

Ms. Danuta Hübner, Commissioner for Regional Policy European Commission

## Subject: Deficiencies of the project selection system in regional programmes in Poland

Dear Commissioner Hübner,

We would like to present you with the main findings of a new research on the transparency and objectivity of the system for selection of projects financed under the EU cohesion policy in Poland. The research is based on a questionnaire survey conducted by the Institute of Environmental Economics among Polish municipalities applying for support from the ERDF-financed Integrated Regional Development Operational Programme 2004-2006 (IRDOP). The results also apply for the currently starting period 2007 - 2013, as the project selection system for the regional operational programmes remains largely the same.

The research shows that as much as half of the Polish municipalities find the project appraisal and selection system non-transparent and non-objective. They see project selection as politically-motivated and based on questionable grounds and the project selection criteria as unclear. The body responsible for the final decision-making – Regional Management – is perceived as the most seriously lacking in objectivity from all the institutions involved in project selection, while its decisions are often seen as arbitrary and unjustified.

The findings of the opinion poll research reinforce the results of an analysis of the ERDF project selection system conducted by the Institute of Environmental Economics in 2006, which showed that regional politicians and officials in Poland often arbitrarily overruled independent project evaluation by experts without any objective grounding and explanation. The analysis also revealed major shortcomings in access to information on the project selection procedure.

Given the alarming findings of the above analyses we have urged the Polish authorities to take the following steps:

- increase the role of experts in project selection and ensure their independence from regional authorities;
- limit situations where political institutions, e.g. regional managements, make changes to project ranking lists prepared in expert assessment;
- ensure proper justifications of decisions on changes in the ranking lists introduced by regional managements;
- increase access to information on the project selection process.

We would like to emphasise that the lack of a correct and transparent project selection process effectively means that EU funds are not being spent on the most necessary and beneficial projects. We therefore believe that it is also the responsibility of the Commission to insist that the Polish authorities improve their project selection system.

We would like to thank you in advance for your consideration of the findings of our analyses (see more details in the Annex).

Please inform us of the steps you are going to take to help resolve these issues.

Yours sincerely,

Andrzej Guła

President of the Institute of Environmental Economics

Annex: Transparent Structural Funds? Assessment of ERDF management in Poland in 2004-2006

## Copies:

Mr. Manfred Beschel Head of Unit for Poland Regional Policy Directorate-General European Commission B – 1049 Brussels Belgium

//. L. C. C.

Mr. Eddy Hartog Head of Unit for Thematic development and impact Regional Policy Directorate-General European Commission B – 1049 Brussels Belgium

Mr. Georges-Stavros Kremlis
Head of Unit for Cohesion policy and Environmental Impact Assessments
Directorate-General for Environment
European Commission
B – 1049 Brussels
Belgium