

# ICPS newsletter

## Technical assistance prepared Poland to join the European Union

*Central European countries, including Poland, have had a unifying framework for technical assistance—their preparation for membership in the European Union. By contrast, it is difficult to identify a unifying principle for foreign assistance in countries of the former Soviet Union. Priorities of bilateral assistance programs appear to be more supply driven, and chosen according to internal political criteria of donors. As for Ukraine, technical assistance tended to provide ready-made advice. In contrast, technical assistance projects in the candidate countries of Central Europe appear to have been largely designed around institution building, that is, adapting and strengthening the democratic institutions which are involved in implementing and enforcing EU legislation. Twinning—the integration of officials into international networks—was used as the principle mechanism of the institution building process.*

*At a seminar held by ICPS, Ms. Barbara Mrowka (Committee for European Integration, Poland) and Ms. Marzenna Guz-Vetter (Institute of Public Affairs, Poland) gave presentations on Poland's experience in applying technical assistance in the process of European integration*

### European integration through technical assistance

Poland has embarked the last stage of its integration into Europe. Since 1998, the European Union focuses its technical assistance to countries in Central Europe on achieving the specific goal of preparing the candidate countries for future EU membership (see Table 1). In its budget, the EU reserves special funds for the specific needs of each candidate country as it prepares for accession. These funds are divided into two types—pre-accession aids and EU structural funds.

*Pre-accession aids* are granted by means of three programs (see Table 2):

- Phare (Poland and Hungary: Action for Restructuring the Economy);
- ISPA (Instrument for Structural Policies for Pre-Accession);
- SAPARD (Special Accession Program for Agriculture and Rural Development).

When Poland gains EU membership, it will forfeit its right to Phare, ISPA, and SAPARD funds, and become a potential beneficiary of *EU structural funds*. Structural funds are aimed at (i) promoting the development and structural adjustment of the EU regions most lagging behind in development; (ii) supporting the economic and social conversion of areas facing structural difficulties; and (iii) developing labour markets and human resources according to societal needs. However, EU membership does not mean automatic

Table 1. Evolution of EU assistance to Poland

Phase 1	1989–1991—humanitarian aid
Phase 2	1991–1993—recommendations and training
Phase 3	1993–1997—investment support (at the level of regions and sectors)
Phase 4	1997–1999—assistance is focused on pre-accession needs
Phase 5	from 2000 till EU enlargement—assistance programs (Phare, ISPA, SAPARD) are focused on the needs of European integration
Phase 6	from the date of accession till the end of 2006—access to EU structural funds

Table 2. Programs of EU technical assistance to the candidate countries

	Phare (regional programs)	ISPA (national programs)	SAPARD (local programs)
Goal	Institution building according to <i>acquis</i> , investment support	Adapt <i>acquis</i> in the sphere of transport and environment	Develop agriculture according to <i>acquis</i> , rural infrastructure development
Annual budget, 2000–2006	Total for period: 1,560 million euro; 350–400 million euro for Poland	Total for period: 1,040 million euro; 330–370 million euro for Poland	Total for period: 520 million euro; 170 million euro for Poland

reallocation of funds, it just provides the right to receive money on the basis of the overall rules and criteria.

### Phare Program undergoes changes

The Phare Program is currently the main channel for the European Union's financial and technical cooperation with the countries of Central and Eastern Europe. Set up in 1989 to support economic and political transition in Poland and Hungary, during ten years of the transition process Phare has been extended to include 13 partner countries from the region.

In 1998, Phare's role in the candidate countries has been refocused and reoriented. For these countries, according to a European Commission decision, Phare's aim is to help them to prepare for EU membership. Earlier, the Phare Program was directed at promoting processes of social transformation. As a result, today all Phare activities concentrate on two priorities:

- *institution building* (around 30 percent of the budget): designing and strengthening democratic institutions; developing human resources and management skills needed to ensure that the *acquis communautaire* (EU legislation) is adopted and enforced;
- *investment support* (around 70 percent of the budget): for example, investing in environmental and transport infrastructure in order to achieve the same standards as member states have; closing gaps at different levels of region development.

In contrast to the first seven years of Phare, the EU has now refused to support general projects in specific sectors. Currently, it grants assistance for fulfilling concrete tasks in the framework of European integration. For example, in Poland the EU finances projects focused on systematic implementation of antimonopoly legislation, modernisation of water treatment plants, and highway construction.

According to the new EU principles, the candidate countries receiving Phare aid should finance 25 percent of project budgets, as well as expenditures connected with technical support for the projects. In Poland, funds for co-financing Phare projects were reserved in the state budget for the first time in 1999; these allocations amounted to approximately \$40 million, i.e., 18 percent of all expenditures envisaged by the Phare'99 Program. Since 2000, the Polish provinces (*województwo*) are responsible for co-financing Phare projects which are carried out in their territory.

According to Polish experts, their country is interested in expanding projects whose key objective is to reduce social and economic gaps in the development of different regions. This would ensure a bigger share of funds for financing local programs oriented on helping specific *województwo*s to create new job opportunities, develop enterprises, or re-train workers. Moreover, sub-national governments will gain experience in programming structural funds which will be available for Poland as it integrates into the European Union.

## Successes and failures of technical assistance in Poland

According to Polish experts, the major successes of technical assistance programs in Poland are the following:

- realisation of specific investment and regional projects focused on laying down the institutional foundations necessary for EU accession;
- increased awareness of the public about European integration;
- the lack of financial violations or misuse of EU funds, which have allowed Poland to enjoy high EU confidence;
- training national and regional governments to use structural funds;
- active co-operation with the European Commission.

However, in realising programs of technical assistance Poland could sometimes not prevent certain problems due to the following causes:

- in reality, local governments and non-government organisations have not been receiving up-dated information about technical assistance funds, and only a small group of experts and private advisory bodies have access to information about specific programs and rules for document preparation;
- there is no effective and transparent system for monitoring and evaluating the realised projects;
- infrastructure development projects predominate over those focused on creating new jobs and promoting modern technologies.

## Conclusions

- The effectiveness of applying pre-accession funds granted by the European Union depends on the professional level and political competence and culture of the government. The government's political interests and opaque rules create conditions for corruption and reduce the effectiveness of the aid.
- Data about programs envisioned by technical assistance should not be viewed as information given exclusively for the use of a limited group of privileged persons. A quality system of automatic distribution of information will allow minimising the risk of ineffective misused application of funds.
- As non-government organisations form public opinion, they play an important social role. Thus, they should be involved in the process of realising regional technical assistance programs. ■

*The seminar "Technical Assistance in Poland and Ukraine: Achievements and Perspectives on the Way towards the European Union" was held on 24 April 2001. The seminar was organised by the International Centre for Policy Studies and the Instytut Spraw Publicznych (Polish public affairs research centre) under the project "European Choice of Ukraine: Using Polish Experience for Administrative, Budget, Regional, and Educational Reforms in the Context of European Integration". The project was made possible by support from the Freedom House Partnership for Reform Program.*

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## *Twinning civil servants is much more effective than consulting services*

*During past years, Polish institutions were granted aid in the framework of the Phare program mainly in the form of recommendations. In general, such contracts were signed with private advisory agencies in EU countries, and nobody even evaluated whether this type of assistance was effective. Moreover, now it is very difficult to find any information about the money paid to private advisory companies under specific Phare projects. Poland's public officials often complained that although foreign advisors assisted in producing high-quality programs, their ignorance of Polish peculiarities hindered the effective realisation of the determined tasks.*

*When the European Union saw that the services of private advisors were expensive, it made the following decision: public officials in the candidate countries should cooperate with their colleagues from EU states. Thus, a new approach named twinning was developed. Twinning means that officials from the member states should much more intensively consult with public administrations in the countries of Central and Eastern Europe.*

*What is the practical difference between "teaching" and "twinning"? Under the "teaching" approach, a technical assistance project would arrange for, say, ten officials to go once to visit a*

*donor country agency. Under the "twinning" approach, assistance would be provided to one key official to have ten visits with his or her counterpart over a period of time, building a working relationship. The main feature of twinning projects is that they set out to deliver specific and guaranteed results, which have been agreed between the parties in advance for the implementation of priority areas of the acquis.*

*Twinning is focused on four priority sectors of public policy—agriculture, environment, finance, and justice and home affairs. Poland implements projects in line with all four priorities. In the framework of Phare'98, Poland's administration established relations with public officials from eight countries. For example, the Ministry of Agriculture closely cooperates with its counterparts in Denmark, Germany, Ireland, France, and the Netherlands.*

*Twinning has a lot of advantages: this approach appears to be as effective, as well as cheaper, compared to the services of highly paid private advisors. Having great practical experience, EU public officials are able to render effective assistance to their counterparts from candidate countries in adapting to the acquis. Importantly, EU experts develop their proposals according to the needs which are clearly formulated by officials from the candidate countries.*

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