

**SGI** Sustainable  
Governance  
Indicators

## 2014 Poland Report

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## Executive Summary

In the parliamentary elections held October 2011, voters – for the first time in Poland’s recent democratic history – re-elected an incumbent government and awarded the two government coalition partners, the Civic Platform (PO) and the agrarian Polish People’s Party (PSL), a second term. As a result, both the government and the presidency are controlled by politicians from the same political party, the PO; and cooperation has been fairly smooth between President Bronisław Komorowski and Prime Minister Donald Tusk.

Contrary to developments in other countries in East-Central Europe, the quality of Poland’s democracy has improved further during the review period, so that it is now possible to speak of Poland as a truly consolidated democracy. Under the second Tusk government, the independence of public media has increased, media pluralism has been strengthened, access to government has been expanded, legal certainty has risen, and corruption has been reduced significantly. The biggest problems Poland faces going forward are twofold: the poor performance of the judiciary and the public’s low confidence in government and its politicians.

The policy performance of the second Tusk government is harder to evaluate. With real GDP growth falling from 4.5% in 2011 to less than 2% in 2012, the euro crisis finally hit Poland in 2012. The government reacted to the growing nervousness of international financial markets and weakening external demand with a combination of fiscal adjustments and structural reforms. It succeeded in maintaining confidence within the bond markets without pushing the economy into recession through excessive fiscal tightening. Moreover, the government launched a package of significant structural reforms, such as an increase in the retirement age and a far-reaching deregulation of certain professions, and has continued reforms of higher education and of research and innovation policy. Despite tight finances, the government invested funds to expand child care services. At the same time, however, the Tusk government has failed to consolidate the budget and has largely refrained from tackling thorny issues such as health care reform.

The second Tusk government has also largely built on institutional reforms that were initiated in its first term. It has continued to strengthen strategic planning initiatives as well as the position of the prime minister, and has expanded regulatory impact assessments and improved the fiscal situation of subnational governments. Through these efforts, the government has clearly improved its strategic capacity. Poland's successful EU presidency in the second half of 2011, its increasing and relatively high absorption of EU funds and its positive standing in the European Union show that the country's adapting domestic governmental structures to international and supranational developments, most notably through European Union and North Atlantic Treaty Organization (NATO) membership, has been successful.

## Key Challenges

In 2014, Poland will hold elections for the European Parliament as well as local elections, and in 2015, presidential and parliamentary elections will take place. At the time of writing, dissatisfaction with the government of Prime Minister Donald Tusk is strong and opinion polls, for the first time in almost six years, show stronger support for the opposition Law and Justice (PiS) party than for the governing Civic Platform (PO). Yet it is still too soon to predict an outcome for 2015. What may happen, however, is that the presidential elections may affect the outcome of the parliamentary contest in favor of the PO. Given the popularity of current President Komorowski, it is likely that he will again win the presidency in 2015, and his victory may help the PO remain strong in the parliamentary elections. As the country's economic outlook is seen as the single most-influential determinant in predicting the outcome of the parliamentary elections, the PO may also benefit from a Polish economic recovery as analysts are predicting. Moreover, the fact that the PiS is unlikely to win a majority on its own and will have trouble finding coalition partners may deter strategic voters from voting for the party.

The major economic challenges ahead for Poland will be keeping the budget deficit under control, attracting foreign direct investment and continuing to reform research and innovation policy. The fact that Poland has proven successful in securing substantial EU funds for 2014 through 2020 will make it easier to address these issues. Another fundamental issue is entry into the euro zone. If the PiS is successful in the upcoming elections and remains a party of euro-skeptics, such issues may become political hot points. The same applies to

one of the more fundamental reforms launched in the review period, an increase in the retirement age. The PiS has announced that once in power, it would reverse the previous government's pension reform efforts – yet it is unclear how the party would instead manage the system's acute financial sustainability concerns.

The coming years in Poland could easily become some of the country's most conflicted. With the approaching elections, the PiS and its numerous associated groups will dig into the government for each and every unpopular measure, and what's more, they are likely to be joined by the now politically radicalized trade unions. This will not only make the adoption of unpopular reforms difficult but also will threaten to increase the country's growing political and social polarization. The fear is that Polish society will essentially break into two camps, as the younger, urban middle class, with its association with the Civic Platform and Palikot's Movement parties, neglects the interests and needs of Poland's older, more conservative population. Of course, to prevent such a divide requires the participation if not a more modified role for the Polish Catholic Church; more liberal voices have sought the clear separation of church and state in society and politics and the rejection of Church influence in public policy. However, recent "vetoes" by the Church over social policy, such as access to in vitro fertilization (IVF) or establishing civil partnerships, shows just how much influence the Church still wields in Polish society.

# Policy Performance

## I. Economic Policies

### Economy

Economic Policy  
Score: 8

With real GDP growth falling from 4.5% in 2011 to less than 2% in 2012, the effects of the euro crisis arrived in Poland in 2012. The Tusk government reacted to the growing nervousness of international financial markets and weakening external demand with a combination of fiscal adjustments and structural reforms. These moves succeeded in maintaining the confidence of the bond markets without pushing the economy into recession through excessive fiscal tightening. At the same time, the government launched massive structural reforms, such as an increase in the retirement age and a far-reaching deregulation of professions. Since then, however, the reform zeal of the government has weakened. Future perspectives are clouded by concerns about the country's medium-term fiscal situation. The Tusk government has also failed to develop a clear strategy toward the introduction of the euro.

### Labor Markets

Labor Market Policy  
Score: 6

Despite Poland's favorable overall economic record, the country's labor market performance has been poor. The unemployment rate rose to about 12% in 2012; youth unemployment is high, and the general employment rate is still one of the lowest in the European Union. In every Polish region, there are islands where one will find areas of low unemployment, surrounded by areas where unemployment is much higher. Under the Tusk government, labor market programs have been expanded, but have failed to turn the tables on unemployment significantly. In spring 2013, a new round of labor market reforms was launched. Labor offices are planned to be reconstructed and new instruments such as temporary state payroll subsidies for troubled firms were introduced.

## Taxes

Tax Policy  
Score: 6

Poland's tax system is characterized by a gradually progressive personal income tax with rates of 18% and 32%, a relatively high standard VAT rate and high social insurance contributions. Compared to other East-Central European countries, the corporate tax burden and the extent of red tape in the taxation of enterprises have been relatively high. Tax reforms during the review period have left the basic structure of the tax system unchanged, aiming largely at increasing revenues. Personal income tax thresholds in 2011 and 2012 remained frozen at their 2009 levels, while disability pension contributions paid by employers was raised from 4.5% to 6.5% of gross wages in 2012, and a new tax on the extraction of certain minerals came into effect in April 2012. The government also increased VAT rates, a move that had already been approved in 2010. In December 2012, the Tusk government complemented these rate changes with a large-scale reform of the VAT administration to go into effect January 2014. A number of changes in invoicing, in the definition of taxable amounts and in tax points are likely to reduce the administrative burden on enterprises and the extent of tax evasion.

## Budgets

Budgetary Policy  
Score: 6

Fiscal adjustment has featured prominently in the initial policy declarations of the second Tusk government. The government has indeed succeeded in reducing the fiscal deficit from 7.9% of GDP in 2010 to 5% of GDP in 2011 and about 4% of GDP in 2012 and 2013. However, deficits in 2012 and 2013 have been higher than expected and have brought the public debt close to national legal debt thresholds. Given slowing economic growth, however, the Tusk government has refrained from further fiscal tightening. The pushing back of the target date for reaching the government's medium-term objective of a structural deficit of 1% of GDP from 2015 to 2016 and the failure to adopt medium-term fiscal rules, which have been under discussion for some time, have raised strong concerns about the sustainability of fiscal policy.

## Research and Innovation

R&I Policy  
Score: 6

The Polish system for research and development (R&D) since 2010 has been majorly restructured. Science reforms as well as higher education reforms in 2010 and 2011 have spurred significant changes, including a move toward more competitive funding, the creation of two R&D agencies for applied and basic research, and efforts to tackle fragmentation through the concentration of

funding on the best-performing institutions. In July 2012, the first six national leading scientific centers (KNOW) were selected. Each of them will receive up to PLN 50 million in additional funding for strengthening their institute's research potential and investing in top talent. However, while Poland's R&D expenditure has grown in recent years, especially with the help of EU funds, it still is low from a comparative perspective. This especially applies to private investment. Low employment in knowledge-intensive industries, the small number of patent applications and the low level of public-private co-publications highlight the weak links and lack of cooperation between science and industry.

Citation:

European Commission 2013: Research and Innovation Performance in Poland. Country Profile. Brussels. ([http://ec.europa.eu/research/innovation-union/pdf/state-of-the-union/2012/countries/poland\\_2013.pdf](http://ec.europa.eu/research/innovation-union/pdf/state-of-the-union/2012/countries/poland_2013.pdf))

### Global Financial System

Stabilizing Global  
Financial Markets  
Score: 6

Poland's financial sector has expanded rapidly yet has remained relatively stable. While the supervision of the financial sector has improved, the bankruptcy of Amber Gold, a lending and investment company, in August 2012 has pointed to remaining weaknesses. The Polish Financial Supervision Authority (Komisja Nadzoru Finansowego, KNF) lacks sufficient powers, independence and resources. As for international initiatives, the Tusk government has not been an agenda setter. While the government supported the idea of a financial transaction tax, it was critical of the larger idea of an EU banking union.

Citation:

IMF, 2013: Republic of Poland: Financial System Stability Assessment. IMF Country Report No. 13/221, Washington, D.C.

## II. Social Policies

### Education

Education Policy  
Score: 6

The first Tusk government launched a number of education reforms which have gradually become effective. The main aim of reforms was to reduce the system's lack of synchronization with the labor markets. Reforms have included a greater emphasis in the curriculum on mathematics, science and technology, a strengthening of vocational education, attempts to attract more students to economically relevant areas, measures to achieve more quality in research and teaching at universities and the adoption of a national strategy for lifelong learning. While funding for higher education has been expanded, funding for general education has declined. Demographic changes have been associated with the rising teacher-student ratio, but also with a number of controversial school closures. In September 2011, pre-school education for five-year-olds became compulsory. However, the lowering of the compulsory school age from 7 to 6 years was postponed from 2011 to 2014.

### Social Inclusion

Social Inclusion  
Policy  
Score: 7

Social inequalities have decreased since the early 2000s. This has partly been due to the country's strong economic growth, which slowed in 2011. In addition, the Tusk government has been successful in mitigating regional disparities through successful regional development policies, in improving the financial situation of families, especially those suffering from poverty, and in increasing educational attainment and in reducing unemployment. However, labor market participation has remained low, and unemployment has risen in the period under review.

### Health

Health Policy  
Score: 5

Public health insurance covers some 98% of Polish citizens and legal residents in Poland. However, access to health care is highly uneven, as public health insurance covers only a limited range of services and as out-of-pocket payments feature prominently in the system at large. Moreover, the poor quality of some services falls far under citizens' expectations, and for some services, patients must wait for an unreasonable duration. As a result, a 2012



survey found that only 11% of respondents had a positive opinion about the work of the country's National Health Insurance Fund (Narodowy Fundusz Zdrowia, NFZ). The reforms by the Tusk government have largely focused on the corporatization of hospitals. As this has not resulted in an improvement of working conditions or in an improved quality of health care, the reforms have been widely criticized. In October 2012, the Health Minister Bartosz Arłukowicz announced a new round of reforms, with a focus on decentralizing decisions made by the NFZ.

### Families

Family Policy  
Score: 7

Poland's female employment ratio falls below the average for the OECD and the EU average, and its child care infrastructure is weak. However, the Tusk government has emphasized improving the labor market integration of women and fostering a more balanced division of labor among the sexes. In his State of the Nation address at the start of his second term, Prime Minister Tusk announced the introduction of a package of five pro-family reforms, including an extension of parental leave from three months up to one year, increased public spending for the construction and maintenance of crèches, and a cap on kindergarten fees.

### Pensions

Pension Policy  
Score: 7

Pension policy featured prominently in Prime Minister Tusk's 2011 State of the Nation address. Despite massive protests, the government in May adopted a gradual increase in the retirement age from 65 years to 67 years until 2020 for men and from 60 years to 67 years until 2040 for women. In 2013, the retirement age will start to increase, by three months per year. In contrast, the government only partly succeeded in limiting pension privileges of the military and of judges, and postponed the announced reforms of the social insurance system for farmers (Kasa Rolniczego Ubezpieczenia Społecznego, KRUS). The increase in the retirement age has made the Polish pension system more sustainable. After the temporary redirection of 5% of an individual's gross salary from the mandatory but private second pension pillar to the first pillar that went into effect in May 2011, the debate over the future of the second pillar still looms. Statements by various government officials, most notably Finance Minister Jacek Rostowski, have increased uncertainty over the pension scheme and over old age income.

## Integration

Integration Policy  
Score: 5

Migration to Poland has increased, but is still relatively low. Unlike issues over migration from Poland, Poland as a receiving country has not featured very prominently on the political agenda. According to Eurostat, foreign citizens accounted for only 0.1% of the Polish population in 2011, the lowest rate in the entire European Union. Ukrainians and Vietnamese make up the largest group of migrants to Poland. In 2012, the Tusk government adopted a new law on migration and integration as well as a reform of Polish citizenship law. Pushed by EU law and favored by the demographic change in Poland, the reforms have made it easier to acquire Polish citizenship and have brought some benefits to foreigners living in Poland. However, Poland has not yet signed the U.N. Convention on Migrant Workers' Rights, and the institutional framework for dealing with immigrants is still very weak.

## Safe Living

Safe Living  
Conditions  
Score: 8

The number of homicides and thefts again has continued to fall during the review period, and the feeling of safety among citizens has dramatically grown. According to data from the Central Statistical Office (Główny Urząd Statystyczny, GUS), from 2000 to 2011 the number of crimes confirmed by police fell from 89,533 to 47,673 and the total number of crimes per 10,000 inhabitants fell from 554 to 338. During the same period, the percentage of crimes solved by police increased from 22.3% to 48%. As a result, the level of perceived security has grown. During the period, only 10% of respondents said they were afraid of crime, compared with 25% in 2004. However, confidence in the police force has fallen slightly from 2010 to 2012.

## Global Inequalities

Global Social Policy  
Score: 6

The Tusk government, similar to its predecessors, has not been active in tackling global social inequalities. However, the new Act on Development Cooperation, approved by parliament in September 2011 after six years of debate, has put development cooperation and foreign aid programs on a new footing and has paved the way for Poland to become the 28th member of the OECD Development Assistance Committee (DAC) in October 2013. Since EU accession, official development assistance has doubled. In 2012, Poland was one of the few donor countries to expand spending amid a time of fiscal austerity. However, critics still point to the country's lack of a clear and coherent strategy for global social policy.

### III. Enviromental Policies

#### Environment

Environmental  
Policy  
Score: 6

Poland has enshrined the principle of sustainable development in Article 5 of its constitution and has broadly adopted EU environmental standards. However, there is a broad political consensus in the country that economic growth should enjoy priority over the protection of the environment. Governments have been especially keen on protecting the domestic coal industry, which is a large employer and reduces the country's dependence on Russian energy. With the coal industry in mind, the Tusk government has tried to obstruct any attempts by the European Union to tighten targets for the reduction of carbon emissions. Poland has also been fined by the European Commission for failing to implement the renewable energy directive by treating timber as a renewable energy. Further controversies have been raised by the government's emphasis on, and its liberal approach toward, the exploration and production of shale gas and its plan to build a nuclear power station.

#### Global Environmental Protection

Global  
Environmental  
Policy  
Score: 4

Poland has largely implemented EU environmental standards, but has been one of the main critics of EU climate policy and its emission trading system. At the EU environmental council in March 2012, Poland was the only member state to vote against the EU roadmap for moving to a competitive low-carbon economy in 2050. Regardless of political affiliation, large parts of the Polish political elite have feared that ambitious international or European climate protection regimes will reduce Poland's energy independence and put too heavy a burden on the Polish economy.

## Quality of Democracy

### Electoral Processes

Candidacy  
Procedures  
Score: 10

Regulations over the electoral process were consolidated within the Election Code in January 2011. Provisions on the registration of parties and candidates ensure a fair registration procedure. Parties representing ethnic minorities are given favorable treatment, as they are allowed to collect fewer signatures than required of “normal” parties to take part in elections. The Election Code also introduced a gender quota of at least 35% (of either sex) in the candidate lists for the Sejm (Śledzińska-Simon and Bodnar 2013). In the October 2011 parliamentary elections, there were 11 different candidate lists, seven of them nationwide. As the new gender quota did not include any particular placement mechanism, the share of female members of parliament increased only modestly as compared to the 2007 elections.

The Organization for Security and Co-operation in Europe (OSCE) and other observers criticized the fact that independent candidates may not run alone in parliamentary elections, and that the deadlines for submitting and verifying signatures are ambiguous (OSCE/ ODIHR 2011). In a much-publicized case, the Congress of the New Right party was refused nationwide registration as the various constituency election commissions in charge of verifying registration interpreted the relevant deadlines differently.

Citation:

OSCE/ ODIHR, 2011: Election Assessment Mission Report: Poland, Parliamentary Elections, 9 October, 2011 (<http://www.osce.org/odihr/elections/87024>).

Śledzińska-Simon, Anna Bodnar, Adam, 2013: Gender Equality from Beneath: Electoral Gender Quotas in Poland, in: Canadian Journal of Law and Society 28(2): 151-168.

Media Access  
Score: 9

Both parties and candidates have equal access to public and private media. At least for nationwide candidate lists, the Election Code requires public TV and radio stations to reserve time for the free broadcasting of campaign materials and for televised candidate debates. Although the government still holds some influence with the media oversight body National Council on Radio and Television (KRRiT), the partisan bias of public media has become substantially weaker than previously. Moreover, the pluralistic nature and quality of private

Voting and  
Registrations Rights  
Score: 10

media in Poland allows all parties and candidates the chance to get their message out to the public. In the run-up to the parliamentary elections in October 2011, the opposition parties criticized the government's plans to restrict electoral campaigning by banning large-format election posters and paid TV and radio ads. However, such controversial provisions were declared unconstitutional by the Constitutional Court in July 2011 and were not made law.

The 2011 Election Code made voting rights more transparent by consolidating provisions for different election levels into one law. In Poland almost all adult citizens have the right to vote. While there is no blanket disenfranchisement of individuals declared incapacitated or of convicts, existing provisions are not fully in line with the rulings of the European Courts of Human Rights (OSCE/ODIHR 2011). As Polish citizens are automatically registered to vote, there is no need for prior registration before elections.

As part of the 2011 parliamentary elections absentee voting was introduced, thus making participation easier for the increasing number of citizens traveling or living abroad. In the 2011 parliamentary elections, however, very few people voted by mail. The rights of the disabled or of elderly (over 75 years old) to vote by way of a plenipotentiary, first introduced during the 2010 presidential and municipal elections, was criticized for putting voter secrecy and equality at risk, even though no abuse has been reported. In a further attempt at facilitating the participation of the disabled in elections, visually impaired voters were given the option of casting their ballot through Braille templates at a polling station as of the 2011 parliamentary elections.

Citation:

OSCE/ ODIHR, 2011: Election Assessment Mission Report: Poland, Parliamentary Elections, 9 October, 2011 (<http://www.osce.org/odihr/elections/87024>).

Party Financing  
Score: 8

The regulation of party and campaign financing is clear and effective. While party financing is governed by the 2001 Political Parties Act, the rules on campaign financing are part of the new 2011 Election Code. Parties depend heavily on public funds, limited to parties that win at least 3% of the vote. Party spending is monitored by the National Election Office, the executive body of the National Election Commission, which consists of nine active or retired judges appointed by the president. Monitoring is strict, but limited to spending financed by public funds. According to the Election Code, only registered electoral committees can finance campaigns, and there is a maximum spending limit for campaign purposes of approximately €7 million. In practice, the separation of party and campaign financing has turned out to be challenging.

Popular Decision-  
Making  
Score: 7

Polish law provides for various forms of direct democracy. On the local and regional level, a referendum is called when it is supported by 10% of the electorate. On the national level, referendums can be called only by the lower house of parliament, the Sejm, or the president. However, popular initiatives are also possible. A total of 100,000 voters can collectively submit a draft bill, upon which the Sejm has to decide. In every parliamentary term, there are about 60 to 80 referendums, most of them at the local level. The bulk of referendums often fail as they do not meet the 30% voter turnout requirement. In March 2013, the government gave in to pressure from the parliamentary opposition and announced that it would call a referendum before the introduction of the euro. The future of direct democracy in Poland however is highly controversial, and some political actors have demanded more direct participation. In March 2013, for example, the Platform of the Outraged (Platforma Oburzonych), an association of some 100 organizations established by the trade union NSZZ Solidarnosc, asked for more direct democracy and for reducing voter turnout requirements. In contrast, President Komorowski and others have argued in favor of raising the turnout requirements for local referendums.

### Access to Information

Media Freedom  
Score: 8

The Polish government largely respects media freedoms. Even after a reform push in 2010, however, the public media oversight organization, the National Council on Radio and Television, has remained a politicized body. One example of this comes from the organization's refusal in January 2012 to grant a concession to TV Trwam, an ultraconservative station linked to the biggest opposition party. Media freedom also suffers from a number of controversial provisions in the Penal Code concerning defamation or the offence of religious beliefs; these provisions have been used in some cases for taking legal action against journalists.

Media Pluralism  
Score: 9

The media market in Poland is one of the largest in Europe, offering a diverse mix of public and private media and reflecting a broad spectrum of political opinions. While public TV station TVP and its four channels claim a large share of the market, most Polish print media and radio in general are privately owned. Despite a tendency toward concentration in the market in recent years, media ownership remains diversified. German companies, in addition to other foreign owners, control about 80% of the Polish media market. The only major domestic competitor is Agora SA with an 18.3% share of the market. Compared to other countries in East-Central Europe, Poland's media ownership structures are relatively transparent, and there are no "media moguls" in the market who use ownership to further a political agenda.

Access to  
Government  
Information  
Score: 8

The Law on Access to Public Information provides for far-reaching access to official information. In response to an EU directive, an amendment in September 2011 has facilitated the re-use of government information by citizens and has called on public institutions to provide resources enabling citizens to access information. At the same time, however, the amendment also included a number of last-minute changes introduced by Senator Marek Rocki. Restricting the disclosure of documents used by public bodies in the preparation of commercialization or privatization measures, court proceedings and international negotiations, they raised the ire of nongovernmental organizations and human rights groups. The public outcry led President Komorowski to submit the controversial provisions to the Constitutional Tribunal, which declared the so-called “Rocki amendment” unconstitutional in April 2012.

The problems with actually enforcing access to public information became evident in September 2012, when the Central Anti-Corruption Bureau (CBA), after several rounds of legal skirmishes, eventually complied with a 2009 request from the Polish branch of the Helsinki Foundation for Human Rights (HFHR) for access to statistics on surveillance activities.

### Civil Rights and Political Liberties

Civil Rights  
Score: 8

State institutions largely respect and protect civil rights, yet inefficiencies in the Polish court system, including lengthy court proceedings, have stymied efforts to adequately uphold civil rights. The European Court of Human Rights has criticized the Polish government several times for unduly lengthy court proceedings and excessive periods of pre-trial custody. In the aftermath of the 2012 UEFA European Championship, foreign building companies have complained about state institutions’ poor payment ethics.

Political Liberties  
Score: 9

In Poland, political liberties are largely protected. However, controversial amendments to the Law on Public Assembly in 2012 have made it more difficult for citizens to organize demonstrations, and almost impossible to organize two demonstrations in the same place at the same time. Moreover, the amendments complicate spontaneous gatherings by extending the minimum time that must lapse between the registering of a demonstration and the event itself. In a number of cases municipalities have banned controversial demonstrations by invoking concerns over “public safety.” The police were widely criticized for the handling of a large, left-wing demonstration in Warsaw in November 2011. President Komorowski’s legal action against blogger Robert Frycz, who runs an anti-Komorowski website, has raised concerns about the president’s respect for freedom of opinion.

Non-discrimination  
Score: 8

A comprehensive Anti-Discrimination Act in line with EU directives has been in effect only since the beginning of 2011. The implementation of the Act on Equal Treatment largely rests with the Commissioner for Citizens' Rights (Rzecznik Praw Obywatelskich) originally established in 1987. Its effectiveness of the office has suffered as while it has assumed more responsibilities, the expansion has not included a corresponding increase in resources. Other measures against discrimination have engendered controversy. Despite Prime Minister Tusk's promise to establish gender quotas in supervisory boards in October 2012, none have been introduced at the time of writing. Fierce debate preceded the eventual signing of the Council of Europe's convention to reduce domestic violence, as well as over the legal status of same-sex partnerships. Three government draft bills on civil partnerships were brought before parliament but were rejected in January 2013.

### Rule of Law

Legal Certainty  
Score: 9

Legal certainty in Poland is high. Both the government and its administration act predictably and in accordance with the law. Since the 2010 presidential elections, disagreements between the government and the president, which had reduced legal certainty in the past, have been rare. However, complex and contradictory regulations sometimes limit the predictability of administrative behavior.

Judicial Review  
Score: 9

Judicial review has further improved during the review period. The Constitutional Tribunal enjoys a good reputation among citizens, and some 80% of respondents in a survey consider its work as positive. This stands in clear contrast to the lower courts, which are widely considered to work ineffectively. After the 2011 parliamentary elections, the newly appointed Justice Minister Jarosław Gowin launched a number of reforms aimed at increasing the effectiveness of courts. In 2011 court procedures were simplified, and then some 79 small regional courts were merged with larger courts, in an effort to distribute justices' workload more evenly. Finally, the criminal procedure code was reformed with the Anglo-Saxon model in mind, largely in order to expedite court procedures.

Appointment of  
Justices  
Score: 7

Provisions for the appointment of justices have not changed in the review period. The justices of the Supreme Court and the Constitutional Tribunal are chosen on the basis of different rules. In the case of the Supreme Court, the ultimate decision is made by the National Council of the Judiciary, a constitutional body consisting of representatives of all three branches of power. The 15 justices of the Constitutional Tribunal are by contrast elected individually by the Sejm for terms of nine years by an absolute majority of votes in the presence of at least one-half of all members. The president of the



Corruption  
Prevention  
Score: 7

republic, then, selects the president and the vice-president of the court out of the 15 justices and on the basis of proposals made by the justices themselves. In the period under review, two new justices were appointed to the Constitutional Tribunal. Unlike in the case of past appointments, the professional qualifications of the two new justices were uncontroversial.

After the 2011 elections, the institutional framework for combating corruption was again changed. The office of the plenipotentiary for the fight against corruption was abolished and the tasks of the Central Anti-Corruption Bureau (CBA) were expanded. Integrity mechanisms have functioned relatively well. While some corruption cases have surfaced, involving, among others, the son of Prime Minister Tusk and the president of the Polish Soccer Association, corruption at the top has been limited. At the same time, however, the flow of significant EU funds has created new opportunities for corruption at the subnational level.

# Governance

## I. Executive Capacity

### Strategic Capacity

Strategic Planning  
Score: 7

Since the inauguration of the first Tusk government, Poland has ambitiously attempted to improving its strategic planning, favored through EU demands and partly motivated by an aim of improving the absorption and use of EU funds. The planning capacities of the Chancellery of the Prime Minister (Kancelaria Prezesa Rady Ministrów, KPRM) have been expanded and the hitherto existing number of uncoordinated sectoral plans have been replaced with a more systematic approach in which a long-term strategy developed by the Chancellery (Poland 2030: The Third Wave of Modernity) sets the frame for a limited number of different medium-term strategies. However, the implementation of the new system has progressed slowly, partly because of unclear responsibilities and a lack of leadership.

Citation:  
OECD, 2013: Public Governance Review Poland: Implementing Strategic-State Capacity. Paris, Chap. 2.

Scholarly Advice  
Score: 7

The Tusk government has strongly relied on scholarly advice. A broad range of experts from various academic institutions and nongovernmental organizations have been consulted. The Economic Council, set up in March 2010 and composed of scientists and practitioners alike, has become an important source of advice over economic policy. Jan Krzysztof Bielecki, the council chairman, has strongly shaped the economic portion of Prime Minister Tusk's first government declaration after the 2011 elections as well as the government's investment program announced in late 2012. Compared to the first Tusk government, the setting up of expert commissions has featured less

prominently. The consultation of experts has suffered from a lack of transparency, and in some cases experts have primarily acted as lobbyists.

### Interministerial Coordination

GO Expertise  
Score: 9

The Tusk government has continued strengthening the policy expertise of the Chancellery of the Prime Minister. The Chancellery's Council of Ministers Committee Department monitors the government's legislative work and issues opinions on documents to be submitted to the Council of Ministers.

GO Gatekeeping  
Score: 8

The gatekeeping role of Prime Minister Tusk and his Chancellery has been strong. The prime minister is formally allowed to return items on policy grounds and has also enjoyed a strong informal authority. All draft bills are reviewed by the Chancellery's Council of Ministers Committee Department before their presentation in Council of Ministers.

Line Ministries  
Score: 8

The formal and actual involvement of Prime Minister Tusk's Chancellery in the preparation of policy proposals by the line ministries has become stronger. While conflicts have occurred, the cooperation has been smoother during the period than in the past.

Cabinet Committees  
Score: 4

Under the Tusk government, the number of cabinet committees has been limited. The two most important cabinet committees are the Development Policy Coordination Committee and the Committee on European Affairs. Whereas the former is in charge of coordinating the country's development strategy, the latter is responsible for EU coordination. In both cases, however, coordination has largely been accomplished by top civil servants rather than by the ministers themselves.

Ministerial  
Bureaucracy  
Score: 6

Senior ministry officials play a substantial role in interministerial coordination. All meetings of the Council of Ministers, the Polish cabinet, are prepared by the Council of Ministers' Permanent Committee which comprises deputy ministers from the ministries. The Committee for European Affairs, in charge of EU coordination, has also relied strongly on coordination by top civil servants. In contrast, bureaucratic coordination at lower levels of the hierarchy is limited. The legal requirements for consulting other ministries at the preparatory stage of legislation are weak, and there is still a strong culture of departmentalism.

Informal  
Coordination  
Score: 7

While the formal mechanisms of interministerial coordination have been strengthened under the Tusk government, informal coordination mechanisms have continued to play an important role. As one example, meetings of the government coalition partners have been used for solving conflicts between Civic Platform- and Polish People's Party-led ministries. For another, many ministers have been active and high-ranking party members, so that part of

interministerial coordination has taken place within the Civic Platform (PO) and Polish People's Party (PSL) leaderships.

### Evidence-based Instruments

RIA Application  
Score: 8

Since 2001 the completion of regulatory impact assessments (RIAs) has been mandatory for all government bills and regulations. Comprehensive RIA guidelines were first introduced in 2006 and updated by the Regulatory Reform Unit of the Ministry of Economics in 2009. At the end of 2011, traditional RIAs were complemented by a new "regulatory test," a short document consisting of 18 items and questions. Whereas a RIA is usually implemented after a decision has already been made to proceed with regulations, the regulatory test is supposed to take place at an earlier stage of decision-making. Unlike a RIA, however, the regulatory test is not obligatory. Despite various attempts at strengthening the process of RIAs, in practice many assessments do not comply with guidelines and lack the critical information necessary for making informed decisions.

Citation:

OECD, 2013: Public Governance Report Poland: Implementing Strategic-State Capacity. Paris, Chap. 3.

Quality of RIA  
Process  
Score: 8

Stakeholders are often involved in regulatory impact assessments (RIAs), and the results of assessments are published on ministry websites as well as on the website of the Government Legislative Center (Rządowe Centrum Legislacji). The responsibility for checking the quality of individual RIAs does not rest with an independent body but with a special RIA unit in the Chancellery of the Prime Minister. This unit was strengthened after the 2011 elections through an increase in staff and by being moved to the Chancellery's Department of Strategic Analysis.

Sustainability  
Check  
Score: 7

Article 5 of the Polish constitution provides for the principle of sustainable development, according to which the state ensures the protection of the environment, guided by the principle of sustainable development. The first national sustainability strategy was adopted in 2000. While the government has increasingly paid mention to sustainability issues in policy documents, sustainability checks are not an integral part of regulatory impact assessments. Assessments cover a broad range of issues, yet tend to treat environmental issues as less relevant than economic issues. There is also no systematic distinction among impacts measured in the short-, medium- and long-term.

### Societal Consultation

Negotiating Public  
Support  
Score: 7

The Polish government is obliged by law to consult all parties affected by proposed legislation. It should discuss all major reform projects with major interest groups in advance and has introduced the possibility of online consultations with ministries as well as the option to follow a bill through its lawmaking stages also online. In practice, however, the consultation of societal actors by the government is often formalistic. Because of obstruction by trade unions, the Tripartite Commission, one of the most institutionalized forms of consultation in the Polish government, has not been successful.

### Policy Communication

Coherent  
Communication  
Score: 7

Ministry communication is coordinated by the Government Information Center, a department of the Chancellery of the Prime Minister. However, ministers have occasionally voiced different positions apart from the government, for instance on same-sex marriages or on pension reform. Moreover, the Government Information Center has failed to inform the citizens regularly or comprehensively about government activities. For some observers, this failure represents a major cause of the recent decline in popular support for Prime Minister Tusk and his Civic Platform party, as well as a decline in trust in government overall.

### Implementation

Government  
Efficiency  
Score: 8

The second Tusk government started with an ambitious reform program and has succeed in implementing major and politically difficult reform projects, such as an increase in the retirement age, a reduction to the fiscal deficit and the deregulation of professions. Tusk has also largely implemented the reforms to higher education that were initiated during his government's first term. Tusk has been also largely successful in closing ranks within his cabinet and has managed to garner the support of parties outside the governing coalition, such as the Democratic Left Alliance (SLD) on the left and Poland Comes First (PJN) on the right, in the case of uncertain majorities. The two main goals the government has however failed to meet are to secure a lasting fiscal consolidation and a reduction in unemployment numbers.

Ministerial  
Compliance  
Score: 7

Prime Minister Tusk and his Chancellery have enjoyed a relatively strong position within the Council of Ministers and have largely succeeded in committing line ministers to the implementation of the government's program. However, ministers have still enjoyed some autonomy. This particularly

applies to ministers who were nominated by the junior coalition partner Polish People's Party (PSL) and who have been able to capitalize on their position of power. Justice Minister Jarosław Gowin openly challenged Tusk's leadership and provoked a major conflict within the government and the Civic Platform party in 2013. Gowin however was dismissed from the Council of Ministers in May 2013.

Monitoring  
Ministries  
Score: 7

Ministries are obliged to inform the Chancellery of the Prime Minister of legislative progress on a regular basis. Even though ministries have been keen on maintaining their autonomy and monitoring has remained largely formal, the prime minister and the Chancellery have largely controlled policy implementation.

Monitoring  
Agencies,  
Bureaucracies  
Score: 8

There is a large number of executive agencies in Poland. Agencies report to ministries, and ministries have special units responsible for monitoring the activities of agencies and auditing their finances. The effectiveness of monitoring has improved over time.

Task Funding  
Score: 7

Since 1999 Poland has supported three tiers of subnational governments: municipalities, districts and regions. A number of reforms, most notably health care and education reforms enacted in 1999, increased the responsibilities of subnational governments without providing the necessary resources. The Tusk government during the review period has attempted to tackle these problems. Reforms addressing regional development planning and policy have resulted in the higher absorption of EU funds, and this has helped subnational governments to better perform their duties. In 2012, the Sejm began work on changes to the Law on Local Government. The planned amendments aim at strengthening lower-level administrative bodies and include a projected increase in local government's share in personal income tax revenues.

Constitutional  
Discretion  
Score: 7

The process of government decentralization which started in 1998 has been broadly accepted. The Tusk government has largely refrained from intervening in the affairs of subnational governments. However, there have been some conflicts over health care and education reforms. Most notably, some subnational governments have criticized the government for its insistence over the privatization of hospitals.

National Standards  
Score: 8

The central government has set national standards to guarantee a minimum quality of public services. In the regions, the centrally appointed head of regional administration is responsible for ensuring that national policies are implemented, and that state institutions operating in the region perform their functions properly. For a number of reasons, municipalities and regions have increasingly met existing standards. They have done this as one, their fiscal situation has improved; and two, staff has become more professional. What's more, cooperation between the two subnational levels of government has

increased. However, public spending at the local level is not fully transparent. Inspections in 2011 revealed a declining, yet still relatively high number (15,800) of legal and administrative transgressions.

### **Adaptability**

Domestic  
Adaptability  
Score: 7

Government structures in Poland have been gradually adapted to international and supranational developments, most notably NATO and EU membership. Poland's successful EU presidency in the second half of 2011, its influence in EU budget negotiations, and its positive standing in the European Union overall show that adaptation has been successful, as does the increasing and relatively high absorption of EU funds.

International  
Coordination  
Score: 8

Poland has taken an active role in international policy coordination, most notably in the European Union. As its successful EU presidency and its impact on EU policies toward its Eastern neighbors show, Poland has sufficient capacity to act on the international scene. While its capacities have been increased by a growing cooperation with Germany, they have on the other hand also suffered since Poland still does not belong to the euro zone.

### **Organizational Reform**

Self-monitoring  
Score: 6

As part of its reform attempts, the Tusk government monitors the institutional arrangements of governing regularly.

Institutional Reform  
Score: 7

The second Tusk government has built on the institutional reforms of the first. It has continued improvements in strategic planning, has further strengthened the position of the prime minister in government, has expanded regulatory impact assessments and has helped to improve the fiscal situation of subnational governments. By doing so, it has improved its strategic capacity.

## **II. Executive Accountability**

### **Citizens' Participatory Competence**

Policy Knowledge  
Score: 5

Despite recent attempts to improve access to government information, on average a Polish citizen's knowledge of government policy remains limited. Reasons include a tendency toward infotainment in many media outlets, the

populist propaganda of oppositional parties as well as citizens' general detachment from politics. Moreover, political parties, trade unions and most other professional associations do not properly perform their socialization function, and fail to improve the policy knowledge of their members.

### Legislative Actors' Resources

Parliamentary  
Resources  
Score: 9

The Chancellery of the Sejm provides sufficient resources to members of parliament (MPs) for the effective monitoring of government activities. MPs have permanent support staff and can draw on the Sejm's library and the expertise of the Sejm's Bureau of Research (BAS). The BAS covers not only legal issues but publishes a newsletter, discussion papers and a peer-reviewed quarterly Law Review (*Zeszyty Prawnicze BAS*). Many of its expert reports are of high quality and are used outside parliament.

Obtaining  
Documents  
Score: 10

Parliamentary committees have both de jure and de facto full access to government documents. MPs may demand information from government officials, either written or verbal, at the sitting of the Sejm plenary or at a committee meeting.

Summoning  
Ministers  
Score: 10

Ministers and heads of the supreme organs of state administration (or their representatives) are obliged to take part in committee meetings whenever issues are discussed that fall within their domain. No restrictions are observed in practice. A group of 15 MPs or a parliamentary group has the right to ask for up-to-date information from a member of the government. The Sejm then issues opinions, desiderata and suggestions on this report, comments which are not legally binding but in a worst case scenario, may lead to a vote of no confidence against a minister and possibly his or her dismissal.

Summoning Experts  
Score: 10

Parliamentary committees have the right to invite experts to give statements on hearings on particular issues or to take part in normal committee proceedings. The invitation of experts, ranging from academic scholars to representatives of lobbying groups and nongovernmental organizations, is common practice, and their input is invaluable. Compared to the past, experts now take their role more seriously and do not primarily feature as lobbyists.

Task Area  
Congruence  
Score: 9

The number of committees exceeds the number of ministries. However, some committees deal exclusively with internal parliamentary issues, such as the Deputies' Ethics Committee, and most ministries, including the more important ones, have one matching committee, a so-called branch committee. The distribution of subject areas among committees does not infringe upon parliament's ability to monitor ministries.

Audit Office  
Score: 10

Poland's auditing office, the Supreme Audit Office (*Naczelna Izba Kontroli, NIK*), is an efficient and effective institution accountable exclusively to the



Ombuds Office  
Score: 10

Sejm and whose independence is respected. The NIK chairperson is elected by the Sejm for six years, so that his or her term does not coincide with the term of the Sejm. The Senate has to approve the Sejm's decision. The Supreme Audit Office has wide-ranging competencies and is entitled to audit all state institutions, government and local government administrative units, together with corporate bodies and nongovernmental organizations that pursue public contracts or receive government grants or guarantees. The NIK can initiate monitoring proceedings itself or do so at the request of the Sejm, its bodies or representatives (e.g., the speaker of the Sejm, the president or the prime minister). Its activities also include auditing the state budget.

The Polish ombuds office, the Commissioner for Citizens' Rights, is an independent state organ and is accountable exclusively to the Sejm. It has substantial investigative powers, including the right to view relevant files or to contact the prosecutor general. Because of its strong engagement for citizens' rights ever since its creation in 1987, the ombuds office has traditionally held a good reputation. This reputation suffered however as a consequence of the controversial views on issues such as homosexuality and the death penalty held by Janusz Kochanowski, the commissioner elected in January 2006 but who died in the Smolensk air crash in 2010. Kochanowski's successor, lawyer and former Sejm member Irena Lipowicz, has managed to restore the office's good reputation. She has paid special attention to the rights of the disabled and the elderly. However, the effectiveness of the ombuds office has suffered as while it has been assigned new tasks in the field of anti-discrimination policy, it is lacking equivalent funds to perform the new tasks properly.

### Media

Media Reporting  
Score: 7

Government decisions are widely covered by the country's main TV and radio stations. TV and radio journalists often refer to, and make use of, in-depth information provided in print media. Despite a tendency toward infotainment, the quality of both public programs and the two major private TV companies, POLSAT and TVN, has increased. Rzeczpospolita, the second largest daily paper in Poland, has benefited from a change in ownership and editorial staff and has become less politically partisan. However, public trust in the objectivity of the media is still relatively low. According to a European Trust Brands 2012 study, over 60% of Polish citizens do not believe the information they receive from traditional media.

## Parties and Interest Associations

Intra-party  
Democracy  
Score: 7

For a decade political parties have worked under legislation which strictly defines the role of a political party and how parties are financed. Since most funding is public, the government strongly stipulates that parties themselves are governed by democratic principles. The reality however is mixed, with some parties meeting democratic standards while others falls short. Charismatic party leaders such as Janusz Palikot of Palikot's Movement hold strong positions within their party, as does Jarosław Kaczyński, president of the conservative Law and Justice (PiS) party since 2003. By contrast, the Civic Platform (PO) has often experienced intra-party controversies. In 2012 and 2013, a conservative faction around Justice Minister Jarosław Gowin increasingly challenged Prime Minister Tusk, also party leader – a clash that led to Gowin's dismissal in May 2013 and later culminated in an intra-party election by direct vote in August 2013. With the Polish People's Party (PSL), its long-time leader Władimir Pawak was unexpectedly voted out of office at a party convention in November 2012.

Association  
Competence  
(Business)  
Score: 6

Poland has a relatively developed sector of interest associations. Business associations and trade unions have become more professional over time. However, the unions have largely taken an obstructive approach toward government reforms, most notably in the case of pension reform. In contrast, the leading business associations, such as Lewiatan (PKPP) or the Business Center Club (BCC), have the expertise and the resources for research and formulate elaborate reform proposals.

Association  
Competence  
(Others)  
Score: 6

Poland has several interest associations other than business associations and trade unions. Compared to other countries, relatively few environmental groups exist. Most nongovernmental organizations are relatively small, and there are only a few interest associations that focus on, and are capable of, developing full-blown policy proposals. The Catholic Church, still the most-influential interest group in Poland, pursues relatively narrow interests and is largely preoccupied with stabilizing its influence within an increasingly secular society.

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