

Country Partnership Framework

for Poland 2018-2023



World Bank Group

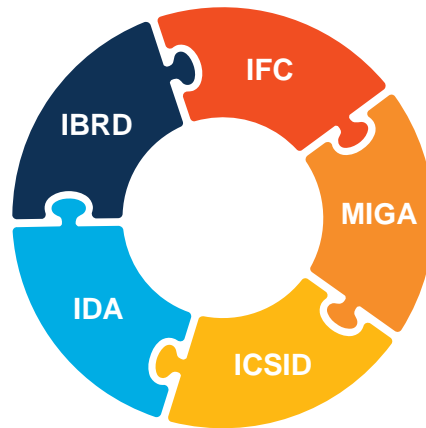
The World Bank Group (WBG) is an international financial institution (IFI) with the mission to fight poverty and support inclusive growth.

The WBG consists of 5 institutions:

The International Bank
for Reconstruction
and Development

The International
Development
Association

**Together, IBRD
and IDA make up
the World Bank.**



The International
Finance
Corporation (IFC)

The Multilateral
Investment
Guarantee
Agency

The International
Centre for Settlement
of Investment Disputes

Poland has been a member of the World Bank since 1986. The Warsaw Office was opened in 1990. Since then, the World Bank has been instrumental in supporting Poland's development.

In total, the World Bank has extended loans worth \$16 billion to Poland. The World Bank has also conducted a number of analytical projects and advisory services concerning the public finance sector, doing business, labor market reforms, infrastructure, health and many other areas.

Selected Activities Currently in Progress in Poland



Odra and Odra-Vistula Flood Management Projects

Two flood protection investment projects on the Odra and Vistula rivers that secure the lives and properties of over 2 million people living in endangered areas.



➔ more: www.worldbank.org/en/country/poland/projects

Catching-Up Regions



Analytical and implementation assistance for less developed regions in Poland in fostering cooperation between science and business, improving spatial planning, enhancing energy efficiency of single family houses, reforming food inspections, and more.



➔ more: www.worldbank.org/poland/regions

Integrated Health Care



Advisory services to the National Health Fund and the Ministry of Health, aimed at streamlining the coordination of care delivery to patients, increasing the quality of care, and improving the effectiveness of resources such as funds, people and equipment.

Other Areas of WBG Focus in Poland



Air Pollution



Labor Market



Higher Education



Private Sector



Fiscal Policy



Doing Business



Country Partnership Framework (CPF)

Country Partnership Framework (CPF)

- **Guides the WBG country program and gauges its effectiveness in reducing poverty and boosting shared prosperity.**
- **Lays out the main country development goals that WBG aims to help the country achieve, and proposes a selective and flexible program of WBG interventions for this purpose.**
- **CPF objectives are selected to reflect Government priorities, main development constraints of the country and the WBG's comparative advantage.**
- **CPF is a document of partnership between a country and WBG and, as such, is endorsed by the The World Bank's Board of Executive Directors.**

Country Partnership Framework for Poland 2018-2023

According to the World Bank classification, Poland is a high-income country, so the new CPF ensures:

SELECTIVITY

Any investment and advisory operation would need to be targeted at:



The Bottom 40 percent



Catalyzing private sector investment and leverage resources



Contribution to regional or Global Public Goods

Poland's Challenges the WBG CPF will Focus on:

1. Human Capital
2. Entrepreneurship and Innovation
3. Institutions for Shared Prosperity
4. Environmental Sustainability

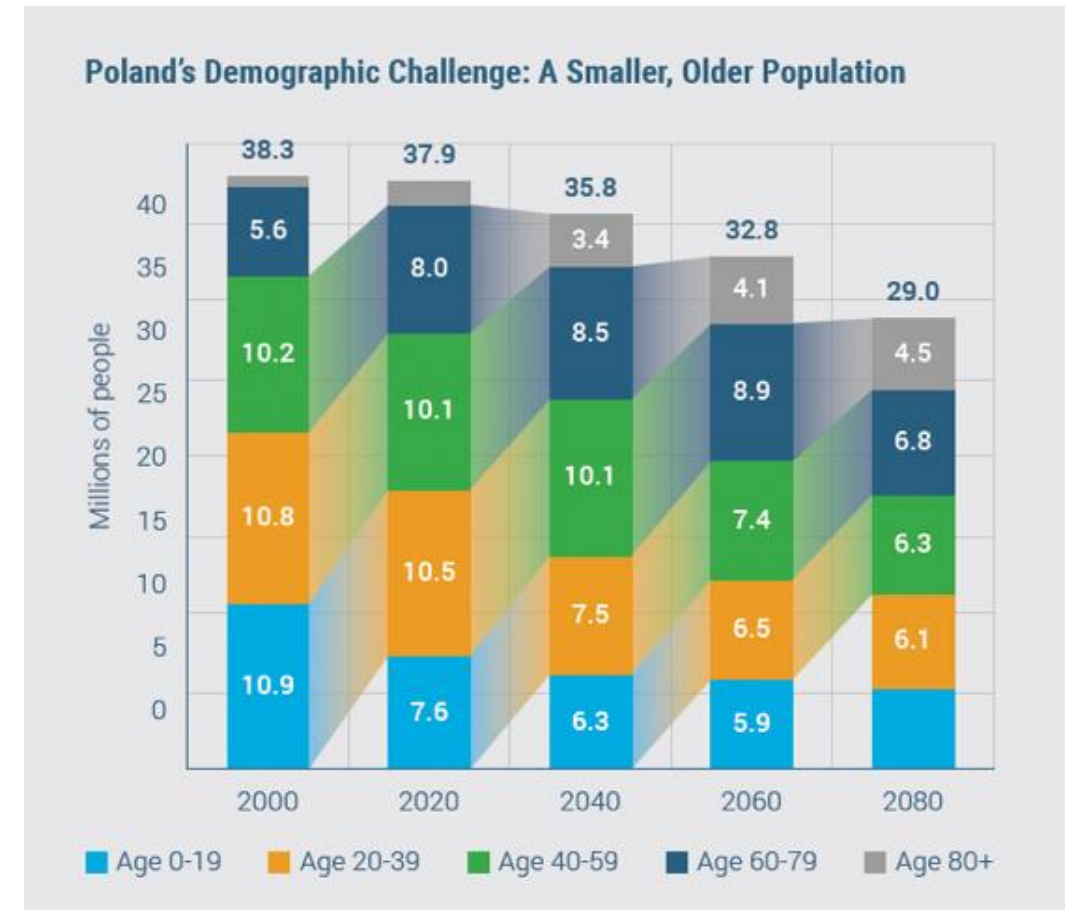
1. Human Capital

Challenges

- Poland is among the fastest aging societies in Europe with 35% of the population projected to be over 65 by 2030.
- Demographic changes will reduce the available labor force and strain health and social protection systems.
- Mortality and morbidity rates above the EU average, while access to care largely depends on an individual's place of residence, education, or wealth level.

Selected policy reforms the WBG can support

- Strengthening applied research and building skills that link to private sector needs in a rapidly evolving technologies.
- Implementation of an integrated care pilot project to improve customer's experience with receiving prevention and care services, and improve efficiency of resources.
- Setting up an effective system of community based services for long-term care of the elderly.



2. Entrepreneurship and Innovation

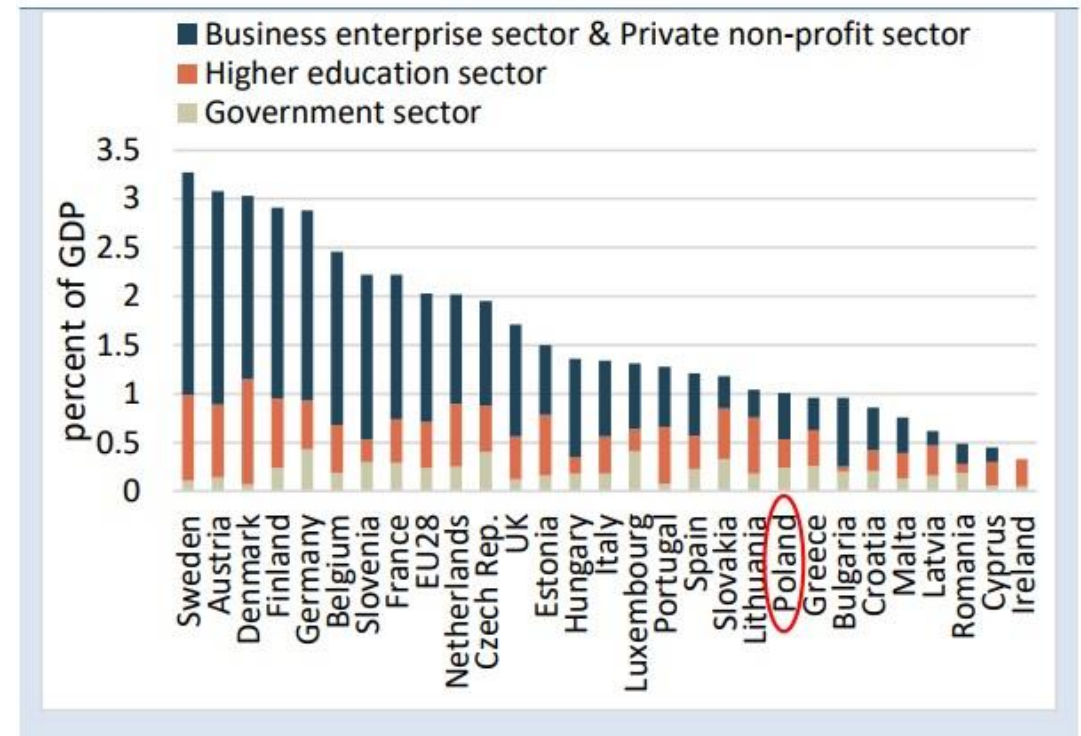
Challenges

- Private investment rate in Poland is among the lowest in the EU.
- Expected decrease in EU funding after 2020 will require strong private sector and its help in further driving innovation and growth.

Selected policy reforms the WBG can support

- IFC support in increasing the international competitiveness of Polish companies.
- Further diversification of the financial sector through capital market development or venture capital – IFC's focus on development of local bond market and innovative instruments such as green bonds, covered bonds and securitization of new asset classes.

R&D Spending in EU Countries as a Share of GDP, by Sector, 2015



Source: World Bank calculations, based on Eurostat data.

3. Institutions for Shared Prosperity

Challenges

- Persisting income disparities among Poland's regions.
- Some of the regions located in the Eastern Poland are among the 20 poorest regions of the EU-27.
- Expected decrease in EU funding after 2020.

Selected policy reforms the WBG can support

- Subnational interventions aimed at building the capacity of local administration.
- IFC financing at the subnational level to support creditworthy municipalities to invest in infrastructure projects and strengthen their financial management capacity.



Source: Central Statistical Office of Poland (GUS)

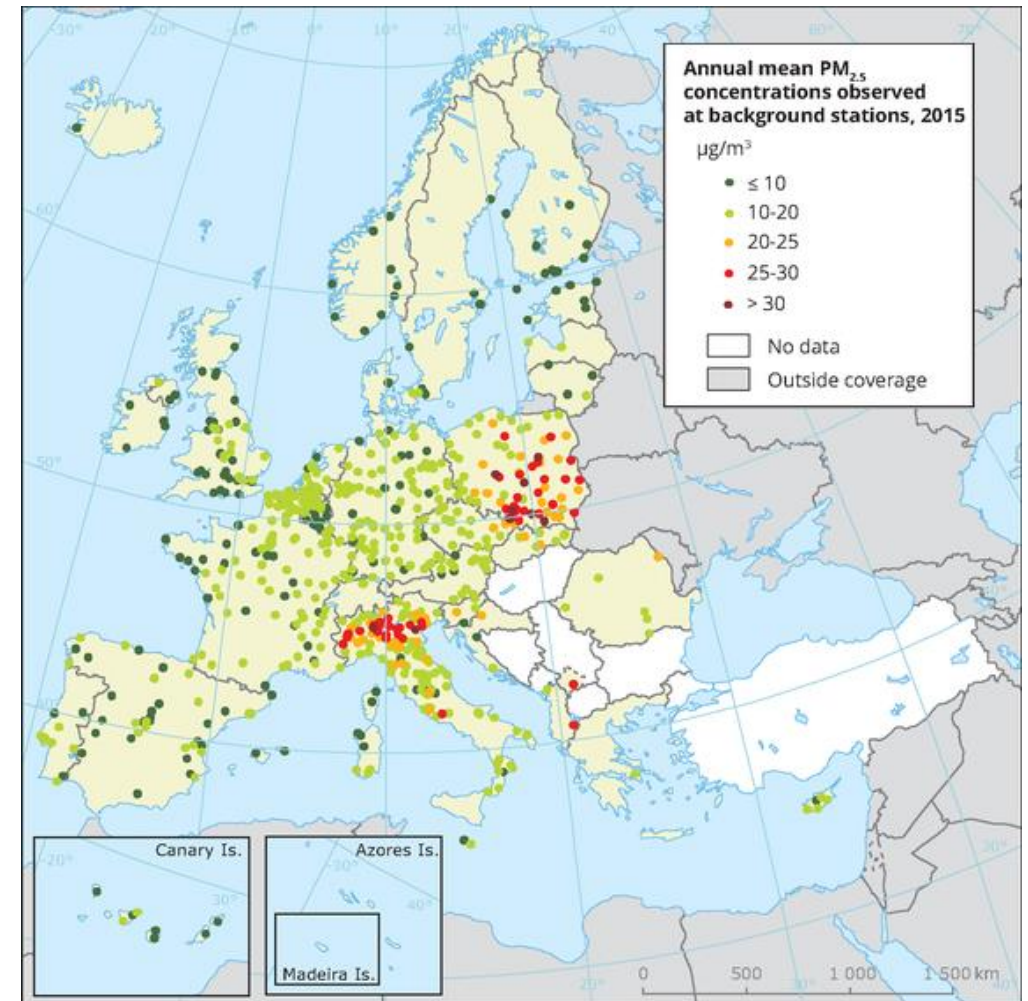
4. Environmental Sustainability

Challenges

- According to World Health Organization, 33 out of Europe's 50 most polluted cities are in Poland.
- Poland is highly exposed to climate-related events, including fluctuating rain patterns.

Selected policy reforms the WBG can support

- Implementation of financial instruments for improving energy efficiency in single family buildings.
- IFC lending for climate-related projects and promoting issuance of green bonds by private sector.
- Infrastructural investments improving flood management infrastructure, and policy measures.



Source: The European Environment Agency.

CPF for Poland alligned with the program of Polish government

Mateusz Morawiecki's first parliamentary address as Prime Minister of Poland (December 12, 2017):

“ **HEALTHCARE** is the first extremely important problem to tackle. There's no decent life without efficient healthcare, therefore we will ensure a quantum leap in health spending, to 6 percent of GDP over the next few years. It's our response to legitimate arguments from both patients and medical staff, doctors and nurses.

“ Another sphere for our wide-ranging action will be **THE ENVIRONMENT**. Due to smog, 48,000 Polish people die prematurely every year, while the smoke from refuse-fired furnaces is not disappearing into the skies. This dust is finding its way into our lungs and those of our children. Yet we also realize that not everyone can afford cleaner fuel. For this reason, the anti-smog policy is a program of support for the people with the least means ... We want to combat this energy poverty and raise the quality of life for all Polish people.

“ Our next objective is to **STRENGTHEN POLISH COMPANIES AND ENTREPRENEURSHIP**. Every Polish generation must embrace the challenge of modernization anew.



Consultations are open

If you have any views on the direction of our program in Poland, please send your comments, questions or suggestions to the World Bank Communications Officer in Warsaw, Filip Kochan fkochan@worldbank.org

CPF consultations timeline



➔ [more: consultations.worldbank.org](https://consultations.worldbank.org)

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