 20% respectively. The situation is worsened by poor equipment of industrial companies in production automatising facilities. As for the quotient of industrial lines automatisation per 10.000 people, Lubelskie Voivodeship ranks as the last in Poland.

Low innovativeness potential results mainly from low expenditures on investments in industry, which were at the level of PLN 140 mln in 2005. Since 1999 the expenditures on innovations decreased by 8.1% (by 2.5% in Poland) and the Voivodeship participation in national expenditures on innovations fell from 9.1% in 1999 to 1.5% in 2004. The expenditures on innovations in industry were as little as PLN 62.2 per capita, with national average PLN 119.9.

Another quotient that proves low level of competitiveness of the regional economy is the value of goods sold abroad and their types. For years, the value of export from Lubelskie Voivodeship has been low and circulates approx. USD 500 per capita (40% of national average). The region is characterized by relatively low share of export to EU countries, in contrast to relatively high share of eastern export (40% of total export from Lubelskie Voivodeship).

The most important export goods in Lubelskie Voivodeship are agricultural and food products, i.e. labour- and material-intensive goods, while the share of technologically advanced products, which guarantee the highest profits, future international and technological cooperation, is small. It is estimated that technologically advanced products constitute as little as 2% of Voivodeship export (2.7% in Poland and 20% in EU. The share of moderately advanced products does not exceed 8% in Lubelskie Voivodeship, with 11.4% for Poland and as much as 23% for EU.

Graph 6. Structure of exported goods by technological saturation



Source: CSO (GUS), 2004

Constant increase of innovativeness of high-technology and medium-high-technology branches of industry is a chance for the region to improve its competitiveness. Attaining these aims will be possible through supporting R&D base for the needs of industry, including farm and food and eco-production industries. Creating an efficient system of innovation support, national and international cooperation should be created in order to improve the competitiveness of the industry. That is why, supporting the development of multifunctional Lubelski Science and Technology Park and interregional producers' associations should be essential. The producers' associations include: The Aviation Valley – cooperation of helicopter and aviation industry components producers, gathered around the aviation industry factory in Świdnik, Ecological Valley – food based on ecological values of the environment, traditional agriculture structure and extensive methods of agricultural production, as competitive factors of regional association of food producers.

Agriculture

Agriculture is one of the key elements of regional economy. It is evident through the number of people employed in the sector and the quantity of Gross Value Added in the sector. Presently, around 277 thousand people work in agriculture, what constitutes 38.4% of employees

in the Voivodeship. The sector, however, produces not more than 8.4% of GVA, what proves its low effectiveness, which negatively influences the indicators of the whole regional economy.

The position of agriculture is marked by large areas of land (57% of Voivodeship area is arable land) and significant farm production in national scale (8.4% of total national farm production). The region is highly ranked in the production of sweet beets, hop, tobacco, and soft fruit. High farm production in the Voivodeship results not only from historical processes, but also from a number of natural conditions that include favourable climactic and soil conditions. The average quotient of farm production area quality is higher by 6.9 points than the national average (66.6 points). However, the quantity of crops is not adequate to the favourable soil conditions and is below the national average.

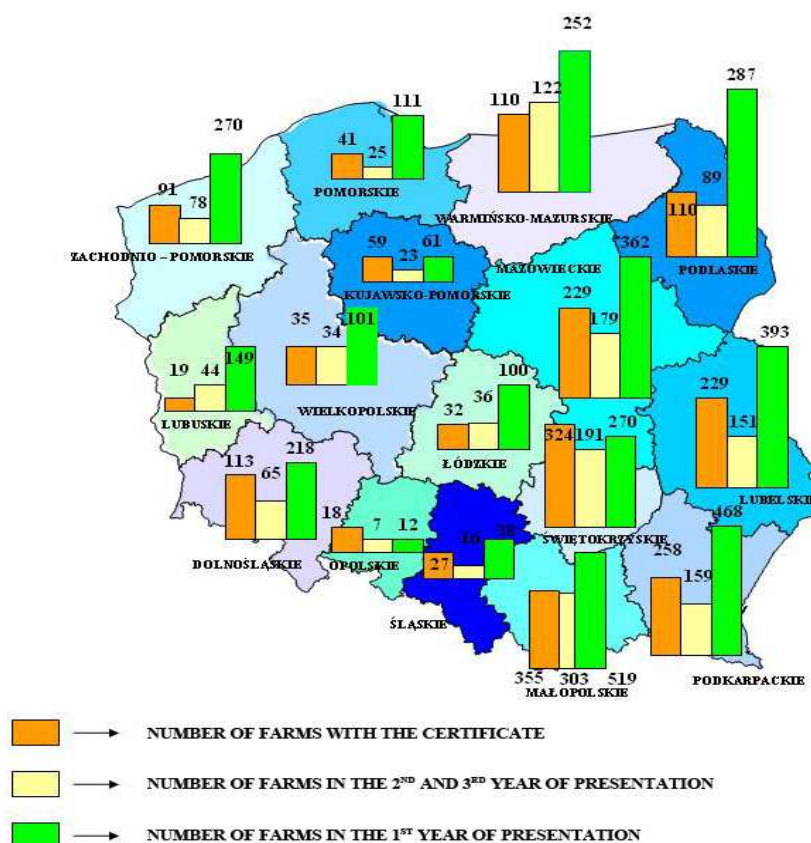
One of the factors that limit the effectiveness of agriculture is its extensive fragmentation and lack of specialization fields. The areal structure of the farm in Lubelskie is exceptionally unfavourable. Like in other parts of Poland, small farms (1-5 ha) are predominant and constitute over 54% of the total number of farms. Bigger farms (15 ha) constitute a little more than 7% of the total number of farms, while in Poland their share is around 10%. The average size of farms is also smaller than national average and makes 6.9 ha per farm (8.4 ha per Poland). In the last 10 years the average size of a farm increased a little more than by 10%.

The fragmentation of production leads to less effective economizing and low income of farmers. It is estimated that 50% out of 200 thousand farms in the region produce mainly for the purposes of the market. The level of goods production in the regional agriculture measured with the value of purchase of agricultural produce by 1 hectare of arable area is low and amounts to 80% of the national average (PLN 1,556).

Since 2004 farm subsidies have been significant supplement to the farmers' income. The subsidies, whose amount is estimated at 400 thousand Euro, are important stimuli for modernizing agriculture and rural areas. It is estimated that as a result of using the instruments of Common Agricultural Policy in the years 2007-2015, the improvement of agricultural structure of the rural areas will accelerate. Visible effects of the improvement will be the increase of average farm size to 12 ha, improvement of effectiveness and implementation of technological and organizational advance in agriculture, and finally, lowering the age of farmers. Such positive processes will be accompanied by negative social trends related to the difficulties to employ the workforce surpluses from the collapsed or restructured farms.

One of the forms of restructuring farms and creating new jobs in the rural areas should be the development of ecological agriculture and related services. Increasing demand for ecological food makes the significance of agricultural production grow in importance. Low level of utilization of agro-technology in the region may be transformed into a significant advantage of the region that has all necessary conditions to develop ecological farming.

The production of ecological food had been systematically increasing for the last few years, what can be observed in the number of certified ecological farms in the region (an increase from 253 in 2002 up to 773 in 2005). It is accompanied by the creation of ecological food processing companies and producers' associations. Out of 55 certified ecological food processing plants, 14 operate in Lubelskie Voivodeship. The implementation of the Strategy of Ecological Food Valley, which was one of the pilot projects of Regional Innovation Strategy, will serve the development of ecological products market.

Map 4. Ecological farms in Poland in 2005

Source: Inspection Service for the Commercial Quality of Agricultural and Food Products, Warsaw, 2005

The development of renewable energy sources, especially biomass energy, may be another chance for increasing the number of jobs in the rural areas. The annual energetic potential of bio-waste from agriculture and forestry is estimated at circa 19 PJ in the region (195 PJ in Poland). The potential can be significantly raised by increasing the farming of energy plants (e.g. basket willow). Fallow land, which makes 8% of arable land in the Voivodeship, should be firstly allotted for the cultivation of energetic plants.

Fertile arable lands should be used for increasing the farming of rape as a basic ingredient of bio-fuel production. The Voivodeship capacity to produce rape is around 80 thousand ha (presently, 15 thousand ha). It is estimated that increasing the cultivation of rape can generate additional income in the Voivodeship of about PLN 80 mln. annually⁶.

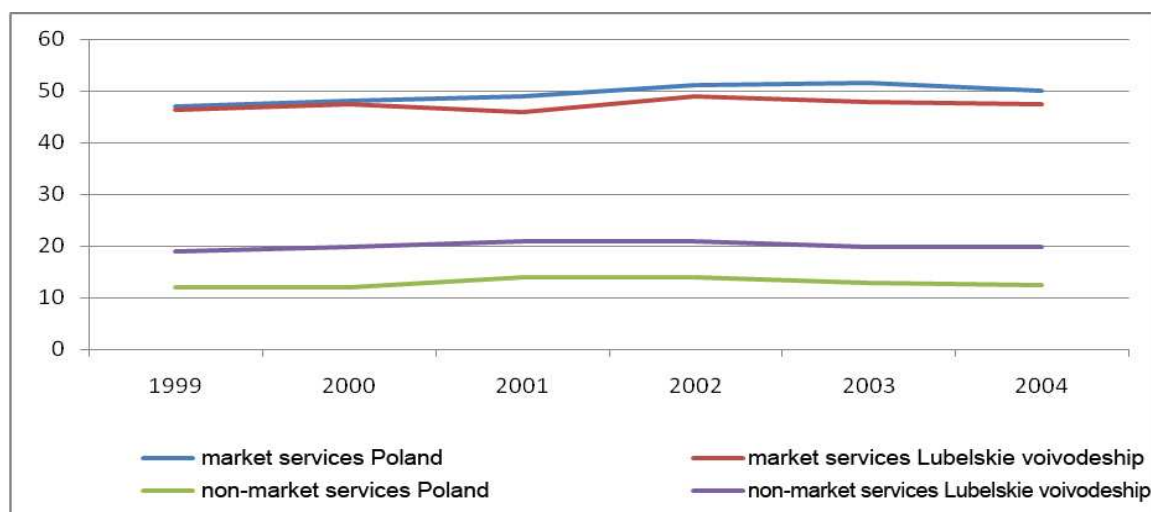
Sector of services (including tourism)

Modern economy of the region should be characterized by high share of market services in producing Gross Value Added and generating employment. Presently, market services that give employment to 25% of total staff in the region generate only 50% of GVA (what makes about 90%

⁶ Possibilities of development of ecological products in the Lubelskie voivodeship, Prof. Izabela Jackowska, Prof. Jerzy Tys, expert opinion prepared for the purposes of the Regional Innovation Strategy, Lublin 2004.

of national average). According to Forecasting Committee of the Polish Academy of Sciences, the employment share of services will have reached 55% by 2010 (market services – 30%).

Graph 7. The share of market and non-market services in GVA



Source: CSO (GUS) 2000-2005

The development of tourist services should be listed as one of the most prospective direction of creating new job opportunities in market services sector in Lubelskie Voivodeship.

Lubelskie Voivodeship has a significant cultural heritage, scenic and health resort areas, and most importantly, is one of the cleanest and ecological regions in Poland. All that creates good prospects for the development of tourism, so that it becomes a significant activating factor and a source of income for the people who live in the region.

Lubelskie Voivodeship features cities and places of international and national importance such as: Lublin, Zamość, Kazimierz Dolny, Nałęczów, Puławy, Kozłówka, and Janów Podlaski. There are also areas of 2nd and 3rd category of tourist attractiveness, among them: Łęczyńsko-Włodawskie Lake District, Roztocze and vast forest complexes of Puszcza Solska and Janów Forests. The valley of the Vistula River and the wild valley of the Bug River and the Wieprz River are exceptionally attractive for tourist. Because of shortages in tourist infrastructure and promotion this potential cannot be fully exploited.

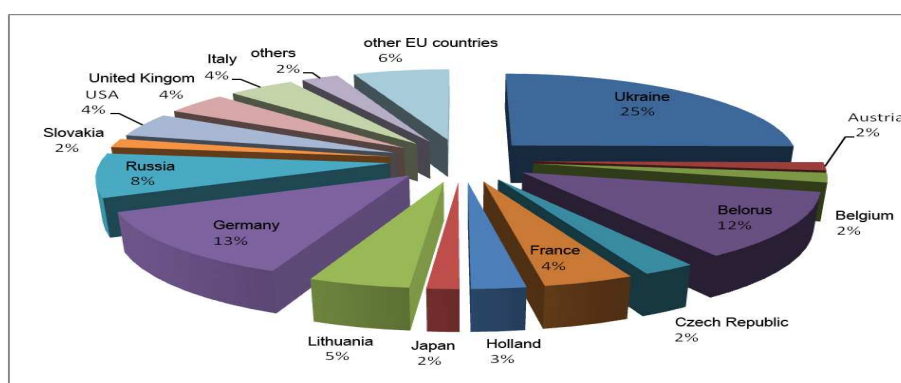
In 2005 there were 331 tourist accommodation facilities of different type (except agriculture farms) and in comparison with 1998 their number drastically fell by 208 sites, i.e. 39% (47% in Poland) and the number of beds by 20% (by 25% in Poland). Such a decrease in the number of tourist facilities results from structural changes in companies (frequently public ones) that owned the holiday centres. The new constructions (usually private guest houses of small number of beds) cannot fill the gap in a short period of time.

Table 1. Collective accommodation facilities in 2005

	unit	Lubelskie	Poland=100
facilities in total	item	331	4,92%
beds in total	item	19 506	3,42%
total tourists using the facilities	person	543 686	3,28%
foreign tourists using the facilities	person	73 987	1,72%
nights spend by tourists using the facilities	item	147 110	1,40%

Source: SO Regional Data Bank

In the years 2000-2005 the number of tourists using accommodation facilities increased by 10%, with a fall of foreign tourists using the facilities by 19% (in 2005 foreign tourists made 17% of all tourists). The structure of foreign tourists has also changed. Due to the changes in Polish customs policy and the limitations of border trade, the number of Ukrainian tourists fell by 60% and the number of tourists from European Union increased by 65% to over 32 thousand people at the same time.

Graph 8. Foreign tourists in Lubelskie Voivodeship in 2005

Source: SO Regional Data Bank

As compared to 1999, the number of accommodation provided fell by 13% (by 4% in Poland) and by 25% for foreign tourists (35% increase in Poland). An average stay in accommodation facilities is 4 nights for Polish tourists and 2 nights for foreigners. In spa resorts the quotients are much bigger (around 10 days), in typical tourist destinations they are 6-8 days and in the cities of Lublin and Zamość – 2 days. That is the result of large share of business trips to these cities.

The data showed proved lower level of tourist attractiveness of Lubelskie Voivodeship for foreign tourists than of other regions. It is caused by low standards of tourist infrastructure, low communication accessibility and lack of broad-scale, professional marketing of the region.

The high-season utilization of tourist infrastructure (mainly in summer) is one of the characteristics of the region. The only exceptions are youth hostels and spa resort accommodation facilities. They are used in 90%, which means that they do not have any vacancies most of the year.

Lubelskie Voivodeship is the region where over 22% of the land is protected by law. Due to the environment cleanness and traditional character of rural areas the region has magnificent conditions to develop tourism in these areas, i.e. agro tourism and ecotourism. Simultaneously, tourism is a sector of the highest level of employment surplus absorption from agriculture, which is the least effective branch of economy in the Voivodeship.

Table. 2. Agrotourism farms in Lubelskie in 1999-2006.

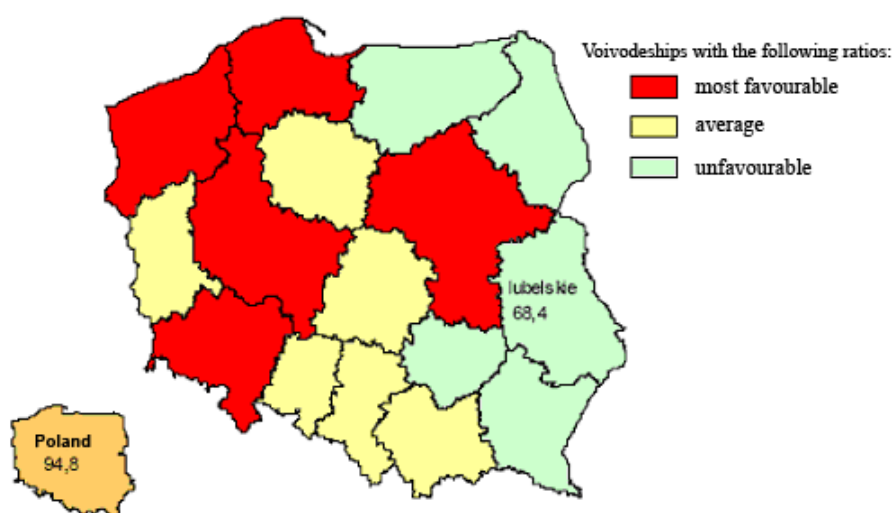
	1999	2005	2006
number of Agrotourism farms	196	387	420
number of beds	1088	2986	3380

Source: Lublin Centre of Agricultural Counselling in Końskowola

Development of entrepreneurship

Regional REGON (National Business Registry) system lists almost 150 thousands companies, of which a little more than half are presumably active. Entrepreneurship saturation in the region, measured in a number of companies per 1000 inhabitants, is by 30% lower than in Poland and is running about 68 subjects per 1000 dwellers (98 in Poland). Entrepreneurship saturation is diversified among subregions. There is a significant concentration around Lublin, the main city in the region, of approx. 27% of total companies registered in Lubelskie Voivodeship.

Map 5. National economy entities per 1000 people



Source: Living conditions in the Lubelskie voivodeship between 2003 and 2005, Statistical Office in Lublin, Lublin 2006

In the last 7 years, a real increase of the number of companies was recorded (increase by 14% in comparison with 1999). The increase would have been much bigger if it had not been for the sign off quotients. It is estimated that about 9 thousand companies sign off each year from the

REGON system, with 11 thousand companies that sign in. The data shows that the people who live in the region are active in establishing their own companies, and at the same time that the conditions of initiating and running business are difficult. That is why, it is essential that companies should be supported in the first stages of their operating period. The incubation system, which practically does not exist in the region, should play an important role here.

Table. 3. Public and private sector enterprises in Lubelskie Voivodeship in 2005.

	Poland	Lubelskie	Poland=100
total	3 615 621	149 019	4,12%
public sector	137 597	6 054	4,40%
private sector	3 478 024	142 965	4,11%

Source: SO Regional Data Bank

Structure of enterprises and major areas of activity

It is estimated that over 95% of companies in the Voivodeship are microcompanies (employ up to 9 people), small companies that employ from 10 to 49 people make over 3.8% of all companies (about 6 thousand subjects). The share of medium and large companies is, on the other hand, very small. It is estimated that there are about 1300 companies that employ over 50 people (0.8%) and about 130 large companies that employ over 250 people in the region.

Table. 4. Enterprises by the number of employees – data from 2005.

	Poland	Lubelskie	Poland=100
total	3 615 621	149 019	4,12%
0 - 9	95,06%	95,14%	4,12%
10 - 49	4,03%	3,98%	4,07%
50 - 249	0,78%	0,77%	4,033%
250 - 999	0,11%	0,09%	3,31%
1000 and more	0,02%	0,02%	4,15%
number of companies in REGON system per 1000 dwellers	948	684	72,15%
newly registered companies per 1000 dwellers	69	51	73,91%
companies signed off from REGON system per 1000 dwellers	56	48	85,71%

Source: SO Regional Data Bank

Self-employed business activity and civil partnerships are predominant in the sectoral structure. They make 78% and 7% of the companies respectively. The saturation of more complex forms of entrepreneurship is smaller. Commercial companies make 4.5% and co-operatives 0.9%.

Due to the privatization processes, there are fewer and fewer state-owned companies. At the end of 2005, there were as little as 53 state companies in Lubelskie Voivodeship and their number was systematically falling (in 2003 there were 100). Similarly, there are few companies

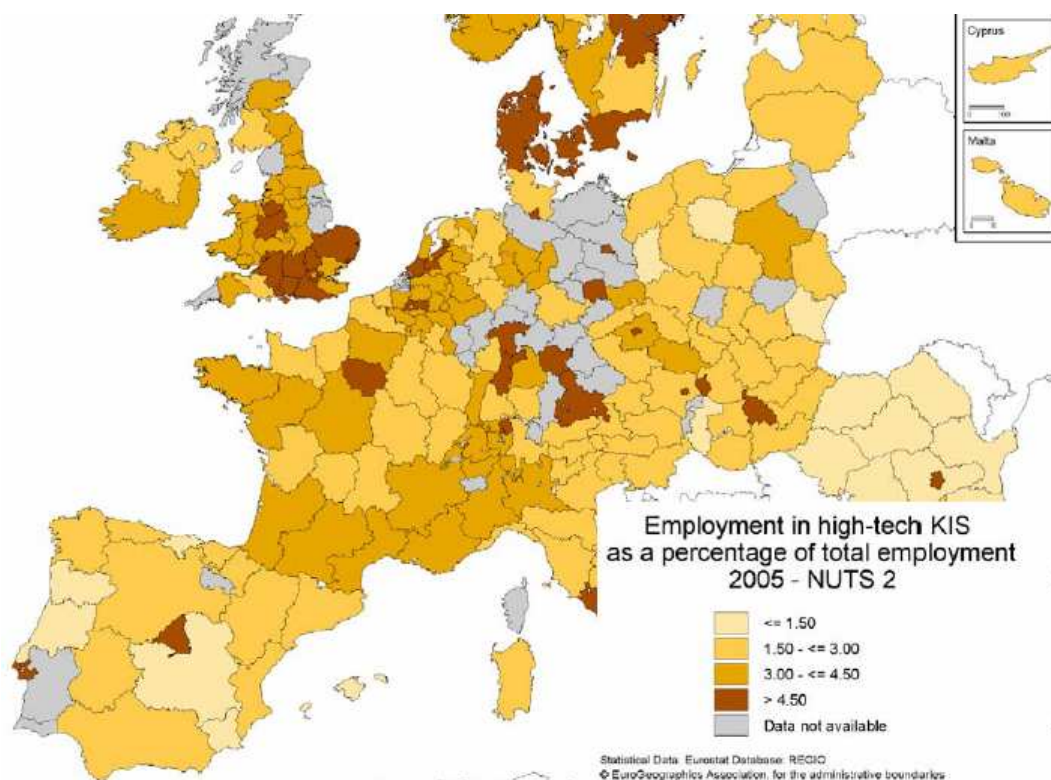
with foreign capital. In 2005 there were 832 such companies but their number increases each year by 3% on average. Their contribution to modernizing regional economy is, however, not satisfactory.

According to Polish Classification of Business (Polska Klasyfikacja Działalności), the largest number of companies deals with commercial activity, handling real estate and companies (36%). Construction sector and transport make 9% and 7% respectively. Small number of industrial processing companies (8.6% in Lubelskie, 12% in Poland) is an unfavourable phenomenon. It proves the weakness of production sector in Lubelskie and the need to concentrate resources for the development of the sector in the coming years.

Competitiveness of SME sector

The factor that defines the competitiveness of SME sector is the number of SME companies in high-technology sector. According to statistical data of 2005 as few as 100 industrial companies (5%) were running in high-technology sector and about 200 companies (9%) in medium-high-technology sector of industry. Vast majority of the industrial companies (63%) were operating in low- and medium-low-technology sector.

Map 6. Employment in high-technology sector in 2005



Source: *Statistic in focus*, 32/2007

Companies from Lubelskie Voivodeship are characterised by regional level of competitiveness. Low level of their participation in international cooperation networks and low

activeness in international trade prove that. It is assessed that the share of MSE companies from Lubelskie Voivodeship in SME total export in Poland is only 2,8%, and 1% as regards import.

Despite the predominance of local companies in the regional market, there are also companies of national recognition, especially in construction and industrial branches. These companies show large innovation creation and absorption potential, what makes them prospective centres of cooperation (e.g. industrial parks, companies' associations).

Financial potential and innovation implementing

One of the key weaknesses of SME in the region is its small dynamics of investment, in comparison with national average. For the last few years the capital investment has been low and made about 2.8% of national share. The capital investment per capita in companies was PLN 1.124 in 2005, however, it had grown by 20% in comparison with 2003. Nevertheless, it is still one of the lowest in Poland. One of the strategic activities in this respect should be direct financial support for companies, what will contribute to their financial condition and competitiveness.

Table. 5. Capital investment (thousands PLN) by the size of enterprise in 2005.

	Poland	Lubelskie	Poland=100
total	99 972 267	2 227 469	2,22%
small comp. total	22 454 619	661 048	2,94%
microcompanies	11 842 383	299 419	2,53%
medium comp.	21 702 829	675 082	3,11%
large comp.	55 814 819	891 339	1,60%

Source: SO Regional Data Bank

Innovation investment make about 22% of all the resources intended for investment in the companies⁷ and their share increased by 8% in comparison with 2003. As for the number of companies that invest in innovations, Lubelskie Voivodeship ranked 10th in Poland. The share of companies that invest in innovations has been rising and reached 43% in 2005 (ranked 6th in Poland). The data is reflected in the research of innovativeness level of the companies in Lubelskie, carried out for the purposes of Regional Innovation Strategy. According to the results obtained, about 40% of companies implemented at least one innovation in their company within the last 3 years, including 35% of technical innovations. About 30% of companies hold quality certificates⁸.

Slightly more than 65% of capital investment comes from own funds of companies, in comparison with 72% in Poland. The share of external resources of financing is small: bank loans – 7%, public money – 1.7%, foreign institutions – 0.3%. Larger participation of public money within the support programmes should be expected in order to increase the utilization of public money for companies.

⁷ Data for industrial companies employing more than 49 people.

⁸ Lubelski Rynek Innowacji, report from the innovation research carried out for the Regional Innovation Strategy, University of Technology, 2004.

The structure of innovation expenditures in companies shows that over 80% of resources are intended for purchasing machines, tools and means of transport, while only 12 % is allotted for research and development. The remaining 8% is spent on purchasing software and ready-made technologies in a form of documentation or titles. It is estimated that in 2005 companies bought as little as 60% of R&D works and licences to use new technologies. The result proves that R&D market is not very well developed in the region and that R&D offer of research centres is of very poor level.

The analysis of financial instruments available shows that the investment needs exceed the financial measures available in the market. High costs and difficulties in obtaining commercial loan make it necessary to allow entrepreneurs use external, non-bank, sources of financing the investments. Apart from the system of investment subsidies, the intervention concerning the strengthening of loan guarantees, micro-loans and seed-capital funds will be of great importance.

Lubelskie Voivodeship has a good basis for the development of regional system of loan guarantees. Its framework is constituted by Lubelski Guarantee Fund (Lubelski Fundusz Poręczeń) that operates within the Lublin Development Foundation. The fund cooperates with 14 banks and has guaranteed 1200 loans for the amount exceeding PLN 120 mln. Further development of the loan guarantees system and the increase in the number of guarantees depend on increasing the equity of guarantee funds and on creating efficient re-guarantee system.

The situation is worse outside Lublin, as for the development of loan funds. In Lubelskie Voivodeship there are presently only 2 funds, including Lubelski Fund of Guarantees that operates within the Lublin Development Foundation. The greatest barriers in the development of such institutions are: small number of entities that render such services, low equity of the funds (presently slightly more than PLN 15 mln) and little knowledge of entrepreneurs on non-bank debt instruments of financing companies' operations.

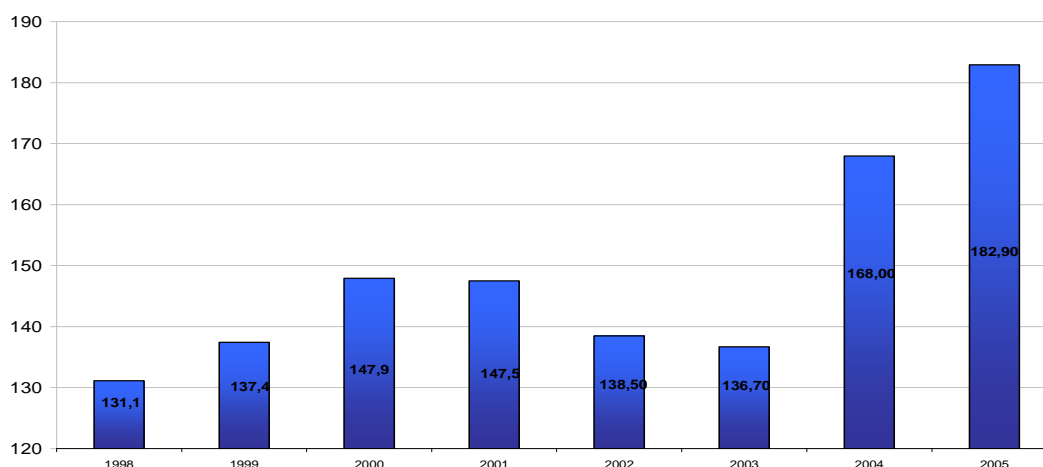
Business environment institutions

The key segment of business environment is the banking sector. There are about 280 bank branches and outlets. In larger cities there are branches of commercial banks that offer comprehensive financial services, including stock broking offices and customer care services. There are also 500 offices and banking agencies and payment outlets. In rural areas and in smaller towns, co-operative banks render limited range of services.

Training and advising services and comprehensive services for companies are the domain of agencies of regional development, industrial societies, chambers of commerce and industry, associations and institutes. Some of them are associated in the National Services System (Krajowy System Usług – KSU) and render services for regional and national Programme of entrepreneur support. They also deal with organizing conferences, fairs, and other promotional events related to the development of the region.

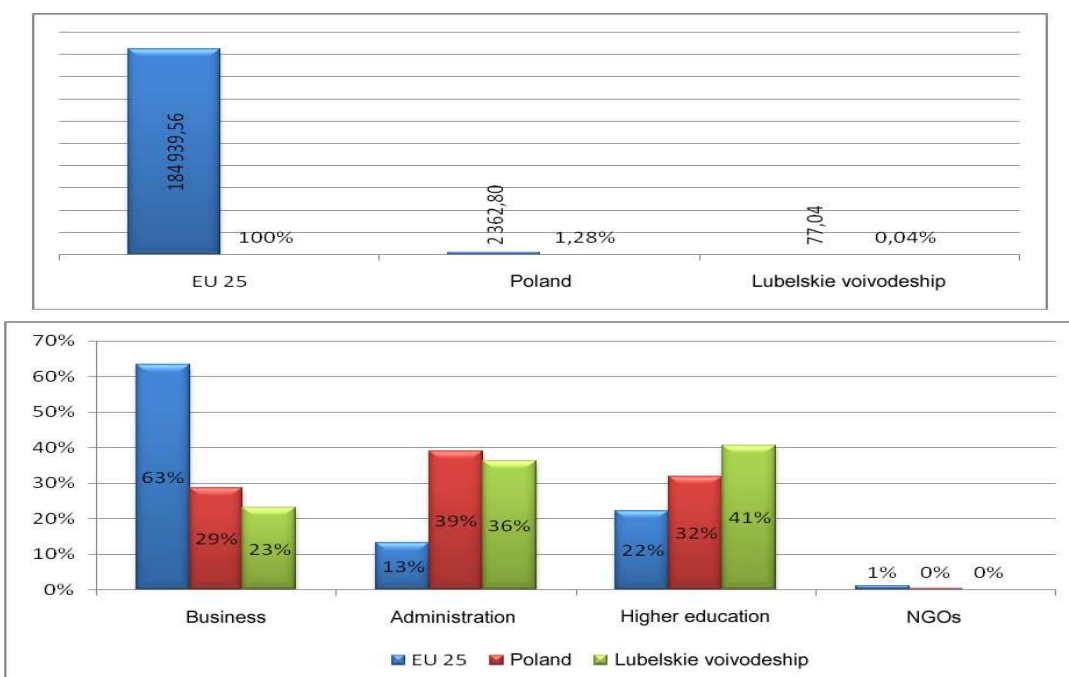
average – 1.85%). Lubelskie Voivodeship spends 0.47% of its share of GDP. That makes PLN 77 per capita in Lubelskie and ranks the region at the 8th position in the country in 2004.

Graph 9. R&D outlays in Lubelskie Voivodeship (mln PLN)



Source: SO Regional Data Bank

Graph 10. GERD indicator



Source: Eurostat

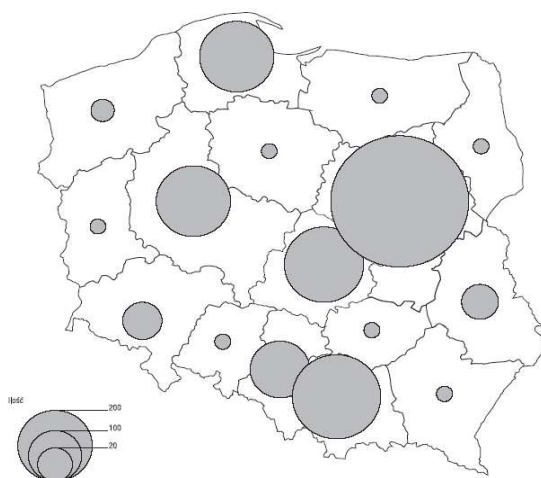
In the structure of R&D outlays, like in the whole country, the largest amount of money is spend on basic research (over 38%) and smaller on development (less than 28%). Financial structure of R&D is also very unfavourable. The share of companies' resources in R&D outlays is as little as 9.7% (27% in 1999) and the rest of the funds (about 78%) is supplied by the state budget. The structure is reverse to that from EU countries where about 63% of money comes from the private sector.

Another important R&D factor of region's research and development potential is employment in R&D sector. In 2005 the employment in R&D, measured by full time equivalent, was estimated at 3.4 thousand jobs and was lower than in 1999 by 10%. The R&D employees' share of total employment in Poland fell from 4.3% to 4.1%. The employment structure is less favourable than in other parts of the country because almost 70% of R&D staff are employed in higher education schools and only 23% in science and R&D units. Such an employment structure means that most R&D employees devote most of their time to teaching and basic research rather than to applied research, development and research for the purposes of companies.

Unfortunately, the number of employees in R&D sector is entirely reflected in the knowledge indicators, measured by the number of registered inventions and patents granted. The number of invention in Lubelskie per annum does not exceed 70 (3.5% of national share), and the number of patents granted is around 40 (4.7% of national share). This result shows that R&D sector in Lubelskie Voivodeship does not fit regional economy and needs modernizing.

The participation of research and science institutes in Lubelskie in international projects should be considered insufficient for the existing potential in the region. For example, out of 1710 projects in 5th and 6th Framework Programmes that were implemented by Polish R&D centres, partners from Lubelskie participated in as few as 26 projects (1.5%).

Map 8. Share of Polish institutes in 5th and 6th EU Framework Programmes and in the network of Excellence Centres



Source: Grzegorz Gorzelak, Aleksander Bąkowski, Marek Kozak, Agnieszka Olechnicka, accompanied by Adam Płoszka, *Polish Regional Innovation Strategies: Assessment and conclusions for future measures*. Ministry of Regional Development, Warsaw, 2006

Assessing regional R&D sector, one should note that it has to deal with various problems concerning: low level of R&D financing, unfavourable structure of R&D expenditures programming, insufficient equipment in research instruments, high level of instruments' wear and tear, lack of transfer and commercialization of the research results. These negative phenomena are accompanied by numerous problems related to the restructuring of Polish science financing and the scientists' difficulties to adjust to the realities of knowledge-based economy. The accumulation of these problems does not allow for full exploitation of R&D sector potential. That is why, one of the priorities in structural intervention in the region is the support for R&D sector and adjusting its structure to the needs of the economy, through the regional system for innovation support, among other things.

Regional system for innovation support

Lubelskie Voivodeship has a good basis for the development of innovation. The foundations of the system are higher education facilities, which not only teach but also carry out research and development, more and more companies-oriented enterprises. The profile of research and development services is shaped by numerous centres related to two universities (Maria Curie-Skłodowska University and The Catholic University of Lublin), Lublin University of Technology, Academy of Agriculture and Medical Academy. The works of scientific institutes are important complementation of the academic research: the National Institute of Soil Science and Plant Cultivation in Puławy, the National Veterinary Research Institute in Puławy, the Institute of Chemical Fertilisers in Puławy or the B. Dobrzański Institute of Agro-physics at the Polish Academy of Sciences in Lublin. Three Centres of Excellence, built thanks to the support from the framework Programmes of European Union, also play an important role in the region.

The scope of the research carried out in the centres is very broad and covers the issues of agriculture and food processing, environment protection and ecology, biotechnology and healthcare, IT, energy production and processing, industrial automatics, construction and sanitary engineering. However, according to entrepreneurs, the quality of services of scientific units is low and not adjusted to the current needs of companies⁹. The only way to improve the situation in the supply of innovation is the ongoing process of consolidating the research potential of the research units in order to specialize and adjust those to strategic for the region sectors.¹⁰ Completing this process in one of the key objectives of The Science and Technology Park, this aims at network cooperation of 6 research centres, which will render services for business:

- Biotechnology Centre (Maria Curie-Skłodowska University)
- Drugs and Vaccinations Centre (Centrum Leków i Szczepionek) (Medical Academy in Lublin)
- Food Technology Centre (Academy of Agriculture)
- Electronics, Optoelectronics and Teleinformatics Centre (Lublin University of Technology)
- Environment Protection Centre (Lublin University of Technology)
- Nanotechnology Centre and IT Technology Centre (Maria Curie-Skłodowska University)

The Science and Technology Park and the accompanying infrastructure will be one of the basic knowledge transfer institutions and innovation centres in the region. The Park will be an important supplement of the existing infrastructure of innovativeness support that consists of:

- Business environment institutions (functioning within National Services System and the future National System of Innovation);
- The Lublin Centre of Technology Transfer - Lubelskie Centrum Transferu Technologii (operating within IRC network – Innovation Relay Centre);
- The network of innovation centres (created by Polish Federation of Engineering Associations, Polish Foundation of the Opportunities Industrialization Centres "OIC Poland").¹¹

⁹ Lublin Innovation Market, report for survey research, The Lublin University of Technology, 2004

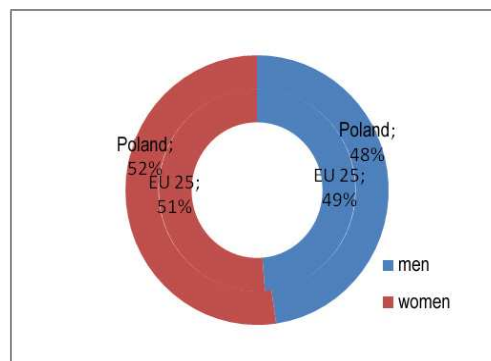
¹⁰ Regional Strategy of Innovation accepted by the Board of Lubelskie Voivodeship in December 2004 outlines strategic research Fields for the Voivodeship: engineering, biotechnology, IT, environment protection, farm production, ecoenergy. These spheres will be specified in the regional foresight.

¹¹ Catalogue of Institutions for the support of innovations and technology transfer in the Lubelskie voivodeship, Lublin Development Foundation, Lublin, September 2006.

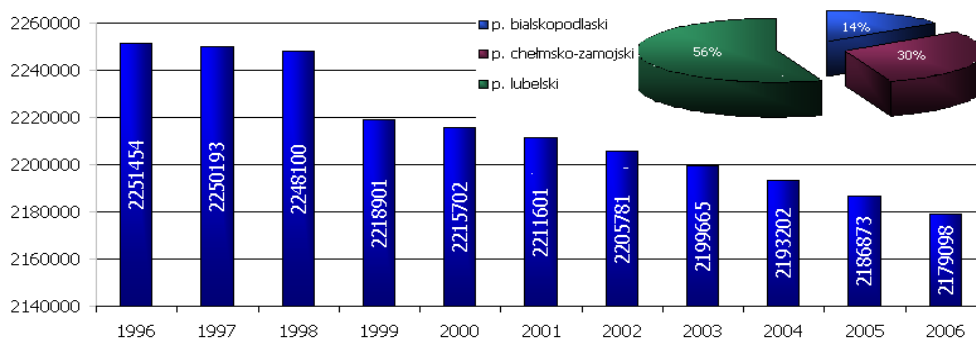
1.1.3. Society and human resources

Number of people

At the end of 2006, 2.179 mln people lived in Lubelskie Voivodeship, what makes 5,72% of national population. The number ranks the region as 7th in Poland. Polish population accounts for 6.98 of EU population, and the population of Lubelskie - 0.49% (data for 2005). The number of people in Lubelskie is systematically decreasing by 0.2% a year. According to demographic forecasts the falling tendency will persist at least until 2030. It is estimated that the number of people in Lubelskie Voivodeship will have fallen by 85 thousand people (i.e. by 4%) by 2020. The fastest decrease will be seen in rural areas, where the pace of decrease will be twice as big as in big cities.



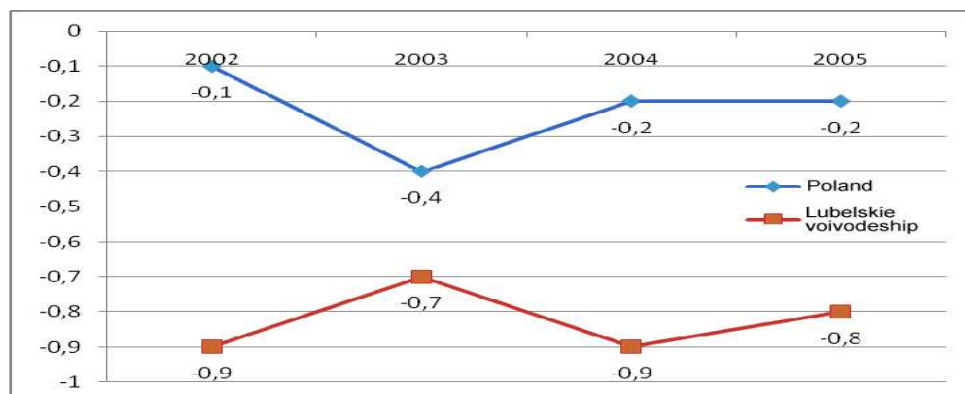
Graph 11. The population of Lubelskie Voivodeship in 1996-2006



Source: Own compilation based on: CSO Regional Data Bank

The decrease of the number of people is determined by negative birth rate and migration. The number of births fell in Lubelskie in 1998-2005 by 14.8% (19% in rural areas). In 2005 the birth rate per 1000 people was (-0.84) and was much lower than national average (-0.2). It is estimated that negative birth rate will persist and in 2020 will reach (-1.7).

Graph 12. Birth rate per 1000 inhabitants in 2002-2005

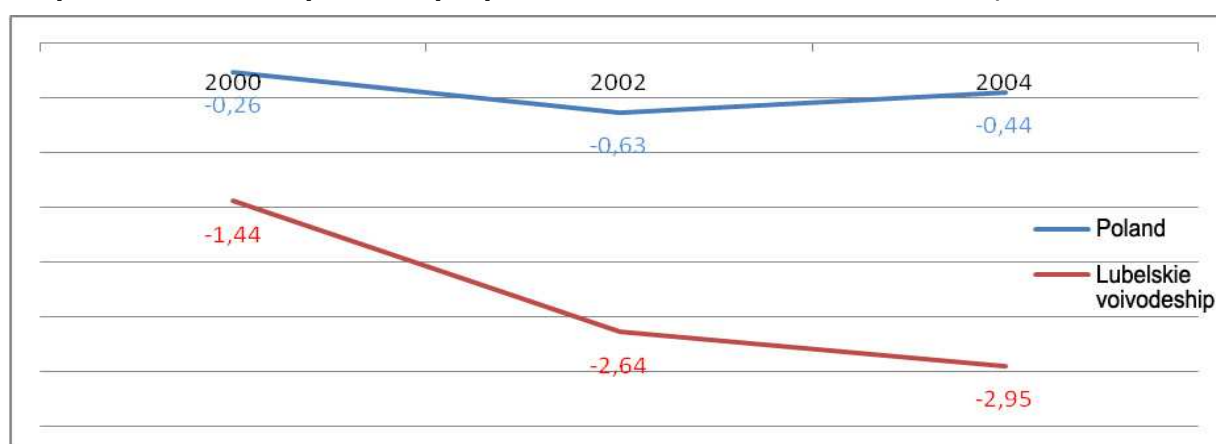


Source: Own compilation based on: CSO Regional Data Bank

Internal and permanent residence foreign migration saldo per 1000 has assumed negative values for the last few years and is at the annual level of (-2.1), while the value in rural areas is only (-0.23). The number of rural population in total population has been increasing since 2004. In 2006 the value reached 53.94% (38.96% in Poland). The trend is similar in the whole country and is related to suburbanising municipal centres.

Economic factors are the most important causes of migration. That is why poverty in Lubelskie Voivodeship makes it one of the regions of the highest emigration in Poland. According to CSO forecast, the Voivodeship will still be counted as a region of the highest outflow of population. The fact may have significant consequences for the development of the region if we take it into consideration that the majority of emigrants are young, well educated people.

Graph 13. Actual rate per 1000 people in Lubelskie and in Poland in 2000, 2003 and 2004

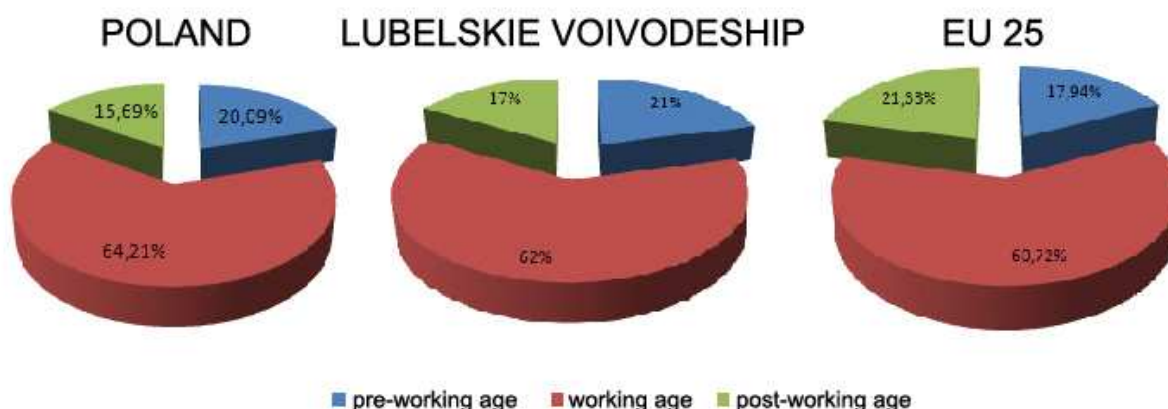


Source: Own compilation based on: *Statistical year book of the Republic of Poland 2001, 2003 and 2005; Statistical year book of Lubelskie Voivodeship 2004, 2005*

Population age and its structure

The population of Lubelskie Voivodeship is relatively young (as it is in Poland), however the age median is increasing year by year. In 2000 it was 37 for women and 33 for men, while in 2005 it was – 39 and 34 respectively. The age of rural population is similar (36), while in Poland urban population is older than rural (38 and 33 years old respectively).

In 2000-2005 we witnessed an increase in economically working and retired population with a decrease of pre-working population. It is related with reaching working age by the population of baby boom and influences the level of in the demographic load ratio. Its value is still lower than in the rest of the country by 6%.

Graph 14. Population age structure in 2005**Table. 6. Population in working and non-working age in Lubelskie Voivodeship in 1995-2005. Forecast for 2020.**

Detailed list	1995 (w %)	2005 (w %)	2020 (w %)
pre-working age	28,5	20,1	16,9
working age	56,1	64,2	60,5
post- working age	15,4	15,7	22,6
demographic load ratio (population in non-working age per 100 people in working age)	78,3	62	65,2

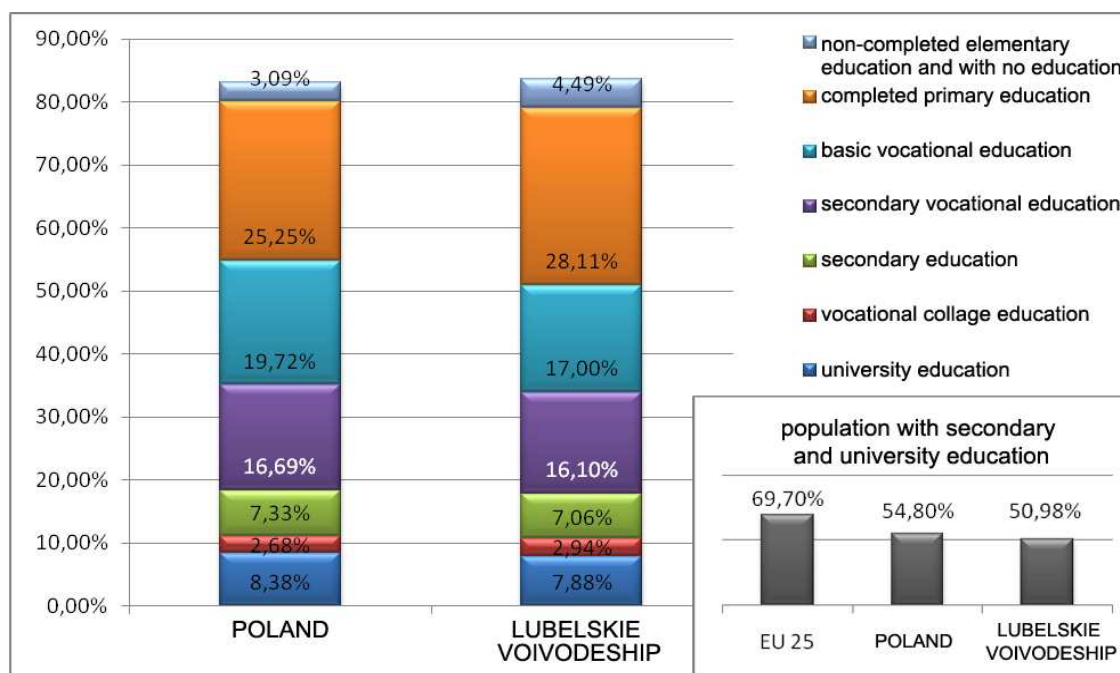
Source: Statistical yearbook of Lubelskie Voivodeship 2005, Labour market in Lubelskie Voivodeship in 2004.

The analysis of future age structure of the population shows that in 2020 every fifth person in Lubelskie Voivodeship will be 60 or over. A significant growth of the number of post-working population, with a limited number of working age population will cause the increase of demographic load quotient, what may have negative consequences for the job market and welfare system.

The level of education and the quality of human capital

One of the most important indicators which define the quality of human capital is the level of education of the society. Lubelskie Voivodeship is a region that is close to the national average in the share of people with higher and secondary education. It is significant that since 1992 there has been a large progress in higher education popularity. The increase of people with higher and secondary education were higher than in other parts of the country. The process was possible due to a rapid growth of higher education facilities, both public and private. In 2005 there were 495 students per 10 thousand people. In the age group 19-24, student accounted for 47%. In both cases, the result ranked Lubelskie as 7th in the country.

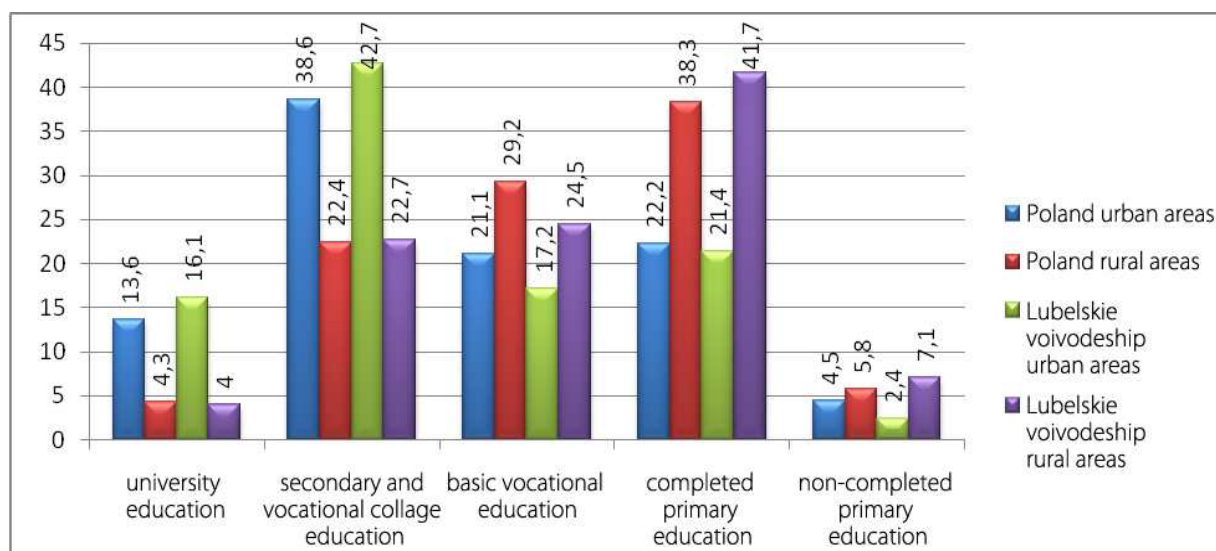
Graph 15. Education structure in Lubelskie against Poland



Source: Own compilation based on CSO data (www.stat.gov.pl)

In recent years, the level of education of rural population has also increased, although, with relation to urban areas there are fewer people with secondary and higher education. The increase of education level in rural areas transfers in a number of farms run by people with secondary or higher education. In case of Lubelskie Voivodeship, the quotient is higher for Lubelskie (35.8%) than the national average (33.7%)

Graph 16. The structure of education is Urban-rural relation



Source: CSO Regional Data Bank

In spite of radical increase in the level of education in Lubelskie Voivodeship and favourable school availability, the quality of human capital is not well assessed. The most important factors that negatively influence the quality of human capital are:

- Unsuitable offer of higher education institutions to the needs of the job market, what is reflected in the unemployment rate among graduates in total population (over 6%);
- Structural unsuitability of the qualifications and skills to the needs of the job market (connected with low level of activeness in updating qualifications in schools for adults);
- Low level of civilization competences: driving a car, computer and foreign language legibility.

Table. 7. Civilization competences (declarative)

	Lubelskie	Poland
Driving licence (place in the ranking)	48,26 (14)	53,23
Computer (place in the ranking)	40,52 (11)	45,07
Foreign languages - English ranking	23,20 (14)	26,41
- German	11,54	19,62
- Russian	44,30	34,74

Source: Based on the data by: Czapiński J., Panek T., Social diagnosis 2005, Warsaw 2006.

Life quality and society income

Lubelskie Voivodeship is characterized by low life quality, what is confirmed by the indicators in the table below.

Tab. 8. Ingredients characterizing life quality in Lubelskie (a choice)

Voivodeship	General life quality quotient	Life quality rank	General living conditions quotient	Living conditions rank	Absolute value of ranks difference
WIELKOPOLSKIE	0,23	1	0,512	7	6
POMORSKIE	0,12	2	0,331	1	1
DOLNOŚLĄSKIE	0,09	3	0,673	11	8
OPOLSKIE	0,08	4	0,403	3	1
PODKARPACKIE	0,05	5	0,603	9	4
ŚLĄSKIE	0,04	6	0,413	4	2
MAZOWIECKIE	0,03	7	0,432	5	2
MAŁOPOLSKIE	0,02	8	0,664	10	2
ZACHODNIO-POMORSKIE	0,00	9	0,474	6	3
LUBUSKIE	-0,02	10	0,387	2	8

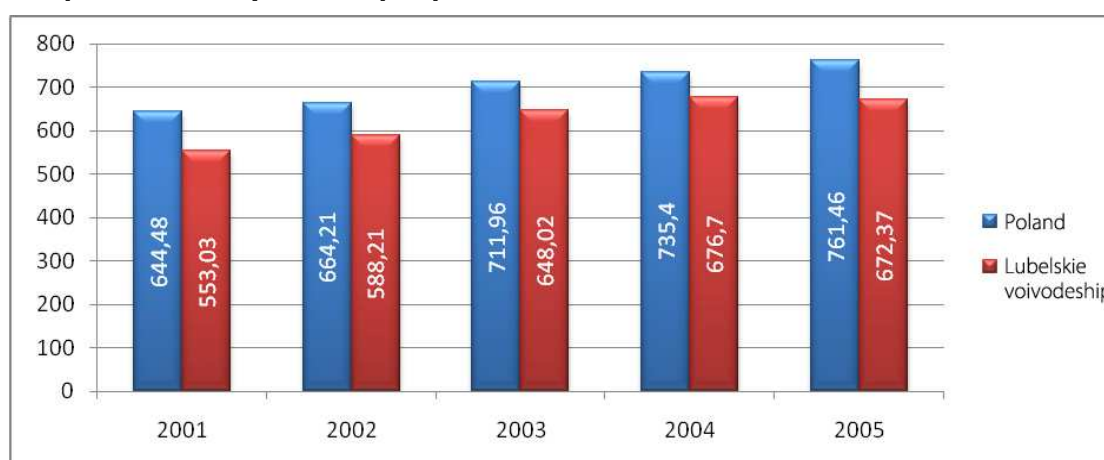
PODLASKIE	-0,12	11	0,742	15	4
ŁÓDZKIE	-0,13	12	0,553	8	4
ŚWIĘTOKRZYSKIE	-0,13	13	0,779	16	3
KUJAWSKO-POMORSKIE	-0,17	14	0,733	14	0
WARMIŃSKO-MAZURSKIE	-0,20	15	0,724	13	2
LUBELSKIE	-0,25	16	0,679	12	4

Source: Czapiński J., Panek T., *Social diagnosis 2005. Living conditions and quality of life in Poland*, Warsaw 2006, p. 383

In the assessment of life quality a number of quotients have been taken into account: prosperity, social capital, civilization level, social and physical infrastructure, life stress, vulnerability to pathologies. General living conditions quotient was calculated on the basis of income, food quality, affluence of households, housing conditions, children education, healthcare, participating in cultural life and leisure.

The main cause of such a low level of life quality is difficult financial situation of households, which results mainly from unfavourable situation in the job market and lack of possibility to obtain satisfactory income. The level of income is lower than average income in Poland by 12% (PLN 672 compared to PLN 762 in Poland)

Graph 17. Monthly income per person in households



Source: CSO Regional Data Bank

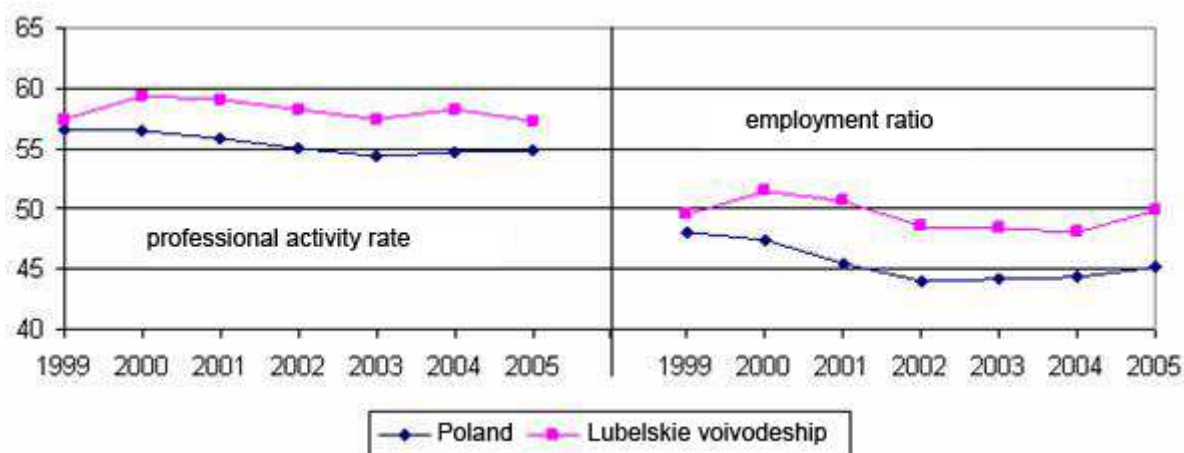
The structure of income suggests social character of the region. The income from social care is predominant and constitutes 36.4% of income (29.4% in Poland) in urban households and 9.7% (4.1% in Poland) in rural areas. The income from hired labour accounts for 37.9% in the Voivodeship, in comparison with national average of 45.5%. These factors result in lower consumption and lower life quality as well as extensive poverty and social exclusion.

Employment ratio

At the end of 2005, 951 thousand people worked, i.e. almost 50% of voivodeship population in working age (63.8% in EU). Private sector gave jobs to 74% of workers. BAEL

employment indicator was 49.8% in the voivodeship (49.8% in cities and 57.1% in rural areas). The indicator was higher for men than for women: 56.6% for men (71.3% in EU) and 43.3% for women (56.3% in EU).

Graph 18. Activeness in labour market indicator and employment indicator in Lubelskie Voivodeship in 1999 - 2005



Source: GUS 2000 - 2005

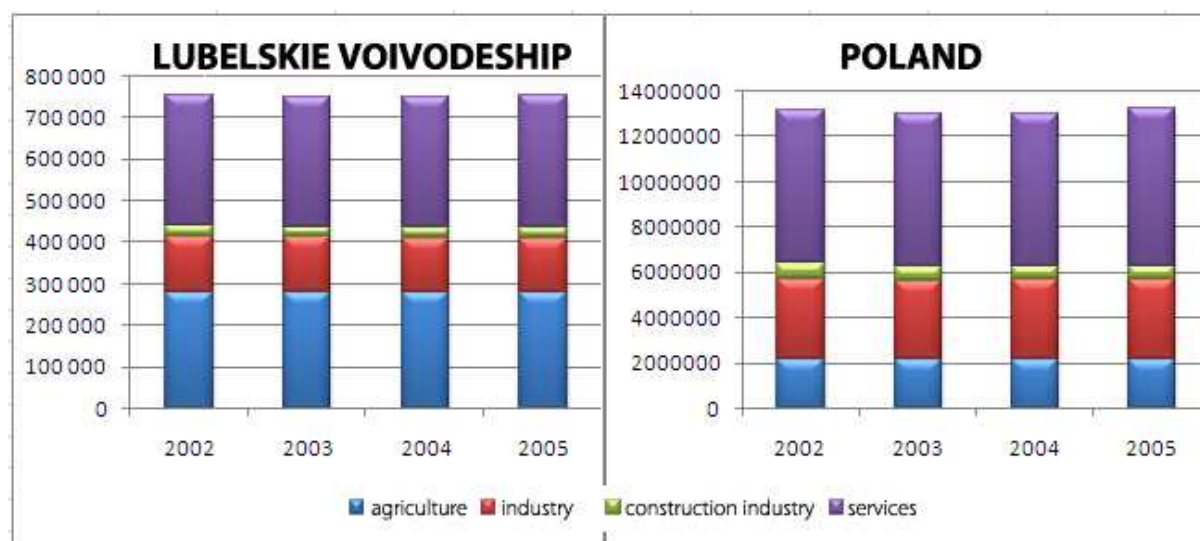
Both activeness in labour market indicator and employment indicator are higher than in the rest of the country. They result from a high number of people who work in agriculture, which is very ineffective and constitutes a source of hidden unemployment. Taking the target employment rate at the level of EU countries (70%), one should conclude that the utilization of workforce in Lubelskie Voivodeship is insufficient and should be systematically increased. Further increase of employment indicator will depend on the redevelopment of employment structure in major sectors of economy and on the pace of creating new jobs (mainly in market services sector). The increase of employment will also be stimulated by implementing cohesion policy and operational Programmes that result from it¹².

The structure of employment

As it was already mentioned, the sectoral employment structure in Lubelskie Voivodeship is particularly unfavourable. Although the employment in agriculture fell by almost 14% in the last 5 years, it is still one of the highest in Poland and amounts at 16.9%, while in EU25 it is less than 5%. Further decrease in employment in agriculture will depend on the restructuring of farms and creating alternative job opportunities outside the sector (also in services).

¹² The forecast of the macroeconomic influence of the implementation of the ROP for the Lubelskie voivodeship for the years 2007-2013 shows that, because of planned ROP interventions, an annual average increase by 0.6% in the dynamics of employment growth will be observed.

Graph 19. Employment in national economy according to economic sectors in Lubelskie and in Poland (2002-2005)



Source: Regional Data Bank

Considering the years 1999-2005, it is noticeable that total employment fell by 50 thousand. The most significant decrease was observed in industry (18.3 thousand), healthcare (14.5 thousand) and construction industry (11.6 thousand). The absolute number of employees increased in real estate and company services (9.5 thousand), public administration (5.4 thousand), other services (2.3 thousand) and education (1.6 thousand). The changes reflected the trends in the national labour market.

The reduction of jobs was more severe in financial agencies in Lubelskie Voivodeship (one third of jobs were liquidated), in construction industry (almost one third) and in healthcare (a quarter). The changes resulted from the intensification of economy modernization processes. Headquarters of three banks were moved out of the Voivodeship or liquidated in financial sector. In healthcare and construction industry, employees established their own companies to render services of the same or similar kind as B-2-B co-operations. Employment migration is also one of the reasons for these changes.

In the 1999-2005 period, the increase of number of jobs was relatively higher than in the rest of the country, as in real estate and company services the employment doubled.

The phenomena prove that there is a clear relation between regional and national job market. One can easily notice the underdevelopment of services sector, while it should be this sector to be increasing its share in GDP and absorb the labour force coming out of other sectors (e.g. agriculture).

Hired workers are predominant in the total employment in Lubelskie Voivodeship. Vast majority of them (90%) is fully employed. Just above 28% of people are self-employed, while vast majority do not employ any workers. Relatively large number of people (14%) are neither employed nor self-employed, but help other members of their family run their business. Such a structure of employment in Lubelskie Voivodeship obviously results from the structure of employment with large share of individual agriculture. This sector, in a form of "helping members of a family", who do not have a chance to find any other job, reduces the scale of registered employment.

Unemployment level and its structure

The estimated unemployment rate in October 2006 was 15.2% and was a bit higher than unemployment rate for the whole country (14.9%). As for unemployment, Lubelskie Voivodeship ranks as 11th in Poland. Considering the so called secondary employment rate (the relation of a number of the unemployed to the number of people who work outside individual agriculture) the level of unemployment significantly exceeds the national average (by 8.4% on average). In October 2006, secondary employment rate was 29.7% in the region (21.3% in Poland).

The number of registered unemployed is estimated at 140 thousand, and is lower than in 2003 by 18% (34 thousand people). The fall in the number of the unemployed results from employment migration outside the voivodeship and from the appearance of new job opportunities (about 13 thousand new jobs a year).

Significant number of the unemployed are people who are persistently unemployed (68%). It is especially unfavourable and disturbing that almost 32% of the unemployed are young people, aged 25-34 and 7.5% are people with higher education.

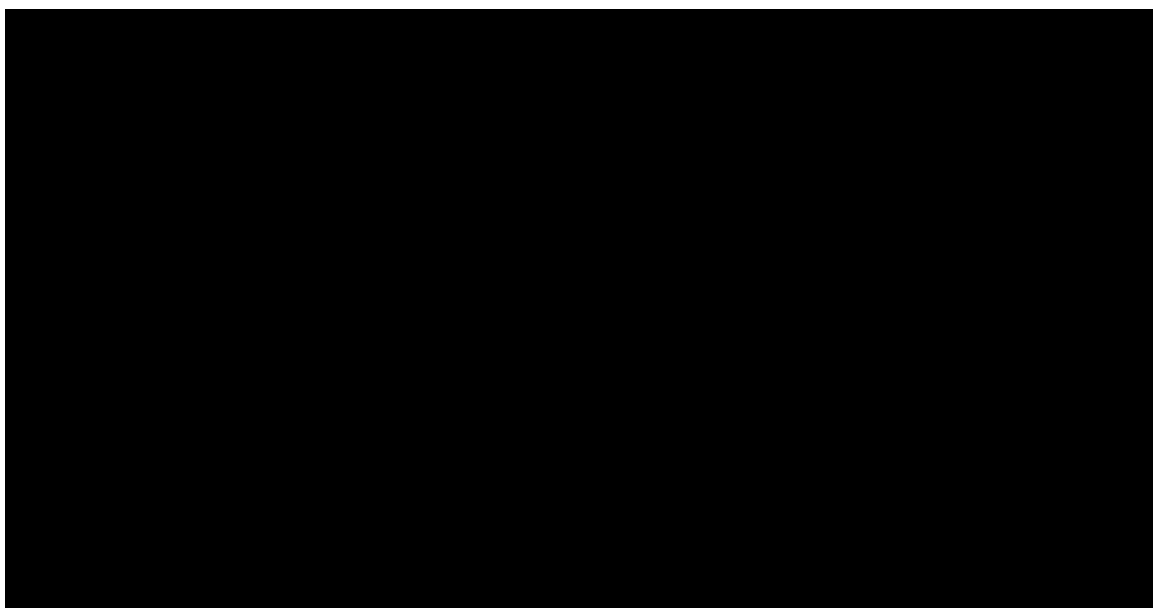
Another problem, which is very difficult to diagnose, is hidden unemployment in rural areas. The estimations¹³ carried out on the basis of Polish Census of 2002 show that average hidden unemployment rate is approx. 20%, i.e. it is higher than the registered unemployment rate.

It turns out that by 2020 the registered unemployment rate will have significantly fallen to about 10%. One might also expect that hidden unemployment will have also fallen, however, its size is difficult to assess. The decrease of unemployment will result from the improvement of economic situation in Poland and in the region and from gradual opening of labour markets of other European Union countries¹⁴. Another condition determining the improvement in the local job market is the improvement of employment services and broader use of social economy instruments and local pacts for employment.

¹³ Sustainable Development of Rural Areas in Lubelskie Voivodeship, Lublin 2004

¹⁴Forecast and analysis of the labour market and social expenditure in the Lubelskie voivodeship, Dr Dariusz Wadowski, Faculty of Social Sciences, John Paul II Catholic University of Lublin, Lublin 2005

Graph 20. Unemployment forecast



Source: DEAFMEL. Macroeconomic forecast for the years 2005 - 2020. Warsaw 2004; Forecast and analysis of the labour market and social expenditure in Lubelskie Voivodeship – Lublin 2005

Social exclusion and social-care

The main reasons for social exclusion are presently: the aging of the society, disability, high structural unemployment and low income of people who live in Lubelskie Voivodeship. It is difficult to assess the scale of the problem, however, if we take the number of people who live under the so called poverty line into consideration (about 20%), we shall assume that the number of socially excluded people will reach as many as 300 thousand people.

The scale of the phenomenon is also reflected in the number of people who use different forms of social care per 10 thousand people. In case of Lubelskie Voivodeship the number reaches 877 people and is one of the largest in Poland. It is estimated that with relation to 1999, the number of people who take advantage of the social care increased by about 15% in the region. It proves that the dependency on social care the demand for the social care services and the social care facilities are increasing. Presently, there are 64 social care facilities with almost 6 thousand beds. The capacity of the facilities is fully used. Some places are even overpopulated. The number of places is clearly insufficient and the waiting lists are longer and longer each year.

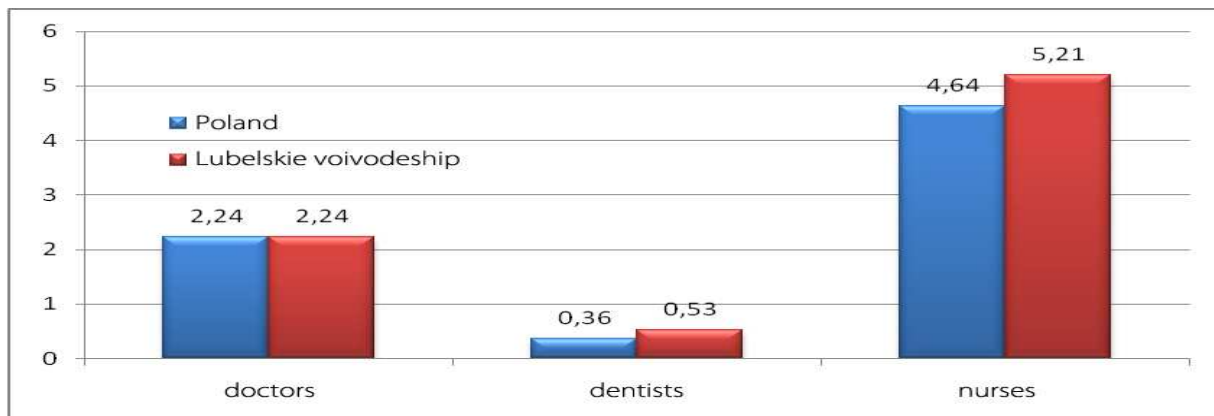
With the perspective of an increase in a number of people suffering from chronic diseases related to their age, creating new facilities and social houses seems to be necessary, especially in urban areas. The subjects that run such kind of places are aware of that, as the number of beds in old people's homes increased by 2.5 times.

Healthcare accessibility

For the last few years, life expectancy in both Lubelskie Voivodeship and Poland has increased. In 2005 average life expectancy for men was 69.9 years (70.7 in Poland) and 79.9 for women (79.2 in Poland). In 1999 it was 1.4 and 1.3 years less for men and women respectively.

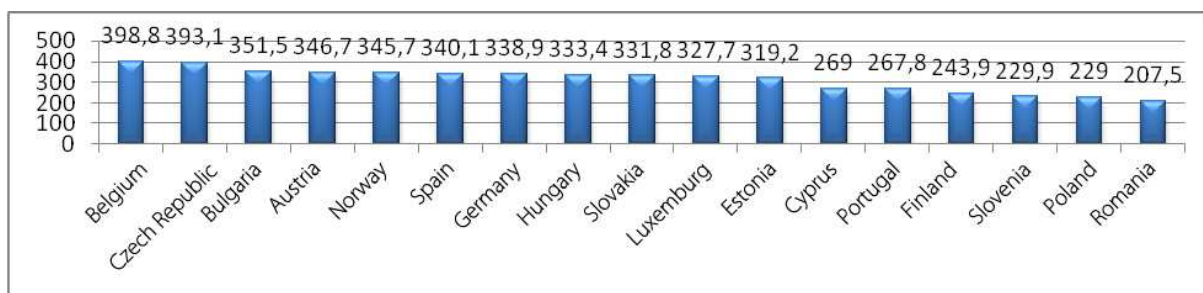
In the nearest future the demand for healthcare services will be increasingly big, with regards to the aging of the society. As for epidemiological diseases, the incidence exceeds national average for tuberculosis.

Graph 21. Healthcare accessibility in 2005 (per 1000 people)

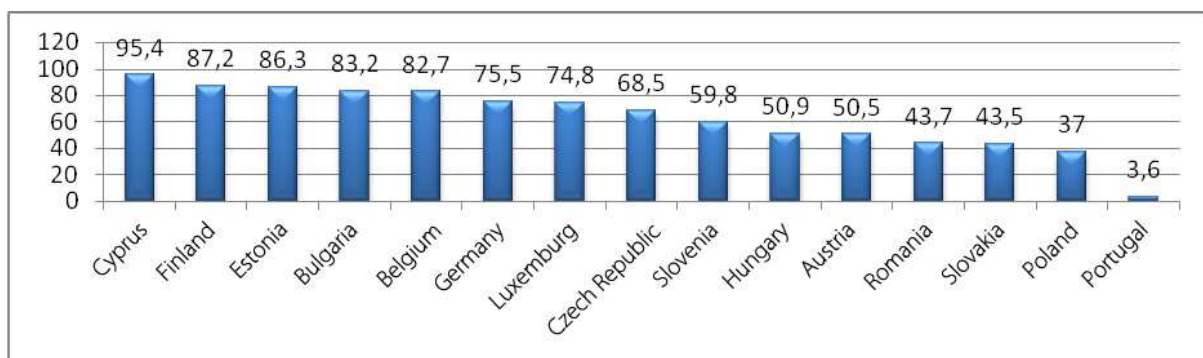


Source: Statistical yearbook of Lubelskie Voivodeship 2005

Graph 22. Healthcare accessibility in EU countries 2004 (per 100 thousand people) medical doctors



dentists



Source: Eurostat

Comparable or slightly larger number of medical staff per 1000 people proves that the healthcare accessibility in the region is relatively satisfying. One should remember that even though the indicators are satisfying for Poland, they are much lower than in the EU25 countries.

The network of basic healthcare consists of 745 healthcare facilities, including 461 (60.9%) in cities and 284 (39.1%) in rural areas (increase by 34% against 1999). There are 40 general care hospitals (6 more than in 1999), including 4 private. The network of healthcare facilities is appropriately spread and secured patients needs properly in stationary, basic and specialist medical care.

The indicators that describe the infrastructure and the capacity of healthcare facilities in Lubelskie Voivodeship are comparable to national indicators. The largest problems are insufficient accessibility and poor quality of medical care. That is why, the support intended for the increase of quality is necessary. It should be aimed at providing modern specialist equipment, modernizing the facilities and implementing quality management systems.

Education accessibility

In the last five years, the number of kindergartens increased by 4% (4% decrease in Poland). The number of facilities does not correlate with the number of children who attend. In Poland, 38% of children aged 3-5 attend kindergartens, in Lubelskie only 30% (including the attendance in rural areas that is 6 times lower than in urban areas). The level of kindergarten attendance is far below EU average, which oscillates between 70% and 100%. It seems that improving the accessibility of kindergartens in rural areas should be a priority in levelling the life chances and job opportunities for people who live outside big cities.

Due to negative birth rate, the number of primary school students has been falling. In 2004/2005 the number decreased by 32% in relation to 1999/2000. Continuous decrease in the number of schools is a consequence of this situation (decrease by 16.4% between 1999 and 2005). The organizational structure of primary schools is similar to national average. There are 19 pupils per one class (21 pupils in Poland): 24 pupils in cities (24 in Poland) and 16 in rural areas (18 in Poland). The situation is the worst in big cities, where the number of students in a class outnumbers the voivodeship average. It decreases the level of comfortability and therefore, the quality of teaching. It also means organizing morning and afternoon classes for pupils, which are not advisable for a proper personal and intellectual development of young people. The availability of teaching aids and sports facilities in schools are also insufficient.

Demographic forecast¹⁵ predicts that in the years 2004-2020 there will be a fall in a number of children aged 0-6 by 35% and 7-12 year-olds' by 47%. That will trigger specific consequences in a form of difficult situation in the job market for teachers, the challenges of utilising the educational potential, increasing the quality and decreasing the number of schools. The last factor involves the danger of broadening the gap between children from urban and rural areas. That is why it is important to take every opportunity to keep the schools in rural areas running.

The number of secondary school increased in the last few years by 15%. The number of students in vocational schools is decreasing for the advantage of secondary schools that end with the maturity exam (school leaving exam) – increase by 13.7% against 1999/2000. The trend causes, on one hand, favourable changes in secondary education, on the other hand, it may create a gap in the job market in the future. The high schools of general education are of the highest

¹⁵, Analysis of the population forecast and migration movement of the Lubelskie voivodeship. Statistical Office in Lublin, Lublin 2005

popularity. They do not prepare for any particular job, but give an opportunity to continue education at university or academy. That gives a chance of increasing the level of education in the Voivodeship, which despite getting bigger and bigger, is still lower than national average.

The region is characterized by a rich offer of higher education facilities. Lublin is the biggest academic centre in eastern Poland. In 2004/2005 there were 20 higher education institutions (8th place in Poland, increase by 7%), 10 branches and out-of-city branches. Lubelskie Voivodeship is ranked 7th among voivodeships in the number of students per 10 thousand people. The indicator reaches 256 students (278 in Poland and 324 in EU25).

The most popular subjects at universities are: administration (10.4%), pedagogy (8.1%), law (7.4%) and economy (3.4%). Paradoxically, these are the Programmes which generate the largest number of unemployed graduates. That proves the thesis that the system of higher education is not adjusted to market realities, even though higher education institutions keep updating their offer and make it more suitable for the local job market.

Lifelong learning

Lifelong learning should be an important complementation of education for the people. Unfortunately, the participation in trainings and in lifelong learning is not popular. It is estimated that as few as 20% of population aged 25-64 take advantage of different forms of lifelong learning. It is definitely below that national average (30%) and European Union average (42%). The main reason for the reluctance are: lack of motivation to update qualifications, lack of norms for lifelong education recognition and underdeveloped infrastructure of education facilities (bad condition of the equipment does not allow for obtaining practical skills).

Sport accessibility

In modern societies, sport is one of the cultural values that influence man's health, development and the quality of life. It is also an important stimulant of the development for various branches of economy and creates many job opportunities. That is why, it is worrying that the interest in sport practicing has been falling for the last few years. Undoubtedly, it is the sports infrastructure that influences this trend. In spite of numerous attempts by local authorities, including construction and modernizing open sports facilities (swimming pool), the number of sport complexes did not increase tremendously.

The accessibility of cultural achievements and infrastructure

One of the basic indicators of the quality of life in the region is the accessibility of cultural achievements and the cultural infrastructure. According to synthetic indicator of cultural services, which accounts for the accessibility of libraries, publications, schools of arts, artistic institutions and

the expenditures on culture, Lubelskie Voivodeship is one of the voivodeships of low culture accessibility¹⁶.

Popularising different forms of culture is centred mainly in Lublin – a cultural centre of eastern Poland. There are theatres: Juliusz Osterwa Theatre, Andersen’s Theatre, Music Theatre and a concert hall. Apart from Lublin, the following cities are cultural centres: Zamość, Kazimierz Dolny, Biała Podlaska, Chełm, Puławy, Włodawa (the city at the crossing of Tyree cultures), Łuków and Biłgoraj. Numerous cultural events take place in Lublin: Festival of Three Cultures in Włodawa, International Jazz Singers Meetings in Zamość, Young Violinists Competition of Henryk Wieniawski, International Folklore Meetings, and International Theatre Festival „Konfrontacje Teatralne” in Lublin, Zamość Theatre Summer, and Lutosławski Modern Art Forum.

Libraries are the basic instruments of popularising art and providing people with the access to culture. In the years 2000-2004 there was a fall in the number of libraries by 25 branches (3.9%) against a fall of 2.9% in Poland.

There is a continuous decrease in the number of cinemas in the region and in Poland (by 20.2% and 27.9% respectively against 1999).

Apart from the discussed forms of cultural life, there are 39 museums in the Voivodeship (including branches): the museum of martyrology in Majdanek, the Lublin Castel Museum, and The Museum of the Zamoyski in Kozłówka (one of the few residential museums in Poland).

In the last few years the number of people who visit museums and galleries has been increasing. The number of visitors per 1000 people grew from 361 people in 2000 up to 990 in 2005

Information society accessibility

The chance of unlimited accessibility to civilization gains is related to the accessibility of information society facilities for the improvement of human capital and levelling the developmental gap between rural and urban areas.

In the last years, computers become more accessible in most schools in Lubelskie Voivodeship, what results from the computer purchasing action for schools (over 100 thousand computers were bought for schools in Poland)

Table. 9. Computer and Internet accessibility in schools in 2005

	Lubelskie	Poland
Number of computers in primary schools	11 239	163 680
- students per 1 computer	13,78	20,00
- students per 1 computer with Internet access	19,02	21,67
Number of computers in junior high school	4 347	91 209
- students per 1 computer	17,39	23,00

¹⁶ The supplement to the National Strategy for the Development of Culture for 2004-2020, Warsaw, p. 55

- students per 1 computer with Internet access	19,31	19,67
Number of computers in high schools	3 687	53 978
- students per 1 computer	14,10	13,60
- students per 1 computer with Internet access	15,50	15,20
Number of computers in vocational schools, and profiled high schools	4 748	73 934
- students per 1 computer	11,46	18,53
- students per 1 computer with Internet access	13,18	21,89

Source: SO Regional Data Bank

The table above shows that the computer and Internet accessibility indicators in Lubelskie Voivodeship schools are comparable with those in Poland. One should remember that they are much lower than in European Union (1 computer with internet connection per 12 students).

The saturation of households in information and communication equipment is very low. The level of prices for using communication infrastructure (especially in rural areas) is very high and phase an important obstacle.

Table. 10. The use of modern technologies in households

	Lubelskie	Poland
TV	97,80%	98,20%
cell phone	62,40%	65%
TV (satellite TV)	31,70%	48,20%
Computer	33,40%	38,60%
Internet access	16,40%	22,50%
Cable television subscribers		
- total	164736	3664431
- per 1000 inhabitants	75,4	96

Source: Based on the expert opinion of Dr Michał Boni "Human resources, social capital and the challenges of the labour market in Eastern Poland", October 2006.

Quality of human capital

Social capital and its quality is one of the most important indicators that determine the level of development of particular society. The following factors are the ingredients of social capital: trust to people and institutions, the role and position of social benefit, voluntary job scale, citizen activeness, measured by the participation in the elections and the initiatives for mutual well-being, philanthropy readiness and the level of moral norms demonstration¹⁷.

Due to trust, mutual understanding and cooperation, a synergic effect can be achieved. That is why, these values have notable economic significance and form the basis to build civil

¹⁷ Dr Michał Boni, Human resources, social capital and the challenges of the labour market in "Eastern Poland", October 2006.

society. Strengthening the social capital facilitates entrepreneurship development and contributes to limiting social exclusion.

It is difficult to assess the level of social capital in the region. However, analyzing the basic elements, one can conclude that Lubelskie Voivodeship is a region of low quality of social capital. The following arguments prove that:

- Low level of social trust for the authorities and public institutions (with low level of openness);
- Not very well developed NGO sector (12 organizations per 10 thousand people give Lubelskie 11th position in Poland);
- Low level of philanthropy and voluntary jobs ;
- Lack of outstanding political and social elites, capable of being leaders of changes (despite the presence of strong academic centre);
- Low institutional efficiency of local authorities, measure by the quality of service, fairness, innovativeness, planning and financial management quality, law quality, political stability (14 position in Poland)¹⁸.

1.1.4. Territory and its attractiveness

There are multiple factors that dictate the quality of the voivodeship area and its relation to other areas in the country and in Europe. The most important of them include those resulting from environmental and cultural conditions, the settlement system and include the system of mutual relations between urban and rural areas, which largely influences the level of intraregional differences. Another important determinant of the quality of the area and attractiveness of the region is the level of equipment within the basic technical infrastructure, mainly related to communication and transport, environmental protection and the production and distribution of energy.

Poorly developed technical infrastructure in the region reflects largely on the low-level of attractiveness of the voivodeship for investment purposes. Lubelskie Voivodeship has been for a long time one of the least attractive regions in Poland (ranked as 15th) according to the ranking of attractiveness for investment purposes. Insufficient transport accessibility to the region, low-level of market absorption capability, poor condition of the technical infrastructure, lack of land prepared for investment and a poorly developed network of services; place Lubelskie Voivodeship in the last class E in the final assessment of the region attractiveness for investment purposes.¹⁹ That is why any planned action should be aimed at the improvement of regional transport accessibility and the development of a basic economic infrastructure that will attract a greater number of external investors.

¹⁸ P. Swianiewicz, Institutional efficiency of the self-government administration in Poland – regional differences, [in:] Szomburg (ed.), State regional policy in the view of institutional and regulatory traps.

¹⁹ T. Kalinowski (ed.) Attractiveness of voivodeships and sub regions in Poland for investment purposes, GIME, Gdańsk 2006.

Intra-regional differences

Lubelskie Voivodeship is characterised by a relatively high-level of intra-regional differentiation. The best-developed area is the Lublin subregion as the Voivodeship capital, with over 50% of the population and over 60% of GDP production. Bialsko-Podlaski subregion is one of the worst developed areas in the voivodeship and in Poland. The subregion is sparsely populated and urbanised. The Bialsko-Podlaski subregion features 6 cities with their population accounting for less than 12% of urban population. This is a major determinant of the economic weakness of this area and the lack of sufficient internal development potential. Equalising development disproportions in individual sub regions will certainly be one of the major challenges for the cohesion policy to be implemented in the voivodeship between 2007 and 2015.

Table 11. Selected ratios illustrating intraregional differences (2004 data)

	Share in the voivodeship population	Urbanisation ratio	Share of sub regions in regional production of GDP	Number of business entities per 10 thousand inhabitants	Average monthly gross remuneration PLN
Bialsko-Podlaski sub region	14.26 %	39 %	12.3%	570.5	1909.74
Chełmsko-Zamojski sub region	30.22 %	37.4 %	25.8%	629.5	1925.43
Lublin sub region	55.51 %	53.7 %	61.9%	742.9	2194.59

Source: Lubelskie voivodeship 2005, sub regions, poviats, communes, Statistical Office in Lublin

Significant differences occur between development of rural areas and cities. It is manifested by weak provision of basic technical and social infrastructure and lower entrepreneurship ratio in rural areas. In spite of the fact that the number of births in rural areas is larger than in cities the former ones feature negative birth rate, which proves that rural population is ageing.

Table 12. Selected ratios reflecting differences between urban and rural areas (data for 2005)

	Lubelskie Voivodeship total	cities	Rural areas
Population total	2,186,873	1,008,267	1,178,606
Birth rate per 1,000 inhabitants	-1,836	878	-2,714
Age structure of the population (% total):			
- pre-working age	21.5%	20.0%	22.8%
- working age	61.7%	66.7%	57.3%
- post-working age	16.8%	13.3%	19.9%
Population at non-working age per 100 persons of working age	61.6	51.2	72.0
Children covered by nursery education	34.7%	65.8%	11.5%
Flats equipped with technical and sanitary installations:			
- water supply pipeline	88.22%	97.27%	79.04%
- flushed WC	75.74%	93.95%	57.29%
- bathroom	76.08%	92.37%	59.58%
- central heating system	70.86%	88.54%	52.94%
- gas supply system	38.91%	67.84%	9.60%
Population using water supply system	78.5%	94.1%	65.2%
Population using sewage system	44.7%	85.5%	9.8%
Population using gas supply system	36.6%	67.5%	9.6%
National economy entities per 1,000 inhabitants	68.1	99.6	41.2

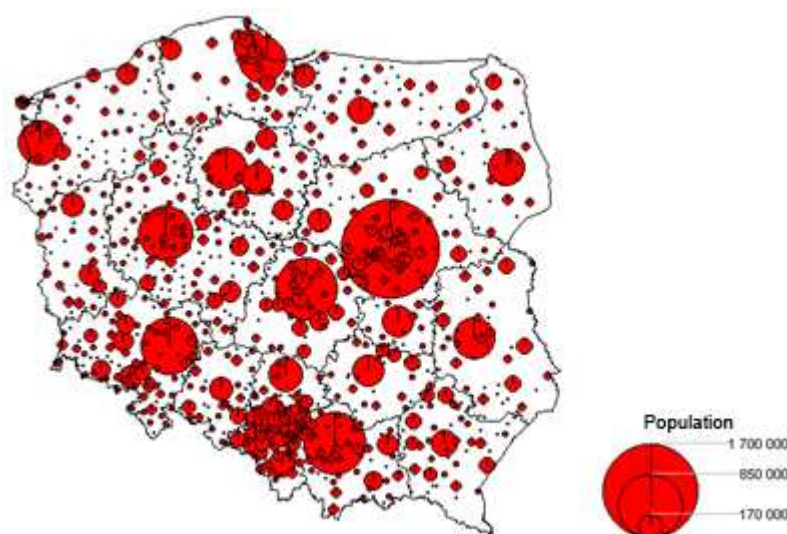
Urban settlement network, development of cities

The region is characterised by a favourable, polycentric settlement structure, composed of 41 towns and 4,164 villages. However, as regards the number of towns, it ranks as 13th in Poland (4.6% of the national share). One town provides services to an average of 628 km², which is almost twice as much compared to the national average (357 km²). A sparse urban network is related to a low urbanisation ratio – only 46.7% of the region population live in urban areas (national average is approximately 62%). The ratio, compared to 1999, has increased by only 0.3%.

The dominant role in the functional structure of the region is played by Lublin; which, together with Świdnik, constitutes the core of the Lublin Metropolitan Area (LMA). The Conception of the Policy for National Land Development of 2001 includes Lublin with its 365 thousand inhabitants among eight potential Euro-polices, i.e. European development centres. Lublin is the largest city in Eastern Poland and plays a leading role in the area bordering with Belarus and Ukraine. Lublin is eligible for the position of a metropolitan centre due to its location, historic heritage, as well as scientific research potential. The design work pending provide for the delimitation of the LMA in the area, accounting for 28% of the voivodeship that includes 67 communes, and is populated by almost 900 thousand inhabitants. However, an effective implementation of the development strategy for the Lublin Metropolitan Area will entail a lot of institutional effort and considerable financial outlay.

Former capitals of voivodeships (Biała Podlaska, Chełm, Zamość, and Puławy) have a supporting and supplementary function in their voivodeships' economic, social, and cultural development. However, the population of none of these reaches 100 thousand inhabitants. The majority of the remaining urban areas are of low importance, which considerably limits the possibility of the development of entrepreneurship and the labour market or an increase in social activity.

Map 9. Towns over 10,000 inhabitants, 2002



Source: G. Gorzelak, Strategic directions for the development of Eastern Poland. Expert opinion for the purposes of developing the Strategy for the Social and Economic Development of Eastern Poland up to 2020

In 2000 - 2005 a fall in the population in cities was observed (1.1%.) Concurrently, an increase of the number of inhabitants of suburban communes because of urbanization in the vicinity of those cities. They are communes located around large cities like Lublin, Chełm, Biała Podlaska, and Zamość, and Puławy, communes around small towns with tourist and recreation values (Kazimierz Dolny, Krasnobród, and Zwierzyniec). An increase in the number of inhabitants was noted in 5 small towns.

An increased urbanisation in the suburbs has been observed in Lubelskie Voivodeship in the last several years. Largely, this situation results from changing preferences for the place of residence. This thesis is proved by statistical data concerning housing resources and the number of flats put in use in cities suburban communes. Urbanisation processes are in progress consisting in the spreading of cities beyond their administrative borders (suburbanisation) and the transformation of rural settlement.

One of the key factors having an impact on the perception of cities is the quality of housing resources. Special problem is the so-called "blokowiska" (estates consisting of blocks of flats built in the 60s, 70s, and 80s. The low technical standard of constructions and flats is accompanied by the fact that their structure is not fitted to the needs of contemporary households and families. The

housing estate infrastructure is degraded. Large part of the area and constructions is inaccessible for the elderly and the disabled. The other problems include: communication inaccessibility (lack of car parks, or proper traffic segregation,) degradation of the public space, aesthetic and technical degradation.

The essential aspect, which considerably decreases the attractiveness of the Regions' cities, is the degradation of the historical urban tissue, which frequently requires urgent revitalization activities. Almost all cities have historical urban systems. The degradation process of public space and historical urban tissue occurs both in the main centres like Lublin (The Old Town,) and in small towns; they are accompanied by social problems of their residents (the phenomena of unemployment, getting poorer, social pathologies.)

Another problem is desolate constructions, unused areas where former industrial or military facilities are located. They usually occupy large areas due to the functions that they played in the past, and are situated in strategic locations, near main communications routes. After transformation, they can be useful locations for various forms of economic activity generating new jobs and incomes for inhabitants and local governments.

There are conditions to create attractive brand products of Polish tourism in the cities and towns of Lubelskie Voivodeship. There is a possibility of founding them on the rich local heritage (the Old Towns in Zamość, Lublin, and Kazimierz Dolny, the fortresses of Zamość and Dęblin, the constructions created by the three cultures in Włodawa, and many others.) Such possibility is also given by the natural qualities of Roztocze, Polesie, the valleys of the Bug River and the Vistula River, and other areas with important tourist potential (Biała Podlaska and Stoczek Łukowski). Some of them have already had a well-developed and differentiated tourist infrastructure. In Nałęczów, besides the traditional function of the town as a health resort, a cluster is formed focused on health protection and beauty care. The situation of other towns is much worse. They are badly advertised, or under-equipped with infrastructure; it is also difficult to get there, so they cannot properly use their potential.

The essential barriers and risks concentrate on the sphere of communications and road infrastructure. Unsatisfactory condition of the road infrastructure and underdeveloped public transport in urban and suburban areas hinder the development of economic activity and decreases mobility of the population. The poor technical condition of streets, poor traffic organization and an increase of traffic intensity result not only in an increase of the number of road accidents, but also in the discomfort of inhabitants (noise, lack of car parks, impediments to road traffic) and form an unfavourable image of a city. Due to the progressing process of suburbanisation, it is needed to start activities related to the development of public transport in suburban areas.

Infrastructure difficulties were identified in the area of services, physical culture, and sports. The need for social welfare and the ageing society require the development of specialised social infrastructure, particularly in the groups of medium-sized and small towns. Water supply and sewage system infrastructure is also unevenly distributed in the region. For example, in two towns the length of the sewage system does not exceed 1 km.

Urban policy in Lubelskie Voivodeship will be based, among others, on the "The Programme of the Development and Revitalization of Cities in Lubelskie Voivodeship " accepted by the Board of Lubelskie Voivodeship in 2006.

Rural settlement network (rural areas)

The Voivodeship settlement network is also composed of 172 county villages, similar to the remaining links in the settlement network; suffer from the influence of unfavourable demographic, economic, and social phenomena. In the first instance, these include ageing of the rural society combined with increasing poverty and social exclusion in the countryside. It is accompanied by a poor quality of rural life, few possibilities to stimulate the economic activity in rural areas as well as a lack of realistic possibilities to find employment outside farming.

Rural areas cover 96.1% of the area of the region populated by 1,158 thousand people, i.e. 53% of the total Voivodeship population. It has remained at the same level since 2000. Demographic forecasts show that by 2020 the level of rural population will slightly decrease, by 3%²⁰. The rural population is relatively old; the age median shows a growing tendency and is currently 36. It is forecasted that the average age in rural areas will increase to 38 in the next years, which will be mainly a consequence of the increasing percentage of the population at the post-working age. Ageing of the rural society will bring about specific structural changes and will increase demand for numerous social services.

Compared to towns and cities, the equipment of basic infrastructure in rural areas is much poorer. Only 65.6% of households use water supply system, and only 9.3% are connected to sewage systems. Furthermore, poor quality of local roads makes access to towns and the Voivodeship capital difficult, and the lack of cheap solutions, as regards access to broadband Internet connections, makes the development of electronic services impossible and as a result leads to digital exclusion of a greater number of the society.

Moreover, the agriculture environment infrastructure in rural areas is poorly developed, but it is necessary for providing comprehensive services and for functioning of rural areas. The existing system of agricultural consultancy services based on the four main centres covers a small number of producers and is able to handle only some issues related to modern agricultural production. A fully developed wholesale market does not exist, (despite the existing modern infrastructure in Elizówka), where well-organized producer groups could operate. Significant development-related disproportions also exist in the sphere of access of rural entrepreneurs to the services provided by business environment institutions and to external financing instruments. This being so, it seems that one of the major directions of Programmed interventions should be the support for the institutions and infrastructure that strengthens the economic potential of rural areas.

Natural resources

Major natural resources of the region include: mineral resources, water and forest resources, as well as soil.

Among mineral resources, the most important are the extensive resources of hard coal located in the Lublin Coal Basin, which constitutes a basis for the development of the mining industry in the region (approximately 5% of the national output.) Other minerals that should be

²⁰ Demographic forecast for the years 2003-2030, CSO, Warsaw 2004.

listed include natural gas, brown coal, silica, glass making, and moulding sand, as well as deposits of limestone mined for the cement industry in Chełm and Rejowiec Fabryczny.

The resources of underground water are not among the biggest in Poland and are estimated as 130 thousand m³/h (over 7% of national underground water resources). There are two big underground water reservoirs in the Voivodeship (Lubelska Basin and Mazowiecka Basin), selected within the national strategy for the preservation of underground water. Resources of mineral water located in the vicinity of Nałęczów, Celejów, Krasnobród and Wólka Biska are also of strategic importance, and their extraction constitutes the basis for the development of spa services in these locations.

The resources of surface water of the Lublin region are not significant. It is caused by: a poorly developed waterway network plus variable amounts of water outflows, as regards space and seasons. Water shortages occur permanently over extensive areas, in particular in the region under the influence of the Wieprz - Krzna Canal as well as in the basins of the majority of left-bank tributaries of the River Bug. The Wieprz - Krzna Canal that provides water to basins with water shortages, due to the degradation of technical equipment, currently plays a limited function in irrigation and water retention. The Canal irrigates 3,770 km² (15% of the voivodeship area). An increase in water retention is dependent on the construction of reservoirs plus continuous or periodic water retention in river channels, drainage ditches, as well as protection of natural retention. At the same time, part of the voivodeship (the Vistula and Wieprz valleys) is at risk of flooding, due to the bad technical condition or a total lack of anti-flood protection systems.

The afforestation rate in the region is very low. Afforestation of the Voivodeship has amounted to 22% of the total Voivodeship area for a long time. The most extensive forest areas remain on the sandy and marshy flatlands of the Sandomierska Valley (Solska Forest, Janowskie Forests), Roztocze characterised by a strong topographic profile (Zwierzynieckie Forests) and the Polesie area lying on the River Bug (Sobiborskie Forests). The smallest area of woodland, due to fertile soils, is recorded in the Lublin Upland, where the afforestation rate in numerous communes is less than 10%. It should be expected that due to the national implementation of comprehensive afforestation Programmes, the amount of woodland in the voivodeship will increase in the near future.

The areas protected by the law constitute 22.8% of the total Voivodeship area, which is below the national average (32.5%). Taking into consideration the size of the areas protected by the law, the voivodeship ranks as 12th in Poland. The national system of protected areas currently comprises: 2 national parks, 17 landscape parks and 85 nature reserves. Natural features of historic importance include 1,547 items. There have been three zones of spa protection (A, B, C) established in two spas in Nałęczów and Krasnobród operating in the Voivodeship.

The biotic resources of the Lublin region have been recognized in national and international nature systems. The most precious areas of the Voivodeship, as regards nature are: Polesie (including the Łęczyńsko-Włodawskie Lake District), Roztocze plus the Vistula and Bug river valleys.

A comprehensive system of natural qualities of the Voivodeship is presented in the National Ecological Network ECONET-PL that operates within the European Ecological Network ECONET. The

following units have been selected within the Voivodeship borders: 5 node areas and 3 ecological corridors of international importance, 4 node areas and 4 ecological corridors of national importance. 25 settlement sanctuaries of the area of 87,140.38 ha and 20 bird sanctuaries of the area of 301,352.74 ha have been pre-qualified for the NATURA 2000 network, which accounts for 3.5% and 12% respectively of the total area of Lubelskie Voivodeship.

Cultural resources

As regards the number and diversity of historic monuments, the cultural resources of Lubelskie Voivodeship are among the most abundant in Poland. Approximately 22 thousand historic monuments have been preserved in the regional settlement structure (construction and architecture objects, graveyards, parks, churches, Orthodox and Union churches, synagogues) and numerous historic urban and rural systems (including 30 protected by the law). Zamość holds a particular place among these systems (its urban system with a group of 120 historic monuments has been included among the UNESCO World Cultural Heritage sites as well as recognised as a Monument of Historic Importance that plays a particular role in the national culture) as well as the Old Poland urban complex in Kazimierz Dolny upon the river Vistula (recognised as a Monument of Historic Importance). A serious problem is posed by the progressive deterioration of historic monuments.

Environmental protection infrastructure

Major sources of air pollution in Lubelskie Voivodeship emit approximately 2.32% of the total amount of gases and dust emitted in Poland²³, which ranks the region as 13th in Poland. Emission of gas pollutants in Lubelskie Voivodeship amounts to 2.47% of gas pollution in Poland and amounts to 5.283.674 t/year (Poland – 213.706.185 t/year), including 2.47% of carbon dioxide pollution (Lubelskie Voivodeship - 5.245.365 t/year, Poland – 211.698.919 t/year) and 2.23% of sulphur dioxide pollution (Lubelskie Voivodeship – 19.103 t/year, Poland – 855.493 t/year.) The sources of emission of substances to the air are concentrated in industrialised zones and in the largest agglomerations.

On the basis of the assessment of the air quality for Lubelskie Voivodeship for 2004, taking into consideration the criteria established for health and plant protection, it appears that none of the areas in the voivodeship undergoing analysis goes beyond acceptable values for any type of pollution. In the years 1998-2004, the quality of air considerably improved, as regards the content of sulphur dioxide, and the values of other elements are similar and much lower than the acceptable values. Further action in this respect should be aimed at the improvement of the quality of air in order to adapt the parameters to more and more stringent EU norms.

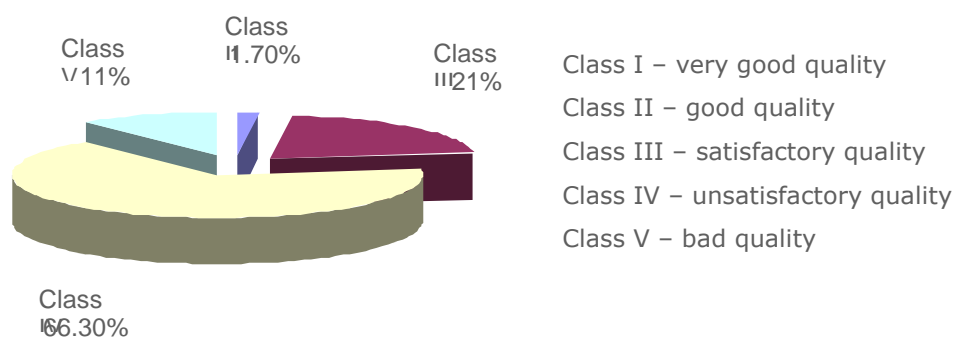
Together with a dynamic development of mainly road transport, the acoustic pollution of the environment has increased, in particular in urban areas and regions where major transport routes are located. The tests for noise level did not show any excessive values over the threshold

²¹ according to CSO data for 2003

level determined for residential areas, however according to the subjective criteria for assessing the noise level; the level in the area surrounding measurement points was medium or high.

The latest assessment of water cleanliness carried out under the Regulation of the Minister of the Environment dated 11th February 2004²² shows improved cleanliness of the rivers in Lubelskie Voivodeship, as regards both the physical and chemical as well as bacteriological indicators. There are still no class I waters.

Graph 23 Cleanliness of rivers in Lubelskie Voivodeship in 2004.



Source: Report on the environment in Lubelskie Voivodeship in 2004, VIEP Lublin.

The level of pollution of surface waters depends largely on the condition of **water and wastewater management**. What is problematic is a considerable disproportion between the length of the water supply system and the sewage system, as well as disproportions in sewerage in urban and rural areas, where scattered constructions do not support the economic justification for line investments.

Table 13. Water supply system and sewage system in the Voivodeship in 2004

	Water supply system			Sewage system		
	Length in km	Number of connections to residential constructions in thousands	Population using the systems (in %)	Length in km	Number of connections to residential constructions in thousands	Population using the systems (in %)
Towns and cities	2,356.5	78.2	93	1,877.4	48.6	84.4
Rural areas	14,795.1	229.0	65.6	1,305.7	23.3	9.3
Total	17,151.6	307.2	-	3,183.1	71.9	-

Source: SO in Lublin, Statistical yearbook of Lubelskie Voivodeship 2005.

²²Regulation of the Minister of the Environment dated 11th February 2004 on the classification for the purposes of presenting the condition of surface and underground waters, manner of monitoring plus interpretation and presentation of the conditions of the waters referred to above (O.J. No. 32 item 284)

An issue that is particularly important for the quality of the environment is an adequate number of sewage treatment plants in settlement units. In 2004, there were 222 municipal sewage treatment plants and 145 industrial ones operating.

Municipal and industrial sewage disposed in an organized manner (by means of collective sewage systems) is treated in 100% with the use of water protection equipment with various levels of contamination reduction.

Similar to other voivodeships, **waste management** in Lubelskie Voivodeship includes storage at waste dumps that frequently do not meet specific requirements, and by the same token pose a threat to the environment. There are 133 municipal waste dumps operating in Lubelskie Voivodeship. The assessment of location conditions and technical equipment showed that only 17 of them meet EU requirements. At present, there is one fully equipped waste treatment plant operating in the Voivodeship.

Although a statistical inhabitant of Lubelskie Voivodeship generates less waste than a statistical inhabitant of Poland or the European Union (154 kg, 245 kg, and 518 kg respectively) waste storage will be an urgent issue in the near future. Four waste segregation lines, with two in Lublin, were put into operation in 2003. These installations have been adjusted to the segregation of mixed waste as well as further treatment of waste from selective waste collection. New facilities built are fully modern and comply with European standards, but there are too few of them.

The Anti-flood protection system is being systematically improved; however, most of the anti-flood equipment still does not meet the existing technical norms. The bad condition of this equipment might lead to damage to the embankments and their foundations during successive floods and consequently to considerable economic losses. The needs defined in this respect include: modernization of 84.9% of the anti-flood equipment as regards the embankments and related structures, an additional 5 pumping stations, construction of new embankments with related structures (covering the area of 52,180 km) and regulation and modernization of river channels of an area of 181,984 km.²³

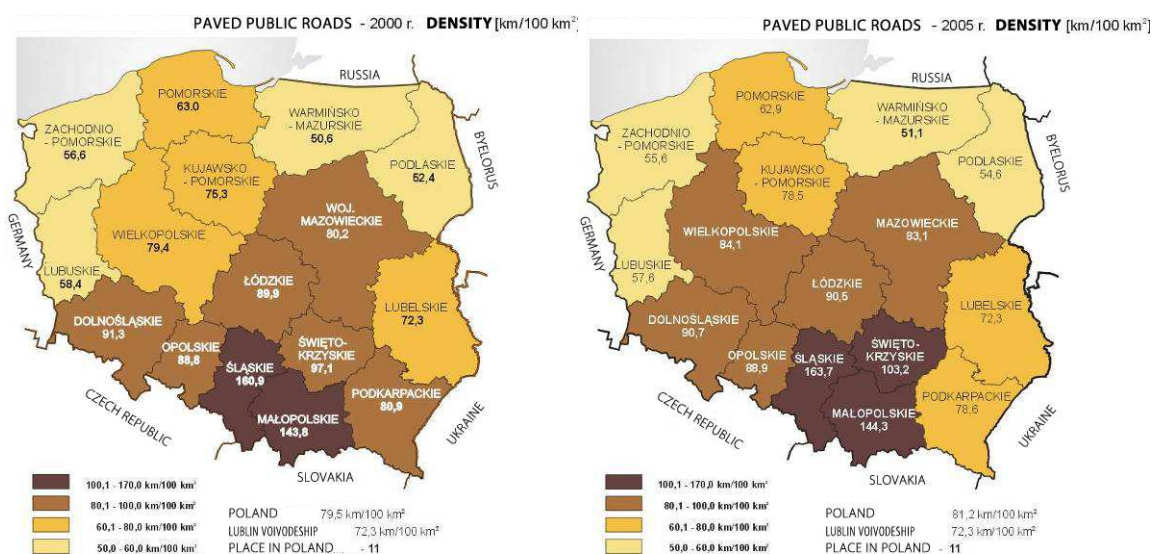
Road infrastructure

The density ratio of public roads was 117.5km/100km² in Lubelskie Voivodeship in 2005 (the national ratio amounted to 121km/100km²). The length of public paved roads was only 61.5% of the total length of the paved roads in Lubelskie Voivodeship (66.5% in Poland.) The density of the system of public paved roads is lower than the national average and amounts to 72.3km/100km² (81.2km/100km² in Poland,) which gives Lubelskie Voivodeship ranked as 11th in Poland. In spite of that, taking into consideration the existing settlement network, the road system can be recognized as sufficient. However, a serious problem is the quality of roads. According to the General Directorate of National Roads and Motorways 23.1% of national roads crossing Lubelskie Voivodeship urgently, require repair. The total length of roads with higher standard accounts for 53.4 % of the entire network of national roads in Lubelskie Voivodeship , while the EU load capacity standards (11.5kN/axis) are met by only 80km of national roads in the Lublin region (7.5 %.) The increasing traffic intensity (over 13% between 2000 and 2005) additionally has a

²³ Based on: the Programme of Sustainable Development of Agriculture and Rural Areas in the Lubelskie voivodeship, Vol. II p. 18

negative impact on their quality. "The assessment of the surface condition of the voivodeship road system in Lubelskie Voivodeship " showed that in spite of the stopping of the surface degradation process of the voivodeship roads still, the condition of 51.0% of roads is reported as bad, 36.4% as unsatisfactory, and only 12.6% as good and satisfactory. 1,088.5km of voivodeship roads should be repaired as quickly as possible. Concurrently, access to a part of Lubelskie region has been deteriorated due to the bad quality of local and commune roads. An additional barrier as far as communication accessibility is concerned, is an unsatisfactory number of bridges on the Vistula River.

Map 10. Paved public roads



Source: The Main Statistical Office in Warsaw, 2006

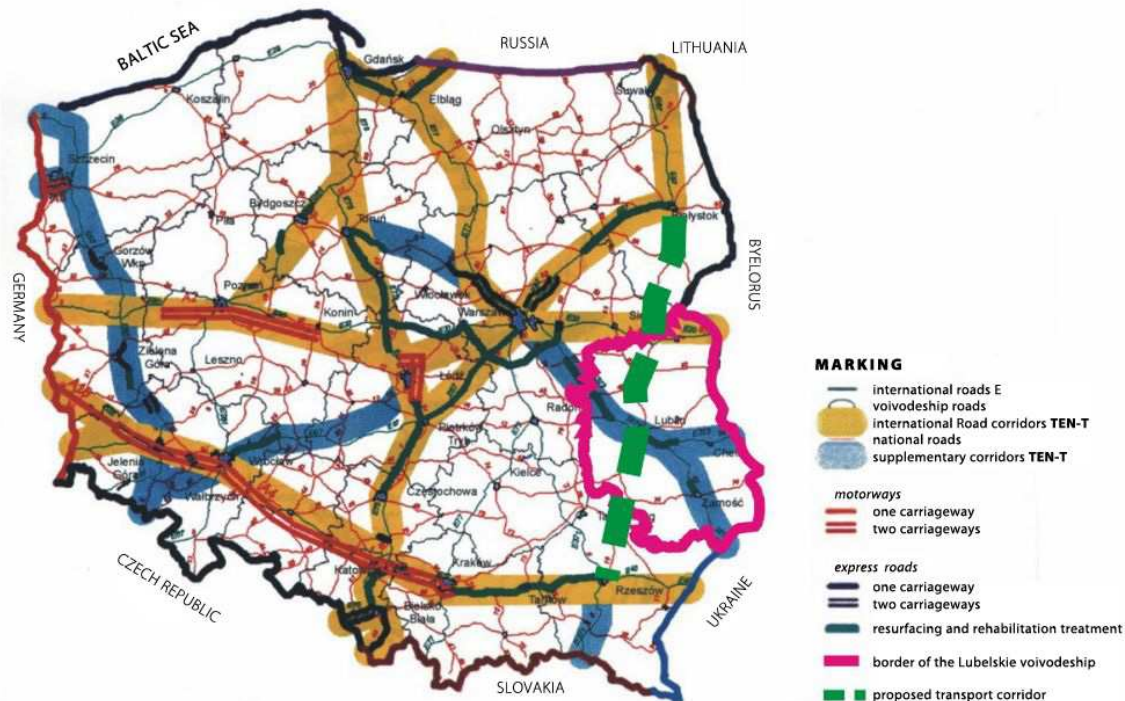
Due to the lack of a motorway or express roads, **national roads**, have major significance both for national and international transport as they connect Lubelskie Voivodeship with the national and European road system. National roads crossing Lubelskie Voivodeship account for only 5.8% of all public paved roads (7.3% in Poland.) In 2005, the density ratio of national roads in the Voivodeship was 4.22km/100km² (5.84km/100km²in Poland.)

The network of the most important external connections of Lubelskie Voivodeship is formed by the following national roads:

- **Road No. 2/E30** connects most major European and Polish roads in the parallel system. This road belongs to the TEN-T system, and the route of the planned A2 motorway runs in the vicinity of this road;
- **Road No. 12/E373 and No. 17/E372** belongs to the supplementing corridors of the TEN-T network, which connects the centre of Poland with border crossings in Dorohusk and Hrebenne. It is planned to improve these roads to meet express road parameters (S12 and S17.)
- **Road No. 19** is a north-south route, crosses the voivodeships of Eastern Poland, and connects a border crossing with Lithuania with a border crossing with Slovakia.

Among the other national roads significant are the routes for transit traffic through border crossings.

Map 11. Existing and proposed transport corridors TEN-T in Poland



Source: General Directorate of National Roads and Motorways, Warsaw 2006

Although the existing system of national roads in the major part of the Lublin region provides for connections with the centre of Poland, however, there is a need to establish efficient transport infrastructure in the north-south direction in the eastern part of Lubelskie Voivodeship to connect different regions. Transport connections with the countries situated east of Poland are underdeveloped, which requires acceleration of the construction of eastern sectors of transeuropean infrastructural networks, including border crossings.

Road communication between powiat towns, regional and supraregional centres, and neighbouring voivodeships is provided by **voivodeship roads**, which supplement the national road system.

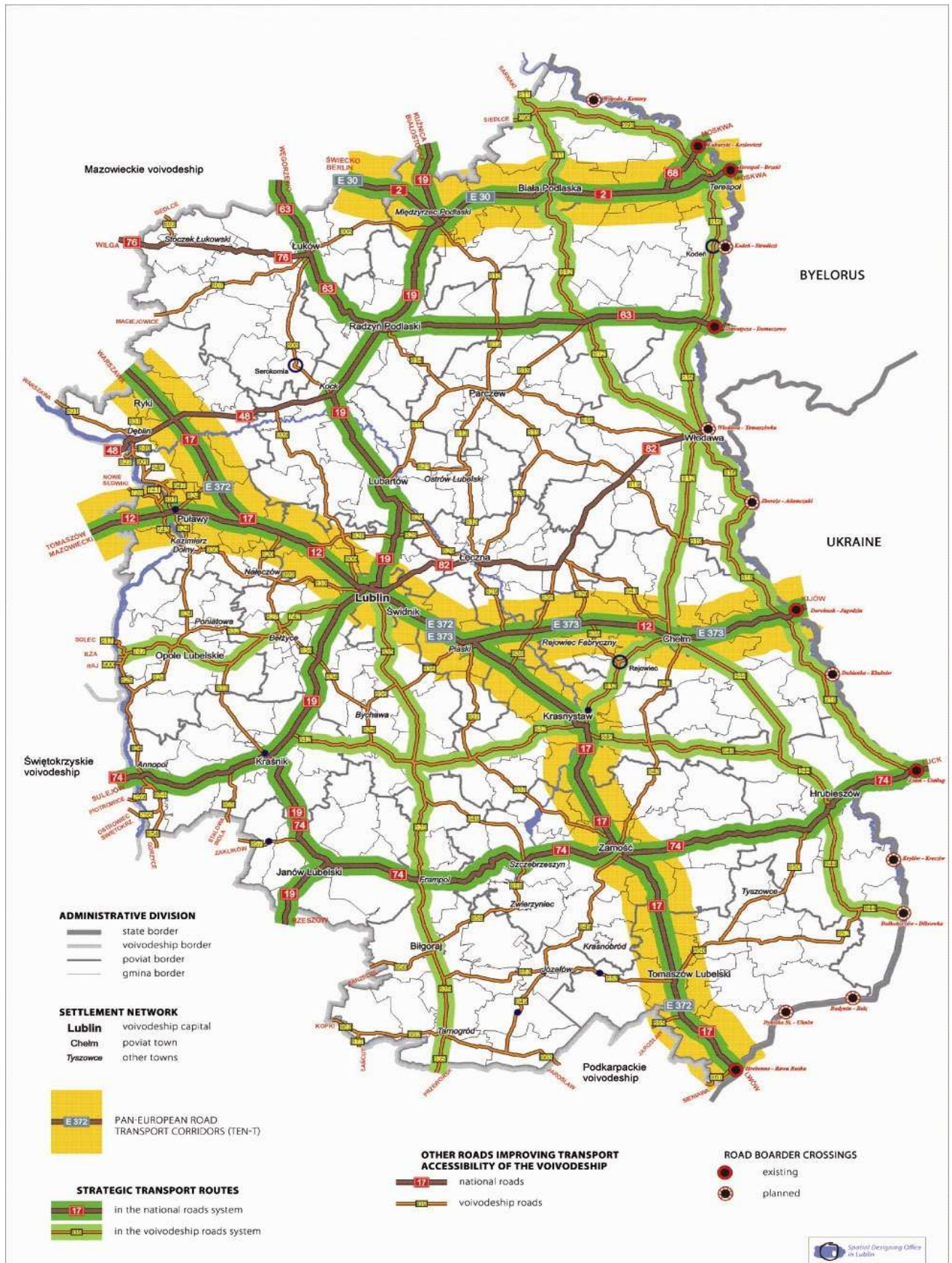
The most important roads of regional and supraregional importance, ensuring communication connections and the organization of road traffic in the Voivodeship are the following voivodeship roads:

- Road No. 835 Lublin – Biłgoraj – Przeworsk – Kańczuga – Dynów - Grabownica Starzeńska, which is a convenient connection of national road sectors with border crossings in Krościenko, Barwinek, and Medyka. Concurrently, the road is a connection between Lublin and Biłgoraj, a dynamically developing town;
- Road No. 812 Biała Podlaska – Wisznice – Włodawa – Chełm- Rejowiec - Krasnystaw and its extension i.e. Road No. 811 (Białystok) Sarnaki – Konstantynów – Biała Podlaska are the

main connections between border areas. When Motorway A2 is completed, Road No. 812 will be a very convenient connection between the centre of Poland and Łęczyńsko-Włodawski Lakeland, the area that is one of the main tourist attractions of the Lublin Region. It is also planned to establish a border crossing in Włodawa. Besides that, the road concerned connects border crossings for cargo traffic (Koroszczyn, Dorohusk, Hrebenne), and concurrently transfers cargo traffic in the Krasnystaw – Chełm sector to the border crossing in Dorohusk;

- Road No. 747 Iłża – Lipsko – Solec upon the Vistula river – Opole Lubelskie – Bełżyce – Konopnica, will significantly improve communication accessibility of Lubelskie Voivodeship when the new bridge is built on the Vistula river, including faster connection with Radom and Kielce. At present, the distance between the existing bridges on the Vistula River in Annapol and Puławy is 74 km;
- Road No. 842 Rudnik Szlachecki – Wysokie - Krasnystaw and Road No. 846 Małochwiej Duży – Wojślawice – Telatyn, provides access to the border crossing in Zosin;
- Road No. 844 Chełm – Hrubieszów – connects passenger road border crossings in Dorohusk and Zosin;
- Road No. 816 Terespol – Kodeń – Sławatycze – Włodawa – Dorohusk – Horodło - Zosin and Road No. 698 Siedlce – Łosice – Konstantynów – Terespol, the so-called “Nadbużanka” connects the border crossings situated on the eastern border of Poland.

Map 12. Main transport routes in Lubelskie Voivodeship



An average traffic increase ratio on Voivodeship roads was 1.20, compared to the year 2000, (1, 12 in Poland.) The load by road traffic on public roads has increased, particularly in the routes to border crossings and in the main exit roads from Lublin beyond the borders of Lubelskie Voivodeship . It is also observed that traffic is heavier around larger urban areas (Puławy, Zamość, Chełm, Biała Podlaska, Kraśnik, and Janów Lubelski.)

Not many road construction projects have been completed as regards Voivodeship and national roads for the last 5 years – repair and improvement works have dominated. The fact that the condition of roads is not adjusted to increasing traffic results in decreased fluidity of road traffic and capacity.

The condition of roads has an impact on road traffic safety ratios. Two thousand, five hundred and eighty-seven road accidents happened in Lubelskie Voivodeship in 2004. Although a drop in the number of accidents was noted (by 17% compared to 2000,) but the ratio of people killed in road accidents per 10,000 inhabitants is still high (it is 0.91 in EU27, 1.43 in Poland, and 1.47 in Lubelskie Voivodeship).

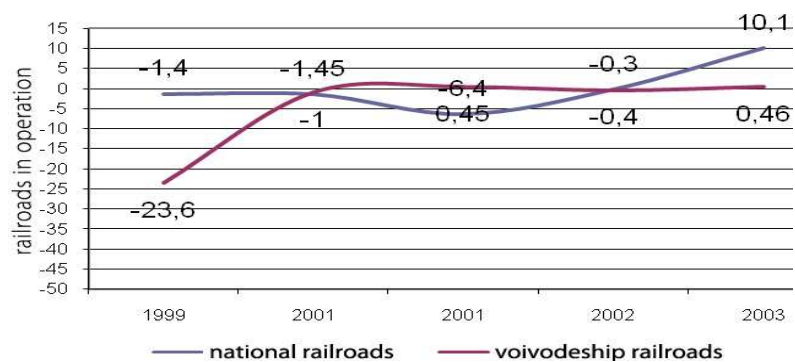
Railways and rail transport

The total number of railways in Lubelskie Voivodeship amounts to 1,072 km (as at the end of 2004), which accounts for 5.3% for Poland. The total density of the railway system in the Voivodeship is lower than in Poland and amounts to 42.57 km/1000km² (Poland 61.69 km/1000km², 49.75 km/1000 km² in EU25.) Compared to 2000, a slight 2.02% decrease in the number of railways has been recorded, and in Poland, the decrease by 10.23% has been significant.

The total number of railways includes standard-gauge railways of 1,049 km and narrow-gauge railways of 51 km, which has not changed for 5 years. The share of electric railways compared to the number of standard-gauge railways is 37% for the Voivodeship (60.4% for Poland.)

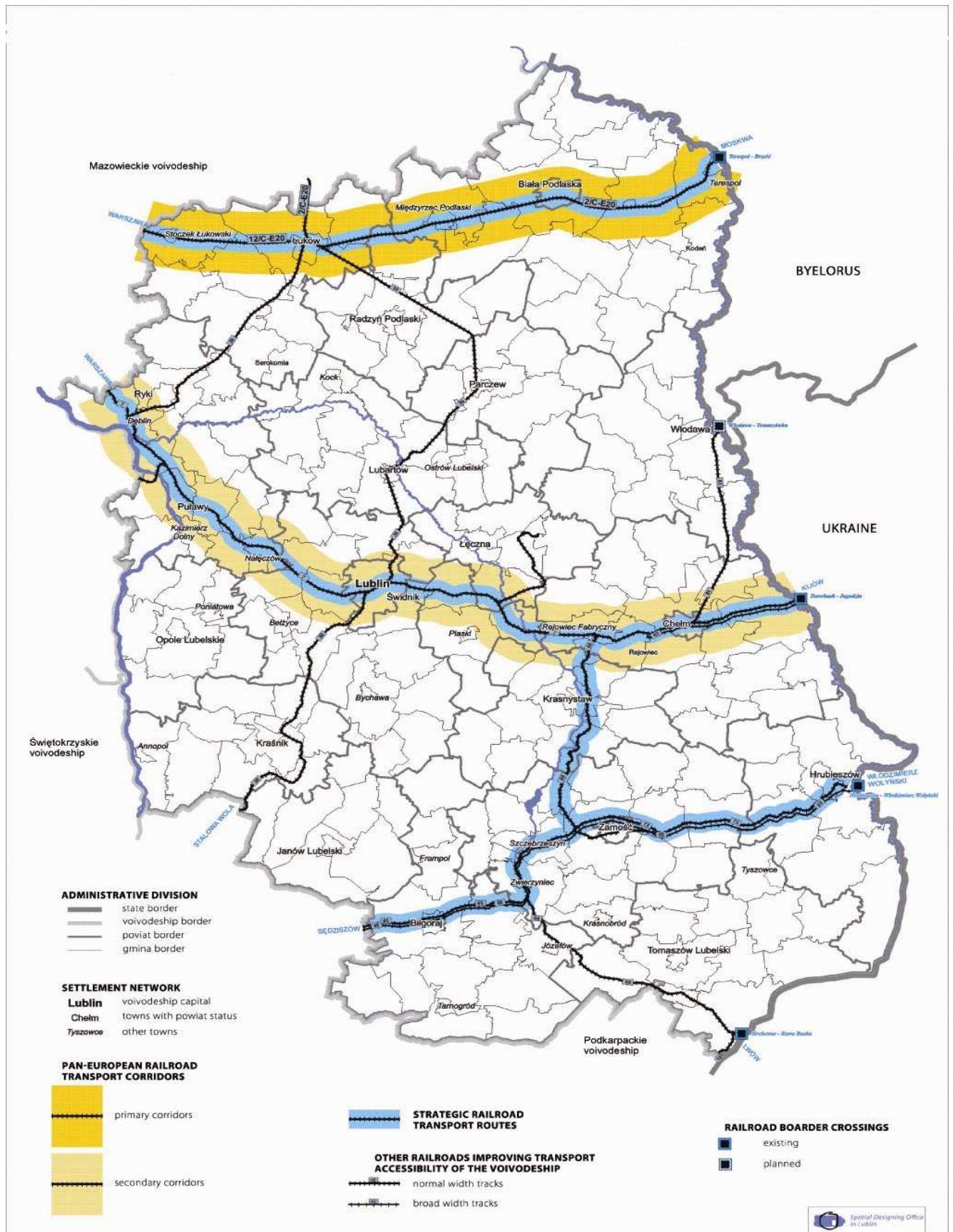
As regards the transport infrastructure, the Voivodeship is in the group of the worst developed regions. 375 km of railways are of national importance, with 80% comprising the TINA network. Regional railways are very poorly developed. The existing railroad infrastructure requires immediate investments for its modernisation and adapting to European standards. Major problems include: technical condition of railway tracks, obsolete communications system, exploited and outdated railway rolling stock, too few places and too low-level of passenger service.

Graph 24. Growth dynamics as regards railroads used in Lubelskie Voivodeship and in Poland between 1999 and 2003



Source: Own compilation based on the data of the SO in Lublin

Map 13. Main railroad routes in Lubelskie Voivodeship



Air transport

The region features airfields of the military, sports, sanitary or industrial character; however, none of them is used for transport and communication purposes. Apart from the major military airfields, these have mostly grass surfaces, some of them are used mostly as sports and recreation facilities. The airfields are located in: Dęblin, Zamość, Biała Podlaska, Radawiec, Świdnik. Two airports (Biała Podlaska and Świdnik) have the status of an international border crossing for a definite period of time.

The existence of an airport of supraregional importance is one of the conditions for the economic growth and determines an increase in the mobility of the society. Moreover, it is one of the necessary metropolitan functions and for the same reason improves the Voivodeship competitiveness on the supraregional and international level.

In the view of an increasing number of perspectives (economic included) for the development of aviation, we can assume that the existence of an airport functioning as natural transport infrastructure is necessary for ensuring region attractiveness for investment purposes as well as tourism attractiveness.

Public transport

Road public transport in Lubelskie Voivodeship took place on 996 transport routes, 609 of which are located in cities and towns, including most routes (336) in Lublin. In 2005 road transport carried 53,981.1 thousand passengers in Lubelskie Voivodeship (excluding public transport in cities,) i.e. 6.9% of national transport, including 168.4 thousand passengers in international transports (5.58% of national transport.) The average distance to which one passenger was transported in total transport was 33km (37km nationally,) while it was 1,788.4km as regards international transport (1,354km in Poland.)

Between 2000 and 2005, a significant increase took place in the length of international lines (by 67.9 thousand km), while the length of national lines concurrently dropped (by 1.4 thousand km.) Suburban railway lines were dominant in the total number of lines, both in the Voivodeship and in Poland, amounting to 72.1% and 74.8% respectively.

Urban road transport is an integral part of the voivodeship's transport system. Public transport is well developed and is operated in 13 cities and towns. In 7 voivodeships cities and towns including: Lublin, Biała Podlaska, Chełm, Zamość, Puławy, Kraśnik and Międzyrzec Podlaski it is operated by separated municipal transport enterprises, whereas in the other 6 towns: Łuków, Dęblin, Radzyń Podlaski, Ostrów Lubelski, Lubartów and Kazimierz Dolny it is operated by other carriers: PKS (state motor vehicle transport) and private transport. As regards urban transport, 916 km of city bus routes were operated, including 617 km in cities and 299 km were suburban routes. Compared to 2000 their length increased by 12 km, i.e. by 1.3% (by 11% in Poland.)

The means of city public transport transported 98mln passengers, which was 2% of the total number of passengers in Poland. The number of passenger seats in 2000 – 2005, in the voivodeship dropped by 7.5% (by 4.9% in Poland.) The number of passengers transported considerably decreased: it dropped from 202 million in 2000 to 98 million in 2005, i.e. by 51.5% (by 19.5% in Poland.) In 2005, public transport disposed of the fleet of 417 buses, and additionally

65 trolleybuses in Lublin. The existing fleet is to large extent worn out. Around 40 % of the fleet must be replaced (only around 5% is new vehicles.) In two cities, i.e. Lublin and Zamość ecological transport is operated (CNG-fuelled buses.)

The poor condition of the fleet and the lack of convenient connections with suburban areas results in an increase of the traffic of private passenger cars. This process will intensify along with the proceeding suburbanization tendencies. That is why it is required to ensure an efficient system of public transport between the cities and towns in the voivodeship, and within the borders of particular urban areas.

Power industry

The technical condition of the electrical power engineering transmission network of the total length of 280.5 km (i.e. 2.2% of the national share), does not pose any threats to the safety of provision of electrical energy to customers. However, it requires successive modernization and reconstruction. The condition of the highest and high voltage networks and stations is good and fully meets the current demand for electrical energy. What is necessary however is further development of the electrical power engineering system of 110 kV voltages, in order to ensure bilateral power supply to all transforming stations that guarantees reliable power supply to customers, in particular in rural areas.

Table 14. Length of electrical supply lines and their share in percent in 2003 compared to Poland

Type of line	Line length in km		%
	Poland	Lubelskie voivodeship	
400 kV lines	4660	61.12	1.31
220 kV lines	8112	219.38	2.70

Source: Statistical yearbook of Lubelskie Voivodeship 2004

The demand for **heat energy** in Lubelskie Voivodeship is covered from the sources of professional power engineering, municipal heat-generating plants, industrial heat and power generating plants, company boiler houses and individual sources of heat. The areas with high density of land development feature central sources of heat and distribution systems that provide heat from municipal heat engineering systems to 60-65% of the urban population. Heat engineering systems date back to 1970s. These were developed together with the urban development of cities and towns and adapted to the conditions of thermal protection of constructions during the last 30 years. Due to the accelerated process of thermal modernization of constructions and meeting European power engineering standards, there is a need to adapt the technical and exploitation parameters to the changing needs of customers. This entails increased expenditure in order to limit heat losses and constant improving of energetic effectiveness.

The Voivodeship obtains **natural gas** through the national high-pressure gas pipeline system. Additional sources include local gas mines near Tarnogród, Lublin, and Stężyca. Compared to the national average, the gasification level in Lubelskie Voivodeship is low. As regards the number of customers using network gas (excluding those using collective gas meters) the Voivodeship ranked as 11th in 2004. The gas network was used by 36.4% of the population.

The state policy implemented for the recent several years that gives certain privileges to the **energy generated from renewable sources** brought about increased interest in the development of such sources also in Lubelskie Voivodeship. The structure of energy carriers has changed currently: the share of coal is declining and increasing for oil products, gas and renewable sources of energy that during the transformation process use the wind energy, solar energy, geothermal energy, energy related to drops in river water levels, as well as energy obtained from biomass, waste biogas or gas obtained in the processes of disposal and treatment of sewage or decomposition of plant and animal residue.

Energy production from renewable sources was 3,847.2 GWh in Lubelskie Voivodeship in 2005 (it increased by almost 11% compared to 2003.) This value ranks the Lublin region as 15th among 16 voivodeships in Poland. The share of energy production from renewable energy sources in total energy production has increased (from 0.17% in 2003 to 0.4% in 2005,) but is still lower than the national level (2.4% in 2005) and very remote from the target assumed for the European Union in Lisbon Strategy (12% in 2010.) "Energy Policy for Poland until 2025" assumes that the share of energy from renewable energy sources in Poland's energy production balance will be 7.5% in 2010²⁴. Due to the currently low-level of the use of alternative energy sources in Lubelskie Voivodeship, the development of that type of sources should be promoted to the extent proper for the local resources and conditions. At present, 19 small power plants are operating in the voivodeship; further investments are planned related with the use of wind energy, water energy, and biomass. These projects will allow increasing the share in national production of energy from renewable energy sources produced in Lubelskie Voivodeship.

The largest potential of renewable energy in the Voivodeship is connected with the production of biomass. The main supplier of biomass is agriculture, which has been perceived as a food producer so far, but might become also a future producer of energy. It is estimated that the annual energy potential of the voivodeship obtained from agricultural waste amounts to around 18.8 PJ (approx. 195 PJ in Poland.) As regards the other types of renewable energy, the production potential of the region is as follows:

- water energy – 707.22 GWh
- wind energy – approx. 1,000kWh/m²/year
- solar energy - 950 kWh/m²/year
- geothermal water resources – 80,733 million tonnes of equivalent fuel

²⁴ That target was transferred from Directive 2001/77/EC of the European Parliament and the Council of 27.09.2001 on supporting production of electric energy on the internal market generated from renewable energy sources as a value, established for Poland and included in the "Strategy for the Development of Power Engineering from renewable energy sources," adopted by the Council of Ministers in July 2000.

Infrastructure of the information society²⁵

There are no publicly available broadband infrastructural solutions functioning in Lubelskie Voivodeship that meet the requirements of the e-Poland strategy. Moreover, there are no access solutions accompanying this type of an infrastructure that would allow for its natural development.

Due to the dispersed settlement network, commercial operators do not see a possibility of the establishment of an ICT infrastructure. Only in some areas, access to the Internet is provided by radio.

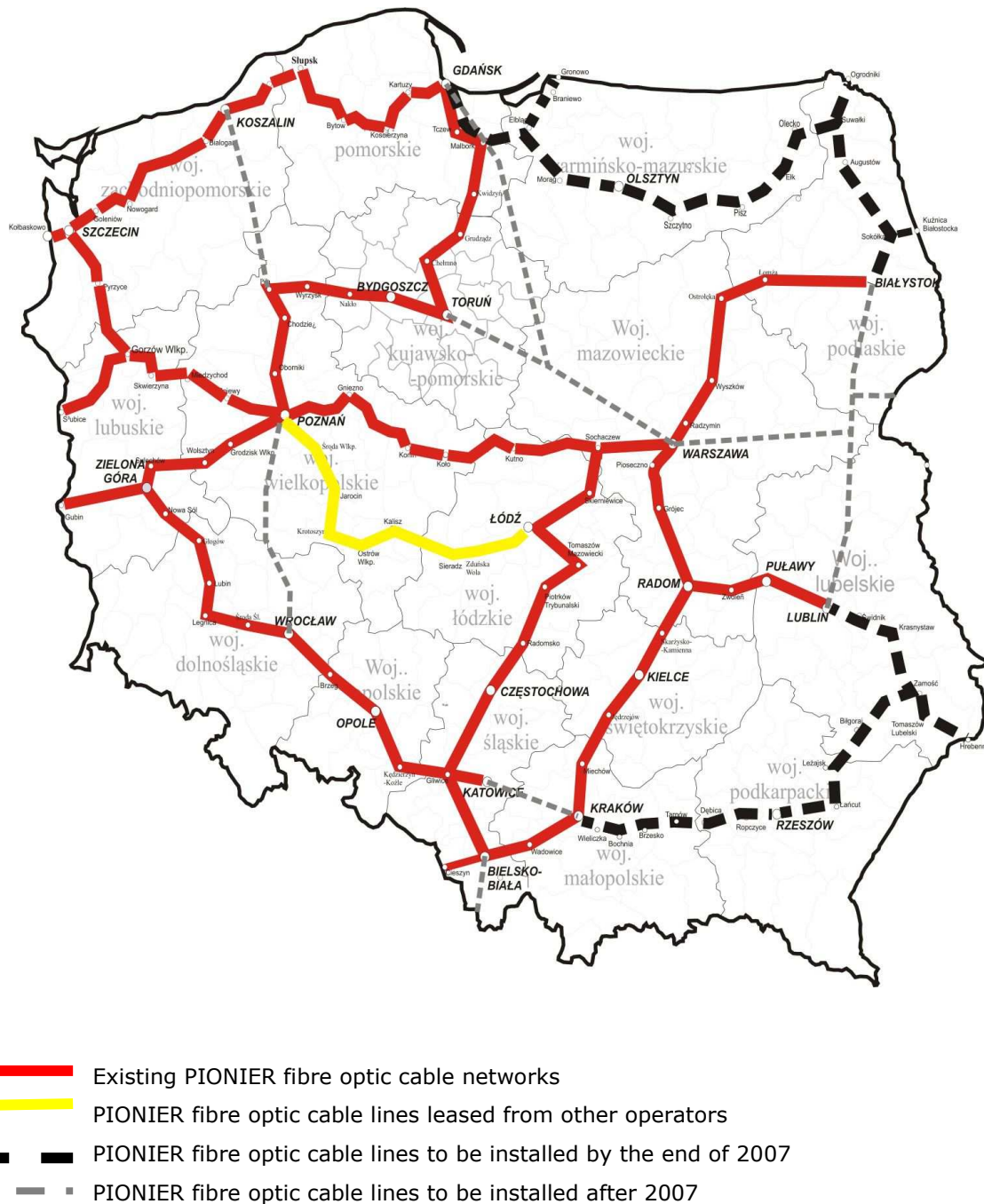
Furthermore, the Lublin region is poorly developed as regards common use of IT solutions, compared to other regions in Poland. Despite infrastructural weakness, the region is facing a chance to change it. The implementation of comprehensive solutions in this respect might lead to the application of the latest and outstanding solutions, since there is no need to adapt them to the implementations used previously. Defective infrastructure might easily become a positive stimulus to the development of various types of common applications of new technologies. This is extremely important during the implementation stages of individual projects.

The future of the information infrastructure in the voivodeship is related to the implementation of the PIONIER Programme. It was initiated by the Scientific Research Committee on 21st September 2000 and its 2nd stage is currently being implemented. PIONIER provides for the construction of modern and comprehensive infrastructure for various advanced applications that are to be created to meet the needs of the information society. The infrastructure covers a new generation optical network plus transport mechanisms and specialised services generated by the network for the purposes of applications.

The Pioneer project will cover a major part of Lubelskie Voivodeship . A challenge for the development of the network is further development on the poviat and commune levels of the infrastructure that was created as a result of the implementation of the undertaking.

²⁵ Based on "the voivodeship Programme for the Development of the Information Society"

Map 14. National optical network PIONIER



Based on questionnaire surveys carried out at the beginning of 2007, the informing degree of public services provided by all local government units was reviewed. The analysis of the results of that survey show that electronic services provided by the local government administration in Lubelskie Voivodeship are at the beginning stage of development. Predominant are simple and passive forms of using telecommunications techniques to communicate with the region's inhabitants:

- the majority of the units have the basic tools of e-communications, i.e.: e-mail and websites;
- the majority of the units provide electronic services consisting in making available information and the samples and forms of documents;
- the official electronic communication between the office and citizens is possible only in around 40% of the offices;
- none of the local government units use the electronic identification of clients.

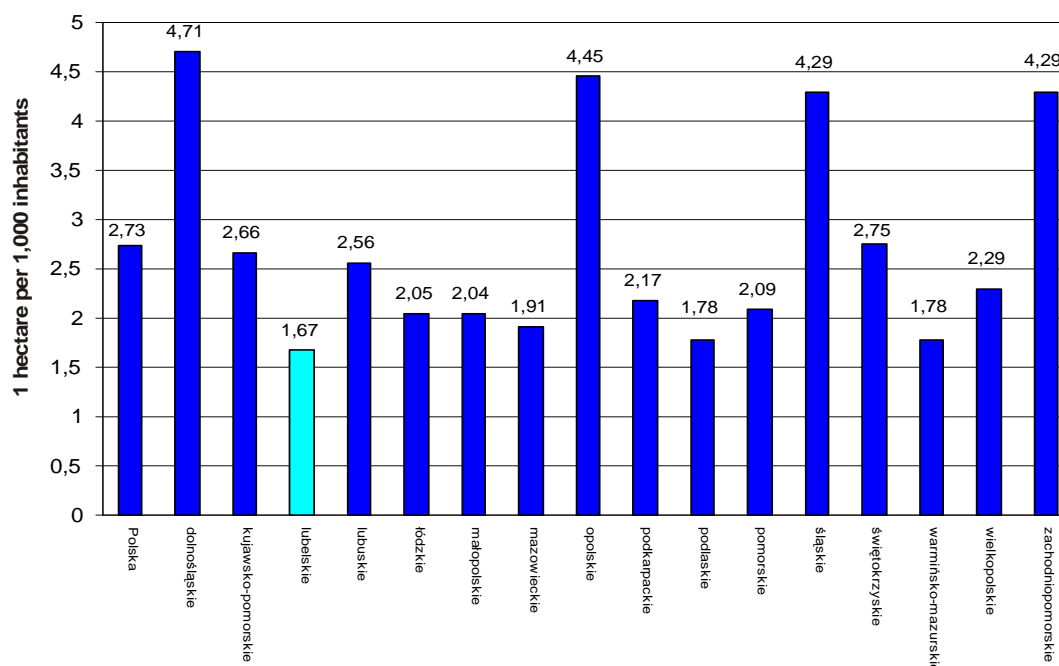
Table 15. Electronic services of the local governments in the Lublin region

	Own website	Possibility of downloading forms from the website	Possibility of sending forms completed	Other available services
Rural-urban communes and rural communes	87%	57%	46%	6%
Urban communes	95%	80%	35%	10%
Poviats	90%	70%	30%	10%
Voivodeship government	yes	yes	yes	yes

Source: Own compilation based on a questionnaire survey carried out in 2007.

Industrial areas

The existing industrial areas in Lubelskie Voivodeship covered 3,633 hectares in 2006. That area included both areas actively used by industry and degraded areas formerly used by bankrupt companies. In 2001 – 2006, industrial areas (excluded from agricultural production) increased by only 309 hectares and the average annual increase were 61.8 hectares.

Graph 25. Industrial areas per 1,000 inhabitants in 2005

Source: The statistical yearbook of voivodeships, CSO 2006

To identify better the structure of industrial areas as well as investment needs related to industrial areas, a questionnaire survey was carried out addressed to the local government authorities of 213 communes. 106 communes responded to the survey (which accounts for 49.8% of all communes.)

The survey allowed for identifying 23 industrial areas over 5 hectares each, which total area amounted to 663.28 hectares and 37 areas of 0 – 5 hectares, amounting to the total of 85.69 hectares (which accounts for around 20.6% of the existing industrial areas.) Upon the completion of their revitalization, they will be an essential resource for new investment areas for industry and services, especially as the location of majority of the areas is attractive for prospective investors. Moreover, development of industrial areas brings about notable effects in the form of green areas protection before they are used for industrial activity, and improvement of the image of settlement centres via the liquidation of degraded areas. Post-industrial areas are poorly equipped with technical infrastructure – 4 of them are comprehensively equipped, 12 of them are almost fully equipped, 33 partly equipped and 8 are equipped only with electrical power.

Not occupied investment areas occur also within some of the existing economic activity zones. 11 zones of that type were identified based on the survey; their total area is 466.16 hectares. They are developed to a various degree – from 30% to 60-70%. The reserves of unoccupied investment areas within the zones may be used relatively easily, if they receive financial support for modernization and technical infrastructure.

The survey questionnaires completed show that demand for new investment areas is considerable. Planning documents prepared by the authorities of the communes taking part in the survey include 20 entrepreneurship zones separated in new investment areas of areas larger than 5 hectares, totalling 580.5 hectares, and additionally 2 areas of 0 – 5 hectares, which totalled 5.14 hectares. Among the entrepreneurship areas planned only 5 have comprehensive technical infrastructure, 10 are partly equipped (usually they lack 1-2 utilities,) and 6 of them lacks almost all utilities (except for electric power.)

1.2. Effectiveness of the use of public aid for Lubelskie Voivodeship in 1999-2006 period

1.2.1. Introduction

The analysis of the effectiveness of the public aid for the region provided so far should be made based on searching for correlations between the following three dimensions:

- amount and form of aid granted,
- its material effects,
- influence of the effects on the situation of the aid beneficiary.

In the case of the analysis of the effectiveness of aid provided to Lubelskie Voivodeship, **a beneficiary should be understood as the Voivodeship area** represented by the total number of institutions, enterprises and natural persons with the registered offices in/being the residents of the region.

For the purposes of methodological correctness of the analysis results, it is necessary to obtain coherent data related to the three dimensions referred to above. The amount and form of aid granted is the data aggregated at the level of the institutions engaged in granting funds, which

shows cash flows within a given aid Programme. Material effects relate to the total number of products generated by the projects co-financed from the Programmes undergoing analysis (tangible assets purchased, infrastructural objects built, number of services provided). The influence of aid effects on the situation of a beneficiary, i.e. the Voivodeship, is measured by the analysis of the statistical data.

A fundamental difficulty in the case of the analysis of the effectiveness of public aid for Lubelskie Voivodeship since 1999 is a very low-level of data coherence. It does not in any way result from the faulty monitoring or faulty analysis of the statistical data for the Lublin region. The existing difficulties derive from the Polish system of data aggregation and statistical research. In the first instance, the system focuses on the data resulting from the national research. The reasons for this are as follows:

- uniformity of the country as regards the law and economy;
- historical, centralist factors, lack of a reform of the statistical system as regards information needs of voivodeships
- centrally managed aid Programmes (sometimes implemented only on the regional level)
- objective difficulties assigning specific data generated by entities operating in more than one voivodeship, to a region.

Secondly, there are significant delays within the process covering granting aid, creation and entering in the monitoring system of the project results, showing by means of the project results the influence on the external situation, and finally the aggregation and publication of statistical data. This period is estimated for the minimum of 4 years: allocations for 2004 are usually granted in 2005, project completion is in 2006, first results undergo statistical research in 2007, and publication of results takes place in the middle of 2008. These calculations do not include aid refunds, due to various procedures and the influence of cash flows on statistical ratios close to none.

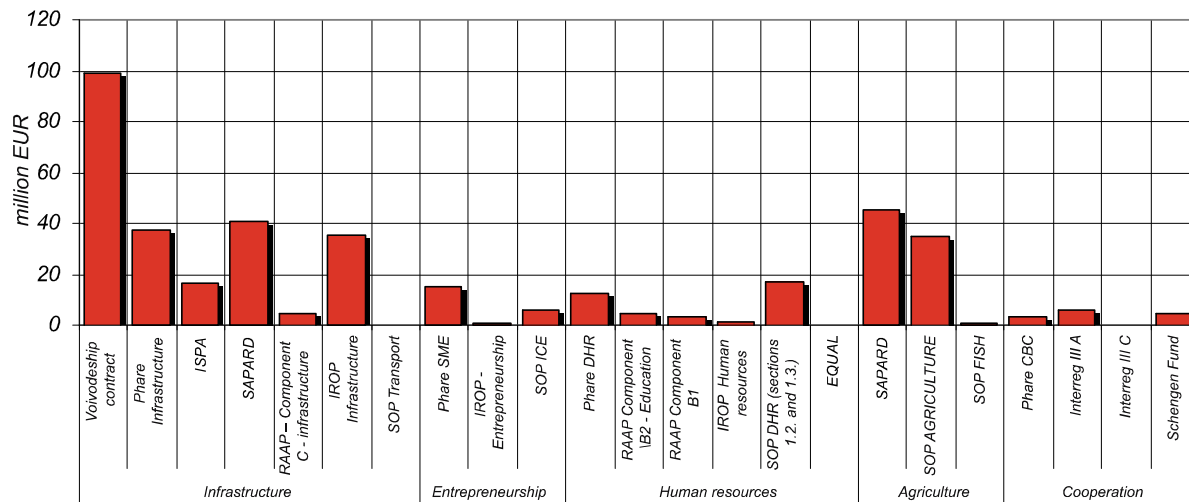
Thirdly, when attempting to estimate the actual influence of specific projects on the general situation in the region, we have to consider numerous external factors that objectively appear in the area undergoing analysis and influence (frequently in a dominating manner) the ratios that illustrate the influence of projects. Macroeconomic models like HERMIN, try to make a division between regular tendencies and the additional effect of subsidies, by the analysis of historical data. The task is quite complicated, especially in the case of regional economies undergoing rapid restructuring (where the definition of a long-term trend is almost impossible), legal and administrative changes that influence massive behaviours of institutions and citizens (e.g. tax system, changes in social insurance, changes in financing state public functions from the central level to self-governments).

1.2.2. Financial effects

Between 1999 and 2006, Lubelskie Voivodeship was granted **€387 million** from national Programmes (Voivodeship contract), the World Bank (Rural Areas Activation Programme), EU pre-accession Programmes (Phare, ISPA, SAPARD), operational Programmes financed from the EU

structural funds (IROP, SOP ICE, SOP DHR, SOP "Transport", SOP "Agriculture", SOP "Fish"), community initiatives (Interreg, Equal) and other funds (Schengen Fund).

Fig. 13. External public aid for Lubelskie Voivodeship between 1999 and 2006 in million EUR

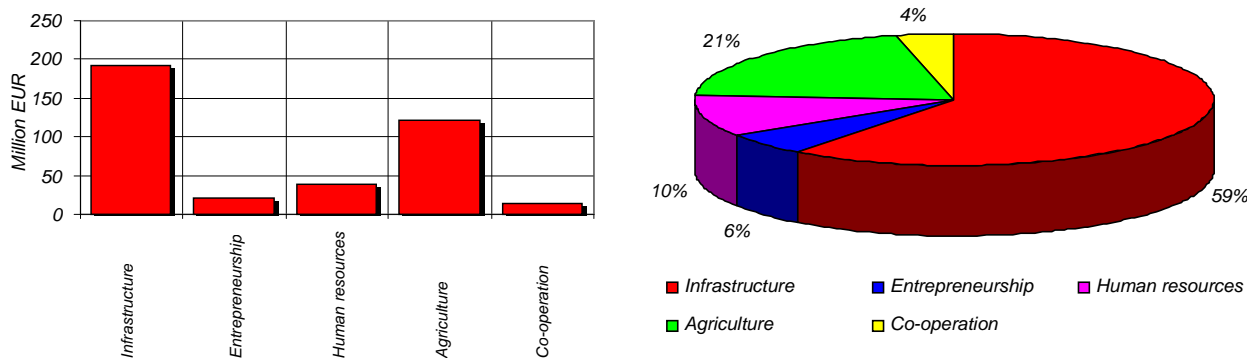


Source: own compilation based on the data of the institutions implementing individual Programmes

External public aid was allocated for various purposes that could be grouped according to their purpose for: infrastructure, entrepreneurship, human resources, agriculture, and trans-border co-operation.

The majority of funds, i.e. almost **60% of the total public aid** (€233 million) were allocated for the **regional infrastructure**. Over 20% (€80 million) was allocated for investments and restructuring of agriculture. 10% (€38 million) was allotted for broadly understood human resources (non-investment projects). A relatively small proportion, i.e. only 6% (€21 million) was allocated for the enterprise sector, and the smallest amount (4% - €14 million) was allocated for the trans-border co-operation.

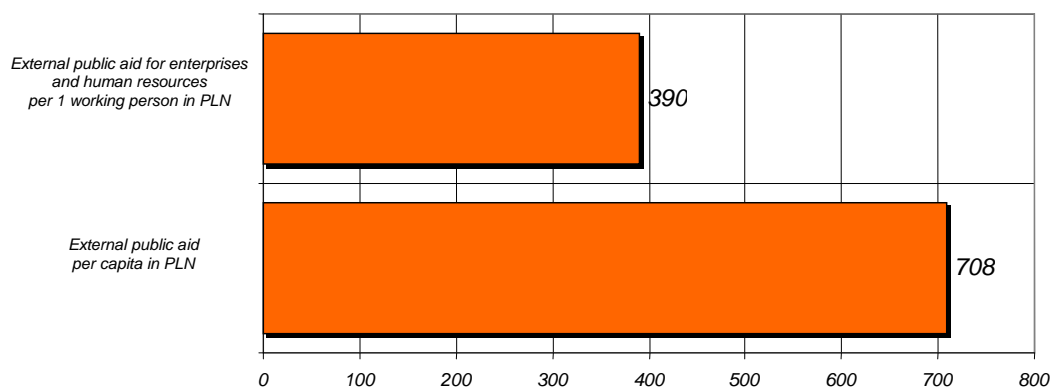
Fig. 14. Division into groups and structure of external public aid for Lubelskie Voivodeship between 1999 and 2006



Source: own compilation based on the data of the institutions implementing individual Programmes

The analysis of the aid provided to Lubelskie Voivodeship so far shows that the external funds **per 1 Voivodeship inhabitant** in the years 1999-2006 amounted to **PLN 708**, and the amount of investments in enterprises and human resources per 1 working person²⁶ was PLN 390.

Fig 15. Financial public aid per capita and financial public aid for enterprises and human resources per 1 working person [in PLN].

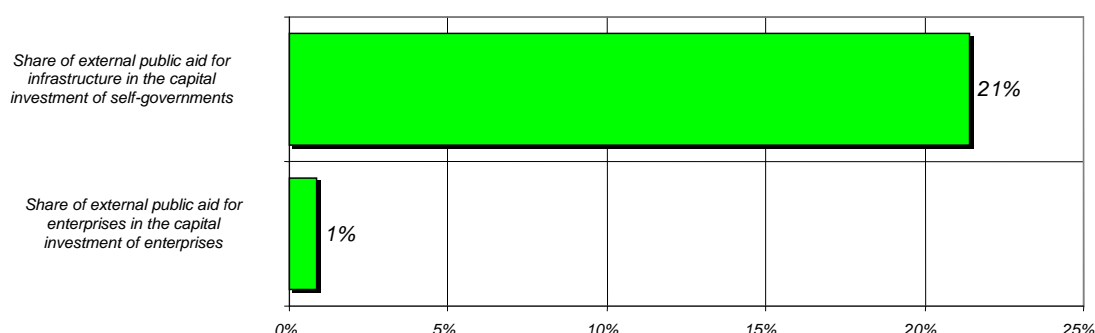


Source: own compilation based on the data of the institutions implementing individual Programmes and CSO data

When assessing the financial effects, it is also advisable to define the share of investments from external funds in total investments.

As regards the enterprise sector, the share is not considerable and amounts to approx. 1%, however the share of **self-government and budget-related units** is quite significant, i.e. **over 21%.**

Fig. 16. Share of public aid for enterprises in the capital investment of enterprises and share of public aid for infrastructure in the capital investment of self-governments



Source: own compilation based on the data of the institutions implementing individual Programmes and CSO data

²⁶ working population as at 31.12 2004 according to the actual workplace, including foundations, associations, political parties, trade unions, social organisations, organizations of employers, economic and trade self-governments as well as individual farmers; excluding business entities with the employment of up to 9 people, and as regards budget-related units, irrespective of the employment.

1.2.3. Tangible effects

Tangible effects of the public aid provided so far have been analysed based on the ROP strategic division, which is in the context of Priority Axes implemented between 2007 and 2013.

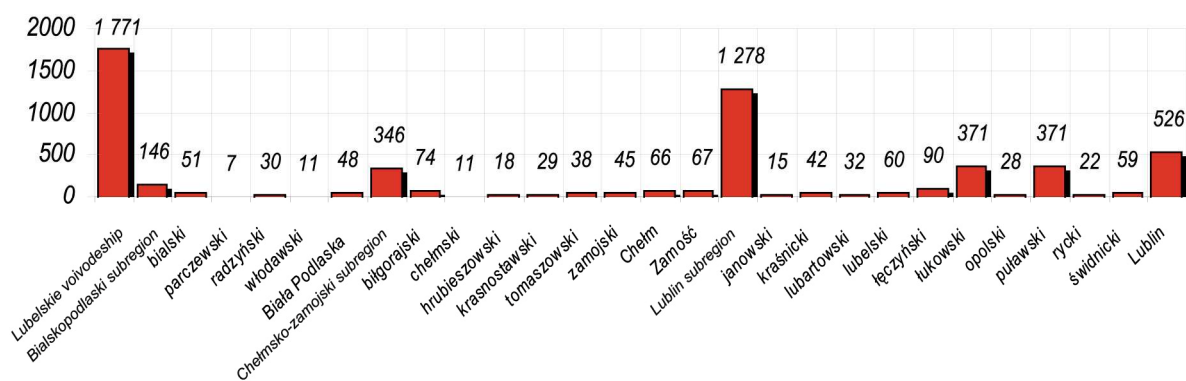
Maps of the voivodeship that show material effects of public aid for individual strategic areas identified within the ROP are presented below.

ENTREPRENEURSHIP AND INNOVATIONS

Due to the limited access to the data, referred to above, and following very closely the methodology (that allows to take into consideration only completed projects), the effectiveness analysis will be based on Phare Programmes as well as SOP Growth of Enterprise Competitiveness (Actions 2.1. and 2.3), and as regards IROP, Action 2.5 will not be taken into consideration (since the projects implemented within this Action have not been completed yet) as well as part of the projects under Action 3.4 (for which no data is available as regards venue and value).

The Gross Domestic Product (GDP) has changed (increased) in the analysed period 1999-2004 by 23% in the European Union, 46% in Poland and 33% in Lubelskie Voivodeship. In this case, it is extremely difficult (almost impossible) to define the influence of net public aid on the macroeconomic indicators, due to progressing processes of economy restructuring and the impossibility to establish a long-term trend as the basis for calculations.

Fig. 17. Capital investment in enterprises operating in Lubelskie Voivodeship



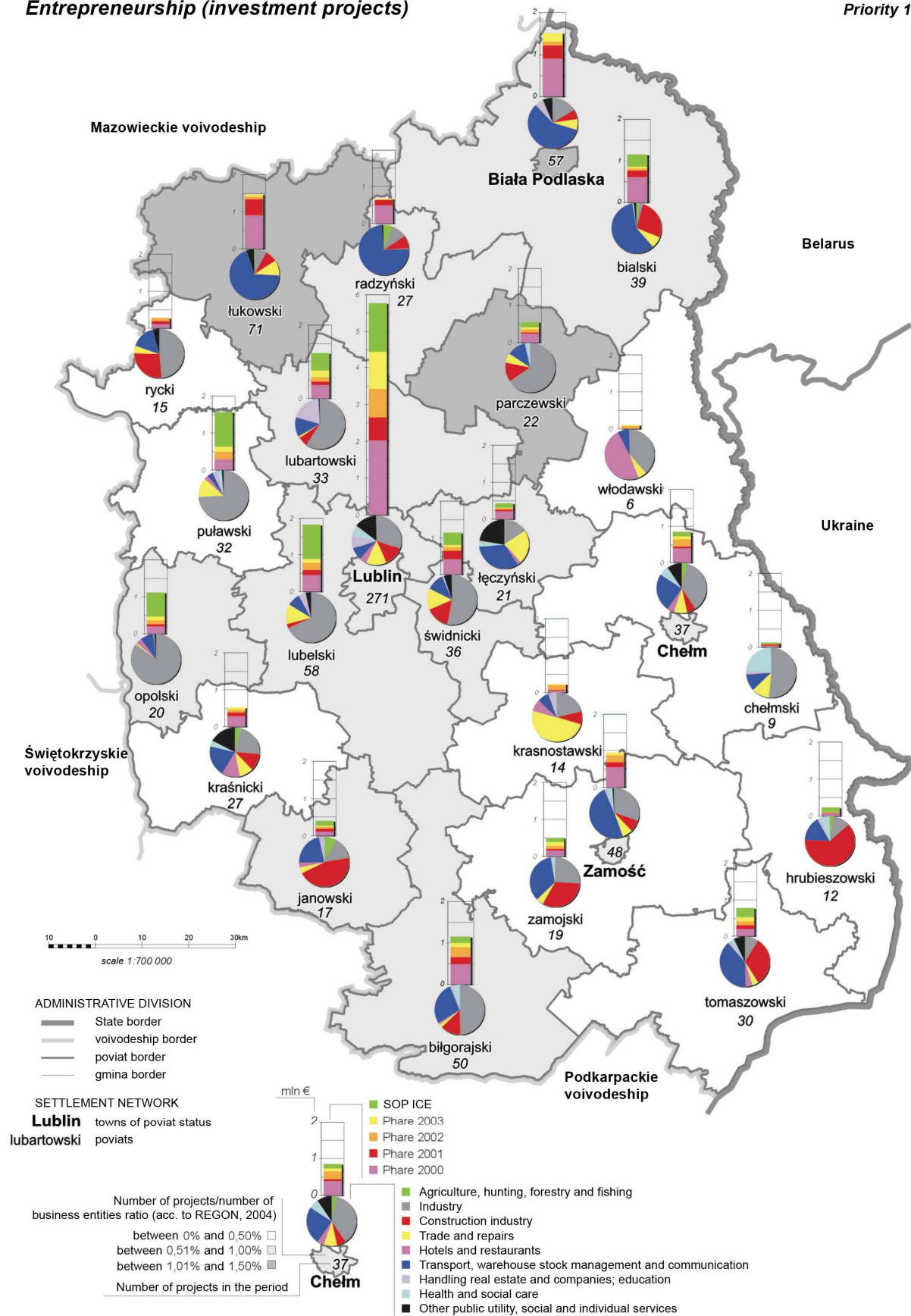
Source: own compilation based on the data in the statistical year book of Lubelskie Voivodeship 2003

Enterprise investments are characterised by a strong correlation between creating new jobs and the number and value of investments. It is a highly probable assumption that each investment entails the creation of at least one new job. However, the registered unemployment ratio in Poland in the years 1999-2004 has increased by 13-20%, and by 14-18% in Lubelskie Voivodeship. The employment ratio in Poland declined from 51% to 44.2% and from 48% to 42% in the region.

Therefore, it seems that macroeconomic trends overwhelmed the effects of the aid provided to the sphere of entrepreneurship for employment purposes.

Analysis of the effectiveness of public aid for the Lubelskie voivodeship since 1999 Entrepreneurship (investment projects)

Priority 1



In the majority of poviats, investments were financed mostly from Phare Programmes, and the funds from SOP ICE were mostly invested in the puławski, opolski, and lubelski poviats.

The map also shows certain preferences of poviats as regards types of investments. Investments in the **industry** dominated in the following poviats: rycki, puławski, opolski, lubelski, świdnicki, chełmski and biłgorajski plus Lublin and Chełm. Investments in the **construction industry** dominated in the janowski and hrubieszowski poviats. **Transport industry** should also be mentioned, the investments for which dominated in the north of the Voivodeship (bialski powiat and Biała Podlaska, radzyński, łukowski poviats) due to the planned transport corridors, and in the Zamość region. The only powiat specialising in the **hotel** and restaurant industry was włodawski powiat.

The greatest (absolute) number of projects was submitted in towns of powiat status, however it is only by the comparison of the number of projects submitted with the number of business entities operating in a given powiat that we can see the actual activity of enterprises in project submission. The ratio shows that as regards the cities and towns referred to above, it is only in **Biała Podlaska**, that projects were implemented by **more than 1% of business entities**. In the remaining cities and towns, as well as in the majority of poviats, the ratio did not exceed 1%. The only exception was two poviats: łukowski and parczewski.

When analysing the material effects of investing in entrepreneurship, in the first instance one should take into consideration the most important effect of public aid, which is the creation of new jobs. Further factors include: the number of enterprises that have been granted subsidies for investment purposes, the number of tangible assets purchased and the number of new products and services introduced on the market. Due to no data available, the analysis has been carried out based on the Phare Programme. However, the data for IROP (Measure 3.4) was available.

As a result of interventions since 2004 (when SOP ICE and IROP Programmes were initiated) there have been **over 450 new jobs created** in the voivodeship, out of which 200 in Lublin and 100 in the lubelski powiat. A relatively small number of jobs was created in other towns of powiat status (total 25), which is the same as in the świdnicki powiat only.

Thanks to external aid from SOP ICE and IROP Programmes, **500 tangible assets were purchased in the voivodeship** (machines and equipment, means of transport) plus intangible assets (14 items).

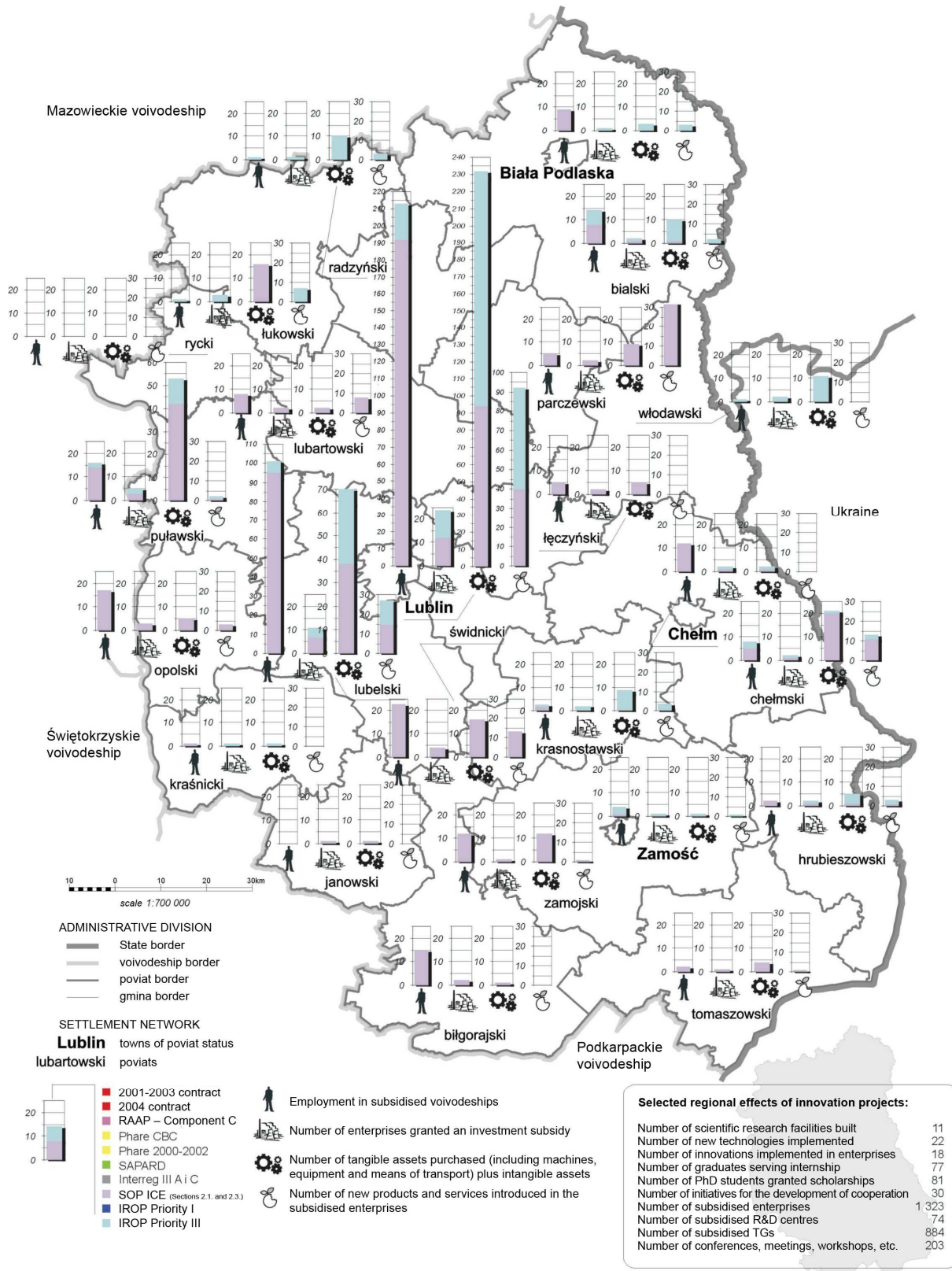
The greatest number of tangible assets was purchased in Lublin (232 items) and in the lubelski powiat (70 items), but also in the puławski powiat (53 items).

Since 2004, **215 new products and services have been introduced on the market**, with almost half of it in Lublin. 32 new products and services have been introduced in the parczewski powiat, and a slightly smaller number (27) in the lubelski powiat. A small share of other towns of powiat status in this respect should also be mentioned (only 4 new services altogether).

The analysis of the effects of Measure 2.6. of IROP shows that, as a result of the implementation of projects, by the end of October 2006 **11 scientific research facilities were constructed, 22 new technologies and 18 innovations** were implemented in enterprises, as well as 77 graduates served their internship in enterprises and 81 PhD students were granted scholarships. For the time being, it is however declared data only (not verified in inspections and analyses of final reports).

Analysis of the effectiveness of public aid for the Lubelskie voivodeship since 1999 Entrepreneurship – selected material effects

Priority 1



ECONOMIC INFRASTRUCTURE

Economic infrastructure has not been explicitly selected in external Programmes implemented so far, and that is why it is impossible to assess the aid of this type in detail. At this point, we shall analyse only one aspect, which is consultancy services provided to enterprises.

Consultancy projects for enterprises have been presented analogically to investment projects, divided by Programmes and types of activity.

The map shows that the activity of enterprises as regards winning consultancy projects was low, including projects aimed at obtaining quality certificates, creating strategies for managerial development and consultancy.

The activity was even more than in the case of investment projects, and only entrepreneurs from Biała Podlaska were a bit more active compared to the rest of the Voivodeship.

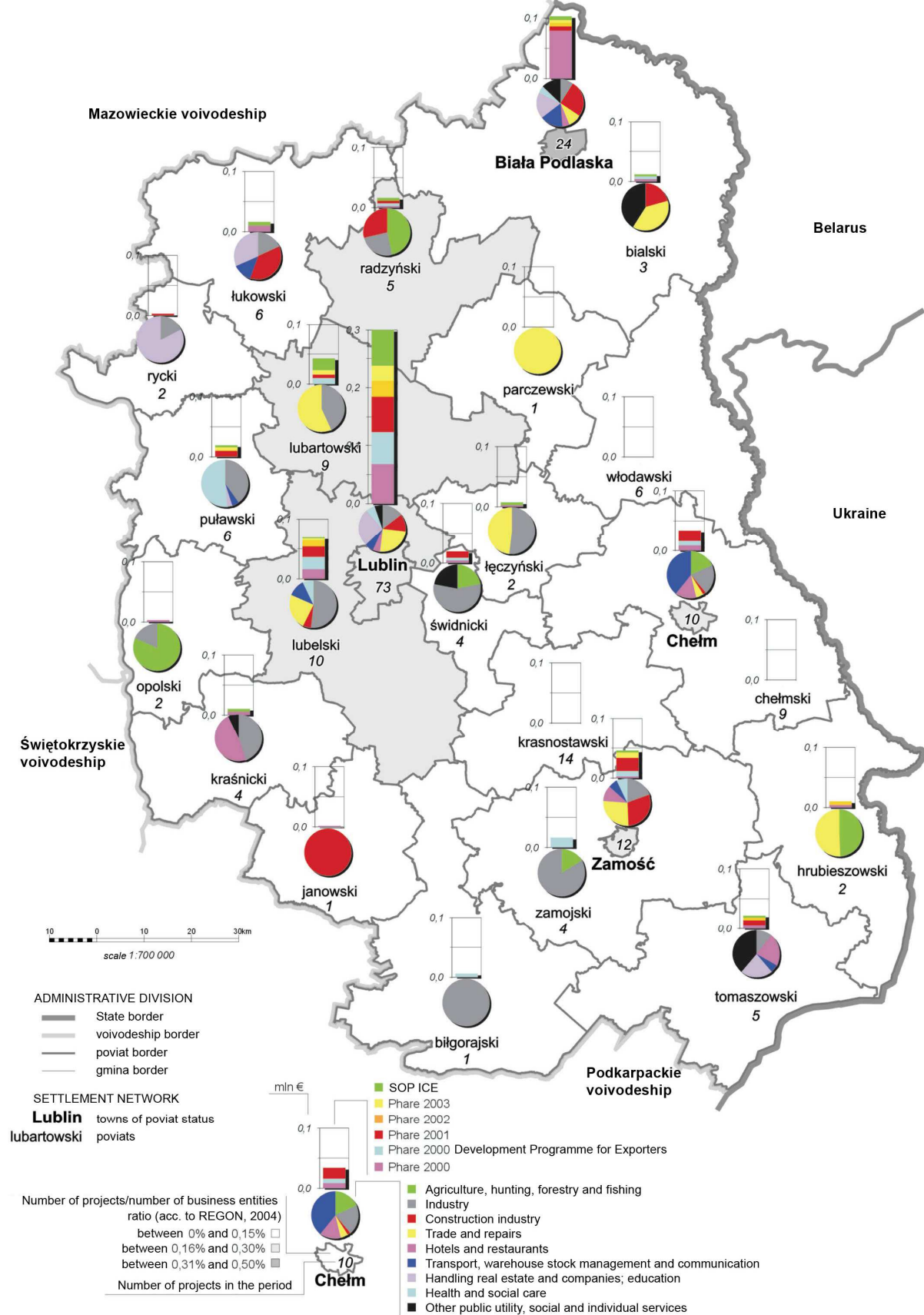
As regards preferences of poviats in the context of the type of activity pursued, it is difficult to make reliable conclusions since the number of projects does not exceed 10, and frequently amounts to just 1.

What should be stressed is that the majority of consultancy projects were financed by successive Phare editions, and the share of SOP ICE (Measure 2.1) is minimal (one exception is the lubartowski powiat, where the division between both Programmes is even).

Analysis of the effectiveness of public aid for the Lubelskie voivodeship since 1999

Business environment (consultancy projects for enterprises)

Priority 2



TRANSPORT

The strategic and planning documentation shows that Lubelskie Voivodeship boasts itself of a relatively well-developed network of roads and railways.

Changes in the total length of roads of individual categories (voivodeship, powiat, and commune roads) in the period undergoing analysis **did not exceed 0.2%**. Similarly, the scale of investments in the road-related infrastructure was within the limits of the statistical error.

The most notable ratio of the effectiveness of public aid in the transport sector is the **share of road investments in the length of roads in a given area**, which also includes modernization works. It was around **1-10%** for all powiats, except for the powiat of Biała Podlaska where it reached **33%** (see: map). The least number of investments as regards the length of roads was recorded in the hrubieszowski powiat (1%), kraśnicki, opolski, parczewski, tomaszowski, zamojski and in Chełm (2% each.)

The total length of local roads built (gmina and powiat) is 615 km, and 288.5 km of regional and supraregional ones.

External funds provided support for 9% of roads on the voivodeship level.

Increased quality of 9% of roads brought about a 21% increase in traffic safety (from 61,855 accidents recorded in the voivodeship in 1999, the ratio went down to 51,078.)

Analysing the sources of financing road investments, the impression is that the greatest number of investments was financed from SAPARD, financing from the voivodeship contract was quite even, and in certain powiats, IROP provided funds for the majority of investments (łęczyński and świdnicki powiats.)

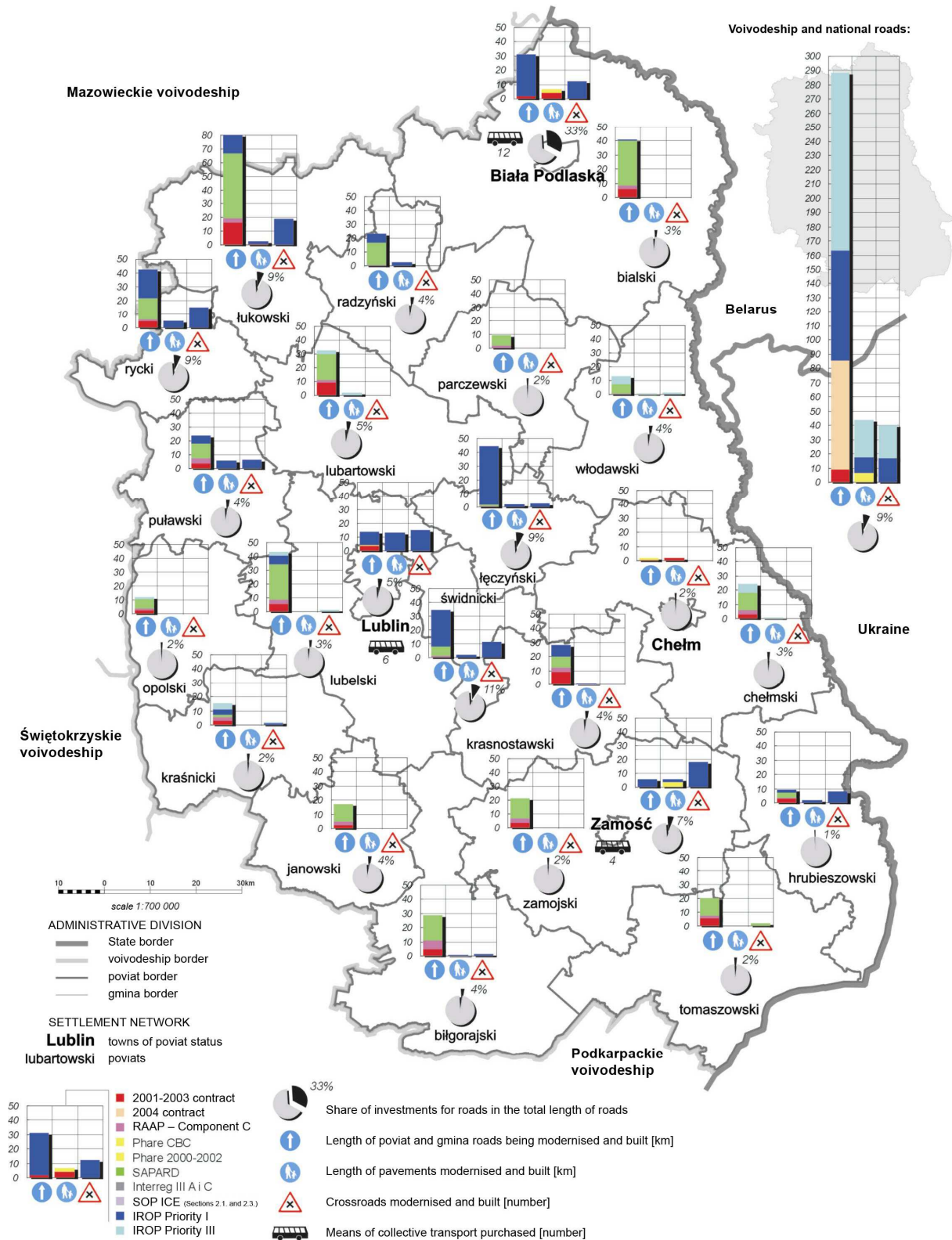
Towns of powiat status implemented a relatively small number of road investments (except for Biała Podlaska), however they modernized the greatest number of crossroads (except for Chełm) with the total number of 45 crossroads.

22 means of local transport were the effect of the financial support provided in the sector of public transport. The influence of these investments can be considered only in the view of increased passenger transport, since both the number of passengers as well as the number of urban populations that have local transport systems have declined from the statistical point of view.

Analysis of the effectiveness of public aid for the Lubelskie voivodeship since 1999

Road and public transport

Priority 3



ENVIRONMENT AND CLEAN ENERGY

The analysis of effects of investments in the environment and energy will be based on five indicators: length of power, gas, sewage, and water pipe networks, and number of sewage-treatment plants. The change of the statistical indicator concerning the length of sewage and water pipe networks between 1999 and 2004 has been marked on the graph below (with a black line). With respect to the significant predominance of investments in construction new sections of networks, it is possible to determine the share of external funding in total capital investment of poviats and communes oriented towards these objectives.

The Voivodeship water pipe and sewage infrastructure is far from the optimal state. This is reflected by the fact that a considerable amount of funds was allocated to water supply and sewage investment between 1999 and 2004 as well as by the fact that **the length of the sewage network constitutes a small part of the length of the water supply network (18.6% in 2004.)**

The length of water-pipelines in the region increased at a considerable pace, from 14,195 km in 1999 to 17,152 km in 2004. There was a similar increase concerning the number of service lines – more important from the point of view of individual consumers (from 257,891 to 307,206).

A large share of public aid funds in funding environmental investments can be noticed in the case of the sewage network, where the share of investments co-financed from external funds fluctuated around 75%.

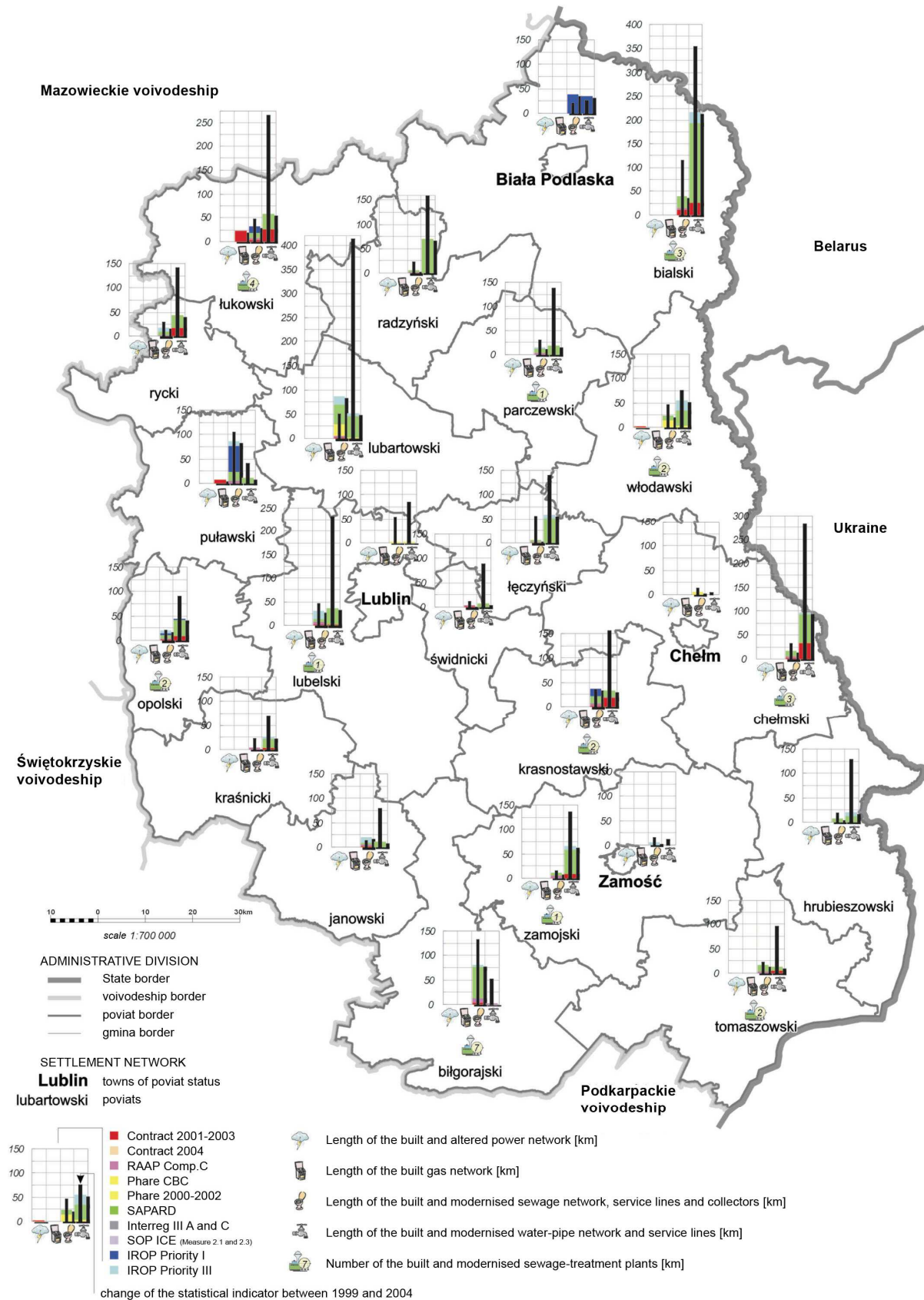
External funds financed the majority of investments in the sewage network in the following poviats: Janowski, Krasnostawski, Opolski, Puławski, Tomaszowski, Zamojski and over a half of such investments in the following poviats: Biłgorajski, Chełmski, of the City of Chełm, Lubelski, Łukowski, Parczewski, Rycki and of the City of Zamość. It can be therefore stated that, in this context, public aid constitutes a substantial source of funding. This situation may be influenced by the fact of a globally low rate of investments in sewage network in comparison to, for example, water supply systems (see the map.)

27 sewage-treatment plants built and modernized between 1999 and 2004 with the support of external funds did not prevent a downward trend of the number of people using the services of sewage-treatment plants. This situation resulted from the decrease in the number of urban dwellers, to the benefit of the rural areas around them. A positive aspect of the situation, related to the above-mentioned investment, is an increase of the rate of treating sewage, which requires treatment, from 96% in 1999 to 98% in 2004.

Analysis of effectiveness of public aid for the Lubelskie voivodeship since 1999

Environment and energy

Priority 4



CULTURE, TOURISM, AND INTERREGIONAL COOPERATION

The position of Lubelskie Voivodeship as a destination of national and international tourism is gradually getting weaker. The number of accommodation places decreased (from 2,682 in 1999 to 2,187 in 2004), as did the number of provided accommodation places (from 15.8 million in 1999 to 14.6 million in 2004).

The effects of investments co-financed from external funds on the analysed area are the following:

- 47 facilities of public cultural and tourist infrastructure,
- 238 parking places,
- 188 accommodation places,
- 3 cultural and tourist information systems, supported by:
 - 4 new web sites concerning the subject matter involved,
 - 2 information points, and
 - 4 local communication lines for tourist needs

They did not manage to reverse the statistical trend.

Investments in the Voivodeship, although there are not many of them, are evenly distributed in the area; this indicates **local development potential in the cultural and tourist sphere**.

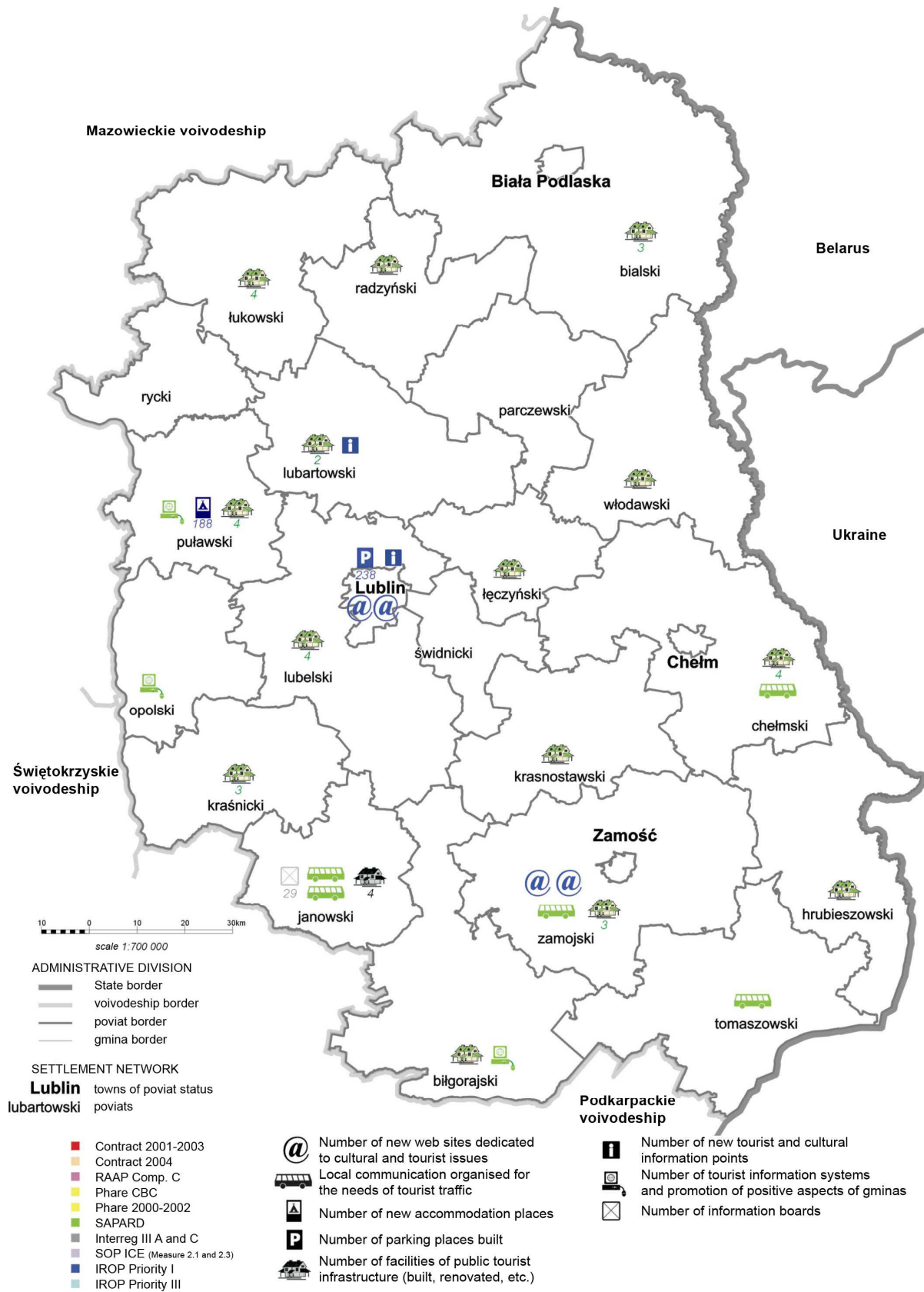
What may be worrying is the lack of activity of the Łęczyńsko-Włodawskie Lake District, in the establishing of not only short-term and local projects, but also and firstly, complex solutions carrying out particularly the strategy of the Polesie Zachodnie region.

What raises hope is the greater pooling of funds for the development of cultural and tourist centres in the future financial perspective.

Analysis of effectiveness of public aid for the Lubelskie voivodeship since 1999

Culture and tourism

Priority 5



SOCIAL INFRASTRUCTURE

The modernization, alteration, and expansion of school facilities have been the dominant types of projects in the scope of educational and sports infrastructure since 1999: about 90% of the total number of projects (370 schools.)

The Voivodeship contracts and **the Rural Areas Activation Programme** were the main sources of financing the tasks (completed projects); IROP was a minor source.

Investments in infrastructure were evenly “distributed” across the territory of the Voivodeship. Contrary to educational infrastructure, the purchase of computer workstations and equipping facilities with a fast data transfer network or with monitoring systems were conducted only in poviats of the cities of Lublin and Chełm.

The results of these activities, similarly to the modernization of roads, are not directly reflected in the synthetic description of the Voivodeship – as a result of modernization of facilities and the purchase of equipment, the quality of education should improve – such an indicator is not included in the public statistics.

Due to the fact that there is a school obligation in Poland, the number of pupils is closely connected with the birth rate – and the rate has been decreasing for a dozen or so years, resulting in the smaller number of pupils: in primary schools from 195,600 in 2000 to 164,400 in 2004; in middle schools from 107,200 pupils to 100,400; in secondary schools from 61,300 to 52,200.

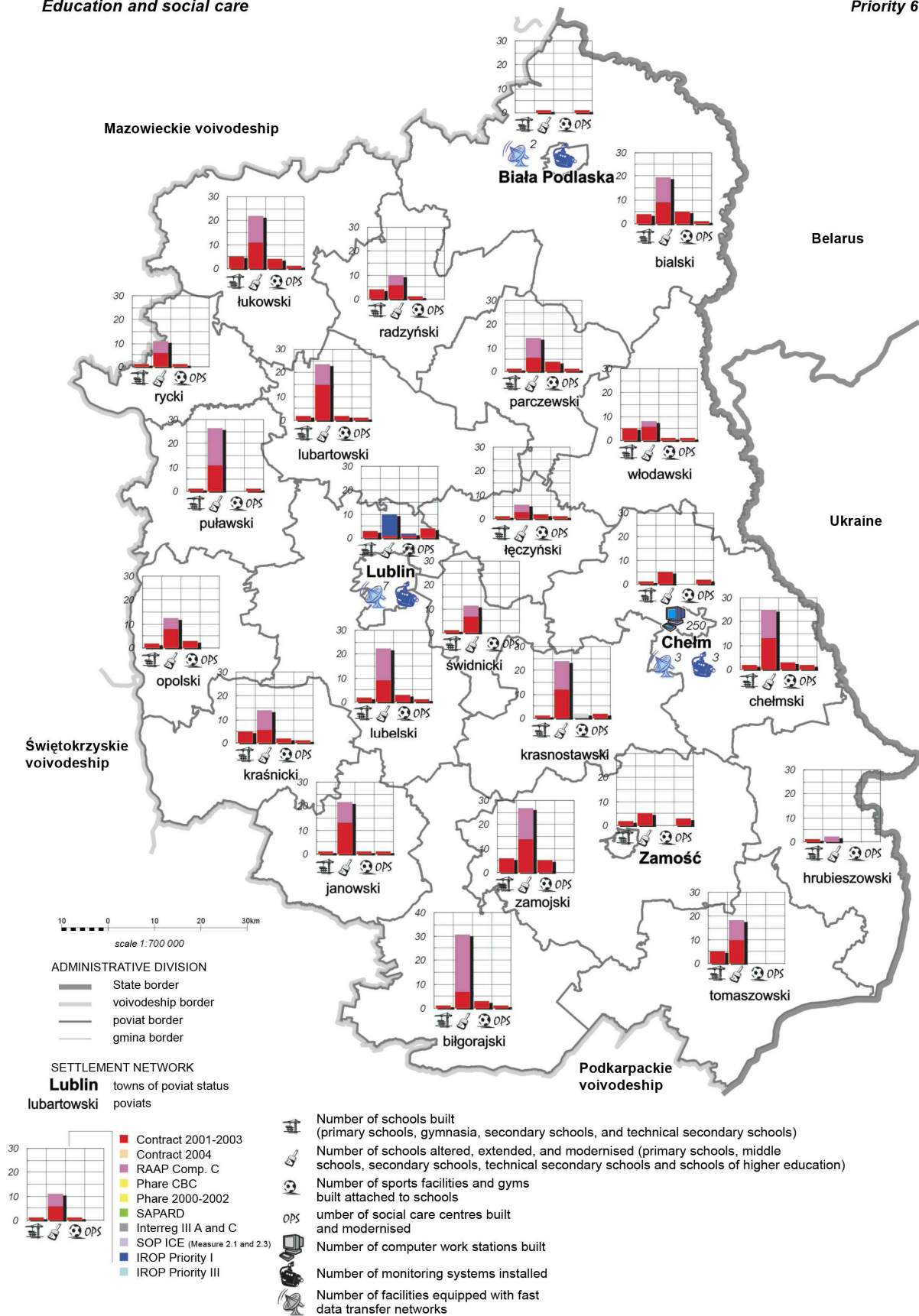
Despite such a demographic trend, 57 school construction projects were completed, most of them in the following poviats: Zamojski (6), Kraśnicki, Łukowski, Tomaszowski, Włodawski (5), Bialski, and Radzyński (4).

Between 1999 and 2006, **44 sports facilities and gyms** attached to schools were built, most of them in the following poviats: Bialski, Łukowski, Parczewski, and Zamojski.

Analysis of effectiveness of public aid for the Lubelskie voivodeship since 1999

Education and social care

Priority 6



Public aid in the health sector was allocated to two general project types: concerning alteration and modernization of facilities of health service infrastructure and the purchase of equipment. As far as the amount of **partially funded equipment** is concerned, the leader was the poviats of the city of Lublin (**422 items**) and the Krasnostawski poviats (**196 items**), whereas when it comes to the number of projects connected with construction, modernization, and alteration of **facilities** – the Lubelski poviats (**8 projects**) and the Parczewski poviats (**4 projects**.)

In the case of projects oriented towards increasing the quality of the health service, the efficiency of public aid can be determined through a connection with the length of Voivodship inhabitants' life, which statistically got longer. The indicator for men increased by 0.9 year: from 69.1 to 70 years between 2000 and 2004, whereas for women, during the same period, by 1 year, from 78.5 to 79.5. It is currently impossible to isolate the net final value of investments in health protection due to the large amount of independent factors. It is assumed that the standard of medical services is one of the indicators of the quality of life.

Apart from modernization of the facilities and purchase of equipment, the standard of medical services has improved as a result of **the purchase of thirty two vehicles for medical transport** (among others, 12 in Lublin, 9 in Zamość, and 8 in the Tomaszowski poviats), the establishment of **three Hospital Emergency Wards** (in poviats: Parczewski, Puławski, and Rycki), as well as the creation of a helicopter pad in Lublin. **Two Emergency Notification Centres** were established in Biała Podlaska, whereas **twelve facilities of health protection** were adapted to meet the needs of the disabled.

1.2. SWOT analysis

To sum up the assessment part, documented largely in the previous point, we may arrive at the following SWOT analysis carried out for three thematic areas, i.e. economy, society, and territory.

	Strengths	Weaknesses	Opportunities	Threats
Economy	<ul style="list-style-type: none"> ▪ Cluster structures emerging in the region (e.g. Aviation Valley, Ecological Food Valley, etc.) ▪ Relatively well-developed and diversified scientific research potential that includes independent institutes and the base of higher education institutions ▪ Growing significance of certain scientific research centres, specialising in the following areas: agriculture, environmental protection, biotechnology, medicine and optoelectronics) ▪ Potential of the region to produce high quality food and energy from renewable sources (biofuels, biomass) ▪ Large potential for the development of various forms of tourism (including farm tourism and spa tourism) ▪ Developing network of economic contacts of the companies from the Lublin region with the partner companies from Eastern Europe (big share of the Eastern market in the voivodeship export) ▪ Relatively high-level of inclination of companies to implement innovations ▪ High effectiveness of the region in applying for EU funds (pre-accession and structural) 	<ul style="list-style-type: none"> ▪ Low-level of economic development that translates to a low-level of income in society and territorial government ▪ Unfavourable economy structure (domination of ineffective agriculture and non-market services, weakness of the production sector, poor development of modern branches of industry and services) ▪ Low investment capital in economy combined with the high-level of wear and tear of tangible assets and lack of development opportunities based on DFI ▪ Poorly developed SME sector (low-level of entrepreneurship saturation, unfavourable structure of companies as regards the size, low capability to compete and finance own development) ▪ Low outlays and unfavourable structure of financing of the R&D work (financing mostly basic research, small share of enterprises in R&D financing) ▪ Low-level of saturation of R&D units with the scientific research apparatus and high-level of its wear and tear ▪ Poorly developed innovation market (offer of the R&D sector not adapted to the needs of enterprises, lack of developed infrastructure for the transfer and commercialisation of knowledge and research) ▪ Poor development of the business environment institutions and economic self-government (in particular on the local level) ▪ Poorly developed system of supporting companies from non-bank financing sources. 	<ul style="list-style-type: none"> ▪ Participation of the region in global development processes of the European Union (benefits of trade liberalisation, creating the European Research and Innovation Area) ▪ Quick development of regions on the other side of the border and initiating comprehensive co-operation with the border regions of Belarus and Ukraine (use of the location-related pensions) ▪ Effective and pro-development use of the EU structural funds (for economy modernization and increasing the development potential of the region) ▪ Region specialisation in production and service niches (production of high quality food, ecoenergy, development of traditional and regional products, tourism services as well as nursing and medical services) ▪ Development of the co-operation network within the co-operation structures being developed (production and service clusters, industrial parks) ▪ Growth in the innovation potential of regional economy thanks to strengthening the scientific research base and creation of the regional innovation system) ▪ Use of funds within the Common Agricultural Policy for structural changes in agriculture and multifunctional development of rural areas 	<ul style="list-style-type: none"> ▪ Continuation of the unfavourable situation in Belarus, lack of new development stimuli from border areas of Ukraine) ▪ Low pace of modernization of regional economy (failure to use restructuring opportunities within EU community policies) ▪ Low-level of absorption of structural funds and ineffective allocation of subsidies ▪ Constant low-level of capital investment in regional economy combined with low-level of inflow of direct investments to regional economy ▪ Insufficient progress in reforming public finance and increasing income of self-government units ▪ Gradual declining function of the scientific centre in the region and its further marginalisation on the national and international level ▪ Increasing difficulties of enterprises in competing on the Single European Market (growing technological and capital gap, problems meeting EU norms as regards environmental protection)

Society	<ul style="list-style-type: none"> ▪ Relatively young society ▪ Increasing level of general education (constituting the basis for the creation of a modern economy) ▪ Favourable scholarisation ratios at the medium level and higher ▪ Increased employment ratios combined with declining unemployment ▪ Increasing number of new jobs ▪ Increasing access of the society to the services related to the development of the information society ▪ Diversified and wide range of cultural services and numerous cultural institutions and culture promoters 	<ul style="list-style-type: none"> ▪ Unfavourable demographic trends (negative birth rate, high-level of migrations, ageing of the society) ▪ Difficult living conditions and poor quality of life of the population in the region (increasing scale of poverty and social exclusion) ▪ Low-level of education in rural areas ▪ Unsatisfactory quality of teaching (qualifications and skills of the graduates not adapted to the requirements of the labour market) ▪ Low employment ratio and high ratio of registered and hidden unemployment in rural areas (structural nature of unemployment) ▪ Insufficient development of education base and services related to sport and recreation ▪ Unsatisfactory level of social services (health services included) resulting from insufficient investments ▪ Poor access to cultural services and achievements ▪ Low investments in cultural activity combined with insufficient investments in the material base for the purposes of popularisation and promotion of culture ▪ Low-level of social capital in the region. 	<ul style="list-style-type: none"> ▪ Limiting migration outflow of young people by increased number of high quality jobs (in particular in the service sector) ▪ Development of new forms of employment (related to the information society, social economy, outsourcing, etc.) ▪ Adaptation of professional training to new challenges and requirements of the labour market (e.g. by various forms of lifelong learning) ▪ Use of the academic circles to improve social capital in the region ▪ Increased participation of young people in public life (creating innovation and pro-social attitudes) ▪ Improved quality in providing nursing and health services by their partial commercialisation 	<ul style="list-style-type: none"> ▪ Outflow of the population with high qualifications and motivation to work ▪ Growing pressure on social insurance systems due to a significant increase of the population of the post-working age ▪ Faster outdated of the existing knowledge and few chances to refresh it ▪ Growing social exclusion (due to unequal opportunities as regards education and labour market) ▪ Declining role of the Lublin academic centre (due to lack of adaptation of the educational offer to the needs of economy and population)

Territory	<ul style="list-style-type: none"> ▪ Region location on the international transport routes composing the Pan European Transport Corridors ▪ Polycentric settlement structure ▪ Rich and diversified cultural environment that makes the region unique ▪ Lublin potential for future metropolitan functions ▪ Increasing outlays for environmental protection (resulting e.g. from growing awareness of the necessity to protect the environment) ▪ Relatively well-developed network of roads (in particular poviats and commune roads). 	<ul style="list-style-type: none"> ▪ Low accessibility of the region from the outside and bad traffic conditions in the region (very poor quality of the majority of roads) and low-level of traffic safety ▪ No airport of the regional and international importance ▪ Low attractiveness of the region for investment purposes ▪ High-level of intraregional differences, in particular between urban and rural areas ▪ Low urbanisation ratio (poor economic condition of numerous towns) ▪ Economic mono-functionality of the countryside and lack of access to non-agricultural jobs for rural population ▪ Poor equipment of the areas attractive for tourism purposes with tourism infrastructure ▪ Lack of comprehensive broadband data communication infrastructure ▪ Poor resources of surface waters and high-level of their pollution ▪ Poorly developed sewage treatment infrastructure (in particular in rural areas), poorly developed waste management system ▪ Poor condition of anti-flood infrastructure ▪ Poor technical condition of local energy networks and equipment 	<ul style="list-style-type: none"> ▪ Improved transport accessibility of the voivodeship on the national and international level ▪ Use of the structural funds for the implementation of key investments that improve regional cohesion and attractiveness (transport and environmental infrastructure, border crossings, logistic centres, etc.) ▪ Strengthening of the Lublin agglomeration and the development of Lublin metropolitan functions as a centre for diffusion of development processes in the region ▪ Comprehensive provision of public broadband infrastructure to the region (triggering demand for certain e-services) 	<ul style="list-style-type: none"> ▪ Progressing peripherization of the region due to e.g. lack of the state policy as regard equal opportunities for the worst developed regions ▪ Constant low-level of attractiveness of the region for investment purposes ▪ Declining role of Lublin and the Lublin agglomeration (impossibility to create metropolitan functions) ▪ Increased threats of the environment (including these of trans-border nature) ▪ Progressing poverty, in particular in rural areas, combined with the processes of depopulation plus economic and cultural degradation of rural areas ▪ Marginalization of rail transport and progressing degradation of rail infrastructure ▪ Difficulties meeting EU norms and standards related to environmental protection and production of energy from renewable sources
-----------	--	---	---	--

Strengths and weaknesses result from the descriptions provided in the assessment part and have been presented in the order they appear.

The economic base of Lubelskie Voivodeship is not adequately developed due to various historical reasons. This results in relatively low economic activity, and concurrently natural and human potential is not fully used. That is why the basic task of the Regional Operational Programme will be to remove barriers (weaknesses) and create opportunities to develop strengths.

The development of enterprises is hindered due to the deficient entrepreneurship support system, and insufficiently developed system of innovation and technology transfer. Overcoming of those weaknesses will be a preparation for the implementation of subsequent activities using the strengths of the Region, such as large R&D potential, the establishment of cluster structures, the development of the sectors with large development potential, using the natural resources of Lubelskie Voivodeship .

The primary barrier is transport barrier. Additionally, deficiencies in the basic environment protection infrastructure, IT society, and investment zones result in low attractiveness for investors. Weak economic development and deficiencies in social, tourist and cultural infrastructure result in the outflow of inhabitants and obviously are not an incentive to come to the Lublin Region. Limitation of those barriers should stimulate the economic development of the Voivodeship.

Major problems	Detailed objective/priority axis
Poorly developed SME sector (low saturation with entrepreneurship, low competitiveness of enterprises, poorly functioning entrepreneurship support system)	<u>Detailed objective 1.</u> Increase of the Region's competitiveness through support for the development of modern economy sectors, and through the stimulation of innovativeness Priority axis I. Entrepreneurship and innovations Priority axis II. Economic infrastructure
Poorly developed innovation market (poorly equipped R&D units, no links established with economy)	<u>Detailed objective 1.</u> Increase of the Region's competitiveness through support for the development of modern economy sectors, and through the stimulation of innovativeness Priority axis I. Entrepreneurship and innovations Priority axis II. Economic infrastructure
Poorly developed access to ICT	<u>Detailed objective 1.</u> Increase of the Region's competitiveness through support for the development of modern economy sectors, and through the stimulation of innovativeness Priority axis IV. Information society
Poor communication accessibility	<u>Detailed objective 2.</u> Improvement of investment conditions in the voivodeship with respect to the sustainable development principle Priority axis V. Transport
Weak economic condition of many cities and towns (especially small and medium-sized towns)	<u>Detailed objective 2.</u> Improvement of investment conditions in the voivodeship with respect to the sustainable development principle Priority axis III. Information society Priority axis VI. Environment and clean energy
Poorly developed waste treatment management and waste processing management	<u>Detailed objective 2.</u> Improvement of investment conditions in the voivodeship with respect to the sustainable development principle Priority axis VI. Environment and clean energy
Unsatisfactory level of social services (including educational and health services)	<u>Detailed objective 3.</u> Increase of the attractiveness of the Lublin region as a place to live and stay Priority axis VII. Culture, tourism and interregional co-operation Priority axis VIII. Social infrastructure
Not fully used potential of nature and culture	<u>Detailed objective 1.</u> Increase of the Region's competitiveness through support for the development of modern economy sectors, and through the stimulation of innovativeness Priority axis I. Entrepreneurship and innovations <u>Detailed objective 3.</u> Increase of the attractiveness of the Lublin region as a place to live and stay Priority axis VII. Culture, tourism and interregional co-operation

Chapter 2.

Strategy of implementing Regional Operational Programme of Lubelskie Voivodeship for 2007-2013

The strategy of implementing Regional Operational Programme of Lubelskie Voivodeship for 2007-2013 was drafted on the grounds of ex-ante estimation of the Programme and on the results of the social consultations, carried out on partnership basis.

2.1. Main objective of ROP LV

The main objective of Regional Operational Programme of Lubelskie Voivodeship is:

Increasing the competitiveness of the region leading to faster economic growth, and an increase in employment taking natural and cultural qualities of the region into consideration

The objective stems from the socio-economic analysis of the situation in Lubelskie Voivodeship. It relates to strengths, weaknesses, opportunities and threats in the region. The objective is coherent with the superior objective of *the Development Strategy of Lubelskie Voivodeship for the years 2006-2020*: "Attaining durable and sustainable socio-economic development of Lubelskie region through optimal utilization of its developmental potential" and has been adjusted to a shorter period of ROP implementation. The objective is aimed at breaking the existing barriers in development and forms the foundations for the restructuring of the economy on the basis of the sustainable development policy. Regional Operational Programme is a tool to implement the objectives outlined in *the Development Strategy of Lubelskie Voivodeship* that can be supported by the European Regional Development Fund.

What is more, implementing the main objective of ROP LV will contribute to attaining the goals of new Lisbon Strategy included in National Reform Programme for 2005-2008 to implement the Lisbon Strategy. It also shares the objectives of Coherence Policy, that were included in *Cohesion Policy in support of Growth and Jobs - Community Strategic Guidelines 2007-2013* and in *National Strategic Reference Framework for 2007-2013* (NSRF), in the aspects of creating favourable conditions for the competitiveness and knowledge-based economy, which ensure the increase of employment. The main objective is also in conformity with the *National Development Strategy 2007-2015* in the spheres of competitiveness, innovative economy, basic technical infrastructure, employment, society integration, public safety and regional development.

The basic assumption of ROP LV is enhancing competitiveness of the biggest socio-economic potential. The enterprises implemented within ROP LV operations are to create favourable conditions for the most prosperous areas, as well as stimulate the economic growth of the least developed ones.

Attaining the main objective will contribute to the increase of the region's attractiveness and its position in Poland and beyond its borders as well as to approximating its GDP to the

European average. Implementing the Programme will contribute to increasing the value of other basic economic indicators in the Voivodeship, mainly through the aid directed to the most prosperous sectors and through stimulating the area which are most attractive for investors.

Due to the character of the Voivodeship, it is essential that competitiveness of economy go hand in hand with the increase of life quality, and the condition of the environment. That is why, pursuing economic growth must respect the Strategy of Sustainable Development. It is necessary to increase the attractiveness of less developed areas, mainly by helping the regions which are threatened with alienation and the rural regions (in 6th horizontal objective of the National Strategic Reference Framework: Levelling developmental opportunities and supporting structural changes in the rural areas).

Indicators of attaining the main objective of ROP LV

Type of indicator ²⁷	Unit	Base year value	Target year value (2013)	Frequency of evaluation	Data source
Impact indicator					
1. GDP increase triggered by ROP intervention	%	0	2,2	Once a year	Hermin
2. Number of created job vacancies (net)	person	0	6500	Once a year	Hermin
Number of created job vacancies - men - women	person	0	7380 3780 3600	Once a year	MA

MA – Managing Authority

According to the single source financing rule, ROP will be financed from European Regional Development Fund. Simultaneously, ROP will be complementary to other operational Programmes in Poland: OP Innovative Economy, OP Human Capital, OP Infrastructure and Environment, OP Development of Eastern Poland, Programmes of European Territorial Cooperation Objective and SOP Rural Development – in implementing 6th horizontal objective of NSRF: Levelling developmental opportunities and supporting structural changes in the rural areas.

Considering direction and the speed of changes in Poland and in Lubelskie Voivodeship and the economic development estimations for the region, Poland and the whole world, as well as the total influence of EU funds on the region and Poland, positive changes in socio-political situation should be noted. Therefore, reaching the level of 50% of average EU of GDP is intended.

²⁷ Number of created job vacancies (net) – means a number of people who obtained jobs due to implementing ROP – the difference between predictions with ROP and without ROP. HERMIN model estimations show the situation at the end of 2013. The impact of ROP on GDP – means a change in GDP calculated for constant market prices (in %). the difference between predictions with ROP and without ROP. HERMIN model estimations show cumulated influence in ROP in 2013. The estimations base on the payments schedule for ROP, which indicated the largest payments in 2013 and a significant decrease in 2014-2015.

2.2 Specific objectives of ROP LV

The main objective will be implemented through the following specific objectives:

- Increasing competitiveness of the region through supporting modern economy and stimulating innovations;
- Improving investment conditions in the Voivodeship, with respect for sustainable development rule;
- Increasing attractiveness of Lubelskie Voivodeship as a dwelling, working and leisure site.

Specific objective 1

Increasing competitiveness of the region through supporting modern economy and stimulating innovations.

Table 13a. Implementing Specific Objective 1 with objectives and priorities of National Development Strategy (NDS), National Strategic Reference Framework (NSRF), Community Strategic Guidelines (CSG), Lisbon Strategy (SL), and National Reform Programme (NRP).

ROP	NDS	NSRF	CSG	LS	NRP
Increasing competitiveness of the region through supporting modern economy and stimulating innovations	Increasing competitiveness and economy innovations	Increasing competitiveness and innovations in companies, especially in high value addend production companies and in services	Development of knowledge and innovations for the economic growth	Knowledge and innovations for development	Entrepreneurial development
	Increasing employment rates and its quality		Larger number of better job vacancies		Increase of companies' innovativeness
	Rural areas development	Levelling developmental opportunities and supporting structural changes in the rural areas.			

The first specific objective of ROP refers to 2 out of 4 indirect targets (priority axes) of the Development Strategy of Lubelskie Voivodeship: “Improving competitiveness of regional economy and the ability to create new job vacancies” and “Development of modern society and human resources for the knowledge-based economy”.

One of the main weaknesses of the Voivodeship is its unfavourable economic structure. The analyses show that Lubelskie is characterised by much smaller employment figures in very inefficient agriculture, in comparison with European average. It is reflected in small employment in companies and consequently in low levels of Production Dynamics Indicator (PDI) and GDP in the region. The improvement of quantitative and qualitative structure of small and medium companies sector was noted as a panacea to obtain economic growth. Utilizing the scientific and R&D sector is also to be valued.

In the situation of fierce competition, companies must offer products and services that fulfil consumers' expectations or that are even a step ahead of them. The competitiveness of regional companies depends mostly on their ability to absorb and create innovative solutions. It is relying on competitive companies which search for new solutions that guarantees the economic growth, development and new job opportunities for the region.

Implementing the specific objective of ROP: "Increasing competitiveness of the region through supporting modern economy and stimulating innovations" will ensure the increase of PDI and GDP in the region. It will positively influence the quantitative and qualitative structure of small and medium companies sector and will contribute to better utilization of the scientific and R&D potential, what will generate the growth of companies' innovativeness. The increase in competitiveness of the economy in the region will indirectly influence the development and use of modern information technology and international relations. Attaining the objective will be done by direct and indirect support of companies, business environment and R&D sector.

The objective is compatible with the CSG guideline: "Development of knowledge and innovations for the economic growth" and NSRF horizontal objectives: "Increasing competitiveness and innovations in companies, especially in high value added production companies and in services" and "Levelling developmental opportunities and supporting structural changes in the rural areas".

Indicators of attaining specific objective 1

Type of indicator	Unit	Base year value	Target year value (2013)	Frequency of evaluation	Data source
Product indicators					
number of companies that were directly supported: - micro - small - medium - large	item	0	2302, including: 1400 600 300 2	once a year	MA
Result indicators					
Number of created job vacancies (net)	person	0	7100	once a year	MA
number of companies that introduced innovations as a result of the support	item	0	600	once a year	MA
Number of common initiatives of companies and R&D institutions	item	0	200	once a year	MA /IB

MA – Managing Authority

IB – Intermediary Body

Specific objective 2

Improving investment conditions in Lubelskie Voivodeship, with respect for sustainable development rule

Table 13b. Implementing Specific Objective 1 with objectives and priorities of National Development Strategy (NDS), National Strategic Reference Framework (NSRF), Community Strategic Guidelines (CSG), Lisbon Strategy (SL), and National Reform Programme (NRP).

ROP	NDS	NSRF	CSG	LS	NRP
Improving investment conditions in Lubelskie Voivodeship, with respect for sustainable development rule	Regional development and improving territorial coherence	Increasing competitiveness of Polish regions and preventing their social, economic and territorial marginalization	Making Europe a better and more attractive place for investing and working	Europe as a better place for investments	Development and modernizing the infrastructure and creating competitiveness in networking sector
	Improving technical and social infrastructure	Construction and modernizing social and technical infrastructure, that has a primary role in increasing competitiveness of Poland and its regions	Larger number of better job vacancies		
	Rural areas development	Levelling developmental opportunities and supporting structural changes in the rural areas			

The second specific objective of ROP refers to the indirect targets of the Development Strategy of Lubelskie Voivodeship: “Improving attractiveness and coherence of Lubelskie Voivodeship” and “Developing interregional cooperation and improving the effectiveness of regional development policy implementation”.

The diagnosis shows that because of peripheral location and poor infrastructure (roads’ quality, few well-organized investment sites), Lubelskie region is not viewed as a prospective place for investments. Lack of an airport is another hindering factor. Other most important barriers are: low accessibility of the region and high operational costs for companies, caused by high communication costs. Bad quality of communication links results in low mobility of the society and unwillingness to work far from home. The diagnosis shows significant backwardness in environment protection infrastructure and large disproportions between rural and urban areas in this respect.

Implementing the specific objective 2 will contribute to the increase of Lubelskie Voivodeship attractiveness and will improve the technical infrastructure of the region, what will encourage foreign and national investors, create new job vacancies and stop young and educated

people emigrating. Decreasing depopulation in some areas through providing necessary infrastructure will reduce the environment exploitation and the number of social problems and disturbances.

Indicators of attaining specific objective 2

Type of indicator	Unit	Base year value	Target year value (2013)	Frequency of evaluation	Data source
Products indicators					
Acreage of investment areas	ha	0	70	once a year	MA
Result indicators					
Number of created job vacancies	item	0	110	once a year	MA
Effect indicators					
Increase in a number of companies with foreign capital	%	0	10	once a year	MA

Specific objective 3

Increasing the attractiveness of Lubelskie Voivodeship as a dwelling, working and leisure site

Table 13c. Implementing Specific Objective 1 with objectives and priorities of National Development Strategy (NDS), National Strategic Reference Framework (NSRF), Community Strategic Guidelines (CSG), Lisbon Strategy (SL), and National Reform Programme (NRP).

ROP	NDS	NSRF	CSG	LS	NRP
Increasing the attractiveness of Lubelskie Voivodeship as a dwelling, working and leisure site	Regional development and improving territorial coherence	Improving the functioning of public institutions and construction partnership mechanisms	Bigger number of jobs Territorial aspect of regional policy	Larger number of better job vacancies	Development and modernizing the infrastructure and creating competitiveness in networking sector
	Improving technical and social infrastructure	Improvement of human capital quality and increasing social coherence			
	Rural areas development	Levelling developmental opportunities and supporting structural changes in the rural areas			

Social issues related to increasing the attractiveness of Lubelskie Voivodeship as a dwelling, working, leisure, healthcare and education site are incorporated into the Development Strategy of Lubelskie Voivodeship in three indirect objectives: "Adjusting modern society and human resources to the needs of knowledge-based economy", "Improvement of attractiveness and regional cohesion

of Lubelskie Voivodeship” and “Developing interregional cooperation and improving the effectiveness of regional development policy implementation”.

Lubelskie Voivodeship is still characterised by constant depopulation. The main factors that contribute to that are economic situation and living conditions in the region. Significant intraregional diversity of the region in technical infrastructure (social, cultural and educational) and services accessibility cause the depopulation of some areas. Poor education and health of the people from such areas result from the negligence of the infrastructure in these spheres.

Competitive economy requires educated and active society, able to function on the basis of the knowledge and possessing large social capital. Due to unfavourable demographic trends, poor health of labour force is becoming more and more significant for the profitability of the economy. Therefore, it is important to make efforts to improve some spheres of social infrastructure.

The objective will be aimed at improving living conditions in the sphere of some social infrastructure accessibility, i.e. all level education facilities, health- and social-care facilities, and culture and tourism facilities (the forms which do not contribute directly to value added). The objective also refers to activating local communities through bettering living conditions and creating new services and jobs. Implementing the objective will contribute to increasing the attractiveness of the region as a dwelling and working site and as an attractive tourist destination.

Indicators of attaining specific objective 3

Type of indicator	Unit	Base year value	Target year value (2013)	Frequency of evaluation	Data source
Result indicators					
number of people who use the education infrastructure from the Programme - primary level - secondary level - higher education - in the areas: • urban • rural	thousands people	0	60 50 65 55 120	once a year	MA – surveying the beneficiaries
Potential number of medical examinations done with the equipment from the Programme	items	0	500 000	once a year	MA – surveying the beneficiaries
number of tourists	thousands people	0	900	once a year	MA – surveying the beneficiaries
Effect indicators					
Migration rate		0	-1,7	once a year	GUS

GUS – Central Statistical Office

Table 14. Relation between ROP specific objectives and indirect objectives of the Development Strategy of Lubelskie Voivodeship (SDLV)

SDLV indirect objectives		Improving competitiveness of regional economy and the ability to create new job vacancies	Adjusting modern society and human resources to the needs of knowledge-based economy	Improvement of attractiveness and regional cohesion of Lubelskie Voivodeship	Developing interregional cooperation and improving the effectiveness of regional development policy implementation
ROP specific objectives					
OBJECTIVE 1	Increasing competitiveness of the region through supporting modern economy and stimulating innovations				
OBJECTIVE 2	Improving investment conditions in Voivodeship, with respect for sustainable development rule				
OBJECTIVE 2	Increasing attractiveness of Lubelskie Voivodeship as a dwelling, working and leisure site				

2.3. Strategy of implementing the objectives

The main objective of the Programme will be implemented through 8 priority axes:

Table 15. The relation of ROP specific objectives to ROP priority axes

ROP specific objectives	Aims of priority axes									
	PA 1 Entrepreneurship and innovations Increase of the competitiveness of companies in the region	PA 2 Economic infrastructure Creating favourable conditions for business in the region	PA 3 Urban areas attractiveness and investment sites Increasing region's attractiveness through supporting the reviving of investment sites	PA 5 Information society Increasing region's attractiveness through the development of regional and local IT infrastructure and services	PA 6 Transport Improving internal and external transport accessibility	PA 7 Environment and clean energy Improving the conditions of biodiversity, preventing the environment degradation and promoting "clean energy".	PA 7 Culture, tourism and interregional cooperation Expanding the role of culture and tourism in the economy of Lubelskie Voivodeship and strengthening bonds with other regions	PA 8 Social infrastructure Improving education, health- and social-care accessibility	PA 9 Technical assistance ensuring effective and lawful implementation of ROP through supporting managing authority and Intermediary body	
Obj. 1										
Obj. 2										
Obj. 3										

The aim of constructing priority axes was to make them implement ROP main objective through its specific objectives. That is why, attaining specific objective 1: “Increasing competitiveness of the region through supporting modern economy and stimulating innovations” will be done by implementing:

- Priority Axis 1: Entrepreneurship and innovations, which will contribute to increasing competitiveness of companies in the region
- Priority Axis 2: Economic infrastructure, which will contribute to creating favourable conditions for business
- Priority Axis 4: Information Society, which will stimulate competitiveness through creating local and regional infrastructure and services

Complementing actions are planned in the following priority axes that will constitute the second specific objective:

- Priority Axis 3: Urban areas attractiveness and investment sites, which will increase the attractiveness of restructuring areas and investment sites
- Priority Axis 5: Transport, which will contribute to the improvement of communication accessibility of Lubelskie Voivodeship
- Priority Axis 6: Environment and Clean Energy, which will preserve biodiversity, prevent nature degradation and promote “clean energy”

The third specific objective “Increasing attractiveness of Lubelskie Voivodeship as a dwelling, working and leisure site” will be implemented through the following priority axes:

- Priority Axis 7: Culture, tourism and interregional cooperation, which will increase the contribution of culture and tourism in Lubelskie economy, and strengthen the international bonds.
- Priority Axis 8: Social infrastructure, which will contribute to the improvement of education level and the accessibility of education, health- and social-care.

Implementing ROP specific targets will be possible through implementing Priority Axis 9: Technical Assistance, which will ensure lawful and effective implementation of ROP through assisting managing and implementing institutions.

The construction of priority axes accounts for the development directions established in Development Strategy of Lubelskie Voivodeship for 2006-2020. Moreover, they stem from the priorities defined in article 4 of REGULATION (EC) No 1080/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999. ROP is also conformable with National Development Strategy, National Strategic Reference Framework, Strategic Community Guidance, Lisbon Strategy and National Reform Programme.

The priority axes proposed in the Regional Operational Programme stem from the needs’ analysis, institutional and financial possibilities of the region, preliminary assessment of the effectiveness of public aid (from UE and Polish budget) in 1999 – 2006. The social consultations and ex-ante estimations.

Implementing the main objective of ROP will ensure the continuation of the Voivodeship development strategy from consequent Voivodeship Contracts. It will also enable the concentration of resources for development and enhancing the socio-economic effects of the development,

initiated by Programmes implemented in the years 1999-2006. The most significant issue in the present period is the development of the fields of innovation and construction economic foundations of the region.

2.3.1 ROP coherence with the aims and priorities of National Reform Programme for 2005-2008 to implement the re-launched Lisbon Strategy

The objectives of Regional Operational Programme for Lubelskie Voivodeship for 2007-2013 are in conformity with the aims and priorities of National Reform Programme (NRP) for 2005-2008 to implement the re-launched Lisbon Strategy. The main aim of NRP is to "Maintain a high level of economic growth favouring the creation of new jobs while respecting the principles of sustainable development". The main assumption of the main objective of both ROP and NRP was to stimulate economic growth and create new job opportunities. The principle of sustainable development also finds its place in ROP, what is reflected in the second specific objective: "Improving investment conditions in the Voivodeship, with respect for sustainable development rule".

The conformity of ROP with NRP is not only on the level of main objectives but also on specific objectives and priorities levels. NRP Priority 2 "The development of entrepreneurship" and Priority 3 "Increased innovativeness of enterprises" will be implemented through attaining the first ROP specific objective in the measures planned for Priority Axis 1: "Entrepreneurship and innovations", Priority Axis 2: "Economic infrastructure" and Priority Axis 4: "Information society". The priority axes that implement ROP second objective: Priority Axis 3: "Urban areas attractiveness and investment sites", Priority Axis 4: "Information Society", Priority Axis 5: "Transport", Priority axis VI: "Environment and environment-friendly energy", Priority axis VII: "Culture, tourism and inter-regional cooperation" and Priority axis VIII: "Social infrastructure" are complementary with NRP Priority 4: "The development and modernization of infrastructure and the securing of conditions for competition in the network sectors". Because the increase of employment is an element of the main objective, its implementation will be completed in a horizontal manner through all the priority axes and will be coherent with NRP Priority 5: "The creation and maintenance of new job opportunities and a reduction in the level of unemployment".

2.3.2 ROP coherence with aims and priorities of National Strategic Reference Framework for 2007-2013 in support of growth and jobs (National Cohesion Strategy)

Because Regional Operational Programme of Lubelskie Voivodeship for 2007-2013 is one of the tools to implement National Strategic Reference Framework for 2007-2013 in support of growth and jobs (National Cohesion Strategy), it is essential that the objectives of the two documents are coherent. The main ROP objective is in conformity with NSRF strategic objective: creation of the conditions for the growth of competitiveness of knowledge-based economy and entrepreneurship, which are to assure an increase in the employment and in the level of social, economic and territorial cohesion". The main ROP objective refers to NSRF objective in the aspect of economic competitiveness and creating job opportunities. The implementation of ROP will contribute to the

development of knowledge-based economy. Support for the entrepreneurship will also be an important element of ROP.

ROP specific objectives in conformity with NSRF specific objectives. Implementing the first ROP specific objective will contribute to attaining objective 4 of NSRF: “Improving the competitiveness and innovativeness of enterprises, including in particular the manufacturing sector with high added value and development of the services sector”. Implementing the second ROP specific objective will contribute to attaining NSRF specific objective 3: “Establishment and modernisation of technical and social infrastructure crucial for better competitiveness of Poland” and NSRF specific objective 5: “Increase of the competitiveness of Polish regions and preventing their social, economic and territorial marginalization”. Implementing the third ROP specific objective will directly influence attaining NSRF specific objective 1: “Improving the functioning standard of public institutions and the development of partnership mechanisms” and specific objective 2: “Improving the human capital quality and enhancing social cohesion”. Finally, all the specific objectives will contribute to attaining NSRF objective 6: “Balancing growth opportunities and supporting structural changes on rural areas”.

2.4 ROP LV coherence with other Programmes co-financed from the Cohesion Fund and with other Programmes co-financed from the European Agricultural Fund for Rural Development and European Fisheries Fund

In order to ensure maximum efficiency of absorption of the EU cohesion policy funds, common agricultural policy and fisheries policy, profound support will be provided for all the tools for these policies. Necessary coordination mechanisms and rules preventing double financing shall be defined.

2.4.1 ROP LV coherence with European Agricultural Fund for Rural Development

Because the support of agricultural sector is beyond the cohesion policy field of intervention in 2007-2013 financial perspective, complementarities of measures Programmed in ROP and OP Rural Development, co-financed by European Agricultural Fund for Rural Development are ensured. That is why, the construction of ROP priority axes is complementary to Rural Development Operational Programme but is not copied from it.

However, it should be noted that the issue of rural areas development is one of the horizontal aspect of ROP. Therefore, it is not oriented around one specific priority axis devoted to rural areas development. Because of rural character of the Voivodeship, most investments will be done in rural areas.

The guideline concerning cohesion policy states that it must play a significant role in rural areas development, and cohesion policy instruments will be utilized to stimulate non-agricultural potential of rural areas and to support non-agricultural functions of rural areas. These actions are supposed to play auxiliary role in supporting European Agricultural Fund of Rural Development.

The following priority axes of Regional Operational Programme of Lubelskie Voivodeship are complementary with Rural Development Operational Programme (RDOP):

- ROP LV Priority Axis 1: „Entrepreneurship and innovation” is complementary with RDOP Axis 3: „Life quality and rural economy diversity”;
- ROP LV Priority Axis 2: „Economic infrastructure” is complementary with: RDOP Axis 3: „Life quality and rural economy diversity”;
- ROP LV Priority Axis 3: „Urban areas attractiveness and investment sites” is complementary with: RDOP Axis 3: „Life quality and rural economy diversity”;
- ROP LV Priority Axis 5: Transport” is complementary with: RDOP Axis 1: „Improving competitiveness of agriculture and forestry sectors” and RDOP Axis 3: „Life quality and rural economy diversity”;
- ROP LV Priority Axis 6: „Environment and clean energy” is complementary with: RDOP Axis 3: „Life quality and rural economy diversity”;
- ROP LV Priority Axis 7: „Culture, tourism and interregional cooperation” is complementary with: RDOP Axis 3: „Life quality and rural economy diversity”;
- ROP LV Priority Axis 8: „Social infrastructure” is complementary with: RDOP Axis 3: „Life quality and rural economy diversity”.

The above presentation shows that RDOP Axis 3: „Life quality and rural economy diversity” is the most coherent with the measures of ROP LV. Withing the ROP LV a number of enterprises which will directly be related to the implementation of RDOP Axis 3. The measures will aim at creating a possibility for people living in rural areas to find non-agricultural jobs. Attaining this goal will be possible through improving the investment attractiveness of rural areas and encouraging outside investors as well as connecting the biggest urban areas with rural areas. Support for micro-companies, tourism, services for economy and rural areas population and development will influence the process of rural economy diversification. The factors that contribute to the life quality in rural areas are: broadband internet connections, local tachtical infrastructure (including roads and sewage system).

Implementing the priority axes will result in increasing the accessibility of development centres, including metropolitan centres and potentially metropolitan centres for rural areas’ dwellers so that working there would not entail necessity of changing the place of dwelling. Increasing the accessibility of development centres will make their job market available for many rural areas’ dwellers and will make rural areas more attractive for dwelling.

The initiative of multifunctional development of rural areas that is outlined in the Regional Operational Programme of Lubelskie Voivodeship is coherent with RDOP Axis 3: „Life quality and rural economy diversity” within the cohesion strategy for 2007-2013 of National Strategic Reference Framework.

2.4.2 ROP LV coherence with Operational Programme – Development of Eastern Poland 2007-2013.

Because Regional Operational Programme of Lubelskie Voivodeship for 2007-2013 is one of the tools to implement National Strategic Reference Framework for 2007-2013 in support of growth and jobs (National Cohesion Strategy), it is essential that the objectives of the documents are complementary. It is essential that the measures of ROP LV be complementary to Operational Programme – Development of Eastern Poland 2007-2013 (OP DEP), which will play an important role in supporting 5 most backward regions in Poland. The main objective of ROP LV is complementary to the principal objective of OP DEP: “Hastening the pace of social and economic development in Eastern Poland in conformity to the sustainable development principle”. The measures implemented within ROP LV, which contribute to the improvement of Lubelskie Voivodeship competitiveness, faster economic growth and creating new job opportunities will improve the efficiency of OP DEP.

The priority axes of ROP LV were created in such a way to be complementary to the measures of priority axes of OP DEP. On the other hand, the demarcation criteria were established to prevent double-source financing for similar projects.

The tools of support in ROP priority axes were Programmed to complement the measures of OP DEP within the Priority Axis 1: “Modern Economy”. The measures of this Axis will complement the measures of ROP Priority Axis 8: “Social Infrastructure”. The measures of OP DEP Priority Axis 2 that are focused on improving the information society infrastructure will be complementary to the measure of ROP Priority Axis 6: “Information society”. The OP DEP measures for innovations will correspond to ROP Priority Axis 1 “Entrepreneurship and innovation” and Priority Axis 2: “Economy infrastructure”. Finally, the measures concentrated around promotion and cooperation will complement Priority Axis 3: “Urban areas attractiveness and investment sites” and Priority axis 7: “Culture, tourism and inter-regional cooperation”.

The measures of OP DEP Priority Axis 3: “Voivodeship growth centres” will complement the measures of ROP Priority Axis 3: “Urban areas attractiveness and investment sites” and Priority axis 5: “Transport”. ROP Priority axis 5: “Transport” corresponds to OP DEP Priority Axis 4: “Transport infrastructure”.

2.4.3 ROP LV coherence with Operational Programme – Human Capital

Operational Programme – Human Capital (OP HC) is an important tool to implement the National Strategic Reference Framework in support of growth and jobs for 2007-2013. A significant part of this Programme will be implemented at Voivodeship level. Effective absorption of the EU funds will only be possible if the Programmes that are implemented in the same region are complementary.

The Regional Operational Programme of Lubelskie Voivodeship for 2007-2013 and Operational Programme – Human Capital are complementary at main objectives’ level. The main objective of OP HC is: “Increased level of employment and social cohesion”. Increasing employment is also an important element of ROP LV. That is why, implementing Regional

Operational Programme of Lubelskie Voivodeship for 2007-2013 will improve the effectiveness of Human Capital Operational Programme.

The cohesion of the two Programmes is present not only at the main objectives' level, but also at the level of specific objectives and priorities. The measures of ROP LV are complementary to the measures of OP HC. On the other hand, the demarcation criteria were established to prevent double-source financing for similar projects.

Particular coherence with OP HC is especially clear in ROP Priority Axis 8: "Social Infrastructure". Its measures complement the following OP HC priority axes: Priority Axis 3: High quality of educational system, Priority Axis 4: Tertiary education and science, Priority Axis 6: The labour market open for all. Priority Axis 7: Promotion and social integration, Priority Axis 9: Development of education and competences in the regions.

ROP LV Priority Axis 1: "Entrepreneurship and innovations" is coherent with OP HC Priority Axis 4: "Tertiary education and science" and Priority Axis 8: "Regional human resources for the economy".

ROP Priority Axis 2: "Economic infrastructure" is coherent with the measures from OP HC Priority Axis 2: "Development of human resources and adaptation potential of enterprises and improving the health condition of working persons" and Priority Axis 4: "Tertiary education and science".

ROP Priority Axis 4: "Information society" is coherent with OP HC Priority Axis 5: "Good governance".

2.4.4 ROP LV coherence with European Fisheries Fund

Because the support of fisheries is beyond the cohesion policy field of intervention in 2007-2013 financial perspective, the coherence of measures Programmed in ROP LV and the measures of the "Operational Programme Sustainable Development of Fisheries Sector and Inshore Fishing Areas for 2007-2013" is essential. Therefore, in the construction of ROP LV the measures of the two documents do not overlap.

The tools for intervention within the Regional Operational Programme, which result from the socio-economic diagnosis, are complementary to the measures of European Fisheries Fund (EFF) mainly in the focus of EFF Priority Axis 2: "Aquaculture, fishing, processing and marketing". The priority covers the measures concerning: environment protection and improvement of natural resources, support for fish producing and processing companies, support for the improvement of the quality and accessibility of cultural, leisure and sports infrastructure.

2.4.5 Demarcation

In order to avoid overlapping the areas of intervention of particular operational Programmes co-financed from the structural funds, Cohesion Fund, European Agricultural Fund of Rural Development and European Fisheries Fund, a document entitled "Demarcation Line for the Programmes of Common Agricultural Policy, Common Fisheries Policy and Cohesion Policy" has been prepared. The demarcation criteria are mainly based on: territorial range, the value of

projects and the type of beneficiary. The document is a result of the negotiations between the institutions that are involved in implementing the operational Programmes in 2007-2013 financial perspective.

A uniformed document was accepted by monitoring committee of National Strategic Reference Framework, and any further changes shall be accepted by the committee and sent to the European Commission.

In order to help the beneficiaries in choosing an appropriate Programme, ROP LV makes references to other operational Programmes in *Coherence with other Programmes* section in each priority description.

2.4.6 Cross – checking mechanisms

In order to ensure demarcation between ROP and other operational Programmes, the following tools are established for coordination at the stage of their implementing:

1. NSRF Coordinating Committee (consisting of the representatives of MA of Operational Programmes;
2. ROP Monitoring Committee and Regional Sub-committee of OP HC headed by Voivodeship Marshal;
3. Project cross-checking, which will be the duty of: Managing Authority of ROP LV (priority axes 3-9) and 2nd level Intermediary Body (priority axes 1-2) – through beneficiaries statements and control procedures.

In order to ensure unified and coherent cross-checking mechanisms for all operational Programmes in Poland, NSRF Coordinating Committee shall establish a panel of representatives from all managing authorities of EU financed Programmes. The duty of the panel will be to work out the cross-checking mechanisms for the investments co-financed from all Programmes. The aim of that will be to avoid double financing and maintaining the rule of demarcation line.

2.5 EU horizontal policies in Regional Operational Programme for Lubelskie Voivodeship 2007-2013

The implementation of Regional Operational Programme of Lubelskie Voivodeship for 2007-2013 will respect horizontal policies of European Union, established in Lisbon Strategy, particularly sustainable development in environmental aspect, creating information society and equal chances and partnership policies.

Equal chances for men and women, as well as non-discrimination of the disabled will be treated horizontally, i.e. in all priority axes. ROP LV Managing Authority will monitor the degree of implementing horizontal policies at each stage of the Programme.

Due to the character of the Programme, environmental problems are granted special attention, especially in the aspects of counteracting negative climate changes and ensuring high energetic effectiveness. At the implementation stage, horizontal policies will be reflected in the criteria of choice – the projects that will contribute to the implementation of community policies will be preferred.

Natura 2000

The projects co-financed from the Programme will be fully coherent with Habitat Directive, Birds Directive and Environment Impact Assessment. At the stage of choosing projects, appropriate criteria will be used to ensure that the projects comply with Nature 2000 regulations. Co-financing projects which negatively influence the environment in Natura 2000 areas will not be possible.

Sustainable development

Implementing ROP LV will be done according to sustainable development rule, which intends such planning and implementing that will guarantee genuine and sustainable reduction of economic and social differences, respecting the aspects of environment protection and conservation.

Implementing the rule of sustainable development in ROP LV assumes a consensus between the effectiveness of project, the requirements of implementing the rules of sustainable development, with respect to the rule of equal chances (due to sex, disability and origin), the accessibility of technical and information solutions and integration of environment protection and improvement. The above rule is reflected in each objective of ROP LV. At the stage of implementing the Programme, sustainable development rule will be reflected in the criteria of choice.

The rule of sustainable development has a horizontal character and will be taken into consideration at implementing the main and strategic objectives.

Managing Authority of ROP LV will ensure the applicability of the rule in the projects chosen for financing, according to article 17 of Community Regulation no 1083/2006 in the following aspects:

- Increasing the use of renewable energy through comprehensive improvement of energetic effectiveness of renewable energy (including promotion);
- Support for companies that adjust their functioning to the environment protection norms (control and reduction of dangerous and toxic substances in sewage and litter management and eliminating ecological threats);
- Reducing pollution from public communication in cities by purchasing new, environment friendly means of public transportation;
- Reducing troublesomeness of public transport and norm-breaching by obliging the beneficiaries to present the decision of environment determinants;
- Support for innovative enterprises in environment protection;
- environment protection, forming pro-ecological attitudes, biodiversity regeneration;
- promoting Nature 2000 areas.

Considering appropriate environmental dimension in ROP LV projects, Managing Authority shall verify the projects in relation to appropriate criteria of choice, with the participation of environment protection experts.

The aspects of environment protection and regeneration will be taken into account while assessing ROP LV (under article 17 of Community Regulation no 1083/2006).

In order to ensure appropriate importance of sustainable development issues, a special position of sustainable development expert will be created in Managing Authority's office. The main duty of the manager will be to create a network of cooperation between partners from the voivodeship and to ensure effectiveness of innovative approach to sustainable development.

Equality of chances

With regard to article 16 of the Community Regulation 1083/2006 which says that: "The Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, race, ethnic origin, religion or belief, disability, age or sexual orientation during the various stages of implementation of the Funds and, in particular, in the access to them." ROP LV Managing Authority will monitor the observation of the rule of the equality of chances, especially equal treatment of men and women and non-discrimination of the disabled.

Aspects that contribute to equal participation of the handicapped in the effects and implementation of the ROP LV will be taken into consideration (e.g. facilities that allow the disabled to use the infrastructure co-financed from the ROP LV).

At the stage of choosing accessibility criteria and choosing the projects, Managing Authority of ROP LV will take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation at various stages of implementation of the funds. The measures that will invest in the development of entrepreneurship and business environment institutions and that will improve the quality of education infrastructure and the situation in the job market will be supported. Projects that will improve the accessibility of public facilities (public transport, public institutions) through specific solutions, will also be supported.

The aspect of eliminating the barriers related to social exclusion will be taken into account in the preparations and implementing the Local Reviving Programmes in the areas related to the scale of problems in the area.

Each priority axis intends equality of men and women, what is reflected, among others, in the monitoring indicators in particular priority axes, especially with relation to creating new job opportunities.

Horizontal character of support for rural areas in all ROP LV priority axes (coherent with NSRF Axis 6: "Balancing growth opportunities and supporting structural changes in rural areas") will ensure the implementation of the measures aimed at levelling the developmental differences between rural and urban areas (especially in transport, education and environment protection).

The policy of equal chances in regional development also relates to investments plans: the assessment of their influence on men and women and the planning of the direction of social development, specifically human capital, including the disabled, for the needs of the region.

The development of information society

The rule of information society is directly reflected in Priority Axis 4: Information society. The measures in this axis will support widely understood development of modern information society and particularly its infrastructural aspects. ROP will prioritise the initiatives aimed at counteracting social exclusion and providing the accessibility of appropriate information technology

facilities and technical solutions. The projects that popularize broadband internet connection will also be supported, especially in rural areas. Public internet access spots will be created. Due to the necessity to improve public information accessibility, e-government projects will be implemented.

In this respect, ROP LV is complementary to OP Development of Eastern Poland. Wide support of the sphere is aimed at preventing digital exclusion of the society of Lubelskie Voivodeship, and consequently, marginalization of the region. ROP LV Managing Authority will monitor and report the implementation of the policy to the Monitoring Committee.

The rule of information society development will have a horizontal character within other priority axes. In order to improve the competitiveness of the region, modern information means will be utilized in business. The measures that improve competitiveness and innovativeness as well as improve the accessibility and attractiveness of education (e-learning) will be supported. The measures aimed at creating experience exchange platforms and innovation transfer between the academics and business through information technologies will also be of essence.

The element that creates the infrastructure of information society will be the utilization of infrastructure projects to build up the tele-technical "sewage system". Modern ITC systems that monitor and manage the public transportation systems and environment protection issues will be subsidized.

Energy policy

In the measures that concern projects involving the construction or modernizing (especially thermo-modernizing) the complexes, ROP LV Managing Authority will prioritize the ones that are related to effectiveness and saving the energy.

In order to monitor the issues concerning energetic effectiveness, MA ROP LV will implement a set of indicators that will characterize it at the level of measures in the region.

Such a solution is aimed at implementing the EU energy policy, which intends reliability of gas deliveries, decreasing CO₂ and other greenhouse gasses emission and increasing energy security.

Chapter 3.

Priority Axes of Regional Operational Programme of Lubelskie Voivodeship 2007-2013

Priority Axis 1: ENTREPRENEURSHIP AND INNOVATION

The objective:

The increase of business competitiveness in Lubelskie Voivodeship.

Connection with ROP strategy:

Implementing Priority Axis 1 will contribute to attaining ROP specific objective: “Increasing competitiveness of the region through supporting modern economy and stimulating innovations”. The types of interventions will also implement the priority of Development Strategy of Lubelskie Voivodeship: “The increase of region’s economy competitiveness and the ability to create new jobs”.

Rationale:

The information presented in the diagnostic part of ROP LV proves that many factors of structural character influence the level of Lubelskie Voivodeship competitiveness. One of the most important one is the unfavourable structure of employment in the economy, with inefficient agriculture sector and underdeveloped market services sector. Simultaneously, unfavourable structure of employment is accompanied by slow development of production, predominance of traditional sectors that produce goods of low level of processing and innovation absorption. High degree of recapitalisation of production facilities and low investment in modernizing and reconstruction production facilities prove that the regional economy is backwarded.

Implementing the Priority Axis will contribute to the increase of competitiveness and innovativeness of entrepreneurship (especially SME) investing in Lubelskie Voivodeship. Thanks to the EU funds’ support, the utilization of modern technologies in both production and services will increase. The support from this Priority Axis will contribute to improving the intensity of cooperation between the world of science and business sector, what will entail the use of modern technical solutions in practice.

The objective of the Priority Axis 1 will be attained by:

- increasing the investment potential of micro-companies in the first stages of their functioning;
- increasing micro-, small and large companies innovativeness;
- increasing production and use of renewable energy and increasing energetic effectiveness of companies;
- adjusting companies to the environment protection regulations;
- development of tourism and recreation sector companies in Lubelskie region;
- supporting the processes of creating and transferring modern technologies to companies;
- facilitating the access to specialist advisory services for entrepreneurs.

Forms of intervention:

- investment subsidies that will ensure the necessary financial aid for the companies that locate their businesses in Lubelskie region. The following innovative sectors will be prioritized: renewable energy producing companies, highly specialized production and services, including aviation, IT, business services and culture. Moreover, the support will be granted for tourism related projects, especially in the tourist areas, concerning infrastructure, tourism products development, and construction integrated marketing systems, including the systems of marketing for health-resorts. The sectors will be prioritised in the criteria of choice, without neglecting support for other SME;
- support for R&D enterprises implemented by entrepreneurs themselves or for purchasing the research results from other R&D units doing research for business sector. The results of the research will facilitate the modernizing and development of products, processes and services;
- subventions for expert advising for entrepreneurs that will stimulate the increase of competitiveness, e.g. running a company in common European market, product launching strategy, certification procedures, innovations in production.

Projects aimed at strategic branches for the region will be prioritized, i.e. engineering, biotechnology, IT, environment protection, modern agriculture, food processing, renewable energy. The support in the Priority Axis 1 will be directed by the guidelines from the Regional Innovation Strategy.

Due to the character of the Voivodeship (backwardness with relation to other region in EU, as presented in the diagnostic part of ROP LV) and great demand for direct aid for companies, such measures are indispensable in the region. ROP will contribute to the improvement of the economic situation in particular companies and then in the whole region. This aim will be attained through, firstly, stimulating the investments in the creation of new jobs, and secondly, through prompting people to start their own companies.

The support from the Priority Axis 1 will be assigned for the SME sector. Due to the importance of tourism for the region, large companies that want to apply for the funds from this axis will have to meet the following demands: 1. The values of the project below 2 mln Euro, 2. Prove that the project will bring significant benefits for the region. The support for large companies will not exceed 10% of the money allocated for SME sector.

Increasing the utilization of the R&D results will influence their competitiveness in the market, what is more, the expected development of the SME sector will entail the increase of job opportunities, what will finally reduce the unemployment.

One should expect that the structure of Lubelskie Voivodeship economy will gradually resemble the structure of the economy in other regions of European Union, what will result in a decrease in the participation of agriculture and traditional sectors in value added and employment, and in an increase of the importance of modern technology sectors.

In order to respect the rule of sustainable development, projects that will not influence the environment negatively or will better its condition will be preferred and prioritized. Moreover, the projects that will adjust the companies to comply with the environment protection regulations can be implemented, if the transitional period for Poland is finished. In the sphere of using renewable energy, the investments that improve the energetic effectiveness (own systems of energy

production, improving the technological processes) and that increase the amount of energy from renewable sources can be subsidized.

Categories of intervention : 3, 4, 5, 6, 7, 8, 41, 42, 43, 57.

Indicators of attaining the objective

Type of indicator	Unit	Base year value	Target year value (2013)	Frequency of evaluation	Data source
Product indicators					
Number of R&D projects	item	0	35	once a year	MA/IB
Number of investment support projects in SME sector:	item	0	2300	once a year	MA/IB
- innovative companies			600		
- environment protection companies			230		
Number of new companies (for the first 2 years)	item	0	1000	once a year	MA/IB
Number of companies that obtained support, including:	item	0	1400	once a year	MA/IB
Micro – up to 9 people					
Small – up to 49					
Medium – up to 249					
Large – above 250					
Number of advisory projects for SME	item	0	200	once a year	MA/IB
Number of tourism projects	item	0	150	once a year	MA/IB
Number of projects of R&D sector cooperation with companies	item	0	20	once a year	MA/IB
Number of renewable energy projects	item	0	20	once a year	MA/IB
Result indicators					
Number of new jobs - women - men - in tourism	vacancy	0	7100 3500 3600 1400	once a year	MA/IB
Number of beds created in tourism in the projects	item	0	4500	once a year	MA/IB
Additional investments generated due to the support	Euro	0	100.000.000	once a year	MA/IB
Number of companies that implemented innovations as a result of the project	item	0	600	once a year	MA/IB
Potential power of new renewable energy sources	MW	0	10	once a year	MA/IB

Beneficiaries:

- entrepreneurs

Cross-financing:

In justified cases of implementing a project or part of a project there is a possibility of financing measures within the scope of Priority Axis 1, which fall into European Social Fund intervention area, provided the sum of money granted for the measures does not exceed 10% of qualified costs of the project.

The possibility is restricted only to those activities which are directly related to the project and are indispensable for its implementation.

The activities aimed at developing human potential by improving competence and professional qualifications which are indispensable for the project implementation, may also be supported within the scope of cross-financing. Implementation of the above activities will guarantee that the beneficiaries receive adequate integrated product of projects, including the management and employees trainings.

Coherence with other Programmes:

Priority Axis 1 is coherent with the following Programmes:

▪ **OP – Innovative Economy**

Priority Axis 1 – Research and development of new technologies

- projects that will support the companies or companies groups which can utilize the results of R&D operations in practice. Demarcation criterion: the values of the project.

Priority Axis 4 – Investments in innovative undertakings

- projects that will aim at implementing the results of R&D measures from Priority Axis 1. Demarcation criterion: the values of the project.

Priority Axis 6 – Polish economy on international market

- projects that will promote touristic values of Poland, including the development of innovative touristic projects and services. Demarcation criterion: range/character of the project.

▪ **OP Infrastructure and Environment**

Priority Axis 4 - Initiatives aimed at adjusting enterprises to the requirements of environment protection

- projects for large companies in the field of environment management, resources and waste management, implementing new technologies, sewage treatment, air protection, recycling of used and dangerous materials. Demarcation criterion: the type of beneficiary.

Priority Axis 10 – Environment-friendly energy infrastructure

- Projects aimed at creating energy from renewable sources. Demarcation criterion: the value of the Project.

▪ **OP – Development of Eastern Poland**

Priority Axis 1 – Modern economy

– the projects aimed at creating favourable conditions for innovative enterprises, effective transfer of innovative technologies and cooperation between universities, research units and companies. Demarcation criterion: the value of the project.

▪ **OP Rural Areas Development**

Priority Axis 1 – The improvement of the quality if rural and forestry sector

Measure 1.5 Increasing the added value to the basic agricultural and forestry production – projects concerning the processing and trading of agricultural production goods included in Appendix 1 of the European Treaty, excluding fish products; the support will be directed to SME sector; Demarcation criterion: the sector of production

Priority Axis 3 – The life quality in rural areas and diversification of rural economy

Measure 3.1 Diversification of non-agricultural activities – the following projects of farmers, farmers' household members and farmers' spouses will be supported: services for farms, forestry, craftsmen, tourism and transport services, farm products processing, energetic biomass production, et al. Demarcation criterion: the type of beneficiary

Measure 3.2 Creation and development of micro companies – the following investments by micro companies will be supported: services for farms, forestry, craftsmen, tourism and transport services, farm products processing, energetic biomass production, et al. Demarcation criterion: location of the project

Priority Axis 3 - Leader

Measure 4.1 Implementing local development strategies – the measures concerning Priority Axis 3 “Diversification of non-agricultural activities” and “Establishing and development of micro-companies” will be implemented. The measures can be implemented through the beneficiaries that live, have their location or run their companies in the territory of the Local Group of Activities. Demarcation criterion: localization and the type of beneficiary

▪ **OP Human Capital**

Priority Axis 2 - Development of human resources and the adaptive potential of enterprises

- cross-regional projects of closed trainings and advising for entrepreneurs, prepared on the basis of the strategy of the development of the company; national projects of companies' development, national open projects of training and advising for entrepreneurs and employees, training aimed at improving the adaptive potential of companies, R&D system projects, promotional actions, training and advising concerning the reduction of the results of modernization processes, pilot projects concerning promotion, training and advising on the basis of the analysis' results, national systemic projects for the development of cooperation between innovation developing institutions and businesses, and B-to-B cooperation, national promotion projects that popularize the results of research and R&D achievements.

Priority Axis 8 Regional economy staff

– projects concerning the development of support network for innovations and technology transfer between business and R&D units, universities and other institutions on local and regional scale; the development of professional qualification and advising for entrepreneurs, including general and expert trainings, training for the management and employees.

▪ ***Sustainable Development of fisheries and coastal fishing areas***

Priority Axis 2 – Aquaculture, inland fisheries, Fish processing and Fish market

Measure 2.1 – Investment in aquaculture – projects concerning modernization and development of fish production, improving the multi-functionality of fish farms, development of modern technology in fish production; the support will be intended for fish and water animals' breeders. Demarcation criterion: production sector

Measure 2.5 – Investment in processing and trading – the modernizing, construction and enlarging the fish processing companies, ensuring equipment and training, projects concerning the utilization of modern and ecological processes and the solutions concerning quality and safety of food products and their certification; financial support for the companies that process and trade the fisheries products. Demarcation criterion: production sector.

Priority Axis 4 – Sustainable development of fisheries-dependent areas

Measure 4.1 - Sustainable development of fisheries-dependent areas – projects concerning the development of tourism infrastructure, implemented by Inshore Groups of Activities and people running the projects according to the Groups' guidelines for the development of the area. Demarcation criterion: the type of beneficiaries

Priority Axis 2: Economic Infrastructure

The objective:

Creating favourable environment for running business in Lubelskie Region.

Connection with ROP strategy:

Implementing the Priority Axis 2 will contribute to attaining ROP specific objective: Increasing competitiveness of the region through supporting modern economy and stimulating innovations. The types of interventions will also implement the priority of Development Strategy of Lubelskie Voivodeship: "The increase of region's economy competitiveness and the ability to create new jobs".

Rationale:

Apart from direct subventions for companies available through Priority Axis 1, another key aspect for the development of companies is related to creating favourable environment for the functioning of business support infrastructure and the accessibility of expert services. Running a company is more and more related to taking advantage of various advisory, information and financial services.

The diagnostic part of ROP LV shows that the functioning of business environment institutions should be positively assessed. Too little number of associations in the region reduces their accessibility and makes the promotional activities insufficient. The analysis prepared for the purposes of Regional Innovation Strategy shows that business environment institutions have little experience in functioning in the common European market. The supply of market research services, product analyses, expert services and laboratory services, which would give regional product advantage in the European market, is insufficient. The infrastructure of the business environment institutions is also insufficient. Lubelskie Voivodeship is characterised by poor engagement of R&D sector in business enterprises.

Therefore, the measures intended for Priority Axis 2 will concern the support for the investments directly related to broadening the activities and improving the functioning of business environment institutions and improving the quality of R&D sector functioning.

The objective of the Priority Axis 2 will be attained by:

- facilitating the access to external sources of financing;
- increasing the utilization of the potential of regional university centres, and research units through the support for R&D infrastructure;
- improving the quality of functioning of the infrastructure of business environment and knowledge transfer;
- promoting regional companies and facilitating cooperation with other businesses.

Forms of intervention:

- depreciation and establishing guarantees and loans, which will help entrepreneurs use external, bank-unrelated sources of investment financing. Implementing these measures through JEREMIE community initiative is possible;

- financing specialist research laboratories at universities and in research units; providing the utilization of the research infrastructure for the business-oriented enterprises in order to obtain new technological solutions, advanced applications, IT and communication solutions for regional institutions;
- financing the establishment and development of institutions that facilitate business running and knowledge transfer (industrial, technology and science parks, economic zones, business incubators, including high-tech sector). The support will be intended to develop the infrastructure, modern equipment and improving the accessibility and functioning of business environment institutions. The institutions that specialize in very specialist fields (renewable energy, aviation and other sectors listed in the Regional Innovation Strategy) will be prioritized;
- subventions for region and company promotion, which will aim at improving the economic image of the region in Poland and abroad; the improvement of investment attractiveness of the region and developing the system of serving the inquirers.

Implementing the measures from Priority Axis 2 will increase the accessibility of business environment services, in both spatial (better developed network) and qualitative (wider range of services) aspect, what will result in the improvement of competitiveness of companies and accessibility of business environment institutions in the Voivodeship.

The priority axis measures refer clearly to the types of intervention through the instruments like European Funding projects of research and technological development (FP7-RTD) and CIP - The Competitiveness and Innovation Framework Programme. Well developed research institutions and universities will have the potential to take advantage from the community Programmes in R&D and international cooperation in innovations.

Categories of intervention: 2, 5, 7, 9.

Indicators of attaining the objective

Type of indicator	Unit	Base year value	Target year value (2013)	Frequency of evaluation	Data source
Product indicator					
Area of laboratories created/equipped at universities	m2	0	1500	once a year	MA/IB
The value of the laboratory equipment	thousands PLN	0	10 000	once a year	MA/IB
Number of region promoting campaigns	item	0	60	once a year	MA/IB
Area of science parks, business incubators etc.	m2	0	8000	once a year	MA/IB
Result indicators					
Number of people who used the supported business environment institutions	item	0	3000	once a year	MA/IB
Number of loans and guarantees from loan funds and micro-loan funds in the Programme	item	0	800	once a year	MA/IB

Number of companies located in business incubators/parks created in the Programme	item	0	50	once a year	MA/IB
Number of jobs in R&D created in the Programme within 5 years from the beginning of the Programme	item	0	20	once a year	MA/IB
Number of students who used the effects of the projects (laboratories' capacity)	persons	0	500	once a year	MA/IB

Types of beneficiaries:

- Local authority units and their associations
- Legal persons of local authorities associations
- Business environment institutions
- Universities
- Entrepreneurs
- Social and economic partners
- Research units
- NGOs
- Public sector financial institutions which are legal persons (not mentioned above)

Cross-financing

In justified cases of implementing a project or part of a project there is a possibility of financing measures within the scope of Priority Axis 2 which fall into European Social Fund intervention area provided the sum of money granted for the measures does not exceed 10% of qualified costs of the project.

The possibility is restricted only to those activities which are directly related to the project and are indispensable for its implementation.

The activities aiming at developing human potential by improving competence and professional qualifications which are indispensable for the project implementation, may also be supported within the scope of cross-financing. Implementation of the above activities will guarantee that the beneficiaries receive adequate integrated implementation of projects, including the management and employees trainings.

Coherence with other Programmes:

Priority Axis 2 is coherent with the following Programmes:

▪ **OP – Innovative Economy**

Priority Axis 2 – R&D infrastructure

- projects aimed at supporting R&D infrastructure, equipment and constructions implemented by the centres of high research potential, e.g. projects implemented in Polish Road Map initiative in large Research Infrastructure Objects and projects that focus on maintaining and

development of advanced IT infrastructure for academic centres, applications and communication solutions for academics. Demarcation criterion: values of qualified expenditures, range/character of the project.

Priority Axis 3 – Capital for innovation

– projects of subverting high risk capital funds, among others

Priority Axis 5 – Diffusion of innovations

– projects aimed at comprehensive support for innovation centres: science and technology parks, technology incubators and the support for cross-regional business environment networks and national business environment institutions working for the increase of innovativeness. Demarcation criterion: values of qualified expenditures, range/character of the project.

Priority Axis 6 – Polish economy on the international market

– support for the projects aimed at improving the image of Polish economy among international partners. Demarcation criterion: range/character of the project

▪ **OP – Development of Eastern Poland**

Priority Axis 1 – Modern economy

– infrastructural projects on the construction and extending industrial parks, technology parks, technology incubators, centres of excellence, technology transfer centres, innovation centres. Moreover, promotional projects which will aim at changing the image of eastern Poland and generate the possibility to create new positive image of the region will be implemented. Demarcation criterion: range/character of the project

▪ **OP – Human Capital**

Priority Axis 2 – Development of human resources and the adaptive potential of enterprises

Measure 2.2 – Supporting adaptability of staff – intends the projects that will aim at improving the quality of services rendered by the institution supporting the development of entrepreneurship: support and development of the institutions, and their networks, that provide services for entrepreneurs and people who intend to establish their companies. ROP LV intends the measures concerning the support for these institutions on regional and local level. OP HC includes the support for the improvement of training staff (trainers, lecturers) in Programmes creation, training conducting and advising for management and the staff.

Priority Axis 4 – Higher education

- the priority intends the projects aimed at increasing the consciousness of R&D staff and entrepreneurs in the area of scientific research for the economy; support for the projects aimed at improving the potential of R&D systems in research results management and commercialization of the research results.

▪ **OP Rural Areas Development**

Priority Axis 1 – The improvement of the quality if rural and forestry sector

Measure 1.8 – Promotion and publicity activities – projects aimed at increasing the demand for agricultural products and other goods under food quality mechanisms, and the support for producers' associations that associate the entities participating in food quality improvement; promotion and publicity measures aimed at the consumers in order to popularize the products and promote high quality food. Demarcation criterion: the type of beneficiary.

Priority Axis 4 Leader

Measure 4.2 Implementing cooperation projects – Local Groups of Activities may apply for financial aid for implementing transregional and international cooperation, included in Local Strategy of Activities and other initiatives. Demarcation Criterion: the type of beneficiary.

Priority Axis 3: URBAN AREAS ATTRACTIVENESS AND INVESTMENT SITES

Objective:

Increasing investment attractiveness of the region and support for revived areas and investment sites.

Connection with ROP strategy:

Priority Axis 3 realises ROP LV specific objective: "Improving investment conditions in Voivodeship, with respect for sustainable development rule". Moreover, the measures intended for Priority Axis 3 contribute to implementing the objectives of the following documents:

- Development Strategy of Lubelskie Voivodeship 2006-2020 "The improvement of attractiveness and territorial cohesion of Lubelskie Voivodeship";
- Development Programme of the Reviving of Cities in Lubelskie Voivodeship "The improvement of attractiveness and competitiveness of cities in the region aimed at sustainable development of the Voivodeship".

Rationale:

Lubelskie Voivodeship is characterised by thin urban network, what is directly related to low urbanization quotient – only 46.7% of people live in the cities. Populated by 365,000 dweller urban agglomeration of Lublin is predominant in functional structure of the region. The city was listed as one of 8 prospective europolies. Biała Podlaska, Chełm, Zamość and Puławy have an auxiliary role for economic, social and cultural development of the region. The information in the Development Programme of the Reviving of Cities in Lubelskie Voivodeship shows that the cities in the region have a weakening development dynamics, and their negative image is strengthened by the decline or bad conditions of monuments, depreciation of housing resources (residential districts of massive blocks build in 1960's – 80's), poor condition of public and technical infrastructure, inadequate situation of road communication facilities. The situation is even worse if we look at the exaggerated utilization of the main traffic routes, while there are still many unexploited areas within the borders of the cities. Another problem of the cities is the utilization of the post-industrial and pos-military areas. Due to their former functions they occupy significant areas in strategic places near communication routes. If modernized, they can be used as valuable economic centres. Moreover, there are numerous sites that need modernization to attract investors.

Lubelskie Voivodeship is characterized by insufficient number of well prepared investment sites. The measures concerning the improvement of the technical infrastructure of the sites are necessary to attract potential investors.

The comprehensive projects of establishing or equipping the investment areas in important economic centres of the region (Lublin, Chełm, Biała Podlaska, Zamość, and Puławy) and other economically suitable areas of the Voivodeship will be prioritized.

The objective of the Priority Axis 3 will be attained by:

- increasing the competitiveness of the region by equipping the investment areas in the infrastructure that allows for running a business;
- reviving the neglected areas in cities, what will result in the socio-economic revival.

Forms of intervention:

- “Greenfield” and “Brownfield” type of infrastructural investments, with the preference of the latter for the post military and post-industrial areas;
- supplying basic technical infrastructure in investment areas, in which tax reductions were introduced for the companies that wanted to locate in the investment areas. The support in supplying the technical infrastructure will depend of the legal status of the areas and their ownership;
- financing the projects that aim at reviving the neglected urban areas (including post-industrial and post military areas) as economic, educational and tourist sites; improving the image of public places and the architecture of cities;
- support for the comprehensive urban housing projects, provided they comply with the regulations of Article 7 (2) of Council Regulation no 1080/2006.

The expenditures on housing are qualified in the following circumstances:

- the expenditure shall be Programmed within the framework of an integrated urban development operation or priority axis for areas experiencing or threatened by physical deterioration and social exclusion;
- the allocation to housing expenditure shall be maximum of 3 % of the ERDF allocation on ROP LV;
- expenditure shall be limited to: multi-family housing, constructions owned by public authorities or non-profit operators for the use as housing designated for low-income households or households for people with special needs.

The criteria of support for the housing projects are listed in article 47 or Commission Regulation no 1828/2006, regulating specific rules of implementing Community Regulation no 1083/2006.

The projects of reviving urban areas must be complementary to the Development Programme of the Reviving of Cities in Lubelskie Voivodeship and implemented under the regulations of Local Reviving Programme. The projects connected with the utilization of the potential of the area and with new jobs creation will be prioritized.

The investments concerning the use of renewable energy can be included into the comprehensive measures for the reviving of the urban areas.

In order to increase the value added, the investments in the Priority Axis 3 concerning the revival of cities and urban areas degradation can be implemented with the use of JESSICA Community Initiative, whose main aim is to support such enterprises by combining the resources from local and international financing institutions.

Categories of intervention: 9, 61, 78.

Indicators of attaining the objective

Type of indicator	Unit	Base year value	Target year value (2013)	Frequency of evaluation	Data source
Product indicators					
Number of projects that improve the attractiveness	item	0	30	once a year	MA

of cities					
Area of investment sites	ha	0	70	once a year	MA
Result indicators					
Area of revived sites	ha	0	10	once a year	MA
Number of companies that started functioning in the revived areas	item	0	80	once a year	MA
Number of new job opportunities in the revived areas	item	0	110	once a year	MA
Number of companies functioning in the areas of investment	item	0	30	once a year	MA

Types of beneficiaries:

- Local authority units and their associations
- Legal persons of local authorities associations
- NGOs
- Churches and religious institutions and the legal persons of churches and religious institutions
- Public sector financial institutions which are legal persons (not mentioned above)
- Housing associations and cooperation, Social Housing Associations

Cross-financing

Priority Axis 3 does not allow for cross-financing.

Coherence with other Programmes:

Priority Axis 2 is coherent with the following Programmes:

- **OP – Innovative Economy**

- Priority Axis Polish economy on international market

Measure 6.2 The development of business assistance centres network and new investment areas.

- support for the business assistance centres and conceptual works in investment areas' preparation.

- **OP Development of Eastern Poland**

- Priority Axis 1- Modern economy

Measure 1.3 Supporting innovations

- creating favourable conditions for investing in eastern Poland; projects which comprehensively prepare the sites for production investments and modern services, identified in Indicative Investment Plan of the Programme

- **OP Rural Areas Development**

- Priority Axis 3 Life quality in rural areas and diversification of rural economy

Measure 4: Renovation and development of the countryside

- a) construction, renovation or equipping the constructions that serve the following functions: socio-cultural, recreational, sports, promotional, preserving history and heritage, tradition, arts and culture;
- b) creating the sphere of public domain;
- c) purchasing the construction which are characteristic for the region, including monumental sites, to be used for public purposes;
- d) renovating, exhibiting and preserving the local historic sites, constructions and memory sites.

Demarcation criterion – localization of the project, the value of the project, the type of beneficiary. The measures concerning the development and improvement of cultural infrastructure and preserving the cultural heritage must be incorporated in Local Reviving Programmes to be implemented by ROP LV.

Priority axis IV: INFORMATION SOCIETY

The objective:

Increase of competitiveness of the region through development of local and regional infrastructure as well as information society services

Connection with RPO strategy:

Implementing Priority Axis 4 will contribute to attaining the specific target of ROP, which is Increase of competitiveness of the region through supporting development of modern economy and stimulating innovation. Implementing the actions suggested below will contribute to implementing the goal of the Development Strategy of Lubelskie Voivodeship, which is the development of information society.

Rationale

There are few modern solutions complying with e-Poland strategy in Lubelskie region. ICT technologies are rarely applied in services provided by both private sector and public administration sector. Improving the quality and accessibility of information and communication technologies together with its popularization will be the key factor in increasing competitiveness of the region. Lubelskie Voivodeship is still far below the European Union and even Polish standards when it comes to both the Internet accessibility and introducing online services for the citizens and companies. What is more, there is a vast disproportion in the internet accessibility between rural and urban areas due to the spatial and economic arrangement of the region. Low quality of services provided in ICT sector together with poor condition and accessibility of information society infrastructure in Lubelskie region, as diagnosed by ROP, calls for implementing projects aimed at providing widespread, broadband and secure access to the Internet and increasing the number of public services provided via Internet.

The measures undertaken within the scope of Priority Axis 4 of ROP LV will be complimentary to Operational Programme Development of Eastern Poland, where within the scope of Priority Axis 2 – *Information Society Infrastructure*, the project "Broadband network in Eastern Poland" will be implemented. The aim of the project is to create tele-information infrastructure providing intra-regional access to broadband Internet, which will complement the existing resources belonging to different operators.

Within the scope of Priority Axis 4 of ROP of LV support will be given to construction both local and regional broadband frame network which will complement and cooperate with the broadband network implemented within the scope of OP EPD.

The target of Priority Axis will be reached by increasing the accessibility of broadband Internet and popularizing the application of information technologies.

The objective of the Priority Axis 4 will be attained by:

- projects concerning tele-information infrastructure, including local and regional broadband networks cooperating with regional and national frame networks as well as projects concerning regional and local network management centres. Priority will be given to projects located in small towns and rural areas where the Internet is not provided by commercial companies;
- financing local and regional services, including:
 - systems facilitating carrying out public undertakings in the field of administration, environment protection, education, culture and sport;
 - adjusting public institutions for electronic archiving and circulation of documents, expanding the system of databases and developing e-services enabling the use of electronic signature;
 - creating Public Internet Access Points (PIAP);
 - creating interactive information systems (e.g. cultural and tourist, business, academic) together with PIAP;
 - systems facilitating digitalization of cultural heritage resources, including the resources of libraries, archives and virtual museums;
 - creating Spatial Information Systems (SIS).

Priority will be given to projects located in small towns and rural areas concerning local information society infrastructure or local services within this scope.

Precise assessment criteria, which prevent financing of low quality projects, and giving priority to integrated solutions (infrastructure + services) ensure implementing only high-quality projects.

The following strategic criteria of project selection will be applied:

- impact on implementing new services and/or content by prioritizing projects which involve creation of either content or new internet services;
- impact on their environment through cooperation with other projects (regional synergy), promoting those projects which constitute a part of larger strategy implemented in several complementary projects or improve coherence with the Programme or coherence with other initiatives.

The projects implemented within the scope of Priority Axis 4 are coherent with the *Voivodeship Programme for Information Society Development*. The projects will contribute to:

- development of information society infrastructure through construction local and regional broadband networks;
- development of local and regional systems and applications;
- development and improvement of access to public services online (e-administration, e-business, e-culture, e-education);
- disseminating knowledge concerning the use of information and communication technology tools (reducing the digital illiteracy phenomenon).

Category of intervention: 10, 11, 13, 15.

Indicators of attaining the objective

Type of indicator	Unit	Base value	year	Target value (2013)	Frequency of evaluation	Data source
Product indicators						
Number of information society projects, including e-services projects	item	0		150 100	Once a year	MA
Number of PIAPs	item	0		70	Once a year	MA
Result indicators						
Number of people who obtained broadband internet access, including rural areas	person	0		700 000 500 000	Once a year	MA
Number of public services provided online	item	0		100	Once a year	MA

Types of beneficiaries:

- Local authority units and their associations
- Legal persons of local authorities associations
- schools of higher education
- scientific entities
- NGOs
- Churches and religious institutions and the legal persons of churches and religious institutions
- Public sector financial institutions which are legal persons (not mentioned above)

Cross-financing

In justified cases of implementing a project or part of a project there is a possibility of financing measures within the scope of Priority Axis 2 which fall into European Social Fund intervention area provided the sum of money granted for the measures does not exceed 10% of qualified costs of the project.

The possibility is restricted only to those activities which are directly related to the project and are indispensable for its implementation.

The activities aiming at developing human potential by improving competence and professional qualifications which are indispensable for the project implementation, may also be supported within the scope of cross-financing. Implementation of the above activities will guarantee that the beneficiaries receive adequate integrated implementation of projects, including the management and employees trainings.

Coherence with other Programmes:

Priority Axis 4 is coherent with the following Programmes:

- **Operational Programme Development of Eastern Poland**

- Priority Axis II Information Society Infrastructure

Measure I Broadband network in Eastern Poland

- the aim of the project *Broadband network in Eastern Poland* implemented within the scope of Priority Axis will be to build an integrated system of broadband tele-information infrastructure in the five voivodeships falling within the scope of OP EPD. The measures implemented within the scope of ROP of Lubelskie Voivodeship will be complementary to network interregional project. The measures will mostly concern construction IT networks, systems and services on subregional level, including small towns and rural areas.

Demarcation criterion: impact areas/ type of project

- **Operational Programme Innovative Economy**

- Priority Axis VII – Information Society – construction e-administration

- Priority Axis VIII – Information Society – increasing the innovative character of economy

The following projects will be implemented within the scope of the Axis: projects concerning public electronic services as well as services for citizens and businessman, projects aiming at supporting business measures in the field of electronic management and projects supporting implementation of B2B e-business solutions; Demarcation criterion: type of beneficiary

- **Operational Programme Human Capital**

- Priority Axis V Efficient Management

Measure 5.1 Increasing the potential of government administration

Measure 5.2 Increasing the potential of local government administration

The anticipated measures include creation of system guidelines and information tools that will facilitate administration management and streamline introduction of modern standards of customer service. Implementation of such projects will be aimed at increasing the potential of government and local government administration, streamlining customer service, and supporting the management system of public administration offices.

- **OP Infrastructure and Environment**

- Priority Axis XII Culture and cultural heritage

Measure 12.1 Protection and preservation of cultural heritage of intra-regional significance

The anticipated projects concern development of digital resources including the resources of libraries, archives and virtual museums

- Priority Axis XVI Higher education infrastructure

Measure 14.1 Higher education infrastructure

Within the scope of Priority Axis the following projects will be implemented: construction and expanding local and regional secure broadband networks cooperating with regional and national frame networks; providing the access to Internet in collages and promoting implementation of ICT in didactics. Demarcation criterion: assessment of the project

Priority Axis 5: TRANSPORT

Objective:

Improvement of the domestic and international accessibility of Lubelskie Region.

Connection with ROP strategy:

Implementing general objectives encompassed within Priority Axis V will result in the achievement of a specific objective of ROP, that is, „The improvement of the investment environment in accordance with sustainable development“.

Rationale:

One of the greatest problems faced by Lubelskie Voivodeship is its poor accessibility. The existing road network, despite being recognised for its extensiveness, is not capable of meeting the increasing transport needs of both the inhabitants and the region's economy. This is the result of the roads' poor condition and safety, as well as their inadequate technical parameters, which constitutes a barrier that hampers social and economic development of the region and reduces its competitiveness, both domestically and internationally. Poor accessibility also increases costs of running business, reduces the efficiency and competitiveness of Lubelskie Voivodeship-based companies and, thus, contributes to their practices of relocating their production facilities out of the region.

Poor travelling conditions as well as timetables that are not adjusted to the inhabitants' needs are causing a decline in the use of public transport (trains, buses) in favour of private one. Moreover, the lack of modern traffic management infrastructure and systems connecting public and private transports is adversely affecting the environment. It is also accelerating road deterioration and traffic congestion in the towns. In Lubelskie Voivodeship, it is essential to develop an extensive and ongoing approach to public transport problems in towns populated by more than 30 thousand inhabitants. Towns with the number of inhabitants lower than 30 thousand do not provide public transport at all.

According to road traffic statistics pertaining to national and regional roads, the regional roads play a very important role for the region's transport. Despite the fact that they account for only 8.1% of the combined length of all the public roads, as much as 23.5% of total road traffic takes place along them. The road network operates at almost full traffic capacity and an expected rise in international conveyance may cause significant problems for the transport infrastructure. Many towns suffer from a shortage of proper transport interchanges and crossroads. A great number of them, including Lublin, also do not have ring roads. In addition, the layout of streets within towns does not fully satisfy the demands of local and transit traffic. The vast majority of regional roads are in poor, or unsatisfactory, condition, which necessitates taking urgent measures to modernise them.

The regional roads link the capital of the voivodeship with the adjacent voivodeships and provide connections with the national roads and border crossings. They are also links between the counties and between important economic, tourist and service centres. However, there are an insufficient number of regional roads in the tourist parts of the region, that is, in the areas upon

the Vistula south of Kazimierz Dolny (Roads 826, 830 and 832) and along a part of the Polish eastern border that belongs to Tomaszów Lubelski county (Road 849).

In terms of inferior quality, the roads are matched by the railway infrastructure, the latter having a significant influence on the pace of development of Lubelskie Voivodeship. There are an insufficient number of both double-track rails and electrified ones. In addition, it is necessary to rebuild the railway infrastructure at border crossings as well as developing logistic centres for railway transport. Moreover, power supply systems, railway stations and railway stops are outdated and do not conform to safety regulations.

The fact that the region has no access to air transport, which is a prerequisite for the development of modern economies, has a negative impact on both its economic and social development and investment opportunities it provides. As it is forecast that the needs for air transport will grow, it is essential to modernise and develop an airport on the basis of the existing airport infrastructure. This will open a convenient gateway to other areas and centres, both Polish and European. Thus, investing in the airport infrastructure will increase the region's attractiveness of investment as well as the inhabitants' mobility.

The need for an airport in Lubelskie Voivodeship does not stem only from its specific conditions but also from the state development policy. Whereas Lublin, the greatest city of Eastern Poland, has no access whatsoever to air transport, the only airport in the area comprising five regions is located in Rzeszów and only serves the needs of the southern parts of the country. Having regard to Lublin's crucial geostrategic position for Eastern Poland with respect to transit between the centre of the country and Baltic countries, as well as Eastern Europe, this fact severely hampers the development and efficient functioning of Eastern Poland.

The objective of the Priority Axis 5 will be attained by::

- Improvement of the intraregional connections;
- Improvement of the quality of the regional connections serving local needs of the region;
- Improvement of the quality of public transport systems and increasing the mobility of inhabitants;
- Increasing the role of railway in transporting passengers and goods;
- Increasing the region's accessibility to air transport and the mobility of inhabitants.

Forms of intervention:

- Projects concerning construction and modernisation of regional, county and local roads as well as other infrastructure and constructions that accompany them, such as: bridges, flyovers, tunnels, ring roads etc. The prioritised undertakings shall include those whose aim is to improve the accessibility of the main national and regional roads, i.e. the main traffic routes of the region. Of utmost importance shall be also investments aiming to improve access to regional, supraregional and European centres²⁸; as well as those concerning the construction of planned industrial plants, the airport and the creation of new tourist sites²⁹.

²⁸ Development Strategy of Lubelskie Voivodeship for the years 2006-2020 adopted under Resolution no. XXXVI/530/05 of 4th July 2005 by Local Council of Lubelskie Voivodeship. Volume II – Objectives and Priorities of the Strategy and Implementation Thereof, fig. 1

²⁹ These areas were referred to as tourist sites and earmarked for tourist investments in Development Strategy of Lubelskie Voivodeship for the years 2006-2020 adopted under Resolution no. XXXVI/530/05 of 4th July 2005 by Local Council of Lubelskie Voivodeship. Volume II - Objectives and Priorities of the Strategy and Implementation Thereof, fig. 1; as well as in Spatial

In addition, support shall be granted to investments in local road infrastructure that shall aim to provide given areas with key connections to the national and regional roads;

- Projects concerning construction and modernisation of sections of national roads that run through county towns (Lublin, Chełm, Biała Podlaska, and Zamość);
- Financial support for undertakings aiming at improving the quality of urban public transport (i.e. an organised system of mass passenger transport that provides transport services for towns and their suburbs). This shall be achieved by modernising bus and trolleybus transport systems as well as the already operating buses and trolleybuses. Moreover, new buses and trolleybuses, especially the environmentally-friendly ones, shall be purchased whereas stops, stations and interchanges integrated into intermodal transport systems, including park and ride facilities and parking areas for bicycles at the last stops, shall be modernised together with the accompanying passenger infrastructure.

Support shall be provided for the towns that serve as important economic and social hubs of the region and which, due to their urban features, provide urban public transport. (assistance shall be offered to comprehensive projects pertaining to public transport systems in the towns whose population residing within the administrative boundaries, including suburbs, exceeds 30 thousand inhabitants;

- Financing tasks that serve the purpose of improving traffic safety and involve the construction of grade-separated junctions, separation of pedestrian traffic from vehicular one, expanding left-turn lanes etc.;
- Subsidies for modernisation of railways and purchase of passenger rail vehicles operating regionally. The following railway lines used for international transport across Lubelskie Voivodeship shall be given priority: E20 Berlin – Warsaw – Minsk – Moscow, line no. 7 Gdańsk – Warsaw – Piława – Dęblin – Lublin – Chełm – Dorohusk, line no. 69 Rejowiec - Hrebenne, a section of the international line Warsaw – Rawa Ruska (Lvov) and line no. 65 Sędziszów – Zamość – Hrubieszów – Polish border (Włodzimierz Wołyński, Kewell), called Smelting Industry Broad-Gauge Railway;
- Support for the expansion of the airport in Świdnik and adapting it to serve as an international airport of the region.

With respect to the local network of regional roads, the following investments within the scope of ROP LV shall be prioritised:

- The regional road 812 – one of the most important regional roads that connects 4 county towns, including the former voivodeship capitals under the previous administrative system such as Chełm, Zamość, Biała Podlaska;
- The regional road 838, which links three national roads (12, 17, 82) and provides access to crucial industrial areas. Voivodeship road no 838. The regional road 698, which is part of the so-called Szlak Nadbużański (Bug River Valley Trail) and leads to border crossings in Terespol and Kukuryki;
- The regional road 849, which is an essential part of the road network across Roztocze for a group of tourist towns (Zamość, Krasnobród, Józefów, Tarnogród) as well as their adjacent areas;

- The regional road 830 provides Lublin with both the shortest connection to Nałęczów and Kazimierz Dolny and an alternative link to Puławy, which testifies to its significant importance for the regional road network. In addition, the considerable quantity of transit traffic across Nałęczów (8099 vehicles per day, according to traffic volume statistics from 2005) is demonstrative of the spa town's desperate need for a ring road.

The purchase of new means of transport can be made only within the scope of projects pertaining to urban public transport and railway passenger transport whose aim is to improve the quality of urban transport as well as the accessibility of centres with huge economic potential, i.e. the voivodeship's centres of development. The projects shall contain the following goals: improving technical condition of transport vehicles, increasing passengers' security, adapting the vehicles to transport also the disabled and, finally, making the vehicles more environmentally-friendly.

Regarding the investments in air transport, ROP LV only provides for support in modernising and developing the airport in Świdnik. The regional airport in Świdnik shall serve the needs of international air traffic and shall be built on the basis of the already operating sporting airfield, whose grassy landing strips are also utilised by an aircraft factory. The purpose of the investment is to adapt Lubelskie's air transport facilities to the E.U. standards. The largely peripheral location of the Eastern Poland regions is further underlined by their lack of access to air transport, which situation is extremely unfavourable for Lublin and its suburbs as it restricts the continuous flow of people as well as investment capital in the form of domestic and international investors. The planned airport will be situated in close proximity to Lublin and Świdnik and near the Kiev – Warsaw railway line. Moreover, the project provides for technical solutions that will ensure a separated connection between Lublin and the airport (time of arrival to the town's centre will be shortened to about 8 min.) thanks to the planned Lublin ring road which will be a section of the dual carriageways S-17 and S19. Finally, such a convenient location will enable quick access to Chełm, Zamość and border crossings in Dorohusk and Hrebenne as well as assuring an ideal connection between the airport and the rest of the economic infrastructure.

Realisation of the projects within the scope of Axis 5 will carry significant implications in terms of improving the quality of intraregional transport connections (road connections between the rural areas and the economic centres). This will encourage the inhabitants of the voivodeship to take up employment beyond the rural areas in supralocal and regional centres and also will have a positive influence on alleviating the unemployment rates and the risk of social exclusion.

Enhancement of the quality and effectiveness of both the urban public transport and the regional railway transport will act as an incentive for the inhabitants to utilise the means of public transport. This, in turn, will have a significant impact on relieving congestion on the urban roads and, apart from improving road safety, will exert a positive influence on the environment.

The following strategic documents provide for supporting the development of road transport (both regional and local) as well as public, railway and air transport in Lubelskie Voivodeship:

- *Airport Network and Ground Infrastructure Development Programme* - adopted under Resolution no. 86/2007 of 8th May 2007 by the Council of Ministers. Annex 5 thereof, entitled "Aviation Investments Within Regional Operational Programmes", treats "the improvement of the region's accessibility to air transport – modernisation and development of the airport in Świdnik" as the key objective;

- *Development Strategy of Lubelskie Voivodeship for the years 2006-2020* – it is pursuing the following objectives: “Improvement of the transport accessibility of the region”, “Development of the urban centres and Lublin’s metropolitan functions”, and “Enhancement of the inhabitants’ living standards and multifunctional development of rural areas”;
- *Development of Transport and Transport Infrastructure of Lubelskie Voivodeship Programme*³⁰, which formulates the following strategic targets:
 - “Constructing a motorway and dual carriageways as part of the pan-European transport corridors”;
 - “Adapting the other international roads, as well as the most crucial interregional connections, to comply with the EU standards”;
 - “Improving road connections between the social and economic centres of the region and other centres, both Polish and international”;
 - “Adapting the railway lines that are part of the international transport corridors to comply with the EU standards”.

Categories of intervention: 16, 18, 22, 23, 24, 25, 26, 28, 29.

Indicators of attaining the objective::

Indicator name	Unit	Value in the base year	Value in the target year 2013	Measurement frequency	Data source, measurement method
Product indicators					
Number of projects concerning transport	pcs.	0	100	Once a year	managing authority (MA)
Number of kilometres of new roads - regional - local	km	0	5 2	Once a year	MA
Number of kilometres of reconstructed roads - regional - local	km	0	160 400	Once a year	MA
Number of kilometres of new railway lines	km	0	3	Once a year	MA
Number of kilometres of reconstructed railway lines	km	0	60	Once a year	MA
Number of purchased/refurbished means of public transport	pcs.	0	100	Once a year	MA
Number of seats in the purchased/refurbished means of public transport	pcs.	0	5000	Once a year	MA
Result indicators					
Time saving in EUR on new and reconstructed roads in passenger and goods transport	EUR	0	To be estimated on the basis of result evaluation carried out two years after starting to implement ROP	Once a year	MA

30 Adopted under Resolution no. XXVII/375/04 of 8th November 2004 by Local Council of Lubelskie Voivodeship.

Time saving in EUR on new and reconstructed railway lines in passenger and goods transport	EUR	0	To be estimated on the basis of result evaluation carried out two years after starting to implement ROP	Once a year	MA
The increase in the number of people utilising public transport supported within the Programme	thousand of people	0	70 000	Once a year	MA
Number of passengers carried by air transport	thousand of people	0	150 000	Once a year	MA

The types of beneficiaries:

- Local authority units and their associations
- Legal persons of local authorities associations
- Public sector financial institutions which are legal persons (not mentioned above)
- Entrepreneurs

Cross-financing:

Under Priority Axis V, there exists a possibility of funding undertakings, within projects or parts of projects, which are normally financed by The European Social Fund provided that the need is properly justified. However, in such cases the grant shall not exceed 10 per cent of the project's eligible costs.

Cross-financing opportunities may be granted to those undertakings whose aim is to develop human potential with respect to improving the qualifications and competences of the staff of non-military airports.

By engaging in the above-mentioned undertakings, the beneficiaries will be able to carry out infrastructural projects appropriately and comprehensively as well as preparing both the management and the staff of the airports to use the infrastructure properly and ensure its effective functioning.

Coherence with other Programmes:

Priority Axis 5 is coherent with the following Programmes:

▪ **OP Infrastructure and The Environment**

Priority Axis VI - The Trans European Transport Network (road and air transport);

Measure 6.1 - Development of TEN-T with regard to road transport, which provides for the construction of the road infrastructure (such as sections of motorways and dual carriageways, ring roads and national roads) that is part of TEN-T; Undertaking 6.2 - Development of TEN-T with regard to air transport, which provides for the expansion of the infrastructure, including passenger terminals, belonging to the airports that are part of TEN-T. Demarcation criteria - project value and project type.

Priority Axis VII – environmentally-friendly transport;

Measure 7.1 - Development of railway transport, which provides for projects concerning modernisation of railway lines, purchase of modern rolling stock and interoperability of the

railway;

Measure 7.3 - Urban public transport on the metropolitan areas, which provides for projects concerning the expansion of railway and trolleybus networks, including interchanges, and the purchase of new means of transport.

Measure 7.4 - Development of intermodal transport, which provides for projects concerning the construction of container terminals and logistics centres. Demarcation criteria - project location and project value.

Priority Axis VIII – Transport safety and national transport networks:

Measure 8.1 - Road safety, which provides for projects concerning installation of more road infrastructure increasing traffic safety on the regional sections of national roads as well as measures aiming to raise road safety awareness among drivers, passengers, and pedestrians;

Measure 8.2 - National roads that are not part of TEN-T, which provides for projects concerning construction, reconstruction and quality improvement of regional sections of national roads that are not part of TEN-T;

Measure 8.3 - Development of intelligent transport systems, which provides for projects concerning the purchase and installation of traffic management infrastructure and passenger infrastructure;

Measure 8.4 - Air transport safety, which provides for projects that shall concern ensuring the compliance of essential air transport safety standards with national and international regulations? Demarcation criterion - project value.

Priority Axis IX – Road infrastructure in Eastern Poland:

Measure 9.1 - Provision of ready road access to the largest urban centres, which provides for investments in the regional sections of national roads that are part of TEN-T.? Demarcation criteria - project location and project type.

▪ **OP Development of Eastern Poland**

Priority Axis II Voivodeships' centres of growth:

Measure 2.1 - Urban public transport systems, which provides for projects aiming to improve urban public transport as well as offering suburban areas and adjacent municipalities better access to the towns' centres. This form of support shall be granted to five capitals of Eastern Poland Voivodeships. Demarcation criteria - project value and project location.

Priority Axis 4 Transport infrastructure:

Measure 4.1 - Road infrastructure, which provides for support for projects concerning the construction or modernisation of sections of Eastern Poland's national and regional roads? They will improve both access to the national road network that is part of TEN-T and connections between voivodeships, urban centres and other areas which are important for the economic development of the regions. Demarcation criteria - project value and project location.

Priority Axis V Sustainable development of the tourist potential based on the natural conditions:

Measure 5.2 - Bicycle routes, which provides for an extensive project aiming to create basic bicycle infrastructure in five Eastern Poland voivodeships? Demarcation criteria - project value and project location.

▪ **Rural Areas Development Programme for the years 2007-2013**

Axis 1 Boosting the competitiveness of the agricultural and forestry sectors;

Measure 1.6 – Improvement and development of infrastructure connected with the development and adjustment of agriculture and forestry. Within scheme I, titled Integration of Land Property, co-funded investments shall be those concerning roads earmarked under integration of land property projects as access roads to arable lands and forests in the possession of the municipalities. Designation of local access roads under the integration of property project shall be a prerequisite for receiving funds. Demarcation criteria - project location and project value.

Axis 3 Living standards on the rural areas and diversification of the rural economy;

Measure 3.3 - Restoration and development of the villages – construction, reconstruction and renovation of public infrastructure connected with the development of the tourist, social and cultural roles of the villages. Demarcation criteria - project location and project value.

Priority Axis 6: ENVIRONMENT AND CLEAN ENERGY

The objective :

Improving the condition, retaining biodiversity and preventing degradation of the natural environment.

Connection with ROP strategy:

The implementation of the Priority VI will contribute to attaining ROP specific objective: "Improving investment conditions in Voivodeship, with respect for sustainable development rule".

The Priority is coherent with the following operational aims of Lubelskie Voivodeship Development Strategy: 1.3. "The Voivodeship specialization in the chosen highly competitive production and services sectors", 3.2. "Sustaining and enhancing biological, cultural, and landscape diversity", 3.4. "Improvement of rural population life quality and multifunctional development of rural areas".

Rationale:

Due to the fact that the Development Strategy of Lubelskie Voivodeship recognizes high-quality food production as one of the economic development directions in the Voivodeship, finding solution to environment protection and ecologic safety problems becomes a vital issue.

Poorly developed Lubelskie Voivodeship sanitary infrastructure and waste management system cause that many areas of the region, including the touristically attractive ones, are threatened or untapped. The most important issue to deal with is the existing disproportional environmental protection infrastructure between urban and rural areas. Immediate actions should be taken to eliminate environmental hazards, concerning ground and surface water condition. Waste management, mainly limited to waste disposal in landfills, which often fail to comply with the requirements imposed on the facilities of this kind, is another problematic issue. The number of mixed waste segregation and separate waste collection facilities is still insufficient.

Due attention will also be given to the deficient flood prevention infrastructure in the Voivodeship, together with the poorly organized National Firefighting and Rescue System, especially evident when natural disasters occur. Although flood control is gradually improving, most flood control facilities are still non-compliant with the established technical norms. Their poor condition may lead to levee construction and foundations failures during the next floods, which results in considerable economic loss. The creation of reservoirs and drainage ditches, permanent or temporary water retention in the river beds, as well as the enhancement of natural retention are all essential to increase water retention.

In the following years, the production of energy from renewable sources will be gaining increasing importance as one of the components of sustainable development, as well as the present relatively low level of production of energy from renewable sources in the Voivodeship, indicates the necessity of supporting the projects dealing with this issue. Accordingly, within the scope of the priority the main support will be granted to the projects focusing on the replacement of standard heat sources (such as e.g. coal-fired boilers) with alternative sources (e.g. biomass) in public utilities, where a territorial self-government unit is a beneficiary and the infrastructure

developed does not serve energy production for the market. The projects will be implemented in accordance with the Alternative Energy Sources Development Programme for Lubelskie Voivodeship, with special attention paid to the areas suffering from energy shortages or where natural resources are located.

Implementation of the actions within the scope of the Priority Axis 6 will improve the condition of the natural environment, influencing the life quality of the inhabitants of the Voivodeship, at the same time contributing to its economic attractiveness. Clean, minimally environmentally transformed areas contribute to the tourist attractiveness of the region, whereas proper water-supply and sewerage-disposal infrastructure, as well as waste management, allow for running business without generating substantial environmental costs.

The Priority Axis objective will be achieved through the improvement of the state of the natural environment, following from limiting water and soil pollution and natural ecosystem protection, and also through the increased use of the energy from the renewable sources.

The objective of the Priority Axis 6 will be attained by:

- subsidising sewage treatment and water supply, within the framework of tasks set by the National Sewage Treatment Programme and compatible with Lubelskie Voivodeship Water Management Programme (where the tasks prioritized will be these connected with sewage management in the rural, protected, and touristically attractive areas³¹, as well as in the close vicinity of such areas - including Natura 2000 Network);
- supporting waste management within the framework of tasks set by the Waste Management Plan for Lubelskie Voivodeship; tasks connected with selective waste collection and recycling will get priority treatment. Recultivation of the degraded areas (landfills, mine dumps, post-industrial areas) for environmental aims will also be supported; within the framework of tasks set by the Waste Management Plan for Lubelskie Voivodeship;
- subsidizing flood prevention, drought consequences and temporary sinkages; in the field of flood prevention, support will be provided for the projects characterized by their multiaspect treatment of water management in the whole catchment area. Priority treatment will be given to the projects aiming at the natural process of slowing down the rainwater runoff together with the enhancement of natural retention in the catchment area (e.g. recreation of the retention capability in the natural flooded and wet areas; natural riverbed restoration, including deregulation of the river bed or disassembly flood detention dams, and other flood-prevention devices which might be an obstacle for free flow of flood waters; creation of dry flood polders). The rehabilitation of the existing flood infrastructure will be supported wherever necessary. New flood protection measures will be undertaken only when the actions mentioned above prove insufficient for lowering the flood risk, provided that the European Union directives are applied, especially the Article 4(7) of the Water Framework Directive. Support will also be granted to the strategies and systems of the natural catastrophe risk management;

³¹ The areas were defined as tourist attractive sites and intended for investment under Development Strategy of Lubelskie Voivodeship of 4 July 2005 and in the Local Plan of Areas Management of 29 July 2002.

- supporting the environment monitoring (control posts, pollution measurement systems, maps of the flooded areas and many others);
- financing biodiversity protection, protecting habitats and shaping pro-ecological social attitudes;
- equipping constructions in accordance with the National Fire fighting and Rescue System;
- supporting the actions in the field of replacing traditional heat sources with alternative (renewable) ones in public utilities (e.g. schools, hospitals) not involved in the energy production for the market and compatible with the Alternative Energy Sources Development Programme for Lubelskie Voivodeship and the National Energetic Strategy till the year 2025.

Flood protection will be implemented in accordance with the principles of the Water Framework Directive as well as the Polish law concerning this issue. Actions will be taken in a complex and integrated way in order to maximize the effectiveness of flood risk reduction through retaining and storing water. Flood protection infrastructure will be planned with regard to environmental restrictions e.g. related to the placement of investments within the Nature 2000 Network. Compensation activities will be provided in the field of projects implemented within the Network. Water retention will prevent floods and provide water in drought transition periods. Additionally, storage reservoirs will become one of tourist attraction.

The National Sewage Treatment Programme and the National Waste Management Plan are documents for implementing the provisions of the environmental directives. These Programmes identify the specific projects together with the costs for their implementation. Similar Programmes function at the regional and local level in both fields. According to the Council Directive 1999/31/WE of 26 April 1999 on waste storage, Lubelskie Voivodeship, following the example of other regions in the country, undertakes a number of actions to adjust the already functioning waste depots to the legislative requirements and to close down the facilities which do not conform to the requirements specified by the new regulations.

According to the National Waste Management Plan, till the year 2014 there will be as few as 15 out of the 121 already existing municipal waste depots in the area of Lubelskie Voivodeship. For this reason, only well-equipped, extra-communal depots, serving large areas of about 150 000 inhabitants, will function. In addition to that, the so-called Waste Management Centres (there were 9 of them in Lubelskie Voivodeship till 2006) have been built to increase the amount of waste recovered and recycled.

Within the scope of the Priority Axis, projects will be implemented with regard to climatic changes, as well as the directions of the European Climate Change Programme (ECCP) launched in 2002 by the European Commission concerning limiting the emission of greenhouse gases and the increased participation of renewable energies in the market. Any activities will conform to European norms in this field, and the projects applying energy-saving solutions will be prioritized.

Categories of intervention: 39, 40, 41, 42, 44, 45, 46, 48, 50, 51, 53, 54.

Indicators of attaining the objective:

Type of indicator (definition)	Unit	Base year value	Target year 2003 value	Measurement frequency	Data source, measurement method
Product indicators					
Number of projects in renewable energy	item	0	30	Once a year	MA
Number of projects in waste management	item	0	15	Once a year	MA
Result indicators					
Additional power from renewable sources (MW)	MW	0	23	Once a year	MA
Number of persons connected to water supply network as a result of projects implementation	person	0	89 000	Once a year	MA
Number of persons connected to sewerage network as a result of projects implementation	person	0	31 000	Once a year	MA
Number of persons involved in selective waste collection as a result of projects implementation	person	0	1 000 000	Once a year	MA
Area recultivated as a result of projects implementation	ha	0	20	Once a year	MA
Number of persons protected against flood as a result of projects implementation	person	0	800	Once a year	MA

Types of beneficiaries:

- Local authority units and their associations
- Incorporated organisational units
- National and landscape parks
- The State Forests and their organisational units
- Social and economic partners
- NGOs
- Research units
- Universities
- Entrepreneurs
- Water treatment companies
- Public sector financial institutions which are legal persons (not mentioned above)

Cross-financing:

Priority Axis 6 does not allow for cross-financing.

Coherence with other Programmes:

Priority Axis 6 is coherent with the following Programmes:

▪ **OP for Infrastructure and Environment**

The Priority Axis I Water-sewage management

Measure 1.1 Water-sewage management in the agglomerations over 15 000 inhabitants. supporting mainly the actions aiming at providing efficient municipal sewage collection and recycling systems, as well as water treatment and distribution; demarcation criteria – ENI (Equivalent Number of Inhabitants).

Priority Axis II Waste management and Earth surface protection

Measure 2.1 Complex operations in the field of waste management with special regard to hazardous waste, where support will be given to the complex operations in the field of municipal waste management with special regard to hazardous waste: demarcation criteria – the number of inhabitants.

Measure 2.2 Restoring natural value to degraded areas and sea shore protection, where support will be aimed at the projects on restoring natural value to degraded area; demarcation criteria – project value.

Priority Axis III Resource management and environmental hazards prevention

Measure 3.1 Water retention and providing flood protection, where support will be provided for operations aiming to construct multi-functional reservoirs and barrages as well as other water engineering devices such as dams, which periodically raise the level of water, modernise and improve the technical condition of such facilities. Support will also be given to the extraregional projects connected with drought prevention and water outflow from water reception sites, including restoration of the watercourses, construction extraregional small retention systems; demarcation criteria – project size and value.

Measure 3.2 Preventing and minimizing the effects of natural hazards as well as averting other serious failures, where support will be granted to the projects dealing with serious failures prevention measures including the following: equipping with specialized equipment, purchasing specialized life-saving equipment as well as reducing the effects of natural hazards and serious failures; demarcation criteria – project value.

Measure 3.3 Environment monitoring, where support will be aimed at the projects focusing on strengthening the environment monitoring system through the implementation of new tools and methods of observing the condition of the environment, modernization of the existing databases; demarcation criteria – project value.

Priority Axis V Nature protection and shaping pro-ecological social attitudes

Measure 5.1 Supporting complex projects focusing on the protection of ecosystems in protected areas and retaining biodiversity, especially the operations aiming at retaining endangered species and conserving the genetic diversity in animals, plants and fungi as well as restoring permeability to ecological corridors to enable proper functioning of the NATURA 2000 Network; demarcation criteria – project value.

Measure 5.4 Formation of pro-environmental protection social attitudes, propagation of biodiversity, support for the projects dealing with developing pro-environmental protection

social attitudes and pro-ecological behaviour through pro-ecological education; demarcation criteria – project value.

Priority Axis X Environmentally-friendly energetic infrastructure

Measure 10.4 Generating energy from renewable sources, where the operations involving lowering the energy consumption of the public sector as well as increasing energy production from renewable sources will be supported; demarcation criteria – project value.

▪ **Rural Areas Development Programme**

Priority Axis 1 Improving agricultural and forestry sector competitiveness

Measure 125 Improvement and development of the infrastructure connected with developing and adjusting agriculture and forestry.

Within the scope of the action, support will be offered to basic and more specific projects devoted to the construction of water drainage devices adjusted to the needs of flood protection; demarcation criteria – project scope.

Priority Axis 2 Improving the natural environment and rural areas

Measure 214 Financial instruments and Programmes encouraging ecological farming

Within the scope of the action, support will be granted to projects on the protection of species and habitats within the Nature 2000 Network, on the reimbursement of costs incurred and the loss of income resulting from inconvenience in administering the areas of the Nature 2000. Projects dealing with environment protection, understood as securing proper working or animal farming conditions as well as improving production hygiene, will be treated equally; demarcation criterion – type of beneficiary.

Priority Axis 3 Rural population's quality of life and rural economy diversification

Measure 311 Diversification seeking to encourage non-agricultural activity

Measure 312 Creation and development of micro companies

Measure 321 Basic services for rural population and economy

Within the scope of these actions, the following projects will be implemented:

- manufacturing and distribution of biomass energy products; demarcation criteria – type of beneficiary, location, and financial criterion,
- water supply and sewerage management; demarcation criterion – project location,
- municipal waste collection, segregation and disposal systems; demarcation criteria – project size and location.

▪ **OP Sustainable Development of Fishery Sector and Coastal Fishing Areas**

Measure 3.2 Protection and development of water flora and fauna

- financial support within the scope of this measure will be granted to projects aiming to improve the condition of the natural environment and its protection in the areas of the Nature 2000 Network, provided that the actions are directly connected with the fishing economy, projects improving water retention will also be supported; demarcation criteria – type of beneficiary.

▪ **OP Human Capital**

Priority II Development of human resources and the adaptation potential of enterprises as well as the improvement in health condition of the working people

Measure 2.1 Development of personnel for the modern economy

- within the scope of the action, support will be provided to projects focusing on raising personnel and entrepreneurs' qualifications and their adjustment to the demands of the economy.

Priority V Good management

Measure 5.2 Improvement of the potential of the local self-government administration

- within the scope of the action, support will be granted to the initiatives improving the quality of public services offered by the local government units, as well as dealing with the quality of regional and local policies and Programmes.

Priority VIII Regional economy personnel

Measure 8.1 Workforce and enterprise development in the region

- within the scope of the action, the support will be offered to the projects emphasizing the necessity to raise workforce qualifications and skills and adjust them to the needs of the regional economy

Measure 8.2 Knowledge transfer

- within the scope of the action, support will be aimed at increasing knowledge transfer as well as strengthening the relations between the enterprises and the R&D sphere, serving economic development of the regions.

Priority axis 7: CULTURE, TOURISM AND INTERREGIONAL COOPERATION

The objective:

Expanding the role of tourism and culture sectors in the economy of Lubelskie Voivodeship as well as strengthening international bonds with other regions.

Connection with ROP strategy:

Implementing Priority Axis will contribute to attaining the specific target of ROP which is “Increasing attractiveness of Lubelskie Voivodeship as a dwelling, working and leisure site”.

The priority axis is coherent with the operational target of *the Strategy of Development for Lubelskie Region*: “Preserving and adding the environmental, cultural and landscape variety”, “Exploiting and strengthening the cultural and social resources of the region”, “Improving the living conditions of rural communities and multilateral development of rural areas” as well as “Development of the Voivodeship’s international, national and cross-border cooperation.

Rationale

In terms of environment and culture, Lubelskie Voivodeship is one of the most attractive Polish regions. The analysis carried out for the use of the Programme shows that tourism development is one of the most prospective directions for increasing employment in the service sector of Lubelskie region. To materialize the development, it is essential to improve the standards and eliminate the shortcomings of tourist facilities. Also, the sphere of culture and widely understood cultural heritage exert a positive impact on the region’s economy. Rich tradition and clean environment, which undoubtedly illustrate the potential of Lubelskie region, are not fully exploited for generating income and creating new work places. The present condition of tourism and culture infrastructure is insufficient and does not allow for full exploitation of the resources available. The state of tourist accommodation facilities are ranked to be of average quality in many cases. The tourist facilities often do not meet the tourists’ expectations. The availability of tourist facilities is of seasonal character. The analysis of accommodation infrastructure capacity indicates that it is ineffectively exploited. This may result from missing the customers’ expectations, a change in holiday preferences or insufficient promotion. The low rate of accommodation use concerns both large and small cities, which gives evidence not only for low interest in tourist and cultural values but also for a scant number of business meetings being held in the region. The condition of many monuments and historic constructions has been steadily deteriorating, which hinders or even prevents their exploitation and thwarts promotion. Many subjects cannot afford to redecorate and modernize the constructions they own. Without improving the base and extending the present offer, there is no way of attracting tourists from abroad.

The objective of the Priority Axis 7 will be attained by:

- Improving the accessibility of cultural objects and tourist facilities;
- Promoting the Lubelskie region as an attractive tourist destination;
- Creating bonds with other regions.

Forms of intervention:

- Support for projects facilitating the access to cultural heritage, promoting places of tourist attraction and contributing to the development of active leisure amenities;
- Subsidies for adjusting historical constructions to serve as tourist and cultural facilities as well as developing and supporting local, regional and interregional culture infrastructure;
- Financial aid for projects combining tourist, recreational, educational, environmental and cultural functions;
- Financing both tourist information centres and promotion of the region as a tourist attraction;
- Supporting the creation of both bilateral and network system of interregional connections in various spheres of social and economic life. The management is going to take part in *Regions for Economic Change* initiative, the aim of which is to create a cooperative network so as to share expertise and positive practices concerning economic modernization.

The projects supported within the culture and tourism sector will concern public objects associated exclusively with the cultural or tourist function.

Priority will be given to those measures that constitute a part of larger integrated projects concerning tourism development, which would financially contribute to economic expansion of this sector. Also projects that fit into *the Concept of tourism and leisure facilities development within the Lubelskie region* as well as marketing plan prepared by Voivodeship officials will be prioritized. The marketing plan will indicate the places of tourist attraction and specify the group of tourists to whom the offer will be addressed.

Projects concerning the areas allotted to tourism development will be more likely to attain Priority Axis support. Those areas include the north-western part of the Voivodeship that is Nałęczów, Kazimierz Dolny and Puławy surroundings, the Vistula and Bug valley (which constitute a part of paneuropean environmental corridors), Roztocze region, Janowski forests and Łęczyńsko-Włodawskie lake district, which constitutes a part of International Biosphere Reserve *Polesie Zachodnie*. Those areas of unspoiled landscape are perfect for developing "close to nature tourism". The regions suitability for such investments is reflected in the growing number of health-resorts and tourist facilities.

Lubelskie Voivodeship has always been an area where people of various cultures, religions, languages and nationalities coexisted. Each of those national and religious groups has contributed to the image of Lubelskie region. It is reflected in the objects of multicultural heritage and in the architectural style of towns, especially the small ones. Thus, the projects embracing those diverse aspects of culture and at the same time emphasizing the environmental virtues of the Voivodeship will be prioritized. Also, the projects aiming at restoration of works of art or redecorating the objects registered as historical constructions will be supported within the Priority Axis.

A number of projects facilitating the access to tourist information will be implemented in order to promote Lubelskie region as a holiday destination (mainly by ICT tools).

When launching projects concerning cultural heritage, historical constructions and creating tourist facilities, the economic and financial impact on the region will be considered. This concerns making the towns more attractive in terms of accessibility to cultural institutions which is linked to perceiving the town as an attractive place to make investments or live in. Simultaneously, high quality of public services and tourist sites favours making the region more attractive and encourages both the influx of tourists and private investments.

Adjusting the constructions so that they include facilities for the handicapped will be a horizontal objective in culture and tourism investments.

Interregional cooperation, which is a vital element in social and economic integration, is reckoned to be one of the four most important priorities in development. Developing a cooperative network and the region's participation in international organizations are European copybook solutions which considerably influence both the improvement of social and economic situation of the region and enable the transfer of expertise and positive practices. Interregional cooperation also strengthens the institutional capacity of Voivodeship and may serve as a tool for sharing expertise and experience in the field of widely understood socio-economic development of the region.

The attractiveness of the region in terms of tourism and investments could be exploited more efficiently within the framework of interregional cooperation. Organizing cultural events, training courses, seminars, publishing information bulletins as well as promoting the region in the country and abroad may implement the region's potential for development.

The scope of projects implemented within the framework of interregional cooperation as part of Priority Axis VII is not restricted to tourist and cultural enterprises. Many other partnership initiatives are apprehended, both in network and bilateral system (ex. doing research, sharing experience, creating and expanding partnership networks). Such projects will be implemented with the aim of raising the quality of human resources, inspiring the society's confidence and increasing their activity (ex. construction a suitable institutional potential on local and regional level by organizing studio visits, apprenticeships and traineeships).

Due to the fact that Lubelskie region is located on the borders of European Union, in the neighbourhood of Belarus and Ukraine, consideration should be given to fostering the bonds with both European Union members and the eastern partners. Thus the region can serve as a cooperation platform between Poland together with the European Union and the eastern countries. The enterprises concerning cross-border prospects for economic, infrastructural, social and environmental development of Lubelskie region will be implemented within the scope of European Territorial Cooperation Poland – Belarus – Ukraine. Some projects Programmed in *Regions for Economic Change* initiative can be implemented within the scope of partnership interregional cooperation Programme

Categories of intervention: 24, 55, 56, 57, 58, 59, 60, 80, 81.

Indicators of attaining the objective

Type of the indicator	Number of units	Value In base year	Value in target year 2013	Frequency of measurement	The source, method of measurement
Product Indicators					
Number of Project In the field of tourism	item	0	60	Once a year	MA
Number of built/ modernized cultural constructions	item	0	9	Once a year	MA
Number of Project of interregional cooperation	item	0	150	Once a year	MA
Result Indicators					
Number of created work places - in tourism - in culture	persons	0	150 50 100	Once a year	MA
New kinds of services, products, attractions that are offered as a result of the projects' implementation	item	0	100	Once a year	MA
Number of visitors/ spectators	persons	0	500 000	Once a year	MA

The types of beneficiaries:

- Local authority units and their associations
- Legal persons of local authorities associations
- Churches and religious institutions and the legal persons of churches and religious institutions
- Business institutions
- Social and economic partners
- Legal and natural persons presiding over schools and educational institutions
- PGL state-owned forests and their organizational units
- National and landscape parks
- Schools of higher education
- NGOs
- Academic units
- Public sector financial institutions which are legal persons (not mentioned above)

Cross-financing

Priority Axis 6 does not allow for cross-financing.

Coherence with other Programmes

Priority Axis 7 is coherent to the following Programmes

- **OP Infrastructure and Environment**

Priority Axis XII Culture and cultural heritage the projects concerning expansion and modernization of culture and cultural heritage protection facilities that are significant also outside the region; Demarcation criterion – territorial reach of the project

- **OP Development of Eastern Poland**

Priority Axis I Modern economy – undertaking a joint promotion in the field of economy and development of interregional cooperation

Priority Axis III Voivodeship expansion centres - providing suitable conditions for dynamic expansion of congress and market tourism

Priority Axis 4 Transport infrastructure - improving the safety of bicycle traffic

Priority Axis V Sustained development of environmental tourism potential – increasing the role of sustained tourism in economic expansion of macro region

Demarcation criterion – the value of the project

- **OP Human Capital**

Axis VI job market opened for everyone

Measure 6.1.2. Supporting County and Voivodeship job bureaus in carrying out Programmes aiming at unemployment reduction

Axis VII Promoting social integration

Measure 7.1.3. improving professional qualifications of social aid and integrity staff

Axis VIII Regional economy

Support for the combination of scholar and enterprise spheres

- **OP Development of Rural Areas**

Axis 3 The quality of living in rural areas and diversification of rural economy

Measure “Diversification in the direction of non-agricultural business” – projects of the following scope will be carried out:

- a) trade or craft
- b) tourism and leisure services

Measure “Creating and developing small enterprises” – projects of the following scope will be carried out:

- a) trade or craft
- b) tourism and leisure services

Measure “Modernization and development of rural areas” – projects of the following scope will be carried out:

- a) construction, reconstruction, redecorating or equipping the constructions which either have socio-cultural function or promote rural areas thus preserving cultural heritage, tradition, art and culture;
 - b) infrastructure related to development of tourist and socio-cultural functions;
 - c) purchasing constructions which in their architectural style are peculiar to a given region, including historical constructions with a view to opening them to general public;
 - d) renovating, exhibiting and restoring the monuments of local historical constructions which are of historical value or serve as memorials;
 - e) cultivating the local community's traditions and reverence for traditional trades.
- Demarcation Criterion – location and assessment of the project. Support will be given for conducting activity in the field of tourist services as well as sports, leisure and recreation.

Axis 4 Leader

Measure "Implementing local strategies for development" – within the framework of this activity, Local Activity Groups will be carrying out projects concerning diversification in the direction of non-agricultural business, setting up and expanding small enterprises as well as modernizing and developing rural areas within the scope of Local Strategies for Development

• **European territorial cooperation Programmes**

Cross-border Cooperation Poland – Belarus – Ukraine Programme

Priority Axis I "Increasing the competitiveness of borderland areas"

Measure 1.1 Facilitating the development of enterprise

Measure 1.2 Tourism facilities development

Priority Axis III Network cooperation and local communities' initiative

Measure 3.1 Increasing the potential for cooperation on regional and local level

Measure 3.2 Local communities' initiatives

Simultaneously opportunity is given to participate in the actions within the scope of "Regions for Economic Change"

International cooperation Programme

Priority Axis I Supporting introduction of innovations in Central Europe

Measure 3 Supporting education

Priority Axis II "Improving the internal and external accessibility of Central Europe"

Measure 3 "Promoting safe mobility in accordance with the rules of sustained development"

Priority Axis III "Sagacious exploitation of the environment"

Measure 1 "Improvement of environment through natural resources management"

Priority Axis 4 Increase of competitiveness and attractiveness of cities and regions

Measure 1 "Development of polycentric settlement structures and territorial cooperation"

Measure 3 "Capitalizing cultural resources in order to increase the attractiveness of regions and cities"

Interregional cooperation Programme Interreg IV CPriority Axis I "Innovation and economy based on expertise"

- sharing and transferring expertise and experience between the European Union regions and formulating new policies and methods in all European Union regions. The Priority Axis will support projects concerning interregional cooperation which could contribute to increasing the region's potential in the field of technology and innovation.

Priority Axis II "Environment and its protection"

Sharing and transferring expertise and experience between the European Union regions as well as formulating new policies and methods both in European Union and other regions in order to increase the attractiveness of European regions and to improve the environment. The Priority will support projects concerning interregional cooperation which could contribute to increasing the region's attractiveness and thus support sustained tourism and socio-economic development through cultural heritage and landscape protection.

Demarcation criterion: partners participating in "Hanse Passage" Programme

- **OP Innovative Economy**

Priority Axis 6 "Polish economy on international market"

Enterprises in the field of intra-regional tourist products will be supported, especially those of linear character, contributing to increasing the attractiveness of Poland

Demarcation criterion: assessment of the project

- **Sustainable Development of fisheries and coastal fishing areas**

Priority Axis II "Aquaculture, inland fishing, fish processing and fish market"

Measure 2.2.1 investments concerning the expansion, modernization and equipment of existing fish farms

Priority Axis III "Measures serving common business"

Measure 3.6 Modifying fishing boats with the aim of changing their purpose

Priority Axis 4 "Sustained development of fishing-dependent areas"

Measure 4.1 Sustained development of fishing-dependent areas

Measure 4.1.2 Implementing Local Strategies for Development of Fishing Areas (LSDFA) – small-scale fishing and tourism infrastructures and services for small fishing communities will be supported. This Priority will support projects concerning reconstruction and preserving cultural heritage or development of cultural infrastructure through investments and extension of cultural offer.

Demarcation criterion: type of beneficiary

Priority Axis 8: SOCIAL INFRASTRUCTURE

The objective:

Improving the education conditions and the accessibility to knowledge, medical and social care.

Connection with ROP LV:

Priority Axis 8 will contribute to implementing the ROP LV third specific objective: "Increasing attractiveness of Lubelskie Voivodeship as a dwelling, working and leisure site".

The Priority Axis is coherent with the operational objectives of Development Strategy of Lubelskie Voivodeship: "Creating extra-developmental population policy in the Voivodeship" and "Increasing the level of education and knowledge in the region".

Rationale:

According to the priority framework of the Lisbon Strategy, it is very important to increase the attractiveness of the region as a place of investing and dwelling. At the present stage of socio-economic development of the Lubelskie Region, the issue of its attractiveness is closely related to the free time organization and social services. The improvement of life quality becomes as important as preventing negative migration trends or creating new job opportunities. For this reason, the factors such as: low activeness of Lubelskie Voivodeship dwellers in the job market, increasing incidence of lifestyle diseases and increasing number of elderly people entail the necessity to take measures for the social capital in order to improve the education, health care and social infrastructure.

One of the keys to construction knowledge-based economy is well-educated society. Simultaneously, increasing the activeness of the society in the job market is equally important. The changes in regional economy in the last few years showed that there is a large demand for well-qualified and skilled employees, particularly those who specialize in modern technologies. Because the education in the knowledge-based economy is a life-long process related to demographic changes, Priority Axis 8 emphasises the significance of constant professional education.

Considering the resources intended for education infrastructure in ROP LV and the significant needs in the improvement of quality and accessibility of education at all levels, the professional education of adults will not be prioritized.

The criteria of choice prefer the education enterprises (including education for adults) that will contribute to the increase of education quality in the broadest sense. The improvement of education facilities accessibility is equally important (e.g. in rural areas). The support will, therefore, cover both construction and renovation the education facilities.

Competition-based procedure and the criteria of choice that are available will ensure that the most comprehensive projects will be chosen and contribute to the improvement of the quality of human resources and will be coherent with the needs of the Voivodeship.

Due to the prolonging productivity age and the technological advancement, educated staff is becoming more and more important element of modern economy. Therefore, adjusting the

educational offer, especially of the vocational schools, to the needs of the market is essential.

The accessibility and the infrastructure of health-care facilities is of great importance, as it has a large influence on the attractiveness of social care institutions, and then on the attractiveness of Lubelskie Voivodeship.

The objective of the Priority Axis 8 will be attained by:

- Increasing the quality of education in schools of all levels of (excluding kindergartens) and improving the accessibility of educational and sports infrastructure;
- Improving the quality and accessibility of health- and social care.

Forms of intervention:

- Subventions for educational infrastructure in schools of all levels of (excluding kindergartens) – construction, renovation, modernizing, equipment (especially that contributing to the economic development of the Voivodeship). The support will be intended for the development of educational potential of higher education but also for primary schools, junior high schools, high schools, vocational school and school for adults;
- Subventions for sports infrastructure – improving the accessibility of sports facilities (construction, renovation, modernizing, equipment);
- Subventions for the investments in necessary healthcare facilities that are necessary for the economy to function properly (to implement the contracts with the National Health Fund), and purchasing and modernizing medical equipment;
- Subventions for social care institutions, especially for construction, modernizing and equipment for the social-care houses (pensioners' houses).

In the implementation of the sports infrastructure that will improve the attractiveness of the Voivodeship, the influence on economic growth of these enterprises will be taken into consideration. It will concern the improvement of cities attractiveness with regards to sports infrastructure accessibility, what is reflected in the attractiveness to dwell and invest in the area. Simultaneously, high quality of public services and sports facilities influences the attractiveness of the area and increases the number of tourists and investments of the private sector. That is why, the enterprises that will comprehensively approach the issue and combine the sports and recreational functions will be prioritized.

In the light of the aging society, which is one of the priorities of the Lisbon Strategy, it is justified to support the measures aimed at increasing the retirement age and making the most of elderly employees experience and potential. It will be possible through a number of initiatives including: providing good healthcare for people to keep them fit, increasing the mobility of the staff, facilitation return to work after a break for people in a working age. This assumption incorporates into the Community Strategic Guidelines (Facilitating good health condition of employees) and the Strategy of Healthcare in Poland for 2007-2013. It is particularly important in Lubelskie Voivodeship where unfavourable demographical structure, multigenerational family model and depreciation of social infrastructure hinder the return to work, especially for women.

According to the Voivodeship Healthcare Plan and the Development Strategy of Lubelskie Voivodeship, the forecasts of health problems show that cardiovascular diseases and cancer are the

most serious threats for Lubelskie Voivodeship dwellers. Therefore, it is justified to subsidise the infrastructure which is directly related to these diseases.

The outpatients clinics tasks will be subsidized (comprehensive solutions will be prioritized), what is reflected in the Community Strategic Guidelines with regards to compensating the backwardness in health services in less wealthy member states and regions.

The process of society aging and the forecast fall in a number of working employees, the implementation of the coherence policy concerning decreasing the social, economic and territorial disproportions between the regions is justified. That is why, the social care facilities for people who are in post-working age will also be subsidized.

The scope of intervention of Priority Axis 8 is coherent with the main objective of The Strategy of Education Development for 2007-2013, which aims at propagating education and increasing the universality of adults' education. The issue of the influence of demographic processes on the changes in education and the need to react for the changes in the job market. The necessity in showed to level the educational chances through providing equal access to education fitted to the job market needs, and creating pro-educational attitudes, especially among public institution employees. The measures of Priority Axis 8 are also coherent with the Strategy of Sport Development in Poland by 2015, which, apart from promoting the idea of sport, emphasises the need for sports infrastructure.

Categories of intervention: 11, 13, 75, 79.

Indicators of attaining the objective:

Type of indicator	Unit	Base year value	Target year value (2013)	Frequency of evaluation	Data source
Product indicators					
number of projects in education	item	0	90	once a year	MA
number of education facilities that received support - higher education - high schools - junior high schools - primary schools	item	0	15 25 60 15	once a year	MA
number of healthcare facilities	item	0	65	once a year	MA
number of modernized hospitals	item	0	15	once a year	MA
number of hospitals that bought medical equipment	item	0	30	once a year	MA
Result indicator					
the capacity of school that received support	persons	0	1500	once a year	MA
number of education facilities for adults / vocational schools	item	0	30	once a year	MA
Potential number of specialist medical examinations done with the equipment form the project	item	0	500 000	once a year	MA

value of the equipment - oncology - cardiovascular diseases	PLN	0	80 000 000	once a year	MA
Number of school that received computer laboratories	item	0	40	once a year	MA

Beneficiaries:

- Local authority units and their associations
- Legal persons of local authorities associations
- Social and economic partners
- NGOs
- Churches and religious institutions and the legal persons of churches and religious institutions
- Legal persons that are running organs for schools
- Higher education institutions
- Public healthcare facilities
- Public sector financial institutions which are legal persons (not mentioned above)

Cross-financing

In justified cases of implementing a project or part of a project there is a possibility of financing measures within the scope of Priority Axis I which fall into European Social Fund intervention area provided the sum of money granted for the measures does not exceed 10% of qualified costs of the project.

The possibility is restricted only to those activities which are directly related to the project and are indispensable for its implementation (utilizing ITC tools, development of educational modules, e-services, and data bases, trainings to implement and use ITC technologies).

The activities aiming at developing human potential by improving competence and professional qualifications which are indispensable for the project implementation, may also be supported within the scope of cross-financing. Implementation of the above activities will guarantee that the beneficiaries receive adequate integrated implementation of projects, including the management and employees trainings.

Coherence with other Programmes:

Priority Axis 1 is complementary with the following Programmes:

- **OP Development of Eastern Poland**

Priority Axis 1 – Modern economy

Measure 1.1 Infrastructure of universities

Support for Project related to the education infrastructure for educational purposes of higher education institutions and the infrastructure for R&D purposes (according to indicative list in the Investment Plan for OP DEP). Demarcation criterion: the value of the project.

Measure 1.2 Infrastructure of information society

Support for the projects of construction comprehensive systems of broadband network infrastructure in the area of 5 voivodeships; the enterprise within ROP LV will complement the interregional project and will mainly concern network construction, ICT services at subregional level, including rural and small town's areas. Demarcation criterion: range/character of the project.

▪ **OP Infrastructure and Environment**

Priority Axis 10 – Environment-friendly energy infrastructure:

Measure 10.3 Thermo-modernization of public constructions

Support for projects of thermo-modernization of public constructions. Demarcation criterion: the value of the project.

Priority Axis 12 – Culture and cultural heritage:

Measure 12.3 Development of the schools of arts

Support for the projects of the development of the infrastructure in the schools of arts. Demarcation criterion: the value of the project

Priority Axis 13 - Health security and improving the efficiency of the healthcare system:

Measure 13.1 The development of medical rescue

Support for the projects of medical rescue. Demarcation criterion: the type of project.

Measure 13.2 Investment in Healthcare infrastructure of extraregional importance

The projects concerning the infrastructure of extraregional importance that will ensure specialist and highly specialist healthcare services, including diagnostics, work-related diseases. Demarcation criterion: the type of beneficiary

Priority Axis 14 – Infrastructure of higher education:

Measure 14.1 Higher education infrastructure

Support for the top class academic centres who train experts in modern technology; projects aimed at improving the quality of teaching with the use of modern IT and communication technologies. Demarcation criterion: the value of the project

▪ **OP Development of Rural Areas**

Priority Axis 3 Life quality in rural areas and diversification of rural economy:

Measure 313, 322, 323 Revival and development of rural areas

Support for the projects aimed at the improvement of life quality in rural areas by fulfilling social and cultural needs of the people who live in rural areas. Demarcation criterion: the values of the project or the location of the project.

▪ **OP Human Capital**

Priority Axis 1 – Employment and social integration:

Measure 1.2 Systemic assistance for social care and integration institutions

Support for the projects aimed at increasing the qualifications of the employees of social care and integration institutions

Priority Axis 2 - Development of human resources and the adaptive potential of:

Measure 2.3 Increasing the health potential of employees and the improvement of healthcare system

Support for the projects that aim at educating nurses and midwives, particularly at bridge Programmes, training medical doctors in the process of specializing, especially in scarce specializations, i.e. oncology, cardiology, work-related medicine; postgraduate Programmes for other medical professions.

Priority Axis 3 – High quality of education system:

Measure 3.5 Improving the school Programmes and Programme basis

Support for the projects of systemic solutions that improve the effectiveness of education and adjust the education process to the needs of knowledge-based economy

Priority Axis 4 – Higher education:

Measure 4.1 Enhancing and developing the potential of higher education teachers

Support for the projects aimed at construction up the didactic potential of university teachers, increasing the number of graduates at economically significant Programmes for the knowledge-based economy, increasing the role of science in the process of learning.

Measure 4.2 Development of R&D employees' qualifications

Support for the projects aimed at increasing the competence of the human resources in R&D sector.

Priority Axis 6 Labour market open for all

Measure 6.1 Improvement of employment and supporting job activeness in the region

Supporting projects aimed at organizing workshops and trainings of active job searching and key competences to improve the quality of public job services in the region; giving grants for establishing a company, including legal aid, consulting and advising services related to running a business.

Priority Axis 7 – Promotion of social integration:

Measure 7.1 Development and popularizing active integration

Support for projects aimed at trainings and specialist development of social care institutions from the region, which are directly related to the problems of social workers and their jobs

Priority Axis 9 – Development of education and competence in regions:

Measure 9.1 Levelling the educational chances and ensuring high level of education in the education system

Support for the projects aimed at creating equal access to education through extracurricular activities; support for students who are beyond the education system

Measure 9.2 Improving the attractiveness and quality of vocational schools

Support for the projects aimed at implementing professional qualifications Programmes of education, cooperation of vocational school with employers and labour market institutions in order to improve the qualifications of future graduates and their chances to find a job.

Measure 9.3 Popularizing constant education for adults in scholar forms

Support for the projects aimed at implementing projects for adults who want to complete Or improve their qualifications in scholar forms, through advisory services in order to choose their career paths

Measure 9.4 Well-qualified education system staff

Support for the post graduate Programmes and trainings for teachers, in the areas appropriate to the demand in the local and regional educational policy; projects of graduate Programmes

for teachers who want to improve their competences; re-qualification of teachers due to the changing demographical situation

▪ **OP Innovative Economy**

Priority Axis 2 – R&D infrastructure:

Measure 2.1 Development of high research potential

Support for projects aimed at the improvement of R&D infrastructure in the centres of the highest research potential. Demarcation criterion: the value of the project.

Priority Axis 7 – Information society establishment and development

Support of the projects concerning the electronic public services and assistance for entrepreneurs and citizens, projects aimed at supporting electronic economy sector and supporting electronic solutions of B2B type. Demarcation criterion: the type of beneficiary

Priority Axis 8 – Information society – the improvement of economy innovativeness

Support for the projects that aim at creating new innovative e-services, innovative solutions for business and decreasing technologic and economic barriers in utilization of e-services for the society

Priority Axis 9: TECHNICAL ASSISTANCE

The Objective:

Ensuring the effectiveness of conformity with law and community policies implementation of Regional Operational Programme of Lubelskie Voivodeship by assisting the institutions responsible for its management and implementation

Rationale:

Taking the role of the Managing Authority of Regional Operational Programme by the Board of Voivodeship is connected with increasing the number of tasks related to programming, implementing and coordination of the Programme, the process of evaluating and choosing the projects, monitoring, financial control and service, promotion and publicity of the Programme. That will entail the creation of specialized job positions, not only in the Managing Authority, but also in the institutions to which part of the responsibilities might be delegated.

Due to the complexity of the process of implementing ROP, special attention should be paid to the quality and competences of the implementing and managing institutions which have to base their operations on appropriate monitoring, evaluation and controlling. All this result in the need of institutional aid of public administration and other institutions engaged in this process.

Therefore, the institutions that participate in implementing ROP need support in providing appropriately qualified staff, updated training schemes, appropriate technical conditions and equipment (especially computers), organization and the service of managing structures, and finally promotion and publicity tools.

It is also necessary that the structural funds intended for implementing ROP be utilized appropriately and the effects of their interventions had sustainable character and contribute to the improvement of socio-economic situation of Lubelskie Voivodeship. For this reason, Managing Authority pledges to fully participate in one uniform information system of monitoring and in the measures that enable support of management and monitoring of ROP LV and to ensure the aggregation of data in the format required by European Commission, according to community regulations for 2007-2013, especially concerning financing, development and maintenance.

The implementation processes of ROP LV will include:

- Employing the Staff responsible for implementing ROP, finalizing Integrated Operational Programme of Regional Development (IOPRD) and preparing for another financial perspective;
- Trainings for employees engaged in programming and implementing ROP;
- Motivating the employees engaged in programming and implementing ROP;
- Organizing the intake, selection, evaluation and evaluation of projects;
- Support for the control of implementing the projects, monitoring the projects and the Programme;
- Evaluation of the Programme;
- Creating and maintenance of information system of control and monitoring that will be compatible with National Information System 2007-2013 (SIMIK 07-13), and the data coherent with Appendix 2 to Community Regulation no 1828/2006;

- Purchasing computers with necessary software and office equipment, supplies for the needs of ROP implementing;
- Trainings for beneficiaries (public procurement, public aid);
- Regional Monitoring Committee support;
- Ensuring appropriate technical conditions to implement ROP LV and prepare another Programme for the next financial perspective;
- Other costs necessary for appropriate management and implementation of ROP and preparing another Programme.

The implementation of Priority Axis 9 gives an opportunity to implement the projects concerning the exchange of experience and good practices in „Regions for Economic Change“ initiative.

The projects implemented in the sphere of promotion and publicity will firstly ensure the accessibility to information on Regional Operational Programme: the possibilities of applying for the funds, the application forms preparation, implementation period (e.g. trainings on public procurement, public aid). The aim of promotion and publicity is to increase the knowledge on the advantages of implementation of ROP LV for the region.

Appropriate amount of money is secured for the measures concerning technical assistance for the Programme, according to article 45 of Community Regulation no 1083/2006. The ex-ante evaluation of the documents will be prepared for the purposes of the next financial perspective towards the end of the present period. The assistance mentioned covers mainly the costs of evaluation research. In the pool of Priority Axis 9, sufficient resources are intended to meet the requirements of implementation and monitoring of ROP LV while implementing the Programme.

According to article 2.1 of Commission regulation no 1826/2006 the support concerning the demands for promotion and information activities, the measures will be implemented on the basis of Communication Plan. It will regulate the mechanisms of implementing the strategy of promoting Regional Operational Programme of Lubelskie Voivodeship for 2007-2013. The Communication Plan will be prepared by the ROP LV Managing Authority on the basis of the strategy of communication prepared by NSRF Coordinating Institution, according to article 2 of the operational regulation.

Promotion and publicity activities will concern the preparation and implementation of ROP LV promotion strategy, information materials (documentation, procedure implementation handbooks, brochures, leaflets, gadgets etc.) concerning ROP LV and other programmes.

Categories of intervention: 85, 86.

Indicators of attaining the objective

Type of indicator	Unit	Base year value	Target year value (2013)	Frequency of evaluation	Data source
Product indicators					
Number of jobs co-financed from Priority Axis	item	0	150	once a year	MA
Number of computers bought in the Priority Axis	item	0	150	once a year	MA

Number of promotional campaigns	item	0	9	once a year	MA
Number of expert evaluations and analyses	item	0	20	once a year	MA
Number of trainings, conferences and seminars for the beneficiaries	item	0	25	once a year	MA
Result indicators					
Number of participants of trainings, conferences and seminars for the beneficiaries	item	0	5000	once a year	MA
Number of trained staff in implementation procedures of ROP LV	item	0	150	once a year	MA
Number of visits at www.rpo.lubelskie.pl portal	item	0	3 000 000	once a year	MA

Types of beneficiaries:

- Managing Authority of ROP LV
- Intermediary Body of ROP LV and 2nd degree Intermediary Institution

Cross-financing:

Priority Axis 9 does not allow for cross-financing.

Coherence with other Programmes:

Priority Axis 9 is complementary to the following Programmes:

- **OP Technical Assistance** – which realises the projects on:
 - Implementing NSRF in supporting human resources, functioning of the institutions implementing NSRF, implementing NSRF, purchasing the necessary equipment and computers supporting NSRF implementation process
 - Communications and promotion and experience Exchange between institutions involved in NSRF implementation
- **OP Human Capital** – support for the projects of technical assistance in Priority Axis 11.
- **OP Development of Eastern Poland** – support for the projects of technical assistance in Priority Axis 4.
- **OP Development of Rural Areas** – support for the projects of technical assistance in Axis 4.

With regards to demarcation rule, the support for the implementation of ROP LV comes entirely from the resources intended for technical assistance for ROP LV.

Chapter 4

Financing Plan

The Regional Operational Programme of Lubelskie Voivodeship for 2007-2013 will be allocated approximately €1 155.85 million from the European Regional Development Fund.

The Programme calculates the contribution of the European Regional Development Fund by reference to the public eligible expenses.

The amount of private resources invested in co-financing of the Programme has been pre-estimated at €264.92 million, which accounts for 16.3 % of the total resources for funding the Programme.

The national public contribution to the ROP LV will amount to €203.97 million, i.e. 12.5 % of the total resources for funding the Programme.

A detailed breakdown of structural funds within the framework of the ROP LV by priorities is the following:

Priority Axis I - Entrepreneurship and Innovation - 21 % of the Community resources from the ERDF (€242.73 million);

Priority Axis II - Economic Infrastructure - 6.5 % of the Community resources from the ERDF (€75.13 million);

Priority Axis III - Attractiveness of Urban Areas and Investment Areas - 6% of the Community resources from the ERDF (€69.35 million);

Priority Axis IV - Information Society - 5 % of the Community resources from the ERDF (€57.79 million);

Priority Axis V - Transport - 22.5 % of the Community resources from the ERDF (€260.07 million);

Priority Axis VI - Environment and Clean Energy - 13.5 % of the Community resources from the ERDF (€156.04 million);

Priority Axis VII - Culture, Tourism and Inter-Regional Cooperation - 9.5 % of the Community resources from the ERDF (€109.81 million);

Priority Axis VIII - Social Infrastructure - 13.2 % of the Community resources from the ERDF (€152.57 million);

Priority Axis IX - Technical Assistance - 2.8 % of the Community resources from the ERDF (€32.36 million).

The final amounts presented in the Programme meant for instruments to support actions within the ROP are derivatives of four overlapping factors:

1. An axiological factor related to the basics of the ROP: objectives and priorities of the Lisbon Strategy, Community Strategic Guidelines, European Regional Development Fund, National Strategic Reference Framework (National Cohesion Strategy) and a base document for the Regional Operational Programme i.e. the Development Strategy of Lubelskie Voivodeship for 2006-2020;

2. At least 40% of the Regional Operational Programme funding should go to actions implementing the Lisbon Strategy;
3. Conclusions resulting from the diagnosis of the social and economic situation of the Voivodship and the SWOT analysis, both based on statistical research and surveys among potential beneficiaries of the Programme as carried out during the Programme drafting stage;
4. A social factor, i.e. the aggregate comments and opinions that were sent during the public consultation of subsequent drafts for over a year.

Basic assumptions:

1. The Regional Operational Programme for Lubelskie Voivodship is compliant with the provisions of the Council Regulation (EC) No. 1083/2006 of 11th 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 Regional Operational Programme of Lubelskie Voivodship is a single-fund Programme financed from the European Regional Development Fund.
2. The funds are defined based on the percentage share of the ERDF allocation in a given Priority Axis / Action compared to the total amount available for the Programme.
3. Co-financing for all priorities in the Programme is calculated by reference to public eligible expenses.
4. Allocation of resources other than the ERDF depends on:
 - types of projects and beneficiaries as defined for the ROP priorities;
 - financial allocations included in the National Cohesion Strategy - National Strategic Reference Framework;
 - commitment of the government to provide co-financing from the state budget for 15% of actions related to the public aid within the Programme.

Pursuant to the requirements of the Council Regulation (EC) No. 1083/2006 of 11th 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 following financial tables are presented below:

1. A financial table breaking down for each year the amount of the total financial appropriation from the European Regional Development Fund (Table 5.1);
2. A financial table specifying the total amount of the EU financial contribution and the national counterparts and the rate of contribution from the Funds by priority axes and sources of funding (Table 5.2);
3. A financial table specifying an indicative breakdown by categories of the Programmed use of the contribution from the Funds (Table 5.3).

Tab. 5.1. A financial table for the operational Programme by years (in EUR)

	European Regional Development Fund	Cohesion Fund	Total
	1	2	1+2
2007	162 035 558	0	162 035 558
2008	165 829 927	0	165 829 927
2009	169 599 313	0	169 599 313
2010	167 386 841	0	167 386 841
2011	164 261 210	0	164 261 210
2012	161 235 273	0	161 235 273
2013	165 506 427	0	165 506 427
2007-2013	1 155 854 549	0	1 155 854 549

Tab. 5.2. A financial table for the operational Programme by priorities and sources of funding (in EUR)

	Community Contribution	National Contribution			Total	Rate of Contribution of the EU Funds	For Information Purposes	
		Total	National Public Contribution	Private Contribution			EIB Loans	Other Funding
	1	2=3+4	3	4	5=1+2	6=1/5	7	8
Axis I	242 729 455	42 834 610	42 834 610	0	285 564 065	85.0%	0	190 376 044
Axis II	75 130 546	13 258 331	13 258 331	0	88 388 877	85.0%	0	15 885 001
Axis III	69 351 273	12 238 460	12 238 460	0	81 589 733	85.0%	0	16 952 533
Axis IV	57 792 728	10 198 717	10 198 717	0	67 991 445	85.0%	0	1 444 818
Axis V	260 067 274	45 894 225	45 894 225	0	305 961 499	85.0%	0	26 811 709
Axis VI	156 040 364	27 536 535	27 536 535	0	183 576 899	85.0%	0	2 889 636
Axis VII	109 806 182	19 377 561	19 377 561	0	129 183 743	85.0%	0	577 927
Axis VIII	152 572 800	26 924 612	26 924 612	0	179 497 412	85.0%	0	9 978 878
Axis IX	32 363 927	5 711 281	5 711 281	0	38 075 208	85.0%	0	0
Total	1 155 854 549	203 974 332	203 974 332	0	1 359 828 881	85.0%	0	264 916 546

Table 5.3 specifying breakdown by categories of the Programmed use of the contribution from the Funds to the operational Programme (in EUR)

Code	Amount		
1	0	39	4 334 455
2	23 695 018	40	4 334 455
3	2 889 636	41	15 893 000
4	2 889 636	42	11 269 582
5	40 454 909	43	9 709 178
6	4 623 418	44	34 675 637
7	49 123 818	45	27 740 509
8	131 305 077	46	47 852 378
9	30 052 219	47	0
10	20 227 455	48	6 935 127
11	23 052 074	49	0
12	0	50	6 935 127
13	23 382 938	51	4 161 076
14	2 889 636	52	0
15	2 889 636	53	6 935 127
16	36 480 828	54	3 467 564
17	0	55	29 474 291
18	4 438 481	56	4 912 382
19	0	57	30 919 109
20	0	58	22 105 718
21	0	59	4 912 382
22	6 935 127	60	32 363 927
23	147 835 855	61	27 740 509
24	19 216 082	62	0
25	20 805 382	63	0
26	1 155 855	64	0
27	0	65	0
28	1 155 855	66	0
29	24 500 000	67	0
30	0	68	0
31	0	69	0
32	0	70	0
33	0	71	0
34	0	72	0
35	0	73	0
36	0	74	0
37	0	75	54 799 064
38	0	76	41 964 744
		77	5 039 526

78	23 117 091
79	36 120 455
80	1 155 855
81	4 623 418
82	0
83	0
84	0
85	28 896 364
86	3 467 564
Total	1 155 854 549

Form of Funding	
Code	Amount
01	1 121 178 912
02	34 675 637
03	0
04	0
Total	1 155 854 549

Territory	
Code	Amount
01	626 473 166
02	0
03	0
04	0
05	509 153 929
06	0
07	0
08	0
09	0
10	20 227 454
00	0
Total	1 155 854 549

Table 5.4 ROP LV spending by the categories of intervention supporting the implementation of the Lisbon Strategy.

Priority/Code of intervention	Community input	% ROP
RESEARCH AND TECHNICAL DEVELOPMENT, INNOVATIONS AND ENTREPRENEURSHIP	285 033 731	24,66%
2. R&TD and specialist technological competences centres	23 695 018	2,05%
3. Technology transfer and improving B-to-B cooperation, SME and other enterprises, universities, post secondary education institutions, regional authorities, research and technology centres	2 889 636	0,25%
4. Support for R&TD, especially for SME	2 889 636	0,25%
5. Advanced support for enterprises and enterprises associations	40 454 909	3,50%
6. Support for SME for the promotion of environment-friendly products and processes	4 623 418	0,40%
7. Interventions in innovative R&D enterprises	49 123 818	4,25%
8. Other investment in enterprises	131 305 077	11,36%

9. Other measures concerning the stimulation of R&D, innovation and entrepreneurship in SME sector	30 052 219	2,60%
INFORMATION SOCIETY	72 441 739	6,27%
10. Tele-communication infrastructure	18 782 637	1,63%
11. Information and Communications technologies	23 052 074	1,99%
13. Services and applications for inhabitants	21 938 119	1,90%
15. Other measures concerning the improvement of ITC availability functionality for SME	8 668 909	0,75%
TRANSPORT	63 292 538	5,47%
16. Rail transport	36 480 828	3,15%
26. Multi-modal transport	1 155 855	0,10%
28. Intelligent transport	1 155 855	0,10%
29. Airports	24 500 000	2,12%
ENERGY	45 540 670	3,94%
39. Renewable energy: wind	4 334 455	0,38%
40. Renewable energy: sun	4 334 455	0,38%
41. Renewable energy: biomass	15 893 000	1,37%
42. Renewable energy: hydroelectric, geothermal and other	11 269 582	0,97%
43. Energetic effectiveness: paired production, energy management	9 709 178	0,84%
Total	466 308 678	
Total % in the expenditures		40,34%

Chapter 5

The System of Implementing Regional Operational Programme

The Regional Operational Programme for Lubelskie Voivodeship for the years 2007-2013 is one of the operational Programmes aimed at implementing the National Development Policy for the years 2007-2015 and the National Strategic Reference Framework for the years 2007-2013 (National Cohesion Policy).

The Regional Operational Programme implements the objectives of the National Development Policy for the years 2007-2015, defining the priorities and the amount of the national financial means from the Budget as well as from private sources, and of the financial resources from the EU Structural Funds that are allocated for development of Lubelskie Voivodeship.

The system of implementing the Regional Operational Programme is in accordance with Council Regulation (EC) No 1083/2006 of July 2006 laying down general provisions for the European Regional Development Fund, the European Social Fund and the Cohesion Fund, and with Commission Regulation (EC) No 1828/2006 of 8 December 2006 setting out the rules for the implementation of Council Regulation (EC) No 1083/2006.

The underlying principles of functions of the ROP Managing Institution, intermediary institutions, certifying institutions, the Auditing Institution and their interrelationships are provided for in the National Strategic Reference Framework for the years 2007-2013 (National Cohesion Policy) approved by the European Commission in May 2007.

5.1 The competence of ROP managing institutions - coordination

5.1.1 National Strategic Reference Framework (NSRF)-level coordination – Minister of Regional Development

The Minister for Regional Development supervises the correct functioning of the NSRF implementation system and is responsible for evaluation analyses at the NSRF level, including horizontal, supplementary and ad hoc analyses resulting from monitoring the NCP implementation.

The Coordinating Committee for the National Cohesion Policy is responsible for the coordination of actions taken under the Cohesion Policy, the Common Agricultural Policy, the Common Fisheries Policy, the European Economic Area Financial Mechanism, the Norwegian Financial Mechanism, the Swiss Financial Mechanism, and other financing instruments (in the case of co-financing projects covered by the Cohesion Policy).

5.1.2 Coordination of 16 Regional Operational Programmes – Institution Coordinating Regional Operational Programmes

The function of the Institution Coordinating Regional Operational Programmes will be performed by the Minister for Regional Development through a section in the Ministry for Regional Development (MRR) - the Department for the Coordination of Regional Programmes (DRP). The responsibilities of the Institution Coordinating Regional Operational Programmes will in particular include:

- verifying whether Regional Operational Programmes are in accordance with the National Strategic Reference Framework;
- negotiating Regional Operational Programmes with the European Commission in cooperation with the ROP managing institutions;
- ensuring the cohesion of the applied guidelines;
- monitoring the results of implementing the Regional Operational Programmes in the relevant regions (comparative analyses).

The mutual relations as well as the detailed scope of responsibilities and the division of tasks between the ROP Coordinating Institution and the ROP Managing Institution for Lubelskie Voivodeship will be defined in the agreement between the Institutions.

5.1.3 Coordination of ROP with other NSRF Programmes and other EU Programmes

At the institutional level, the coordination of the Regional Operational Programme with other National Strategic Reference Framework Programmes and with the European Agricultural Fund for the Rural Development will be ensured through regular sessions of the ROP Working Group formed by the Marshal of Lubelskie Voivodeship (the Head of the ROP Managing Institution for Lubelskie Voivodeship). The Working Group will be meeting with representatives of other entities involved in implementation of other Programmes in the region, implemented inter alia under objective 3 – European Territorial Cooperation, the regional component of the Operational Programme – Human Capital, and the Rural Area Development Programme for the years 2007-2013. Furthermore, the above issues will constitute an important part of tasks of the ROP Monitoring Committee for Lubelskie Voivodeship.

At the level of the ROP implementation, the ROP Managing Authority for Lubelskie Voivodeship will prevent double financing for the same project under different operational Programmes and from different funds by obligating the beneficiaries to declare that when implementing the given project they will take advantage of the financial resources from one Programme and one priority axis.

5.2 Management of Regional Operational Programme for Lubelskie Voivodeship

5.2.1 Managing Institution for Regional Operational Programme for Lubelskie Voivodeship

According to Act on principles of conducting development policy the Government of Lubelskie Voivodeship has been designated as the Managing Institution for the Regional Operational Programme for Lubelskie Voivodeship for the years 2007-2013. In accordance with the internal regulations of the Marshal Office of Lubelskie Voivodeship adopted by the Government of Lubelskie Voivodeship, the duties of the Managing Institution for the Regional Operational Programme for Lubelskie Voivodeship will be fulfilled by the Regional Policy and Development Department, an organisational unit within the Marshal Office of Lubelskie Voivodeship.

Under article 60 of Council Regulation No 1083/2006 the Managing Institution will be responsible for managing and implementing the Regional Operational Programme in accordance with the principle of adequate financial management and in particular for:

- ensuring that the operations to be financed are selected according to the criteria applicable to the Regional Operational Programme and comply with Community and national rules for the entire implementation period;
- verifying the delivery of the co-financed products and services and that the expenditure declared by the beneficiaries has actually been incurred and complies with Community and national rules;
- ensuring that there is a computerised system for recording and storing accounting entries for each operation within the ROP, and that the data on the implementation necessary for financial management, monitoring, verifications, audit and evaluation is compiled;
- ensuring that the beneficiaries as well as other entities participating in implementation of the operation maintain a separate accounting system or an appropriate accounting code for all the transactions relating to the operation, without prejudice to national accountancy regulations;
- ensuring that the evaluation of the Programme referred to in article 48, paragraph 3 of Council Regulation No 1083/2006 is conducted in accordance with article 47 of the above regulation;
- establishing procedures to ensure that all documents regarding expenditure and audits required to ensure an adequate audit procedure are stored in accordance with article 90 of Council Regulation No 1083/2006;
- ensuring that the Certifying Institution shall receive all necessary information on the procedures and verifications carried out in relation to expenditure for the purpose of certification;
- guiding the work of the Monitoring Committee and providing it with the documentation required to enable the Committee to monitor the quality of implementation of the Programme in the light of the specific aims;
- drawing up and, after approval by the Monitoring Committee, submitting to the European Commission the annual and final reports on implementation;

- ensuring that the communication and promotion requirements laid down in article 69 of Council Regulation No 1083/2006 are observed;
- providing the European Commission with information to allow it to evaluate major projects.

5.2.2 2nd degree Intermediary Institution

On the basis of article 59 of Council Regulation (EC) No 1083/06 the ROP Managing Institution delegates a part of its operational duties to the 2nd degree Intermediary Institution. The ROP Managing Institution keeps nevertheless full responsibility for the entire implementation of the ROP.

The RPO Managing Institution will delegate the duties connected with the implementation of Priority Axis I *Entrepreneurship and innovation* and Priority Axis II *Economic Infrastructure* to the 2nd degree Intermediary Institution – *the Lublin Agency for Entrepreneurship Support*.

The main delegated tasks of the 2nd degree Intermediary Institution will in particular include:

- accepting applications;
- conducting formal, substantive, and technical and financial evaluation of applications for payment;
- settling agreements and, potentially, annexes with the beneficiaries;
- verifying applications for payment submitted by the beneficiaries and drawing up collective applications for payment;
- monitoring and reporting including drafting periodical, annual and final reports on the implementation of Priority Axes I and II and other documents necessary for monitoring delegated tasks;
- participating in the evaluation carried out by the Managing Institution for Lubelskie Voivodeship;
- carrying out the tasks related to promotion and publicity within the scope of implementation of the Programme and in accordance with the Communication Plan for the Regional Operational Programme for Lubelskie Voivodeship;
- executing control;
- detecting and reporting of any irregularities;
- storing data in computerised form as well as processing and entering it into the national and regional informatics systems;
- maintaining required documentation;
- storing, archiving documents and making them available.

The 2nd degree Intermediary Institution will report of the implementation of the delegated tasks directly to the Managing Institution. The 2nd degree Intermediary Institution will be obligated to ensure that it will fulfil its competences in respect of administrative and financial management.

The institutional graph of ROP LV has been presented in [Annex 3](#) below.

5.2.3 Certifying Institution

Pursuant to article 35, paragraph 2, of Act of 6 December 2006 on principles of conducting development policy the Minister for Regional Development will certify to the European Commission the correctness of expenditure incurred under Operational Programmes. The Certifying Institution is an organisational unit established by virtue of regulation of the Minister for Regional Development concerning determination of organisational by-laws of the Ministry of Regional Development, responsible for certification of expenditure borne under the European Regional Development Fund/European Social Fund/Cohesion Fund. In relation to executed tasks the unit will be independent of the units that manage particular Operational Programmes and are comprised by separate divisions subordinated to other members of the Ministry's management. The member of the Ministry of Regional Development supervising the Certifying Institution will be subordinated to the Minister for Regional Development and will be taking independent decisions on executing and withholding the process of certification of the declarations of expenditure and applications for payment submitted to the European Commission. Presently, the functions of the Certifying Institution are performed by the Department of Certification. The Certifying Institution will be responsible in particular for:

- developing and providing the Commission with certified declarations of expenditure and applications for payment;
- certifying that the declaration of expenditure is accurate, results from a reliable accounting system and is based upon verifiable supporting documentation;
- certifying that declared expenditures comply with applicable Community and national regulations, have been borne in respect of operations selected for funding in accordance with the criteria applicable to the given Programme, and meet Community and national principles;
- ensuring, for the purpose of certification, that it has received from the Managing Institution adequate information on the procedures and verifications conducted in respect of the expenditure included in declarations of expenditure;
- taking into account, for the purpose of certification, the results of all audits carried out by or under the responsibility of the Auditing Institution;
- storing in computerised form accounting records of expenditure declared to the Commission;
- keeping an account of amounts recoverable and amounts withdrawn after the cancellation of all or part of the contribution for the operation. The amounts recoverable will be repaid to the general budget of the European Union prior to the closure of the Operational Programme by deducting them from the next declaration of expenditure;
- taking account for information on the irregularities detected in the Operational Programme, for the purpose of certification;
- considering, for the purpose of certification, the results of controls of system and expenditure executed by the Managing Institutions;
- issuing opinions on executive instructions of the ROP Managing Institutions for the purpose of certification of expenditure;

- conducting in the Managing Institution and in the institutions subordinated to the Managing Institution or potentially with the beneficiary, in respect of implementation of the Programme, verification visits including visits aimed at controlling expenditure on the basis of submitted applications for reimbursement from the Managing Institution;
- carrying out verification visits in the Intermediary Certifying Institution in order to examine the compliance with requirements of the ROP certification system.

Under Regional Operational Programmes the Certifying Institution will delegate a part of its duties related to certification to the Voivodeship Offices performing the function of the Intermediate Certifying Institutions. Pursuant to article 59, paragraph 2 of Council Regulation (EC) No 1083/2006, The Certifying Institution will nevertheless keep full responsibility for executing the delegated duties.

According to article 12 of Commission Regulation (EC) No 1828/2006 a part of duties of the Certifying Institution will be delegated to the Intermediary Certifying Institution on the basis of the written agreement with the Voivode of Lublin. The agreement will define the scope of delegated duties and the responsibilities of the Intermediary Certifying Institution. The Voivode's the duties of the Certifying Institutions are delegated to will perform the function of the Intermediary Certifying Institutions.

The units of the Voivodeship Offices that will support the Voivode in respects of the tasks delegated by the Certifying Institution will be functionally independent of the organisational units carrying out the duties delegated by the Managing Institution.

The main duties related to certification delegated to the given Voivode will include:

- verifying certifications of expenditure and applications for periodical/final payment for the Regional Operational Programme delivered by the Managing Institution, in respect of their compliance with formal requirements and principles of accounting;
- certifying for the Certifying Institution expenditure for the Regional Operational Programme declared by the Managing Institution in the application for periodical/final payment certified by the Managing Institution;
- conducting on behalf of the Certifying Institution in the Managing Institution, in the institutions subordinated to the Managing Institution or with the beneficiary verification visits, including verification visits aimed at controlling expenditure on the basis of submitted applications for reimbursement received from the Managing Institution;
- collecting for the purpose of certification of expenditure executive instructions issued by the ROP Managing Institution;
- analysing for the purpose of certification data on controls of system and of expenditure for the Regional Operational Programme; the data will be delivered by the units executing controls, i.e. by the Managing Institution or by the institution subordinated to the Managing Institution and carrying out tasks delegated by the Managing Institution;
- collecting and taking into account, for the purpose of certification, information obtained from the Managing Institution on the irregularities detected in the expenditure implemented under the Regional Operational Programme;

- keeping in computerised form and on the basis of the data submitted by the ROP Managing Institution an account of the amounts recoverable and of the amounts withdrawn following cancellation of all or part of the contribution for the operation;
- monitoring the implementation of the rule $n+3/n+2$ for the given Regional Operational Programme on the basis of the data received from the ROP Managing Institution;

5.2.4 Auditing Body

Pursuant to Act of 28 September 1991 on fiscal control, the duties of the Auditing Institution specified in Council Regulation No 1083/2006 are carried out by the General Inspector of Financial Information, the function of which is performed by the secretary of state or undersecretary of the state in the Ministry of Finance. The Auditing Institution is independent of the Managing Institution, the Intermediary Institutions, the 2nd degree Intermediary Institutions and the Certifying Institution.

The tasks of the Auditing Institution will be implemented through fiscal control administrative units subordinated to the General Inspector of Financial Information, i.e. by a separated organisational unit formed within the Ministry of Finance (at present, the European Union Funds Certification Department) and by a separated organisational unit responsible for controlling European Union funds formed within the Fiscal Control Office in Lublin.

The Auditing Institution will be in charge of all works related to issuing the certification that the ROP management and control system meets the principles of Council Regulation (EC) No 1083/2006. The Institution's duties include drafting, before the submission of the first application for payment or within 12 months of approval of the ROP, a report containing the results of the evaluation of establishing the systems and the opinion on the compliance of the ROP management and control system with articles 58-62 of the said Regulation. The European Union Funds Certification Department and the Fiscal Control Office in Lublin will be responsible for the works carried out under the compliance audit whereas the General Inspector of Financial Information will sign the opinion.

The Auditing Institution will ensure that audit activities are in accordance with the globally recognised audit standards. The main tasks of the Auditing Institution will include:

1. ensuring that audits are carried out, in order to verify effective functioning of the ROP management and control system;
2. ensuring that audits on operations are conducted on the basis of an adequate sample in order to verify the expenditure declared;
3. submitting to the European Commission within 9 months of approval of the ROP the audit strategy for the entities that will conduct the audits referred to in points 1 and 2, the methodology to be applied, the methods of sample selection for the purpose of auditing operations, and indicative audit planning in order to ensure auditing the main entities and regular distribution of audit checks for the entire programming period;
4. by the 31st December each year from 2008 to 2015:
 - a) submitting to the European Commission an annual control report, setting out the findings of the audits carried out during the previous 12 months period, ending on the 30th of June of the year concerned, in accordance with the audit strategy of the ROP for

Lubelskie Voivodeship, and reporting any shortcomings found in the ROP management and control system. The first report to be submitted to the 31st of December 2008 will cover the period from the 1st January to the 30th June 2008. The information on the audits carried out after the 1st of July 2015 will be included in the final audit report supporting the closure declaration specified in point d;

- b) issuing the opinion, on the basis of the controls and audits carried out under the responsibility of the Auditing Institution, on the effectiveness of the management and control system, in order to provide reasonable assurance that the declarations of expenditure submitted to the EC are correct and, as a consequence, reasonable assurance that the underlying transactions are legal and regular;
- c) submitting the declaration of partial closure of the ROP, evaluating the legality and regularity of the expenditure declared;
- d) submitting to the European Commission, at the latest by the 31st of March 2017, a declaration of closure, evaluating the validity of the application for payment of the final balance and the legality and regularity of the underlying transactions covered by the final declaration of expenditure, which will be supported by the final audit report.

Under the above specified works the European Funds Certifications Department will supervise, coordinate and assure the appropriate quality of work of the Fiscal Control Office.

In order to assure the appropriate quality of the works carried out by Fiscal Control Offices the Department will guarantee using adequate mechanisms of control, and in particular:

- establishing the system of documentation management (including determination of the criteria for drafting, verifying, accepting, standardising and computerization of documentation);
- supervising works (ascribing responsibility for execution of a task to a particular employer and verifying execution of a task);
- carrying out annual controls in order to verify the quality of executed works (within the framework of the so-called performance audits and audits aimed at verifying regularity of the methodology applied by the Fiscal Control Offices).

5.2.5 Institution authorized to receive payments from the European Commission

The Ministry of Finance has been designated as the institution authorized to receive payments from the European Commission. In accordance with the operational regulations of the Ministry of Finance, currently the Paying Authority Department is responsible for handling the bank accounts to which the Community funds will be transferred.

The resources provided by the European Commission as advance, periodical and final payments will be included in the Budget as its revenues.

The institutional graph of the interrelationships between the Managing Institution, the Certifying Institution, the Auditing Institution and the institution authorized to receive payments from the EC has been presented in [Annex 4](#) below.

5.2.6 Financial flow

The European Commission transfers the funds allocated for implementation of the Regional Operational Programmes to the minister relevant for public finance. The resources provided by the EC as advance payments, periodical payments and payments of the final balance will be included in the Budget as its revenues.

The funds provided to Poland by the European Commission in the above specified form will be transferred to separate bank accounts denominated in euro and handled by the Minister of Finance. After converting to Polish zloty the financial means will be transferred from those accounts to the account of revenues of the Budget according to the decision of the Minister of Finance, and will constitute a part of the Budget revenue.

The funds allocated for implementation of the Regional Operational Programmes are planned in the budget of the relevant minister, and the funds allocated as subsidies for the development to the local governments of voivodeships that perform functions of the ROP Managing Institutions are planned in the budget managed by the Minister for Regional Development and assigned as subsidies for the development to the local government of the given voivodeship.

Under the principles of execution of the Budget and within annual expenditure limits specified in the Budget Act the ROP Managing Institution plans the assignment of the funds allocated for implementation of the Regional Operational Programme for Lubelskie Voivodeship.

The above limits will be determined during the works on the Budget Act, on the basis of the table of payments of Regional Operational Programmes and long-term limits of commitments and expenditure specified in the Programmes, in order to ensure efficient and timely execution of the Programme.

Pursuant to the guidelines of the Minister for Regional Development on making payments and settlements and regulation issued by the Minister for Regional Development concerning detailed information for expenditure connected with implementation of the Operational Programmes, the payments to the beneficiaries will be made by the Managing Institution/Intermediary Institution in the form of repayment of expenditure incurred by the beneficiary. The resources will be transferred on the basis of the agreement settled by the Managing Institution/Intermediary Institution and the beneficiary and of a certified and correct application for payment. The financial means will be transferred in the form of repayment to the bank account specified by the beneficiary.

In agreed periods the beneficiary will transfer to the Managing Institution/ Intermediary Institution applications for payment and other documents required to verify the expenditure incurred for execution of operations.

The amount of the resources assigned and transferred to the local governments of voivodeships will not take account for the expenditure borne by the state administrative entities that carry out projects under the Regional Operational Programme for Lubelskie Voivodeship.

The funds for the projects implemented by state administrative entities and by administrative units of the local government are planned in the budgets of the said units.

State administrative entities will not receive resources in the form of repayment directly from the Regional Operational Programme for Lubelskie Voivodeship, and applications for payment submitted by these units will serve only to settle the expenditure incurred.

In the case of projects carried out by the said units co-financing will cover the total qualified expenditure incurred within the framework of the project. The repayment from the resources managed by the relevant minister will be transferred to the beneficiary's bank account. The amount of funds transferred to the state administrative entity by the relevant minister shall be deducted from the next subsidy from budgetary sources the local government will receive.

Under the system of monitoring the financial flow the Managing Institution will monitor the value of eligible expenditure, including the expenditure constituting national co-financing. The Managing Institution will be making calculations of the amount of financing from the EU at the level of the priority axis so as to ensure that the EU financial contribution shall not exceed the amount adopted in the ROP for Lubelskie Voivodeship for the given priority axis.

The diagram of financial flow has been presented in [Annex 5](#) below.

5.2.7 Interest receiving procedures

Under the ROP, the interests accrued on funds obtained by particular institutions participating in the ROP financing are allocated for implementation of the given priority axis and are specified in the report on implementation of the priority axis.

The system of bank accounts for handling EU funds under the financial perspective for the years 2007-2013 will be similar to the system established for the perspective for the years 2004-2006, i.e. accounts of level I for funds, accounts of level II for Programmes.

All bank accounts, both of funds and of Programmes, will bear interest, and the interest will be accrued with respect to the value of funds deposited on the accounts. Immediately after calculating the interests the appropriate amounts will be transferred to the account of revenues of the Budget by the institution authorized to receive payments from the European Commission and used for national co-financing.

5.2.8 State aid, public procurement and profit-generating projects

The Managing Institution will ensure that any form of state aid provided under the Programme is in accordance with the regulations concerning state aid applicable on the date when the aid is provided.

The Managing Institution will assure that public procurement, including granted concessions, related to the projects financed from the Structural Funds are in compliance with Directive 2004/17/EC, Directive 2004/18/EC, Council Regulation (EC) No 1564/2005 or the relevant rules of the Treaty.

In case of profit-generating projects the compliance with Council Regulation No 1083/2006 will be ensured.

5.3 The procedure of Project selection for funding in ROP LV 2007-2013

The procedure of project selection will take into account whether the criteria accepted by the Monitoring Committee (in accordance with article 65 of Council Regulation No 1083/2006) are fulfilled and whether the project has been approved to be co-financed by the Managing Institution/Intermediary Institution. These strategic, formal and substantial criteria (including drawing up necessary documents and readiness to implementation) will be uniform for all potential beneficiaries of the projects within the given category of the Regional Operational Programme.

The modes of project selection to be applied under the ROP are: the individual mode, the competition mode, the system mode and the technical assistance mode. Depending on the character of the given priority axis, the appropriate balance between various modes will be assured. The application of the given mode will serve better achievement of strategic objectives of particular ROP priority axes. The details concerning the scope of application of the given mode for the given priority axis and the institutions participating in the selection procedure will be specified in *Detailed description of Priority Axes of Regional Operational Programme*. The mode of project selection will be in accordance with the relevant guidelines issued by the Minister for Regional Development.

5.4 National Information System for Monitoring and Reporting 2007-2013 (SIMIK 07-13)

The Minister of Regional Development, supported by the Department of Coordination and Management of Community Support Bases in the Ministry of Regional Development, will supervise the development of the new information system and define the standards according to which all participants of the NSRF compile data. The Minister of Finance, supported by The Department of Information Systems Development, is responsible for establishing and developing the information system on the basis of the standards of storing data specified by the minister relevant for issues of regional development.

Particular modules of the National Information System will be available from July 2008. The System will achieve full operational capacity by the end of the year 2007.

Under article 58, point d and article 60, point c of Council Regulation No 1083/2006 the management and control system is supposed to have reliable computerised systems of accounting, bookkeeping, monitoring and financial reporting that will ensure registration and keeping account entries for each operation under the ROP and compiling data concerning each operation for needs of financial management, monitoring, verifications, audit and evaluation.

For the purpose of management and reporting, the Managing Institution, the Intermediary Institutions, the 2nd Degree Intermediary Institutions and the Certifying Institution will take advantage of the two basic information systems:

- the financial and accounting system fulfilling the requirements of Accounting Act;
- the National Information System for monitoring and reporting.

And, optionally, of the local monitoring and reporting system at the level of the institution in charge of implementation of the ROP.

The National Information System is consistent and compatible with the reporting and monitoring system established for the Regional Operational Programme.

The data compiled in the National Information System will be made available to all entities participating in the process of implementing the ROP, i.e. to the Managing Institution, the Intermediary Institutions, the 2nd Degree Intermediary Institutions, the Certifying Institution and the Auditing Institution, in the scope necessary to allow correct task execution.

National and local systems for monitoring and reporting.

The centralised National Information System made available for the purpose of monitoring and reporting will be compiling, at the national level, data necessary for the management and control system established for the ROP.

Characteristics of National Information System

In accordance with the adopted provisions, the National Information System will be first of all a registration system, i.e. it will be compiling data entered to the central data base after the occurrence of specific events. The System will in particular allow collecting information in the following scope:

- recording data concerning the Operational Programmes,
- serving the life cycle of a project, including,
 - recording applications which meet formal requirements,
 - recording major projects in the scope specified by Commission Regulation (EC) No 1828/2006,
 - recording agreements on co-financing,
 - recording applications for payment,
 - recording data concerning control of particular projects,
 - recording material progress indicators, including running a uniform dictionary of indicators
- recording data on irregularities,
- running the register of recovered amounts (including the register of debtors),

Furthermore, the National Information System will allow for establishing specified reports, and in particular:

- specifications of expenditure from the level of the Intermediary Institution and specifications of expenditure and applications for payment drafted on higher levels,
- prognoses of expenditure,

The System will cover and supply the data specified in Annex 3 to Commission Regulation No 1828/2006.

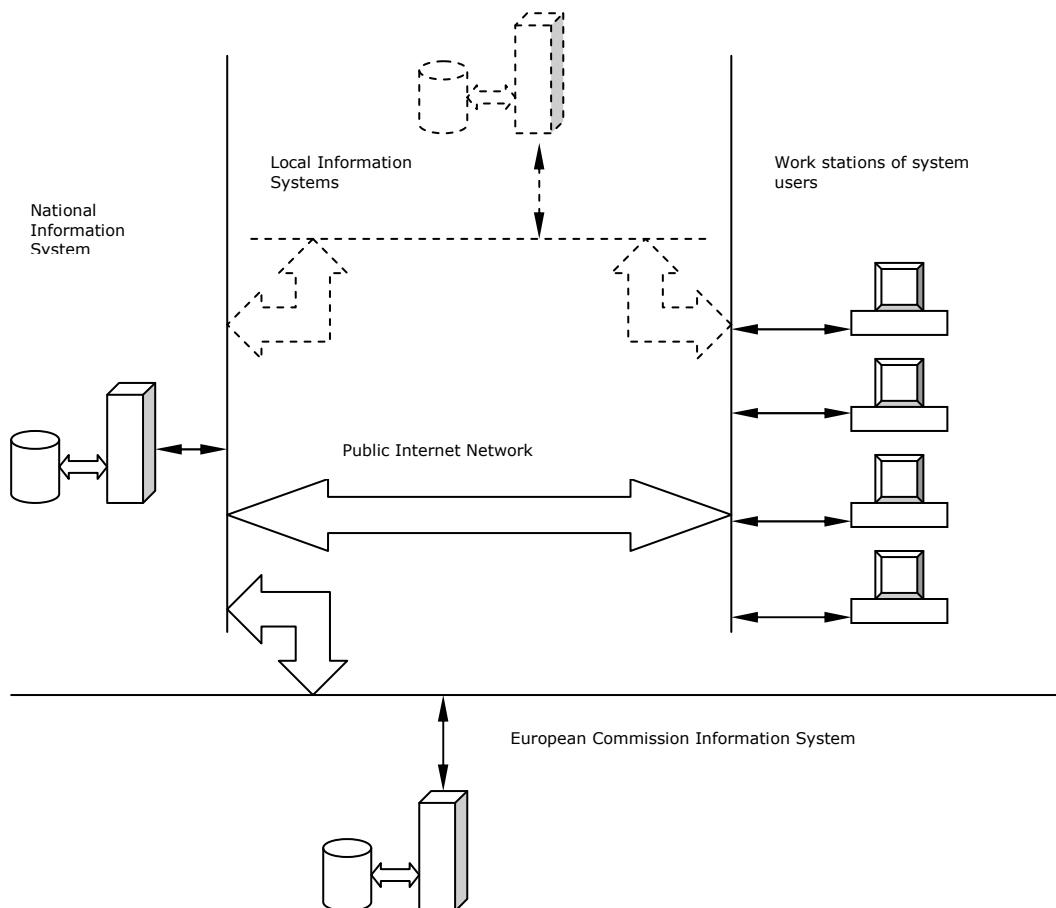
Architecture of National Information System

The National Information System will be established on the basis of web technology, i. e. the data compiled in the central data base will be available via an internet browser activated on a computer with access to the public Internet Network.

Within the framework of the Regional Operational Programme for Lubelskie Voivodeship, the National Information System supporting implementation of the NSRF will be established. The System will be financed from the resources of Priority Axis II *Information support of implementation of NSRF under the Operational Programme Technical Assistance 2007-2013*.

At the same time it is accepted that a separate information system will be established for the purpose of management and implementation of the ROP for Lubelskie Voivodeship. The system will be fully compatible with the National Information System, and the scope of the compiled and processed data will be in accordance with the scope specified in Annex III to Commission Regulation of 8 December 2006 No 1828/2006.

The scheme of the architecture of the National Information System



5.5 Procedures for ensuring reliability of computer reporting and monitoring systems

The security policy of the National Information System is implemented in many dimensions.

The application of the http security protocol along with the appropriate architecture of access network devices in the office of the system operator, the Minister of Finance, supported by The Department of Information Systems Development, minimalizes the risk of hacking and, consequently, of accessing and modifying the data by unauthorised persons. Furthermore, it impedes modifying the data during the process of data transmission to the server.

The developed functionality of granting access to users (a three-dimensional authorisation model: system function, delivery level, region) ensures that the users have access only to the data necessary to execute their tasks.

The appropriate policy of using safety copies assures that in the case of a serious system breakdown resulting in destroying the data base the data compiled in the system can be recovered to a maximum of one day before the occurrence of the breakdown.

5.6 Internal communication between „central institution (MS Liaison)” and the institutions accessing SFC2007

Electronic data exchange with the European Commission under article 39 of Commission Regulation of 8 December 2006 No 1828/2006.

The regulations of access to the system of electronic data exchange with the European Commission are specified in *Procedure of granting users access to the system of electronic data exchange with the European Commission SFC 2007* developed by the Ministry of Regional Development.

Pursuant to the said procedure the function of the MS Liaison for the European Social Fund, European Regional Development Fund and Cohesion Fund specified in and imposed by the provisions of article 41 of Commission Regulation (EC) No 1828/2006 according to which the Member States apply for access to the system in a centralised way, has been ascribed to an organisational unit within the Ministry of Regional Development. In accordance with the provisions laid down by the Commission, the functions of MS Liaison and MS Liaison Deputy are performed by two employees of the above organisational unit, appointed and approved by the Commission services.

In order to assure the security of access to the System SFC2007, the procedure defines the principles according to which users apply for access. Pursuant to the provisions adopted at the national level and according to the structure *Node Hierarchy* the only persons entitled to access the system will be, as *Key Users*, the employees of the following institutions:

- the Coordinating Institution at the national level (with the status of *Member Stage Authority*);
- The ROP Managing Institution (with the status of *Member State Managing Authority*);
- The Certifying Institution (with the status of *Certifying Authority*);
- The Audit Institution (with the status of *Audit Authority*).

The procedure also specifies the principles of verification of the notified candidate and of adequacy of the requested scope of authorization (*Permissions, Role*) as well as the principles of submitting information on any changes concerning *Key Users*.

The list of *Key Users*, i.e. the persons entitled to access the System SFC 2007, is run by the organisational unit within the Ministry of Regional Development performing the function of the MS Liaison, with observance of the regulations relating to personal data protection.

The Monitoring Committee

The ROP Monitoring Committee for Lubelskie Voivodeship will be formed within three months of submitting to Poland the decision of approving the Programme by the European Commission.

The Committee will comprise *inter alia* representatives of: the Managing Institution, the Intermediary Institution, communes, municipalities and districts, the Voivode of Lublin, the Minister for Regional Development coordinating the ROP and the NSRF, the Minister of Economy coordinating the Lisbon process, the Minister of Finance, the Certifying Institution or the Intermediary Certifying Institution, the social and economic partners, the employees organisation, non-governmental organisations, the academic and scientific circles, and the environmental partners.

Representatives of the Minister for Regional Development responsible for strategic coordination, of the Joint Commission of State and Local Government, of the Fiscal Control Office, of the National Evaluation Unit, of the Chairman of the Supreme Chamber of Control, of the institution in charge of implementation of the Rural Development Programme, i.e. of the Minister of Agriculture and Rural Development or of the Agency for Restructuring and Modernizing of Agriculture, and of other entities invited by the Chairman will participate in the sessions of the Committee as observers and without the right to vote.

All members of the Monitoring Committee will participate in its works according to the rule of equality of opportunity.

The Monitoring Committee shall satisfy itself as to the effectiveness and quality of the implementation of the ROP in accordance with the following principles:

- it shall analyse and approve the criteria for selecting projects to be implemented under the ROP within 6 months of approval of the ROP, and approve all modifications of the criteria in accordance with programming needs;
- it shall carry out periodical review of progress made towards achieving the specific objectives of the ROP on the basis of documents submitted by the Managing Institution;
- it shall analyse the results of implementation, and in particular achievement of the objectives specified for each priority axis and the evaluation referred to in article 48, paragraph 3 of Council Regulation No 1083/2006;
- it shall examine and approve the annual and final reports on the implementation of the ROP referred to in article 67 of Council Regulation No 1083/2006;
- it shall be informed of the content of the annual audit report or of the part of the report concerning the ROP, and of any relevant comments that the Commission may make after analysing the report or relating to this part of the report;

- it may propose to the Managing Institution any revision or examination of the ROP that is likely to contribute to the attainment of the funds' objectives specified in article 3 of Council Regulation No 1083/2006 or to improve the ROP management, including the financial management;
- it shall analyse and approve all proposals to modify the content of the Commission decision on the contribution of funds.

The Monitoring Committee will establish adequate mechanisms that shall be used in order to ensure the coordination of the Committee works with the operations conducted within the framework of other Operational Programmes implementing the Cohesion Policy, and in particular with the Operational Programme – Human Capital. The Marshal of Lubelskie Voivodeship is the Chairman of the Monitoring Committee as well as of the Chairman of the Operational Programme - Human Capital Subcommittee.

5.8 Control

Pursuant to article 60 of Council Regulation (EC) No 1083/2006, with respect to its controlling function the Managing Authority will be responsible above all for verifying expenditure through verifying that the co-financed goods and services have been delivered, that the expenditure declared has been indeed incurred and that it complies with Community and national rules. Since the Managing Institution for the purpose of implementing the ROP will delegate a part of its duties to other entities, it will be obligated to conduct system control.

The Managing Institution or the Intermediary Institution on behalf of the Managing Institution will carry out system control in order to ensure that all the functions specified in article 60 of the General Regulation are implemented properly. The Managing Authority will define the principles of system control, taking into consideration the guidelines resulting from article 60 of the General Regulation.

The Managing Institution will ensure execution of two types of control, i.e. of:

- system control constituting a part of the duty specified in article 60, letter a of Council Regulation (EC) No 1083/2006;
- project control in accordance with article 60, letter b of Council Regulation (EC) No 1083/2006. The control is conducted by the Managing Institution, the Intermediary Institution or by other indicated entities on behalf of these institutions. Within the scope of control of project implementation the following actions will be taken:
 - verifying that the project has been selected according to the criteria established for the ROP, that it has been implemented in accordance with the decision on granting aid, that it meets the conditions of functionality and usefulness, and that it achieves the assumed objectives;
 - verifying that the expenditure declared is reflected in accounting records and supporting documents kept by the beneficiary;
 - verifying that the expenditure declared complies with Community and national regulations and principles;
 - verifying that the funds have been paid to the beneficiary in full and without unwarranted delay;

- verifying how the documentation related to the implemented project is stored and archived;
- detecting and reporting of any irregularities.

Prior to the closure of the ROP the value of the expenditure audited should not be less than 5% of the total expenditure declared by beneficiaries and certified to the Commission in the final declaration of expenditure. If the problems found seem to be systematic and, consequently, if other projects implemented under the Programme are likely to be affected by these problems, further examination will be conducted out in order to define the scale of the problems.

5.9 Evaluation

Evaluation of the ROP for Lubelskie Voivodeship will be carried out in accordance with article 45 of Council Regulation (EC) No 1083/2006. Evaluation is aimed at improving quality and effectiveness of the aid granted within the framework of the Cohesion Policy and at verifying the ROP strategy and implementation system. Evaluation will cover specific structural problems at the national and regional level and will be conducted in accordance with the principle of balanced development and the relevant Community regulations related to the impact on natural environment and to strategic environmental evaluation.

Evaluation will first of all include:

- analysing influence of the proposed support instruments in the context of implementation of the ROP objectives;
- analysing cohesion of the ROP for Lubelskie Voivodeship with the objectives of the Community Strategic Guidelines and the National Strategic Reference Framework;
- analysing cohesion of operations under the ROP for Lubelskie Voivodeship with the projects co-financed under the national Operational Programmes;
- examining the influence of implementation of the ROP for Lubelskie Voivodeship on the environment;
- examining the influence of intervention under the ROP on competitiveness within the Small and Medium-size Enterprise Sector;
- supporting monitoring the ROP for Lubelskie Voivodeship.

It is possible that in the course of implementing the ROP premises for conducting evaluation in the sphere of other national and Community policies will appear.

The entity responsible for coordinating evaluation activities and developing evaluation standards is the National Evaluation Unit, formed within the Managing Institution. The National Evaluation Unit is also in charge of cooperation with the Managing Institutions for particular Operational Programmes and subcontracting to independent external evaluating entities the current evaluation of sector, horizontal and regional operations.

The Managing Institution - the Government of Lubelskie Voivodeship has been designated to carry out evaluation of the Regional Programme for Lubelskie Voivodeship for the years 2007-2013.

The ex-ante evaluation of the Regional Operational Program for Lubelskie Voivodeship commissioned by the Ministry of Regional Development was conducted by the counselling company WYG International. Other evaluations of the Programme will be carried out by internal or external entities functionally independent of the Certifying Institution and Auditing Institution. The evaluation of the Programme will be carried out during the implementation of the Programme (an ongoing evaluation) and after its implementation (an ex post evaluation). During the period of programming Structural Funds for the years 2007-2013 particular emphasis will be laid on current evaluation in order to eliminate negative phenomena quickly.

Within the framework of the Programme evaluation the tasks of the Managing Institution will comprise first of all:

- drawing up the evaluation plan for the Regional Operational Program for Lubelskie Voivodeship for the years 2007-2013. The plan will be developed within 1 month of approval of the Regional Operational Program for Lubelskie Voivodeship by the Commission and will specify the areas to undergo evaluation. It will also contain a list of detailed tasks, including the specification of evaluation areas, dates of implementation of tasks and the relevant budget. The plan will be in accordance with the NSRF evaluation plan;
- developing periodical evaluation plans containing a list of detailed tasks, dates of their implementation and planned budgets;
- implementing strategic evaluations aimed at assessing and analysing the progress in the ROP implementation in relation to relevant priorities of the Programme and national and Community policies. The Managing Institution will conduct strategic evaluation *inter alia* of the ROP influence on the degree to which particular priorities and particular specific objectives of the ROP are achieved. Furthermore, examinations will be conducted in order to analyse the scope of influence of interventions undertaken under the Programme on the implementation of the NSRF horizontal objectives and EU policies, including the policy of gender equality with respect to changes in the labour market;
- implementing operational evaluations aimed at supporting the ROP monitoring (i.e. if the monitoring system are characterised by significant deviations from assumed objectives or if it is necessary to introduce significant changes in the Programme);
- cooperating with the National Evaluation Unit in conducting by the 30th June 2011 evaluation of the degree of advancement of the Programme in respect of selected priority axes, the results of which will serve to allocate funds under the national reserve of execution;
- cooperating the European Commission and the National Evaluation Unit in conducting evaluations connected with monitoring the ROP implementation and strategic evaluations initiated by the European Commission and the National Evaluation Unit;
- cooperating with the European Commission and the National Evaluation Unit in conducting an ex post evaluation (developed at the end of the Programme) aimed at assessing the degree to which resources have been used, the efficiency and effectiveness of Funds programming and the socio-economic influence.

Evaluation will be co-financed from the budget of Priority Axis IX *Technical Assistance* and from the budget of Lubelskie Voivodeship. The scale of financial means allocated for evaluation will

ensure efficient and effective implementation of all tasks within the scope. Evaluation will be carried out in accordance with the guidelines concerning methodology of assessment, and in particular with the principle of independence and objectivity of evaluation. The results of evaluation will be made known to the public by publishing them on the internet website of the ROP Managing Institution and submitted to the Monitoring Institution and the National Evaluation Unit.

5.10 Communication and promotion

According to article 2, point 1 of the Commission Regulation (EU) no 1828/2006 defining the rules of implementing Commission Regulation (EU) no 1083/2006 establishing general regulations concerning European Regional Development Fund, European Social Fund and Cohesion Fund and the Commission Regulation (EU) no 1080/2006 concerning European Regional Development Fund, Poland prepares the Structural Funds Communication Strategy in Poland for 2007-2013 for all funds and Programmes. The aim of the strategy is to ensure effective coordination of the functioning of all institutions. That will result in effectiveness of promotion and information.

The Communication Strategy was prepared by NSRF Coordinating Institution (in the Ministry of Regional Development) with the cooperation of Managing Authorities. The Strategy takes the guidelines of the Ministry of Regional Development into consideration which concern promotion and publicity.

The Communication Strategy defines basic rules of conducting promotion and publicity for the use of operational Programmes and National Strategic Reference Framework, especially the main objectives and ideas, the beneficiaries, institutions that are involved in promotion and information and the required minimum of the activities.

Managing Authority of ROP LV will provide necessary information concerning programming and implementation of ROP and the implemented projects for EU citizens and beneficiaries. The aim of the information is to ensure the clarity of aid from cohesion policy. Promotion and publicity must comply with the requirements outlined in the Commission Regulations concerning the issue and must be available for all citizens and institutions, especially the beneficiaries of ROP LV.

Managing Authority shall draw up a communication plan for ROP LV concerning information, promotion, trainings, the division of competences and responsibilities in information, promotion and trainings among the Managing Authority, Intermediary and Second Degree Intermediary Bodies and other partners involved in the process of promotion and publicity within the operational Programme, including the institutions mentioned in article 5 point 3 of the executory provisions, frame schedule, indicative budget, evaluation methods and the rules of reporting the information, promotion and evaluation activities. The ROP LV Communication Plan shall be consulted with NSRF Coordinating Institution with respect to its coherence with Communication Strategy. Finally, it shall be accepted by Monitoring Committee.

Managing Authority shall prepare an annual executory schedule.

ROP Managing Authority (MA) is responsible for popularizing the information that supports the measures and effects of ROP implementation. MA shall also coordinate the promotion and publicity in the region.

The main objective of communication plan of Regional Operational Programme of Lubelskie Voivodeship for 2007-2013 is to provide potential and real addressees of the Programme with promotion and publicity of the measures that are in the scope of structural funds of European Union that will ensure maximal utilization of the Community resources. It is also important to win the social acceptance for the Programmed measures and the effects of EU funds intervention.

The main objective will be attained through implementing the following specific objectives: ensuring

- Providing widespread access to all the key information necessary to obtain support from structural funds for all target groups in Lubelskie Voivodeship;
- Creating positive attitude to European funds among the people who live in Lubelskie;
- Creating the image of Lubelskie Voivodeship as a region that can effectively use structural funds for the improvement of life quality of the dwellers;
- Presenting investment and economic development as a result of effective utilization of structural funds;
- Popularizing key information concerning ROP LV 2007-2013 among the beneficiaries of the Programme;
- Increasing the consciousness of the voivodeship dwellers about the benefits of using structural funds.

Because the promotional activities of particular type will be aimed at various addressees, the effectiveness of communication will be ensured by using appropriate tools, regarding the strength and time of impact.

The information campaign will be primarily addressed to potential beneficiaries of Regional Operational Programme of Lubelskie Voivodeship and will cover all the public opinion, especially in Lubelskie Voivodeship.

The main beneficiaries of the measures will be:

- Local authorities
- Entrepreneurs
- Higher education institutions
- Research units
- NGOs
- Business environment institutions
- Other subjects that can beneficiaries of ROP LV

Communication and promotion activities shall be evaluated for their effectiveness of reaching and influencing the consciousness of public opinion in relation to operational Programmes and the role of European Union. The starting point will be the measures concerning questionnaire survey that will allow for the diagnosis of the present state, specification of the promotion measures and the right choice of the promotion tools. The survey will also evaluate the beneficiaries' level of awareness about Regional Operational Programme of Lubelskie Voivodeship . The survey will be carried out among the potential beneficiaries of ROP LV.

The following measures are planned for the level of attaining the communication plan objectives:

- Surveys among potential recipients concerning promotion and publicity measures;
- Monitoring the effects of measures in a form of periodic and annual reports;
- Evaluation of promotion and publicity carried out by external subjects.

The scope of promotion and publicity strategy implementation:

Managing Authority of ROP LV ensures that the information concerning operational Programme is widely spread and contains detailed description of fund's contribution and that they are available for all interested subjects. Managing Authority also ensures that ROP beneficiaries comply with the regulations concerning the promotion of subsidising projects by ERDF.

Promotion and publicity measures are aimed at providing beneficiaries and the dwellers with reliable and accessible knowledge concerning the activities by ROP LV Managing Authority under the Communication Plan and also the information concerning popularizing the information about applying for the EU subsidies under ERDF. Implementing the measures is aimed at raising people's awareness about the benefits of utilization of ERDF resources through ROP LV.

The main instruments of implementing ROP LV Communication Plan shall be:

- Conferences, trainings, seminars, meetings and other events concerning the possibility to obtaining support under ROP LV, the system of implementing the Programme and its effects;
- Drawing out, publishing and distribution of Programme and operational documentation, and other promotion and publicity publications;
- Creating and maintaining a website and internet service of the Programme;
- Establishing, equipping and organizing the information and consulting points ;
- Cooperation with the media (e.g. TV Programmes, radio Programmes, advertisements and press articles in regional and specialist magazines and newspapers);
- Designing and conducting promotion and publicity events (fairs, competitions, press conferences, meetings etc.).

Managing Authority shall provide necessary resources within ROP LV for the implementation of the promotion and information measures.

5.11 Partnership

The rule of partnership shall be observed at all stages of implementation of the Programme, as it was while preparing it. Business and social partners shall be consulted at all stages of implementation under the requirements of Council Regulation no 1083/2006 and state legislation.

Managing authority shall follow the rules of close cooperation with regional and local authorities, government administration and business and social partners at all stages of ROP LV implementation. The business and social partners include the subjects representing entrepreneurs, civic society, environment protection organizations and other NGOs.

The most important element of the rule of partnership is the participation of business and social partners in Monitoring Committee, which will ensure the participation in decision making of

all groups involved, especially in defining the criteria of choice for the Programme. The division of seats in Monitoring Committee respects the rules of division between local authorities, government representatives and business and social partners.

The support within technical assistance of ROP LV for social and NGO partners, as beneficiaries or direct addressees, shall be provided under specific priority axes.

The partnership rule will also be observed in the process of ROP LV evaluation. The representatives of partners shall be represented in the managing groups that coordinate the evaluation works in the Programme. Moreover, the Managing Authority shall oblige the ROP beneficiaries to observe the rule of partnership at the stage of both preparations and implementation of each project.

The cooperation in implementing, monitoring and evaluating ROP shall be realized with respect for all institutional, legal and financial competences of all partners.

5.12 Cross-financing compliance mechanisms

The Programme defines the rules of using cross-financing mechanism within all the priority axes. In the Specification of the Programme, at the level of measures, there is information on the types of projects that can be cross-financed and on the names of funds Programmed for the intervention.

The mechanisms that ensure the compliance with cross-financing rules are defined in the procedure of competition, the procedure of payment application, the procedure of reporting and the procedure of control. Additionally, the monitoring and verifying the expenditures within cross-financing mechanism shall be the subject of works of ROP Monitoring Committee.

Chapter 6

Ex-ante evaluation and predicted macroeconomic effects

The summary of the results of ex-ante evaluation

Under the Council Regulation no 1083/2006 the approximate evaluation was commissioned to independent experts. In case of Regional Operational Programmes, Ministry of Regional Development commissioned the evaluation to WYG International. The evaluation was done in 5 areas interest.

Study task 1: verification of the social and economic analysis and of its quality in the context of identified region development requirements;

The diagnosis of socio-economic situation was positively assessed: the accuracy of diagnostic fields' choice, the usefulness for the purpose of defining regional development objectives, as well as identification of phenomena, resources and processes defining the potential of the region. The analysis of development problems, needs and challenges were also positively evaluated.

The coherence between the diagnosis and SWOT analysis included in ROP was evaluated as correct. The reservations about SWOT analysis concerned the lack of subject division and the commentary to its contents. Both remarks were taken into consideration. SWOT analysis was divided into subject matters and specific phenomena and processes were verified. According to evaluators' remarks, the hierarchy of internal development conditions was introduced and the prognostic elements were added. The remarks concerning the recognition of the results of the current trends in regional development without the intervention. In order to increase the informative value, the data was presented in dynamic form and the consequences of the processes were presented. Due to the changes, greater level of correlation between the diagnosis and SWOT analysis was achieved.

Study task 2: the evaluation of the economic rationale and the internal cohesion of ROP projection part;

The cohesion between the objectives and development priorities, in the context of identified conditions of regional development, was evaluated as correct. The evaluators' guidelines prompted the supplementation of specific objectives definitions. The third specific objective was redefined, in order to make it more clear, precise and coherent with the priority axes. Moreover, the descriptions of priority axes were improved. The reflection of the evaluators' comments concerning the precision of defining measures, the characteristics of measures, the tools of implementation, indicators of monitoring, the types of projects to be supported shall be reflected in the Specification of ROP.

ROP contains indicative financial plan that complies with the Commission Regulation (EU) no 1828/2006 of 8 December 2006 defining the rules of implementing Commission Regulation (EU) no 1083/2006 establishing general regulations concerning European Regional Development Fund,

European Social Fund and Cohesion Fund and the Commission Regulation (EU) no 1080/2006 concerning European Regional Development Fund.

Study task 3: the evaluation of the external cohesion of ROP parts with the Community, national and regional policies;

The level of ROP coherence with superior Programme documents was evaluated as high in the spheres of diagnostics arrangements, values and objectives, as well as in prioritized field of intervention was evaluated as high. The situation is identical in the coherence with the environment protection regulations.

Study task 4: the evaluation of the predicted outcome and impact;

With regards to evaluators' guidelines, an indicator concerning new jobs was introduced to reflect direct influenced of the intervention (with division between men and women). It was also introduced at priority axes level wherever creating new job opportunities was Programmed. The list of indicators was supplemented with product and result indicators and contextual indicators recommended by the European Commission at the level of priority axes. Base and target values were defined for each indicator. The indicators of the main objective reflect the influence of ROP on GDP growth and the fall of unemployment figures are both calculated according to HERMIN model.

Study task 5: the evaluation of the proposed operational Programme implementation system.

The system of implementing the evaluators' guidelines needed specification and elaboration. According to the guidelines, the regulations concerning Monitoring Committee competences, procedures of initiating payments and financial flows were specified. The implementation system was updated and supplemented with the description of monitoring and evaluation systems, the procedures of electronic data exchange and the information concerning the institutions that are authorised to receive payments from the Commission and other institutions that are responsible for the payments for the beneficiaries.

Chapter 7

The evaluation of the impact on natural environment

7.1 Legal basis

The legal basis of the conduct concerning the method of evaluating the ROP LV impact on natural environment is article 40 of the Law on environmental protection, 27th April 2001 (consolidated text: Law Gazette No 129, item 902 of 4th July 2006). The law corresponds with the legal regulations of the European Union requirements concerning the evaluation of key documents' projects' impact on the environment outlined in the following directives:

- 2001/42/EC of 27th June 2001 on the assessment of the effects of certain plans and Programmes on the environment;
- 2003/4/EC on public access to environmental information;
- 2003/35/EC of 26th May 2003 providing for public participation in respect of the drawing up of certain plans and Programmes relating to the environment and amending with regard to public participation and access to justice Council Directives 85/337/EEC and 96/61/EC (effective from 25th June 2003).

7.2 Prognosis drawing and consulting of ROP LV impact on the environment

The general objectives of the impact of the environment forecast are:

- Defining the coherence of ROP objectives with the premises and guidelines of the ecological policy in Poland and European Union;
- The analysis of coherence of priorities and measures with the superior documents (National Strategy of Development, National Strategic Reference Framework);
- Evaluation of potential threats for the environment resulting from the implementation of ROP projects;
- The measures of reducing potential negative impacts in the environment that result from ROP implementation;
- Recommendation concerning monitoring of the ROP assumptions implementation.

The procedure of conduct concerning the evaluation of the impact on the environment consists of the following stages:

- 1) Establishing the scope and the amount of details in the forecast. The establishment of substantive scope of the forecast is shall be based on the arrangements between the Lubelskie Voivode and National Voivodeship Sanitary Inspector.
- 2) Preparation of the document: „The Forecast of the impact on the Environment“.
- 3) Opinion on the ROP project with relation to „The Forecast“:
 - The opinion of Lubelskie Voivode and National Voivodeship Sanitary Inspector.
 - Ensuring the participation of the society in the process of evaluating the ROP impact on the environment.
- 4) Preparing the final version of „The Forecast“ – considering the remarks of the Lubelskie Voivode and National Voivodeship Sanitary Inspector and the outcome of social consultations.

The scope of conduct to be taken into account is defined in article 41 of the Law on environmental protection. The law was specified under art. 42 of the Law, as a result of the substantive arrangements concerning the scope of The Forecast by the Lubelskie Voivode (the document of 19 October 2005, sign no: ŚiR.I.0713/2/05 as a reply for the letter of 20 September 2005, sign no: RR.JJ.0220a/34/05) and National Voivodeship Sanitary Inspector (the document of 20 October 2005, as a reply for the letter of 20 September 2005, sign no: RR.JJ.0220a/34/05).

The issues concerning the Forecast were presented at a conference during social consultations of ROP LV in June 2006. Under art. 43 of the Law on environment protection, the Board of Lubelskie Voivodeship shall ensure the participation of the society in the conduct concerning the evaluation of the ROP impact on the environment by organizing a conference on 25 September 2006 to present the Forecast and by publishing the document on www.lubelskie.pl website.

Under the regulations of art. 42, p. 1, the Forecast was forwarded to the appropriate institutions in order to obtain the opinion on the ROP impact on the environment. Both Lubelskie Voivode (a letter of 17 January 2006) and National Voivodeship Sanitary Inspector (a letter of 29 September 2006) gave positive opinion of the document.

The Board of Lubelskie Voivodeship, as a ROP LV Managing Authority states that all the proposals issued during the social consultations with regards to the environmental issues were taken into consideration in the cores of creating the following versions of the Programme.

The proposals deducted from the Forecast concerned the indicators of monitoring and were taken into consideration in the catalogue of indicators of ROP implementation to large extend. Moreover, the recommendations and orders presented in the Forecast shall be reflected in the stage of project choosing by employing appropriate criteria of choice.

Considering the significance of environmental issues and the character of the region, the Board of the Voivodeship shall employ a manager whose job shall be to monitor the environmental issues in the course of ROP LV implementation.

7.3 Methodology

The evaluation of the ROP impact on the environment is a complicates problem. The difficulties result from the generality of the document including the lack of the particular investments' descriptions (range and type) and the specification of their location. For that reason evaluating potential impact on the environment can be of qualitative, rather than quantitative character.

The analysis concentrated on particular priority axes and measures, considering the projects to be implemented under them. The coherence of ROP LV priorities with the priorities of National Ecological Policy (the project of August 2006). Using the matrix approach, potential areas of conflicts between ROP priorities with National Ecological Policy priorities.

The evaluation criteria of ROP impact on the environment result from the analysis of key documentation on the environmental policy on the national level. They regulate general issues concerning the key elements of environment protection. The following questions were supposed to be answered:

Does the ROP implementation contribute to:

- 1) the improvement of air quality?
- 2) preventing climactic changes?
- 3) water protection and rational water policy?
- 4) environmental heritage and rational use of natural resources?
- 5) protection of scenic values and cultural heritage of the region?
- 6) the improvement of integrated waste treatment?
- 7) improvement of life quality including health, safety and mineralizing extensive noise?
- 8) balanced use of energy and resources?
- 9) creating pro-ecological attitudes in the society?
- 10) balanced spatial development?

In the course of defining the potential ROP impact on the environment, the rule of caution was employed. That resulted for the uncertainty of the type and scale of measures that will be implemented in ROP and therefore, their impact on the environment. One should remember therefore that the identified effects may not occur at all or have a smaller intensity. (depending on the scale, location and the means of implementing the project).

The analysis used the information from the current forecasts and strategic documents for Lubelskie Voivodeship as well as „Handbook on SEA for Cohesion Policy 2007-2013“.

7.4 ROP project in the light of strategic national and regional documents

In the course of works on the ROP project, the coherence of its priorities with the following strategic documents was examined:

- National Development Strategy for 2007-2015 (initially accepted by the Council of Ministers on 27 June 2006);
- National Strategic Reference Framework (accepted by the Council of Ministers on 1 August 2006);
- Infrastructure and Environment Operational Programme (accepted by the Council of Ministers on 3 July 2006);
- Development of Eastern Poland Operational Programme (accepted by the Council of Ministers on 25 July 2006);
- Development Strategy of Lubelskie Voivodeship for 2000-2020 of July 2005;
- National Ecological Policy for 2007-2010, with the perspective for 2011-2014 project that takes EU and national strategies and Programmes into account (IV EU Programme for Environment, The Strategy of Water Economy, National Strategy of Protection and Moderate use of biodiversity, National Programme of Sewage Treatment, National Programme of Waste Treatment).

The analyses and explanations as well as additional control check show the general coherence of ROP priority axes and measures with the national strategic documents and Development Strategy of Lubelskie Voivodeship for 2006-2020. The following priority axes may cause potential problems with regards to the ecological policy:

- Priority Axis – Economic infrastructure,
- Priority Axis – Transport,
- Priority Axis – Culture, tourism and Inter-regional cooperation.

The level of conflict of ROP priority axes (measures) with ecological policy will depend on the location and the means of implementing the projects. The identified conflicts are of similar nature and one cannot be certain that they will really occur. However, special care should be taken to maintain the coherence of the measures with the guidelines of National Ecological Policy.

On the other hand, Priority Axis – Environment and clean energy, especially the measure “Environment protection and shaping” are much adjusted to the objectives of ecological policy of the country.

7.5 Potentially significant ROP impact on the environment

7.5.1 Negative effects

Matrix method analyses show that potentially most significant impact on the environment is related to Priority Axis – Transport (measures: “Regional transport system”, “Local transport system”, “Air transport”).

Potential negative effects may also be related to Priority Axis – Economic infrastructure, most importantly, the measures concerning industrial parks. The priority axis that programmes the development of investment sites of “Greenfield” and “brownfield” type may also bring potential negative effects.

The groups of projects may create the conditions of negative effects, mainly on living organisms, (including legally protected and ecologically functional ecosystems), the aesthetics of the landscape (fragmentation of construction development, creating construction development along roads), air quality (transport, industrial areas), greenhouse gases emission (road transport, air transport, industry). One should remember that the constructions and constructions development irreversibly influence the environment. The effects concerning the existence of such objects (especially the ones related to road, air and rail transport) have long-term impact and their effects may reveal after a long time.

7.5.2 Positive effects

The implementation of Regional Operational Programme of Lubelskie Voivodeship will positively influence natural environment. One should note that one of the priority axis, Environment and clean energy, is entirely devoted to the issues concerning widely understood environment protection. The same positive overtone is related to measure “Environment friendly energy”. The implementation of these aims, incorporated into the Priority Axis will allow for solving some of the environment protection problems in the voivodeship.

Some measures within Priority Axis “Entrepreneurship and innovations” will also be of environment-friendly nature. Especially those concerned about the investment subsidies for the renewable energy enterprises. The projects concerning the reviving of cities and degraded urban areas will contribute to ensuring the order and cleanness of cities and the post-industrial and post-

military areas, reclamation of degraded areas, reducing the risks of ecological threats and the improvement of life quality in the urban areas.

In the Priority Axis – Culture, tourism and interregional cooperation, the measures concerning the protection of regional cultural heritage and cultural development will be undertaken.

The transformation of large river valleys in the territory of the voivodeship (including the construction of artificial lakes) is not planned.

Generally speaking, the implementation of ROP shall improve the living conditions in Lubelskie. Implementing the investment measures should result in the (partial) solution of the most important problems in environment protection concerning especially: the organization and development of water and sewage treatment, integrated management of industrial and municipal waste, reducing the tiresomeness and threats in urban areas (noise, air pollution), protecting and preserving the environmentally precious sites. The nonfeasance of ROP implementation may consolidate the threats for the environment and maintain low quality of basic environmental components - especially rivers.

7.6 Conclusions and references

1. The project of Regional Operational Programme of Lubelskie Voivodeship is coherent with most important strategic documents in Poland, including the National Ecological Policy (NEP). ROP will contribute to the implementation of main NEP objectives:

- improving the system of environment protection management;
- natural heritage protection and rationalizing of the use of natural resources;
- balanced use of materials, water and energy;
- further improvement of environment quality and ecological safety for the healthcare people who live in Poland;
- climate protection.

The divergences resulting from the analyses have a character of a warning forecast – the fields of potential conflict should be especially taken care of.

2. The project of ROP is coherent with Development Strategy of Lubelskie Voivodeship for 2006-2020. The Land Development Plan of the Voivodeship is being updated presently, in order to take the strategic national and regional documents into consideration. The new Plan construction will also influence the means of implementing ROP LV, including the objectives of NEP. It is advisable to conduct a uniform and consequent land development policy in order to save the land (preventing construction development fragmentation), maintaining development order and aesthetic values of the landscape. These remarks should be incorporated in the Land Development Plan.

3. The ROP implementation will positively influence the life quality of people who live in Lubelskie region and will contribute to preserving cultural heritage of the region.

4. Close coordination and integration of measures within ROP LV and other operational Programmes. The integration of measures will allow for considering most important projects for the voivodeship. For instance, no national Programme took the functioning of the Broad-Gauge Railway.

5. The measures concerning environment protection should be treated horizontally in ROP – and be closely related to the measures of other priority axes, and should not be treated as sector enterprises only.

The gravity of measures aimed at ensuring coherence and appropriate functioning of the protected areas, including Natura 2000 areas, should be emphasised. It should be mentioned that at the moment of preparing ROP, the final shape of Natura 2000 areas was not fully decided upon.

6. The measures that may negatively influence the environment are related to implementing the following enterprises: road and air transport, industrial infrastructure, tourist infrastructure. The investment projects of this kind should be first evaluated in relation to their impact on the environment. The remark concerns other enterprises provided legal regulations require the evaluation of the impact on the environment.
7. Special attention should be paid to the indicators of monitoring ROP objectives. The set of indicators should also include the aspects of environment protection in the region.
8. No significant cross-regional interactions are predicted with relation to the Programme implementation.
9. A post-implementing analysis is planned after 5 years of formal acceptance of Regional Operational Programme. The post-implementing analysis shall use the monitoring indicators enumerated in the Programme and take the indicators of sustained development for the national and regional statistical data available into consideration.

Appendix 1. Indicative list of large projects

No large projects in ROP LV have been identified under art. 39 of Council Regulation no 1083/2006.

In case of proposing large projects in the course of ROP implementation, they will go through the procedure of choice under art. 40 and 41 of Council Regulation no 1083/2006.

Annex 2. List of context indicators to ROP

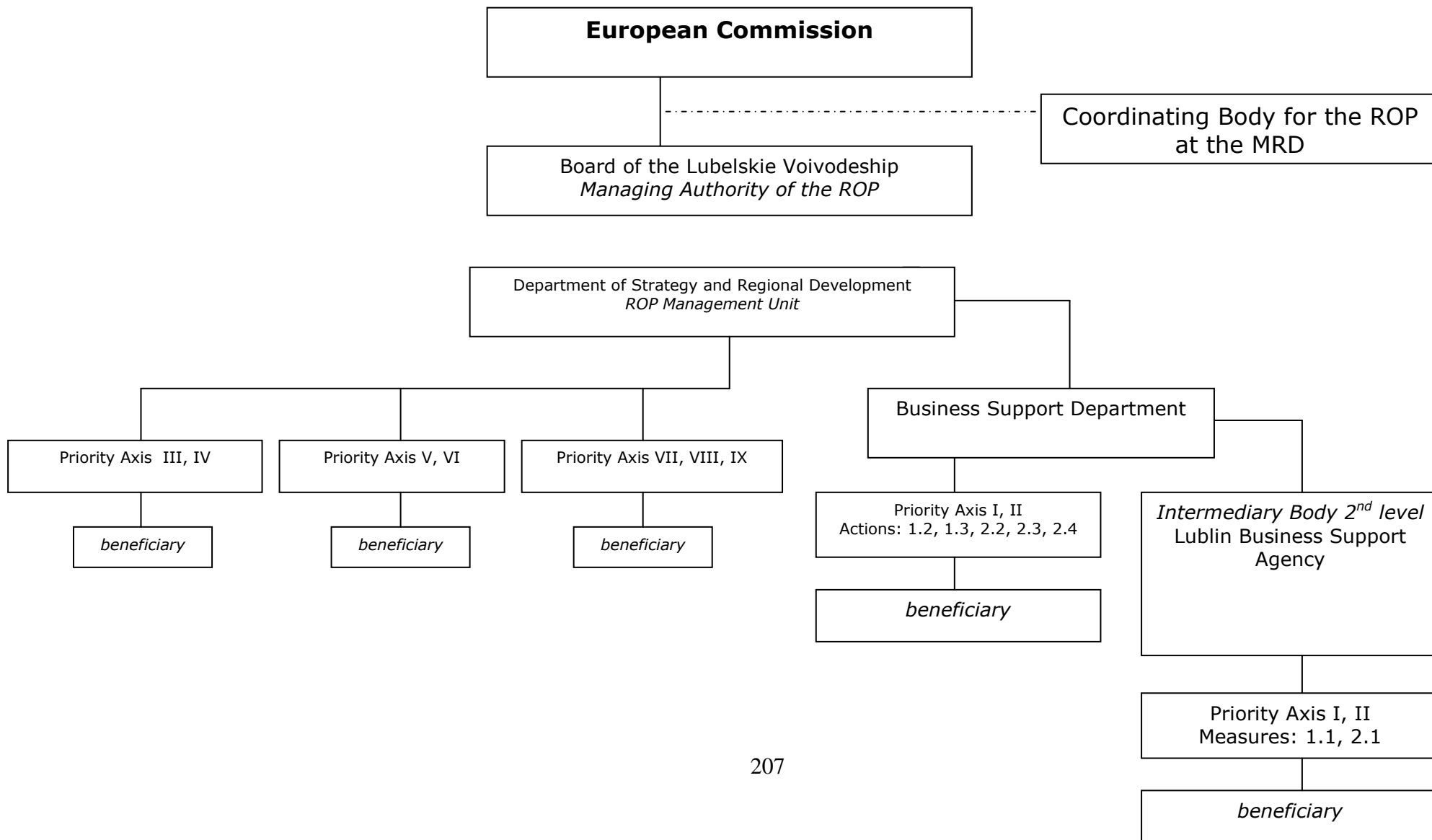
No	Variable / Indicator	Unit	Territorial profile (NTS)	Source	Indicator value	Comments
I. SOCIETY						
1.	Employment indicator: acc. age group(up to 25; 25-55, 55-64), acc. sex	%	NTS 2, urban locations/rural locations	CSO	Total 48.6 Urban locations 43.9 Rural locations 53.4 Of which women 42.6 Up to 25 YOA: 28.2 25-55: 74.1 55-64: 22.2	Context for indicator: - no. 3 of the main objective - no. _ of specific objective 1 - no. 2 of specific objective 2 - no. 4, priority axis VIII
2.	Total employment: previous year=100 private sector in SME	%	NTS 2,	CSO	Total 100.6% 100.6% Share of the private sector 74.0% 74.0% SME: 65.8	Context for indicator no. 3 of the main objective - no. 2, priority axis I
3.	Unemployment: acc. BAEL including women	%	NTS 2; urban locations/rural locations	CSO	Total 14.3 Women 14.3 Urban locations: 19.4 Rural locations: 9.5	Context for indicator: - no. 3 of the main objective - no. _ of specific objective 1 - no. 2 of specific objective 2 - no. 4, priority axis VIII
4.	Registered including women	%	NTS 2	CSO	17% of which women 17%	
5.	New jobs	absolute number	NTS 2	CSO	10555	Context for indicator: - no. 3 of the main objective - no. 2 of specific objective 1 - no. 2 of specific objective 2 - no. 6, priority axis I - no. 4, priority axis VII
6	Households with personal computers and access to the Internet Households with personal computers and access to the Internet as % of total number of households	Thousands %	NTS 2	CSO	336 (of 2046 respondents) 16.4%	Context for indicator: - no. 2, priority axis IV - no. 3, priority axis IV

7	Schools with computers and Access to the Internet % of schools with access to the Internet acc. the level of education (primary and junior secondary schools, post-primary and post- junior secondary schools, post-secondary schools)	Thousands %	NTS 2, urban locations/rural locations	CSO	1350 Primary schools 66.8% Lower secondary schools 72.8 Secondary schools 24.7	Context for indicator: - no. 6, priority axis VIII - no. 7, priority axis VIII
9.	Education of inhabitants aged 15+: secondary (incl. vocational and post-secondary) - incl. rural areas higher - incl. rural areas	%	NTS 2	CSO	52 37.3 9.5 3.1	Context for indicator: - no. 1 of specific objective 3 - no. 5 of specific objective 3 - no. 5, priority axis VI
10.	Number of students at schools: -primary -junior secondary -secondary - higher	absolute number	NTS 2	CSO	156115 97895 128055 105007	Context for indicator: - no. 1 of specific objective 3 - no. 9, priority axis II - nos. 1, 2 and 5, priority axis VIII
11.	Stays overnight in tourist mass accommodation facilities per 1 thousand inhabitants incl. foreign tourists	In thou-sands	NTS 2,	CSO	565.6 67.17	Context for indicator: - no. 3 of specific objective 3 - nos. 4 and 7, priority axis I - nos. 1 and 5, priority axis VIII
12.	People using cultural facilities: cinemas, theatre, museums, galleries	In thou-sands	NTS 2	CSO	2417	Context for indicators nos. 2 and 6, priority axis VII
13.	Fatalities in road accidents: per 10 thousand registered vehicles/people; previous year=100	absolute numbers %	NTS 2	CSO	3.30/1.48 89.9	Context for indicators nos. 1 and 3, priority axis V
14.	Migration saldo: in urban areas in rural areas foreign		NTS2	CSO	-4635 -266 +4	Context for specific objective no. 3
15.	Number of people using public communication	Thou-sands	NTS 2	CSO	638	Context for indicators nos. 6 and 9, priority axis V
16.	Public roads: voivodeship/county/local	Km	NTS 2	CSO	2214.2 9186.6 5698	Context for indicator: - no. 2, priority axis V

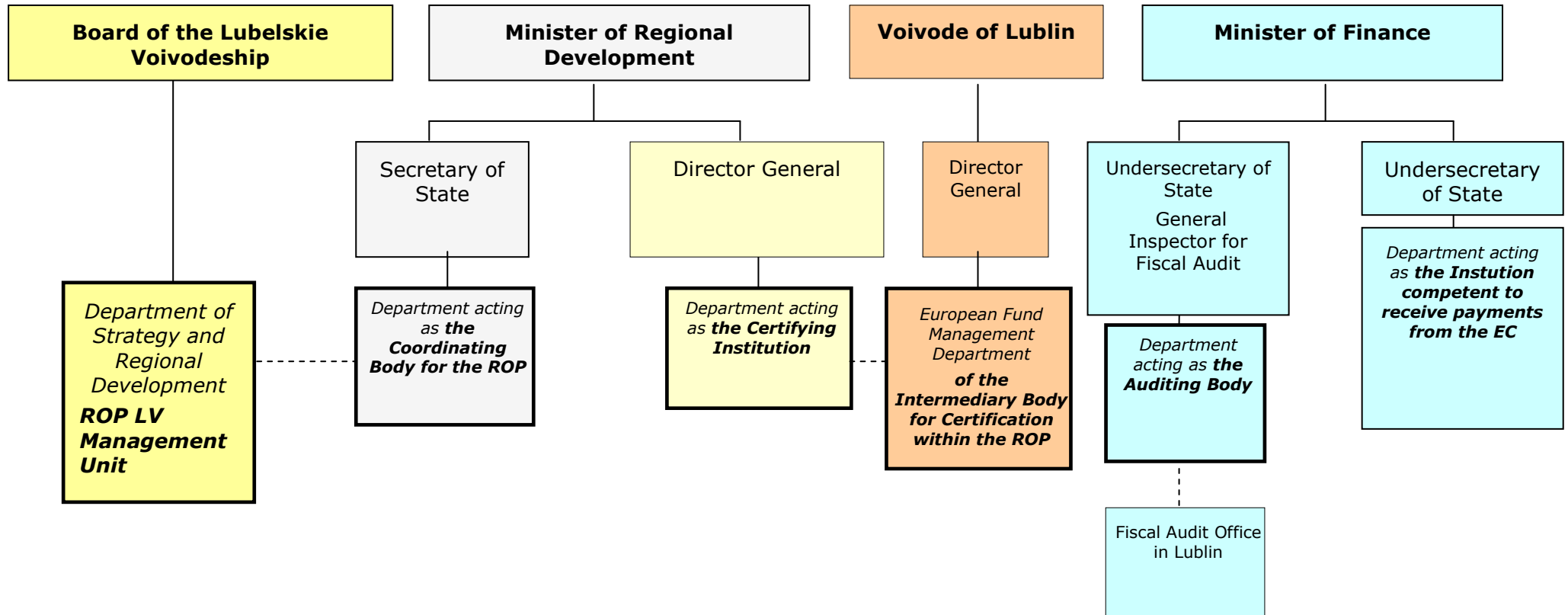
	incl. industrial production construction market services non-market services				99.6 99.9 95.5 98.2 103.3	
25.	National economy entities registered in REGON per 10 thousand people incl. SMEs per 10 thousand people	absolute numbers	NTS2 Urban locations Rural locations		682 996.7 411.7 680	Context for indicator: - no. 4 of specific objective 1 - nos. 1 and 2, priority axis I - nos. 4 and 6, priority axis II - nos. 4 and 5, priority axis III
26.	Companies with foreign capital	absolute number	NTS 2	REGON	332	Context for indicator: - no. 2 of specific objective no. 2
27.	Capital investment per 1 inhabitant incl. direct foreign investments incl. private sector / 1 inhabitant	PLN million PLN PLN	NTS 2	CSO CSO CSO	1992 642.1 1108	Context for indicator: - no. 8, priority axis I
28.	R&D expenditures (current prices) in relation to GDP Incl. expenditures funded by companies	%	NTS 2	CSO	0.46	Context for indicator: - no. 1, priority axis I
29.	R&D employment	absolute number	NTS 2	CSO	7073	Context for indicator: - no. 7, priority axis II
30.	Companies involved innovative activities in industry	%	NTS 2	CSO	27.8	Context for indicator: - no. 1, priority axis I - no. 9, priority axis II - no. 4 of specific objective 1
31.	Patents and functional designs	absolute number	NTS 2	CSO	Patents: 47 Utility models: 16	Context for indicator: - no. 9, priority axis II
32.	Production of new and modernised goods in industrial production sold	%	NTS 2	CSO	5.4	Context for indicator: - no. 12, priority axis I
III	ENVIRONMENT					
33.	Total emission to air:					General indicator
	dust; previous year=100	t/ km ² %	NTS 2	Ministry of Environment/National Emission Centre	0.27 100.7	
	sulphured dioxide (without CO ₂); previous year=100	t/ km ² %	NTS 2		0.76 100.3	
	nitrogen oxide previous year=100	t/ km ² %	NTS 2		0.43 97.5	
34.	People using sewage system incl. rural areas People using sewage system in % of total population incl. rural areas	Thousands %	 NTS 2		CSO	978,6 115.7 44.9

					10	
35	People using water supply system incl. rural areas People using water supply system in % of total population incl. rural areas	Thousands %	NTS 2	CSO	1718.2 769 78.8 66.1	Context for indicator: - no. 5, priority axis VI
36.	People connected to water treatment plants as % of total population, incl. rural areas	%	NTS 2	CSO	50.98 13.56	Context for indicator: - no. 6, priority axis VI
37.	Industrial and municipal sewage treated: - per km ² - as % of sewage the requires treatment	dam ³ %	NTS 2	CSO	2.01 98.8	Context for indicator: - no. 6, priority axis VI
38.	Waste recovered against total waste generated (excl. municipal)	%	NTS 2	CSO	94%	Context for indicator: - no. 7, priority axis VI
39.	Municipal waste collected per 1 inhabitant	Kg	NTS 2	CSO	150	Context for indicator: - no. 2, priority axis VI
40.	Energy from renewable sources (power installed)	GWh	NTS 2	Energy Market Agency	2.05	Context for indicator: - no. 5, priority axis I - no. 11, priority axis II - nos. 1 and 4, priority axis VI
41.	Legally protected area of special natural values as % of total area	%	NTS 2	CSO	21	Context for indicator: priority axis VI
42.	Area of reclaimed and developed land against total land that needs to be reclaimed	%	NTS 2	CSO	0.003	Context for indicator: - no. 8, priority axis VI
43.	1st and 2nd class water against total	%	NTS 2	MOLV	0.6	Context for indicator: - no. 5, priority axis VI
44.	CO ₂ emission	Kt	NTS 2	CSO	5245.3	Context for indicator: - no. 10, priority axis VI

Annex 3
Institutional Diagram of the ROP of Lubelskie Voivodeship



Annex 4 Organisational Diagram showing the arrangement of the Managing Authorities of the ROP, Coordinating Body for the ROP, Certifying Institution and the Auditing Body as well as the institution competent to receive payments from the EC



**Annex 5
Economic Flows and Certification in Regional Operational Programmes**

