



Regional Socio-Economic Development Programme 2  
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# **Regional Development Agencies Country Case Study: Poland**

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## Introduction

This brief report has been compiled for the Ministry of Economy and Regional Development of the Republic of Serbia in response to the query from the Ministry to portray a country case study on the system of regional development agencies (RDA). Country of choice for the purpose of this report is Poland and the paper encompasses the evolution of RDAs in Poland since the establishment of the first agency through 2010.

This document has been drafted by the Regional Development Advisor, member of the Technical Assistance Team within Regional Socio-Economic Development Programme 2 (RSEDP 2) in Serbia in the period January-February 2011. The key focal points reflected in the structure of the report are:

- Outline of socio-economic characteristics of Poland;
- Structure and key characteristics of RDAs, shaping their operations and governance;
- Regional development policy in Poland during the EU accession period and after accession;
- Development and evolution of RDA roles in the years 1991-2010.

## Outline of socio-economic characteristics of Poland

Key socio-economic characteristics and indicators of Poland relevant to the scope of this case study paper are presented in the summary table below.

<b>Population</b>	38 million
<b>Population aged 15 years and more</b>	31.5 million
<b>Economically active population</b>	17.4 million
<b>Economically active population:</b>	
<b>Total</b>	55.1%
<b>Men</b>	63.5%
<b>Women</b>	47.5%
<b>Employment rate:</b>	
<b>Total</b>	50.4%
<b>Men</b>	58.3%
<b>Women</b>	43.3%
<b>Inflation rate:</b>	
<b>2010</b>	2.6%
<b>2009</b>	3.5%
<b>2008</b>	3.3%
<b>Registered unemployment</b>	
<b>2010</b>	12.3%
<b>2009</b>	12.1%
<b>2008</b>	9.5%
<b>GDP growth:</b>	
<b>2010</b>	3.8% (estimate)
<b>2009</b>	1.7%
<b>2008</b>	5.0%
<b>GDP per capita (2008)</b>	9,500
<b>GDP per capita in relation to EU-27 average (2008)</b>	38%
<b>Number of NUTS units</b>	NUTS-1: 6 (macro-regions) NUTS-2: 16 (autonomous regions) NUTS-3: 66 (statistical sub-regions) NUTS-4: 379 (autonomous districts) NUTS-5: 2 479 (autonomous municipalities)
<b>NUTS-4 units</b>	379 Standard territorial units: 314 Cities and towns: 65
<b>Local municipalities</b>	2 479 Including: Rural area units: 1 576 Amalgamated rural and small town areas: 597 Towns and cities: 306
<b>Largest local municipality</b>	633.7 km <sup>2</sup>
<b>Smallest local municipality</b>	3.3 km <sup>2</sup>

*Source: Main Statistical Office and Concise Statistical Yearbook of Poland 2010, EUROSTAT*

And key characteristics of the NUTS-2 regions are portrayed hereunder. % values for regions are against the country average and not the EU average.

Name of Region	Population (in thous.)	In %	GDP per capital	In %	GDP per capital PPS*
<b>EU-27</b>	<b>496,000</b>	<b>100</b>	<b>25,100</b>	<b>100</b>	<b>25,100</b>
<b>Poland</b>	<b>38,167.3</b>	<b>7.7</b>	<b>9,500</b>	<b>38</b>	<b>14,100</b>
Mazowiecki	5,222.2	13.7	15,000	158	22,200
Slaski	4,640.7	12.2	10,300	108	15,200
Dolnoslaski	2,876.6	7.5	10,200	107	15,200
Wielkopolski	3,408.3	8.9	9,900	104	14,700
Pomorski	2,230.1	5.9	9,000	95	13,400
Lodzki	2,541.8	6.7	8,900	94	13,100
Zachodniopomorski	1,693.2	4.4	8,600	91	12,800
Kujawsko-Pomorski	2,069.1	5.4	8,200	86	12,200
Lubuski	1,010.0	2.6	8,200	86	12,100
Malopolski	3,289.3	8.7	8,200	86	12,200
Opolski	1,031.1	2.7	8,100	85	12,000
Swietokrzyski	1,270.1	3.3	7,600	80	11,300
Warmińsko-Mazurski	1,427.1	3.7	7,100	75	10,500
Podlaski	1,189.7	3.1	7,000	74	10,300
Lubelski	2,157.2	5.7	6,600	69	9,800
Podkarpacki	2,101.7	5.5	6,600	69	9,700

Source: EUROSTAT

\* PPS – Purchasing Power Standards

- 42.3% of Poland's population live in regions with GDP per capita above the country's average.
- 5 lowest ranked Polish regions (table above) are among the EU twenty regions with the lowest GDP per capita along with 5 Bulgarian, 6 Romanian and 4 Hungarian regions.

## Structure and key characteristics of RDAs, shaping their operations and governance

The term 'regional development agency' relates to all entities, beyond NUTS-5 level (local municipality level), whose key mandate is broader socio-economic development of the area where they operate.<sup>1</sup> Most RDAs operate on not-for-profit principle and are considered Business Support Organisations (BSOs). The main thematic areas of RDAs operation are:

- SME development and competitiveness
- Innovation
- HR development
- Local and regional government sphere, including infrastructure development
- Rural areas
- Cross-border, intra-regional co-operation
- International co-operation
- Inward investments, including foreign direct investments
- Healthcare

The first ever RDA in Poland was registered in 1991 along with 6 other RDAs established that year. Nowadays there are 54 regional development agencies at NUTS-2 (regional), NUTS-3 (sub-regional) and NUTS-4 (district) levels of which 33 (62%) were set up in the 1991-1997 period.

Breakdown of RDAs by regions/location at NUTS-2 level is shown in the table below.

Name of the Region	Number of RDAs in the Region
Dolnoslaski	5
Kujawsko-Pomorski	2
Lubelski	4
Lubuski	1
Lodzki	4
Malopolski	5
Mazowiecki	2
Opolski	2*
Podkarpacki	6
Podlaski	3
Pomorski	2
Slaski	9
Swietokrzyski	3
Warmińsko-Mazurski	4
Wielkopolski	2
Zachodniopomorski	3
<b>TOTAL</b>	<b>57</b>

\* One under liquidation process

In addition to RDAs there are more than 100 other BSOs established as 'not-for-profit' entities in the form of associations or foundations, or affiliated with business member organisations such as chambers of commerce and employer unions. Those BSOs are not supported by self-government of any tier in terms of participation in equity, although their roles and responsibilities are analogous to those of the RDAs.

<sup>1</sup> Hence the term RDA does not include organisation dealing exclusively with technology transfer, innovation, financial instrument schemes, etc.

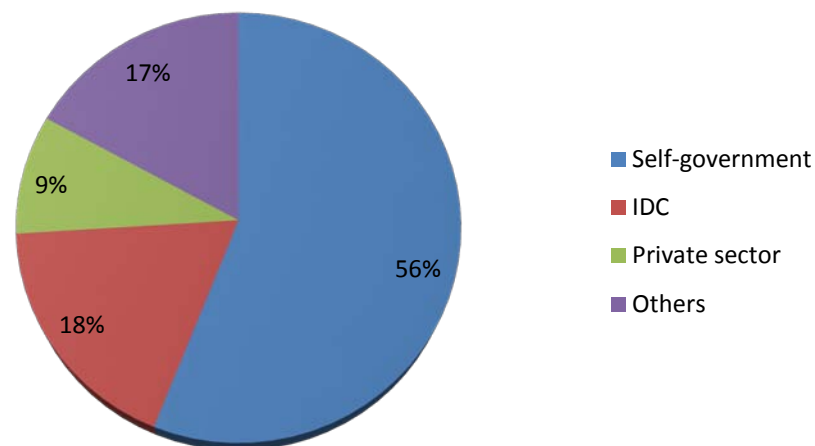
The original establishment of Polish RDAs is based on two key initiatives that took place in the early and mid 1990's: 1) Local Economic Development (LED) interventions funded by Phare Programme, and 2) restructuring of certain sectors, especially loss-making state-owned enterprises. These were subsequently followed by regional development programme support, financed from Phare resources. In a broader sense the significant weakness or lack of public institutions at the regional level and the need to search for new financial sources for socio-economic development, particularly in Poland's most disadvantaged regions, generated the need for RDAs. Such rationale for RDA establishment resulted in an uneven RDA distribution across the country in the late 1990's, creating significant variations in regional capacity and experience in dealing with EU funding and its efficacy. RDAs with their roles and mandates at those times turned to be inadequate substitutes for a long-term national, regional and local socio-economic development policy and could have been perceived as isolated actors in this field, due to the lack of autonomous authorities empowered sufficiently to programme and implement regional development and cohesion policy.<sup>2</sup>

The heritage of the 1990's has certain impact on the contemporary approach to RDAs and their role. Even nowadays there is no correlation between key socio-economic variables of the region (e.g. unemployment, number of SMEs, GDP per capita, etc.) and the number of RDAs located there. Thus, in various areas the local government sphere takes on the role that RDA fulfils elsewhere.

The policy background and variety of RDA funding sources resulted in rather diversified equity structure of regional development agencies in the country. Equity has been provided by the following groups of funders:

- Public administration (self-government of all tiers);
- Industrial Development Corporation – IDC (state agency);
- Business support organisations, including business member institutions;
- Financial institutions;
- Private enterprises.

Equity ownership breakdown is presented in the chart below.



Self-government of all tiers remains the key shareholder in RDAs, however:

- Only 5 RDAs are owned in more than 90% by self-government;
- 25 RDAs have equity participation of the state-owned Industrial Development Corporation (from the symbolic 1% to 50%); the average however in those RDAs is approx. 20%;

<sup>2</sup> In majority of cases RDAs in Poland had been established well before autonomous NUTS-2 and NUTS-4 regions emerged in 1999.

- 10 RDAs are owned in more than 50% by private sector or its organisations.

The majority of RDAs are registered in the form of joint stock company, 4 – as limited liability company and 2 – as foundation.

Broad participation of various stakeholders in RDA equity structure provides opportunities to build stable and sustainable organisational structures along with reasonable lessening of the politics and its influence on RDA operations.

## Regional development policy in Poland during the EU accession period and after accession

It is recommended to do an analysis of RDA in a broader context of regional policy developments in the country considered. Hence, an overview of the regional context is summarised below.

### Period 1989-1998

The administrative structure of the country has undergone significant modifications in the recent decades. In 1989 Poland moved from command economy into a market-oriented one. At that time the country had 49 regions administered by governors (voivods) appointed by Prime Minister along with 2,343 municipalities and 814 towns and cities with very limited functions. In 1992 local municipalities received significant independence combined with land reform. They truly became self-governments while on the regional level they still faced Prime Minister's nominee responsible for the central government policy and not the policy for the region. The administrative regions of Poland during 1989-1998 period are depicted on the map below.



As a result of partial or fractional administrative and regional reform of 1992, regions were allowed to have assemblies of all local authorities selected from within their territory, but still these had more of a monitoring and advisory functions rather than decision making capacity.

Despite considerable public debate in 1991-1992 the re-drawing of regional and provincial boundaries was postponed and only tier four of the public administration underwent reforms. That regional debate was characterised by disputes between central government ministries, who wanted to maintain control of the transition process and feared that granting greater regional autonomy would threaten the cohesion of post-communist Poland. Behind the official debate political parties wanted to protect their regional bases and bureaucrats wanted to defend their status and regional interests to reassert their individual identities. As a result of the changes of 1992 the regions remained too small and weak to fulfil many of the responsibilities delegated to them in the field of regional economic development policy and international co-operation.

Socio-economic development in Poland then had two dimensions: 1) central government policy and 2) local socio-economic development policy that, for the lack of fully-fledged regions, was occasionally used as regional policy if dealing with issues pertaining a number of municipalities from the area. In that context and in those circumstances the majority of RDAs were established with the aim to manage the EU funding addressing local and sub-regional socio-economic disparities.

## Period 1999-2006

In 1998 the Polish Parliament adopted a series of laws further decentralising public administration and public management finance framework. Those serious reforms that introduced 16 regions at NUTS-2 level and 379 units at NUTS-4 level were undertaken in order to meet the requirements of Chapter 21 of the *Acquis Communautaire*, laying down general provisions on the Structural Funds (Council Regulation (EC) 1260/1999) in the area of:

- Territorial organisation;
- Programming capacity;
- Institutional framework and administrative capacity;
- Financial and budgetary management.

The new administrative boundaries of regions are depicted on the map below.



Starting with 1999 regional councils have been elected in direct proportional elections and represent the regional government. Subsequently they elect chief executive officer who represents the region. These new regional units of self-government have important powers in the field of regional economic development programming though they still report to voivod who chiefly represents the interest of the state treasury.

The reforms of 1998 which entered into force in 1999 produced the Law on regional development and enabled the introduction of the instrument of 'regional contract' to be signed between the autonomous region and the minister in charge of regional development. The aim of those regional contracts was to prepare regional authorities for the upcoming effort of Structural Funds intervention program-

ming and included funding from the national budget, EU pre-accession assistance along with the required co-financing.

The government adopted the National Development Plan, National Strategy for Regional Development for 2002-2006 and enforced transparent practices and public consultation processes concerning also regional contracts which are to be substituted by regional Operational Programmes (OPs) in the future. The Law on regional development also enforced the preparation of Regional Development Strategy to provide a framework for the regional OPs. In addition to that, the National Development Plan adopted by the Parliament delegated powers to line ministries to approve OP in the form of by-law (Minister's Regulation).

For 2004-2006 perspective Poland integrated 16 regional OPs into one amalgamated OP: Integrated Regional Operational Programme.

In the period 2004-2006 the following OPs were implemented in the country:

- Integrated Regional OP (IROP) – ERDF
- Improvement of the Competitiveness of the Economy (Sectoral OP) – ESF
- Human Resources Development OP
- Restructuring and Modernisation of Food Sector and Rural Development (Sectoral OP) – EAGGF
- Fisheries and Fish Processing (Sectoral OP) – FIFG
- Transport and Maritime Economy (Sectoral OP) – ERDF
- Environmental Protection OP – CF
- Transport OP – CF
- Technical Assistance OP – ERDF

RDAs played a significant role as a part of the delivery mechanism for regional contracts and, since 2004, of the Structural Funds, especially in the areas of enterprise support, HR and infrastructure development measures through the IROP and Improvement of the Competitiveness of the Economy Sectoral OP. 16 selected RDAs at NUTS-2 level had been suitably prepared for this effort receiving DIS, EDIS and SF accreditation working with the Polish Agency for Enterprise Development (PAED), in those times also responsible for regional development.

The IROP included the following priorities and measures for intervention:

1. Development and modernisation of infrastructure for strengthening regions' competitiveness
  - 1) Modernisation and development of regional transport (roads and public transport)
  - 2) Environmental protection infrastructure
  - 3) Regional educational, sports and healthcare infrastructure
  - 4) Tourism and culture
  - 5) Information society
  - 6) Public transport in metropolitan areas
2. Development of regions' human resources
  - 1) Skills development in the local labour market context and VET
  - 2) Stipends for students from disadvantaged areas
  - 3) Re-education and re-training for former agriculture sector employees
  - 4) Re-training for employees affected through restructuring of enterprises
  - 5) Promotion of entrepreneurship
  - 6) Regional innovation strategies and knowledge-based economy
3. Local development
  - 1) Rural development
  - 2) Industrial areas under restructuring
  - 3) Degraded towns, post-industrial and post-army areas
  - 4) Micro-enterprises
  - 5) Local educational, sports and healthcare infrastructure
4. Technical assistance

- 1) Implementation support and programming for 2007-2013
- 2) Information awareness and promotion

## **Period 2007-2010**

In 2007-2013 new rules to simplify the financial management of the SF are being implemented. The ERDF and the ESF may each now finance in a complementary and limited fashion actions falling within the scope of the assistance of another fund (this is limited to no more than 10% of the resources allocated by the Community to each priority area of an operational programme). The exception to this rule is that the ERDF and the Cohesion Fund intervene jointly for programmes covering infrastructure and environment.

The 2007-2013 programming period did not change too much in the Polish legal framework for regional development. In addition to the National Development Plan the National Strategic Reference Framework (NSRF) was prepared to lay down foundation for OPs. The 2007-2013 programming period introduced 16 Regional OPs resulting in the further development and re-shuffling of the institutional structures, especially on regional level, diminishing the role of national institutions in the implementation of the NSRF measures.

The Managing Authority for the IROP in the previous 2004-2006 programming period (Ministry of Regional Development) took over the role of Certifying Authority for all regional operational programmes.

Autonomous regions set up their own institutions and mechanisms to appoint Managing Authority on regional level. Regions could have, at their discretion, appointed Intermediary Institution of tier I or II but they failed to do so, pushing RDAs out of the regional OP implementation framework. 16 RDAs are however, involved in structures of Intermediary Institution of tier II for sectoral Operational Programme Innovative Economy and inter-regional OP Development of Eastern Poland. Presently, half way through the implementation process of the 2007-2013 NSRF, initial on-going and mid-term review of the NSRF interventions reveals a slight decline in the efficacy and impact of SF intervention, mainly due to the use of new institutional structures at regional level along with inexperienced cadre, escalation in the number of measures and sub-measures of the public intervention compared to the 2004-2006 period or their inappropriate design.

In the 2007-2013 period Poland has the following OPs:

- Human Capital (HC) OP (ESF)
- Innovative Economy (IE) OP (ERDF)
- Infrastructure and Environment OP (CF)
- Development of Eastern Poland OP (ERDF)
- Technical Assistance OP (ERDF)
- 16 Regional OPs (ERDF, CFP, EIB)
- Rural Areas Development OP (EAGGF)
- Sustainable Development of Fisheries and Coastal Areas OP (FIFG)
- European Territorial Co-operation OP (ERDF through ETC Objective)

An example of the ROP priority axis and measures for one of the least developed areas of Poland (Podkarpackie Region) is portrayed below:

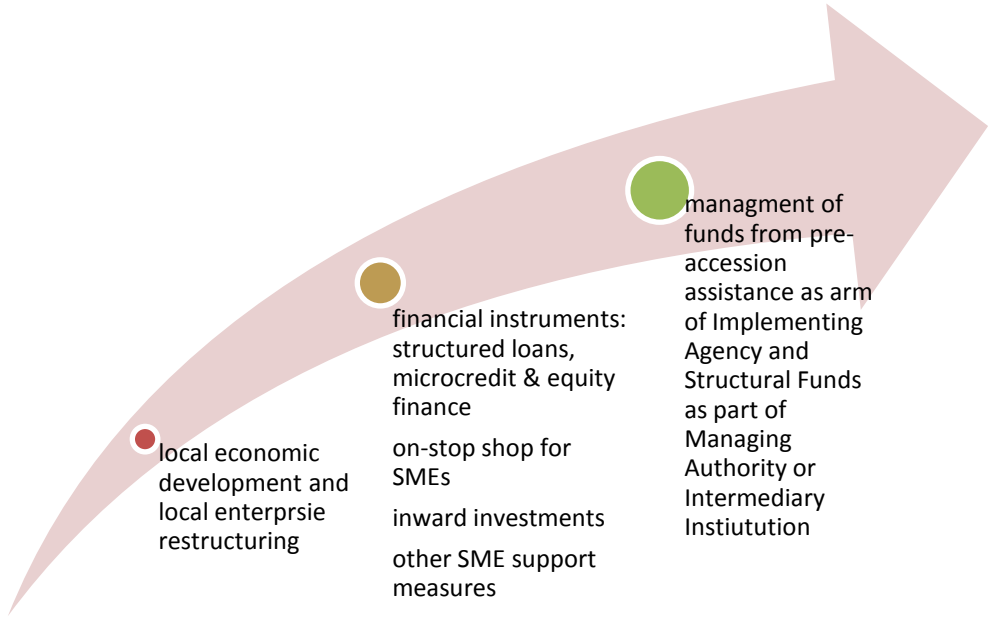
1. Innovative and competitive economy
  - 1) Support to entrepreneurship
  - 2) Business support organisations
  - 3) Regional innovation system and networks
  - 4) Promotion of region and stimulation of inward investments
2. Technical infrastructure
  - 1) Transport infrastructure and roads

- 2) Energy infrastructure
3. Information society
4. Environmental protection and natural disaster prevention
  - 1) Environment protection infrastructure
  - 2) Water, fresh water management and flood prevention
  - 3) Biodiversity and landscape management
  - 4) Other disaster prevention
5. Public infrastructure
  - 1) Education
  - 2) Healthcare and social infrastructure
  - 3) Sports infrastructure, leisure and recreational facilities
6. Tourism and culture
7. Interregional cohesion
  - 1) Revitalisation of towns
  - 2) Revitalisation of degraded and post-industrial areas
  - 3) Revitalisation of economically marginalised areas
8. Technical assistance
  - 1) Management and implementation support
  - 2) Information awareness, promotion and project development support

# Development and evolution of RDA roles in the years 1991-2010

According to the Polish (National) Association of Regional Development Agencies currently there are 57 RDAs in the country. In the period 1991-2010 only 2 agencies closed down due to liquidity or corporate governance difficulties.

The roles and responsibilities of RDAs have repeatedly changed and evolved during 20 years of political and socio-economic transformation. RDAs initially set up to deal with local economic development programmes and restructuring of major local state-owned enterprises at present have much different business and policy intervention profiles than initially sought. The chart below indicates the key landmarks in the developmental role of RDAs.



Arguably, there are a number of factors that contributed to the overall success of RDAs in Poland. These are listed below.

- Most of the RDAs in the country were established with cash and in-kind contribution from local and regional government. In-kind contribution in the form of property, chiefly for office purposes but occasionally also to develop functional business models<sup>3</sup>, turned out to be one of the key milestones for these organisations on their way to long-term sustainability. Another success factor was a long-term support policy to RDAs on the path to the decentralisation of public administration that was much aligned with the process of country's regionalisation and empowerment of regions and district self-government.
- 8 RDAs are reported to receive endowment capital and operating grant from the EU and DFID resources in the period 1991-1995. The majority of them set up an SME finance facility being either a micro-loan, small business structured finance, equity or guarantee scheme. Financial instruments offered on regional and sub-regional level in times of considerably high inflation and interest rates proved to contribute meaningfully to the achievement of sustainability by RDAs and special purpose vehicles set up to work with agencies.

<sup>3</sup> E.g. for business incubators, technological parks, technology relay centres, etc.

- Majority of RDAs had developed expertise to assist SMEs in the area of professional business information services, start-up business advice and specific business/sectoral and support advice.
- In terms of skills and experience in local, regional and private sector development policies and measures RDAs were far better endowed compared to public administration bodies. With years of practical experience in running programmes and projects aligned with best practice they could meaningfully engage with ministries and all tiers of self-government.
- RDAs tapped into various initiatives, including Community initiatives broadening their experience and expertise.
- As a result of 1999 regional administration reform RDAs based in major cities and towns significantly strengthened their position becoming a key player and think-tank in regional development initiatives and programming. Shortly they were picked by the national authorities and integrated into regional and sectoral programmes as a conduit for channelling public intervention to regions. This followed a general sentiment that there will not be any national administration structure at NUTS-2 level for the implementation of competitiveness and regional development-type intervention. In 2002 16 RDAs were granted conferral of management for Phare funds, initially under DIS and EDIS regime and in 2004 for Structural Funds.

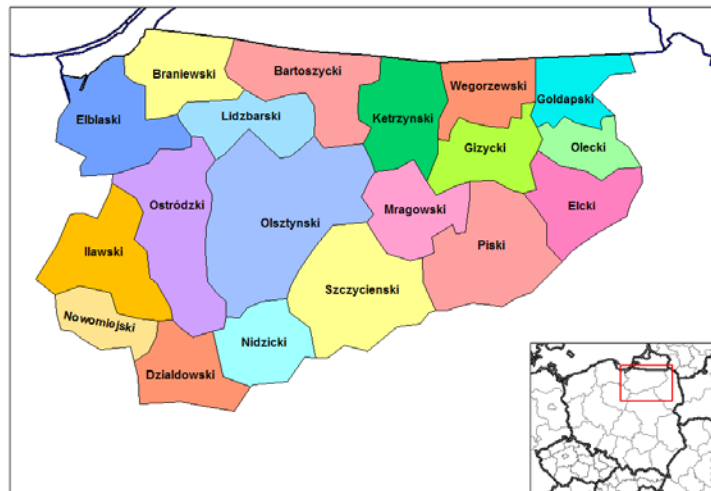
20 years of the development of RDA system in Poland resulted in building specific, sometimes individual, expertise and business profiles of those institutions. Their profiles are similar to some other business support organisations (BSOs) that have not got local/regional government stake. The characteristics, features are portrayed in the RDA typology table below.

<b>Typology of services</b>	<b>Type of RDA</b>
Start-up business advisory services	NUTS-2, NUTS-4
Professional information for services for businesses	NUTS-2, NUTS-4
Specific advisory services for businesses	NUTS-2, NUTS-4
Financial instruments	NUTS-2, NUTS-4
Training	NUTS-2, NUTS-4
Public infrastructure	NUTS-2, NUTS-4
Innovation and technology infrastructure	NUTS-2, NUTS-4
Networking with other BSOs	NUTS-2
Regional development strategies	NUTS-2
Vehicle to manage funds for national and regional authorities	NUTS-2

RDA services and participation in various initiatives are depicted below, based on regional case-study analysis for NUTS-2 and NUTS-4 level RDA located in the same region – Warminsko-Mazurski.

### ***NUTS-2: Warminsko-Mazurska RDA***

This RDA is located in the city of Olsztyn, capital of Warminsko-Mazurski region with the lowest GDP per capita and highest unemployment rate in the country due to uncompetitive structure of the regional economy and low indigenous potential for high value added sectors and industries. Known of its unique landscape and pristine environment with plentiful lakes and forests the region is one of key domestic holiday destinations. The region of 24,173 km<sup>2</sup> area with population of 1.4 million (population density of 59/km<sup>2</sup> against 122/km<sup>2</sup> for the entire country, the lowest in the country) borders Russia (Kaliningadzki Oblast) and Lithuania, hosts 1 RDA at NUTS-2 level and one more at NUT-3/4 level along with approx. 16 BSOs. A concise map of the region's location along with administrative borders of NUTS-4 areas is shown below.



There are two institutions of higher learning located in Olsztyn.

Warminsko-Mazurska RDA was established in 1993 as a bottom-up initiative of the Olsztyn region local self-government, and at that time (before the NUTS reform) accounted for approx. 30% of the current size of the NUTS-2 region. Supported by Phare 1992 Regional Development Programme, the agency received EU funding and limited capacity building for period of 2.5 years to help kick-off the agency's operations. In the period 1993-1998 the RDA was able to provide only basic services for SMEs, initially paid by the sector in part and then in full and had serious difficulty to stay afloat. Following the introduction of NUTS-2 regions in 1999, the autonomous region became the key RDA's shareholder, opening new opportunities under regional development mandate given to the new region's authority.

In the period 1999-2010 the RDA received large technical assistance to introduce new services for businesses and was allocated the mandate to run grant schemes within the framework of new Phare intervention logic, concentrating on regional and social cohesion managed by the Polish Agency for Enterprise Development. The RDA received DIS/EDIS accreditation and operational funding to deliver on the new tasks and subsequently was granted a conferral management capacity to implement Structural Funds-funded programmes aimed at private sector development.

Currently the RDA runs the following programmes/services:

#### **Programmes and Projects Specific to NUTS-2 RDA**

- Specific programme management activities related to the implementation of Sectoral Operational Programme (Competitiveness, HR)
- Key partner for regional authority in ROP measures pertaining SMEs and regional BSO networking

#### **Other Projects Specific to RDA/BSO**

- One-stop-shop services funded through the HC/IE OP with pool of accredited consultants
- Technology transfer support co-financed from the IE OP
- Think-tank for inward investment
- Structured loan finance facility for small businesses (with current capitalisation of approx. €4.8 million).

#### *NUTS-4: Dzialdowska RDA*

Dzialdowska RDA was established in 1994, which at those times was located in the Ciechanow Voivodship. The Dzialdowo municipality became a part of the new NUTS-2 region with capital in Olsztyn in 1999.<sup>4</sup> The RDA was set up as a result of Phare 1992 Local Initiatives Support Programme based on LED concept. In those times their core business strategy was anchored around: 1) delivery of basic advisory and information services for micro business, 2) loan guarantee facility, 3) revitalisation of town, 4) re-training programmes for former employees of state-owned farms, 5) management of conversion of informal local trading policy into formal legal framework based on local council's by-laws.

Over time the RDA successfully launched sub-regional investment promotion unit, received funding to set up sub-regional micro loan facility and attracted more funding to expand their initial loan guarantee facility onto the entire region. Their guarantee fund received equity from the regional authorities and Bank Gospodarstwa Krajowego, a development bank owned by the state and spread its operations onto the entire NUTS-2 region. In 2000-2002 the RDA established two separate legal entities to run loan and guarantee schemes. Currently their capitalisation amounts to approx.:

- €4 mil (guarantee scheme)
- €2.6 mil (micro loan facility)

Both the Warminsko-Mazurska and Dzialdowska RDA have a network of outreach offices/satellite offices across the region and their scope of support does not overlap.

#### *RDA Sustainability*

Sustainability of the NUTS-2 agency is ensured through its participation in running government programmes financed from sectoral operational programmes and regional operational programme. Approx. 70% of the RDA annual operational budget is linked to the management of the implementation of policy measures. 20% of the agency's budget is made up of income on the structured loan finance facility and 10% from commercially driven projects, e.g. advisory services for large enterprises, foreign trade missions, organisation of fairs and exhibitions, inclusive Intellectual Property Rights management, etc.

The NUTS-4 agency sustainability is in 80% ensured through the management of two finance facilities and property management and in 20% by running government programmes for SMEs in the area of:

- Information services for start-ups;
- Advice in functional areas (marketing, finance, management, labour code, etc.);
- Market information and related legal advisory services.

In order to run government programme an RDA needs to pass accreditation process, individual for each specific area of policy intervention.

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<sup>4</sup> Nowadays the former Ciechanow voivodship is a part of three separate NUTS-2 regions.