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RESEARCH ARTICLE

POLAND'S RESPONSIBLE DEVELOPMENT STRATEGY – CHALLENGES, REFLECTIONS AND REMARKS

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ABSTRACT

Paper presents Poland's Responsible Development Strategy (RDS) and new development model. The Strategy is particularly important to keep appropriate balance between competitiveness of the economy, protection of the environment and quality of life. Responsible growth is based on solid foundations, such as entrepreneurship, hard work, as well as resources and skills of the Poles. Stable foundations of a modern, competitive and sustainable economy based on innovativeness, constitute a capital endowment for future generations. Responsible development entail also an appropriate balance between domestic and foreign resources used to support economic growth. A balanced economic growth requires balance between foreign and domestic capital active in the economy. Selective nature of the approach is of a key importance for the Strategy. That means focusing exclusively on those products, technologies, industries or sectors which are essential for the attainment of the RDS objectives over a longer time frame. Those factors have tangible impact on an increase in both productivity and wages of the citizens. In addition, it is also important for more effective utilization of the potential of the economy. The Strategy contains specific rules for the process of its planning and implementation. In my opinion, essential for the determination of RDS objectives and implementation are: (1) selectivity of approach (concentration, finding a niche, industries/sectors), (2) integrated approach (management organised around strategic objectives, coordination of sectors) and territorial differentiation, (3) cooperation, partnership and shared responsibility of public entities, business and citizens in the implementation of public policies, (4) increasing Poland's activity on the EU forum and in the country's neighbourhood, (5) mobilisation of domestic capital. The main objective of the "Responsible Development Strategy" is to create appropriate conditions for increase in income of Polish inhabitants with concurrent enhancement of the social, economic and territorial cohesion. In addition, three specific objectives have also been set out.

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INTRODUCTION

In the past ten years Poland has been developing at a relatively fast rate, especially in comparison to the EU (3.8% versus 0.9%). However, as because of adverse external conditions, as well as due to the running out of simple growth reserves in Poland which were harnessed following the regime transformation (cheap labour, external means, including from the EU), in the last years the rate of economic growth has slowed down owing to the lack of new driver factors (Białek, Oleksiuk, 2016). Consequently, there is a risk of a lasting weakening of the economic development due to adverse demographic trends, low growth rate of labour productivity, as well as the lowest investment rate in the region (20.1% in 2015). The depletion of hitherto driver factors of growth and competitiveness levels poses a risk associated with 5 development traps: (1) middle income trap, (2) lack of balance trap, (3) average product trap, (4) demographic trap, (5) trap of weak institutions (Ministry of Development 2017).

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The Polish economy is affected by short-lasting business factors, as well as by mega-trends, namely long-lasting structural transformations taking place in the global economy (Białek, Oleksiuk 2015). The most frequently identified challenges include demographic changes, processes of global and regional integration, climate changes, intensifying competition for resources or a change in the approach to innovation. Furthermore, the Polish economy is strongly integrated with the economies of the other Member States of the European Union, and as an effect, its development to a large extent will depend on the way in which the EU economy would be coping with the above mentioned challenges (Białek, Oleksiuk 2016). A joint response to those challenges was specified by the Member States in the "Europe 2020" strategy adopted in 2010, which is oriented at supporting smart, sustainable and inclusive development. It proposes a development vision for the social market economy of the 21st century, offering a stable economic growth and assuring a high level of employment, productivity and social cohesion. Apart from challenges identified in the "Europe 2020" strategy, other phenomena, whose importance is currently growing, should be also taken into consideration. Those phenomena are: glut

economy, sharing economy, or breakthrough technologies (such as for example the Internet of things or progress of machine learning). Furthermore, certain seemingly non-economic trends have to be taken into consideration, such as weariness of technocratic style of public and business governance, culture of caring for health and healthy nutrition, as well as an interest in environmental protection. Those new lifestyles delineate specific areas of both potential development and stagnation of the economy. The Responsible Development Strategy also constitutes an implementation platform for the UN 2030 Agenda for Global Action. The main premise of the 2030 Agenda adopted in September 2015 during the UN General Assembly's session is oriented towards efforts to achieve a development, which guarantees a decent living conditions for all.

New development model

The strategy RDS presents a new development model - a responsible development, i. e. one in which needs of the current generation may be met without diminishing the chances of satisfying the needs of future generations. It is particularly important to keep appropriate balance between competitiveness of the economy, protection of the environment and quality of life. Responsible growth is based on solid foundations, such as entrepreneurship, hard work, as well as resources and skills of the Poles. Stable foundations of a modern, competitive and sustainable economy based on innovativeness, constitute a capital endowment for future generations (Ministry of Development 2017). Responsible development entail also an appropriate balance between domestic and foreign resources used to support economic growth. A balanced economic growth requires balance between foreign and domestic capital active in the economy. Selective nature of the approach is of a key importance for the Strategy. That means focusing exclusively on those products, technologies, industries or sectors which are essential for the attainment of the RDS objectives over a longer time frame. Those factors have tangible impact on an increase in both productivity and wages of the citizens. In addition, it is also important for more effective utilization of the potential of the economy. The RDS contains specific rules for the process of its planning and implementation. In my opinion, essential for the determination of Strategy objectives and implementation are: (1) selectivity of approach (concentration, finding a niche, industries/sectors), (2) integrated approach (management organised around strategic objectives, coordination of sectors) and territorial differentiation, (3) cooperation, partnership and shared responsibility of public entities, business and citizens in the implementation of public policies, (4) increasing Poland's activity on the EU forum and in the country's neighbourhood, (5) mobilisation of domestic capital. The main objective of the "Responsible Development Strategy" is to create appropriate conditions for increase in income of Polish inhabitants with concurrent enhancement of the social, economic and territorial cohesion. In addition, three specific objectives have also been set out.

Specific objective I – Lasting economic growth based on the hitherto utilized as well as new advantages (Ministry of Development 2017, p. 51-52):

- (1) Reindustrialisation pursued with the fullest possible usage of Polish resources.

- (2) Development of innovative companies, i. e. enhancing the level of technical advancement of products, stimulating the development of new technical and organisational solutions based on own resources of enterprises.
- (3) Small and medium enterprises, i. e. developing the potential offered by Polish companies, to allow them to grow, thanks to measures related *inter alia* to the legal environment of business.
- (4) Capital for the development, by mobilising financial resources, including those of the private sector, to arrive at significant increase of the volume of investment in Poland.
- (5) Foreign expansion of Polish enterprises, which is an element of expanding national capital by increasing the economies of scale, as well as strengthening the presence on currently tapped markets and expanding onto new ones, especially those that are rapidly developing.

Specific objective II – Socially and territorially sensitive growth (Ministry of Development 2017, p. 53):

- (1) Social cohesion – as a condition of an economy characterised by a high level of employment, quality workplaces and extensive scale of entrepreneurship.
- (2) Territorially sustainable growth – one that addresses problem areas, smaller towns and peripheral rural areas in a development processes. Advantages from the economic development of the country should be available to all citizens, regardless of their place of residence.

Specific objective III – Effective state and economic institutions in support of growth and social and economic inclusion (Ministry of Development 2017, p. 54-55):

- (1) Law in the service of citizens and economy - improvement in the quality of established law, including the reduction of regulatory burden, in order to assure better conditions for conducting business activity in Poland and to meet the needs of particular citizen groups.
- (2) Pro-development institutions and strategic development management – assuring institutions that support building of competitive advantages of Poland and of economic and social entities operating on its territory. Moreover, a creation of such a development management system, that would allow effective coordination of crucial economic and social processes and enhance the role of spatial planning.
- (3) E-administration – tapping, on a scale of the entire economy, of possibilities offered by available digital technologies. Computerisation of services for the citizens and for the entrepreneurs, as well as of the administration.
- (4) Public finance – implementation of the state's strategic objective, namely creation of appropriate conditions for the income growth of Polish inhabitants with simultaneous enhancement of the social, economic and territorial cohesion, requires stable, effective and sustainable public finance.
- (5) Effectiveness of EU funds – reorientation of an approach to the European funds with respect to the scope, coordination and forms of support, so that a co-financing is allotted to projects in the interventions areas of key importance for defined growth objectives, project characterised by high value added and durability of effects.

The attainment of the main objective and of specific objectives of the Strategy will be enhanced by measures in the areas related to (1) human capital (high competencies and skills tailored to the changing reality) and widely understood (2) social capital (attitudes fostering cooperation, creativity and communication, increasing social participation and the impact of citizens on public life and cultural potential), as well as a set of policies from the triad of (3) transport, (4) energy, (5) environment. Furthermore, in my opinion, a responsible development of the state requires (6) assuring national security. Given that our times are characterised by dynamically changing security environment and surfacing of new risks, appropriate potential is to be assured, along with state capacity to counteract internal and external threats.

In a long-run, an expected effect for the citizens from the implementation of the Strategy, would be an increase in income of the inhabitants of Poland and improvement in their living conditions, understood as creation of friendly living conditions, first of all for families, assuring appropriate quality of education and training to improve the qualifications and skills of the citizens, employment growth and better quality of jobs, improvement in access to infrastructure, assuring both adequate health care aimed at improving the health of the citizens and a satisfactory state of the natural environment. The main anticipated result of the RDS implementation will be an increase in the households average gross disposable income per 1 inhabitant at PPP to 80% of the EU average by 2020, and bringing the gross disposable income per 1 inhabitant in PPP close to the EU average level by 2030, with simultaneous attempts at reducing disparities in gross disposable income between particular regions. Other anticipated effects of the Strategy's implementation will be the reduction in at rate of populating at risk of poverty or social exclusion (from current 24.7% to 20-23% in 2020).

Financing of RDS and measure concentration areas

According to the Strategy, by 2020 over PLN 1.5 billion (Ministry of Development 2017, p. 365) would be assigned for the implementation of its objectives. Financing all development objectives requires to involve significant public funds (domestic and foreign), as well as private ones (including from the Polish diaspora)¹. Attainment of the RDS objectives will be financed from: domestic public funds within the agreed scope, i. e. state budgetary resources and state special-purpose funds, funds of territorial self-government authorities and other resources of organisational and legal units and forms of the public finance sector. EU Community resources, as well as from other foreign sources; private funds, which also comprise credits and loans, including those secured or guaranteed by entities entitled to extending guarantees and sureties (Ministry of Development 2017). The Polish Development Fund Group will play a particular role in mobilising the development capital, coordination (through capital ties or contracts) of the functioning of the Agencja Rozwoju Przemysłu (Industrial Development Agency), Bank Gospodarstwa Krajowego, Korporacja Ubezpieczeń Kredytów

Eksportowych (Export Credit Insurance Corporation), Polska Agencja Informacji i Inwestycji Zagranicznych (Polish Information and Foreign Investment Agency)² and Polska Agencja Rozwoju Przedsiębiorczości (Polish Agency for Enterprise Development) (Ministry of Development 2017, p. 366) will enable a more effective utilisation of the existing support tools for the Polish economy. Measures proposed in the Strategy will be oriented at the creation of conditions conducive to the creation and deployment of innovative solutions, which would lead to the development and more extensive use of new technologies as well as to expanding of the product offer by high knowledge-intensive and technology-intensive solutions. Horizontal activities will be accompanied by activities oriented at supporting specific branches and domains of technology.

The existing entrepreneurship and innovation support system addressed various groups of enterprises, that were defined diversely, depending on the type of support. The new model, which combines horizontal and sectoral activities, proposes a gradual transition from dispersed support towards the one oriented at building the potential of companies and industrial systems. On the one hand, these measures will be primarily aimed at assuring continued productivity growth by diffusion of horizontally used technologies across all branches (such as nanotechnologies, technically advanced materials, bioeconomy, sensors, robotics, and artificial intelligence). On the other hand, regulative, institutional, financial and organisational measures will stimulate the development of sectors with a dynamic growth potential, as well as stimulate in Poland more profitable elements of the global value chain. Based on an analysis carried out with the use of efficiency-oriented criteria (adoption of key horizontal technologies, low resource intensity or high technology intensity, among others) and having taken into consideration the capacity of Polish companies, 10 strategic sectors were identified that may potentially become future drivers of the Polish economy. They include *inter alia* mass transport means (e. g. e-buses), professional electronics, specialized software, medical equipment /e-medicine/, recovery of raw materials, top quality foodstuffs etc. This list is not exhaustive, and it will be updated in a cyclical way in the process of entrepreneurial discovery.

The identification of strategic sectors will contribute to the reorientation of the support system (i. a. regulatory activities, government programmes or criteria in programmes co-financed from EU funds, fiscal facilitations, access to information) in various areas, such as: promotion and support of export, inflow of foreign investments, innovations and technologies. A new tool is expected to be deployed over time – an industry-wide contract, which is to be concluded between public entities and representatives of the given industry/sector. It will be a form of a package of the above mentioned activities for needs of a given sector, the objective of which is to spur investments by assuring long-term stability of the business environment. In addition, the possibility of a package support for industries grappling with structural problems is taken into consideration. Nevertheless, such support would be dependent on implementation of effectiveness-oriented recovery programmes to be executed within specific time

¹Estimations of development related expenditures from domestic public sources were made according to the draft classification of development expenditures of the sector of state and self-government institutions based on budget classification by the Ministry of Development in cooperation with a team of experts. According to initial estimations in 2015 16.2% of GDP were spent on development needs.

² Now Polska Agencja Inwestycji i Handlu (Polish Investment and Trade Agency).

frames. It can include regulatory measures, as well as restructuring programmes (reduction of redundant capacity, change to the production profile, and employees' reskilling or outplacement, building an innovative ecosystem, etc.).

Reindustrialisation

A more competitive industry is one based on innovations – their implementation and application in the production processes. Industry based on digitisation and on advanced automation, one that functions in smart chains that link suppliers, manufacturers, recipients and consumers. This makes industry more effective, flexible and competitive. Measures launched to support smart reindustrialisation will lead to saturating industry with premium quality services (R&D, design, ICT). This will allow to increase the share of innovative products generated in industry, and in addition will serve as a lever for productivity growth. The employment level in industry and in industry-related services will be sustained. Reindustrialisation will also contribute to the implementation of EU policies related to environmental protection, including the climate and energy policy up to 2030. The basic measures will be focused on creating appropriate conditions for the development and deployment of innovative solutions in industry, among others by assuring organisational and financial support for research and business projects implemented by Polish business entities under national key clusters, platforms, agreements, etc. They will support the development and more extensive usage of breakthrough products and technologies. Measures of a horizontal nature will be complemented by activities oriented at specific industries/technologies. The reindustrialisation process also requires the development and implementation of a new model of managing and developing the Polish national wealth, which in turn would enable effective usage of available skills, know-how and resources, as well as achieving material benefits, including also assuring competitive advantages on the Polish market and on the foreign ones. An external factor that has an important impact on the direction of further industrial development is the so-called "fourth industrial revolution".

This is an inevitable process of industry digitisation - driven by IT solutions (especially big data, Internet of things or cyberphysical systems). One of the measures employed in response to this challenge will be the establishment of the Polish Industry 4. 0 platform – a coordinating body, responsible for propagation of the Internet of Things in the Polish industry, which supports the integration of IT and technical infrastructure providing assistance to the state with respect to competences in stimulating the development of "Industry 4. 0". Changes planned for this area entail the establishment of a joint system of standardisation, accreditation, normalisation, metrology and certification. Simultaneously the scope and thematic elements of particular market supervision and control units will become orderly regulated. Changes are expected to be carried out in the functioning of the public procurement system. In this context, it is of key importance to deploy smart public procurement by devising an integrated state purchase policy. Industrial development means assuring an adequate raw materials policy, where such aspects, as assuring the stability of supply of non-energy raw minerals in conditions of lack of renewability of resources, remains a challenge. In this respect a catalogue of measures to secure the access of industry to those raw

materials will be elaborated, and will especially take into consideration the concept of a closed economy and raw material diplomacy. Modern industry also requires top quality human capital. Appropriately qualified personnel that harnesses knowledge and adopts modern information search and data processing methods in its work, constitutes a prerequisite for further development of the economy. Skills, competencies and qualifications required from the employees will continue to be expanded at all employment levels. A key objective of the vocational and life-long education is to improve its efficiency and effectiveness, and its harmonisation with the labour market (Ministry of Development 2017, p. 71-84).

Development of innovative companies

Poland still occupies a low position in international innovation rankings. For example, the low rating of Poland in the IUS 2015 ranking, results from: limited innovation activity of enterprises (especially SMEs) and limited cooperation in this respect with other entities, low number of patent applications in the PCT procedure, submitted to the European Patent Office, insufficient commercialisation of inventions on an international scale (low revenues from the sale of patents and licences abroad), among others. The low innovativeness of economy results in low competitiveness of Polish companies on a global scale. Furthermore, Polish export has been dominated by low-processed products, and the share of high technology industries and services is much below the EU average (Ministry of Development 2017). Shortcomings in the sphere of innovativeness are reflected by the relatively low expenditures on R&D in relation to GDP (0. 94% in 2014 as compared to EU average of 2. 03%), despite a significant increase in comparison to level recorded in year 2003 (0. 54%). As regards enterprises sector expenditures on R&D in relation to GDP, even greater disproportions may be observed (0. 44% as compared to 1. 3% on average in the EU). Enhancing the innovativeness of Polish enterprises is indispensable to for assuring a positive structural change in the economy (increase in the share of knowledge-intensive industries and services). This is also a condition for a change in the location of Polish companies in global chains towards a higher added value tasks. The majority of measures proposed under this pillar are meant to increase the level of technological sophistication of products, stimulate the development of new technical and organisational solutions based on own resources of enterprises as well as to build comparative advantages in foreign trade on the basis of the quality and innovativeness of offered products. A starting point for all measures in this area and the condition for achieving of the above mentioned effects is the appropriate enhancement of the human and social capital. This applies to shaping pro-innovative attitudes (*inter alia* openness for cooperation, encouragement of creativity, acceptance of risk related to innovations), propagation of knowledge on possibilities of implementing innovations in companies and on their attendant benefits, as well as management of innovative processes. The legal and institutional environment of innovative enterprises will be enhanced. The appropriate legal environment creates conditions for undertaking risk, including a technological one. Consequently it supports the creation of innovative solutions. Its sensitive component is an efficient and effective system for protecting intellectual property rights. Innovative enterprises, especially micro and small ones, have

limited access to capital for R&D&I projects. Therefore, it is planned to develop more attractive system of fiscal incentives, that will address enterprises, individual investors (business angels) and investment funds. These types of measures aimed at mobilising private capital for needs of R&D&I will be supported by activities targeted at enhancing the market potential of research and streamlining the commercialisation system of the results of the R&D activities (e. g. reform of research institutes, among others). In a situation of a rather low purchasing power of the customers on the domestic market, the public sector has an important role to play in stimulating demand for innovations. Innovative and pre-commercial orders, in which administration – as an intelligent customer – will inform the market, with appropriate notice, of its needs will be used. Public sector institutions may also prove to be important in stimulating the generation and development of innovations which respond to the present and the potential social challenges, such as climate changes, environmental issues and civilizational changes, among others. In addition, the Strategy identifies the need of stimulating external demand for innovations – by improving capabilities and assuring greater willingness of firms to export and to locate direct investments abroad. This applies *inter alia* to building competencies – especially managerial ones - of innovative companies allowing them to expand on foreign markets. Technological diplomacy will be also involved to assess possibilities of technical cooperation and promoting offers of Polish innovative companies (Ministry of Development 2017).

Small and medium enterprises

The objective of state intervention towards SME (and farms) is to expand their economic potential, which would subsequently allow on the one hand to increase the share of average and large companies in the group of economic entities, and on the other hand – for development of domestic production and industry linked to agriculture. Improving the legal environment for business activity will be particularly advantageous to the smallest entities. Currently, they do not have sufficient resources at their disposal to be able to respond, on an ongoing basis, to all new legal and administrative requirements. As a result, the growth of business entities is being impeded by the extensive and exceedingly complicated economic regulations (also of a sectoral nature). All changes in this respect will consequently enhance the competitiveness of the SME sector, as well as of farms, and will support their multi-functional development. The reform of institutional environment entails changing current operating philosophy of public institutions and their relations with stakeholders (in this case entrepreneurs and entities running farms). It is necessary to build a more partnership-oriented approach to external stakeholders on the part of all public administration entities in Poland. The diagnosed needs concern *inter alia* reduction of the repressive nature of the control system over enterprises. Communication between administration and enterprises will also be improved by wider than to date application of ICT. In addition, the harnessing the potential of e-services will enable rural areas to access a wider offer of public services. With respect to debt and equity financing, the identified gap in satisfying needs of entities from the SME sector (as well as farm sector) emphasises the necessity of support measures in obtaining resources for financing and establishment of appropriate

development conditions. It is necessary to enhance the selectiveness of support (oriented at pro-development measures) and better tailoring of instruments to actual needs of the entrepreneurs (depending on the scale and type of conducted activity or stage of life of a given enterprise). An important source of capital for SMEs may be the development of an employee shareholder scheme, new public guarantee instruments, as well as possibilities created by the Polish capital market (GPW, New Connect, Catalyst). An important role in the implementation of the above mentioned goals will be played by the Polish Development Fund Group (PFR). Assuring suitable conditions for competitive agriculture is a prerequisite to achieve an improvement in the profitability of farms and agro-food producers. The initiatives will be focused on the establishment of new value chains in the agro-food and trade sector, pursuant to partnership based on joint operation. Additional interventions in this respect will include measures related to the modernisation of farms, active implementation of pro-development investments and development of all forms of cooperation between the producers. Promotion will encompass already identified champions of Polish food exports, as well as products of the so-called sector sustainable agricultural production sector. Multidirectional measures related both to demand side and supply side will allow the implementation of the concept of multi-functional development of rural areas, maintaining their environmental values (Ministry of Development 2017). Despite the dynamic development of Polish entrepreneurship, there is still a need for supporting Polish entrepreneurs and residents of rural areas who intend to carry out non-agricultural business activity. Planned measures in this respect will be aimed at supplying them with the indispensable knowledge and skills, related to human capital management or to the establishment and implementation of innovations (also based on ICT), among others. There will also be a need for initiatives aimed at assuring networking of enterprises, farms, business environment institutions, science sector entities, as well as public administration units. The planned measures are to be supplemented by counteracting the stigmatisation of enterprises that have experienced a business failure, as well as the implementation of mechanisms, which aim at facilitating the recovery processes in enterprises.

Capital for development

A robust national capital – built up thanks to investments and savings – guarantees stability of the economy in an uncertain international environment. The undertaken measures aimed at increasing investments would allow for mobilisation of diverse financing sources. Capital for development also entails taking up measures contributing to building in Poland of the culture of savings, since it is the national savings level that determines investment possibilities of the economy. Other planned measures will be aimed at enhancing the coordination of activities of institutions that attract and handle foreign investors in order to improve the quality of services they provide. As an effect in the future the Poles may be deriving income not only from their jobs, but to a larger extent also from the capital, which is necessary in the global economic order changing under the impact of technological progress. Better coordination of particular entities implementing the economic policy with respect to supporting developmental investments, eliminating overlaps of their competencies and enhancing their effectiveness by combining particular functions, purports to enable launching of a more extensive

stream of investments in the economy, and is expected to assure that the arsenal of tools is better tailored to actual needs of investors and that the support offer reaches the latter more easily. A particular role in this respect will be played by the Polish Development Fund. Since financial market plays an important role in generation of investments, it is so important to support its development. This will be effected by measures aimed at increasing the share of private capital in financing of investments, *inter alia* by eliminating barriers in the development of particular market segments. The development of the capital market and an increase in the activity of individual investors operating there will in turn increase the supply of investment capital indispensable to finance development projects. This will facilitate access to capital financing for the sector of enterprises, which in turn will bring about an increase in productivity and in innovativeness, resulting in higher value added. In addition the activation of financial resources of Polish enterprises kept in bank deposits will facilitate taking over from them a part of the investment risk and will facilitate access of entities operating on the market to reliable information on the customer's risk (Ministry of Development 2017).

Expanding the scale of investments in the economy will be stimulated by better usage of public co-financing sources to stimulate private capital outlays. In this context a significant role will be assigned to effective usage of public financing sources, both on the level of the entire country, as well as on that of territorial self-government units, resources gained from the European Union under the existing and future programmes and initiatives. Intensification of cooperation with the European Fund for Strategic Investments should allow to expanding the scale of support obtained under it for use in investments implemented in Poland. The investment level in the economy will be also influenced by measures undertaken towards the policy related to public-private partnership schemes. They will allow to enhance the efficiency of public expenditures and will be favourable to provision of top quality public services and public infrastructure, and to enhancing the involvement of private capital in public projects (Ministry of Development 2017). An answer to challenges connected with the need to increase the savings rate will entail measures oriented at building a savings culture, diffusion in the society of benefits from investing in long-term instruments and changes to the hitherto pension system. Development of a complex plan for the establishment of voluntary capital savings system in Poland and of long-term investment products will result in enhancement of both the financial safety of Poles and the stability of the public finance system, development of the local capital market and expansion of the economy's development potential.

Expansion abroad

Polish enterprises should actively participate in the process of intensifying mutual relations between the economies on a global scale. In this context of particular importance is enhancing relations with international markets by extending the number of entities participating in international exchange and developing more advanced forms of cooperation with other countries, as well as modernisation of Polish export offer. In a longer time horizon enhancing the innovativeness of export is a requirement for basing competitiveness of Polish commodities on foreign markets not only on their prices, but in

the first place also on their technological sophistication (Ministry of Development 2017). As regards foreign expansion, the undertaken measures will allow to maintain in the forthcoming years a relatively fast rate of exports growth, with an attendant improvement in the innovativeness of exports, as well as to stimulate Polish FDI. The intensification of export and investment activity will enable Polish enterprises to achieve higher and more diversified revenues, higher productivity and profitability as well as a higher technological level, which will translate into an improvement of their competitiveness on foreign markets. The fundamental measures will focus on: improving the recognisability of Polish products and of the Polish Economy Brand with the view to building a positive image of Poland on a global scale and to improving the competitiveness of Polish products on foreign markets; modernizing of the export offer; supporting new directions of Polish companies' expansions and increasing the scope of internationalisation of Polish enterprises.

The effective implementation of the above indicated measures will require: coordination of all tasks implemented on a central and regional level with respect to promotion of the economy and foreign expansion of Polish entrepreneurs, including establishment of an institution having at its disposal a network of offices abroad to provide high quality advisory services. It will also be important to define uniform rules for economy promotion adopted by all entities of the economy promotion system, carrying out of a reform of the Polish economic diplomacy as well as harmonisation of measures in promotion of the economy with measures oriented at building image of Poland as of an attractive, safe and open tourist destination based on abundant cultural and natural resources. To rearrange in the orderly fashion the information system functioning in Poland related to export conditions and running business activity abroad, it is planned to introduce a consistent export promotion portal. It is to serve as the only general "entry point" for entrepreneurs, from which they will be able to gain quick access to information related to export conditions and to running business activity abroad, including information on instruments available on the regional level and institutions granting assistance. Expansion of the internationalisation of Polish enterprises that offer innovative products, services of technologies will be achieved among others thanks to the project called Polish exporters on foreign markets. Under this project the following measures will be implemented: "Promotion of the economy based on Polish product brands – Polish Economy Brand - Brand", "Polish Technological Bridges", "Internationalisation of Key National Clusters" under ID OP and "Internationalisation of SMEs" under EP OP (Ministry of Development 2017). Also Poland's participation in EXPO fairs would be highly important when it comes to improving the visibility of Polish products and to building the image of Poland as an economically attractive location, a place for valuable trade contracts and investment projects.

Socially and territorially sustainable development

To date the importance of cohesion in the social and territorial dimension was significantly diminished in the context of caring for the economic development of Poland. Currently the issue of growing disparities related to income and in the access to services is generally considered globally as a crucial development challenge. Poland intends to address those trends by investing in sustainable social and territorial development. In order to achieve this, the Strategy assumes several

instruments assuring possibly extensive access to social and health services (Ministry of Development 2017). Further development of nurseries and kindergartens will allow children to gain access to equal education opportunities, and parents would be able to reconcile their professional and parenting obligations. On the other hand, given demographic changes and perspectives of an ageing society, the state has to seriously consider a pro-family policy and a policy addressed at elderly persons. Investing in facilities and fertility is a priority, which is shown by the Family 500+ Programme. This will be accompanied by measures supporting the activity of older persons under the Solidarity across generations 50+, so that they will be able to keep working as long as possible or remain active in another scope, e. g. under third sector institutions. The development of the social economy institutions, which is required to maintain social cohesion, will be assured thanks to the implementation of the National Social Economy Development Programme. Nevertheless, persons that cannot be active – such as dependent and elderly people – will also have assured support, both with respect to care and a financial one (free of charge medications for people at the age of 75+) (Ministry of Development 2017).

The low professional activity is an evident problem on the Polish labour market. It will be minimised by measures meant to support young persons in finding jobs (“Youth Guarantee”), older persons to keep and enhance professional qualifications (the already mentioned “Solidarity across generations 50+”), or inhabitants of rural areas (“New opportunities on rural areas” – programme of vocational activation of farmers for needs of the non-agricultural labour market). Given the fact that inhabitants of rural areas or small towns are not a homogenous group, a decision was taken to dedicate a special measure to persons with disabilities (programme called “Find a job”) (Ministry of Development 2017). Sustainable territorial development means a harmonious development of the entire country, sensitive to territorial diversity and its strong points, which also tries to assure to the entire society a relatively high living quality. Enhancing territorial cohesion, augmenting regional competitive advantages and improving the quality of managing territorially oriented policies – requires the regional policy to be focused on supporting regions faced with difficulties that are related to restructuring and adaptation (macro region of Eastern Poland, Upper Silesia), marginalised regions including their local municipal centres, medium towns that are in the process of losing their social and economic functions. The support scope depends on the specific features of the given area and will comprise measures serving economic activation, development of local labour markets and professional mobility of the inhabitants as well as better access to public services. RDS also assume that horizontal measures will be launched, which will be addressed at rural areas and towns, as well as interventions enhancing the competitiveness of particular regions and the whole country, making use of the potential of Polish agglomerations for further dynamic development, affecting their functional environment. Systematic and focused supporting of local industries characterised by the biggest development potential in synergy with national specialisations will make it possible to regional products and services to compete on a national and international scale. In the institutional dimension development of skills related to planning and execution of development measures is needed, especially on a local level. There is a need of activities aimed at strengthening the administrative

capacity, in particular of weaker territorial self-governments and improvement of the financial, management, programming and coordination system of social and economic measures on all levels of state territorial organisation. Effective achievement of development goals requires adopting two-track operation: establishment and implementation of new mechanisms and instruments of a strictly territorial nature, and tailoring (territorialisation) of the already existing ones, especially sectoral ones. In order to assure the optimum effectiveness and selectiveness of measures that integrate particular groups of sectoral interventions supported from diverse public sources and involving private means, the instruments will be combined in packets dedicated to territories that are recipients of regional policy.

The sum of measures planned under this goal will enhance the possibility of entrepreneurship development, also innovative one, assuring better quality of work places and better professional activation, increase in the income level of the citizens and self-governments, as well as increasingly better and more rational management of development processes at local, regional and national levels. The effects of the planned measures will not only be evident in a statistical dimension on a national level, but also in the scale of particular regions, districts and communes, which will make their residents also beneficiaries of economic growth. Agricultural and rural areas, as well as small Polish towns, frequently suffer from the outflow of knowledge, resources and capital to major centres. This causes an uneven economic growth of the country and territorial depopulation. Naturally means of the cohesion policy are to serve and are serving the needs of improving equal opportunities, yet the Strategy determined ways in which the available resources could be allocated in a more effective way, to the advantage of sustainable development of Poland. This may be done with the use of inter alia sets of instruments – related to development of innovative entrepreneurship, human and social capital, as well as technical support for self-government units – of greatest importance with view to the creation of growth and establishment of stable jobs, implemented with respect to creating the growth and establishment of stable jobs, implemented based on integrated development programmes (IDP). This role will be played by the Programme for Medium Towns Losing Social and Economic Functions and Pact for Rural Areas.

Effective state and public institutions

The quality of the state’s functioning is one of key competitiveness factors, and at the same time a basic determinant of possibilities for gaining full access to democratic freedoms and civil rights. This quality is determined in the first place by: friendly law, effective administration and development management coordination system, as well as effective partnership. An effective state is also manifested by a well-functioning public finance system. Assuring the stability of law requires limiting the frequency of regulatory changes and preventing the imposition of unjustified regulatory burdens on citizens and entrepreneurs as well as on administration of various levels. It is necessary to eliminate inconsistencies and ambiguity of legal regulations and the existing regulatory gaps. Those measures are going to create a robust impulse, which will have an advantageous impact on life quality, economic perspectives and social trust. One of the key projects to be implemented is the Business

Constitution, the objective of which is to support the guarantee of freedom and rights of entrepreneurs and to aligning economic law (Ministry of Development 2017, p. 223-224). Effective state and economy require consolidated strategic management system (also in terms of public policies), which will permit enhance the effectiveness of development processes in the country. Through particular elements of this system – programme related, institutional and implementary ones –the effectiveness of functioning and coordination of public policies should be improved, leading in turn to upgrading of social capital. Entrepreneurs and citizens experience every day numerous hindrances and problems in the process of launching or running business activity, as well as in contacts with public administration. The expansive control system is perceived as repressive, while the protracted nature and lack of clarity of procedures in contacts between entrepreneurs on the one hand and public administration/ the judiciary (weak communication, insufficiently propagated arbitration and mediation mechanisms, inconsistent legal interpretations, lengthy construction procedures) on the other impairs possibilities of joint operation and has a negative impact on the level of mutual trust. It will be possible to overcome those problems inter alia by introducing the universal public services monitoring system or measures oriented at raising skills of employees of court and of the prosecutor offices in the area of: streamlining management and communication processes, handling customers, knowledge of economic law, mediation, spatial planning, consumer's protection etc.

The role of social and civil dialogue is going to be reinforced. Partnership between public administration institutions and non-government organisations based on mutual trust and cooperation is going to be applied more widely. Effective implementation of a multidimensional national Strategy and the consequent strategic and flagship projects require the strengthening of the State's strategic abilities to identify and implement development goals and processes, including changes to the development management system and particular public policies. There is a need of better integration of the development programming system on the government level with systems used in territorial self-government units, withdrawal from the "silo information" phenomenon in management mechanisms by state institutions, closer relations between development programming and its financial plans. Furthermore, the establishment of a homogenous management and coordination system for public practices to support development processes is planned. Those changes and streamlining practices will be applicable to the planning, institutional and implementation domains, thus directly contributing to improvement in the effectiveness of public policies. Proper management of development also relates to the system of spatial planning and management, which is universally perceived as a significant barrier to development. Insufficient coverage of development areas by spatial plans results in a lack of investment certainty and intensification of spatial conflicts. Lack of high quality and spatial functionality increases the scale of lost benefits for the citizens and self-government authorities. The progressing accidental suburbanisation proves the absence of appropriate development management on functional areas in towns. Weak connections between spatial planning on one hand with the development policy on all management levels on the other and the former's dysfunctional nature further intensify adverse

consequences for national development. The improvement of using spatial in planning and implementation of the development policy assumed in RDS is to increase the effectiveness of expenditures connected with development and coordinate public aim investments of key importance for the economy (Ministry of Development 2017). Utilisation of information and communication technologies in public administration still remains a challenge, even though the development level of public e-administration in Poland keeps growing gradually (Ministry of Development 2017). It is necessary to establish a consistent, logical and effective state information system, one capable of assuring the transparency of functioning of administration and of providing cost-effective quality services of key importance to the citizens and entrepreneurs. At the same time there is a need for measures aimed at developing the digital competencies of citizens.

Solutions in the area of social and economic policy, including measures formulated in this Strategy, will be implemented in a way which would not disturb the stability of public finance. In particular European Union regulations specified in the Stability and Growth Pact will be given the required consideration, as well as relevant conditions specified in national regulations, including in the first place limitations that arise from applying the stabilising expenditure rule. This means that it is necessary to take up several measures aimed at increasing revenues, inter alia by improving the tax collection procedures (closing loopholes in the tax system), or limiting the so-called shadow economy, the functioning of which at the hitherto level causes reduction of tax income. In addition the coordination of development measures launched by central and regional level units will be expanded. Transfers made from the state budget, including those to territorial self-government units, are going to be addressed at pro-development needs (Ministry of Development 2017). UE funds allocated under the Cohesion Policy and the Common Agricultural Policy still remain an important financing source of pro-development investments in Poland (the share of EU funds in the GDP in 2014 equalled approximately 2.6% of GDP, and in capital outlays a total of ca. 17.8%). Nevertheless numerous problems still exist (such as insufficient social and economic impact of projects selected for co-financing, complexity of mechanisms and procedures required to implement programmes and projects) that impede effective usage of EU resources consistently with strategic assumptions. Short-term actions will be oriented at enhancing implementation mechanisms of European funds, inter alia with respect to innovativeness and implementation of financial instruments, improving coordination and complementary nature of EU funds allocated under the Cohesion Policy and the Common Agricultural Policy and the Common Fisheries Policy, as well as with the European Fund for Strategic Investments (Juncker Plan) and improving the effectiveness of using funds within the time frame of 2014-2020. Long-term measures are to allow transition towards a consistent model of supporting pro-development investments by European funds, coming from diverse sources, one which takes into consideration more effective financing forms (such as financial instruments, repayable assistance and combination of sources) (Ministry of Development 2017, p. 252-254).

Human and social capital

Investing in human capital constitutes a pre-requisite for catching up with countries on the highest development level.

The economy is based on people – their talent, know-how and skills. The better it is able use of the available human resources, the better it is poised to generate innovative solutions. Unfortunately studies have confirmed that in this respect there is a considerable area that requires improving. Consequently the basic strategic task will be involve better tailoring of education to needs of a modern economy. Curriculum in gender schools will be changed and vocational education will be modernised. Furthermore, changes in many dimensions will be taking place in higher education. The cooperation network between higher schools and entrepreneurs will be expanded, involving education experts in the implementation of new solutions in the management of the education process and continuous adaptation of high schools staff competencies to those needs. A key element of activities in this area will be promoting life-long learning – an area which has been recently unjustly neglected. Formal education – even the best one – may fail to protect numerous persons from the atrophy of competencies in the vocational career cycle in a quickly changing economy. One of the important dimensions of the development of human capital is the health condition and access to health care services. For this reason a pro-health scheme packet will be introduced to improve health prevention and to promote a healthy style of living. This does not rule out changes to the health care system, aimed at increasing its effectiveness, such as for example improvement of the quality of medical services, improvement of the education system of medical staff and development of e-health (Ministry of Development 2017).

The factor that impedes modernisation processes in Poland is the low level of the so-called social capital, understood in most general terms as caring for relations with others based on mutual respect and trust. The studies conducted confirm a robust family orientation of social relations and ties. Focus on relations primarily with relatives leads to a lack of openness to others. Such an attitude is transposed not only on relations with neighbours, but also onto business relations or those between state and citizens. Therefore, the Strategy aims at streamlining pro-community attitudes in the education process – forming the social capital already at the stage of early education (Programme “Youth Solidary in Action”). Those measures will be augmented by the programme called Solidarity in activity – under which grass-roots initiatives and measures will be undertaken (among others related to culture, sport, social integration), aimed at building up lasting social ties (Ministry of Development 2017). Supporting of the social capital and of economic growth and increase in competition are also influenced by investments in culture, comprising the protection of heritage, development and modernisation of cultural infrastructure and cultural education. This will be done among others through the programme Independent 2018 – one which assumes building up social capital and civic community - focused on celebrations of the 100th anniversary of Poland’s regaining its independence, and the project called Civic Culture – comprising several initiatives aimed at strengthening citizen attitudes, inter alia through cultural and educational measures (Ministry of Development 2017).

Transport

The main drawback in the transport sector in Poland is domination of road transport at the cost of other modes of transport. This puts a growing pressure on the environment, increases the pollution and has an adverse impact on the living

conditions and health. The accessibility of Polish space in all dimensions (internationally, nationally, regionally and locally) is still insufficient compared to social and economic needs. Despite significant investments in the road infrastructure, Polish space remains non-integrated and internally inconsistent, and full integration with the European market is still difficult. The RDS aim in this area is the construction of a multi-modal (railway, roads, agglomeration networks, inland and maritime navigation, airports), mutually integrated and complementary transport network that will help reduce adverse impact upon the environment, reduce the unit costs of transport, improve the safety and the quality of transport services, transport accessibility in the European and local dimensions, and reduce time of travel between the major economic centres as well as the time of commuting. Measures undertaken in the transport sector will include, inter alia, filling the gaps in the road, railway and inland navigation network; preparing an attractive offer of rail freight transport; improving the condition of passenger rolling stock and renovation of railway stations; integrating ticket selling services in passenger rail transport; constructing or upgrading inland waterways; obtaining a required accessibility of ports, both from sea and land; improving the navigation capacity to serve a growing number of passengers and airport operations; expanding the infrastructure and equipment for intermodal transport; establishing integrated public transport systems with use of low carbon-emitting modes of transport, including in particular rail vehicles and electric buses; and promoting low carbon-emitting passenger vehicles (Ministry of Development 2017, p. 301-319).

Energy

Considering challenges related to energy and climate, Poland’s basic problem is the dominating position of coal as an energy resource, which is accompanied by adverse conditions of the supply of natural gas and oil. Also the energy infrastructure, in terms of both production and transmission of electric energy, is in large part outdated and concentrated in the south and central part of the country. Another problem is high energy intensity of the Polish economy due to structure of the latter. The objective of the Strategy in this area is to develop solutions for upgrading and expanding the network for transmission and distribution of electric energy and gas, establishing conditions for investing in conventional generation infrastructure, wider use of stable renewable energy sources, implementing nuclear power and supporting the development of low carbon-emitting collective transport. In the perspective of 10 years the measures will provide stable supplies for users, reduce the primary energy use, gradually and effectively increase the RES share in the energy mix, and slow down (or even stop) the pace of rising energy bills in personal budgets. Measures undertaken in the energy sector shall be aimed, inter alia, at: support for improving energy efficiency in production process and at end users (e. g. thermal upgrading in the construction business, fuel efficiency in transport, support for low carbon strategy); development of low carbon collective transport; promoting local enterprises (clusters) in the area of energy production (with an emphasis on RES), support for construction of prosumer systems; development of nuclear energy; increase in the use of hydropower potential; investments in new production capabilities at power plants based on conventional energy sources; development of technologies for energy storage;

upgrade and expansion of power lines and gas distribution network; diversification of both sources and directions of natural gas supply; restructuration of the coal mining sector (Ministry of Development 2017).

Natural Environment

Requirements of natural environmental protection are among the most important conditions for social-economic development, and global climate change combined with a growing pressure connected with economic and social development underlines the importance of national policy in the management of the country's resources. Fundamental challenges in this area in Poland include: high carbon footprint of Polish economy resulting from a dominating role of coal in production of electric energy and heat; irregular distribution and insufficient retention of water resources combined with ineffective flood protection system; bad quality of surface waters; air pollution; poor space management, deteriorating living conditions and the quality of life. The RDS objective is to maintain and develop the environmental potential for future generations. Planned measures should bring gradual reduction of emissions, increase in the volume of retained water to 15-20%, improvement in the quality of surface waters, improvement in the quality of management of Natura 2000 sites, and reduction of the potential of conflicts in protection of natural resources. It should be possible, inter alia, by: creation and development of uniform structure of water management based on drainage basin configuration; development of flood protection infrastructure, including construction of multifunctional small and large retention basins; promoting environment-friendly methods of counteracting the effects of drought; construction and upgrading of sewage treatment plants; eliminating the sources of "low emissions" of carbon and developing a policy for reducing carbon emission in sectors not included in the EU emissions trading scheme; adopting principles for protecting valuable environmental resources by their sustainable use and enhancing the efficiency of statutory protection of areas with high natural and landscape value; increasing the forest cover of the country as well as the density of forest clusters; delimitation of deposits strategic for the economy and protection of the same. The potential of using municipal waste as raw materials is underlined along with a significant role of environmental values and cultural heritage as internal capital of regional development (Ministry of Development 2017, p. 330-352).

National security

Recognition, monitoring and preventing threats, providing efficient mechanisms for reacting and raising awareness of national services are conditions necessary for proper functioning of the state, as well as for the security of citizens and for achieving state's development goals. The subject of national security raises a great deal of issues related to both the internal and external security. Poland's international security environment is changing. Conflicts in direct and close proximity of Poland, the instability on the NATO's and EU's southern flank, and the attempts to reconfigure the balance of powers and reconstruct the sphere of influence, also with use of military power, are currently the most important factors affecting the security of Poland and the entire region. The threat of terrorism and the wave of migration are serious challenges for the European Union and the member states. The significance of hybrid threats and risks for cyber security is

growing, which can hinder effective operation of the state. At the same time, challenges connected with economy, society, demographics, technologies, ecology, globalization, information flow, organized crime, arms trade, pandemics, etc. remain. Considering the development of the state and its security, the geopolitical location of Poland is of key importance, translating into challenges related to migration and threats connected with cross-border crime. The expected result of measures undertaken in this respect will be a synergy of efforts made by individual bodies, institutions and state services responsible for the state security, which will allow for identifying and counteracting threats, and enhance the strategic resilience of Poland. A desired outcome will also be supporting the integrated national security system (Ministry of Development 2017). Its reinforcement will benefit from improved security management structures, including the state defence, commanding armed forces and their modernization. Actions undertaken in the area of security and defence policy will serve intensifying cooperation with allies, partners and entities subject to international law. Implementation of the measures will serve to raise social awareness and to increase the level of social acceptance for actions undertaken to enhance the state security, as well as to launch new defence initiatives that will engage as many citizens as possible in the state defence system.

System of strategy coordination and implementation

The "Responsible Development Strategy" is a tool designated for planning, management and coordination of public policies implemented by the Government in partnership with public entities, private units and the society. The Strategy serves as a point of departure for updating the binding integrated development strategies and for verifying the hitherto applied tools for their implementation – such as development programmes, long-term programmes etc. The identified objectives and values of indicators serve as a basis for the ongoing monitoring of development processes and of the impact of the Strategy on their attainment. The effectiveness of achieving the assumed goals is also subject to ex-ante, ongoing and ex-post evaluation of public programmes and policies. The main assumptions for the development of the country and of particular development policies are defined by the Prime Minister and the Council of Ministers (Karpiński 2014). They will be used for the formulation of the Governmental strategies and governmental programmes (Ministry of Development 2017). As a centre for economic management, the Ministry of Development worked out, in cooperation with other ministries, plans for system-wide solutions, strategic documents, analyses and assessments of functioning of individual areas of the economy and developmental plans of the country. The effective implementation of the "Responsible Development Strategy" is assured by the Coordination Commission for Development Policy – legally empowered consulting and advisory body of the Prime Minister. In the first place representatives of ministries will be participating in the work of the Commission. Depending on actual needs, also representatives of the self-government authorities, academic milieu and social and economic entities may also be invited to participate in the sessions. Also other bodies (such as the Development Committee, Committee for Partnership Agreements, Innovativeness Council, Interdepartmental Team for the Europa 2020 Strategy) take part in the process of devising and implementation of the Strategy, and as a platform

of consultation and experience exchange, in such a way guaranteeing the complexity and comprehensive nature of the approach (Ministry of Development 2017). Apart from particular ministries and public administration institutions, implementation of Strategy goals involves representatives of social and economic partners, associations and non-government organisations, academic communities, representatives of the regions and private entities, in particular entrepreneurs, and all that on a partnership basis. The involvement of those entities in all stages of processes connected with planning and implementation of development measures assures their correctness, efficiency and effectiveness by expanding social support and trust between public entities and their partners in order to achieve development goals. Coordination on an operating level, which is used to assure cohesion and complementariness of activities undertaken by entities directly responsible for the implementation of RDS, will be carried out on the forum of the RDS Monitoring Committee. Tasks implemented under this body will include among others cyclical reviews (once every six months) of the implementation state of key and flag projects in the context of executing RDS goals. The basic reference point in monitoring the implementation of RDS will be constituted by a consistent set of indices specifying the anticipated results of Strategy implementation, related both to the main goal of the Strategy (key indices), as well as for needs outlined in particular RDS areas. Indices comprised by RDS will be further outlined and supplemented in updated integrated strategies and in particular implementation documents. Bearing in mind the relevance, efficiency and effectiveness of RDS implementation, it will be subjected to evaluation. The coordination of the above mentioned process on a strategic level will be the task of the National Evaluation Unit (NEU), a unit which is currently operating under the Ministry of Development. As needs arise from the necessity of assuring the appropriate quality of the evaluation process, NEU will involve in the evaluation process entities that represent particular ministries responsible for coordination of pro-development public policies.

Conclusion

The aim may be the most important for the authors of the "Strategy" is to maintain the 2030 growth rate of about 4 per cent., or maintain the current average growth rate. In my opinion, this goal is very ambitious, because with the reduction of the technological gap to the most developed parts of the world, and a very significant decrease occurred in the last 25 years the decline has also economic growth. The authors of the document the government noted, therefore, that to maintain the current pace of growth will need a substantial increase in the share of GDP investment and expenditure on research and development (R&D). Polish economy needs growth in the share of investment has been estimated at about 5-7 percentage points of GDP, and an increase in expenditure on R & D for at least 1 percentage point of GDP (Gadomski 2016; Gomułka 2016). An important, even the most important element of the proposed government's economic policy is a decision that the increase in the investment in fixed assets and R & D will be financed not greater than ever inflow of foreign capital, but strong growth in domestic savings. Since the 2022 Poland will not be a net beneficiary of EU funds, the financial part of the implementation of this key element of the "Strategy" requires a large increase in the share of domestic savings to GDP. I share the opinion of the authors of the document, that this increase

should be approximately 10 percentage points of GDP, the level about 15 percent of GDP to around 25 percent. This automatically means the need to reduce the share of consumption in GDP by 10 percentage points. RDS in my opinion takes no position, although it should, the following important issues:

- The general government deficit should fluctuate in the range of 3 percent surplus. Of GDP to a deficit of 3 percent. GDP, and not, so far since 1991, ranging from 2 percent deficit. Of GDP to a deficit of 8 percent GDP;
- Polish public debt is too high foreign debt, which increases the risk of instability;
- High yields on Treasury securities, much higher than in neighboring countries belonging to the EU, testify to low capital trust in Polish on the global financial markets and require a significant reduction in the next 10-15 years, the relation of the market of public debt to GDP, the best perspective to less than 30 percent. at least to below 40 percent;
- The escalation of a dispute with the Constitutional Tribunal (The Polish Constitutional Court crisis) and the judiciary generally increases uncertainty, reduces the creditworthiness of Polish and increases investment risk, as a result discourages investment;
- National rules for calculating government deficit and public debt market should be changed to the same as the ESA 2010, adopted by Eurostat in 2013 for the EU countries.

In my opinion essential for the determination of Strategy objectives and implementation in Poland are:

- selectivity of approach (concentration, finding a niche, industries/sectors),
- integrated approach (management organised around strategic objectives, coordination of sectors) and territorial differentiation,
- cooperation, partnership and shared responsibility of public entities, business and citizens in the implementation of public policies,
- increasing Poland's activity on the EU forum and in the country's neighbourhood,
- Mobilisation of domestic capital.

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