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REGIONAL AND NATIONAL OPERATIONAL PROGRAMS AS AN IMPORTANT SOURCE OF FUNDING FOR TRANSPORT POLICY IN POLAND IN 2004-2006 AND 2007-2013. ANALYSIS OF COMPLETED PROJECTS AND PROJECTS IN PROGRESS

Abstract: The following article summarizes the investments made in the area of transport policy in Poland over the past 15 years. Within such a typology 3679 projects implemented in 2004-2006 and 2007-2013 have been analyzed. Time periods were adopted according to the duration terms of the last two financial perspectives. In 2004-2006, 738 projects were completed with a total value of approx. 28.5 billion PLN, of which the amount of funding from the EU amounted to approx. 18 billion PLN. In 2007-2013 2945 projects were contracted for the implementation, of which 2549 that were due to September 2015 have already been completed. 396 projects are still in the implementation phase. In September 2015 the activities contracted for the transport policy were estimated at approx. 241.48 billion PLN value of total investment, including 136.86 billion from grants from the European Union. The total value of all the 3679 projects is approx. 270 billion PLN, of which the value of subsidies from the EU represents approx. 155 billion PLN, the value of subsidies from the state budget is approx. 27 billion PLN, and beneficiaries own contribution is approx. 88 billion PLN.

Keywords: transport policy, EU subsidies for Poland, financial perspective, projects, own contribution

INTRODUCTION

For Poland, the participation in the EU structures opened the way to the EU budget, so the state and the people can benefit from the Structural Funds (the European Regional Development Fund - ERDF and the European Social Fund - ESF) and the Cohesion Fund. They have become the main source of funding for regional and national operational programmes, within which a wide range of transport policy investments is being implemented.

The purpose of this article is to summarize the range of these investments, their number and value of projects and total funding received for their implementation from the European Union [Sikora-Gaca, Kosowska, 2014]. Within such a typology we have analyzed 3679 projects implemented between 2004-2006 and 2007-2013. The time periods were adopted referring to the duration terms of the last two financial perspectives.

Projects were not qualified according to their types, so the object of this study has been focused both on the projects carried out on an individual basis or competition, as well as system projects. Data were obtained from a nationwide map of subsidies [MIiR 2015] maintained by the Ministry of Infrastructure and Development. The article presents the state of implementation of investments within the transport policy from 2004 till September 2015. Comparative analysis has been used as the test method.

TRANSPORT POLICY IN THE FINANCIAL PERSPECTIVE OF 2004 – 2006

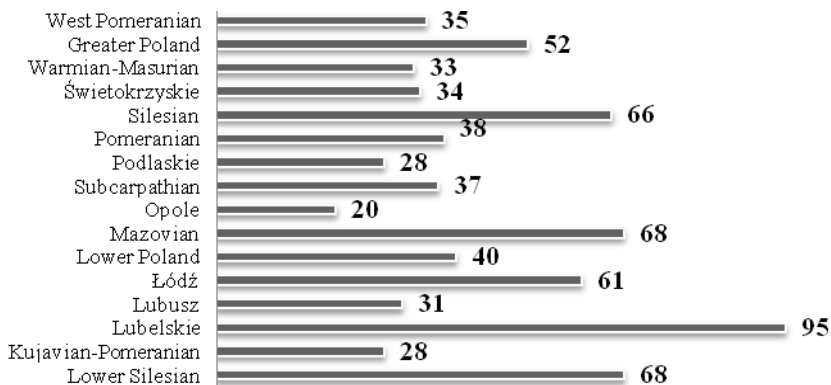
In the years 2004-2006, Poland received 8.6 billion EUR grants from the Structural Funds and 4.2 billion from the Cohesion Fund. At that time the first operational programs were also launched: 1) Sectoral Operational Programme “Increase of Competitiveness of Enterprises” (1.25 billion euros), 2) Sectoral Operational Programme “Human Resources Development” (1.47 billion euros),

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3) Sectoral Operational Programme for “Restructuring and Modernisation of the Food Sector and Rural Development” (1.19 billion euros), 4) Sectoral Operational Programme “Fisheries and Fish Processing” (0.2 billion euros), 5) Sectoral Operational Programme on Transport (1.16 billion euros), 6) Integrated Operational Programme (2.53 billion euros from the ERDF and 0.43 billion from the ESF), 7) Operational Programme on Technical Assistance (0.28 billion euros) [MRR 2011]. The INTERREG III and EQUAL initiatives established separate funding. In 2004-2006 in Poland, nearly 90.000 projects [Sikora-Gaca, Kosowska, 2014] in various fields were submitted, of which approx. 30% were qualified for implementation.

In the area of transport policy in 2004-2006 we implemented 738 projects with a total value of approx. 28.5 billion PLN, of which the amount of funding from the EU amounted to approx. 18 billion PLN. This means that approx. 10.5 billion was the state’s own contribution to its investments (resources of beneficiaries). All of the 738 projects are already completed, therefore the financial data defining their scope and level of implementation have a constant and unchanging form. The number of projects by provinces is shown on Figure 1.

Figure 1. Number of projects in transport policy, contracted for implementation in 2004-2006 according to the division into provinces.

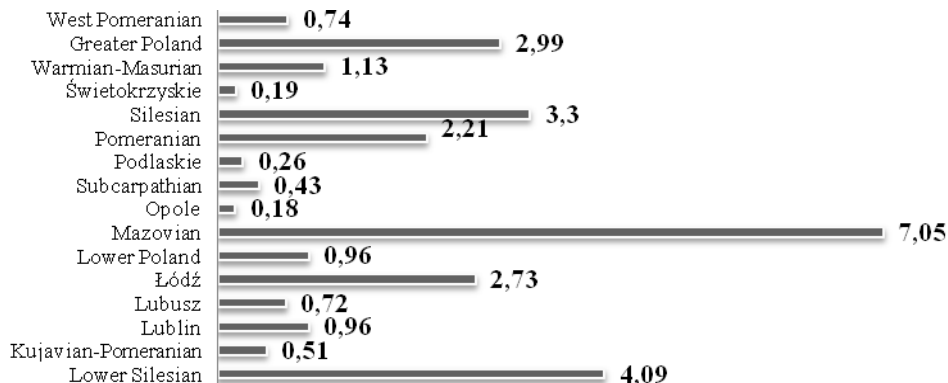


Source: own study based on MiR, www.mapadotacji.gov.pl (available: 15.09.2015).

Most of the projects were submitted by the Lublin Province – 95, followed by the Silesian, Mazovian, Łódź and Lower Silesia Provinces, respectively – 66, 68, 61 and 68. The Greater Poland (Wielkopolskie Province) implemented 52 projects. In the remaining regions fewer than 50 projects were implemented, with the fewest in Opole - 20. Figure 2 shows that the value of funds collected for projects is not directly proportional to the number of applications submitted. This applies both to the financial perspective of 2004-2006 and 2007-2013.

The greatest value was acquired projects in the Mazovian Province – 7.05 billion PLN and Lower Silesia – 4.09 billion PLN. In the Silesian Province the value of the investments in transport policy amounted to 3.3 billion, in Greater Poland 2.99 in Łódź 2.73, 2.21 in the Pomeranian Province and in Warmia and Mazury 1.13 billion PLN. In other provinces, the expenditure on transport policy in 2004-2006 did not exceed one billion. In Świętokrzyskie and Opole Provinces the expenditures on transport policy were the lowest. A detailed data for the years 2004-2006 is presented in Table 1.

Figure 2. The total value of projects in the field of transport policy, contracted to be implemented in 2004-2006 according to the division into provinces (billion PLN).



Source: own study based on MliR, www.mapadotacji.gov.pl (available: 15.09.2015).

Among the examples of the categories of intervention, which the completed projects concerned, we can name: the reconstruction of the municipal, county, provincial and arterial roads, the expansion, upgrades and repairs of roads, roundabouts, streets, street complexes, bridges, the optimization of communication systems, construction of noise barriers, the integration of communication networks, improving the performance of passenger rail transport, the modernization of rail lines and fleet, rail buses purchase and the modernization of electric traction units.

Table 1. The European Union grants awarded to projects in the field of transport policy, contracted to be implemented in 2004-2006, according to the division into provinces (billion PLN).

No.	Province	Value of projects in bn PLN	Value of UE grants in bn PLN
1	Lower Silesian	4.09	2.78
2	Kujavian-Pomeranian	0.51	0.31
3	Lublin	0.96	0.64
4	Lubusz	0.72	0.48
5	Łódź	2.73	1.56
6	Lower Poland	0.96	0.52
7	Mazovian	7.05	3.86
8	Opole	0.18	0.12
9	Subcarpathian	0.43	0.3
10	Podlaskie	0.26	0.16
11	Pomeranian	2.21	1.3
12	Silesian	3.3	2.19
13	Świętokrzyskie	0.19	0.14
14	Warmian-Masurian	1.13	0.76
15	Greater Poland	2.99	2.24
16	West Pomeranian	0.74	0.49

Source: own study based on MliR, www.mapadotacji.gov.pl (dostęp: 15.09.2015).

In the group of 738 projects, 15 projects are nationwide, involving five major beneficiaries: Polish State Railways Polish Railway Lines, SA (8), PKP (PSR) Regional Services Ltd. (2) The

General Directorate for National Roads and Motorways (3), the National Fund for Environmental Protection and Water Management (1) and the Ministry of Transportation (1). A detailed list of nationwide projects for the period 2004-2006 is presented in Table 2.

Table 2. Nationwide transport policy projects in the 2004-2006 financial perspective.

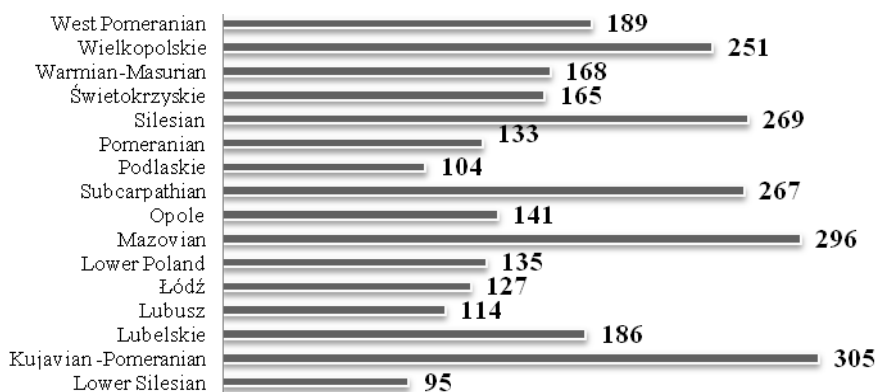
Project's title	Beneficiary	Value of project [PLN]	EU grant [PLN]
The improvement of the railway infrastructure in Poland - „bottlenecks”	Polish State Railways, Polish Railway Lines	678923387.2	475107711.8
Modernisation of railway line E59, section Wrocław – Poznań	Polish State Railways, Polish Railway Lines	78801893.29	108800850
"Modernization of EMUs series EN57"	Polish Regional Railways	164715042.6	67387000
Support for the General Directorate for National Roads and Motorways in the preparation and implementation of projects co-financed from EU funds in the 2007-2013 budget perspective	General Directorate for National Roads and Motorways	62869375.73	54400425
Support for preparation of the project of modernization of railway line E-65, section Warsaw - Działdowo – Gdynia	Polish State Railways, Polish Railway Lines	48762194.28	35840212.79
"The modernization of carriages with seats of UIC-Y types: 111A, 112A and YB"	Polish Regional Railways	72296188.64	28143824
Preparation of the A4 motorway construction project, section Zgorzelec-Krzyżowa	General Directorate for National Roads and Motorways	26861489.25	21200165.62
Support for the process of preparation and implementation of projects financed under the SFs in the road transport sector	General Directorate for National Roads and Motorways	24480595.51	16640130
Modernization of the railway line CE-59 Międzylesie - Wrocław - Kostrzyn - Szczecin, preparation of documentation of pre - stage I	(Polish State Railways, Polish Railway Lines)	11429401.29	14227524.48
Support for the preparation of railway line modernization project (E-20 and CE-20) - Other works	Polish State Railways, Polish Railway Lines	11514969.96	12000093.75
Support for the preparation of the modernization of the railway line E 65 Grodzisk Mazowiecki - Katowice - Zębrzydowice / Zwardon - the state border, Stage I	Polish State Railways, Polish Railway Lines	15003479.82	11784625.4
Support for preparation of project "Modernization of the railway line E 30 / CE 30 section Opole-Katowice-Kraków"	Polish State Railways, Polish Railway Lines	16042792	11520090
Support for preparation of the project of modernization of the railway line E75 section Warsaw - Białystok - Sokolka - Trakiszki (Rail Baltica)	Polish State Railways, Polish Railway Lines	7841353.63	8192064
Assistance in the preparation and implementation of railway projects co-financed by the Cohesion Fund	Ministry of Transportation	4096798.09	7253390
		1223638961	872498106.8

Source: own study based on MiR, www.mapadotacji.gov.pl (available: 15.09.2015).

EXPENDITURE ON TRANSPORT POLICY IN 2007-2013

The total EU assistance for 2007-2013 was approximately 67.9 billion euros. Some projects are still being implemented, which means that the final amount of the support can be changed (annexes to the schedules, cost changes, the difference between the spending contracted and actually realized). Most of this amount comes from the European Regional Development Fund, which financed all the Operational Programmes (OP) in 2007-2013. The exception was the OP Infrastructure and Environment, which had an additional funding source - the Cohesion Fund, and the OP Human Capital, which supplied the funds from the European Social Fund. Operational Programme Infrastructure and Environment, together with the Regional Operational Programmes, are the two main funding areas of transport policy in Poland in the years 2004-2006 and 2007-2013 [Sikora-Gaca, Kosowska 2014]. The dimension of EU subsidies is even more important as they are non-refundable aid. In the next financial perspective of 2014-2020 refundable funding mechanisms will be more popularized among the beneficiaries, which will eventually have to ensure the circulation of funds within the Member States.

Figure 3. Number of projects in transport policy, contracted for implementation in 2007-2013 according to the province division.



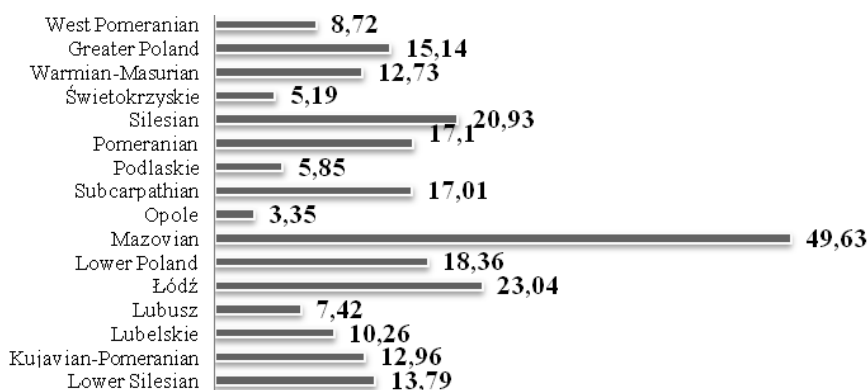
Source: own study based on MiR, www.mapadotacji.gov.pl (available: 15.09.2015).

The Operational Programme Infrastructure and Environment 2007-2013 consisted of the following priorities [MRR 2009]: 1) water and sewage, 2) waste management and protection of the earth's surface, 3) resource management and counteracting environmental risks, 4) adjusting enterprises to environmental protection requirements 5) protection of nature and promotion of environmental awareness, 6) road and air network TEN-T, 7) environmentally friendly transport, 8) transport safety and national transport networks, 9) environmentally friendly energy infrastructure and energy efficiency, 10) energy security, including diversification of energy sources, 11) culture and cultural heritage, 12) health safety and improving the efficiency of health system, 13) the infrastructure of higher education, 14) technical assistance - ERDF, 15) support - SF. In the 2007-2013 financial perspective the greatest number of applicants filed documents in the field of environmental projects [POIS 2014], however, transportation projects were the ones that reached the highest value [Sikora-Gaca, Kosowska 2014]. In addition, within the Regional Operational Programmes, each province determined their own priority axes in which investments were made in

transport policy. The scope and extent of these investments depend on the actions identified for implementation by respective regional governments.

In 2007-2013 2945 projects were contracted for the implementation (which means that agreements with the beneficiaries were signed), with 2549 of which have already been completed till September 2015. This means that 396 projects remain in progress. In September 2015, the activities contracted within the transport policy were estimated at approx. 241.48 billion PLN of total investment value, including 136.86 billion grants from the European Union. This amount may be changed due to the ongoing implementation of the already mentioned 396 projects (Figure 5). A detailed list of projects from each province, as to the number of projects is presented in Figure 3, and for their values see Figure 4.

Figure 4. The total value of projects in the field of transport policy, contracted to be implemented in 2007-2013 according to the division into provinces (in billion PLN).



Source: own study based on MliR, www.mapadotacji.gov.pl (available: 15.09.2015).

In the 2007-2013 financial perspective the most projects were approved for implementation in Kujavian-Pomeranian- 305, Mazovian - 296, Silesian - 269, Subcarpathian - 267 and Greater Poland - 251. It also means that the authorities of these regions, both at regional and domestic level, work the most effectively. In the remaining regions Intermediate and Managing Institutions approved to implement fewer than 200 projects, with the last place in the ranking taken by Lower Silesia - 95.

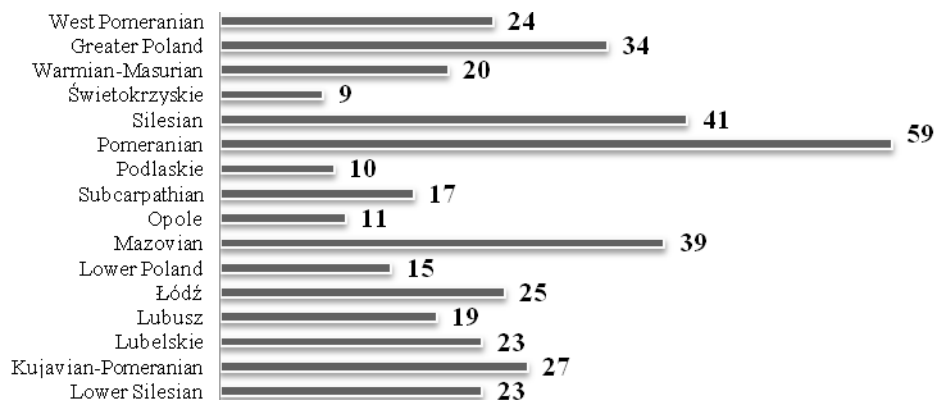
In 2007-2013, as in the previous financial perspective, the greatest amount of funds was acquired by the projects in the Mazovian Province - 49.63 billion PLN. Expenditures on transport policy in the Łódź Province amounted to 23.04 billion PLN and to 20.93 billion in the Silesian Province. In other provinces the grant agreements signed with the beneficiaries did not exceed 20 billion PLN, of which the lowest rate in this area was achieved by the Opole Province - 3.35 billion PLN.

Projects implemented by the EU get additional points if they involve the creation of new jobs, counted in full working units ("full-time"). It is estimated that by the end of 2015, within the OP Infrastructure and Environment, 4 771 EPC will be created - newly created jobs [Sikora-Gaca, Kosowska 2014]. In the grant application they are expressed by product indicators - Number of jobs created directly and the result [POIS 2014] - Estimated total number of direct jobs created.

Based on data from the 2007-2013 financial perspective, an interdisciplinary scope of intervention in the regional, economic and social sphere should be emphasized. Another chance for Poland are the years 2014-2020, during which the new operational programmes will operate. This is

the time in which applicants should intensify their application activity in the area of transport policy. It should be emphasized that the implementation of many projects is still in progress (Figure 5), meaning that the measurable effects of granted subsidies are not yet seen in their full extent. *Innovation Union Scoreboard* [European Commission 2013] defines us as "modest innovators", because the benefits of the implementation of the 2007-2013 financial perspective is to be expected in subsequent years.

Figure 5. Number of projects in transport policy, unfinished, contracted for implementation in 2007-2013 according to the division into provinces (as of 09.2015).



Source: own study based on MiR, www.mapadotacji.gov.pl (available: 15.09.2015).

Table 3. The value of European Union grants awarded to projects in the field of transport policy, contracted to be implemented in 2007-2013 according to the division into provinces (million PLN).

No.	Province	Value of projects in ml PLN	Value of UE grants in ml PLN
1	Lower Silesian	13.79	8.41
2	Kujavian-Pomeranian	12.96	6.97
3	Lubelskie	10.26	6.67
4	Lubusz	7.42	4.75
5	Łódź	23.04	12.74
6	Lower Poland	18.36	9.06
7	Mazovian	49.63	24.8
8	Opole	3.35	2.22
9	Subcarpathian	17.01	9.61
10	Podlaskie	5.85	3.4
11	Pomeranian	17.1	10.1
12	Silesian	20.93	12.25
13	Świętokrzyskie	5.19	3.35
14	Warmian-Masurian	12.73	8.11
15	Greater Poland	15.14	9.01
16	West Pomeranian	8.72	5.41

Source: own study based on MiR, www.mapadotacji.gov.pl (available: 15.09.2015).

In 2014-2020, even more funding in the form of non-repayable and repayable grants with the value of 68.2 billion will flow into Poland. Distribution of funds will be based on national and regional operational programs, and the latter will gain in importance. OP Infrastructure and Environment will be duplicated. For priorities implemented in this scope 24.2 billion euros will be allocated (about 4.1 billion euros less in comparison with the financial perspective of 2007-2013). OP Infrastructure and Environment will continue to be funded from two sources: the European Regional Development Fund and the Cohesion Fund.

CONCLUSION

European funds are present in many areas. Thanks to them, many changes have occurred, the range of investments, innovation and modernization has increased, the development gap between Poland and the EU has been reduced. These are the tangible benefits of Polish accession to the European Union. In 2004-2006 and 2007-2013 a total of 3679 projects were implemented in the field of transport policy. The leaders in terms of the number of projects over the last 15 years are the five provinces: Mazovian (364), Silesian (335) Kujavian-Pomeranian (333), Subcarpathian (304) and Greater Poland (303). Followed by three more provinces: Lublin (281), West Pomeranian (224) and Warmian-Masurian (201). Fewer than 200 projects were implemented in the remaining regions, of which the lowest number was recorded in Podlaskie - 132. The total value of 3679 projects is approx. 270 billion PLN, of which the value of subsidies from the EU represents approx. 155 billion PLN, the value of subsidies from the state budget is approx. 27 billion PLN and the own contribution of the beneficiaries is approx. 88 billion PLN.

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