

Action Plan for the Podkarpackie Region

Part I – General information

Project: FOUNDATION
Partner organisation: Rzeszow Regional Development Agency
Other partner organisations involved (if relevant):
Country: Poland
NUTS2 region: Podkarpackie
Contact person: Marek Duda
Email address: mduda@rarr.rzeszow.pl
Phone number: +48 17 86 76 215

Part II – Policy context

The Action Plan aims to impact:	<input checked="" type="checkbox"/>	Investment for Growth and Jobs programme
	<input type="checkbox"/>	European Territorial Cooperation programme
	<input type="checkbox"/>	Other regional development policy instrument



1. Name of the policy instrument(s) addressed:

**Regional Operational Programme of Podkarpackie Voivodeship 2014-2020 – Priority Axis 1:
Competitive and Innovative Economy**

Further details on the policy context and the way the action plan should contribute to improve the policy instrument:

The main goal of this multi-fund operational program is to increase the competitiveness of the Podkarpackie Voivodeship and to improve the living conditions of its inhabitants by implementing the principles of sustainable development. The Regional Operational Program of the Podkarpackie Voivodeship for 2014-2020 is a program that enables the implementation of many activities aimed at the development of the region. It is a program financed by the European Regional Development Fund and the European Social Fund. Both of these financial streams result from the cohesion policy implemented by the European Union.

The ROP for the Podkarpackie Voivodeship 2014 - 2020 consists of 10 priority axes described in detail in the Detailed Description of Priority Axes, which define the possibilities and principles of support granted in individual areas, i.e. economy, environmental and cultural heritage protection, communication infrastructure, education, etc. projects co-financed by the Podkarpackie ROP 2014-2020 are primarily intended to lead to joint, sustainable regional development of the region.

In the Priority Axis No. 1, support is provided for projects in the field of: creation of a business environment conducive to research and innovation. The main elements should include strengthening research and innovation activities and improving knowledge transfer between the public and private sectors. Actions are taken to strengthen the institutional capacity to conduct research and development works by investing in apparatus, equipment, technologies and other necessary equipment that are used to create innovative products and services. The support covers the industrial research and development phase, including the development of prototypes, demonstrations, development of pilot projects, testing and validation of new or improved products, processes or services in an environment that provides a model of real-life conditions, the main purpose of which is to further technical improvement of products, processes or services, and the final shape is not generally defined yet.

The actions provided for in the Action plan were created on the basis of the exchange of experiences, good practices, online meetings, bilateral online meetings with project partners, showing solutions existing in various partner regions of the FOUNDATION project in the Podkarpackie region as part of Regional stakeholder meetings, joint search by stakeholders solutions to the indicated problems of entrepreneurs caused by the covid-19 pandemic, especially in the tourism-related industry, bilateral meetings of RSG members, and especially meetings meetings with representatives of the Podkarpackie Voivodeship Self-government led to a formal change in ROP 2014-2020. Under Priority

Axis I Competitive and innovative economy, a completely new measure was added: Measure 1.6 Grants for working capital for micro and small enterprises under priority axis I Competitive and innovative economy and:

- provisions were added to enable its implementation (e.g. beneficiary - Rzeszow Regional Development Agency, target group: micro and small enterprises, project selection in an extraordinary mode, allocating 30% of the allocation only for the tourism and tourism-related industries, maximum% level of total co-financing of eligible expenses) at project level - 100%),
- funds were reallocated to Measure 1.6 under OP I (including Measure 1.2 Industrial research, development works and their implementation - EUR 602,059, Sub-measure 1.4.2 Financial instruments - EUR 2,260,296)
- product indicators were added for Measure 1.6 Grants for working capital for micro and small enterprises.

2. Name of the policy instrument(s) addressed:

Operational Programme Knowledge, Education and Development for 2014-2020

Priority Axis I Labor market open to everyone

Measure 1.2. Support for young people in the regional labor market

Sub-measure 1.2.1 Support from the European Social Fund

The Operational Programme Knowledge, Education, Development - is one of the 6 national programs implemented in the period 2014-2020 in Poland. It is financed by the European Social Fund.

The main goal is to increase the level of employment and social cohesion, as well as to improve the functioning of public administration. The scope of support for the Knowledge Education Development Programme is based on two pillars: improving the functioning of individual sectoral policies and interventions in areas for which greater efficiency will be ensured by support from the national level (support for young people, higher education, social innovations, mobility programs and transnational cooperation).

Thematic goals:

- Supporting employment and employee mobility
- Supporting social inclusion and combating poverty
- Investing in education, skills and lifelong learning
- Strengthening the institutional capacity and efficiency of public administration

Priority axes:

PRIORITY AXIS 1: Young people in the labor market

PRIORITY AXIS 2: Effective public policies for the labor market, economy and education

PRIORITY AXIS 3: Higher education for economy and development

PRIORITY AXIS 4: Social innovation and transnational cooperation

PRIORITY AXIS 5: Support for the health area

PRIORITY AXIS 6: Technical Assistance

Under priority axis I Labor market open to all, direct support is implemented for young people and people with disabilities, which will contribute to their professional activation and improvement of the situation on the labor market. The instruments of support used in axis I refer to all persons covered by support in all regions of Poland.

As part of the POWER Programme, RRDA has created a new project: BUSINESS ORIENTED (ZORIENTOWANI NA BIZNES), based on the lessons learned in the FOUNDATION project, from the project partners. In order to ensure that the lessons learned from the project were finally incorporated in this new project proposal, FOUNDATION project people who participated in project workshops, bilateral meetings with partners from Ireland and Italy (whose best practices were modeled on) were involved in its development, analysis of working materials and the final version of the application, analysis of the application as part of the RSG meeting and application of any comments indicated by stakeholders.

Part III – Details of the actions envisaged

ACTION 1

Name of the action: Creation of the new instrument in regional policy - Working capital grants

1. Relevance to the project

As the project's implementation was run during the Covid pandemic, it has been highlighted in each workshop session, how is it important to take actions that will enable entrepreneurs to run and keep their activity alive even when they are facing serious crisis. The basis for our activity was the mix of almost all Good Practices that were presented in the period of pandemic. One of them was the presentation of the Good Practice from **Greater Manchester – Here for Business** which run lots of activities for entrepreneurs faced at fighting with crisis caused by the pandemic. On 3 March 2021, the Government announced a one-off Restart Grant to support some business sectors including non-essential retail, hospitality, accommodation, leisure, personal care and gym businesses in England. This grant replaces the Local Restrictions Support Grants (LRSG). That time, businesses could apply for a Restart Grant of up to £18,000, depending on their sector and rateable value. The closing date for applications for this grant was 30 June 2021. Eligible businesses in the non-essential retail sector may be entitled to a one-off cash grant of up to £6,000 from their local council. Eligible businesses in the hospitality, accommodation, leisure, personal care and gym sectors may be entitled to a one-off cash grant of up to £18,000 from their local council. In this activity, entrepreneurs can get:

- a one-off grant of up to £6,000 in the non-essential retail sector;
- a one-off grant of up to £18,000 in the hospitality, accommodation, leisure, personal care and gym sectors.

The policy change in the Podkarpackie ROP regarding the introduction of a new instrument to support companies experiencing problems in connection with covid19 - Measure 1.6 "Working capital grants for micro and small enterprises" (has been added to the priority axis I Competitive and innovative economy in the Podkarpackie ROP 2014-2020) was inspired and consulted with stakeholders and partners of the FOUNDATION project. It is a completely new measure, which has not been included in Priority I so far.

While creating the proposed solutions and changing the policy, the experiences and good practices from several project partners were taken into account. First, from a Lithuanian Partner P4 Lithuanian Innovation Center, a good practice called No Quarantine on the Internet on supporting companies experiencing sales slumps caused by the crisis and communication and application solutions by companies using only the Internet. Good practice from a partner from Great Britain: Oldham Metropolitan Borough Council called GC Business Growth Hub concerning activities for enterprises facing problems in times of crisis, under which these entrepreneurs were supported with grants. Also from a partner from Hungary: PP6 Pannon Business Network Association, which presented the good practice ReStart implemented by Szombathely City, under which a special program was created to support local entrepreneurs undergoing crisis.

The body responsible for politics and for ROP Podkarpackie, i.e. the Podkarpackie Region Self-Government and the Marshal's Office of Podkarpackie Region, was informed about the need to create a special program for regional enterprises experiencing the greatest problems caused by the COVID19 pandemic, which had the largest drops in sales and revenues, including the possibility of submitting applications only online and which would be provided in the form of grants.

In connection with the problems indicated above, a project fiche was developed, and a call was announced on 30/06/2020 under priority axis I Competitive and innovative economy, measure 1.6 "Grants for working capital for micro and small enterprises" - RPPK.01.06.00- IZ.00-18-001 / 20 - recruitment for the grant giver (RRDA). This is a completely new measure, which was not previously part of the Podkarpackie ROP 2014-2020.

Measure 1.6 "Grants for working capital for micro and small enterprises" is a completely new measure, which was not previously included in the Podkarpackie ROP 2014-2020. It has been added to the priority axis I Competitive and innovative economy. On June 30, 2020, a call was announced on June 30, 2020. Measure 1.6 "Grants for working capital for micro and small enterprises" - RPPK.01.06.00-IZ.00-18-001 / 20 - recruitment for the grant giver (RRDA).

The project is implemented in the form of a grant project, and its goal is to support micro and small enterprises from the Podkarpackie Region struggling with financial difficulties that arose as a result of the COVID-19 epidemic, i.e. have experienced a decrease in turnover by at least 30% in any month after February 1, 2020 year compared to the previous month or the same month last year due to disruptions in the functioning of the economy due to COVID-19. The essence of the grant project is the granting of non-returnable grants to micro and small entrepreneurs from the Podkarpackie Region to meet the needs related to maintaining financial

liquidity in order to maintain (conduct business) grant recipients. Due to the fact that the state of epidemic threat announced in Poland from March 14, 2020 made tourism one of the sectors most affected by the crisis resulting from the coronavirus pandemic, 30% of funds allocated to grants were allocated to micro and small enterprises from the tourism and tourism-related industries.

On June 30, 2021, changes to the Detailed Description of Priority Axes of the Regional Operational Program of the Podkarpackie Region 2014-2020 were taken into account. Within Priority Axis I Competitive and innovative economy:

Measure 1.6 Grants for working capital for micro and small enterprises under priority axis I Competitive and innovative economy and provisions enabling its implementation were added (including beneficiary - RRDA, target group: micro and small enterprises, project selection in an extraordinary mode, allocating 30% of the allocation only for the tourism and tourism-related industries, maximum% level of total co-financing of eligible expenditure at the project level –100%);

- funds were transferred to Measure 1.6 under OP I (from Measure 1.2 Industrial research, development works and their implementation - EUR 602 059, Sub-measure 1.4.2 Financial instruments - EUR 2 260 296) and from OP IV (Measure 4.1 Prevention and combating threats - EUR 3,240,443);
- product indicators were updated under Measure 1.4 SMEs, Sub-measure 1.4.2 Financial instruments related to counteracting the COVID-19 pandemic and adding product indicators for Measure 1.6 Grants for working capital for micro and small enterprises.

A policy change was reported in PR2, which is the period of the covid-19 pandemic. The PR2 report describes:

Thanks to good practices, Rzeszow Reginal Development Agency- FOUNDATION Project Partner actively participated in changes to the Podkarpackie ROP and the introduction of a new instrument.

As part of the savings in Priority Axis 1, a completely new Measure 1.6 "Working capital grants for micro and small enterprises" was created under the Regional Operational Program of the Podkarpackie Voivodeship 2014-2020, intended for micro and small enterprises from the Podkarpackie Region experiencing financial problems related to covid19, which may receive support for survival. This new measure was not previously included in the Podkarpackie ROP 2014-2020. It has been added to the priority axis I Competitive and innovative economy. On June 30, 2020, a call was announced on June 30, 2020. Action 1.6 "Grants for working capital for micro and small enterprises" - RPPK.01.06.00-IZ.00-18-001 / 20. The RRDA Project Partner was indicated in the special call as the only Beneficiary that can implement this new anti-crisis Program in the Podkarpackie Region. The need for a special Program was communicated by the RRDA person responsible for policy change at stakeholder meetings, online and physically, and at bilateral meetings with stakeholders.

The change in policy is in line with the FOUNDATION project and uses the good practices of the project partners in supporting SMEs in crisis situations.

Amendments to the Detailed Description of the Priority Axes of the Regional Operational Program of the Podkarpackie Voivodeship for 2014-2020:

- addition of Measure 1.6 Grants for working capital for micro and small enterprises (including beneficiary – Rzeszow Regional Development Agency, target group: micro and small enterprises, selecting a project in an extraordinary mode, allocating 30% of the allocation only for the tourism and tourism-related industries, maximum% level of total co-financing of eligible expenditure at the project level - 100%),
- update of product indicators for Measure 1.6.

2. Nature of the action

As part of the savings in Priority Axis 1, a completely new Measure 1.6 "Working capital grants for micro and small enterprises" was created under the Regional Operational Program of the Podkarpackie Voivodeship 2014-2020, intended for micro and small enterprises from the Podkarpackie Region experiencing financial problems related to covid19, which may receive support for survival. This new measure was not previously included in the Podkarpackie ROP 2014-2020. It has been added to the priority axis I Competitive and innovative economy. On June 30, 2020, a call was announced on June 30, 2020. Action 1.6 "Grants for working capital for micro and small enterprises" - RPPK.01.06.00-IZ.00-18-001 / 20. The RRDA Project Partner was indicated in the special call as the only Beneficiary that can implement this new anti-crisis Program in the Podkarpackie Region. The need for a special Program was communicated by the RRDA person responsible for policy change at stakeholder meetings, online and physically, and at bilateral meetings with stakeholders. The change of policy and the introduction of a new measure took place during the 1st phase of the FOUNDATION project.

Activities that will be implemented in phase 2:

- monitoring of project settlement by grant recipients - the project implemented thanks to the change of policy is at the implementation stage. Grants were awarded to entrepreneurs, but they are still settled, source documents are verified, monitoring and control of grants is carried out, including, for example, the recovery of grants in the event of their use contrary to the objectives of the project. In the second phase, the degree of settlement of the granted grants and the effectiveness of the rules in the field of grants settlement will be monitored,
- as the part of the second phase of the project, the progress in the implementation, settlement and monitoring of the project will be monitored on an ongoing basis. The entire project will be monitored, not only the grant recipients, but also the method of project management, personnel management, risk management and project finance management,
- statistical analyzes and analyzed data, including analysis of the achievement of various project indicators, their deviations from the plan, products, results, project impact,
- meetings with persons implementing the project and dealing with its settlement – talks about project successes, strengths, barriers, project limitations, solutions improving project effectiveness, conclusions,

- meetings with grant recipients, talks about the grant received, the process of applying for funding, but also the quality of settlement, communication with the institution providing support, complexity of procedures, solutions to improve the future,
- preparation of analyzes, reports, documents from the leading monitoring of the implementation and settlement of the project,
- evaluation and assessment of the effects of support and the introduction of a new action to Podkarpackie ROP 2014-2020, etc,
- assessment of the rationality of support in the project of the target group, project effects, preparation of recommendations for improvements and modifications in the future

3. Stakeholders involved

1. Government of Podkarpackie Region - supervisory body and the owner of RRDA – supervision over the entirety of the change carried out in response to a pandemic situation, making a decision to amend the ROP
2. Marshal's Office of Podkarpackie Region – Managing authority of the Regional Operational Program of the Podkarpackie Voivodeship for 2014-2020 - making changes to the ROP Podkarpackie 2014-2020, changing the detailed description of priorities, creating call guidelines, conducting a call for proposals
3. Rzeszow Regional Development Agency - institution implementing the program, initiating changes, preparing an application for co-financing, conducting a grant call, project settlement -
4. Ministry of Development and Technology - the managing authority of the ERDF in Poland and the Programmes with its funds - acceptance of changes in ROP Podkarpackie

4. Timeframe

01/08/2022 - 31/07/2023 - start of the 2nd phase of the FOUNDATION project - monitoring and evaluation of the project "Support for working capital for micro and small enterprises - grant support" and the effects of the policy change

5. Indicative costs

8,845,832.00 EUR – phase 1

The amount results from the transfer and allocation to the call under the new measure 1.6 of the ROP VP. The amount determined on the basis of the submitted by Rzeszow Regional Development Agency (RRDA) project entitled "Support for working capital for micro and small enterprises - grant support" with the number RPPK.01.06.00- 18-0001 / 20 and approved application for funding in response to the Action 1.6 "Grants for working capital for micro and small enterprises" call - RPPK.01.06.00-IZ.00-18-001 / 20.

15 000,00 EUR – the cost in the 2nd phase of the project

The cost of monitoring of implemented and settled grants, analyzes and evaluation of the effectiveness of a project supporting micro and small companies that have suffered as a result of the pandemic.

Funded sources. Own costs of Rzeszow Regional Development Agency

6. Indicative funding sources

- 70% European Regional Development Fund in the frame of Regional Operational Programme of Podkarpackie Region 2014-2020
- 30% State budget

ACTION 2

Name of the action: New supporting project for youth – “Young people business oriented (ZORIENTOWANI NA BIZNES)”

1. Relevance to the project

An intermediate basis for the next action that we would like to highlight in our Action Plan, is the Good Practice that is run by Chamber of Commerce along with Fondazione REI (technology transfer institution) and IFOA from Italy. Withing this good practice has been created an access point to help the would-be entrepreneurs to open their business activity. This Good Practice is titled **New Business Access Point**. The overall objective is to help the would-be entrepreneurs to analyse in-depth their business idea and to evaluate the feasibility of the idea on the market in order to manage and mitigate inherent risks of starting a new business. The intent is to ensure that would-be entrepreneurs can best express the potential of their projects. The access point represents a unique and flexible consultancy service since it puts together different public and private subjects with heterogeneous but complementary skills in a harmonious and productive way. A public/private guidance and support service can increase and maximize the chances of success by directing the first steps of aspiring entrepreneurs and by systematizing what is available on the territory.

The second good practice is **Practice and Student Inc. Supporting Student Entrepreneurs** presented by Munster Technological University. The Irish solution assumes supporting entrepreneurship among young people. It treats entrepreneurs as one of the most valuable assets in the world: as producers of jobs, supporting local communities and key elements of more prosperous societies. Young entrepreneurs are of particular importance. Full of potential and energy, their actions, if nurtured and supported, can lead to lightning-fast growth, jobs and success. Student Inc was developed with the aim of increasing the number of start-ups coming from the young population of the Southwest of Ireland, including creating more entrepreneurial graduates. Student Inc. is Ireland's first student-centred acceleration program that attracts students from the academic partner population to develop their business ideas. Each program includes group training or mentoring sessions.

The actions provided for in the Action plan were created on the basis of the exchange of experiences, good practices, online meetings, bilateral online meetings with project partners, showing solutions existing in various partner regions of the FOUNDATION project in the Podkarpackie region as part of Regional stakeholder meetings, joint search by stakeholders solutions to the indicated problems of young people in the labor market

caused by the covid-19 pandemic, prompted us to plan an action that would reduce unemployment and increase the number of enterprises established by young people.

2. Nature of the action

To enable the development of entrepreneurship in our region, we have taken steps to implement an action aimed at enabling the development of activities among the population up to 30 years of age. As part of the POWR.01.02.01-IP.21-18-013/21 call for proposals, a call application was submitted, under which grants were awarded for the implementation of the project entitled "**ZORIENTOWANI NA BIZNES**".

In order to ensure that the lessons learned from the project were finally incorporated in this new project proposal, FOUNDATION project people who participated in project workshops, bilateral meetings with partners from Ireland and Italy (whose best practices were modeled on) were involved in its development, analysis of working materials and the final version of the application, analysis of the application as part of the RSG meeting and application of any comments indicated by stakeholders.

The main goal is to improve the entrepreneurial competences of 48 young people aged 18-29 who are economically inactive or unemployed who are not registered in the employment office, including disabled people living in the Podkarpackie Region, as well as improving the situation on the market 40 people who will start a business by 30/06/2023. The project is a response to the problems of the target group diagnosed in POWER. POWER specific objective

- Increasing the employment opportunities of young people up to 29 years of age, including in particular unemployed people who do not participate in education and training (the so-called NEET youth) will be achieved by:

- support for young people in setting up and running their own business by providing non-returnable aid (grants)

- training support in the field of running a business

- bridging support (funds for current expenses).

At least 50% of the participants will be people living in medium-sized cities or cities losing their socio-economic functions (ie Dębica, Jarosław, Jasło, Krosno, Łańcut, Mielec, Nisko, Przemyśl, Przeworsk, Ropczyce, Sanok, Stalowa Wola and Tarnobrzeg). The project is addressed to people who did not have a CEIDG entry, were not registered as entrepreneurs in the National Court Register or did not run a business on the basis of separate regulations for 12 consecutive months preceding the day of joining the project, do not have suspended business activities, do not intend to establish agricultural business and bailiff activities - Participants will meet all the requirements specified in the call documentation no. POWR.01.02.01-IP.21-18-013/21, the Central Statistical Office published a report describing the impact of Covid-19 on selected segments of the Polish labor market. The report showed that in the first quarter of 2020, almost 120 thousand people were liquidated in Poland. jobs, of which almost 25% are due to the epidemic. In the period March - July 2020. 3507 people before the age of 30 lost their jobs from the Podkarpackie Region. COVID-19 influenced the level of

unemployment in Poland registers. There were 1,029.5 thousand registered people. This number increased by 18.6% compared to the corresponding month of 2019.

Activities that will be implemented during the project implementation period are as follows:

- recruitment of project participants;
- training before starting a business for 48 participants:

The training will contribute to acquiring the knowledge and skills necessary to start and run a business. They will be at the stage preceding the commencement of business activity within min. 2 weeks from the end of recruitment. In an exceptional situation caused by force majeure, e.g. an epidemic, training can also be carried out in remote formula with the use of on-line training forms and in compliance with the requirements specified for implementation remote forms. The aforementioned trainings will be conducted in the 8h mode: didactic / day (5 days x 8h) by trainers / experts with many years of professional experience in a given field (at least 2 years, completed at least 60 hours of a didactic course for adult education or 750h of adult training).

- non-returnable grants and bridging support for 40 Participants:

For the purposes of this task, documents will be drawn up regulating the principles of granting and accounting for the received support, including: the rules of granting financial resources (subsidies and bridging support), business plan evaluation cards (BP), BP template (containing a minimum description of the planned project, budget, revenues, sources of financing, marketing plan, schedule), contract templates, required declarations and appeal procedures. All Business Plans will be formally and substantially assessed.

3. Stakeholders involved

1. Regional Labour Office in Rzeszów - Managing authority of the Operational Programme Knowledge Education Development 2014-2020 for Podkarpackie Region
2. Rzeszow Regional Development Agency - institution implementing the project
3. Government of Podkarpackie Region - supervisory body and the owner of RRDA
4. Ministry of Development and Technology - the managing authority of the ESF in Poland and the Programmes with its funds
5. Rzeszow University of technology - advisory and educational institution.

4. Timeframe

The project "ZORIENTOWANI NA BIZNES" will be implemented in the period from: 2022-03-01 to: 2023-06-30

Detailed timeframe:

07.2021 - the appearance of an announcement of an additional call in the schedules of recruitment for POWER 2014-2020

02.11.2021 - announcement of the call by the Regional Labor Office in Rzeszów POWR.01.02.01-IP.21-18-013 / 21

26.11.2021 - submission of the application "ZORIENTOWANI NA BIZNES" by RRDA

18.02.2022 - settlement of the call - list of projects that obtained the required number of points and which were selected for funding under call no. POWR.01.02.01-IP.21-18-013 / 21
01.03.2022 – start of the project implementation.

5. Indicative costs

PLN 2 074 466,40 (EUR 419 851,25).

6. Indicative funding sources

Project co-financed under the Priority Axis I POWER, Measure 1.2 Support for young people in the regional labor market, Sub-measure 1.2.1 Support granted from the European Social Fund.
Project implemented under the Youth Employment Initiative.

Source of financing:

- 80% European Social Fund
- 15% State budget
- 5% RRDA own contribution

Date: 14.06.2022

Name of the organisation: Rzeszow Regional Development Agency

Signature of representative of the relevant organisation

WICEPRZEDSIĘDZIEC ZARZĄDU
Jolanta Wiśniowska

PREZES ZARZĄDU
Mariusz Bednarz

RZESZOWSKA AGENCJA
ROZWOJU REGIONALNEGO S.A.
PL 35-859 Rzeszów, ul. Szopena 51
tel. Zarząd - 8-520-610, Centrala - 8-520-600
Skrytka pocztowa 74 • fax 8-520-611
NIP 813-00-10-538