**Annex**

**COUNTRY-SPECIFIC SET-UP**

**To the**

**FRAMEWORK AGREEMENT**

**between**

**THE SWISS CONFEDERATION**

**and**

**THE REPUBLIC OF POLAND**

**On**

THE IMPLEMENTATION OF THE SECOND SWISS CONTRIBUTION TO SELECTED MEMBER STATES OF THE EUROPEAN UNION TO REDUCE ECONOMIC AND SOCIAL DISPARITIES WITHIN THE EUROPEAN UNION

1. **General provisions**
   1. This Country-Specific Set-Up is an integral part of the Framework Agreement between the Swiss Confederation (hereinafter referred to as 'Switzerland') and the Republic of Poland (hereinafter referred to as 'Poland') on the implementation of the second Swiss Contribution to selected Member States of the EU to reduce economic and social disparities within the EU (hereinafter referred to as the 'Framework Agreement').
   2. For the purposes of this Country-Specific Set-Up, the definitions in the Framework Agreement shall apply.
   3. This Country-Specific Set-Up lays down the thematic and geographical allocations of the Contribution and the specific rules agreed between Switzerland and Poland, as well as the attribution of responsibilities and tasks to entities involved in the implementation of the Swiss-Polish Cooperation Programme and in Support Measures respectively.
   4. For specific rules and procedures not provided in the Country-Specific Set-Up, the provisions of the Regulations shall apply.
2. **Roles and responsibilities for the Swiss – Polish Cooperation Programme**
   1. **National Coordination Unit**

Poland has authorised the Minister of Development Funds and Regional Policy to act on its behalf as National Coordination Unit (NCU) of the Swiss – Polish Cooperation Programme.

The Minister of Development Funds and Regional Policy is a government administration body competent for regional development.

The role and responsibilities of the National Coordination Unit are set out in the Regulations.

* 1. **Paying Authority**

The Paying Authority is the Minister of Finance.

The Minister of Finance is a government administration body competent for the state budget, public finance and financial institutions. The roles and responsibilities of the Paying Authority are set out in the Regulations.

* 1. **Audit Authority**

The Audit Authority is the Minister of Finance.

The Minister of Finance is a government administration body competent for the state budget, public finance and financial institutions. The roles and responsibilities of the Audit Authority are set out in the Regulations.

1. **Parameters of cooperation**
   1. **Thematic allocation**

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| ***Specific objective* & thematic area** | Indicative Swiss allocation of the Contribution [in CHF millions] | Indicative National financial contribution [in CHF millions] |
| 1. ***Promoting economic growth and social dialogue, reducing (youth) unemployment*** | | |
| (i) Vocational and professional education and training | Thematic area under the DoT / SDC financed / amount not defined |  |
| (ii) Research and innovation | 35 | 6.176  (15 % at overall research program level) |
| Basic Research | 6 | 0 |
| Applied Research | 29 | 6.176 |
| (iii) Financing for micro, small and medium-sized enterprises | Thematic area under the DoT/ SECO financed / amount not defined |  |
| 1. ***Managing migration and supporting integration. Increasing public safety and security*** | | |
| (iv) Providing support to migration management and promoting integration measures | Thematic area under theDoT/ SDC financed / amount not defined |  |
| (v) Improving public safety and security | Thematic area under the DoT / SDC financed / amount not defined |  |
| 1. ***Protecting the environment and the climate*** | | |
| (vi) Energy efficiency and renewable energy | Thematic area under the DoT/ SECO financed / amount not defined |  |
| (vii) Public transport | Thematic area under the DoT/ SECO financed / amount not defined |  |
| (viii) Water and waste-water management | Thematic area under the DoT/ SECO financed / amount not defined |  |
| (ix) Waste management | Thematic area under the DoT/ SECO financed / amount not defined |  |
| (x) Nature conservation and biodiversity | Thematic area under the DoT/ SDC or SECO financed / amount not defined |  |
| 1. ***Strengthening of social systems*** | | |
| (xi) Health and social protection | Thematic area under the DoT/ SDC financed / amount not defined |  |
| (xii) Minorities and socially disadvantaged groups | Thematic area under the DoT/ SDC financed / amount not defined |  |
| 1. ***Civic Engagement and Transparency*** | | |
| (xiii) Civic engagement and transparency | Thematic area under the DoT/ SDC financed / amount not defined |  |
| 1. ***Technical Support*** | | |
| (xiv) Technical Assistance Fund | 4.8 | N/A |
| (xv) Support Measure Preparation Fund | 1.6 | N/A |
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| Polish Swiss Program for Development of Towns (DoT) – SECO financed | 177.7 | 49.182  (15% at overall DoT Programme level) |
| Polish Swiss Program for Development of Towns (DoT) – SDC financed | 101 |
| Total Allocation | 320.1 | 55.358 |

Any unused balances in all the Support Measures of the Swiss-Polish Cooperation Programme (including from the Technical Support Funds) may be transferred to any other approved Support Measure, provided the feasibility is ensured until the end of the eligibility period, by mutual agreement (e.g. confirmed in the minutes of meetings or by correspondence) between the competent authorities mentioned in Article 6 of the Framework Agreement in the course of the implementation of the Swiss-Polish Cooperation Programme. For the consequent modification of the Support Measure, Article 4.12 of the Regulations shall apply.

* 1. **Geographical allocation**

According to Art. 2.7 of the Regulations the less-favored regions shall receive at least 50% of the Contribution. As indicated in the below table, regions from point 1 to point 14 are selected as focus-regions (all NUTS 2 regions with gross domestic product per capita expressed in purchasing power standards, that lies below PL average, based on the initial data of Eurostat for the year 2020).

The geographic allocation will be ensured through the DoT Program.

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| GDP per capita in PPS | PL=100% |
| 1. Małopolskie | 92% |
| 1. Śląskie | 99% |
| 1. Zachodniopomorskie | 84% |
| 1. Lubuskie | 81% |
| 1. Opolskie | 79% |
| 1. Kujawsko-Pomorskie | 82% |
| 1. Warmińsko-Mazurskie | 70% |
| 1. Pomorskie | 95% |
| 1. Łódzkie | 97% |
| 1. Świętokrzyskie | 72% |
| 1. Lubelskie | 68% |
| 1. Podkarpackie | 69% |
| 1. Podlaskie | 73% |
| 1. Mazowiecki regionalny | 85% |
| 1. Wielkopolskie | 109% |
| 1. Dolnośląskie | 111% |
| 1. Warszawski - Stołeczny | 220% |

* 1. **Pre-identified Support Measure**

1. **Polish Swiss Programme for Development of Towns (DoT)**

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| Support Measure name | Polish Swiss Programme for Development of Towns (DoT) |
| Support Measure type | Programme |
| Objectives | The objective of the Programme is to contribute to the reduction of economic and social disparities within Poland by increasing the quality of life of citizens living in small and medium-sized towns through developing the cities’ capacity for strategic planning and improving living conditions via targeted investments.  These objectives will be realized through funding activities, which constitute individual response to the identified challenges in different dimensions of the town that serve fulfilling the needs of its inhabitants. Funding activities should as well cover aspects such as transparency, citizen participation, and good governance and accountability. |
| Strategic Focus | Programme of dedicated support to ca. 15 small and medium-sized cities that are at risk of losing socio-economic functions; to combine the biggest possible impact by answering to and covering well defined needs in different areas of the individual city. The Programme Component for each city needs to have a clear strategy, willingness to systemic change, institutional capacity, substantial volume and convincing objectives. |
| Swiss indicative Commitment | CHF 278.7 million |
| Thematic areas | The thematic areas for the DoT Programme will be chosen among the list defined in point 3.1 of this document. |
| Programme Operator | The Minister of Development Funds and Regional Policy – the NCU – is the Programme Operator. |
| Swiss Support Measure Partner | The Swiss Support Measure Partner to act as specific counterpart for the Association of Polish Cities during the implementation of the pre-defined Programme Component (see further below) will be defined according to best suit thematic and organisational Programme needs. Selection will take place in close consultation with NCU once the Programme details are further specified. |
| Other specificities related to the Support Measure | The Support Measure Agreement and the Support Measure Proposal shall detail:   * The scheme, process and timing for the selection for the Programme Components (the beneficiary cities) and sub-components (activities/investments financed per cities), including the eligibility and the financial allocation criteria. * Means to achieve the strengthening of bilateral relations between Switzerland and Poland will be defined in the Support Measure Agreement. * The Programme Components (beneficiary cities) and sub-components (activities/investments financed per cities) are selected through call(s) for proposals by the Programme Operator after the conclusion of the Support Measure Agreement. * The Programme will also include the pre-defined Programme Component operated by the Programme Component Operator – Association of Polish Cities (APC). * The contracts between the NCU/ Programme Operator and the Programme Components Operators (beneficiary cities and APC) are concluded in PLN. The budget set in PLN at the Support Measure Proposal is indicative and the grant amount in CHF is binding. |

1. **Research and innovation**

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| Support Measure Name | Research and Innovation Programme |
| Support Measure Type | Programme |
| Objective | The Programme will contribute to further strengthening the research excellence and innovation capacities of Polish research organizations, universities and enterprises (with an emphasis on SMEs as engines of innovation and job creation) by facilitating the research and innovation cooperation with the Swiss and other international partners. The Programme will enhance the relations of the Polish research and innovation communities with leading R+I actors in Europe. |
| Strategic Focus | The Research and Innovation Programme comprises:  *Applied research*  The bilateral instrument of applied research aims at enhancing the quality and performance of applied research in Poland through improved research cooperation between Poland and Switzerland, based on equal partnerships between Swiss and Polish research institutions and enterprises with an emphasis on SMEs as engines of innovation and job creation.  *Basic research / Multilateral Call for Joint Research Projects (MCJRP)*  MCJRP focuses on strengthening the internationalisation of research with a focus on basic research. It will foster sustainable partnerships between persons and institutions in the field of research and innovation.  The MCJRP will leverage the successful research projects from the first Swiss contribution through regional research networks as engines of economic growth and innovation. |
| Swiss indicative committment | 35 million CHF   * 29 million CHF – Applied Research * 6 million CHF – Basic Research |
| Programme Operator(s) | *Applied Research*: The National Centre for Research and Development (NCBR) in cooperation with Swiss actor(s) that will be identified during the preparation of the Support Measure.  *Basic Research:* The Swiss National Science Foundation (SNSF) in cooperation with the Polish partner that will be identified during the preparation of the Support Measure.  Details of cooperation will be described in the Support Measure Agreement. |
| Swiss Support Measure Partner(s) | Swiss research institutions and agencies |
| Other specificities related to the Support Measure | *Applied Research*: The contracts between the Programme Operator and the Programme Component Operators (beneficiaries) are concluded in PLN. The budget set in PLN at the Support Measure Proposal is indicative and the grant amount in CHF is binding.  *Basic research:* The Programme Operator will be the Swiss National Science Foundation (SNSF);   * Joint research projects will be selected and managed according to established SNSF procedures and systems. * Specific rules, deviating from the Regulations e.g. on selection, financial flows (including direct transfers from the SDC to the SNSF), audit and reporting may be applied and further defined in the Support Measure Agreement. |

1. **Specific rules and procedures for Poland**

Switzerland and Poland agree that the following articles of the Regulations will be amended in the respective Support Measure Agreements, in the following way, in order to cope with the particularities of each Support Measure.

* 1. **Derogations from the Regulations applicable for the whole Swiss- Polish Cooperation Programme:**

1. *The following paragraph replaces Art 4.11 Paragraph 2 of the Regulations (composition of the Support Measure Steering Committee):*

In general, the Support Measure Steering Committee shall be composed of the following members:

1. the NCU/Programme Operator as Chair;
2. if applicable, the Intermediate Body as Deputy Chair;
3. the NCU/Programme Operator as Secretary;
4. the SCO;
5. if appropriate, any other thematically relevant entity from Poland and/or from Switzerland.
6. *The following paragraph replaces Art 4.11 Paragraph 3 of the Regulations (Support Measure Steering Committee - voting rights):*

The exact composition of the Support Measure Steering Committee and the voting rights of its members shall be defined in the relevant Support Measure Agreement, taking into account that:

a) the NCU/Programme Operator shall have the right to vote;

b) the SCO shall have the right to vote;

c) the NCU and the SCO shall the right to veto any decision taken by the Support Measure Steering Committee.

1. *The following paragraph replaces Art 7.2 of the Regulations (Role of Switzerland):*
2. During the approval procedure for Support Measures as stipulated in Article 4.7 and, where applicable, during the subsequent approval procedure for Programme Components and amendments to Support Measures resulting in additional procurements, having in mind the mitigation of occurrence of irregularities, Switzerland will select a limited and well justified number of public procurements for which:
3. Switzerland requests a copy of relevant parts of the tender documents (including draft contracts) for non-objection prior to the commencement of the procurement procedure. For such cases, the NCU shall notify SCO 30 days in advance about the exact date of submission and nature of the tender document. The NCU shall submit the relevant parts of tender documents to the SCO for an assessment to be completed within 10 working days. As a result of this assessment, Switzerland may recommend adjustments to the tender documents. These recommendations may be taken into account and the SCO shall be informed accordingly;
4. a notice with basic information on the tender, based on the template provided by Switzerland, is requested for the announcement of the tender in Switzerland. The notice shall be submitted to the SCO no later than five working days before publication of the tender in order to allow an announcement of the tender in Switzerland shortly after the announcement of the tender in the Partner State;
5. Switzerland requests an English translation of the tender documents to be made available to bidders.

In its selection, Switzerland will focus on public procurements above 500’000 CHF, but could also include smaller public procurements for studies to be financed under the Support Measure Preparation Fund.

1. The SCO, or any third party appointed by it, shall have the right to participate in any tender evaluation committee meeting as an observer. The NCU shall announce to Switzerland the dates of the tender evaluation committee meetings no later than five working days prior to the meetings.
2. The SCO shall have the right to request a copy of the evaluation report and of all or parts of concluded contracts. The requested documents shall be submitted at the latest 20 working days after the request.
3. The NCU shall ensure that records of all procurement procedures are retained in accordance with the law of the Partner State. The NCU shall provide any and all information pertaining to the awarding procedures, in addition to the documents listed above, which Switzerland may reasonably request.
4. *The following paragraph replaces Art 8.3 Paragraph 1 of the Regulations:*
5. In exceptional cases, e.g., for Support Measures benefiting institutions with serious limitations for pre-financing, or for activities performed by Swiss Support Measure Partners, Switzerland may notwithstanding Article 8.1 paragraph 2, pre-finance or reimburse advance payments made by the Partner State to Executing Agencies. Such advance payments were to be agreed in the relevant Support Measure Agreement and subject to paragraphs 2 and 3 and to the provision of sufficient proof for the execution of the advance payment by the Partner State and to the provision of the Partner State’s co-financing in accordance with the respective Support Measure Agreement.
   1. **Derogations from the regulations applicable only for the Polish Swiss Program for Development of Towns (DoT)**
6. *The following paragraph replaces Art 4.4 of the Regulations (stakeholder consultations):*
7. Relevant stakeholders shall be consulted regarding the Programme Component (excluding the Pre-defined Programme Component of the Association of Polish Cities). The stakeholder consultation is part of the Programme Component preparation process.
8. The purpose of the stakeholder consultation is to allow stakeholders to
9. assess the relevance, feasibility and inclusiveness, and
10. make recommendations for their improvement.
11. The stakeholder consultation shall be based on a meaningful participation by the main stakeholders, such as relevant national, regional and local authorities, academic institutions, civil society and private sector organisations.
12. The results of the stakeholder consultations shall be an integral part of the Programme Component.