FINAL CONFERENCE OF THE JOINT INITIATIVE OF THE EUROPEAN COMMISSION AND THE WORLD BANK

May 31st, 2017
Meeting venue:
G2A Arena Congress Centre, Jasionka 953, Jasionka 36-002, Rzeszów, Poland
9:00 – 15:30

Agenda as of May 9th, 2017

8:30 – 9:00 Registration

9:00 – 9:30 Opening speeches:
- Władysław Ortyl, Marshal of Podkarpackie region
- Adam Jarubas, Marshal of Świętokrzyskie region
- Jerzy Kwieciński, Secretary of State, Ministry for Economic Development

9:30 – 10:45 Round table:
Catching-up regions and Cohesion Policy: today's problems, tomorrow's solutions
- Marc Lemaître, Director-General, DG Regional and Urban Policy, European Commission
- Jerzy Kwieciński, Secretary of State, Ministry for Economic Development
- Adam Jarubas, Marshal of Świętokrzyskie region
- Władysław Ortyl, Marshal of Podkarpackie region
- Arup Banerji, World Bank, Regional Director for the European Union

Moderator: Carlos E. Piñerúa, Country Manager, Poland and Baltic Countries
Aerospace industry is one of the oldest smart specialization strategies of the region. Created in 2003, the Aviation Valley is a cluster representing more than one hundred different entities, including internationally renowned large companies, SMEs, higher education schools and the regional government. It concentrates 90% of Polish aircraft production and provides for around 23 thousand jobs, including highly-skilled engineering occupations. Despite presence of the industry with clear innovation potential and undisputable academic excellence in advanced aerospace manufacturing, the region shows however a surprisingly low performance as regards business-science cooperation.

The Technology Transfer Office designed within the “Lagging Regions Initiative” aims to introduce a fundamental change in the traditional operating models of the two universities in Rzeszów. It seeks to enable commercial innovation at both schools within the limits set by the new state aid regulations. The TTO will be first and foremost client-driven: it will invest time and effort to understand the needs of business clients and propose them most suitable R&D solutions.

The workshop will address the issue of the importance of successful business-science cooperation in Europe and will focus on obstacles regions encounter to bridge companies and academia. The representatives of Aalto Design University from Finland (or alternatively Airbus Toulouse) and the deans of the Universities of Rzeszow and the Technology University of Rzeszow will share with us their recipe for success and show the way forward.

Panel 2: Strengthening competitiveness of small and medium enterprises in deprived areas – voucher scheme for business services

- Maciej Gajewski, Financial Expert, World Bank
- Stanisław Masternak, Head of Sandomierski District
- Dariusz Jan Gozdek, CEO GMC Company LLC, Staszów
- Marek Szczepanik, Member of the Board, Świętokrzyskie region

Moderator: Anna Wellenstein, Senior Operations Director, World Bank

Workshop followed by Q&A session
Economic activity in participating poviat regions is stagnant and no real economic development is expected in the long-term future. Specific obstacles to growth for SMEs relate to weak access to financing, including bureaucratic enterprise support schemes with high entry-level barriers, relatively low level of human capital and a lack of knowledge of strategic business services amongst managers. In many cases smaller companies are also stuck in subcontracting relationships and face inequalities of bargaining power while negotiating contracts with large enterprises.

The workshop's objective is to outline the model for provision of business services developed in the regions of Świętokrzyskie and Podkarpackie. The overall objective of the Enterprise Competitiveness Scheme (ECS) is to better respond to SMEs' needs through demand-based vouchers. The scheme offers easier and faster application procedures compared to traditional grant programmes as well as effective quality assurance mechanisms to ensure provision of business services of highest standards.

The managers of successful companies from the participating poviat regions will reveal their development strategies to conquer not only Polish, but also lucrative foreign markets. The other panelists will further explain the secrets of the blue ocean theory that suggests that companies are better off searching for ways to gain an uncontested, niche market space by creating their unique products instead of engaging in traditional price competition within their industry.

Panel 3: Easier and faster dive into professional life: innovative grant mechanism on vocational education and training in Świętokrzyskie

- Grzegorz Orawiec, Director, Regional Policy Department, Marshal Office of Świętokrzyskie Region
- Karol Kaczmarski, CEO, Świętokrzyskie's Centre for Innovation and Technology Transfers
- Jadwiga Parada, Director, Vocational Education and Training Department, Ministry of National Education
- Piotr Krasuski, Director of ESF Department, Ministry for Economic Development
- Wallis Goelen, DG EMPL, European Commission

Moderator: Margo Hoitijzer, Senior Economist, World Bank

Workshop followed by Q&A session

The fast developing Polish economy requires the quality of goods and services to sustain its competitiveness on the European and global markets. A skilled and more productive workforce benefiting from efficient vocational training, faster business registration procedures and more commercial innovation will be essential to help enterprises across all sectors expand, create jobs and find their way to global markets. The 2016 Country Specific Recommendations also identify these three challenges as key for boosting Polish growth. The implementation strand of the "Lagging Regions" Initiative supported the development of practical solutions that could accelerate the pace of structural reforms in the indicated areas.

The workshop will present a fully-fledged grant mechanism developed within the "Lagging Regions Initiative" that aims to improve educational-system responsiveness to labour market needs in Świętokrzyskie. Implemented from August 2017 for the period of 3.5 years and focused on regional smart
specialisation sectors, it will allow testing new approaches to strengthening work-based learning. Five most promising project proposals will be subject to extensive advisory support and incubation all along the next year. Five hundred students from at least a few poviats will receive in-firm training as from September 2018 during more than 30% of the minimum amount of practical activities for specific occupations within one year.

13:00 – 14:00 Lunch break

14:00 – 15:30 Thematic parallel workshops:

Panel 1: Doing business made easier: three good reasons to set up your company and invest in Kielce and Rzeszow

- Maciej Drozd, Economist, World Bank
- Łukasz Plebiak, Undersecretary of State, Ministry of Justice
- Dariusz Podniesiński, Head, Department of Digital Economy, Ministry of Economic Development
- Witold Olech, Head of Section I of the Register of Entrepreneurs of the National Court Register in Rzeszów
- Jan Klocek, President of the District Court in Kielce
- Tomasz Tworek, Director, Świętokrzyskie Association of Private Employers - LEWIATAN
- Andrzej Rudka, Senior Advisor, DG GROW, European Commission

Moderator: Erich Unterwurzacher, Director, DG Regional and Urban Policy, European Commission

Workshop followed by Q&A session

According to the World Bank report on Doing Business 2016 it takes 30 days on average to start a business in Poland, which puts the country at the very tail of the EU Member States. In Swietokrzyskie and Podkarpackie, setting up a new enterprise requires even more time and determination: around 36 days are needed to register a limited liability company in Rzeszow and Kielce. By way of comparison, such a company is set up in Poznań within 8 days. This means that despite a single procedure at national level, administrative capacity to handle it is significantly lower in the two regions. The use of online registration also remains weak: even though they cost twice less and are four times faster, many entrepreneurs still prefer to complete a paper application instead of filing it electronically.

The "Lagging Regions" Initiative sought to improve entrepreneurship conditions in both regions by reducing time and cost required to start a company. It focused on three objectives: promoting online registration, decreasing the number of returned applications and expediting paper applications. According to the World Bank's estimations, a wider use of e-registration alone might decrease the cost of business registration in both regions by PLN 1,395,000 and cut its length by 13,020 days.
Panel 2: Harvesting business opportunities through efficient spatial planning: pilot scheme in Podkarpackie and Świętokrzyskie

- David Sislen, Practice Manager, World Bank
- Paweł Wais, Deputy Director, Department of Regional Development, Marshal Office of Podkarpackie
- Leszek Kopeć, Mayor of Town and Municipality of Staszów
- Eugen Pănescu, Executive Manager, Planwerk
- Krzysztof Tranda, Construction Permits Specialist

Moderator: Wolfgang Munch, Deputy Head of Unit, DG Regional and Urban Policy, European Commission

Workshop followed by Q&A session

The administrative burden related to the delivery of construction permits remains an important obstacle for investors in Poland. Around 70% of municipal territory has no local development plans, and for such areas construction permits are granted on the basis of one-off administrative decisions. Because of time and cost it takes to obtain such a decision, developers, particularly those with low administrative capacities such as SMEs, are quickly discouraged from investing. Weak capacity of local authorities to handle procedures in timely manner adds to the problem.

However, spatial planning presents myriad benefits. It does not only attract private investors by offering a clear overview of where and what can be developed, but it also offers the reduction of administrative burdens for investors and municipalities alike. It allows for better coordination of all investments done within a territory, more efficient access to public services and reduces urban sprawl.

The workshop aims to present the pilot scheme facilitated by "the Lagging Regions Initiative in the functional areas of Rzeszów and Staszów. The terms of reference for setting up land use plans in these territories are essential for gathering relevant expertise and creating state of the art spatial planning and increasing administrative capacities for timely issuing permits in municipalities. The pilots will lean on Integrated Urban Development Strategies and Mobility Plans that are already in place to deliver integrated investments in urban functional areas.


- Jan Szczucki, Financial Expert, World Bank
- Danuta Cichoń, Director, Department of Regional Development, Marshal Office of Podkarpackie
- Krzysztof Staszewski, CEO, Podkarpackie Development Fund
- Patrycja Wolnińska-Bartkiewicz, Director, European Funds Section, National Economy Bank
- Marek Ignor, President of the Board, Dolnośląskie Development Fund

Moderator: Rachel Lancy-Beaumont, Deputy Head of Unit, Financial Instruments Unit, DG Regional and Urban Policy, European Commission

Workshop followed by Q&A session
Financial instruments represent a resource-efficient way of deploying cohesion policy resources in pursuit of the Europe 2020 Strategy objectives. Besides the obvious advantages of recycling funds over the long term, financial instruments help to mobilise additional public or private co-investments in order to address market failures. Their delivery structures entail additional expertise and know-how, which helps to increase the efficiency and effectiveness of public resource allocation. Moreover, these instruments provide a variety of incentives to better performance, including greater financial discipline at the level of supported projects.

So far however, refundable support in the region of Podkarpackie presented a series of drawbacks. There was a little product variation and the offered funding was insufficiently oriented to the needs of specific companies and industries. In addition, the refundable support was uniformly distributed across the region.

The workshop will present the established in-house instrument in the region of Podkarpackie based on recouped financial resources from the 2007-13 programming period that aims to respond to these challenges and provide tailor made offer of financial instruments in full complementarity with the reinforced use of financial instruments in 2014-20.