

OFFICIAL DOCUMENTS



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
REGIONAL AND URBAN POLICY
Closure, Major Projects and Programme Implementation III
Director

Brussels,
ARES

AMENDMENT N° 2 (No 2017.CE.16.BAT.081)

to the Administration Agreement
for Part II Europe 2020 Programmatic
Single-Donor Trust Fund (No. TF072592)
(EC Contract No 2016.CE.16.BAT.050)

1. The European Union, represented by the European Commission (the 'Donor'), which is represented for the purposes of signing this amendment by Erich Unterwurzacher, Director, Directorate General for Regional and Urban Policy, Directorate Closure, Major Projects and Programming Implementation III of the one part, and

2. The INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
Avenue Marnix 17, 2nd Floor
1000 Brussels
Belgium

(the "Bank"), represented for the purposes of the signature of this amendment by **Arup Banerji, Regional Director European Union Countries, Europe and Central Asia**, on the other part,

on the other part.

Having regard to the above-mentioned Administration Agreement signed on 17 June 2016, as amended by Amendment 1 signed on 18 May 2017,

Whereas the Donor has informed the Bank of its intention to amend the above-mentioned Administration Agreement for the following reason: *the need to include additional activities to be performed by the Bank in new regions, increase the amount of the Trust Fund and installments, adjust the indicative timetable of outputs and results indicators and extend the end disbursement date.*

HAVE AGREED AS FOLLOWS:

Article 1

1.1 Article 1 of the Administration Agreement is replaced by the following Article:

*"1. The International Bank for Reconstruction and Development (the "Bank") acknowledges that the European Commission (the "Donor", and together with the Bank, the "Parties" and each a "Party") agrees to provide the sum of two million fifty thousand Euro (€2,050,000) (the "Contribution") for the **Part II Europe 2020 Programmatic Single-Donor Trust Fund**, No. 072592 (the "Trust Fund") in accordance with the terms of this Administration Agreement.*

The estimated total budget of the Trust Fund is Euro two million fifty thousand (€2,050,000). The indicative budget set out in Annex 5 shall be used for monitoring purpose only and shall not be binding."

1.2. Article 3 of the Administration Agreement is replaced by the following Article

"3. The Donor shall deposit the Contribution in accordance with the following schedule and in the currency specified in Section 1 above ("Contribution Currency") into such bank account designated by the Bank (each amount deposited hereinafter referred to as an "Instalment") upon submission of a payment request by the Bank:

- (A) Promptly following countersignature – €500,000*
- (B) €300,000 subject to the disbursement of 70% of the preceding instalment*
- (C) €200,000 subject to the disbursement of 70% of the preceding instalment*
- (D) €500,000 subject to the disbursement of 70% of the preceding instalment*
- (E) €550,000 subject to the disbursement of 70% of the preceding instalment*

*The period for payment of further instalments shall be 60 days.
The period for payment of the balance shall be 90 days."*

1.3. Annex 1 'Description' to the Administration Agreement is replaced by the Annex 1 attached to this amendment.

1.4 Section 2 of the Annex 3 to the Administration Agreement is replaced by the following:

"1. Payment requests

*Requests for payments related to the Activities set forth in Section 2.1 of Annex 1 to this Administration Agreement will be sent by the World Bank to the Commission with the reference **CCI 2017CE16BAT081** and shall be addressed to:*

*European Commission
Directorate-General for Regional and Urban Policy
Grefte Financier
DG REGIO A3
BU-1 00/172
B -1049 Brussels (Belgium)"*



1.5 Annex I 'Description' to the Administration Agreement is replaced by Annex I attached to this amendment.

1.6 Annex 4 'Indicative Results Indicators' to the Administration Agreement is replaced by the Annex 4 attached to this amendment.

1.7 Annex 5 'Indicative Budget' to the Administration Agreement is replaced by the Annex 5 attached to this amendment.

Article 2

All the other provisions of the Administration Agreement shall remain unchanged.

Article 3

The present amendment shall form an integral part of the Administration Agreement. It shall enter into force on the date on which it is signed by the last party.

SIGNATURES

For the Bank,

Arup Banerji
Regional Director
European Union Countries
Europe and Central Asia



Signature:

Date: Nov. 28, 2017

For the Donor,

Erich Unterwurzacher
Director

Signature:

Date: Dec. 1, 2017

In duplicate in English.



Part II Europe 2020 Programmatic Single-Donor Trust Fund Description

This Annex shall be applicable to and form an integral part of the Administration Agreement for the Trust Fund between the Bank and the Donor.

1. Objectives

The objectives of the Trust Fund are:

The European Commission and the Bank share a common objective of building competitive and sustainable economies and reducing poverty and social exclusion – goals of the Europe 2020 Agenda which is built on three pillars of smart, sustainable and inclusive growth. The European Commission and the Bank concur that direct interaction is beneficial to both institutions and through them to the beneficiary countries. This applies particularly to the provision of analytical, advisory and knowledge services and technical assistance.

The European Commission has expressed an interest in ensuring that the Bank continues to provide technical assistance in the framework of the Trust Fund in furtherance of the common objective set forth above.

2. Activities

The sub-objectives and description of activities are:

2.1 The European Commission, particularly the Directorate General for Regional and Urban Policy (DG REGIO) supports the regional economic development goals of its Member States in this case Poland. European Structural and Investment Funds (ESIF) address development goals in a result oriented manner and in achieving structural change. DG REGIO requested the Bank's assistance in order to enhance implementation of ESIF.

The activities (which may be described as “components” of activities) to be financed by the Trust Fund, in support of the sub-objectives are the following Bank-executed activities, for which the Bank has implementation responsibility:

“Poland Catching-up Regions”: Supporting the European Commission's lagging behind region initiative (the Initiative) in pilot regions in Poland that are selected by the Government of Poland.

The Initiative is carried out by regional and national authorities as well as the European Commission and follows up on the findings of the 6th Cohesion Report of the European Commission (2014) that highlighted the development challenges of 'low income regions', the GDP of which is currently on the rise, but it remains below 50 percent of the EU average. With this group of regions two types of concerns exist: about the long-term sustainability of their growth and the need to avoid the development trajectory of the low growth regions. Low-income regions are clustered in the Eastern periphery of the European Union. The second phase of the initiative may test the methodology developed in the first phase also in more developed Polish regions.



Under the Initiative, the stakeholders identify relevant actions which will be jointly followed up to increase the uptake and growth relevance of ESIF investments. The actions will be pilots addressing structural reform with a view of multiplying them to the whole of Poland.

At the request of DG REGIO, the Bank will provide assistance in helping the regional authorities selected by the Government of Poland identify and improve implementation in the following activities:

- (i) Activity 1: Improving the commercialization of Research & Development (R&D) results generated by public research facilities and enabling better utilization of existing technology transfer centers in the Podkarpackie region.
- (ii) Activity 2: Activating entrepreneurship in deprived areas in the Podkarpackie and Swietokrzyskie regions.
- (iii) Activity 3: Identifying ways to improve conditions for starting a business in the Podkarpackie and Swietokrzyskie regions.
- (iv) Activity 4: Supporting the creation of in-house financial instruments in the Podkarpackie region.
- (v) Activity 5: Strengthening the vocational education and training system in the Swietokrzyskie region, using best practice examples from around the world and tailoring them to the regional context.
- (vi) Activity 6: Enhancing technology transfer in the Podkarpackie region: Podkarpackie Center for Innovation (PCI).
- (vii) Activity 7 Identifying conditions required to improve spatial planning in the Podkarpackie and Swietokrzyskie regions.
- (viii) Activity 8: Enhancing energy efficiency to improve the air quality in the Malopolskie and Slaskie regions.
- (ix) Activity 9: Improving inspection practices related to food safety and food quality in the Lubelskie and Podkarpackie regions.

Methodology: The activities carried out by the Bank are centered along three reporting stages (inception, interim and final) that are separate for Activities 1-5 and Activities 6-9. An inception report detailing actions and timing of the Bank's activities in the framework of this initiative, an interim report analyzing progress of actions and a final implementation report for dissemination describing and analyzing the actions taken and their potential to increase relevant investments. The final implementation report shall include power point presentations on the outcome of the initiative for each activity. Moreover, the Bank will provide regular information on implementation progress at the meetings of the steering committee. All the reports shall be drafted in English, except for the final implementation report, which is due in English and Polish. The Bank will also be in charge of organizing meetings of the steering committee every six weeks according to its Rules of Procedures, meetings of working groups for each action and a number of workshops and dissemination events under relevant sub-actions as well as the final conference in Poland where the outcome of the "Catching-up Regions Poland" initiative



will be presented. The Bank will ensure active participation of relevant experts in all afore-mentioned events.

Indicative Outputs and Milestones and Timeline

Outputs and Milestones	Indicative Timeline
Inception Report for activities 1 through 5: prepared by the Bank highlighting methodology to be used in the completion of the individual activities	June 2016
Inception Report for activities 6 through 9: prepared by the Bank highlighting the methodology to be used in the individual activities	June 2017
Interim Report for activities 1 through 5: a short report prepared by the Bank informing about the progress of the project in both regions	Sept 2016
Interim Report for activities 6 through 9: a short report prepared by the Bank summarizing the progress achieved and remaining major difficulties within all activities	November 2017
Final Implementation Report for activities 1 through 5 prepared by the Bank summarizing performed activities, achieved results and recommendations for further action	March 2017
Final Implementation Report for activities 6 through 9: prepared by the Bank summarizing the tasks performed on all activities, achieved results and recommendations for further actions	May 2018
Monthly progress reports for activities 1 through 5: short reports prepared by the Bank summarizing implementation progress and difficulties encountered under each sub-action	June 2016 – February 2017
Progress reports for activities 6 through 9: short reports prepared by the Bank every six weeks summarizing implementation progress and difficulties encountered under each activity, to be submitted for all Steering Committee meetings.	June 2017 – May 2018
First conference for activities 1 through 5: organized by the Bank in Poland highlighting the final outcome of the initiative	May 2017
Second conference for activities 6 through 9: organized by the Bank in Poland, highlighting the final outcomes of the work	June 2018
<i>Activity 1: Improving the commercialization of Research & Development (R&D) results generated by public research facilities and enabling better utilization of existing technology transfer centers (Podkarpackie region)</i>	
Advice provided to the University of Rzeszow and the Rzeszow University of Technology for the R&D stock-taking exercise. This activity will entail a stock-taking of existing R&D infrastructure purchased and services offered, with a particular focus on the R&D generated by the University of Rzeszow and the Rzeszow University of Technology. This activity will have as distinctive output an Inventory report. The review work will be carried out by the University of Rzeszow and the Rzeszow University of Technology, with inputs and advice from the Bank.	June 2016
Report with mapping of R&D needs in the Podkarpackie Region. This activity will presuppose the identification of the needs of the private sector with respect to R&D and proposing solutions on how these needs could be met through existing public R&D centers. The activity will have as distinctive output a short report prepared by the Bank with a mapping of business needs.	August 2016

Study visit organized by the Bank to explore potential transferability of good practices in business-science collaboration from the Aalto Design Factory to the Podkarpackie region	September 2016
Proposal for a technology transfer office model. This activity will entail the development of a model for a technology transfer office using best practices from around the world, and identifying ways of operationalizing such an office in the University of Rzeszow and the Rzeszow University of Technology. The activity will have as distinctive output a practical model prepared by the Bank for a technology transfer office.	February 2017
Activity 2: Activating entrepreneurship in deprived areas (Podkarpackie and Swietokrzyskie regions)	
Identifying by the Podkarpackie and the Swietokrzyskie Marshal Offices with the support of the Bank two powiats in each region and setting up a working group by the Marshal Offices with all relevant stakeholders. .	May 2016
Short analysis of SMEs' characteristics in the selected areas based on available quantitative data as well as gathered qualitative information. This activity will have as a distinct output a short report prepared by the Bank on the characteristics and needs of SMEs in the four selected powiats located in Swietokrzyskie and Podkarpackie.	September 2016
Analysis of the qualitative information gathered from a sample of SMEs in the region on entrepreneurial readiness and identification of measures to increase access to services to activate/enhance entrepreneurship in SMEs. This activity will have as a distinct output a short report prepared by the Bank identifying key barriers to entrepreneurial activity and with recommendations for enhancing entrepreneurial activity in the four selected powiats.	September 2016
Developing and implementing a system to stimulate uptake of services in SMEs. This activity will have as a distinct output a report prepared by the Bank with proposals for how SMEs could better take advantage of services offered by public institutions in the selected powiats and recommendations regarding adjusting services provided to SMEs by the BSIs in the region.	December 2016
Activity 3: Identifying ways to improve conditions for starting business (Podkarpackie and Swietokrzyskie regions)	
Report with list of doing-business best-practices from Poland and abroad. This activity will focus on reviewing the Bank's Sub-national Doing Business report to identify best-practices from Poland and other countries and propose ways to apply these best-practices in Rzeszow and Kielce (the regional capitals). This activity will have as distinctive output a short report prepared by the Bank with good practices regarding the analyzed indicator.	June 2016
Proposal of actionable and feasible solutions for improving the business environment in the Podkarpackie and Swietokrzyskie regions. This activity will focus on proposing a catalog of feasible and actionable solutions that could improve the business environment in the region. This activity will have as distinctive output a short report prepared by the Bank with practical recommendations on improving the starting the business conditions in the region.	September 2016
Knowledge exchange activities on how to improve the business environment in the region. This activity will focus on knowledge exchange activities pertaining to the improvement of the business environment in the two regions. This activity has as distinctive output at least two workshops organized by the Bank where the intermediary and final results of this activity will be disseminated.	September 2016 – February 2017 (rolling schedule)

**Activity 4: Supporting the creation of in-house financial instruments
(Podkarpackie region)**

Provision of just-in time advice by the Bank to the Marshal Office in relation to the change of the ownership structure of the Podkarpackie Guarantee Fund (PFPK) (acquiring shares from the National Fund for Environmental Protection and Water Management and BGK) in order to allow the PFPK to function as an in-house financial instrument entity.	June 2016
Study visit organized by the Bank to explore the best practices of in-house financial instruments.	September 2016
Provision of just-in time advice by the Bank to the Marshal Office in relation to the design of a set of financial instruments tailored to regional needs proposed by the Marshal Office.	November 2016
Provision of just-in time advice by the Bank to the Marshal Office to support the implementation by the Marshal Office of the new financial instruments during their start-up phase.	January 2017
Activity 5: Strengthening the vocational education and training system in the Swietokrzyskie region, using best practice examples from around the world and tailoring them to the regional context (Swietokrzyskie region)	
Report on work-based learning global best-practices. This activity will focus on analyzing global best-practices on dual training systems and identifying ways in which such best-practices could be applied in Swietokrzyskie, with a particular focus on the metallurgy sector. This activity will have as distinctive output a short report prepared by the Bank with an overview of work-based learning global best-practices and their transferability to the region of Swietokrzyskie.	July 2016
Pilot proposal for work-based learning system between schools and companies, including concrete advice on how to implement it. This activity will have as distinctive output a set of recommendations prepared by the Bank on the work-based learning system, which could be implemented in Swietokrzyskie.	January 2017
Knowledge exchange and dissemination activities on work-based learning best practices. This activity will focus on the dissemination of activities to promote the concept of work-based learning amongst private companies and regional schools. This activity has as distinctive output at least two workshops organized and moderated by the Bank where the intermediary and final results of this activity will be disseminated.	September 2016 - February 2017 (rolling schedule)
Organization by the Bank of a study visit to explore work-based learning models	September 2016
Recommendations provided by the Bank for adjusting ESF measure on vocational education training under operational program of Swietokrzyskie	February 2017

**Activity 6: Enhancing technology transfer: Podkarpackie Center for Innovation (PCI)
(Podkarpackie region)**

1. Provision of assistance by the Bank in organizing a follow-on study visit to best-practice design/prototyping facilities (e.g., Leuven, ADF)	April/May 2017
2. Support to the Podkarpackie Marshal Office (MO) in the preparation of the amendment to the Regional Operational Program (ROP)	April – May 2017
3. Technical Assistance to the MO staff in performing ongoing preparation and oversight of the PCI program (once launched). Support in preparing key documents and activities: <ul style="list-style-type: none"> o A term sheet specifying the PCI's rules of engagement with the MO o Service level agreement (SLA) templates for collaboration between the PCI and universities are prepared o Service level agreement (SLA) templates for collaboration between the Universities and their Special Purpose Companies (SPCs) are prepared o Operational guidelines for the use of freed up R&D equipment have been tested and refined o Guidelines for the preparation of the PCI's functioning operation manual 	April – December 2017
4. Platform 1: R&D Project Valorization: <ul style="list-style-type: none"> o Support is preparing a pipeline of proposed R&D projects (candidates for valorization) o Assistance in the preparation of one collaborative R&D project proposal between a university and a company, resulting in filing an application to programs such as NCRD's "Fast Track" or Horizon 2020 	April – September 2017
5. Platform 2: Structured Contract Research (standardized offer for contract research): <ul style="list-style-type: none"> o A sample structured contract research offer is prepared for one of the universities' labs 	April – September 2017
6. Platform 3: ProtoLab: <ul style="list-style-type: none"> o Technical support in the selection process of the ProtoLab operator and facility 	April – December 2017
7. Inputs to universities' monitoring system for the utilization of the "20% capacity" that is to be freed-up	April – September 2017
8. Support in the PCI's management team selection: <ul style="list-style-type: none"> o Assistance in establishing a long list of candidates o Participation in a road-show for potential candidates for the PCI management team and organization of auxiliary activities organized (i.e., meetings with teams with relevant track record and experience) o Technical requirements and recommendations during the selection process of the PCI team in collaboration with the local stakeholders 	July – October 2017

**Activity 7: Identifying conditions required to improve spatial planning
(Podkarpackie and Świętokrzyskie regions)**

1. Identify, analyze, and summarize all relevant documents (development strategies, operational programs, zonal urban plans, laws, and policies) to better understand the array of issues associated with spatial planning in the regions. The output will be a short report prepared by the Bank conveying major enablers and constraints related to the introduction of a well-functioning spatial planning system in the targeted area.	July 2017
Separately, the Bank will compile: <ol style="list-style-type: none"> 1) a comprehensive list of projects proposed for the targeted area; 	

<p>2) a list of potential development restrictions (e.g. protected areas, military zones, airport buffer areas); and 3) existing zoning proposals.</p> <p>This step will be concluded with a workshop organized by the Bank presenting the above material, launching a prioritization process, and presenting the future scope of work under this activity.</p>	
<p>2. The Bank will conduct a review of all existing topographical, cadaster, and GIS (geographic information system) databases in the targeted area to determine the existing extent of coverage. The output prepared by the Bank will include a summary of the findings, identifying gaps, and estimating time and cost for their completion.</p>	September 2017
<p>3. Convene relevant stakeholders (civil society, public administration, and private sector) for a series of meetings to discuss and elaborate key priorities, interventions, and investments with territorial impacts on the targeted area. The purpose of these meetings will be to build consensus for future interventions, informing the spatial plans (infrastructure investments, new housing developments, new industrial zones, etc.). The outcome / output of these meetings will enable the Bank to produce a list of realistic list of priorities feeding into the final spatial planning terms of reference (ToR).</p>	December 2017
<p>4. The Bank will prepare the ToRs for the elaboration of a spatial plan for the targeted areas. Subsequently, consulting services to elaborate the spatial plans for the targeted areas will be procured by the regional / local administration.</p>	February 2018
<p>5. At least two training activities will be provided by the Bank providing relevant stakeholders with key tools and instruments for efficient and effective spatial planning.</p>	Throughout the activity
<p><i>Activity 8: Enhancing energy efficiency to improve the air quality (Malopolskie and Slaskie regions)</i></p>	
<p>1. Inception Report will include an outline of activities and workplan for developing the Energy Efficiency (EE) technical assistance project for scaling up improvements in Single Family Building (SFB) sector in Poland, with a focus on two regions. The scope of the report will outline the tasks and work plan to achieve the final objective of designing financial incentive instruments and delivery mechanisms of thermo-modernization in SFB and the development of more efficient boilers, for obtaining EE and air quality improvements. The scheme will be designed in the Malopolskie and Slaskie regions.</p>	June 2017
<p>2. <u>Sub-activity 8.1: Diagnostic Assessment and Analysis of Energy Efficiency Opportunities and Strategies in Single-Family Buildings</u></p> <p>Diagnostics and Overview Report prepared by the Bank for assessing the existing opportunities, regulations, strategies, barriers, institutional frameworks, and implementation programs in the area of EE improvements in SFB.</p> <p>The Report will cover:</p> <p>(i) Review of existing technical measures and alternatives for thermal rehabilitation of SFB and replacement of boilers;</p> <p>(ii) Overview and analysis of existing EE and air pollution/anti-smog regulatory</p>	September 2017

<p>mandates, implementation instruments and awareness schemes, including financial incentive schemes, available at the central, regional, and city levels;</p> <p>(iii) Assessment of needs and estimation of demand by region, demographics, broad building characteristics, income levels, and clusters;</p> <p>(iv) Analysis of costs and benefits (financial and economic, including benefits of air pollution and GHG emissions reduction) of the alternative options by regions, demographics, broad building characteristics, income levels, and clusters;</p> <p>(v) Assessment of domestic financial institutional framework, their role and available schemes in the EE investments targeted to the housing sector; and</p> <p>(vi) Review of readiness factors in the EE market, in terms of availability of energy auditors and ESCOs, use of transaction tools such as energy savings performance and shared savings contracts, etc.</p>	
<p>3. <u>Sub-activity 8.2: Development of Implementation Scale-Up Options and Schemes for Financing of EE Improvements in SFB:</u></p> <p>Draft Implementation Scale-Up and Financing Mechanisms Report prepared by the Bank identifying alternative models, and selection of available financial incentive instruments and delivery schemes for thermal rehabilitation of SFB and replacement of their boilers. The thermo-modernization implementation plan presented in the Report will cover sector characteristics and identify ways of addressing potential barriers for the scheme's implementation.</p> <p>The Report will include:</p> <p>(i) details by region, demographics, building characteristics, income levels, and clusters;</p> <p>(ii) details by type of instrument used, based on subsidies, grants, concessional loans, hybrid packages, PPPs, etc., their feasibility and financing needs vis-a-vis financing sources.</p> <p>Special emphasis will be provided to low-income energy poor single family households. The Report will prioritize the choice of financial incentive instrument based on the feasibility of their implementation readiness, financial costs and benefits, and potential reduction of air pollution and GHG emissions. The Report will elaborate the details of the selected implementation scheme and develop its operational design elements, to enable the rollout of a pilot program in the two regions. This Report will provide a roadmap for rolling out the scheme by assessing the feasibility of replicating and scaling up the recommended schemes to the national level (or multi-regions) along with the financing needs vis-a-vis financing sources.</p> <p>A Multi-stakeholder consultation workshop will be organized by the Bank for scaling up energy efficiency implementation in SFB after the Draft Report is prepared. This workshop will bring regions, cities, Ministry of Economic Development (MoED), financial sector, European Commission and other stakeholders and present the proposed financial incentive instruments and delivery schemes, incorporating feedback and suggestions. The recommendations provided by the Bank will be used by the Government to fine-tune and refine the design of the instruments and schemes.</p> <p>The Implementation Scale-Up and Financing Mechanisms Report will be finalized by the Bank based on the previous reports, interactions, and comments received from stakeholders during the workshop.</p>	<p>March 2018</p>

**Activity 9: Improving inspection practices related to food safety and food quality
(Lubelskie and Podkarpackie regions)**

1. Stock-taking of local inspection practices (through in-depth interviews with firms and local inspectorates as well as document review) and benchmarking to international best practices, resulting in a short report with recommendations on changes in inspections to promote better business and safer food	January 2018
2. Preparing new tools for inspectors and firms based on international best practices, adapting them to local conditions, and piloting them in the engaged regions. Tools to be elaborated will include risk-based methodology for planning inspections and at least one instruction (check-list) for inspectors and at least one guidance document for firms.	June 2018
3. At least three knowledge-exchange activities carried out by the Bank on risk-based planning of inspections and other regulatory delivery tools	Throughout the activity

3. Eligible Expenditures

3.1 For Bank-executed activities, the Trust Fund funds may be used to finance:

- (a) Staff and individual consultant services;
- (b) Cost of travel;
- (c) Cost of training and workshop for counterparts; and
- (d) Other services including translation.

4. Taxes

4.1 The foregoing activities and categories of expenditures may include the financing of taxes in accordance with the Bank's applicable policies and procedures.

5. Program Criteria

5.1 Activities are to be financed in accordance with the following program criteria:

The Trust Fund is established to enable the European Commission and the Bank to continue to collaborate and exchange experience and expertise on a number of themes under all three pillars of the Europe 2020 Agenda – of smart, sustainable and inclusive growth. The express purpose of this Trust Fund is to allow the European Commission to avail itself of the Bank's technical assistance and analytical and policy capacity for the purpose of pursuing the goals of Europe 2020. The three pillars of Europe 2020 are broadly in line with the objectives and strategies adopted in the Europe and Central Asia Region of the World Bank Group. All activities that are in pursuance of these three pillars are eligible to be financed and implemented under this Trust Fund.



INDICATIVE RESULTS INDICATORS FOR THE ACTIVITIES SET FORTH IN
SECTION 2.1 OF ANNEX 1 TO THIS ADMINISTRATION AGREEMENT

General project indicators
 May 2016 – June 2018

<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Expert work • Working group meetings, inputs from the regions, MoED and the EC • Interviews • Desk research 	<ul style="list-style-type: none"> • Inception report • Interim report • Monthly progress reports • Final report • Final conference 	* result indicators are action specific

Activity 1: Improving the commercialization of Research & Development (R&D) results generated by public research facilities and enabling better utilization of existing technology transfer centers (Podkarpackie region)

<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Expert work • Working group meetings, inputs from the regions, MoED and the EC • Interviews • Desk research 	<ul style="list-style-type: none"> • Inventory report of purchased R&D infrastructure and offered services (performed by universities with inputs from the Bank) • Report with mapping of R&D needs in the Podkarpackie Region • Proposal for a technology transfer office model • Learning / Study visit 	<ul style="list-style-type: none"> • Improved understanding of possible models of TTO design and commercialization-related solutions that could be applied in Podkarpackie • Recommendations on key mechanisms to put in place to improve the level of the R&D efforts funded both from the public and private sources • Support to increase the utilization of the R&D infrastructure

Activity 2: Activating entrepreneurship in deprived areas (Podkarpackie and Swietokrzyskie regions)

<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Expert work • Working group meetings, inputs from the regions, MoED and the EC • Interviews • Desk research 	<ul style="list-style-type: none"> • Selection of two powiats in each region • Short report on characteristics and needs of SMEs in the four selected powiats • Short report on key barriers to entrepreneurial activity and with recommendations for enhancing 	<ul style="list-style-type: none"> • Short outline of 5-10 standard services to be delivered by BSIs to SMEs to be supported within the voucher scheme • Design of the voucher scheme for selected BSI services to be implemented

	<p>entrepreneurial activity in the four selected powiats</p> <ul style="list-style-type: none"> • Report with recommendations on adjusting services provided by the BSIs in the two regions 	<p>within the Podkarpackie ROP and the Swietokrzyskie ROP</p>
<p>Activity 3: Identifying ways to improve conditions for starting a business (Podkarpackie and Swietokrzyskie regions)</p>		
<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Expert work • Working group meetings, inputs from the regions, MoED and the EC • Interviews • Desk research 	<ul style="list-style-type: none"> • Short report with list of doing-business best-practices from Poland and abroad with regard to the analyzed indicator • Short report with practical recommendations on improving the business environment in the two regions with regard to the analyzed indicator • Two workshops disseminating information acquired during the Activity 	<ul style="list-style-type: none"> • Improved ease of starting a business in Podkarpackie and Swietokrzyskie
<p>Activity 4: Supporting the creation of in-house financial instruments (Podkarpackie region)</p>		
<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Expert work • Working group meetings, inputs from the regions, MoED and the EC • Interviews • Desk research 	<ul style="list-style-type: none"> • A set of financial instruments tailored to regional needs proposed by the Marshal office • Just-in-time advice by the Bank experts to the Podkarpackie Guarantee Fund during the implementation start-up phase of the new financial instruments • Learning / Study visit organized by the EC (TAIEX REGIO) 	<ul style="list-style-type: none"> • Financial instruments adjusted to the regional needs and well distributed across the region • Improved effectiveness of financial instruments in the region • Improved ability of the Podkarpackie Guarantee Fund
<p>Activity 5: Strengthening the vocational education and training system in Swietokrzyskie, using best practice examples from around the world and tailoring them to the regional context (Swietokrzyskie region)</p>		
<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Expert work • Working group meetings, inputs from the regions, MoED and the EC • Interviews • Desk research 	<ul style="list-style-type: none"> • Short report with an overview of work-based learning global best-practices and their transferability to the region of Swietokrzyskie • Recommendations on the work-based learning system, which could be 	<ul style="list-style-type: none"> • Support in preparing a call for proposal for the ESF that takes into account recommendation of the project • A group of schools and

	<p>implemented in Swietokrzyskie</p> <ul style="list-style-type: none"> • Two workshops aiming at dissemination of the intermediary and final results of this activity • Recommendations for adjusting ESF measure on vocational education training under operational program of Swietokrzyskie Learning / Study visit 	<p>firms prepared for implementation of the recommended approach of work-based learning</p> <ul style="list-style-type: none"> • Improved understanding of other solutions and models among the technical team
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April 2017 – June 2018

<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Expert work • Working group meetings, inputs from the regions, MoED and the EC • Interviews • Desk research 	<ul style="list-style-type: none"> • Inception report • Interim report • Monthly progress reports • Final report • Final conference 	<ul style="list-style-type: none"> * result indicators are action specific

Activity 6: Enhancing technology transfer: Podkarpackie Center for Innovation (PCI) (Podkarpackie region)

<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Expert work • Inputs from the Marshal Office, MoED and the EC • Desk research • Study visits • Series of meetings with potential PCI operator candidates (Road-show) • Consultations with companies, business associations, clusters, universities' staff, and innovation agencies (regional and national) 	<ul style="list-style-type: none"> • Organized follow-on study visit to best-practice design/prototyping facilities (e.g., Leuven, ADF) • Technical Assistance to the MO personnel for performing ongoing preparation and oversight of the PCI program (when launched) • Support to the MO in amending the ROP • Support in preparing key documents: <ul style="list-style-type: none"> ○ A term sheet specifying the PCI's rules of engagement with the MO ○ SLA templates for collaboration between the PCI and universities ○ SLA templates for collaboration between the Universities and their SPCs ○ Operational guidelines on the use of freed up R&D equipment ○ Guidelines for the PCI operational manual • A pipeline of R&D projects (candidates for valorization) has been prepared • Assistance in the preparation of one collaborative R&D project proposal between a university and a company to file an application to programs such as NCRD's "Fast Track" or Horizon 2020 	<ul style="list-style-type: none"> • Enhanced interest of local companies in R&D collaboration • Enhanced structured contract research activities • Creation of a platform for collaboration and interaction between the academic researchers, students and local business community • Regional Operational Program supportive of local innovation activities and collaboration between academia and business

	<ul style="list-style-type: none"> • A sample structured contract research offer is prepared for one of the universities' labs • Technical support in the preparation of the selection process guidelines of the ProtoLab operator and facility • Support in the PCI management team selection: <ul style="list-style-type: none"> ○ A road-show for potential candidates for the PCI management team is prepared and organized (i.e., meetings with approximately 10 teams with relevant track record and experience) ○ Requirements for the PCI team and recommendations for the selection process developed in collaboration with the local stakeholders • The best candidate for PCI operator is selected (subject to the MO decision) 	
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**Activity 7: Identifying conditions required to improve spatial planning
(Podkarpackie and Swietokrzyskie regions)**

<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Expert work • Working group meetings, inputs from the regions, MoED and the EC • Interviews • Desk research 	<ul style="list-style-type: none"> • Two short reports conveying major enablers and constraints to the introduction of a well-functioning spatial planning system in the targeted area. • Summary report on the extent and quality of coverage with cadaster and topographical information for the targeted areas. • A ToR for the elaboration of a spatial plan for the targeted area. • Training activities. 	<ul style="list-style-type: none"> • Improved understanding of availability of input information required for preparing a spatial plan for the target area. • Improved understanding on the estimated cost and time horizon for the elaboration of a spatial plan. • Enabled commencement of the tendering procedure for the elaboration of a spatial plan for the target areas. • Strengthened capacity to elaborate, implement, and monitor spatial planning in the target areas.

**Activity 8: Enhancing energy efficiency to improve the air quality
(Malopolskie and Slaskie region)**

<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Global and Local Expert support • Working group meetings, inputs from the regions, 	<ul style="list-style-type: none"> • Inception report 	<ul style="list-style-type: none"> • Better understanding of the regional and national circumstances and definition of the bottlenecks

<p>MoED, EC</p> <ul style="list-style-type: none"> • Desk research • Field Visits and Assessments • Interviews, consultations and meetings with different stakeholders 		
<p align="center"><i>Sub-Activity 8.1: Diagnostic Assessment and Analysis of Energy Efficiency Opportunities and Strategies in Single-Family Buildings</i></p>		
<ul style="list-style-type: none"> • Global and Local Expert support • Working group meetings, inputs from the regions, MoED, EC • Desk research • Field Visits and Assessments • Interviews, consultations and meetings with different stakeholders 	<ul style="list-style-type: none"> • Diagnostics and Overview Report for assessing the existing opportunities, regulations, strategies, barriers, institutional frameworks, and implementation programs in the area of EE improvements in SFB. 	<ul style="list-style-type: none"> • Improved understanding of status, potential, barriers, technical options and opportunities for improvement of EE in SFB.
<p align="center"><i>Sub-Activity 8.2: Development of Implementation Scale-Up Options and Schemes for Financing of Energy Efficiency: Improvements in Single-Family Housing</i></p>		
<ul style="list-style-type: none"> • Global and local expert support • Working group meetings, inputs from the regions, MoED, EC • Desk research • Field visits and assessments • Interviews, consultations and meetings with different stakeholders (including that obtained through Multi-stakeholder consultation workshop) 	<ul style="list-style-type: none"> • Draft Implementation Scale-Up and Financing Mechanisms Report • Multi-stakeholder Consultation Workshop • Final Implementation Scale-Up and Financing Mechanisms Report 	<ul style="list-style-type: none"> • The recommended choice of financial incentive instrument, including for low-income energy poor single family households, determined by the feasibility, implementation readiness, financial costs and benefits, and potential for reducing air pollution and GHG emissions. • Enhanced knowledge about the details of the selected implementation scheme and operational design elements of a pilot program in the two regions, ready for implementation, and which could later be scaled up to national level (or multi-regions) along with the financing needs vis-a-vis financing sources.

**Activity 9: Improving inspection practices related to food safety and food quality
(Lubelskie and Podkarpackie regions)**

<i>Input</i>	<i>Output</i>	<i>Result</i>
<ul style="list-style-type: none"> • Interviews • Desk research • Document review • International and local experts • Working group meetings, consultations with inspectorates, MoED, MoA, and the EC 	<ul style="list-style-type: none"> • Report with recommendations on “safer food, better business” inspection practices • New tools for inspectors (e.g., working agreement between inspectorates, risk-based planning methodology, inspection check-lists, based on international best practices and adapted to local context) • New tools for firms (e.g. clear guidance, based on international best practice and adapted to local context) • At least three knowledge exchange activities 	<ul style="list-style-type: none"> • International best practices on how to conduct inspections adapted to and piloted in Poland, contributing to reduced inspection burden, in particular for low-risk establishments

INDICATIVE BUDGET
FOR THE ACTIVITIES SET FORTH IN SECTION 2.1 OF ANNEX 1 TO THIS
ADMINISTRATION AGREEMENT

Expenditure Category	Amount in Euro
Staff and individual consultant services	1,435,000
Cost of travel	410,000
Cost of training and workshop for counterparts (including final conference and other meetings organized by the Bank)	61,500
Other services including translation	41,000
Administration fee (5%)	102,500

The amount estimated for personnel is calculated taking into account different levels of expertise estimated to be required for carrying out the activities described in Annex 1.

The World Bank Group entity may transfer amounts between categories of the indicative budget. This does not require an amendment of the Administration Agreement if the Action is carried out as described in Annex I.