

Swiss-Polish Cooperation Programme

# **SUPPORT MEASURE AGREEMENT**

between

The Swiss State Secretariat for Economic Affairs and the Swiss Agency for  
Development and Cooperation

and

The Minister of Development Funds and Regional Policy,

on

the Support Measure

"Polish Swiss Programme for Development of Towns"

*The Federal Department of Economic Affairs, Education and Research, acting through the State Secretariat for Economic Affairs, hereinafter referred to as “SECO” and the Federal Department of Foreign Affairs, acting through the Swiss Agency for Development and Cooperation, hereinafter referred to as “SDC” and*

*The Minister of Development Funds and Regional Policy, hereinafter referred to as the “NCU”,*

*Together hereinafter referred to as the “Parties”,*

*Referring to the Framework Agreement, including its Annex (Country-Specific Set-Up), between the Swiss Confederation and the Republic of Poland concluded on December 5, 2022, as well as to the Regulations on the implementation of the Second Swiss Contribution in the area of Cohesion issued by Switzerland and containing the general rules and procedures on the implementation of the Swiss-Polish Cooperation Programme, hereinafter referred to as “Framework Agreement” and “Regulations”,*

*Considering the financing of the Support Measure **Polish Swiss Programme for Development of Towns (DoT)** (hereinafter referred to as the “Support Measure”) in the Republic of Poland,*

*Have agreed as follows:*

## **Article 1 - General provisions**

The legal Framework as defined in Article 2 in the Framework Agreement, including its Annex and in particular the part 4. “Specific rules and procedures for Poland”, and the Regulations apply to this agreement.

## **Article 2 - Objective and eligibility period**

1. The Support Measure is assigned to the following thematic areas:
  - Vocational and professional education and training
  - Financing for micro, small and medium-sized enterprises
  - Providing support to migration management and promoting integration measures
  - Improving public safety and security
  - Energy efficiency and renewable energy
  - Public transport
  - Water- and waste-water management
  - Waste management
  - Nature conservation and biodiversity
  - Health and social protection
  - Minorities and socially disadvantaged groups
  - Civic engagement and transparency
2. The objective of the Support Measure 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.
3. The Support Measure starts on October 13, 2023 and ends on December 3, 2029. Only expenditures incurred during this period are considered eligible as in accordance with Chapter 6 of the Regulations.

### **Article 3 - Obligations of the Parties**

1. Switzerland agrees to grant a contribution of up to 278.7 million (two hundred seventy eight million seven hundred thousand) Swiss francs for the implementation of the Support Measure according to the budget (Annex B).
2. The contribution of Switzerland shall cover a maximum of 85% of the total eligible expenditures of the Support Measure as mentioned in Chapter 6 of the Regulations.
3. Switzerland's contribution to the Support Measure is based:
  - a) on the final version of the Support Measure Proposal dated 05.10.2023 attached to this Support Measure Agreement (Annex A); and
  - b) on the conditions put forward by Switzerland as part of the final decision to support the Support Measure and communicated to the Republic of Poland by means of the letter dated 29.08.2023 attached (Annex D).
4. In accordance with Article 7 of the Framework Agreement, the responsibility of Switzerland with regard to this Support Measure is limited to providing funds in accordance with Article 3, paragraph 1 of this Support Measure Agreement.
5. The Republic of Poland, shall ensure the timely provision of the co-financing of the total eligible expenditures of the Support Measure, as described in Article 4 paragraph 5 of the Framework Agreement, and in Article 3.1 paragraph 1 and Chapter 6 of the Regulations.
6. Cost for staff of the Programme Operator (PO) who are assigned to carry out tasks for the Support Measure, comprising salaries plus social security charges and other statutory costs included in the remuneration, are covered by the Technical Assistance Fund as agreed between the Parties in the Technical Assistance Agreement dated 12.05.2023.
7. Costs for staff of the Programme Component Operators who are assigned to carry out tasks for the Support Measure, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, are eligible expenditure under this Support Measure, within the limits set in the budget in Annex B of this Support Measure Agreement and in accordance with Chapter 6 of the Regulations.
8. According to Article 6.2 paragraph 1(b) of the Regulations the expenditures for the acquisition, construction, renovation and upgrades of buildings are eligible under the following conditions:
  - a) meet the conditions set out in Articles 4.15, 6.1. and 6.6 of the Regulations,
  - b) are necessary for the effective and efficient implementation of the activities,
  - c) are incurred by the Programme Component Operator/Programme Component Partner/entity entitled to incur the eligible expenditures.
9. The call document for the selection of the Programme Components shall define eligible expenditures in line with Article 6 of the Regulations and the entities entitled to incur the eligible expenditures other than the Programme Component Operators and Programme Component Partners. Expenditures regarding regranting, if envisaged in the Programme Component, are eligible.

## **Article 4 - Implementation Responsibility**

1. The NCU, Paying and Audit Authorities shall have the roles and responsibilities as defined in the Regulations, in particular in Articles 3.1 to 3.6, and further specified in the Country Specific Set-up.
2. The Minister of Development Funds and Regional Policy – the NCU – is the Programme Operator (PO) for Polish Swiss Program for Development of Towns. Additional to the tasks resulting from Article 6.4 paragraph 1 of the Regulations, the PO is responsible for:
  - a) coordinating the reporting process for the entire Support Measure i.e. elaborate the Annual Reports and Completion Report;
  - b) organising and running the Support Measure Steering Committee.
3. The Programme Component(s) have the following Programme Component Operator(s):
  - a) Programme Component: Support of Towns in effective use of Swiss-Polish Cooperation Program (SoT) - Programme Component Operator Association of Polish Cities (APC).
  - b) Programme Components implemented by Polish towns, which will be indicated upon the call organised by the Programme Operator. The selection process will be based on fair and open competition between towns and will follow such principles as good governance, transparency, equality, efficiency and zero tolerance towards corruption as well as shall be carried out in a way to prevent and avoid conflict of interest.
4. The Swiss Support Measure Partner (hereinafter referred to as the “SSMP”) shall be identified by Switzerland according to Article 5 below.

The SSMP shall contribute to the implementation of the SM in particular through mobilizing Swiss expertise on selected thematic topics in the frame of direct support to beneficiaries and thematic networks, by supporting the organization of study visits to Switzerland for selected Polish actors and local government representatives, as well as by facilitating the establishment of bilateral partnerships between Swiss and Polish beneficiary towns on topics of common interest.

## **Article 5 - Swiss Support Measure Partner Selection Procedure**

1. In reference to the legal framework of the implementation of the second Swiss Contribution (Article 2 Framework Agreement), Poland and Switzerland agree that the SSMP will be identified by Switzerland (SECO/SDC) through an open competition procedure.
2. The competition procedure is governed by the present agreement and is based on the principles of effective and fair competition, equal treatment and non-discrimination of competitors, transparency of the award procedure, as well as the cost-efficient use of public funds in a manner that is economically, ecologically and socially sustainable. For any questions of interpretation or application falling within the scope of this procedure or which are not regulated under this agreement, the provisions of the Swiss public procurement law shall apply by analogy.
3. The specific tasks of the SSMP are to be agreed between the Parties and defined in the competition document.

4. The announcement of the competition procedure will be published by SECO/SDC on the main website of the second Swiss Contribution ([www.eda.admin.ch/schweizerbeitrag](http://www.eda.admin.ch/schweizerbeitrag)). The competition documentation will be made available for download on the main website of the second Swiss Contribution. Questions on the competition procedure shall be submitted in written to the address specified in the competition documentation. Answers will be published by SECO/SDC on main website of the second Swiss Contribution. Competitors are themselves responsible for downloading the answers and for taking them into consideration in the preparation of the applications. Poland (through NCU/PO and the APC) shall support SECO/SDC in answering questions from the competitors aimed at clarifying the tasks of the SSMP or the agreement between the APC and the SSMP.
5. Submitted applications are evaluated on the basis of the formal requirements, eligibility and award criteria set out in the competition document. The evaluation committee – constituted by SECO/SDC – will evaluate and decide on the most advantageous offer. Poland (NCU/PO and the APC) shall not participate in the evaluation of the offers and shall accept the SSMP selected by the evaluation committee.
6. The award decision of the competition procedure will be published by SECO/SDC on the main website of the second Swiss contribution ([www.eda.admin.ch/schweizerbeitrag](http://www.eda.admin.ch/schweizerbeitrag)).
7. Poland (NCU/PO and the APC) shall be responsible to draft the Partnership Agreement which will be signed between APC and the selected SSMP. The Partnership Agreement has to be formally approved by Poland (NCU) and Switzerland (SECO/SDC). The Partnership Agreement with the SSMP is regulated under the Polish law. The Partnership Agreement shall establish the simplified rules for the verification of expenditures incurred by the SSMP (in accordance with Article 4.10 paragraph 4 of the Regulations).

#### **Article 6 - Support Measure Steering Committee**

1. The NCU shall establish the Support Measure Steering Committee as defined in Article 4.11 of the Regulations, subject to the derogations as defined in the Annex to the Framework Agreement.
2. The Support Measure Steering Committee shall assume the following tasks:
  - a) supervise the progress of the Support Measure implementation and make suggestions for improvements;
  - b) approve the Programme Components in accordance with Articles 4.1 and 4.6 of the Regulations;
  - c) approve the call document for the selection of the Programme Components.
  - d) in accordance with Article 4.12 paragraph 4.a of the Regulations, approve modifications of Programme Components and the Support Measure budget items, where consequences must be within the following limits:
    - i. For reallocations within a Programme Component: funds reallocated between different budget items are more than 15% of the initial budget of the Programme Component or more than one CHF million;
    - ii. For reallocations among Programme Components (also among Towns);
    - iii. For reallocations among budget items as defined in Annex B (Budget).The reallocations within and among Programme Components shall be formalised through the minutes of the Support Measure Steering Committee. Switzerland shall

be informed about the modification by means of the next Reimbursement Request under Article 8.2 paragraph 3 of the Regulations and the next Annual Support Measure Report under Article 4.13 of the Regulations.

The reallocations among budget items as defined in Annex B (Budget) shall be formalised by way of an amendment to the Support Measure Agreement.

3. The Support Measure Steering Committee shall be composed of the following members:
  - a) the NCU/ Programme Operator as a Chair and as a Secretary,
  - b) the Swiss Contribution Office (SCO), representing SECO/SDC

The Support Measure Steering Committee members shall have the right to propose inviting any other public or private sector entity from Poland and/or Switzerland with a close thematic, financial or operational connection to the Support Measure as observers to a Support Measure Steering Committee meeting. Such a proposal needs to be approved by other Steering Committee members.

4. The following members shall have a voting right:
  - a) the NCU/ Programme Operator as Chair
  - b) the Swiss Contribution Office (SCO), representing SECO/SDC
5. The NCU and the SCO shall have the right to veto any decision taken by the Support Measure Steering Committee.
6. The quorum shall be constituted by 2 members of the Support Measure Steering Committee with a voting right.
7. The NCU/ Programme Operator shall act as secretary and shall assume the tasks as set forth in the Article 4.11, paragraph 7 of the Regulations.
8. The Steering Committee meeting shall take place at least once a year, in line with the Article 4.11, paragraph 6 of the Regulations.

### **Article 7 - Programme Operator (PO) competences for modifications of the Support Measure**

1. The Support Measure may be modified in accordance with the Article 4.12 of the Regulations.
2. In accordance with Article 4.12 paragraph 4.a of the Regulations the PO is entitled to modify Programme Components, provided the following conditions are cumulatively met:
  - a) the modification shall not contradict with the agreed outputs and outcomes of the Support Measure;
  - b) the modification must not change the duration of the Support Measure;
  - c) the financial consequences of the modification must be within the following limits:
    - i. For reallocations within one Programme Component: funds reallocated between different budget items must be less than 15% of the initial budget of the Programme Component and less than one million;
    - ii. modifications may not be split with the intention of circumventing this restriction.

3. Switzerland shall be informed about the modification by means of the next Reimbursement Request under Article 8.2 paragraph 3 of the Regulations and the next Annual Support Measure Report under Article 4.13 of the Regulations.

### **Article 8 - Advance payments**

1. Subject to the derogations of Article 8.3 of the Regulations as defined in the Annex to the Framework Agreement, Switzerland will provide advance payment to Poland for the implementation of the Programme Components implemented by Polish towns.
2. The Programme Component Operators chosen within the call and the Operator of the Pre-defined Component are eligible for advance payments.
3. The interim instalments provided as advance payments to the above institutions are pre-financed from the Polish state budget.
4. To accelerate advance payments process, Poland receives from Switzerland 10% of the grant allocated to the Programme as an advance payment. The amount is transferred within 60 days after announcement of the results of the call for Programme Components.
5. Switzerland on the basis of Reimbursement Request reimburses certified eligible expenditures up to 90% of the grant allocated to the Programme. The amount received as the advance payment is off-set in the last Reimbursement Request submitted by Poland while calculating final balance for the Programme.

### **Article 9 - Policy Dialogue**

1. A policy dialogue is foreseen for this Support Measure. The needs and objectives for the policy dialogue are described in the Support Measure Proposal.

### **Article 10 - Procurement**

1. The procurements under this Support Measure Agreement shall be made according to Chapter 7 of the Regulations, subject to the derogations as defined in the Annex to the Framework Agreement.
2. The initial procurement plan, including those procurements that are selected by Switzerland, in accordance with Article 7.2 of the Regulations, subject to the derogations as defined in the Annex to the Framework Agreement, shall be annexed to this Support Measure Agreement (Annex C).
3. This procurement plan shall be updated following the approval of further Programme Components and submitted to Switzerland for selection in accordance with Article 7.2 of the Regulations, subject to the derogations as defined in the Annex to the Framework Agreement, within 20 working days. The periodically updated procurement plan shall be submitted to Switzerland with the same frequency as the Reimbursement Request. If no expenditures were incurred in a reimbursement period, the periodically updated procurement plan shall be nevertheless submitted to Switzerland.

## **Article 11 - Post-completion obligations and ownership of assets**

1. The post-completion obligations related to the assets (operating assets as well as equipment, installations and buildings) financed by the Swiss contribution under this Support Measure as well as their ownership are described in Article 4.15 of the Regulations.
2. From the date of signing the agreement with the Programme Component Operator /Programme Component Partner/entity entitled to incur the eligible expenditures, this entity shall have the right of ownership of the assets provided with the Swiss Contribution for the duration of the Support Measure.
3. During the duration of the Support Measure, the assets shall be used in accordance with Article 4.15 paragraph 6 of the Regulations.
4. The Programme Component Operator/Programme Component Partner/entity entitled to incur the eligible expenditures shall have the right of ownership of the assets provided with the Swiss Contribution after the completion of the Support Measure. The Programme Component Operator/Programme Component Partner/entity entitled to incur the eligible expenditures can propose the transfer of assets ownership to a third party. The NCU and SECO or SDC shall approve in written this transfer. The receiving entity shall be contractually committed by the Programme Component Operator/Programme Component Partner/entity entitled to incur the eligible expenditures to fulfilling the obligations set out in Article 4.15 paragraph 2 of the Regulations concerning equipment, installations and buildings financed by the Contribution.
5. The Programme Component Operator/Programme Component Partner/entity entitled to incur the eligible expenditures shall have the right to dispose of the property of the results of the activities performed under this Support Measure and of the rights to any intellectual property, including copyrights; and of the revenues generated by the intellectual property rights after the completion of the Support Measure. In case of programme components implemented in partnership as defined in the Support Measure Proposal (Annex A), the property of the results of the activities and of the rights to any intellectual property shall be decided in the partnership agreement between the Programme Component Operator and the Polish or Swiss partner.

## **Article 12 - Reimbursement Procedures, Reporting, Audits, Compliance**

Reimbursement Procedures, Reporting, Auditing and compliance rules are described in the Framework Agreement and the Regulations.

## **Article 13 - Annexes**

The following Annexes are governed by this Support Measure Agreement:

- Annex A: Final version of the Support Measure Proposal 05.10.2023, including Logframe
- Annex B: Budget
- Annex C: Initial Procurement Plan
- Annex D: Decision Letter from SECO/SDC



## **Article 14 - Amendments**

The Support Measure Agreement may be modified according to Article 4.12 of the Regulations and Article 6 paragraph 2.d.iii of the Support Measure Agreement. This shall be done by signing an amendment to this Support Measure Agreement. This shall be done by signing the amendment by the Parties.

## **Article 15 - Suspension and Termination**

The Support Measure Agreement can be suspended or terminated according to Article 4.16 of the Regulations.

## **Article 16 - Entry into force and duration**

1. This Support Measure Agreement covers the duration of the Support Measure as stated in Article 2 paragraph 3.
2. This Support Measure Agreement shall enter into force on the date of the last signature of the Parties and remain in force until all obligations under it have been fulfilled.

Signed in Warsaw on 13th of October 2023, in two original copies in the English language.

For the State Secretariat for Economic Affairs  
and the Swiss Agency for Development and  
Cooperation

For the Minister of Development Funds  
and Regional Policy

**Annex A: Final version of the Support  
Measure Proposal 05.10.2023, including  
Logframe**

on  
the Support Measure  
"Polish Swiss Programme for Development of Towns"

## **Annex B: Budget**

on  
the Support Measure  
"Polish Swiss Programme for Development of Towns"

## **Annex C: Procurement Plan**

on  
the Support Measure  
"Polish Swiss Programme for Development of Towns"

## **Annex D: Decision Letter from SECO/SDC**

on  
the Support Measure  
"Polish Swiss Programme for Development of Towns"